Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FOURTH SESSION OF THE SIXTY-SEVENTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME LXIV—PART 2

DECEMBER 29, 1922, TO JANUARY 22, 1923

(Pages 1045–2214)

WASHINGTON
GOVERNMENT PRINTING OFFICE
1923

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

J11
.R5
4th set

LIBRARY OF CONGRESS
RECEIVED
APR 13 1923
DOCUMENTS DIVISION

SURPLUS
LIBRARY OF CONGRESS
DUPLICATE

Congressional Record.

PROCEEDINGS AND DEBATES OF THE SIXTY-SEVENTH CONGRESS
FOURTH SESSION.

SENATE.

FRIDAY, *December 29, 1922.*

(*Legislative day of Wednesday, December 27, 1922.*)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Ernst	Lenroot	Phipps
Bayard	Fernald	Lodge	Poindexter
Borah	Fletcher	McCormick	Pomerene
Brandegee	Gerry	McCumber	Reed, Mo.
Brookhart	Hale	McKellar	Sheppard
Broussard	Harris	McKinley	Shortridge
Bursum	Heflin	McLean	Smoot
Calder	Hitchcock	McNary	Spencer
Cameron	Johnson	Moses	Stanfield
Capper	Jones, N. Mex.	Nelson	Sterling
Caraway	Jones, Wash.	New	Sutherland
Colt	Kellogg	Nicholson	Townsend
Culberson	Kendrick	Norbeck	Trammell
Cummins	Keyes	Norris	Walsh, Mont.
Curtis	King	Oddie	Warren
Dial	Ladd	Page	Watson
Dillingham	La Follette	Pepper	Weller

Mr. CURTIS. I wish to announce that the junior Senator from Ohio [Mr. WILLIS] is necessarily detained because of illness in his family.

The PRESIDENT pro tempore. Sixty-eight Senators have answered to their names. There is a quorum present.

PETITIONS AND MEMORIALS.

Mr. PEPPER presented a memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of the bill (H. R. 12237) to limit the immigration of aliens into the United States, which was referred to the Committee on Immigration.

Mr. KENDRICK presented the petition of John D. Phillips and sundry other members of the Parent-Teachers' Association of Upton, Wyo., praying for the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the board of directors of the Casper (Wyo.) Chamber of Commerce, protesting against the adoption of the Budget recommendation to appropriate only $3,000,000 for carrying out the provisions of section 23 of the Federal highway act pertaining to forest roads and trails, and urging the appropriation of $6,500,000 as authorized by law, which was referred to the Committee on Agriculture and Forestry.

FOODSTUFFS AND RAW MATERIALS FOR GERMANY.

Mr. BURSUM. Mr. President, I introduce a bill to provide credit to Germany for the purpose of purchasing foodstuffs and raw materials in this country. It is evident that the serious problem with our farmers to-day is to market at living prices their surplus products. I am in hopes that this bill will be found to be drawn along serviceable and sound lines. I ask its reference to the Finance Committee.

The bill (S. 4243) to stimulate trade by providing credit to enable Germany to purchase foodstuffs and raw materials in the United States, was read twice by its title and referred to the Committee on Finance.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 4244) for the relief of the Ogden Chamber of Commerce; to the Committee on Claims.

By Mr. CALDER:

A bill (S. 4245) to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922, and all other customs revenue laws; to the Committee on Finance.

By Mr. KELLOGG:

A bill (S. 4246) granting the consent of Congress to the city of St. Paul, Minn., and the county of Ramsey, Minn., or either of them, to construct a bridge across the Mississippi River at or near the point where Robert Street, in said city of St. Paul, crosses the Mississippi River; to the Committee on Commerce.

By Mr. LENROOT:

A bill (S. 4247) granting a pension to Mertie M. Turner; to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 4248) to fix the compensation of employees in post offices for overtime services performed in excess of eight hours daily; to the Committee on Post Offices and Post Roads.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. PHIPPS submitted amendments intended to be proposed by him to House bill 13559, the Interior Department appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 99, line 13, strike out "$35,000, including" and insert in lieu thereof the following: "$73,000, including not exceeding $38,000 for completing the widening of the Nisqually Glacier to Paradise Valley Road,".

On page 99, line 17, strike out "$95,000" and insert "$133,000."

On page 100, line 6, strike out "$11,000" and insert in lieu thereof "$61,000." Also on page 100, lines 7 and 8, strike out the words "; in all, $74,280" and insert the words ", including not exceeding $50,000 for construction and improvement of roads; in all, $124,280."

On page 101, line 25, strike out "$70,000" and insert "$120,000," and on page 102, line 3, strike out "; in all, $295,000" and insert ", including not exceeding $50,000 for construction and improvement of roads; in all, $345,000."

CLAIM OF CHARLES PARIDY ET AL.

Mr. McKINLEY (by request) submitted the following resolution (S. Res. 387), which was referred to the Committee on Claims:

Whereas the Government, through its Department of War, during the late war with Germany purchased and used several thousand caterpillar war tanks and tractors; and

Whereas the war tanks and tractors named in the preceding paragraph have been charged to be an infringement upon Charles Paridy's United States Letters Patent No. 1047281 in a suit against the Government, filed October 27, 1920 (and still pending), in the Court of Claims, and entitled as follows:

Charles Paridy, Anna McLatchie, and Ferdinand Lother, claimants, *v.* the United States. No. 34716.

In which suit the patentee, Charles Paridy, together with his assignees of part interest, Anna McLatchie and Ferdinand Lother, claims damages in the sum of $10,000,000 for the use of said patented war tanks and tractors by the Government; and

Whereas the patentee's original petition in said Court of Claims suit contains sworn statements that, according to the reports of the Director of Finance and Auditor of the War Department, there was at the time of filing said suit (October 27, 1920) in the hands of the Treasurer of the United States the sum of $100,000,000 with which to pay the cost of said patented war tanks and tractors; and

Whereas not a single cent has yet been paid to said patentee, Charles Paridy, or to his said assignees in part, Anna McLatchie and Ferdinand Lother, by the Government as license fees, royalties, or as damages for the use of said war tanks and tractors, notwithstanding the fact, as shown by said suit now pending in the Court of Claims, that the said patentee and his assignees in part filed said suit and therein claimed $10,000,000 in damages over two years ago; and

Whereas the said claimants, Charles Paridy, Anna McLatchie, and Ferdinand Lother, have agreed, and do hereby agree, to reduce the amount of their claim 50 per cent, from $10,000,000 to $5,000,000, upon the passage of this resolution and the immediate payment to them of said reduced amount by order of the War Department out of money that has already been appropriated and now being held subject to the orders of the War Department, ready to be disbursed, in payment for war supplies, but with the proviso that in case there is not sufficient money thus available to forthwith pay said claimants the said sum of $5,000,000, then claimants' offer to reduce their claim 50 per cent, as above recited, may be forthwith withdrawn and claimants will be at liberty to prosecute the said suit in the Court of Claims for the full amount of their claim, to wit, $10,000,000; and said suit shall be given precedence over all other suits filed subsequently and shall be speedily prepared for trial and be tried and decided at the earliest possible date on account of its long pendency before the Court of Claims: Therefore be it

Resolved, That the Director of Finance and Auditor of the War Department be, and hereby is, requested to settle the claim now pending in the Court of Claims, suit No. 34716, as above recited, for the

sum of $5,000,000, and to pay said sum to the claimants, Charles Paridy, Anna McLatchie, and Ferdinand Lother, forthwith out of War Department funds already appropriated; and upon such payment the said claimants' said suit shall be forthwith dismissed and no further claim shall thereafter be made against the United States for any infringement of the said Paridy Letters Patent No. 1047281 by any owner of any interest therein: *Provided*, That if sufficient money to pay said amount is not already appropriated, and the amount can not be paid out of funds now subject to the orders of the War Department, then the said claimants may prosecute their said pending suit in the Court of Claims for the full amount of $10,000,000 against the United States, the same as if the said offer of settlement at 50 per cent reduction had not been made, and said suit shall be speedily prepared for trial and be tried and decided at the earliest possible date on account of its long pendency before said court.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the Speaker of the House had signed the enrolled bill (S. 3295) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce, and it was thereupon signed by the Vice President.

PROPERTY REPORT OF THE SERGEANT AT ARMS (S. DOC. NO. 279).

The VICE PRESIDENT laid before the Senate a communication from the Sergeant at Arms of the Senate, transmitting pursuant to law a complete account of all property in his possession and in the Senate Office Building belonging to the United States Senate on December 4, 1922, which was ordered to lie on the table and to be printed.

NAVAL APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes.

Mr. JOHNSON. Mr. President, out of the long contest over the foreign policy of our Government there developed three distinct viewpoints evidenced by groups in this Chamber and by the larger groups without. There were those who believed that from the Great War had come an obligation for the United States to become substantially a part of a world concert under definite rules and agreements, such as were prescribed in the covenant of the League of Nations. This group would have unhesitatingly taken us into the league without amendment of its provisions and would gladly had us unite with other nations under its terms without modification or alteration.

A second group, while believing our ultimate purpose should be that proclaimed by the first, insisted that prudence dictated our future be protected by reservations or amendments from the possibilities of some of the conditions of the league.

And yet a third group, while wishing that our country should be both generous and unselfish in dealing with other nations, believed that the high purpose of the Republic could be fulfilled and its ultimate destiny realized only by continuing its age-old policies, under which the Nation has grown great and powerful, rich and happy.

The divergent views were finally carried directly to the people, and whatever may be said by those who had desired us to become a part of the international compact, the fact remains that we did not enter the league and that our people overwhelmingly repudiated it.

The contest did not stop, however, with 1920, nor with the final action in this Chamber. The propaganda has been continuous and increasing to drive this country into some sort of international pact, to discredit the action of the Senate in refusing to enter the league, and every art of subtle publicity has been utilized in the effort to reverse the decision of the American people and to destroy those who officially have been a part of that decision.

I am against the Borah amendment. I am against it for precisely the reasons I was against taking the United States into the League of Nations. I am against it because, in my opinion, it will do exactly what thus far we have declined to do. I am against it because in even greater degree, and with less safeguards than the League of Nations gave to us, it will embroil us in European controversies and finally make the United States, after a hundred and fifty years, a part of the European system. I am against the amendment as it is presented, and, just as in the former contest, of which it is, in my judgment, but a continuation, I am against it with either reservations or amendments. I have been unable to conceive any amendment or reservation which, leaving the design, would avert the possible injurious consequences.

During the war we were fascinated by phrases. The wizardy of words still holds some of our people enthralled. The facile pen or eloquent tongue can paint the picture of the suffering and the woe and the anguish of the world, and in burning sentences demand that in some nebulous, uncertain, and undisclosed fashion we should at all hazards rescue our brethren at the uttermost ends of the earth from their trials, their tribulations, and their sufferings. The idealistic appeal strikes an answering and sympathetic chord in every human breast. The hope and the aspiration of aiding humanity were not born in many of us merely with the war and can never be forgotten, even though we decline to pursue a much-heralded but demonstrated fallacy presented by those who arrogate to themselves all the world's idealism and sympathy. This hope and this aspiration are not attributes alone of a few superior beings, who demand, upon pain of their denial of altruism and idealism to the rest of us, that we follow any course they may mark. We decline to enter into Europe's maelstrom without definite and cogent reasons upon the mere arrogation of a superior charity, benevolence, and altruism by those who would take us in, or because of denunciation of those who will not blindly accept and follow any suggested course. I do not ascribe this attitude to any man in this Chamber. It is, however, the distinct attitude of many of the advocates of this amendment without this Chamber.

Just what is it that is asked by the amendment? It provides for a conference—

which shall be charged with the duty of considering the economic problems now obtaining throughout the world with a view of arriving at such understandings or arrangements as may seem essential to the restoration of trade and to the establishment of sound financial and business conditions.

I am dealing now only with the first part of the amendment. On some future occasion I intend to refer to the latter part. Obviously, the amendment provides for the consideration of every world economic problem. Not only does it provide for the consideration of every world economic problem but it distinctly directs that "understandings and arrangements" shall be arrived at. Understandings and arrangements by whom? The United States calls the conference. It sits with those who attend. Of necessity, in conjunction with those invited, it must arrive at understandings and arrangements affecting every world problem. It would be unspeakable to call this conference, and when called, to stand aside and refuse to have aught to do with it. It would be worse to call this conference and arrive at understandings and arrangements, and then refuse to do our part and let those understandings and arrangements be carried out by others. If we meet with the other nations of the earth to consider their world problems, calling upon them with us to reach the solution, and a solution be reached, we must bear our part subsequently in carrying out that solution. We must do our share in executing the understandings and agreements arrived at. In good faith, there can be no escape from this conclusion.

What problems are to be considered by this conference? The language of the amendment includes all, and I am well within the fact when I say that the economic problems of the world are inextricably commingled to-day with its political problems. It is an utter and absolute impossibility to arrive at a definite solution of the economic problems of the world without solving at the same time some of its political ills. Let us make no mistake, therefore, about what this amendment means according to its terms. It means that every ill from which Europe now is suffering, every problem there existing, every dismal situation, every wrong and injustice shall be brought to the city of Washington at our request, at our instance, and upon our invitation, for solution, and that we undertake thereafter, because we are the leaders in the movement, whatever is essential to rewrite Europe's present story. If the language of the amendment does not mean exactly this thing, it can mean nothing at all. I have not heard its advocates here and I have not read its newspaper advocates outside this Chamber designate what they expect to be accomplished by the conference nor indicate the specific economic subjects with which it will deal.

Mr. President, I prefer a League of Nations with some rules of procedure, with the members bound by some preliminary agreement, to this general omnibus endeavor which has neither limitations nor specifications.

As I understand the argument here, two reasons are advanced for the adoption of the amendment and for our immediate participation in the difficulties of Europe. The first, and apparently that most vigorously insisted upon, is that we are already in Europe; that because we have some troops on the Rhine and some observers or representatives at the various conferences being held abroad we are at present actually in Europe, and, therefore, we but continue what already is an accomplished fact.

That we are thus now in Europe is deplored. Indeed, apparently in both the instances cited, it is earnestly and em-

phatically asserted we ought not to be there. Demand is made for the return of the American soldiers, and that those representing America at the European conferences cease their activities. I quarrel with neither demand. But the logic of the position assumed seems to be that inasmuch as we commit a little wrong, we will cure it by a greater. The vice of the argument is not only in its illogic but in its erroneous assumption. The United States is not officially in Europe. Those there do not and can not bind this country either morally or legally to any particular course.

I have no apologies to make for the maintenance of our troops upon the Rhine. I care not whether France wishes them or Germany begs them to remain. They should be brought home. I know little of what Mr. Boyden does at meetings of the Reparation Commission. I do know he can not bind the United States, and I doubt very much if he projects this country into activities that are none of our concern. Be that as it may, however, is it intended, because these things exist, actually now to make us a part of the Reparation Commission? I can not otherwise see the conclusion of what is here suggested than that we, the United States, must become a part of the Reparation Commission, and as a part of this, the most important and most repulsive element of the Versailles treaty, enforce its terms either as written, or to be modified in some undisclosed fashion by conference.

What is it that retards Germany's recovery and incidentally the recovery of Europe? In answer I need not quote the world's statesmen nor even the Senator from Idaho. In a word, all understand now that it is the Versailles treaty, and in particular the reparations provisions. What then, even were we to embark upon a new foreign policy and engage with Europe, in agreements to solve Europe's ills, and execute the agreements reached, must we first deal with? Obviously, the reparation clauses of the Versailles treaty. I reecho what has been said in the last few days about our position at the making of the treaty, when America was the only nation asking and receiving neither lands nor reparations, and Americans for all time can take a just pride in our country's attitude. I do not hesitate to extend to President Wilson the fullest praise for his stand at Paris in this respect. But those who have studied the Versailles treaty, all the liberal statesmen of the world, now regret it, and especially deplore the provisions relating to reparations.

I speak of the reparations provisions so emphatically because, in the final analysis, they constitute one of the two things with which an economic conference, if real and of aid, must deal. I take it there is not a man in the United States who desires that an economic conference be called in this country or elsewhere without having that conference a real one and having it deal with the very subject matters which to-day are the cause of the conditions prevailing in Europe. So I say—and none, I think will question the accuracy of the statement—that if a conference be held which is intended to be real that conference must deal first with the reparations question and the provisions of the Versailles treaty relating to reparations.

Mr. President, to speak of aiding Europe without taking into account the treaty and these clauses is to indulge in the veriest moonshine. Remember what the Reparation Commission is. It is in essence a government possessing the attributes of sovereignty with power to issue decrees, which the German Government must put in legislative form, with quasi, if not complete, judicial power, and certainly executive power. It is a foreign body issuing its mandates from unfriendly soil. It might even require and utilize troops to enforce its decrees. It is a secret supergovernment, utterly repugnant to American conceptions and ideas. This is the brief description by an eminent authority, the Senator from Idaho. No excoriation of the Reparation Commission has equaled that of the distinguished Senator. His denunciation strikes a sympathetic chord; and as we realize exactly what the commission is, and what its powers portend, we of the Congress resolve that our country shall have no part in its activities or iniquities. But it is precisely there we are headed by the Borah amendment.

It may be said by our internationalists that we can have an economic conference, rehabilitate Europe, and have nothing to do with reparations or the Reparation Commission. What incredible egotism is this! France is to receive 52 per cent, as I recall, of the reparations to be paid. Are there any so credulous as to believe that upon the altruistic suggestion that reparations be waived or the terms of the treaty modified France will gracefully assent? We are simple in diplomacy and childlike in our faith, but none so simple or credulous as to believe that France will forego what she deems her rights without adequate guaranties. Are you ready to give these guaranties? I am not. Admittedly, reparations constitute the key to economic stability and recovery of the Central Powers. Whether their terms continue as they are or are modified, provision for their execution must be made; and if France yields to any entreaty of ours for modification, justly France may insist either that we underwrite the new terms or guarantee them, or that we become one of the members charged with their execution. Do you desire to underwrite reparations to France or any country? I do not. Let some statesman here, fired with a world resolve, tell how an economic conference can be held without one of its principal subjects being the reparation terms of the Versailles treaty. And if it be admitted this troublesome and wicked thing must be disposed of at once, you are in the realm not only of an economic conference but a most important political conference. And if because of this fact you eliminate the reparations question from your conference, you better not hold one, for at the end you will be as at the beginning, and the festering sore of Europe will be more virulent.

Just one other thing may be done to aid Europe, and this possibly in some minds is the nub of the whole matter. We might minister to Europe's needs and assist in her restoration by lending her more money. If any man in Congress dared suggest that our Government make additional loans to European Governments, the American people would quickly end his political activities. We will not, and we ought not, make any other loans to European Governments. I suspect certain gentlemen engaged in international banking hug the delusion that our Government may underwrite loans they may make; but I suggest to them that their hopes are but an iridescent dream.

Following to its logical conclusion the proposal for this conference we must choose either the alternative of arousing false hopes and doing incalculable harm or of entering upon a course far removed from what is merely financial and which may jeopardize our future, and which, if once entered upon, may make us a part of Europe's future political controversies.

The second reason advanced for this conference, broadly stated, is that if we do not intervene economically in Europe we will have to intervene in war there. I deny it. If we intervene economically—whatever that may mean—we will be in the midst of Europe's turmoil and may possibly be involved in Europe's wars. But to say that without this conference, with all that may flow from it, we will be involved in some future European war, is, I think, a bit extravagant. It will be a long, long day before European troubles will entice us to war, and I think we may dismiss the threat of war from this discussion.

The bait is held before our farmers that they will prosper if we will but confer on Europe's reconstruction; but the farmers have not been told the only reconstruction suggested involves us for generations in Europe's controversies. Aid the farmer? Not so. Aid the international banker? Yes; and the farmer will pay the price.

A great deal has been said of the distress and financial chaos of Europe. Much of it is true. Conditions in a part of Europe, however, do not sustain the doleful tale. The statistics of imports and exports of Great Britain do not indicate that Great Britain is perishing. Here are the figures:

In 1913 the monthly average imports of Great Britain were £64,000,000. In 1922 the monthly average imports up to and including September, which is the last month of record, were £80,000,000.

As to exports, the monthly average in 1913 was £44,000,000. In 1922 the monthly average up to and including September, which is the last month of record, was £59,000,000.

How about the foreign exchange of Great Britain—the pound sterling?

In September, 1920, it was 72 per cent of par in relation to the dollar; in September, 1921, it was 77 per cent of par in relation to the dollar; in September, 1922, it was 91 per cent of par in relation to the dollar.

Other countries of Europe, not war torn, present similar situations.

Take the Netherlands: The value of the guilder in percentage of par in September, 1920, was 78 per cent; in September, 1922, 97 per cent.

Take Sweden: The value of the krone in percentage of par in September, 1920, was 75 per cent; in September, 1922, it was 99 per cent.

Take Switzerland: The value of the Swiss franc in percentage of par in September, 1920, was 84 per cent; in September, 1922, it was 97 per cent.

Thus a part of Europe, at least, is recovering financial stability, and in the peoples may be found some of the moral of the present situation.

The trouble, of course, in central Europe is just as related by the Senator from Illinois [Mr. McCormick] yesterday. The

trouble is red, is awful war—war that has left its impress that a generation and generations of generations can scarcely wipe out—war, war, awful war and destruction. Not only that, but as well the collapse of Russia contributes to the distressful conditions there; and, remember, our country will have nothing to do with Russia, and presumably Russia would not be a part of an economic conference. Lest you misunderstand me, I want you to know that I do not believe in that policy at all; but as far as officially we are concerned, Russia would be no part of an economic conference, for we have naught to do with that government. Russia, with its collapse; red war, with all that it means; and beyond that there are other reasons for conditions over there, reasons that will be found in the intimacies of the chancelleries and the ministries of Europe, too; reasons that we want to be no part of in the days to come, just as we have been no part of them in the days gone by.

Oh, Mr. President, what magic there is in the word "conference"! What talismanic characteristics it has that it makes every puzzle-headed man outside this Chamber in ecstacy at once say "A conference; oh, a conference!" All the world yields to the magic of the word. Oh, how great it is! A conference will wipe out all the devastation of war. Every ill that man is heir to will cease if we just have a conference; and the Senator from Oregon [Mr. MCNARY] yesterday, in beginning his exquisite little address, used a homely illustration and a very apt illustration. Conference appeals to him. Conference, of course, appeals to me, and I heard his illustration sympathetically, and I recall that he said that if two men outside are having differences, and they come and put their feet under the same table in a conference, their differences likely will be composed and all will be well.

Let us draw the analogy a little closer. Let us make it a bit more apt to what we are facing to-day.

A creditor walks down the street—a great, robust, powerful creditor. He meets a half-dozen debtors, squabbling among themselves, all in distress. He meets these half-dozen debtors, all suffering financial distress and wondering what the outcome will be, and says: "What is the matter, my friends?" They say: "We are troubled, we are financially depressed. We do not know what to do." "Ah," he says, "I have the remedy. Come to my house to-day at 2 p. m. to the moment. We will hold a conference and all your ills forthwith will be cured."

The creditor returns to his home. The six debtors come. Around the table they sit. They hold a conference; and as the creditor beams upon his debtors he says, "Now we will forever arrange every ill that is yours. We will now, all of us sitting around this table in a conference, provide every remedy that may be necessary for your future."

Then one of the debtors modestly pipes up and says: "Fine! Fine! Thank you, Mr. Creditor; thank you! Let us consider first the debts that we owe you." Then the creditor, with an austere demeanor, sternly says: "Not so! Not so! I can not permit you to discuss the debts that you owe me. That is something that I could not for an instant tolerate. We will confer upon other matters and upon the debts you owe one another." Thus he forecloses inquiry on the subject that is most important to his debtors; but he brings to them hope again, for he says: "Here we sit in conference around the table. Our legs are under the same mahogany, and in conference now all your ills shall be solved. Let us take up your debts to one another. You who owe a debt to the other sitting next to you need pay just so much, and you who are the creditor of this individual will receive only so much."

"Well," says the individual affected, "That might be all right if you will guarantee the payment."

"Oh, no; no; no"; says the creditor, "I am not guaranteeing anything here. I am holding a conference. I am not dealing with anything else; I am holding a conference, and I will not guarantee anything that shall be paid to you."

"Then underwrite, will you not," says the poor debtor in despair.

"Underwrite? Not a bit of it. My people would not tolerate for a single instant that I underwrite it."

"Then, for heaven's sake, if you reduce, guarantee the execution of the payment of the reduced amount."

"No," is the firm response, "we will not touch that. We will take up other matters. We will hold our conference and cure your ills, but not in that fashion."

Then another one pipes up, who doubtless had read the speeches made on the other side of the Chamber, and he says, "You deny us markets by your tariff bill. Destroy your tariff wall, repeal your tariff law, and you will cure us of our economic ills."

"No; you can not talk to me about that," says the creditor. "That is my own domestic concern, which I will submit to no man's arbitration, to the arbitrament of no set of men."

Then another says, "Oh, let down your immigration bars. Perhaps with some of our people leaving our country you may aid us a bit."

"Immigration bars? Who are you to say to me that immigration shall be as you desire? We determine that. Pass to another matter and let this conference be a success."

So it goes down the line with every question of import and every one of concern; and finally the conference is adjourned with the benediction and the blessing of the great creditor who called it, with the imprecations and the maledictions of every other man who attended it; and after it is all over up comes a bewhiskered gentleman scratching his head and saying, "I am a farmer. What have I gotten out of this thing?" The creditor turns upon him with severity and indignation and says, "Oh, you ungrateful wretch; you have got your conference."

And the conference has been held. The illustration of the Senator from Oregon may be carried to that sort of conclusion. Magic in conferences? How many have been held in Europe in the last year or so? Conferences have been held in all the various cities of Europe, held by those primarily concerned over there, held by those most interested in determining the reconstruction of Europe. They have been holding their conferences; and what a fatuous folly it seems for us over here to say, "What you can not do yourselves and will not do, we will do without mixing in with you at all."

Silly nonsense, is this? It is perhaps an unfortunate trait of American character which Dickens used aptly to describe, a trait of American character that sees naught else than its own creature and its own self, a trait of American character we could not impute to anyone in the Senate and which, with our experience, could never be ours.

Conferences? Conferences upon what? Economic conferences? Oh, ecstatic is the thought! Economic conferences; and yet no man has told us, no paper in its denunciation has yet unfolded, what an economic conference may be or where finally it may lead. Is there no lesson in the last few years to us? Is there nothing we have learned in the last few months from the situation in the Near East? Conferences? Remember, my Democratic brethren, the League of Nations lives—I will not say, as the Senator from Illinois [Mr. MCCORMICK] said yesterday, that it languishes—but the League of Nations lives to-day, a world entity. The League of Nations lives; yet within a brief period the two most powerful members of that league—the leaders, presumably, of civilization, at least beyond the water—the two most powerful members of that league each backed a belligerent and an antagonist in the Near East and fomented a bloody war there which finally required the troops of one in an endeavor to stop the havoc which had been the fault of both those members of the league and, so far as I am aware, sir, without the league even taking cognizance of the war. The two most powerful nations in Europe, the two most influential members of the League, conferring every month—at Genoa, at Cannes, at Geneva, at Lausanne, and at every other city in Europe—the two most powerful member nations of the league fomented a bloody war, a bloody war for which they, and they alone, were responsible.

I want no part for this great Nation of ours in that kind of adventure. I want no part for the United States of America in that kind of conference, and the conclusions and understandings arrived at in that kind of conference. Because I do not, sir, I am standing here with what vigor I possess, without the eloquence of the distinguished Senator from Idaho, without his power of invective or expression, standing here, though, with every fiber of mine fighting, just as I have fought since 1917, fighting, fighting, fighting, to keep America from these mad adventures of Europe, and against jeopardizing the future of the Republic we all love.

Mr. President, the arguments which have been made upon this floor we have heard before. This is not the first time that every argument presented here has been made to us; not the first time; nor have the arguments in the past been any less eloquent than those which have been recently made here. It but adds to the fame and the glory of both that the arguments made in behalf of the League of Nations by Woodrow Wilson are substantially the same as the arguments made by the Senator from Idaho in behalf of this amendment.

In the last couple of days I have read again the speeches of Mr. Wilson in his celebrated pilgrimage throughout the country. I read them not only with interest but with profit. All of you may read them with profit; profit to yourselves, and perhaps profit to your country. I do not wish to occupy the time to-day in reading the passages, but I have marked the places in those speeches where Mr. Wilson, arguing for the League of Nations, said, in substantially the same words which have been heard upon this floor, "We must become partners with the rest

of the world, or economic chaos will be ours, and possibly war may come to us." His words respecting the treaty of Versailles are very, very instructive. Names and epithets may be applied to those who differed with him then; epithets and names may be applied to those who differ now with the Senator from Idaho, but read Mr. Wilson's praises of the treaty, read his remarks concerning the reparations provisions of the treaty. He describes the treaty as a just and an American instrument. He describes it in terms extravagantly of praise. Who is there to-day in all the world, among the statesmen of all the earth, who would reecho now the sentiments expressed by Mr. Wilson regarding the treaty of Versailles? When he speaks of the reparations—and I speak by the book now, for before me it is—when he speaks of the reparations he says, "The terms are severe, but are just," and he praises the constitution of the Reparation Commission and what it may in the future do. Who is there in all the earth to-day who praises the Reparation Commission or the provisions of the Versailles treaty relating to reparations?

Oh, my friends on the other side of the Chamber, you were wrong about the Versailles treaty. Oh, my friends on the other side of the Chamber, your spokesman was wrong about the Reparation Commission and the terms of the treaty relating to reparations.

Oh, ye upon this side of the Chamber, if your views be like those of the Senator from Oregon and you think we should ratify the treaty of Versailles, remember that there is not a responsible statesman in all the world to-day but deplores the treaty, but regrets certain of its terms, and the great thing some are endeavoring to do for Europe economically is to rewrite a part of the provisions of the treaty of Versailles.

I recall these words of President Wilson in no invidious vein at all. I had the honor during the time that he crossed the continent of crossing the continent too, preaching the doctrine in which I believed and which I believe to-day, preaching that doctrine as best I could everywhere that Americans would assemble. In all that crossing of the continent I had naught, as I have naught now, to say except in praise of the President personally, although I disagreed most radically with his views.

What a pity it is that on a question like this, the question greatest that can come to the United States of America, the question, indeed, that involves the perpetuity of this great Republic itself—what a pity that it can not be argued in the United States of America without a hired press of international bankers intervening on the one side or the other. It is a pity that that is so, and that when a man speaks his heart he meets at once with every kind of vilification, denunciation, and abuse.

Remember the words that were here spoken only three short years ago about this treaty. No man on the other side, no man on this side, would repeat them to-day in eulogy of the treaty of Versailles. Remember what here is said by him in regard to the reparations and the Reparation Commission. No man in all the world, aye, even the spokesman of the administration itself, but writes the Reparation Commission to-day the rubber stamp of sinister ministries.

Remember, as you remember these things, how wrong you were then. Remember how the inexorable facts of time have proven and demonstrated you wrong, and, remembering that, be at least charitable in the view you hold of those who oppose an amendment such as this, that may be the forerunner of ills greater than any we have yet encountered.

The President yesterday, in his excellent communication to Senator LODGE, completely answered the request for the conference. I do not refer more particularly to this letter, because it speaks for itself. It is a vain and futile action, Senators, a vain and a futile action, and when, sir, with promises unfulfilled, with blighted hopes, Europe leaves the conference here, leaves it disgruntled, disappointed, and embittered, we have but intensified the tragic situation over there; and as the farmer who has been used here departs with empty hands and without relief, we have added to the discontent in this country. If, on the other hand, it be not a vain, a futile, and an idle thing, and if by the unwarranted threat of impending war we frighten this Republic into going into Europe's controversies, if we are taken from the path that has been ours ever since we have been a nation, if we are led through this measure into uncharted ways and are carried into foreign turmoil, the generations that are yet to come will hold us in obloquy for the wrong we do our common country.

Mr. KELLOGG. Mr. President, I am not in favor of either the original provision as reported in the House text or the amendment offered by the Senator from Idaho [Mr. BORAH], and I shall very briefly state my reasons. The question before the Senate naturally divides itself, I think, into two parts—the provision of the House bill which calls for a conference for disarmament or further disarmament and limitation of armaments, and the amendment of the Senator from Idaho extending the conference to economic considerations.

As to the disarmament conference which was held in Washington a year ago, I believe no other country was in a position to accomplish as much or could have accomplished as much as did the United States. It was removed from many of the controversies in Europe, from the economic difficulties and racial hatreds which rendered it impossible for those nations, without the influence of this country, to come to such an agreement. I have not the slightest doubt that, as stated by the Senator from Massachusetts [Mr. LODGE], every effort was made to extend the limitations to auxiliary craft, such as aircraft and submarines, and to include disarmament of land forces. But as everyone knows, it was impossible to do so and it seems as though there would be no more prospect of succeeding now than at that time.

Conditions, of course, in Europe are worse than they were, but I doubt very much if they have become so bad that the European nations are willing to go further with disarmament. But it would certainly be unwise to rush into another disarmament conference until the treaties which were made at the last conference have been ratified by all the countries. If we should call another disarmament conference now, France would open up the whole subject and the treaties now pending before the French Chamber and Senate would never be ratified. Let France ratify those treaties before we start another conference.

Furthermore, the President would need to inquire of the various governments whether such a disarmament conference would be welcomed, whether it would have any prospects of success, and the President has ample authority to do this without an act of Congress. He has the authority under the Constitution to negotiate treaties and to call conferences for that purpose, and no act of Congress can limit that authority.

I do not think it is wise, therefore, at this time to adopt an amendment to the bill requesting the President to call a further disarmament conference, not that it would not be wise to have one. I think there should be a limitation of auxiliary craft. I think there should be a limitation of the great land forces that bear so heavily in taxes to-day upon the nations of Europe. But there seems to be no prospect that the President could, by calling a conference now before the other treaties have been ratified, accomplish such a purpose. I think the provision in the House bill is unwise.

The proposed economic conference assumes an entirely different aspect and should be considered from a different angle. I am not in favor of the amendment of the Senator from Idaho, but I do not place my opposition upon the ground that we should have nothing to do with the economic questions in Europe or that we can escape the effect of a financial breakdown and chaos in European countries. I agree with very much that was said by the Senator from Idaho, but I can not bring myself to believe that it is wise for the Congress to request the President to call an economic conference until he has some knowledge of the willingness of Europe to take steps to really remedy the conditions. Nor do I believe that it is possible for us to escape the effect of a breakdown in Europe or Europe's condition. The social and political influence of such a condition on our trade and commerce is so far-reaching that no one can say, in my opinion, that we can ignore this condition. But is Europe ready for it? Have the governments of Europe made up their minds to stop the ruinous inflation and governmental extravagance, to realize that their governments are bankrupt and to take drastic measures to place them upon a firm, substantial basis where the people can live and prosecute industry? In my judgment, there is no present indication that they are ready. However, I can but believe that many of the countries of Europe are fast approaching a condition of financial breakdown and perhaps political chaos, and that at some time not far distant there must be such an economic conference and drastic remedies applied.

I am not going to burden the Senate with a review of the financial condition of the various governments of Europe, but it may be instructive for those who have not studied the details of the conditions of the various countries to consider for a moment the condition of France.

The total debt of France to-day is 267,000,000,000 francs, or reduced to dollars in equivalent par exchange $53,000,000,000, for a nation of 40,000,000 people. The total interest charge on the domestic debt of France, excluding her foreign debt to this country, is 12,000,000,000 francs per annum, or reduced to dollars at par exchange $2,500,000,000 a year, which if paid in dollars would nearly equal our entire Government expense.

The foreign debt of France is 35,000,000,000 francs. That must be paid in exchange at par in gold. It amounts to $7,000,000,000. The foreign debt adjusted to the average market rate

as of January 3, 1923, equals 85,000,000,000 francs instead of 35,000,000,000 francs. This would make the total debt in French currency 317,000,000,000 francs.

The interest charge on the internal debt in 1922 in France equals about 51 per cent of the total annual budget of the nation. At the rate France is increasing her obligations by issuing short-time notes it is estimated that in 1928 her interest charge alone for domestic debts will equal 76 per cent of her budget of 35,000,000,000 francs, or approximately 24,000,000,000 francs, which would be the interest on her domestic debt.

France has spent 90,000,000,000 francs in the restoration of the devastated region for which she was to receive reparation from Germany, and she has received about $550,000,000 in cash, armistice deliveries, coal, and permanent properties in Alsace and Lorraine, of which only about $35,000,000 was in cash upon reparations. It is estimated that only two-thirds of the restoration has taken place and that she will have to issue 45,000,000,000 francs more.

As matters stand, the French people by their own thrift and by use of their own savings have paid infinitely more to repair the damages done by the war than Germany has paid. Germany either can not or will not pay, and it is very difficult to make a Frenchman believe that if France can pay $53,000,000,000 of debt Germany can not pay $32,000,000,000. However, I am not prepared to say that either one can pay their obligations.

I am not going to discuss the other countries. Italy is in worse condition. I believe last year her budget did not balance the receipts by something like 6,000,000,000 lire, and it is estimated the coming year it will run up to 7,000,000,000 or 8,000,000,000 lire. England has not balanced her budget for four years and is paying out $500,000,000 per annum in gold to unemployed labor.

I do not believe that the French Government will be able to pay the interest or principal of its domestic or foreign debt. But that is not all. In France the Government has borrowed the money from the people. A Frenchman having 1,000 francs in Government bonds or short-time notes can take them to the bank and borrow 80 per cent of their face value and buy some more, because they are paying 5 or 6 per cent. But once let France default upon the interest or fail to float loans to pay that interest, as she has done in the past, there is going to be a collapse in France. This may be a dark picture, but I believe the time is coming when there must be an economic conference in Europe. I do not say that it will be necessary for us to be a party to it, but we may, with profit to ourselves and the world, participate in it. I do not believe, however, that time has yet come. When the countries of Europe make up their minds that they are bankrupt, that they can not pay their internal debts and their external debts, and are ready to scale down both of those obligations, to wipe off the hundreds of billions of inflated currency which they have issued, to put their affairs on a basis where their people can pay their taxes and live and carry on industry and commerce, then it will be time for this country, if invited, to join with them and to use its influence and participate in such a conference.

I, for one, would be willing when the time comes for this country to scale the debt which is due it in proportion to what European countries are willing to scale their domestic and foreign debts, but it is perfectly idle for us to forego our debt and allow the billions upon hundreds of billions of domestic debts in Europe to be paid. It would be like pouring water into the ocean.

Europe, however, is not ready for that. Inflation to an astonishing degree is going on. Germany has a thousand billion marks of paper currency, and is issuing additional marks at the rate, approximately, of one hundred and fifty billions per month. Of course, Germany's internal debt is a joke; it never can be collected and never will be.

France is issuing short-term Government obligations, which she is selling to her people on the basis of 5 and 6 per cent, which is only a disguised form of inflation.

Mr. President, what is to be gained by adopting an amendment to the pending bill requesting the President immediately to call a conference of European powers in Washington, in which we shall participate, until the nations of Europe make up their minds that, like the insolvent debtor, they must scale their debts, must stop their inflation, and must put themselves upon a basis where the people may live, pay their taxes, and advance in civilization?

There is another reason why the President should not be requested to call a conference now. If he is so requested, we shall be met by a law which requires the Debt Commission to settle the foreign debt on the basis of receiving bonds for 25 years at 4¼ per cent. Furthermore, by the deliberate action of the Senate, we declined to participate in the activities of the Reparation Commission, as the Senator from California [Mr. JOHNSON] has stated. Reparations, the debts of Germany and the debts of France, lie at the foundation of an economic adjustment in Europe. I believe such an adjustment has got to come; I believe that we are very much interested in it, for we can not escape the consequences of a collapse in Europe. I disagree only with the Senator from Idaho [Mr. BORAH] in the wisdom of requesting the President at this time to call an economic conference with European nations.

Mr. MOSES. Mr. President, when the treaty of Versailles was under consideration by the Senate of the Sixty-sixth Congress there were some of us who showed less concern with either Article X or any other provision of the covenant of the League of Nations than with the unconscionable exactions of territory and payments in money or in kind which the victors laid upon the vanquished through the stipulations of the treaty itself. Early in that prolonged discussion I took occasion to enumerate and to analyze those exactions and to point out that their unenforced and unenforcible features contained the germ of future wars and constituted a continuing menace to world peace and prosperity. It is scant satisfaction now, Mr. President, to say "I told you so"; but the slithering down of Europe into the misery and suffering which the Senator from Idaho [Mr. BORAH] has so movingly described is a direct result of the wholly impossible purposes which the treaty makers of Versailles sought to attain. The United States—properly, as I shall always believe—declined to become a party to that compact; and whatever its consequences, we are blameless.

The existing difficulties, therefore, not being of our making, we are measurably powerless to solve them. I do not mean by this, sir, that we might not find somewhere in the welter of proposals which most certainly would be laid before a conference such as the Senator from Idaho has projected some palliative anodyne which would temporarily relieve the distress of the Old World. But no permanent cure can be found in anything which we alone might do—and it is we alone who will be called upon not only to prescribe but to administer whatever treatment an international consultation held now shall determine upon. In consequence of these views I can not support the pending amendment, nor will I approve any similar proposal at any time prior to a sincere effort on the part of Europe itself to better its own condition.

Already, Mr. President, incalculable harm has been brought to Europe by the mere fact of this proposal being made. Famished and voracious peoples again visualize the United States as a geographic Christmas tree. In their minds again floats the picture of plethoric Uncle Sam, warm-hearted and generous, opening his purse to the hand of need whether meritorious or meretricious. They dream dreams of more loans of huge sums without either security or maturity; and in imagination they are already spending our money not for the relief of national or individual suffering but in preparation for more joy rides of imperialism, militarism, and aggrandizement. It is true, sir, that our Department of State in the event that the proposed conference should be summoned would draw its agenda; but like many a preacher, who having taken a text preaches from it, we would surely find the conference collaterally raising questions which are not directly within its purview, and the result of which would be to entangle and embroil the United States in all the jealousies and rivalries of the Old World. Our dread of this was the moving cause for our rejection of the treaty of Versailles; and none who held to this opinion can ever forget or sufficiently reward the senior Senator from Idaho for the valiant and successful leadership which he gave to our earlier action here, nor for the vigor and eloquence with which he swayed the minds of his fellow countrymen when the issue was taken to them in a great and solemn referendum. Three times the American people have rejected such a proposal—twice by constitutional vote in this representative body and once by the direct voice of the people, who by a majority of 7,000,000 approved of our action. Three times Columbia has refused to enter the fantastic household of the Versailles treaty by the front door; yet there are now those who seek in some way to boost her up over the back fence or to push her in through the basement window. I do not believe, sir, that the temper of the American electorate is more forbearing now toward these efforts of indirection than it was when the direct attempt was made to load us with the obligations and implications of the Versailles treaty.

The propaganda to entangle us in European affairs has never ceased. From those early days of 1919, when the highly profitable import of the Versailles treaty dawned in its richness upon the dazzled minds of the scantily victorious Allies and their profiteering partners—the international bankers—the United

States has swarmed with propagandists, official and unofficial, sentimental and salaried, all dinning into our ears the strong word "must" and all pointing to us the path of our duty, which they themselves have charted and which leads direct and only to benefits for themselves. I think, sir, that the United States is weary of all this; that the United States deems itself competent to find its own line of duty and to follow it; and that we need no guidance save that of our own conscience, which hitherto has never failed and never will.

Mr. President, I stand in opposition not only to the conference proposed by the Borah amendment now but in opposition to any like conference originating anywhere or at any time prior to a more complete understanding here of the conditions which exist in Europe or prior to any sincere and persistent attempt on the part of European nations to free themselves from the burden of their own folly. It is obvious, sir, that the mere superficial view of distress abroad, which has never failed to produce a sympathetic and generous reaction in the American soul, and which in the present instance has already found expression in public and private benefactions for alleviation of individual misery—it is obvious, I say, that such an appeal can not serve continuously to bleed the American pocketbook. Sooner or later there must be some cessation of the constant stream of American philanthropy, and while it may seem momentarily cruel for America to withdraw utterly from all contact with the economic problems of Europe, I feel certain that such a course would not fail to emphasize to Europe that which Europe most needs, namely, a realization of its own madness.

I have said, sir, that the present plight of the Old World is due much more chiefly to an insane insistence upon the nominations in the bond of Versailles than to any other cause. That treaty far transcended any ever before written in the ferocity of its demands. Having decided upon the ultimate shred of the pound of flesh, in which the United States claimed no share, those who divided the raiment of their foe thought each to secure the lion's share. But the lion's share fell only to the Lion; and after England had seized for herself colonies, mandatory rights, and accretions of population almost beyond enumeration, to France was allotted a majority percentage in a money reparation impossible to collect or even to secure properly. Yet both peoples, the English and French, have continued to nourish a dream of repayment and to look for the fairy godmother who will bring them riches. Great Britain, speaking through her only remaining proconsul, has served notice that Mosul must remain in her possession, while her prime minister synchronously expresses his horror at the thought of a French occupation of the Ruhr region. Meantime English capital, sometimes openly but more often subterraneously, has been taking possession of German port facilities and means of transportation; so that when English efforts, combined with misguided convictions in our own country, have swept the American flag from the ocean, we shall find the cross of St. George once more signalizing not only the mastery of the seas but also a domination of the land which will completely handicap every nation which seeks to enter into fair competition.

Back of all this, Mr. President, lies the fundamental error in financing the war on the part of those who now suffer most grievously from its reactions. Our belated entrance into the conflict was marked by a speedy resolution, well carried out, to distribute war's burdens equitably between generations now on earth and the generations yet to come. Beyond the limit of any nation with whom we were associated, the United States laid its taxes for war purposes, and still continues them; whereas France, to mention the most conspicuous example on the other hand, has had no balanced budget since 1870, has pyramided her public securities in an incredible amount, and at the same time has provoked a condition wherein the tax dodger has become a hero. Under these circumstances, sir, not all the financial resources of the United States, though freely and fully placed at the disposal of distressed Europe, could bring about permanent relief. Our stream of gold would disappear into a rat hole whose labyrinths run off into the highways of maintained armaments, undiminished nationalistic ambitions, and unchecked militarism, in the face of which it may be that the time has come for the United States to turn the tables upon the peoples of Europe and for us to send to them a stream of propagandists to admonish them to their duty and tell them what they must do.

It is significant, Mr. President, that the one nation of Europe, as largely ravaged by war as any other, which has made the most speedy recovery is the one nation of Europe which whole-heartedly has gone to work. It is Belgium, whose currency has fluctuated less, whose despoilment has been most speedily restored, and whose industry has produced the most striking results. When, in the summer of 1920, a ship from Antwerp entered the harbor of New York with a cargo of potatoes sent to the American market from that Belgium which a few years before was feeding from our dole, the world was furnished with its most striking example of recovery from devastating warfare. And what Belgium has done others may do. The Kingdom of God lies within not only the individual but the nation; and until the nations of Europe make some attempt to work out their own salvation I shall continue to oppose any further use of American agencies to solve Europe's problems.

Had we thrust our hands into this abhorrent mess at the outset, Mr. President, through the ratification of the treaty of Versailles, it may be that the power of our influence would have made that instrument operative. Even so, it would have been at the cost of others, and it is improbable that some of the consequences which now confront the world could have been obviated in any event. If we now take up the task it is certain that the cost and consequences will recoil only upon ourselves, and until Europe sees fit to become just there is no occasion for us to be unduly generous.

The implications of what is now proposed can not be winked out of sight. The letter of the President read here on Thursday contains some hint of them. If we engage in any conference such as is here outlined, or in any conference held prior to some earnest attempt on Europe's part to clean her own house, we shall find ourselves in the anomalous and disagreeable position of making decisions between two equally balanced groups of contenders. Our absence from the reparations table leaves the Reparation Commission equally divided upon substantially every question which has thus far arisen. The representatives of England and Belgium generally vote together, with the representatives of France and Italy grouped in opposition. To us, if we sat there, or whenever we sit there, would fall the decisive vote and the decision of the umpire. Our national game, sir, daily demonstrates the uncomfortable position which the umpire occupies; and I have no desire to see Uncle Sam "beaned" by a pop bottle thrown from the European bleachers. [Laughter.]

The only conference which can ever be summoned to produce a satisfactory or efficient solution for the ills of Europe is a conference composed of the powers signatory and adhering to the treaty of Versailles with the purpose completely to rewrite its provisions, to eliminate the greed which marks its every paragraph, to recast the illogical and impossible boundaries which it has set up, and to adjust the compensation for the foe's aggression in a fixed and possible sum and in a manner capable of execution. Until such a conference is called I shall oppose the participation of my country in any other.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SHORTRIDGE in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Fletcher	Lodge	Sheppard
Ball	France	McCormick	Shortridge
Bayard	Gerry	McCumber	Smoot
Borah	Glass	McKellar	Spencer
Brookhart	Hale	McKinley	Stanfield
Broussard	Harris	McNary	Sterling
Bursum	Heflin	Moses	Sutherland
Calder	Hitchcock	Nelson	Townsend
Cameron	Johnson	New	Trammell
Capper	Jones, N. Mex.	Nicholson	Underwood
Caraway	Jones, Wash.	Norbeck	Walsh, Mont.
Colt	Kellogg	Oddie	Warren
Culberson	Kendrick	Page	Watson
Curtis	Keyes	Pepper	Weller
Dial	King	Phipps	Williams
Dillingham	Ladd	Poindexter	
Ernst	La Follette	Pomerene	
Fernald	Lenroot	Reed, Mo.	

Mr. GERRY. I wish to announce that the Senator from Kentucky [Mr. STANLEY] is necessarily absent by reason of a death in his family.

The PRESIDING OFFICER. Sixty-nine Senators have answered to their names. A quorum is present.

Mr. BORAH. Mr. President, if the situation in Europe be considered such that it is unnecessary for us to be interested in the problem of its adjustment, or if it be regarded as such that we can escape the consequences which may follow from even a more serious condition, I can at least understand the position of those who oppose any consideration whatever of the situation. My own position has been based upon the theory that the situation at this time throughout Europe is such that the United States must necessarily be deeply interested, not only from a humanitarian standpoint, but from our economic and business viewpoint also. I understood from the President's letter that

it was conceded that the situation was such that we were deeply concerned; that the Executive was giving careful consideration to the entire subject matter; and we were also advised by the Senator from Massachusetts [Mr. LODGE] that actual negotiations were going on as to how we could adjust the economic conditions of Europe. If, however, it be regarded from another standpoint—that the Executive is not primarily concerned because it is not of sufficient moment to concern him, or if we as a people may pass it by as a matter of no concern—then, of course, I can comprehend the position of the opponents of action.

Mr. President, as I said at the beginning of this controversy, before the amendment came up for debate, my mind has been open and still is open as to the method by which we should proceed.

I have an impression, a very strong one, that a conference such as I have in mind is far safer and will be far more effective than any method of dealing with the situation through secret channels or merely diplomatic channels. In that I may be in error, but my belief in the open treatment of all questions with which the public is concerned has led me to think, as I thought with reference to the disarmament conference, that an open treatment of such propositions by the duly constituted delegates to a conference is far more effective and accomplishes greater results than any other method which we could adopt.

I do not think for a moment that had the question of disarmament been left to a series of letters or communications between the foreign offices of the different governments we would ever have arrived at any conclusion of substantial benefit at all. Had it not been for the power of public opinion beating in on the conference here in Washington, had it not been for the power of public opinion, both here in the United States and among the masses in all the countries represented, I venture to say that the difficulties which arose in that conference would never have been adjusted.

With reference to this situation, I view it in the same light. As the able Senator from California well said, we have had conferences and conferences, but they have not been of the nature of the conference which we had here in Washington a year ago, or of the nature of the conference which I have in mind and which I assume the Presdent would conduct if the conference were held. I feel very certan that until the power of public opinion is permitted to exert itself, until the countless millions upon whom this burden falls at the present time are permitted to influence the situation, things will go from bad to worse until they will either suffer incalculably from an economic disaster or from that which is even worse, another conflict.

It has always been contended, and I think with some degree of effectiveness, that had the nations of the earth been permitted to have a conference between the 1st day of July and the 1st day of August, 1914, and had the masses of the people been advised of the fact that war was at hand, a different situation and a different condition of affairs would have resulted upon the 4th day of August, 1914. The people knew nothing of that condition of affairs until the war was upon them, until the diplomats and those representing the Governments had actually brought the thing to the point where there was bloodshed. I believe in conferences and have always believed in conferences, and I believe in this conference.

As I said a moment ago, I interpreted the President's letter in connection with the statement of the Senator from Massachusetts [Mr. LODGE] as evidencing the fact that negotiations were being had to accomplish exactly the same thing I have in view with reference to the conference, and that it was simply a difference of view as to the method. I venture to believe that if that is true there is justification for a difference of view as to the most effective method of dealing with the problem.

Mr. President, I know of no way, other than three, to adjust differences between the nations of the earth when difficulties arise. The first is through diplomatic channels, and that is in the nature of a conference; second, through an open conference, such as has often been provided for and often been held by our own Government with European nations; third, by entering into a permanent arrangement—a permanent alliance or a permanent league—through and by means of which a conference can always be called when an emergency or an exigency arises.

I have always been opposed to a permanent committal on the part of the Government, undertaking to protrude ourselves into the future, and to determine in advance of the development of the facts as to what our course might be. On the other hand, I have been an advocate of the proposition that when an exigency arises, and conditions are such as to call for consideration upon the part of the governments for the purpose of preventing war, a conference ought to be called for the purpose of dealing with that exigency; and, so far as I understood the doctrine with which we have been dealing for the last three or four years, it was a contention between those who believed we ought to have a permanent institution, a permanent understanding, or permanent machinery, and those who believed we could deal with exigencies better when an actual exigency arose, we were opposed to a previous committal or a previous understanding by virtue of a league or alliance, those in favor of a league being in favor of creating such permanent machinery.

That has been my view; it is still my understanding of the proposition, and I venture to say that there is no so-called irreconcilable upon this side of the Chamber who has not indorsed that proposition. We have all stood, either by direct or indirect declaration, in favor of conferences or cooperation whenever an exigency should arise which seemed to demand that we have such a conference in the interest of our country. But we have stood against permanent leagues or alliances which committed us to a course of action prior to a knowledge of the actual facts.

I say again that if it be contended and successfully contended that there is no such situation now, that we are not actually involved in these things, and that we need not be involved in them, then there is no occasion for a conference; but if the situation be conceded to be such as I understand it to be and as I believe it to be, then there is a necessity for one of two things, either the acceptance of a method through permanent machinery or the use of the old-established method of the United States; that is, calling a conference when the actual conditions demand it. I can not believe that we can escape this situation.

Every writer, every student, every traveler who comes to deal with the proposition or who has studied it upon the ground advances the belief that European conditions are such now that they are already affecting very seriously conditions in the United States, and that they must necessarily do so more in the future. I am going to read a paragraph or two from an article which appears in the January number of the Review of Reviews from the noted war correspondent and journalist, Frank H. Simonds, who has been a student of European affairs for years, one of the men who was on the ground in Europe during the war, and has been there for months; he has just lately returned. He reviews this situation in an article entitled "Europe at the turn of the year," and says:

> Taking the dying year as a whole, it can not be denied that it has been in the main the most discouraging since the end of the war. There has been a steady disintegration, a disintegration in many nations and a disintegration in international relations. * * *
>
> Actually we find ourselves as the year closes facing what must be considered the gravest of Franco-German crises since 1919, for it is marked both by desperation and impotence on both sides. France, like Germany, has become in a sense the victim of the tide running ineluctibly toward that supreme catastrophe, which at least for Great Britain and America is expressed in the obvious likelihood of new military operations and fresh economic anarchy.

Further, he says:

> It is idle to presume that things are righting themselves or that there is any visible evidence that they will. I found on the Continent in March and April a sense of despair absent in the bitterest days of the war, and those who return in December only report the intensification of this feeling of depression. * * *
>
> And it is well to perceive at the outset that we have arrived at the supreme crisis. Things must now worsen or brighten with small delay, for the mere continuation of existing conditions spells ruin for Germany, for France, and for most if not all continental countries. What exists can not endure.

Mr. President, here is the crisis, if we are correct in our view of the situation, a deadlock between France and Germany with reference to what the Senator from California very properly says is the key to the situation, and with him I fully agree, the question of the adjustment of reparations. Possibly the able Senator may be right in saying that the situation could go on and not grow worse, or, if growing worse, that we can escape its consequences. I am ordinarily more willing to trust his prophecy than my own; but, speaking with such light as I have upon the subject, I am of the opinion that it can not go on without growing worse, and that it can not grow worse without our feeling in a tremendous way the evil consequences.

I venture to say that that is the exact view of the President of the United States, judging from his letter. So, as I understand it, it is not a controversy here as to whether we are interested or as to whether we can escape it, but it is a mere question of whether or not this is the proper method of handling the situation.

Mr. President, the very able Senator from California spoke, in his inimitable way and with his extraordinary power, concerning the ridiculousness of conferences. There is much justification for what he said. I shall not undertake to answer with reference to many of the things to which he called our

attention in that regard, but I do call the Senator's attention to the fact that such has not been the result of all conferences. When Japan and Russia were in a deadlock, when they were engaged in war, and when their contentions seemed to invite other great nations of the world, and it was purely a foreign question so far as we were concerned, if any question can be a foreign question, the President of the United States invited those powers to a conference; and as a result of the conference, an agreement or a treaty of reconciliation and peace was adjusted between the powers.

It might have been said in advance of the calling of that conference, "What is the use to call it? Here are two powers engaged in deadly conflict. How shall we as a Nation undertake to settle the difficulties unless we involve ourselves in the controversy which arises between them?" That controversy was over the question of territory, the question of transportation lines—over political, economic, and territorial questions all. But Colonel Roosevelt called the European powers to the American shores, took them out of the atmosphere of controversy, broke the deadlock, and brought to peace that which might have resulted in a world war at that time.

It might have been said, as it is said now, that if we called these nations together we would be under moral obligation to underwrite the transactions of the one or the other or to see that one or the other fulfilled its guaranties.

Japan was to turn back certain territory and Russia was to get certain transportation advantages of the situation, and there was a distribution with reference to material interest, all of which guaranties had to be fulfilled in the future. But we were under no obligation and were not considered under any obligation to underwrite the fulfillment of the contract or to underwrite the fulfillment of the treaty. We brought the nations together and adjusted a conflict, adjusted the differences between them, and sent the nations home from the shores of America to follow out their contract. Was that a breach of the traditional policies of the United States? Was that in violation of the doctrine of no entanglement with foreign powers? It was not so considered. It would be in the face of reason and history to so contend. And are the irreconcilables opposed to such things as that?

Another illustration, Mr. President: It was at the instance of the President of the United States at that time, Colonel Roosevelt, that the second Hague conference was called. I read from the record of the second Hague conference:

The second international peace conference, proposed in the first instance by the President of the United States of America, having been convoked on the invitation of His Majesty the Emperor of all the Russias, by Her Majesty the Queen of the Netherlands, assembled June 5, 1907.

We met there in company with 47 or 48 nations of Europe, we making the forty-eighth or forty-ninth. We met for the purpose of adjusting and providing for arbitral methods of adjustment of all the difficulties or all the conflicts which might arise in Europe or in the world. It was said at the time of that meeting that this was an entire breach of the policy of isolation. As Professor Hazen, in his book "Europe Since 1815," said:

That the problem—

Of The Hague—

concerned all the world; that Asia and America were as truly involved as Europe—

In the adjustment—

that the day of isolation is over, when a nation may live unto itself, was shown in the address of the president of the conference, M. de Staal, a Russian delegate.

Then, Mr. President, I ask to have those remarks inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

That the problem concerned all the world; that Asia and America were as truly involved as Europe; that the day of isolation is over, when a nation may live unto itself, was shown in the address of the president of the conference, M. de Staal, a Russian delegate. "We perceive between nations," said he, "an amount of material and moral interests which is constantly increasing. The ties which unite all parts of the human family are ever becoming closer. A nation could not remain isolated if it wished. * * * If, therefore, the nations are united by ties so multifarious, is there no room for seeking the consequences arising from this fact? When a dispute arises between two or more nations, others, without being concerned directly, are profoundly affected. The consequences of an international conflict occurring in any portion of the globe are felt on all sides. It is for this reason that outsiders can not remain indifferent to the conflict—they are bound to endeavor to appease it by conciliatory action." Among the means suggested are mediation and arbitration. On another occasion the same member said: "The forces of human activity are absorbed in an increasing proportion by the expenses of the military and naval budgets. * * * Armed peace to-day causes more considerable expense than the most burdensome war of modern times"; and another Russian delegate exclaimed: "The idea of the Emperor of Russia is grand and generous. * * * If not this first conference, it will be a future conference which will accept the idea, for it responds to the wants of all nations."

Mr. BORAH. Mr. President, at the same time or previously there was incorporated in the proceedings of The Hague this declaration:

Nothing contained in this convention shall be so construed as to require the United States of America to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political questions or policy or internal administration of any foreign state; nor shall anything in the said convention be construed to imply a relinquishment by the United States of America of its traditional attitude toward purely American questions.

Thus preserving both the doctrine as announced by Washington and the doctrine as announced by Monroe in the contemplation of those who took part in The Hague conference.

I cite this simply to impress the idea that we have always believed in avoiding difficulties either by an extraordinary conference or through some permanent machinery for the purpose of bringing in the nations whenever the difficulty should arise. Here were two instances in which this was accomplished and they are notable precedents in our affairs. So it can not always be said that conferences are a failure. It may be said that ultimately when the Great War came The Hague conference broke down, and so it did. But it did adjust many difficulties and may do so in the future. Whether it was efficient or inefficient, it was not deemed in contravention to our established or traditional policy so long as properly guarded.

One more illustration, Mr. President. In 1907 a great war was threatened by reason of conditions prevailing in Morocco. It was, as I understand, although of this I can not speak authoritatively, upon the initiative of President Roosevelt that the Congress or peace conference at Algeciras was called in 1907. But whether it was called at his request or not, the United States attended with its duly accredited representative.

The idea of observers had not at that time occurred to the fertile mind of the ex-President of the United States, Mr. Roosevelt. He was not by nature a mere observer. He sent men there to represent us, with due authority to represent us, and they did sit in the conference and did assist in adjusting the matters, and history informs us that it was through the leadership of the American representatives or through their dominance in the conference that many of the difficult questions which at one time seemed insuperable were finally adjusted.

That conference had to do almost exclusively with European affairs. There were 15 nations finally gathered at the conference. The only nations which were directly interested were France, Spain, and Great Britain, but ultimately, by reason of the action of Germany, Germany came also to be considered as one having a primary interest in the situation. Sixteen nations including our own adjusted every question relative to a foreign government or to a European government. The question of policing the government, the setting up of an established government, the question of creating a government bank and of running a government bank, the question of transportation, the question of collecting revenue, the question of rehabilitating and establishing a broken-down government in the heart of Europe or on that continent were there effected through the Algeciras conference. It was believed at the time that if the matter continued war would inevitably result between Germany and France and possibly spread to the other larger nations of Europe.

I read a line or paragraph from the treaty which was finally signed at Algeciras and which we signed as one of the treaty-making powers. The United States was a signatory to that adjustment. The treaty said:

Inspired by the interest attaching itself to the reign of order, peace, and prosperity in Morocco, and recognizing that the attainment thereof can only be effected by means of the introduction of reforms based upon the triple principle of the sovereignty and independence of His Majesty the Sultan, the integrity of his domains, and economic liberty without any inequality, have resolved, upon the invitation of His Shereefian Majesty, to call a conference at Algeciras for the purpose of arriving at an understanding upon the said reforms as well as examining the means for obtaining the resources necessary for their application, and have appointed as their delegates plenipotentiary the following.

Then appears the names of the delegates of some 15 or 16 powers. At the close of the treaty is this statement:

The Government of the United States of America, having no political interest in Morocco and no desire or purpose having animated it to take part in this conference other than to secure for all peoples the widest equality of trade and privilege with Morocco and to facilitate the institution of reforms in that country tending to insure complete cordiality of intercourse without and stability of administration within for the common good, declares that, in acquiescing in the regulations and declarations of the conference, in becoming a signatory to the general act of Algeciras and to the additional protocol, subject to ratification according to constitutional procedure, and in accepting the application of those regulations and declarations to American citizens and interests in Morocco, it does so without assuming obligation or responsibility for the enforcement thereof.

Now, I concede that the danger which the able Senator from California contempulates might arise. I am perfectly willing to admit that out of a conference might come an effort of guaranty. But it is not necessary either in fact or upon

precedent. I would not feel bound by such a course. I know we can do our full duty and sacrifice no part of our traditional policies. But I feel that if we do not do our full duty we will be brought to a condition where, all for which we contended in that long struggle will be lost. We must have a working program or that which is offered by others, if the emergency becomes dire enough, will be accepted. If the adjustment could be brought about it could likely be brought about under such conditions, if it were desired, as to enable us to deal with the situation as we dealt with these other conditions.

But, on the other hand, while the situation might give rise to these conditions, they could in all probability, or at least if the desire were at hand to do so, be adjusted without any such obligation.

When the Senate ratified this treaty it said:

The Senate understands that the participation of the United States in the Algeciras conference and in the formulation and adoption of the general act and protocol which resulted therefrom was with the sole purpose of preserving and increasing its commerce in Morocco, the protection as to life, liberty, and property of its citizens residing or traveling therein, and of aiding by its friendly offices and efforts in removing friction and controversy which seemed to menace the peace between the powers signatory with the United States to the treaty of 1880, all of which are on terms of amity with this Government; and without purpose to depart from the traditional American foreign policy which forbids participation by the United States in the settlement of political questions which are entirely European in their scope.

Mr. President, I do not regard the proposed economic conference which has for its purpose, if possible, the establishment of conditions which might bring about peace, as being in contravention to any view which those who are opposed to the League of Nations ever advocated. Perhaps I ought to speak only for myself; but, so far as I am individually concerned, I have more than once upon the floor of the Senate, indeed I have a number of times on the floor of the Senate and on the rostrum, stated that I had no doubt as to the responsibility and as to the obligation of this Government with reference to effecting peace throughout the world. I objected to the permanent alliance or permanent league which undertakes to commit us in advance of the conditions which may arise at any particular time.

I do not know, as I have stated, of any irreconcilable, so called, upon this side of the Chamber but who has advocated that doctrine. We have expressed it in different ways. The able Senator from California [Mr. JOHNSON] ridicules the idea of conferences, but he was a candidate for Vice President in 1912 upon a platform which can not be construed in any other light, as I understand, than as being in accord with some method of settlement, some method of peaceful arrangement, some adjustment of difficulties, either through permanent arrangements or permanent alliances or permanent leagues or by the conference which may be called when the exigency arises. That platform provided:

The Progressive Party deplores the survival in our civilization of the barbaric system of warfare among nations, with its enormous waste of resources even in time of peace, and the consequent impoverishment of the life of the toiling masses. We pledge the party to use its best endeavors to substitute judicial and other peaceful means of settling international difficulties.

We favor an international agreement for the limitation of naval forces.

In what way, Mr. President, can we arrive at a settlement of international difficulties; what is the process other than that of either a permanent league or a permanent alliance or a conference when the situation arises, except that of war? The declaration of that platform was to the effect that there should be some other method than that of war by which to effectuate a settlement of such difficulties. We have never taken the position, as I understand, that we could not come in contact with the other nations of the earth; that we are separate and apart from the family of nations; that we have no part or parcel with them. We can only differ, as differ we do sometimes, as to the method by which to deal with them.

In 1919 we all signed what is known as the "round robin," wherein we said:

It is the sense of the Senate that, while it is their sincere desire that the nations of the world should unite to promote peace and general disarmament, the constitution of the League of Nations in the form now proposed should not be accepted by the United States—

And so forth.

How shall the nations of the earth unite for the purpose of perpetuating peace or for the purpose of preventing war or for the purpose of reducing armament? There can be no other way than that which has been outlined in the pending amendment, by a specific conference or a league of some kind.

The Senator from New Hampshire [Mr. MOSES], the Senator from Illinois [Mr. MCCORMICK], the Senator from California [Mr. JOHNSON], and I were all signers of that declaration, and never at any time did we take the position in contesting against a permanent alliance that there might not be exigencies in which we should be called upon to cooperate with the other nations of the earth.

The platform which was adopted at Chicago in 1920, upon which the Republican Party is now in power, specifically indorsed conferences as distinguished from leagues or alliances. It reads:

The Republican Party stands for agreement among the nations to preserve the peace of the world. We believe that such an international association must be based upon international justice, and must provide methods which shall maintain the rule of public right by the development of law and the decision of impartial courts, and which shall secure instant and general international conference whenever peace shall be threatened by political action.

So far as that platform relates to the question of international conferences, if I may be permitted to make a personal allusion, I made a special plea to have that provision inserted—and I was at the conference at the time—for the purpose of providing special conferences as distinguished from permanent or established tribunals such as were at that time contemplated.

During the long debate on this subject at different times I declared it our duty to deal with world affairs, but always urging that we should meet them when they arose, something in this way—the way proposed in this amendment. In December, 1918, I said:

I fully understand that we have as a people come into a wider circle of influence and under graver responsibilities than we have known heretofore. I acknowledge in full our duty toward the peace of the world, our deep, vital interest in sustaining and extending and strengthening the domain of international law. I would, as a nation, shirk from no duty; I would meet every obligation.

Upon another occasion, long after the war, I said:

In this stupendous and bewildering crisis America must do her part. No true American wants to see her shirk any part of her responsibility. There are no advocates of selfishness, none so fatuous as to urge that we may be happy and prosperous while the rest of the world is plunging on in misery and want. Call it providence, call it fate, but we know that in the nexus of things there must be something of a common sharing, all but universal and inexorable, in the burdens which these great catastrophes place upon the human family. It is not only written in the Great Book, but it is written in the economic laws of nature, "Bear ye one another's burdens." We do not differ as to the duty of America, we differ only as to the manner in which she shall discharge that duty.

I know of no way to meet the emergencies other than by conferences, unless we propose to go into a permanent league.

I call attention to these considerations, Mr. President, because my friends, with whom I associated in that contest, seem to think that this amendment is in contravention of our traditional policy. Possibly it may be so in the view which they take of it, but certainly it is not so in the view which I take of it and concerning which I have many times expressed myself on public rostrum and also here in the Senate. To my mind, nothing could be further from history and from the facts than to say that these conferences are without results.

Mr. President, what are we going to do in face of the situation now confronting us? Are we going to abandon entirely the idea of undertaking to adjust the economic difficulties of Europe, or is the present situation just such a one as has arisen time and time again when the interests of the United States were directly affected and when it was necessary to deal with and cooperate with the nations of the world in order to bring about an adjustment? If the United States is concerned—and deeply concerned—then if not a conference, what is the plan?

I can very well understand how those view the situation who say that a public conference is not the way to accomplish the desired result; I can understand those who think that diplomatic channels afford a safer and securer and better way to attempt a solution of the difficulty; but I do not understand those who say there is nothing here which concerns. That is a blindness which is incomprehensible. I do not believe that it is possible to escape from its consequences. I think it is true, as I have heretofore said, that we are even now in the midst of it; that we are a part of it; that we are actually dealing with it at the present time, and must continue to deal with it in one way or another until matters are finally adjusted.

I read in a morning newspaper a most remarkable declaration upon the part of one of our representatives in Europe, Mr. Child, our ambassador to Italy, who is now attending the Lausanne conference. I quote from the newspaper article:

Ambassador Child's warning—

Warning, mark you—

that Turkey will align herself with other nations which have repudiated their obligations if she wipes out all the capitulation and does not grant something instead as a guaranty of her treaty pledges created a marked

impression on the conference and was gratifying to the allied delegates, who regarded the address as advice to Turkey not to isolate herself, as Russia has done.

It may be said, Mr. President, that that is not binding upon the United States in the technical sense of the term, and so I would be willing to concede, but it is binding upon the United States in the broader sense of the term, because we are there insisting upon a certain course; we are dealing with foreign nations and with foreign subjects matter, and our ambassador warns another nation of the earth that a certain course, if followed, will be objectionable to the United States. Will men refuse to concede the plain inevitable effect of such representation? Talk about not being in Europe! That does not rise even to the dignity of sophistry. Talk about not being involved, and getting deeper day by day. And we will continue to drive farther and farther so long as the reparations question is unsettled, for that unsettles all Europe.

Mr. MOSES. Mr. President——

Mr. BORAH. I yield.

Mr. MOSES. Does not the Senator understand that we have an existing treaty with Turkey which formulates the capitulations and that under those capitulations Americans living and doing business in Turkey suffer the penalties of justice through the foreign courts?

Mr. BORAH. Precisely.

Mr. MOSES. Does that make the situation parallel to the one which the Senator has been discussing?

Mr. BORAH. The contention has been made here that Mr. Child was simply there as an observer. If the Senator from New Hampshire is correct in his interpretation, Mr. Child ought to be there as an official.

Mr. MOSES. Not necessarily.

Mr. BORAH. Why not necessarily? That would seem to be the ordinary course, would it not? Why should he be merely an observer if we are there properly to deal with the protection of our treaty rights and that is the purpose of being there?

Mr. MOSES. Mr. President, the question of the capitulations was not within the purview, as I understand, of the agenda of the Lausanne conference at the time it was called. As I tried to point out in the few remarks which I made earlier in the day, that is the difficulty with the conference, that it goes far afield from the questions which were supposedly to be discussed.

Mr. BORAH. But, Mr. President——

Mr. MOSES. If the Senator will allow me a word further, the question of capitulations is one which has been uppermost for many years in dealing with Mohammedan and other countries which we are pleased to call pagan. So far as the Turkish capitulations are concerned, they extend not only to the continental possessions of the Turkish Empire but even into Egypt, where Americans have been living under treaties containing capitulation provisions. I do not understand that when the agenda of the Lausanne conference was first broached the question of capitulations even remotely was under consideration.

Mr. BORAH. No; it was not; but Mr. Child was there prior to the time that the capitulations or any other subject in which we are directly interested had arisen. Mr. Child participated in the conference from the beginning at a time when matters in which we are directly interested had not yet arisen, so far as the press reports give us the information, and he has been there from the beginning, dealing with all the subjects matter about which the conference saw fit to deal.

Mr. MOSES. Mr. President, if the Senator is directing the burden of his present remarks and those that have just proceeded them to the thesis that we should not have official representatives on these bodies, and particularly on the Reparation Commission, I entirely agree with him. I am not at all in accord with the policy of the present administration or the policy of the preceding administration, whereby Mr. Boyden is maintained in Paris as an official observer in connection with the Reparation Commission and is paid from the German reparations fund, upon which we have laid claim to not a single penny. I quite agree with the Senator if that is what he is attempting to set up.

Mr. BORAH. The Senator is in error about our not having laid claim to any part of the fund referred to. We have laid claim to it, for we specifically provided in the German treaty, for which the able Senator voted, that we should have all the benefits of the terms of the Versailles treaty which had been accorded to the United States, and one of them was the payment of the expenses of the Reparation Commission, on which we are now sitting.

Mr. MOSES. But we have never formulated such claims or made demands for them, have we? Has there been any repudiation of the statement of President Wilson at Paris that the United States did not seek and would not take reparations?

Mr. BORAH. I do not know of any repudiation. It was provided that the expenses of the Reparation Commission should be paid by Germany, and the Germans have obligated themselves by the Versailles treaty to pay the expenses of the Reparation Commisson. Of course, we have not collected, and we will not collect for many, many years. They obligated themselves to pay for the troops upon the Rhine. By the German treaty, whch was ratified, we claimed both those rights, and we now have our official representative there—call him "observer" or call him what you may—observing and taking part in the transactions, and the Germans are paying him just exactly as they are paying all other members of the Reparation Commission; and we have our troops there just the same as the other Governments have, and the troops are being charged to the Germans the same as the French troops, and we claim the right under the Versailles treaty, by reason of the German treaty, to collect that amount.

Mr. MOSES. I agree with all that the Senator says in its essence—that we have a representative in some way connected with the Reparation Commission—and I agree with the Senator that he is paid directly from the German reparation fund; I agree with the Senator that we have troops on the Rhine, whose upkeep is an obligation against the German Government; and I hope the Senator is in agreement with me also that neither of those things has proper legal status under the treaty or under any law of Congress; and I hope the Senator agrees with me that Mr. Boyden should come home, with all his entourage, and that the troops should be recalled from the Rhine speedily.

Mr. BORAH. With the latter proposition, as to the troops, I might well agree; but in vew of the fact that we ratified the German treaty and claimed all the rights under the Versailles treaty which had been accredited to the United States by reason of the Versailles treaty, I do not believe that there is anything improper, we having ratified that treaty, in our claiming whatever that treaty gives us. It was agreed to as a matter of treaty. It is an obligation of the German Government, and there is no reason why the German Government should not pay our representatives there just the same as they pay the others. But, Mr. President, what I do object to—if I can find a term which will express my own feeling without being offensive to somebody else—is this maintaining that Mr. Boyden is there as a mere "observer." He is there performing exactly the same duties which would be devolving upon him if he had taken the oath of office and were recognized as a member of the commission.

Mr. MOSES. Mr. President, I agree wholly with the Senator from Idaho that Mr. Boyden's presence in Paris and his functioning there, under whatever pretext, is, if I may use the language of the stonecutter mayor of Concord, N. H., a "subterfurge," and I hope we may put an end to it.

Mr. STERLING. Mr. President, I should like to ask either of the Senators just what are the functions of our representative on the Reparation Commission. Does he vote upon the commmission, or does he simply counsel and advise the commission?

Mr. BORAH. Technically, I think he does not vote, for the simple reason that it has not been thought safe yet to undertake to have an act of Congress passed, but I want to say to you that I believe that anyone who will take pains to ascertain what Mr. Boyden is doing—and he is a very able, very eminent lawyer; no possible criticism can be lodged against him individually—if you will take pains to find out what he is doing, or his assistants are doing, you will find that it is just the same in effect and result as if we had passed an act of Congress.

The President said yesterday that the treaty provided that an election should be had by Congress, and that the Congress had not passed any law providing for that election. Why, certainly, Mr. President; I knew that. I did not have to go to the State Department to find that out. I knew that we had not passed any act; but there is no contention, there is no assertion—I venture to predict that there will not be—that while the act has not been passed, Mr. Boyden is not in effect discharging all the duties of a member of that commission.

Mr. STERLING. Oh, Mr. President, how can that be if the commission has certain things to decide, and to decide by vote—the vote of the members of the commission?

Mr. BORAH. It does not have to decide them by vote.

Mr. STERLING. I should think it would have to decide them by vote.

Mr. BORAH. No; it does not have to decide them by vote. I am informed that once in a while the members have come to a vote on matters. They decide them by discussion and coun-

sel and finally an agreement upon these matters; and that is always true, I understand, when the United States is directly interested.

Mr. STERLING. My idea was that he had about the same function that a Delegate from a Territory of the United States had in the House of Representatives. He was there to influence, so far as he might be able to influence, by speech, perhaps by work upon committees, but without a vote. He could not do the one essential thing—commit his Territory or constituents by a vote.

Mr. BORAH. Mr. President, the Senator says he is there to influence. Influence whom? Why, influence the man who technically casts the vote. What is the difference, if he is there to exert his influence, if somebody else mechanically puts the vote in the ballot box?

Mr. STERLING. What is the difference in the House of Representatives when a Delegate from a Territory, for instance, may speak?

Mr. BORAH. The difference is that a Delegate from a Territory has no influence.

Mr. STERLING. He has no influence, so far as that is concerned, when it comes to the record and voting.

Mr. MOSES. Mr. President——

Mr. BORAH. I yield.

Mr. MOSES. I merely wish to call the attention of the Senator from Idaho to paragraph 13 of Annex 2, Part VIII, the reparation section of the treaty of Versailles, which reads:

> When a decision of the commission is taken the votes of all the delegates entitled to vote, or, in the absence of any of them, of their assistant delegates, shall be recorded.

Mr. BORAH. Precisely.

Mr. MOSES. I take that to mean that any decision of the commission has to be reached by vote.

Mr. BORAH. I take it that it does not mean that. If it does, it is not observed. But suppose that they did have to take a vote. Suppose that the actual vote technically was to be recorded; but here sits Mr. Boyden, representing 110,000,000 people, the United States, the most powerful Nation by reason of our independent position connected with the commission, and, as the Senator from South Dakota says, he is there to influence by his argument and by his counsel, but he is there to influence infinitely more by the fact that thus and so the United States would like to see this happen. Now, what is the difference?

Mr. STERLING. Oh, Mr. President, I think there is quite a difference. If it comes to a vote, and if they do decide by a vote of the members of the Reparation Commission, he is outside of that vote, and can not by his vote determine anything.

Mr. BORAH. Mr. President, suppose that the representative of the United States on the Reparation Commission, sitting there as an observer, should exercise his influence and bring about a certain result by reason of his argument and his influence. Suppose that they should yield to his argument and his influence: Would we not be bound as a nation, by every conceivable rule of morals, to maintain that result? And when they went to Berlin a few days ago or a few weeks ago for the purpose to trying to adjust finally the question of the amount of reparations, did you observe the part—the prominent part, the leading part, the influential part—which Mr. Boyden took in trying to arrive at a conclusion? And if they had arrived at a conclusion by reason of his influence, can it be argued here in seriousness that we were not in precisely the same position, so far as results are concerned, as if he had voted?

Mr. President, that is a technical proposition on which I have spent entirely too much time. I was only calling attention to it to indicate the real attitude which we have now with reference to these European affairs; and there is not one of them of any moment or concern to the people of Europe, or indirectly of concern to the people of the United States, wherein we are not represented. I do not say that we vote. Ambassadors do not determine things by votes; but we are there represented, influencing and counseling certain courses and the adoption of certain policies.

Mr. WILLIAMS. And giving certain warnings.

Mr. BORAH. Yes. My able friend from Connecticut [Mr. BRANDEGEE] has just called attention to the fact that there was no vote when they formed the treaty of Versailles. Does the Senator think there was any vote when they formed the treaties down here with reference to disarmament?

Mr. STERLING. There was an agreement reached in some way. Whether it was by direct vote or not, there was an agreement there upon the part of the parties who represented their several Governments, and who attested that agreement by signing a certain treaty which came up here for ratification afterwards.

Mr. BORAH. Suppose that the members of the Reparation Commission should agree upon a policy, and our member should not agree with them, and after having argued with them and convinced them and influenced them they agree with him, would we not be bound just the same as if he had gone through the perfectly useless form of casting a vote?

Mr. STERLING. I think, with reference to that, something would depend upon the instructions given our representative on the Reparation Commission. But it is understood he is there as an observer. I understand that is the capacity in which he acts.

Take Ambassador Child at Lausanne: He is there as an observer. Now, what authority has he to commit his country to any proposition or to any policy when acting in that capacity? He is there to warn, perhaps, against any action upon the part of the conference that would be inimical to the United States or to its interests. Beyond that he would exceed his instructions, and this Government would not be legally or morally bound by his action.

Mr. BORAH. Mr. President, if there is anything that is bringing humiliation and disgrace to the American Government right now, it is the fact that whenever a conference is called in Europe we snoop around and look in upon the proposition and report back to the people of the United States that we simply observed what happened. I can not imagine anything more humiliating to a great country than undertaking to influence situations in just that way.

Mr. STERLING. Mr. President, I did not mean to put it quite in that light, namely, that he was there simply to look on, and I mentioned the fact that he probably would warn other Governments or warn the conferees against any action that would be contrary to the interests of the United States. That is the capacity in which he acts, and I think that is about the extent of his authority.

Mr. BORAH. Yes; here is the able Senator from South Dakota, the trained and veteran lawyer, and after his defense of Mr. Boyden and his position, if he were on trial for murder upon the same argument he would be convicted without the jury ever leaving the box.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. BORAH. I do.

Mr. HITCHCOCK. Does the Senator recall the colloquy yesterday, or a day or two ago, when the question of the instructions given to our representative there by our State Department was before the Senate? The Senator from Massachusetts [Mr. LODGE] denied that our representative was there to volunteer his opinions or to make arguments, but that he was there like a small boy, to speak when he was spoken to and answer questions when they were put to him.

Mr. BORAH. I think we may pass from this subject now. We all are agreed upon one thing, and that is that he is there.

Mr. STERLING. Oh, yes; we agree that he is there.

Mr. BORAH. I want to say just a word in conclusion, and I will not trespass upon the Senate longer. The President's letter of yesterday perhaps might be regarded by many as sufficient justification for me withdrawing this amendment. Of course, I desire to speak with the utmost respect with reference to the letter, and I only mention it at all to enable me to state my position.

As I understand the President's letter, it is not his purpose to act in this matter until there is an indication upon the part of the nations of Europe that they desire that action shall be taken. His letter pretty plainly states that proposition. That is a disagreement upon a fundamental proposition. It is not a mere matter of form; it is a matter of difference which goes to the very heart of this entire movement.

If we are to wait until the nations of Europe get together and send us word that they have agreed to disarm, there will be very little occasion for calling any conference at all; but I do not believe that in the present condition of affairs that is likely to happen until much worse conditions happen in this country than now obtain. I speak, therefore, with the utmost respect for the Chief Magistrate when I say that is a matter of disagreement upon a fundamental proposition underlying this entire proposition. I do not believe that we can wait longer upon Europe.

I believe we are in the position Colonel Roosevelt was in with reference to the Russo-Japanese war or with reference to the Algeciras situation, and that we have been in with ref-

erence to many conditions which have confronted us, and we ought ourselves to take the leadership in regard to this subject. I do not think it is possible to adopt the course which the President suggests without serious detriment to the American people. About that there is, therefore, that difference of opinion.

I am not quoting his language, of course, but he further says that any foreign policy which now obtains is in the keeping of the Secretary of State, and that it would have been more seemly had the Senator from Massachusetts—I suppose he meant the Senator from Massachusetts, because he wrote the letter to him—had the Senator from Massachusetts visited the State Department and found out what those policies were. I do not assume that that letter was addressed or directed to anyone else than the receiver of it. It might have been misdirected.

Mr. President, there was no occasion for me to go to the State Department to find out what the policy was with reference to this situation, because it was very well understood what it was. It was stated from day to day upon high authority, coming from the State Department, which, of course, always means official authority, thus and so, that "We do not propose to do this and we do not propose to do that," and that "We are undertaking nothing of this kind and nothing of that kind." I anticipated that which the President states in his letter, that it was not the purpose of the State Department or of the administration to move until the Governments of Europe moved.

If that be true, then there is such a wide breach that however many visits I might have made to the genial Secretary of State undoubtedly no result would have happened. I trust that I shall always have the privilege of visiting the Secretary of State whenever it seems necessary to acquire information, and for him individually I have the very highest regard. Personally, he is recognized as a great lawyer and a great statesman, and I am not here to criticize him.

Mr. President, the time will never come when I shall desire to offer a resolution in this body, or when I shall desire to introduce a bill, or when I shall desire to express my view that I shall feel under the necessity of asking the permission of anyone to discharge the duty which seems to me to devolve upon me here as a Senator. If I make a mistake, if I am in error as to any course, I settle it with my constituency, which is the only tribunal before which it can be properly adjusted, and in saying this I offer no disrespect either to the President or to the Secretary of State, but I am simply stating my conception of the duty of a Senator.

I do not understand that the relationship of the Senate to foreign affairs is such that a Senator must not have any views upon a foreign question until he receives his information and his permission to have views from the Executive or the Secretary of State. That is not the constitutional relationship which exists.

Now, as I said in the beginning, if there is no occasion for this conference, if the situation is not one which calls for a conference, if the situation is not one which calls for treatment, there is no reason in the world why this amendment should prevail. On the other hand, if the situation is such that we must deal with it, then I am a firm believer in the proposition that the power of public opinion ought to operate upon this situation.

I would not detract or take away from the Secretary of State in the slightest his power to deal with the situation, even if I could; I would not hamper it or embarrass it in the least; but I do believe that the power of public opinion has a function to perform, just as it did have in reference to disarmament, and without which power of public opinion disarmament could not have been effected.

Mr. President, this situation is far more serious than it seems to be conceded in this debate. Each day the trouble seems to deepen and the menace seems to come nearer and nearer. What may it all mean? It is not many weeks since we celebrated the fourth anniversary of the signing of the armistice—in some respects the most important event since the beginning of the Christian era. I thought I saw in the last celebration a lack of fervor. There was an atmosphere of jaded formality, if not of doubt and anxiety. There seemed to be an unexpressed feeling that the whole thing was untrue, in that there was nothing to celebrate. At the very time of the celebration the war clouds lowered upon the Near East. The formal phrases of the celebration were lost in the accustomed patois of premiers and diplomats speaking in almost indifferent terms of another great conflict. A tremor of dread shot with searching swiftness from corner to corner of a wounded, broken, and almost bankrupt world. The situation is only a little more hopeful now. Indeed, at no time during the last four years have the people of the world been free from the tormenting apprehension of another frightful sacrifice. The whole human family, scarred and tortured, prays for peace; and yet there is no peace. When shall we cease to live in this atmosphere of war? When shall we escape from the spell of war? When shall we loosen the grip of the monster? This is the most stupendous problem in the world to-day. Beside this question all other questions are subsidiary and incidental. Without a solution, and a favorable solution, of this riddle, human progress becomes a misfortune, the inventions of the human mind a curse, and civilization, so called, an alluring trap into which men and women are ensnared to a death of unspeakable torture.

Mr. WATSON. Mr. President, I share in the anxiety of the able and eloquent Senator from Idaho [Mr. BORAH], which he has so beautifully expressed, for a financial restoration of Europe. No man can turn a deaf ear to the cries which come from that continent, and in common with him, in common with every Member of this body, in common with our whole citizenship, in common with every lover of his race, I long earnestly for the early and complete rehabilitation of that war-torn land.

If I could bring myself to believe that the amendment proposed by the honorable Senator would conduce to that desired end, most happily would I give it my support; but being convinced, as I am, that its enactment would but clutter up the entire affair, and that it would retard and not advance the cause he seeks to aid, when it is put upon its passage my vote will be recorded in the negative.

Senators, if the amendment proposed by the honorable Senator is in harmony with the plans and purposes of the administration, we do not need it. If, on the contrary, it runs counter to those plans or purposes, or in any wise interferes with them, we do not want it, for by its passage we would harm and not help the very cause we are all anxious to aid.

The able Senator who has proposed the amendment admits—and as to the proposition there is no dispute—that this primarily is an executive function. Of course, nobody presumes to say that a Senator has no right to introduce a resolution looking to the calling of a conference, but, at the same time, power to initiate negotiations, in so far as they affect our international relations, is executive. Inasmuch as that is an undisputed proposition, inasmuch as we know that the President is already exercising that right, and inasmuch as the honorable Senator in his speech the other day practically asserted that if his amendment interfered with the plans of the administration in this regard, he would at least give the matter most earnest consideration, I believe that the Senator, as he stated but a moment ago, should withdraw the amendment.

What was the language of the Senator?

> It is interesting, however, to know that negotiations are now in progress dealing with the specific subject with which we are now concerned here as a Senate, and if we can be advised that the action of the United States Senate in approving of the dealing with this subject will conflict with or embarrass the program which is now under way, I shall be very glad indeed also to consider that in the disposition of this matter.

Mr. President, who is the best judge of the fact as to whether or not the amendment proposed by the Senator does embarrass the Chief Executive? Manifestly the Chief Executive himself.

Mr. BORAH. Mr. President, I would concede that; but does the Senator state to me that the negotiations are now under way to accomplish the same thing sought to be accomplished by the amendment?

Mr. WATSON. Mr. President, I shall answer the Senator in my way. The letter of the President read to us on the 28th instant contained this clause:

> Such inquiry would have revealed the futility of any conference called until it is understood that such a conference would be welcomed by the nations concerned within the limits of discussion which the express will of Congress compels this Government to impose.

The Senator from Idaho has construed that to mean that the Secretary of State or our administration should take no action whatever in the matter until European countries shall have requested them to do so. I submit, and especially in the light of what we know to be going on, that that is not the correct interpretation of the clause. What does it say:

> Until such a conference would be welcomed by the nations concerned.

In other words, until feelers should be put out, as we ordinarily express it, for the purpose of finding out whether or not such a conference would be welcomed by those people; and I go so far as to say that that has been done, and that the things that have been undertaken may, if successfully continued, go so far as to result in the holding of a conference in the future.

The President of the United States does not need to be goaded by legislative action into calling a conference on the limitation

of armaments. It will be recalled that in his speech accepting the nomination on the 22d day of July, 1920, he uttered this now famous statement:

> I can hear in the call of conscience an insistent voice for largely reduced armaments throughout the world, with attending reduction of burdens upon peace-loving humanity. We wish to give the American influence an example. We must give the American leadership to that invaluable accomplishment.

This sentiment was reechoed in his inaugural address and resulted in the calling of the Limitation of Armament Conference, which I submit marked an epoch in the progressive march of civilization. I am not here to detract from the labor and the work of the honorable Senator from Idaho in that connection; but we all know that the limitation of armaments was in the mind of the President, as is evidenced by the address quoted and by his inaugural address and by many utterances of like character before and since the calling of that conference.

So the President of the United States does not need to be prodded by any legislative enactment into calling a conference for a reduction of the armaments of the world.

Mr. POMERENE. Mr. President——

Mr. WATSON. I yield to the Senator from Ohio.

Mr. POMERENE. As the Senator has referred to the conference in Washington, it will be remembered that there was a resolution passed at that time somewhat similar to the amendment now pending. Did any harm come either to the Congress or to the President or to the American people or to the peoples of the world because the Senate passed that resolution?

Mr. WATSON. Not the slightest. No harm came, but conditions were different then from what they are now, and the resolution offered by the distinguished Senator from Idaho at that time was on a specific proposition. He now offers an amendment to the naval appropriation bill, as wide as human language can frame it, to the effect that a conference shall be called, the object of which shall be to deal with the economic and financial conditions of the whole world, to see whether or not trade can be resumed and normal conditions of prosperity restored. Conditions then and conditions now differ. Not only that, but there was a specific statement as to the object of that conference. Even then, I am free to say, with all due deference to my honorable friend, the conference of a year ago, which resulted so splendidly to the world, was not called pursuant to the resolution introduced by the honorable Senator from Idaho, but on the initiative of the President of the United States himself. Not alone that, Senators, but it will be recalled that in many addresses since the adjournment of that conference the President of the United States has gone so far as to say that that was but the first step in the direction of further disarmament. Why, then, should any measure be passed by the Senate of the United States or by the Congress insisting upon the President now at this time calling another conference for the limitation of armament by the nations of the world?

Mr. BORAH. Mr. President——

Mr. WATSON. I yield to the Senator from Idaho.

Mr. BORAH. How can the President call the disarmament conference without action upon the part of the Senate under the provision of the statute which was cited to me the other day to the effect that he is prohibited from so doing?

Mr. WATSON. Let me ask the Senator a question by way of answer. I know the Senator will be frank with me. When he introduced the other resolution and when he introduced the pending amendment did he have that enactment in mind and did he introduce the previous resolution and the pending amendment for the purpose of conferring that power upon the President?

Mr. BORAH. No; I did not; but the argument has been advanced by the Senator from Wisconsin [Mr. LENROOT] and others that the President could not call this conference without violating the statute until he was authorized by Congress to do it. Does the Senator take that position, or has that argument disappeared?

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. WATSON. I have my own answer to that, but I yield to the Senator from Minnesota.

Mr. KELLOGG. Is it not a fact the President has the constitutional power to negotiate treaties and to call conferences for the purpose of negotiating treaties, and that Congress can not take away that power?

Mr. BORAH. I agree with the Senator from Minnesota precisely. I think the statute is ridiculous. Who authorized Mr. Wilson to go to the peace conference in Paris?

Mr. WATSON. Nobody.

Mr. BORAH. Who authorized the Secretary of State to call the conference which is now being held here? I merely desired to record the fact that that argument had disappeared.

Mr. LENROOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Wisconsin?

Mr. WATSON. I yield.

Mr. LENROOT. The Senator from Idaho could not properly interpret, from anything I have said in this debate, that I believed that the statute read by me was binding upon the President of the United States upon any matter within his presidential power.

Mr. WATSON. No; and nobody knows that better than my able friend from Idaho, because while on his feet he stated that he doubted very seriously whether or not that statute would stand the test, and we all know that it is an interference with the treaty-making power vested in the President by the Constitution.

Mr. BORAH. I agree with the Senator and I am still bewildered to know why the statute was read in this debate.

Mr. WATSON. Because the Senator from Connecticut [Mr. BRANDEGEE] called attention to it.

Mr. BORAH. The Senator from Connecticut is one of the best lawyers in the Senate.

Mr. WATSON. I know he is, but I do not think he called attention to it with the idea of getting the Senator to agree that the President of the United States had no power to act, no power to initiate negotiations, no power to help formulate a treaty, simply because of the enactment of that provision on an appropriation bill.

Mr. LENROOT. May I suggest that that statute will have some bearing upon this proceeding which I think will develop later, but I certainly never took the position for a moment that the President of the United States was bound by it in relation to such a conference as is now proposed.

Mr. BORAH. I shall await with some curiosity to know what relationship it is to have.

Mr. LENROOT. The Senator will find out.

Mr. WATSON. Mr. President, I repeat that inasmuch as the right to initiate negotiations for the formulation of a treaty or for the calling of a conference of this character or for the determination of any of our international relations is an executive function, inasmuch as it is clearly not a legislative function, inasmuch as the President is already exercising that power, inasmuch as he has said the passage of it would interfere with these proceedings, and inasmuch as the honorable Senator from Idaho has said that if it does interfere with or embarrass the action of the President in this regard he would at least take it into kindly consideration, I believe that we are warranted in asking the Senator to withdraw the amendment, and, if he shall not see fit to grant that request, that we are warranted in voting it down by an overwhelming majority.

In the next place, Senators, the distinguished Senator from Idaho [Mr. BORAH], in the speech just made, paid much attention to a portion of the argument of the eloquent Senator from California [Mr. JOHNSON] that he did not make, answering a position or overthrowing a position he did not assume. The Senator from California did not say that no conference should be held. He did not take the position that we should not endeavor in conference to settle these questions. What he aimed his shafts at was the idea that the mere calling of a conference would dispel the clouds that hover above us, that the mere calling of a conference would settle all of our ills and provide a panacea for all the woes that so seriously beset us. In that contention I quite agree with the argument of the Senator from California.

Mr. President, speaking for myself, I am in favor of such a conference, but I am in favor of having its powers clearly defined, of a well-worked-out program, of definite agenda, so that when the conference shall come together it shall work in accordance with a fixed program and along lines definitely laid out.

Let us look back to the conference that occurred in Washington one year ago. Suppose that, pursuant to the resolution passed by the Senate, the one introduced by the honorable Senator from Idaho [Mr. BORAH], a conference representing the various powers concerned had been called together without any previous arrangement, without any formulated program, without a fixed and definite agenda upon which it was to act. Does anybody suppose it would have eventuated as happily as it did? Senators, that was all worked out in advance. It was all prearranged. It was all understood before the gathering of the conferees in this city, and when they did come together the Secretary of State, with a boldness that attracted and with a frankness that compelled support announced the already agreed-on program, agreed on at least by a portion of those who were represented at that conference, and with the announcement of that program success was assured.

Does anybody believe that a conference should be called without any prearrangement, without any formulated program, without any definitely defined agenda, without anything being done for the purpose of determining what the conference is to consider, how far we shall be asked to go, and how far other nations are willing to go?

Mr. POMERENE. Mr. President——

Mr. WATSON. I yield to the Senator from Ohio.

Mr. POMERENE. It is true, as I recall, that before the conference began its work there was a certain definite, defined agenda prepared. But is it not also true that the four-power pact grew out of that conference and was not even in contemplation when the conference was first convened? Does not that demonstrate also that some good may come out of this conference if it is called?

Mr. LODGE. Mr. President——

Mr. WATSON. I yield to the Senator from Massachusetts.

Mr. LODGE. If the Senator will allow me, the question of the four-power pact was of course covered by questions of the Far East which the President added to the matter of disarmament. If the Senator will allow me further——

Mr. WATSON. Certainly.

Mr. LODGE. I will say while I am on my feet that of course no nation would invite other nations to an important conference without first being assured that the invitation would be accepted. No nation wishes to encounter rejection when it performs such a serious act as to invite other nations to a conference. It is always usual to sound the other nations in order to find out whether any of them will come and who are ready to come. The general purposes of the conference are, of course, then outlined in the informal conversations, which can hardly be dignified with the name "negotiations."

Mr. POMERENE. Mr. President, do I understand from what the distinguished Senator from Massachusetts has just said that there were any informal or other conferences or negotiations or correspondence relative to the four-power pact before the conference was convened?

Mr. LODGE. Mr. President, the four-power pact was simply the method of disposing of the subjects which had been laid before the other powers. They were not asked, "Will you adopt this treaty" or "Will you adopt the Chinese tariff treaty?" They were asked if they were ready to come into a conference and consider questions relating to China and the Far East.

Mr. POMERENE. Mr. President, during the early part of that conference I confess that I was with a committee of the Senate in Haiti and Santo Domingo, and therefore I can not speak by the book, but I remember very distinctly that when I returned home one of the contentions in the newspapers was to the effect that that four-power pact was not in contemplation at the time the conference was called.

Mr. LODGE. All the questions relating to the Far East were in contemplation; and, as a matter of fact, the question of the Anglo-Japanese alliance had been in discussion between the powers for several months, and it was probably better understood than any other outstanding question which was brought before the conference.

Mr. WATSON. Mr. President——

Mr. BORAH. Before the Senator from Indiana proceeds may I ask a question?

Mr. WATSON. I yield to the Senator from Idaho.

Mr. BORAH. I understood the Senator from Indiana to request the Senator from Idaho to withdraw his amendment?

Mr. WATSON. No; I did not request the Senator to do that, but I suggested that it would be entirely proper for him to do so.

Mr. BORAH. It will be proper if I may have an understanding with the Senator from Indiana. Do I understand the Senator to say that he can now state, and does state, as he said a moment ago, that negotiations are now in progress for the purpose of calling a conference?

Mr. WATSON. No; not negotiations. What I said was that feelers had been put out; that foreign nations were being sounded with a view to finding out whether the United States may be helpful, and that, in my opinion, they might lead to a conference; but I have no authority whatever to say that. I speak purely for myself as an individual, and give my personal views, representing the opinions of nobody in authority. At the same time, I am not entirely ignorant of the fact that feelers have been put out, just as the President in his letter states.

Mr. BORAH. I do not want to know the details.

Mr. WATSON. I do not know the details.

Mr. BORAH. I do not desire to know the details.

Mr. WATSON. If I knew the details, I would tell the Senator.

Mr. BORAH. Exactly; but what I do want to know, because I am now dealing in good faith in this matter, is this: The Senator has said that negotiations——

Mr. WATSON. No; not negotiations.

Mr. BORAH. Well, perhaps the proceedings have not ripened into negotiations.

Mr. WATSON. Not by any means.

Mr. BORAH. But feelers.

Mr. LODGE. Conversations.

Mr. BORAH. Conversations.

Mr. WATSON. Conversations is the diplomatic term.

Mr. BORAH. "Conversations across the sea." I understood the Senator to say that conversations or feelers had been put out looking to ascertaining whether or not the United States could be helpful in adjusting the condition of affairs in Europe, and that the Senator's opinion was that ultimately they would lead to a conference covering the question of economic conditions.

Mr. WATSON. Or to some gathering for the purpose of determining the problems. That is the opinion which I have expressed.

Mr. BORAH. But the Senator does know that the feelers have been put out?

Mr. WATSON. That is my understanding.

Mr. BORAH. And that they have for their ultimate object adjusting the conditions which now prevail in Europe.

Mr. WATSON. To aid in such adjustment.

Mr. BORAH. Yes. The Senator further states that it is the opinion of the Executive that if this amendment shall be adopted it will embarrass the due progress of those feelers?

Mr. WATSON. I only know what the President's letter states; I have not discussed the matter with him.

Mr. BORAH. But that is the interpretation which the Senator from Indiana puts on the letter?

Mr. WATSON. That is the interpretation which I put on the letter.

Mr. BORAH. If that is true, I am willing to withdraw the amendment.

Mr. WATSON. I shall be very happy to have the Senator from Idaho withdraw the amendment, but it has not as yet been offered.

Mr. BORAH. If those who are opposing the amendment do not wish me to withdraw it, if the situation is not as has been understood——

Mr. WATSON. I state my views and my opinion from what I know concerning the situation. I am not here to say that the President has started out to call a conference, such a conference as the Senator from Idaho proposes in his amendment. I am here to say, however, that for the last two or three months feelers have been put out for the purpose of ascertaining the situation and just how far we could go, how far we might be asked to go, and how far other nations would be willing to go in the adjustment of the situation. I do not know to what length that process has gone; I have never said a word to the Secretary of State about it, nor has he to me. I draw my own conclusions from some things that I know.

Mr. BORAH. But the Senator from Indiana does know that those feelers have been put out?

Mr. WATSON. That is my understanding.

Mr. McCORMICK. Will the Senator from Indiana permit me to interrupt him?

Mr. WATSON. I will.

Mr. McCORMICK. Is it not a matter of public record in the newspapers that conversations have been continued for three months looking to a conference at Brussels, always provided that the powers which presumably would sit in conference at Brussels have some basis of agreement upon which they could proceed?

Mr. WATSON. I have so understood.

Mr. McCORMICK. And that failing such a basis until now the conference at Brussels has been postponed from time to time.

Mr. WATSON. For what other purpose would Colonel Harvey have been called home but to discuss the situation and to enable the administration to ascertain conditions in England, and on the Continent as well?

Mr. BORAH. We can deal with this matter in a candid way. I do not pay any attention to what the newspapers say about it on one day, because the next day upon high authority their statements are always denied. So I do not know. I have very great respect for the newspapers, but, of course, they have only

one source of information in regard to the matter, and that is "high authority."

Mr. McCORMICK. Mr. President, if the Senator from Idaho will permit a very humble authority to answer him, I know that such conversations have been carried on.

Mr. BORAH. For what purpose?

Mr. McCORMICK. To the end that a conference may sit in Brussels to consider economic problems.

Mr. BORAH. And that we are to be a part of that conference?

Mr. REED of Missouri. Mr. President——

Mr. BORAH. I will ask the Senator from Missouri to wait for just a moment—and that we are to be a part of that conference?

Mr. McCORMICK. Mr. President, let me repeat I know that conversations have been carried on to the end that a conference may be held in Brussels and that the suggestion may be made to this Government that it may sit at Brussels.

Mr. BORAH. Oh! What a privilege it must be to have somebody suggest that we may sit at Brussels. However, does the Senator understand that conversations have been held by our Government with the view that we are to participate in a conference at Brussels?

Mr. LODGE. Mr. President, I think a great deal of complexity has been made out of a very simple subject. I understand that our Government in the usual way, through its ambassadors and ministers abroad, has been making inquiries, holding what are technically called conversations, informal conversations, with a view to ascertaining on the part of this Government whether there was anything it could properly do to improve financial conditions in Europe.

Mr. BORAH. Economic conditions?

Mr. LODGE. Economic conditions.

Mr. WATSON. Economic conditions.

Mr. LODGE. Those conversations have been going on for some time through the usual channels, those channels being the ambassadors and ministers of the United States, and such information as may be derived from them always goes to the State Department. I have not inquired what point has been reached; I only know, as a matter of fact, that the effort has been made to ascertain through those channels whether there is anything this Government could properly do to aid in the reestablishment of economic conditions and business stability in Europe.

Mr. BORAH. And the Senator is of the opinion that if the amendment I have offered should be adopted it would embarrass those negotiations?

Mr. LODGE. I think it would be harmful; yes.

Mr. BORAH. Well, Mr. President, on the statements of the chairman of the Foreign Relations Committee and of the Senators from Indiana and Illinois I am willing to withdraw the amendment.

Mr. REED of Missouri. I should like to have a little further understanding about this mystery. I can see no earthly sense in making so much of a mystery of it. We have spent about 10 days debating the amendment. Finally we were told by the President in a letter that there was something going on and that we could all find out what it is if we would agree not to tell anybody, which, of course, implies that we could not make use of the information, except we could go to bed with it and be very careful not to talk in our sleep. I do not know any more now than I did before the Senator from Massachusetts spoke, and he spoke more directly than any other Senator on the question. We know now that something has been said about some kind of a conference that shall have something to do with economic conditions, but that does not give a man any information on which he may act. If the kind of conference which the Senator from Idaho has in contemplation is to be held and it is either to be held in Brussels or in Washington, I should prefer having it held in Washington, for I think we could keep a little better track of our delegates here than we could over in Brussels.

Mr. CARAWAY. We were not able to do that with reference to our delegates in Washington who framed the four-power pact.

Mr. REED of Missouri. No; but God knows what would have happened if they had met on the other side of the ocean.

Mr. WATSON. Mr. President, how much longer does my friend from Missouri want to occupy my time?

Mr. REED of Missouri. I beg the Senator's pardon. I did not know he had the floor. When I came in there were five Senators on the floor. They all, including the Senator from Indiana, sat down, and I thought that he had yielded the floor.

Mr. BORAH. Mr. President, my amendment seems to be much more popular than I thought it was. I can not get it out of the Senate now.

Mr. WATSON. I am entirely willing for the Senator to say that he will not offer the amendment on the statements made by the Senator from Massachusetts and the Senator from Illinois.

Mr. BORAH. On the statement made by the Senator from Illinois [Mr. McCORMICK] and the statement made by the Senator from Indiana [Mr. WATSON] and the statement made by the Senator from Massachusetts [Mr. LODGE] I am perfectly willing to decline to offer the amendment.

Mr. REED of Missouri. I wish to apologize to the Senator from Indiana. I had been out of the Chamber for a moment and I thought he had sat down. Of course, the situation is interesting, because I understand the Senator from Idaho is withdrawing his amendment on suspicion. Now, there may be something going on; I should like to know what it is before the amendment is withdrawn.

Mr. WATSON. Mr. President, inasmuch as the Senator from Idaho says that he will not offer the amendment, I imagine the only thing to do is to go on and vote on the bill.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Tennessee [Mr. McKELLAR].

Mr. BORAH. Mr. President——

Mr. REED of Missouri. Why did the Senator from Indiana want to take me off of my feet? Was it merely because he did not want me to speak?

Mr. WATSON. The Senator knows that I always listen to him with extreme pleasure, but I intended to conclude my remarks if the Senator from Idaho had not withdrawn his amendment. He having withdrawn the amendment, I have nothing more to say.

Mr. BORAH. Mr. President, the only regret about it is that I always like to hear the Senator from Indiana speak; but do I understand now that the last clause of the bill is also to be rejected? That calls for a conference.

Mr. LODGE. No.

Mr. BORAH. What does it call for?

Mr. LODGE. Oh, no; only an invitation to the four powers that signed the naval treaty with us to meet again and consider the question of putting limitations on auxiliary craft.

Mr. BORAH. That is to stand?

Mr. LODGE. I do not know whether it is to stand or not.

Mr. WATSON. That depends on each individual Member of the Senate.

Mr. BORAH. Very well. I am willing to proceed with the bill.

Mr. REED of Missouri. Mr. President——

Mr. LODGE. As I understand, if the Senator will allow me—I have not the bill before me—I think it does not request a conference.

The VICE PRESIDENT. Does the Chair understand the Senator from Indiana to yield the floor?

Mr. WATSON. I have yielded the floor.

Mr. LODGE. I do not understand that the House provision requests a conference—I think only a negotiation. I have not it before me.

Mr. WATSON. I can read it if the Senator desires.

Mr. LODGE. I shall be glad to have the Senator read it.

Mr. WATSON (reading)—

> The President is requested to enter into negotiations with the Governments of Great Britain, France, Italy, and Japan with the view of reaching an understanding or agreement relative to limiting the construction of all types and sizes of subsurface and surface craft of 10,000 tons standard displacement or less, and of aircraft.

It is merely to enter into negotiations.

Mr. LODGE. Yes; that is all.

Mr. FLETCHER. Mr. President, may I suggest to the Senator from Massachusetts that no amendment is proposed to that by the committee. This is the House provision, to which there is no amendment proposed.

Mr. LODGE. Yes; certainly it is a House provision, but the Senate can strike it out.

Mr. REED of Missouri. Mr. President, when the Senator from Indiana claimed the floor I had reached within about one sentence of concluding all I then wanted to say. But in view of what has just transpired I want to submit some additional remarks.

I think it is about time to quit this policy of secrecy and mystery regarding what our Government is doing. I want to speak just a moment very plainly about it.

A man who is elected President from this Senate floor does not know a bit more the moment after he is elected than he did before he was elected. He is the same man in a different

job. His wisdom is not increased a particle. A man who is taken from the bar or the bench of the country and put in the office of Secretary of State does not know a bit more the moment after than he did the moment before he was confirmed by the Senate. The men who are taken from various business vocations or professions and sent to foreign governments do not possess any more wisdom immediately after appointment than immediately before.

There is not one of them whose opinion upon a great matter would have been accepted as a finality the day before he got into office. Why should he be regarded as infallible the moment he is elected or appointed? I am unwilling that the great business of the country shall be disposed of behind veils and curtains when that business has relation to matters of great general public concern and about which there is no necessity of mystery.

I can conceive that a question might arise of such delicacy that for a few days or a few hours it is necessary the negotiations should be carried on without advising the whole world. But a question such as is involved here is a matter of general public concern, and no good reason can be given for all this mystery and secrecy and whispering.

What is the question? It relates to the economic condition of the world. That is public property. Part of that question is, What are the demands of the other nations? That is largely public property. If this Government has any suggestion to make to France touching the loosening of her grip of steel upon the economic and political throat of Germany, would it not be a good thing to say so frankly, and let the weight of the world's opinion be thrown into the balance? Of course, if a conspiracy is being formed to pledge the financial support of the United States or to cancel our foreign debts, there is abundant reason for secrecy, because no man dare accept the responsibility of such a proposition until by skillful propaganda the public mind shall be prepared to submit to the outrage.

A little more frankness in dealing with the Senate and the House of Representatives, a little greater recognition of the fact that Congress is in fact the chief part of this Government, would be a good thing.

Mr. FRANCE. Mr. President, does the Senator mean that they are in fact or that they are in theory the chief part of this Government?

Mr. REED of Missouri. I mean in law.

Mr. FRANCE. In theory?

Mr. REED of Missouri. No; in law, under the Constitution.

What is the reason, when we are dealing with a foreign government, that the State Department has to put on velvet slippers and go about talking in whispers? Why can not the world be told what America's policy is? Or why can not the President say boldly, "I have asked the foreign nations what they will do, and when I have an answer from them I shall be glad to take the advice of Congress, if necessary"?

I regard the President's letter in which he lectured the Senate for daring to consider this amendment—for that is the import of the letter—as a piece of very bad taste. I remember that Jefferson, I think, in one of his inaugural addresses declared that he would find himself overburdened with the responsibilities of government except for the constant assistance of the representatives of the people.

I have listened to this debate with a great deal of care. It has been conducted along high lines. I think, however, some statements have been made in this debate that are mistakes of fact and that correction is demanded.

To begin with, Mr. President, the statement that the world is going to ruin and that civilization is about to perish is wild exaggeration. I have heard that same statement on other occasions. There is no sense in making it, for it is not true.

Mr. CARAWAY. Mr. President, may I interrupt the Senator just a minute?

Mr. REED of Missouri. Yes.

Mr. CARAWAY. Take, for instance, the condition in Austria. The secretary to the President of Austria, whose name I can not now recall, but Senators here on the floor, I am sure, will remember it, in speaking of the conditions in Austria, showed me a house that he owns in Vienna that he rents which before the war brought him the equivalent of $4,000 a year in American money. The same house now rents for 40 cents a year.

Mr. Andrée, who is the head of transportation in Austria—he was under the old empire, and still is—told me that the highest-paid man on the Austrian railway to-day, an engineer who pulls the best passenger train, gets a salary equivalent to $87 a year in American money. The street car conductors get $2 a month. Oh, the Senator from Utah drags in the tariff. He is perfectly willing, if they can get a tariff on sugar in Utah, that the rest of the world shall starve. He will be fat on sugar. A lady working in a store or a stenographer in Vienna or in Berlin will get from two to five and some of them as high as eight dollars a month. As to the cost of living, I see sitting over on the other side of the Chamber a Senator who, with me, rented a room in Vienna, and we paid for each night's rental of that room 250,000 kronen.

If the Senator thinks that that sort of an economic condition is merely normal, and that nothing bad can come out of it, when all the agricultural products of that country will feed the people two months and no longer, and if you can buy something outside with that sort of currency, I am curious to know it. I bought for $20, 1,500,000 kronen. I got cheated out of 15,700 kronen because I did not look at the exchange rate that day. Now, those are the conditions.

Mr. REED of Missouri. Mr. President, the statement of the Senator—and nobody has kindlier feelings for the Senator than myself; nobody more than myself recognizes his intellectual acumen—the statement he has just made absolutely illustrates the point I am making. I say we have been indulging in loose statements. My statement was that it was ridiculous to argue that civilization was about to perish, whereupon the Senator proceeds to demonstrate that civilization is about to perish from the earth from the fact that rents have fallen in Austria.

Mr. CARAWAY. If the Senator from Missouri will read his remarks, if I may interrupt the Senator again——

Mr. REED of Missouri. I quoted them accurately.

Mr. CARAWAY. If the Senator will read his remarks, he will find that he was talking about the economic conditions, that the world was not going to wreck.

Mr. REED of Missouri. No; I did not say that. The Senator is mistaken.

Mr. CARAWAY. When the Senator reads his remarks, he will find he did state that.

Mr. REED of Missouri. We will let them stand just as they are.

Mr. CARAWAY. Very well.

Mr. REED of Missouri. I say that it is ridiculous to talk about civilization perishing. It is quite another thing to say—and I was coming to that—that there is financial difficulty in Europe of a serious character.

Another statement made is that there will be war in Europe, and that we will be drawn into it. Mr. President, it is conceivable there may be yet some feeling in Europe and Asia. My opinion is that they are likely to fight as long as they have the ability. The reason is that race hatreds and race prejudices that exist are found in the conflicts of 2,000 years. Those prejudices were stirred into activity by this great war. Peace will not finally come to those countries until compelled by exhaustion. Nevertheless, the statement that the United States will be drawn into those conflicts is about as groundless a bit of imagination as is conceivable. One hundred and six wars, big and little, were fought in Europe from 1812 to 1914, and we were not in one of them. In 1917 we were drawn into the war, not by the economic conditions of Europe but because one of the nations deliberately sank our vessels upon the high seas. We recited in our declaration of war that Germany had made war upon us.

Mr. President, Germany struck that blow at the commerce of the United States because she thought she dared to strike it, and she struck in her desperation. The German Government thought that the United States could not get over there. It thought that if we did get over we could not fight when we arrived. That was the opinion of many European people. No nation will repeat that mistake within the life of any man now living. They have found out that we can cross the ocean. They have learned that these "traders" of America, as they called us, are not very pleasant customers to deal with when they arrive on the battle front.

Let us seriously consider this question of war upon the United States. What nation is going to attack us? Suppose all Europe were aflame with war to-morrow. What European power would deliberately insult the United States of America and force her into that war? Would it be poor, prostrate, bleeding Germany? Would it be exhausted France? Would it be England? Would it be these allies of ours, for whose welfare your hearts are now bleeding? Are you asking us to sit down at the table with the same gentlemen who you say will cut our throats at the first opportunity?

What nonsense to talk about the United States being drawn into any European war. What nation is going to fight us? Where is our enemy? There is but one nation could seriously harm us. Do you really fear an attack by Great Britain? If

I understand the sentiment of the majority of this body, they regard Great Britain as our certain friend. Upon that there may be difference of opinion. I at least do not fear her.

Moreover, we meet with the same contradiction here that we have met many other times. In a breath we are told that Europe is starving, that she is exhausted, that unless we come to her aid with alms in our hands or benefactions in our arms she will perish. In the same breath we are warned that some European nation is coming over here, across 3,000 miles of ocean, in majestic and irresistible force, to conquer the United States. Is there any logic in that kind of argument? Is there any sense in that kind of statement? It may serve to alarm the public and it may be water on the wheel of the propagandists who want the United States to guarantee, in some form or other, by direction or indirection, the private bonds of the American investors across the ocean, but it should not find voice in this forum.

Mr. President, I call attention to another exaggerated statement, namely, that our farmers are going to perish. Right here is a good illustration of the wild statements being made. First it is asserted that Europe is about to perish for food, and the Senator who makes the statement almost in the same sentence declares that we are so impoverished that Bolshevism is about to sweep the country. He asserts that already in the Northwestern States civil government has substantially broken down for want of funds to carry it on. If such a statement is read across the water, the comment will be, "What a frightful condition exists in America." What a picture it will present to the people of the Old World. If the Senator was as badly mistaken about European conditions as he was about American conditions, then his judgment about European conditions is not of much value.

Mr. FRANCE. Mr. President, my good friend the Senator from Missouri is evidently referring to the Senator from Maryland.

Mr. REED of Missouri. I appear to have accurately described the Senator's remarks, since he so readily applies the description.

Mr. FRANCE. I will say, in reply to the Senator from Missouri, that the Senator from Maryland took the pains to make a journey to Europe to ascertain what were the conditions.

Mr. REED of Missouri. Did the Senator take a trip to the Northwestern States?

Mr. FRANCE. The Senator spoke with reference to European conditions, from what he knew, as the Senator from Arkansas did.

Mr. REED of Missouri. Does the Senator think he knows more about European affairs than he knows about the conditions in his own country?

Mr. FRANCE. I will also say that the Senator from Maryland has taken great interest in the agricultural problems of this country and has made a special investigation of the conditions in the Northwest, and if the Senator from Missouri will do the same he will find that my statements with reference to the conditions in the Northwest were not exaggerated.

The trouble with some Senators here is that they do not investigate for themselves, and when some one who has investigated brings to the Senate a statement of the facts as they really exist the other Senators are astonished, as the Senator from South Dakota [Mr. STERLING] seemed to be astonished yesterday when I stated the facts with reference to the food situation in Europe, facts which can be readily ascertained and readily confirmed by inquiries from the proper sources.

Mr. REED of Missouri. Mr. President, this is a fitting example. The Senator lives away down here in Maryland, a fine State. He has been investigating the Northwest, and says he has found the conditions which I have referred to there exist. He is the only man in the United States who has found them. He says he has been to Europe, and therefore he knows about Europe. I wonder if in his few days' sojourn in Europe he obtained information more accurate than he has of the United States, where he has lived all of his life?

Mr. FRANCE. Mr. President, I am not the only one who is familiar with the agricultural difficulties existing in the Northwest, and I would suggest to the Senator from Missouri that he read the testimony recently given before the Committee on Agriculture and Forestry, and if the testimony given there is what I think it was, he will find, I believe, that the statements I made are substantially correct. The farmers of the Northwest are not able generally to meet their taxes, which was what I stated and which I think is a most unfortunate situation.

Mr. REED of Missouri. Mr. President, the Senator now says that the evidence was that many farmers in the Northwest can not pay their taxes. But a few hours ago he said civil government had broken down and that Bolshevism was about to march across the land. He thus illustrates the very vice about which I am complaining—that is, exaggeration, hyperbole, and wild assertion. It is one thing to say that civil government has broken down and that Bolshevism is rampant and quite another thing to say that some farmers can not pay their taxes this year. The latter statement is a fact. The former statement is balderdash.

Mr. FRANCE. Mr. President, the Senator from Missouri is evidently quoting some other Senator than the Senator from Maryland. I misinterpreted his allusion. The Senator from Maryland did not make any such statement as that the Government had completely broken down and that Bolshevism was sweeping the country.

Mr. REED of Missouri. I heard the Senator's speeches. I do not know how they appear in the RECORD; I suppose the Senator let them go in as they were made.

The fact about the matter is that our farmers have had a very hard time, that they are having a hard time now, and if we would make that statement, and deal with the matter in that form, we would be exhibiting some kind of judgment; but when we talk about the country going over to Bolshevism, intimate that anarchy is at our doors, and that civil government has broken down, that is an entirely different proposition. I am discussing the question of exaggeration and overstatement.

The truth is that, bad as the farm situation has been, it is getting better. I have heard it stated that our farmers were in the most desperate plight because Europe could not buy farm products, and that this calamity had fallen upon us because we did not go into the League of Nations, or because we failed to advance more money to Europe, or because we refused to accept the advice of certain international bankers and cancel our foreign loans. But the facts, as was shown by the figures which the Senator from Utah [Mr. SMOOT] put into the RECORD, and which were compiled by the Department of Commerce, are that we actually shipped over 50 per cent more of farm products, in dollars, to Europe in 1922 than we did in 1913.

Mr. FRANCE. Mr. President, if the Senator does not object to my interrupting him, I want again to call attention to the fact that that increase of exports of foodstuffs was due to the desperate situation of Europe with reference to food; but the exports of other commodities have fallen off very greatly.

Mr. REED of Missouri. I am discussing one question. I am discussing the exaggerated statement that our farmers have suffered from this condition, or are suffering from it, because we could not ship farm products to Europe. That is the one thing I am discussing, and that is the one thing I for the moment am going to discuss.

Mr. FRANCE. Nobody familiar with the figures has ever set up any such contention. The contention is made that because of the general economic situation the prices of farm products are now at a ruinous point, and to offset the increase of exports of foodstuffs to Europe, there has been a falling off in the consumption of foodstuffs in the United States, due to the depression of our industries, a falling off which is quite remarkable, indeed, one which almost strains the credulity; but the figures are such as I quoted yesterday.

Mr. REED of Missouri. There we are again! We can not keep anybody to any one point long enough to deal with that point. The statement has been made on the floor of the Senate many times in the last 60 days that our farmers were at the point of destruction because Europe could not buy any of our farm products. The cold fact is that we shipped to Europe of farm products in 1913, which is taken as a normal year, a total of $1,145,469,137 worth of farm products, and that this year we shipped over $1,930,000,000. I, of course, wish we had a better market. I am simply trying to answer one of these mistaken, wild, loose statements that have been made. Heaven knows I think the farmer needs a better market. I am willing to do anything I can to give it to him. But let us talk facts and not fancies, let us get the cobwebs out of our brains and some of the big words out of our mouths and describe things as they are.

Mr. President, there is another fact stated here—not a fact but a statement; a mistaken statement—that our people are eating less of farm products because they can not buy them. I make the assertion that wages are higher in the United States to-day than they have ever been in the history of the world unless it should happen to have been some particular peak time directly the result of the recent war. When we can not get a servant in Washington, a house servant or house employee, for less than $75 or $80 a month with room and board, when bricklayers get $11, $12, or $13 a day, when we are building more houses in the United States to-day than at any period of its

history, when not only in Washington are the streets blocked with the brick and other building material, but likewise blocked in every city of the United States, when labor is in fact employed—not all of it, for there has always been a percentage of unemployed, but quite up to the average—what is the use of standing here and saying the people can not buy food and that therefore there is a surplus of our farm products going abroad?

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. REED of Missouri. I yield.

Mr. BRANDEGEE. Corroborating what the Senator stated, I read a magazine article the other day written by a college professor—I assume it is correct in its facts—in which he deprecated the extent to which meat eating by the people of the United States had increased in the last year, and proved, if his figures are correct, that the consumption of meat products per capita to-day for food in the United States is greater by far than has ever been known in the whole history of the country.

Mr. REED of Missouri. I do not mean to say that things are ideal. I do not mean to say there are not men and women out of employment, and more out of employment than I would like to see. But that is a very different thing from saying that our people are so impoverished that they can not buy food, and that that condition exists to such an extent that we had to ship the food abroad because we could not find anybody here to eat it, and that they could not eat because they were so impoverished they could not buy.

Mr. FRANCE. That is the Senator's statement, not mine. My statement was that in 1920, when we had on an average 4,000,000 to 5,000,000 of men out of employment, a fact which was generally conceded, the consumption of wheat in this country fell off 250,000,000 bushels, as compared with the previous year. Those are the figures of the Department of Agriculture. I do not know whether they can be verified—I have no means of verifying them—but I am taking the figures of the Department of Agriculture. It is undoubtedly true, whether those figures are exactly accurate or not, that there was a great falling off in the consumption of wheat in 1920 during the hard times.

Mr. REED of Missouri. I am talking about 1922 and about the statement that was made here that the principal reason why we sent agricultural products abroad in quantity this year, which is the year I talked about, and I have talked about no other year except 1913 for comparative purposes, was because the people could not buy them here. What is the use of talking about 1920, then? I have not been talking about it.

Mr. FRANCE. I was referring to 1921, as compared with 1920. There are no figures as to the consumption of wheat during 1922, inasmuch as those figures can only be compiled at the end of the year. But the Senator was questioning the fact that the falling off in the consumption of foodstuffs was so marked at periods of depression.

Mr. REED of Missouri. I was not questioning that at all. I was talking about 1922 shipments of our grains and farm products to Europe. The Senator then rose and proposed to explain why we have shipped those products, and the reason he gave was that the American people could not buy enough to eat, and hence they had to be shipped abroad. Now, if he made a mistake in the year, it is all right; but I did not make any mistake in the year.

Mr. President, what is happening? We are shipping abroad farm products, and the prices are not satisfactory in comparison with certain other very high prices, but the prices have been gradually coming up. I do not say the farmer has not the right to complain loudly and ask for all the proper assistance that can be rendered, and if a bill with that object in view is offered—a bill that is sound—I shall support it. But that is a very different thing, I repeat, from the declaration that the country is absolutely going to ruin.

Then, again, as I called to the attention of the Senate the other day, we are told in one breath that we are about to go to ruin, that we are tottering over the edge of the precipice of bankruptcy, and in the next breath we are told that we are rich enough to feed the world. There ought to be some sense and some consistency in the discussion of these questions. Neither of those statements is true. Neither are we on the edge of the precipice of bankruptcy nor are we able to feed the world. We are just about able to take care of ourselves in a decent manner. But if these dreamers, these purveyors of wild statements, steering the ship of state would not merely lose the true course, they would run it head on against the bald face of the ocean's granite walls. They would never know the wall was there, or if they did, they would think they could transform the solid rocks into open waters by the mere power of their imaginings.

We are constantly lectured about our responsibility to Europe and our responsibility to humanity. We are told we are our brother's keeper.

Interpreted in plain English, that means that we must go over and tell the rest of the world how it shall live, how it shall conduct its business, and what kind of government it shall have. Are we "our brother's keeper"? Suppose our brother does not want us to "keep him"? There is not a single nation that wants us to be its keeper. Try even for an hour to be the keeper of the proud French people, you will find the agreeable and polite French people suddenly transformed into tigers that refuse to have a keeper. The French nation would not permit us to be "its keeper." The English nation does not want us or any other nation as its keeper. The last Englishman, from the blue-blooded aristocracy to the humblest cockney, would stand in the trench and drain his veins before he would permit us to be the keeper of England. The mistake that France is making to-day, and I say it boldly, is that she is trying to make herself too much the keeper of the German people.

It is one thing to collect an indemnity and to impose war conditions calculated to prevent a recurrence of war and it is quite another thing to drive a people to the point of desperation. If there is any grave danger to this world, any tremendous catastrophe lying in the near future, it will come from the fact that there may be created a condition in Germany where in their desperation that mighty people will hazard everything rather than endure extremity.

I pass from these exaggerations, of drawing false conclusions, to a review of some of the facts as I see them. The plain fact is that war has to be recovered from gradually. A war is not over when the battle flags are furled. When that time has come the war still has to be paid for. We are exactly in the condition of a patient who has endured the racking tortures of a terrific fever for a long period of time and is wasted away.

When the fever ceases it takes months and perhaps years for convalescence and a complete restoration of strength. Mistakes were made in settling the terms of peace. Countries were carved up; Austria was reduced to such small dimensions that, as my distinguished friend from Arkansas [Mr. CARAWAY], I think, mentioned—at any rate, it is well known—she has a city of over 2,000,000 people and a total population, I believe, of only six or eight million. I will ask the Senator the number.

Mr. CARAWAY. Six million.

Mr. REED of Missouri. That impossible condition was imposed and those people are suffering. That is a condition that ought to be righted; but is it our problem? We might tender our good offices. I would make no objection to this country tendering its good offices; but I insist that we did not cut the Austrian Empire into pieces and it is not our business to take the responsibility of putting it together. We can, however, offer our good offices.

The next difficulty is the inflation of the currency of certain countries. The reason it takes thousands of kronen to buy a bed is because the Government was issuing a few billion kronen while a gentleman is taking off his clothes to get into bed. They do not have money at all; they have printing presses and paper. They run the presses night and day and print a lot of stuff they call money. When that paper——

Mr. CARAWAY. May I interrupt the Senator for just a moment?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. REED of Missouri. I will yield to the Senator when I finish the sentence. When that piece of paper, which simply had a printing press run over it, is not accepted by the world or by anybody as an equivalent of gold or as an equivalent of anything, its purchasing power goes to nothing. That is the reason why the people of certain European nations have to pay such enormous prices. Now I yield to the Senator from Arkansas.

Mr. CARAWAY. Mr. President, if the Senator will pardon me, he has demonstrated the fact that he is the only man in the Senate who knows anything about economic conditions in Europe.

Mr. REED of Missouri. Oh, the Senator ought not to make that remark. I have not said anything unkind about anybody or assumed any superior knowledge.

Mr. CARAWAY. Well, I was just going to say, with all that superior knowledge, will the Senator tell us what the people of

Austria, for instance, are going to do when paper money is the only money they have?

Mr. REED of Missouri. Mr. President, that is quite another question than the one I am discussing. I am discussing the reasons the currency of certain countries has no value. I am willing to discuss the other question later. But let me say to the Senator I have assumed no superiority of knowledge.

I am offering my views just as he offers his. I do not profess any superiority, but I do claim the right on this floor to submit the facts as I understand them and to submit my views along with the views of other Senators.

Mr. CARAWAY. I hope the Senator will pardon me. I do not wish to be offensive and did not intend to be, but I understood the Senator from Missouri to be lecturing everybody else and deploring the fact that all the statements which had been made were reckless and were not based on facts but merely assumptions of facts.

Mr. REED of Missouri. I am merely arguing that some of those statements are assumptions of facts. I have not charged that the Senator from Arkansas has not stated the fact about anything. I will take his word for the value of the bed over there and as to the condition of the currency.

Mr. CARAWAY. I am not curious that the Senator should do that; but if I may interrupt the Senator for just a moment, what impressed me was that, if I understood him correctly, he assumed that everybody who had made statements about economic conditions had made wild and, the Senator said, foolish statements.

Mr. REED of Missouri. Oh, no. The Senator now is illustrating just what I have been arguing. He says that I assumed that everybody who had made a statement had made a foolish statement. I made no such assertion. I have discussed certain particular statements and have sought to show that these particular statements are exaggerated. Whereupon the Senator accuses me of having declared that everybody who made any statements about economic conditions had made foolish statements.

Mr. CARAWAY. I rather think the Senator himself may be illustrating what he is arguing.

Mr. REED of Missouri. Possibly so. I said that some statements, in my judgment, were wild statements, but I did not say that everybody had made wild statements. If the Senator will just notice what I say——

Mr. CARAWAY. I always pay the most particular attention to what the Senator from Missouri says, because it is interesting.

Mr. REED of Missouri. Very well. Of course, if Austria or Germany or Russia turn their printing presses loose and print bales of stuff which they call money, that will not make it money. So when I am told that it costs a man a million kronen or a million francs or a million of some other kind of money to buy some little article, that does not mean anything except that there is in that country no honest money in circulation. They have not the gold back of it, I suppose, and they have not any credit back of it. If they had credit back of it their money would be of more value, because people would expect it to be redeemed some day.

Why do they not have credit? There are many answers to that question, but it seems to me that one reason Germany has no credit is because she can not get the amount of indemnity which she must pay fixed and can not get any arrangements made to pay it with which she thinks she can comply. Until that is done no banker will loan Germany money; nobody will sell her goods on credit; no nation will loan her money. So we get down to the fact that at the root of the whole situation lies a political problem. Senators may call it economic, but the economic condition is created that it may be used to establish the perpetual dominance of France. I only speak my judgment, for we can not prove these things, but judging by the circumstantial evidence I have no more doubt in my mind that France wishes to stay in Germany, that she proposes to hold the occupied regions forever if she can, than that I am standing on this floor. Hence she does not want to fix the indemnities at a figure which Germany can meet. In that I can not much blame the Frenchman. He views everything from his nation's standpoint. But, viewing the same question from our standpoint and from the standpoint of the world outside of France, I think a great mistake is being made and that an *unjustifiable thing* is being attempted.

We may call an economic conference here, but until the French nation has gotten into a frame of mind where it is willing to adopt a different policy, I do not know what may be accomplished by such a conference.

When will France get into that position? When she finds that she is being abandoned by the rest of the world in her attitude and when, perhaps, her own economic condition compels her to adopt a more moderate course. However that may be, so long as the European nations expect the United States to stand by as a Lady Bountiful and put up the money they will continue to insist on everything they can get. Those are not our problems. They do not want us over there for any other purpose except as we may come to contribute to them. They do not want us to be "their keepers."

Again, it has been said "that we might as well understand that the United States is a part of the world." The Senator from Mississippi [Mr. WILLIAMS] in substance declared: "I solemnly adjure you from that shadowland which I am about to enter and, speaking with the wisdom of the ages, to recognize the fact that the United States is part of the world."

In the name of common sense, who ever doubted we were part of the world? Being a part of the world, however, is a very different thing from setting ourselves up as the boss of the world. Being a citizen in a community with a right to your own home is quite a different thing from undertaking to boss your neighbor and drive him out of his back lot. We have been a part of this world since that glorious day when the farmers rallied along the lanes of Lexington; we were a part of this world before that; but England did not yet know it; she thought we were a part of England. We have been a part of the world down through the century and the half of our existence. We have been the only part of the world that has been able to maintain clear and unspotted its title to be called just. Because we have not tried to overrun the world; because we have not tried to impose our will upon the world; because we have not tried to be a part of the world, in the sense that we undertook to dominate and boss the world; because we have stayed at home and pursued the American policy of attending to our own business and letting the remainder of the world attend to its business—for that reason we occupy the proud position we do to-day, with all the rest of the world saying "Come over and help us." The trouble is we never get through helping them.

Mr. President, out of this turmoil the world will emerge. Somehow or other France and Germany will adjust their difficulties. It may mean another slice from Germany; it may mean a long period of payments; it may mean that other countries over there directly interested will intervene to some extent; but, rest assured of one thing, the world will still be here; humanity will not disappear; the temples of justice will not all be dissolved in ashes; the schools of learning will not vanish in "thin air."

Let us get the blood out of our heads. They have been trying to do some things over there that they ought not to do and they have made some trouble. I think, without any question, England encouraged Greece to war on Turkey; I think, without any question, France came to the aid of Turkey; and I think both of those nations have learned a lesson.

There will be some disturbances, but you can trust the European statesmen to have some sense. We do not possess all of the wisdom. If we can just get out of our heads and hearts the conceited idea that America has a magic wand, and that whatever she touches will turn to gold, and that her statesmen can sit down in conference and solve problems that none of the other statesmen of the world can solve, we will be wiser than we are now.

Mr. President, let America keep out of Europe. Let us tell the European countries that what they owe is a sacred debt and that we expect payment. Let us deal with them as justly and as considerately as we possibly can in regard to times of payment. If a conference is called to consider the rehabilitation of Europe, I have no objection to the United States tendering its good offices.

I do insist, however, that we shall not accept any part of the responsibility for the present conditions of Europe. We did not make it. I do insist that we shall not sit down at any table or engage in any conferences which will bind the United States to send another dollar of money there or to send another man there. Let us stay at home and attend to America. While its condition is not anything like as bad as some people have maintained, it nevertheless is bad enough to need our attention and all the ability we have.

Mr. President, my heart bleeds for those people. I said I was in favor of not sending another dollar over there. I do not mean in that statement to include cases of absolute want and starvation. I would not object to reasonable contributions of that nature but I am opposed to our undertaking to carry their financial loads. It was said here this morning that the French people loaned the French Government the money to carry on this war and that the French Government never will be able to pay them.

Well, that is a question for the French Government and the French people; but, if the statement be true, then who should suffer the loss, the French people who loaned their money to France or the American people who had nothing to do with the transaction? The French people own these debts, and if the country is in such condition it can not pay, the French people will have to reduce or cancel the debts.

There is one thing about this enormous war debt out of which we can get a grain of consolation, along with all the bad that there is in it, and that is that European countries have so much debt on them now that probably that debt itself will prevent any big war in the near future.

Mr. President, in what I have tried to say I have simply sought to point out the fact that there has been constant overstatements of the real situation. No great and appalling catastrophe is going to happen to America. I have every confidence that European statecraft and European business ability will solve the problem over there; but I have this to say: If you are ever to get the world upon its feet financially you must let people go to work successfully, and peoples can not work unless they have markets in which to sell.

I want our State Department to tell us why we are not placed in a position to trade openly and freely with Russia. There are 180,000,000 people there, with a territory several times as large as that of the United States—a great people, though they may have what we regard as a very foolish or bad government. They have always had a very foolish or bad government, and they have a bad one now, but I question whether it is as bad as the Czar's government was. Why is it that we are not making an effort through our State Department to open the doors of Russia to American trade?

Take a map and examine it; look at the picture of Russia and compare it with that of Europe. The rest of Europe in point of territory dwindles almost into insignificance. Why is it that we are stupidly sitting here and letting other nations get the Russian trade? Why do we not do something for our own people and open those doors?

Why is it that Mexico, with only the Rio Grande dividing her from us, is largely cut off from American trade to-day? What kind of stupidity is it that does not open that door? How long does a government have to exist before it can be recognized? What kind of civil-service examination and certificate of character will satisfy the State Department and the President?

Open Mexico to American trade! Let American farm products find a free market there. It is true that some goods are shipped there now; but as long as we do not recognize that country properly, its credit, its ability to get on, are under a severe handicap.

Here, then, are two great countries of the world partially cut off from us. Why do we not help them by recognizing them?

You say you do not like the Russian Government. Well, did you like the government of the Sioux Indian when we traded with him? Did you like the government of the Czar of Russia when he ruled by his Cossacks and his bayonets? Did you like the government that was set up by Belgium in the Kongo? And yet we traded with Belgium. The business of the statesmen of this country is to open the doors for trade and commerce, and we will do more for agriculture and labor in that way than we can by all of the resolutions and laws we can pass in this body; but we sit supinely here pursuing a policy which, whether or not it was wise in the first instance, certainly is not wise to-day.

You talk also about helping Europe. I should like to see these people helped, but I want to put this to you: What is the use of shedding tears about the poverty of Germany or Austria, where there are millions of willing hands anxious to work, if while we are shedding tears over their impoverishment we pass a law that in substance and effect declares that we will not buy anything they produce?

Mr. President, I submit this question to the Senator who visited that country and gathered much useful information: If the Austrian people could find a market for their goods at fair prices outside of Austria, does he not think Austria would soon rehabilitate herself? Would not Germany soon improve her fortunes?

Mr. CARAWAY. Mr. President, I think myself, to speak of Austria first, that Austria would have to have more than a market for her products.

Mr. REED of Missouri. It would help.

Mr. CARAWAY. Oh, it would help, of course. That is what would restore us, if we had a market. It would restore any country to a very large extent if it could get a market for its products and get raw materials out of which to work them.

Mr. REED of Missouri. If, however, we had an economic conference, and a German statesman or an Austrian statesman came in and said: "Our people are willing to work, but you will not let us ship our goods here and give you goods for your money," what would say our friends upon the other side of the Chamber? They would declare: "We can not disturb the tariff."

I understand that other countries have passed laws that are very inimical to trade with Austria. If that is the case, then that is a matter for statesmanship. I think I can speak for this side of the Chamber and say that if our friends on the other side will agree to it we can remove that one difficulty as far as America is concerned, and we can reduce our tariff very promptly, and let them have a market for some of their goods. Is it not a bit of arrant hypocrisy to talk about helping Germany and helping Austria and helping Europe, while we are posting customhouse officials at every port of this country, with instructions to keep out all foreign-made goods unless they pay a prohibitive tax?

It seems to me, Mr. President, that this debate has done some good. I am glad this amendment is withdrawn, and I hope that the State Department and the President at an early day will conclude that if they can not let the Senate or the Congress know what they are doing, lest the information might be misused, they will take the American people into their confidence. If they do not take the American people into their confidence pretty soon, the American people will take care of them in that happy day which is approaching.

Mr. SMOOT. Mr. President, I did intend to speak on the Borah amendment; but since it has been withdrawn I shall not occupy any of the time of the Senate other than to say that I think that it was a very unwise and mischievous provision, and if enacted into law I am quite sure that it would have resulted in a great deal of harm not only to this country but to the other countries of the world.

In connection with what I had expected to say I had prepared certain figures that I now ask may go into the RECORD without reading. They are the domestic exports of agricultural products from the United States during the calendar years 1913, 1921, and 1922 in dollars, and the domestic exports of agricultural products from the United States during those same years in pounds and in bushels, showing the quantities in each of the three years mentioned, namely, 1913, 1921, and 1922.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Domestic exports of agricultural products from the United States during the calendar years 1913, 1921, and 1922.

Commodities.	1913	1921	1922[1]
Cotton, raw	$575,495,653	$534,241,795	$700,000,000
Tobacco, unmanufactured	52,937,894	205,133,430	148,000,000
Wheat	95,098,838	433,053,336	208,000,000
Wheat flour	56,865,444	117,698,225	85,000,000
Corn	26,515,146	92,766,988	120,000,000
Other grains and flour	24,912,438	104,481,478	112,000,000
Meat products	157,486,469	298,213,397	240,000,000
Dairy products	3,120,099	44,145,749	25,000,000
Sugar	1,873,923	48,826,890	70,000,000
Fruits and nuts	33,708,695	70,157,327	80,000,000
Oils	21,033,089	28,465,200	15,000,000
Oil cake and meal	27,761,624	24,488,651	20,000,000
Vegetables	6,837,535	19,451,883	18,000,000
Other agricultural products	61,822,290	98,581,040	89,000,000
Total	1,145,469,137	2,119,705,389	1,930,000,000

[1] Estimated.

Domestic exports of agricultural products from the United States during the calendar years 1913, 1921, and 1922.

Commodities.	1913	1921	1922[1]
Cotton, raw.....pounds..	4,481,868,754	3,339,113,489	3,284,000,000
Tobacco, unmanufactured...do....	444,371,661	522,756,026	434,000,000
Wheat.....bushels..	99,508,968	280,057,601	165,000,000
Wheat flour.....barrels..	12,278,206	16,698,225	15,000,000
Corn.....bushels..	45,286,759	128,974,505	166,000,000
Other grains and flour....pounds..	1,910,313,874	4,548,633,312	6,247,000,000
Meat products.....do....	1,317,200,342	1,946,609,640	1,817,000,000
Dairy products.....do....	26,238,874	318,904,876	214,000,000
Sugar.....do....	51,772,125	933,792,360	1,840,000,000
Fruits and nuts.....do....	602,133,509	958,452,019	1,081,000,000
Oils.....do....	297,270,589	280,105,404	146,000,000
Oil cake and meal.....do....	1,951,184,003	1,206,084,078	929,000,000
Vegetables.....do....	190,047,720	502,353,480	470,000,000
Other agricultural products..do....	680,045,190	528,648,370	712,000,000
Total.....do....	22,890,128,613	42,307,947,957	39,340,000,000

[1] Estimated.

Mr. SMOOT. I also ask that the total values of imports and exports of merchandise into and from the United States by months during 1921 and 1922 be incorporated in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Total values of imports and exports of merchandise into and from the United States, by months, during 1921 and 1922.

Months.	Imports.		Exports.	
	1921	1922	1921	1922
January	$208,796,989	$217,185,396	$654,271,423	$278,848,469
February	214,529,680	215,743,282	486,454,090	250,619,841
March	251,909,241	256,177,796	386,680,346	329,979,817
April	254,579,325	217,023,142	340,464,106	318,469,578
May	204,911,186	252,817,254	329,709,579	307,568,828
June	185,689,909	260,460,898	336,898,606	335,116,750
July	178,159,154	251,772,318	325,181,138	301,250,032
August	194,768,751	281,411,705	366,887,538	301,804,618
September	179,292,165	228,794,639	324,863,123	313,093,286
October	188,007,629	(1)	343,330,815	370,720,154
November	210,948,036		294,092,219	383,000,000
December	237,495,505		296,198,373	

[1] Imports for the period from Sept. 22 to Oct. 31 under the new tariff act are greatly delayed on account of the great number of defective entries filed with collectors of customs since Sept. 22, which failed to show the information required by the new tariff law and the revised statistical schedule. The compilation of these figures is proceeding very slowly, and according to present information from the customs service it will be the first part of January before they are available.

Mr. SMOOT. In that connection, I desire to call attention to the fact that the Treasury Department has not yet figures of imports for the months of October and November and the balance of December of this year. But I notice that the daily statement of the United States Treasury dated December 26, 1922, shows that the customs receipts collected up to the 26th of this month are $33,516,176.66, and for the corresponding period of last year they were only $20,313,316.13, or an increase of a little over 65 per cent for this year. For the fiscal year 1923—that is, beginning July 1, 1922, up to the 26th of this month—the amount collected was $244,938,120.13, while in the corresponding period of last year the receipts were only $141,166,526.08. So, whatever may be said of the tariff keeping goods out of the country, the record does not show that to be a fact.

Mr. LODGE. Mr. President, very little remains to be done on the naval appropriation bill, and I hope Senators will remain for a short time so that we can complete the consideration of the bill, and I can thereby be enabled to move an adjournment until Tuesday. If we do not complete the bill to-night we shall have to sit to-morrow to conclude it.

Mr. HEFLIN obtained the floor.

Mr. POINDEXTER. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Washington?

Mr. HEFLIN. I yield.

Mr. POINDEXTER. I wanted to move the adoption of some formal amendments. Mr. President, I ask that we proceed with the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Tennessee [Mr. MCKELLAR], which will be stated.

The READING CLERK. On page 9 it is proposed to strike out lines 1 to 5, inclusive, in the following words:

OFFICE OF NAVAL INTELLIGENCE.

For employees in the Office of Naval Intelligence, $30,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum except two persons at $2,000 each.

[Mr. MCKELLAR addressed the Senate. His speech appears on p. 1105, December 30.]

Mr. POINDEXTER. Just one word in regard to the amendment proposed by the Senator from Tennessee. I concur with him in his desire to curtail naval expenditures to the utmost. The attitude of the Naval Affairs Committee of the House of Representatives in that respect is very well known. It has taken a very pronounced and very strong position toward a very drastic, far-reaching reduction of the Naval Establishment, and the Senate committee reporting this bill accepted the figures as reported by the House committee and as adopted by the House.

The Senator from Tennessee has read in part from a report made by the House committee on the bill, in which reference was made to recommendations which that committee made last year. This year they abandoned those recommendations and accepted the figures which had been established by the House of Representatives itself after a most exhaustive study. In the preparation of the appropriation for the Naval Establishment the year before—for 1922—the same question was gone into very exhaustively in the Senate and in the Senate committee. The Senator is basing his conclusion on a number of general figures, which I think are entirely erroneous, with regard to the comparative size of the personnel of the navies of Great Britain, Japan, and the United States. The Senator says that the enlisted force of Great Britain is 84,041 men. That is true, so far as the regular navy of Great Britain is concerned, but their navy is upon an entirely different basis from ours. That figure does not include the air force, while the 86,000 men provided for in this bill does include the air force. The entire air force of Great Britain numbers 29,517 men. The entire air force of the Army and Navy of the United States is 13,619 men.

Mr. MCKELLAR. If you add the difference, then there are a great many more enlisted men in the American Navy, relative to its strength, than there are in the British Navy, according to the Senator's own figures.

Mr. POINDEXTER. Under the agreement recently made by the Arms Limitation Conference it was agreed that the Navy of the United States should be maintained upon an equal basis with that of Great Britain.

Mr. MCKELLAR. As to capital ships only.

Mr. POINDEXTER. Capital ships are the unit of naval strength; but the spirit of the treaty was, and the basis upon which the entire agreement was reached was the assumption, at least on our part, of our true naval policy, that the two navies should be of equal strength. As a matter of fact, in the existing establishment the British Navy is very much larger than that of the United States. In the same agreement it was provided that the Japanese Navy, taking capital ships as the unit of naval strength, should be upon a relative basis of 3 to 5. As a matter of fact, the enlisted strength of the Japanese Navy at the present time is 65,469 men, as against 86,000 provided for in this bill. Fifty-one thousand six hundred men would be the relative strength of the Japanese Navy if the two navies were to be maintained upon a ratio of 3 to 5 upon the basis of the pending bill. In other words, the Japanese Navy contains an enlisted strength of 13,867 men above the ratio of 3 to 5 on the basis of the pending bill and our naval strength provided for the current year.

The total enlisted strength of the British Navy, counting their air force, the Australian Naval Force, the New Zealand Navy, the Canadian Navy, the Royal Indian Marines, the Royal Fleet Auxiliary, the navy signaling station, and men on yard craft of the mercantile marine, who are doing the work that is done by enlisted men in our Navy, is 102,934 men, as against the 86,000 men provided for in this bill. In the much more vital matter of trained and educated officers, Japan, instead of being on a basis of 3 to our 5 is practically equal, having 7,705 officers to our 7,707 officers. Great Britain, instead of being on a ratio of 5 to 5, has 9,442 officers to our 7,707.

Mr. President, I want to make another comment upon the figures given by the Senator from Tennessee. He stated that the difference of 19,000 men, as between the number of men provided for in the bill as reported by the committee and the 67,000 who would be provided for under his amendment, would amount to a difference of expense of $30,000,000. As a matter of fact the entire cost of the maintenance of a seaman is less than I gave the other day. I gave the figures to the Senator the other day as a thousand dollars. Upon a careful examination I find it is even less than that—that the entire cost of the maintenance of a man, including his salary, his clothing, and his provisions, is $840 a year. So that the entire cost of the maintenance of this number of men, instead of $30,000,000, would be only a little over half of that, or $15,960,000.

In view of the very exhaustive examination and exhaustive discussion of this matter which has taken place recently, in which everybody who was interested in the discussion on both sides took part, and in which every argument was marshaled for and against the proposition of the Senator from Tennessee, I do not think it is necessary to go further into it at this time, and I hope the Senate will vote down the amendment.

Mr. KING. Mr. President, I would like to inquire of the Senator from Washington whether he desires to proceed further to-night. I dislike to call for a quorum, but I feel constrained on this amendment to ask for a yea-and-nay vote. If the Senator will let it go over until to-morrow or Tuesday, I will not ask for a quorum now.

Mr. POINDEXTER. I ask unanimous consent that when the Senate concludes its business to-day it be in recess until 12 o'clock to-morrow.

Mr. KING. May I inquire of the Senator if he would object to taking an adjournment so that we can have a morning hour to-morrow?

Mr. POINDEXTER. I was in hopes that we could take an adjournment from to-morrow until Tuesday. If we take a recess, it will save some little time and may enable us to do that. On Tuesday the ordinary business that is transacted in the so-called morning hour would come up.

Mr. KING. I do not want to discommode anybody, but——

Mr. McKELLAR. I have no objection in the world to taking a vote on my amendment this afternoon. The Senator in charge of the bill has been exceedingly kind to me with reference to my necessary absences.

Mr. POINDEXTER. I would be very glad to have a vote upon the amendment of the Senator from Tennessee now.

Mr. KING. I stated to the Senate, and the Senator from Tennessee must have heard me, that I shall ask for a roll call upon his amendment.

Mr. McKELLAR. I heard the statement, but there is probably no hope of getting a quorum here at this late hour.

Mr. POINDEXTER. I was in hopes that the Senator from Utah would withhold that point of order until we had disposed of the amendment offered by the Senator from Tennessee.

Mr. McKELLAR. The Senator from Utah said he would ask for a yea-and-nay vote on my amendment.

Mr. KING. I said I did not want to call Senators back this afternoon, and I asked the Senator to let the vote upon the amendment offered by the Senator from Tennessee go over until to-morrow or until Tuesday.

Mr. LODGE. It will go over until Monday, if we do not finish it to-morrow.

Mr. KING. Of course, Senators on the other side of the aisle have the power, I suppose, to determine when we shall adjourn and the hour to which we shall adjourn.

Mr. POINDEXTER. It is much preferable to arrive at some amicable agreement.

Mr. KING. Certainly; and I do not want to ask for a roll call this afternoon.

Mr. POINDEXTER. Of course the Senator can state his position, but I was under the impression that he had reference to a desire for a yea and nay vote upon the amendment which he gave notice he would offer.

Mr. KING. No; I desire a roll call on the amendment offered by the Senator from Tennessee.

Mr. POINDEXTER. Then I renew the unanimous-consent request which I made a moment ago, that when the Senate conclude its business to-day it take a recess until 12 o'clock to-morrow.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION.

Mr. POINDEXTER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened; and (at 6 o'clock and 10 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Saturday, December 30, 1922, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 29 (legislative day of December 27), 1922.

COLLECTOR OF CUSTOMS.

Harry C. Whitehill to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt.

POSTMASTER.

TENNESSEE.

Blanton W. Burford, Lebanon.

HOUSE OF REPRESENTATIVES.

FRIDAY, *December 29, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Every good thing in all the world, blessed Lord, is but a single ray of Thy light. We bless Thee that Thou art the rock of our salvation, the foundation of all heavenly vision, and shepherd of all Thy earthly children. Always enable us to be useful as true friends and helpful as wise advisers in public and private councils. When silence means the pause of disappointment; when plans are overthrown; when energies are misdirected and end in the defeat of our best wisdom, then, our heavenly Father, take us by the hand, light and lead the way, and give the heart the blessing of repose. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to address the House for two minutes on a matter of procedure.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to address the House for two minutes on a matter of procedure. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, we hope to conclude the bill now under consideration to-day and to complete the Post Office appropriation Tuesday. It is possible we will not get through with the Post Office appropriation bill on Tuesday. I want to give the House abundant opportunity for proper consideration of that measure, but on Wednesday, under the agreement that has been entered into or the understanding that has been had, we vote on the Agricultural bill, the Interior Department bill, and the Post Office appropriation bill, if it is ready, and complete the consideration of the Post Office bill if we have not completed consideration up to that time. I now ask unanimous consent that when the House adjourns on Saturday it adjourn to meet on Tuesday next.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns on Saturday it adjourn to meet on Tuesday next. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, I also ask unanimous consent to dispense with Calendar Wednesday business on Wednesday next.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to dispense with Calendar Wednesday business on Wednesday next. Is there objection?

Mr. GARNER. Mr. Speaker, reserving the right to object, I wish the gentleman would defer that request until Mr. GARRETT of Tennessee returns. He can ask unanimous consent on Tuesday.

Mr. MONDELL. On both of these matters I had an understanding with the gentleman from Tennessee [Mr. GARRETT] before he left; otherwise I would have discussed the matter with the gentleman from Texas.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

REFERENCE OF A BILL.

Mr. SUTHERLAND. Mr. Speaker, I request that the bill H. R. 13552, a bill to extend the provisions of the Federal highway act to Alaska, which was referred to the Committee on the Territories, be transferred to the Committee on Roads. I had the consent of the gentleman from California, the chairman of the Committee on the Territories, and the ranking member of the Committee on Roads, the gentleman from Iowa [Mr. DOWELL], also consents.

The SPEAKER. The gentleman from Alaska asks unanimous consent that the bill referred to be transferred from the Committee on the Territories to the Committee on Roads. Is there objection? [After a pause.] The Chair hears none.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the Interior Department appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13559, with Mr. TOWNER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13559, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to return to the item on page 21, line 15. In this connection I will state that request is made simply that the committee may fully keep faith with a Member of the House. Unintentionally the gentleman from Oklahoma [Mr. McCLINTIC] was misinformed as to the bill by the subcommittee, and so to keep perfect faith with him I ask to return to that item.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. BLANTON. Mr. Chairman, reserving the right to object, and I do not intend to object, I want to call the gentleman's attention to the fact that at the close of yesterday afternoon, immediately after reading the last paragraph, the gentleman from Mississippi [Mr. LOWREY] had an amendment he desired to offer. This would not interfere with his amendment?

Mr. CRAMTON. No; not at all.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. McCLINTIC. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 21, line 14, after the word "drugs," strike out the words "including peyote."

Mr. McCLINTIC. Mr. Chairman, I wish to thank the chairman of the subcommittee of the Committee on Appropriations and my colleague [Mr. CARTER] for their courtesy in this connection. When this bill was presented to the House for consideration I asked my colleague [Mr. CARTER] if there was anything in it which refers to the use of peyote, and he, misunderstanding me, said no. Therefore the bill passed to consideration, and I did not know that this item was included in it until afterwards, when I had made an examination of the same.

Now, Mr. Chairman, I am sure every Member of this body wishes to keep faith with those interested in this subject. At the present time there is pending before the Committee on the Judiciary a bill which has been introduced for the purpose of depriving the Indians of the use of peyote in their religious rites. The gentleman from Minnesota [Mr. VOLSTEAD], the chairman of the Judiciary Committee, informed me this morning that the hearings had been started and that they would be resumed during the month of January.

Representatives of the various Indian tribes throughout the country who are interested in this subject know this, and they have made plans to send their representatives to Washington for the purpose of explaining to the committee why they desire the use of peyote. Inasmuch as this promise has been made to them, and another committee is considering this legislation, I contend that we should keep faith with the Indians and allow their representatives to come here to Washington and present their case.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. McCLINTIC. Yes.

Mr. HICKS. Is this narcotic, or whatever it is, used at any other time except at these festivities?

Mr. McCLINTIC. I have not heard of any white person using peyote. It is one of the Indian customs that they have had from time immemorial.

Mr. HICKS. Is it very injurious to their health?

Mr. McCLINTIC. Authorities differ as to that. If any person has ever been injured by the use of peyote, I never heard of it. We have taken away from the Indians nearly everything else. No white person becomes addicted to this habit—if it is a habit. It is claimed that it is used in connection with religious rites. I can see no reason why we should keep their representatives from coming to Washington and having this matter fully considered before it is acted upon.

Mr. HICKS. What is the effect upon the users of this drug?

Mr. McCLINTIC. I take it that it is used as certain religious denominations use unleavened bread for sacramental purposes. I have no positive information in this connection.

Mr. HICKS. Does not the use of this plant give effects similar to the use of opium?

Mr. McCLINTIC. I do not think so.

Mr. MILLER. Mr. Chairman, will the gentleman yield for a short question?

Mr. McCLINTIC. Yes.

Mr. MILLER. What particular denomination uses this stuff?

Mr. McCLINTIC. It is used in connection with certain rites pertaining to the Indian religion. They believe in the Great Spirit, and they use peyote in connection with their worship.

Mr. MILLER. I believe in the Great Spirit, but I do not see what this stuff has to do with a belief in the Great Spirit. I have never seen any great reverence manifested toward the Great Spirit when they used this stuff.

Mr. McCLINTIC. I understand peyote is the dried bloom of the cactus plant. The Indians gather it and distribute it among those who are affiliated with their various religious denominations, and at certain intervals they use it as a religious rite.

Mr. MILLER. I have seen a good many of them come out of their meetings on their hind legs, as you might say, or come out of the barn on their hands and knees.

Mr. McCLINTIC. Even if that is true—and I do not say it is true—we have a bill pending before the Committee on the Judiciary that refers directly to this one subject. Hearings have been started but not completed. The chairman of the committee informed me this morning that those hearings are to be continued in January. The representatives of those tribes are coming to Washington at great expense. Therefore I think in a spirit of fairness we ought to allow them to be heard.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman from Oklahoma may proceed for five minutes more.

The CHAIRMAN. Is there objection to that request?

There was no objection.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McCLINTIC. I shall be glad to yield.

Mr. BLANTON. The gentleman will remember that a year ago, when this same provision was placed in this bill, this whole subject was thrashed out here on the floor of the House, even over the strong advocacy of the matter by the gentleman from Oklahoma [Mr. GENSMAN]. At that time the same bill to which the gentleman now refers was pending before his committee, and had been pending the whole year, and no action had been taken on it. For what reason have we to presume that in another year or in two years any action will be taken?

Mr. CARTER. If the gentleman will yield, I will say that at that time there was, I think, a bill pending, but it was pending before the Committee on Indian Affairs and not before the Committee on the Judiciary.

Mr. BLANTON. But it was pending.

Mr. CARTER. It was pending; but if the gentleman will permit me to finish my statement he will understand it better without further interruption. The bill was pending, I say, before the Committee on Indian Affairs. A long and exhaustive investigation was made as to the deleterious effects of this drug. I attended some of the hearings before the subcommittee; I attended most of them; and the testimony was decidedly conflicting as to whether it was a deleterious drug or not. Scientists on both sides of the question took exactly opposite positions, some saying that it was deleterious and others saying that it was not deleterious and that it was used only in their religious worship and not otherwise. Frankly, I am unable to tell the Members of the House after listening to the testimony whether it was deleterious or otherwise.

Mr. BLANTON. Was there as much controversy over that matter as there is now among some physicians relative to intoxicating liquor and dope?

Mr. CARTER. Oh, yes. There was much more conflict of opinion as to the effect of this plant peyote.

Mr. McCLINTIC. If there was a conflict among the highest authorities and a new committee has jurisdiction over this subject and new hearings have been started—which will be resumed, as I am told, in January—and the delegates have been notified to come to Washington to be heard, in a spirit of fairness I think we ought to let the matter go over until it can be thoroughly looked into.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes.

Mr. CRAMTON. I think the subcommittee, with more or less definite knowledge of the subject, considers that peyote is a dangerous drug and that its use should be limited.

The parliamentary situation, however, is this: The Snyder Act permits us to bring in appropriations to suppress the traffic in intoxicating liquor and deleterious drugs. The language as to peyote would be in order on this bill if it is a deleterious drug. If it is not a deleterious drug, the language is not in order.

If the gentleman from Oklahoma [Mr. MCCLINTIC] had not been misinformed as to the provisions of the bill he would have been here and would have made a point of order, and he would have made that point of order to-day, except that I suggested instead that he make his motion, in view of the facts set forth, to strike out the word "peyote" in this bill, and I assured him that if he did so I would not oppose his motion. Of course, I could not commit anyone else, but I hope his motion will prevail. There are hearings being held before the Committee on the Judiciary, which has legislative jurisdiction of this question, and we may let that committee proceed to get the facts. If the gentleman had made his point of order we could have argued here for half an hour or an hour, and I am not sure how the Chair would have finally ruled, but I am sure he would have found it somewhat embarrassing, and the whole question would have been to decide whether or not peyote is a deleterious drug. It is understood that if this word "peyote" goes out of this bill now it is without prejudice to anyone. The Judiciary Committee can go ahead with its hearing. On the other hand, the Indian Service will have an appropriation of $25,000 for the suppression of the traffic in intoxi-

cating liquors and deleterious drugs, and if the Indian Service decides that peyote is a deleterious drug it may take steps within the appropriation to suppress it just as well with the word "peyote" out of the bill as with it in the bill. I simply want it understood that if the word "peyote" is taken out here, it is not an expression by this House that peyote is not a deleterious drug or that it ought not to be suppressed. By striking it out we will simply eliminate this controversial question and let the hearings go on before the Judiciary Committee. I hope, therefore, that the amendment will be adopted.

Mr. COLTON. Mr. Chairman, I rise in opposition to the amendment. I hope this motion will not prevail. Coming from a State which has had much trouble over the question of religion, I think I should be the last one to rise in opposition to a proposition that would in any way prevent the exercise of religious freedom; but I happen to live in a county in Utah where there are a great many Indians and where this drug has been used. I would be derelict in my duty if I kept quiet now. My own State has passed a law against the use of peyote. Indian Department officials approved of that bill. I happen to know personally that the use of this drug has caused the death of Indians in my home county. If it were truly a religious rite I should be reluctant to oppose it, but I do not believe it is such. The followers and believers in the use of peyote in my home county, at least, do not pretend to have a new or strange religion but use the Bible as a part of their so-called religious rites in order to create the impression that it is a religious service. They insist that they believe in the Bible as a basis of their religion. The promoters of the peyote traffic deceive these helpless people by parading peyote in borrowed rituals of the Christian Church. They exclude visitors. Twelve feathers dangle from their staff, representing the Twelve Apostles. The Bible is opened and chants are sung, repeating the holy name of Jesus, all of which is accompanied by the beating on a drum. Peyote, a drug akin to morphine, is passed around on a communion plate. Surely no one will contend Jesus ever taught such a religion. They get drunk, just as much so as any man ever was drunk with opium or alcohol or any other narcotic. To say that that may be done under the guise of religion is stretching religious freedom altogether too far. [Applause.] If religion is the worship of a Creator or Great Spirit, as we have been told, what does a drunken man know of it?

Mr. McCLINTIC. Will the gentleman yield?

Mr. COLTON. In just a moment. One other thought, and then I will be glad to yield. These men do not recover from the use of this drug for several days. I once visited one of their camps. A man was wallowing in the dirt and mud two days after a drunken spree on this peyote, absolutely irresponsible, having no rational thought of what he was doing, and not being able in any way to take care of himself. This was the result of his participating in this so-called religious ceremony and using peyote. You might just as well argue that we should protect the users of opium or alcohol if they say it is a part of their religion.

Mr. BLANTON. Will the gentleman yield?

Mr. COLTON. I promised to yield first to the gentleman from Oklahoma [Mr. McCLINTIC].

Mr. McCLINTIC. As the gentleman comes from the State of Utah, of course he appreciates the fact that his Indians are of a different tribe from my Indians. His Indians may have one religious ceremony and mine may have another. His Indians may use peyote to an excess, if such a thing is possible, and mine may be more moderate. The faith of my Indian tribe may differ from that of the tribe in the gentleman's State, just like the Methodists differ from the Baptists.

Mr. COLTON. Oh, yes, Mr. Chairman; but——

Mr. McCLINTIC. But inasmuch as this matter has not been determined by any authority that is recognized as to whether or not the drug is deleterious, and inasmuch as that question is being considered by the Committee on the Judiciary, does not the gentleman think it would be fair to let the testimony be taken and then decide this question once and for all? That is the point I make.

Mr. COLTON. Mr. Chairman, I know that people's religious ideas differ, but I happen to have personal knowledge of the effects of this drug; it is deleterious. While religions may differ, I am sure that human nature is the same everywhere, and if that drug is used to excess in Oklahoma it is bound to produce the same results that it produces in Utah. I believe the overwhelming weight of authority, scientists wholly disinterested, shows that it is a dangerous drug.

Mr. BLANTON. Now will the gentleman yield?

Mr. COLTON. I yield to the gentleman from Texas.

Mr. BLANTON. If only the men were engaged in this debauchery that keeps them in a stupor for several days it would be bad enough, but the evidence taken before the committee at the time this matter was gone into thoroughly showed conclusively that the women engage in it the same as the men. It is a common debauchery that lasts from two to three days and sometimes a week.

Mr. COLTON. Yes. If I am correctly informed, the man who introduced peyote into my county is now being held for trial before the Federal court for having debauched the whole family with which he was living.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. CRAMTON. I ask that the gentleman may have one more minute. I want to ask him a question.

The CHAIRMAN. The gentleman from Michigan asks an extension of one minute for the gentleman from Utah. Is there objection?

There was no objection.

Mr. CRAMTON. I judge from the gentleman's statement that he regards peyote as a deleterious drug.

Mr. COLTON. I think there can be no question about it. The deaths to which I referred were traced directly to that cause.

Mr. CRAMTON. If the Indian Service find that to be the case and the appropriation reads "for the suppression of the traffic in intoxicating liquors and deleterious drugs," they will have ample authority to handle the peyote situation just as well as if there was express mention made of peyote.

Mr. COLTON. I think the gentleman is probably right; but in view of this having been reported in the bill now before the House, with the word "peyote" in the bill, if we strike out the word will it not be presumed at least that Congress is winking at the use of the drug? Nothing as yet having been done, will not the department officials assume that Congress intended that nothing should or would be done?

Mr. CRAMTON. It is only to be stricken out with the express understanding, concurred in by the gentleman from Oklahoma [Mr. McCLINTIC], that taking the word out of the bill is not in any way to carry the impression that we have passed upon the question whether peyote is or is not a deleterious drug.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. McCLINTIC. I ask unanimous consent that the gentleman be given half a minute more.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the time of the gentleman from Utah be extended half a minute. Is there objection?

There was no objection.

Mr. McCLINTIC. I want to say that I am just as anxious to protect the Indians as the gentleman from Utah is.

Mr. COLTON. I am not doubting that.

Mr. McCLINTIC. And if it is found that this is a deleterious drug you will never hear any complaint from me; but until this matter is decided, I think we ought to give them a chance.

Mr. COLTON. But, Mr. Chairman, knowing as I do the evil results of the use of peyote, I believe we ought to take active steps now to stop its use, and I hope that this amendment will be voted down.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph be limited to 15 minutes, 5 minutes to the gentleman from Arizona, 5 minutes to the gentleman from Texas, and 5 minutes to the gentleman from Idaho [Mr. FRENCH].

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that all debate on this paragraph and amendments thereto be limited to 15 minutes. Is there objection?

There was no objection.

Mr. HAYDEN. Mr. Chairman, before we vote on this amendment I want to set the record straight. The first bill introduced in Congress to suppress the use of peyote among the Indians was proposed by Mr. Gandy, of South Dakota. The Sioux Indians in that State were using this drug, having been taught to do so by certain Indians from Oklahoma. Later it was proposed to revise the laws in relation to the sale of intoxicating liquors to the Indians, and I introduced a bill making all such laws applicable to peyote. It was on that bill that exhaustive hearings were held before the Committee on Indian Affairs. We had the benefit of the testimony of witnesses from all parts of the country. Gentlemen say there was scientific evidence presented to the committee that peyote was not a deleterious drug. I challenge anyone to produce from the record any testimony from any scientist to that effect. The only testimony favorable to the use of peyote was not by a scientist, not by a member of the medical profession, but by an employee of the Bureau of Ethnology. He undoubtedly

knew much about the ancient customs of the Indians, because he had devoted most of his life to that subject. He was more interested in Indian antiquities than in the problems which the modern Indian must face. This ethnologist expressed his regret that the Indians had abandoned their old ways of living, because he could no longer observe them under conditions of primitive simplicity. Being opposed to the advancement and civilization of Indians in general, he, of course, did not want any interference with the use of peyote.

Upon the other hand, Dr. Harvey W. Wiley, of the Department of Agriculture, and numerous other witnesses testified that peyote, the scientific name of which is anhalonium, is very similar in its effect on the human system to morphia, cocaine, and other like drugs.

Mr. CARTER. Will the gentleman yield?

Mr. HAYDEN. I yield to my friend from Oklahoma.

Mr. CARTER. I believe the gentleman would agree that both Doctor Wiley and the scientist from the Bureau of Ethnology claim to have given peyote to certain patients and observed them under the influence, and one testified that it was deleterious and the other that it was not?

Mr. HAYDEN. Doctor Wiley, who was a real scientist, fully demonstrated the effect of this drug by administering it to an employee of his bureau and carefully observing its evil effects.

The ethnologist also claimed to have observed the effect of peyote on the Indians, but his testimony was not based on the results of scientific study.

My bill was reported to the House containing a prohibition against the use of peyote by the Indians and was passed by an overwhelming vote. When the Snyder Act was under consideration language was placed in it authorizing appropriations for the suppression of the traffic in intoxicating liquors and peyote, and the House went on record a second time as being opposed to peyote. In the Senate the word "peyote" was stricken out of the Snyder bill. It was brought back here after a conference, and in order to get legislation the House had to eliminate peyote from the bill. It was done for the same reasons presented a few minutes ago by the chairman of the subcommittee, that if peyote is a deleterious drug it made no difference whether it was specifically named in the law or not.

My judgment, candidly expressed, is that it does not make much practical difference whether peyote is named in this bill or not. I think it is best to leave it in, because the House can thus go on record for a third time in expressing its opinion that peyote is a deleterious drug. I therefore hope that the amendment offered by the gentleman from Oklahoma will be defeated.

Mr. BLANTON. Mr. Chairman, this whole matter was thrashed out a year ago. The gentleman from Michigan knows that unless peyote is left in the bill the Indian Bureau is not going to make any attempt to suppress the use of peyote as a deleterious drug, and its baneful use will continue. The proponents claim that it is an exercise of a religious rite and we ought to leave the use of it to the Indians. There are yet Indians in other countries that believe in the religious rite of eating their enemies after they kill them, so that they may become possessed of all of their victims' virtues. I suppose it would be claimed, therefore, if our Indians believed in this as a religious rite that we ought to let them exercise it. If any band of Indians should believe that it is necessary to throw their children to the crocodiles as a religious rite, we ought to permit them to continue that because it is a religious rite. That is the argument.

There is no question in the world but what, if any Member will sit down and read carefully all the hearings to which reference has been made, he can not escape the conclusion that peyote is a deleterious drug and that it ought to be suppressed. In the hearings you will find several witnesses who have used this drug, giving their own testimony as to the effect that it had upon them; that they had the wildest hallucinations possible, that they finally lost consciousness, that there was utter abandonment, possessing both men and women, and that men and women sometimes spent nearly a week in this debauchery in their tents. There are men suffering in California to-day from the drug habit who believe that they have the right to use it as we do our coffee.

There are men to-day who still believe they have the right to continue the use of intoxicating liquor in the form of light wine and beer, and they are even so near to the city of Washington as the city of Baltimore, and, because they believe in it, they may even go so far as to believe that it is a religious rite in their exercise of it.

Mr. CHINDBLOM. How does the gentleman spell "rite"?

Mr. BLANTON. I spell it r-i-t-e, and then I may also spell it r-i-g-h-t, because both are applicable in this instance. We still repress intoxicating liquors, even though some of its advocates are prominent Members of Congress who are reported to be here on a 50–50 vote of Democrats and Republicans.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HILL. Does the gentleman indorse the charges made by his colleague, the Representative from Georgia, Mr. UPSHAW, as to the wholesale violation of the Volstead Act by Members of Congress?

Mr. BLANTON. Oh, that is ridiculous.

Mr. HILL. I agree with the gentleman.

Mr. BLANTON. I was present on this floor when our friend the distinguished gentleman from Georgia [Mr. UPSHAW] made that speech, and I witnessed our good friend, the distinguished rider of the great white charger, from Baltimore sitting right here on the front seat, and I saw him heartily applaud the statements of the gentleman from Georgia more than did any other Member of the House.

Mr. HILL. Mr. Chairman, will the gentleman yield further?

Mr. BLANTON. And the gentleman surely will not now deny it.

Mr. HILL. No; and I applauded because if any Member of this House is violating the law, he should stop it; but I do not believe any Member is violating the law, and I believe those charges are incorrect.

Mr. BLANTON. He heartily applauded the gentleman from Georgia at that time, and then waited for the gentleman to go back to Georgia to spend his Christmas recess, and in order now to get a little newspaper notoriety he calls on him for proof of his charges.

Mr. HILL. Oh, if I wanted newspaper notoriety, I would try to learn from the gentleman from Texas.

Mr. BLANTON. And the gentleman would learn well if he did; but that action really is all poppycock, to ask that evidence from the gentleman from Georgia. The gentleman from Maryland knows that the distinguished gentleman from Georgia [Mr. UPSHAW] is not going to give away any of his colleagues, even if he knew of any violation of the law.

Mr. HILL. But I do not believe that he has any evidence.

Mr. BLANTON. And neither the affable gentleman from Maryland nor myself would give away any of our colleagues on that proposition if we knew of such evidence.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FRENCH. Mr. Chairman, there are three reasons why I am opposed to the amendment striking from the bill the provision for the suppression of peyote. First, the amendment should not prevail, for unless the words are in the bill, in my judgment the department will not attempt to enforce the law against the use of peyote. The committee will remember that more than a year ago when the Snyder Act was passed by the House, it included the word "peyote" together with the present language "deleterious drugs," and that the word "peyote" was eliminated in the Senate. What other construction can the department place upon the intent of the law, after a word has been included by one House that was later stricken from the bill in the other Chamber, than that the Congress did not intend to include that word in the law itself? This must be the reasonable conclusion of the department. As further evidence of the fact that this is the attitude of the department, let me say that when the question was asked of Assistant Commissioner Meritt a year ago, when we conducted our hearings upon this bill, whether or not the department had authority to apply the deleterious drug laws against peyote, Mr. Meritt replied that there was no authority. The question was:

So you have no authority for the suppression of peyote at all?

The reply of Mr. Meritt was:

No, sir.

I say, Mr. Chairman, then that the first point upon which it is suggested that the amendment be eliminated—that the department now has authority—will not do to rely upon, because the department does not believe that it has authority to enforce the law against peyote.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. I will ask the gentleman to wait until I get through with my statement first and then I shall yield. The debate has been limited.

Mr. WINGO. Well, you will not limit it any more to-day if members of the committee can not answer questions. I think we would better get a quorum here.

Mr. FRENCH. The committee limited the time of debate; I did not; and I hope to have time to yield in a few moments.

Mr. WINGO. I just put you on notice that you will have to do that.

Mr. FRENCH. There is a second reason why I am opposed to the amendment prevailing. It has been urged that the matter is before another committee. Upon that same theory you could throw into the hopper a bill providing that we should not enforce the law against intoxicating liquors, opium, or morphine, and come in here and assure the House that if the drugs were deleterious the law could be enforced, and that we need not make specific provision awaiting the action of another committee. Surely that will not do.

If that be sound logic, you could forever prevent the enforcement of law against the suppression of any drug or against intoxicating liquor simply by introducing bills and keeping hearings going before some committee.

There is a third reason why I am opposed to the amendment, and that is because of the deleterious effect of the drug itself. We should provide for the suppression of peyote. It has already been referred to by gentlemen who are on the committee in manner that should challenge every Member. I was on the committee when the hearings were held. There is no question in my mind that this drug is akin to opium or morphine in the disastrous results that it has upon the human system. The gentleman does not do justice to himself in describing the use of the drug by the Indians as a religious rite. The testimony shows that so-called ceremonies sank into revolting orgies that lasted for days. I now yield to the gentleman from Arkansas.

Mr. WINGO. The gentleman stated that the chief reason why he was opposed to the amendment was that the bureau would not enforce the law.

Mr. FRENCH. That is one of three reasons, that the bureau feels that it has no authority.

Mr. WINGO. Then he proceeded to tell why, and in doing so laid down a new rule of interpretation of statutes.

What justification has the Indian Bureau for refusing to follow the well-known rule of interpretation of statutes in enforcing this law?

Mr. FRENCH. It seems to me that the general interpretation is the one that I have suggested.

Mr. WINGO. Oh, the gentleman is a lawyer, and he would not say here Congress in debate cut out the inclusion of one specific class and contented itself with a general class, that that indicated because Congress had refused to include one of a class that it meant it did not intend to enforce the law against all of the others?

Mr. FRENCH. Oh, not at all; if it were recognized that the specific class were included within the general. But here it is disputed. Without arguing that point, however, I would suggest the gentleman read the testimony of the assistant commissioner to which I referred, where he said that as he construed it the department did not have authority of law.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. FRENCH. Mr. Chairman, I ask unanimous consent for three minutes more.

Mr. CRAMTON. Mr. Chairman, I shall have to object to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. McCLINTIC) there were—ayes 12, noes 40.

Mr. McCLINTIC. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Oklahoma asks for tellers. Not a sufficient number have arisen and tellers are refused, and the Clerk will read.

So the amendment was rejected.

Mr. LOWREY. Mr. Chairman, I was promised yesterday afternoon an opportunity to offer an amendment.

The CHAIRMAN. The Chair will recognize the gentleman from Mississippi. The Clerk will report the amendment.

The Clerk read as follows:

Page 70, after line 10, insert a new paragraph as follows:
"Except in fulfillment of treaty obligations no money appropriated by this bill shall be used to improve, enlarge, or in any way maintain any school owned or controlled by any religious denomination or organization. This, however, shall not be construed to forbid to any Indian the right to have his pro rata of tribal funds used to pay expense of a pupil in the school of his choice."

Mr. CRAMTON. Mr. Chairman, I reserve a point of order, and pending that I ask unanimous consent that debate upon this amendment may be limited to 10 minutes, 5 minutes to be controlled by myself and 5 by the gentleman from Mississippi.

Mr. SANDERS of Indiana. Pending the reservation of the point of order, I submit the time should not be fixed. If the gentleman wants to make a point of order, that is all right; but pending the point of order debate only occurs by unanimous consent.

The CHAIRMAN. Is there objection?

Mr. SANDERS of Indiana. I object to fixing the time for debate pending the reservation of the point of order.

Mr. CRAMTON. In view of that, Mr. Chairman, I make the point of order. Of course, I have not had time to examine the amendment carefully. As I understand the form of the proviso it is legislation, is of a legislative character, and is not a limitation.

Mr. LOWREY. Will the gentleman state his point of order?

Mr. CRAMTON. That it is legislation and is not purely a limitation. I do not care to take any time in arguing it. I submit the question to the Chair.

Mr. LOWREY. Mr. Chairman, I do not think it is necessary to argue that it is not anything except a limitation. It corresponds exactly to limitations that have been recently placed in other bills. We had just a few days ago a limitation in regard to the use of the stop watch, the spending of money where the stop watch was used. I do not think it is necessary to argue the point.

Mr. BLANTON. Mr. Chairman, will the Chair hear me for just a moment on the point of order?

The CHAIRMAN. In one moment. The Chair will hear the gentleman.

Mr. BLANTON. Mr. Chairman, of course there could be no question whatever about any part of the amendment being subject to the point of order except the proviso. Now, with reference to the proviso, that in no way changes existing law. In other words, an Indian under the present law has the right to do everything that the proviso specifies; hence it is not a change of existing law; hence it is not legislation. But without the proviso the amendment might be construed as changing existing law pro tanto—that it would take from them existing privileges safeguarded in the proviso. So I think, Mr. Chairman, clearly the proviso is not subject to the point of order made.

Mr. CRAMTON. Mr. Chairman, I only arise to suggest—I have not had an opportunity to examine the amendment carefully—but I understand the amendment proposes to limit the expenditure of money. Then follows a clause which provides that under some conditions the Indians may be given money. Now, if that clause only serves to limit the limitation it is in order, but if it goes further than that and authorizes the payment of money to Indians beyond what the act would authorize without the amendment, then I submit that this is legislative and subject to the point of order. The Chair has the language before him, and I am satisfied with his judgment in regard to that.

Mr. WINGO. Mr. Chairman, if I understood the proviso, it does not provide an allocation to the Indians; if it did, I think possibly the point of order would be well taken; but it reserves the right to the Indians to have the use of a proportionate part for these private schools, and I think that is simply a widening of the limitation.

I simply think it is a widening of the limitation. I think the amendment is perfectly in order.

Mr. LOWREY. Mr. Chairman, may we have that proviso reported again?

Mr. BUTLER. Let the whole amendment be read again.

The CHAIRMAN. The Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LOWREY: Page 70, after line 10, insert a new paragraph, as follows:
"Except in fulfillment of treaty obligations, no money appropriated by this bill shall be used to improve, enlarge, or in any way maintain any school owned or controlled by any religious denomination or organization. This, however, shall not be construed to forbid to any Indian the right to have his pro rata of tribal funds used to pay expense of a pupil in a school of his choice."

Mr. LOWREY. I do not believe we need to discuss that.

The CHAIRMAN. The Chair is ready to rule. As has been well stated by the gentlemen who have spoken regarding the point of order, the first part of this amendment is practically a limitation and within the rule. The difficulty in the mind of the Chair arises with regard to the last sentence, as follows:

This, however, shall not be construed to forbid to any Indian the right to have his pro rata of tribal funds used to pay expense of a pupil in a school of his choice.

That proposition, attached to the statement of the amendment, in the judgment of the Chair raises a question as to its being in order, and I think the Chair should rule that an amendment of that sort should not be held in order. I think it would establish a dangerous precedent if the Chair should do so, because while it is stated here by gentlemen that this is not a change of existing law, the Chair does not know that, and the committee does not know that. As it is evident that

the form of the amendment as a whole is very obscure, the Chair sustains the point of order.

Mr. LOWREY. Mr. Chairman, I offer the amendment with the proviso left off.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. LOWREY: Page 70, after line 10, insert a paragraph, as follows:

"Except in fulfillment of treaty obligations, no money appropriated by this bill shall be used to improve, enlarge, or in any way maintain any school owned and controlled by any religious denomination or organization."

Mr. CRAMTON. Mr. Chairman, if the gentleman will permit, I ask unanimous consent that the debate on this amendment be limited to 10 minutes, 5 minutes to be controlled by the gentleman from Mississippi [Mr. LOWREY] and 5 minutes by myself.

The CHAIRMAN. Is there objection?

Mr. LOWREY. I object.

Mr. CRAMTON. How much time does the gentleman need?

Mr. LOWREY. Five minutes is all I care for, but I think there are other gentlemen on both sides who would like to discuss it further.

Mr. CRAMTON. I move, Mr. Chairman, that the debate on this amendment be limited to 10 minutes.

Mr. WINGO. Mr. Chairman, I make the point of order that that motion is not in order.

Mr. CRAMTON. Will the gentleman agree as to time?

Mr. LOWREY. I do not know what gentlemen want to speak on it.

Mr. WINGO. I am a little bit impatient at this rushing of a lot of supply bills through, with only a handful of Members present, and——

Mr. CRAMTON. Does the gentleman object to my request for a limitation of 10 minutes?

Mr. WINGO. I object.

The CHAIRMAN. The gentleman from Mississippi [Mr. LOWREY] is recognized for five minutes.

Mr. LOWREY. Mr. Chairman, I do not think that there is any man who is in favor of religious liberty who is not in favor of just as much liberty for the other fellow as he claims for himself, and is not just as much in favor of liberty for another denomination as for his own, and I have certainly not offered this amendment in any spirit of religious prejudice or religious antagonism.

A gentleman said to me, perhaps more in jest than in earnest, "The Ku-Klux have been after you." If there is an organization of the Ku-Klux Klan in my district, I do not know it. If that was remotely sprung in any way in my last campaign, I do not know it. If anything touching on religious tolerance or intolerance was sprung in my last campaign, I do not know it. I am happily situated, in that particular, at least. My district and my constituency are certainly very largely free from any trouble of that kind. Yet it has been talked, and talked for years, and we all know it and we might as well meet it squarely, that in the matter of the Indian appropriations the real American principle of religious liberty, absolute religious freedom, and of no kind of partiality in religious matters, was being violated. I do not state that. I say that has been talked, and we all know it has been talked.

Now, I will go further and say that some religious papers have spoken editorially, I think, and in decidedly gratulatory tones have rejoiced in what their church was getting from Government allowances.

Mr. RAKER. Mr. Chairman, will the gentleman yield there?

Mr. LOWREY. Yes.

Mr. RAKER. Is it not a matter of fact that while there are discussions on this subject at the present time, there is not a dollar of the money that is appropriated for the Indians and their care and protection that goes to any denomination for their expenses?

Mr. LOWREY. I am coming to that. That is my next point. I was going to say that I have talked with the gentlemen of the committee and with gentlemen of the Indian Bureau on this question, and they claim that the spirit of my amendment here is in no way being violated now. Well, if that is true then certainly there can be no harm in a declaration from the House to set at rest the agitation that is on and that is going to stay on until the question is properly settled. If there is no violation of this amendment, then it certainly can do no harm for the House to make a declaration. If there is violation, then the people who complain have the right to complain and have the right to speak to their Congress and to have their Congress speak upon it.

Now, I have no charges to make. I have no proof to offer. I have not looked into the details of this matter closely enough to be prepared, I am frank to say, to point out any violations of this kind.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. CRAMTON. I ask unanimous consent that the gentleman have one minute more.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the time of the gentleman from Mississippi be extended one minute. Is there objection?

There was no objection.

Mr. LOWREY. I said to one of my friends on the committee that if I knew this amendment would be voted down I would still offer it, for I thought it was fair and right that it be put before the House and let both sides be brought out, and that if the things charged are not true, the fact that they are not true ought to be brought out, and the gentlemen of the committee ought to have this opportunity of bringing it out and letting it go into the RECORD.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. LOWREY. I yield to the gentleman from Pennsylvania.

Mr. KELLY of Pennsylvania. How many children are now being educated in these mission schools?

Mr. LOWREY. I do not know. I stated that I had made no investigation.

Mr. KELLY of Pennsylvania. The report of the commissioner just issued might give the gentleman a little light. That report states that in the mission schools, contract boarding and noncontract boarding, there are 6,328 Indian pupils now being educated, or one-tenth of all the Indian children being educated.

Mr. LOWREY. One of my objects was to bring out the facts.

Mr. CRAMTON. Mr. Chairman, since the gentleman's interest in this matter has come to my attention I have made inquiry of the Indian Office and I am advised by the Indian Bureau that there is not at present one dollar expended from any gratuity item in this appropriation bill for the education of Indians in sectarian schools of any denomination. Not one dollar of the gratuity items is being expended in any sectarian school for the education of Indians. I am informed by the Indian Bureau that there is some amount expended from tribal funds for such purposes, but that that is not expended except upon the application of the Indians whose money is being used and in accordance with their application.

Mr. LOWREY. Will the gentleman yield?

Mr. CRAMTON. Just one further statement, if the gentleman will permit. That is the statement of the Indian Service as to the present situation. It is my understanding—the nature of their statement to me is such that I understand—that there is existing law which forbids their doing anything different from what they are now doing. I have not that law at hand and can not speak positively as to that, but I do speak positively as to the nature of their statement to me concerning the facts.

Mr. LOWREY. I just wanted to say that as I wrote the amendment originally I took notice of the very thing the gentleman mentioned, and of the right of the Indians to designate the use of this tribal fund.

Mr. CRAMTON. That is not the amendment that is now before us. The gentleman's amendment in its present form would forbid the use of the money belonging to Indians to educate their children in the schools where they want them educated. The amendment can accomplish no good purpose, because the thing that the gentleman fears does not now exist, and it would have a bad effect to adopt the amendment. I hope it will not prevail.

Mr. SANDERS of Indiana. In view of the fact that under the point of order a great part of the gentleman's amendment went out which he thought was necessary in order to make it a proper amendment, does the gentleman think that the amendment ought to be adopted in the form in which it is now offered?

Mr. LOWREY. I stand for my amendment as it now is. I wish it could have been adopted as I wrote it originally.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question being taken, on a division (demanded by Mr. LOWREY) there were—ayes 14, noes 33.

Mr. LOWREY. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Mississippi demands tellers. All those in favor of ordering tellers will rise and stand until they are counted. [After counting.] Ten Members rising, not a sufficient number, and tellers are refused. The amendment is rejected. The Clerk will read.

The Clerk read as follows:

PENSION OFFICE.

SALARIES.

Commissioner, $5,000; deputy commissioner, $3,600; chief clerk, $2,500; assistant chief clerk, $2,000; medical referee, $3,000; assistant medical referee, $2,250; 2 qualified surgeons, at $2,000 each; 8 medical examiners, at $1,800 each; 6 chiefs of divisions, at $2,000 each; law clerk, $2,250; chief of board of review, $2,250; 34 principal examiners, at $2,000 each; private secretary, $2,000; 10 assistant chiefs of divisions, at $1,800 each; 3 stenographers, at $1,600 each; disbursing clerk for the payment of pensions, $4,000; deputy disbursing clerk, $2,750; 3 supervising clerks in the disbursing division, at $2,000 each; clerks—3 supervising, at $2,000 each, 98 of class 4, 97 of class 3, 272 of class 2, 375 of class 1, 26 at $1,000 each; 2 copyists, at $900 each; 25 messengers, at $840 each; 10 assistant messengers, at $720 each; 2 skilled laborers, at $660 each; in all, $1,384,520: *Provided*, That out of any unexpended balance of amounts herein appropriated a sum not to exceed $5,000 may be expended for the purchase of law and medical books and other books of reference.

Mr. ANDERSON. Mr. Chairman, I move to strike out the last word. In the course of the consideration of the Agricultural appropriation bill there was some discussion of an item for the assistant in charge of editorial work, carrying a salary of $5,000. In response to a question I stated that it was my impression that this position was transferred from the lump-sum appropriation to the statutory roll. I gained that impression from a statement made by the Chief of the Division of Publications, which apparently was not intended to convey that impression. The fact was that this was a new position, the funds for which were obtained by a transfer of funds from another item to the statutory roll.

In connection with this discussion the gentleman from Washington [Mr. JOHNSON] made certain statements with respect to the person who was to occupy this position. I have just received a letter from the Secretary of Agriculture in regard to that statement, and I ask unanimous consent that it may be read by the clerk.

The CHAIRMAN. The gentleman asks unanimous consent that the letter referred to may be read by the Clerk. Is there objection?

There was no objection.

The Clerk read as follows:

THE SECRETARY OF AGRICULTURE,
Washington, December 27, 1922.

Hon. SYDNEY ANDERSON,
House of Representatives.

DEAR MR. ANDERSON: I find on page 826 of the CONGRESSIONAL RECORD of December 21 the following colloquy between yourself and Mr. JOHNSON of Washington:

"Mr. JOHNSON of Washington. Let us come down to the point. I ask the question if it is not understood that the Secretary of Agriculture proposes to bring one of his editors from one of the farm publications to take a $5,000 job in his office?

"Mr. ANDERSON. I do not know. If it is true, I have no knowledge of it.

"Mr. JOHNSON of Washington. I will state that that is the proposition."

I wish to assure you that such a thought as bringing one of my editors to take a $5,000 job in this office never occurred to me. So far as I know, Mr. JOHNSON is the only person who has suggested such a thing. There is no reason why any Member of Congress should not criticize the work of this department or my administration of it in the freest possible manner; but it does seem to me most unfair that a Member of Congress should make such a statement on the floor as Mr. JOHNSON made in the foregoing without first having taken pains to ascertain its truth. His statement is utterly without foundation.

Very sincerely,

HENRY C. WALLACE.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. CRAMTON. Mr. Chairman, I move to amend the paragraph in line 18, page 70, at the end of the line, by striking out "thirty-four" and inserting in lieu thereof "thirty-five." If there is no objection, I will couple with that a second amendment, on page 71, line 1, to strike out "ninety-eight" and insert "ninety-seven."

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 70, line 18, at the end of the line strike out "34" and insert in lieu thereof "35," and on page 71, line 1, strike out "98" and insert "97."

Mr. CRAMTON. Mr. Chairman, this paragraph has been altered somewhat from the old language by two facts: First, when we provided for the monthly payment of pensions instead of the quarterly payment some additions to the force were created by the deficiency act last year, and those positions must be continued, adding somewhat to the paragraph. Also, there are 10 positions actually for the retirement section of the office carried on the Pension Office roll, and as their service is entirely for the retirement section the committee thought it better to have the retirement section carry its own force and get that straightened out, and that meant certain reductions; and in the course of that remodeling one of the positions so transferred from the pension roll to the retirement section was subtracted from the wrong item. The amendment I have offered decreases the number of clerks of class 4 and increases the number of principal examiners to correspond to the present situation of the regular force.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAMTON].

The amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I offer a further amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 70, line 22, strike out "$4,000" and insert in lieu thereof "$3,000."

Mr. CRAMTON. In connection with that I should state to the committee that this is the salary of the disbursing clerk for the payment of pensions. I noted in the committee print of the bill this amount $4,000, when previously it had been $3,000. No one misrepresented the fact to me, but I assumed that the change from $3,000 to $4,000 was simply carrying out an increase of salary given in the deficiency act last year. I was entirely to blame for the mistake. I thought it was so and I assumed that to be the case, and I so represented to the subcommittee and I think the full Committee on Appropriations. Therefore the $4,000 was carried, and it is only fair that I call attention to the situation. It was not the purpose of the committee to raise salaries, and while the gentleman may be entitled to $4,000, and that was what the position carried at one time, in the act of 1922, with which I had nothing to do, it was cut from $4,000 to $3,000. The figures I am offering will continue the salary of the gentleman that he is now drawing.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the Clerk have authority to correct the totals.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the Clerk have authority to correct the totals. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent to address the House for five minutes out of order.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to address the committee out of order. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, there has just been read to the committee a letter from the distinguished Secretary of Agriculture, Mr. Wallace, in which he states that some remarks made by me on the floor three or four days ago, when the Agricultural bill was under consideration, were without foundation. I find in that portion of the debate which the Secretary quoted that I asked the chairman of the Appropriations Committee [Mr. ANDERSON] if it was not understood that the Secretary of Agriculture proposed to bring one of the editors of his farm publications here to take the new $5,000 position which the Agricultural bill was creating. The gentleman from Minnesota replied that he did not know, and I then said, "I will state that that is the proposition." Mr. Chairman, I realize that I should not have made that last statement without knowing it to be a fact. Therefore I feel that the Secretary of Agriculture was justified in sending this correction to the gentleman from Minnesota to be read to the House.

The point I was trying to make then and that I thought I had a right to make was this: That we were in the Agricultural bill creating a new division or bureau in the Department of Agriculture, and there was being created a $5,000 position, which is equivalent in pay to that of an Assistant Secretary of the various departments of Government; we were creating such a position in an irregular way, whereas other Assistant Secretaries are nominated by the President and confirmed by the Senate. I was informed—I may be mistaken in my memory—that there was to be an editor brought here from one of Mr. Wallace's publications. If not from the Wallace publications, I was informed that the new position was to go to a man of ability from among Mr. Wallace's associates—perhaps not an editor, but a man to supervise the editing and distribution in certain portions of the Agricultural Department.

The Agricultural bill, as I undertook to show, carried various printing items. I asked for a count of votes, as far as I could, on several amendments, to show that the Committee of the Whole might not be in position to follow the situation throughout the bill. It was my purpose to show that printing and editing was being authorized in other branches and bureaus of the Agricultural Department entirely aside from the work

of this newly created department with the new $5,000 official at the head of it. It is in the printed testimony that this job already exists, and that the $5,000 is paid from a lump sum. Every man who has watched the operation of the lump-sum appropriation in every department knows that that is where they play the tricks.

Mr. DOWELL. Will the gentleman yield?

Mr. JOHNSON of Washington. No; pardon me, I prefer not to yield. What I wanted to do—and I do not want to continue the dispute—was to show that a position was being created and that a man was to be brought here and paid the salary of an Assistant Secretary. If the place is finally created, Mr. Secretary Wallace is entitled to and should bring the best man he can find. If the man is to be in the Secretary's office, he should be a friend and an adviser. My objection is to the method of making the place.

Mr. Chairman, I desire to congratulate the gentleman from Michigan [Mr. CRAMTON] and his associates of the appropriations subcommittee for doing just what the House decided to do, and that is the combining of the printing items in each supply bill in one place, so that it is possible to see what printing is authorized and at what gross cost. The House wants to have the Agricultural Department have its printing—all that it legitimately needs—but when a plan which we have worked upon for years is brought to fruition we would like to have that plan continued.

Mr. BLANTON. Will the gentleman yield?

Mr. JOHNSON of Washington. I prefer not to yield.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

To enable the Bureau of Pensions to perform the duties imposed upon it by the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, including personal services, purchase of books, office equipment, stationery, and other supplies, traveling expenses, expenses of medical and other examinations, and including not to exceed $3,000 for compensation of two actuaries, exclusive of the Government actuary, to be fixed by the Commissioner of Pensions with the approval of the Secretary of the Interior, and actual necessary travel and other expenses of three members of the board of actuaries, $68,940: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,740 per annum except two actuaries and the following: One at $3,000, one at $2,400, three at $2,000 each, and three at $1,800 each.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment: Page 71, line 16, strike out the word "expenses" at the beginning of the line.

The CHAIRMAN. The clerk will report the amendment.

The Clerk read as follows:

Page 71, line 16, strike out the word "expenses" in the beginning of the line.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

For fees and expenses of examining surgeons, pensions, for services rendered within the fiscal year 1924, $275,000.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 72, line 25, strike out the amount "$275,000" and insert "$192,000."

Mr. CRAMTON. Mr. Chairman, in support of that I will say that it is in accord with the later estimates of the bureau as to the amount that would be sufficient for the expenses of the office of examining surgeons in view of the passage of the Bursum bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

Mr. WINGO. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five minutes out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WINGO. Mr. Chairman, students of psychology say that one of the best ways to test whether or not a man sincerely believes a thing is to question him and determine whether or not he is showing any anxiety as to whether other people believe it. Recently there has been quite an interest taken in the study of psychoanalysis and autosuggestion. There are three well-known schools—the Freude, the Adler, and the Jung—and some people speak of the two schools—the Zurich school and the Nancy school. Of course, the great organ of this administration and its high-class writers naturally keep up with the times, and no doubt have indulged somewhat in the study of this new literature which seems to be the rage at the present time and is largely responsible for the success of the press agent who is telling us about the coming of the leader of the Nancy school, Doctor Coué.

The natural presumption is that the editors and the high-class writers of the Washington Post, the well-known administration organ, would imbibe some of the philosophy of one of these three schools. One of the most remarkable writers that the Washington Post has is the genial, the brilliant Sir Harry N. Price. Sir Harry, Mr. Chairman, is loyal to the administration. Sir Harry does not stop to debate the relative merits or the difference between the "functional" and the "mechanical" theory in psychoanalysis or whether he shall become a partisan of either the Nancy school or the Zurich school; but with that shrewdness which is characteristic of all his writings, he appreciates the advantage of confining his efforts strictly to the Coué method, and so he has decided in the task that has been allotted to him and the other special writers for this administration to convince the American people that the recently enacted prohibitive—not protective—tariff is a good thing and that it will not produce the natural result which all intelligent economists say that it will produce, and that even misguided Democratic orators in the last campaign had the temerity to predict.

Mr. Chairman, with that preliminary statement, you can understand the great joy, the very great pleasure and the appreciation with which I read an article on Wednesday morning last, written by that selfsame brilliant, charming newspaper writer, Sir Harry N. Price, in the Washington Post of that date, December 27, 1922. The article to which I refer is headed "Tariff seen as boon," and Sir Harry begins the article thus:

The Republican administration is entirely satisfied with the working of the new tariff law passed at the last session by a Republican Congress, and made an issue by the Democrats in the recent election, it was learned at the White House yesterday after the Cabinet meeting, at which the principal subject of discussion was foreign trade and exchange.

Mr. Chairman, one can always learn something from the great organ of the administration after a Cabinet meeting, and you can often find, Mr. Chairman, a new idea as to what really was in issue in the last campaign. I think I am the only statesman in captivity who has not suggested what was the issue settled in the last campaign. Each man has a different idea about it. But listen, Mr. Chairman, to these words of wisdom from Sir Harry, the officially recognized spokesman of the Republican Party on the subject of the new profiteers' tariff. Do not forget this significant statement. I read:

Under the new revenue act both imports and exports have been increased and are steadily increasing, it was said, both in money values and in quantity. Imports and exports are becoming more evenly balanced. This is the result of foreign countries paying more in goods than in money, which is helping to bring about a stabilization of foreign exchange and a balance of the world's gold supply.

Mr. Chairman, never had I expected a Republican to urge as a boon an increase in quantity of imports of foreign goods, as does Sir Harry in the article just read; but I say, evidently following the method of the celebrated Doctor Coué——

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WINGO. Mr. Chairman, I ask unanimous consent to proceed for five minutes more, because there is more of it and I want to be fair to Sir Harry. I am an admirer of his, and I do not want anyone to mistake this as a criticism. I think he is a past master.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WINGO. Mr. Chairman, there are other suggestions offered, but do not forget that he said that one result of this profiteers' tariff is that there are more goods coming over from Europe than before the bill went into effect and that that is a beneficent thing. It is actually "helping restore the trade balance of the world," you will see if you read the whole article. He wants to throw out some other suggestions, as I say, following the Coué method of suggestion, that there are other beneficent things that flow from this wonderful tariff act, and he is talking about the other things that are contributing to the stabilization of American foreign trade, and, of course, this is but an enunciation of the achievements of the administration, circling and grouping around that major achievement, the enactment of this wonderful tariff law. Following the Coué method of suggestion, he says:

One of these is the activities of wealthy Americans who travel much abroad.

I did not know until I read Sir Harry that this administration had as a fixed policy encouraged rich Americans to travel abroad so as to help restore the parity of gold. He refers to "the parity" a little later on in his announcement of these

wonderful achievements. I presume that there is the suggestion that under this beneficent tariff law there will be more wealthy Americans protected receiving the benefits of this wonderful law, and, there being more of them, there will be more of them to travel abroad and spend their money and thereby restore the balance, and that that will be an untold blessing to the toiling millions of American people, especially the laboring men, in whose behalf it was claimed this wonderful profiteers' tariff law was enacted. But, of course, any dissertation at this time would be a little bit "off" if it did not include the guiding genius of this administration, the good genius of this administration and the evil genius of the Wilson administration, Sir Herbert Hoover, so the article goes on—

Mr. Hoover reported, it is said, that arguments that the high duties of the new tariff would strangle imports so as to make it impossible for foreign countries to buy from America were controverted effectually by the facts. He held that the invisible exchange more than anything else made up the difference and that prosperity at home, helped by a protective but proper tariff, brings a reflex action in foreign trade.

Get that, my friends, and do not forget it, because Sir Herbert said it, and it must be true. He is another oracle of this administration. I have not time to read all of the article, but I want to read his suggestion about gold. I contend that Sir Harry is following the Coué method:

The buying power of European countries will be increased as their gold balances are increased and as they produce goods which can be sold in this country.

Oh, tell it not in Gath, Mr. Chairman, and whisper it not in the streets of Ascalon. The logic of that is that the prime object of this protective tariff law is to make wider the American market for foreign goods! A wonderful defense of this new tariff bill, a wonderful justification of its workings in one short month's time! But listen:

The gold movement is now at or near a parity. Settlements have been made for several months without shipments of gold to America, even in the settlement of interest on the foreign debt.

Now, listen to this. This is the wisest thing, and he saved it for the last:

Government economists feel that depreciation of foreign currencies will cease as soon as they begin to recover gold. As their currencies increase their buying power will increase. In addition, the more rapidly Europe produces or can pay in goods the less will be the necessity for Europe to send gold.

Oh, wonderful discovery! Nobody else had ever thought that a recovery of gold by these foreign countries was necessary to restore the international value of their currency and its purchasing power in foreign trade. But Sir Harry, the chief spokesman of this administration, offers as one defense and justification of this tariff bill the wonderful discovery, he thinks, that as long as these foreign nations get hold of the gold that we have cornered they will put it back of their currency, and their currency will increase in value. Then follows the logical conclusion that people should rise up and thank the Republican Party for this wonderful thing, this wonderful profiteers' tariff bill! [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. CRAMTON. Mr. Chairman, referring to what I mentioned a few moments ago concerning the amendment of the gentleman from Mississippi [Mr. LOWREY], I have now in hand the act in question, and knowing that the gentleman will be interested I will give the reference. In the appropriation act for the Indian Service for 1898, carried in Thirtieth Statutes, page 79, was this declaration:

And it is hereby declared to be the settled policy of the Government to hereafter make no appropriations whatever for education in any sectarian school.

Supplementing that, the gentleman will be further interested in a decision of the Supreme Court, volume 210, page 79, in the case of Quick Bear against Leupp, on page 50 of the volume, and on page 79 is this paragraph:

Since 1899 public moneys are appropriated under the heading "Support of schools," "for the support of Indian and industrial schools and for other educational purposes," without saying anything about sectarian schools. This was not needed, as the effect of the legislation was to make subsequent appropriations for education mean that sectarian schools were excluded in sharing in them, unless otherwise provided.

The gentleman now has the references, and can read them at greater length if he desires.

Mr. KELLY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. KELLY of Pennsylvania. The commissioner's report states that 6,300 people were educated in mission schools.

Mr. CRAMTON. Yes. That is already in the RECORD, and I have made a statement in the RECORD as to the circumstances under which that was done.

Mr. KELLY of Pennsylvania. How much was appropriated for this education?

Mr. CRAMTON. One hundred and sixty-three thousand dollars. I did not bring this up to renew the discussion, but because I knew that gentlemen interested in this problem would be interested in the citation.

Mr. KELLY of Pennsylvania. Well, $300,000 would scarcely suffice to educate that many.

Mr. CARTER. There was $186,000 spent in the last fiscal year for contract schools, mission schools. The gentleman stated that some 6,000 Indian pupils were cared for in mission schools. That is true, but all but about 1,500 or 2,000 of those were cared for without expense to the Government, as I am advised by the Bureau of Indian Affairs, and the Government has no connection with those schools. Not all the expenses of those placed in these schools by the bureau are paid from these appropriations. A part of the expense of those over whom the Government does have supervision is borne by institutions that have no connection with the Government.

Mr. KELLY of Pennsylvania. In the boarding schools what amount is allowed for each Indian?

Mr. CARTER. In the contract it is usually the lowest possible per capita.

Mr. KELLY of Pennsylvania. I believe it takes about $100.

Mr. CARTER. No; usually about $160 or $170, or something like that.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman, when a court, in rendering a decision, uses language that is unnecessary in reaching the decision, that language is designated as "dicta" or "obiter dicta." A declaration of policy on an appropriation bill for a certain year, so far as subsequent years are concerned, is in the nature of dicta.

Now, this declaration of policy that was in the appropriation bill in 1898 is shown by the report of the Indian Commissioner, as read into the RECORD by the gentleman from Pennsylvania [Mr. KELLY], not to have been followed. You can not escape the fact, because the report shows that there are over 6,000 Indian children, which is 10 per cent of them, in mission schools, and mission schools are sectarian schools.

Mr. CRAMTON. And if the gentleman had just listened to the statement of the gentleman from Oklahoma [Mr. CARTER], he would know that three-fourths of those are not educated at Government expense.

Mr. BLANTON. Oh, I caught the statement of the gentleman from Oklahoma, and it was correct, because he knows enough about the Indian situation to be able, whenever he makes a statement, to make a statement that you can rely upon. His statement was that of those 6,000 Indian children only about 1,500 are in schools that require the Government to pay part or all of their tuition, as I understand it.

Mr. CARTER. No; between 1,500 and 2,000 are being partially paid for by the Government, but the remainder are at no expense to the Government.

Mr. BLANTON. Yes; that proportion only are partially paid for by the Government and the remainder are not at any expense to the Government. But that does not change the situation that over 6,000 Indian children are in sectarian schools just the same.

Mr. CRAMTON. And paid for by their own money.

Mr. BLANTON. Let us forget the payment. Let us forget about the money part of it. The whole contention is that these 6,000 Indian children are wards of the Government and that they should be in Government schools, and they should not be in sectarian schools as they now are, regardless of who pays the expense.

It does not make any difference whether we have to pay for them or not. I take it there are some religious denominations that will gladly take the Indian children into their own schools and educate them if we would let them and would imbue them with their own doctrines if we would let them, and that is why we must not let them. They are our wards and we should educate them in Government schools and not in any particular kind of religious doctrine to the exclusion of all others. So after all this declaration of policy expressed in 1898 has not been carried out, and the position taken by my distinguished friend from Mississippi, Doctor LOWREY, who by the way used to be at the head of one of our splendid educational institutions in the State of Texas, and we miss him there and we are sorry Mississippi has taken him from us, is eminently correct. I think he was right in his position. I think that his amendment ought to have been adopted because if it were right for

the Congress in 1898 by way of dictum to place in the appropriation bill a declaration of policy, why is it not right now, where that policy has been disregarded by the Indian Bureau to the extent of 10 per cent of the Indian children? Why is it not right now to adopt the amendment of my distinguished friend from Mississippi and renew the declaration of policy and thus tell the Commissioner of Indian Affairs that when this Congress outlines a definite policy that the commissioner must follow it to the extent of 100 per cent and not violate it by placing 10 per cent of these Indian children in sectarian schools——

The CHAIRMAN. The time of the gentleman has expired.

Mr. LOWREY. Mr. Chairman, as the chairman of the subcommittee rather addressed his remarks to me I ask for a few minutes.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. LOWREY. I knew both the discussion in Congress to which the gentleman refers and this declared program. I remember well, and I was by no means in politics at the time, when that discussion was on in Congress, and that declaration of policy; and I have more than once been referred to this Supreme Court decision. I am frank to say that my resolution was introduced because in my opinion the policies therein declared have been disregarded in the administration of Indian affairs; perhaps not the letter of the policy, but certainly the spirit of the act and the spirit of the American Constitution and American principles; and therefore I believed that in connection with this bill, and do yet believe that in connection with this bill, there ought to have been a declaration to the American public, an assurance that the policies would not be wholly disregarded. Now, I fully appreciate the fact of these being tribal funds that are thus used. I wanted to put into my amendment permission to the Indian to use his tribal funds, or at least that his right should not be interfered with to use his funds to educate his children in the school of his choice, if he preferred a denominational school. But I did not, and I regret I did not get from this House a definite declaration of its policy in this matter. I believe the country wants this and will continue to demand that the American ideals of Government shall not be disregarded in the administration of educational work in connection with Indian affairs.

Mr. HAYDEN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing in 8-point type a speech that I delivered when the bill was under consideration last February.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona as indicated?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. HAYDEN. Mr. Speaker, under leave granted me to extend my remarks in the RECORD, I insert a speech delivered by myself last February on the Interior Department appropriation bill, which was under consideration at that time:

[Reprint of a speech by Hon. CARL HAYDEN, of Arizona, in the House of Representatives, Friday, February 10, 1922, when the House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 10329) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1923.]

Mr. HAYDEN. Mr. Chairman and gentlemen, since this bill carries the appropriations for the Bureau of Indian Affairs and the Indian field service, I take this occasion to make some observations in regard to the Indian problem. That problem, to my mind, is principally one of salvage—to make the best we can out of the lives of the Indians who remain in the United States to-day—and its ultimate solution must be sought in developing among them an independent and self-sustaining citizenship.

The oldest and the easiest way to solve the Indian problem was to kill the Indian, a very simple and a very satisfactory solution, so far as the white people were concerned. That was the method adopted by my ancestors in New England and by yours in other parts of America. Later the policy was changed to one of driving the Indians out of parts of the country that white settlers desired. Thousands of Indians who originally lived in Georgia and Alabama, in Ohio and Kentucky, in Michigan and Illinois, and other sections of the eastern United States were moved west of the Mississippi River. As civilization and settlement passed on to the West, the reservation system was adopted, and the Indians were gathered together on tracts of land taken out of the public domain and set aside for their use.

It would be both vain and useless to consume time condemning or praising our ancestors for what they did to or for the Indians. What they did, they did, and the results lie before us. One side of the picture does not give us warrant to boast that justice and fair dealing have characterized the treatment that the people who first inhabited this country have received from the American Government.

The other side of the picture is much brighter. It shows tens of thousands of men, women, and children of Indian blood who in every way are so much in advance of their own grandfathers that their progress can only be characterized as astounding. In the same community there will be found men who have fought, killed, and scalped their enemies dwelling with their children and grandchildren, who live, act, and dress as their white neighbors do. Old warriors who, with painted faces and tactics of barbarians, fought the United States soldiers can be seen daily carrying their children's children to public schools in wagons.

I can remember as a small boy a tribe of Indians living near where I was born who went about clad in little more than a breechclout—naked, good-natured, friendly savages. To-day most of the members of the Pima tribe can speak English, have fairly comfortable homes, a number of them own automobiles, and practically all of them make as good use of the land that they have and the water supplied to them for irrigation as their white neighbors—a marvelous change within the last 40 years.

Millions of acres which but a few years ago were prairies ranged by buffalo hunters to-day are fertile farms cultivated by the sons and grandsons of these same Indians. Thousands of Indian children are attending schools maintained for them by the Government. Indian medicine men have been displaced in most tribes by white doctors with hospitals to which Indian patients are taken. Where once there was war between the red and white men, to-day there is more than peace—there is being successfully established the friendly communion of neighborliness.

Indians are bank presidents, judges, public officials, lawyers, teachers, doctors, actors, storekeepers, manufacturers, clerks, salesmen, trained nurses, artists, authors; in short, they are successfully making their way in all the commercial and professional branches. The real blanket Indians are the old full-bloods, too set in their ways to change. In another generation or two they will have become but a memory if a proper policy of education is pursued.

The march of progress has entirely wiped out of existence a number of tribes, but has carried forward other tribes on the road to civilization. The white men, first the conquerors and then guardians of the Indians, took to them whisky and rum, the greatest curses ever brought to a primitive people. They introduced diseases which carried away thousands of natives, but they have also given to the Indians schoolhouses, hospitals, modern farm machinery, better cattle, and many creature comforts of which the original Americans were totally ignorant. The balance is therefore not wholly against the white man, as many would have us believe.

The American public, as a whole, knows but little of Indians and its interest in them is less than its knowledge of them. To most white men and women the American Indian falls into two classes: Indians who are dissolute paupers and beggars, the recipients of Government rations and money which at once goes for drink, and Indians who are wealthy beyond dreams of avarice through their possession of oil fields, cattle, or timber. About all the average person knows of Indians is that they are something or other which the Government, in some way or other, is trying to do something or other for.

I should hesitate to risk asking the Members of this House the question, "What do you really know about the American Indians?" I should not like to disclose their lack of knowledge about the Government's wards, which can be sensed by anyone at all familiar with Indians who reads the debates in the CONGRESSIONAL RECORD on bills affecting the red men of our country. This kind of ignorance is responsible for much of the criticism, even abuse, which comes from many good people who think Uncle Sam is mistreating, enslaving, debasing, pauperizing, and otherwise wronging his Indian nephews and nieces. It also is at the bottom of many of the complaints from well-meaning people who think the Government is doing altogether too much for the Indians.

The Government departments having to do with Indians publish but little about them. The Bureau of Ethnology has issued an excellent series of bulletins, many of them beautifully illustrated, but they are technical in their nature. The trouble with the ethnologist is that he wants to keep the Indian in his old state; he is interested in describing the ancient tribal customs and is not concerned about modern conditions.

The Bureau of Indian Affairs issues an annual report containing a vast amount of information about the Indians as they are to-day and of the Government's relations with them and

of its activities in their behalf. But it is a Government report—concise, statistical, and formal.

Many writers have published books and articles about the Indians, some of them intensely interesting and most valuable in an educational way. But nowhere can there be found a comprehensive presentation of the conditions, welfare, progress, and modern life of the American Indians. No one has brought together in a readable, easily understandable form all the data touching the present-day Indians and their affairs.

I have no intention of attempting such a task, but I have gathered some information which may serve to shed a little light upon this question. I can presume to speak upon it after 10 years' service on the Committee on Indian Affairs and also on account of the personal contact that I have had with the Indians of my State, where they comprise a material element in our population, there being more than 40,000 of them in Arizona, more full-blood Indians than in any other State in the Union.

THE INDIAN SERVICE.

Living in communities or scattered over wide areas in 24 States are thousands of men, women, and children who are wards of the Government. They are American Indians who by an act of Congress have been placed in charge of the Secretary of the Interior. By authority of law he delegates the administration of his guardianship activities to a commissioner who is the executive head of the Bureau of Indian Affairs. This branch of Government service is divided into two coordinating departments—the Indian Office in Washington and the Indian field service, which is composed of about 130 units known as agencies, reservations, nonreservation schools, hospitals, sanitariums for tubercular patients, and warehouses.

In the Indian Office in Washington are divisions or sections which have to do with the education, health, agriculture, industries, finances, irrigation projects, welfare, probate matters, forests, lands, and live stock of the Indians and their legal and social relations with their white neighbors. There is scarcely an activity of human endeavor that does not come within the scope of everyday work and administration of the Indian Bureau. It is a unique department of the Government; there is nothing else like it.

The Indian Service began under the War Department in 1789, and was later transferred to the Department of the Interior. Any Commissioner of Indian Affairs has my sympathy. He has a most perplexing and unappreciated job. He stands in the relation of father to the biggest family in the world, for he has direct, almost personal, supervision over the affairs of more than 200,000 men, women, and children who are spread over 24 States, who are members of more than 100 different tribes, whose habitations range from the Everglades of Florida to the mountains of Montana, from the northern timber belt to the deserts in the Southwest, from the rich prairies of the Middle West to the highly developed irrigation areas of the Pacific coast. Every reservation and every Indian on a reservation presents a problem.

Each day in the routine of his work the Commissioner of Indian Affairs must be something of an executive, an administrator, a business man, a school-teacher, a doctor, a lawyer, a banker, a farmer, a stock raiser, a forester, a miner, an oil man, an expert accountant, a missionary, a mentor, and a friend of man. The property of the Indians under his supervision has an aggregate value close to a billion dollars, and this property belongs to a people which is emerging from a condition of primitive barbarism. The Indians to-day represent every degree of civilization, ranging all the way from almost pagan savagery to men and women of refinement and culture.

To carry on the multitudinous activities of the Indian Service there are 5,502 employees, with a total pay roll of $4,493,041, an average salary of $817 a year. The Washington Indian Office has 256 employees, exclusive of the commissioner and assistant commissioner, with an annual pay roll of $340,750, or an average salary of $1,331. The superintendents, principals, teachers, and other employees in the school service number 2,443, with a pay roll of $1,742,498, an average salary of $713. The total personnel of the reservation and agencies number 2,394, having a pay roll of $1,796,205, making an average salary of $750 a year. The balance of the employees, including the field and investigation sections, irrigation service, allotment service, probate lawyers, experts, and warehouse force number 409, having a pay roll of $613,588, an average salary of $1,500.

It will be noted that the average salary of the employees in the entire Indian Service is but $817 a year, and this does not include the salary of the commissioner and assistant commissioner, which are but $5,000 and $3,500, respectively. I am reliably informed that the pay of the Indian Service employees averages lower than the pay of employees in any other Government department.

A proper salary reclassification bill, when finally enacted into law, should materially improve this situation, which admittedly needs improvement.

Mr. ARENTZ. Mr. Chairman, I would suggest that the Lehlbach classification bill does not contemplate taking care of those outside of the District of Columbia. The largest number of employees in the Indian Service are out of the District of Columbia. Something should be done for the men and women in this service.

Mr. HAYDEN. That bill lays down the principle of equal pay for equal service.

Mr. ARENTZ. If that should be consummated, it would be a good thing.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. With pleasure.

Mr. ANDREWS of Nebraska. What does the gentleman mean by equal service, equal pay? How would you apply the principle?

Mr. HAYDEN. If one person be employed as a teacher under the Bureau of Education in Alaska, for example, doing a certain grade of work, and another person were doing the same work in the Indian Service in Arizona, I should say that the same pay should be given for the same service.

Mr. ANDREWS of Nebraska. Take three concrete cases. Here is an appointment clerk receiving $4,[illegible]0 a year for handling a roll of 19,000 people. Here is another appointment clerk handling a roll of 67,000 people and another one handling a roll of 1,500 people. Like service, like pay. How are you going to distribute the salaries?

Mr. HAYDEN. The very statement of the case which the gentleman from Nebraska has made indicates that one of those men is doing much more work than either of the others.

Mr. ANDREWS of Nebraska. I should like to carry that on in connection with the customs service, where you have, for instance, 50 people employed as liquidating clerks, some of them younger, some of them older, some of them inexperienced, relatively, some of them well trained. They are all liquidating clerks. Like service, like pay. Will you make the younger, the inexperienced, equal in salary with the man who is older and who has experience?

Mr. HAYDEN. Certainly I should not.

Mr. ANDREWS of Nebraska. How would the gentleman apply the rule?

Mr. HAYDEN. Mr. Chairman, the gentleman again states a case that answers itself. But to return to my subject. Complaint has been frequently made about not only the inefficiency but the narrow-mindedness of Indian Service employees. But why should any broad-gauge, energetic, and efficient man or woman stay in a service where the pay is so poor and the opportunities for advancement so limited? The only reason that there are not more drones and incompetents is that a considerable number, after entering upon this work and realizing its importance, have become imbued with a sincere desire to be helpful to the Indians. The earnestness of some of them even makes them fanatical, so that they honestly believe that in every dispute the Indian is always right and the white man always wrong, regardless of the merits of the controversy. It is only to this missionary spirit, however, that I can attribute the continued presence in the Indian Service of men and women of my acquaintance who I am sure could readily obtain a larger material reward for their time and efforts in other occupations.

THE INDIAN POPULATION.

The number of Indians in the United States is not exactly known. The United States census for 1920 gives a total of 242,959 as the Indian population in the United States, exclusive of Alaska; the 1910 census gave a population of 265,683, which would indicate a decrease of 22,724 Indians. But this decrease, as explained by the Census Bureau, is due to the fact that in the 1920 census the enumerators did not include as Indians a number of persons of Indian blood who were so much more white than Indian that they were enumerated as white people.

The 1921 annual report of the Commissioner of Indian Affairs shows a total Indian population of the United States, exclusive of Alaska, as of June 30, 1921, of 340,838. This total includes 2,582 white persons who married into the Five Civilized Tribes—the Cherokees, Creeks, Seminoles, Chickasaws, and Choctaws—of Oklahoma and 23,405 freedmen who are the descendants of the negro slaves brought into Indian Territory by the Five Tribes when they were removed from their eastern and southern homes.

Eliminating the intermarried white and freedmen, the report of the Indian Commissioner would indicate that there are

314,850 Indians in the United States. Of this number, 23,735 are persons of Indian blood who are not under the supervision of the Bureau of Indian Affairs, leaving a total of 291,116 as representing the men, women, and children of Indian blood who are on tribal rolls or are under the supervision and care of the United States Indian Service.

An analysis of the statistics carried in the 1921 annual report of the Commissioner of Indian Affairs shows that of the 291,116 Indians who are under the supervision in varying degrees of the Government 165,031 are full bloods, 46,181 are mixed bloods with a larger proportion of Indian blood in their veins, and 79,904 are of one-half or less Indian blood.

There is an apparent difference of 48,157 between the 1920 United States census and the 1921 report of the Commissioner of Indian Affairs, as respects Indian population in the United States. The greater part of this difference comes in Oklahoma. The census population of the Oklahoma Indians is given as 55,949. The Bureau of Indian Affairs figures are 93,494, showing a difference of 37,545. A large part of this difference is accounted for in the explanation given by the Census Bureau and the further fact that the population figure of the Five Tribes, as shown in the commissioner's report, is not a census total but is the original net enrollment which must be maintained as a basis for determining land ownership and heirship.

There is also a difference of 10,530 between the Indian Service and the census figures in Arizona, which, I think, can be explained by the fact that the census enumerators were so poorly paid in 1920 that they could not afford to travel long distances over the reservations and make an accurate enumeration, with the result that a large number of Indians in my State were not counted.

The following tables gives the figures of Indian population in the different States:

State.	Indian Service.	United States census.
Alabama	405	405
Arizona	43,519	32,989
Arkansas	106	106
California	12,725	17,360
Colorado	785	1,383
Connecticut	159	159
Delaware	2	2
District of Columbia	37	37
Florida	452	518
Georgia	125	125
Idaho	4,017	3,098
Illinois	194	194
Indiana	125	125
Iowa	342	529
Kansas	1,498	2,276
Kentucky	57	57
Louisiana	1,066	1,066
Maine	839	839
Maryland	32	32
Massachusetts	550	550
Michigan	7,593	5,613
Minnesota	12,968	8,761
Mississippi	1,412	1,105
Missouri	171	171
Montana	12,387	10,956
Nebraska	2,520	2,888
Nevada	10,940	4,907
New Hampshire	44	44
New Jersey	99	99
New Mexico	23,287	19,512
New York	6,053	5,504
North Carolina	11,824	11,824
North Dakota	9,240	6,254
Ohio	152	152
Oklahoma	119,481	55,949
Oregon	6,608	4,590
Pennsylvania	358	358
Rhode Island	106	106
South Carolina	304	304
South Dakota	23,159	16,384
Tennessee	56	56
Texas	2,110	2,110
Utah	1,559	2,711
Vermont	24	24
Virginia	822	822
Washington	8,151	9,060
West Virginia	7	7
Wisconsin	10,404	9,495
Wyoming	1,764	1,343
Total	340,838	242,959

In 22 States all of the Indians are on reservations, or are attached to reservations, or are scattered Indians who are under the care of an agent. In 2 States part of the Indians are under Federal supervision and part are not, and in 24 States and the District of Columbia there are no reservations or agencies. This general statement must be modified by another statement to the effect that in the 22 States referred to there are many Indians who, having received patents in fee to their allotments, are full citizens and no longer are under Federal supervision. Many of them, however, having an interest in undivided tribal property, or being heirs of deceased tribesmen, are under the so-called supervision of the Indian Bureau, which in their cases is acting as trustee or administrator of an estate.

At the close of each fiscal year the agents and superintendents of the Indian field service report to the Washington office the number of Indians who are on the rolls of agencies or reservations; of Indians who live off reservations but are, in some degree, under the care and supervision of agents and of others who, in some respect, are related to the Government in its administration of Indian affairs.

The simple fact that an Indian may be carried on a tribal roll does not necessarily imply that he or she is a Government ward and under Federal supervision. Thousands of Indians who have become full citizens by receiving patents in fee to their property and all their funds, Indians who are free as any Member of this Congress, have their names on tribal rolls.

This apparent anomaly is easily explained by the fiduciary functions of the Bureau of Indian Affairs, which, besides being an administrative bureau, is a large probate institution with tens of thousands of clients. It also is a big title and trust organization, acting as trustee and agent for tens of thousands of men, women, and children who happen to have Indian blood in their veins.

The tribal roll is the basis, the beginning, of title to Indian property; it is the official record to which heirs must go to prove heirship; it is necessary to keep up the tribal rolls for the determination of heirs, the disposition of probated property, and for the sale and lease of millions of acres of Indian-owned land. So long as there is tribal property in the form of land or money, or both, so long will tribal rolls be maintained, for every member of the tribe or the heir of a member has an interest in tribal property, even though he or she is a full-fledged citizen, and the unrestricted owner of an allotment with a patent in fee for the allotted land.

INDIAN RESERVATIONS.

An Indian reservation can be described as a tract of land set apart for the exclusive occupancy and use of Indians. This was the case in the beginning, but as white settlers moved into the Indian country reservations were opened for settlement. That is, the surplus tribal lands were sold, the proceeds deposited to the credit of the tribe in the United States Treasury, and held for disposition in the discretion of Congress. Such reservations are known as diminished reservations.

Some reservations were instituted through treaties; others by agreements ratified by Congress which had the effect of treaties; others were formed by Executive order of the President; and still others by purchase authorized by Congress. Practically all the Indian reservations in Arizona were created by Executive orders setting apart areas of the public domain for the use of the Indians.

There are over 200 tracts of land in the United States which fall within the reservation class. Some are tiny California rancherias of but few acres each, for a dozen or less families; others cover areas of millions of acres, such as the Navajo Reservation in northeastern Arizona and northwestern New Mexico, with an area exceeding 8,000,000 acres, which is larger than some States in the Union.

Considerably less than a hundred reservations have resident superintendents, whose business is to look after the affairs of the Indians on their several reserves. The 31 mission reservations, or rancherias, for example, are grouped into two jurisdictions, each with an agent. In New Mexico the 19 pueblos are divided into two groups, each with its agent. None of the New York reserves have a resident superintendent, but are under the rather theoretical supervision of an agent. There are some reservations which are such in name only, such as the Cherokee, Choctaw, Chickasaw, Creek, and Seminole reserves in Oklahoma, for they have been allotted, most of the allotments have been sold, and it is impossible in passing through them to distinguish Indian from white land.

A typical Indian reservation is in charge of a superintendent, who is a pocket edition of the Commissioner of Indian Affairs, in that he is face to face with almost all of the perplexing problems which confront the commissioner. His is a many-sided job. In the first place, he is held strictly accountable to the Government for all Government property, such as the agency and school plants, tools, implements, material, supplies, and cash. He also is accountable for all Indian property and money held in trust by him for the Indians. He is responsible to the Commissioner of Indian Affairs for the maintenance of law and order on the reservation. He is a special disbursing officer,

and under bond, the premium of which he has to pay out of his meager salary.

The superintendent of an Indian reservation rests on no bed of roses. On one side of him is the Government, with its demand of 100 per cent accountability; on the other side are a score or more of employees living in an isolated community whose very isolation tends to develop petty jealousies and factional cliques; hundreds of Indians, each with his problem, demand, complaint, and request. He is subjected to frequent inspections and check-ups and at any time he is apt to have charges preferred against him by disgruntled employees, dissatisfied Indians, or white men who assert that they have not been treated fairly by him. These charges, if of sufficient importance, are investigated by the Indian Office and action taken when necessary.

If there is a boarding school on the reservation the superintendent has the task of feeding, clothing, doctoring, amusing, and educating a hundred or more young Indians fresh from the soil, many of whom, perhaps, can not speak English. He may have a hospital to look after, a large agency farm and herd, a Government sawmill, flour mill, machine shop, and other industrial plants.

If his Indians are allotted he must attend to leasing their allotments, if they are not farmed by the allottees. He sells their lands and must attend to the estates of deceased Indians. If the tribe owns timberlands whose timber is sold he must see to it that the white lumberman pays for the timber he cuts. This requires a close inspection of logging operations to see that every log is measured, that the trees are cut according to the contract and the regulations. If there are irrigable lands under ditch he must be an irrigation engineer as well.

And with all these duties he is required to encourage the Indians to farm their lands, raise live stock, cut hay, make gardens, prepare for the winter, to send their children to school, to improve their living conditions, and, in short, to get ready to take their places as full-fledged citizens when the time arrives for that consummation of the Government's purpose.

Mr. HUDSPETH. Will it disturb my friend if I ask him a question?

Mr. HAYDEN. Certainly not.

Mr. HUDSPETH. In recent years they have been purchasing cattle for the Indians on these reservations; has that been a success?

Mr. HAYDEN. It might be called a financial success so far as the operation itself is concerned. The Indian Service has taken over from the persons who leased the grazing land on the reservations their grazing rights and supplied tribal herds. But no more meat has been produced on the range than before. The herds are usually managed by some white man employed to supervise the business. The profits have been deposited in the Treasury to the credit of the Indians. The tribe receives this profit instead of the money formerly obtained by leasing the grazing land.

Mr. HUDSPETH. Then the Indian does not handle the cattle, neither in building up the herd or in grading them?

Mr. HAYDEN. Usually all the work has been done under the supervision of a white man. I can not see that the Indian has been greatly benefited by that policy. At one time as much as $600,000 was annually appropriated to furnish tribal herds to the Indians, but that amount was gradually reduced until now practically no money is expended for that purpose.

Of course, it is better to spend money in buying live stock for the Indians, even if the cattle are not turned over to the individual Indians but remain the property of the tribe, than it is to issue rations to them. In some cases the increase from the tribal herds have been issued in lieu of rations.

I might say with respect to the establishment of the ration system that there was a good reason for it. President Grant during his administration sent out a commission composed of a number of Army officers to make a study of the Indian problem. They went over the various reservations, and on concluding their work figured up the cost of the maintenance of the Military Establishment in the Indian country and divided that amount by the number of Indians killed. It was discovered that over a period of years it had cost more than a million dollars to kill an Indian. The commission determined as a matter of business that it was better to feed the Indian than to kill him. That was the reason for the establishment of the ration system. I realize that it has pauperized many Indians and made them dependent on the Government, but its original adoption was a saving to the Government in dollars and cents.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. I yield to my friend from Louisiana.

Mr. LAZARO. Would the gentleman tell us something about the educational system under this bureau? Is it practical; has it accomplished anything?

Mr. HAYDEN. I am glad to answer the gentleman's questions.

Perhaps there is no better illustration of the inescapable complexities and unavoidable difficulties constantly confronting the Government in its efforts to help the Indian people along the road to self-sustaining citizenship than is furnished by the Indian Service school system. The Indian day schools, reservation boarding schools, and nonreservation boarding schools last year had a total enrollment of 23,847 pupils. A large proportion of these Indian school children could not speak English when they entered school. They came from homes where the parents knew little, if any, English.

A large number of these non-English-speaking pupils were young men and women 18 to 20 years old, who sat in classes with little children under 9 years of age. Most of this class of older pupils were in the day schools, of which there are 167, but many of them, because of unavoidable circumstances, were taken into the reservation boarding schools where, it is supposed, only children who have gone through the day schools can enter.

In the large nonreservation schools the children of tribes which are traditional enemies to each other are brought together. In these nonreservation schools the entire Indian problem of the Government is localized. In one such school, for instance, will be found children from 30 to 40 tribes differing widely in their racial characteristics, their home environments, their tribal customs, their prejudices and traditions, in aptitude and intelligence, and in their capacity for education.

The Indian day schools are scattered over reservations, taking the place, in their communities, of public schools. Some of them are so remote from any white center of population that practically they are isolated for months of the year. The day-school teachers are not only teachers but they also act as subagents, looking after the health and general welfare of the Indian families in their neighborhood.

I have always believed that these little Indian day schools, outposts on the frontier of civilization, are the most potent agencies the Government has to help the Indians emerge from their condition of ignorance and superstition and give them a start on the road of progress. These underpaid, isolated, and almost forgotten day-school teachers never have received the recognition by the Government which is their due. I am informed that the Indian Service has the utmost difficulty in securing men and women to fill these modest but all-important positions.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON of Mississippi. I notice the committee has appropriated or reported in this bill an appropriation of $44,000 for an Indian school in Mississippi and for a number of things in connection therewith. It provides the position of a doctor and a matron. How are those employees selected?

Mr. HAYDEN. Through civil service. There is practically nobody in the Indian Service who does not have a civil-service status, except the commissioner and the assistant commissioner.

Mr. JOHNSON of Mississippi. Now, in selecting the matron, what qualifications does she have to possess?

Mr. HAYDEN. I am not familiar with the regulations of the Civil Service Commission governing such positions, but there are certain qualifications specified in an examination which they must take.

Mr. JOHNSON of Mississippi. Does the matron have to take the civil-service examination?

Mr. HAYDEN. Every such position is under civil service.

Mr. JOHNSON of Mississippi. The doctor also?

Mr. HAYDEN. Yes.

Mr. JOHNSON of Mississippi. May I ask you, Do these people have to reside on the reservation?

Mr. HAYDEN. They may take an examination in any part of the United States, and being appointed, are sent for service wherever the Indian Bureau directs.

Mr. JOHNSON of Mississippi. They are required to remain on the reservation?

Mr. HAYDEN. And actually do. But I was speaking of the Indian day schools. The American people first became educated in the "little log schoolhouse," where the children attended, but lived at home. When they returned from school at night they told their fathers and mothers what they had been doing, and the whole family became interested in education. In most cases I think that it is a mistake to take young Indian children away from the reservations to school. By a hothouse

process great improvement is apparently made in the nonreservation Indian boarding schools, but when the pupils return home they often go back to the blanket.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. HAYDEN. Gladly.

Mr. SMITH of Idaho. I am in thorough accord with the attitude of the gentleman from Arizona in reference to boarding schools being on the reservation. Will the gentleman kindly indicate what progress has been made in the plan to abandon these institutions which are scattered all over the country—as, for instance, those at Hampton, Va., and Carlisle, Pa.—and centralizing these activities in schools on the Indian reservations?

Mr. HAYDEN. No money is now being appropriated for Hampton Institute, and about three years ago the Indian school at Carlisle, Pa., was abolished. Some of the other nonreservation boarding schools have been closed, one or two of the smaller ones.

I am sure that the gentleman will find that the Indian Bureau is now of the opinion that greater stress should be placed upon the Indian day schools wherever they can be established. Where additional boarding schools are necessary, they should be located on the reservations as near as possible to the fathers and mothers of the Indian children. It would be poor economy, however, to at this time abandon a number of the large nonreservation boarding schools which, although not properly located, nevertheless represent an investment of many hundreds of thousands of dollars, which can be utilized with some measure of success in educating the Indians.

Mr. WALSH. Will the gentleman yield?

Mr. HAYDEN. Certainly.

Mr. WALSH. Has the gentleman any statistics to show how many of these Indians exercise the right of citizenship and vote?

Mr. HAYDEN. I have no information as to that. None of them vote in Arizona, but in a great many of the States where their property has been given to them in severalty the Indians exercise all the rights of citizenship.

Mr. WALSH. Then most of the competent Indians exercise the right of suffrage?

Mr. HAYDEN. That is true.

Mr. NELSON. Will the gentleman state in reference to the grades how high they go in the grades?

Mr. HAYDEN. Instruction in the ordinary day school on an Indian reservation extends to what is equivalent to about the sixth grade in the public schools. The Indian boarding schools in many cases educate small children through all the grades.

But the nonreservation boarding school is usually an industrial school, where half the time is devoted to instruction in farming and learning trades. Great stress is being placed upon the industrial features, which is entirely proper.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. With pleasure.

Mr. SMITH of Idaho. What is being done with reference to the future of these Indian boys and girls who have been graduated from the schools and colleges?

Mr. HAYDEN. It works out in this way: When the first generation of children have been taken away from the reservation and sent to a nonreservation boarding school and they go home and find that their fathers and mothers were never contented when they were gone, out of respect for their parents they are liable to lapse back into the tribal ways and customs. I talked with an Indian day-school teacher on the Navajo Reservation two years ago, who told me about 60 Navajo children that were sent to his school. Most of them came in like a lot of little wild burros, gathered together by the Indian police. They did not want to be there and had no idea of what it was all about. Among them were three children whose parents had been to an Indian school in their time, and he said that those three children by their conduct stood out above all the others. He said that their fathers and mothers had told them what the school was for and what they were expected to do, so they came willingly. He believed that it would take at least another generation to teach the fathers and mothers, forcibly in a degree in the first instance, to understand what education means. They tell their children, who are of the second generation, about it and the problem will be practically solved in the third generation. That will end the complaint that on the face of things a large amount of money has been expended on Indian schools with little apparent benefit, because in many instances the pupils go back to the *old tribal* ways on the Indian reservations.

Mr. SMITH of Idaho. Does the gentleman know whether it is still the policy of the Indian Bureau to send Indian police to capture the children and to carry them perhaps a thousand miles to some Indian institution?

Mr. HAYDEN. The Indian Service, so far as I know, has rarely adopted the policy of using force in securing pupils for these schools. Much persuasion is ordinarily used, accompanied by a small measure of force. That is the only way to get the Indian children into the schools.

Mr. LAZARO. What do they teach the Indian pupils at these boarding schools? Do they teach them manual arts?

Mr. HAYDEN. Yes. The appropriations for reservation and nonreservation boarding schools are made on a basis of $225 per pupil a year where the attendance exceeds 200, and $250 where it is below 200. This per capita is appropriated to cover the entire expense of educating, lodging, and boarding a pupil for one school year. When the Indian appropriation bill was under consideration in the House last year a Member inquired how it was possible to lodge, feed, clothe, educate, and care for a child for one year for $225. The answer to that is that the children in a Government boarding school practically work their way through the school. As an illustration of this I will cite one of the largest nonreservation schools which last year had an average enrollment of over 800 Indian boys and girls, and in which, as in all nonreservation schools, industrial and domestic training is an essential part of the educational work. The girls are taught the domestic sciences, poultry raising, gardening, and nursing. Boys are taught all the mechanical arts, agriculture, dairying, raising live stock, and fruit growing.

The girls make practically all of their own clothing. A sewing teacher and two assistants, the only paid employees in the sewing room, with the help of the girls, not only make dresses, aprons, and other articles of female clothing, but towels, pillowcases, and bedspreads for an institution which has more than 800 pupils. The tailor and one assistant, with the help of the boys in his class, not only do all the mending but make clothing, cut down suits for larger boys to fit the smaller boys, and in general do all the work which a tailoring establishment does. In the shoe and harness shop one instructor, with the detail of Indian boys, keeps in repair the shoes of all of the children and the harness for the working animals.

The hospital has one paid nurse; the student nurses provide the assistance necessary for the care of the sick. The entire laundry work for this establishment is done by Indian girls, under the supervision of one laundress and an assistant. The dormitories have one matron for each building, who merely supervises the work and teaches the students. The boys and girls take care of their rooms and dormitories, doing all the cleaning, bedmaking, and scrubbing.

The steam and electrical plant is in charge of an engineer and two assistants, the only paid employees. These men teach steam and electrical engineering and, with the boys detailed to that department, operate the entire plant, the ice-making machinery, look after the water and sewer systems, making all repairs, and do much new construction.

The carpenter shop has one carpenter and an assistant, who, with the boys detailed to the carpenter shop, keep in repair all the buildings of this institution. During the last 10 years the improvements that have been made by the boys in its industrial departments could not be duplicated with outside labor for $10,000 a year, according to the report of the superintendent. About a year ago the boys of the industrial department built a gymnasium, with an actual cost to the Government of $8,000. It is estimated that if this gymnasium had been built under contract it would have cost at least $30,000.

In addition to this the boys in all of the nonreservation schools are putting into practice what they have learned of farming, dairying, stock raising, and gardening so successfully that the products of school farms, gardens, dairies, and herds go a long way toward supplying these large schools, each with its hundreds of students, with all their vegetables, milk, butter, eggs, poultry, fruit, and meat. It is this that enables the superintendents of the schools to pull through on the per capita payment provided by Congress.

The children in the boarding schools are in their academic classrooms for about half of the day. Long before they go to their classes they have swept and cleaned the dormitories, halls, porches, and grounds; have made up their beds, have helped the cooks in the kitchen prepare the breakfast, and have washed the dishes afterwards, and many of them in the cold months have arisen before daylight to milk the cows and care for the horses, pigs, cattle, and poultry. The Indian students in the Government schools have no sinecure. Almost every minute of their day is occupied with useful work, recitation, and study. I know of no educational institution for white children where the day's program is more closely adhered to.

Mr. LEATHERWOOD. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. Yes.

Mr. LEATHERWOOD. Do they carry the scholastic instruction of the pupils beyond the sixth grade?

Mr. HAYDEN. The curriculum in these schools is adapted to the needs of the Indians and the parallel with the public-school system can not be closely drawn in regard to grading the pupils. If it is an industrial school, at least half of the time is devoted to teaching the pupils to do something with the hands, which, I think, is of more importance than mere book learning. They ought to learn how to speak the English language and read and write sufficiently well to engage in business. When that much is accomplished, I think that under the present circumstances we should be satisfied, considering the fact that when they first come to the schools most of the Indian children know nothing whatever of the English language.

Mr. LEATHERWOOD. Do the majority of the Indian pupils that go to nonreservation schools return to the blanket condition afterwards?

Mr. HAYDEN. The statement can be safely made that up to this time the majority of them, after having been to school and having gone back to the reservation, could not be distinguished from those who have not been to school. From their appearance one could not tell whether they had been to school or not. But it does not depend on the kind of hat an Indian wears or the style of blanket he uses. If he has been to school, he has ideas in his head, and as the father of a family he impresses these ideas upon his children by teaching them the value of education. Through that process we can ultimately hope to make good citizens out of most of the Indians.

Mr. LEATHERWOOD. Is it the gentleman's experience and observation that it is inadvisable to have them attend nonreservation schools?

Mr. HAYDEN. My experience has been that while the instruction received at the day schools sometimes does not appear on its face as of the best, yet more lasting results are actually obtained. Boarding schools, if established, should be located as near as possible to the homes of the Indian children rather than to send them far away from their relatives and friends. It is necessary, however, to utilize the facilities that the Government has provided. For instance, there are now on the Navajo Indian Reservation in Arizona over 5,000 children for whom no schools exist. They are growing up in ignorance of the English language and civilized ways of living. They should be forced, if necessary, to attend school. That is the only avenue of progress for them, and the nonreservation boarding schools should be utilized to the fullest extent in their education.

Mr. LEATHERWOOD. How far, or to what grade, is it compulsory? How far is the compulsory part of it actually carried?

Mr. HAYDEN. The Commissioner of Indian Affairs gathers up the Indian children as best he can. In my State he would have authority under the compulsory school law to force the Indian children into schools. I do not see why the same laws should not apply to the Indian as to the white children with respect to compulsory education.

Mr. LAZARO. The gentleman is so familiar with the subject that I wish to ask him a question for information. What is the effect of civilization upon the health of the Indians in general?

Mr. HAYDEN. A civilized man realizes that he can not live down in the dirt; that there must be fairly sanitary conditions surrounding his cooking and about his home. When Indians who have been used to sleeping out of doors and to having the whole world to roam over are crowded together and forced to do things apparently in the white man's way the resulting congestion has often led to the spread of diseases that have caused a great many Indians to lose their lives. The Indian medical service has improved greatly in the last few years, particularly along the lines of sanitation. I am sure that the statistics will bear me out in saying that the Indians are not decreasing in numbers as they formerly were.

Mr. KINDRED. Will the gentleman yield?

Mr. HAYDEN. I yield to my good friend from New York.

Mr. KINDRED. I have had the privilege of seeing a great deal of the Indians in the gentleman's district. I was very much interested in the question asked by the gentleman from Louisiana [Mr. LAZARO] as to the influence of civilization, generally speaking, on the Indians as well as upon the black race. I believe it is conceded that there has been a rapid development of tuberculosis among the Indians and also among the Negro race since what we call civilization has partly embraced them.

I want to ask the gentleman another question, on a subject which I was interested in a few years ago; that is, in the school conditions which the gentleman has so well described in his own State. Is there much interference with the Indians going to school, caused by eye diseases?

Mr. HAYDEN. There has been much difficulty on account of trachoma among the Indian tribes all over the United States.

Mr. KINDRED. That is what I particularly referred to.

Mr. HAYDEN. But the Indian medical service is doing all that it can to eradicate that disease, and I understand with considerable success.

Mr. CRAMTON. Will the gentleman yield?

Mr. HAYDEN. Yes.

Mr. CRAMTON. In connection with what the gentleman stated a moment ago, the last report of the Commissioner of Indian Affairs shows that the number of births among the Indians last year was greater than the number of deaths, showing that they are not now decreasing.

Mr. HAYDEN. I am sure that is true.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CARTER. I yield to the gentleman 20 minutes more.

Mr. HAYDEN. When some legislation relating to the Indian Service was under discussion last year the gentleman from Pennsylvania [Mr. KELLY] made some observations relative to the Indian Bureau which I thought at the time were based upon misinformation, but it may be interesting to him to know that his remarks met with a measure of approval from a very good friend of mine in Arizona. I want to read an extract from a letter which he has written to me, not only for that reason but because I am sure that what he says will be read with interest, and I hope with profit, by those in the Indian Service who are broadminded enough to realize that there is a white man's side to the Indian question and that justice can not be done if they continually insist that the Indian shall always have the advantage of every situation. My friend says:

> I was much interested in the House debate of August 4 on the Indian appropriation bill. Personally, I am much in accord with Representative KELLY. I am firmly of the belief, judging from the experience and knowledge I have of Indian agents and other officials, that the great aim of the Indian Service is to perpetuate itself. I also agree with you that isolated instances of overzealousness or bureaucratic tyranny do not prove any case.
>
> You point out in your speech the need for road building on the reservations. That need is actual. Our eastern cousins, who imagine the red man to be a statue of bronze, should attempt to drive an automobile through some of our Indian reservations. I think their Indian idealism would drop from them like a winter's cloak. The reservations include practically 90 per cent of the trout streams in Arizona. The best camping in the State is to be found within their confines. It is the vacation ground par excellence of the people of the State. Yet we see agency superintendents exercise power that keeps every white man from "lighting" there except to fill his radiator or his gas tank.
>
> I am reliably informed by old-time white settlers on and near the reservations that the Indians will deliberately set fire to the forest to get work in putting it out. Moreover, it sounds quite unreasonable that the Indian reservations should be closed when the adjoining Forest Service lands are left open. State laws relating to game and fish prevail upon the forest reserves. Not so upon the reservation. Here the word of the superintendent is the word of God. He is the dictator—the court of last resort—for the Indian. He is the incarnation of the worst of bureaucracy. He is a product of that system. That it affects the people of Arizona so harshly is what hurts. Poor Lo, as you know, is the favored son of Arizona. He has practically a strangle hold on much of its best land, and a white man can be kept off at the whim of a superintendent.
>
> Really, Carl, the Indian reservations in Arizona are little principalities, occupying space in the State to the detriment of most of the people, and owing allegiance to all intents and purposes to a gentleman who sits in Washington and whose one great desire is to see the work perpetuated ad infinitum.
>
> As the State grows in population the ever-increasing problem, or one of them, will be the Indian reservations. The rights of the people of the State should be protected on these reservations. The Indian has rights, of course, but sentimentalists in the East apparently would approve of a course that forced the white man into Sonora and the placing of the good acres of the Salt River Valley at the disposal of the poor Apache.

What I have just read is typical of many complaints that I have received relative to the administration of Indian affairs. They come from men who represent the civilizing spirit of America and to whom the lack of progress among Indians is an abomination. When they see great natural resources, which if utilized at all are not fully used, tied up by the reservation system their every instinct calls out for development. To hold these lands back, awaiting the time when the Indians may make a higher use of them, is undoubtedly wasteful and a great burden upon the States wherein the reservations are located.

Take the State of Arizona, for example. It is true that we have had a greater proportionate increase in population than any other State during the past decade, but after all it can not be expected that taxation will be light when all the elaborate machinery of a modern State government must be maintained and paid for by only a little over 300,000 white people. We have unlimited faith in the future, but when it is realized that title to over one-half of the entire area of the State is in the Federal Government, of which over 20,000,000 acres are held for the benefit of Indians, one can readily understand, as my friend has indicated, how this question of the untaxed lands under Federal control is of vital importance.

That is why the citizens of my State greeted with unanimous approval the announcement that Congress has at last provided that no more Indian reservations can be created by Executive order and why they look askance at any proposal, however pleasingly presented, to establish additional Federal reserves of any character. If the friends of the Indians insist that the present reservations shall be maintained they at least owe it, in all fairness, to the white people of the West who are bearing the burden of State building to aid us at all times in obtaining assistance from Congress for road construction, irrigation projects, and every other form of development in the Indian country.

So long as a considerable number of those connected with the Indian Service maintain a policy of doing little or nothing in cooperation with the white people of the States where these reservations are located, when by their actions they indicate that they believe that the Indians should be isolated and that they will be contaminated by contact with white people who reside near the reservations, then expressions of the kind that I have read may be expected to be repeatedly made by good citizens who feel outraged whenever they come in touch with the representatives of such a bureaucracy.

OBSTRUCTIVE CRITICISM.

There is another and totally different variety of criticism to which the Indian Bureau is subjected that is both unjust and obstructive, and with which I have no patience because I doubt the honesty and good motives of those who indulge in it. Perhaps what they say and do is unworthy of attention, but unless these harmful activities are openly discussed anyone seeking light on the Indian problem is sure to be misled and confused. I shall not attempt to cover the whole field, because if serious heed were given to all of the various theories and preachments offered for directing the affairs of the Indians legislation would be often suspended and administration would function with difficulty.

It must not be overlooked that some of the best people in the world are trying by individual and organized effort to improve the condition of the Indians. There are many associations, both religious and secular, that are actuated by the highest motives for Indian welfare, whose activities are essentially in harmony with the general aims of good administration and whose suggestions and criticism are offered from time to time with sincere and helpful purpose. These forces are worthy of real appreciation because they represent men and women of deep sympathies, of hopeful vision, and of practical judgment. These are social factors in our great country whose influence rings true.

On the other hand, we find the spurious, the imitators, the pseudo reformers masked behind pretentious federations and cooperative associations, which are usually controlled by some one-man functionary, who, as chief grand counselor or attorney in fact for all the Indians he can hoodwink into his following, promotes his ulterior designs under the guise of philanthropy. This type of Indian friend and adviser is instanced by a certain agitator, who, after years of meddlesome scheming to gain recognition by the Indians of his State, succeeded in having about 50 of their number with himself indicted by the Federal grand jury on the charge of conspiracy to obstruct and impair the Government in the exercise of its proper functions and of conspiring to commit an offense against the United States in attempting to alienate from the Government the confidence of certain Indians. Whatever clemency is due these deluded and entrapped Indians will no doubt be accorded, and it should be equally certain that exact justice is meted out to the one who is responsible for their plight.

The too frequent misfortune of the innocent-minded Indian is the shifty trickster who "organizes" with a constitution and by-laws that seem to breathe benevolence from every syllable and then goes to the Indians in the pose of a haloed savior with an alluring message that there is great wealth in store for them at Washington, or that millions of acres of land, or the value of it, can be recovered to them through his influence and management if they will just "sign on the dotted line," pay membership fees to his organization, and defray his expenses to the National Capital, with like expenses of a retinue of Indians to give scenic effect to his mission. Instances are of record where Indians with no money beyond their most frugal daily needs have been approached in such manner as to be impressed that they could not share in the benefits of such a great enriching scheme unless they contributed with others an annual fee for financing it, and in order to secure the fabulous returns promised have virtually taken bread from the mouths of their children and reduced their families to the verge of destitution.

Perhaps more effectively harmful to the Indians are the fulminations of persons having some literary standing, who are able to present their views and criticism in such form and temper as appeal to the dispassionate reader, and who lighten their dark descriptions with the glamour of sincerity. A sinister disturber of this stamp has recently gotten into the magazines and syndicate news with a doleful picture of conditions among the Blackfeet Indians. His allegations include charges that fee patents to land have been forced upon these Indians against their will, that by outrageous robbery a trader has acquired about 400 of such patents, that last winter no bacon was issued with Indian rations, that one family actually starved to death, that $25,000 appropriated for rations was spent in constructing an automobile road for the whites, that the Indians were unable to get wood for fuel, and that not one-tenth of their crops planted were harvested. These and other implied calamities were found to be gross exaggerations, and in some instances wholly groundless.

To spread broadcast in civilized communities and among the Indians themselves such a declaration of appalling destitution and maladministration, fabricated as it was out of exceptional instances, hearsay, distortion of fact, and fancy fed by love of the limelight and mercenary returns was not only an invitation to many self-supporting Indians to become idlers and beggars but it was a slander against the Indian Bureau and an affront to the Congress under whose authority that bureau functions. It becomes a menace not easily ignored when such clever and bold characters, while making their living by misrepresenting the true attitude of the Government toward the Indians and the real condition of the Indians themselves, are planting the seeds of a morbid sentiment among whites and of ignorant resentment among Indians.

Mr. LEATHERWOOD. Does not the gentleman think that some benefit might be derived on behalf of the Indians in cases where complaints are made to refer them to some one to investigate other than a person in the department interested in the result?

Mr. HAYDEN. That would be highly desirable, but Congress can not investigate every charge that is made. That is an Executive function. Under the law the Secretary of the Interior and the Commissioner of Indian Affairs are authorized to go outside the civil service and select inspectors of their own choosing who are their eyes and ears and whose duty it is to truthfully report the actual facts to the department. If we can not rely on the Secretary of the Interior and the Commissioner of Indian Affairs to select competent inspectors who will make honest reports I do not know what we can do. Congress has provided ample appropriations for the inspection service to get at the actual truth about the condition of the Indians.

Mr. LEATHERWOOD. I was prompted to ask the first question by a concrete case where, I think, there was a just complaint against the Indian agent. They referred the complaint right back to the person himself who reported that he was 100 per cent right.

Mr. HAYDEN. Certainly there are inspectors enough in the Interior Department so that it was not necessary to do that.

Among other retarding elements to both legislation and administration are a few mixed bloods who have learned some of the white man's vices and trickery with a little of his honesty and integrity. They are capable enough to be of some assistance to uneducated Indians and shrewd enough to give this aid in order to gain confidence and a following, but are unscrupulous in pushing their larger and selfish designs. It will be recalled that one of this class a few years ago submitted to a congressional committee a list of about 160 Indians who were said to have died on a northwestern reservation from lack of sufficient nourishment. It has since been proven that over 100 of these same Indians are living to-day and that only 12 died within the entire period covered by the false report.

In this vexatious group are also certain individuals who have managed to identify themselves with some missionary enterprise or lecture bureau, and whose social status is indicated more by an artful array of paint, feathers, and trappings than by any evidence of Indian blood in their veins, but who get an audience among many intelligent people and are able to denounce the Indian Bureau and the Government for maintaining it with enough platform accomplishments and grace of diction to carry some weight. These speakers sometimes secure the adoption of ready-made resolutions by civil or social welfare organizations indorsing their plausible sophistries without serious investigation. Their representations are largely based on exceptional, accidental, or unfortunate instances and not on total results or a comparison of Indian conditions by such periods of time as is necessary in estimating human progress anywhere.

And last but not least among the disturbers are a group of professional claims attorneys who have kept alive a large number of fraudulent Indian claims and year after year seek to obtain money from the Indians in payment for their alleged

assistance. I am glad to say that within the past week the Committee on Indian Affairs has submitted adverse reports on two bills authorizing money to be paid out of tribal funds to lawyers of this character who had rendered no real or substantial service to the tribes, but whose activities have, in fact, been detrimental to them. I hope that this action by the committee will serve as notice to all such attorneys that Congress does not intend to give further consideration to bogus Indian claims.

In conclusion, let me say that I hold no brief for the Indian Bureau. I realize its shortcomings, the chief one of which is a lack of courage to do impartial justice where the Indians are clearly in the wrong. Too often the officials of the bureau, through fear of criticism, adopt the easy expedient of saying that they are merely the attorneys for the Indians and have no further responsibility than to protect the interests of their clients, regardless of the effect upon the community in which the Indians reside. Such a policy is most unsound, because it fails to recognize the fundamental fact that the Indians and their white neighbors have much in common and that only by proper cooperation can both races prosper.

The best way to attain a spirit of mutual helpfulness is to know the conditions under which those with whom we should work in harmony are compelled to labor. It is with that idea in mind that I have submitted these remarks, and I hope that the facts which I have presented here will aid a little in a better understanding of the Indian problem. [Applause.]

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Reindeer for Alaska: For support of reindeer stations in Alaska and instruction of Alaskan natives in the care and management of reindeer, $10,000, to be available immediately: *Provided*, That the Commissioner of Education is authorized to sell such of the male reindeer belonging to the Government as he may deem advisable and to use the proceeds in the purchase of female reindeer belonging to missions and in the distribution of reindeer to natives in those portions of Alaska in which reindeer have not yet been placed and which are adapted to the reindeer industry.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. In the paragraph just read we are providing that the Commissioner of Education shall conduct the reindeer stations in Alaska—sell the male reindeer and make disposition of the female reindeer, and so on. I have never been able to understand why this reindeer proposition should be embraced in the Bureau of Education and not be in the Agricultural Department. There is another thing I want to call attention to, and that is the inconsistency of appropriations. The distinguished gentleman from Washington the other day, Mr. JOHNSON—there are so many distinguished gentlemen from that State that I must designate him—is chairman of the Committee on Printing, and I wish all of the membership of the House had made a sufficient investigation to know what I know about his work on that committee. His committee has been instrumental in reducing the force of employees to a great extent; it has been instrumental in bringing about economies, retrenchment, and reduction in the expense which is almost phenomenal; and if the membership knew how far his committee had gone in that respect and what is now contemplated, I think that the entire membership would commend him. He was on the floor the other day and called attention to the fact that we were providing for a position of editor in the Agricultural Department with a salary at $5,000, some at $4,000, some at $3,500, and some at $3,000, and so on down. He called attention to the fact that the salaries to these editors was out of line.

Now, I want to call attention to what we provide for the editor in the educational department, the Bureau of Education, of this great Government. On page 75, line 18, "editor at $2,000." This $2,000 is the editor of our great Bureau of Education. I wish you would turn to the Agricultural bill, to the section the distinguished gentleman from Washington was attacking the other day, and with reason, and you will see there are numerous editors in that department who are drawing over double what the editor in the great Government Bureau of Education is drawing.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COLE of Iowa. Is the gentleman not aware that it takes a special education to make an editor of an agricultural paper?

Mr. BLANTON. Yes; the education of the distinguished chairman of the Committee on Education, Doctor FESS, embraces not only a general education but also that of many specialists, and to that extent the editor of the Government Bureau of Education ought to be an expert in many lines, while the editor in the Agricultural Department is an expert in only one particular line. I do not think that argument has any force or weight at all. I think the distinguished gentleman from Washington was correct. But, not being a member of this subcommittee of five, and not being a member of this great organization of 35 growing autocrats, whom I follow with my vote and back them up on almost every proposition when sane economy may be effected; because the gentleman is not one of the autocratic 35, they will not consider his suggestion.

Mr. BUTLER. This paragraph that is pending relates to reindeer.

Mr. BLANTON. Yes; I know, but I was jumping from one ridiculous paragraph to another.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection?

Mr. BEGG. Reserving the right to object, the gentleman has talked for three days about half the time, and I was wondering if he was going to discuss the bill or talk about the committee.

Mr. BLANTON. That is a pertinent question from the assistant whip of the House who, I understand, is ambitious.

Mr. BEGG. I think the assistant whip of the House has been very derelict in his duty for the past three days.

Mr. BLANTON. It happens so seldom that the assistant whip is not doing the talking that it may now be out of line for some one else to attempt it.

Mr. BEGG. Mr. Chairman, I object.

Mr. BLANTON. I am in good humor and I will not retaliate. I could force the assistant whip to send out all over the United States and bring in his absent Republican Members.

Mr. BEGG. He would find more Democrats absent than Republicans.

Mr. BLANTON. I can not agree to that.

The Clerk read as follows:

RECLAMATION SERVICE.

The following sums are appropriated out of the special fund in the Treasury of the United States created by the act of June 17, 1902, and therein designated "the reclamation fund," to be available immediately:

For all expenditures authorized by the act of June 17, 1902 (32 Stat. p. 388), and acts amendatory thereof or supplementary thereto, known as the reclamation law and all other acts under which expenditures from said fund are authorized, including salaries in the District of Columbia and elsewhere; examination of estimates for appropriations in the field; refunds for overcollections hereafter received on account of water-right charges, rentals, and deposits for other purposes; printing and binding, not exceeding $30,000; law books, books of reference, periodicals, engineering and statistical publications, including their exchange, not exceeding $1,500; purchase, maintenance, and operation of horse-drawn or motor-propelled passenger-carrying vehicles; payment of damages caused to the owners of lands or private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works, and which may be compromised by agreement between the claimant and the Secretary of the Interior; and payment for official telephone service in the field hereafter incurred in case of official telephones installed in private houses when authorized under regulations established by the Secretary of the Interior.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee if he will give us the information relative to the provision found in line 2 on page 80, where all of this money is made immediately available.

Mr. CRAMTON. That is in accordance with the practice heretofore in order that the work can be done in the field beginning the 1st of July and extending into the fall. It is more economical in an engineering way and an operating way to have each season by itself.

Mr. RAKER. What is the object of including the Salt River, Ariz., here?

Mr. HAYDEN. If the gentleman from California will permit, I can answer his question. The appropriation of $5,000 is made in order that what money is necessary may be expended by the Director of the United States Reclamation Service in seeing that the project is properly kept up. There is a contract between the Salt River Valley Water Users Association and the Secretary of the Interior whereby the association agrees to pay all the expenses of an annual examination of the project, which may amount to as much as $5,000. Whatever the expense it is paid for by the association so that the reclamation fund is immediately reimbursed.

Mr. RAKER. In other words, this project which cost them $10,000,000 has been so far completed that it has been turned over to the people in that community under the project, and they are paying up their annual assessment of the cost of the construction as well as each year the maintenance and upkeep of the project?

Mr. HAYDEN. Yes; but so long as there is money due to the United States from the water users of the Salt River project certainly it is entirely proper that the Reclamation Service make annual inspections to see that the engineering and other

work is carried on properly so that the works of the project do not deteriorate. That is the purpose of this appropriation.

Mr. RAKER. In other words, while this does not say reimbursable, this $5,000 goes back to the Government from the Salt River project.

Mr. HAYDEN. Yes; the water users have contracted to pay all of the expense incurred any year by the United States in making these investigations, and they do repay immediately.

Mr. RAKER. The gentleman can state to the committee that within due course, within proper time, under the contract, under the law, this entire amount of money will be returned to the Government of the United States for reinvestment in other projects.

Mr. HAYDEN. Oh, there is no question about that.

The Clerk read as follows:

Uncompahgre project, Colorado: For operation and maintenance, continuation of construction, and incidental operations, $185,000.

Mr. BLANTON. Mr. Chairman, I move to strike out on page 81, line 12, the word "Uncompahgre."

The CHAIRMAN. The gentleman from Texas offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 81, line 12, strike out the word "Uncompahgre."

Mr. BLANTON. Mr. Chairman, the word "Uncompahgre" is an Indian word, the meaning of which no white man this day understands.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CARTER. I suggest that there may be a good many English words in the bill that a great many white people do not understand.

Mr. BLANTON. Oh, yes; but I was merely suggesting the various paragraphs in the bill whose inconsistency many can not understand when I was interrupted by my distinguished friend from Ohio [Mr. BEGG]. The paragraph in this bill which provides that the Government educator, the Commissioner of the Bureau of Education, shall handle the reindeer in Alaska, shall sell the male reindeer and likewise dispose of the female reindeer, is a proposition which no man in this House and no one else can understand.

I was about to say that our distinguished friend from Ohio, Doctor FESS, is the chairman of the Committee on Education, and therefore should have had jurisdiction over this reindeer provision. But that is no more beyond the pale of understanding than the other proposition contained in this bill which pays the editor in this Bureau of Education only $2,000, while the Agricultural bill pays an editor in another department of the Government two and one-half times that much. My whole purpose was to commend the gentleman from Washington [Mr. JOHNSON] for the effort he attempted the other day to reconstruct these propositions with some idea of consistency, and I hope that when the committee next year frames the Agricultural bill they will listen to the gentleman and pay some attention to his wise suggestions.

Mr. Chairman, as my amendment was merely pro forma, I withdraw it.

The Clerk read as follows:

Minidoka project, Idaho: For operation and maintenance, continuation of construction, and incidental operations, with authority in connection with the construction of American Falls Reservoir, to purchase or condemn and to improve suitable land for a new town site to replace the portion of the town of American Falls, which will be flooded by the reservoir, and to provide for the removal of buildings to such new site, and to plat and to provide for appraisal of lots in such new town site, and to exchange and convey such lots in full or part payment for property to be flooded by the reservoir, and to sell for not less than the appraised valuation any lots not used for such exchange, $665,000.

Mr. RAKER. Mr. Chairman, I reserve a point of order to the language found in line 3, page 82, down to and including the word "exchange" in line 12. Will the gentleman from Michigan please explain that?

Mr. CRAMTON. What is the point of order?

Mr. RAKER. It is legislation on an appropriation bill.

Mr. CRAMTON. Last year a point of order was made to that language and certain language was stricken out. The situation is not necessarily the same this year as it was last year. The evidence before the Chair last year as to the state of affairs was rather indefinite. In the hearings this year we have a full statement of the matter under which it appears that in the development of the Minidoka project it is necessary, in order to develop a proper reservoir, to take over an area of land which happened to include the site of a town, and taking over that they are to purchase other land and move the town onto the new site. That operation is under way; a large part of the land has been acquired. Proceedings are under way to acquire the balance. It is a continuing operation, so that I think a point of order this year would not lie. If the gentleman wants the exact situation I shall be very glad to read it to him.

Mr. RAKER. Certainly I would.

Mr. CRAMTON. I read from the hearings:

The project contemplates an ultimate reservoir capacity of 3,000,000 acre-feet. The present plan contemplates 1,500,000 acre-feet capacity for the purpose of furnishing water to about 800,000 acres of land now irrigated, for which there is an insufficient water supply, and also to about 175,000 acres of new land.

The proposed dam will impound the waters of Snake River. A dam at this point will necessitate the moving of most of the present town of American Falls, the relocation of about 2 miles of the Oregon Short Line Railroad, and the payment of damages to the Idaho Power Co., which is operating a hydroelectric plant below the site. In addition to these items of cost there will be the purchase price of lands in the reservoir. This will include a considerable area of Indian land.

The land necessary to the new town has been acquired and most of the land in the old town has been acquired, and there follows then a statement of expenditures which is not pertinent to the gentleman's present inquiry.

It is estimated that the acquisition of the numerous lots in the old town and the various tracts to be inundated involves 1,500 abstracts of title.

However, except a small part of the original town site of American Falls, all of the reservoir property in American Falls has been abstracted, and perhaps at least 80 per cent of the typing of the rural abstracts has been done, and at little more expense can be ready for consideration by the Washington office.

Mr. RAKER. Mr. Chairman, just one question, which I think will settle the matter so far as I am concerned. The gentleman from Idaho [Mr. SMITH] is familiar with this, and we have discussed it in various ways. I understand that this money, whatever it might be over and above the exchange value, will be charged up to the Reclamation Service and apportioned between the water users, and they will eventually in their repayments of 20 years pay it all back to the Government?

Mr. CRAMTON. Yes.

Mr. RAKER. Mr. Chairman, I withdraw the point of order.

The Clerk read as follows:

Newlands project, Nevada: For operation and maintenance, continuation of construction, and incidental operations, $735,000.

Mr. RAKER. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 83, line 4, after the word "Nevada," insert the following: "and California, including the Honey Lake Unit."

Mr. CRAMTON. Mr. Chairman, I reserve the point of order to that.

Mr. RAKER. Mr. Chairman, I use the language that is found on page 81, lines 9 and 11, the Grand Valley project, Colorado. I have been seeking for some time to get the language and get the matter in proper shape.

I find the committee has made——

Mr. CRAMTON. May I ask the gentleman what he seeks? Does he seek to add a new addition to this—a new project?

Mr. RAKER. If the Reclamation Service should want to take it up, that is all.

Mr. CRAMTON. Will five minutes suffice for the gentleman to discuss the item?

Mr. RAKER. Oh, yes; it is so plain that I can state it in that time.

Mr. CRAMTON. I withdraw the reservation of the point of order.

Mr. RAKER. I would put it "Nevada-Colorado." All of this water that is used for the Newlands project—it used to be called the Truckee-Carson project—originates in California. They are taking all the water from California and using it on the Newlands project, in Nevada. It is a Nevada-California project, and the name, so far as States are concerned, ought to be changed and ought to be that. They changed the name and gave it to Senator Newlands, who was very active in the reclamation legislation, and it is a well-deserved credit. It ought to be Nevada-California because the project is in both States.

Mr. CRAMTON. Will the gentleman yield?

Mr. RAKER. I will.

Mr. CRAMTON. Would it not impress the gentleman as being more fit, if his amendment prevails, to call it the Newlands-Raker project?

Mr. RAKER. That would be a good idea, but I am a little too bashful to permit that anything be given my name; but for some 40 years—while I have not been as successful in these matters as the Senator from Nevada was, some day I may get some of these matters that I have been working on. Before the Newlands project started it was one of the first places I had the opportunity to go on, and it has used that name since. You will notice in the wonderful picture taken when they opened the project—you will find in an obscure place down on

the side with the distinguished leader of that side my little miniature picture by the side of Senator Newlands and many others, showing I had been giving the matter some attention. The Honey Lake proposition is for the purpose of giving the Reclamation Service an opportunity to take this over, if they want to do so. The name itself means what it is, Honey Lake. Honey was found there by the early settlers. The climatic conditions are such that this water can very well be applied to this territory if the Reclamation Service wants to apply it, and it can be taken over and developed as the other projects. It adds no money, adds no great expense to the Reclamation Service or the Government at this time. If it does, it will come back tenfold, and I hope at this time the chairman and the subcommittee will see their way clear to do this. The State Legislature of California is behind this, and all of the local organizations. I should have had my resolutions here at this time, but did not realize we would get to this particular amendment this afternoon. It would add much to the development, and I trust the chairman will see his way clear not to object to the amendment and that the Committee of the Whole will adopt it.

Mr. CRAMTON. Mr. Chairman, nothing was presented by the Reclamation Service suggesting that they wanted this proposition. They have not done so, no information or estimate has come to the House, and I hope the amendment will not be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

Riverton project, Wyoming: For operation and maintenance, continuation of construction, and incidental operations, $600,000.

Mr. CRAMTON. Mr. Chairman, I desire to extend my remarks in the RECORD. A gentleman named Clarke is interested in a power plant which he claims is available for use in connection with this Riverton project. He asked for a hearing before this subcommittee. He was advised at the time it was not possible to give it to him, but he could file a written statement. He failed to do so. There came to the subcommittee and, I think, to a number of other Members of Congress, a statement of the situation from a gentleman holding the views of Mr. Clarke, Henry E. Pogson. I have also a statement from the Reclamation Service of their views in reply to his letter. It is a matter that may be more or less controversial hereafter, and I think at this time the statements should be incorporated in the RECORD, and I ask unanimous consent to extend my remarks by placing these statements in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

The statements are as follows:

MUTUAL LIFE INSURANCE CO. BUILDING,
New York, December 21, 1922.

MY DEAR CONGRESSMAN: Have been informed that the United States Reclamation Service, under the Interior Department, contemplates the building of a hydroelectric power plant on the Riverton, Wyo., reclamation project, near Butte, Fremont County, Wyo., at a cost of about $280,000, from which they would obtain electrical energy in operating the excavating machines in reclaiming the lands upon that project. I am the trustee under a trust deed that was made by the Big Horn Power Co. that constructed a dam and hydroelectric plant near Boysen, Wyo., upon the Big Horn River, which is near the east end of the Riverton project. The trust deed above referred to was given to secure a bond issue of $350,000, of date January 1, 1908, and that hydroelectric plant has been supplying current for about nine years or more, and that hydroelectric plant is capable of supplying the United States Reclamation Service with all of the electrical energy that they will require in reclaiming those lands, at a net cost to the Government of less than half of the actual net cost to the Government in the event that it should construct the proposed plant at Pilot Butte, Wyo., at a cost of from $280,000 to $300,000, as the engineers of the Reclamation Service have estimated that it would cost the Government about $15,000 a year to operate and maintain that proposed plant.

Am informed that the Reclamation Service estimate that it will require about 5,600,000 kilowatt hours of electrical energy to operate the excavating machines in reclaiming those lands, and that they have only offered 1¼ cents per kilowatt hour for the current, which would figure out about $70,000 they offer for such current as they will require.

Officials of the Reclamation Service estimate that those lands can be reclaimed within from four to six years. Therefore the cost of operating and maintaining the proposed hydroelectric plant would cost the Government all that they have offered for all the current that they will require in operating the excavating machines. Their estimate of cost of operating and maintaining their proposed plant does not include interest at 4½ per cent upon the cost of the proposed plant, which would amount to about $12,500 per annum, in addition to the $15,000; $27,500 per annum.

As the trustee for the bondholders and as a taxpayer I protest most strenuously against the Government building hydroelectric power plants that will enter into competition with plants already constructed, and the Reclamation Service should not be allowed to use moneys that are in a revolving fund in the construction of hydroelectric plants where they can obtain power at a reasonable cost. Can furnish you additional data on this matter if you so desire.

Very respectfully,

HENRY B. POGSON,
Attorney and Counselor at Law.

Hon. MARTIN B. MADDEN,
Washington, D. C.

DEPARTMENT OF THE INTERIOR,
UNITED STATES RECLAMATION SERVICE,
Washington, D. C., December 27, 1922.

Hon. L. C. CRAMTON,
Chairman Interior Department Appropriations Committee,
House of Representatives.

MY DEAR MR. CRAMTON: There is returned herewith the letter of December 21 from Henry B. Pogson to Chairman Madden regarding power for the Riverton project. The Riverton project is the last to be adopted of those in hand under the Federal reclamation law. The works have not been completed to an extent that permits the delivery of any water and there is a large amount of construction yet to be done. For this, power is essential.

In view of the limitations on the reclamation fund, in general the Reclamation Service would prefer to secure the necessary power without tying up the reclamation fund investment necessary for the construction of a power plant. With that inclination, an investigation was made long ago by the service of the power plant on the Big Horn River referred to by Mr. Pogson. The plant was not found to be in satisfactory condition for the project needs either physically or legally. Mr. John T. Clarke has offered himself as the representative for the sale of power from that plant, but the fact is he has never had possession of it. On July 5, 1922, I wrote to Mr. Clarke stating the preference of the Reclamation Service to contract for power rather than build anew, but felt constrained to specify numerous things that would be needed to clear the way for a suitable contract. Copy of that letter is sent herewith.

None of the conditions laid down at that time has since been met. Mr. Clarke is involved in legal proceedings in his endeavor to secure possession and control. That these proceedings may involve considerable delay is suggested by the failure of past efforts and the number of times that the case has been considered and reported. In this regard I have these legal citations:

175 Federal Reporter, 702.
236 Federal Reporter, 516.
264 Federal Reporter, 492.
273 Federal Reporter, 923.

In spite of Mr. Clarke's failure to get himself in a position to do business, he has been very insistent that a contract be made with him. His attitude is illustrated by a letter of July 22, copy of which is sent herewith, and I am also sending copy of my reply dated Denver, Colo., July 28, 1922.

Mr. Clarke has also been an applicant for a power permit at the site in question under the Federal water power act. The Federal Power Commission recently rejected his application, and with the plant in its present condition, physically and legally, it seems out of the question for the Reclamation Service to contract for power from that source.

However, Mr. Clarke has represented his ability to make satisfactory showing regarding the requirements, and the Secretary of the Interior has twice extended his time for such a showing. The last extension carries to January 5, 1923.

In view of the uncertainty regarding ability to purchase suitable power, in the appropriation estimate for the Riverton project, fiscal year 1924, an item of $150,000 was included to provide the first installation of a power plant at Pilot Butte as a part of the Riverton reclamation project works.

This item is, of course, like many others in the reclamation estimates, dependent on contingencies. In this case if the difficulties surrounding the plant in which Mr. Clarke and Mr. Pogson are interested are favorably resolved, it will be possible to contract for power and utilize any appropriation made accordingly.

There are a number of figures and statements in Mr. Pogson's letter with which I do not agree, but I presume it is unnecessary to discuss each one in detail.

Very truly yours,

A. P. DAVIS, *Director.*

The Clerk read as follows:

Secondary projects: For cooperative and miscellaneous investigations, $100,000.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. The secondary project is an illusive word, but it is workable and working. The department is using this money for the purpose of making reports, investigations on projects that have not been adopted. The data is furnished the Reclamation Service by private individuals, organizations, municipalities, or States. There is legislation now pending for appropriation for separate projects ranging all the way from $50,000 to $200,000. Of course, this comes out of the reclamation fund. There is no reimbursement to the Government. It is presumed that this will all be returned. The director appeared before the Committee on Irrigation of Arid Lands some few days ago and stated that there ought to be at least $500,000 for this work, for cooperative work, and that if most of it was put in proper shape that they would meet the Government appropriations at least 50–50. There is another appropriation just following, $100,000 for the Colorado River in this section, and I simply want to call the attention of the committee and the House to the fact that none of the projects are completed.

The nearest one is the Orland project, California, and they are adding a new unit to that for the users, and the project in Arizona, where they turned it over to the water users. So that all the investigation made up to the present time goes for nothing unless some of these projects are adopted. We have not the money to carry out the projects that have already been started. Those two that are under consideration, the Colorado and the Columbia, are so immense that if we are not careful we shall spend all our money on them, and the smaller projects, which can be brought into operation within two or three years, or five years at the longest, where families by the dozen and the score can be placed upon the land, will be deprived of their right during the next five generations to use or develop any of

that land. The money for this purpose should be scattered over where it will produce diversified agriculture. That is what we need. We should not put all our eggs in one basket. I trust that the House will not go off with the idea that we must have only one grand project in contemplation.

This matter was taken up 14 years ago at the irrigation Congress at Portland, Oreg., where I presented a resolution that was agreed to by a unanimous vote, that we should take up and consider the smaller feasible projects that could be brought into operation. But during those 14 years the projects have not been completed, and you can travel over the western country and see dozens and scores of places where you can get from 5,000 to 20,000 acres of land under cultivation in a short time and place families upon that land and make it usable.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. SINNOTT. Has the gentleman offered an amendment?

Mr. RAKER. I have not.

Mr. SINNOTT. I wish the gentleman would.

Mr. RAKER. The trouble of it is we do not get before the Budget Committee and can not get before the subcommittee, and unless you get their approval on these matters you are down and out. In other words—and I say it without criticism; I would not criticize just for the sake of criticism; we are all responsible and to blame—whenever the Budget makes a recommendation, or the subcommittee makes a recommendation, or the full committee makes a recommendation, we immediately hold our hands and say, "By the gods, we are bound," and we can not say anything because the committee and the Budget Bureau have acted upon it. It is wrong, and it is bringing this body where it ought not to be.

Mr. BLANTON. The gentleman voted to overrule them yesterday.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

UNITED STATES GEOLOGICAL SURVEY.

SALARIES.

Director, $6,000; chief clerk, $2,500; librarian, $2,000; photographer, $2,000; assistant photographer, $900; clerks—three of class 1, one $1,000, two at $900 each; two messenger boys, at $480 each; geologists—two at $4,000 each, one $3,000, one $2,700; two paleontologists, at $2,000 each; chemist, $3,000; geographers—one $2,700, one $2,500; two topographers, at $2,000 each; in all, $50,660.

Mr. CRAMTON. Mr. Chairman, in the itemized salary roll—I think it has been read—in line 8, after the figures "$488," there should be inserted "scientific assistants" with a colon.

The CHAIRMAN. Without objection, the amendment proposed will be agreed to.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For topographic surveys in various portions of the United States, including lands in national forests, $324,500.

Mr. BEGG. Mr. Chairman, I reserve a point of order on that paragraph.

The CHAIRMAN. The gentleman from Ohio reserves a point of order on the paragraph.

Mr. TEMPLE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TEMPLE: Page 87, line 8, after the word "forests," strike out "$324,500" and insert in lieu thereof "$500,000."

Mr. BEGG. Mr. Chairman, does the gentleman desire to make a speech on that? I am going to make a point of order on the paragraph if they are going to try to increase that item, but I will wait if the gentleman desires to speak. I will withhold my point of order.

Mr. DENISON. There is no use in the gentleman offering an amendment if it is to go out on a point of order.

Mr. TEMPLE. I have no desire to occupy the time of the House.

Mr. BEGG. If the gentleman wants to make an explanation of his amendment, he can go on.

Mr. BLANTON. I do not think his amendment is subject to a point of order.

Mr. TEMPLE. The point of order was made at the time when I had been recognized for a certain purpose. If the paragraph goes out on a point of order, I do not care to be heard. If it does not, I do not want to lose my right to be heard.

The CHAIRMAN. The gentleman had already reserved his point of order. Then the gentleman from Pennsylvania was recognized.

Mr. CARTER. Mr. Chairman, I demand the regular order.

Mr. SANDERS of Indiana. Mr. Chairman, the regular order has been demanded.

Mr. BEGG. The point of order I make, Mr. Chairman, is that there is no law authorizing an appropriation for a topographic survey.

Mr. BLANTON. The gentleman is mistaken about that, Mr. Chairman. The organic act itself permits just such a thing. That is one of the purposes of the Geological Survey.

Mr. BEGG. Well, if the gentleman can cite an authority for that appropriation my point will not stick.

Mr. BLANTON. I cite the organic act creating this particular department and this particular Geological Survey in it. It permits just such topographic surveys. They have been carried on for years and years. And I want to say that it is one of the most valuable institutions under the Government to-day. It has been worth more to the people of the United States in the discovery of new oil fields and the development of new oil fields all over the country than any other expenditure of money by the Government.

Mr. CRAMTON. Mr. Chairman, so far as the Committee is advised, there is no legislative authorization for the appropriation in question, although the appropriation itself has been carried for many years.

Mr. BEGG. Mr. Chairman, I merely wish to call the attention of the Chair to Barnes' Federal Code. The Chair may have it. If he has and has just read it, I will not take the time. The general law creates the office of the director, but there is not a single word or line or sentence in the general law authorizing this topographic survey.

Mr. BUCHANAN. I want to suggest to the Chair in passing upon this point of order that for many years Congress has recognized the policy of making a general and complete topographic map of the entire United States. Year after year appropriations have been made by Congress and expended for that purpose, until in some States the mapping is 100 per cent complete, in others 86 per cent complete, in others 80 per cent, in others 56 per cent, and so on. I believe it comes under what is called a work in progress, an institution already established and more than half completed, and that even although there is no organic law for it the point of order would not be well taken. The work has been continued from year to year and is now partly completed, and the Committee on Appropriations is authorized under the rules of the House to bring in this item.

Mr. TEMPLE. Mr. Chairman, this work has been carried on since 1896 under laws authorizing the United States Government to cooperate with the States. Twenty-three States are making appropriations and have been making appropriations for a great many years. In some States the work has been entirely completed. The statement I am about to make may throw no light whatever upon the action of the gentleman from Ohio [Mr. BEGG], but I wish to call attention to the fact that the work of the topographic survey in Ohio is 100 per cent finished. Ohio is not interested in this any more, but the gentleman's State participated in the work and in the appropriations made from the United States Treasury until Ohio had no further interest in it. Now the gentleman from Ohio comes in and makes the point of order against it.

Mr. BEGG. The gentleman knows there is nothing in that statement.

Mr. TEMPLE. I said I did not know whether it had any bearing on the gentleman's action or not.

Mr. BEGG. The gentleman knows better than that.

Mr. TEMPLE. I know that the fact is as I have stated. The work in Ohio is 100 per cent complete.

Mr. BEGG. Certainly. That is correct.

Mr. TEMPLE. And Ohio participated in the appropriation as long as she needed it.

Mr. BEGG. And paid for all the benefits she got out of it.

Mr. TEMPLE. She contributed a certain proportion, half and half, but the work has been carried on since 1896 under the law authorizing the establishment of the Geological Survey and the topographic work.

Mr. CRAMTON. Will the gentleman yield?

Mr. TEMPLE. Yes.

Mr. CRAMTON. Whatever truth there may be as to the situation in Ohio, I can personally state that the gentleman from Ohio [Mr. BEGG] has no knowledge of that situation, and is not in any way influenced by it. I will further state something else that will illustrate to the gentleman that we should not be too quick here about questioning the motives of others. There is one State in the Union that has profited from these expenditures heretofore to a greater degree than any other

State in that the survey work has been carried to a finer degree at Federal expense than in any other State, so I am advised, and that happens to be the State of Pennsylvania.

Mr. TEMPLE. The work in Pennsylvania is 62 per cent complete.

Mr. CRAMTON. But the work which has been done has been done to a finer scale than in any other State in the Union, and money has been spent for work done at Federal expense which should have been done at local expense.

Mr. TEMPLE. It has been paid for half and half in Pennsylvania the same as in any other State.

Mr. CRAMTON. I do not wonder that Pennsylvania wants it continued.

Mr. TEMPLE. Half State and half Federal in Pennsylvania the same as everywhere else.

Mr. CRAMTON. But on a finer scale than in any other State.

Mr. DENISON. What does the gentleman mean by that? Will he please explain his statement?

Mr. CRAMTON. In the laying out of this work there is a degree to which it can be carried, which is determined by the scale on which it is done. I am not an engineer and can not make a technical explanation of it, but there is a difference whether only a general outline is given or whether they carry it to such a fine point that roads can be built from the survey. I am advised that in Pennsylvania this topographic survey was carried to a greater degree than elsewhere and that work was done under the 50-50 cooperative plan that should have been done entirely by the State of Pennsylvania.

Mr. TEMPLE. As in other States it was done in Pennsylvania, 50 per cent at the expense of the State and 50 per cent at the expense of the National Government. In a mountainous country, where the contours quickly change within a short linear distance, of course, those changes of contour must be shown on the topographic maps.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. TEMPLE. Yes. There is one other point bearing directly on the point of order to which I should like to call attention.

Mr. GRAHAM of Illinois. I will try to get the gentleman more time. I am informed that we have not yet got back to the pre-war level on this matter.

Mr. TEMPLE. Not at all.

Mr. GRAHAM of Illinois. That we spent a much greater amount before the war began than is now being appropriated for this especial purpose.

Mr. TEMPLE. From 1910 to 1918 the appropriation for this purpose was $425,000 for the topographic survey, including $75,000 contributed by the forest survey to the topographic survey. Now, the proposal is to cut it down to $325,000.

There is a point of order to which I wish to call attention which bears directly on the point of order.

Mr. BUCHANAN. Will the gentleman yield?

Mr. TEMPLE. I want to finish this statement, and then I will yield. This is a continuing work. It has been going on for many years; and a continuing, unfinished work is not subject to the point of order which the gentleman from Ohio has made. We have arrangements with 23 States, and they are making appropriations every year. If this item is thrown out of the appropriation bill now, the arrangements with the States will lapse. Appropriations have been made for next year by the different States as follows: California, $16,000; Arkansas, $15,000; Connecticut, $6,000; Hawaii, $25,000; Illinois, $35,000; Iowa, $1,750; Kentucky, $17,000; Louisiana, $25,000; Maine, $5,000; Mississippi, $6,000; Missouri, $16,000; New York, $15,000; North Dakota, $1,000; Oregon, $4,000; Pennsylvania, $25,0000; South Dakota, $3,000; Tennessee, $5,000; Texas, $8,500; Utah, $24,000; Vermont, $3,000; Virginia, $5,000; Washington, $8,000; West Virginia, $5,000; Wisconsin, $13,500. These are appropriations by the States, and the United States contributes its share dollar for dollar. This is a continuing work, involving arrangements with 23 States, and it has a different parliamentary status than if it were a new work for which we were making appropriations without any authority of law.

Mr. BUTLER. I understand the State makes an appropriation and the Government meets it; and if Pennsylvania only put up 5 cents, the Government would put up a nickel.

Mr. TEMPLE. Yes.

Mr. BUCHANAN. Mr. Chairman, I want to call the Chair's attention to section 3796 in Hinds' Precedents, where it says that the continuing of the topographic survey was held to be in continuation of a public work. There is a decision by the Chairman holding it not subject to a point of order but a continuing project.

The CHAIRMAN. The Chair has the ruling before him.

Mr. CRAMTON. Mr. Chairman, let me state that at the most that can only be true as to the surveys under way, whereas this paragraph is not limited to those under way, but may permit any number of new surveys to be created, and not one penny necessarily will be expended for the existing surveys.

The CHAIRMAN. The Chair is ready to rule. The question presented has already been practically if not absolutely decided. The language in the case which has just been cited by the gentleman from Texas [Mr. BUCHANAN] is almost identical with the language in the present clause in the appropriation bill. The language to which objection was made June 13, 1906, where this proposition before the House was "for topographic surveys in various portions of the United States, $300,000, to be immediately available." Gentlemen will recognize the fact that that language is fully as broad as the language contained in the present appropriation bill. The Chair in the case cited overruled the point of order, although the situation was disclosed just as it has been disclosed here, and the objection made was that the language authorizing the appropriation was not found in the existing law. The Chair, however, decided in that case that he would be unable to find justification for sustaining the point of order because it was shown that the work was a continuing work.

The Chair desires to call attention to the following language in section 603 of Barnes' Federal Code as a part of the chapter which has reference to the Geological Survey providing for various publications in the Geological Survey, and the publication of maps, and for other work of that character. As long as the Chair can find justification for it in previous decisions, and as long as he can find justification for it in the continuation of work already begun, and in this case especially when regard is had for the fact that this work is a continuing work, being carried on from year to year in cooperation with the States who are making contributions from State funds for carrying on the work, and in view of the fact that the Chair has no right to presume that money will be used illegally and without authority at law the Chair overrules the point of order.

Mr. TEMPLE. Mr. Chairman, as I said a moment ago, this work has been carried on since 1891. The purpose of the amendment is to permit the Secretary of the Interior to meet the increased appropriations from the States. The appropriations already made by the various States amount to $281,750. An interest is shown by several States which have not hitherto made any considerable appropriation for it. Some of the Southern States are becoming wide-awake on this subject. The oil development is raising considerable interest in Texas and Louisiana, and other places, and there is every prospect that the appropriations by the States will be in excess of the appropriations last year. But even if that were not the case, as was brought out by a question a little while ago, the appropriation has been cut not this year but in 1919. From 1910 to 1919 the appropriation for this purpose was $425,000, including $75,000 for Forest Service.

As the item in this bill reads now it is $325,000, including the Forest Service. So it is actually a cut of $75,000—from $400,000 down to $325,000. In addition to that there had formerly been an apportionment of War Department funds amounting to $200,000 a year.

The uses of these maps are various. Every city is interested in knowing what area it can drain for a water supply and how high its dam must be to impound the water required. Maps showing the contours are used for highways and save a great deal of money in making the preliminary surveys. I had a letter from an engineer in charge of construction on a railroad that was built through Ohio before the topographical survey was finished. After they had laid out the route to be followed by the road two new quadrangle maps came into his hands giving him information which, in a distance of 27 miles, enabled him to make such changes in the route that the company saved over $80,000 in completing that particular stretch of the railway. The same thing applies to the building of highways. It is necessary to know how high a hill is or how deep a valley that must be crossed. The topographic survey of the whole country is needed. There is hardly any civilized country where it has not been completed. Instead of increasing the speed we have been cutting it down. The Secretary of the Interior asked for $750,000 last year. He did not get it. It was cut in the House below the Budget recommendation, but the Senate put it up to $400,000, and in conference it was put at $325,000. Again this year the Secretary of the Interior asked for $750,000, but the Budget Bureau followed the compromise that was reached in the conference committee last year and gave $325,000.

These base maps are used as a basis for all other maps, and the making of them now will save the money that must be spent on maps to be made by the Bureau of Soils, it will save the War Department the making of its maps, and will save in a dozen ways by providing, as I say, a base map upon which all other information may be put which is needed for various purposes. The actual saving which the topographic maps would make possible is such that the House ought to pass this amendment and hasten the completion of the work.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, the discussion of the motive prompting the point of order by my friend from Pennsylvania [Mr. TEMPLE] immediately aroused in my mind a suspicion of the motive of asking for an increase, because I know the topographic maps are furnished for distribution through the Congressmen, and I wondered if there were not enough of them to go around. What are the facts? I am not against an appropriation for this work, but on sane business principles I am against this body voting more money than is asked for by the department without any added information that they can use it, beyond the fact that the several States——

Mr. TEMPLE. Oh, the department asked for $750,000.

Mr. BEGG. The chairman of the committee told me that they were allowing exactly what they asked for.

Mr. DENISON. Oh, the chairman is wrong.

Mr. TEMPLE. I am sure the gentleman does not want to misquote the chairman of the committee.

Mr. BEGG. I shall give the chairman a chance to correct that if he wants to.

Mr. TEMPLE. I do not think the chairman said that they were giving all that the department asked for.

The CHAIRMAN. The committee has no information as to what they would ask for. I think if they asked for it in accordance with Doctor TEMPLE's amendment, to complete this work, they would ask for a couple of million of dollars. We have given a figure that was granted by the Budget Committee.

Mr. CARTER. Mr. Chairman, if the gentleman will yield?

Mr. BEGG. I can not yield at this time. The facts are that we have used the machinery for ascertaining the information, namely, the Budget Committee, whose duty it is to ascertain how much can be wisely expended by these various departments. The Budget Bureau has recommended to this House $324,500, which this appropriating committee has brought in. The mere statement that 23 States have already appropriated a certain amount of money and that the possibility is that the State legislature in some other States might ask for a little more ought not to compel this Congress to add to the amount granted by the committee. That would be poor business. This is a small item to quibble about, but there is one section of the country that is interested in adding several thousand dollars to this; and the only good in the Budget Bureau is to live up to their recommendations, particularly with a thing like a topographic survey. It does not make any difference to the prosperity of Pennsylvania, it does not make any difference to the waterworks of the cities of Pennsylvania, great as they are, whether this work is completed in the next 5 or 10 years or in the next 15 or 20 years. The civilization of the country and the development of the highways and the water supplies have gone beyond a little bit of a contribution that might come to this topographic survey.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. BEGG. I would like to finish my statement. Now, as to the value of these maps, my city has a topographic map of the whole city. It is a little, ordinary, industrial city, and I think I know something about what goes on there. We have as good pavements in and around that city as any in the United States, and we never got one dollar's worth of benefit out of the topographic survey in constructing our waterworks, our sewerage system, or our highways. It is not necessary to pile up a great big appropriation for this thing, which can be continued indefinitely if some State happens to want to do it.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that debate upon this paragraph and all amendments thereto conclude in 30 minutes, the gentleman from Illinois [Mr. DENISON] to have eight minutes, the gentleman from Texas [Mr. BLANTON] two minutes, the gentleman from Texas [Mr. BUCHANAN] five minutes, the gentleman from Idaho [Mr. FRENCH] five minutes, the gentleman from Oklahoma [Mr. CARTER] five minutes, the chairman of the committee [Mr. MADDEN] five minutes, and myself five minutes. Possibly that makes 35 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DENISON. Mr. Chairman, the question of making these topographic surveys—and, by the way, that is the important question, it is not so much the making of the maps—is a matter of importance to every State and locality in the country. Of course, the State of Ohio is not greatly interested now, because the topographic surveys and mapping for that entire State have been fully completed. But this item in the bill is of great importance to all the other States. This work will prevent the necessity for the future expenditure of a great amount of money. It will prevent the duplication of expenditures. Every State is now carrying on more and more public improvements, the building of roads, the selection of water-power sites, the construction of water systems, the construction of sewer systems, of reclamation projects, of drainage projects, and all of these public activities require topographic surveys and maps. The Government has committed itself to the policy of making a complete topographic survey for the entire country. It is going to be done by the Federal Government sooner or later, and if we can hasten the work it will avoid a great duplication of expenditures by the States and save the Federal Treasury a large amount of money. It seems to me that the gentleman from Ohio [Mr. BEGG] is entirely wrong in this instance, and he has failed to show that clear and sound judgment which he ordinarily exercises. By doing this work now we will save the duplication of expenditures by the municipalities and States in all kinds of public works that require topographic maps.

Mr. BEGG. Does the gentleman know of any city in Ohio that used one of them?

Mr. DENISON. If Ohio did not use those maps it is the only State in the Union that did not. It is her own fault if she fails to use the maps, because they are available and they are valuable.

Mr. BEGG. But they are of no account in a State like Ohio. They are all right in a mountainous State.

Mr. DENISON. Oh, the gentleman is mistaken; everyone knows that these topographical surveys are accurate and are of incalculable value.

Mr. BUTLER. Did not the State of Ohio put up its share for them?

Mr. DENISON. Yes.

Mr. MURPHY. What information has the gentleman that the amount of money granted in the bill is not sufficient to carry forward this work as it has been carried on?

Mr. DENISON. I am now going to give that information. Now, the gentleman from Ohio [Mr. BEGG] said, "Why not take the Budget recommendation?" Last year the Budget Committee recommended $430,000 for this work and the House cut it down to $275,000; the Senate increased it to $400,000 and the conferees compromised on $325,000. Last year you did not follow the Budget recommendation. Now, this year the Secretary of the Interior has recommended a minimum—he said it was the minimum amount required for this work this year—of $500,000 from the Federal Government. At first he asked for $750,000, but he said the minimum amount absolutely required would be $500,000, and I think we ought to grant it. Now, what will be the result? If we follow the recommendations of this committee and do not adopt the amendment offered by the gentleman from Pennsylvania, the result will be this, that we will have to stop at least 50 per cent of this important work during the next year.

Mr. LAYTON. Will the gentleman yield?

Mr. DENISON. I will.

Mr. LAYTON. As a matter of fact, in road building and drainage, as a concomitant for road building, for ditching, on the part of a private owner or a single farmer, these topographic maps are of the utmost value and in great demand?

Mr. DENISON. They are of the greatest value, and you can not conceive how many requests the Government has from different communities all over this country for these topographic maps to be used in the construction of roads, water reservoirs, drainage ditches, irrigation projects, and so forth. Now, the State I have the honor to represent appropriates more than any other State for this purpose. Last year we contributed $35,000 for this work and we will appropriate that much this year. We are going to have as much as $440,000, I think, contributed by 28 or 30 different States to cooperate with the Federal Government in this work, and this will be furnished dollar for dollar with what the Federal Government furnishes.

Now, these States want this work done, and they are liberally coming up with their part of the funds; they have their field forces ready to go ahead and cooperate with the Federal forces in the field; and I think, gentlemen, this important work ought not to be cut down, ought not to be stopped. This is work that the whole country is interested in; it is work that is of real value to the States and local communities all over this country.

Mr. LAYTON. Do not your constituents want these maps? I can not get enough for mine.

Mr. BEGG. Is it on the same par with the free-seed proposition?

Mr. DENISON. There is no similarity between this work and the distribution of free seeds. Here the Federal Government is carrying on work that is of real value for all time to come. A great country like the United States ought to have a complete topographic map of the entire country. We ought to have it for military purposes, as well as for these other important internal improvements.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. DENISON. I will.

Mr. WILLIAMSON. Can the gentleman inform me as to how the national funds are distributed among the several States? Where the appropriations of the several States exceed that of the Federal Government, then does the Federal Government prorate the national funds in proportion to the State appropriation?

Mr. DENISON. I confess I do not know how that is, but I think it is prorated. At any rate, many of the States will next year contribute liberally for this important work dollar for dollar, and certainly the Federal Government ought to go ahead and complete this work as rapidly as possible, and thereby save duplication of such expenditures by the different State governments. I hope this amendment will be approved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, while the State of Ohio is 100 per cent complete in its topographical surveys, the people of Ohio after all are just as much interested in this particular appropriation as those of any other State, because the gentleman from Ohio is interested in the price he pays for gasoline and oil. We are presumed to pay less for gasoline according to the discovery of new fields. When you once have one of these topographical maps as a basis the Geological Survey may thereafter easily indicate upon it the results of its subsequent mineral investigations and note thereon what is known as the Pennsylvania formation, which is indicative of the possibility of oil. It notes the anticline which indicates the possibility of oil and thus is brought to the attention of many geologists over the country facts leading to the discovery of new oil fields all over the country. You take our beloved friend here from Pennsylvania [Mr. BUTLER]. He has to-day in my district in the city of Eastland two of his sons who have expended very large sums of money in development plants in fields there, and their attention was doubtless directed to this vicinity by this work of the Geological Survey. Every one of us here are interested in it. There is no State, however complete in surveys, but what is interested to a certain extent on this one proposition of new oil and gasoline development alone, which is only one of the many good results obtained from it.

The CHAIRMAN. The Chair will now recognize the gentleman from Texas [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, let us get one matter straight before we go any further. I feel convinced that the majority in this House and the majority of this Congress do not want to take any backward step in the development of the Nation and of our natural resources, and I feel that every Member present, or practically every Member present, wants to give to the Interior Department for topographic mapping what is necessary and what they can efficiently use this next fiscal year.

The gentleman from Ohio [Mr. BEGG] stated that the chairman of the subcommittee told him that they had given the department all it requested. The chairman was appealed to, and he did not answer that question; just why I do not know. As a matter of fact, gentlemen, and as a member of the Committee on Appropriations, and as a man who has taken up the matter, I tell you the Secretary of the Interior requested an appropriation of $500,000 for the next fiscal year, and that is the amount in the amendment offered by the gentleman from Pennsylvania [Mr. TEMPLE]. He estimates and the department estimates that the cooperating States will demand or request $440,000 to carry on the work that they have in mind or the work that they have under way, so that there is no question but that the $500,000 will be essential, unless you are going to take a backward step in that work. Will you take it?

Why, I feel confident that my own State, which is put down in the hearings as probably appropriating $31,000 for cooperation, will appropriate not less than $50,000, and perhaps $100,000, by reason of the great problem it has on hand.

What is that great problem? We have three great rivers traversing the State, from 500 to 800 miles long. They have most fertile valley lands where, every few years, the floods come down and destroy millions and millions of dollars' worth of property and destroy human life.

We want to reclaim those lands for agricultural purposes, which will redound to the benefit of the Nation and ourselves. All we ask of this Government now is that it shall furnish, or assist in furnishing, scientific knowledge which can only be furnished by the geological department; and as a basis for the solution of our great problem we must have a topographic survey of these river valleys.

We expect to erect great reservoirs in the northern reaches of those rivers that will stop the onward rush of the water and impound the water so as to irrigate some of the arid lands not very far distant, and thereby prevent the flood waters from descending on the lower reaches and overflowing them and carrying houses and stock and human beings out to sea.

That is our problem, and we ask at the hands of this Congress an increase of the appropriation, so that we can make a commencement of that work.

Aside from that, generally speaking, we should have a topographic map of the agricultural section, of every foot of agricultural territory. The rolling agricultural section should be terraced in order to prevent washing and preserve the fertility of the soil by preventing it from being washed away; and the man who sits in Congress and does not realize the importance of preserving the fertility of our soil is a disgrace to the seat he occupies.

Furthermore, we need these maps in order to make these terraces to keep the land from washing, and we need these surveys in order to effect the reclamation of wet lands and overflowed lands. We need them also for geologic, mineral, and oil research, water-power development, irrigation, and road building. Yes, we need the topographic maps for every kind of work that is based on a knowledge of the surface and contour of the face of the earth, so that these maps constitute the foundation upon which many of our industrial enterprises are constructed, and we must have that knowledge. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. The Chair will now recognize the gentleman from Idaho [Mr. FRENCH].

Mr. FRENCH. Mr. Chairman, I hope the committee will leave the appropriation item in the language in which it appears in the bill. The committee held hearings on this proposition, and we are very sure we have taken care of the pressing needs for topographic survey work that will be done independently by the Government, and then that larger amount that will be done through cooperation with the States. The estimates of State moneys available for cooperative work aggregate $281,850. The great drain upon money carried in this item comes about largely through the fact that there is no definite——

Mr. TEMPLE. The gentleman said "$181,000." He should have said "$281,000."

Mr. FRENCH. Yes. I should have said $281,850. One great reason why the expense in some of the States piles up under this item and no great headway made is on account of the fact that there is not an expenditure of the money furnished by the Government on a 50–50 basis for standard topographic survey work. Instead of standard topographic surveys being run upon the basis of a 50-foot contour level we have surveys on a basis of 25-foot or 20-foot or even 5-foot levels. Well, that piles up the expense. It makes a great deal of difference whether we are doing this topographic surveying on a basis of a 50-foot contour level or on a basis of a 20-foot or a 5-foot contour level, and if gentlemen will notice the work that is performed by the Geological Survey they will see that there is topographic work being done on all the levels that I have indicated. Manifestly it will be much more expensive to do the work on a 5-foot level or a 20-foot level than it will be where the standard level is 50 feet. It seems, then, that it would be the part of wisdom if the Congress required the department to adopt something of a standard——

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. In a moment—and then let the States and municipalities that desire to do more work than that contribute upon a basis larger than 50 per cent or else do the work themselves.

Now I yield to the gentleman from South Dakota.

Mr. WILLIAMSON. Manifestly for the department or for Congress to establish a limit within which to make these contours is impracticable for this reason: What is practicable for a level country—a 50-foot contour—will not amount to much in a mountainous country.

Mr. FRENCH. Yes; but if the topographic lines in a level country must indicate low elevations, they should not be close together, or else the local community benefited should pay the extra cost. Take, for instance, a city that wants to

pave. It would be a great advantage to the city from a financial standpoint if the Federal Government could furnish the contour levels at different elevations of 5 feet over what it would be if it furnished the levels at 20 feet, with expense for the intermediate levels to be borne by the city.

It seems that we ought to require a standard to be worked out so that the work would not be carried on in an intensified form in some parts of the country at great expense without great area being covered, while in other parts of the country the contours on a basis of 25 or 50 foot levels are entirely sufficient and probably what was contemplated when this contour work was begun by the Government.

Mr. HAYDEN. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. HAYDEN. As a matter of fact there is a standard map now issued by the Geological Survey as a part of the general topographical map of the United States, based upon 50-foot contours.

Mr. FRENCH. Yes.

Mr. HAYDEN. And that is where the bulk of this appropriation goes.

Mr. FRENCH. Originally; yes.

Mr. HAYDEN. I venture to say 95 per cent of it goes for that purpose, to make part of that standard map. Until that is completed we will not have a standard map of the country. The work on the 5-foot levels is only a small part of the work for which the appropriation is expended, and it is done for only two things—first to ascertain sewer levels in cities and, second, to place land under irrigation.

Mr. FRENCH. And the beneficiaries ought to share in larger degree the expense of the benefits received. That is where our trouble is coming in. Some of the States are insisting on low contour levels, and on this basis are wanting to pay but one-half the cost.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. Mr. Chairman, I yield one minute to the gentleman from Wyoming [Mr. MONDELL].

Mr. CARTER. I yield to the gentleman from Wyoming [Mr. MONDELL] two minutes.

The CHAIRMAN. The gentleman from Wyoming is recognized for three minutes.

Mr. MONDELL. Mr. Chairman, this item ought not to be increased, because it is quite as much as we should expend to carry on the work in a regular, orderly, and economical manner. It is perhaps quite as much as can be expended in a regular, orderly, economic manner in doing the class of work that the Federal Government ought to pay for.

Mr. DENISON. Why can we not spend as much as we did before the war?

Mr. MONDELL. I think this is about as much as we spent before the war. Those who are in favor of this class of work do not in the long run obtain the results they seek by efforts to suddenly expand and increase expenditures far beyond the Budget estimates and beyond what the department can use to the best advantage with its present organization. Further, the demand for work in the main comes from municipalities and communities that want the Federal Government to do in particular localities what it does not attempt to do and what it ought not to attempt to do throughout the country generally. Every one of those communities can secure out of the appropriation here provided Government aid in the work they desire to have done, provided they do what they ought to do, and that is furnish the money necessary to make up the difference in cost between the class of work they insist on and the ordinary contour interval adopted as the standard throughout the country.

When the ordinary 50-foot or 25-foot contour is followed the Federal Government pays most of the expense; but these localities that desire closer work and the benefit of the trained men of the service ought to put up the difference between the cost of carrying out the ordinary standard contour survey and the kind of a survey which they desire. There is quite enough money appropriated here to furnish Federal contributions beyond what the municipalities and the States ought to furnish for themselves.

I have watched this item for 28 years, and I have known one or two occasions when gentlemen made up combinations to suddenly increase the appropriation, and in every case where that has been done eventually their action reacted upon the service, and the appropriation in the following years was decreased beyond what it was increased under these sudden pressures. This is a highly important work. I hope it may be possible to somewhat increase the appropriation for it in the near future and steadily maintain it. The work will not, however, be benefited by an increase beyond the estimates.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. CARTER] for three minutes.

Mr. CARTER. I yield the remainder of my time to the gentleman from Missouri [Mr. HAWES].

The CHAIRMAN. The gentleman from Missouri [Mr. HAWES] is recognized for three minutes.

Mr. HAWES. Mr. Chairman, our Government is engaged in one of the greatest road-building programs of any nation in the world. We are appropriating $75,000,000 this year for the building of roads. In my State we have a road system of some $60,000,000 in process of building. We need this appropriation. My understanding is that the scientific men connected with the United States Government have stated that $500,000 is the sum which should be expended and which will be required. I was amazed at the arguments of the gentleman from a city in Ohio. He seemed to base his opposition on the fact that his city did not get an immediate and direct benefit. That is the argument of building a Chinese wall around a city. A city becomes great and powerful by the arteries that lead to it, by the trade that goes in and the trade that goes out. I live in a great city, but this money will benefit my city because it opens the arteries in the States that feed that city and make it great. When we reduce expenses and economize let us not economize in any way where transportation will be restricted by that economy. A man has a small farm. He builds a wall, he constructs his drainage, he plants his apple trees on a slope and his peach trees on another slope and his grapes on an elevation. All of this information is of value to him, and the State can not furnish it all by itself. We match the States in road building. Why not match them in scientific knowledge and bring that knowledge back to the States? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Michigan [Mr. CRAMTON] is recognized for four minutes.

Mr. CRAMTON. Mr. Chairman, the amount carried in this bill is the amount recommended by the Budget. It is the same as the appropriation for the current year. That amount has never been exceeded in our history before except in 1915, when it was $350,000, an increase of $25,000, and several years when it was $330,000. The amount carried in this item is approximately $325,000. That is to be spent only by matching the appropriations of the States. It does not need greatly to exceed the total of State cooperation. Now, I have here the appropriations of the States for a period of 10 years and find those appropriations even as low as $56,000, the total in 1918, and running from that generally around $160,000, $170,000, $180,000 up until 1921, when the amount was $273,000.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. I regret that I have only four minutes. I want to be courteous, but I have not the time. In the current year 1922 the amount dropped back to $247,000. Now, in those years when the total appropriation was $325,000 and $330,000 every dollar of cooperation offered by the States was met except one item of $3,000.

Now, you understand there is a propaganda on that has been going on for a year. All of the geologists of all the States want the Federal Government to spend this money, and they are backing up the Geological Survey and they are padding their estimates to the limit of how much they will be able to cooperate next year.

Nobody dreams of $500,000 of State cooperation. Two hundred and eighty-one thousand dollars is the amount named in the hearings by the director as the amount certain, and that is not certain. I am told to-day by the director that at least one-third of that $281,000 is not yet appropriated but is based upon the statements of geologists who are spreading the propaganda. At the utmost $281,000 is the amount, and we are appropriating $325,000 to meet it. I do not blame the gentleman from Illinois or the gentleman from Pennsylvania. Out of that $247,000 for State cooperation this year there goes to the State of Illinois $35,000 and to Pennsylvania $25,000; and so $60,000—one-fourth of it all—goes to those two States. I do wonder the gentleman from Texas takes the position he does. He ought to go to his own State legislature to make his speech, because in his State, where he says they are now clamoring that they will not survive if we do not appropriate $500,000, in 1912, 1913, and 1914 not one penny was offered for cooperation with the United States in this work. In 1918 and 1919 not one penny was offered. In 1920, $11,000 plus, and in 1921, $16,000 plus, and for 1923 the figures show $12,000, a reduction of 25 per cent; and next year, for which we are appropriating, we are only sure of $8,500 from Texas. We will guarantee to meet the

$8,500 in Texas out of the $325,000 which we appropriate. Gentlemen, this propaganda is not only to meet what the States will appropriate—the item in the bill is sufficient for present needs—but they want to put on a lot of fancy frills; and it is just as the gentleman from Wyoming suggests—the States ought to pay for it and not ask us to carry the burden.

Mr. MADDEN. Mr. Chairman, this committee is recommending an appropriation of the entire sum asked for by the President of the United States. Nobody asks for this, except a few men who are making propaganda all over the United States. They have given no consideration to the facts connected with this appropriation except their own problem—it will give them more employment. They are geologists, engineers, and they come here and ask that you override the President's request. If we were to go on as they would like us to go we might appropriate $5,000,000 for this purpose. It will take more than 125 years to make all the surveys that are being provided for in this bill. What is the hurry? Why should you undertake to increase the amount? You can not get the work done in less than 125 years.

Mr. TEMPLE. Unless you do increase the appropriation.

Mr. MADDEN. You can not add much to the activity by putting $175,000 more on it, and we ought not to do that. Everybody in the United States, with possibly few exceptions, are clamoring for a reduction of the rates of taxation. Everybody that does not pay taxes is clamoring for the increase of appropriation. Which will you do? Will you make it possible to have the tax rate reduced, or will you force them to accept more money than the President says he can carry on the activity for? Whom are we to follow, the men who are making the selfish propaganda or the head of the Government who is charged with the responsibility of administering the affairs of the Nation? When the President says that he can do a certain thing for a certain amount of money I am glad if the amount is small. If it is more than I think it ought to be, I am one of the first to ask to reduce it; but under no circumstances will I say to the President, you ought to take more than you need. That is not my plan. It ought not to be our plan. It ought not to be the plan of the House. The plan of the House should be to speak for the American people, and the voice of the American people to-day, gentlemen, is in favor of rigid economy. Now, we will not disturb any rights by appropriating the amount recommended by this committee, and we will not advance any interest, except the selfish interests, by putting on $175,000 in addition to what is recommended.

Mr. FOCHT. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. FOCHT. The gentleman says it will take 125 years to do this work.

Mr. MADDEN. Yes; and by that time the gentleman from Pennsylvania and I will be dead.

Mr. FOCHT. I heard a good deal of this in the Pennsylvania Legislature, and I am sick and tired of the manner in which this has been conducted. If it is of any value, why not finish the job?

Mr. MADDEN. Yes; why do not the States finish the job? Why should the Government of the United States be called upon to meet the demands of every State when it ought to be doing its own business?

Mr. FOCHT. It almost approximates demagogism when you talk about economy——

Mr. MADDEN. Oh, I do not yield to the gentleman for a speech.

Mr. FESS. Will the gentleman from Illinois yield for a question?

Mr. MADDEN. I yield.

Mr. FESS. I have great confidence in the statement of the head of the Geological Survey. Does he say that we need the additional money?

Mr. MADDEN. He does not, and nobody says they need the money except some outsiders.

Mr. DENISON. The Secretary of the department asked for more money.

Mr. MADDEN. He made no such statement to us. We gave every dollar asked for. I do not know what was behind that.

Mr. TEMPLE. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. TEMPLE. Did the head of the department make any suggestion to you?

Mr. MADDEN. He did not in connection with this. We are presumed to be here to appropriate on the recommendation of the only man in the United States authorized to make a recommendation—the President.

The CHAIRMAN. The time of the gentleman has expired, all time is exhausted, and the question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 41 ayes and 28 noes.

Mr. CRAMTON. I ask for tellers, Mr. Chairman.

Tellers were ordered, and the Chair appointed Mr. CRAMTON and Mr. TEMPLE as tellers.

The committee again divided; and the tellers reported—ayes 45, noes 31.

So the amendment was agreed to.

Mr. FRENCH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 87, at the end of line 8, insert: "*Provided*, That no part of this appropriation shall be expended in cooperation with States or municipalities except upon the basis of a State or municipality bearing all of the expense incident thereto in excess of such an amount as is necessary for the Geological Survey to perform its share of standard topographic surveys."

Mr. CRAMTON. Mr. Chairman, I understand that debate has been closed upon the paragraph and all amendments thereto?

Mr. HAYDEN. Mr. Chairman, my recollection is that it was closed upon the paragraph, but not upon all amendments.

The CHAIRMAN. The Chair is informed that it was closed upon the paragraph and all amendments thereto. The question is on the amendment offered by the gentleman from Idaho.

The question was taken; and on a division (demanded by Mr. HAYDEN) there were—ayes 42, noes 19.

So the amendment was agreed to.

The Clerk read as follows:

For geologic surveys in the various portions of the United States, $300,000.

Mr. HAYDEN. Mr. Chairman, I move to strike out the last word. Since the amendment offered by the gentleman from Idaho [Mr. FRENCH] has been adopted, I want to point out the effect of it. I have not had an opportunity to read it, but I understand that the amendment provides that no part of the appropriation for topographic surveys can be used in cooperation with any State or municipality unless the State or municipality expends an equal amount. But that does not prevent the whole appropriation from being expended without any cooperation whatever. If that is what the gentleman from Idaho intended, it is entirely agreeable to me, because there are many thousands of square miles of the public domain in the West which should be mapped entirely at the expense of the Federal Government.

Mr. CRAMTON. We appropriate $175,000 more than there is any expectation that the States will come across and meet us with, and we think it necessary, therefore, to protect the Government's money from State raids.

Mr. HAYDEN. Let us see whether this hasty and ill-considered amendment really does what the gentleman from Michigan thinks it will accomplish. The amendment provides for a fixed ratio of cooperation with a State or municipality, but places no limit on the expenditure of funds by the United States where there is no cooperation.

Mr. MONDELL. Mr. Chairman, assuming the gentleman is correct, and I do not think he is, if the Geological Survey follows the practice he suggests with this amendment in the bill, it would probably not get very much for its topographic surveys next year, because the committee has made it very clear by this amendment that it is intended that when the Federal Government does work that costs more than ordinary standard work the additional cost shall be paid by the beneficiaries. I have every confidence the officers of the survey will proceed in good faith.

Mr. HAYDEN. The gentleman is giving his interpretation of what the French amendment means.

Mr. MONDELL. That is what it says.

Mr. HAYDEN. But my interpretation is just as good as his; and I say that under its terms the Geological Survey can continue to do what it has always done from the very beginning. The survey can go into any State in the Union without cooperating with the State or any municipality and make a topographic map of a section of that State entirely at the expense of the United States. In doing so both the letter and the spirit of the law will be fully observed.

Mr. MONDELL. The gentleman is entirely right. Ordinary standard surveys can and will be made wholly at the expense of the Treasury.

Mr. HAYDEN. The gentleman from Wyoming well knows that the Geological Survey has made topographic surveys en-

tirely at the expense of the United States in various parts of the United States.

Mr. MONDELL. Oh, certainly. The standard survey and map is made at the expense of the United States, and it is proper that it should be.

Mr. HAYDEN. Then we are in entire accord.

Mr. MONDELL. But it is not proper that the Federal Government should pay the additional cost necessary when the contour interval is decreased.

Mr. HAYDEN. The gentleman's interpretation of the action just taken by the committee is exactly in agreement with my own. It will still be lawful for the Geological Survey to make a standard topographic map in any part of the United States entirely at Federal expense without securing cooperation from anybody.

Mr. MONDELL. Yes; certainly.

Mr. HAYDEN. If that can be done, I have no objection to the amendment.

Mr. MONDELL. That is what they can do, and that is what I hope they will do with most of the appropriation, whether it is increased or not. I hope they will make a standard map, and if they do more let the communities pay the extra cost.

Mr. WINGO. Mr. Chairman, I do not agree with either gentleman. I think the effect of the amendment is to nullify the amendment offered by the gentleman from Pennsylvania [Mr. TEMPLE] increasing the amount, which has just been adopted. I think the gentlemen will find that that is the effect of it. At least some of the opponents of the entire amendment seem to think it is.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

The Clerk read as follows:

For operation of mine-rescue cars, including personal services, traveling expenses and subsistence, equipment and supplies, $211,000.

Mr. SANDERS of Indiana. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 89, line 11, after the word "subsistence," strike out "$393,000" and insert in lieu thereof "$400,800."

Mr. SANDERS of Indiana. Mr. Chairman, this amendment is offered for the purpose of affording the necessary funds for a mine-rescue station in the vicinity of Terre Haute and Clinton. That is a bituminous field in which there have been many explosions and many very serious accidents. The amount that is required is so small I have no doubt that on a proper presentation of this before the Committee on Appropriations it would have been included. I had intended to present it to the Committee on Appropriations, but I did not get to do so. The amount involved is just $7,800, and I have had the amount carefully itemized by the Bureau of Mines and it includes the following:

Salary of mine-rescue and first-aid miner	$1,500
Travel and subsistence of mine-rescue and first-aid miner	1,000
1 light truck (one-half to three-quarter ton), complete	1,250
10 sets mine-rescue apparatus, at $221 per set	2,210
1 oxygen pump	265
10 oxygen cylinders	250
1 resuscitator	100
1 life line and reel	25
6 flame safety lamps	42
10 electric flashlights	28
Repair parts and supplies	230
Truck repairs	200
Operation of truck for one year	700
Total	7,800

As you will see, the total is only $7,800; and I should like to have the sympathetic attention of the committee in reference to this appropriation. I think this is the first time in the six years I have served in this House that I have ever asked for an increase of appropriation, and ordinarily I think these matters must be left largely to the Committee on Appropriations, but this mine-rescue work is of such great importance that I do not want to let this opportunity pass to urge the addition of this small amount for a mine-rescue station in that field. We were allowed a mine-rescue car there and thought perhaps that would serve the purpose, but the Director of the Bureau of Mines told me it would be away a considerable part of the time, and, as a matter of fact, that car is there perhaps a day or two in a month. There is a large area there which is subject to these explosions and where there are many losses of life and we are left without the proper protection of a mine-rescue station, and I very much fear not only will there be one or two losses occasionally, but I very much fear these explosions might cause the loss and entombing of a number of miners——

Mr. WINGO. Will the gentleman yield?

Mr. SANDERS of Indiana. I will.

Mr. WINGO. Is not that condition true of several other places in the United States?

Mr. SANDERS of Indiana. I do not think there is a place that is in such a bad situation as this particular locality—where the place is subject to explosions as it is in this case.

Mr. WINGO. Is there not at least one other field where they have very serious explosions and where the situation is exactly in such a condition?

Mr. SANDERS of Indiana. I do not know whether that is true or not.

Mr. WINGO. I think not only in the gentleman's case but I think there are several others that ought to be taken care of.

Mr. SANDERS of Indiana. The Bureau of Mines stated to me—well, I do not know that I should quote this, but before when a particular situation like this arose and there was an increase in the appropriation and it was shown by the debate that the increase was for a particular station, the bureau followed the legislative intent.

Mr. KNUTSON. Will the gentleman yield?

Mr. SANDERS of Indiana. I will.

Mr. KNUTSON. Three or four years ago there was an attempt made by another Member from Indiana to secure an increase in the appropriation for this particular kind of work, and it was stated at that time that the Indiana fields were more subject to explosion than any other coal fields in the United States. I happen to remember that, because it was shortly after I came in.

Mr. SANDERS of Indiana. The station was allowed, and it has been of very great benefit; and in reference to that station the gentleman from Illinois [Mr. CANNON] and a number of other——

Mr. GRAHAM of Illinois. Was this matter presented to the committee?

Mr. SANDERS of Indiana. It was not. I had hoped to present it, but I sincerely hope that this small appropriation will be added.

Mr. CRAMTON. Mr. Chairman, this is a matter that was not presented to the committee. It is not even a matter that the Bureau of Mines presses at this time, and I hope it will be allowed to come to Congress some time in its orderly way through the Budget and when there can be a full investigation of it. I hope the amendment will not be adopted. The item already carries an increase of $15,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The committee divided.

The CHAIRMAN. The Chair is in doubt.

The committee again divided; and there were—ayes 20, noes 20.

Mr. SANDERS of Indiana. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Indiana demands tellers. Not a sufficient number, and tellers are refused.

The Clerk read as follows:

For investigations as to the causes of mine explosions, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, and other inquiries and technologic investigations pertinent to the mining industry, including an amount not to exceed $1,000 for the purchase and bestowal of trophies in connection with mine-rescue and first-aid contests, and including all equipment, supplies, and expenses of travel and subsistence, $393,000.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, I have looked up the hearings on this item. I find on pages 674 and 675 a statement regarding the operation of mine-rescue stations and their cars. Will the chairman advise us if that was all said in regard to this item?

Mr. CRAMTON. I think so. What is the gentleman's point?

Mr. RAKER. I am wondering where this money was spent and why they did not give in their statement here the work that was done in California at Jackson relative to the terrible disaster that occurred there this last fall.

Mr. CRAMTON. This matter was gone into at quite a little length last year and two new cars were given to them, and they stated they needed two more in order to supersede two old wooden cars they have. But that request was deferred for a year, and they asked nothing more except to continue the operation of the cars which they have.

They are asking nothing more than to continue the operation of the cars that they have. Just where each of those cars is operated and why they do not operate more in the gentle-

man's district the committee did not inquire. They did not go into that question.

Mr. RAKER. That is unfortunate.

Mr. CRAMTON. I admit it.

Mr. RAKER. Because it was one of the greatest disasters in mining history. That occurred this last fall. It has been the idea that these rescue cars and appliances should be applied to them, and it has been to a large extent. I feel that in justice to the Bureau of Mines and what they have done a statement of it should be put in the record so as to justify the necessity.

They should have more cars. These gold-mining men have done everything on earth they could to make the condition of the gold miner better and to provide all the necessary equipment up to date, so that they could mine with safety. The Committee on Mines and Mining of this House during the last eight years has been doing all it could, and legislation has come from that committee in regard to these mine-rescue stations and the advantage of those rescue cars.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. RHODES. Is the gentleman aware that there are only nine of these mine-rescue cars in the United States?

Mr. RAKER. I know there are only a few of them.

Mr. RHODES. And that they operate out of these Bureau of Mines stations, and it is a practical impossibility, with the limited number of cars that the Bureau of Mines has, to cover the entire territory subject to accident?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I want two minutes more, just to answer the gentleman's question.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for two minutes more. Is there objection?

There was no objection.

Mr. RAKER. The gold mining, of course, has attracted and diverted the world's protection to the mining of coal also, because of the additional necessities of coal mining. Many people forget the circumstances surrounding the activities of the gold miner. Many men are interested in that branch of mining, and some of those mines are the deepest in the world—those gold mines—where the men are delving in the bowels of the earth. Not only should the owners and the States be required to provide for their protection, but the Federal Government, through its splendid equipment through the Bureau of Mines, should in the future add more to what we are trying to do to relieve the situation where necessary.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For investigations and the dissemination of information with a view to improving conditions in the mining, quarrying, and metallurgical industries under the act of March 3, 1915, and to provide for the inspection of mines and the protection of the lives of miners in the Territory of Alaska, including personal services, equipment, supplies, newspapers, and expenses of travel and subsistence, $35,000.

Mr. CRAMTON. Mr. Chairman, at the end of line 17 insert the following language.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 92, at the end of line 17, insert the following: "*Provided*, That section 192 of the Revised Statutes shall not apply during the fiscal years 1923 and 1924 to the purchase from this appropriation of newspapers published in Alaska."

Mr. WINGO. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. What will this do?

Mr. CRAMTON. It will enable them to do what they have been doing heretofore, but under the new printing regulations and other requirements a question has been raised as to the practice.

Mr. WINGO. In other words, it is to legalize what is the practice now, and it is not objected to?

Mr. CRAMTON. It is not objected to, and the bureau insists that it is necessary.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the purchase and transportation of fuel; storing and handling of fuel in yards; maintenance and operation of yards and equipment, including motor-propelled passenger-carrying vehicles for inspection, purchase of equipment, rentals, and all other expenses requisite for and incident thereto, including personal services in the District of Columbia, the unexpended balances of the appropriations heretofore made for these purposes is reappropriated and made available for such purposes for the fiscal year 1924, and for the payment of obligations for such purposes of prior years, and of such sum not exceeding $500 shall be available to settle claims for damages caused to private property by motor vehicles used in delivering fuel: *Provided*, That all moneys received from the sales of fuel shall be credited to this appropriation and be available for the purposes of this paragraph.

Mr. RHODES. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RHODES: Page 94, line 3, after the period, insert the following language:

"The Secretary of the Interior is authorized and empowered to acquire title to and procure on behalf of the United States, through purchase or condemnation, so much of the lands within the District of Columbia designated and known on the records of said District as square west 695, square northwest 695, and those parts of what were formerly Canal and H Streets as are now used and occupied by the United States as a fuel yard; that part of what was formerly H Street which intersects Half Street immediately adjacent to such fuel yard; and such other lands as may be needed as the site of a garage for the joint use of, and in connection with, such fuel yard and the Department of the Interior, and the construction of such garage is hereby authorized.

"All that part of Half Street which lies and extends north of I Street SE. in said District be, and the same is hereby, vacated, and the land therein, which is hereby declared to belong to the United States, is hereby set apart for and shall be devoted to the exclusive and sole use and occupancy of the Government of the United States as part of and in connection with the fuel yard mentioned.

"All appropriations herein and hereafter made for the maintenance and operation of the fuel yard mentioned may also be used and expended for the purchase or condemnation of land for fuel-yard and garage purposes as well as for the construction of a garage building thereon, as above provided for, and shall continue available for those purposes until expended: *Provided, however*, That no moneys expended for those purposes shall be considered as expenditures to be returned to such appropriations: *And provided further*, That the appropriation herein made for the maintenance and operation of the fuel yard mentioned for the fiscal year 1924 is hereby reduced in the amount of $254,088: *And provided also*, That the Department of the Interior shall from applicable appropriations reimburse said appropriations for its proportionate share of the expenses of maintaining and operating the garage mentioned.

"Hereafter the various branches of the Federal service and the municipal government in the District of Columbia shall make payment of accounts rendered against them by the Government fuel yard for fuel furnished them by depositing the proper amount directly to the credit of the Treasurer of the United States for the credit of the appropriation 'Maintenance and operation, United States Government fuel yard,' and duplicate certificates of deposits issued therefor shall be promptly forwarded by the depositors to the Government fuel yard."

Mr. CRAMTON. Mr. Chairman, the amendment in question is one that was before the committee in charge of the bill, and it very favorably impressed the subcommittee, but it was not of a character to be within the jurisdiction of our committee. It comes now from the Committee on Mines and Mining, that properly has jurisdiction, and the Committee on Appropriations has no objection to the amendment.

Mr. RHODES. And let me say, Mr. Chairman, in that connection, that the Committee on Mines and Mining has considered this proposed legislation and the Director of the Budget has approved it.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the purchase of land at Bruceton, Pa., now occupied by and adjacent to the buildings and equipment of the explosives testing station and experimental mine of the Bureau of Mines, together with the unmined coal underneath these buildings, $33,000.

Mr. GRAHAM of Illinois. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. GRAHAM of Illinois. I desire simply to make an observation. I assume that the item mentioned in this particular paragraph is a certain tract of land that is well known and is identified, but the language is very general. It is "For the purchase of land." It seems to me that that might be extended to any degree so as to include any land.

Mr. CRAMTON. As a matter of fact, the land in mind and definitely in view, as I understand, is now covered by an option, and it is that which is occupied by or is immediately adjacent to buildings that we have there which are now worth something like $250,000.

Mr. GRAHAM of Illinois. Can you not identify it by some certain tract by name?

Mr. CRAMTON. I can not, except that it is land immediately under and adjacent to our plant at Bruceton.

Mr. GRAHAM of Illinois. Why can you not state in the RECORD the lands you are going to buy?

Mr. KELLY of Pennsylvania. If the gentleman will yield, I will give the names of the owners of this land.

Mr. GRAHAM of Illinois. I want to identify the land, so that this will not be a general authorization to buy all the land that they are wanting to buy.

Mr. CRAMTON. It is not going to buy all that they need.

Mr. GRAHAM of Illinois. Will the gentleman from Pennsylvania state it sufficiently to identify it?

Mr. KELLY of Pennsylvania. The owners are J. Wilson, Eli McElhaney, and Pittsburgh Coal Co.

Mr. GRAHAM of Illinois. That statement is entirely satisfactory. I do not care about the acreage. That identifies it by the names, so that there will not be a general authorization to buy a lot of land.

Mr. CRAMTON. There is a definite agreement as to what is involved, and the money will not buy the whole tract that is needed.

Mr. KELLY of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on this item.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD on this item. Is there objection?

There was no objection.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Fighting forest fires in national parks: For fighting forest fires in national parks or other areas administered by the National Park Service, or fires that endanger such areas, and for replacing buildings or other physical improvements that have been destroyed by forest fires within such areas, $25,000: *Provided*, That these funds shall not be used for any precautionary fire protection or patrol work prior to actual occurrence of the fire: *And provided further*, That the allotment of these funds to the various national parks or areas administered by the National Park Service for fire fighting purposes shall be made by the Secretary of the Interior, and then only after the obligation for the expenditure has been incurred, and the Secretary of the Interior shall submit with his annual estimate of expenditures a report showing the location, size, and description of each forest fire, together with the number of men, their classification, and rate of pay and actual time employed, and a statement of expenditures showing the cost for labor, supplies, special service, and other expenses covered by the expenditures made from these funds.

Mr. HICKS. Mr. Chairman, I move to strike out the last word. I wish to ask the chairman of the subcommittee what is the meaning of the proviso beginning in line 21, page 95—

Provided, That these funds shall not be used for any precautionary fire protection or patrol work prior to actual occurrence of the fire.

Does that mean that they can not use any airplanes or anything of that kind?

Mr. CRAMTON. Each of these park items carries an appropriation that includes fire protection. The rangers do certain precautionary watching, and so forth. This is purely an emergency item, so that in the event that a fire does occur in the vicinity of a park that endangers a great area of the park, or when a fire occurs upon the park that gets beyond bounds and makes necessary a large fire-fighting force, this emergency appropriation can be used to meet such a situation, but is not to be dissipated in the ordinary prevention of fire.

Mr. HICKS. Is there any service in the National Park Forestry Bureau in fighting fires from the air?

Mr. CRAMTON. I think not. It is my recollection that when we had the Army bill up one or two years ago that matter was discussed somewhat as to cooperation between the aviation branch of the Army and the United States Bureau of Forestry in connection with the national forests. There was then some cooperation. The work was done by the aviation branch of the Army at the expense of the Forest Service. There is nothing of that kind in connection with this appropriation.

Mr. HICKS. Last summer was unusually dry in the Northwest, and many forest fires of serious extent were raging in that section of the country. Does the gentleman know whether or not any of our national forests in these parks were injured by the fires of last season?

Mr. CRAMTON. It is my recollection that there was no unusual fire loss in any of the parks last year. Out of this $25,000 emergency appropriation only $9,000 was used in the fiscal year 1922, and we have not the figures for the first part of this fiscal year, from the 1st of July last on.

The Clerk read as follows:

Crater Lake National Park, Oreg.: For administration, protection, and maintenance, including not exceeding $600 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $26,200; for construction of physical improvements, $8,800, including not exceeding $2,500 for the construction of a barn at Anna Spring; in all, $35,000.

Mr. HICKS. Mr. Chairman, I move to strike out the last word. Can the gentleman tell me what is included in the item of $8,800 for construction of physical improvements? The reason I ask that is because there has been a good deal of discussion about this Crater Lake proposition, and for a number of years the condition at Crater Lake has been very unsatisfactory. I think if the gentleman who represents the Crater Lake district was on the floor he would not disagree with that statement. Among other things that the bureau very urgently desired at Crater Lake was an improvement of the hotel facilities. Therefore I am making this inquiry to ascertain whether or not this $8,800 is intended to take care of those improvements. I would like to ask just how the matter now stands, whether the hotel has been taken over by the Government or is still in private hands.

Mr. CRAMTON. It does not take care of the hotel. The hotel is a private enterprise, which for a time was conducted by a gentleman who was not equipped financially to handle it successfully. A year ago a movement was under way by which public-spirited gentlemen, I think of Portland, were taking up the matter, and I think they have taken over the hotel and that it is now operated by a corporation consisting of men of large means, and that it is operated under an understanding with the park service, the same as the hotels in the Yosemite and the hotels in the Mount Ranier National Park are handled. These gentlemen have put in their money not as a money-making enterprise. They are limited to a small return on their investment, and they have done it for the purpose of developing the park by providing good hotel facilities.

The last I knew definitely about it there remained some little tangle, but I think that has been worked out. The appropriation in question of $8,800 is to provide a barn at Anna Spring, $2,500; a combination kitchen and mess hall at Lost Creek, $1,500; a trail at Kerr Notch, $1,600; a septic tank, flush toilets, and so forth, at Auto Rim Camp, $1,300; flush toilets at Anna Spring, $500; and a boat landing at Wizard Island, $1,400.

Mr. HICKS. I judge from this that there has been a new resort opened on the rim called Anna Spring. Is that correct?

Mr. CRAMTON. I am not at the moment informed as to where that is. The rim, as the gentleman remembers, is about 30 miles in circumference and the hotel in question is up on the rim. The rim is about half a mile above the surface of the lake.

Of course, they are developing roads and trails, and I presume this is somewhat removed, a sort of halfway house on the rim of the lake.

Mr. WATSON. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. WATSON. Are the highways being constructed under this appropriation?

Mr. CRAMTON. That depends on the kind of highways they are building. There may be a highway which will be maintained under the maintenance item. If they want a cinder road, they will perhaps expend $150 or $200 a mile for improving it, but when it comes to a paved road they have to have a specific item for it.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Lassen Volcanic National Park, Calif.: For protection and improvement, $3,000.

Mr. RAKER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 98, line 21, strike out "$3,000" and insert "$20,300."

Mr. RAKER. Mr. Chairman, it is significant in a way that since my membership on the Public Lands Committee we have created all the parks except a small number in this bill that appropriations are made for. I find that most of these I had the good fortune to report to the House and took part in the legislation.

Mr. KNUTSON. Will the gentleman yield?

Mr. RAKER. Not now. The Lassen Volcanic National Park came along with the rest, and we have but $3,000 for its protection and improvement. I have made it my business to visit these parks.

Mr. CRAMTON. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. CRAMTON. Is the gentleman aware that they did not use all that they had last year—only $2,911?

Mr. RAKER. I will explain that. We want to use it to the best advantage.

Mr. HICKS. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. HICKS. I never had the pleasure of visiting this Lassen Volcanic National Park.

Mr. RAKER. Then the gentleman has missed one of the most delightful visits in the world.

Mr. HICKS. Are there any facilities there for the care of visitors? I have understood that there is no hotel there. Does the amendment provide for the erection of a hotel?

Mr. RAKER. I want to say that I spent 10 days there this last year. I make it my business to combine business with pleasure and to find out what the public wants. I was in the park and all through it. There are no two parks alike. While the Yosemite has been advertised for years I want to say that the Lassen Volcanic National Park is as great, but, of course, of a different character. It has been inaccessible heretofore, but now it is getting to be accessible. I spent 12 days there and never had a better entertainment or better provision made for me in my life.

Mr. HICKS. I am glad to know that; how was it done?

Mr. RAKER. By private individuals. They own a little piece up in the corner. The State of California has spent in the neighborhood of $75,000,000 on roads and highways, one of which goes up into this country. We are spending our money to develop the country. There is not another spot on earth that is comparable to the wonders afforded by nature in this Lassen National Park.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. RAKER. I have seen the gentleman's park. I have traveled through the parks of this country. I know a distinguished scientist who, after he had gone through the Lassen National Park, said it was the most restful, the most delightful, the most wonderful place that a man could go to spend some time in the summer.

Mr. SUMMERS of Washington. Has the gentleman ever visited the Rainier National Park?

Mr. RAKER. Yes; and it is just wonderful. Sure I have seen it. I have been to Tacoma, and I have stood on Mount Rainier, and have seen that wonderful country.

Mr. KNUTSON. How many voters did the gentleman see?

Mr. RAKER. Enough to keep one in Congress all his life if he will do the right thing at all times as near as he can. That surely is enough. [Laughter.]

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. This matter was presented by the park service, and was approved by the Secretary of the Interior for $20,300. The Bureau of the Budget allowed $11,000. The park service said that it could not handle $11,000 successfully and said, "Give us $20,300 or not increase it." Those were not the exact words but the substance. Now this park service wants this amount, the Secretary of the Interior wants it, but the Budget pulls the strings and says we can not have but $11,000, so we get only $3,000 as an upshot of the whole thing. Now give us something to develop this wonderful territory.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

[Mr. RAKER had leave to extend his remarks.]

The Clerk read as follows:

Mesa Verde National Park, Colo.: For administration, protection, and maintenance, including not exceeding $2,400 for the purchase, maintenance, operation, and repair of horse-drawn and motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $21,000; for construction of physical improvements, $10,000, including not exceeding $3,000 for completion of the water system at Spruce Tree Camp; in all, $31,000.

Mr. HICKS. Mr. Chairman, I move to strike out the last word for the purpose of making an inquiry. In these appropriations for a park like the Mesa Verde National Park in Colorado, which is a park dedicated to the remains of the cliff dwellers, does any part of the appropriation take care of the excavation of those ruins, or is it entirely devoted to the care of the park so far as driveways, paths, and such items are concerned?

Mr. CRAMTON. Of the proposed estimate there is for the construction of physical improvements, $10,000. Their requests for physical improvements was $14,150, so that that has been scaled down. The $14,150 does not include anything for excavation purposes, such as the gentleman suggests. The item for administration, protection, and maintenance does include some expenditure for guides for the purpose of showing these ruins to tourists.

As the gentleman is aware, it is the habit of Americans, no matter how ancient or valuable a thing may be, to carry it off in parts, if possible, and it has been found necessary to have rangers attending visitors who are looking at these ruins.

Mr. HICKS. There is no charge made for these guides, as I recall?

Mr. CRAMTON. No; but that is cared for out of the maintenance item. I do not know of anything for further excavation.

Mr. HICKS. I thought it to be the case that excavation work is undertaken by the Smithsonian Institution, through the Bureau of Ethnology, and in this connection let me say that they are performing the task in a splendid manner. They have already restored many of the edifices of that ancient civilization, and from their researches, based on the relics which have been discovered, have contributed greatly to our knowledge of the peoples who lived in these canyon homes long before Columbus sailed on his first voyage. I desire to add my word of praise to the skill and scientific knowledge of Doctor Fewkes, who has given his life to this work, and to the marked ability of the present superintendent of the park, Mr. Neusbaum.

The Clerk read as follows:

Mount McKinley National Park, Alaska: For protection and improvement, $8,000.

Mr. SUTHERLAND. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 99, line 6, after the word "improvement" strike out "$8,000" and insert in lieu thereof "$10,000."

Mr. SUTHERLAND. Mr. Chairman, $10,000 was the Budget estimate. I do not know why the reduction was made by the Committee on Appropriations. I find that a number of parks have $10,000 as a minimum appropriation. For instance, the Platte National Park in Oklahoma has $10,000, and the Wind Cave Park in South Dakota has $10,000, the Hawaiian National Park has $10,000, while Mount McKinley has only $8,000. I do not want to start in with a comparison of the beauties of Mount McKinley with Mount Rainier or any other park, only to say that Mount McKinley is some park. I think it is only fair that we should have the amount which seems to be the minimum carried for the others.

Mr. CRAMTON. Mr. Chairman, I understand that Mount McKinley is a very beautiful place. Seven people visited it last year that were reported. Some time when the railroad gets in operation and the roads are developed, and when it is made accessible, many people will go there, for it is a wonderful spot. For the present it seemed to the committee that the expenditure in connection with it should be practically nominal, and we continued the amount that has been heretofore carried.

Mr. SUTHERLAND. Mr. Chairman, I might add that we are anticipating quite an influx of tourists this coming summer, and I think we ought to have that amount for preparation.

I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alaska.

The amendment was rejected.

The Clerk read as follows:

Mount Rainier National Park, Wash.: For administration, protection, and maintenance, including not exceeding $1,800 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $60,000; for construction of physical improvements, $35,000, including not exceeding $25,800 for new public camp grounds at Longmire Springs, not exceeding $2,000 for a residence for the chief clerk, and not exceeding $2,000 for an employees' duplex cottage; in all, $95,000.

Mr. MILLER. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 99, line 16, after the semicolon following the word "cottage," insert the following: "for continuing and completing widening the road between Nisqually Glacier and Paradise Valley, $38,000."

Mr. MILLER. Mr. Chairman, this amount is carried in the Budget, and still, including this item, the amount is just $25,000 less than the amount carried in the Budget. Mount Rainier National Park is one of the great parks of the West. This roadway that we desire to have widened is the only roadway that goes into the park. Last year 17,500 private automobiles entered the park. The roadway we now have is a one-way roadway. The great patronage of that park is during the months of July and August, and during that time an automobile passes on this roadway every minute, 10 hours in the day, either up or down the mountain.

As it is now they have a control system. They allow a bunch of automobiles, 100 or 150, to go down, and then there is a delay of a couple of hours, when another bunch comes up. They collect the forest rangers from the vicinity nearby to control the passage of the automobiles. Seventeen thousand automobiles is quite a number of private vehicles to visit a national park in 60 days. This is a narrow roadway, not a dangerous one, but no one should undertake to negotiate it unless he is a reasonably fair driver. It is nearly completed. The $38,000 provided for in the Budget will complete the roadway. There is a great deal of difficulty if an automobile breaks down and has to be taken up or down this distance of the control. In some instances for several miles there is not a turn-out. The road passes around elbows in the cliffs and unless it is opened it will be impossible for all of the automobiles that desire to visit it next season to go into the park. The automobile traffic has increased about 5,000 a year, and I refer now to private automobiles, for this estimate does not include the myriad of stages that run up and down Mount Rainier National Park. If the House could only know the exact situation I am sure it would sustain the Budget.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. MILLER. Yes.

Mr. FESS. Where is this proposed improvement?

Mr. MILLER. From a place in the roadway called Nisqually Glacier through to Paradise Valley.

Mr. FESS. That is still above the protuberance of the glacier?

Mr. MILLER. Yes. Nisqually is the base of the glacier; it is the lower part of it. It is about 8½ miles from there to Paradise Inn.

Mr. FESS. The road up to the glacier is wide enough for two automobiles.

Mr. MILLER. Up to Nisqually Glacier; yes.

Mr. FESS. But this is above that.

Mr. MILLER. Yes; for a distance of about 8½ miles.

Mr. SUMMERS of Washington. But the real beauties of the park are to be seen beyond Nisqually Glacier.

Mr. MILLER. That is true.

Mr. KNUTSON. Will the gentleman yield?

Mr. MILLER. I will.

Mr. KNUTSON. I take it the purpose of the gentleman's amendment is to make Paradise Inn more accessible?

Mr. MILLER. That is the idea. And a number of our progressive citizens of Seattle and Tacoma vicinity have pooled together and built a very desirable and attractive hotel at Paradise Inn, of course without any reward or profit in it, and this simply makes the roadway, so that people can get up and down, so much more desirable. I would be very greatly pleased, and all of our western people, if the committee could see their way clear to allow this amendment to stand.

The director of national parks recommends this, and the Budget includes it. We are willing to forego other much-needed improvements if we can obtain this, as there is only one roadway leading into the park. We are willing to wait a while for the others. Now, gentlemen, the committee is $65,000 under the Budget estimate, and by allowing this amendment the committee is still $25,000 under the Budget. Over 70,000 people visited this great park during the season of 1922, and in all probability over 100,000 will visit it next year. It is one of the great parks of America, and as this increase will make automobile traffic both safe and speedy it will add to the safety and convenience of perhaps more people than visit any great mountain park in America.

Mr. HICKS. Mr. Chairman, I want to supplement what the gentleman from Washington——

Mr. CRAMTON. I ask unanimous consent, if the gentleman from Washington has concluded——

Mr. MILLER. I have concluded my remarks.

Mr. CRAMTON. I ask unanimous consent that debate upon this paragraph and all amendments thereto may be closed in six minutes, three minutes to be given to the gentleman from New York and three minutes to myself.

Mr. JOHNSON of Washington. This park happens to be in the district I represent. I hope that Members can see the necessity for the Government completing the 1 or 2 miles remaining, and I do not like to lose the right to offer another amendment.

Mr. CRAMTON. We want to complete this bill to-night.

Mr. JOHNSON of Washington. If the gentleman will withdraw his request and——

Mr. CRAMTON. I will make it eight minutes, three minutes to the gentleman from New York, three minutes to the gentleman from Washington, and two minutes to myself.

Mr. SUMMERS of Washington. May I have one minute?

Mr. CRAMTON. We want to get through with this bill, but I will make it nine minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

Mr. HICKS. Mr. Chairman and gentlemen, I think we all realize the need of public economy, and in dealing with these national parks many times we think money has been expended unwisely perhaps, but in this one instance I believe that the expenditure of the money provided for in the amendment offered by the gentleman from Washington is a most wise expenditure of public funds. No one who has been through that park, a magnificent one—and, by the way, the only objection I have to it is that it is wrongly named; it should be Tacoma Park, named for an American, and not Rainier Park, named for a foreigner [applause]—no one who has had the good fortune to have been there and negotiated that trail between Nisqually Glacier and the hotel at Paradise Valley but must realize the danger of the roadway as at present constructed. There is a real danger there, for it is a single-width roadway for a two-movement traffic; and it seems to me in the interest of the public welfare we should provide the money to widen that roadway and make it safe for this increasing traffic, and therefore I sincerely hope that this committee will vote favorably for the amendment offered by the gentleman from Washington.

Mr. JOHNSON of Washington. Mr. Chairman, I want to supplement the gentleman from Washington and the gentleman from New York in what they have stated in behalf of Mount Rainier National Park, which is one of the early parks created by the General Government, created in the time of my lamented predecessor, Francis W. Cushman. Attention has been called to the automobiles that go up and down this portion of one-way road high on the mountain side. The number is increasing at a rapid rate. The county has paid for the construction of a finely paved road for 50 miles up the mountain, and the forest reserve has paid for 6 or more miles of well-built road through the reserve to the park line. From the appropriations that came from time to time from Congress the park road is nearly completed. The uncompleted part is the star part. It makes a curve that takes you to the cap piece of scenery. I have letters here written to me showing that without this appropriation the whole work to date is jeopardized. The need is great. Construction should go on. It has been a long and slow process. It is almost done.

Mr. FESS. Will the gentleman yield?

Mr. JOHNSON of Washington. I will.

Mr. FESS. I am an economist, as you all know, but I think that the completion of this piece of work ought to be carried on. I had my impression very strongly increased by a conversation with the engineer about the possibility for the general public if this work could be entirely finished. But I was not certain at what point the needed improvement was. That is the reason why I asked the question.

Mr. MILLER. This just finishes it.

Mr. JOHNSON of Washington. I wish to say that the gentlemen from Washington [Mr. SUMMERS and Mr. MILLER] and myself, representing the districts more particularly interested, have agreed to the withdrawal of estimates for certain improvements, amounting to several thousand dollars, which the Budget allowed, and have decided to concentrate our efforts upon what we know and what Mr. Mather knows and what the commissioners of the several counties know to be a real necessity.

Mr. SUMMERS of Washington. Mr. Chairman, there is very great need for other roads in order that the unsurpassed beauties of Rainier National Park may be used and enjoyed by the people of the United States. But this item having been already submitted by the Director of the Budget, we feel it should be restored. I have in my hand a telegram which I think covers the situation very briefly and very aptly. The sender says:

SEATTLE, WASH., *December 28, 1922.*

Hon JOHN W. SUMMERS, M. C.,
Washington, D. C.:

Referring to congressional appropriation in Budget covering item of $38,000 for completion of road between Nisqually Glacier and Paradise Valley, Rainier National Park. This matter is most important. It has to do with the safe and prompt accommodation of thousands of tourists annually visiting the park. This item should be restored to the Budget to protect the money already spent for this purpose, as well as for the safety of travelers. Hope you will use your best efforts for the sake of all concerned.

REGINALD H. PARSONS.

Mr. CRAMTON. Mr. Chairman, I have visited about all the principal national parks, and I am an admirer of the adminis-

tration of the parks. I think that Mr. Maher, the head of this service, is a wonderful executive, a wise and farseeing enthusiast, and has accomplished great things for the parks. He expends the money to great advantage. Personally it hurts me every time I have to vote to keep an item out of the park estimates. But, gentlemen, we must economize somewhere, and as to these parks, let us defer expenditures for their further development, spending the money that is necessary to take care of the people who are going there now, but limiting ourselves to that. There is not one of these parks that does not need something, so that if three Members from a single State would get up and urge the merits of any particular park and a few others would add to their request you would feel that it was very urgent. But we can not afford to yield to those importunities for amounts to be appropriated to make improvements that are needed. We must provide for sanitation and water supply and we must make the roads safe. This is not to make a road safe. There is no danger to life involved here. It is the last stretch going up the Paradise Valley. I have been over it, and I know the road will be safe if it continues as it is at present and we do not widen it. Widening this road does not make it more safe to the people who are in a hurry to get through a certain number of parks in a certain number of days. It would save them an hour, perhaps, if we give him this money to widen the road, but what can they do if they are compelled to take an hour longer, waiting here, that will be better for them than to view those natural beauties that are beyond compare? [Applause.] I know that if this money were provided it would be well spent; but I say that, having striven to keep the appropriations down in support of the President's policy, the committee deserves your support and I hope this amendment will be voted down.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (suggested by the Chair) there were—ayes 17, noes 18.

Mr. JOHNSON of Washington. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Washington asks for tellers. Those in favor of taking this vote by tellers will please rise and stand until they are counted. [After counting.] Not a sufficient number. Tellers are refused.

Mr. JOHNSON of Washington. Mr. Chairman, I make the point that there is no quorum present. If there are not enough Members here to get tellers on a matter of this importance, I make the point that there is no quorum.

Mr. CRAMTON. The program of the House is that if this bill is completed to-night and the Post Office bill is completed to-morrow, I hope there will be no session on Tuesday next. If the gentleman wants to force a session here next Tuesday he can make his point of no quorum now.

Mr. JOHNSON of Washington. In order to limit discussion of this very important item, which has the approval of the Budget Bureau, I was foreclosed from offering an amendment which was $15,000 less than the Budget estimate.

Mr. CRAMTON. The chairman of the committee had the same experience the other day, when I could not get tellers.

Mr. JOHNSON of Washington. Mr. Chairman, I submit that we are coming to a sad point when we are undertaking to put the high speed on appropriation bills under pressure and the promise that we can get a day off. However, if it is the desire to have a day off, as expressed by a number of Members, I will withdraw the point.

The CHAIRMAN. The gentleman from Washington withdraws the point of order that there is no quorum present.

Mr. RAKER. Mr. Chairman, I have an amendment to offer on page 99, between lines 17 and 18.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 99, between lines 17 and 18, insert:

"For construction, reconstruction, widening, and surfacing of highways, inclusive of necessary bridges, in the national parks and monuments, and for similar improvement of approach roads connecting directly with such park and monument roads, provided such improvements are within 5 miles of a park or monument boundary, $2,500,000 for the fiscal year ending June 30, 1924, $2,500,000 for the fiscal year ending June 30, 1925, and $2,500,000 for the fiscal year ending June 30, 1926: *Provided, however*, That all appropriations for road projects herein authorized shall remain available until expended: *And provided further*, That the sum of $6,000 annually of the appropriations herein made shall be available for the employment of accounting and clerical help in the District of Columbia, available until expended.

"The Secretary of the Interior shall submit with his annual estimate of expenditures a report showing the various classes of road-construction work accomplished and the locations together with a statement of expenditures made from these funds. * * *"

Mr. CRAMTON. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Michigan reserves a point of order on the amendment. The gentleman from California is recognized.

Mr. RAKER. Mr. Chairman, I have been giving this matter consideration, and it is a big, broad question. It covers what the people of all the Western States want—where these parks are—and it has been approved by the park service and by the Department of the Interior. First it was approved by the Budget Committee, and then the Budget Director was changed and the present Director of the Budget changed the former action, so I am advised. All the western people are in favor of it. They expect you people who are in power to carry out this program. Now, do not fail to do it.

I want to insert in the RECORD a letter from the acting park director, under date of December 29, 1922, together with Exhibit A and Exhibit B, explaining this amendment.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend in the RECORD his remarks by inserting the matter indicated. Is there objection?

There was no objection.

Following are the letter and exhibits referred to:

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, December 29, 1922.

DEAR CONGRESSMAN RAKER: I am glad to meet your request for a copy of the road construction budget within the national parks that the park service and the Department of the Interior has contemplated on a three-year basis of $2,500,000 per year, but which as a project could not be recognized by the Budget this year on account of the financial condition of the country. I am inclosing, as Exhibit A, a tabular review of the budget, which also contemplates some work to be done in a few national monuments. As Exhibit B, I am attaching comparative statement of appropriations made for Federal aid to State roads, amounting to $540,000,000 since 1917, amounting to $47,000,000 for national forest roads against $3,042.300 for all the national parks since 1872 to date. Over a million dollars of this $3,042,300 was spent in the Yellowstone alone by the Army, and that park has now the best roads.

The road situation in the national parks is one that requires and merits the serious consideration of Congress. It is a situation that can not be overlooked any longer. Travel in the national parks during the past four years has grown from about 450,000 to 1,150,000 this past season, and these travel figures are small compared to what they will be in the future. People visit the parks from all sections of the country, two-thirds of whom travel in automobiles and bring their own equipment.

The first national park, the Yellowstone, was established in 1872, exactly 50 years ago. Now there are 19 parks in all. Reference to Exhibit B will show that in these 50 years little more than $3,000,000 have been expended in road and bridge construction in the parks, while since 1916, when the first good roads bill was passed by Congress, $47,000,000 have been appropriated or authorized for road construction or improvement in the national forests, in addition to 10 per cent annually available of the revenue of the forests for such work and $540,000,000 of Federal money appropriated and authorized for cooperation with the States in road building, a total of $587,000,000, with not one cent available for expenditure in these great parks. In the same length of time for road projects in the parks $1,265,000 was appropriated, and the pending Interior Department bill before the House contains somewhat less than $200,000 for the construction of roads in Sequoia, Glacier, and Grand Canyon Parks. In Mount McKinley, Hawaii, Wind Cave, General Grant, Lafayette, Lassen, and other parks not a bit of road building has been done by the National Park Service.

All this road building by the National Government has pointed to a healthful expansion of a vigorous, growing nation, and every dollar so appropriated has been necessary and valuable. On the other hand, the national parks have been practically overlooked. These wonderful scenic exhibits, which outrank those elsewhere in the world, are the scenic lodestones of travel. They draw travel as nothing else does. People visit them, and in visiting them necessarily must get acquainted with the rest of the country through which they pass. Becoming thus acquainted, in addition to the money that they leave incidental to their travel, they become settlers and large investors in States in which the parks are located. The great majority of these visitors come by automobile. Under our large national road-development program, to which have been added the splendid work done by States and counties throughout the West, we find excellent roads up to the park boundaries, and there we stop. An interesting situation may be observed in connection with the road systems of the Yosemite National Park. Here we have 138 miles of roads, of which the Government has only constructed 8 miles. These roads were constructed for horse-drawn vehicular travel, as is the case in all parks, and have received serious punishment in the past four years by the constantly increasing hordes of motor cars, yet in the Yosemite, where visitors approach the park over excellent roads for which not one cent is charged, we encounter the situation where for the use of roads not built by us we are charging $5 entrance fee per car.

The service is receiving complaints in increasing numbers regarding road conditions in the parks, and we consider these generally well merited. There is no serious complaint against the exaction of the license fee as such, but the complaint we hear is that for this license fee, which is really in the nature of a toll, the visitors expect at least comfortably negotiable roads.

The overdevelopment of parks by roads must, of course, be guarded against. There must always be areas into which no roads shall enter. Our program is considered a modest one in extent, but will take care of what is considered a definite road program without overdevelopment in the parks.

Sincerely yours,

ARNO B. CAMMERER,
Acting Director.

Hon. JOHN E. RAKER,
House of Representatives, United States.

EXHIBIT A.

Name of park.	Area		Existing roads (miles).	Nature of improvement.				Reconstruction cost.	
	Square miles.	Acres.		Reconstruction (miles).	Widening (miles).	Surfacing (miles).	New construction (miles).	Average per mile.	Total.
Crater Lake	249	159,360	56.6	0.25	.....	38.4	.....	$8,000	$2,000
Glacier	1,534	981,681	154	44	37	40	36	4,932	217,000
General Grant	4	2,536	7.5	.5	5	.....	2	(1)	(1)
Grand Canyon	958	613,120	104	46	35	79	35	2,130	98,000
Hawaii	118	75,295	10	10	.....	.....	40	5,000	50,000
Hot Springs	1.5	911	11	.....	10	6	.6	.....	.....
Lafayette	8	5,000	.5	.....	.....	4	4	.....	.....
Lassen Volcanic	124	79,561	.....	.....	.....	.....	13	.....	.....
Mesa Verde	77	48,966	45.2	2.9	7.6	5.7	13.7	5,655	16,400
Mount McKinley	2,200	1,498,000	.....	.....	.....	.....	93	.....	.....
Mount Rainier	324	307,360	36.5	.....	8.5	24.5	40	.....	.....
Platt	1.33	848	11	2	8	6	.....	3,000	6,000
Rocky Mountain	397.5	254,327	65.1	6.5	27.8	22	2	6,710	43,600
Sequoia	252	2,040	49	2	30.09	.....	26.5	10,000	20,000
Wind Cave	17	10,899	6	2	3.33	6	.....	2,600	5,200
Yellowstone	3,348	2,142,720	361.5	3.125	.....	10	31.25	4,800	15,000
Yosemite	1,125	719,622	138	59	.....	20	9	8,729	515,000
Zion	120	76,800	5	1	3	18.5	13.5	2,000	2,000
NAME OF MONUMENT.									
Devil's Tower	1.8	1,152	.....	2	.....	.....	.....	8,000	16,000
Montezuma Castle	.25	160	.....	.5	.....	.....	.....	540	270
Muir Woods	.66	423	.....	.....	1.25	.....	.....	.....	.....
Petrified Forest	40	25,625	.....	.....	14.2	.....	.....	.....	.....
Scotts Bluff	3.2	2,053	.....	1.5	.....	.....	.....	2,400	3,600
Total	.....	.....	.....	183.3	190.8	280.1	359.6	5,510	1,010,020

Name of park.	Widening cost		Surfacing cost.		New construction cost.		Total cost.	Total of project (miles).	Total of existing and projected roads (miles).
	Average per mile.	Total.	Average per mile.	Total.	Average per mile.	Total.			
Crater Lake	.....	.....	$7,200	$276,480	.....	.....	$278,460	38.65	56.6
Glacier	$2,919	$108,000	4,500	180,000	$16,278	$586,000	1,091,000	134.	186
General Grant	1,600	8,000	.....	.....	2,000	[1] 2,000	10,000	7.5	9.5
Grand Canyon	1,828	64,000	5,835	461,000	2,000	70,000	675,000	124.	139
Hawaii	.....	.....	.....	.....	10,000	400,000	450,000	50.	60
Hot Springs	3,600	36,000	6,000	36,000	10,000	6,000	78,000	10.6	11.6
Lafayette	.....	.....	4,000	16,000	21,000	84,000	100,000	4.5	4.5
Lassen Volcanic	.....	.....	.....	.....	10,000	130,000	130,000	13	13
Mesa Verde	4,777	36,300	6,000	34,200	2,335	32,000	118,900	24.2	52.9
Mount McKinley	.....	.....	.....	.....	3,870	360,000	360,000	93	93
Mount Rainier	4,470	38,000	7,715	189,000	22,500	900,000	1,127,000	67.5	76.5
Platt	2,250	18,000	3,000	18,000	.....	.....	42,000	11	11
Rocky Mountain	4,727	131,400	3,864	85,000	10,000	20,000	280,000	54.6	67.1
Sequoia	4,786	144,023	.....	.....	14,207	376,500	540,523	56.54	81
Wind Cave	800	2,667	2,000	12,000	.....	.....	19,867	6	6
Yellowstone	.....	.....	6,000	60,000	7,200	225,000	300,000	44.375	392.75
Yosemite	.....	.....	20,000	400,000	65,000	585,000	1,500,000	88	147
Zion	1,500	4,500	1,500	27,750	23,333	315,000	349,250	18.5	18.5
NAME OF MONUMENT.									
Devil's Tower	.....	.....	.....	.....	.....	.....	16,000	2	.....
Montezuma Castle	.....	.....	.....	.....	.....	.....	270	.5	.....
Muir Woods	4,000	5,000	.....	.....	.....	.....	5,000	1.25	.....
Petrified Forest	150	2,130	.....	.....	.....	[2] 23,000	25,130	14.2	.....
Scotts Bluff	.....	.....	.....	.....	.....	.....	3,600	1.5	.....
Total	3,135	598,020	6,409	1,795,410	11,442	4,114,500	7,500,000	829.41	.....

[1] 0.5 mile of reconstruction and 1 mile of new construction of The General's Highway included in Sequoia projects.
[2] Item of $23,000 is for bridge outside of monument

EXHIBIT B.

TABLE 1.—*Appropriations for Federal aid to State roads—1917–1926, fiscal years.*

Act of July 11, 1916	$75,000,000
Act of Feb. 28, 1919	200,000,000
Act of Nov. 9, 1921	75,000,000
Act of June 19, 1922 (authorized appropriations)	190,000,000
Total	540,000,000

TABLE 2.—*Appropriations for national forests roads—1917–1926, fiscal years.*

Act of July 11, 1916	$10,000,000
Act of Feb. 28, 1919	9,000,000
Act of Nov. 9, 1921	15,000,000
Act of June 19, 1922 (authorized appropriations)	13,000,000
Total appropriations and authorizations	47,000,000
Acts of Aug. 10, 1912, and Mar. 4, 1913, granting 10 per cent of annual revenues for road building (average of $500,000 a year for 10 years)	5,000,000
Total funds available for forest roads	52,000,000

TABLE 3.—*Appropriations for national park roads—1872–1922, inclusive.*[1]

Crater Lake National Park	$433,000
Glacier	177,500
Mesa Verde	48,000
Mount Rainier	399,000
Rocky Mountain	35,000
Sequoia	102,800
Yellowstone	1,482,000
Yosemite	350,000
Zion	15,000
Total	3,042,300

[1] Making allowance of $200,000 for possible small items not isolated in the records, the total expenditure for road construction and improvement in the national parks in 50 years would not exceed $3,250,000. There has been no funds authorized for the fiscal years 1924–1926, inclusive, as in the case of the Forest Service.

TABLE 4.—*Recapitulation.*

Federal aid to States, fiscal years 1917–1925, inclusive	$540,000,000.00
National forest roads, fiscal years 1917–1926, inclusive	52,000,000.00
National park roads, fiscal years 1872–1923, inclusive	3,042,300.00
National park revenues from automobiles and motor cycles since motor vehicles were admitted to parks, 1913–1922	1,138,198.27

Mr. CRAMTON. Mr. Chairman, I withdraw my point of order.

Mr. BLANTON. Well, Mr. Chairman, I make the point of order. If the chairman is going to protect a matter of that kind, involving several million dollars, I make the point of order on the ground that it is legislation unauthorized by law, that it is a change of law, and it is for new construction not authorized by law.

Mr. CRAMTON. If the gentleman will withhold his point of order, I am satisfied that the amendment will be defeated.

Mr. BLANTON. The gentleman does not know the sentiment that I can see all around me.

Mr. CRAMTON. I have endeavored to ascertain it.

Mr. BLANTON. There are too many gentlemen from the Northwest interested in this two and a half million-dollar expenditure. I make the point of order and I insist on it.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] makes the point of order. The point of order is sustained.

The Clerk read as follows:

Platt National Park, Okla.: For administration, protection, maintenance, and improvement, $10,000.

Mr. SWANK. Mr. Chairman and gentlemen of the committee, a few days ago I appeared before the subcommittee on appropriations for the Interior Department urging a larger appropriation for Platt National Park at Sulphur, Okla. I would offer an amendment now to increase this appropriation, but realize that it would be useless to do so and that it would go as other similar amendments have gone. The committee has recommended $10,000, $2,500 more than last year, and I am thankful for the increase, but the amount is insufficient. The citizens of Sulphur spent between $13,000 and $16,000 last year from their own pockets on this park, which I will tell you about at this time.

In making appropriations for our national parks the committee and Congress should look to the usefulness and the purpose it serves. Platt National Park was created by the act of Congress of July 1, 1902. It has an area of 848 acres and is situated in Murray County, Okla., adjacent to the city of Sulphur, which is noted for its energetic, intelligent, Christian, law-abiding citizenship. The park was set aside for the benefit and use of the people of the United States because of the medicinal value of its many springs. It has more than 30 mineral springs, and will become one of the world's most noted health resorts. The value of a national park is determined, in part, by the number of visitors. The figures of the park superintendent show the following visitors:

1919	107,918
1920	173,310
1921	216,022
1922	246,998

These figures show the wonderful increase of the visitors to the park in the past four years. In 1919 there were 689 campers; in 1920, 2,981; in 1921, 10,526; and in 1922 there were 23,170 campers in Platt National Park. The campers in 1922 used 6,084 automobiles, and it is estimated that at least 30,000 cars were in the park during the season of 1922.

The park superintendent, in his statement contained in the report of the national park service for 1922, says:

During the past year the city of Sulphur, realizing the deplorable condition of the park and desiring to be a benefit to the many people coming here, built and paid for two fine community buildings, one at the Bromide Camp Grounds and one at the Cold Springs Camp Grounds. They dug sewer lines to each, installed three new comfort stations and repaired another, brought water to both these camp grounds in sufficient quantities for all purposes, and then, on top of this, they had electric wires put up that the campers might have lights. The city of Sulphur spent between $13,000 and $16,000 to help Platt National Park.

The report of the Director of the National Park Service for the fiscal year ended June 30, 1922, on page 66, states:

During the year the city of Sulphur, which adjoins Platt National Park, donated between $13,000 and $16,000 for park improvements. * * * This excellent cooperation on the part of the city of Sulphur was appreciated both by the visitors and this service. It is estimated that 246,998 visitors in all entered the park gates. As many of them undoubtedly repeated their visits from day to day, 70,000 individuals is considered a fair estimate of the travel. The park is a focal point for motor travel from all the Southern States west of the Mississippi. During the season the campers held several big meetings and community camp fires and organized a Platt Park Club with over 100 vice presidents in different States. The aim of the club is to tell others of the benefits to be derived from the health-giving waters of the park and to see that it has financial help to properly maintain it and for needed improvements. The wild animals maintained under fence in the park were added to; a fine bull elk from Yellowstone was received, four fawns were added to the deer herd, and a baby buffalo was born in the park. The park roads are especially in need of improvement and adequate appropriations should be made to bring them up to a standard worthy of a national park.

The report shows that while 246,998 visitors in all were estimated to have entered the park gates, 70,000 is considered a fair estimate, as some were counted more than once. While this is true that some visitors were counted more than once, many visitors were not counted at all, as they did not visit Bromide Springs, where visitors are checked.

The present system of roads in the park, which amounts to about 11 miles, should be widened and surfaced. Congress can not appropriate money to a better advantage than to improve and restore the health of its citizens. Platt National Park was segregated for the purpose of conserving its mineral waters and to make it available to the people of the country. In order to carry out this purpose it is necessary for adequate, not extravagant, appropriations to be made. On page 54 of the director's report is a picture showing a large number of people attracted to this great health resort. The report says:

The national parks and monuments play a very important part in the conservation of wild life, for in them all animals, with the exception of predatory ones, find safe refuge and complete protection and live unhampered in natural environment.

The report of the director for 1922 in the leading parks shows the following number of visitors, appropriations, and private automobiles entering the parks for each of the past three years:

Visitors.

Name of park.	1920	1921	1922
Yellowstone	79,777	81,651	98,233
Yosemite	66,906	91,513	100,503
Mount Rainier	56,491	55,771	70,371
Rocky Mountain	240,966	273,737	219,164
Grand Canyon	67,315	67,485	84,700
Lafayette	66,500	69,836	73,779
Platt	38,000	60,000	70,000

Appropriations.

Name of park	1921	1922	1923
Yellowstone	$288,000	$350,000	$361,000
Yosemite	303,000	300,000	280,000
Mount Rainier	40,000	150,000	106,800
Rocky Mountain	40,000	65,000	73,900
Grand Canyon	60,000	100,000	75,000
Lafayette	20,000	25,000	25,000
Platt	9,000	7,500	7,500

Private automobiles entering the parks in 1922:

Yellowstone	18,253
Yosemite	19,583
Mount Rainier	17,149
Rocky Mountain	52,112
Grand Canyon	7,890
Lafayette	8,650
Platt	30,000

Visitors in other parks.

Name of park.	1920	1921	1922
Sequoia	31,508	28,263	27,514
Carter Lake	20,135	28,617	33,016
Mesa Verde	2,890	3,003	4,251
Glacier	22,449	19,736	23,935

Appropriations for above parks.

Name of park.	1921	1922	1923
Sequoia	$36,000	$86,000	$78,000
Carter Lake	25,300	25,300	32,000
Mesa Verde	14,000	16,400	43,000
Glacier	107,564	195,000	178,700

From this report it is seen that Sequoia Park in 1922, with 27,514 visitors, a little more than one-third of the visitors in Platt National, received an appropriation of $78,000, while Platt received the inadequate sum of $7,500. Mesa Verde Park, with 4,251 visitors, received $43,000 for the present fiscal year, or with less than one-seventeenth of the vistors accredited by the director, it received nearly six times the amount of money given Platt National Park.

The good people of the city of Sulphur should not be required to spend their money on the improvement of the park. They have continued to do this uncomplainingly, but Congress should act now. This park, like the other national parks, belongs to the United States Government and is a part of its property. They were set aside by Congress and should be maintained properly by this body.

The last State Legislature of Oklahoma, recognizing the health-giving properties of the mineral waters in Platt National Park, appropriated $389,700 for the erection of a sanitarium for tubercular soldiers of the World War. This hospital has 80 beds and 66 patients at the present time, 52 of these being Government patients. Twenty-eight persons are employed at the hospital. The people of Oklahoma wanted a hospital where our soldiers could be properly cared for, with healthful surroundings, beautiful scenery, and Christian influences, and the legislature, in its wisdom and goodness, selected Platt National Park for the location. In addition to an excellent public school system, Sulphur has the Oklahoma School for the Deaf. This school comprises nine buildings, which are brick, except one;

this year 30 teachers are employed in this school, 31 employees, and 310 students from 66 counties of the State. The State appropriated for this school for the biennium 1920–21 and 1921–22 for maintenance the sum of $72,000. I make mention of these facts to show that the State of Oklahoma is not unmindful of its duties to our soldier boys and the unfortunates in having them properly cared for and in pleasant, healthful surroundings.

The many springs in the park produce sulphur water of all kinds, shades, and degrees—medicine water, bromide water, and water as pure as gold—just any kind of water that a person may desire and need in recovering his health. You gentlemen who have never tasted this water and felt its rejuvenating effects can not even imagine its stimulating, health-restoring properties.

Mr. Chairman, if the Republican whip [Mr. KNUTSON] would go to Platt National Park, take a few of the sulphur baths, and drink a few glasses of that bromide water he would be a sure enough whip when he came back and would feel so good that he would always be a friend of the park. It has that effect on people who go there. [Laughter.]

Mr. KNUTSON. Then we ought not to seal it up and keep people away from it. [Laughter.]

Mr. SWANK. They do not stay away from it, as the figures will show. Why, Mr. Chairman, I have seen men carried into that park on stretchers, and in a few weeks, after bathing in the sulphur water and drinking the bromide water, they would go home cured.

Mr. LOWREY. Will the gentleman yield?

Mr. SWANK. Yes.

Mr. LOWERY. If we grant you all that you ask, will you guarantee that the Republican whip will take the baths that the gentleman spoke of? [Laughter.]

Mr. SWANK. One bath and one drink of water from the springs would cause him to want to stay there the rest of his life.

Mr. CRAMTON. I am willing to admit that this park is really a remarkably fine municipal park of some State importance maintained at Federal expense.

Mr. SWANK. Oh, no, Mr. Chairman, this is a national park, visited by people from all sections of the country. I am going to hope that the chairman of the subcommittee, the distinguished gentleman from Michigan [Mr. CRAMTON] will visit this park some time, and before next year's budget is made up I hope to have him on our side when I ask for an increased appropriation for the park.

Mr. KNUTSON. If what the gentleman says is true about the effect of that water, would it not be a good idea to put in a bottling works for the purpose of distributing the water to people who can not go there?

Mr. SWANK. They do ship it out of there in trainloads.

No park in the Nation has such wonderful water. One artesian well—and there are many—spouts forth 2,500 gallons of pure sulphur water per minute, while Buffalo Springs produce 5,000,000 gallons per day. Some of the water comes from wells 800 feet deep, and it is clear, pure, and healthful. Three of these great artesian wells empty into elegant bathing pools, where the young, old, infirm, decrepit, and those who have so far advanced in years or in living can bathe, become young again, and have their lost powers restored.

If a person is troubled with sleeplessness a few drinks of that bromide water will cause him to fall into that peaceful sleep known to those in good health and with untroubled minds. It will rebuild your nerves and make you a new man, and if the chairman of the subcommittee could just visit that park one time, take a few drinks of the water, feel the new vigor being brought back to him, I know that he would favor this park. If you are troubled with rheumatism, a few baths in the sulphur water, with its internal use, will cause the pains to leave and, like the cripple of old, you can "rise up and walk." If any gentleman on the floor doubts any of my statements, a visit there will convince you of the truthfulness of the same, and I extend to you an urgent invitation on behalf of the good people of Murray County and of Oklahoma to pay the park a visit, and if you are "run down" and overworked from any cause, you can there find the fabled "Fountain of youth," where the old may become young again and where the young and middle aged must use caution and discretion in restraining themselves; and had Ponce de Leon landed at this place in his wanderings and in looking for his youth he would have been convinced that he had found the goal of his long search.

This park is not local but is national in its scope and in the range of its usefulness. While all classes visit there, the rich and poor, the sick and well, it is essentially a park for the good of the great masses of the people who can not afford to visit the more costly parks, where living expenses are high, and bathe in the expensive bathhouses. Here they may bathe in the many pools and creeks without cost and partake of the water that has restored so many people to health. People visit this park from all sections of the country. Congress should make an appropriation to properly maintain the park and should also provide for the erection of a reasonable number of Government bathhouses, where the people who desire can take the baths at a nominal cost, and let it truly be the "park of the people."

The amount recommended by the subcommittee is greatly inadequate and out of proportion to the amount recommended for many other parks that do not have the visitors that this park has and do not do so much good. The amount appropriated last year was barely sufficient to maintain the park and will allow nothing for improvements. The springs should be improved, roads repaired, and new roads constructed. The "Ozark Trail" and the "Bankhead Highway" both pass through Sulphur and it is on the principal motor route through the State. This is destined to become one of the leading national parks and health resorts of the country, as it is now nationally known for its usefulness and healthful surroundings.

While the chief value of Platt National Park is in restoring people to health and renewing the vigor of youth, it is a place of great natural beauty. It is situated in the foothills of the famous Arbuckle Mountain Range, near the historic, beautiful, and fertile valley of the Washita, overlooking the beautiful little city of Sulphur, nestled in her lap, and here you are given a different view of nature and wonder at her work.

Mr. Chairman and gentlemen of the committee, I sincerely hope and trust that the distinguished chairman of the subcommittee will see the usefulness of this great park, that many Members will visit there and enjoy the hospitality of the good people and see the value of the park, for next year I will ask for an adequate appropriation. [Applause.]

The Clerk read as follows:

The National Park Service may exchange hereafter, as part consideration, in the purchase of new equipment, motor vehicles, and any other equipment for use in the national parks.

Mr. FRENCH. Mr. Chairman, I do not think the people of the United States know how thoroughly they are to be congratulated on having Stephen T. Mather at the head of the National Park Service.

Mr. Mather represents the highest type of public servant. He is able, he is efficient, he is a regular human dynamo, and more than that, he is serving at a distinct financial sacrifice to himself, because he believes in his great work. A man of independent means and in the prime of life, he has taken the office of Director of National Parks and is contributing from his own resources for the upkeep and for the improvement of many of the national parks throughout the United States. A moment ago we passed the item pertaining to Glacier National Park, but do you know that out of his own means, Mr. Mather bought and then donated to the Government the lands at Belton Station, so that a fitting entrance could be had upon property belonging to the park itself?

Do you know that that fine rangers' clubhouse at Yosemite National Park, costing some $30,000, was donated to the park by Mr. Mather?

Do you realize that to Mr. Mather and to a former Member of this body, Mr. Kent, of California, the country is indebted for great financial gifts and then for a campaign that is saving to posterity the large area of land in California containing hundreds of specimens of one of the gigantic redwood species of the Pacific?

These are but illustrations that indicate the devotion to his work and the willingness for sacrifice of the head of our National Park Service.

And with the business of the national parks his work has been phenomenal. Under his direction the public has become intensely interested in the great wonders that are close at home. The number of people visiting the parks has increased from 451,661 in 1918 to 1,044,502 during the present year. In 1918, 53,966 automobiles entered the parks, this year 197,105. As for revenue, while we would not consider converting the parks into revenue sources, we will be glad to see them largely pay their way, and the returns this year were $432,964.89 as against $180,652.20 only five years ago.

In the face of all this, all Mr. Mather wants is cooperation. And yet here is such a record that if it were accomplished in any great private business would entitle its builder not only to cooperation but to be chosen to a directorate of that particular business for the rest of his life. [Applause.]

Mr. HILL. Mr. Chairman, Fort McHenry, near Baltimore, will soon be abandoned as a military post. While we are under the heading of national parks I ask unanimous consent to ex-

tend my remarks in the RECORD on the advisability of the Government protecting Fort McHenry, the birthplace of the Star-Spangled Banner, as a national park.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

The Clerk read as follows:

Total, Howard University, $232,500.

Mr. LOWREY. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman from Michigan a question. Is Howard University the only college or university maintained at Government expense in the city of Washington?

Mr. CRAMTON. I think Howard University, in the city of Washington, is the only college or university that has any contribution from the Government.

Mr. LOWREY. What is the ground for the maintenance of Howard University?

Mr. CRAMTON. It is the only national institution anywhere of college rank for the colored race. While they are admitted to some institutions, they are not admitted to others.

Mr. LOWREY. Is there such an institution for any race outside of Howard University?

Mr. CRAMTON. We are doing something for the Indians. I do not think we have any college or university, but we did have Carlisle. Howard University was an institution of which Gen. O. O. Howard was instrumental in laying the foundation of in other days.

Mr. CARTER. Will the gentleman yield?

Mr. LOWREY. Yes.

Mr. CARTER. I want to say that Carlisle never had a college course. They only took the children to the end of the high-school course.

Mr. CRAMTON. I think I should correct my statement to this extent: The Government does contribute to the support of Gallaudet College for the Deaf and Dumb.

Mr. LOWREY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 104, line 8, strike out all after line 7 to the end of line 11 on page 105.

Mr. CRAMTON. Mr. Chairman, I make the point of order that the gentleman's amendment comes too late. We have passed that and the only item that we are now considering is "Totals for Howard University."

The CHAIRMAN. The Chair sustains the point of order, and the Clerk will read.

The Clerk read as follows:

ALASKA ENGINEERING COMMISSION.

For expenses of maintenance and operation of railroads in the Territory of Alaska (in excess of revenues), $1,000,000.

Mr. SUTHERLAND. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 106, line 25, strike out "$1,000,000" and insert "$1,260,860."

Mr. SUTHERLAND. Mr. Chairman, this amendment has been asked for in accordance with the estimate of the Budget. The original estimate was $1,300,000, but the Budget Committee allowed $1,160,860. The Department of the Interior, knowing the absolute necessity in order that the railroad might be completed and ballasted, appealed to the President to arouse his interest in the matter.

The result was that the Budget Bureau recommended a supplementary estimate of $200,000. I do not mean to say that the President had a particular interest in this item any more than the request of the Department of the Interior appealed to him, and as a result the supplemental estimate was made.

Mr. DOWELL. Will the gentleman yield?

Mr. SUTHERLAND. Yes.

Mr. DOWELL. Is this to be an annual appropriation?

Mr. SUTHERLAND. This is a part of the appropriation for the maintenance of the way. The track for 60 miles beyond the new bridge is to be broadened. It is now a narrow gauge and it can be broadened at a short notice, and when that is done and the railroad is ballasted it will be complete to the terminal point.

Mr. DOWELL. And this appropriation is for that purpose?

Mr. SUTHERLAND. The maintenance and for the general operation of the road.

Mr. DOWELL. If I understood correctly, a year ago we appropriated $15,000,000 which was to entirely complete that road and pay all expenses.

Mr. SUTHERLAND. This is really for the maintenance of the railroad.

Mr. DOWELL. Is it not for construction?

Mr. SUTHERLAND. No; it is to maintain the way and ballast the track, which, of course, will be an annual expense, but very greatly reduced. This year the President plans to go to Alaska. He plans to ride over this railroad.

The railroad is open to traffic and I might say that it will be dedicated, and of course it should be in complete order when he visits it in July or August. This summer we anticipate a great many visitors to McKinley Park. The Brooklyn Eagle has made arrangements to take a party of 75 to McKinley Park. They plan to be there at the time of continual sunshine and dedicate the park at midnight. With the President going in there and the influx of visitors, I do not think that Congress should be niggardly in this matter of appropriation. The Secretary of the Interior asked the head of the railroad commission to submit the least estimate, and he made it. These are the lowest figures and $100,000 less than his estimate. The amount asked for is exactly the amount of the Budget after it had reconsidered its original estimate by sending in a supplemental estimate of $200,000. I want to say that Alaska has been peculiarly affected by the general policy of retrenchment on the part of the Government.

Of the four military posts that we had, three have been recently removed, and all of the troops taken out and the barracks abandoned. Our telegraph system has been reduced somewhat, and it seems that whenever the Army or any of the departments look for a place to retrench they fix on Alaska. We have no Senators to interfere and we have no regular Member of Congress to enter protest against these cuts in our appropriations. In this case the President has appealed for us, and I maintain that that ought to be allowed, the opposition of the committee to the contrary notwithstanding.

Mr. CRAMTON. Mr. Chairman, the item in question is to take care of an anticipated operating deficit. The ideal would be to conduct a railroad without deficit, and that is what we want to look forward to. A year ago the same authorities came before us and I esteem Colonel Mears very highly. They asked for $1,660,010 as an operating deficit for the current year. The committee felt then just as they do now. The officer in charge of operations necessarily makes his figure at the maximum deficit reasonably to be expected, yet Congress should appropriate the minimum sum that is reasonably to be expected, and last year we appropriated only $1,400,000. We cut their estimates $262,000 over their protest, believing that if their figures were correct and they had to have the other amount they would come back to the deficiency committee and put their figures on the table and would get the money, but they would have to show the need at that time. What happened? They were just as sure last year and still they are just going to get through this year on the $1,400,000 that we gave them. If we had given them $1,600,000 it would have gone.

Mr. SUTHERLAND. Is not the presumption that it would be operated within the appropriation? He can not incur a deficit.

Mr. CRAMTON. He operated on the money that we gave him. He would not have wasted the other, but he might have found some trimmings to put on that railroad. This year we did the same thing. There is more traffic being developed. We give authority in the bill to develop that Yukon River country and its tributaries, and if that will accomplish what they think it will, the committee thinks they will get through this year with a deficit not above $1,000,000, and we hope it may come under that figure.

Mr. KNUTSON. According to the statement of the gentleman from Alaska [Mr. SUTHERLAND], they expect an increase in the tourist business there of 700 per cent.

Mr. SUTHERLAND. Provision is all made for that in the bill.

Mr. CRAMTON. The committee felt that in the interest of economy we should keep this figure.

Mr. FESS. Mr. Chairman, I voted for the original $35,000,000 with which to build this road under a good deal of trepidation. How much have we already expended?

Mr. CRAMTON. I think the total authorization is $56,000,000. It has all been appropriated except the $800,000 plus, which is carried in this bill, and we are told that that will complete the construction of the road. The gentleman [Mr. SUTHERLAND] speaks of their suffering from the war situation. A large part of the cost was caused by war conditions.

Mr. DOWELL. I notice the gentleman from Alaska stated that this was for the purpose of widening the road?

Mr. CRAMTON. No; not that amount.

Mr. DOWELL. It could not be used for that, because the entire construction has been already appropriated.

Mr. CRAMTON. No; this bill carries $800,000, which includes in part the widening of the track, but that is not in this particular item.

Mr. DOWELL. This item is purely for operating deficit?

Mr. CRAMTON. Yes.

Mr. KNUTSON. Anticipated deficit?

Mr. SUTHERLAND. But included in that would be the ballasting of the track.

Mr. CRAMTON. Quite an amount for replacing ties.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska.

The question was taken; and on a division (demanded by Mr. JOHNSON of Washington) there were—ayes 2, noes 20.

So the amendment was rejected.

The Clerk read as follows:

During the fiscal year 1924 there shall be covered into the appropriation established from time to time under the act entitled "An act to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes," approved March 12, 1914, as amended, the proceeds of the sale of material utilized for temporary work and structures in connection with the operations under said act, as well as the sales of all other condemned property which has been purchased or constructed under the provisions thereof; also any moneys refunded in connection with the construction and operations under said act, and a report hereunder shall be made to Congress at the beginning of its next session: *Provided*, That the aggregate amount credited to such appropriation under the authority contained in this paragraph shall not exceed $100,000; *Provided*, That not more than $75,000 of the amounts covered into the said appropriation in the fiscal years 1923 and 1924 is hereby made immediately available for purchase or construction of a river steamer and necessary barges for operation on the Yukon River and its tributaries.

Mr. RAKER. Mr. Chairman, I reserve the point of order to the last proviso in order to ask a question. The Shipping Board could not supply these vessels?

Mr. CRAMTON. That inquiry was made, but the draft that is possible for use in the river is such that we were advised that nothing of the kind could be done.

Mr. RAKER. Mr. Chairman, I withdraw the reservation of the point of order.

The Clerk read as follows:

For expenses of maintenance and operation of river steamers and other boats on the Yukon River and its tributaries in Alaska, including the purchase and repair of necessary machinery and apparatus, and the construction or rental of docking facilities (less revenues), $50,000.

Mr. CHINDBLOM. Mr. Chairman, should there not be a correction in line 11 after the word "construction"? My print of the bill seems to read "construction of rental."

Mr. CRAMTON. It should be made clear that it is "construction or rental," and I ask unanimous consent that the Clerk make the necessary correction.

The CHAIRMAN. Without objection, the correction will be made.

Mr. CRAMTON. Mr. Chairman, I move that the committee do now rise and report the bill with the various amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13559 and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

ENROLLED BILLS SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 13180. An act making appropriations for the Treasury Department for the fiscal year ending June 30, 1924, and for other purposes;

H. R. 13316. An act making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13232. An act making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1924, and for other purposes.

LEAVES OF ABSENCE.

By unanimous consent leave of absence was granted to—

Mr. KAHN, indefinitely, on account of illness.

Mr. DRANE, indefinitely, on account of the death of his son.

ADJOURNMENT.

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Saturday, December 30, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

856. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of the Interior for the fiscal year ending June 30, 1923, for the subsistence and purchase of lands for Apache Indians of Oklahoma lately confined as prisoners of war at the Fort Sill Military Reservation, $42,500 (H. Doc. No. 520); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GILLETT (by request): A bill (H. R. 13603) to provide for the world-wide extension of education by the cooperation of national governments; to the Committee on Education.

By Mr. JOHNSON of Kentucky: A bill (H. R. 13604) for the erection of a Federal building at Elizabethtown, Hardin County, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. HILL: A bill (H. R. 13605) validating the appointment of retired enlisted men to civil offices with compensation of $2,500 or more per annum; to the Committee on Military Affairs.

By Mr. McARTHUR: A bill (H. R. 13606) to suspend the requirement of annual assessment work on unpatented mining claims during the years commencing July 1, 1922, and ending July 1, 1924; to the Committee on Mines and Mining.

By Mr. COOPER of Wisconsin: A bill (H. R. 13607) to provide for the erection of an addition to and the remodeling of the Federal building in the city of Janesville, county of Rock, and State of Wisconsin, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. WILLIAMS of Illinois: A bill (H. R. 13608) to stimulate trade by providing credit to enable Germany to purchase foodstuffs and raw materials in the United States; to the Committee on Banking and Currency.

By Mr. VAILE: A bill (H. R. 13609) to amend an act entitled "An act to reclassify postmasters and employees of the Postal Service and adjust their salaries and compensation on an equitable basis," approved June 5, 1920; to the Committee on the Post Office and Post Roads.

By Mr. FESS: Joint resolution (H. J. Res. 417) in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FITZGERALD: A bill (H. R. 13610) granting a pension to James Warner; to the Committee on Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 13611) granting a pension to Elijah C. Waln; to the Committee on Invalid Pensions.

By Mr. SINNOTT: A bill (H. R. 13612) authorizing the issuance of patent to the legal representatives of Miles J. Davis, deceased; to the Committee on the Public Lands.

Also, a bill (H. R. 13613) authorizing the cancellation of the Indian trust patent which issued to Justine Sayers; to the Committee on the Public Lands.

Also, a bill (H. R. 13614) for the relief of Wyatt A. Marshall; to the Committee on the Public Lands.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6696. By Mr. CRAMTON: Petition signed by J. H. Kemp and other citizens of Unionville, Mich., urging the abolishment of the discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6697. By Mr. CONNOLLY of Pennsylvania: Petition of the Frankford Grocers' Association, of Frankford, Philadelphia, Pa., urging the enactment of legislation providing for a 1-cent rate of postage on drop letters in cities, towns, and on rural routes; to the Committee on the Post Office and Post Roads.

6698. By Mr. FULLER: Petition of Raymond T. Lee, and sundry other citizens of Cherry Valley, Ill., protesting against the Federal tax on ammunition and firearms; to the Committee on Ways and Means.

6699. Also, petitions of the Merchants' Association of Joliet, Ill., and of the Society of Art Connoisseurs, of Chicago, Ill., for 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

6700. By Mr. KAHN: Petition of the San Francisco Chamber of Commerce Military Affairs Committee, urging an increase of the standing Army of the United States to 150,000 enlisted men and 13,000 officers, an ample appropriation for training camps, and an adequate western air service; to the Committee on Military Affairs.

6701. By Mr. LEA of California: Petition of 22 residents of California, to abolish the tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6702. By Mr. LINTHICUM: Petition of C. S. Longacre Religious Liberty Association, Takoma Park, Washington, D. C., presenting list of 608 citizens of Baltimore protesting against Sunday bills pending in Congress for the District of Columbia; to the Committee on the District of Columbia.

6703. Also, petition of John J. Greer & Co. and John S. McDaniel & Co., Baltimore, favoring bill providing for 1-cent drop-letter rate; to the Committee on the Post Office and Post Roads.

6704. Also, petition of Harry H. Mahool & Co., Baltimore, opposing House bill 10427; to the Committee on the Merchant Marine and Fisheries.

6705. Also, petition of Jack Burger, Baltimore, opposing Denison bill; to the Committee on Interstate and Foreign Commerce.

6706. Also, petition of Wilton Snowden, jr., Baltimore, favoring passage of House bill 12207; to the Committee on Ways and Means.

6707. By Mr. McARTHUR: Petition of William G. Cox and other citizens of Oregon, protesting against the passage of House bill 9753; to the Committee on the District of Columbia.

6708. By Mr. MANSFIELD: Petition of the Texas Wholesale Fruit and Produce Dealers' Association, in favor of 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

6709. By Mr. PERKINS: Petition of L. M. Morford and others, Newton, N. J., to abolish discriminatory tax on small-arms ammunition and firearms (sec. 900, par. 7, internal revenue bill); to the Committee on Ways and Means.

6710. Also, petition of H. E. Wells and others, Sussex, N. J., to abolish discriminatory tax on small-arms ammunition and firearms (sec. 900, par. 7, internal revenue bill); to the Committee on Ways and Means.

6711. Also, petition of T. L. Riggin and others, Haskell, N. J., to abolish discriminatory tax on small-arms ammunition and firearms (sec. 900, par. 7, internal revenue bill); to the Committee on Ways and Means.

6712. By Mr. WINSLOW: Petition of the Congregational Woman's Home Missionary Federation, New York, N. Y., relative to the Near East situation; to the Committee on Foreign Affairs.

SENATE.

SATURDAY, *December 30, 1922.*

(Legislative day of Wednesday, December 27, 1922.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fernald	McCumber	Sheppard
Borah	France	McKellar	Smoot
Brandegee	Gerry	McKinley	Spencer
Brookhart	Hale	McNary	Stanfield
Bursum	Harreld	Moses	Sterling
Cameron	Harris	Nelson	Sutherland
Capper	Heflin	New	Townsend
Caraway	Johnson	Nicholson	Trammell
Colt	Jones, Wash.	Norris	Underwood
Culberson	Kellogg	Oddie	Walsh, Mont.
Cummins	Keyes	Page	Warren
Curtis	King	Phipps	Watson
Dial	Ladd	Poindexter	Williams
Dillingham	La Follette	Pomerene	
Ernst	Lenroot	Reed, Mo.	

Mr. CURTIS. I wish to announce that the Senator from Ohio [Mr. WILLIS] is absent, due to illness in his family.

I also wish to announce that the Senator from Illinois [Mr. McCORMICK] is detained on official business.

Mr. GERRY. I wish to announce that the Senator from Kentucky [Mr. STANLEY] is necessarily absent on account of a death in his family.

Mr. PAGE. I was requested to state that the Committee on Banking and Currency is holding a very important hearing, at which three members of the Cabinet are present, and that if necessary to constitute a quorum the members of the committee will come to the Chamber; otherwise they ask to be excused.

The VICE PRESIDENT. Fifty-eight Senators have answered to their names. A quorum is present.

EXCESS EARNINGS OF RAILROADS.

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Interstate Commerce Commission, transmitting, pursuant to Senate Resolution 379, submitted by Mr. CAPPER and agreed to December 15, 1922, information relative to the determination and recovery of excess railway operating income, etc., which was referred to the Committee on Interstate Commerce.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 13180. An act making appropriations for the Treasury Department for the fiscal year ending June 30, 1924, and for other purposes;

H. R. 13316. An act making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13232. An act making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1924, and for other purposes.

PETITIONS AND MEMORIALS.

Mr. PHIPPS presented resolutions adopted by Henry W. Lawton Camp, United Spanish War Veterans, Department of Colorado and Wyoming, protesting against the action of the Board of Review, Bureau of Pensions, in rejecting claims filed under the act of June 5, 1920, for pensions on account of disability, which were referred to the Committee on Pensions.

Mr. NELSON presented, in the nature of a memorial, a letter from the Federal Cartridge Corporation, of Minneapolis, Minn., remonstrating against the discriminatory tax in existing law upon small-arms ammunition, which was referred to the Committee on Finance.

Mr. WARREN presented resolutions of the board of directors of the Cokeville (Wyo.) National Farm Loan Association, favoring the enactment of legislation amending certain sections of the Federal farm loan act, especially relative to the present loan limit, which were referred to the Committee on Banking and Currency.

Mr. LADD presented a petition of sundry citizens of Jamestown, N. Dak., praying for the enactment of legislation repealing the discriminatory tax on small-arms ammunition and firearms, which was referred to the Committee on Finance.

ENROLLED BILL PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on December 29, 1922, they presented to the President of the United States the enrolled bill (S. 3295) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce.

BILLS AND A JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIAMS:

A bill (S. 4249) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on Civil Service.

By Mr. CAPPER:

A bill (S. 4250) for the relief of Frank P. Trott; to the Committee on Claims.

By Mr. WALSH of Montana:

A bill (S. 4251) for the disposition of refractory lands on the Huntley irrigation project, in the State of Montana; to the Committee on Irrigation and Reclamation.

By Mr. WATSON:

A bill (S. 4252) providing for a commissioned status to sanitary engineers in the Public Health Service of the United States; to the Committee on Finance.

By Mr. WALSH of Montana:

A joint resolution (S. J. Res. 262) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

TRANSACTIONS OF EMERGENCY FLEET CORPORATION.

Mr. KING. Mr. President, I send to the desk a resolution asking for certain information from the Shipping Board, which I ask to have printed and lie upon the table.

The resolution (S. Res. 388) was ordered to lie on the table, as follows:

Resolved, That the Shipping Board is hereby directed to report to the Senate the names of all officers and employees of the Emergency Fleet Corporation, together with a statement of the salary or compensation which is paid to each of them; a list of all persons who have received passes or gratuitous transportation on vessels operated by or for the account of the Emergency Fleet Corporation, with particulars as to the voyages made by such persons and the relations such persons have to the Shipping Board or to any of its officers or employees, together with a statement of the regular passage fares which would have been charged for such voyages; a statement of all charter parties, general or special, entered into for or on behalf of the Emergency Fleet Corporation or the Shipping Board since January 1, 1920, with particulars as to the vessels covered by such charter parties, the voyages made, cargo tons carried inbound and outbound, the amount of revenues received and the expense accounts allowed, together with a statement of all allowances for entertainments and the cost of any intoxicating liquors, and of all amounts of money paid under such charter parties, and to whom paid; a statement of all moneys which had been paid at any time for advertising publicity or propaganda; and a statement containing a complete list of all the vessels at any time owned or controlled by the Emergency Fleet Corporation, the gross tonnage of every such vessel, the date of acquisition of every such vessel, the parties from whom such vessels were acquired, whether by contract for construction, requisition, or seizure, the amount of money paid for every such vessel, the amount of money spent upon every such vessel since acquisition, the disposition of every such vessel, and if sold or transferred, the amount of money received by the Shipping Board for such vessel, and a statement of the present status of every such vessel, giving its location and the use or service, if any, to which such vessel is subjected.

MERGER AND ORGANIZATION OF MEAT-PACKING CORPORATIONS.

Mr. NORRIS. Mr. President, I ask unanimous consent to introduce a Senate resolution. I desire to have it read and then referred to the Committee on Agriculture and Forestry.

The resolution (S. Res. 389) was read and referred to the Committee on Agriculture and Forestry, as follows:

Whereas it is currently reported in the public press that Armour & Co., one of the five largest meat-packing corporations in the world, is forming a corporation under the laws of the State of Delaware with a capital stock of $160,000,000, with the announced purpose of taking over the interests of said corporation in Chicago, Ill., and elsewhere; and

Whereas it is common knowledge that negotiations have been pending for some time between said Armour & Co. and Morris & Co., another one of the five largest meat-packing establishments in the world, with the avowed purpose of the merging of said meat-packing corporations under the name of Armour & Co.; and

Whereas it is currently reported in the public press that the total amount of stocks and bonds to be issued upon the combining of said corporations is very materially in excess of the amount of property involved; and

Whereas the carrying out of such proposed merger of two of the largest packing establishments in the world is liable to be detrimental to the public interests and to unlawfully restrain trade (1) in that such merger will tend further to limit the number of large purchasers of live stock from farmers and producers, and (2) will very materially reduce competition in the production of meats and packing-house products and thereby tend to increase the cost of living to the consumers of the country: Therefore be it

Resolved, That the Federal Trade Commission be, and it is hereby, directed to make a full and complete investigation of the organization of said proposed corporation under the laws of the State of Delaware, and also of the proposed merger of the said two corporations, and report to the Senate whether the organization of said corporation and the combining of said corporations are in violation of law and to what extent, if any, the carrying out of such merger will tend to eliminate competition in the purchase of live stock and to increase the cost of living to the consumers.

RETAIL PRICE OF SHOES.

Mr. SMOOT. Mr. President, at the request of George M. Spangler, secretary-commissioner of the National Shoe Retailers' Association of the United States of America (Inc.), I ask that this letter addressed to me, dated December 21, 1922, be printed in the RECORD without reading.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL SHOE RETAILERS' ASSOCIATION OF THE UNITED STATES OF AMERICA (INC.),
Chicago, December 21, 1922.

Hon. REED SMOOT,
Senator from Utah, Washington, D. C.

MY DEAR SIR: Our attention has been called to an article appearing in the Denver Post of December 17, 1922, in which you are quoted as stating that you bought a pair of shoes for Mrs. Smoot for which you paid $17, and that in a Salt Lake City hotel you were told by a traveling shoe salesman that these identical shoes sold for $5.75 all over the United States.

The National Shoe Retailers' Association, by virtue of its direct and constant contact with shoe retailers throughout this country, definitely knows that whoever told you that these shoes retailing for $17 could be purchased for $5.75 told you a positive falsehood, because we know that such conditions do not and could not exist.

Now, as an individual, certainly you are at perfect liberty to be convinced on insufficient proof or say so, but in your official capacity it does seem that a United States Senator should be certain of his ground before he voices such a statement.

We would like to ask you for the name of whoever vouched for the statement you have made, which statement carries such a gross injustice to the shoe-retailing industry of our country.

During January, February, and March of 1922, in conjunction with the Joint Commission of Agricultural Inquiry, Hon. SYDNEY ANDERSON, chairman, the National Shoe Retailers' Association, made an exhaustive inquiry, country wide, embracing shoe stores, large and small, as to costs, turnover, and profits, and the results of that exhaustive inquiry are now a matter of record, tabulated over a period of seven years, arranged according to Federal trade districts, established by percentages, and accepted by Congress. These figures show that the average net profit over a period of seven years is 6.17 per cent.

We know through facts and provable figures that the retail shoe dealer of the United States is not a profiteer and we have so proved to the Joint Commission of Agricultural Inquiry, have been given a clean bill of health from that unjust charge, and it is certainly a gross injustice to have one of your standing and in your official capacity to publicly voice such an erroneous statement.

Very truly yours,

GEORGE M. SPANGLER, *Secretary.*

NAVAL APPROPRIATIONS.

Mr. POINDEXTER. Mr. President, I ask that the Senate proceed with the consideration of the naval appropriation bill.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from Tennessee [Mr. MCKELLAR], which will be read.

The READING CLERK. On page 9 it is proposed to strike out lines 1 to 5, inclusive, in the following words:

OFFICE OF NAVAL INTELLIGENCE.

For employees in the Office of Naval Intelligence, $30,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum except two persons at $2,000 each.

The amendment was rejected.

Mr. POINDEXTER. In this connection I ask to have printed in the RECORD upon the subject of the amendment a letter from the Assistant Secretary of the Navy.

The VICE PRESIDENT. Without objection the letter will be received and printed.

The letter is as follows:

NAVY DEPARTMENT,
ASSISTANT SECRETARY'S OFFICE,
Washington, December 28, 1922.

MY DEAR SENATOR: The Office of Naval Intelligence is primarily charged with the functions enumerated below. I have divided them into peace and war-time activities, because you can see that necessarily war conditions would engender situations which would have to be met in a different manner.

PEACE-TIME ACTIVITIES.

Collection and classification of information from abroad and at home for the use of the Navy Department in peace and in war.

Publication and dissemination of such information for use of Government officials requiring it.

Direction of the Navy Department library and historical section.

Direction of all United States naval attachés abroad.

Official channel of communication with all foreign naval attachés in the United States.

Direction of naval missions of an educational character in foreign countries.

Direction of the intelligence officers attached to ships and stations.

Maintenance of close touch of all naval activities both in and out of the Navy Department.

WAR-TIME ACTIVITIES.

In time of war these duties are extended to the assistance of other departments in discovering and bringing to justice persons engaging in activities against the United States.

Censorship of cables and radios.

Protection of industrial plants.

Ship inspection.

Supervision of passports.

The Office of Naval Intelligence has no detective force or police force for the investigation or prevention of crime. The commandant of the naval district has an intelligence officer who collects naval information for the Office of Naval Intelligence, and who, in the performance of this duty, does occasionally discover matters which should be and are promptly brought to the attention of the Department of Justice, which has jurisdiction in such cases.

Naval Intelligence in peace time has no duties connected with guarding Government property or preventing theft. However, it cooperates closely with the Department of Justice and gives to that department every assistance possible in the detection of crime pertaining to the naval service.

With reference to the article appearing in the public press on December 20, quoted on the floor of the Senate, to the effect that there had been thefts in the New York naval district of naval stores amounting to about $1,000,000, the facts are as follows: The value of thefts disclosed are in the neighborhood of $1,500. The indictments found by the grand jury charge conspiracy and theft of materials of a total value of about $2,100 only. The articles apparently stolen include paints, paint brushes, clothing, books, cloth cuttings, towels, and provisions.

The value of materials stored in the New York naval district is over $50,000,000. A running inventory of these materials is maintained throughout the year. Owing to the great amount of material on hand and to the consequent possibility of small peculations, the officers of the naval district decided last August that it would be good

policy to ask the Department of Justice agents to undertake an investigation along this line. The statement made in the article which refers to the Office of Naval Intelligence is entirely without foundation. They were in no way concerned in the matter. As a consequence of the report of the agents of the Department of Justice 23 persons were indicted by the grand jury under the direction of the district attorney, were arrested, and are now held for trial or have been bailed awaiting trial. The amounts we have established as involved are those I have mentioned above.

Considering the amount of supplies on hand and the extensive nature of the transactions, I feel that this record compares favorably with that of any private concern so situated.

Yours very truly, THEODORE ROOSEVELT.

Hon. MILES POINDEXTER,
United States Senate, Washington, D. C.

Mr. KING. Mr. President, I understood that the Senator from Tennessee [Mr. MCKELLAR] had offered an amendment which was pending.

The VICE PRESIDENT. The amendment was just voted upon.

Mr. KING. That was the amendment relative to the Naval Intelligence Office.

The VICE PRESIDENT. It was the pending amendment that was voted on.

Mr. KING. Then the Senator from Tennessee offered another amendment last night.

Mr. MCKELLAR. I believe the Naval Intelligence amendment was the pending amendment. I now offer the amendment which the Secretary has on his desk providing for a reduction of 19,000 in the enlisted personnel of the Navy.

Mr. KING. Let the amendment be reported.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 30, line 8, add the following additional proviso:

Provided further, That the enlisted personnel of the Navy shall not exceed 67,000 men.

Mr. MCKELLAR. Mr. President, I shall take only a moment or two in explanation of the amendment which I have offered.

My amendment provides that the number of enlisted men in the Navy shall be 67,000 instead of 86,000, as provided by the bill. I am a friend of the Navy. I think I have voted for every bill looking to the building up and maintaining of our Navy. I am loath to disagree with the report of the committee in this case, and I want to stop here long enough to say that I do not blame the officers of the Navy at all, and the officials of the Navy Department, for desiring to build up the Navy and making it as great as possible. They show a fine spirit in so acting, and I wish more of the departments would take a live and active interest in their own department affairs. If we had had the same activity and determination to win in behalf of the building up of our merchant marine on the part of the Shipping Board, for instance, as we have in charge of the Navy Department in the building up of the Navy, we would have a very much better merchant marine.

So I have no word of criticism of the Navy Department for wanting the 86,000 men. But I want to point out to the Senate very briefly the reasons why we ought not to appropriate for 86,000. A committee of the House carefully examined into this matter about a year ago, and reported that 67,000 were ample to man all of our ships and do all of the shore duty necessary, and upon the motion of Mr. VARE, of Pennsylvania, in the House, I believe, the report of the committee was overturned, and the House fixed the number at 86,000 men. The committee made a thorough examination, and its report is unanswerable. The House was in error in overturning it. The department does not need the men appropriated for. If war was actually on we would have more men on our capital ships than were originally designed for those ships when the ships were built.

Mr. President, when I say to the Senate that the United States Navy will have this year, if this bill passes, 86,000 men, and that the British Navy proper has only 84,000 men, I think it ought to be apparent to everyone that we have more men in our peace-time establishment in the Navy than we ought to have. Surely, whatever else may be said of Great Britain, she understands how to maintain her navy. Ordinarily I think it might be well conceded that the British Navy is about one-third larger, or nearly one-third larger, than the American Navy. Why should the American Government, with a Navy so much smaller, have, at this enormous expense, even more enlisted men in her Navy than they have in the British fleet?

Mr. President, we have 2,186 more enlisted men assigned to the 18 capital ships which we have under the treaty which was the result of the peace conference than Great Britain had to a like number and a like kind of capital ships, even in 1918, when the greatest war in all the history of the world was going on. Why is it necessary, I ask, for us, with this enormous burden of taxation upon the people, to tax ourselves for this 19,000 additional men for whose maintenance there has been no reason offered?

The cost of enlisted men is a very great cost. According to the experts, the cost of these 19,000 men will amount to about $30,000,000. This amendment, if adopted, will cut off about $30,000,000 from the appropriation. We are appropriating in this bill something like $325,000,000 for our Navy, and up to the time of the Great War in 1914 Germany never spent as much as $200,000,000 on her navy. Great Britain spent but very little more than that at any one time and the United States never spent over about $147,000,000 for her Navy. Now, when President Harding said in his message, just a few days ago, that there was not a war cloud in sight, we are taxing the American people in the enormous sum of $325,000,000 for the maintenance of our Navy for one year, and that, too, in spite of the limitation of armament agreement. It was loudly claimed for the disarmament conference that it would reduce the cost of naval armament. If this bill goes through as reported, we might as well admit that the disarmament conference was of no value. Certainly it did not reduce our appropriations for our Navy. They are just as large or larger this year than last, and I see that Great Britain, France, and Italy are likewise appropriating vast sums for their armies and navies. Evidently the reduction of armament conference was a failure.

As everyone in the Senate knows, I voted for the four-power pact. I was criticized somewhat for that, but I said, in answer to the criticism, that it was at least a part of what I had contended for in advocating the League of Nations; that if we could not get all we asked for, I was glad to get a part of it; that if we got a four-power pact in the Far East, we might be able to make a pact later on for the Near East, and in that way, a part at a time, eventually secure the peace of the world. In addition to that, I stated that it would mean a reduction of taxation to the American people, I thought, if we limited our armament. Yet we find no reduction of taxation for the maintenance of our Navy. There is some reduction for building, but the same enormous amount of over $300,000,000, or something like $325,000,000, for the Navy.

I think it is the part of wisdom, I think it is the part of prudence, I know it is the part of proper economy to reduce the number from 86,000 to 67,000 men. That is ample for all purposes, and we would save about $30,000,000 on that account.

For these reasons I have offered the amendment, and I hope the Senate will adopt it. I think it ought to be adopted. I think we ought to give some concern to this. What has become of the boasted limitation of armament if it is going to cost the American people just as much for our Navy in the future as it has cost them in the past? Prior to 1916 we never spent over about $147,000,000 for the Navy, and only in later years that much. If it is going to be more than double that in the future, what good has been the limitation of armament? I voted wrong when I voted for it. I probably made a mistake when I voted for it, if it is not going to have the effect, which Senators claimed for it and which I claimed for it at the time, of reducing the cost of maintaining our Navy.

Mr. President, it seems to me it is better for the Congress not to put this enormous unnecessary burden upon the American people to keep up the Navy, and I regret very much that the Senator in charge of the bill is not willing to accept my amendment. It ought to be adopted, and I hope the Senate will adopt it.

Mr. KING. Mr. President, I shall support the amendment which has been offered by the Senator from Tennessee [Mr. MCKELLAR]. In addition to the observations which he submitted, I want to call attention to the fact that out of the entire number of 86,000 men provided for in the bill, which does not include the number of officers, nearly 30,000 are employed upon shore or in shore duty or in work which does not take them upon the ships. My recollection is that the number required to man the ships, as provided for in the five-power treaty, was 52,000. Now, it seems to me that to have such a large number, nearly 30,000, on shore is not required and constitutes an unnecessary burden upon the taxpayers.

I find some criticism of that policy in the hearings. Some questions propounded during the House committee hearings indicate there was not complete approval of the policy which retains such a large number of men upon shore. Certainly there could be a reduction of at least 15,000 for shore duty, leaving 52,000 for manning the ships; and that would give approximately the number called for in the amendment offered by the Senator from Tennessee.

Mr. President, all this talk about reduction in the expenses of the Navy, to use the language of the street, is "moonshine."

I have gone over this bill very carefully item by item, contrasting the appropriations herein called for with the appropriations made for the current year, and a comparison will clearly demonstrate that there have been no economies worked out in the Navy Department and in the administration of the activities of that department. In the first place, this bill calls for not $294,000,000 or $295,000,000, as the report indicates, but it calls for more than $325,000,000; how much more it is impossible to determine.

May I say, Mr. President, that I deem such a method of appropriating money exceedingly impolitic and certainly misleading? Any person reading the report of the committee or examining in a cursory way the bill itself and its provisions would not be clearly apprised of the fact that more than $325,000,000 are carried in appropriations.

Mr. POINDEXTER. Mr. President, there is nothing in the report of the Senate committee that justifies the statement of the Senator from Utah. I presume that the report to which he is referring is the report of the House committee, which is incorporated, as the report of the House committee, in the report of the Senate committee. Personally, I think that the House committee report points out very clearly and specifically all the matters to which the Senator from Utah is referring.

Mr. KING. Mr. President, I read from the report submitted by the distinguished Senator from Washington, who has just interrupted me:

> Mr. POINDEXTER, from the Committee on Appropriations, submitted the following report, to accompany H. R. 13374:
>
> The Committee on Appropriations, to which was referred the bill (H. R. 13374) making appropriations for the Navy Department for the fiscal year ending June 30, 1924, and for other purposes, reports the same to the Senate with various amendments, and presents herewith information relative to the changes made.

Amount of bill as passed House	$293,806,538
Amount added by Senate	1,797,840
Amount of bill as reported to Senate	295,604,378

Mr. President, I submit that that statement is not accurate. The amount that is appropriated by this bill, directly and indirectly, is considerably in excess of the figures which I last stated and which I read from the report submitted by the Senator from Washington. As a matter of fact, this bill carries, directly and indirectly, appropriations of over $325,000,000.

Mr. President, we have from time to time since I have been in the Senate condemned the practice of making appropriations in an indirect and uncertain way. No one knows how much will be expended under this bill in excess of the amount stated in the report, although it is conceded that a critical examination of the report and the bill, together with supplemental figures which may be obtained, will reveal the fact that at least $325,000,000 are carried directly and indirectly.

The fair and proper method of dealing with these appropriations so that we may know from year to year the amount which is appropriated is to state directly in language which is unmistakable exactly what is appropriated.

This bill authorizes the disposition of certain properties and the application of the proceeds derived therefrom to certain activities provided for in the bill. How much will be realized from the sources just indicated can not, as I understand the facts, be accurately determined.

Then, Mr. President, authority is given in the bill to resort to funds heretofore appropriated and unexpended, from which may be subtracted millions of dollars; how much I am not able accurately to determine; but, as I have submitted, the amount will be in excess of $325,000,000. Mr. President, anyone picking up the committee report and examining it will reach the conclusion that we are appropriating less than $300,000,000, whereas the fact is that this bill carries more than $325,000,000. I charge that the report in that respect is misleading. It seems to me that the chairman of the committee, the able Senator from Wyoming [Mr. WARREN], who is so familiar with appropriations and has exerted himself in an effort to give clarity and definiteness to appropriation bills, would protest against this plan.

I should like to know just exactly what is being appropriated. If we deem the amount specifically named of two hundred and ninety-odd million dollars inadequate, let us state what further sum shall be appropriated. If there are funds undisposed of in some of the bureaus or executive agencies of the Government, instead of giving authority to resort to those indefinite funds we ought to determine just what amount is needed to supplement the direct appropriation made and make another specific appropriation covering what we deem to be necessary——

Mr. POINDEXTER. Mr. President——

Mr. KING. Just a moment—and then provide that those indefinite sums unexpended by agencies or bureaus of the department shall be covered into the Treasury of the United States. In that way we would have an intelligent grasp of the appropriations made and we would know something definite as to the fiscal policies and the fiscal affairs of the Government.

Mr. POINDEXTER. Mr. President——

Mr. KING. I yield.

Mr. POINDEXTER. Will the Senator point out any language of the bill that carries any indefinite appropriation?

Mr. KING. The Senator admitted——

Mr. POINDEXTER. Of course, there can not be anything used except what is authorized by the law. When this bill becomes a law no money can be used under it except as authorized by the language of the bill. If the Senator will point to anything in the bill that is justly subject to the censure which he has just directed toward it, I shall be very much more enlightened by his suggestion.

Mr. KING. I inquire of the Senator does not this bill authorize the application to various purposes of funds which may be derived from the sale of governmental property?

Mr. POINDEXTER. It does, and in doing so refutes the statement the Senator has just made about indefinite appropriations. It does it specifically and definitely to the extent of $450,000. The particular property is mentioned and the purposes for which the proceeds are to be used are provided for in the bill.

Mr. KING. In the first place, it is not certain as to the amount which will be realized from the sale of the property. What ought to be done is to sell the property and cover the proceeds into the Treasury, and if an additional appropriation is required either in a deficiency bill or in this bill itself provision should be made for the additional amount.

May I inquire further of the Senator if it is not a fact that this bill contains a provision which will enable the Navy Department to resort to various funds which have not as yet been exhausted?

Mr. POINDEXTER. Yes; it contains an express authorization for the use, for the purposes for which such funds have been appropriated, of the unexpended balances in those funds, and thereby is absolutely definite and specific. There is nothing concealed about it.

Mr. KING. Oh, Mr. President, the conclusion which the Senator draws, in my opinion, is not quite warranted by the facts. The Senator can not tell now just what funds are at the disposal of various bureaus and agencies upon which drafts may be made at some time during the next fiscal year.

Mr. POINDEXTER. Why does the Senator say that? I do not know what warrant the Senator has for saying that I can not state the amounts.

Mr. KING. Does the Senator know?

Mr. POINDEXTER. I can get the exact figures down to cents for the Senator if he desires them. The mere fact that the Senator can not get them is no indication that the facts do not exist.

Mr. KING. Does the Senator now know what is the unexpended balance in each fund that was created, and does he know what that unexpended balance will be on the 30th of June?

Mr. POINDEXTER. No; I do not know what they will be on the 30th of June, but I have the information as to what they are now, and that is what we are referring to in this bill. They can not be any more on the 30th of June; they are bound to be less on the 30th of June than they are now, because some portion of the funds, probably, will be expended between now and then. They amount to about $2,000,000. I will give the Senator the exact figures.

Mr. KING. Will the Senator advise the Senate now of the sources from which he expects the Navy Department under this bill will be permitted to draw during the coming fiscal year?

Mr. POINDEXTER. Yes, I will advise the Senate, but it is such an obvious matter that I think the Senate probably is already advised—that is, those Members of the Senate who have read the bill and taken an interest in the matter. I mentioned a moment ago two of them; one of them is $450,000 for ordnance. There is an authorization to use the money that is derived from the sale of ordnance materials to the extent of $450,000. That is one item. The other one is the authorization for the use of $35,000,000 for carrying on the construction of the ships in which the Government is now engaged, which is to be taken from a fund which contains something over $200,000,000, that fund being known as the "general supply account fund." It was considered by the House and considered by the Senate committee not to be advisable to keep a fund of that size unused out of the Treasury and subject to the purposes for which the "general supply account fund" was established, and so they proceeded to reduce that fund by authorizing the use of $35,000,000 of

it, as is specified in the bill in the most definite and specific language, in order, without the necessity of stopping work and starting it again or discharging men and employing them again, which always entails extravagant waste and unnecessary expense, to proceed economically and continuously with the work upon the ships to which the Government is committed and which are now in process of construction. All of that is pointed out in the report and all of it is set forth in very definite language by the bill.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. KING. I yield.

Mr. McKELLAR. I should like to ask if the $200,000,000 that the Senator says is now in the fund is held under the title "Increase of the Navy"?

Mr. POINDEXTER. The fund is not held under that title. It is held under the title of "General supply account fund of the Navy," but the authorization of the use of portions of it is under the head in the bill of "Increase of the Navy."

Mr. McKELLAR. I desire to call the attention of the chairman of the committee and the Senator from Utah to the language on page 53 of the bill, under the head "Increase of the Navy":

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy," together with the sum of $19,097,000—

As amended by the Senate—

which is hereby appropriated, for the prosecution of work on vessels under construction on such date—

And so forth. If there are $200,000,000 in that fund, evidently this language would reappropriate all of the $200,000,000.

Mr. POINDEXTER. No; the Senator is mistaken about that.

Mr. McKELLAR. I am trying to get information. I do not know what that means unless it means what I have said, and I shall be glad to have any information from the Senator.

Mr. POINDEXTER. I am undertaking to give the Senator such information as I have in regard to it. The language which the Senator has just read does not refer to that fund at all. It has no effect on it. It appropriates nothing out of it. It refers to unexpended balances, which is the language of the section, and which could not mean anything except what it says.

Mr. McKELLAR. Mr. President——

Mr. POINDEXTER. The Senator asked me to give him information. I may not have as much as I ought to have, but if he will just permit me for half a minute to proceed to give him such information as I have I shall be very much obliged to him.

Mr. McKELLAR. Very well; I shall be very glad to have the Senator do so, because that is what I want to know.

Mr. POINDEXTER. What the Senator is talking about is contained in another part of the bill. The language which he has just read had nothing whatever to do with it. If the Senator will turn to page 54 of the bill, line 25, he will find the language which covers the subject which he is talking about; that is—

Provided, That in addition to the funds hereinbefore made available for "increase of the Navy" the Secretary of the Treasury is authorized and directed to make transfers during the fiscal year 1924 from the naval supply account fund and the clothing and small stores fund to the appropriation "increase of the Navy" of sums aggregating $35,000,000.

That is what I referred to a moment ago.

Mr. McKELLAR. Yes; I noted that, and I note that that is a proviso, a limitation on the preceding part of that section. The general language reappropriates all the money in that fund, and this is a limitation to $35,000,000. I may be in error, but this language on page 53 is the principal part of that section and the part to which the proviso is merely a proviso or limitation; and unless I am greatly mistaken the whole $200,000,000—if the Senator says there is that much in that fund—is reappropriated in this language:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "increase of the Navy," together with the sum of $19,097,000.

That reappropriates it all for some purpose. The $35,000,000 in the proviso on pages 54 and 55 is a limitation to the statement that I have just read.

Mr. POINDEXTER. The Senator has done a remarkable thing in discovering here, just while he is arguing the bill, a construction of it which nobody on the committee of the House of Representatives—which contains a lot of very able men, who devote their entire time to that matter—and nobody on the Senate committee, and nobody in the Navy Department has ever discovered. It is quite a startling fact if it is a fact, but I do not see how anybody could possibly give that construction to it.

Mr. McKELLAR. Mr. President, I want to say in reply to that, if the Senator from Utah will permit me——

Mr. KING. I yield.

Mr. McKELLAR. I ought not to have taken so much of the Senator's time, but if he will permit me I will say in answer that I had no idea—there was nothing in the report to show—there were in this fund $200,000,000 of unexpended balances. If there are, as the Senator from Washington has just told us, $200,000,000 of unexpended balances in this fund, then this language reappropriates it—there can not be any question about that—and the Navy Department can use it. There can be no question about that, and the language here reappropriates that money, whatever the committee or whatever the Senator might have thought about it.

Mr. POINDEXTER. Will the Senator point out the language which reappropriates it?

Mr. McKELLAR. Why, of course. I have read it twice, and I will read it again.

Mr. POINDEXTER. Just read the words.

Mr. McKELLAR. I will read it. I have read it twice, and I will read it again:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "increase of the Navy," together with the sum of $19,097,000—

And that takes in all of the unappropriated balances.

Mr. POINDEXTER. The Senator has just read language which authorizes the Secretary of the Navy to use unexpended balances under appropriations heretofore made on account of increase of the Navy. There can not be any mistake about that language.

Mr. McKELLAR. Not at all.

Mr. POINDEXTER. "Unexpended balances * * * under appropriations heretofore made on account of 'increase of the Navy'" is the language used.

Mr. McKELLAR. Yes.

Mr. POINDEXTER. Now, just permit me for half a moment. The fund which the Senator is talking about is not an appropriation for increase of the Navy, and so it can not be affected in any way whatever by the language which he has just read.

Mr. McKELLAR. I just asked the Senator that very question, and the Senator stated, in answer to a previous question of mine, that the $200,000,000 was under that fund.

Mr. POINDEXTER. No.

Mr. McKELLAR. Or I so understood him.

Mr. POINDEXTER. The Senator misunderstood me. I did not make any such statement. I stated the contrary.

Mr. McKELLAR. The report does not refer to it in any way in the world and it seems to me it ought to refer to it.

Mr. KING. Mr. President, I confess that the explanation of the Senator from Washington, while doubtless clear to others, is not very lucid so far as I am concerned. I had in mind the same point which the Senator from Tennessee has just submitted. I read, and I ask the permission of the Senate to read again, the language which he has read, namely:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy."

Now the Senator calls attention to another provision, found on page 55, namely:

That in addition to the funds hereinbefore made available for "Increase of the Navy," the Secretary of the Treasury is authorized and directed to make transfers during the fiscal year 1924 from the naval supply account fund and the clothing and small stores fund to the appropriation "Increase of the Navy" of sums aggregating $35,000,000.

It may be, although that is not clear, that there are two funds, one denominated "Increase of the Navy," which contains a large unexpended balance, and another fund from which $35,000,000 may be drawn under the authorization found on page 55. I should like to ask the Senator whether there are two funds from which drafts may be made by the Secretary of the Navy; whether he may use all the unexpended balances found in the account entitled "Increase of the Navy," and also $35,000,000 from the fund referred to on page 55?

Mr. POINDEXTER. Why, certainly not. As I just explained in a colloquy with the Senator from Tennessee [Mr. McKELLAR], the fund referred to on pages 53, 54, and 55—to use the Senator's designation of it—is not an appropriation for increase of the Navy, and so language in the bill authorizing the use of unexpended balances under appropriations for increase of the Navy could have no effect at all on it.

Mr. KING. I do not know that I fully comprehend the Senator's meaning. I should like to ask him so that we may get an understanding, what funds there are now unexpended under the head "Increase of the Navy." Certainly there are some funds under that bookkeeping title employed by the Navy Department, or this language would not be found in the bill.

Mr. POINDEXTER. I suppose it might be called a fund, but the Senator has already designated it. It is money appropriated for increase of the Navy. It is referred to as a balance. It is not ordinarily referred to as a fund. There are certain more or less permanent funds, one of which is the fund of the naval supply account, another of which is the clothing and small-stores fund, and neither one of those is an appropriation for increase of the Navy. The Senator can see by the necessary implication of the language that they could not have any relation to increase of the Navy.

Mr. KING. I am inquiring of the Senator what funds or balances now exist under the technical title "Increase of the Navy" which would be appropriated by the language found on page 53?

Mr. POINDEXTER. I am informed that there will be nothing at all. As I said a moment ago, I can not tell exactly what will be expended between now and the 1st of July, the end of the fiscal year; but I am informed by the Navy Department that at the present rate of expenditure all the money that was appropriated last year will be exhausted by the end of the fiscal year, so that there will be nothing left in the balance for the increase of the Navy.

Mr. KING. Mr. President, obviously the committee thought that something would be available, because they use this language:

> The Secretary of the Navy may use the unexpended balances on the date of the approval of this act.

There must have been something in contemplation. The figures in the department must have shown that in the latter part of December, 1922, or the beginning of January, 1923, there would be some balance in the fund labeled "Increase of the Navy." What I am trying to get at is, what amount did the committee think they were appropriating by the bill?

Mr. POINDEXTER. They thought they were appropriating anything that would be left in that fund at the end of the fiscal year, if there was anything left. The Senator says there must be something left. He is perfectly welcome to assume that if he wants to. If there is anything left, it will be carried by this appropriation; but I repeat to the Senator—this is the best information that is available—that at the present rate of expenditure, and under the commitments which have been made, the Navy Department is of the opinion that there will be nothing left in that fund at the end of the fiscal year. The Senator says there must be something left in it. If he chooses to act on his assumption that there must be something left, I have nothing further to say about it.

Mr. KING. Oh, Mr. President, the Senator plays with words and, it seems to me—and I say that with all due kindness—is not quite frank in the presentation of this matter. I stated that the committee obviously must have felt that there would be something in the fund, some balance, or they would not have made the appropriation; but let me say to the Senator that the committee do not employ the language "at the end of the fiscal year." The bill provides: "The Secretary * * * may use the unexpended balances on the date of the approval of this act." Now, what I am trying to get at is this——

Mr. POINDEXTER. The Senator is a very able lawyer, and it ought not to be necessary for me to explain to him a simple matter such as the fact that it is not necessary to insert a provision in this bill to authorize the expenditure of funds the expenditure of which has already been authorized by the appropriation act of last year, which covers the period of the fiscal year up to June 30, 1923. The appropriations carried in the pending bill are for the fiscal year 1924, and the authorization carried in this bill for the use of unexpended balances is to cover the period of time not covered by last year's act.

Mr. KING. Mr. President, that is not the language of the bill, of course. The language of the bill is that any unexpended balances appearing in that fund at the date of the approval of this act are appropriated. The Senator from Washington is a very able lawyer and a very wise legislator, and I am sure that not only his State but the country will suffer materially by not having his able services here in the future. But may I ask the Senator, if it be a fact that this language was intended to apply only after the expiration of the fiscal year, why was the language employed that the appropriation should be of any balance found in the fund "at the date of the approval of this act"?

Mr. POINDEXTER. Because the act could not have any effect until the date of the approval of it. It was to cover all of the funds in existence when the act went into effect. It should not be necessary to explain that, and I think the Senator really understands it. I do not know whether the Senator is asking these questions in good faith or not. Of course, the purpose of specifying the date of the approval of the act was to specify the amount of money that was in the fund at the time the act became effective.

Mr. McKELLAR. Mr. President, if the Senator from Utah will yield to me, I would like to ask the Senator in charge of the bill two questions, and I assure him they are both asked in good faith. The first of these questions is this: Is the entire sum of $200,000,000, which the Senator said was in some fund, all reappropriated by this bill, or is only $35,000,000 reappropriated?

Mr. POINDEXTER. The $35,000,000 is not appropriated, because it has already been appropriated, but a transfer of the fund is authorized to the extent of $35,000,000.

Mr. McKELLAR. Then, as I understand, there will be $165,000,000 unexpended in the department which are not reappropriated by this bill. Is that correct?

Mr. POINDEXTER. Whatever the balance is. The figures which I gave as to the amount in the fund now may not be exact—they are only approximate; but there will be left in the fund all except the $35,000,000, the transfer of which is authorized by this bill.

Mr. McKELLAR. Then I understand that in a general fund the unexpended balances now in the hands of the Navy Department are about $200,000,000; that $35,000,000 of that $200,000,000 is reappropriated, and on July 1 the other $165,000,000, or thereabouts—of course, I am not speaking accurately of the amount, nor is the Senator, I assume—will be covered into the Treasury.

Mr. POINDEXTER. No.

Mr. McKELLAR. What will become of the $165,000,000?

Mr. POINDEXTER. It will remain just where it is now. It has already been appropriated. It is not in the general fund of the Navy. It is in the general supply account fund. The balance of that fund, other than the $35,000,000 which will be transferred if the bill passes, will remain just exactly where it is now, not being affected in any way whatever by this bill. In other words, it will remain in the general supply account fund for the Navy.

Mr. McKELLAR. Why is an unexpended balance of $165,000,000 left in the Treasury undisposed of and unused? What is the purpose of it?

Mr. POINDEXTER. The object was to have a revolving fund of a considerable amount, especially during the war, out of which supplies, clothing, and small stores could be purchased and kept on hand by the department for the current uses of the department and to meet emergencies as they arose.

Mr. McKELLAR. That was a war measure, was it not? Why should we keep in the department a revolving fund of $165,000,000 in such an account? I am asking the Senator in good faith for information.

Mr. POINDEXTER. I think the criticism of the Senator from Tennessee is a very sound one—that this fund is too large, and ought to be reduced—and the transfer of $35,000,000, as authorized by this bill, is for the very purpose of reducing that fund. Of course, if the Senator wants to increase the amount transferred beyond that which is carried by this bill, so as to reduce the fund still further, I do not know that I would object to it, although I am inclined to think that the amount provided here for increase of the Navy is about all that can be economically expended during the next fiscal year.

Mr. McKELLAR. My purpose is not to add to the expenditures at all; I wish to cut down the expenditures as much as can reasonably be done and keep our Navy as it should be; but it does not appear from what the Senator says that that fund is any longer necessary; and, if that is so, why should it not be restored to the Treasury, in these times when taxes are so high and money is so scarce? It seems to me to be the part of wisdom to let that $165,000,000 be covered back into the Treasury on the 1st of July, or immediately upon the passage of this bill. I should think that would be the prudent way of legislating. If the Senator will yield just a moment, if I understand the contention of the Senator from Utah, which I think is well taken, it is that this habit of putting down actual appropriations from the Treasury at $294,000,000, say, as is carried in this bill in round numbers, and then reappropriating from large balances, or unstated balances, is a very poor way of legislating, and it seems to me those balances ought to be disposed of before we make other inroads on the Treasury to carry on the affairs of the Navy.

Mr. KING. Mr. President, I do not know why the Senator from Washington should challenge the good faith of anybody in propounding inquiries in regard to this bill. This is one

of the most important of the appropriation bills, and but few Senators have given it attention and but limited information has been given the Senate concerning its provisions. There should be more inquiries and fuller discussion of its provisions.

Mr. McKELLAR. Especially in regard to this fund.

Mr. KING. It has been disclosed now that there is a revolving fund of $200,000,000 carried in the Navy Department. The Senator states that. I was not aware of the extent of the fund. It is disclosed now that instead of making a direct appropriation of $35,000,000 for naval construction, we authorize the Secretary of the Treasury to subtract $35,000,000 from a revolving fund of $200,000,000. The form of the bill gives ground for the criticism that the entire amount carried by the bill is not clearly stated.

The committee reports $295,000,000 appropriated. But in the closing pages of the bill there is found an authorization to take $35,000,000 from a fund, which obviously increases the full amount in the bill to more than $325,000,000.

Mr. McKELLAR. As I recall, the newspapers all carried in their columns the statement that the amount appropriated for the Navy this year was about $294,000,000. It seems to me we ought to be fair with the people and disclose to them just exactly what is appropriated for each department so that they can understand it. Of course, if $35,000,000 or any other sum undisclosed is put in an appropriation bill and the people are not given knowledge of it, I do not think it is exactly fair.

Mr. KING. Mr. President, it seems to me there is no necessity in peace times, in view of the fact that Congress is in almost constant session and in view of the fact that it responds so quickly to demands for deficiencies, to carry a revolving fund of $200,000,000 in the Navy Department. The Senator said that fund is used for supplies, and so forth, so that resort may be had to it in a contingency. We know that departments have been in the habit of creating deficiencies and then appealing to Congress to make appropriations to cover the same, but the Navy Department now, in peace times, knows approximately, indeed almost accurately, what its requirements will be for the year. It knows that if the amount appropriated is inadequate, resort may be had to Congress for relief.

It seems to me the committee ought to have reported as a part of this bill a provision covering a portion of this $200,000,000 into the Treasury of the United States. Then it ought to have frankly made an appropriation of $35,000,000, if that amount were deemed necessary, to aid in the constructive policy in which the Navy Department is engaged.

Moreover, it is demonstrated, from the concessions made by the Senator himself, that the fund first referred to on page 55, which is reappropriated, is not certain, and it is not known how much of that fund will be available at the date of the passage of this bill or at the end of the fiscal year. The Senator states that from present information there will be nothing left in the fund. We do not know whether the information of the Senator is correct or not. There may be a considerable amount left at the end of the year. Whatever it is, much or little, is carried by this bill, and to that extent the bill is indefinite as to the appropriations made.

I submit again that as to that fund there ought to be a provision that whatever balance exists on the 30th of June, the end of the fiscal year, shall be covered into the Treasury of the United States.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. I desire to ask a question of the Senator from Utah, who is on the committee and who can probably answer it. If he can not, I would like to have the acting chairman of the committee answer it. There has been a great deal of property sold by the Navy, supplies which were accumulated during the war and for which they have no use now. I do not know to what extent they have such supplies, but I know quite a large amount of supplies are still on hand in the Navy which they are from time to time selling, as the newspapers report. What I want to know is, does the money coming from those sales go into one of these funds, this revolving fund or some other fund, or is it covered into the Treasury? I would be glad to have the Senator's view on that, if he has the information. If he has not, I would like to know from the Senator in charge of the bill whether the proceeds of sales of property by the Navy Department are covered into the Treasury or whether they go into one of these funds.

Mr. KING. I shall be glad to yield to the acting chairman of the committee to answer that.

Mr. POINDEXTER. I understood the question was addressed to the Senator from Utah, and I did not catch the question in full.

Mr. McKELLAR. I am perfectly willing to have either Senator answer, or to have anyone else answer who has the information.

Mr. POINDEXTER. The proceeds of those sales are listed under the head of "Miscellaneous receipts" and are covered into the Treasury.

Mr. KING. I invite the attention of the Senator from Tennessee [Mr. McKELLAR] to another fact, which will be brought in an acute form to his attention, I feel sure, before the adjournment of Congress. We have been regaled frequently by those who have been indulging in constant panegyrics upon the beneficent results of the Washington conference, that the cost of maintaining the Navy was to be reduced. The American people were led to believe that they were to be relieved of a very large burden as a result of the Limitation of Armament Conference. I warn the Senator from Tennessee that before the adjournment of Congress appeals will be made for an appropriation of from $60,000,000 to $70,000,000 more to "modernize," to use the expression employed, our battleships.

We are being given the naval appropriations in piecemeal. The aggregate amount will thus not appear so large—or at least the country will not receive the shock which the entire amount would create. We will be asked to appropriate $60,000,000 to $70,000,000 more. Already an appeal has been made to the Budget Committee, and I think the Budget Committee has presented the matter to the President and his Cabinet, and in order to modernize the battleships we will doubtless be asked to authorize a stupendous appropriation in addition to the large appropriations carried in the pending bill and heretofore made. The appropriation authorized and carried by the bill and the appropriation which doubtless will be submitted will therefore amount to approximately $400,000,000 for the current year.

Mr. McKELLAR. Does the Senator mean the appropriation is to be made for the purpose of modernizing the 18 capital ships which we were allowed under the program of the Disarmament Conference?

Mr. KING. Some or all; I do not know exactly which ones are to be "modernized."

Mr. McKELLAR. That is something new.

Mr. KING. I said to the Senator it would be brought to his attention in an acute way before the Congress adjourns. I want to say now to some of our navalistic friends that there may be some difficulty in forcing through the Senate of the United States a proposition of that kind during the present session.

The people are being deluded by the constant reiteration that naval expenses have been greatly reduced. As a matter of fact the naval appropriations carried by this bill and by the current year measure is more than double the amount appropriated in either 1912, 1913, 1914, or 1915. The Senator from Washington said the Washington conference had effected a reduction of approximately $180,000,000 in the execution of the 1916 naval program. Of course, it is known that the conference dealt only with capital ships. Yet we will have, and I think that the truth of the statement will soon be made apparent to the public, a request for $60,000,000 to $70,000,000 to change ships already built. The American people will realize, if they have not already realized, that the benefits of the Washington conference have been greatly exaggerated and that the burdens created by the Navy will be much greater than at any time prior to the war.

Mr. McKELLAR. Mr. President, in that connection will the Senator permit me to read a very short article which appeared in the morning Post?

Mr. KING. I yield for that purpose.

Mr. McKELLAR. It looks as if not only America has the mania for enormous appropriations for war purposes but that our friends who joined in the disarmament conference last year have the same sort of views. I quote from the Post of this morning, including the headlines, as follows:

HUGE SUMS FOR ARMS TO BE SPENT BY EUROPE—ENGLAND, FRANCE, AND ITALY PREPARING HUGE ARMAMENT OUTLAY IN 1923.

[Special cable dispatch.]

PARIS, December 29.—The greatest paradox of modern times is found in the fact that the European nations, though ranging from financial depression to the verge of bankruptcy, still are preparing to spend billions of dollars on their armies and navies the coming year.

From reliable authorities in Paris, London, and Rome the following striking comparison of budget statistics for 1923 has been obtained:

France to-day owes 316,984,988,953 francs at home and abroad, of which 40,893,234,000 represents her debt to the United States and 33,983,117,000 her debts to other countries. Nevertheless the new budget to be voted next month calls for 3,661,201,324 francs for the army and 1,121,714,351 francs for the navy.

Great Britain's total debt to-day is £1,090,482,000, of which £920,490,000 is owing to the United States.

Mr. KING. Of course, that is an error. Great Britain's indebtedness is much greater.

Mr. McKELLAR. I shall give the actual figures in a moment. I ascertained by examination that the figure just read was incorrect.

Yet for the coming year the British Army budget is £62,800,000 and naval expenses are estimated at £64,883,500.

Which the Senator will see is considerably less. While England is proposing to spend an enormous sum, yet it is considerably less than we propose to spend on our Navy.

Italy's total debt at the beginning of 1923 will be 122,000,000,000 lire gold, or an increase of 8,000,000,000 since the armistice, of which 8,250,000,000 represent American claims. Premier Mussolini promises army reforms, but without cutting expenses greatly.

He seems to have the same habit that some of those in charge of our Government have of promising to cut down the appropriations, but keeping them quite as large or larger than before.

As a result, the army budget stands at 1,975,000,000 lire and the naval budget 1,405,000,000.

While I am on my feet I desire to correct the amount of Great Britain's debt. Instead of being £1,090,000,000, as stated in the article, the total debt on December 2 was £7,902,000,000, of which about $4,000,000,000 is due the United States.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Alabama?

Mr. KING. I yield.

Mr. HEFLIN. While the Senator from Tennessee [Mr. McKELLAR] was directing our attention to the article which appeared in the Washington Post this morning, it occurred to me that it was quite remarkable that this startling statement should be printed here in our daily papers in the Capital of the United States, just at the time the naval appropriation bill is pending, when an effort is being made to increase the appropriation above that carried in the last bill. Some of us are undertaking to bring down the appropriations in keeping with the purpose we had when we had the disarmament conference in the city of Washington.

It used to be said that there was a committee of propaganda working around the world for the purpose of building big navies in the various countries; that they would come to the United States and show quietly to those in authority that England was about to build two more battleships, France was going to build two more, Germany was going to build two more, and Japan was going to build two more. "Don't you think you had better build two more?" Then the moment we contracted to build two more they would go back around the same circle telling the other powers that we had just made our plans for building two more big dreadnaughts. Thus the propaganda went on and on. It looks to me like the present program is a part of that propaganda. The statement to-day that those countries are expending large amounts of money for the purpose of building battleships and enlarging their armies is evidently put forth for the purpose of affecting legislation in this Chamber. I wonder if it is being used for that purpose.

Mr. McKELLAR. Mr. President, will the Senator from Utah permit me to say that if nations like France, Great Britain, and Italy were able to expend these enormous sums for their armies and navies in these times of profound peace certainly they ought to pay the interest on the obligations they owe us. I say it is to Great Britain's credit that she has already started to pay the interest. I believe from what I know of her history, and especially her desire always to meet her obligations, that she will continue to pay the interest on her debt, as she contracted to do. I hope when her representatives come here—they are now on the way over—that they will not ask alms at our hands but will come prepared to meet their obligations in the same good faith in which those obligations were contracted for their benefit. I believe they will do that. I believe that France and Italy will follow Great Britain's example. I hope that our representatives on the commission, though they are Republicans, will see to it that America does not yield, but will require these nations, who are able to spend such enormous amounts for land and naval armament, to pay the interest which they owe us.

Mr. KING. Mr. President, just a word further in support of the amendment offered by the Senator from Tennessee. I stated a moment ago that under the terms of the treaty we were permitted to have a certain number of capital ships; that under the plan which had provided for 86,000 men 52,000 of enlisted men were regarded as necessary for sea duty. The difference between the 52,000 and the 86,000 represents practically the land forces; that is to say, those who will be upon the land are engaged upon activities that might be denominated land activities in contradistinction to sea service. I repeat that such a great proportion—the proportion of 52 to 86—is not to be justified; 52,000 men for sea service and the difference between 52,000 and 86,000 for land service can not be justified.

In addition to that the bill carries appropriations for tens of millions of dollars for employees, civilians, nontechnical men. I think it would be absolutely impossible for any person to go through the bill and determine the number of employees. I venture the assertion that the number will run into thousands and tens of thousands. In order to get 52,000 men at sea we are spending $325,000,000 to $330,000,000; and that is not all, as I have indicated, because demands will be made shortly for further appropriations.

Mr. President, we have been promised great reforms in the Navy Department following the war. Of course, during the war we looked for more or less of confusion and extravagance in both the War and the Navy Departments. It could not be otherwise. The demands were so great, the hasty mobilization upon land and sea so vigorous, that those things were prolific of extravagance and of waste. But we were led to believe that there would be very great reductions in the personnel and very great reductions in the overhead in the Navy Department following the war.

I have gone very carefully through the pending bill and compared it with the bill which we passed a year ago, and the pending bill carries a larger appropriation and makes, I venture to say, provision for more employees than the bill which we passed a year ago.

Mr. POINDEXTER. Mr. President, does the Senator say it carries a larger appropriation?

Mr. KING. Yes; in the aggregate that is a larger direct appropriation, the amount being over $325,000,000.

Mr. POINDEXTER. The Senator is mistaken about that. It carries more than $18,000,000 less than the bill for the current year.

Mr. KING. The appropriation bill last year, as shown by the committee report, carried less than $300,000,000. It was frequently stated by the Senator and others during the debate, as I recall——

Mr. POINDEXTER. This bill carries less than $300 000,000.

Mr. KING. I beg the Senator's pardon; my understanding is that it carries more than that, the amount exceeding $325,000,000.

Mr. POINDEXTER. No; the Senator is entirely mistaken about that. Let us be frank and accurate in our statements. The pending bill appropriates less than $300,000,000, but it authorizes the transfer of certain funds so as to make those funds available for the increase of the Navy, which, added to the direct appropriations, makes, to give the Senator the exact figures, a total of $325,671,612. The Senator is comparing the appropriations carried by the pending bill with those carried by the bill for the current year, and he is adding to this year's bill the indirect appropriations. Does not the Senator think that, in the interest of fairness and accuracy of statement, he ought also to add to the bill for the current year the indirect appropriations which were authorized just as he adds to the pending bill similar indirect appropriations?

Mr. KING. If that is a question, I answer yes.

Mr. POINDEXTER. When that is done, then the sum total of the appropriations in the naval bill for the current year is found to be $343,857,073.25, which, instead of being less than the appropriations carried in the pending bill, is $18,185,000 more.

Mr. KING. If there were indirect appropriations in the bill for the current year they would be in addition, I have no doubt, to the two hundred and ninety-odd million dollars which were carried by the bill which we passed in the spring of this year. My understanding is that the larger part of those indirect appropriations were not expended, and were either covered back into the Treasury or are held as unexpended balances; so that, as a matter of fact, there has been expended up to the present time considerably less than the $300,000,000, or, rather, at the end of the fiscal year, to be perfectly fair, the direct appropriations plus the authorizations will be less than the two combined.

Mr. POINDEXTER. I thought the Senator was talking about appropriations and authorizations instead of expenditures. If he compares the expenditures of the current year, how is he going to compare them with the expenditures for next year? How can the Senator tell what portion of the funds to be appropriated now for the fiscal year 1924 will be expended at the end of the fiscal year 1924, which will be one year from the 1st of next July?

Mr. KING. I concede, Mr. President, that the fair way of comparing the appropriation bill of last year with the pending one is to take the direct appropriations and then take the authorizations and determine what part of the authorizations be employed. I think the Senator is in error in averring that the $35,000,000 is an authorization. I regard it the same as a

direct appropriation from the Treasury. It must be so, because the revolving fund of $200,000,000, which, let me say in passing, ought not to exist but ought to be covered into the Treasury instead of appropriating, contains Federal funds and from these funds this sum by this bill is taken or authorized to be taken, and we know that it is the intention to at once transfer this sum from the present fund to construction account.

Mr. POINDEXTER. We can not cover that into the Treasury, because a large part of it consists of clothing and property of various kinds. I think there is only at the present time something over $9,000,000 of cash out of the fund of $200,000,000, the balance consisting of supplies.

Mr. KING. Well, Mr. President, if we have such a stupendous amount of supplies as the result of the war, or in part as the result of the war, it is clear they ought to have been disposed of long before this and the proceeds derived therefrom covered into the Treasury. Of course, whatever is required for the maintenance of an adequate quantity of supplies on hand should be reserved, but, aside from that, the balance ought to be converted into money and transferred to the Treasury of the United States. But, as I was stating, Mr. President, the $35,000,000 appropriation is a direct appropriation; it is not a mere authorization. I have no doubt there will be transferred from the revolving fund the $35,000,000, and it will be expended. Obviously it is intended that it shall be expended, for it goes to an account which contemplates its expenditure during the coming year. So the direct appropriation carried by this bill, I insist, will be the amount stated in the Senator's figures in his report of $295,604,378 plus the $35,000,000 which is to be taken from the revolving fund; and then, in addition to that, there is a certain amount, approximately $500,000, which will be derived from the sale of certain property. So I insist, Mr. President, that the appropriations for the next fiscal year are substantially the same and may exceed the appropriations for the fiscal year ending June 30, 1922.

Mr. POINDEXTER. Mr. President, I do not want to be put in the position of admitting that by being silent. I simply wish to repeat what I have said several times already—that, instead of the appropriations carried by the pending bill being greater than those carried by the bill for the current year, they are more than $18,000,000 less.

Mr. KING. Of course, that can only be determined on the 30th of June of the coming year, when we may know what part of the authorized appropriations carried in the bill for the current year has been employed. If the forty-odd million dollars to which the Senator has referred have all been expended, then the Senator's statement is correct; otherwise, I respectfully submit, his position is not accurate.

Mr. President, I say again that, in my opinion, the Navy Department has not effected those economies that we were led to expect that it would; the expenses, if one will examine them, will be found to be so enormous as to excite the surprise and amazement not only of the superficial examiner but of those who make a careful scrutiny of the items of the bill.

Mr. GERRY obtained the floor.

Mr. TRAMMELL. Mr. President, will the Senator from Rhode Island yield to me, in order that I may ask the Senator from Utah a question?

Mr. GERRY. I yield to the Senator.

Mr. TRAMMELL. The Senator from Utah is familiar with the bill, and I should like to ask him if he has considered the paragraph covering the appropriation for the Judge Advocate General's office. I find that the appropriations last year amounted to $35,810, for clerks, clerical aid, and so forth, including lawyers. I find on page 8 of the pending bill an appropriation of $78,720 for the same purposes.

Mr. KING. Let me say to the Senator that my understanding is, while there is a very large increase, a certain office—that of the solicitor of the Navy, or some branch of the Navy—has been abolished or, at least, consolidated with the Judge Advocate General's office, and it is contended that the expenses now of the Judge Advocate General's office comprise items which in the past were carried under two heads. As to whether or not the expenditures heretofore for both divisions exceeded or were less than the appropriations carried by the pending bill, I am not quite able to state.

Mr. TRAMMELL. I noticed the increase, and I thought probably the Senator could give some information about it.

Mr. KING. I may say that the expenditures last year for the Judge Advocate General's office were $29,810, and for temporary employees, $6,000, making $35,810 in all. In the pending bill the amount is much greater.

Mr. POINDEXTER. Mr. President, will the Senator from Rhode Island allow me to make a statement in reply to the question of the Senator from Florida?

Mr. GERRY. Certainly; I yield to the Senator from Washington.

Mr. POINDEXTER. The appropriation carried in this bill covering the two offices which have been consolidated is $3,720 less than the amount carried for the two offices for the current year. I may add also, although it is not essential, that there has been a great increase in the amount of work to be performed by the Judge Advocate General's office as compared to the amount of work that had to be performed by that office when the last appropriation was made. That arises from the fact that recent legislation has given the department jurisdiction to settle and determine claims in much larger amounts than the law previously authorized, and, consequently, there is an increase in the number of claims filed and increased work on that account. In addition to that, recent legislation authorized them to adjust claims of contractors. Where contracts have been interfered with by the end of the war or by war orders of the Government to the damage of contractors, they are required to make an investigation and report as to those matters, which was not required at the time the last appropriation was made.

Mr. GERRY. Mr. President, in the debate to-day there has been considerable discussion as to the number of men distributed among shore assignments. It has been stated that something over 30,000 men were employed on shore duty, and that that number is very disproportionate in comparison to the total strength of the personnel of the Navy. I think it is only fair in discussing this question to consider the character of assignments of these 30,000 men.

In the hearings before the House committee a table is found, on page 27, which shows that on September 30, 1922, the total actually assigned to shore duty was 28,735. I refer to that table because it gives actual figures and not estimates.

Take the item shore base submarine tenders—2,116 men. That looks, of course, on its face as if this was simply shore duty; but, as a matter of fact, the reason we have men at shore bases for submarines is because we have not enough mother ships. In war time they would go to sea with the submarine flotilla, and would now if we had the necessary mother ships. They are really part of the fleet.

Shore activities craft—district vessels—1,367 men. This covers the work done by the naval personnel in manning small vessels for the stations, including the seagoing tugs. I know that the men engaged in the latter activities, in my section of the country at least, are performing most excellent service. They give aid to vessels in distress. Hard work in rough seas.

Nearly 7,000 under training station recruits and trade schools. These are the men that are undergoing training for the active service.

Then another figure: I have taken only a few at random to show that this total number of over 28,000 men that are supposed to be doing shore duty in reality, when we study the items, are part of the fleets.

The item in transit, 1,528, refers to those men who are being transferred from one ship to the other. They are simply going from one fleet to another.

Another item refers to patients in hospitals, 1,841, and prisoners, 760, making a total of 2,501 men. That can hardly be charged as an extravagance in naval expenditure or increasing unduly Navy personnel ashore.

If we add up the above totals, we find that out of this twenty-eight thousand-odd nearly 12,000 are employed in duties that really should not be classified as anything but part of the fleet activities; and that means that, deducting the twelve thousand and odd from the twenty-eight thousand and odd, we find that we have between sixteen and seventeen thousand men classed in shore duty that are actually a part of the fleet.

Mr. HEFLIN. Mr. President, I called attention a moment ago to the article which appears in the Washington Post this morning, the headlines of which were read by the Senator from Tennessee [Mr. McKELLAR]:

Huge sums for arms to be spent by Europe. England, France, and Italy preparing huge armament outlay in 1923.

Mr. President, this article suggests several thoughts. One is that this is a part of a propaganda that has been going on in the world for quite a number of years. People who make money out of manufacturing war implements, the building of battleships, submarines, and other things used in war are interested in keeping that work going on everywhere. One of the greatest forces against the League of Nations in the United States came from those who make money out of war and preparations for war. They used to go from country to country, as I suggested a moment ago, with their propaganda. They would go to Great Britain and tell Great Britain that the United States was building two mighty battleships. Then they would go to

France and tell France the same thing. They would go to Japan and to Italy, and each naval power felt that it was necessary when they found that this great Government was spending a good deal of money in building up its Navy for them to get in the game. Immediately these countries would order the building of two battleships. Then these propagandists would come back to us, and they kept the trail hot from one country to the other, whispering around in secretive and insinuating ways that something was brewing in the world and that America must not be caught napping; that we had better build a tremendous navy also.

Mr. President, during the World War we built up a big Navy, and we now have a Navy second only to that of Great Britain, and she has the greatest navy in all the world. Growing out of the universal desire for peace and disarmament a conference was called in this city. England was represented in that conference. France was represented in that conference. Several of the powers were keenly interested in the outcome of that conference. This Government was a party to it; Japan was a party to it; and the paper this morning tells us that two of the great powers represented in that conference in the city of Washington are laying out stupendous sums to be spent for naval purposes and for armament purposes generally.

Mr. President, that suggests to my mind a situation that should have the serious consideration of Congress. If Great Britain and France here in this city but a little while ago, sitting with us at the council table and agreeing to cut down their armaments, are now going on in spite of that agreement and are expending stupendous sums, as this article says, to build up navies and land armaments, it would suggest to us that they are not keeping faith with the agreement written in the four-power pact.

One of the things that would be accomplished by the economic conference suggested by the Senator from Idaho [Mr. BORAH] in his amendment to this bill would be an inquiry into this sort of thing. Suppose we could have that economic conference, and we could have Great Britain and France in that conference, and others who knew whether an effort was really being made in good faith to get away from war, to prevent war in the future, or whether these people were camouflaging and deceiving us, and were saying that they were trying to prevent war and at the same time going on preparing and getting ready for another war. That is one of the things that would come out of this conference. That is one of the good ends that would be accomplished.

Another thought in that connection, Mr. President: As the Senator from Tennessee [Mr. MCKELLAR] has said, if these countries are expending these huge sums, that is notice to us that they are able to pay us what they owe us. If they came here to Washington and told this country that they were going back home to cut down their appropriations for naval purposes and for land armament, and they are not doing that, but are turning around and are increasing their appropriations for that purpose, then they have deceived us. We ought to know the facts, and this economic conference that has been suggested would give us that information. We would know then, from all over the world, just what was going on along this line.

Prior to the time of the presentation of the amendment by the Senator from Idaho we could not find out what was going on here. I never knew, nobody here that I knew anything about had ever heard, that an effort was being made by the President or by anybody else to find out exactly the conditions in the Old World and to let it be known that this Nation was ready to cooperate in a friendly way toward bringing about a better condition in the world. My own opinion is that very little has been done along that line. I think one good thing accomplished by the amendment offered by the Senator from Idaho was to start something in that direction.

We could not get any news from the White House—that is, we did not. I feel that if the President was throwing out any feelers he should have notified the American people. That is something in which we are all interested. He should have notified the Congress that he was doing all in his power along that line.

Mr. CARAWAY. Mr. President, the Senator does not think he ought to have notified us before he found out himself that he was doing it; does he?

Mr. HEFLIN. Well, that would be quite difficult to do. He would have to find out himself, so I am just coming to that thought. It seems to me that we were enabled by the fight we made to get some statement from the administration as to what was going on, and I think good has been accomplished in that regard. The Senator from Idaho flushed the leaders on his side like a covey of birds with that amendment of his. The Senator from Illinois [Mr. MCCORMICK] confessed that he took the leaders by great surprise over there by the course he had pursued, and I remarked that the Senator probably had committed the unpardonable Republican sin because he had dared to offer that amendment without consulting the distinguished leaders on the other side.

Mr. President, the Senate and the country did not know what was going on, did not know that anything was going on, looking toward bringing about a conference of the nations of the earth; and somehow or other I can not help but believe that nothing in that direction of a serious nature was going on until we started it up here.

The opinion is general in the country that the Disarmament Conference that was held was forced by the action that we took here. The Senator from Idaho led in that suggestion, and the Democratic side backed him up in it. But for the support that he got on this side of the Chamber that resolution never would have passed. Now, it seems that the offering of this amendment to the naval bill has borne good fruit already.

The first day we discussed that amendment in this Chamber we did not get any assurance from the White House as to what was going on or would be done. We got a note from the White House suggesting that this thing ought not to be done, and telling the Senate to "lay off" of it. That is the spirit and the temper we found in the White House the first day this matter was discussed in the Senate. But when it dawned on those in authority that we were likely to adopt that amendment, that favorable action was going to be had upon the amendment, there was quite a different tone on the other side on yesterday. The Senator from Indiana [Mr. WATSON], who is always armed and equipped with information necessary to take care of a Republican crisis in this Chamber, was here with assurances that we are going to put out feelers, feel around in Europe to see whether or not an economic conference would be agreeable to those nations. The Senator from Idaho straightway rose and asked him if the Senator spoke authoritatively when he said that such was being done. He said, no; he was not speaking with authority, but he did know what was going on in that direction, and he stated on his own responsibility that such an effort was being made. Then the Senator from Massachusetts [Mr. LODGE] rose and assured the Senator from Idaho that steps were being taken, that feelers were being put out, that conversation was being had around in the Old World to find out whether those people would be agreeable to a conference of this kind.

Then the Senator from Idaho said, "What are you doing?" "Well, we are asking them if there is anything we can do toward helping them readjust matters and toward aiding them in improving conditions." Those are just about the words he used, and those are the words I used, and the Senator from Idaho and others said the purpose of an economic conference was to see if there was anything we, a great peace-loving Nation, could do toward aiding them, not toward canceling this public debt due us by the Allies, but what, in an economic way, is necessary to be done to bring about a better condition of things, to improve the prospects of peace in the world. The Senator from Idaho said:

> If the Senator from Massachusetts, speaking for the administration, as he does, gives us that assurance I am ready to withdraw my amendment.

I repeat, up to that time we had had no communication from the White House as to what was going on; but listen to what the Post said this morning:

> That the United States Government is making efforts to bring about such a conference was made known at the White House yesterday. Secretary Hughes, in an address at the annual meeting of the American Historical Association at New Haven last evening, outlined some of the features of the American plan.

Mr. President, if we have accomplished that much, we ought to be commended for what we have done. We want action along this line. We want to wake up the powers that be. We want them to know that the Senate is interested and that the people of this country are interested in having something done and in keeping on doing something until something of good and of value is accomplished.

We have seen the utter failure of the four-power pact. We have seen the failure of our ambassador to Great Britain, and he is coming back now, the Senator from Indiana told us. He said. "What is he coming home for now except to bring information regarding conditions in which we are interested?"

I had hoped he was coming home to stay. If I were President there would not be any doubt about that. His services would terminate immediately upon his arrival. I believe it was Mr. Hearst who not long ago stated, in a signed article, I have been told, that Mr. Harvey was recommended for ambassador by certain international bankers, and that he was appointed because of that influence. That is a pretty serious charge. He may be coming over here to bring some information regard-

ing the scheme of the international bankers. There are certain international bankers who want to cancel the debt due this Government by the foreign powers. Certain international bankers in the United States have owing to them about $4,000,000,000 by foreign countries, and they do not want the debt due to our Government to interfere with the collection of their private debts, and they are undertaking to manipulate and so handle the debt due this Government that they can collect the four billions owed to them.

Mr. President, these international bankers do not want this foreign debt paid to our Government. They do not intend to have it paid. They are going to exert tremendous influence to have that debt canceled. I am going to continue to insist that the people of the United States have representation on that debt commission. They are not represented there now. The Republican Party alone is represented on that commission. There are five partisan Republicans on the commission and no Democrat, no Progressive, no anybody else except partisan Republicans. The Senator from Georgia [Mr. HARRIS] has offered a resolution providing for Democratic representation on the commission, to which I called attention yesterday and the day before, and I am going to keep on calling attention to it until the Senate and the other House recognizes the Democratic Party, which represents millions of American people, and until we have representation on that debt commission. Senators on the other side might just as well get it into their minds that we are going to have representation on that debt commission or they will never hear the last of it. What right have they to appoint five partisan Republicans to sit in judgment upon a thing involving $12,000,000,000 owing to the American people?

I will wait until the conversation closes.

Mr. CURTIS. Mr. President, I think it is time to say there was no conversation going on on this side when the Senator said he would wait. There are more Republican Senators present than there are Democratic Senators. If the Senator wants to make his speech, he ought to go on and do it.

Mr. HEFLIN. Several Senators are at lunch. The Senator from Kansas was not talking at that time, but he was engaging in a whispered conversation just before that.

Mr. CARAWAY. Usually there are not enough on the other side to carry on a conversation.

Mr. CURTIS. We can get them if we want them.

Mr. CARAWAY. You can get them. You have them staked out, and you can bring them in, but they are never here.

Mr. HEFLIN. Mr. President, there are not enough over there to carry on a very vigorous conversation, and there will not be enough over there to carry on any kind of a conversation after the next election, and that will be a Godsend to the country. [Laughter.] I know what I am saying may not be very pleasant to some of the Senators on the other side, but they are going to hear a good deal about this thing until this wrong has been righted.

The Republican Party has no right to appoint five partisan Republicans to handle a debt of $12,000,000,000 owed to the American people. That high-handed act may breed and bring forth a public scandal. There is something wrong about it and there is something rotten in it. It can not be defended in any tribunal of justice in the world. What right has any party to take an indebtedness due to the people of the United States and parcel it out for consideration to a few partisans of that party? They have not that right, and we are not going to remain silent and permit this thing to stand. I am going to fight for that change until I get it. We are going to keep up the fight until the people have been recognized and both parties are represented upon that debt commission.

This is a big question and concerns the whole people. Twelve billions of dollars belonging to the people of the United States is no small concern. It was whispered around this Capitol for weeks and months that the Republican purpose was to cancel this foreign debt. We know that the propaganda was so thick around this Capitol you could almost cut it with a knife; but we Democrats fought here, and fought on and on, until we frightened the other side, so that just before the election one or two of them came out and said they, too, favored the collection of the debt. The Republican leaders have not favored it until driven to it by the Democrats, and when a man is driven to a position like that he is not very deeply concerned about whether it succeeds or not. He may be compelled to take the stand because of the political exigencies of the hour, but $12,000,000,000 owed to the American people shall not be handled by five partisans of any party if I can help it. I would condemn it if it were being done by the Democrats.

Senators, it is not right; it is unfair, unjust, and wrong. I repeat it can not be defended by anybody anywhere.

Mr. President, the Senator from Georgia [Mr. HARRIS] has offered a resolution providing that three Democrats shall be appointed by the President upon that commission. If we adopt his resolution we would then have eight—five Republicans and three Democrats—on the debt commission, and that would be fair and just to all. Why not have that? Who on the other side, authorized to speak for the Republican Party, will tell me to-day that they will agree to the passage of the Harris resolution which provides for the appointment of three Democrats on this debt commission?

Mr. HARRIS. Mr. President, I would like to state, in justice to the chairman of the Finance Committee, who has been absent from the city, that he informed me that he would call a committee meeting very soon to consider the resolution I offered and which the Senator is discussing.

Mr. HEFLIN. Mr. President, I am glad to hear that. They have waited a long time about considering it. I want them to consider it as soon as possible. It is of the highest importance to the American people.

Mr. McKELLAR. What the Senator wants them to do is to consider it in the right way.

Mr. HEFLIN. Yes. I want them to consider it in the right way, to report it favorably, of course, and if it is not reported out soon I will ask the Senator from Georgia to request its consideration by the Senate.

I repeat, $12,000,000,000 indebtedness is owed to this people, 80,000,000 of whom are debt ridden and tax burdened to-day. Farmers all over the West and all over the South are having their farms sold for taxes. Senators, these people are in a deplorable condition in this country, and here is a debt of $12,000,000,000 due to our people, and it is being mysteriously handled by a commission of political partisans. If we could collect a part of that debt it would lift the tax burden from their backs and hasten the day when prosperity and happiness would come back to them. But a commission of five Republican partisans are handling it, and I do not know what they are doing, but I am entitled to know what they are doing. I am a representative of a sovereign State in this body and a United States Senator interested in justice and fair dealing to all the people, and I speak for them when I say that we are entitled to know what that commission is doing, but the truth is we do not know. Nobody knows, I take it, except a few partisan Republicans and international bankers.

When the President of the United States agreed to the commission of five Republicans he committed a serious blunder and did a great wrong himself. When the leaders of his party in this Chamber and the other branch of Congress approved of that arrangement they perpetrated a grievous wrong and outrage against the proprieties of decency and fair dealing. I want them to hasten to right that wrong. It ought to be done. There is no fair-minded Republican in the country, man or woman, who, if the proposition was stated to them, would not say, "Yes; there should be Democrats on that commission—both parties should be represented upon it." Why were no Democrats put upon it? Somebody knows. There was a reason for it. I think that the purpose of debt cancellation was at the bottom of it. I think they intended quietly to manipulate it toward debt cancellation, carry on a propaganda, keep all the doings of the commission behind closed doors in partisan circles, and after a while force some plan upon the people when it would be difficult to prevent it. I fear something like that was back of it.

Mr. President, in order to allay suspicion, in order to clear up the whole thing, in order that the American public may know all about it and feel satisfied about it, let us put three Democrats on the commission. Then we would have a commission composed of representatives of the two great parties that speak for the American people. Let them suggest their negotiations, and one side or the other of those parties would let the public know and nothing harmful would be done without the people being apprised of it. I submit again in this free Government, or what is left of it, that we are entitled to have both parties represented on that very important debt commission.

I call upon the leader on the other side, I call upon the Senator from Kansas [Mr. CURTIS] now to say if he is not willing that the Democrats shall have representation upon that commission, which is to handle this great debt due to the American people. I yield to the Senator from Kansas if he wants to answer that question.

Mr. CURTIS. I have not asked the Senator to yield.

Mr. HEFLIN. Ah, Mr. President, the Senator from Kansas does not want to answer the question. There is no answer to it except to say that it is fair and right and just for Democrats to be upon the commission. I am surprised that the Senator

from Kansas, who is usually pretty frank about these things, does not get up and say that personally he would be willing for the Democratic people of America to have representation upon that debt commission.

Who bought the Liberty bonds? Democratic men and Democratic women the country over. Their money has gone into this indebtedness of $12,000,000,000 just as has Republican money. And yet this great army of Democratic men and women in the country are not represented, and the Senator from Kansas, the whip on the Republican side of the Chamber, declines to state that he believes they are entitled to representation upon that important commission. The Senator from Kansas declines to say either that he favors Democrats being on it or that he is opposed to them being on it. Well, Mr. President, the attitude of the Senator from Kansas is probably the attitude of his party. He is just about as audible on the subject as they have been and the answer that we get from the Senator from Kansas is grim and stubborn silence.

Mr. President, I submit that when the war was on and President Wilson, as Commander in Chief of the Army and Navy, called for these dollar-a-year men, they came, but how they did impose upon him. Some of the most partisan Republicans that ever breathed the breath of life came here offering their good offices and got into the Government and directed trade to the concerns which they represented at home and sold the Government their own manufactured material at magnificent figures. They made money out of the Government hand over fist. The President put aside every idea of partisan politics. He said, "It is an American war, and all the people are interested in it. To America the world is looking for deliverance, and I am calling Americans to the standard, boys to the battle front, men and women at home, for unity of purpose and concert of action."

That is what President Wilson summoned us to do. We did it and won the war. Then when it was over we found that our allies had borrowed from us $10,000,000,000, and the interest now accumulated amounts to $2,000,000,000, making $12,000,000,000 in all. A new administration came in and proceeded to name a debt commission to handle the debt due the whole American people, and who did they put upon it? Men representing all the mass of the people? Oh, no! They made it a partisan commission of five, headed by the Secretary of the Treasury. It is said that he is exceedingly friendly with and interested in certain international bankers. I do not know whether that is true or not. He is on the commission with four other partisan Republicans.

What about the Democratic people of the country? They were patriotic. You Democrats, you poor woman whose son bared his breast to the enemy on the fields of France, you stinted yourself and bought Liberty bonds. The money which you gave to the Government in this way is involved in this debt, but you are not represented on the commission which is going to handle it. You do not know whether it is intended to collect the debt or to cancel it. You do not know what the commission is doing with it. You do not know whether they are going to postpone payment of it over a stretch of years reaching away yonder into the future, with an interest rate so small and infinitesimal that it will not amount to anything. You simply are not represented. Your boy represented you on the battle front. You spoke for your fireside with your funds. But the Republican Party has denied you representation upon the commission that is to handle that debt and say what shall be done with it.

You Democratic men who went out and made arrangements to buy Liberty bonds when you were not able to buy them—your substance is represented in that debt, but you are not represented upon the commission. Why not? Did you not do your duty in the war? Oh, yes. Did not this woman do her duty? Oh, yes. Your sons were on the battle front? Yes. Why, then, is such treatment accorded you? Because it is so ordered through this miserable policy of the Republican Party; that is why. Can it be defended? No; it is inexcusable and indefensible. It smells to high heaven with crooked doings and rank suspicion. I repeat, there is something wrong about it and something rotten in it. I may just as well talk plainly about it. The Republicans have no right to take a $12,000,000,000 indebtedness because they happen to be intrusted temporarily with control of the Government and to secretly handle it behind closed doors, with nobody but Republican partisans sitting at the council table. They have no right to do it, and they are not going to continue to do it without solemn protest from me. We are going to have action upon that subject, or we will not have speedy action upon many other things at this session of Congress.

Mr. NICHOLSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Alabama yield to the Senator from Colorado?

Mr. HEFLIN. Certainly.

Mr. NICHOLSON. I ask the distinguished Senator from Alabama if the party which was in power before the Republican Party came into power in 1920 had looked industriously after the interests of the people of the country, would they have loaned all this money to the European nations without any security? The party which failed to do its duty to the people was the party which loaned the people's money without any security.

Mr. HEFLIN. As usual, the Republican mind emphasizes money rather than men. The Senator from Colorado, and a very clever gentleman he is, seems to have been willing for us to send our boys over there without any guaranty of their return and to let them pour their blood out on the battle field and die without any assurance that they were coming back, but he would have us take security for our money right in the high tide of battle, when the liberty of the world was at stake. He would have had us stop and figure over securing a dollar when we were spending our boys by the thousands on the battle line. That is in keeping with the doctrine of the average Republican in office. He would have had us use more boys and more bullets and fewer dollars.

Mr. NICHOLSON. I did not say so at all. What I said was that if the Democrats who were in control of the affairs of the Government at that time had used business sense, had even used horse sense, we would not find ourselves in the condition in which we find ourselves to-day. We find $10,000,000,000 loaned to Europe without $1 of security. We are told that they do not even carry those loans as a liability when taking account of their liabilities.

Mr. McKELLAR. Mr. President, will the Senator from Alabama yield to me just a moment?

Mr. HEFLIN. I yield with pleasure to my friend from Tennessee.

Mr. McKELLAR. The Senator from Colorado, my good friend, I believe was not in the Senate at the time the loans were made. If he had been he would have done just what all the Republicans did. Every one of them voted for the loans to be made in just that way. Those loans were made by Congress, I believe, with absolute unanimity. The Republicans voted for them just as the Democrats did.

Mr. HEFLIN. Now my good friend from Colorado finds that the Republican horse sense on his side of the Chamber voted, as did the Democrats, to make these loans. We were in the midst of a terrible war, and we had to render financial aid to our allies in the form of loans.

Mr. NICHOLSON. I want to reply to my friend from Tennessee. Is it not a fact that a Democratic Congress conferred the power upon President Wilson to make those loans? Is it not a further fact that after the armistice was signed he loaned $1,500,000,000 more of the people's money to European nations without security?

Mr. McKELLAR. It was all done with the approval of Republicans as well as Democrats. It was done under an act of Congress.

Mr. NICHOLSON. It was done with the approval of President Wilson.

Mr. HEFLIN. My friend from Colorado has waded right in and he is now very cleverly wading out again. The Senator from Colorado, very clever Senator that he is, condemns the Democrats and innocently the Republicans, too, for loaning money to the European powers, our allies, in time of war when the money was to be used to purchase ammunition to use on the battle front to help our boys whip the enemy, but it develops now that the Senator's own party voted and approved of every step taken in loaning the money to the Allies.

Mr. President, many things were done under the necessity of war that would not be done in time of peace. At that time the whole world was looking anxiously to the battle front in France and hoping and praying that we might speedily end that terrible war in victory. That was what was going on. And when the allied nations called on us for money we loaned them that money. We did right in loaning it to them. We were sending over there our boys, the most precious treasure in the household of America, and if we were sending them there to die by the thousand, why not loan money to help win the war? The question I am now discussing, however, is in the collection of the money due us, and we want both parties represented on the debt commission, so that all the people will be represented and the country may know what steps are being taken in the direction of collecting the money owed to us.

Mr. McKELLAR. Mr. President——

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. I merely wish to call the Senator's attention to the fact that when the money was loaned no member of the Republican Party, to which my good and delightful friend from Colorado belongs, offered any such amendment as that now suggested by him.

Mr. HEFLIN. Certainly not. The intentions of the Senator from Colorado were good, but he was innocent of information upon the subject.

Mr. President, I believe the Senator from Colorado believes that it is right and fair for the Democrats to have representation upon the Debt Funding Commission, and I am now going to ask him if he does not believe that it would be fair for three Democrats to be on that commission with the five Republicans?

Mr. NICHOLSON. I am very frank to state to the Senator from Alabama that I think the Democratic Party should have had representation on the commission.

Mr. HEFLIN. Mr. President, I knew that the big, clever, western Senator felt that way in his heart. I now offer the opportunity again to my friend from Kansas [Mr. CURTIS] to say that he, too, is willing for the Democrats to be represented upon that commission. But silence is his answer. I will now ask the Senator from Utah [Mr. SMOOT] if he does not believe that it is fair, and just, and right for the Democrats to be represented on the Debt Funding Commission? The Senator from Utah is a member of that commission, and I ask him if he does not think that the Democrats are entitled to representation upon it?

Mr. SMOOT. Mr. President, the Senator from Utah is not going in any way, shape, or form to become a party to the filibuster that is on this afternoon.

Mr. HEFLIN. Oh, Mr. President, how innocent and meek the Senator appears. His answer to the proper and simple question that I propounded is one of the profoundest answers ever made in this Chamber. He is not going to be a party to a filibuster. That is just like asking a fellow if he is guilty or not guilty and he says, "I do not want to take any part in these proceedings." [Laughter.] If a man were to say that before a judge he would probably be sent to jail for contempt of court, but the Senator from Utah is on that Debt Funding Commission and he knows that they can do as Republican partisans please, and perhaps he does not want to be disturbed by the presence of Democrats. The able Senator from Colorado [Mr. NICHOLSON] said:

> I will be perfectly frank and say that I think the Democrats ought to be represented on that commission.

Who else on the other side believes that the Democrats of America should be represented on that commission? I pause for an interruption from any or all of them. What other Republican Senator believes that the Democratic people of America are entitled to be represented on that commission? [After a pause.] No one responds. Mr. President, I want to get their names, the names of those present, because I am going to be in their States in the next campaign, and I am going to confront them with the same question unless they give us representation on that debt commission.

This is the people's business. I am not saying anything I ought not to say. Free speech is guaranteed; open debate is vouchsafed in the Senate under the Constitution and the rules of the Senate, and I am going to avail myself of it.

> Work on bravely God's own daughters,
> Work on bravely God's own sons,
> But 'till ye have smoother waters
> Let truth fire her minute guns.

There is but one place where we can absolutely get the truth to the people, and that is in this Chamber and in the other. We can not talk to the people throughout the country except here; I mean we can not go out into the various States when Congress is in session and matters are pending here that vitally affect the people; but we can talk here upon those questions, and the people who come to this gallery on their tours to Washington can take back the message to their people at home that there are yet a few here who believe that this is a government of the people, by the people, and for the people. I say that under the arrangement under which the Debt Funding Commission is operating it is not a government of the people; it is a government by partisan selfishness and chicanery. I believe in holding parties responsible to the people for the conduct of the government under their control, and we are going to hold the Republican Party responsible for both its conduct and misconduct.

Who studied out this debt-funding partisan plan? Who inspired it in the beginning? Who was it that did not want anybody but partisan Republicans upon the commission? Who was it that cried out against putting even one Democrat on it? What interest is back of this procedure? Who is it that is interested to such an extent that no Democrat is permitted to appear upon it to speak for the great body of the Democratic people in the United States? Senators, you are going to be confronted with these questions many times before you are through. I do not intend that you shall forget them.

Now, I desire to refer to another matter. I have spoken longer than I intended, but I want to say in all sincerity that I am not now engaged in a filibuster. The Senator from Utah excuses himself in the most feeble and lame fashion by saying that he is not going to participate in any way in what he calls a filibuster.

It would not take him more than a second to say whether he favors the Democrats having representation on the Debt Funding Commission or not. He could say "yes" or he could say "no," and it would not take him but a second or two to say that; but the Senator from Utah dodges and undertakes to evade the issue by saying that he does not want to participate in any filibuster. There is no filibuster here to-day, Mr. President, but it may be that there are those on the other side who do not like to hear me talk thus plainly for the rights of the American people. It has been here very much out of fashion under Republican rule to do that, but that kind of discussion is coming back into fashion and is going to become more fashionable as the session of the Senate waxes older.

Why can not the Senator from Utah tell the Senate and tell the country that he is in favor of our having representation upon that commission, or why can he not say, as his silence indicates, that he is opposed to our having representation upon that commission? Suppose I were to be asked if I believed in Jesus Christ, and I were to say, "I am not going to participate in the filibuster that is going on," what would every Christian in the country believe my position was on the subject? They would say, "He is an infidel; he does not believe in the doctrine of the Christian religion." But I do believe in it with all my heart, and I would avail myself of the opportunity of saying so if that question were put to me. I would not hide behind a subterfuge of any kind to avoid answering the question, but I would promptly answer "Yes." I have asked the Senator from Utah, himself a member of the Debt Funding Commission, appointed to handle this indebtedness of $12,000,000,000, "Do you believe that the Democrats should have representation on that commission?" and the Senator declines to answer, because, forsooth, he does not want to participate in a filibuster. I asked that question of the Senator from Colorado [Mr. NICHOLSON], and he said, "I will say frankly to the Senator from Alabama that I think the Democrats ought to have representation upon the commission." That is the way to talk right out in meeting. That is the honest American way of talking. I do not know where this mysterious opposition to having Democrats on the debt commission comes from, although it may come from the international bankers.

Mr. President, it is becoming fashionable with certain leaders on the other side to minimize big things in this Government and to simply pass them by, or to shove them out of the way, and let them go. Little by little and bit by bit the liberties of the American people are being encroached upon by the powerful and mysterious influences back of the party in power. What step fraught with more evil and danger could have been taken than the one to which I have called to your attention to-day?

The debt is due, I repeat, not to the leaders of the Republican Party, not to the campaign committee of the Republican Party, not to the Republican Party itself, but due to the whole American people. It amounts to $12,000,000,000, and yet when the time comes to devise ways and means for collecting it or for handling it and looking after it, none but partisan Republicans are appointed on that commission. When those commissioners meet and anything is discussed, I imagine it will be said, "Do not say anything about this; do not say anything about that now; do not let the Democrats get hold of that; we do not want this to get out; we want to keep all of this to ourselves until we get ready to tell it to the public"—when it will be too late, everlastingly too late, for the public to protect itself.

Secrecy! Why, they used to condemn the Democrats. They told us about what Wilson was doing, making this mistake and that, saying he did not take them into his confidence. Are they taking us into their confidence? Are they taking the mass of the American people into their confidence? Are the people being told about what is being done with this indebtedness? Suppose you, Mr. President, and I and eight others were interested together in a partnership and somebody owed us a million dollars, and five of us were Democrats and five were Republicans, and the five Republicans got off in a corner and said, "We have met and have named three of our number to look after the collection of this debt," and the five Democrats would say, "Well, we are interested in the matter; we want to know what is being done;" and the reply would be made, "We can not tell you yet because we have named three Republicans to look after it," and the

Democrats would say, "We are Democrats; we are interested, too, and we have not been represented;" how long would you stand for that situation, Mr. President? I think you would go into court, as I would, and say, "I will not be treated in any such way." Yet the party which went into power in 1920 names a debt commission composed of five partisan Republicans.

Every one of them is a hide-bound, old-time, stand-pat Republican. They are Republicans, good and strong; but I am not objecting to that if you will put some Democrats on the commission. I have a right to demand that you do it.

Mr. President, I repeat I would not be willing for any party, not even my own party, to name a partisan commission of five men to handle an indebtedness of $12,000,000,000. I am trying to do the right thing and the fair thing. I am going to keep on insisting on it here; and if Senators on the other side want to progress with legislation, they can do it by putting three Democrats on this commission and bringing in here a farm credits bill that has teeth in it. Those two things you will have to do before the 4th of March, I serve notice on you now. There are several of us here who will work to that end. We are entitled to both. We are entitled to have three Democrats upon this commission. We are entitled to have a banking system that will give relief to the oppressed and ill-treated farmers of America.

Mr. President, I will say this in conclusion, and then let the Senate proceed with the consideration of the naval bill:

We want to collect this debt that is due us. We do not want any secret conclaves held behind closed doors regarding it. We are entitled to have this thing done in the open. The American people, whose Government this is, are entitled to know what is being done with this important matter which affects them so vitally.

What did President Wilson tell you in 1919? He said to the Senators:

> If the League of Nations is not accepted, or some international agreement entered into, you are going to find new troubles breaking out in the Old World. You are going to find agriculture depressed in this country. You are going to find your wheat farmers injuriously affected by it. You are going to find your cotton producers injuriously affected by it. You are going to find disturbance the world over as a result of your short-sighted policy.

Was he not a prophet? What he told you would occur has occurred. The Old World to-day, portions of it, are in a state of ferment, and war is actually in progress in some places. The farmers of the wheat-growing States have their farms mortgaged and their cattle mortgaged and their crops mortgaged and their lands advertised for sale for taxes. The farmers in the South have their land mortgaged, their cotton mortgaged, and their lands advertised for sale for taxes.

Oh, Mr. Wilson was a prophet. He told you what would happen, and the party responsible for all these ills now puts a debt commission on us of five partisan Republicans. Shame on the party that will insist that that thing stand! It stands as a scarlet letter of wrongdoing upon the brow of every Republican who voted for it, and the only way you can remove that scarlet letter is by voting to put three Democrats upon that debt commission. Then you will have done the fair and honest thing. Follow the example of the Senator from Colorado [Mr. NICHOLSON] and stand up before the Congress and your country and say, "Deep down in my heart I must confess that I believe that it is right and just that the Democrats should be represented on the $12,000,000,000 Debt Commission.

Mr. HARRIS. Mr. President, I did not know that my good friend, the Senator from Alabama [Mr. HEFLIN], was going to discuss the merits of my bill to-day. When I introduced the bill providing for the appointment of three Democrats on the Debt Funding Commission, I stated that it was done to prevent partisan discussion of the more than eleven billion dollar debt owed to this country. Without any criticism on my part—his argument was unanswerable—I think the Senator's partisan speech to-day is the best reason that could be offered for the adoption of my measure. This debt is the greatest financial problem that the Congress of the United States will have to solve within the next century, probably; and every Senator knows that it can be solved in a nonpartisan way very much better than if it is done by a partisan commission.

I have heretofore stated that I had the utmost confidence in the members of the commission. I have no criticism of their ability or integrity, but it will be admitted by every Member of this body that there are Senators on this side of the Chamber equally as honest and able to discharge the duties required of this commission. I think you will all agree that Senator GLASS, who was Secretary of the Treasury under the last administration, is probably more familiar with this work than any Senator on either side of the Chamber. There are other Democratic Members of both the House and Senate who would reflect credit on themselves and our Government in the discharge of their duties on this commission.

As the Senator from Alabama says, the money we loaned the European countries, our allies during the war, was raised by selling bonds to loyal citizens; even widows and soldiers fighting at the front denied themseves to buy these bonds to conduct the war. It was a nonpartisan war, and I think it is going to be difficult to collect this debt and we can certainly solve it better if we prevent any excuse for partisan discussion.

As I stated, I think it is the most difficult financial problem we shall have to solve, and I think we ought to get away from politics in the solution of it. The Congress that finally settles the matter may have a majority of Democrats in both Houses. It is going to hurt this country if the question of politics must enter into every suggestion that is brought here by the debt funding commission. My bill was introduced with the hope of avoiding any partisanship. I have discussed it with Members on both sides of the Chamber and I am glad to say that Senators on the other side of the Chamber with whom I have discussed it have told me that it met with their approval.

If I viewed this from a partisan standpoint I would prefer a Republican commission, but this is too important to let politics influence us. My bill provides that the President shall make the appointment. I have already discussed the matter with Chairman MCCUMBER and other members of the Finance Committee and have been assured of an early meeting of the committee to consider the matter.

Mr. MCKELLAR. Mr. President, I suppose now my amendment will be voted upon. I ask for a rising vote on the amendment I have offered.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Tennessee.

Mr. NICHOLSON. Will the Chair have the amendment stated?

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 30, line 8, it is proposed to insert:

> *Provided further*, That the enlisted forces of the Navy shall not exceed 67,000 men.

On a division, the amendment was rejected.

Mr. KING. Mr. President, on page 47, at the end of line 15, I move to add the following proviso as an amendment:

> *Provided*, That this appropriation shall not be available for the pay of more than 17,500 enlisted men of the Marine Corps during the fiscal year 1924.

Mr. President, Senators are desirous of disposing of this bill at the earliest possible moment so that an adjournment may be taken until after the New Year. There are a number of provisions which I should like to discuss with a view to modifying some of the provisions of this bill and reducing some of the items of appropriation. I appreciate the futility of any discussion or any effort to reduce the amount carried in this bill. Senators seem to be obsessed with the idea that we must make larger appropriations for both the Navy and the Army than were ever made in the history of this Republic except during the Civil War and the World War. The Army and Navy bills for 1924 will carry more than six hundred million dollars. This sum is so stupendous that the American people will be amazed and they will wonder what situation demands the laying of such a heavy burden upon their backs. We have been told that no reductions can be made in the general appropriations for other branches of the Government. Indeed, the requirements for vocational education and to meet what is conceded to be proper for those who are suffering from disabilities resulting from their military and naval service will probably be greater than for the current year. It was felt by many, and certainly that view was entertained by the American people, that the demands made by the Navy Department and the War Department would be very much less for the next fiscal year than for the present year. The amendment which I have offered deals with the Marine Corps. Several years ago a certain ratio was established between the number of enlisted men to be maintained in the Marine Corps and those who were to be found in the Navy. Whether that ratio was founded upon any valid reason may be questioned. At any rate the ratio was maintained. Now the purpose is to disregard such ratio and to give to the Marine Corps a greater number of officers and men than would be justified if such ratio was to be followed. Perhaps no organization within the Government has been more successful in presenting its claims for proper recognition and for appropriations than the Marine Corps.

It has been most successful in its efforts to obtain appropriations and secure the favor of Congress. I am making no complaint. Indeed, I rather admire the efficient manner in which it and its friends have proceeded to accomplish the purposes

of those connected with the Marine Corps. I do not derogate in any manner from the honor and glory to which this splendid organization is entitled. Some of the most gallant officers to be found in any country have important places in the Marine Corps. Perhaps there is no more efficient fighting force in the world than the Marine Corps of the United States. The marines, whether they are serving upon land or upon sea, have brought honor to their organization and glory to this Republic. Mr. President, I speak with a deep feeling of appreciation for the heroic work performed by the marines of our country. But while appraising them for their valorous deeds and paying tribute to their splendid organization we should not be indifferent to other considerations inseparably connected with the welfare and vital interests of the Republic. I think the effort to militarize this Republic is very strong at the present time. Naval officers and military commanders are active in their efforts to impress upon the people the importance of strengthening our Army and building up a mighty Navy. There is a determined effort to prevent any reduction in the personnel of the Marine Corps, and this bill provides for a number greatly in excess of that found prior to the war. In my opinion the force is too large and should be reduced to ten or twelve thousand. My motion, however, calls for 17,500 enlisted men of the Marine Corps. It seems to me that Senators should support the motion notwithstanding their desire to maintain a strong organization. As I have hastily figured it, if my motion were adopted it would approximate the ratio which I have referred to and which existed for a number of years between the number of the Marine Corps and the number of enlisted men in the Navy.

Mr. President, there are only two countries in the world who provide for marines upon battleships. Great Britain, because of her vast colonial possessions, was compelled to have a marine force with most of her battleships. The outbreaks and revolutionary movements occurring from time to time in her many ports called for a considerable number of her marines upon her fighting craft. The United States followed the example of Great Britain in placing marines upon capital ships. However, the reason which called for England's policy does not exist so far as the United States is concerned. Naval officers have told me that it was a mistake to attach marines to fighting ships. I have not time to present the reasons given or to argue the wisdom or lack of wisdom of this policy. I should add, however, that our Government has been making excursions into policies which many denominate imperialistic and which has called for the employment of marines upon foreign shores. We are unwisely keeping marines in Haiti and Santo Domingo and in one of the Central American Republics. There are now perhaps 3,500 or 4,000 marines in the Dominican Republic and in the Haitian Republic. We have no business in either of those countries. Mr. President, if time permitted I would like to present to the Senate figures showing the cost of maintaining the Marine Corps, the number and grade of its officers, the increase in the number of personnel since the organization of the corps, and generally such facts as in my judgment called for a material reduction in this force. However, as stated, the anxiety of Senators to adjourn leads me to forbear from entering upon a discussion upon these matters. I will therefore ask for a vote upon my amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah.

The amendment was rejected.

Mr. KING. Mr. President, on page 47, at the end of line 15, I move to add the following provso:

Provided, That no part of said amount shall be used for the purpose of maintaining or employing marines, either officers or enlisted men, in the Republic of Haiti or the Dominican Republic after June 30, 1923.

This subject deserves full discussion at the hands of the Senate, but I shall not now do more than to offer a few words in support of my amendment. Mr. President, whatever causes existed justifying the military and naval occupation of the Dominican Republic and the Republic of Haiti, it can not be claimed that they now exist. In my opinion, we are not justified in occupying either of those countries. It is almost impossible to determine what the costs are to the American people resulting from these imperialistic policies which find expression in the occupation of Haiti and Santo Domingo. We have kept in those two countries for a number of years several thousand marines at a cost of millions and tens of millions of dollars to the taxpayers of the United States. I am glad to know that the administration has announced its purpose to withdraw in the near future from the Republic of Santo Domingo. The people of that country were aggrieved at the course pursued by the United States. They did not invite our Nation to take possession of their Government and to maintain by force the control of their territory. The course of our Nation was condemned by the Latin-American people, who viewed with alarm what they regarded as a policy of territorial conquest upon the part of this Republic. The people of Santo Domingo protested in a most vigorous way against the occupation of their territory. They let their disapproval be known, particularly to the Latin-American people. They protested to our own Government and sent delegations to the United States demanding that the military and naval forces of this Government be withdrawn.

I repeat, Mr. President, we have no right to take possession of this country or to superimpose upon them a government which to them was hateful, as it would have been to the American people themselves. A military or a naval government, no matter how generous or considerate those in control may seek to be, is oppressive. It can not be otherwise, and when a powerful nation such as the United States sends its warships and its marine forces to a weak country and at the mouths of its guns takes possession of their country and their government, the anger, indignation, and fear of such people inevitably will be aroused. And it is not a sufficient answer to say that our Government seeks the welfare of the people.

The people of Santo Domingo have the right to determine their own form of Government and lay their own taxes and to expend them as they may see fit. We may give a better government to the people of Haiti than they can devise themselves, but our Government is not their Government, and, no matter how wise or benevolent or progressive or just and generous the conduct of our Government may be in dealing with the Haitian people or the people of the Republic of Santo Domingo, resentments will be aroused and opposition and hatred developed. Mr. President, I inquired at the State Department this morning as to when our Government would withdraw its forces from Haitian territory. I was advised that no plans had been developed looking to the withdrawal of our military or naval forces. Mr. President, in my opinion we are not justified in keeping our war vessels in Haitian waters or our marines upon Haitian territory. The people of that country are opposed to our intervention and to our occupation of their lands. The Government of Haiti is not their Government—it is our Government. We are in control of the country. Our marines are there. Our war vessels occupy their harbors. The Haitian people feel that we are there because of our strength and power, not because we have the moral right to be there. We control their fiscal policies. If we do not levy their taxes, we determine what the internal and police policy of the Government shall be. Our occupation of Haiti has caused the lives of between two and three thousand Haitian people. They believe that we were their oppressors and that we sought to take from them their country. I do not mean that all of the Haitian people regretted our occupation, but I am persuaded that the great majority of the Haitian people resented and still resent the course of the United States in forcibly taking possession of Haiti.

Mr. President, we may try to sugar coat our occupation by fine phrases, but the fact is that it is a military occupation. We govern that country by force and we impose upon them our will, or at least the will of those whom we sent there. It will be claimed that we are there pursuant to a treaty. Mr. President, I have not the time to discuss that contention, but will only remark that the treaty, so called, was a mockery. It did not represent the national will—the will of the Haitian people—and it does no credit to the United States to justify its position and conduct in Haiti by pleading such treaty. But conceding that we did take possession of Haiti under a treaty, the reasons which some suppose justifies our Nation's course no longer exist, and we should withdraw our forces and deliver the country back to the people to whom it belongs.

Mr. McKELLAR. Who bears the expense of that occupation—does the American Government bear all expenses of it or is any portion of it charged to the Government of Haiti?

Mr. KING. We bear the expense. All the marines who are there we pay for. The expenses incurred in connection with the keeping of vessels in the harbor we meet. We have a little over 2,000 marines in the island of Haiti, as I now recall, and we bear the expenses of their occupation. All of the expenses incident to the naval occupation of the island are met by the Government of the United States.

Mr. McKELLAR. Are taxes imposed upon the people to pay the expenses of the civil administration of the government, or how is it done?

Mr. KING. Mr. President, the naval forces are maintained upon the island at the expense of the United States. It has cost the taxpayers of our country tens of millions of dollars to keep warships in Haitian harbors and thousands of marines upon Haitian territory. We have a number of persons em-

ployed in the administration of the fiscal affairs of the country, and, as I understand, the taxes imposed upon the people of Haiti are employed in part to pay them.

Mr. President, the people of Haiti have the right to determine their own form of government. It is true that most of the people of Haiti are negroes. Their history is a tragic one. It is also true that they have not made the progress in civil government, in education, and along the lines of the accepted standards of modern civilization that many desired. But the history of the people of Haiti must be remembered. Hundreds of years ago thousands of negroes were taken from Africa and landed in the island of Haiti. They were held in slavery for many years. Finally they threw off the authority of France and established a government of their own. They have made serious mistakes in their governmental affairs. Cruelties and wrongs are recorded upon many pages of their history, and yet they have made progress, and thousands of the Haitian people have attained a high state of culture, education, and refinement. But the mistakes of the people, the limping and imperfect government, the wrongs and oppressions there found, are not sufficient justification for our Government to take possession of the country and impose our will upon them. The people of Haiti have a right, as I have stated, to determine their own course and to determine their own government. They are opposed to our occupation of the island, and they demand that we leave their shores.

My amendment calls for our withdrawal by the 1st of July. That allows several months for the completion of such arrangements as may be regarded as necessary in order that the withdrawal of our forces might not result in any disorder. That will give ample time for the people of Haiti to set up their own government and to put into operation such machinery as they regard as necessary for the conduct of their civil and political affairs.

Mr. President, I sincerely hope that my amendment will be adopted.

Mr. ODDIE. Mr. President, I have listened to the remarks of the able Senator from Utah, and will say just a word in reply, as I am familiar with the situation in regard to our occupation forces in Haiti and San Domingo, because last year I visited those countries with the other members of the committee appointed by the Senate, the Senator from Ohio [Mr. POMERENE], the Senator from New Mexico [Mr. JONES], and the Senator from Illinois [Mr. MCCORMICK], the able chairman of the committee. We held many hearings, covering hundreds and hundreds of hours. We visited the island, traveled extensively, had hearings all over the island, in both Haiti and San Domingo, heard many witnesses, and submitted a report.

As the Senator has not gone into details, I will refrain from doing so, but I would like to call the attention of the Senate to a few matters mentioned in the report, which was made April 20 of this year. I will not go into the history of the occupation, because the time is short, but I will say that our commtitee investigated things thoroughly and carefully, and we submitted a unanimous report. Two Republicans and two Democrats were on the committee, and our unanimous report shows that there were no politics involved. We looked at the matter from an impartial standpoint.

It is well known that there was no popular representative government in Haiti before we went in. The chaos which had existed there since the time the French were driven out by the Haitians in 1804 is a matter of history. It is known that by our convention of 1915 there was provided a receiver of general customs, a financial officer, and a director of public works and sanitation, to be nominated by the President of the United States and appointed by the President of Haiti. I have just visited Haiti in the last two weeks and studied the situation there carefully.

Mr. MCKELLAR. Will the Senator inform us whether those officials who were appointed, as he has stated, are paid by the Haitian Government or by the American Government? How are they paid?

Mr. ODDIE. I understand that a certain percentage of the internal revenues goes to the payment of some of these officials. The Senator from Ohio is here now, and perhaps he can give some information in regard to the payment of the financial adviser in Haiti.

Mr. MCKELLAR. My question is whether they are paid by the American Government or by the Haitian on San Domingan Government.

Mr. ODDIE. My understanding is that 5 per cent of the internal revenues goes to the payment of those officers.

Mr. POMERENE. Mr. President, I do not recall definitely in that respect, but my understanding has been that the marines are paid by the Federal Government, except that portion of the officers of the marines who are in charge of the constabulary or the gendarmerie, as they call it. They are paid by the Haitian Government.

Mr. MCKELLAR. I suppose they are just given salaries in addition to their regular salaries in the Marine Corps. Is that correct? I should think that would be a very reasonable proposition, if they were given additional duties.

Mr. POMERENE. I can not state that with accuracy; I do not know.

Mr. ODDIE. Certain things were suggested by our committee in the report. One was that a commercial adviser be sent down to Haiti; and a man has been sent down there, with the title of trade commissioner, who virtually occupies the position of commercial adviser. He is at present making an exhaustive study of conditions both in Haiti and Cuba. At the request of the President of Haiti a representative has been sent from Tuskegee Institute. Doctor Moton, the president of the institute, was requested to visit Haiti himself and study industrial and commercial conditions and suggest plans for the establishment of vocational education, but he was unable to go himself, and at the request of the President of Haiti, a very able and splendid man, there was sent as his representative Doctor Williams, a prominent and distinguished representative of that institute.

I ask permission to put in the RECORD the report of the committee made June 26 last.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See Appendix.)

Mr. MCKELLAR. Is that a very long report?

Mr. ODDIE. No; it is not very long.

Mr. MCKELLAR. I would like to read the report. I have sent for a copy of it.

Mr. KING. The whole report has been printed.

Mr. MCKELLAR. I have sent for a copy of it, and I would like to read it. I have not read it before.

Mr. ODDIE. It is a very interesting report, I will say to the Senator.

Mr. MCKELLAR. I regret that I have not read it, and I shall read it right away.

Mr. ODDIE. A great deal of very damaging and misleading information has been spread broadcast in this country in regard to the American occupation and in regard to the action of our Marine Corps and our Navy. It is particularly unfortunate that those reports have gotten out, and I hope the American people will take occasion to study this report and study the results that have been obtained in Haiti. I feel sure that our officers and enlisted men there will be amply vindicated and applauded for the splendid work they have done under great difficulties.

I ask permission to insert in the RECORD a report of the American high commissioner, giving a brief outline of accomplishments in Haiti under his administration since our committee made its report.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

RÉSUMÉ OF ACCOMPLISHMENTS IN HAITI.

A measure of the accomplishments of the American occupation in Haiti since the assumption of duties by the American high commissioner on March 13, 1922, is shown in the summary that follows:

POLITICAL.

1. Giving to Haiti for the first time in its history of 118 years an absolutely free election for President of the Republic.
2. The unprecedented spectacle in Haiti of a presidential inauguration, free from military coercion or violence, at which the incoming and the retiring Presidents took part.
3. Centralization of control in the office of the American high commissioner over all officials representing the United States in Haiti, a vitally needed move that has done away with friction, duplication of efforts, and has resulted in full cooperation and interchange of ideas.
4. Full publicity as to the mission of the United States in Haiti through the medium of the Haitian press and by speeches at official functions.
5. Indoctrinating the people with the desire of the United States to uplift the illiterate and poverty-ridden mass of Haiti that constitutes not less than 95 per cent of its population of 2,500,000.
6. Fostering among the people the necessity for all factions working in accord for Haiti through the medium of the press and the circulation of popular slogans emphasizing the necessity.
7. Passage of the law of June 26, 1922, authorizing the loan of $40,000,000 and ratifying the protocol of October 3, 1919, by which the Haitian Government obligated itself to negotiate such a loan.
8. Authorization of the appointment of a claims commission for the settlement of all pending claims against Haiti.
9. Arrangements made for the creation of an internal bond issue for the settlement of the long-standing internal and floating debts.
10. Transfer of the bank contract of the National Bank of the Republic of Haiti, permitting its reorganization along modern American banking lines.
11. Establishment of the Gendarmerie Department of Central Haiti with headquarters at Hinche. This, with the establishment of a court of first instance at Hinche, will make this hitherto isolated interior town one of considerable importance and materially aid in stabilizing this formerly turbulent area.
12. Withdrawal of United States marines from the interior towns of Maissade, Thomonde, and Lascahobas and issuance of orders.

13. Increased efficiency of the gendarmerie by intensive drills, rifle practice, primary education, athletic contests, establishment of finger-print bureau for identification and apprehension of offenders of the law, opening of recruit training stations in central Haiti, introduction of post exchanges and messes modeled after those in the Marine Corps, and material reduction in operating expenses through a depot of supplies to supplant scattered storehouses, and changes in the national penitentiary that have reduced the cost of uniforms and of rations.

ECONOMIC.

1. Comprehensive and detailed agricultural survey of Haiti begun and completed through employment of American agricultural expert who has specialized for many years in tropical countries.

2. Distribution of vegetable seed, both tropical and American in character, to interior locations, the agricultural farm, and through individual growers, with advice as to soil, planting, care, and methods of avoiding and combating crop blights.

3. Taking advantage of the low rate of exchange to purchase certain bonds of the French loan on the Paris market at a discount, thus effecting a considerable saving to the Haitian Government.

4. Establishing of a supply system under the department of public works for the purchase of supplies in bulk, effecting a considerable saving to the Haitian revenues, and installation of modern accounting and loose-leaf ledger systems for all services.

5. Through the services of two expert hydrographers from the United States Geological Survey a thorough foundation for a stream-gauging service, preliminary to irrigation projects on a large scale, has been laid. This work will be continued until records of stream flows throughout Haiti have been completed and the stream-gauging service made a permanent one.

6. In addition to present irrigation on a modest scale in the Leogane, Arcahaie, and Cul de Sac Plains, preliminary surveys for irrigation projects on a large scale have been made. Most important is the study of the irrigation possibilities in the Artibonite Valley that has determined that about 100,000 acres of excellent soil, now unproductive, can be utilized. Another preliminary survey has been made of a project to divert water from the Gros Morne River for irrigation of 6,000 acres in the Gonaives Plain. The completion of a modern concrete diversion dam in the Matheux River, 100 feet long, with steel gates and a light suspension bridge, has diverted the waters of that river into existing irrigation canals on both sides.

7. Steady, permanent improvement has been made in the hydraulic service now operated in nine cities of the Republic. The water-famine problem produced by a severe drought in the vicinity of Cape Haitien, the second largest city, has been solved by sinking artesian wells that will ultimately prove a permanent source of much-needed water supply for the Great Plain of the North. The further utilization of artesian wells will provide supply for small towns suffering from inadequate water. Besides placing the Port au Prince fire department under the gendarmerie, a salt-water fire system delivering a pressure of 150 to 175 pounds in sufficient quantity to serve eight hose lines has been placed in operation.

8. Extended development of water supply for Port au Prince, Gonaives, and Aux Cayes nearing final completion of modern systems. Plans completed for reconstruction of water system at Anse-a-Veau and work commenced.

9. Completion of installation of automatic telephone system in Port au Prince, with 300 telephones in service. Through cooperation of gendarmerie and mayors of towns and utilization of material from discarded overhead system, plans made for three new telephone lines in the north, south, and central regions, respectively.

10. The most important posts in the Republic now have modern telegraph-office equipment and receipts exceed same period last year by 30 per cent. Modern technical training of the personnel has been developed and plans for the complete rehabilitation of the telegraph system completed.

11. The lighthouse service has been extended by installation of four automatic acetylene lighthouses at points most needed by mariners and essential for Haitian commerce. One light, at Cape Dame Marie, has been reported visible at 16 miles. Standard steel buoys have been placed in the harbor at Port au Prince, a tower and structure for lighthouse at Jacmel erected, and the lighting apparatus at Port au Prince remodeled and almost ready for operation.

12. In addition to the usual maintenance and improvement of existing roads, the new dike road in the Artibonite district has been steadily improved, and has resulted in uninterrupted communication along the important St. Marc-Gonaives road, a link in the Port au Prince-Cape Haitien road that was practically impassable for four months of the corresponding period in 1921. The survey and plans for a road to Jacmel from the capital have been completed; preliminary surveys completed for the Lascahobas-Belladere and the Lascahobas-Hinche roads, all vitally needed; and a new maintenance organization for all roads worked out and in active use. Standardized bridges of timber in four lengths are being planned that will meet all needs, and material for 50 is being collected in Port au Prince.

13. A fireproof building for Government archives has been completed in Port au Prince and repairs made to various public buildings. A new school at Jeremie will be ready to accommodate 300 pupils early in October.

14. A comprehensive city planning is well under way for Port au Prince that will combine traffic needs, improvement of the palace grounds and the Champ de Mars, now bare and unattractive settings for the handsome new palace, a botanical garden, and city playgrounds. Haiti to-day is without a children's playground.

15. Following the field survey for oil made last year by the Geological Survey, a pamphlet on Haiti's oil resources has been issued for general distribution by the public works department, which is also preparing to distribute topographical and geological publications that will make available much valuable data.

16. Drafting and submitting to the Haitian Government a modern forestry law, designed to prevent the growing deforestation of the country.

17. Drafting and submitting to the Haitian Government of a traffic law.

18. Drafting and submitting to the Haitian Government of a plan for the formation of a rural police force under the supervision of the gendarmerie.

19. Drawing up a program of development work covering the next two years.

20. The filling in of salt-water marshes and measures to eradicate mosquitoes and other sources of infection, including the continuation of an active campaign against rats, have been carried on at various points. A site for a quarantine station at Port au Prince has been selected and plans for the buildings drawn. At present Haiti has no such station.

21. Hospital construction work includes a ward for tubercular patients at Cape Haitien, completion of an operating room and nurses' quarters for the general hospital, and the erection of two new wards; partial completion of a hospital for Jeremie; and renovation and extension of the hospitals at Gonaives and St. Marc.

22. Free dispensaries have been established at the interior towns of Mirebalais, Hinche, and Grande Riviere du Norde, and large numbers of natives are being treated at these isolated places, where previously no medical treatment was available. Plans for the extension of this service are waiting only on funds.

23. The collection of vital statistics is being developed by the Public Health Service through the cooperation of the gendarmerie and Haitian officials to a point where 60 per cent of the communes are now making returns, as compared with 10 per cent in former years.

24. A complete program for the development of the public health service has been drawn up and the medical survey of Haiti, a stupendous task, has been begun.

SOCIAL.

1. All Americans serving with the occupation have been impressed with the importance of carrying our mission—the development of Haiti—to a point where American supervision can be reduced to a minimum and the military forces withdrawn, to an early and successful goal. The winning of the confidence of the Haitian people and the establishment of friendly relations has progressed visibly in the last six months through this indoctrination.

2. Social relations have steadily increased and contributed measurably to this end.

3. The establishment of free dispensaries, the extension of roads and trails, the improvement of hospitals, safeguarding of health, and the raising of the day wage of labor from a gourde to a gourde and a half have strongly contributed to the progress of our mission.

4. Opening additional commissions in the gendarmerie to the best class of Haitians, replacing the old type of personal aids to the president by the aspirants for commissions, allowing them to conduct unassisted a weekly military ceremony on the Champ de Mars to which many Haitians are attracted, have also done much to win approval by the best elements.

5. The education of the gendarmes and the increase in their efficiency has had a splendid moral effect. Scattered through many cities in every district of the country, these native troops are becoming a fast-growing factor in the spreading of American educational, sanitary, and governmental methods.

6. The physicians of Port au Prince are naturally a most influential class. Plans for the reorganization of the medical department of the gendarmerie include the employment of Haitian physicians. In addition, arrangements have been concluded with the president of the National Medical School for the use of the facilities at the general hospital in the instruction of Haitian medical students. Classes will be held in every phase of surgical, medical, administrative, and laboratory work. Promising students will be appointed as internes and openings found for them in the public health service of the island. In addition to this spirit of cooperation, which has broken down a former antagonistic feeling, the central laboratory of the general hospital is prepared to undertake any research or routine work requested by the members of the Haitian medical fraternity.

Mr. ODDIE. I ask further to have printed in the RECORD an indoctrination report of the Marine Corps brigade commander in Santo Domingo regarding the attitude of the marines in Santo Domingo toward the Dominican people. It gives a brief outline of our occupation and of the results, as well as outlining the proper attitude of our marines to the Dominican people. From personal observations and knowledge I can state that this has been well lived up to. It is printed in very clear and simple form, and I think it will be very interesting as well as beneficial to the American people.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INDOCTRINATION ANENT PROPER ATTITUDE OF FORCES OF OCCUPATION TOWARD DOMINICAN GOVERNMENT AND PEOPLE.

PART I.

The officers and men of this brigade have heard a great deal of the attitude they must bear toward the people of the Dominican Republic, and it is the desire of the commanding general that this subject be summed up and made clear to all concerned. In addition to the many steps the commanding general has already taken to make this matter clear to all of us, the President of the United States, the Secretary of the Navy, and the major general commandant have repeatedly urged upon us that the marines on duty in this Republic represent the United States in this Republic, and the conduct of the marines here constitutes those visible marks from which the Dominican people judge the United States. The commanding general in turn has done his utmost to impress this upon the officers and men of this brigade.

If all the members of this brigade will constantly bear that one point in mind, namely, that their personal conduct in this Republic becomes the conduct and acts of this country, there should never be cause for criticism. Marines have never failed to accomplish their mission when called upon to serve their country, and in order that we will execute our mission in this Republic it is necessary that all of us understand what it is, and there is no doubt as to what our mission is—it is to help this Republic and its people.

Now, to make that mission clear to you it is only necessary to point out the cause of the occupation and what the occupation has accomplished, and to show you that one thing only remains to be done, and that is the accomplishment of that last thing—the personal cooperation of every man in this brigade is a more important feature than it has ever been before. That one thing is to return to the people of this Republic their "self-government," returning it in a way that makes clear to the Dominican people that the United States has helped, and it has done so unselfishly.

To consider the cause of the occupation: The forces of the United States did not enter this Republic to make war on the Dominican people. Far from it. The United States and the Dominican Republic in 1907 entered into a convention, or treaty, which provided for the assistance of the United States in the collection and application of the customs revenues of the Dominican Republic. This agreement between the two countries provided that until the Dominican Republic had paid the whole amount of the bonds of its debt its public debt should not be

increased except by previous agreement between the Dominican Government and the United States.

Owing to the failure of the Dominican Government in complying with this provision, probably because of the revolutions occurring in the Republic which deprived the Republic of a stable government, and the expense incurred in repressing such revolution, and owing to the danger of such revolutions to the Dominican people themselves as well as citizens of other countries who might be in the Republic, the United States Government directed its naval authorities to assume charge in the Republic and restore tranquillity. Marines were landed in this country during 1916 to preserve order, and a little later—in November, 1916—a military government was set up by the United States to conduct the affairs of the Republic and maintain order. The military government was announced to the Dominican people by a proclamation, and that proclamation pointed out to the Dominican people that the object was to restore and maintain peace and order, called upon all persons to assist in this object, and stated that only those persons who opposed this objective of peace and order would become liable to military discipline.

The object of the United States as explained in the beginning has never changed. It has been throughout the occupation to this time of returning the Government to the Dominican people an unselfish object, looking only toward the betterment of the Dominican people, and at great expense to the United States. It might be pointed out that the laws of nations give to one nation which occupies another's land the right to support the occupation by taxation levied upon the country occupied. The United States has never even considered causing the Dominican people to defray the cost of the occupation in such a manner, but has itself borne the entire cost. And what are we trying to buy with the millions of dollars expended in six years of such an occupation? The answer is the betterment of the Dominican people and their peace and prosperity and their consequent good will to us.

Now ask yourself if your conduct in your attitude toward the Dominican people is as worthy as that of your country, and bear in mind that your conduct represents the United States in the eyes of the Dominican people. Can you not see that ungentlemanly acts on the part of any man in this brigade toward the Dominican people counteract upon the efforts of the United States in seeking the good will of the Dominican people? Every time a member of this brigade commits an act of abuse upon a citizen or resident of this Republic he brings forth the criticism of the Dominican people. And where does that criticism fall? Upon the man who committed the abuse? No; but upon the United States and its officials and officers. Your President receives the blame, your whole Government receives the blame, your Marine Corps and my Marine Corps receives the blame, and especially your commanding general and officers of this brigade.

This last statement may seem to you to be exaggerated, but let's consider this and see if it does not work out in just that way. Some member of the brigade assaults a Dominican citizen. That citizen tells the story, and it is retold again and again, and here, as the world over, the story grows with each telling. It is published in the Dominican press, and the Dominican people are astounded that American marines should so abuse their people. Prominent Dominicans forward the story to their friends in the United States and it is taken up by the American press, maybe in Congress, and the blame is laid upon the whole Marine Corps.

Perhaps you do not yet understand why such a small matter should get such publicity. That can be made clear also. There are several reasons, the most important of which is that there are people who are opposed to the occupation of this Republic, and that opposition includes both Dominicans and Americans.

Probably there are Dominicans who believe that the United States has some object in the occupation other than that which it has expressed, for instance, acquiring Dominican territory or taking the Dominican Republic under its protection and requiring revenue in the way of taxation and by other means from the Republic. Also the bandits who style themselves as revolutionists and prey upon the country were greatly opposed to the American occupation. I say "were opposed" because we pride ourselves that we have broken up banditry in the Dominican Republic. Also there are Dominican citizens of high standing who, although they know that the United States is their friend, feel that their independence and the sovereignty of their nation is so dear to them that they want to govern themselves, even though they can not do it as well as we can.

Also, there are people in the United States who agree with these Dominicans who feel that they should conduct their own Government, and then there are people in the United States who are opposed to this occupation for political reasons.

Now you can see why we are subject to criticism. The supporters of the occupation can not always be exploiting the good work of the occupation, while the opponents of the occupation are always ready to criticize, and therefore the Marine Corps, which is actually conducting the occupation under orders from higher authority, becomes the subject of this criticism. This is being explained to you in order that you may understand how easily we can subject ourselves to criticism in the hope that you will carefully avoid all opportunity for criticism.

PART II.

We have already discussed the occupation in the light of its cause and object, and now we will consider the way in which the occupation has been conducted, its accomplishments, the hopes for the future of those who have conducted it, and their pride in its accomplishments. I will point out right here what bearing this has on the individual conduct of each of us. It is up to each of us to do our part as well as those who have already conspicuously obtained success in their part in the occupation.

Our individual part is to perform the duties assigned to us, and perform them well; and in addition, as has already been pointed out, to make our attitude and conduct toward the Dominican people worthy of our country and its object in this occupation. And now I want to point out that we must take individual pride in the accomplishments of the occupation, which are our accomplishments, and that we must conduct ourselves in a way which will show that we are proud of those accomplishments and ready and anxious to live up to them.

During the occupation and up to the inauguration of the present provisional government the affairs of the Dominican Republic have been administered by a military governor, usually a rear admiral of the United States Navy, and a staff composed of naval and marine officers, which staff corresponded generally to the Cabinet of the President of the United States. The officers of this staff had charge of governmental departments, such as department of interior and police, department of public instruction, etc., and administered the affairs of those departments under the direction of the military governor.

In addition, the Republic has been garrisoned by a brigade of marine, who have maintained peace, order, and tranquility and at the same time trained a military force composed of Dominicans, now known as the Policia Nacional Dominicana, which force is now acting as the national police force of the Republic. The brigade is still assisting in the training of this national police force at the request of the Dominican people. The brigade is remaining here until the recently elected provisional government turns over to a duly elected constitutional government for the purpose of assisting in the training of the Policia Nacional Dominicana and also to lend our moral support to the Policia Nacional Dominicana in their work of maintaining peace and order.

Remember that last statement. We are lending our moral support and that necessarily means that we set the example. If we are to set the example for the Policia Nacional Dominicana, let's set a good one and show them that we bear ourselves with dignity and courtesy.

Now let's see what we have accomplished for the Dominican Republic during the occupation.

In the development of the country first consideration has been given to the opening of the country by construction of roads. The national highway from Santo Domingo City to Monte Cristi, connecting the northern and southern coasts of the island, has been completed. The completion of that road in May, 1922, marks the beginning of a new era in the Dominican Republic. Before the construction of that road the northern and southern Provinces of the Republic had little communication with each other. Now they are connected by a first-class road, and travel from the northern coast to the southern coast is only a matter of a few hours.

Union of the Dominican people and prosperity for the country will be the result of that road. Other roads have been constructed throughout the Island, making travel throughout the Republic possible. Furthermore, these roads give military control of the whole Republic to the Government and its military police force.

These roads have been accomplished only through the persevering efforts of the officers in charge of their construction, and they stand as a monument to the American occupation.

Bridges have been built in this Republic under our administration; railroads have been improved; wharves and customhouses have been built and harbors improved; radio communication has been established; telephone and post-office systems improved, and all other means of communication vastly improved. Numerous other public works have been accomplished to expedite the development of the country.

Great progress has been made by the military government in the matter of the education of Dominican people. When the military government was established the system of education was entirely inadequate, and politics were supreme in the school administration.

To-day schools have been established all over the Republic, even in the rural districts, and the children of Santo Domingo are attending. A department of education has been established and has for several years been energetically striving to completely banish illiteracy in the Dominican Republic. We have turned over to the provisional government a sound system of schools and education, which, if continued, will insure the education of the Dominican people in the years to come.

We have accomplished many other things; but, lest we be considered boastful, we will only discuss one more, namely, the military assistance given, which includes the elimination of banditry and the organization of the Policia Nacional Dominicana. The latter we have already touched upon.

From the beginning of the occupation up to a few months before the inauguration of the provisional government we have worked hard to eliminate banditry in this Republic and have met with complete success. The bandits to whom we refer were armed groups who preyed upon the Dominican people and lived upon the countryside. Some of these styled themselves as patriots or revolutionists opposed to the American occupation. Whatever their status, they were preying upon the Dominican people and were in armed resistance to the object of the United States forces. Our forces have kept them on the run and made life pretty uncomfortable for them, until finally the remaining few decided that banditry was not such a great life after all and surrendered themselves and their arms.

Now, let us all consider these accomplishments and take pride in them. Then let us conduct ourselves in a way that will show that we are proud of these accomplishments; let us continue the help that we have been giving them by treating them as the good citizens that they are. Make them feel that the United States is their friend—even more, the best friend they have ever had.

PART III.

We have considered the occupation in the light of its cause and object and in its accomplishments. We will now consider our remaining object and the importance of it. We have started on the last lap of the race, and in this race, as in every race, success depends on that last lap. Marines have taken part in many a race, and it has never been their habit to falter in the last lap. That is where we have always expended our every effort to win.

The last lap in this race is the turning over of the governing power to the Dominican people. The turnover has been started, but it is not a matter that can be accomplished in a day. A provisional government has been inaugurated and has commenced its work. That government is to institute certain reforms in the election law and then provide for the election of a constitutional government. Upon the inauguration of the constitutional government and the accomplishment of the necessary agreements between the United States and the Dominican Republic the United States will then completely withdraw its forces from this Republic.

This is not a matter to be accomplished in a day. It must not be done hastily. The provisional government has a great deal to do in order to establish a constitutional government which will be insured of stability and success. The provisional government is therefore more or less on trial in the eyes of the Dominican people and in the eyes of the world.

The Policia Nacional Dominicana is on trial in maintaining peace and order in the Republic. That military body is a product of our own labors, and its success will be our success. Are you going to help it or hinder it? Are you going to help the provisional government or hinder it? Are you going to help your country in attaining its object? I can answer every one of those questions for you. You are going to help in every way you can think of, but what you must guard against is thoughtlessness, and this especially in your relations with the Dominican people. We are here to give our moral support to the Policia Nacional Dominicana and the provisional government. Then let us do it. Never interfere with a member of the Policia Nacional Dominicana or the municipal police in the performance of their duty.

Never start a disturbance with Dominicans. If you want to fight, put on the gloves and start training for the next boxing meet; you can find any number of men right here in your own camp who will give you a more exciting scrap than Dominicans will, and you can win a boxing belt instead of bread and water.

Carefully avoid any kind of trouble with the Dominican people. Don't start an argument with a Dominican because you don't like the way he looked at you. Avoid trouble with them. Don't you pride yourself that your intelligence is superior to theirs? Then isn't it up to you to avoid trouble? Make your every act a friendly one; never an unfriendly one.

Remember that you are a marine, a member of a strong armed body. In the eyes of these people every unfriendly act you commit against them they regard as oppression. They consider themselves defenseless against you. It has never been the creed of marines to oppress the weak, but on the contrary we try to help them. Live up to the traditions of your corps.

Perhaps you have considered the occupation in the light that these little talks have tried to explain it. I am trying to show you the occupation in its true light and acquaint you with the entire situation. Every man here is a part of the brigade and should be interested in why we are here, what we have done, and what we are going to do. This is really an appeal to every one of you, as a good marine, to carry out our mission. The commanding general believes that it is only necessary that you understand what is wanted in order that you will give it.

We have not had a great many cases of abuse of Dominican people by marines. In this last lap of the race we don't want to have any. If such cases do arise, I unhesitatingly tell you that the offenders will be punished to the limit, for such offenders bring discredit to the entire brigade. I want to illustrate to you the extent of the discredit brought upon the brigade by offenders of this class. The commanding general is required to make a report each month to the major general commandant concerning the extent to which this brigade has become indoctrinated with the correct attitude toward the Dominican people as evidenced by the elimination of just complaints against its personnel. In that report are included any offenses committed by marines against Dominicans. If a marine assault a Dominican, the facts are included in that report, together with information as to action taken. This information is available to the Navy Department and State Department, and the officials of the United States Government have just cause to feel that a man who commits such an offense is not serving his country as he should and as marines have always done. Such offenses are a reflection upon the entire brigade and the entire Marine Corps, and we must eliminate all such offenses. The major general commandant has asked the commanding general to impress upon the members of this brigade that whether marines are guarding the mails in the United States or guaranteeing the maintenance of peace and order in a foreign country, they are equally in the public eye at home and must so conduct themselves in their relations with civilians as to make it plain to the latter that United States marines are the friends of law and order.

The commanding general further desires to impress upon you that you can not make it plain to the Dominican people that you are the friends of law and order if you cause or participate in disorders.

The United States and its representatives here, and that includes all of us, have worked hard in the Dominican Republic and we hope for its success in the future. The success of the Dominican Republic will be our success and will constitute another bright page in the history of the Marine Corps. We hope that the Dominican people will carry on the improvements we have inaugurated, carry on the construction of roads and other public works, the dissemination of education and knowledge, and even inaugurate progress of their own. We hope that the Dominican Government will do many things to obtain prosperity for its people; all of this we hope for and feel that it will be done. The sooner the Dominican people govern themselves and conduct their affairs without the active assistance of the United States the more rapid their progress will be and the greater their interest and pride in their progress will be.

Therefore we want to do everything we can to assist in the success of the present provisional government in order that it may establish the constitutional government and the Dominican ship of state start its cruise.

During this period of transition let us all be friends of law and order. Seek clean amusement instead of trying to paint the town red. Remember that we are not now conducting the affairs of the Dominican Republic, but the Dominican people are on trial in conducting their own affairs, and let us stand off and maintain the attitude of dignity and courtesy that the commanding general asks of us.

In conclusion, let us recall that one point we discussed in the beginning, that our conduct here is our country's conduct. We are writing our little page in the history of the Marine Corps, and we are at the bottom of that page; it relates to the occupation of the Dominican Republic. So far that page reads mighty well. Let us write the last paragraph in a way that in the years to follow it will stand as a page so bright that even the Marine Corps will consider it a guide and example well to be followed.

Prepared by brigade law officer to serve as basis for lectures to be delivered to personnel of brigade.

HEADQUARTERS SECOND BRIGADE, UNITED STATES MARINES,
Santo Domingo City, D. R., October 30, 1922.

Issued this date.

HARRY LEE,
Brigadier General, United States Marine Corps,
Commanding Second Brigade United States Marines.

Mr. ODDIE. Mr. President, I would like to go into this matter in greater detail, because I have given it very careful study, as have the other members of our committee, but I shall not take the time to do so now. The Senator from Illinois [Mr. MCCORMICK], chairman of the committee, has shown great ability in directing its investigations. I wish only to say that I hope the amendment offered by the Senator from Utah will not be agreed to, and that Senators who have received information contrary to the report of the committee and other matters I have submitted will further study the subject and get their information from the real and legitimate sources—our State Department, our Marine Corps, and our Navy.

APPENDIX.

[Senate Report No. 794, Sixty-seventh Congress, second session.]

INQUIRY INTO OCCUPATION AND ADMINISTRATION OF HAITI AND THE DOMINICAN REPUBLIC.

Mr. ODDIE (for Mr. MCCORMICK), from the Select Committee on Haiti and the Dominican Republic, submitted the following report, pursuant to Senate Resolution 112:

The select committee of the Senate to investigate the occupation and administration of territories of the Republic of Haiti and of the Dominican Republic by American naval forces presents herewith a report upon the occupation of Haitian territory and the relation of the United States to the Government of Haiti.

The island of Haiti, midway between Cuba and Porto Rico, supports a population as numerous as that of Cuba (about three and a quarter million souls) upon a territory about three-quarters as large as that of Cuba. It is therefore noteworthy in considering the economic and social condition of the inhabitants of the island of Haiti that during recent years the export and import trade of the island has averaged perhaps one-tenth of the volume of Cuban foreign trade. Porto Rico, with a territory equal to one-fifth of that of the island of Haiti and with a population of about a million and a quarter, has exported and imported about twice as much as has the neighboring island.

While the Cuban interior may be reached from all ports by connecting railways, and while Porto Rico is covered with a network of splendid highways, and while its ports are united by a coastwise railway system, the whole island of Haiti prior to the coming of the Americans in 1915 had absolutely no through and thorough highways and no railways other than half a dozen unremunerative, unsuccessful, and incomplete spurs of track running inland from different points of the coast. In a country without highways and without railways, and in which even the few trails were impassable during unseasonable weather, it is not surprising that agriculture, industry, and trade all languished and that the overwhelming majority of the population has been utterly poor and illiterate.

THE ECONOMIC ATROPHY OF HAITI.

Improved roads are an index to the industrial development of any country.

The French prior to 1800 had built about 550 miles of public roads in Haiti. Some of these were said by French writers to equal the best highways in France leading to the Versailles. The Haitians overthrew the French in 1804. The roads fell in disuse. The torrential rains which visit the island and the tropical vegetation, which grows rapidly in the island, soon made these roads for the most part almost impassable. When the Americans took possession there were not to exceed 210 miles of these French roads which were passable by wheeled vehicles even in dry weather.

The American authorities since their intervention in 1915 have built 385 miles of new construction and repaired 200 miles of old construction. Such highways as were passable even in dry weather were for the most part along the coast line. With these exceptions, there was no way of getting to or from the coastal cities and towns to the interior except over trails through the forests no more clearly defined than were the Indian trails through the virgin forests of America before the white man had set foot therein.

Women and burros were the burden bearers of the country. All products which were brought into the market or taken into the interior from the coastal cities and towns were borne by the women carrying their burdens upon their heads or upon the backs of their burros.

The territory of the Republic of Haiti comprises one-third of the area of the island, the other two-thirds being included in the territory of the Dominican Republic. Three-quarters of the total population of the island inhabits the one-third of its area, which is subject to the sovereignty of the Haitian Republic.

There are two distinct social entities in Haiti—two Haitis, as it were—one living in the coastal cities and towns. About 2 per cent, and certainly not exceeding 5 per cent, of the total population represents the wealth and culture of the island. They embrace the governing class. They do not divide politically as our people do. The dividing line politically is between the "outs" and the "ins." A substantial army has been maintained by the Government. Without it in the past no government could have come into existence or could have maintained its existence for any length of time. The "outs" seeking to get in have never hesitated to make an alliance with the Caco or bandit chiefs and organize revolutionary forces to march against the capital at any time they thought to be propitious.

The other very distinct element embraces 95 per cent or more of the entire population. They constitute the peasant class. They can neither read nor write. They have no conception of government. They have been the pawns of the governing class. Their condition is truly pathetic. Naturally generous and kind, with proper training and education they can become prosperous cultivators, capable of guarding their own interests.

Before the American marines landed in 1915 men did not dare to leave their humble homes in the interior recesses of the island lest they should be impressed into military service by either the Government or the revolutionists. They knew not what hour of the day or the night they might be seized by military officers or Caco chiefs, taken from their homes, and forced into service.

Their animals and the products of their little gardens were continuously being confiscated without compensation, and when the women took their produce to the markets in the cities and towns they were never certain that the little money they received for it would not be taken from them.

Now conditions are changed. Naturally the peasants want Haiti for the Haitians. But at the same time, with very rare exceptions, the peasant class realize that since the American intervention for the first time in their history they are free from impressment into military service. They are no longer plundered by Cacos and bandits, and they are secure in the possession of their families and their property.

Haitian government prior to 1915 afforded neither protection nor service to the Haitian people. The Haitian peasant was burdened with heavy taxes, and for the most part no account was kept of the receipts or disbursements. No police protection was furnished the people in the interior. Hospital facilities in the cities and towns were inadequate and insanitary. No internal improvements were made for the benefit of the people.

One single disclosure made during the course of the hearings in Port au Prince will be interesting. It is typical.

Doctor Sylvain, president of the Union Patriotique, was before the committee. He was asked concerning their educational system. He testified that the Republic of Haiti had compulsory education in the island since 1864; and yet only 2 per cent of the people can read and write. What a commentary on Haitian administration!

Under Haitian government teachers of music were hired who could not tell whether a sheet of music was right side up or upside down; teachers of drawing who could not draw a picture of an ordinary bucket; and in their courts subordinate judges who could neither read nor write. And it may be said that no other branch of governmental activity was far in advance of their educational system.

One word as to the material progress of the peasant class. Before the American intervention few of the Haitians had ever seen a plow. The peasant class had never seen and did not know how to use a shovel. At first, when shovels were given to them for use, they would take them to a pile of gravel, pick the gravel up in their hands, put it in the shovel, and then carry it to the place where it was intended to be placed. When the American marines began road building in the island a schooner with road-building machinery was docked. In the hold of the vessel were 60 wheelbarrows. A captain of the marines in charge of the road building sent the foreman, a Haitian, with 60 men to bring the wheelbarrows to the place where the road building was in progress. After a time he looked for the men with the wheelbarrows. He saw them carrying the wheelbarrows on their heads instead of wheeling them.

The committee does not refer to these conditions in a critical spirit, or for the purpose of humiliating the Haitians, but because it is necessary that the American people shall know conditions as they are in order to enable them to determine what ought to be done at present and in the immediate future, and the committee says this looking solely to the benefit of the Haitian people and without any purpose, direct or indirect, looking to any material benefit to be derived by the Government of the United States from its temporary control or occupation of the island save and except such as would come to us as the benefactor of an unfortunate people.

HAITIAN HISTORY.

No review of the condition of Haiti can be just to its inhabitants which does not recognize existing anomalies and the antecedent historic facts which explain the economic and political backwardness of a people among whom may be found groups whose cultivation, education, and capabilities are comparable with corresponding elements of society in more advanced countries.

At the time of the overthrow of the French government and of the expulsion of their French masters by the Haitians there were among the former slaves to whom the government of the country fell few who were literate and absolutely none who were so trained in public affairs or who were so skilled in tropical agriculture as to make possible either the successful maintenance of civil order or the necessary continued development of the country's agricultural resources. Thus the Haitians labored under insuperable handicaps. There were among them for all practical purposes no trained agriculturists and administrators, no engineers and educators. Haiti had no means of educating her people or of developing men competent to govern. Misgovernment and revolution ensued, and as a consequence Haitian trade, by comparison with that of the other West Indian islands, diminished. Haiti drifted, as it were, out of the currents of commerce.

During the six-score years of Haitian independence there have been a dozen constitutions. The people have lived under self-styled monarchs as well as under military dictators and self-constituted presidents.

Since the Haitians gained control in 1804 there have been one series of revolutions after another. Part have been successful, part unsuccessful. Since 1804 there have been 29 chiefs of state. Otto Schoenrich in his work on Santo Domingo says:

"It is to be observed, however, that of the Haitian executives only one completed his term of office and voluntarily retired; of the others four remained in power until their death from natural causes, 18 were deposed by revolutions, one of them committing suicide, another being executed on the steps of his burning palace, and still another being cut to pieces by the mob; five were assassinated; and one is chief magistrate at the present time."

The disorders to which Haiti has been subject since the achievement of its independence attained such destructive frequency during the last decade before the American intervention in 1915 that in the space of 10 years no less than eight Presidents assumed office (it would be a mistake to say that they were elected) for the nominal constitutional term of seven years each. Three of the eight fled the country; one was blown up in the presidential palace; another died mysteriously, and according to popular belief by poison, while two were murdered. The last Haitian President who held office before the landing of the American forces was Sam, who had caused several scores of political prisoners to be massacred as they huddled in their cells. He himself was dragged from the French Legation by a mob, his head and limbs were torn from his body to be carried aloft on sticks and bayonets, while his bleeding trunk was dragged through the streets of the capital city.

It will not be wondered that under conditions thus indicated the irrigation works and highways built by the French disappeared, fertile sugar plantations vanished, coffee cultivation ceased, and that the country made no progress, material or social, political or economic. The mass of the people—gentle, kindly, generous—their peace and property threatened rather than secured by the so-called authorities, sought such quiet as they might find by hiding in the hills, where they have lived in a condition of primitive poverty and ignorance. Not only did the sugar and coffee plantations disappear, but almost all true agriculture, all organized cultivation of the soil, except as little patches of yams and plantains may be called such, ceased. The coffee crop, which is the principal article of Haitian export, is gathered from the wild trees—sprung from the stock planted by the French over a hundred years ago. The domestic animals include wretched swine, poor cattle, poultry of scrawny Tropic strains, and little asses which, as saddle or pack animals, served as the sole means of conveyance or transport in the country until the arrival of the American forces.

NO REPRESENTATIVE GOVERNMENT IN HAITI.

In brief, before American intervention there had been no popular representative or stable government in Haiti. The public finances were in disarray, public credit was exhausted, and the public revenues were wasted or stolen. Highways and agriculture had given way to the jungle. The people, most of whom lived in wretched poverty, were illiterate and spoke no other language than the native Creole. The country and its inhabitants have been a prey to chronic revolutionary disorders, banditry, and even during periods of comparative peace to such oppressive and capricious governors that the great mass of the people, who under happier circumstances might have become prosperous peasant farmers, have had neither opportunity nor incentive to labor, to save, or to learn. They had no security for their property and little for their lives. Voodoo practices, of course, were general throughout the territory of the Republic.

This view has been contested by certain Americans who, equally ignorant of the facts and indifferent to them, have given voice to general and unsubstantiable charges which if credited would blacken the good name of the American Navy and impugn the honor of the American Government. It is, however, the view of your committee, and is supported by those informed and impartial investigators of Haitian conditions whose opinions have come to the attention of your committee.

HAITIAN OPINION.

Lest this summary of Haitian conditions be considered prejudiced or overdrawn, the committee quotes the following from the report of the Haitian Commission of Verification of Documents of the Floating Debt.

"But neither the Pressoit-Delbau Commission, nor the successors of Mr. Barjon in the position of paymaster of the Department of the Interior have been able to tell the Secretary of State for Finance what has become of those archives. Only one fact remains, from all the preceding, and it is to be remembered; that is, that the said archives have disappeared, and that they remain unfindable, for a cause which the commission is not in a position to verify nor to comment upon. * * *

"This great question of the revolutionary debts—of the revolutionary debt of Davilmar Theodore above all—constitutes the most delicate and certainly the most painful of the work of the commission. Without doubt, we have not the mission, Mr. Secretary of State, to judge the motives, interested or not, which determined and guided the conduct and the acts of such a chief, of such a political group, in the course of the years forever ill omened before the month of July, 1915. In any case, this mission is not imparted to us, if at least we confine ourselves to considering strictly and narrowly our attributions of commissioners charged to investigate the arrears of the floating debt. * * *

"This expression 'revolutionary debt' carries in itself its condemnation, by reason of the lugubrious ideas which it awakens in the mind. From the moment that our internal torments had to have as a final consequence the issuance of certificates of indebtedness of the State, to the profit of their authors of all classes, or, which means the same things, the flood of favors to the detriment of the national treasury, a premium was thus created to the profit of Haitian revoluntionaryism. And it is thus that we have attended in these recent times this sad pageant marking the pages of our history; the revolution of the day being an appeal to the revolution of to-morrow; insurrection never disarmed, always erect and campaigning, perpetually assailing the supreme power, and never stopping but to divide the spoils of the hour, after the enthronement of the new idol which it was to undermine and overthrow.

"In presence of the figures at once scandalous and formidable of the debt called revolutionary and in view of the deplorable conditions in which the different original notes were issued, whether at Ouanaminthe, at Pignor, at St. Michel, at Cape Haitien, at Port au Prince, and even at Kingston (Jamaica), finally a little everywhere; some in Haitien gourdes, the others in American gold, pounds sterling, or in francs—the commission thinks it opportune to make without offense or passion the following remarks which it offers for the meditation of the country. * * *

"There is no really productive work without the help of capital.

"But when the loan is contracted for an unavowable purpose, having for motive the arming of the citizens of a country against their fellows, sustaining a disastrous and debasing war, sowing terror in all the social levels, with a view of satisfying personal ambitions—oh, then the conditions are not longer the same, and we find ourselves here in face of a hidden operation.

"Incontestably, wherever civil war has passed it has sowed destruction, disunion, and death; cities devastated, factories destroyed, families reduced to the most frightful misery, the pleasant fields of the north transformed into charnal places three or more years ago; all these horrors worthy of the times of antiquity and of savage hordes have caused and still cause the raising of cries of pain and of indignation, and retell for ages and ages the cruelty of the political leaders who conducted directly or indirectly the bands of madmen and who excited them to carnage in the sole and unique purpose of seizing the power for the purpose of better assaulting the public treasury.

"The country can not make itself the accomplice of such financial disorder having hidden behind it crime and immorality.

"The mass of notes issued, the considerable number of individuals who had or who arrogated to themselves the power of issue, and who unscrupulously, without restraint or the least reserve, thus compromised the future; the colossal figure to which these issues mounted have necessarily given birth in our mind to this question of palpitating interest, In what case can the recognizances issued be considered sincere? In what case are they not sincere? In other terms, when is it that the amounts subscribed have been really paid? When is it that we are found in the presence of fictitious values represented by notes of complaisance? * * *

"Revolutions are possible only on the condition that their authors find interested persons to finance these criminal enterprises. Unhappily with us the hard and honest work was always the exception, the revolutionary politics the rule, the great industry which attracted to it and monopolized all—energy, intelligence, and capacity. Therefore, there came a moment when the sole preoccupation for each energy unemployed, each intelligence searching its way, each capacity desirous of exerting itself; it was to clothe himself in revolutionary livery in which a campaign was instituted to gain access to the public treasury."

Testimony taken by the committee shows how the chronic anarchy into which Haiti had fallen, the exhaustion of its credit, the threatened intervention of the German Government, and the actual landing of the French naval forces all imperiled the Monroe doctrine and lead the Government of the United States to take the successive steps set forth in the testimony, to establish order in Haiti, to help to institute a government as nearly representative as might be, and to assure the collaboration of the Governments of the United States and Haiti for the future maintenance of peace and the development of the Haitian people.

Your committee believes that doubtless the American representatives might have done better, and that they have made mistakes which, in the light of experience, they would not make again; that, as will presently be indicated in more detail, not only did the treaty fail to

take cognizance of certain reforms essential to Haitian progress but that in the choice of its agents and the determination of their responsibilities the Government of the United States was not always happy.

THE OCCUPATION AND THE TREATY.

The history of the landing of American naval forces in Haiti and of the intervention of the United States to establish a government as representative, stable, and effective as possible is set forth at length in the public hearings of the committee. The naval forces of the United States landed in July, 1915, when the country, and more particularly the capital, after the murder of President Sam, had fallen into a condition of anarchy. The diplomatic representatives and naval forces of the United States made it possible for the Haitian Assembly to sit in security. The American representatives, in the opinion of your committee, influenced the majority of the assembly in the choice of a President. Later they exercised pressure to induce the ratification by Haiti of the convention in September, 1915, precisely as the United States had exercised pressure to induce the incorporation of the Platt amendment in the Cuban constitution, thus to assure the tranquillity and prosperity of Cuba. At about the same time representatives of the United States Navy took over temporarily the administration of the Haitian customhouses, which were then answerable to no central control, of which the revenues were disposed of at the discretion of the various local customs officers.

The convention of 1915 provides that a receiver general of customs, a financial adviser, and directors of public works and sanitation shall be nominated by the President of the United States and appointed by the President of the Republic of Haiti. It provides, furthermore, for the organization and discipline of an adequate force of constabulary or gendarmerie under the direction of officers nominated by the President of the United States but commissioned in the service of the Haitian Government by the President of the Republic of Haiti.

Your committee has sought carefully to measure the benefits accruing to the Haitian people as the result of the convention and to determine wherein the American Government or its representatives had failed in their duty and to advise as to the correction of mistakes or abuses in order that the maintenance of American forces in Haiti may be terminated as soon as possible.

Peace, sure and undisturbed peace, has been established throughout Haiti for the first time in generations. In former years men who were peasants—countrymen—were never seen upon the trails or in the market towns. They feared to appear lest they be pressed into the wretched and underpaid forces of the Republic or of revolutionary pretenders. Women only were found, driving pack animals or carrying burdens on the trails and chaffering in the market places. The men were hidden in the hills. To-day, as old travelers will bear witness, for the first time in generations the men have come down freely from their hidden huts to the trails and to the towns.

Conformably with the terms of the treaty, the Haitian customs have been administered by the American receiver efficiently and honestly, whereas in the past, by common confession, the administration of them was characterized by waste, discrimination, if not by peculation. The minister of finance has acceded to the disbursement of revenues under American supervision. Finally, although the Haitian Government has declined to employ American experts in the administration of internal revenues, nevertheless, under the insistence of the financial adviser and despite general business depression, the sum of internal revenue collected has increased threefold, although the internal revenue laws are unchanged.

There has been very little criticism of the collection of customs under American supervision or of the American receiver general. The financial adviser has been the object of bitter attack, partly because of his personal relations with Haitian officials, partly because under instruction of the Secretary of State he withheld salaries of the principal Haitian officials as a measure of coercion, and partly because he has been more than once and for long periods in Washington, absent from his post of duty in Port au Prince. In justice to the financial adviser it must be said that he was ordered to Washington by the State Department and has remained in Washington by order of the State Department to further the negotiation of the loan for the refunding of the Haitian debt.

THE HAITIAN DEBT.

It has been stated that the Haitian Government had never defaulted on the service of its foreign debts prior to the American occupation. This statement is not exactly correct, but it is undoubtedly true that it had exerted itself to an extraordinary degree to maintain the service of its foreign debts. Your committee is informed that to do this the Haitian Government had during the three years immediately preceding the occupation floated internal loans, at the rates of 59, 56, and 47, to a gold value of $2,868,131; had defaulted on salaries, pensions, etc., to the extent of $1,111,280; had borrowed from the Bank of Haiti $1,733,000; had issued fiat paper money, and had borrowed to a very large amount from private individuals at enormous discounts on treasury notes.

The Haitian Government had, at the time of the American intervention, totally exhausted its credit both at home and abroad. The amortization of the loan of 1875 was in arrears. A great deal has been made of the fact that after the naval forces took over the administration of the customhouses and after the outbreak of the Great War, there was a time when, despite careful administration, both interest and amortization due on the Haitian debt were unpaid. This is true, but the inability of the Haitian Government and its American advisers to pay was due to the state of anarchy into which the country had fallen and to the inestimable injury to Haitian trade with Europe consequent upon the outbreak of the Great War. During the last three years $5,000,000 of interest and principal have been paid. To-day there is no interest or capital overdue. The foreign debt has been reduced by one-third. On the contrary, there is a surplus in the treasury and it is proposed to refund the outstanding debt to the great benefit of the Haitian taxpayer.

The Republic of Haiti owes, largely in France, some $14,000,000, part of which could have been paid when the franc was at a discount of 17 to the dollar, and which can now be paid while exchange stands at about 10 francs to the dollar. The Haitian Government has lost something over a million dollars by delaying the refunding of the debt. It is still to the patent advantage of the Haitian Government to refund the debt by borrowing in dollars and paying in francs, when the francs are worth not 5 for a dollar, as formerly, but 10 for a dollar. Apart from this, in the opinion of your committee, it is of primary importance that the proposed loan should be made without delay, partly because it will afford a sum of money necessary to finish certain public works including the highway to Jacmel and that from Las Cahobas to Hinche, but also because under the proposed terms of the loan the debt will be a general charge upon the revenues of the country, and those revenues which are now specifically and irrevocably hypothecated to the service of certain loans will be freed from such rigid hypothecation and the onerous and inequitable revenue system of the country can be revised. There is appended to this report a table showing the contractual charges upon revenues in Haiti. A student of the Haitian financial system will be struck first by the charges upon exports (indirect and direct) and especially by the fact that they bear very heavily upon the poorest element of the population. If the debt be refunded as proposed, the revenue system can be revised and at one and the same time the burden upon the poor can be lightened and the export trade can be freed of uneconomic taxes.

It may be added that the new refunding loan, if consummated, will be made upon better terms than those recently made in the American market by European and South American governments.

As the negotiations for the revision of the charter of the national bank are all but consummated the committee thinks it unnecessary to dwell upon the matter further than to say that due to the insistence of the American State Department and of the vigilant financial adviser the terms of the new charter are more advantageous to Haiti than those of the old, and that already an end has been put to the fluctuation of the currency, in which foreign merchants and exporters speculated to their own advantage and to the injury of the Haitian peasant. It is because of this last that certain foreign financial interests—that is, interests neither American nor Haitian—have covertly, persistently, and perhaps corruptly, opposed the determination of the new bank charter and the stabilization of the currency.

As was indicated earlier in the report, when the American naval forces were landed in Haiti in 1915 the fine highway system left by the French had disappeared. In 1917 the commander of the occupation, in collaboration with the Haitian Government, invoked the Haitian law requiring the inhabitants to work upon the highways. This was the forced labor or corvee upon the roads. The law requiring the inhabitants to maintain roads was in principle not unlike some of the highway statutes of our own States. It had not been enforced for decades when, at the instance of the American naval command in Haiti, the Haitian Government invoked it in July, 1916. At first this step appears to have met with no opposition from the natives. On the contrary, under the tactful management of the gendarmerie command at that time, encouraged and stimulated by the enthusiasm of the American officers, they were eager to open a highway from the north to the south of the country. It is the almost unbelievable truth that with the decay of the French roads it was impossible for a vehicle to traverse any section of the roadless Republic. People worked with great good will upon those sections of the highway near which they dwelt. It was only after a year or more, when the gendarmerie command unwisely compelled natives to leave the neighborhoods in which they lived in order to complete the roads through the mountains, that discontent and dissatisfaction were first manifest. It is impossible to say in what measure the corvee contributed to the armed outbreak in the north. Almost all Haitian revolutions have had their beginning in the broken country lying between Cape Haitien and the Dominican border. Here the Cacos had lived for generations, and hence they marched to make their periodical attacks upon the capital as followers of one or another revolutionary chieftain. At all events, when the road law had been invoked for nearly two years, and when its enforcement had given rise to discontent, for the reasons indicated, Charlemagne Peralte, an escaped prisoner, raised a band of Cacos in the north, which for some 15 or 18 months carried on a formidable guerilla war against the native gendarmerie and the American Marine Corps.

CHARGES OF MILITARY ABUSES.

The accusations of cruelty which have been made against members of the Marine Corps have deeply concerned your committee and required its full consideration. If cruelty toward the inhabitants has been countenanced or has escaped the punishment which vigilance could impose, or on the other hand, if false or groundless accusations have been made, if facts have been distorted, the true conditions should be revealed. Your committee has realized the gravity of the charges and the importance of impartial investigation and it has allotted a full portion of its time to the investigation of these complaints made by or on behalf of the Haitians. Examination has been made of the records and methods of investigations conducted by the Navy Department. Many witnesses have been heard in this country and in Haiti, and some scores of affidavits read and considered. So far as time permitted no one was refused a hearing and no limit has so far been placed on the number of written complaints in affidavit form.

Much evidence does not appear in the record. This consists of oral statements made to the committee or to one or more members in the course of confidential conversations which took place during the committee's visit to Haiti. If those individuals who made the statements had not received and relied on the assurance that their names would not be published, nothing could have been learned from these valuable sources. Among those thus speaking in confidence were Haitians of education and influence, Haitians in positions of great importance, as well as others in subordinate positions and Haitian peasants, Americans engaged in business enterprise and other foreigners engaged in business or in philanthropic or educational work. If it had become known that any of these individuals expressed to the committee views contrary to the then organized opposition to the American occupation and its continuance, that individual would at once be marked for punishment. The consequences to the individual during the continuance of the occupation might have been financially and socially hurtful; and if the occupation were to be withdrawn, that person who had said anything in its favor would be in danger of persecution or loss of his life. These people who talked to the committee or its members did not know for how long they would receive the protection of the occupation. Those whose views they opposed included an influential group who would, temporarily at least, dominate the country if the occupation were to be withdrawn in the near future.

The committee has weighed this undisclosed evidence and has tried to give it its correct weight, but the committee can not in justice to the individuals disclose their names. One of those who spoke most impressively and whose opinion was entitled to great weight on account of long residence and close sympathy with the Haitians said:

"If the Government of the United States was to order the marines to quit the island, the last of them would scarcely be out of sight of land until a shot would be fired and then a revolution."

This opinion differently expressed is widely shared by responsible people in Haiti. Such can not express their opinions publicly at the present time, but no correct estimate of the situation can be reached without their opinions. The report of Professor Kelsey to the American Academy of Political Science, published in the committee's record, shows that he had an experience similar to that of the committee. We commend Professor Kelsey's report to the close study of those who are interested in the Haitian problem.

During the five and one-half years of the occupation 8,000 individuals have served in an average force of 2,000 marines stationed in Haiti since the occupation. It is true that some few of these individuals have committed crimes affecting the Haitians, the offenses depending in no way on the military character of the guilty parties. The very small number of such individual crimes reflects credit on the discipline of the Marine Corps. Proper diligence has been exercised by our military authorities in prosecuting and punishing the criminals. There has, however, been a different class of accusations—charges of violence committed by American marines or by the gendarmerie (the Haitian police force organized under the direction of the Marine Corps) and these charges contain elements of military oppression or unnecessary severity and reckless cruelty. These have formed one of the principal fields for investigation by your committee.

With few exceptions there are no complaints of such military abuses in the years 1915, 1916, 1917, and the earlier part of 1918. Nor are there many such complaints for the latter part of 1919 or the early part of 1920. All the charges concern times and places coincident with the phase of organized banditry or "Caco" outbreak which became serious in 1918 and was practically suppressed by the end of 1919. The charges of military abuses are generally limited to a somewhat restricted region in the interior of Haiti, namely, the central plain of St. Michel, in which are the communes of Maissade and Hinche, the mountains surrounding this plain, and the mountainous region surrounding the town of Mirebalais. This country is broken and wooded, thinly settled, and very difficult of access. Both areas are cut up by tangled ravines and barricaded by a confusion of small mountain ranges. Torrential streams add to the difficulties of travel. For years this has been habitually a revolutionary area and has been subjected for a generation to frequent destructive operations of irregular revolutionary forces or bandits. The male inhabitants of the region, if not in active sympathy with any of these revolutionary forces, were frequently forced to join them through fear. Peaceful agriculture was next to impossible, and the result was that a great majority of the inhabitants were lawless and in sympathy with the "Cacos," as the revolutionary bandits were called. The recruiting ground for revolutionary expeditions had always been the central plain and the mountains to the north, along the Dominican border.

THE "CACO" OUTBREAK.

The causes of the outbreak of lawlessness above referred to are not altogether clear. The principal instigator was one Charlemagne Peralte. He had been a leader or chief of the Cacos in the mountains of the north. He was a man of local prominence and had held absolute sway over his followers. His career had been "revolutionary," but he caused no trouble during the quiet years after the occupation until in the autumn of 1917, when he and some of his followers took part in an armed attempt at Hinche to rob the house of Captain Doxey of some public funds which had been received for disbursement. Charlemagne was arrested and convicted by a provost court and sentenced to a term of imprisonment. He was made to labor in the streets of Cape Haitien under guard like any other convict, and this aroused his intense bitterness against the Americans. He escaped in 1918 and began the outbreak in July, 1918, with a few of his old followers. His resentment was demonstrated by acts of violence alike against natives and Americans. He rapidly recruited followers from the former professional and habitual revolutionists, and other chiefs, following his example, came from retirement and recruited bands of their own. The outbreak was as much one of organized banditry as it was revolutionary, although there remained much resentment against the Americans among the former revolutionaries. There was resentment also against the continuance of the corvee, and this resentment undoubtedly made recruitment more easy for the bandit leaders. As in former days, also, the leaders pressed other inhabitants into their service.

The guerrilla outbreak was opposed, first of all, by the gendarmerie, which was recruited principally from the same class of population as the bandits and officered by the United States marines holding commissions in the gendarmerie, but by March, 1919, it became clear that the gendarmerie could not suppress the outlawry without assistance, and thereupon the Marine Corps took over the greater part of the burden, although the gendarmerie remained in active service. The enemy knew their country perfectly. When arms were not in their hands they could not be distinguished at sight from other inhabitants. The transformation from peasant to bandit and vice versa could be made at an instant's warning. There was reason to suspect almost any male adult of being from time to time engaged in active lawlessness and habituated to guerrilla warfare.

The problem was to restore peace and order in this central and northern mountainous region. The situation did not admit of effective operations carried on by larger bodies than a platoon or two. The only practicable method was the one adopted—that of constant patrolling by parties ranging in number from 4 or 5 men to 30 or 40 men. These small patrols were almost always vastly outnumbered. They endured tremendous physical hardships. They were frequently beyond the reach of help and were even out of all communication with other friendly forces for two or three weeks at a time. They ran risks and faced dangers such as are endured by beleaguered garrisons. It is impossible to judge of the accusations which have been made or of the conduct of the marines or gendarmerie as if they had been engaged on police patrols in a settled country intersected by highways.

Each patrol was necessarily commanded by an American. At that time if a patrol of gendarmerie were intrusted to a Haitian sergeant it was not effective against the bandits, and in default of disciplined command it might constitute a menace to the inhabitants. There were not enough commissioned officers of the Marine Corps available to supply commanders of all these patrols. Many of them were commanded by sergeants, corporals, or even privates of the Marine Corps who were commissioned as captains or lieutenants in the gendarmerie. To the credit of our country nearly all of these men performed their duties admirably. Their courage sustained them in the face of danger and hardship, and their common sense and justice slowly won the confidence of the inhabitants. There were, however, some few exceptions who failed in their duty. Among these few were commissioned as well as noncommissioned officers of the Marine Corps. It is against these patrol commanders that the charges of military abuses are made.

The uprising was subdued by these patrols. With greater endurance and determination than the bandits, they kept constantly on the move. For months there were skirmishes and marches, and the bandits were kept constantly on the run. Many of the bandits took advantage of invitations to surrender. Those who did so were disarmed and were given a safe-conduct card; but some persisted. As long as a single hostile band was in the field the work remained unfinished. The leaders of the bandits knew and sometimes even were on friendly terms with the "notables" or leading men of these remote sections. As the campaign progressed the marines won the approval of the humble inhabitants, but they increased the dislike and resentment of those notables who were cacos or were allied with them. The committee has found that most of the accusations are made against a small handful of marines. Some of these were most active and effective against the bandits. Some of the accusations first brought against them have been entirely disproved, and yet other accusations spring up against them. In such cases it is at least possible that they are the victims of slander inspired by the intelligent hatred of the small native leaders whose dominance they destroyed.

The campaign continued through the year 1919. The enemy bands frequently numbered as many as three or four hundred, although their personnel undoubtedly was constantly changing. By constant pursuit and by attacking on sight regardless of the disparity of numbers, the Americans or the gendarmerie, under the American command, gradually wore these bands down until they disappeared. The pursuit and the fighting occurred in the wilderness, and it is hard to imagine and impossible to describe the hardships constantly endured by our men. The pursuit under the conditions we have described must have seemed endless, although surrenders and casualties and fatigue were constantly reducing the numbers of the Cacos. It is impossible to give the exact number of engagements, but it is accurate to say that in one place or another armed encounters occurred daily. Late in 1919 Charlemagne was killed in the field. This broke the back of the uprising, but another principal leader, Benoit, remained in bush for several months until he also was killed, in May, 1920. After his death the last of the disorder was quickly put down.

During all these times at least three-fourths of the territory of Haiti and four-fifths of the inhabitants were not directly affected. The remaining one-fourth of the territory to which this discussion refers, containing the lawless population, was the theater of practically all military operations, and was the only source of complaints of military abuses.

PEACE ESTABLISHED.

These regions are now peaceful. There are no bandits in Haiti. The inhabitants are leaving the mountain forests to cultivate the central plain—less disturbed than they have been within the memory of living man. It is impossible to determine in exact figures the number of Haitians killed in this 18 months' guerrilla campaign. A fair estimate is about 1,500. The figure includes many reports based on guesses made during combat and not on actual count. The casualties, whatever they were, undoubtedly included some noncombatants. The bandits were found resting in settlements, where they were surrounded by their women and children, or in villages where they camped and were tolerated by the inhabitants through fear or friendship. When encountered they had to be instantly attacked. These conditions largely account for the deaths of the bystanders.

Such casualties are to be deplored. They were unhappy consequences of the irregular operations. Your committee is convinced that the suppression of the bandits by patrols was the only method which would have been effective. It is fair to speculate that if the bandits had been permitted to continue their depredations there would have been a greater number of innocent people killed and a far greater sum total of misery. During this outbreak the bandits preyed on the other inhabitants, robbed them, maltreated them, and burned their houses and crops, as they had been wont to do in the many revolutions before the occupation. The peasants who were the victims do not now wish for the withdrawal of the marines. To-day they may work and travel without fear of robbery. Of this the committee has been convinced by opinions expressed at first hand by intelligent peasants. These are jealous of their sovereignty, but have every reason to be and are aware of the benefits of peace and order, and their first wish is that peace and order by some means may be assured.

The committee is convinced that cruelty has never been countenanced by the Navy Department or by the brigade commanders of our marines in Haiti or the commandants of the gendarmerie of Haiti, nor has this been alleged to the committee.

It is evident to anyone who reads the testimony of a number of witnesses that some false and groundless charges have been made and that in many cases facts have been distorted and exaggerated. Fairness compels the further explanation that few, if any, of the illiterate and ignorant peasants making such charges knew the difference between what they had seen and what they heard said at second or third hand or on sheer rumor. Utterly untaught in justice or evidence, they have probably been induced in some cases to bear false witness. Whether these charges be described as false or mistaken, it would be wrong to judge those who made them by American standards. Nevertheless, the testimony of such witnesses is dangerous unless it is carefully sifted. An illustration will show this:

In September, 1920, five Haitian gendarmes stated under oath that Lieut. Freeman Lang, of the gendarmerie, had in the early part of November, 1918, at Hinche shot a prisoner. One other said he saw Lang shoot two prisoners. One other said he had seen Lang shoot five prisoners at different times in October and November, 1918. All, however, told of the death of one particular prisoner. They all said the single prisoner had been led from jail and that he had talked with Lang and had then been killed by Lang at a distance of 10 to 20 paces with a machine gun or automatic rifle. Two added that Lang told the man he was released and could go home. Some said the man refused to give information and was therefore shot. According to the testimony of each of these witnesses, it was a cold-blooded and treacherous killing. All said they had seen it done.

In November, 1920, five of these same witnesses also testified before the Mayo court of inquiry. On the latter occasion the witness who had said that Lang killed two prisoners testified that only one man was killed and that he was walking away. Another witness at the later hearing said that the prisoner was walking, then that he was running and trying to escape. His first version had been that Lang had told the prisoner he could go home. Another of these witnesses, the one who said he had seen Lang take five from prison and

shoot them because they would not talk could not at the second hearing say whether the prisoners were running or not when they were shot and that in two of the cases he did not see the shot fired. He also gave a different place for one of the shootings in his later testimony. There were no prisoners missing from the prison at Hinche at those times. In their later testimony two witnesses made the date precise, November 4, but one could not tell the year. One who first testified he saw Lang shoot the prisoner later said he did not see Lang shoot the prisoner, only saw the prisoners dead after hearing the shots. Another first testified that Lang told the prisoner he could go home, and said two months later he was a long way off and could hear nothing that was said. Lang's version, fully substantiated by Daggette, another marine eyewitness, was that the prisoner, a Caco leader just captured, was taken under guard from prison to Lang's house to be questioned. He refused to talk and was led back under guard toward the jail. Lang at the same time had walked a considerable way toward his office in another building when he heard the guard fire two or three shots and saw the prisoner running toward some woods across the square. The guard was missing his shots and it was dusk.

Lang ran back 30 or 40 yards to his house, where there was an automatic rifle kept set up on the veranda, loaded and cocked. He fired in order to prevent his escape; one shot burst and brought the running man down dead at a distance of 150 yards. He at once reported the incident to his superior officer. A circumstance which discredits the Haitian witnesses is that an automatic rifle is too heavy a weapon to hold comfortably while standing up to cross-question a witness or to have overlooked while assuring a prisoner he could walk away with safety. At any rate the Mayo court exonerated Lang completely of this charge and likewise exonerated him on other charges brought against him by the same kind of witnesses, charges that circumstances and positive testimony proved impossible. These charges were probably inspired.

A reading of the testimony referred to in the Mayo court record will certainly raise that suspicion. (See Exhibit 5 attached to record of Mayo court and testimony before that court of Toussaint, Monfiston, Brave, Jean, Rouchon, Lang, and Daggette.)

The committee itself has heard Haitian witnesses declare they had seen certain acts and describe them in detail, and then after some questioning—entirely kindly—say they had been one-half mile or more away or in another part of the country and had only heard about it soon afterwards or much later.

A witness named Polidor St. Pierre testified before the committee at Port au Prince that he had been tortured in the prison St. Marc in January, 1919, and that the American marine captain whom he named had been personally present and directed the tortures. The witness said that the captain had caused him to be put in irons and hung up by a rope attached to his handcuffs and passed over a rafter in a prison cell. He said he thus passed five days without eating or drinking. The witness next testified that the next morning after the witness entered the prison the captain caused water to be boiled and poured down the witness's throat. The actual operation was performed by four gendarmes, the captain being present.

The witness said that two days afterwards the captain himself applied a hot iron to various parts of the witness's body, and that later he received medical treatment from the captain and a surgeon. The witness said that another Haitian prisoner named Medelus Valet was present and saw these occurrences, and that this same Valet was at the time of the committee's hearing imprisoned at Port au Prince. The committee caused Medelus Valet to be brought before it and sworn. Before this time neither the committee nor its counsel had opportunity to communicate in any way with Valet, and had no intimation as to what his testimony would be. Valet said that St. Pierre was tortured; that he had been hung up on three different occasions about one-half hour each by a rope attached to his handcuff; that he had not had water poured down his throat but that he had been branded. Valet said that this was all done by Haitian detectives and gendarmes in the absence of the captain, and that the captain became very angry when he learned of the mistreatment. He took St. Pierre out of the cell, put him in the prison sergeant's room, and had a surgeon treat him three times a day. (Reference: Testimony of St. Pierre, record, pp. 857–865; testimony of Valet, record, pp. 883–885.) These illustrations are not exceptional but usual, both in untruthfulness of testimony and in the suspicion of subornation.

ILLEGAL EXECUTIONS.

On the other hand, certain instances of unauthorized executions of captives at the hands of marines or at their command are beyond much doubt established. The number is small. In fact, after full inquiry and earnest invitation to complainants to come forward as witnesses or with affidavits, the committee is to this day reasonably satisfied of the fact of 10 such cases, of which 2 have been established in the course of judicial inquiries. Those who were killed had been caught bearing arms and had been imprisoned. These illegal killings all took place within the period of six months from December, 1918, to May, 1919, and all happened in one of the two areas in the remote interior. Of the three Americans who, as officers, would be directly responsible if the facts were judicially established, one (1) was insane, one (2) dead, and the other (3), commissioned in the gendarmerie from the enlisted personnel of the marines, has been discharged from the service. These three cases call for special mention:

(1) The evidence as to this case is found in the court-martial records of Privates Johnson and McQuilkin and on pages 737 to 741 of the committee's record. The American gendarme lieutenant in question was a private in the Marine Corps, commissioned as lieutenant in the gendarmerie. The two privates, Johnson and McQuilkin, were court-martialed because they were members of a firing squad which illegally executed two Caco prisoners in May, 1919, at Croix des Bouquets, in the region of Mirebelais. The evidence is clear that these executions were ordered and superintended by the American lieutenant of gendarmerie. In the testimony it also appeared as undisputed that these same men had been present at the execution of still one more Haitian prisoner five days earlier, also under the orders of the same lieutenant. There is no doubt but that those who were executed had already been taken prisoners and were shot without trial. The lieutenant who directed the executions was not court-martialed because he was found to be insane. His mental condition was observed at Port au Prince in July, 1919, at the naval hospital, Charleston, S. C., in September, 1919, and the naval hospital, Washington, D. C., in October, 1919, and in all cases the diagnosis was dementia precox.

The court-martial of the two privates was upon charges preferrtd June 22, 1919, one month after the executions of the Haitian prisoners. It was these two court-martial cases which upon being reviewed by General Barnett, as commandant of the Marine Corps, caused him to write a letter to Colonel Russell, then brigade commander, in which the general uses the expression "practically indiscriminate killings" by marines of natives. General Barnett testified before the committee (record, p. 439) that these two court-martial cases formed the only basis for his allegation. While there can be no excuse for the killing of these three Haitians, there could have been no legal conviction of the lieutenant of gendarmerie, who was insane.

(2) Reference in this instance is made to the testimony of Mr. Spear, formerly a lieutenant in the United States Marine Corps, which appears in the committee's record, pages 583 to 592, and also to the record, pages 646 to 647. Mr. Spear, now an attorney practicing in Nebraska, had enlisted in the Marine Corps and had been promoted to a lieutenancy. While holding this rank he saw service in Haiti. In May, 1919, he was second in command of a detachment of marines near Mirebelais. This detachment was relieved by another, the commander of which turned over two Haitian prisoners to the commander of Spear's detachment. The commander of Spear's detachment understood that these prisoners were turned over to him with orders to kill one of them.

One of them was shot by the orders of the commander of Spear's detachment. There were no Haitian prisoners at that time under sentence of death, and this alleged execution would therefore necessarily be illegal. The detachment commander who directed this execution was killed in an airplane accident in August, 1920. The committee finds no reason to doubt the truth of Mr. Spear's testimony; and although the death of this unknown Haitian can not be regarded as legally established, the occurrence can not here go unmentioned. It apparently did not become known to officers in higher command. There is nothing to show that Lieutenant Spear was in any way responsible for the death of this Haitian. There can be no justification for the execution of the prisoner if, in fact, it took place.

(3) In this case the American in question was, as captain in the gendarmerie, in direct military control of a relatively small territorial subdivision. The locality was, however, one of importance, because it was a trouble center for bandits. From time to time prisoners were taken in armed encounters or arrested as bandits. This man admitted to the brigade commander, Brigadier General Catlin, and to the commandant of the gendarmerie that he had caused the execution without trial of six prisoners led from jail.

The question of a court-martial on a charge of murder was resolved in favor of the offender by the brigade commander, because the proof of guilt consisted of the confession, and the confession required corroboration. Such was the quality of the other evidence available that the brigade commander doubted whether it would be sufficient in law. He testified before the committee that an acquittal would have had a bad effect on the natives, who would have called the trial a whitewash, while a conviction in a place far away could never have any effect one way or the other with the inhabitants. He decided not to risk an acquittal, and without court-martial removed the man from command and service in the gendarmerie. The man, soon afterwards discharged from the Marine Corps, has disappeared. If apprehended he might be surrendered to Haiti at the request of that Government, but the legality of such surrender would be at least doubtful. Whether at this late date a conviction for murder on the testimony of the ignorant and irresponsible native witness from the locality would be possible or just the committee as a nonjudicial body can not decide. It feels, however, that there might be a reasonable doubt. In the judgment of the committee, there must have been some tangible ground for trial and punishment, if not for murder, at least for a lesser offense against discipline. The committee is astonished that a man without sufficient experience or established character should have been placed in authority in a troubled district. (See General Catlin's testimony, record, pp. 660–662. General Catlin's statement, Exhibit 5, Mayo court record, Lieut. Col. A. S. Williams's testimony, record, pp. 549–550.)

The committee has heard a number of complaints of the burning of houses of innocent inhabitants by the marines. The witnesses or affiants do not allege nor do they deny that there were Cacos or bandits actually there at the time of the burning. The times and places alleged in all cases seem, however, to indicate that the houses burned were palm or wattle huts in settlements infested by bandits. The bandits were either there or near by in camps or were resting in the guise of innocent inhabitants, and the huts were burned by patrols. In some cases this was undoubtedly a necessary military measure. It is also quite possible that some habitations were burned without substantial justification on this ground, but the committee has not learned of any that were burned at places and times where and when there were not grounds to suspect that they were used as shelter for the enemy.

CHARGES OF TORTURE.

Accusations have been made of tortures and cruel beatings. Many of these accusations have been completely refuted; others bear a resemblance to types of cruelty well known in Haiti for many years but foreign to anything known in America. Americans are not given to mutilating their dead enemies. A charge of mutilation against an American at once suggests a very close scrutiny of everything the witness says. Mutilations probably did occur. They may have been inflicted by the bandits or by the gendarmerie in the absence of white officers or conceivably by white officers, but the character of the testimony leaves a grave doubt as to the identity of the criminals. The committee is convinced that these cruel or inhuman acts were probably never committed by Americans.

Maj. Clarke H. Wells, of the United States Marine Corps, was a colonel in the gendarmerie and in command of the Northern Department of Haiti in the last months of 1918 and until March, 1919, when he was relieved by the then brigade commander, Brigadier General Catlin. The manner in which he performed his duty and the subsequent investigations of his conduct call for special comment by the committee. Conditions had gotten out of hand in his department, which embraced the trouble centers of Hinche and Maissade, and General Catlin, reaching that conclusion, relieved him. There had been a mutiny in a gendarmerie station. Specific accusations were made against Major Wells, and these accusations were examined in four later investigations. Court-martial charges of a serious nature were preferred against this officer and withdrawn without trial on account of insufficiency of evidence to substantiate the charges. He was in a position of high responsibility, and the consequences of any failure in duty or misconduct on his part would therefore have been great. The committee finds every evidence of sincere and energetic investigation of the charges against Major Wells, but it regrets that investigation was not instituted more promptly or rather at the time

when he was relieved from command of the Northern Department. A board of investigation took up his case about six months after he was relieved from command. It is apparent that even then too much time had elapsed to arrive at the facts. The character of the testimony adverse to Major Wells does, in the opinion of the committee, raise such a doubt as to fault on his part as would make unjust any findings against him.

At the same time the present situation is unjust to the officer in question if he is blameless. Therefore the failure to go thoroughly into his conduct in March, 1919, is greatly to be regretted. The truth arrived at then would undoubtedly have cleared up incidentally many of the other accusations with which the committee has had to deal, because the greater part of the accusations arose in Major Wells's department during the time of his incumbency.

The specific accusations were:

(1) That he permitted a continuance of a modified form of corvée after all corvée had been prohibited. Actual knowledge of this on the part of Major Wells could not be proved, but at Hinche and Maissade there continued some work on the road which while not technically forced labor was being done at low wages by unwilling workmen. This caused serious trouble.

(2) That Major Wells directed the suppression of mention of trouble in reports to gendarmerie headquarters. Major Wells has denied this, but has stated that he did make an effort to suppress sensationalism in reports. The testimony is conflicting.

(3) That he gave directions to treat the Cacos with severity and that he discouraged the taking of prisoners. Some forms of this accusations are to the effect that he directed that prisoners be killed, and that this was understood to authorize the execution of prisoners already captured rather than the shooting at sight of armed bandits.

The testimony subsequently taken on all these points is contradictory and confusing, especially on the last point. Three gendarmerie officers were examined at least twice and the statements of each were very dissimilar on the different occasions. A number of officers with equal opportunities for observation were examined and their testimony was entirely negative. The testimony which was most damaging, if competent, was purely hearsay, and on being followed up was not substantiated. There are indications that the testimony of some of the officers examined after they had left the service was biased by prejudice. Other officers examined spoke very highly of Major Wells's administration.

The record as a whole discloses an earnest effort in September, 1919, by Major Turner, and in January, 1920, by Colonel Hooker and Major Turner, by the direction of the brigade commander, Colonel Russell, and in September, 1920, by Generals Lejeune and Butler, by the direction of the Secretary of the Navy, and in October and thereafter in 1920 by the Mayo court of inquiry, to arrive at the facts. This committee wishes to express its regret that doubt still remains and its belief that more prompt investigations should have been made.

The committee is not a judicial body. It feels that it should make no report definitely accusing any individual of crime unless that individual has had a trial. The committee can not try individuals, nor can the committee continue indefinitely in existence. Since its visit to Haiti the committee has received a number of affidavits definitely accusing American officers of murder and extreme cruelty, mostly during the year 1919. The number of officers named is not large. During its visit to Haiti it heard testimony in which officers were accused and in which military abuses were attributed to unnamed American marines. Investigation of some of these cases has already been made and the committee has the reports. The committee has referred all other accusations for investigation by the Navy Department, requesting a report as to facts developed. It has admitted in evidence all the accusations. Time has not permitted due investigation of and report on the more recently received accusations. The committee proposes to print all accusations of a serious nature, but it proposes to reserve such publication until the results of investigation can be printed at the same time. In this way it feels it may demonstrate to the Haitians the willingness of America to receive and air all just complaints, but at the same time it will safeguard innocent and faithful American officers from revolting slander.

A SUMMARY OF THE FACTS.

On the evidence before it, the committee can now state—

(1) That the accusations of military abuses are limited in point of time to a few months, and in location to restricted areas.

(2) Very few of the many Americans who have served in Haiti are thus accused. The others have restored order and tranquillity under arduous conditions of service, and generally won the confidence of the inhabitants of the country with whom they came in touch.

(3) That certain Caco prisoners were executed without trial. Two such cases have been judicially determined. The evidence to which reference has been made shows eight more cases with sufficient clearness to allow them to be regarded without much doubt as having occurred. Lack of communications and the type of operations conducted by small patrols not in direct contact with superior authority in some cases prevented knowledge of such occurrences on the part of higher authority until it was too late for effective investigation. When reported, investigations were held with no apparent desire to shield any guilty party. Such executions were unauthorized and directly contrary to the policy of the brigade commanders.

(4) That tortures of Haitians by Americans has not in any case been established, but that some accusations may have a foundation in excesses committed by hostile natives or members of the gendarmerie without the knowledge of American officers. Mutilations have not been practiced by Americans.

(5) That in the course of the campaign certain inhabitants other than bandits were killed during operations against the outlaws, but that such killings were unavoidable, accidental, and not intentional.

(6) That there was a period of about six months at the beginning of the outbreak when the gendarmerie lost control of the situation and was not itself sufficiently controlled by its higher officers, with the result that subordinate officers in the field were left too much discretion as to methods of patrol and local administration, and that this state of affairs was not investigated promptly enough, but that it was remedied as soon as known to the brigade commander. That the type of operations necessarily required the exercise of much independent discretion by detachment commanders.

(7) That undue severity or reckless treatment of natives are never countenanced by the brigade or gendarmerie commanders and that the investigation by naval authority of charges against members of the Marine Corps displays no desire to shield any individual, but, on the contrary, an intention to get at the facts.

(8) That the testimony of most native witnesses is highly unreliable and must be closely scrutinized and that many unfounded accusations have been made. It is also felt that in the case of accusations of abuses committed two years ago now made for the first time the delay has not arisen through any well-grounded fear of oppression by military authority, but that many of those accusations in affidavit form now forthcoming are produced at this late date because it is thought by those who are agitating for the immediate termination of the occupation that such accusations will create in the United States a sentiment in favor of such termination. In such cases the delay in making the charges and in presenting the evidence weighs heavily against the truth of the charge. All such charges, however, require full investigation. The committee feels certain that the necessary investigation by the Navy Department will be thoroughly conducted, that the rights of those accused will be respected, and that there will be no suppression of facts. When collected, the facts so obtained may be weighed with the facts alleged in the accusation. If, when all such evidence is in, the committee has any reason to change any of its conclusions, it will submit with the evidence as printed such revision of this report on the alleged military abuses as may be required.

The committee believes that an important lesson may be learned from a study of the bandit campaign and the subsequent grave charges of misconduct. The lesson is the extreme importance in a campaign of this kind for higher command to require daily operation reports to be prepared by patrol leaders. In the early days of the outbreak such reports were not systematically required. Small patrols would be out of touch with the rest of our forces for days or weeks under distressing conditions of service. There is no complete record of the places they visited or when the visits were made or who was in command. If such reports or records were in existence, innocent individuals could instantly be cleared of unfounded charges and guilty individuals could be identified with certainty. Such reports would have been a safeguard to the inhabitants and to the reputation of the Americans.

AMERICAN EFFORT TO BLACKEN THE NAME OF THE NAVY.

In concluding this portion of the report the committee expresses its chagrin at the improper or criminal conduct of some few members of the Marine Corps and at the same time feels it to be its duty to condemn the process by which biased or interested individuals and committees and propagandists have seized on isolated instances or have adopted as true any rumor, however vile or baseless, in an effort to bring into general disrepute the whole American naval force in Haiti. The committee wishes to express its admiration for the manner in which our men accomplished their dangerous and delicate task.

Patrolling still goes on, although the country is peaceful. For the last two years or more daily reports have been required. It is noteworthy that in the last two years or more there have arisen no serious grounds for complaint.

The confidence placed in the Americans by the Haitian peasants and the approval frequently communicated to the committee by those who know and sympathize with the peasants and who are engaged in philanthropic or educational work among them negative the idea of any campaign of terrorism against the inhabitants, such as agitators and professional propagandists, Haitian and American, would have appear.

The acceptance of the status quo, the appreciation of the present peace and increasing prosperity of the country, by the mass of the people, is proven by the fact that there are among two and a half million people only twenty-five hundred gendarmes and less than twenty-five hundred marines.

A SUMMARY OF FAILURE AND ACHIEVEMENT.

It has been necessary to interrupt the general consideration of the American occupation in Haiti in order to review at length the incidents of the outbreak of 1918 and 1919. The committee is not prepared to say that the rising of Caco bands in the section of the country where for a generation revolution habitually originated was encouraged by the corvee. But it is impossible not to condemn the blunder committed when under the corvee laborers were carried beyond their vicinage to work under guard in strange surroundings. This was an error of commission like those of omission arising from failure to develop a definite and constructive policy under the treaty or to centralize in some degree responsibility for the conduct of American officers and officials serving in Haiti under the Government of Haiti or that of the United States. The blunder arose, too, from the failure of the departments in Washington to appreciate the importance of selecting for service in Haiti, whether in civil or military capacities, men who were sympathetic to the Haitians and able to maintain cordial personal and official relations with them.

It may be set down to the credit of the American occupation and the treaty officials that the Haitian cities, once foul and insanitary, are now clean, with well-kept and well-lighted streets. The greater part of an arterial highway system opening up the heart of the country has been built. The currency, which once violently fluctuated under the manipulations of European merchants, has been stabilized, to the great advantage of the Haitian peasant. Arrears of amortization as well as of interest on the public debt have been paid, as also are regularly paid the salaries of the smallest officials. The steamship communications between Haiti and the United States are greatly improved. Trade and revenues are increasing. The revision of the customs and internal taxes, so important to the prosperity of Haiti and especially of its poorest classes, awaits the funding of the debt by a new loan. There is peace and security of property and person throughout the Republic. The peasant in his hovel or on the road to market is safe from molestation by brigand or official authority. A force of 2,500 gendarmes, insufficiently trained to cope with the Caco outbreak in 1918, is now admirably disciplined. As its morale has improved, the force has become at once more considerate and more efficient in the discharge of its duties. It is noteworthy that an increasing proportion of the commissioned officers are native Haitians, those promoted from the ranks to be supplemented by others, graduates of the newly established cadet school. In brief, under the treaty the peace of the Republic, the solvency of its Government, and the security of its people have been established for the first time in many years.

WHAT MUST BE DONE.

Nevertheless your committee submits that the American people will not consider their duty under the treaty discharged if, in addition to what has been accomplished, there are not placed within the reach of the Haitian masses, justice, schools, and agricultural instruction. The treaty itself makes no provision to consummate these things necessary to be done for progress in Haiti. There ought to be appointed a legal adviser to the high commissioner. It would be an act of statesmanship and of comity on the part of our Government if it would send to Haiti a commission comprising a commercial adviser, an expert in tropical agriculture, and an educator of the standing and special experience of Doctor Moton, of Tuskegee. There ought to be a survey of the need and opportunity for industrial and especially of agricultural instruction and development in a country which depends upon agriculture as its sole source of wealth. Cuba is as exclusively an agricultural country as Haiti. Like Haiti it pays for its imports of manufactures by exports of tropical agricultural products. The per capita foreign trade of Cuba is from twenty to twenty-five times that of Haiti, and the per capita revenue greater in like proportion. Obviously, with continued peace and order, with the further building of highways and trails, with instruction in agriculture, the wealth, trade, and the revenues of Haiti will increase very greatly. Your committee submits that such an increase in wealth, commerce, and revenue is necessary to the social and political progress of the Haitian people. Although at this time a beginning may be made in the establishment of elementary schools throughout the country, primary education can not be made accessible to a majority of the children unless the wealth and revenue of the Republic are very much increased. As wealth and revenues increase, schools, trails, and highways may be extended, and as they are extended, in turn, the revenues will be further enhanced and so enable the further development of the public services. At the same time the buying power and the well-being of the people will increase as under American guidance or control they have so marvelously increased in Cuba and Porto Rico during the last generation. It is for this reason that your committee attaches importance to the dispatch of a commission such as suggested.

In this connection your committee believes it to be the duty of the American Government to advise the Haitian Government against permitting foreign interests to acquire great land holdings in Haiti.

Your committee would point out further that as communications are opened up and as the peasants are secure in their life and their property, and as each is able to earn something regularly from the sale of his little crop, the danger of revolution and banditry will diminish. It will be possible progressively to reduce the force of marines in the territory of the Republic and ultimately to intrust the maintenance of order and peace exclusively to the gendarmes. Your committee believes that a beginning in this direction may be made without further delay and that a concentration of the marine force may be begun and that the aggregate number of marines in the territory of the Republic may be reduced. It holds, however, that drastic reduction of the marine force, or its early withdrawal, would certainly be followed by a recurrence of brigandage and by the organization of revolutionary bands. The committee urges further that in connection with the concentration of the marine force in a limited number of posts, steps should be taken to put an end to the system of military law under which persons are tried in provost courts for offenses by the press against public order, or for attacks upon the military and peace forces within the Republic. These provost courts to-day do not touch the lives of the overwhelming majority of the people. It was doubtless necessary to establish such courts, but it is not consonant with our declared purposes under the treaty to continue them indefinitely. Their abolition is conditioned upon certain precedent steps, among them a reform of the courts of first instance. This last is urgent and important.

Along the lines suggested there can be a rapid development in Haiti, moral, social, political, and economic, provided always that American policy be marked by continuity and by the spirit of service. Not only have certain American officers and officials been chosen for service in Haiti who were unsuited to their task, but men have been transferred from responsible posts before they could very well have learned the duties to which they had been appointed. During the six years of the American occupation in Haiti there have been half a dozen chiefs of the Latin American Bureau, half a dozen commandants of the forces of occupation, half a dozen commanders of the Gendarmerie d'Haiti. The committee holds that the reforms proposed (and heretofore informally suggested to responsible officials) should be energetically carried out.

So much for an American policy of constructive service to be rendered by American officials. On the part of Haitian officials and the literate element of the Haitian people there must be cooperation with the American officials. Haitians must candidly realize the meaning of the unhappy events of the last 20 years and appreciate that in collaboration with America under the treaty Haiti can develop the wealth necessary to progress, provide for the general education of her people, and establish a more truly representative system of government than she has ever known. There are certain elements in Haiti which can balk and perhaps delay the rehabilitation of the country. They can not prevent it. They can do much to further it. The obvious duty of patriotic Haitians is to uphold their own Government in effectively cooperating with that of the United States under the treaty, and so hasten the day when Haiti may stand alone. The alternative to the course herein suggested is the immediate withdrawal of American support and the abandonment of the Haitian people to chronic revolution, anarchy, barbarism, and ruin.

Your committee deems it wise to defer the report upon the Dominican Republic in view of the negotiations happily to begin between the State Department and the Dominican leaders looking to the termination of the military government in Santo Domingo.

MEDILL MCCORMICK.
TASKER L. ODDIE.
ATLEE POMERENE.
ANDRIEUS A. JONES.

APPENDIX A.

Import duties applied in guarantee of debts.

Arrears in agreed budgets	Duties on merchandise, in American dollars: 10 per cent of surtax, except on duties applied to repairing of streets in Port au Prince.	Wharfage, in American dollars: 10 per cent of surtax, except on duties collected at Port de Paix and Port au Prince.	Tonnage: 10 per cent of surtax, except on duties collected at Cape Haitien, Gonaives, Port au Prince.
Loan of 1910	Duties on merchandise, in American dollars: 15 per cent of surtax.	Wharfage, in American dollars: 15 per cent of surtax.	Tonnage: 15 per cent of surtax.
Repairs to streets of Port au Prince	Duties on following articles, in gourdes: Oils, all kinds of essences, coal tar, tar, matches, rosin, paints; including additional duties of 50 per cent and 33⅓ per cent on merchandise.	Duties on merchandise, in American dollars: 25 per cent of surtax on the duties enumerated in first column.	
Department of public instruction	Supplementary duties on tobacco: $0.02 per pound imported.		
Interior debt, 1912	Duties on merchandise, in American dollars: 5 per cent of surtax, except on duties applied to repairing of streets in Port au Prince.	Wharfage, in American dollars: 5 per cent of surtax, except on duties collected at Port de Paix and Port au Prince.	Tonnage: 5 per cent of surtax, except on duties collected at Cape Haitien, Gonaives, Port au Prince.
Interior debt, 1913	do	do	Do.
Interior debt, 1914 (May 8)	Duties on merchandise, in American dollars: 5 per cent of surtax.	Wharfage, in American dollars: 5 per cent of surtax.	Tonnage: 5 per cent of surtax.
Loan of June 20, 1914 (tobacco)	Supplementary duties on tobacco: $0.03 per pound imported; $0.08 per pound imported.		
Loan of Aug. 14, 1914	Duties on merchandise, in American dollars: 5 per cent of surtax, except on duties applied to repairing of streets in Port au Prince, when this portion of the surtax is available.	Wharfage, in American dollars: 5 per cent of surtax, except on duties collected at Port de Paix and Port au Prince, when this portion of the surtax will be available.	Tonnage: 5 per cent of surtax, except on duties collected at Cape Haitien, Gonaives, and Port au Prince.
Lighting in Cape Haitien	Tonnage duties at Cape Haitien, including additional duties on tonnage of 50 per cent and 33⅓ per cent.	25 per cent surtax on foregoing duties	
Lighting at Gonaives	Tonnage duties at Gonaives including additional tonnage duties of 50 per cent and 33⅓ per cent.	do	Surplus of duties applied to lighting of Cape Haitien and Port au Prince, after settlements as per contracts.
Lighting of Port au Prince	Tonnage duties at Port au Prince, including additional duties on tonnage of 50 per cent and 33⅓ per cent.	do	
Wharf at Port au Prince	Wharfage duties, in gourdes, at Port au Prince, including additional wharfage duties of 50 per cent and 33⅓ per cent.	do	
Jetty at Jacmel	Wharfage duties, in gourdes, at Jacmel, including additional wharfage duties of 50 per cent and 33⅓ per cent.	Tonnage duties at Jacmel, including additional tonnage duties of 50 per cent and 33⅓ per cent.	

Export duties applied in guarantee of debts.

Debt.	Export duty.	Amount.[1]
Loan of 1875	Duties on coffee, per 100 pounds exported	$0.33½
Loan of 1896	do	1.20
Loan of 1910	do	1.00
Loan of Aug. 14, 1914	do	.05
Repairs to streets of Port au Prince.	do.[2]	.03
Do	Duties on sorted coffee, per 100 pounds exported [3]	.35
Irrigation of Cayes plain	Duties on coffee, per 100 pounds exported	.10
Cable company subsidy	do	.05
Market and repairs to streets of Cayes.	do	.05
Cathedral at Cape Haitien.	Duties on sorted coffee, per 100 pounds exported	.15
Fouchard debt	Duties on cacao, per 100 pounds exported	1.10
	Duties on logwood, per 1,000 pounds exported	.50
Railroad, Plain Cul de Sac.	20 per cent duties on cacao and logwood: [4]	
	Cacao	.45½
	Logwood	.30
Cie. Nationale de Chemins de fer Haiti.	Duty on logwood,[5] per 1,000 pounds exported	.75
Do	Duties on mahogany, including additional duties per 1,000 feet.	[6] 3.00
Do	Duties on cedar, per 1,000 pounds:	
	Logs	1.00
	Butts	1.50
Do	Duties on gaiac (lignum-vitæ), per 1,000 pounds:	
	Logs	1.00
	Butts	1.50
Wharf at Port au Prince	Wharfage duties at Port au Prince	.....
Jetty at Jacmel	Wharfage duties at Jacmel	.....

[1] In American currency.
[2] To the extent eventually of not less than the monthly allowance of $7,000 minimum guaranteed by contract.
[3] Moniteur 73, dated Sept. 10, 1910: Beginning with the period 1915–16, $0.35 on sorted coffee and $0.03 on ordinary coffee, which duties are applied to the repair of streets in Port au Prince, will be replaced to the extent of the sum guaranteed monthly by the $0.10 on coffee now applied to the irrigation of the Cayes plain as soon as this duty is available.
[4] To the extent of $41,280.
[5] On logwood originating at points in the interior, 20 kilometers from either side of the railroad, and which, by means of the railroad, may be brought to a seaport; the excess over 20 per cent of duties on cacao and logwood applied to the P. C. S. will be employed for this application.
[6] Plus 20 per cent and 10 per cent additionals.

The export tax on coffee is $3 per 100 pounds. This tax produces approximately one-third of the total income of the Haitian Government, and is apportioned as follows: [1]

Pledged to the service of the external loans	$2.53½
Pledged to the service of the internal loans	.05
Subsidies and loans for local improvement	$0.23
Remaining to the Government of Haiti for current expenses	.18½

Therefore—

	Per cent.
Pledged to the debts of the country	93.8
Free for current expenses	6.2

[1] The tax on coffee herein mentioned does not include the tax of $2.50 on sorted coffee, which produced approximately $87,500.

Reduction of debt of the Republic of Haiti from February 28, 1919, to February 28, 1922.

[Expressed in francs.]

Foreign debt of Republic of Haiti as of February 28, 1919:

Loan of 1875:		
Capital	19,252,560.00	
Interest arrears	3,529,636.00	
		22,782,196.00
Loan of 1896:		
Capital	37,638,500.00	
Interest arrears	8,280,470.00	
		45,918,970.00
Loan of 1910:		
Capital	64,021,000.00	
Interest arrears	11,641,858.54	
		75,662,858.54
		144,364,024.54

Against these foreign loans, the following payments had been made up to February 28, 1922:

Loan of 1875:	
Capital, paid in full	$19,252,560.00
Deferred interest, due Feb. 28, 1919	3,529,636.00
Loan of 1896:	
Capital	11,300,000.00
Deferred interest, due Feb. 28, 1919	8,280,470.00
Loan of 1910:	
Capital	2,926,500.00
Deferred interest, due Feb. 28, 1919	11,641,858.54
	[1] 56,931,024.54

From February 28, 1919, to February 28, 1922, the internal debts of the Republic of Haiti had increased $887,339.47, although the amount of $493,910.13 had been paid against them, which latter amount was made up as follows:

Cie. Haitien de Construction	$165,600.00
P. C. S. Railroad	75,000.00
Wharf company	28,000.00
Interest on bank loan (note)	225,310.13
	493,910.13

Therefore, the net reduction in the entire indebtedness is $5,92,7399.43, less $887,339.47, which leaves $5,105,399.96.

[1] Converted at 9.5 francs per $1, equals $5,992,739.43.

Method of collection of customs duties.

IMPORT.

COLLECTED ON MERCHANDISE IMPORTED.				
In gourdes: Duties on merchandise (as per tariff) plus additionals of 50 per cent and 33⅓ per cent.	.....	Wharfage (as per tariff) plus additionals of 50 per cent and 33⅓ per cent.	Weighing (as per tariff) plus additionals of 50 per cent and 33⅓ per cent.	
In American dollars: On merchandise—Surtax on total in gourdes viséed on amount of invoice, 25 per cent, 15 per cent, 5 per cent, 1 per cent.	Tobacco: Special duties in addition to that in gourdes, as per tariff, additionals and surtaxes, $0.03 and $0.10 per pound imported.	Plus 25 per cent, 15 per cent, and 5 per cent, surtaxes on total in gourdes.	Plus 25 per cent, 15 per cent, and 5 per cent, surtaxes on total in gourdes.	Visé on coined specie, 1 per cent of the value.
COLLECTED FROM THE VESSEL.				
In gourdes: Lighthouse (as per tariff) plus additionals of 50 per cent and 33⅓ per cent.	.....	Entry pilot (as per tariff) plus additionals of 50 per cent and 33⅓ per cent.	Sanitary inspection (as per tariff) plus additionals of 50 per cent and 33⅓ per cent.	
In American dollars: Lookout, 25 per cent, 15 per cent, 5 per cent surtaxes on total in gourdes.	.....	25 per cent, 15 per cent, 5 per cent surtaxes on total in gourdes.	25 per cent, 15 per cent, 5 per cent surtaxes on total in gourdes.	Tonnage, $1 per ton unloaded—plus additionals of 50 per cent and 33⅓ per cent.

EXPORT.

COLLECTED ON MERCHANDISE EXPORTED.			
In American dollars:			
Coffee, $3 per 100 pounds, exported.	Sorted coffee, $2.50 per 100 pounds	Cacao, $1.75 per 100 pounds, plus 20 per cent and 10 per cent additionals.	Mahogany, $3 per 1,000 feet, plus 20 per cent and 10 per cent additionals.
Logwood (logs or butts), $1.50 per 1,000 pounds.	Cedar: Logs, $1; butts, $1.50, per 1,000 pounds.	Gaiac: Logs, $1; butts, $1.50, per 1,000 pounds.	Various other commodities (as per tariff).
Weighing (as per tariff)	Wharfage (as per tariff)	.....	
COLLECTED FROM THE VESSEL.			
In gourdes: Exit pilot (as per tariff) plus 20 per cent and 10 per cent additionals.	.....	Tax for putting into port (as per tariff) plus 20 per cent and 10 per cent additionals.	

APPENDIX B.

LETTER FROM HON. ROBERT LANSING, FORMER SECRETARY OF STATE, TO THE CHAIRMAN OF THE SELECT COMMITTEE ON HAITI AND THE DOMINICAN REPUBLIC.

WASHINGTON, D. C., *May 4, 1922.*

Hon. MEDILL MCCORMICK,
Chairman Select Committee on Haiti and Santo Domingo,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: Complying with your request for a statement from me regarding Haiti, I beg to submit the following as embodying the contemporary views of the State Department on the financial and political disorders in Haiti, which caused a critical state of affairs during the last days of July, 1915, and on the attitude of the German Government toward Haiti, because largely upon those two considerations were based the instructions of the State Department to the United States Legation in Haiti and, through the Navy Department, to the United States naval commander in Haitian waters. The events to which I shall refer in this statement were succeeded by the ratification of the present treaty between the United States and Haiti, which had for its objects the insurance of Haiti's future welfare upon a permanent basis of law and order and the prevention of foreign intervention in the future based on political and financial disorders in Haiti.

On July 30, 1915, the U. S. S. *Connecticut* came into the harbor of Port au Prince just as President Guillaume Sam was being murdered and his body mutilated by an infuriated mob. This was an act of vengeance for the massacre of some scores of prisoners in the prison at Port au Prince who were political opponents of Guillaume Sam's government. The crowds attending the funeral processions of these victims of tyranny turned from them in a frenzy, dragged Guillaume Sam from the asylum which he had sought in the French Legation, killed him, dismembered his body, and paraded through the streets exhibiting the ghastly fragments. Revolutionary forces were at the time in possession of other principal ports of the country and threatened to attack the city of Port au Prince. There was no government to preserve order in the city or in the country. On the contrary, there was anarchy and armed insurrection. Universal fear prevailed, while the lives of Haitians and foreigners alike were imperiled by the conditions which existed. The violation of the extraterritoriality of the French Legation indicated the ruthless lawlessness of the revolutionaries. In the circumstances the forces of the United States were landed as a matter of urgent necessity.

The murders and atrocities perpetrated marked the complete breakdown of Haitian institutions, the culmination of a process of disintegration which had been in progress for a generation or more. It was evident from the state of affairs that there remained no possibility of a civilized government functioning without external assistance. The limit of tolerance for such conditions, which menaced the lives and property of Americans and other foreigners, was finally reached when the French Legation was violated. The restoration of order and government in Haiti was as clearly the duty of the Government of the United States as was the landing of the marines. If the United States had not assumed the responsibility, some other power would. To permit such action by a European power would have been to abandon the principles of the Monroe doctrine. The United States had no alternative but to act, and to act with vigor.

The process of disintegration above referred to is a matter of common knowledge. It is enough to say that none of the many Haitian Governments immediately preceding that of Guillaume Sam was able to maintain itself against revolution. Those persons who were from time to time in power were irresponsible and arbitrary. The inhabitants were exploited and robbed. So insecure were they in their possessions and so frequently in danger of their lives that industry throughout the country was paralyzed. Foreign lives were not taken, but there was such recurrent apprehension of violence that few years passed without the necessity of United States ships appearing in Haitian waters. Cruisers of foreign powers often came on similar errands, and on occasions European sailors or marines had been landed. These conditions had become chronic, and they had, year after year, grown progressively worse. In June of 1915 a French cruiser had landed a force at Cape Haitien, and these were only withdrawn when American marines were landed to take their place. After the invasion of the French Legation France dispatched a cruiser to Port au Prince and landed a force, which guarded the legation for several weeks without objection on the part of the United States Government. It was manifest that the danger to foreign lives in Haiti, which was constantly increasing, made the possibility of European intervention more and more probable unless the United States acted.

A default in payments to European creditors presented another danger. Haitian foreign loans were held by Germans, French, and English, but not to any great extent by Americans. The foreign loans were secured by the customs revenues—thus a default would have given rise to the desire on the part of European Governments to seize the Haitian customhouses and administer the customs—a situation which, being of indefinite duration, would have caused serious political complications and been a grave menace to the peace of this hemisphere and to the immunity from European interference with American institutions. The finances of Haiti had been growing steadily weaker, and the ability to meet her obligations had ceased. Interest on the public debt of about $20,000,000 had been paid with creditable regularity, but it had become necessary to borrow from the National Bank of Haiti and to make local forced loans elsewhere in order to meet these interest payments, and the limit of the ability to borrow had been reached. Amortization of foreign loans were many years in arrears. Revolutions had greatly increased the internal and floating debt. Fiat paper money was being issued but not used and payment of salaries of public employees was suspended. For this state of affairs no temporary remedy could suffice. This financial situation need hardly be treated here in greater detail.

In this connection, however, there was a more critical state of affairs than has been generally known. I refer to the attitude of the Imperial German Government in connection with the political disorders and financial straits of Haiti and the pretexts for aggression thereby afforded. There was good reason to believe that in the years 1913 and 1914 Germany was ready to go to great lengths to secure the exclusive customs control of Haiti, and also to secure a coaling station at Mole St. Nicholas. It is this feature that I would particularly call to the attention of your committee.

The United States had no wish to obtain a naval coaling station at Mole St. Nicholas. The Navy Department had long since definitely determined that a station there was not desirable, but it was also perfectly clear that a coaling station directly or indirectly controlled by another power would be a menace to the position of the United States in the Caribbean Sea, to the security of the Panama Canal and, consequently, to the peace of this hemisphere. A privately owned coaling station, whether in the hands of Americans or Europeans, would have been a danger if ever a coal supply was allowed to accumulate there greater than necessary for current commercial needs. In case of war the station and coal stored there would have been subject to capture. In view of the possible consequences the policy of the United States was clear. It could not look with favor on a privately owned coaling station at Mole St. Nicholas unless that was subject to its direct control. Though it did not need and it did not want such a station for itself, it could not permit a European Government to secure one. The indications were that Germany intended to obtain one unless she was prevented from doing so by the United States.

Although French is the official language of Haiti and French customs prevail as well as the practice of sending the children of wealthy Haitian families to France for their education, there has been, for many years, a strong German influence in the country resulting primarily from the establishment of German commercial houses at Haitian ports and the sending of young Germans to gain their livelihood in those concerns. A considerable number of these German residents have intermarried, so I have been informed, with the Haitians and are closely connected with and more or less active in the political and social life of the country.

During a number of years the Government at Washington was in receipt of various reports to the effect that foreign interests were desirous of obtaining coaling stations at Mole St. Nicholas, and in the year 1911 the Haitian Government at the insistance of the then American minister eliminated from a contract with a German national for a coastwise steamship service the granting of rights for a coaling station in Haiti.

In the year 1912 Hon. George von L. Meyer, then Secretary of the Navy, in reply to a communication from the Department of State in regard to the establishment of a coaling depot in Haiti for the steamship line of a foreign country, replied, referring to a communication made by the Navy Department to the State Department in 1910, to the effect that the Navy Department did not look with favor upon any proposition to establish so many coaling stations within such a limited geographical radius and could not contemplate favorably the prospect of having such stations in the hands of citizens of any of the European nations. The establishment of such stations would actually amount to the maintenance of a very considerable number of coaling stations close to our shores, which could be used by foreign vessels of war in the event of hostilities, and this, the Navy Department believed, should be prevented, if it were in the power of diplomacy to do so.

In the year 1913, and particularly in the year 1914, information was conveyed to the Department of State, through official and unofficial sources, to the effect that a German commercial firm was active in an attempt to secure extensive concessions from Haiti containing grants sufficiently broad to permit the building of coaling stations at Mole St. Nicholas, the concessions to be combined with a loan secured by control of the Haitian customs by the concessionaire. It was further stated that the German Government was back of the German commercial firm making the proposal.

On June 1, 1914, the American minister at Port au Prince reported to the Department of State that he was reliably informed that the Haitian Government would entertain a proposition to lease to the United States Mole St. Nicholas on the basis of a cash payment and a yearly rental. It was further stated that the Government of Haiti would most probably require, as an essential provision of such lease, that the United States should pledge itself not to interfere now or at any future time with the collection or administration of the customs of Haiti and would agree to afford protection to Haiti against any other nation or nations which might attempt to secure control of the customs. The minister concluded his telegram with the statement that the German cruiser *Marietta* had arrived the day before at Port au Prince.

As the United States was not interested in obtaining a lease of Mole St. Nicholas, no reply was sent to the minister's telegram.

Meanwhile, during the late winter and spring of 1914, financial conditions in Haiti, as a result of the political chaos existing, had been rapidly becoming more and more involved and foreign interests were increasingly anxious to obtain some form of guaranty from Haiti that that Government would continue to respect its obligations. As in most cases of this nature, suggestions were made relative to the collection and control of the Haitian customs by foreign nationals representing the foreign-debtor interests. The foreign interests referred to were the holders of shares in the National Railroad of Haiti and in the National Bank of Haiti, and also the holders of the bonds representing the Haitian external debt. It was also obvious that those interested in the national bank, which was controlled by French shareholders, were deeply concerned as to the ability of the Haitian Government to continue its existing financial policy on account of its outstanding loans.

Although various plans were discussed in the Department of State, which had as their object the aiding of Haiti and at the same time the protection of the interests of its creditors by means of a regulation of customs collections and their application, no agreement was reached between the Government of the United States and the Government of Haiti. However, under date of July 15, 1914, two weeks before the beginning of the World War, the American consul at Cape Haitien informed the department confidentially that he had learned from reliable source that the German minister at Port au Prince had telegraphed the German consul at Cape Haitien asking whether an American warship had landed its forces and taken possession of the customshouse.

On July 18, 1914, Mr. von Haniel, the chargé d'affaires of the Imperial German Government, spoke with the Third Assistant Secretary of State, Mr. Phillips, in relation to Haitian affairs, and on July 21 Mr. Phillips requested Mr. von Haniel to submit to him a written memorandum of the views of his Government which he had orally expressed. On July 25 Mr. von Haniel wrote to Mr. Phillips:

"MY DEAR MR. PHILLIPS: In reply to your favor of the 21st instant and with reference to our conversation of the 18th instant concerning the participation of the Imperial Government in a customs control in Haiti, in case such a control would be established by the American Government, I beg to say that my Government comprehends that the American Government, probably for reasons of interior politics, does not think it desirable if the most interested European powers participate in an eventual customs control in Haiti, but the Imperial Government as well has to take into account the public opinion in their

country. Considering our economical interests in Haiti and the part of the Banque Nationale which is owned by Germans, people in Germany would not understand if my Government gave up their claim to participate in such a customs control. In the opinion of the Imperial Government, therefore, it will be the simplest solution if the status quo is maintained.

"I remain, my dear Mr. Phillips,

"Very sincerely yours, E. v. HANIEL."

Shortly following the delivery of the note of the German chargé d'affaires war broke out between Germany and France, and the communication was not replied to until September 16, 1914, when the then Secretary of State, Mr. Bryan, wrote the following note to the German ambassador, Count von Bernstorff:

"MY DEAR MR. AMBASSADOR: Replying to the note of your Government's chargé dated July 15, 1914, regarding the matter of customs control in Haiti, I beg to say that the Government of the United States recognizes the large part which German merchants and German bankers have played in the development of the trade and enterprise of Haiti and wishes to make this correspondence the occasion for expressing the pleasure with which it witnesses the employment of German capital and the activity of German men of affairs in this hemisphere, but represents to the Government of his Imperial Majesty that German interests are not the only interests which have played a conspicuous and highly influential part in the development of the Haitian Republic and that the Government of the United States is well known to have taken for many years and without variation of policy and position that neither foreign influence nor interest proceeding from outside the American hemisphere could with the consent of the United States be so broadened or extended as to constitute a control, either wholly or in part, of the Government or administration of any independent American State.

"The Government of the United States can not depart from that policy and feels confident that the Government of his Imperial Majesty will not expect it to do so.

"Probably a participation of the Government of his Imperial Majesty in any method which might be agreed upon by which the Government of the Republic of Haiti should be assisted in the orderly, efficient, and economical administration of its customs revenues did not present itself to his Imperial Majesty's Government as a departure from the traditional policy of the Government of the United States when its note of July 25 was drafted. But this Government would regard such a participation as a very serious departure from that policy alike in principle and in practice. The Government of the United States regards it as one of the grave possibilities of certain sorts of concessions granted by governments in America to European financiers and contractors and of certain sorts of contracts entered into by those governments with European banking houses and financiers that the legitimate and natural course of enforcing claims might lead to measures which would imperil the political independence, or, at least, the complete political autonomy of the American States involved, and might issue in results which the Government of the United States has always regarded it as its duty to guard against as the nearest friend and natural champion of those States whenever they should need a friend and champion.

"Whatever the Government of the United States might deem it friendly and wise to agree to with the Government of the Republic of Haiti by way of assisting her to make good her obligations and escape the risks of default or disorder to her finances would be done without intending to serve the interest of any citizen of the United States in preference to the interest of the citizens or government of any other country. It would be planned for the benefit of all concerned and upon a basis of absolute neutrality. This Government does not regard its insistence upon an exclusive privilege in matters of this kind, therefore, as a course dictated by selfishness, but, on the contrary, as a course clearly dictated by a desire for peace and the exclusion of all occasion of unfriendliness with any nation of the other hemisphere. It is willing to give any pledges of disinterest and impartiality that may reasonably suggest themselves, but thinks that its best pledge is the course which it has, in fact, invariably pursued in matters and in circumstances of this kind. Its declared purpose in this case, should the Republic of Haiti desire a convention with regard to the administration of her customs revenues, would, as always, be made frankly and without reservation of any kind, and this it would deem the best evidence of its friendship and respect for the Government of Germany and the rights of German citizens wherever American influence may touch them. This is the way of peace and of mutual accommodation.

"Accept, Excellency, the renewed assurances of my highest consideration.

"W. J. BRYAN."

On the eve of the declaration of war between Germany and Russia the U. S. S. *Connecticut* and the German cruiser *Karlsruhe* were both in the harbor of Port au Prince. On July 31, 1914, the *Karlsruhe* changed her position in order to screen the movements of her crew and a number of boatloads of German sailors with small arms and machine guns left the *Karlsruhe* and proceeded to the wharf where they landed. When halfway down the wharf the Germans turned about, returned to their boats, and went back to their ship. This mysterious action took place at dusk. Shortly afterwards the captain of the *Karlsruhe* came aboard the *Connecticut* and told the captain he had received orders to proceed to St. Thomas for coal and asked the captain of the *Connecticut* to protect German interests while he was gone. The *Karlsruhe* then steamed out of the harbor to begin her commerce-destroying cruise. Shortly afterwards the captain of the *Connecticut* was informed by wireless that war between Russia and Germany had been declared.

There is reason to believe that the German landing party was turned back on the wharf by the German minister to Haiti pursuant to cabled orders for the *Karlsruhe* to leave Port au Prince at once. Thus the local situation was by the outbreak of the war relieved of a conflict of interests which might have caused serious embarrassment.

In the month of July, 1914, the Secretary of State sent a draft of a proposed agreement between the Government of the United States and the Government of Haiti to the American minister at Port au Prince. This agreement, which was modeled after the treaty entered into between the United States and the Dominican Republic during the administration of President Roosevelt, embodied the following provisions:

The appointment of a general receiver of customs and his assistants by the President of the United States; the payment of customs duties to the general receiver, and granting him all protection in the performance of his duties; the appointment of the financial adviser to the Government of Haiti; the application of all sums collected to the payment of interest and sinking fund of the public debt of Haiti; that the Republic of Haiti would not increase its public debt, except by previous agreement with the United States; that the United States should have authority to prevent any and all interferences with the receipt, collection, or free course of the customs, or with the free exercise of powers imposed upon the receivership.

However, a short time after the receipt of the proposed agreement by the minister a revolution broke out against the government of President Zamor, which, as usual in Haiti, started at Cape Haitien in the north and proceeded to Port au Prince via the town of St. Mark. It is interesting to observe in connection with the history of revolutions in Haiti that they have uniformly been conceived in or about Cape Haitien and have proceeded along practically the same roads in the direction of the capital, namely, by way of the strategic town of St. Mark. It has been the established belief of most Americans who have been in Haiti, and of American officials who have been cognizant of Haitian affairs during the past decade, that the majority of these revolutions have been financed in the north of Haiti by German merchants, who could expect sufficient financial advantages from the success of the revolution to warrant the initial outlay.

The revolution against the Zamor government was successful, and Davilmar Theodore proclaimed himself President of Haiti. The Government of the United States withheld its recognition of Theodore as President of Haiti pending an investigation of his activities and the incidents in connection with his seizure of the sovereign power. Before any definite policy in this connection was determined a revolution against the Theodore government was started in the usual manner and culminated in the overthrow of Davilmar Theodore and the assumption of the presidency by Guillaume Sam. The United States, consistent with its policy in regard to the recognition of revolutionary governments, refused to recognize the government of Sam, and not long after Sam had installed himself in the presidential palace another revolution, headed by one Doctor Bobo, broke out in the north. The resulting conditions alarmed the French minister, and in June, 1915, a French cruiser occupied Cape Haitien with a landing party, as has already been stated. Before the revolutionary forces had actually reached Port au Prince the massacre of political prisoners above referred to had taken place and Sam had been butchered.

During the terms of office of these Presidents various attempts were made on the part of the Government of the United States through special missions and through the minister in Port au Prince to obtain from these provisional governments an agreement as to the entrance into some form of convention between the United States and Haiti. The essential provisions of these conventions were, like the Dominican treaty, the guaranty by the United States of Haitian independence and of the stability of the Haitian Government, and the privilege of the United States minister to advise the Haitian Government in its selection of Haitian citizens as officials of the Haitian customs service, as the customs revenue was a prize which attracted revolutionists and their financial supporters.

On account of the state of the country during this period, in which violence and anarchy were rife, the overtures made by the United States, solely out of a sincere desire to aid the Haitian people to establish an orderly and law-enforcing Government, which would restore stable political and economic conditions in the island, were fruitless.

Admiral Caperton, of the United States Navy, who had arrived with his flagship in Port au Prince on the day of the assassination of Sam, landed a naval force of the United States and assumed military control of Port au Prince on July 30, 1915. The admiral and the American chargé immediately took steps to cooperate with the Haitian committee of safety for the protection of life and property in the city and adjacent country.

Various aspirants for election by the Assembly of Haiti for President presented themselves, among whom the most notable were Doctor Bobo and Senator Dartiguenave. The American representatives, under direction of the Government of the United States, discussed with these candidates and with members of the Haitian Congress the conditions upon which the United States would recognize a Government in Haiti. These conditions were as follows:

"First. Let Congress understand that the Government of the United States intends to uphold it, but that it can not recognize action which does not establish in charge of Haitian affairs those whose abilities and dispositions give assurances of putting an end to factional disorder.

"Second. In order that no misunderstanding can possibly occur after election it should be made perfectly clear to candidates, as soon as possible and in advance of their election, that the United States expects to be intrusted with the practical control of the customs and such financial control over the affairs of the Republic of Haiti as the United States may deem necessary for efficient administration.

"The Government of the United States considers it its duty to support a constitutional government. It means to assist in the establishment of such a government and to support it as long as necessity may require. It has no design upon the political or territorial integrity of Haiti. On the contrary, what has been done, as well as what will be done, is conceived in an effort to aid the people of Haiti in establishing a stable government and maintaining domestic peace throughout the Republic."

Congress elected Senator Dartiguenave President on August 12.

On August 14 the Department of State dispatched to the legation at Port au Prince instructions embodying the terms of a treaty to be negotiated, if possible, with the Government of Haiti.

On August 17 the chargé d'affaires of the United States, complying with the instructions received from the department, submitted to President Dartiguenave a draft of the proposed treaty. Negotiations with President Dartiguenave then proceeded. The President expressed his approval of the terms of the treaty, but for a month was unable to secure agreement on the part of his cabinet.

On September 15 the chargé d'affaires at Port au Prince reported to the department by telegraph that the Haitian Government had forwarded to the legation a copy of a formal protest addressed to it by the German minister, in which he stated that the American occupation and management of customs would be prejudicial to German interests. To this telegram the department replied that it would seem desirable that the Haitian Government should reply to the German minister to the effect that legitimate German interests would be accorded the same equitable and impartial treatment as would be given to all foreigners and foreign interests in Haiti.

On September 16 the treaty was signed, and on February 28, 1916, it was ratified by the Senate of the United States without a dissenting vote and without an amendment being offered. The principal provisions of this treaty were the guaranteeing of the independence of Haiti, the

establishment of a native gendarmerie, the appointment of an American financial adviser, and the administration of the customs service by Americans.

It is especially to be noted in connection with those provisions of the treaty that the Government of the United States, although it had received a proposal from Haiti to cede to the United States outright without restriction Mole St. Nicholas, declined to insert such a provision in the treaty and insisted upon the inclusion in the treaty of an article expressly embodying the idea that no Haitian territory was to be ceded to it.

On September 17 President Dartiguenave's Government was accorded recognition by the United States.

The situation which confronted the representatives of the American civil and military forces in Haiti after the revolution and prior to the recognition of the Dartiguenave Government was briefly as follows:

The customhouses throughout the country had been disorganized by an order of the preceding Government which directed the deposit of funds with private firms instead of with the Banque Nationale, the legal depositary, and also by the threatened seizure of the customhouses by armed insurrectionary groups. The government of President Dartiguenave had not funds available to pay the small number of troops under its orders and these dissatisfied troops were becoming a menace to peace and order. The inhabitants of towns in which customhouses were situated were deprived of their food supply by the hostile armed bands which infested the highways, and even the water system of Cape Haitien was cut by these brigands. Commerce was paralyzed and the city populations were starving, for the authority of the Dartiguenave Government did not extend far beyond the outskirts of Port au Prince.

On August 19, in view of the serious conditions existing, which had been reported to the Government at Washington, Admiral Caperton received instructions to administer the customhouses so that the proceeds therefrom might be used temporarily to provide sustenance for the starving natives by paying them for labor on public works, to establish a gendarmerie to aid the Dartiguenave Government in the pacification of the country, and also to prevent the diversion of the public funds of the Haitian Government into the pockets of unscrupulous persons.

The customhouses were taken over between August 20 and September 2 as rapidly as the American squadron commander could place in charge of them American officers as administrators and could furnish them adequate protection. The customhouse at Port au Prince was the last to be taken over, on September 2. On September 3 the prevailing conditions of anarchy called for the proclamation of martial law. Thereafter, until the treaty was ratified by both countries, the customs were administered by the naval forces of the United States. After ratification the customhouses were taken over by the receiver general, a treaty official.

In October, 1915, attacks were made on parties of United States marines near Cape Haitien, and thereafter a sharp campaign was carried on against the lawless bands operating in the Republic which resulted in the restoration of order throughout the country. Many hundreds of the outlaws surrendered their arms, receiving a small sum for each rifle, and those who did not surrender were dispersed. With the restoration of order and the coming into effect of the treaty this period of the American occupation came to a close.

As may be concluded from the foregoing review of the circumstances leading up to the establishment of treaty relations between the United States and Haiti, the Government of the United States was animated by two dominating ideas:

1. To terminate the appalling conditions of anarchy, savagery, and oppression which had been prevalent in Haiti for decades, and to undertake the establishment of domestic peace in the Republic in order that the great bulk of the population, who had been downtrodden by dictators and the innocent victims of repeated revolutions, should enjoy a prosperity and an economic and industrial development to which every people of an American nation are entitled.

2. A desire to forestall any attempt by a foreign power to obtain a foothold on the territory of an American nation which, if a seizure of customs control by such a power had occurred, or if a grant of a coaling station or naval base had been obtained, would have most certainly been a menace to the peace of the Western Hemisphere and in flagrant defiance of the Monroe doctrine.

Very sincerely yours, ROBERT LANSING.

Mr. KING. Mr. President, the last sentence uttered by the Senator from Nevada constrains me to make one observation. I am sure the Senator does not mean to imply that other Senators have not advised themselves in regard to the question. I want to assure the Senator that I have read every page of the testimony. I have talked with scores of individuals who have visited Haiti, including a number of Haitians themselves. I was in Haiti a year and nine months ago for a short time only, however, and made inquiries there as best I could in regard to conditions and in regard to the control of the Haitian Government by American forces. I have read the report of the committee. I have had conferences with most of the members of the committee and know their views.

I think the Senator is in error in assuming, as his statement would seem to assume, a lack of information by the American people and by Senators in regard to the question. I concede that in its details perhaps a greatly overwhelming majority of the American people are not familiar with the occupation of Haiti and San Domingo.

But, Mr. President, my position is based upon the broad ground that the people of San Domingo and the people of Haiti have the right to determine their own form of government. It is not our island. It is not under the American flag. It is inhabited by people of a different race, who have a different culture and who have lived under different conditions from those prevailing in the United States. They did not invite us there. They do not want us there. It is their island, and the true government upon the island ought to be controlled by the people themselves.

If the right of self-determination has any justification in morals or in fact, now is the time to apply it. This Nation of ours, with all its power, notwithstanding its altruism and its benevolent intentions, ought not to subject an alien people such as these to the control of the Government of the United States. I concede for the argument, although I shall not enter into a discussion of it, that our occupation of Haiti and San Domingo might be of immense advantage to the people, might improve their health, might improve their morals, might improve them culturally and otherwise; but it is their country, their land, and they have a right to determine the kind of government they want.

For the same reason, I have been opposed to our keeping the Philippine Islands. I regard it as violative of the spirit of our institutions for the American Government to continue its authority over the Filipinos. We ought to get out of the Philippine Islands and let the people there organize the kind of a government they want. We ought to get out of Haiti and San Domingo and turn over to the people the territory and governments which belong to them.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. KING].

The amendment was rejected.

Mr. BROOKHART. Mr. President, I desire to offer an amendment to the pending bill. On page 56, line 13, I move that the words "when time and facilities permit" be stricken out.

Mr. POINDEXTER. I can not speak for the committee in regard to the amendment offered by the Senator from Iowa, and, of course, I do not know what view the conferees may take in regard to it, but personally I have no objection to the adoption of the amendment and letting it go to conference.

Mr. BROOKHART. Its adoption would leave the provision of the naval bill the same as that of the Army appropriation bill which was recently enacted into law.

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The READING CLERK. On page 56, line 13, after the words "United States," strike out the words "when time and facilities permit," so as to read:

And that no part of the moneys appropriated in each or any section of this act shall be used or expended for the purchase or acquirement of any article or articles that at the time of the proposed acquirement can be manufactured or produced in each or any of the Government navy yards of the United States for a sum less than it can be purchased or acquired otherwise.

The amendment was agreed to.

Mr. KING. Mr. President, I shall be very brief. May I inquire of the Senator from Washington with respect to two items, one of which I have directed attention to heretofore, but the other I did not call to the Senator's attention. On page 29 I find the following provision:

Retainer pay and active service pay of members of the Naval Reserve Force class 1 (fleet naval reserve), $5,700,000.

Returning to page 13 and to the item heretofore considered in lines 19, 20, and 21 I find this provision:

And retainer pay of officers and enrolled men of the Naval Reserve Force, other than class 1, $3,800,000.

May I just make a brief statement as to my understanding of the two provisions? As it is constituted at present, the Naval Reserve consists of two classes: Class 1, fleet naval reserve, which consists largely of line officers and men who have resigned from the service; and, secondly, class 6, reserve officers and men who have voluntarily entered the naval service. The last class can be classified practically as a volunteer reserve. In the provision for pay of the Naval Reserve Force the two items to which I have referred can be found.

I would like to ask the Senator if it is not a fact that the first provision relates almost wholly to line officers; that is to say, if line officers would not be the beneficiaries almost entirely of the large appropriation found on page 13?

Mr. POINDEXTER. No; that is not the case. It relates to both officers and men. The fleet reserve is composed of four classes:

Class 1a. Ex-officers, Navy, who have entirely severed their connection with the Navy and engaged in civilian pursuits, enrolled for four-year period, required to take drills and training cruises same as class 2 in order to draw pay of any kind.

Class 1b. Ex-men of the regular Navy of at least one four-year enrollment, who have entirely severed their connection with the Navy and engaged in civilian pursuits, enrolled for four-year period and required to take drills and training duty the same as class 2 in order to draw pay of any kind.

Class 1c. Men of the regular Navy of 15 or more years' experience, connection with Navy not severed but transferred

direct to class 1c for indefinite period, not required to drill or train in order to draw retainer pay, receive one-third active-duty pay.

Class 1d. Same as class 1c, except members have had 20 years' active naval service and receive active-duty pay.

Mr. KING. May I inquire of the Senator if the addition made in the Senate the other day of $900,000 will not go almost entirely to officers of the line—that is, to persons who have been in the line and who have separated themselves from the service and are in private life?

Mr. POINDEXTER. Not at all. The first item will go in part to officers of the line, as I have just stated. The other item to which the Senator refers would go to 1,500 officers and to 6,000 men of an entirely different class upon the basis of the regulations and requirements as to drills and training which in detail I pointed out to the Senator a few days ago.

Mr. KING. If I may further pursue the inquiry, the $900,000 which was added, if it remains in the bill, will be devoted almost exclusively to officers rather than to men, will it not?

Mr. POINDEXTER. That is the question I just answered, and I answer it again in the negative. It will not. It will go partly to officers and partly to men upon the ratio of 1,500 officers to 6,000 men.

Mr. KING. I hope the Senator is right, but my information is just the reverse of that which has been announced by the Senator. May I inquire of the Senator with reference to the $5,700,000? None of this amount will be devoted, as I understand it, and I put it in the interrogative form, to the payment of either officers or men for any active service rendered?

Mr. POINDEXTER. I answer the question in the negative. I have just read to the Senator, and if the Senator will refer to the RECORD and the statements which I have just made to him, he will see that it is pay for services rendered—that is, if we consider active training in the Navy as service. The men are compelled to take the active training in order to be entitled to receive retainer pay.

Mr. KING. I again state that I hope the Senator is right, but my information is that none of those who will be the beneficiaries of the $5,700,000 will be required to render active service.

Mr. POINDEXTER. I ought to qualify that statement, perhaps, although it is not necessary in view of the detailed statement I made a moment ago, by adding that classes C and D of the fleet naval reserve are composed of enlisted men of the Navy who have served in the one class 16 years in the Navy and in the other class 20 years in the Navy. They are entitled to retainer pay without performing active drill.

Mr. KING. My understanding is that the entire amount will be devoted to the payment of men who have separated themselves from the service and have gone back to private life, both officers and men; that there will be a large number of persons who were officers in the Navy who have separated themselves from the Navy and gone into private life, and who will get two months' base pay every year as long as they live if this provision should be continued in subsequent bills, and that it would give two months' pay without any service whatever to a large number of persons who have gone into private life, who had been in the Navy 15 years to 20 years and between those two periods. So that it amounts to a pension to both officers and men who have left the Navy and have gone out into private life. I think that upon examination the Senator will find it is true that this has been a method of pensioning officers and men who have left the Navy and gone into active private life. It is true that they are enrolled as members of the Naval Reserve or the Government regards them as appendages of the Navy, but they do nothing and they are not required to do anything except in the event of war; and in the case of war, for that matter, they could be called to the colors to aid their country.

Mr. POINDEXTER. To what class of men is the Senator referring?

Mr. KING. I am referring to those covered by the appropriation of $5,700,000.

Mr. POINDEXTER. Some of those are in the class which the Senator describes; that is, although this is the third time I have stated it, those, in the one instance, who have served 15 years and those, in the other instance, who have served 20 are not required to take training. The others are required to take training.

Mr. KING. I think the facts are that all who come under the appropriation to which I have referred have served 15 years or more.

Mr. POINDEXTER. The Senator from Utah is mistaken about that.

Mr. KING. I think the Senator from Washington is in error. I think that the appropriation of $5,700,000 is provided for the purpose of paying a pension to persons, and in order not to call it a "pension" this adroit method has been employed. It is for the purpose of giving to a large number of officers who have gone into private life two months' pay and to give to individuals who have left the Navy and gone into private life two months' pay, although in neither instance are they rendering any service whatever to their country. That is my information.

Mr. POINDEXTER. The Senator's information is not correct. The facts are as contained in the statement which I took the trouble to read into the RECORD and which I have repeated several times since. There is, however, a further observation which I should like to make in regard to the matter. Whatever the merits of the case may be, the Government is obligated under the law to make these payments. If the law is unjust or unwise, then the Senator from Utah or anybody else who thinks so ought to take steps to have it amended or repealed. Certainly the Government does not want to be in the position of refusing to pay the obligations which it assumed to the men who are entitled to payment under a law which has been enacted.

Mr. KING. Mr. President, that does not answer the situation at all. A provision is found in this bill to appropriate $5,700,000 for the coming year to a class of individuals who, according to my information, render no service whatever to the country. The fact of the matter is that when the war was over we had too many officers and too many men, and the Navy Department wanted to make provision for a large number of those persons whom it could not retain in the service; that is my information; and this plan was devised to give a pension to those who had been in the service for 15 years or 20 years, increasing the amount according to service, and provision has been made in several appropriation bills since to give to them what I have denominated as a pension, though they have returned to private life and are doing nothing whatever in a naval sense for the country.

Mr. POINDEXTER. Mr. President, I do not want to protract the discussion; but I will say that if we were here considering the enactment of a law on that subject as to some of the classes in large part I would agree with the Senator; in other words, I think that the payments are overliberal. I vigorously opposed the enactment of the law, but it was fought out very intensely; my views did not prevail, and it is the law. So the only thing the Government can do is to appropriate the money to make the payments. However, only a small portion of these men are subject to that observation. The Senator makes the mistake of generalizing as to the entire Naval Reserve, mixing up the different classes and assuming that they are all subject to the charge which he has just made of receiving pay without rendering any service, which is not the case.

Mr. KING. I do not mix them up. Those who are embraced within the first appropriation found on page 13, unless those who will be paid out of the $1,000,000 which has been added may be excepted, will be required to do certain drill work and give 15 days' service during the year upon the sea; but my contention is that as to the last appropriation of $5,700,000 nothing is required to be done either by the officers or the men in order to avail themselves of the very liberal appropriation.

Mr. POINDEXTER. Why does the Senator keep on repeating that statement? He says that that is the case, and I say it is not the case. Both of our statements will have to be subject to anybody's correction who has any better information.

Mr. KING. Uudoubtedly. The Senator is entitled to his views and has received certain information, and I am entitled to my views based upon information which I have received, and I assert again that the information which I have received justifies the statement that substantially all of the $5,700,000 appropriation will be applied as a sort of pension to officers and men neither of whom will be required, in order to draw the pension, to render any service whatever, except in the event of war, in which case they would then take the status that would be occupied by the officers and men of the Navy who were admittedly within the service.

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). The bill is before the Senate as in Committee of the Whole and open to further amendment.

Mr. POINDEXTER. Mr. President, there are a few committee amendments which it is desired to offer for the purpose of clarifying the language of the bill. The amendments have been suggested by the Comptroller General. On page 3, line 15, after the word "mileage," I move to insert the words "and

actual and necessary expenses and per diem in lieu of subsistence as authorized by law."

Mr. KING. Will that amendment change the amount of the appropriation, may I ask the Senator?

Mr. POINDEXTER. It will not; it will merely clarify the language.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. POINDEXTER. On page 3, beginning in line 16, I move to strike out the words "in the United States, and for actual personal expenses of officers of the Navy and Naval Reserve Force while traveling abroad under orders."

Mr. McKELLAR. Mr. President, may I ask the Senator if any of the appropriations in this bill may be expended for transporting officers or supplies of the Navy on foreign vessels?

Mr. POINDEXTER. I presume where it is necessary to use foreign vessels for transporting supplies, that is done.

Mr. McKELLAR. I ask the question because the Senator will recall that we had the matter under discussion a few days ago in connection with the ship subsidy bill, when it was disclosed that a very large sum was annually paid out by the Government to cover the traveling expenses of officers and employees of the Government on foreign vessels. In the bill making appropriations for the Diplomatic and Consular Service an amendment was added providing that no part of the appropriations in the bill should be paid for the traveling expenses on foreign vessels of officers and agents of the department.

Mr. POINDEXTER. I may say to the Senator that in almost every case naval vessels are used for the transportation of naval supplies and for the transportation of naval officers and men. The travel pay in the provision now under discussion is for travel on land and not on the sea.

Mr. McKELLAR. I have not been able to ascertain just where an amendment should be inserted limiting the appropriation for travel pay to transportation on American vessels. If I knew where such an amendment should be placed, I certainly would offer it. I understand that there is very little travel by officers or men of the Navy on foreign ships, but no naval officers ought to be allowed to travel at Government expense on other than American ships.

Mr. POINDEXTER. In case an American ship is available, of course that is true.

Mr. McKELLAR. Of course.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington on behalf of the committee.

The amendment was agreed to.

Mr. POINDEXTER. On page 10, line 19, I move to strike out the word "enrolled."

The amendment was agreed to.

Mr. KING. Does that change the status of anyone?

Mr. POINDEXTER. No; it does not. It merely makes the provision comply with existing law. I may repeat that all the amendments I am now offering are being offered on the initiative of the Comptroller General, who ultimately passes upon the effect of the language, and they are designed to meet his judgment as to making the provisions of the bill accord with existing law.

Mr. President, on page 29, line 7, after the word "pay," I move to insert the words "and allowances."

Mr. McKELLAR. What will that amendment involve? Will it not be equivalent to additional compensation?

Mr. POINDEXTER. It does not change the amount at all.

Mr. McKELLAR. It might change the amount considerably. The Senator will notice that the entire appropriation contained on lines 11 and 12 may be used for any purpose under the particular heading, and therefore the words proposed to be added might involve considerable additional pay and a considerable additional cost. All I want to know is what we are doing, so that we may vote intelligently.

Mr. POINDEXTER. Certain allowances for quarters have been granted to members of the Naval Reserve Force of class 1 under the Army and Navy and other commissioned officers' pay bill which passed Congress a short time ago. The amendment is to make the pending bill comply with the terms of that law.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. POINDEXTER. On page 32, line 23, after the word "each," I move to insert the words "and for uniform gratuity to enrolled men of the Naval Reserve Force."

Mr. KING. Mr. President, before that amendment is acted upon I inquire whether its object is to extend the benefits of the act to other individuals or persons than those contemplated in the provisions now found in the bill?

Mr. POINDEXTER. No; the contrary is the case. The amendment is offered in order to make the provisions of the bill comply with the terms of the existing law.

Mr. KING. Is it designed to confine it to the terms of the provision itself now in the bill?

Mr. POINDEXTER. Yes.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Washington.

The amendment was agreed to.

Mr. POINDEXTER. To correct an obvious clerical error I move, on page 46, line 18, after the word "active," to insert the word "list."

The amendment was agreed to.

Mr. POINDEXTER. On page 46, line 19, after the word "pay," I move to insert the words "including uniform gratuity as authorized by law."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. POINDEXTER. This is the last amendment I have to offer, Mr. President: On page 47, line 23, after the word "mileage," I move to insert the following:

and actual and necessary expenses and per diem in lieu of subsistence as authorized by law.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I have not an amendment prepared, but I want to suggest to the acting chairman of the committee that right after the figures "$125,000" there should be a proviso that this appropriation is made for travel pay for officers when traveling abroad on American ships only, unless a certificate is furnished by the Secretary of the Navy showing that the use of another ship is necessary.

Mr. POINDEXTER. This is only land travel. There is no mileage allowance for travel at sea. Marine officers always travel on naval vessels or else on Army transports. I am in entire sympathy with the Senator's object.

Mr. McKELLAR. Of course this appropriation would cover travel for officers anywhere. My information is that naval officers sent to any part of the world as observers usually select foreign vessels on which to travel; and it seems to me that the American Government ought to insist that its officers, no matter what department they are in, should travel on American vessels wherever they can be had.

Mr. POINDEXTER. I agree with the Senator; but the effect of any such amendment would be to change existing law, and it would not be germane or appropriate at this point.

Mr. McKELLAR. Oh, yes; a limitation on an appropriation is always in order. It would not change existing law at all. There is no existing law requiring naval officers, or officers of any other department, to travel on foreign vessels. We just got into the habit, and we are spending very large sums of money for the purpose. The report presented here the other day showed that our officers uniformly selected vessels of other nations on which to travel abroad; and it seems to me that that would be the appropriate place to insert the amendment, right after the figures "$125,000." If the Senator will just let that pass for a moment, if he has anything else, I will prepare an amendment which I will offer.

Mr. POINDEXTER. There is nothing more that I know of.

Mr. McKELLAR. Then, Mr. President, I offer the following amendment:

On line 24, page 47, strike out the period after "$125,000" and insert a colon and the following:

Provided, That no part of this appropriation shall be expended as travel pay for officers traveling abroad on foreign vessels, unless the necessity for such travel is duly certified by the Secretary of the Navy.

I hope the Senator will not object to that amendment.

Mr. HALE. Mr. President, I should like to call the Senator's attention to the fact that this applies simply to the Marine Corps.

Mr. McKELLAR. I should like to have it apply not only to the Marine Corps but to the entire Navy.

Mr. POINDEXTER. Mr. President, while I think what the Senator proposes is the law now and I do not think it is necessary at all—of course, there is no travel allowed, certainly ostensibly at least, that is not necessary and approved by the department—in order to dispose of the matter, I will accept per-

sonally, as far as I am concerned, the amendment proposed by the Senator.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ADJOURNMENT OVER NEW YEAR'S DAY.

Mr. CURTIS. I ask unanimous consent that when the Senate adjourns to-day, it adjourn to meet on Wednesday next at 12 o'clock.

The VICE PRESIDENT. Is there objection? The Chair hears none.

THE RULES OF THE SENATE.

Mr. JONES of Washington. Mr. President, I desire to state that some time during the morning hour on Wednesday I shall ask unanimous consent to call up and have passed the resolution that is on the table, that I introduced, providing for a special committee to investigate and report upon a revision of the Rules of the Senate.

Now, Mr. President, I ask that House bill 12817, the unfinished business, may be laid before the Senate.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 42 minutes p. m.) the Senate, under the order previously made, adjourned until Wednesday, January 3, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate December 30 (legislative day of December 27), 1922.

UNITED STATES DISTRICT JUDGES.

William N. Runyon, of New Jersey, to be United States district judge, district of New Jersey (an additional position created by the act approved September 14, 1922).

William H. Atwell, of Texas, to be United States district judge, northern district of Texas (an additional position created by the act approved September 14, 1922).

UNITED STATES ATTORNEY.

John S. Coke, of Oregon, to be United States attorney, district of Oregon, vice Lester W. Humphreys, resigned.

UNITED STATES COAST GUARD.

Lieut. (Junior Grade) Wilfred N. Derby, to be a lieutenant in the Coast Guard of the United States, to rank as such from September 1, 1922, in place of Lieut. Hiram R. Searles, promoted. This officer has passed the examination required by law.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

MARINE CORPS.

Capt. Henry M. Butler to be a major in the Marine Corps from the 4th day of June, 1920.

The following-named noncommissioned officers in the Marine Corps to be second lieutenants in the Marine Corps, for a probationary period of two years, from the 23d day of December, 1922:

Corpl. Evans F. Carlson.

Q. M. Sergt. Clifton L. Marshall.

Corpl. Gregon A. Williams.

POSTMASTERS.

ALASKA.

Martin J. Martin to be postmaster at Nenana, Alaska, in place of Laura Williams, resigned.

ARIZONA.

Lannes L. Ferrall to be postmaster at Grand Canyon, Ariz., in place of L. L. Ferrall, resigned.

Warren F. Day to be postmaster at Prescott, Ariz., in place of A. J. Herndon. Incumbent's commission expired September 5, 1922.

ARKANSAS.

Leon E. Tennyson to be postmaster at Arkadelphia, Ark., in place of S. R. Carpenter. Incumbent's commission expired September 23, 1922.

CALIFORNIA.

Mabel A. Head to be postmaster at Garden Grove, Calif., in place of F. C. Thompson. Incumbent's commission expired September 5, 1922.

William Vaughn to be postmaster at Oilfields, Calif., in place of William Gilford, resigned.

Harlan J. Woodward to be postmaster at Ramona, Calif., in place of H. J. Woodward. Incumbent's commission expired November 21, 1922.

COLORADO.

Earl E. Ewing to be postmaster at Colorado Springs, Colo., in place of O. W. Ward. Incumbent's commission expired September 5, 1922.

William D. Asbury to be postmaster at Montrose, Colo., in place of A. F. Reeves. Incumbent's commission expired September 5, 1922.

Ira R. Wood to be postmaster at Ramah, Colo., in place of R. C. Dazey. Office became third class April 1, 1921.

FLORIDA.

Benjamin F. Hargis to be postmaster at Umatilla, Florida, in place of F. H. Price. Incumbent's commission expired April 6, 1922.

GEORGIA.

William A. Sheats to be postmaster at Monroe, Georgia, in place of W. A. Sheats. Incumbent's commission expired September 28, 1922.

Louise F. Hays to be postmaster at Montezuma, Ga., in place of J. T. Stilwell. Incumbent's commission expired September 28, 1922.

IDAHO.

Louis W. Thrailkill to be postmaster at Boise, Idaho, in place of P. M. Davis. Incumbent's commission expired September 5, 1922.

Guy I. Towle to be postmaster at Jerome, Idaho, in place of Thomas Jaycox. Incumbent's commission expired September 5, 1922.

ILLINOIS.

James H. Truesdale to be postmaster at Bunker Hill, Ill., in place of M. M. Brown. Incumbent's commission expired February 4, 1922.

John J. Stowe to be postmaster at Girard, Ill., in place of F. B. Bock. Incumbent's commission expired October 24, 1922.

Burr H. Swan to be postmaster at Pittsfield, Ill., in place of W. C. Bush, jr., removed.

INDIANA.

Herman E. Goodwin to be postmaster at Clinton, Ind., in place of J. R. Paine. Incumbent's commission expired September 5, 1922.

Harvey H. Galloway to be postmaster at Cromwell, Ind., in place of R. E. Maggert, resigned.

Charlie W. Elliott to be postmaster at Middlebury, Ind., in place of W. H. Shultz. Incumbent's commission expired September 5, 1922.

KANSAS.

David W. Naill to be postmaster at Herington, Kans., in place of Lee Bledsoe, resigned.

LOUISIANA.

Herman M. Foster to be postmaster at Cedar Grove, La., in place of J. C. Umbarger, resigned.

Alexander E. Harding to be postmaster at Slidell, La., in place of P. J. Gardere, removed.

Louis Hebert to be postmaster at White Castle, La., in place of Louis Hebert. Incumbent's commission expired September 5, 1922.

MARYLAND.

George M. Evans to be postmaster at Elkton, Md., in place of O. C. Giles. Incumbent's commission expired September 5, 1922.

Jacob C. Hemmons to be postmaster at Ridgely, Md., in place of R. E. Smith. Incumbent's commission expired September 5, 1922.

Hobart B. Noll to be postmaster at Woodstock, Md., in place of Margarete Harrington. Office became third class January 1, 1921.

MASSACHUSETTS.

William Stockwell to be postmaster at Maynard, Mass., in place of A. J. Coughlin, deceased.

Merton Z. Woodward to be postmaster at Shelburne Falls, Mass., in place of M. Z. Woodward. Incumbent's commission expired October 1, 1922.

MICHIGAN.

Adam B. Greenawalt to be postmaster at Cassopolis, Mich., in place of G. H. Kimmerle. Incumbent's commission expired September 13, 1922.

George W. Weaver to be postmaster at Charlevoix, Mich., in place of T. G. Finucan. Incumbent's commission expired September 13, 1922.

MISSISSIPPI.

Thomas C. Kite to be postmaster at Weir, Miss., in place of T. H. Tabor, deceased.

MISSOURI.

William E. Hodgin to be postmaster at Maitland, Mo., in place of Lafayette Dawson. Incumbent's commission expired September 5, 1922.

Frank A. Stiles to be postmaster at Rockport, Mo., in place of A. B. Bertram. Incumbent's commission expired September 5, 1922.

MONTANA.

Robert H. Michaels to be postmaster at Miles City, Mont., in place of Thomas Gibb. Incumbent's commission expired September 13, 1922.

NEW YORK.

John R. Baldwin to be postmaster at Livingston Manor, N. Y., in place of W. J. White. Incumbent's commission expired November 15, 1922.

Franklin H. Sheldon to be postmaster at Middleport, N. Y., in place of T. P. Hammond, resigned.

Harry T. Nowlan to be postmaster at Newark Valley, N. Y., in place of A. H. Graham. Incumbent's commission expired September 19, 1922.

John M. Gray to be postmaster at North Rose, N. Y., in place of O. A. Skutt. Incumbent's commission expired September 28, 1922.

Harry Pottenburgh to be postmaster at Rhinebeck, N. Y., in place of L. V. Vredenburgh. Incumbent's commission expired November 21, 1922.

Fred Hahn to be postmaster at Tonawanda, N. Y., in place of E. F. Dougherty. Incumbent's commission expired October 24, 1922.

NORTH DAKOTA.

J. Dexter Pierce to be postmaster at Larimore, N. Dak., in place of Thomas Regan. Incumbent's commission expired September 5, 1922.

David L. Rourke to be postmaster at Osnabrock, N. Dak., in place of W. J. Storie, resigned.

OHIO.

William C. Parks to be postmaster at Cadiz, Ohio, in place of J. M. Francis. Incumbent's commission expired September 19, 1922.

Warren E. Smiley to be postmaster at Cardington, Ohio, in place of H. N. Steger. Incumbent's commission expired September 19, 1922.

Howard B. Kurtz to be postmaster at Conneaut, Ohio, in place of R. J. Baxter. Incumbent's commission expired September 19, 1922.

Roy Heap to be postmaster at St. Marys, Ohio, in place of C. L. Hunter. Incumbent's commission expired September 19, 1922.

PENNSYLVANIA.

Harry M. Bowman to be postmaster at Annville, Pa., in place of H. M. Bowman. Incumbent's commission expired September 13, 1922.

Ben G. Swick to be postmaster at Ellwood City, Pa., in place of B. N. DeFrance, removed.

Ira B. Jones to be postmaster at Minersville, Pa., in place of Frank Snyder. Incumbent's commission expired September 26, 1922.

SOUTH DAKOTA.

Solomon Hoy to be postmaster at Fort Pierre, S. Dak., in place of Patrick Holland. Incumbent's commission expired September 11, 1922.

TENNESSEE.

Frances S. Pickering to be postmaster at Carthage, Tenn., in place of F. P. McGinness, resigned.

TEXAS.

Emma L. Willke to be postmaster at Boerne, Tex., in place of E. L. Willke. Incumbent's commission expired September 5, 1922.

John A. Weyand to be postmaster at Carmine, Tex., in place of J. A. Weyand. Office became third class July 1, 1922.

Oscar O. Ashenhust to be postmaster at Lorena, Tex., in place of W. R. McAdams. Incumbent's commission expired September 5, 1922.

Robert H. Rhodes to be postmaster at Waelder, Tex., in place of Mary Foster. Incumbent's commission expired September 5, 1922.

UTAH.

George M. Jones to be postmaster at Richfield, Utah, in place of W. W. Morrison. Incumbent's commission expired September 5, 1922.

WEST VIRGINIA.

Curtis K. Stem to be postmaster at Weirton, W. Va., in place of W. S. Bambrick. Incumbent's commission expired July 25, 1920.

WISCONSIN.

William W. Winchester to be postmaster at Amery, Wis., in place of H. J. Kinne. Incumbent's commission expired September 5, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate December 30 (legislative day of December 27), 1922.

POSTMASTERS.

CONNECTICUT.

William J. Reel, Canaan.
Carrie A. Bush, Watertown.

FLORIDA.

William A. Parker, Carbur.
Edgar D. Hogan, Loughman.
Harold J. Engel, New Valparaiso.
Maxfield Sellers, White Springs.

INDIANA.

Willard G. Minard, Bourbon.
Lester L. Wildman, Dupont.
Phineas O. Small, Laporte.
Odin R. Smith, Martinsville.
James S. Wright, Vevay.

IOWA.

William G. Wood, Albia.
Elmer G. Warrington, Keota.
Raymond S. Blair, Parkersburg.
Gabriel L. Archer, St. Charles.

KENTUCKY.

Robert B. Beadles, Fulton.
Lewis A. McCoy, Owingsville.
William E. Jones, Princeton.

OHIO.

Alonzo Keeton, Excello.
Albert W. Griswold, Georgetown.
Jesse L. Bales, Jackson.
Henry H. Harvey, Kenton.
James Azallion, Laferty.
Hosea M. Thompson, Ostrander.
Gurth W. Repp, Pioneer.
Mayme Pemberton, Roseville.
Elsie M. Smith, Sharonville.
Duane G. Keener, West Salem.

UTAH.

Lydia R. Shaw, Huntington.

VIRGINIA.

John N. Coffman, Edinburg.
William S. Sparrow, Onley.

WEST VIRGINIA.

Edward J. Jenkins, Manbar.
Joseph P. Dawson, Widen.

WYOMING.

Percy G. Matthews, Evanston.

HOUSE OF REPRESENTATIVES.

SATURDAY, *December 30, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, Almighty God, in the name of Him whose holy hand touched the foreheads of little children, the shadow of whose presence was a blessing to the outcasts and who is ever seeking to enfold in His teaching the sympathies of all men. Lingering with us is the mercy of Thy holy providence. We are grateful that no lasting calamity has befallen our national household. Over us has been the banner of divine care, and around about us have been the arms that never fail. Blessed Lord, as the volume of the old year is closing, mellow the thoughts of error and failure. O, may all embittering memories die as the door closes. Enable us to expel from our lives all sordid aims and carry forth into the future the sweetest hopes and the best ambitions. Let the sound of war and strife soon die out of the world's sky. Give us vision to see the best struggling through the worst and may we move forward with a great faith that God is more than equal to any crisis. Lead us on—up the hills of time, and in some hour of triumph we shall see the mists lifted, the clouds rolled away, and behold the full glory of our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SECOND DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1923.

Mr. MADDEN. Mr. Speaker, I present a privileged report from the Committee on Appropriations.

The SPEAKER. The gentleman from Illinois presents a privileged report from the Committee on Appropriations on a bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13615) making appropriations to supply deficiencies in appropriations for the fiscal year 1923, and prior fiscal years, and to provide supplemental appropriations for the fiscal year 1923, and for other purposes.

Mr. BLANTON. If no one else does, I reserve all points of order.

The SPEAKER. The gentleman from Texas reserves all points of order. Referred to the Committee of the Whole House on the state of the Union and ordered printed.

LEAVE TO SIT DURING SESSIONS OF THE HOUSE.

Mr. GREENE of Massachusetts. Mr. Speaker, I ask unanimous consent that the Committee on the Merchant Marine and Fisheries may sit during the sessions of the House.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the Committee on the Merchant Marine and Fisheries may sit during the sessions of the House. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. RAKER. Mr. Speaker, pending consideration of the agricultural bill the question was asked me by Mr. SNELL, of New York, relative to the appropriations by the States and municipalities for the control and eradication of rodents and for the extermination of predatory animals. I have that statement, and I ask unanimous consent to insert it in the RECORD.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks for the purpose indicated. Is there objection? [After a pause.] The Chair hears none.

The statement is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF BIOLOGICAL SURVEY,
Washington, D. C., December 29, 1922.

Hon. JOHN E. RAKER,
House of Representatives.

DEAR MR. RAKER: Replying to your letter of December 26 in regard to cooperative funds, and agreeable to telephone conversation on the subject, there is inclosed a statement showing the cooperative funds contributed by each State in which we are working as well as the sources from which the funds are derived.

This statement covers the funds for the control and eradication of rodents and for the extermination of predatory animals. The amounts shown under the column "State" indicate that those sums are specifically appropriated; under "Counties," that counties within the State contribute that amount; and under "Other sources," amounts from individuals, live-stock and other organizations.

If additional information is needed in regard to our work, please do not hesitate to call upon us.

Very truly yours,

W. C. HENDERSON,
Acting Chief of Bureau.

Preliminary report on cooperative funds available for expenditure for rodent and predatory animal work for the fiscal year 1923.

States	Rodent work.				Predatory work.			
	State.	Counties.	Other sources.	Total.	State.	Counties.	Other sources.	Total.
Arkansas	0	0	0	0	$1,500	0	0	$1,500
Arizona	$15,000	$700	0	$15,700	15,000	0	0	15,000
California	14,000	400,000	$660	414,660	35,000	$10,000	$1,000	46,000
Colorado	5,000	10,000	2,000	17,000	12,500	Unknown.	Unknown.	12,500
Idaho	20,000	38,000	30,000	88,000	None.	None.	Unknown.	0
Kansas	1,000	4,500	0	5,500	.....	No work.	No work.	.....
Michigan	.....	No work.	.....	.....	30,000	0	0	30,000
Montana	8,000	21,450	11,000	40,450	14,000	0	120	14,120
Nebraska	0	0	0	0	.....	No work.	No work.	.....
Nevada	3,000	1,500	Unknown.	4,500	11,222	13,250	0	24,472
New Mexico	25,000	None.	7,000	32,000	25,000	0	8,500	33,500
North Dakota	0	50,000	2,000	52,000	.....	No work.	No work.	.....
Oklahoma	0	4,000	3,000	7,000	0	0	0	0
Oregon	3,750	20,000	1,500	25,250	7,500	3,820	55,910	67,230
South Dakota	5,000	20,000	5,000	30,000	0	0	0	0
Texas	0	0	3,000	3,000	0	0	10,000	10,000
Utah	3,000	2,182	200	5,382	20,000	0	200	20,200
Washington	None.	10,900	500	11,400	8,500	4,470	1,500	14,470
Wyoming	0	0	0	0	15,000	2,000	2,000	19,000
Total	102,750	583,232	65,860	751,842	195,222	33,540	79,230	307,992

Rodent	$751,842
Predatory	307,992
Total	1,059,834

SAN FRANCISCO, CALIF., *December 29, 1922.*

Hon. JOHN E. RAKER,
House Office Building, Washington:

Have heard congressional subcommittee Agricultural appropriations not recommending any increase predatory animal control work in California. Two-thirds land in California under supervision Federal Government national parks. Forests where coyotes breed, predatory animals driving many sheepmen out of business. Must have relief. Urge you make fight immediately to increase appropriation. California Farm Bureau, cattlemen, and woolgrowers united in asking increase in appropriation.

CALIFORNIA WOOLGROWERS' ASSOCIATION.

POST OFFICE APPROPRIATION BILL.

Mr. SLEMP. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13593, and pending that motion I ask unanimous consent that general debate—how much time does the gentleman from Colorado desire? We have very few requests on this side.

Mr. TAYLOR of Colorado. I have had requests at the present time for 75 minutes. I would like to have about an hour and a half if I can.

Mr. SLEMP. I am wondering if the gentleman can not get along with an hour. We can do our work on this side in that time.

Mr. TAYLOR of Colorado. Possibly the gentleman can give some time on that side.

Mr. DOWELL. Is it the intention of the gentleman to pass the bill to-day, if possible?

Mr. SLEMP. If possible up to the final vote.

Mr. DOWELL. It certainly can not be possible if there is two hours taken in general debate.

Mr. SLEMP. We will have an hour on a side; that is about as little as possible. This is a large bill.

Mr. DOWELL. The length of time in general debate will control the question of whether the bill is completed to-day, and if two hours of time in general debate is taken up I doubt if it can.

Mr. TAYLOR of Colorado. We will try to get along with an hour if the gentleman will be liberal under the five-minute rule.

Mr. CARTER. Mr. Speaker, reserving the right to object, it is possible I might want 20 minutes under general debate, and the gentleman from Colorado says he is unable to provide only about 10 minutes.

Mr. SLEMP. I think I can give the gentleman 10 minutes.

The SPEAKER. The gentleman from Virginia asks unanimous consent that general debate be limited to two hours, one-half to be controlled by himself and one-half by the gentleman from Colorado [Mr. TAYLOR]. Is there objection? [After a pause.] The Chair hears none.

The question is on the motion of the gentleman to go into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13593, the Post Office appropriation bill, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13593, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. SLEMP. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. SLEMP. Mr. Chairman, the Post Office appropriation bill is the largest bill presented to Congress. This year it carries an appropriation of over $584,000,000, an increase of $20,000,000 plus over the appropriation for 1923. This increase would be a little less than 4 per cent. It is estimated, however, that the increase in postal receipts of 1924 over 1923 would be about 9 per cent.

Mr. OLDFIELD. Will the gentleman yield for a question?

Mr. SLEMP. I will.

Mr. OLDFIELD. I noticed some days ago in the press that General Dawes, formerly Budget Director, made certain statements about the Post Office management in that department.

He stated in substance that the Post Office Department did not know what a balance sheet was, and he went on to state that in the fiscal year 1920–21 the deficit of the Post Office Department was $157,000,000, and in the fiscal year 1921–22 it was $60,000,000. Speaking for myself, I know I have never heard on the floor of the House, here or elsewhere, that there has been any such deficit in the Post Office Department as $157,000,000. I am sure the gentleman from Virginia knows about the Post Office Department, and if General Dawes makes a correct statement the country ought to know it, and if he does not make a correct statement the House and the country ought to know that.

Mr. SLEMP. I will say in response to the statement of the gentleman from Arkansas that in the reclassification act of 1920 Congress added a considerable sum of money to the expenses of the Post Office Department. The Interstate Commerce Commission rendered its decision giving higher rates to the railroads, and $157,000,000 was the deficit for that particular year. Of that it is estimated that about $76,000,000 was due to the acts of Congress so passed, and were for previous years to the year in which the deficit was referred to, leaving about $80,000,000 net deficit between the postal expenditures and the postal receipts. The following year the Post Office Department ran its business without any increase in expense at all, but the receipts went up $20,000,000, and therefore the deficit for the succeeding year was $60,000,000. That was for the last fiscal year, ending June 30, 1922. This fiscal year the department is running almost on the same basis as last year, and the increase in receipts over expenditures ought to allow a further cut of $30,000,000 in the operation of the Post Office Department.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. GARNER. The gentleman makes a rather peculiar statement. I do not understand it exactly. He says that there was a $157,000,000 deficit in 1920–21, but that in reality there was only $80,000,000 actual deficit. Now, he says in the next year the Post Office Department was running without any additional expense and cut down $20,000,000. Does he mean that there was a $137,000,000 deficit?

Mr. SLEMP. I was explaining that that has all been absorbed, and the $70,000,000 and odd referred to was covered by the acts of Congress that I referred to.

Now, going on with the statement, the deficit of last year, ending June 30, 1922, was $60,000,000. It is expected that this year the receipts will have grown so that the deficit will, perhaps, be only $30,000,000 or $31,000,000, and that next year they ought, perhaps, to break even.

That is the record of the Post Office Department. Now, as to the balance sheet that the gentleman from Arkansas referred to——

Mr. OLDFIELD. One more question, if the gentleman will permit. Does the gentleman agree with Mr. Dawes that there was an actual deficit?

Mr. SLEMP. Those were the statements of the Postmaster General in the annual report in each succeeding year, and those have been published for several months and years back.

Mr. OLDFIELD. What about the criticism of General Dawes in regard to the bookkeeping of the Post Office Department?

Mr. SLEMP. Well, I will say in regard to that that I have not found the statement myself, and the Post Office Department does not seem to be able to find the statement to which the gentleman refers; but there has been a general overhauling of the accounting system of the Post Office Department. A good deal of the work is being done in the various States. Some of it is being done here, and a lot of it has been transferred to the General Comptroller's office with very much better, up-to-date results. It is not quite possible to gather a monthly balance sheet. It is very nearly possible to gather a quarterly balance sheet.

Mr. OLDFIELD. Did General Dawes when he was Director of the Budget advise the committee or the Post Office Department, to the gentleman's knowledge, as to how the books should be kept and how the balance sheet should be prepared?

Mr. SLEMP. I will say that the Director of the Budget at that time did not appear before the committee that framed the Post Office appropriation bill last year; neither did he come before the committee this year; and, so far as I know, the director last year had very little to do with working up the details of the Post Office appropriation bill. It was understood that the gentleman was here rather representing both the Post Office Department and the Budget and the Otis Elevator Co.; but he did not spend a great deal of time in the Post Office Department, however, and after the committee got through its investigation the committee recommended a cut of $27,000,000 in the recommendations of the Budget last year for the Post Office Department. That was increased a little in the Senate. As a result it is proposed to run the department on about $15,000,000 less than the Budget estimate.

Mr. MADDEN. I wish to say this, that the deficiency in the appropriation bill for 1922 indicates $62,000,000. The first quarter—and that is the quarter to which General Dawes referred—indicated $16,000,000; and that would not be more than the quarterly proportion of the $62,000,000 if it were distributed for the full year, so that there was nothing irregular about it.

Mr. OLDFIELD. Then it seems that General Dawes was substantially correct in his statement?

Mr. MADDEN. There is no question about there being a $16,000,000 deficit for the first quarter.

Mr. OLDFIELD. It seems to me that the department might take General Dawes's advice about the bookkeeping, and go on and straighten this thing out, so that there would be no criticism about it.

Mr. MADDEN. Under the Budget law, I will say to the gentleman from Arkansas, all the bookkeeping of the Post Office Department, except the mere departmental audit, has been transferred to the General Accounting Office.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BANKHEAD. Is it anticipated that there will continue to be a quarterly deficit during the next fiscal year of anything approximating $62,000,000?

Mr. MADDEN. It is estimated that the present fiscal year will show $31,000,000 instead of $62,000,000, and in the next fiscal year it is expected they will come out even, or have a million dollars surplus.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. LAYTON. If I understand the gentleman's statement, it means about this, that Congress itself is responsible for this increase?

Mr. SLEMP. Yes. It is expected, however, that the increase for 1924 over 1923 will be about 9 per cent. If this hope be realized, there would be a net clear gain or profit in the operation of the Postal Service of about 5 per cent, which applied to $533,000,000, the postal revenues of 1923, would amount to approximately $25,000,000. As the difference between receipts and expenditures for 1923 is estimated to be only $31,000,000, this gain of $25,000,000 if realized would enable the department almost to run on a self-sustaining basis in 1924. This has been one of the great objects of the Post Office Department officials, the other being to give good and constantly better service. It can positively be said that these two ends are being accomplished by the present Postmaster General and his able assistants.

I doubt if any department of the Government at any time has been served by the same efficiency and devotion to the work as is now the case with the present Post Office Department. How fortunate they are to have men as assistants who can command higher salaries elsewhere and who only occupy their present positions through pure love of service. The first assistant, formerly executive of a great Commonwealth, an eminent lawyer, finds himself engrossed with the details of a great department and unselfishly and devotedly gives his time practically free to the Government. The fine showing of the department is due to the extraordinary activity and cooperation of the officials, and they are entitled to the thanks of Congress and the country.

The actual accomplishment of the department officials is shown not only by better service but by the constantly diminishing deficit. A deficit of $81,000,000 in 1921, $61,000,000 in 1922, $30,000,000 in 1923, and break even in 1924, would be an accomplishment unparalleled in the history of the Postal Service, and yet there is every probability that this will be realized. In this connection, permit me to say that the amount recommended to be appropriated this year provides for every activity of the Postal Service and for every employee now connected with it. It provides for increases in the clerks' force, in the clerks' auxiliary force, in the letter-carrier force, in the substitute letter-carrier force, in the Rural Free Delivery Service, in the railway mail pay and service, in the increasing foreign mail, all to meet the remarkable growth in the postal business.

An estimate by months, increase of 1923 over 1922:

	Per cent.
July (increase)	11.02
August (increase)	10.80
September	11.55
October	14.34
November	13.79
Total (gain)	12.30

December, probably $20,000 for 50 largest offices.

Thirteen and fifty-nine one-hundredths per cent increase for these 50 offices. It is hoped that this large increase in business will be absorbed this fiscal year without any increase in appropriation of 1923 over 1922, and the future increase in business in 1924 of 9 per cent to be taken care of by an increase of 4 per cent in expenditures. It is impossible for me to describe the activities of the Post Office Department, nor the marvelous field of its operation. It enters every home, is related to every activity, and is the greatest contributor to education and advancing civilization.

In the bill there are only 82 items, 64 of which are unchanged from the estimate, 17 of which are reduced, and 1 alone increased. Total reduction is $5,552,000, and this is less than 1 per cent. The committee therefore agrees with the department, more than 99 per cent out of a possible 100 per cent. The small cuts made are the free judgment of the subcommittee in charge of the bill after careful reflection and extensive hearings.

Now, in regard to the bill itself, I should like to say to the committee that the Post Office Department here in Washington under the Postmaster General is proposed to be run next year on $60,000 less than this year, and in addition to that to absorb the payment of the salary of the solicitor, formerly paid by the Department of Justice.

There is no change recommended in the First, Second, or Fourth Assistant Postmaster General's offices. The Postal Savings is transferred from the Postmaster General to the Third Assistant. There is a very slight increase in the department service, of $7,000, due to the increased price of coal. Outside of that, there is no change in the department.

In regard to the field service, the First Assistant asked for an increase of $14,000,000 and the committee have recommended an increase of $11,000,000, an increase in his appropriation of about 4 per cent. The reductions recommended were in clerk hire and in rent of buildings largely and a slight reduction cutting down the overtime of letter carriers, but still leaving a very substantial increase in the amount carried over this year.

Mr. CHINDBLOM. With reference to the rent of buildings, does the committee actually believe it is possible to reduce the rental of buildings at this time?

Mr. SLEMP. There is no provision for a reduction in the rent of buildings. The appropriation carried this year is $11,750,000, and that will rent all the buildings in the country that we used for post-office purposes throughout this fiscal year.

Mr. CHINDBLOM. I understood the gentleman to say that there was a reduction.

Mr. SLEMP. A reduction from the estimates but an increase over the amount carried this year.

Mr. CHINDBLOM. What is the increase?

Mr. SLEMP. It is one million two hundred thousand and some odd dollars, an increase of more than 10 per cent.

Mr. CHINDBLOM. Many of the leases that are expiring are 10-year leases?

Mr. SLEMP. Yes.

Mr. CHINDBLOM. Of course, you can not begin to renew the leases for the same rental now.

Mr. SLEMP. There are 510 of these leases expiring next year, and it is estimated that renewal contracts can be had at 100 per cent increase. That is the testimony of the Post Office Department, that they will need that increase, and that is what we are providing for.

Mr. CHINDBLOM. One further question, with reference to carriers. In Chicago, in the thickly settled territory, in residence and business districts, deliveries have been reduced to two a day. When I was home last fall I had to leave my home at 8.10 in the morning to get a train down town, and up to that moment there was no delivery of mail. I never got any mail until I got home at night. The department heads said that was because of lack of appropriations; that they were compelled to reduce deliveries in populous cities to two a day.

Mr. SLEMP. I will say to the gentleman, so far as that is concerned, that there are 462 vacancies now in carriers' positions already appropriated for by Congress, which the department could use if it desired this fiscal year.

Mr. CHINDBLOM. Four hundred and sixty-two carriers will not go very far.

Mr. SLEMP. I know; but they have not used them up to date, and we are providing next year for everyone that the Post Office Department requests.

Mr. CHINDBLOM. For every carrier requested by the department?

Mr. SLEMP. Yes.

Mr. MADDEN. Will the gentleman yield to me for a minute there?

Mr. SLEMP. Yes.

Mr. MADDEN. I want to say to my colleague [Mr. CHINDBLOM] that we provided in the bill for the current fiscal year for an increase of 1,400 carriers. Four hundred and eighty-two of those have not been appointed. We are providing for 1,400 additional carriers for the coming fiscal year, which, added to the 482, would make 1,882 more than are employed at present, so it is not the fault of the appropriation if there are not carriers enough.

Mr. CHINDBLOM. There must be some fault, then, in the distribution of the carriers.

Mr. MADDEN. We have nothing to do with that.

Mr. SLEMP. That is the fact as far as the appropriation is concerned.

Mr. DENISON. Will the gentleman yield for a question?

Mr. SLEMP. Yes.

Mr. DENISON. The gentleman made some statement about the amount appropriated for clerk hire, and I understood him to say that the committee had reduced the amount.

Mr. SLEMP. We made a reduction from the estimates.

Mr. DENISON. A reduction from the amount estimated for clerk hire?

Mr. SLEMP. Yes.

Mr. DENISON. Upon what theory is it supposed that we can get along now with less clerk hire than heretofore?

Mr. SLEMP. We do not.

Mr. DENISON. That is what I want to inquire about.

Mr. SLEMP. The appropriation last year was about $101,000,000. That did not seem to be quite enough, and perhaps there will be a deficit in that this year. The department asked for $108,000,000, an increase of about $7,000,000 over this year's appropriation, and the committee recommended $750,000 less than the estimate. That is to say, the committee recom-

mended one hundred and seven million and some odd thousands of dollars, an increase over this year's appropriation of a little over 6 per cent.

I will say to the gentleman that the Treasury Department called on the Post Office Department for clerks for the purpose of handling war savings stamps and Treasury certificates, causing an expense of about $2,000,000, and that work will be largely relieved after January 1.

Mr. MADDEN. Let me state to my colleague [Mr. DENISON] that for the current fiscal year we provided for an increase of 2,600 clerks and they have appointed only 1,310. We are providing for 2,500 additional clerks for the coming year, which, added to the 1,290 who have not been appointed, will give 3,800, so it is not our fault if they are not appointed.

Mr. DENISON. The reason I asked the question is that in the district which I represent the greatest difficulty the Post Office Department has is in the inability to secure efficient clerks for the amount allowed.

Mr. MADDEN. The gentleman is talking about third-class post offices now?

Mr. DENISON. Yes; mainly.

Mr. MADDEN. The law fixes the limit of compensation. The law says the Postmaster General is authorized to employ clerks at $600 or $900 or $1,200. One thousand two hundred dollars is the maximum.

Mr. DENISON. But in an emergency they may allow an additional amount. They are limited in the allowance of that by the amounts appropriated.

Mr. SLEMP. The committee allowed the full amount asked for for that.

Mr. DENISON. I have one post office in which the postmaster had to pay out every dollar of his salary for clerical help, and he had to go outside to make a living, and the inspector came down and recommended his removal for not giving his whole time to the office.

Mr. SLEMP. We provide every dollar for the increase that was asked. The Second Assistant Postmaster General's office—the service is left about the same. The Third Assistant's office—we have made a slight reduction from the estimate; and the Fourth Assistant's about the same, so that the bill as presented to the House carries $5,000,000 more than recommended by the Post Office Department.

Mr. CHINDBLOM. Will the gentleman yield further?

Mr. SLEMP. Yes.

Mr. CHINDBLOM. Did I understand the gentleman to say that there is an increase of about 4 per cent in the appropriation for clerks and carriers?

Mr. SLEMP. More than that. The amount carried in the bill this year for clerks of the first and second class is $101,000,000, and we are giving one hundred and seven million and some thousands of dollars, being an increase of about 6 per cent.

Mr. CHINDBLOM. There are increases in the number of carriers?

Mr. SLEMP. We give all the carriers that they request.

Mr. CHINDBLOM. What about the clerks?

Mr. SLEMP. There is an increase of about 6 per cent.

Mr. CHINDBLOM. That amounts to 2,500 clerks?

Mr. SLEMP. Yes. I will say to the gentleman that the department out of this year's appropriation still has 1,290 clerks, if they want to appoint them during the remainder of the year. They are managing to get the mail distributed and keeping the work up with the present force.

Mr. CHINDBLOM. They never have been able to do that before.

Mr. SLEMP. It has been done once, but there are many elements that enter into the cost so that no one can get the cost absolutely. The Post Office Department does a lot of work for the Treasury Department—about $2,000,000. They do the airplane work, about $2,000,000, and then we pay a subsidy to American vessels for carrying the mails, and all of that amounts to several million dollars a year that the accounting system might make it less.

Mr. BLANTON. Will the gentleman yield?

Mr. SLEMP. Yes.

Mr. BLANTON. I want to state that the new Republican postmaster for Sweetwater, Tex., Hon. M. B. Howard, patriotically remained in his post office all day last Sunday and all day Monday—Christmas—in order that all the people there could be served, and he promptly delivered every package and every letter that came in due time for the Christmas festivities. Is there another Republican postmaster in the Union that has as good a record?

Mr. CHINDBLOM. I will say that that was done right here in the city of Washington.

Mr. ROSENBLOOM. It was done everywhere where there was a Republican postmaster. [Laughter.]

Mr. BLANTON. I doubt that, but Mr. M. B. Howard is such a splendid gentleman, and has the confidence, esteem, and appreciation of all patrons of his office, that I think his selection tends to equalize many Republican mistakes.

Mr. SLEMP. I thank the gentleman for the praise, but I would like to call attention to what happened in December.

Mr. RANKIN. Will the gentleman yield?

Mr. SLEMP. Yes.

Mr. RANKIN. Last year there was a proposition that came up to reduce the appropriation for village delivery. I should like to know what this bill provides as to that item?

Mr. SLEMP. It is the same in the bill this year that it was last year; it is not reduced. There are $196,000 available for the extension of that service.

Mr. ROACH. No additional service has been installed?

Mr. SLEMP. Thirty-eight this year. I would like the committee to hear an account of the remarkable service that we had during the month of December. The expenses of the Post Office Department, 1923, are not much greater than 1922, and the question has been whether the department could, without increasing the expenses, absorb the very large increase in business. I have telegrams here from many cities. Grand Rapids, Mich., handled 25 per cent more business. Seattle the same. Chicago business increase, 32 per cent; situation well in hand; mail moved. Denver, Colo., increase, 62 per cent. Omaha, 51 per cent. Richmond, Va., 40 per cent. Dayton, Ohio, 15 per cent. Minneapolis, 44 per cent on outgoing mail and 20 per cent on incoming mail. Kansas City, 21 per cent; no delay or congestion. Buffalo, 17 per cent increase. Toledo, 20 to 25 per cent increase. Jacksonville, 11 per cent on outgoing mail and 40 per cent on mail received. Jersey City increase, 30 per cent. Atlanta, 20 per cent. Springfield, Mass., 25 per cent; no congestion.

Mr. FESS. Will the gentleman state how late those telegrams are?

Mr. SLEMP. These were put into the RECORD the day before Christmas.

Mr. FESS. If the gentleman will permit, there was a statement given early in the spring that out of 38 cities there was an increase averaging a little less than 10 per cent.

Mr. SLEMP. I just said to the committee a few moments ago that the average increase for five months was about 12 per cent, and the expected increase materialized in December of 20 per cent, and the average will be about 13 per cent. Of course, this is derived from 50 of the largest offices in the country and not from the third or fourth class offices. It is a fair barometer.

Mr. FESS. I was about to say that that is as fair a barometer as there could be.

Mr. SLEMP. Yes. Mr. Chairman, I reserve the balance of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. MANSFIELD]. [Applause.]

Mr. MANSFIELD. I have here a clipping from the Washington Times of a few days ago, which I ask the Clerk to read in my time.

The Clerk read as follows:

FORD MAKES COKE; SELLS TO WORKERS.

[By International News Service.]

DETROIT, MICH., December 26.—The Ford Motor Co., by producing coke and selling it to employees at $8 a ton, is saving workers approximately $100,000 each month on their coal bills.

According to estimates, about 500 tons daily are now being delivered to the homes of workers, which means that Highland Park, River Rouge, and other plants receive approximately 12,500 tons monthly.

Thus these employees are assured of a ton a month minimum each at a fair price, according to the Ford News.

With coke selling throughout Detroit and vicinity at from $14 to $16 a ton, it will be seen that workers, individually, are able to save in many cases from $6 to $8, or virtually what the company asks for a ton.

Before the season ends it is estimated the Ford Motor Co. will have saved its workers $1,000,000 on fuel bills.

Mr. MANSFIELD. Mr. Chairman, from that press dispatch it will be observed that Mr. Ford is manufacturing and selling coke to his employees at approximately one-half the price being charged by the coal barons. That, in my judgment, is a fair illustration of what the farmers of this country may expect in the way of fertilizer if he should be permitted to operate the Muscle Shoals plant. Actions speak louder than words. Mr. Ford is a man of few words but of very much action.

I yield back the remainder of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, this morning's Herald quotes the gentleman from Massachusetts, Mr. GALLIVAN, in the following statement:

The Massachusetts Member said that he had been told that practically every Democrat from Texas is a member of the Ku-Klux Klan.

I doubt very seriously whether any Member of the Texas delegation belongs to that order. If any Member does, I do not know it. I do not belong, and I think the kind of talk that is going around the country such as that contained in this morning's paper, indicating that the State of Texas is dominated by the Ku-Klux Klan, ought to stop.

One of the leaders of the Klan in Texas, a man who edits the Klan paper, ran for lieutenant governor and was overwhelmingly defeated. Another distinguished member of the Klan who ran on the State ticket for State superintendent of public instruction was defeated. So all this talk ought to stop. I presume that some of the best people in this whole Nation are members of the order.

I presume that some of the best ministers of the gospel in that State are members of the order, but when it comes to votes, they do not vote for a man in Texas just because he is a member of the Ku-Klux Klan. I do not believe there is a single Member of the 18 Congressmen from Texas who is a member of that order. Therefore, why does the newspaper still continue to send this dope out over the country? For prejudice. That is all. I presume that there are men in Texas who belong to this order who probably are just as good citizens as many of us here. I am not making any fight on the order.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DENISON. The gentleman from Texas seems to be blaming the newspaper. I understood that the newspaper was merely publishing a statement made by one of the Members of the House. Is that correct?

Mr. BLANTON. Yes.

Mr. DENISON. Why does the gentleman blame the newspaper?

Mr. BLANTON. This is why I blame the newspaper: When the newspaper had that statement from the gentleman from Massachusetts it was very easy for the reporter to see the 18 Members of the Texas delegation in Congress and ask them whether or not they were members of the order.

Mr. DENISON. Then the gentleman thinks a newspaper ought not to repeat any statement made by a Member of the House unless he first makes an investigation to find out whether the statement is true?

Mr. BLANTON. I was just suggesting that sometimes these newspapers convey wrong impressions. This is a Hearst newspaper. The Hearst newspapers cover the entire United States, and this article doubtless appears to-day in every Hearst newspaper, and it conveys the intimation to the American people that every Member of Congress from Texas is dominated by this secret order, when, as a matter of fact, I do not think any of them are members of it, and it is wrong. It is a prejudice that is created that is not right, and it ought to stop. [Applause.]

Mr. McARTHUR. Mr. Chairman, no one seems to be occupying the floor, and if no one desires to speak, I should like 15 minutes in which to talk about the scenic beauties of the Pacific coast.

Mr. SLEMP. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MURPHY. Mr. Chairman and gentlemen of the committee, I am a new member from the State of Ohio on this great committee.

Mr. McARTHUR. And a very useful member.

Mr. MURPHY. I thank the gentleman. I want to take your time for a few moments to give you some of the impressions that I received as I listened to the marvelous story of the activities of this wonderful piece of governmental machinery. Marvelous scarcely expresses just what is taking place within this wonderful governmental activity. There appeared first before that committee one of America's biggest men, a man who, through his own industry, perseverence, skill, and ability, has found a place in the activities of this country second to none in his own particular line of endeavor. Yet he is giving to this country at this time his services for a paltry salary. Salary means nothing to men of this type, because they deem it a patriotic privilege to serve, and this great, big, wonderful man has been serving this country in this position without any claquers or sycophants surrounding him, doing the work that comes to him each and every day in a way that challenges the admiration of the people of the Nation. I refer to the Postmaster General, Doctor Work. [Applause.] His duties are general. I shall not attempt to indicate just what they are, because many of you are better acquainted with them than I. However, his great grasp of details enables him to keep in splendid touch at all times with the activities of this department, and he has supporting him as First Assistant Postmaster General another man of equal importance in this great country, and in the achievements that were his before he became active in governmental affairs in a national way. He, too, is here serving as a patriotic privilege the people of this country, not for price, because he deems it a great opportunity to do something for the country that has given to him and all others who will the opportunity that is here for all. So we find that great man ex-Governor Bartlett in the position of First Assistant Postmaster General. His duties are onerous. His duties require the highest type of executive ability and great courage, and why? Because he has to do with the appointment of postmasters, he has to stand between we folks up here and the department, to see that the department gets the best service and the best men; and I am glad to hear to-day the word of encouragement come from the gentleman from Texas [Mr. BLANTON], for a Republican in Texas is indeed a rare bird, and I am glad that he is so good that he has received the commendation of one so critical as the talented gentleman from Texas [Mr. BLANTON.]

But the duties of the First Assistant Postmaster General require that he meet in mental combat the grafters and those who would be the profiteers on this Nation in fixing the rentals of post-office buildings here, there, and elsewhere, and we found, as he testified before this committee, that in renewing leases here, there, and everywhere throughout the country the cost was increasing about 100 per cent, and he suggested that it would be money saved by the Government were it possible to standardize Government buildings and so arrange them for the conduct of business in such a way that they could be built at a nominal cost, and he cited this illustration of the needs of the Government. In the city of Chicago the postal business has grown in such an unprecedented way that they found it necessary to contract with private builders and private owners for a building sufficiently large enough to take care of the postal business of that wonderful city, and there they have a building built by private owners, leased to the Government for a period of years, a building 800 feet in length and a number of stories in the air, equipped with the latest and most modern machinery, and that building is owned by private individuals when the Government itself ought to own it. He contended that it is shortsighted policy to conduct business in that way. He also called attention to conditions in the city of New York, where they will again have to depend upon private enterprise and find buildings in which to house the activities of this wonderful department at a very great cost to the Government. Yes; it reads and listens like a romance as you sit and hear the story unfolded of this wonderful activity. That brings me down to the great big young he-man who occupies the position of Second Assistant Postmaster General. A young man who has vision, a young man who makes dreams come true, a young man who came to the Congress and asked that appropriations be made to the end that he might try out a new device which was invented by an American but which had to be developed somewhere overseas. He asked the Congress to give him some hundreds of thousands of dollars which he is using to develop the fact that it is going to be possible to take a letter in New York City, place it on board one of these ships and deliver it in San Francisco in the short space of 30 hours. Why, the rubbing of Aladdin's lamp, dream of all the wonderful things of fairy land could not picture anything more dramatic than that story. And this young man is coming to Congress again to ask for permission to try out night flying. They have demonstrated that it is possible to fly more safely in the air than it is to travel about this city of Washington in an automobile. It has been demonstrated by this department that they have flown over two million four hundred and some thousand miles and not one life has been given up in the experiment. It could not be anything but a success under the splendid management and guidance of this young man who does things as well as dream them, and I hope that he will succeed in getting the appropriations necessary to bring about that which I have just described.

You may be interested to know that this flying service that has been in operation for a number of months, that it is planned along the line of the railroad delivery of mail. For instance, in the railroad business a division is divided up into about

100 miles. The engineer and his crew take charge of a train and guide it safely over the piece of track for 100 miles. It takes the man at the throttle about 2½ or 3½ hours to make that trip. In the air mail service they have divided this distance up into legs of about 200 or 225 and some odd miles. I think there is one leg of the trip that covers about 300 miles. These fliers board their ships and it is about two hours from the time they take the air until they land their ship at the division point, and another flier takes charge of the ship and carries it on leg by leg just as the railroad business is run, but does it in one-half the time. Yes, it costs a trifle more to carry mail in the air than it does on the railroad, but some one must develop the airplane and its possibilities, and this young man, having charge of the transportation of the mails on the land, on the water, and in the air, has shown to the world the wonderful possibilities of this activity. And I would suggest right here that every city in America that expects to keep abreast of the times ought at the earliest possible moment to provide itself with a landing field for airplanes because it is not a far cry to see freight carried by airplanes; important express matter will be carried by these airplanes and delivered; and so it is necessary for those who are looking ahead to prepare for the day that is just around the corner, and this young man, the Second Assistant Postmaster General, if the Congress gives to him this small additional allowance that he is asking for, will demonstrate to a waiting world that American enterprise will bring to the world that which it never dreamed of before. Yes, there is so much that can be told that I can not take the time here now. You have been very patient with me, but I would suggest to every Member of the House that he look into and inform himself of this particular matter, because it is, as I have said, just around the corner. And I do hope that the Congress will be wise; I do hope that the Congress will give to this young man the opportunity to demonstrate to the world the wonderful possibilities of which I have just been speaking.

Mr. BLANTON. Mr. Chairman, will the distinguished gentleman yield?

Mr. MURPHY. Yes.

Mr. BLANTON. The young man ought not to have any trouble. He won over the consent of the chairman of the Committee on Appropriations on a very momentous occasion, and if he has not lost his address he ought to be able to do it again.

Mr. MURPHY. The gentleman is quite right.

Mr. KELLY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. Yes.

Mr. KELLY of Pennsylvania. I agree thoroughly with my friend as to the need of cities providing landing fields. Certain cities have already gone to that expense of providing landing fields, but they have no way of connecting up with this air mail as they would like.

Mr. MURPHY. That is just around the corner also. It will be necessary to blaze a trail by a peculiar light that has not yet been fully decided upon; to blaze a trail for the leg of flying at night; and as at present outlined, that leg will be from Chicago to Cheyenne, a distance of 900 miles. The young man who has worked out this problem says that we shall need about 30 landing fields in that distance. These fields will not be expensive, because perhaps 20 of them will never be used, save only, perchance, in the case of accident. But they can be planted and operated by the farmers who use them. The lights, the landing lights on these fields, will be operated by the farmer who owns the field and leases the same to the Government. The details of this wonderful plan have all been worked out, and I suspect that there are others who will talk upon this question to-day who will bring it to you, perhaps, in a better way than I have been able to do it, but I do hope that in the wonderful story of the operations of this great department you will find enough to justify any vote you may give to this department to spend the money which they are asking for this wonderful experiment.

And, by the way, I want to say to you that I am glad to note that those who labor in this department of governmental activity are receiving a good wage at the present time. [Applause.]

The CHAIRMAN (Mr. McKENZIE). The time of the gentleman from Ohio has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I will take just a little time myself. I will yield to myself 10 minutes.

The CHAIRMAN. The gentleman from Colorado is recognized for 10 minutes.

Mr. TAYLOR of Colorado. Mr. Chairman, I want to preface my remarks by saying that the chairman of this subcommittee [Mr. SLEMP] deserves the thanks and appreciation not only of the House of Representatives and of Congress but of the entire country for the splendid manner in which he handles this Post Office appropriation bill. He seems to have a natural adaptation for readily understanding business on a large scale, as well as all its details, and he has also an alert insight into governmental affairs generally and the workings of the Post Office Department that is akin to genius.

The diligence that he has displayed in figuring out ways of legitimately reducing expenses and bringing about economy without injury to its services is certainly refreshing, and as the ranking minority member of the subcommittee I am pleased to make this public tribute to his rare earnestness, exceptional capability, and untiring energy. [Applause.] While our hearings have not extended over as many days or weeks as some former hearings, I doubt if any former hearing has ever been more thorough than ours, because of the fact that we have received such an exceptional amount of assistance from the departmental officials.

I want also to join in paying a high tribute especially to Postmaster General Work and to First Assistant Postmaster General Bartlett and Second Assistant Postmaster General Henderson. No one could be with those gentlemen as we were seven or eight hours every day going over all the details of this enormous department without knowing that they do their utmost to conduct that department in a businesslike manner and are conscientiously rendering a splendid service to the country. As you all know, Postmaster General Work comes from my State. In Colorado everybody calls him Doctor Work, because for 35 years he has been one of the most distinguished physicians and prominent citizens of the West. Colorado is proud of him, and we all know that he will so administer this great department with its 335,000 employees that the entire country will be proud of him. [Applause.]

THE AIR MAIL SERVICE.

But, Mr. Chairman, I arose to speak briefly upon the subject of our airplane mail service. On this subject our country has come to a parting of the ways. We must either stop or go forward. The only logical or sensible thing for Congress to do is either to discontinue the appropriation of $1,500,000 for carrying on the present service or appropriate $2,500,000 to extend and improve it. Without hardly an exception, I think all of the 35 members of the Committee on Appropriations of the House are in favor of our going ahead and developing, improving, and extending our air mail service by establishing night flying and demonstrating its entire practicability. The Postmaster General and the First and Second Assistants and Mr. Egge, the superintendent of the air mail service, and all the experts say that we have demonstrated fully and conclusively that daylight flying is a success, that daylight carrying of mail is a success, so far as carrying a limited amount of mail across the country is concerned. We do not need to spend any more money to demonstrate that. If we are not going to progress any there is no necessity of Congress continuing the present $1,500,000 annual appropriation—it was $1,900,000 last year—for the continuation of the air mail service that we are now operating every day in the year except Sundays and holidays from New York to San Francisco. But the fact is that just daylight flying does not expedite the mail enough to warrant the expense. We have got to develop night flying before airplane mail service will ever be of substantial value in the Postal Service or be either a financial or a commercial success.

There is no place in the world where night flying is in operation at the present time. I believe the forward-looking people of this country hope that our Nation will go ahead and further develop the airplane service by demonstrating that night flying is practicable. It is true, of course, that we do expedite a large amount of mail across the country every day. I have here the schedule of all of the 24 airplanes that are in the air every day. The westbound flight leaves New York City at 7 o'clock in the morning with 500 pounds of letter mail, and travels westward 225 miles to Bellefonte, Pa., by 10 a. m. Another airplane and another pilot leave Bellefonte at 10.15 a. m. and go on to Cleveland, Ohio, 210 miles, by 1 p. m. Another pilot and plane leave Cleveland that morning at 9 a. m. and fly to Bryan, Ohio, 160 miles, by 10 a. m., and another plane leaves Bryan at 10.20 a. m. and flies 175 miles to Chicago by 12.25, and so on from Chicago 195 miles to Iowa City, thence 230 miles to Omaha, thence to North Platte 245 miles, thence to Cheyenne, Wyo., 215 miles, and so on to San Francisco; 2,680 miles. I could tell you how much mail they each pick up and how much they drop, and to what extent in time and what amount in volume they accelerate the transportation of the mail

across the country. There is no continuous flight across the country. It is a relay, or, rather, a succession of individual flights between certain cities. The outgoing usually leaves before the incoming plane arrives. But, roughly speaking, they do expedite or advance the mail approximately one business day right straight along across the continent.

Approximately the same kind of a schedule is being carried out at the same time beginning at San Francisco and going east.

The plane leaves San Francisco at 2.30 p. m. with 400 pounds of mail and flies over the range 190 miles to Reno, Nev., at 4.30 p. m. The Reno eastbound plane leaves at 7 a. m., reaches Elko, Nev., at 9.30 a. m., 235 miles, and at 9.45 a. m. leaves Elko for Salt Lake City, 205 miles, at 12 noon.

The eastbound plane leaves Salt Lake City at 7.30 a. m. for Rock Springs, Wyo., at 9. 15 a. m., 155 miles, and leaves there at 9.30 a. m. for Cheyenne, 240 miles, at 11.30, and so on east to New York.

Each pilot makes only one of those flights a day, and then flies back over the same route the next day with the same plane. He then rests one day, and then makes the same round trip the next two days.

That route is practically a straight line of 2,680 miles from New York to San Francisco. Adding up the relay flying time—that is the present schedule of the transcontinental trip—is 27½ hours. So we are perfectly safe in estimating that the day and night trip can be made in from 28 to 30 hours. It probably will be made within 24 hours within the next five years.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. TAYLOR of Colorado. Certainly.

Mr. LAZARO. Of course, we all know that aviation is in its infancy and that it is developing fast and that it is connected with every branch of industry.

Mr. TAYLOR of Colorado. Yes. It will very soon be one of the greatest and most important industries in the world.

Mr. LAZARO. Is it not true that if the Government stops the development of it in the mail service private enterprise can not carry on that particular branch of development?

Mr. TAYLOR of Colorado. Oh, yes; that is absolutely true. There is no way at this time in which it can or will be developed into a paying mail utility except by Uncle Sam. It is not at this time a paying proposition at all for any private enterprise to carry mail. But if we go ahead and they use the appropriation of $1,000,000 or $1,500,000 more, they promise absolutely to demonstrate within the next two years that night flying is entirely practicable. As has been said by my colleague [Mr. MURPHY], they propose to establish a day and night route across the United States, starting from New York at any time up to noon, and flying to Chicago, and then a night route from Chicago to Cheyenne, Wyo., a distance of about 900 miles. They want to make about 30 emergency landing stations on that route. The reason they select that central distance for the night route is, in the first place, that it is a straight line over a flat country. They have already got it pretty well marked out. In the second place, they can always start from New York and make Chicago in daylight, and then make this night flight to Cheyenne, and the next forenoon, any time up to noon, they can leave Cheyenne and land in San Francisco, and every day make the same kind of a flight from San Francisco to Cheyenne and a night flight to Chicago, and thence to New York. In other words, it will be a flight of from 28 to 30 hours across the United States from east to west and from west to east every day.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes; certainly.

Mr. WILLIAMSON. How much is the additional appropriation asked for to develop this proposed night flying?

Mr. TAYLOR of Colorado. A million dollars. The post office officials and airplane experts feel quite confident they can establish and work the route for $800,000 if we allow them to use an unexpended balance they now have on hand, but to cover all contingencies they ask Congress for $1,000,000.

Mr. WILLIAMSON. And that will expedite the mail by flying a distance of 800 miles at night?

Mr. TAYLOR of Colorado. Yes; 885, or practically 900 miles. That is the air-line distance between Chicago and Cheyenne, which will be its night section, going both ways. That money will be expended principally in establishing stations. You understand, they must have emergency stations about every 25 or 30 miles and have them brilliantly lighted at night, so that they can be seen for, say, 30 miles, and large enough so that a pilot can safely land on them at any time any night. And then they will have a string of guide lights about 3½ miles apart, so there will be a continuous string of lights, automatic in operation, from Chicago to Cheyenne to guide them, no matter how dark or foggy or stormy the weather may be.

For each of these emergency landing stations it is contemplated to lease a field or large square block of ground, at least an eighth of a mile wide and a quarter of a mile or more long, and surround each of them by brilliant beacon lights that can be readily seen for a distance of 30 miles or more and with ample space within them for the pilot to light safely in any kind of weather.

Those lights are about 70 feet above the ground and of a very intense white light; possibly some of them may be the so-called mercury vapor light. The lights will be automatic in operation. There will be 31 of those emergency landing fields between Chicago and Cheyenne. Those fields can all be leased of farmers and equipped for approximately $15,000 each, and they will, of course, have the necessary local caretaker and will only be used by the aviator in case of emergency. Probably 25 out of the 31 never will be used.

Mr. SLEMP. Will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. SLEMP. I call attention to the fact that we are proposing that they may use the unexpended balance of 1923 during the fiscal year 1924.

Mr. TAYLOR of Colorado. Yes; the unexpended balance will cut down this appropriation, so that personally I do not believe there will be over $800,000 required to establish all these 25 or 30 stations, which will be permanent, and to also erect this string of guide lights, some of them different colored lights, distinctive lights, but mostly white. There will also have to be some signals or instrument that will show the pilot how close he is to the ground at night. Also signals showing the directions and velocity of the wind, and probably some other night signals, especially for dark and stormy nights.

Now, if Congress will make this appropriation and establish that night route from Chicago to Cheyenne and develop a perfectly practical mail route of 28 hours between New York and San Francisco, each way, we believe it can be made a self-supporting proposition and that it will be taken up by other cities and throughout the country generally and that it will soon become a paying commercial enterprise. We hope and believe that the airplane carrying of mail will before long be taken over by private concerns and that the Government will be able to let contracts for the carrying of mail by airplane on all practical routes throughout the country and to retire from the business after it has demonstrated that it is a complete success.

This last year the Post Office airplanes flew practically 2,000,000 miles without an accident, with a percentage of efficiency of 94.46 per cent. For 10 consecutive weeks this last summer its operation was 100 per cent perfect. Each trip across the continent was started regardless of weather conditions and finished on schedule time. It is universally acknowledged to be the best air-mail service in the world. About 12,000 pounds, or 480,000 letters, are each day advanced practically one business day. Of course, between cities that are only 500 miles or less apart night air-mail service is not necessary or practical, because a night train will take all the mail there is put in the post offices up to 8 p. m., which is all of it, practically, and will deliver it in time to be distributed and delivered before office hours or in ample time for business the next morning.

This one transcontinental air-mail route is now carrying 2,380,000 pounds of letter mail each year at a cost of $2.50 per ton per mile.

All the details of all of this airplane-mail service and what they hope to develop are fully set forth in the printed hearing before this subcommittee. I might add that there is only one man on each airplane. There are 40 aviators in this service now, and 24 of them are making a flight every day regardless of weather conditions, except Sundays and holidays. They are scheduled to fly 1,800,000 miles a year. There are supposed to be 75 planes in active commission. That is two planes in perfect order on the ground for each one in the air. At present there are 66 good planes in operation and about 30 being put in order. Each plane in the air consumes about 25 gallons of flying gas per hour. One ship or plane is destroyed every month, approximately.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, as I am in control of the time of debate on this bill on the minority side, I yield to myself 10 minutes more. Your subcommittee earnestly hopes that the House will grant this appropriation and give the Second Assistant Postmaster General authority to go ahead with this tremendously important air-mail experimentation work. They have had very capable men in the field al-

ready about three months, and they have got this night route pretty well blocked out, including the landing stations and a great many of its details. They know the cost of these different stations. They know the cost of each one of these guide lights will be comparatively small. I will say that they take the Army Haviland planes with Liberty motors, all built in this country, and remodel them for about $1,700 each, and use them in this service, while private concerns want to charge $35,000 for remodeling each plane.

The Post Office Department is doing very commendable and economical work in remodeling these Army planes at a very reasonable cost. We get these planes from the Army. They are not the best kind of planes for this work, because there is not room in the fuselage or body of the airplane to carry more than about 600 or 700 pounds of mail—in fact, they only carry 500 pounds of mail. The Army planes are designed to carry bombs underneath. But we have got to put the mail inside the fuselage. Sooner or later there will be a different type of plane developed for the use of the Post Office Department that will carry several thousand pounds of mail and merchandise and some passengers. But at the present time the Army has an unlimited number of Liberty motors on hand and the air mail service is using the Haviland Army planes that the Government now owns.

Mr. WILLIAMSON. Will the gentleman yield for another question?

Mr. TAYLOR of Colorado. Yes.

Mr. WILLIAMSON. How many planes are now in service transporting mail?

Mr. TAYLOR of Colorado. There are 24 planes in the air every day except holidays and Sundays, and there are 42 more right now in perfect condition and ready for use at a moment's notice.

Mr. WILLIAMSON. Does a plane leave New York daily?

Mr. TAYLOR of Colorado. Yes; one leaves New York at 7.45 every morning and one leaves San Francisco at 2.30 every afternoon. I can give the gentleman the complete schedule. There are 35 pages in the printed hearings, beginning at page 222, giving an elaborate presentation of the whole matter, and anyone who wants to study it can get a history of the airplane mail business right up to date. It is a splendid presentation of it and our committee gave a great deal of attention to it.

Mr. CABLE. Will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. CABLE. Is it intended to buy real estate with this appropriation?

Mr. TAYLOR of Colorado. No; we will not have to buy hardly any real estate at all. We will use farmers' fields for the 31 emergency landing stations, and lease them for a term of years at a nominal sum. The farmers will continue to use them for meadows or pastures, or possibly for small grain, so that we do not have to buy or pay much for them. We learn that the use of the ground occupied by the guide lights every 3½ miles will cost very little. The Government now owns the Chicago station, which is a very important one.

Mr. DENISON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. DENISON. Will the gentleman state the time it will take to transport the mail from New York to San Francisco when you get night flying?

Mr. TAYLOR of Colorado. Twenty-eight hours will be the time schedule with the kind of planes we use now.

Mr. DENISON. What is the fastest time that they make by train?

Mr. TAYLOR of Colorado. About 84 hours. I have had marked out the route and each station of the 14 present stations on this large United States map I have here, and the time when each machine leaves each station, and what mail it takes up, where it drops the mail, the number of pounds it carries, and the whole story of what we are doing at the present time in the field. Also whether the Government owns or leases the field.

Mr. LAZARO. Will the gentleman yield?

Mr. TAYLOR of Colorado. I will.

Mr. LAZARO. Is it not true that in Europe before the end of the war they began to develop commercial aviation?

Mr. TAYLOR of Colorado. Yes.

Mr. LAZARO. They also had the Government mail service.

Mr. TAYLOR of Colorado. Yes. They have rather a limited amount of air mail service, but they have no night air mail service anywhere in the world to-day. Your committee feels that as a matter of patriotic pride, as a matter of our national importance and standing, as a matter of preparedness and of self-defense, as a matter of our natural, necessary, and inevitable development in mail service, and commercially, and every other way, that it is of the utmost importance that this air service should be continued and developed, improved and encouraged as much and as fast as is reasonably possible.

Mr. ROSENBLOOM. I would like to ask the gentleman if it is the plan to stick to the 14 points. [Laughter.]

Mr. TAYLOR of Colorado. Yes; unless something else is shown to be better. I do not believe President Wilson had anything to do with selecting the 14 points at which the airplanes light every day between New York and San Francisco. But they are the most practical route. They are a straight course, and I think it will be the plan of the Government to stick to them.

Mr. RANKIN. Let me suggest to the gentleman from West Virginia [Mr. ROSENBLOOM] that there may be some reservations put on in the Senate. [Laughter.]

Mr. TAYLOR of Colorado. Mr. Chairman, this committee believes that, so far as carrying the mail by this daylight route is concerned, the novelty is worn off. People will not pay an extra amount to carry a letter between New York and Pittsburgh, or Baltimore, or Philadelphia, or Washington, or between a great many of the large cities that are only 500 miles or so apart and between which the trains run every night. There is no object in doing so. We have got to think about the financial and practical side of it; also the habits of business men. We do not get much mail in the post office at night after the evening trains leave, and there is consequently comparatively little letter mail to go out in the morning. When an airplane leaves a city in the morning it often has very little mail. People put their mail in the post office in the afternoon and evening, and the evening trains take all the day's accumulated mail and they run 500 miles at night. So that, as far as the daylight flying is concerned, it is not a practical proposition at all from a financial point of view. We must either develop night flying or quit the air-mail business. There is no use in spending a million and a half dollars or more a year just to keep up this day service, because the business men will not pay anything extra for it. They will not buy air-mail stamps at even 15 cents apiece. They are putting their mail in the post office to go by train.

Mr. BLANTON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. BLANTON. If the airplane could pick up the mail 500 miles outside New York that might help some.

Mr. TAYLOR of Colorado. Oh, yes. This air-mail service is doing a wonderful work. They are right now expediting nearly a hundred million letters a year and delivering them in approximately 24 hours—that is, I mean one business day—ahead of the time they would otherwise be delivered if they were carried by the trains. But that is such an infinitesimal per cent of the mail of this country that it is not at all sufficient to warrant or justify this expenditure of $1,500,000 a year merely as a mail proposition. I am now speaking of this situation purely from a business standpoint. If we are going to stand still it does not pay. We ought to either advance or quit. In writing even very important letters nowadays no one ever thinks of or pays any attention to this very limited air-mail service. So far as practical and continuous and regular and safe flying is concerned, and also carrying a limited amount of mail, it is a thoroughly demonstrated success. But it is not at all self-supporting. In fact, it does not pay anything at all. There is no cash return to the Government whatever at this time.

Mr. WILLIAMSON. The gentleman says that the air-mail service is not paying its way. What proportion is it paying; is it paying 50 per cent, 25 per cent, or what?

Mr. TAYLOR of Colorado. When we first established air mail service some three years ago Congress authorized an extra stamp charge for carrying a letter by airplane. But the novelty of that soon wore off and the department discontinued making any extra charge, because the planes had nothing to carry, so there is now no extra charge and no return.

Mr. WILLIAMSON. In other words, we are now carrying mail by airplanes upon the same basis as by any other method and at a considerable financial loss. However, I am not criticizing the Mail Service on that account. Do these mail planes correspond to the bombing planes?

Mr. TAYLOR of Colorado. Yes; a good deal; they are the Haviland planes. I think they call them the DH 4's. But we have to remodel them, as I explained a few moments ago. If we demonstrate the feasibility of night flying generally all over the country, then we can and will again use an airplane stamp. We can give the people an expeditious mail service that they will gladly use and pay for. But by only flying in daylight there is not enough time gained to make it worth while and the people will not pay extra for the little extra time gained. But they will pay from 10 to 25 cents or more if we can send a letter across the country is 28 hours.

Mr. DENISON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. DENISON. The Government has stopped putting an extra charge on the Airplane Service?

Mr. TAYLOR of Colorado. Yes; because people quit buying airplane stamps. They would not pay the extra charge. Air mail service can and will sooner or later be a self-supporting, in fact, a paying, service. There are 40 letters to a pound, and a plane that carries 500 pounds carries 20,000 letters. If each letter carries a 10-cent stamp, that means $2,000 for each plane load of letters. But we will soon have airplanes that will carry at least 1,000 pounds of mail, and we can charge more than 10 cents for long flights, provided that we establish reliable night service. Otherwise not, under present conditions.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. MACLAFFERTY. Does not the gentleman feel that in the country where this idea originated we are not altogether losing if the service does not pay in dollars and cents?

Mr. TAYLOR of Colorado. The gentleman is quite right.

Mr. MACLAFFERTY. We are demonstrating a certain thing in the Air Service and our country is way behind. As it happens, five minutes before the plane reaches the western end of its trip it passes over my district. About 3.40 o'clock every afternoon you can look up in the air and see one of these Government planes going overhead, and you can see it almost as surely as you turn your eyes upward.

Mr. TAYLOR of Colorado. Yes; and on that last section between Reno and San Francisco the airplanes often have to go up to a height of 15,000 feet to get over the mountains.

Mr. MACLAFFERTY. They do in order to go over the Sierra Nevada Mountains. As a part of the national defense I feel that it is our duty to give encouragement to air transportation and develop all the ingenuity the country possesses in order that this service may be further developed, and I, for one, hope it will go through.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I will yield to myself five minutes more.

Fellow Members of the House, no human mind can grasp the future possibilities of the airplane. Our country can not afford to lag behind any other nation in the world in this great enterprise with such marvelous possibilities. A strong merchant air fleet is as necessary to the national defense of the future as a strong navy or a merchant marine. The status of commercial aviation in this country has a direct bearing on national defense. Commercial aviation properly developed will form a reserve power back of the military and naval aviation forces. And our forward-looking citizens throughout the country are not only urging legislation toward developing the airplane service but also toward stabilizing commercial aviation. I see by newspaper account of a report made by the Aeronautical Chamber of Commerce that the past year has been characterized by remarkable progress in design, construction, and operation. The report says:

> Nowhere else has there been such startling improvements. American pilots in American machines, powered with American motors, have obtained such results as to warrant the assertion that there has been the most significant series of achievements in the world's history of flight.

I also notice that public-spirited business organizations are urging that Congress encourage improvements in a great many ways toward the further and more rapid development of airplane service. And they point with pride to the fact that the world's record have recently been made by American aviators. They point to the fact that Lieut. John A. MacReady made the record altitude flight of 40,800 feet, and that he and Lieut. Oakley G. Kelly made the endurance record of 35 hours 18 minutes and 30 seconds in the air; and that those two men also made the long-distance record flight of 2,060 miles, while Lieut. R. L. Maughan made the speed record of 226 miles an hour. And that notwithstanding these superb records, of which we are all supremely proud, our Government is appropriating only about one-third of what either England or France are appropriating toward the development of aviation.

This is not a matter of dollars and cents. I am not appealing to you on that ground. Our committee appeals to you upon the ground of patriotic national pride. We ask you to make this small but absolutely necessary appropriation in order that our Government may go ahead and demonstrate to the world that we can establish a thoroughly practical night-flying mail service, and to be the first nation in the world that does so. We ask you to encourage the hundreds of splendid young men who are risking their lives every day to make this great service a great success. If Congress supports them, they will develop an air-mail service that will be the admiration of the civilized world. And your committee fervently hopes that the House will take the lead in this matter, and thereby justly merit and receive, as they will, the approval of the American people for so doing. [Applause.]

Mr. SLEMP. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, as I listened to this wonderful opening of the doors of the future to what possibly and probably will occur, my mind goes back to the days of long ago when we never even dreamed of such things. When I was a little boy often we saw miles and miles of mule trains and cattle trains starting across the Great American Desert to go to Santa Fe. Then presently we learned that they had a railroad to Denver, and after a while we got notice that the great railroad at Salt Lake had been completed by the driving of a golden spike, and that we could ride by rail from the Missouri River to the Pacific Ocean. As the gentleman from Colorado [Mr. TAYLOR] spoke my mind reverted to the first edition I ever saw of Richardson's Beyond the Mississippi. He paints a glowing picture of the train that first reached Salt Lake and you hear the brakeman calling, "Salt Lake; change cars for San Francisco, Honolulu and the Pacific Ocean, Japan, China, the Philippines, India, and Australia." A wonderful vista to my youthful eyes. Since then, Mr. Chairman, I have made most of that journey myself, and in a very commonplace way, and it has become commonplace to all of us. Again, since that time we have gone through a series of developments of American business that has been brought to a point where men actually travel from New York to San Francisco in 28 hours. Gentlemen, you can shut your eyes and dream, and you will never in your fondest dreams reach the point of the limitations which time will bring. It is to go on and on.

Mr. TAYLOR of Colorado. Mr. Chairman, if the gentleman will permit, I may say that it is contemplated we will be able to transport passengers where it is necessary for important personages to cross the country from New York to San Francisco, in case of war or other emergency.

Mr. LITTLE. Yes. Of course, every time you turn your hand we meet with further progress. It is not only possible, but almost certain. I have just read this bill, and it calls for an appropriation of $584,000,000, and all this is possible because the Government has gotten behind it. They paid millions of dollars of real estate into the railroads which crossed the continent to San Francisco. Without the Government going into all this business there would not have been such a development of civilization and of our people's wealth and progress as there has been. Once in a while I hear some little bell tinkling in the rear of the procession as a friend bobs up and says that he is "against the Government going into business." There is nobody like that. You can tell when you see this bill come up. Every man in this Congress who is against the "Government going into business" will vote against this bill. If he does not, then he is not against the Government going into business. You may flatter yourself that you have some scheme by which you can make an alibi, but that is all it is, a manufactured alibi. Everyone who votes for this Post Office bill and its $584,000,000 is in favor of the Government going into business, whenever it is to the best interests of the people that it should. Nobody here would go any further than to aid our people. That is all that any of us who are most interested in the Post Office insist upon or even hope for.

Every year civilized governments go more and more into business. That is why civilization progresses so rapidly. I have proposed legislation which will make it unnecessary for the Government to go into the wheat business. It will give the farmer the full advantage of the laws of supply and demand; at present that is left to the grain gambler, who goes in through his bears and bulls. Give the wheat farmer the same aid you presented to the railroads and shipping people.

We want the Government to go into business whenever it is to the best interest of the people to do so. An immense amount of things never can be run for profit, and this is one of them. They must be done for the benefit of civilization and the people. We have done many things in the name of business, to assist business, and put the Government into business. Just the other day a majority of this House voted a subsidy of $50,000,000 a year to a few great millionaires who want to carry on a business at sea. A majority of this House is for that. Everybody here who voted for that is committed to the Government engaging in business or anything of a similar tenor that will help the lesser people. You can not afford to vote to give the millionaires $50,000,000 a year for some enterprise to roll in riches, and perhaps bring the Government no results, and then turn around and say that you will not help the American laboring

man, that you will not help the American farmer. You did help the American laboring man when you passed the Esch-Cummins Act. That act provided, when we carried out President's Wilson's contract with the railroads, that the Government should assist them financially, so that they should be able to employ the men and pay them their wages, and without it they never would have been able to. Everyone on the railroad systems would have been on strike long before they were if this Congress had not voted such assistance to the railroads as enabled the Government to carry out Mr. Wilson's contract with them, and made it possible for them to pay their hands. You are committed to that. Why do you not begin to consider some assistance to the American farmer? The raising of wheat, the making of bread, is just as important as the transportation of it. The basis of all success in business is the success of the farmer. He is the man who feeds you, and if he strikes you all starve.

I have prepared and placed before the House and the Agricultural Committee a bill which calls for a permanent investment of $30,000,000, not an annual one of $50,000,000, for which you voted, to assist the American wheat producer in getting a dollar for his wheat by an ordinary, simple utilization in a plain business way of the laws of supply and demand for his benefit instead of the benefit of some one else. Men who voted eagerly for $50,000,000 a year to help somebody start in on ships they get for nothing say to me that the Government goes into business whenever it helps the farmer. I do not want anybody that I have any respect for to say that to me. If you do not want the farmer helped, say so, but do not tell me that you are opposed to the Government going into business; simply say that you are opposed to the Government giving anything to help the farmer, and be done with it.

I am glad of this opportunity to direct your attention to these points. Every man who voted for the subsidy and wants to preserve his self-respect, of course will not object when we vote a little money to aid the wheat farmer. Every railroad that is built could not have moved a foot unless the Government helped it. You come to my farm and you want a right of way over it and I do not want to sell. Then you go to your State, and the State exercises the right of eminent domain and makes it possible for you to build the railroad.

The State retains what is equivalent to a half interest in every railroad built. It is worth that much to them. If the State did not loan its right of eminent domain to the railroads the railroads would not be built. The State has what is equal to a half interest in each railroad, and therefore the State can regulate railroad rates—say what they ought to charge. That is all there is to it. They can say in this city what they can charge to carry you in a hack, and in the case where the railroad does the carrying on a public highway on steel rails it is equivalent to carrying you in a hack or your products in a truck. Now, when we resolve ourselves to the last analysis that is just where you stand.

Mr. BLANTON. Will the gentleman yield?

Mr. LITTLE. I will.

Mr. BLANTON. The distinction about the Post Office business is that the Government engaging in it does not interfere with any private business, because there is no private competition. The Government has a monopoly there.

Mr. LITTLE. No; the gentleman does not go back far enough. There was at first, 100 years ago and more, great opposition to the Government engaging in the carrying of the mail. When I was in China private persons were carrying the mail. Then, in Shanghai, our post office was considered wonderful.

Mr. CARTER. And the parcel post, certainly.

Mr. LITTLE. Certainly. It is a great business benefit. But it is but a comparatively short time since people were carrying the mails and a very short time since people were collecting taxes—as, for instance, in India, only about 50 years ago, and in France, till the Revolution. Everything the Government does was at some time done by private citizens. Every time the Government takes a step forward and does something that was done by private people we hear people say, "Let us not go into business." Great God, that is what the Government was organized for, to go into business. Every policeman takes the place of some private night watchman. Let us not talk that way. Let us not say, "I am opposed to the Government going into business." Just say, "I am opposed to the Government going into this or that business." Let us be fair and sensible. You give a railroad the right of eminent domain and then vote that it may get a good investment return. Why should you put in half to build and then see it through? You vote that a railroad that runs on a public highway should charge enough to give it 5½ or 6 per cent return. Will you not vote for every farmer getting $1 a bushel—mere cost—on his wheat? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. I ask unanimous consent to revise and extend my remarks and to insert the bill H. R. 13352.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. This bill is planned to do for wheat what the gold reserve did for the currency. Nobody wants gold if it is there in the reserve. Nobody will go to the United States for $1 a bushel as soon as they learn the United States will pay it. The grain dealers will pay that, and there will be no interference with the ordinary course of trade. This bill does not guarantee or fix the price. It depends on the ordinary rules of trade.

The bill is as follows—I hope gentlemen who discuss it will read it; it is a new proposition:

A bill (H. R. 13352) to authorize the Secretary of Agriculture to purchase, store, and sell wheat, and to secure and maintain to the producer a reasonable price for wheat and to the consumer a reasonable price for bread, and to stabilize wheat values.

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized to buy wheat of such grades and quality as he designates, at such times and places as he directs, at not to exceed $1.10 a bushel and at not to exceed the market price at said times and places, except when wheat is being sold there and then at less than $1 a bushel, when he may pay $1 a bushel for said wheat if he deems best; and he shall not expend in said purchases any funds except those appropriated by Congress for the said purposes, except as herein otherwise specifically provided, and an initial appropriation of not to exceed $30,000,000 is hereby authorized, and the amount thus appropriated and all moneys received for the sale of wheat, except as herein specifically stated, shall constitute a revolving fund for the purchase, transportation, and storage of wheat, and for the insurance thereof.

The wheat he buys shall be stored in elevators under warehouse receipts.

The Secretary of Agriculture may from time to time sell wheat at not less than the market price in Minneapolis, Buffalo, Kansas City, Kans., Chicago, and New York City, as he shall deem to the best interests of the Nation.

Whenever wheat of the aforesaid grades and quality can not be bought in Chicago and New York City for less than $1.85 per bushel the Secretary of Agriculture shall proceed to sell as much of the wheat he holds in storage as he deems wise, at such prices as shall be considered proper by him, and so continue as in his judgment such sales shall be to the best interests of the Nation, and the funds so obtained shall be returned to the fund appropriated to make the purchases and shall thereafter be so used, as shall funds secured by the sale of wheat by the Secretary, or by the issuing of Treasury certificates of the United States as hereafter provided.

Whenever the Secretary of Agriculture has accumulated and held in storage for 30 days 25,000,000 bushels of wheat, Treasury certificates may be issued, under such terms and conditions and of such amounts as the Secretary of the Treasury may approve, that shall equal the amount paid for that said 25,000,000 bushels, and with the proceeds the Secretary of Agriculture may proceed to purchase and store more wheat, subject to all the provisions hereof. From time to time the Secretary of Agriculture may sell from the wheat held under the warehouse receipts for the said 25,000,000 bushels as he shall deem best, and the proceeds of the sale of that particular wheat shall be deposited in a separate fund for the payment of the said Treasury certificates, which shall be paid, when due, from the money received for the said 25,000,000 bushels, and from time to time as other 25,000,000 bushels are purchased and stored the process may be repeated by the Secretary of Agriculture, subject to the approval of the Secretary of the Treasury, but a separate account shall be kept of the money received from the sale of each set of Treasury certificates and of the wheat bought therewith and of the proceeds of the sale of the 25,000,000 bushels on which the said set of Treasury certificates were issued, and if the proceeds of said sales do not furnish enough money to pay off the said set of certificates the money to do so may, if necessary, be taken from the revolving fund.

The President of the United States shall appoint, for a term of four years and subject to removal by him, an officer in the Department of Agriculture, to be known as the superintendent of grain and bread, at a salary of $7,000 a year, who shall maintain in Washington an office as his headquarters, employing, subject to the approval of the Secretary of Agriculture, such assistants in said headquarters and such agents for the purchase and sale of wheat as shall be appropriated for.

Subject to the provisions hereof, the Secretary of Agriculture shall make, subject to the approval of the President of the United States, and shall enforce suitable regulations for the exercise of the powers and the performance of the duties hereby authorized.

Mr. TAYLOR of Colorado. How much time is there left now?

Mr. SLEMP. I yield five minutes to the gentleman from Wyoming.

The CHAIRMAN. The Clerk informs the Chair that the gentleman from Colorado has 30 minutes remaining and the gentleman from Virginia has 7 minutes remaining.

Mr. TAYLOR of Colorado. I do not think we want any more time on this side.

Mr. SLEMP. Then, if it is agreeable, will the gentleman yield five minutes out of his time?

Mr. MONDELL. Mr. Chairman, I generally agree with the gentleman from Kansas [Mr. LITTLE], but I am a little surprised at the tangent he struck this morning. Even taking that tangent I think the gentleman ought to be careful about his facts. It is true that when we took over the railroads during

the war we did guarantee while operating them a small return, and when we returned them to their owners we did for a very brief period guarantee a small return, but we have not since guaranteed the railroads anything or any return.

Mr. LITTLE. If the gentleman will yield, I entirely agree with that statement, and that is what I intended to say. I know we were for a few months, but have long since stopped.

Mr. MONDELL. I did not know but what the gentleman had fallen into the error that some folks who are not so well informed have fallen into. I am glad I was mistaken. The gentleman said we should stop talking about being opposed to the Government going into business. Well, I think opposition to the Government going into business is a very sound position to take. But while we are opposed, by and large and in the main, to the Government's engaging in business, there are certain lines of service, of public service that are more or less in the nature of monopolies, the Government may properly, so far as experience may justify, engage in. The Post Office Department is illustrative of that sort of thing. We have established a monopoly there—it seemed necessary to do it, and we are performing that particular service quite well. It is not business in the ordinary accepted sense of the term, the broader sense of the term, but the gentleman from Kansas started from the premise that we have embarked on this public service under public auspices and then suggests that we should make an effort to guarantee the value of commodities, and he refers to it as the Government "going into business." That would not be business, it would be foolishness.

Mr. LITTLE. That was not my plan at all. I was endeavoring to avoid the Government going into business by my plan, and by it we make no guaranty and fix no price.

Mr. MONDELL. If the Government, with a view of maintaining prices of commodities, were to start in buying up so-called surpluses—and just what constitutes a surplus nobody knows—the Government would have embarked upon a sea of trouble that would wreck the Government and everybody connected with it.

Mr. LITTLE. My bill endeavors to avoid that very thing.

Mr. MONDELL. Whatever the so-called surplus might be—churns or china bowls, pitchforks, toothpicks, or wheat—the principle is the same and the difficulties would be the same, the evils would be the same, and you would reap the same harvest of disaster in the end.

Mr. SANDERS of Indiana. You would reach about the same result if you undertook to fix the price of coal, would you not?

Mr. MONDELL. The price of what?

Mr. SANDERS of Indiana. Coal.

Mr. MONDELL. Well, the gentleman evidently has in mind that by indirection we made it possible to place some moral restraint over the desire of the profiteers to unduly enhance the price of coal. The gentleman did not think that was justified. I think it was.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. SANDERS of Indiana. Mr. Chairman, I ask unanimous consent that the gentleman may have one minute more.

Mr. MONDELL. May I have five minutes more?

Mr. SLEMP. I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman is recognized for five minutes more.

Mr. SANDERS of Indiana. I just wanted to call it to the attention of the gentleman from Wyoming that as a matter of fact the extraordinary powers that we granted in the bill that we passed with reference to fixing the price of coal were never used. The action of the producers in refraining from increasing the price was voluntary.

Mr. MONDELL. Well, I think the legislation had a moral effect at any rate. It certainly served notice upon people who were inclined unduly to raise the price of coal that there was authority under which their ambition to secure undue and improper profits could be checked; and in passing I want to say that I think it would have been very proper to have exercised a little more authority under that law.

Mr. SANDERS of Indiana. My information was that the gentleman himself made a very fine speech against the fixing of the price of coal, and then cast his vote the other way. I thought the gentleman's argument was sound, but his vote was inconsistent with it.

Mr. MONDELL. Yes; I am against attempts at price fixing, and yet I think there are times when we are entirely justified in using the instrumentalities that we have at hand to restrain profiteers; and if that can be done without the direct attempt to do the impossible—that is, to fix prices—I think it was wise under conditions such as existed at the time we acted to do just what we did.

Now, I have only five minutes, Mr. Chairman, and I rose for the purpose of discussing the air mail service.

Mr. LITTLE. Now, will the gentleman yield?

Mr. MONDELL. But I have gotten into a colloquy upon other things.

Mr. LITTLE. I am sorry that my little speech diverted the leader from this important topic, but he has done me an injustice in discussing my bill without having acquired any knowledge of its contents.

Mr. MONDELL. I have not read the gentleman's bill, but I heard all of the gentleman's speech.

Mr. LITTLE. This is the first time in the experience I have had in the House when I have observed that the gentleman has undertaken to discuss a subject that he did not know anything about.

Mr. MONDELL. I heard all that the gentleman said, and if the bill that he refers to is along the line of the gentleman's suggestion I am not inclined to read it, because if I did read it and found the gentleman's name at the top of the bill I should be shocked, for I have great admiration for and confidence in him.

Mr. LITTLE. I said nothing about guaranteeing the price.

Mr. MONDELL. I understand the gentleman's plan is to buy up "surpluses," whatever that may be, with a view of maintaining prices through the purchases of "surpluses." Well, almost everybody who is in business at one time or another has a surplus that he would like to have somebody take off his hands, and I believe if you started on that sort of thing you would have started on a long, long trail that would have many turnings and many pitfalls.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. CARTER. Like the gentleman from Wyoming, I have not read the bill of the gentleman from Kansas [Mr. LITTLE], but as I understand it from this discussion——

Mr. MONDELL. Well, I started in to talk about the air service. The gentleman from Oklahoma can make his speech in his own time.

The CHAIRMAN. The time of the gentleman from Wyoming has again expired.

Mr. CARTER. I will try to obtain more time for the gentleman.

Mr. MONDELL. When am I going to be able to talk about the air service?

Mr. CARTER. I will get you a minute.

Mr. MONDELL. Be very brief, then.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the gentleman from Wyoming may proceed for one minute more. Is there objection?

There was no objection.

Mr. CARTER. I will take half of that minute. The thing I wanted to say is that the bill of the gentleman from Kansas, as I understand it, proposes to stabilize the price of wheat by taking over a surplus of 30,000,000 bushels, at $1 a bushel, in order that the wheat farmer may not longer have to produce his crop at a loss.

Mr. MONDELL. Why not two? I see the gentleman's bid, and I raise him. [Laughter.]

Mr. CARTER. Now, in the bill proposed and passed through this House by the gentleman's party, known as the ship subsidy bill, and I voted against that bill——

Mr. MONDELL. Oh, if the gentleman is going to talk of the ship subsidy bill——

Mr. CARTER. Let me consume my half minute. You propose by that bill that we shall stabilize the shipping industry to the extent that the shipping people might not have to do business at a loss. Now, what is the difference in principle between the bill of the gentleman from Kansas to guarantee the farmer against doing business at a loss and the ship subsidy bill, which proposes to guarantee the shipping industry against doing business at a loss?

Mr. MONDELL. No. We endeavor to make it possible to transport American products under the American flag. That is a needed service. We propose to make it possible to perform it.

Now, I have just a minute, and I would like about two minutes in which to talk about the air service.

Mr. TAYLOR of Colorado. How much time does the gentleman want?

Mr. MONDELL. I would like to have three or four minutes to talk about the air service.

Mr. TAYLOR of Colorado. I yield to the gentleman five minutes.

The CHAIRMAN. The gentleman from Wyoming is recognized for five minutes more.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. LAZARO. In the gentleman's discussion with the gentleman from Indiana [Mr. SANDERS] a while ago the fact was brought out that the authority given was not used.

Mr. MONDELL. I think it has been to a certain extent. I am quite confident of that. At least it has been used to the extent of moral suasion. That has been quite helpful and has done quite a bit of good.

Now, Mr. Chairman, I was interested in what the gentleman from Colorado [Mr. TAYLOR] said about the air mail service. I entirely agree with him in his estimate of the value of that service and the importance of continuing it. It has been my privilege to come in contact with the men of this service, to associate with them, to know their work, to visit them at their stations, and become fairly well acquainted with what is done and with the way in which it is done. I have never believed—and I have been very frank in my statements in regard to that—that from the standpoint of the expedition of the mail, from that standpoint alone, this expenditure was justified. But from the viewpoint of the expedition of the mails and the development of the science of flying I think the expenditure has been fully justified, abundantly justified.

In the first place, we have established a corps of young birdmen who are an honor to the country. We have in this service a perfectly splendid class of young flyers who are very greatly devoted to their work. The record of the service is a remarkable one, a record of flying in all kinds of weather, entirely across the continent, a considerable portion of the way at very high altitudes and in regions subject to sudden and very severe storms. That service has been carried on without a single fatal accident and with but very few serious accidents. The service crosses a portion of my State, having an average altitude of about 6,500 feet and in a region which in the neighborhood of the mountains is subject to very sudden and severe storms. I have noted the service in that region particularly. It has been extraordinarily successful. The men have been courageous and daring and at the same time have exercised care and shown excellent judgment. They have carried the mails with very few accidents and with safety. The men in the service are anxious to try night flying. Both from the standpoint of the mail service and from the standpoint of national defense it is highly important that we shall have further experiments in night flying. No service that we could establish would, in my opinion, do so much to develop this class of flying, to work out its problems, as the air mail service. This service has been abundantly justified. It has been economically conducted; it has to a degree well worth while expedited the mails; but it will do very much more both in expediting the carrying of the mail and in the development of this science of flying if we can have experiments in night flying. [Applause.]

Mr. SLEMP. I yield seven minutes to the gentleman from Minnesota [Mr. STEENERSON] and the gentleman from Colorado [Mr. TAYLOR] yields eight minutes to him.

The CHAIRMAN. The gentleman from Minnesota [Mr. STEENERSON] is recognized for 15 minutes.

Mr. STEENERSON. Mr. Chairman, I join in congratulating the Postmaster General, and the administration, and the country upon the good financial showing of the Post Office Department. When this administration came into power, when the fiscal year ended in June, 1921, it looked rather discouraging, because of the enormous difference between postal receipts and expenditures; but when it was noted that $76,000,000 of the disbursements for the preceding year were due to back pay to railroads, it put another aspect upon the case. The Interstate Commerce Commission under the law of 1916 had readjusted the rate of railway-mail pay so as to be retroactive to 1916, and that increase of $76,000,000 all came in one lump and had to be paid. The department reports that the deficit for the past fiscal year was about $60,000,000, a reduction of $20,000,000 from what it was a year ago, and the prospects are favorable for the accomplishment of that much to be desired result within a year or two of having this service self-sustaining. It is therefore well for the committee and the House to consider this question of finance and the sources of revenue if we are eventually to reach a self-sustaining position.

There are at present two measures pending before the Post Office Committee which would materially affect the revenues, and in favor of each one of these measures there is an organized propaganda of the most sinister character. One of these measures seeks to reduce the rate of postage on second-class mail matter, which would probably result in decreasing the revenues several millions per year.

Mr. HARDY of Colorado. Nine or ten million dollars a year.

Mr. STEENERSON. I stand corrected by the gentleman from Colorado. The other measure is for the so-called 1-cent drop-letter postage. That is sponsored by the One Cent Postal League. Fortunately, however, these two propagandas are antagonistic, so that one may to a certain extent counteract the other.

The main argument proposed by the second-class people is that the present second-class postage rate was the result of war-revenue taxation, and that they are paying part of the expenses of the war in the postage they pay. You would be surprised to see the names attached to the letters coming to members of the committee making that assertion. Now, the truth is that when the postage rates generally were raised it happened to be done in the revenue bill of 1917 reported by the Ways and Means Committee. The first part of that act provided for 1 cent additional postage on first-class letter mail and 1 cent extra on post cards, or 50 per cent increase on letters and 100 per cent increase on post cards.

Mr. ANDREWS of Nebraska. Will the gentleman yield for a question at this point?

Mr. STEENERSON. I would prefer to yield a little later. The last clause of the postage paragraph of the act, however, stated that the Postmaster General should estimate each month the amount of extra revenue so derived from first-class mail, and that the amount of that estimated additional revenue should be paid into the general fund of the Treasury, presumably to help defray the expenses of the war. But there never was one cent of the increased second-class rates paid into the Treasury for that purpose, nor did the law contemplate it. Therefore it is false to assert that second-class postage was imposed for the purpose of paying the expenses of the war.

The facts were that according to the figures of the department the cost of second-class mail was determined at 8 cents a pound and they were paying 1 cent a pound. So, according to these figures, the publishers availing themselves of the second-class mail privilege were paying one-eighth of the cost of handling and transporting their mail matter. Now the war revenue act increased the rate, so that on the reading matter contained in second-class mail it should be 1½ cents per pound flat for any distance, and zone rates were applied to the advertising part, and that took effect in four annual increases, the last one in 1921, of which they are now complaining and which they want to repeal. The whole controversy, therefore, involves the rate on advertising matter. That is the bill that is before the committee. The increases have taken effect and been enforced, and we are receiving something like $25,000,000 instead of $11,000,000, which we received at 1 cent a pound.

The argument has been made very strongly that the Post Office Department is losing some tonnage by reason of this high zone rate, it being 10 cents a pound to the farthest zone. I notice that the annual report of the Postmaster General says that the total weight of newspapers and periodicals carried as second-class matter during the fiscal year was 1,168,330,902 pounds, on which postage amounting to $25,140,259.53 was collected, which was a decrease of 5.49 per cent in the weight and 1.39 per cent in postage as compared with the preceding year.

Now, mind you, they lost 5½ per cent in round numbers in weight, but they lost only 1.39 per cent in postage. That shows that the mail matter that was taken out of the mails and transported by private conveyances was such mail as can be most cheaply transported. They have that privilege. The transportation of second-class matter is not a Government monopoly. Anybody can and does transport it, and they have availed themselves of that privilege where there was a long haul like that across the continent, where they could ship in bulk or carload lots and haul it just as cheaply as they can haul coal or wood. That is the kind of mail matter that they have taken out and sent by a cheap method of transportation. That accounts for the fact that the loss of revenue was one-fourth of what the revenue was for other matter on an average as shown by those figures.

Mr. YOUNG. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. YOUNG. Does the Government make or lose money on second-class mail matter at the present rate?

Mr. STEENERSON. They lose about $30,000,000, according to my best judgment. This last year, I should say, more than one-half—they still pay about 50 per cent of the expense—not of the advertising part, but taking all the second-class mail together. The figures here are interesting for another reason.

Mr. HARDY of Colorado. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. HARDY of Colorado. The gentleman might explain something about the proportion of second-class mail as to the total volume of mail, and the amount paid by second-class mail in its relationship to the cost of the Postal Service.

Mr. STEENERSON. I would be glad if the gentleman would state it.

Mr. HARDY of Colorado. It is generally conceded that at least 20 per cent of the service of the Post Office Department might properly be charged to second-class matter. This includes the handling and the hauling and transportation of mails over the railroads and rural routes and the distribution and delivery everywhere. Last year it cost $576,913,433 to run the Post Office Department. If second-class mail paid its proportion of the cost in running the Post Office Department, it might be charged with something more than $100,000,000. As a matter of fact, during the past fiscal year the receipts from second-class postage amounted to a total of $25,140,259, which, you see, is only about 4.35 per cent of the total expenditures by the Post Office Department.

Mr. ROUSE. What per cent was it before the additional rates were adopted?

Mr. HARDY of Colorado. Back in 1913, when the 1 cent a pound rate was charged, second-class matter paid $9,975,348, but the cost of running the Post Office Department was much less in those days, being only $262,220,491. So that year second class paid 3.80 per cent of the total expenditures.

In 1914 second class paid $10,253,255, as against a total expenditure of $284,812,980, or 3.60 per cent.

In 1918, the last year of the old flat rate, receipts from second-class postage were $11,717,633 and the total expenditures for the Post Office Department were $345,015,973, second class paying 3.40 per cent.

Of course, in recent years every item of cost in running the Post Office Department has been greatly increased. Because of increases in salaries alone the salary list has been recently increased $113,000,000 a year. So, even with the advances in postal rates, second-class matter is not paying much more of its proportion of the general Post Office expenditures than it did when on the lower rate of years ago.

Mr. STEENERSON. I think those figures are important because it all depends on how expensive it is to carry the different classes of mail. You can carry second-class mail cheaper than you can first-class mail. Some part of the second-class mail is just as expensive as first-class; it depends upon the number of packages in a pound. Some packages of second-class mail are small. Now, as I was saying, I have a circular signed by the Curtis Publishing Co., claiming that they are paying 250 to 300 per cent because of war taxes. They make more than a million a year on the service the Post Office gives them in circulating their publications—the Saturday Evening Post, Ladies' Home Journal, Country Gentleman, and many others.

Mr. William C. Edgar, of the Northwestern Miller, writes:

> The special or super taxes imposed upon some 10 other industries by the war revenue bill have either been taken off altogether or materially reduced. It is certainly not fair that the publishing industry should be singled out as the sole exception and be compelled to pay special war taxes five years after the close of the war.

These are only samples of the mendacity of these letters.

The publishers first proposed an investigation of the cost of the different classes of mail, but they wanted to reduce postage first and then investigate. Congress then proposed to carry on an inquiry by the department and the Joint Postal Commission and revise rates after the inquiry, but this the publishers have strenuously opposed. They remind us of the man who was brought into court and who seemed much distressed; and when a friend tried to console him by saying that he need not worry, as he would get justice there, replied: "Yes; and that is just what I don't want."

Some of the organs of the publishers have attacked the joint commission most bitterly and unfairly for no other conceivable reason than that they probably might aid in making public the truth in regard to this matter, which they dread and which would put a stop to their sinister propaganda.

Page 60 of the Postmaster General's last annual report shows that the postage collected on the advertising portions of second-class publications averaged 3.62 cents per pound, which is a good deal less than the actual cost of the service. The average on both reading matter and advertising portions was 2.46 cents less than half of the estimated cost to the Government. Second-class publishers are subject to criticism because they are seeking to influence public opinion and Congress by false pretenses. They are not now, and never have been, subjected to "war taxes" in the form of postage, and are paying a great deal less than it costs to render them the service they receive.

Revenue, expense, and profit or loss per pound and per piece for the several classes of mail, based on weighing, in 1907.

[From Post Office Department Annual Report, 1909.]

Class of mail.	Revenue per pound.	Expense per pound.	Profit per pound.	Loss per pound.	Pieces per pound.	Revenue per piece.	Expense per piece.	Profit per piece.	Loss per piece.
First	$0.84001	$0.49923	$0.34078		45.10	$0.01862	$0.01107	$0.00755	
Second	.01143	.09235		$0.08092	4.80	.00238	.01923		$0.01685
Third	.12711	.14317		.01606	8.56	.01485	.01672		.00187
Fourth	.16867	.12308	.04559		3.16	.05337	.03895	.01442	
Free congressional		.11441		.11441	1.99		.05754		.05754
Free departmental		.12113		.12113	5.38		.02252		.02252
Foreign	.15879	.11246	.04633		10.32	.01538	.01090	.00448	

Mr. SLEMP. Mr. Chairman, I yield one minute to the gentleman from Texas [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, I have asked for this one minute in order to read a telegram from the governor of my State bearing upon the discussion that we had yesterday on the increase of appropriation to make topographical maps. This has reference to land in my State, as fertile and rich and fair and as productive as the sun ever shone upon. The telegram is as follows:

AUSTIN, TEX., *December 29, 1922.*

Congressman J. B. BUCHANAN,
Washington, D. C.:

While it is hard to forecast what the legislature will do in regard to the appropriation to make topographic surveys of Texas rivers, yet I feel I will be safe in stating that on basis mentioned by you Texas will appropriate $100,000.

PAT M. NEFF, *Governor.*

Mr. SLEMP. Mr. Chairman, I yield two minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL. Mr. Chairman and gentlemen of the committee, whether or not this Government will properly function depends upon the confidence of the citizens of this Government in their public servants. No government can continue if faith and credit is lost in the honor of its public servants.

I listened with a great deal of interest this morning to the remarks of the gentleman from Texas [Mr. BLANTON], and while I do not always agree with him I agree with what he then said, that at the present time there is too much tendency in this country for the promulgation of groundless and unfounded charges against Members of the Congress of the United States.

In the last few days I have been looking over the precedents of the House of Representatives on the question of privilege and procedure. I think it is incumbent on the House to realize that on the dignity and faith and integrity of this body depends the proper functioning of this Government.

Back in February, 1867, Representative John Hill, of New Jersey, presented a preamble to this House which very fully and properly covers that matter, in which he stated—and the House passed the resolution with this preamble in it—that conduct of the Members in the discharge of their official duties and their integrity was of the utmost importance to the public; that that integrity ought not to be assailed except upon the gravest reasons.

The precedents of the House are full of evidences and occasions for the maintenance of the dignity of the House. Had I the time I should like to go over section 2637 of Hinds' Precedents, which deals with the rights and powers and duties and integrity of the House. The section bears out fully what the gentleman from Texas has said. Mr. Chairman, I ask unanimous consent to extend my remarks by including section 2637, volume 3, Hinds' Precedents.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter is as follows:

> 2637. The publication by a Member of alleged false and scandalous charges against the House and its Members, which he also reiterated in debate, was held to involve a question of privilege.
>
> The House took action as to a Member who reiterated on the floor certain published charges against the House, although other business had intervened.
>
> Instance wherein testimony taken before a committee and relating to the conduct of a Member was not reported to the House at once.

On July 29, 1892, Mr. Charles J. Boatner, of Louisiana, as a matter of privilege, submitted the following resolution, and demanded immediate consideration thereof, to wit:

Whereas on page 216 of a book purporting to have been written by Thomas E. Watson, of Georgia, a Member of the House of Representatives, the following charge appears:

"Drunken Members have reeled about the aisles, a disgrace to the Republic. Drunken speakers have debated grave issues on the floor, and in the midst of maudlin ramblings have been heard to ask, 'Mr. Speaker, where was I at?'"; and

Whereas the publication of such charges if untrue is a grave wrong to this body, and if true the responsibility should be placed where it belongs; and

Whereas the said Watson has reiterated the same on the floor of the House: Therefore be it

Resolved by the House, That a committee of five Members be appointed by the Speaker to investigate and report to the House whether such charges are true; and, if untrue, whether the said Watson has violated the privileges of the House and their recommendations relative to the same; that said committee have leave to sit during the sessions of the House, to send for persons and papers, to swear witnesses, and to compel their attendance.

Mr. Thomas B. Reed, of Maine, submitted the question of order, whether, the House having failed to take action respecting the remarks of Mr. Watson at the time he reiterated the charges on the floor of the House and having passed to other business, it was not now too late to hold him to account therefor.

Mr. Louis E. Atkinson, of Pennsylvania, made the further point of order that the pending business before the House was a conference report, which was itself a matter of the highest privilege.

The Speaker held that the resolution submitted by Mr. Boatner presented a question of privilege, and that whenever the Speaker is of opinion that a question of privilege is involved in a proposition he must entertain it in preference to any other business.

The Speaker also held that the pending business was the amendments of the Senate to the bill H. R. 752, and that no conference report was pending. Both points of order were overruled.

On August 8, 1892, Mr. Boatner submitted the report of the select committee authorized by the adoption of the resolution, and of which he had been made chairman.

The report stated that the committee summoned Mr. Watson and such witnesses as he indicated, and very soon the fact was developed that the charge as to drunken speakers referred to Mr. J. E. Cobb, of Alabama. The committee thereupon went on and examined testimony as to Mr. Cobb, no point of order being made that the testimony implicating a Member should first be reported to the House.

The committee concluded that the charge was a libel upon the membership, and recommended the adoption of the following resolution:

"*Resolved*, That the charges made by Thomas E. Watson in his book against the House of Representatives, viz, 'that drunken Members have reeled about the aisles, a disgrace to the Republic,' and 'drunken Members have debated grave issues on the floor,' are not true and constitute an unwarranted assault upon the honor and dignity of the House, and that such publication has the unqualified disapproval of the House."

Mr. HILL. This House should be very jealous of its reputation. Any just and true attacks on the House as a whole or on its individual Members is a proper exercise of free speech, but we should, in the interest of good government, defend ourselves against unfounded charges.

Availing myself of the permission of the committee, I call especial attention to the following editorial from the Baltimore American, dealing with charges against Members of the House:

[From the Baltimore American, Saturday, December 30, 1922.]

Representative UPSHAW, of Georgia, who recently charged that the Volstead Act is being violated in high places, must have momentarily forgotten the existence of that indefatigable seeker of information, JOHN PHILIP HILL.

The charges of Mr. UPSHAW were well meant and amiable. The law was being violated by the very people who helped make it and who were supposed to help enforce it. Now, that very patently wasn't right. Accordingly Mr. UPSHAW pleaded with his erring brethren of high station to forsake their evil ways and to obey in spirit and in act the Constitution of the United States from the first sentence to the last amendment, not overlooking the last amendment but one. It was the plea of exhorter and not the warning of a detective.

But JOHN PHILIP HILL, who has a discouraging capacity for misconstruction, promptly misconstrued it. He will introduce a resolution, the reason for which is contained in the statement that—

"These charges are so serious a reflection on the whole membership of the House of Representatives that I am preparing and will file in a few days a resolution requiring Mr. UPSHAW to produce his evidence before the Judiciary Committee of the House, and requiring that committee, of which Mr. VOLSTEAD is chairman, to investigate Mr. UPSHAW's wholesale reflections on the integrity of the Members of Congress."

Now, Mr. UPSHAW had absolutely NO intention of starting any monkey business. Mr. BLANTON let that fact be positively known yesterday.

"You know," he said to Colonel HILL, "Mr. UPSHAW is not going to give away any of his colleagues even if he knew anything." The which was a surprising statement for a tried and true prohibitionist engaged in the fight for truth and beauty to make about another tried and true prohibitionist similarly engaged. Mr. UPSHAW'S concern for Volsteadism does not extend to the point of tattling. If wickedness flourishes under the dome of the Capitol, Mr. UPSHAW is willing to pray and beseech that it stop; but that's all.

These fine compunctions do not bother the rude Colonel HILL, who will try to put the matter up to Mr. VOLSTEAD, who is equipped with one of the most efficient senses of duty in all America.

The incident, with a "dry" charging liquor violations among Members of Congress, with a "wet" demanding proof, and with a "dry" backing off from furnishing proof because he is too "good a fellow" to offer it, constitutes one of the most humorful occasions in the history of what in some respects is the most amusing movement of all time.

The CHAIRMAN. The time of the gentleman from Maryland has expired. All time has expired, and the Clerk will read the bill for amendment.

The Clerk read as follows:

POST OFFICE DEPARTMENT, WASHINGTON, D. C.

SALARIES.

Office Postmaster General: Postmaster General, $12,000; chief clerk, including $500 as superintendent of buildings, $4,000; private secretary, $2,500; personnel officer or appointment clerk, $2,000; assistant to chief clerk, $2,000; confidential clerk to Postmaster General, $2,000; chairman, board of inspection, $2,000; chief inspector, $4,000; chief clerk to chief inspector, $2,000; purchasing agent, $4,000; chief clerk to purchasing agent, $2,000; solicitor, $5,000; assistant attorneys—1 $4,500, 1 $3,500, 2 at $2,750 each, 1 $2,500, 1 $2,000; bond examiner, $2,500; law clerk, $1,800; clerks—114 at $1,800 each, 170 at $1,600 each, 277 at $1,400 each, 354 at $1,200 each, 101 at $1,000 each, 10 at $900 each; skilled draftsmen—3 at $1,800 each, 8 at $1,600 each, 3 at $1,400 each, 2 at $1,200 each; map mounter, $1,200; assistant map mounter, $1,000; blue printer, $900; assistant blue printer, $840; telegrapher, $1,400; typewriter repairer, $1,200; 3 telephone switchboard operators, at $720 each; 6 messengers in charge of mails, at $900 each; 30 messengers, at $840 each; 15 assistant messengers, at $720 each; captain of the watch, $1,200; additional to three watchmen acting as lieutenants of watchmen, at $120 each; 34 watchmen, at $720 each; 2 engineers, at $1,200 each; 9 assistant engineers, at $1,000 each; 2 blacksmiths or steam fitters, at $1,000 each; 3 oilers, at $840 each; 16 firemen, at $720 each; 18 elevator conductors, at $720 each; chief engineer, $1,600; assistant electricians—2 at $1,200 each, 3 at $1,000 each; 2 dynamo tenders, at $900 each; carpenters—1 $1,600, 1 $1,200, 2 at $1,000 each; plasterer and mason, $1,200; awning maker, $1,000; painters—1 $1,200, 1 $1,000; plumbers—1 $1,200, 1 $1,000; laborers—foreman $900, assistant foreman $840, 2 at $840 each, 78 at $720 each, 4 at $660 each; female laborers—1 $540, 3 at $500 each, 7 at $480 each; 77 charwomen, at $240 each; actual and necessary expenses of the purchasing agent while traveling on business of the department, $500; in all, $1,713,740.

Mr. DENISON. Mr. Chairman, I move to strike out the last word. The discussion of the subject of the air mail service has suggested a matter that I want to call to the attention of the committee. I want to ask particularly if the committee has ever given any consideration, in connection with the air mail service, to the subject of providing life savers for the aviators who are employed in that service?

Mr. SLEMP. I do not think that matter was presented to the committee in that form. The theory of protecting human life seems to have been that the carriers have their own planes, and they are given only two hours and a half day service and the next day two hours and a half, and then they rest.

In the meantime he would examine his plane, and no apparatus of the kind the gentleman speaks of was mentioned. I think it would be legislation that would not perhaps come under our committee.

Mr. DENISON. I think the Committee on Appropriations would have ample authority to take care of such a matter without any additional legislation. I call the attention of the chairman of the subcommittee, and the chairman of the full Committee on Appropriations as well, to the fact that there has been invented an aviator's life-saving apparatus. I know of at least one such invention, and there may be others. A gentleman in my district, Henry Morgan, of Marion, Ill., has invented a life-saving parachute, which he has presented to the Patent Office, and after their usual careful examination a patent has been issued to him. He is now making arrangements to secure patent rights in foreign countries.

This apparatus consists of a parachute which is connected by suitable supporting cords to the belt of a special suit of clothes that is made for the aviator; the parachute when folded up is attached to the back of his suit, something like a soldier's kit is attached to his back, and it does not interfere with his freedom of action; it is so manufactured and adjusted that if an emergency arises the aviator can by pulling a small spring located on his breast release the parachute, and since the parachute is permanently attached to his suit, it is bound to open as he falls and his life will be saved. Of course, it is as yet but an experiment, but the idea seems to me to be a good one. At least he has secured a patent upon it, and it has attracted a great deal of attention. It does seem to me that the Committee on Appropriations would be fully justified in making an investigation of this patent and if it seems practical these men who are doing this very important and hazardous work for the Government should be provided with every possible means of safety. A comparatively small appropriation would equip every mail aviator with one of these life-saving suits. If they would save one man's life the expense would be fully justified.

Mr. SLEMP. I would think that the Second Assistant Postmaster General would have the right to purchase that now under the item of supplies.

Mr. DENISON. I think he would if the committee would give him a sufficient amount.

Mr. SLEMP. The committee has given him a surplus, so far as the Air Mail Service is concerned.

Mr. DENISON. The invention seems to me to be ingenious and practical. The aviator is provided with the parachute in its

proper place all of the time that he is in the machine, and it is so attached that when the parachute opens the strain falls on the belt of his suit; it is so placed as to not interfere with the aviator's work and can be opened instantaneously.

Mr. SLEMP. What does it cost?

Mr. DENISON. I am not able to state that, because it has not been manufactured for commercial purposes as yet.

Mr. SLEMP. There are only 40 pilots in the Air Mail Service, and if one knew what the cost was it would be easily figured.

Mr. DENISON. The inventor, Mr. Morgan, told me that he had not as yet made arrangements for the manufacture, having only recently obtained the patent; but it would seem to me that not only the Post Office Department but the Army and the Navy Departments ought to investigate this subject and provide for the manufacture of at least enough of these life-saving suits to equip every aviator in the Government service.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that he may have one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. I want to ask the gentleman if there has ever been an accident where the aviator has been separated from his machine while in the air?

Mr. DENISON. I am sure there has been. The former mayor of New York City, Mr. Mitchel, during the war was completely separated from his machine when the machine fell. He was found some distance from the machine. It is a very easy matter for the aviator to disengage himself from the machine, unless, of course, he happens to be strapped to it.

Mr. BLANTON. Is it possible for every aviator in the air to separate himself at will from the machine?

Mr. DENISON. I do not say that it is in every instance, but where the aviator sees that he can not prevent a crash he can, I think, in most instances jump from the machine and disengage himself, and by operating this little spring attached to the breast of his suit, which is always accessible and which he could reach even while falling, he would in all probability be able to save his life. If that can be done, it seems to me that the Committee on Appropriations ought to make a sufficient appropriation for the Second Assistant Postmaster General to provide this apparatus for every man in the Government mail service. I am sure the Government could easily make satisfactory arrangements with the inventor and could itself manufacture enough of these life-saving suits for all Government aviators, and, too, at a very small cost. I hope the committee will at least investigate this subject before the next appropriation bill is reported.

Mr. STEENERSON. Mr. Chairman, I rise in opposition to the pro forma amendment. Awhile ago I was about to speak of another propaganda being carried on—that is, the so-called 1-cent "drop" letter proposition—that might adversely affect the revenues of the Post Office Department. Many such propaganda letters have been mailed by Members of Congress to me requesting me to answer. In these letters it is alleged that it costs one-quarter of a cent to distribute drop letters. That is a misrepresentation. It is a false representation when applied to this bill or to this proposition. In order that the gentlemen may appreciate that, I call their attention to the meaning of "drop" letters in the Postal Laws and Regulations. A drop letter as described in the Postal Laws and Regulations is a letter mailed for local delivery at a post office not having city delivery service—in other words, the mailer of the letter drops it in the post office and the addressee calls at the post office for the mail. Such letters are mailed at the rate of 1 cent per ounce when sealed. But as it is proposed they want to apply 1-cent postage to letters to be delivered within the delivery jurisdiction of the particular post office where it is mailed. In other words, take, for instance, the city of Boston, with a postal district of something like 20 miles, with half a dozen cities in it. There a drop letter under this proposed law would be collected by the mail carriers and delivered to the post office, placed on the facing table, and go through 12 or 13 different operations before it reached the addressee. Brooklyn is part of the City of New York, yet it has a separate post office. The people in that town under the new law would have to pay 2 cents, whereas all the rest of the city would pay 1 cent for their local letters. A great many similar illustrations could be found. The result would be that 1-cent rates would be forced for all, which would involve a deficit of $150,000,000 to be imposed upon the taxpayers. Any man who assumes that that work of collecting and delivering that sort of mail can be done for one-quarter of a cent each, as alleged, does not know what he is talking about or else he is willfully misrepresenting. It will cost more than 1 cent.

There is no profit now in the third-class mail, which consists largely of circulars or 1-cent letters. The Government has no monopoly of that kind of matter. There used to be a large number of companies delivering circulars that could have been mailed at 1-cent postage, but in late years they have quit, because they could not do it at a profit of 1 cent each. Hence all of these companies have gone out of business and it has been turned over to the Post Office.

The large stores, banks, and other large users of the mail have found that in most cases it costs more than 2 cents to deliver letters in their respective cities, and hence they now pay 2 cents postage. This "drop-letter" scheme would save them millions and would cost the Government more than thirty million per year at least. Here is the estimate of the Third Assistant Postmaster General:

POST OFFICE DEPARTMENT,
THIRD ASSISTANT POSTMASTER GENERAL,
Washington, December 28, 1922.

Hon. HALVOR STEENERSON,
Chairman Committee on the Post Office and Post Roads,
House of Representatives, Washington, D. C.

MY DEAR MR. STEENERSON: Referring to your inquiry as to what the decrease of postal revenue would be if the 1-cent drop-letter rate should be extended to letters deposited for local delivery at post offices having city or village letter carrier service, or for delivery by rural or star-route carriers to patrons of the office of mailing, to which the rate of 2 cents an ounce or fraction thereof is now applicable, I have to say that there are no recent data available on which to base an estimate with respect to the effect of such change under existing conditions.

However, as stated in the letter of the department addressed to you under date of October 27, 1919, it was estimated that, using the postal revenues for the fiscal year ended June 30, 1919, as a basis, there would have been a decrease in the revenues of approximately $28,000,000 if all drop letters had been subject to postage at the rate of 1 cent an ounce or fraction thereof during that year. If the postage from drop letters increased since the fiscal year 1919 in the same proportion as the postal revenues as a whole, the estimated decrease in revenue for the fiscal year ended June 30, 1922, would have been approximately $31,000,000 had the 1-cent drop-letter rate been uniformly applicable during that year.

Sincerely yours,

W. IRVING GLOVER,
Third Assistant Postmaster General.

If these two legislative proposals should go through it would increase the postal deficit by at least $60,000,000, and in this way the Committee on the Post Office and Post Roads has contributed a good deal to the desired end of making the Postal Service self-sustaining.

Mr. FESS. Will the gentleman yield?

Mr. STEENERSON. I will yield to the gentleman from Ohio.

Mr. FESS. The gentleman is discussing a subject on which there seems to be some propaganda, is there not?

Mr. STEENERSON. Yes; I am sure, and that is the reason I am discussing it. I think the gentleman himself and many other Congressmen have sent me letters they have received from these organizations, one from the One-cent Postal League and the second-class matter people. These letters asked for my views on the subject, and I am trying to give them now.

Mr. FESS. The gentleman interrupting the gentleman sent him a letter with the request that we may have the information.

Mr. STEENERSON. I thank the gentleman. I have had figured out the number of operations involved in handling this kind of mail mattter—that is, letters addressed to office of mailing as distinguished from drop letters—and I find it amounts to from 9 to 12 different operations before it gets to the addressee, as compared with but two operations when it is a drop letter within the meaning of the law. It is simply taking it out of the box inside of the rail at the post office and handing it out to the person calling for it or putting it in his box. That is the drop operation; there is no transportation involved, only two handlings; and that is the reason that that was limited to offices where there is no city delivery and no carriers. Whenever a post office gets rural delivery you must put 2 cents on your rural-delivery letter.

OPERATIONS OR HANDLINGS INVOLVED IN THE COLLECTION AND DELIVERY OF LETTERS FOR LOCAL DELIVERY AT POST OFFICES HAVING CITY DELIVERY SERVICE.

1. Collection from street letter box by letter carrier or collector.
2. Transportation to post office by letter carrier or collector.
3. Facing for postmarking after having been dumped on dumping table.
4. Postmarking and cancellation of stamps.
5. Separating city mail from outgoing mail.
6. Distribution by clerks to letter-carrier routes.
7. Routing or arranging for delivery by carriers before leaving post office.
8. Transportation by carriers from post office to routes. (By foot, street car, or trucks.)

9. Delivery to house or office of addressee by carrier.

The above shows the process of handling letters when the collection of the letter and the delivery is within the territory of the same post office (main office) or station.

When letters are collected from the territory of the main office or one of its stations and intended for delivery in the territory of another station three additional handlings are involved, and the processes are as follows:

1. Collection from street letter box by letter carrier or collector.
2. Transportation to post office by letter carrier or collector.
3. Facing for postmarking after having been dumped on dumping table.
4. Postmarking and cancellation of stamps.
5. Separating city mail from outgoing mail.
6. Distribution to station.
7. Tying out packages of letters for dispatch to station.
8. Transportation to station.
9. Distribution by clerks to letter-carrier routes.
10. Routing or arranging for delivery by carriers before leaving post office.
11. Transportation by carriers from post office to routes. (By foot, street car, or trucks.)
12. Delivery to house or office of addressee by carrier.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. I ask unanimous consent that the gentleman may proceed for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. STEENERSON. At Rockville, Md., for instance, a man who wants to mail a letter can do so under the drop-letter law because there are no letter carriers. Consequently he drops it himself in the drop in the post office, where it is put in the box that belongs to the addressee or in general-delivery box and handed to the person who calls for it, and that does not take any expense hardly at all. It may be possible that it could be done for a quarter of a cent per letter, but this proposition here involves an expense that certainly exceeds 1 cent. It is about the same as a letter destined for outside offices. Now, the investigation that was made in 1907, which is published in the annual report of the Postmaster General in 1909, gives the cost of each class of mail, states the work necessary, and shows that first-class mail matter costs the Government 50 cents a pound, and that the revenue therefrom is 84 cents a pound, estimating 45 letters to a pound, and most of them carry 2 cents, some of them, on account of the drop-letter business, carry 1, but an average of 84 cents per pound. If you cut the postage on first-class mail in two you will have 42 cents a pound. Now, when it cost 50 cents a pound to handle that class of mail and you only receive 42, you lose 8 cents a pound on all of those.

Mr. FESS. If the gentleman will yield further, what has led to the strength of the statement that if you decrease the postage you will increase the business and thereby make money?

Mr. STEENERSON. Well, that reminds me of the old joke that used to be told about the clothier who said, "Well, I can sell this coat for $30, although it cost me $35, and I can do so because I sell so many." That is what the Government would do; if it did a large business it would lose 8 cents a pound, and the more business it does the worse off it would be.

Since 1907, when cost was ascertained, clerk and carrier pay has more than doubled, so that the cost figures I gave are below what it is to-day, while the revenue is the same.

Mr. LOWREY. Will the gentleman yield?

Mr. STEENERSON. I will.

Mr. LOWREY. Perhaps I ought to know, but I do not, but is there any provision in this bill that makes either of the changes the gentleman is discussing? Does this bill propose——

Mr. STEENERSON. This appropriation bill? Not at all. I am discussing it because it bears on the revenue to be received from mail matter, which is an important thing when you consider appropriations. Now, I was discussing the result when you take off one-half the postage you lose 8 cents a pound. Another result would be that there would be practically no circular mail for delivery within the office. You would, of course, not send a circular for 1 cent if you could get first-class service. The first-class mail is always given special expedition, and they would dump all this circular mail in the cities that have local delivery within the postal district into the first class and you would have to employ thousands of extra mail clerks. Another thing: You would have to distinguish between that mail which goes out in two classes, which you would not otherwise do. It would dump all of this circular mail into the first-class channels. It would be very much the same as if it were first-class mail, or nearly the same.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STEENERSON. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words. I wish to have the attention of the chairman for a moment. What will the deficiency for the fiscal year 1924 in the Post Office Department probably be?

Mr. SLEMP. Of course that depends upon the receipts next year. If the receipts next year are 9 per cent greater than this year and the service is conducted under the appropriations outlined in this bill there will be $1,000,000 surplus next year.

Mr. ANDREWS of Nebraska. What is the deficiency this year?

Mr. SLEMP. Thirty-one million dollars, under the supposition that the increase of receipts this fiscal year over those of the last fiscal year will be 9 per cent and that the department will be able to conduct its affairs approximately upon the appropriation made last year.

Mr. ANDREWS of Nebraska. Then we have approximately a $31,000,000 deficiency for the current fiscal year?

Mr. SLEMP. That is correct.

Mr. ANDREWS of Nebraska. That will be paid out of the general fund of the Treasury?

Mr. SLEMP. That is correct.

Mr. ANDREWS of Nebraska. Mr. Chairman, at this point I wish to invite attention to a question of revenue legislation for the Postal Service in comparison with the appropriations and expenditures of that service. Thus far I have failed to find any valid reason for conducting a Postal Service and making a considerable portion of the payment for that service out of the general fund of the Treasury. Occasionally there has been a small surplus. Former Postmaster General Hitchcock had the surgeons perform an operation for appendicitis, and thus separated the Postal Department from the general fund of the Treasury for one year. Considerable comment ran upon that point. Occasionally there may have been subsequent operations for appendicitis to eliminate the Postal Service from the general fund of the Treasury. I want to suggest to the Committee on the Post Office and Post Roads the advisability of bringing in revenue legislation that will make the Post Office Department absolutely self-sustaining every year.

Why should we be gathering in funds from customs, from income taxes, and from the general funds of the Treasury to pay a deficiency for the Postal Service? I believe that a brief reflection will show the advisability of drafting revenue legislation so that every branch of the Postal Service will be self-sustaining, and especially that the service as a whole will have a small surplus rather than an increasing deficiency from year to year.

Mr. STEENERSON. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. STEENERSON. The purpose which the gentleman has in mind is the purpose that the Committee on the Post Office and Post Roads has had in mind for a long time. Of course, the only revenue we get in the Postal Service is from postage, and we do not like to attempt to increase the postage derived from any particular kind of mail without investigation, and therefore we have ordered an investigation of the amount of revenue derived from each class of mail. When we get that information we may have a basis upon which to act. If the revenues are not behind next year it will not be necessary to make any increase of postage, but we are trying to prevent these raiders on the Post Office Department that I have mentioned heretofore from getting their work in.

Mr. ANDREWS of Nebraska. I am in sympathy with the gentleman's purpose to stop the raiding.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. FESS. I think the gentleman has made a valuable observation. It is a form of subsidy, is it not?

Mr. ANDREWS of Nebraska. No. We are simply doing business through a Government department that is advertised to be self-sustaining and then paying a deficiency out of the general funds. If that is what the Senator means, I agree with him, but I am opposed to subsidies, as you are aware.

Mr. FESS. There is not any way of amending it except by either increasing the revenues or decreasing the cost. That is why I used the term "subsidy."

Mr. ANDREWS of Nebraska. I am very grateful for the Senator's observation. [Applause.]

Now, in reply to the statement of the gentleman from Minnesota [Mr. STEENERSON], the chairman of the Committee on the Post Office and Post Roads, for 25 years and more we have been debating the question of a quarter of a cent or an eighth of a cent on this class of postage and then on that.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDREWS of Nebraska. In all these years we have failed to bring out any practical result from the investigation. Why, these investigations have been just like the investigations carried on by the Civil Service Commission, investigate for two months and do nothing. If it takes them two months to accomplish nothing by an investigation, how long will it take them to accomplish something? [Laughter.]

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. BLACK. I do not want to take up the gentleman's time, but he is discussing a very interesting subject, and perhaps we can prolong it.

Mr. ANDREWS of Nebraska. Yes; maybe I can have a little more time.

Mr. BLACK. I will try to get more time for the gentleman. The gentleman minimizes the importance of these investigations. He is inaccurate as to the value of the postal investigations.

Formerly we had a commission headed by the present Secretary of State, Mr. Hughes, which looked into the cost of carrying second-class mail matter, and some very valuable information was developed; information which has been used by the Committee on the Post Office and Post Roads in sitting down to the consideration of bills like that introduced by the gentleman from Ohio [Mr. FESS] and that introduced by the gentleman from Pennsylvania [Mr. KELLY], seeking to reduce the rates on second-class matter, which is now being carried at a loss, and which would be carried at a much greater loss if those two bills had passed. Now——

Mr. ANDREWS of Nebraska. The gentleman is reducing my time.

Mr. BLACK. I will try to get more for the gentleman. I just want to emphasize this point: That the facts developed by the Hughes Commission have been very valuable in dealing with this second-class postage question.

Mr. ANDREWS of Nebraska. I am very glad to have that statement, Mr. Chairman, but I am still wondering where it is reflected in actual revenues to the department, to eliminate this deficiency and give us an effective operation for appendicitis.

Mr. STEENERSON. It raised the revenue from $11,000,000 to $25,000,000.

Mr. ANDREWS of Nebraska. That is good news, but still you have a $31,000,000 deficiency. We can point to an increase here and there from year to year. For 25 years we have had an increase here and an increase there, but in the round-up as a rule you have had a deficiency.

Mr. STEENERSON. But we have had to increase the compensation of the employees.

Mr. ANDREWS of Nebraska. Yes; but why did you not increase the revenues to meet it? That is what McAdoo did in regard to the railroad proposition. He increased the wages of the railroad employees and then failed to raise the rates to bring in the money necessary to pay the wages and the salaries. There is the story. I believe the fundamental defect in most of the postal legislation is a failure to enact a law to bring into the Treasury a sufficient amount of money to pay the running expenses of the department, and that is the point I want to emphasize to-day. If the gentleman from Minnesota, who is the chairman of the Committee on the Post Office and Post Roads, with all the wisdom and light that he has shed upon these great problems in years gone by—and, of course, he will return in due time—if the great giant of the North and West would stand here and lead America out to a self-sustaining Postal Service, we shall welcome his return here to the House of Representatives with the utmost cordiality. [Applause.]

According to this official table of receipts and disbursements the Post Office Department has been self-supporting only 7 years within a period of 64 years. The deficiencies have varied for the most part from $1,000,000 to $19,000,000 a year, making a total of approximately $340,000,000 for 57 years. That amount has been drawn from the general fund which is intended to care for all the expenses of the Government outside the Post Office Department. We should cease saying that the Post Office Department is self-sustaining until these deficiencies are wiped out. Mr. Chairman, I respectfully urge the imperative necessity of legislation that will secure for the postal fund adequate resources to pay the total expenses of that department. Until that is done the appropriations for the Post Office Department should be reduced at least to the point of self-support.

Mr. KELLY of Pennsylvania. Mr. Chairman, I rise to oppose the pro forma amendment. We have been hearing a great deal about the question of a self-supporting Postal Service. I have always been in favor of that and am in favor of it now. Yet, as my friend from Texas [Mr. BLACK] has said, I have introduced a measure to cut down the second-class postal rates fixed by the war-revenue act of 1917. That war-revenue act came in from the Ways and Means Committee, and not from the Post Office Committee. It put an increase of some 500 per cent upon the rates for second-class mail. It provided for a zone system, dividing the country into eight zones and imposing a rate of 10 cents a pound to the eighth zone. That is the rate fixed on the advertising matter, and putting it altogether, half reading and half advertising, makes an increase of about 500 per cent. I introduced a bill to reduce it by half—in other words, to make the rates half that fixed in that law. We have had hearings before the committee and the committee has postponed action until the postal commission, which we have heard so much about, can report, which is a most indefinite matter. Now, I contend the reduction of second-class rates does not necessarily mean a reduction in revenues. It may mean an increase in receipts. I showed before the committee that last year, while these high rates were in operation in one city alone, there were 80,000,000 pounds of second-class matter taken out of the mails and transported otherwise, and in New York there was a great loss. It ran to a very high figure for the second-class mail matter which was taken out, because the postal rate is twice as high as the express rate and the freight rate is scarcely to be compared to the postal rate.

Mr. DOWELL. Will the gentleman yield for a question?

Mr. KELLY of Pennsylvania. Yes.

Mr. DOWELL. I should like to inquire with reference to the bill the gentleman refers to. What prospect is there of that bill coming before the House?

Mr. KELLY of Pennsylvania. I am sorry to say that the Post Office Committee have postponed action until the Postal Commission shall report, and I fear it never will report. The Postal Commission has been working for the last two years and has not found any facts about the cost of transporting this class of mail, and is not going to find out anything, you may be sure, during the life of that commission.

But my point is that this action should be taken as a business matter. The gentleman from Minnesota talks about the man who sold suits of clothes below cost and could sell them so because he sold so many of them. That may be jocular, but that is not the problem here. The problem is that we have a fixed expense. We have a certain overhead, and if we handle more second-class mail it does not mean that there is going to be any additional overhead. If we cut out all the second-class mail, it does not mean that there is going to be any great cutting down of the overhead. We are not going to reduce greatly the number of postmasters or clerks or carriers if we take out every pound of second-class mail matter.

Just think for a moment. That 80,000,000 pounds of second-class matter means 1,900 carloads of 42,000 pounds each. To get one of these loaded cars to the fourth zone costs the Post Office Department $221, but the publisher pays $1,361 at present rates. The 1,900 cars cost the Post Office Department $419,900, but the publishers must pay the immense sum of $2,593,500.

This same mail matter can be sent to the fourth zone by express for 1½ cents a pound, or at a total cost of $1,200,000. There is a clear saving to the users of the express company over the Postal Service of more than $1,300,000.

But the outstanding fact is that the present postal rates on second-class matter mean a profit in transportation costs on this amount to the fourth zone of more than $2,000,000. Every dollar of that possible profit was lost to the department because the excessive rates made it folly to use the Postal Service.

It was said that there would be an expense in distribution. I admit that there is a great expense in distribution above transportation cost, but I maintain that the fact that this mail matter has to be distributed does not add materially to the total cost of the service and that taking it out does not decrease the cost to any great degree. It is a question of increasing the revenue. The overhead is there, and if you can bring the volume of business up to the full capacity, you do not add to the expense any more than you add to the expense of a water company or of a railroad company which already has complete equipment. It does not add much to the expense to the railroad

company to run a locomotive another mile. If you have to add to the general plant to handle traffic, then you do increase the cost. Therefore it seems to me it is common sense to say that if you can get this business back where it ought to be, in the mails, you are not going to lose money, but you will make money. The fact is we have fixed these rates so high that the business is greatly decreased. There has been a decrease in only one class of mail matter in the past year, and that is second-class. There has been an increase in every other class of mail matter. The rates on second-class matter are too high to hold the business. I figure that if we cut the second-class rates in two there would be a reduction of $9,000,000 in the revenue, on the same weight, but that would be made up again by bringing back the amount of mail matter that is now taken out. I believe that can be proven to the satisfaction of any man who really wants to go into it. So it is not really a question of losing more money the more second-class mail we carry. It is really a matter of losing money because we are taking out a profitable part of the business, and I believe that can be proven to the satisfaction of anyone who will investigate the question impartially, aside from the fundamental American policy of diffusing information through publications at low rates.

Mr. BLACK. Mr. Chairman, I used to be a member of the Committee on the Post Office and Post Roads, and while I was a member of that committee we had under consideration at two or three different times this question of rates on second-class matter. The gentleman from Pennsylvania [Mr. KELLY] makes a very ingenious argument by citing one instance of some paper published at one place and carried to the most distant zone at a good deal higher rate than express, and hence that paper is not now using the mails. We can not base conclusions upon an isolated instance of that kind. In a service of this kind we have got to picture the whole service and the whole amount of mail matter carried in order to get a true picture of the situation.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. ANDREWS of Nebraska. The gentleman from Pennsylvania [Mr. KELLY] suggested an idea that led me to the thought that his plan suggested the idea of buying an excursion ticket at reduced rates in order to pay $50 excess to get back home.

Mr. BLACK. I thank the gentleman for the illustration. Now, the truth of the matter is that the Hughes Commission, to which I referred in reply to a statement of the gentleman from Nebraska a few moments ago, made a very exhaustive investigation of how much it cost to transport and deliver second-class mail matter; not just to take up one instance and find out how much that cost, but taking the whole amount of second-class mail matter and figuring how far the average piece of mail matter traveled and how much the average piece of second-class mail matter weighed and how many times it was handled, and figuring all of that, the commission found that the cost of transporting and delivering was 5½ cents a pound. There were certain expenses which were not allocated.

The Post Office Department, taking the Hughes Commission finding as a basis and adding to it those expenses which were not allocated, found, as the gentleman from Minnesota [Mr. STEENERSON] very correctly stated, that it cost about 8 cents a pound to carry this matter. Now, it may well be that, notwithstanding the increases in salaries of various postal employees and the increases in the salaries of postmasters, other economies have cut down the cost of this transportation and handling to where it is now less than 8 cents a pound; in fact, I am satisfied it is some less than that. But certainly no one who is informed as to the situation will contend that the present revenue that we are collecting from this source, which, I think, is something more than $30,000,000 per annum, is equal to the cost of carrying this second-class mail matter.

Now, another thing must be remembered, and that is that all the reading matter that goes to make up the Saturday Evening Post and the Ladies Home Journal and other magazines is carried at 1½ cents to every zone. This reading matter is not regulated on the zone basis. The only thing regulated on the zone basis is the advertising matter. I think anyone will admit that when we take into consideration the fact that a page of advertising in the Saturday Evening Post costs several thousand dollars and a page in the Ladies Home Journal, in the advertising department, costs also several thousand dollars, I think all will admit that such charges are purely commercial transactions and that there is no reason why mail matter of that kind should be carried at a loss. I have no fight to make on the Saturday Evening Post or the Ladies Home Journal. They are excellent publications. I merely cite them as instances of the operation of the present law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLACK. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RANKIN. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. RANKIN. Did I understand the gentleman to say that the zone proposition which regulates the cost of the transportation of newspapers and periodicals applies only to the advertising matter?

Mr. BLACK. Yes; it applies only to the advertising matter. The reading matter is carried at a flat rate, and to all zones the cost is the same, even to the most remote zone so far as the reading matter is concerned. It is only the advertising matter that is regulated on the zoning plan, and that is purely a commercial proposition. The gentleman from Pennsylvania [Mr. KELLY] used the same argument as has been used by the propagandist—and I am not referring to him as a propagandist but his argument is the same—which is: The publishers insist that the zone rates were a war-revenue measure, that the rates were put on the publishers to pay part of the cost of the war. The gentleman from Minnesota very pertinently remarked in his speech this afternoon that the only real war-revenue provision in the bill, as far as postal affairs were concerned, was the 1 cent added to the rate on first-class matter, and the Postmaster General was required to estimate at the end of the year the additional revenue raised by that 1 cent addition to first-class matter and pay it into the Treasury as miscellaneous receipts. Congress did not put upon him the duty to turn in the money raised from transportation of second-class matter. Why? Because everyone knew, the Ways and Means Committee knew, the Committee on the Post Office and Post Roads knew, that second-class matter was not paying the cost of its handling and therefore the Post Office Department ought to retain the revenue derived from it in its own department.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. BLACK. Certainly.

Mr. KELLY of Pennsylvania. If it was not a war-revenue measure, why did the provision come from the Ways and Means Committee instead of the Post Office Committee of the House and Senate?

Mr. BLACK. It was a revenue measure. The Ways and Means Committee had in hand the matter of raising additional revenue sorely needed, and when it came to investigate the subject it found out that the Post Office Department was only receiving $11,000,000 for the transportation of a billion pounds of second-class mail and was losing from $60,000,000 to $70,000,000 per annum, and the committee felt that it could not in good conscience levy on the taxpayers of the country additional taxes without making the publishers pay some part of this loss. So the Ways and Means Committee very properly provided for the present zone law. Another thing which shows clearly that it was not meant as a mere war measure is this: The law provided that the increases should go into effect in four annual increments. This was to give the publishers time and opportunity to adjust to the new rates. This very provision shows Congress meant it for no temporary affair.

Mr. GARNER. Will the gentleman yield?

Mr. BLACK. Certainly.

Mr. GARNER. I want to say to the gentleman from Pennsylvania that the Ways and Means Committee did not assume jurisdiction of the subject until the Post Office Committee themselves requested it. Let me say in that connection that the Post Office Committee had made investigations under the Postmaster General for 16 years and the Postmaster General for 16 years had recommended it. They asked us to take it into consideration in making up the war-revenue bill and we did it. Now, the publishers, in my judgment, are still failing to pay between $40,000,000 and $50,000,000 of what it costs the Government to transport their mail.

Mr. BLACK. The gentleman from Texas is correct when he says there was an agreement that the Ways and Means Committee should have jurisdiction. I was a member of the Post Office Committee and we agreed to it.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BLACK. Certainly.

Mr. ANDREWS of Nebraska. In the Fifty-fourth Congress this question was emphasized again and again, and the war was simply the instrumentality that forced the condition that we could not force through the committee in Congress before.

Mr. BLACK. And should have been in operation for years before the law was finally adopted.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

In making readjustments under the foregoing paragraph, the salary of any clerk in any class may be fixed by the Postmaster General at $100 below the salary fixed by law for such class and the unused portion of such salary shall be used to increase the salary of any clerk in any class entitled thereto by not more than $100 above the salary fixed by law for such class. The Postmaster General shall assign to the several bureaus, offices, and divisions of the Post Office Department in the District of Columbia such number of the employees authorized in the foregoing paragraph as may be necessary to perform the work required therein; and he shall submit a statement showing such assignments and the number employed at the various salaries in the Budget following the estimates for salaries in the Post Office Department.

Mr. ROUSE. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee if the Post Office Department made any request for an appropriation for ascertaining the cost of carrying the mail.

Mr. SLEMP. I will say that it was stated that that would cost the Government $830,000 but the work had to be done between now and the 1st of next July, and so it would not come into this bill but would have to be presented to the Appropriations Deficiency Committee inasmuch as this relates to expenditures for next year. The understanding is that they shall go to the Committee on Appropriations for a deficiency to carry on that work. They have spent $27,000 in getting forms and getting ready to make this investigation when the money is allowed. It will be up to the other committee to provide the money.

Mr. ROUSE. Being a member of that commission, I wanted to know the facts.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing the amount of expenses of that commission up to the 1st of December.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter is as follows:

Cash disbursements.

MARCH, 1922.

1922		Total.	Transportation.	Subsistence.	Salary.	General expenses.	Deposits.	Actual cost.
Mar. 15	Check 212, assistant secretary's salary, Mar. 1-15	$150.00			$150.00			$150.00
23	Check 213, secretary's New York trip	200.00	$62.51	$57.39			$80.10	119.90
30	Check 214, Hotel Continental (McGinty-Firmin), Mar. 28	26.30		26.30				26.30
31	Check 215, assistant secretary's salary, Mar. 15-31	150.00			150.00			150.00
31	Check 216, secretary's salary, Mar. 1-31	350.00			350.00			350.00
	Voucher 23, W. B. Richards & Co., March account	2,182.75	182.75		2,000.00			2,182.75
	Total	3,059.05	245.26	83.69	2,650.00		80.10	2,978.95

APRIL 1-JUNE 30, 1922, INCLUSIVE.

Apr. 14	Check 217, Smith & Hulse hearings, December, January, February, and March	$219.60				$219.60		$219.60
15	Check 218, assistant secretary's salary, Apr. 1-15	150.00			$150.00			150.00
29	Check 219, assistant secretary's salary, Apr. 15-30	150.00			150.00			150.00
29	Check 220, secretary's salary, Apr. 1-30	350.00			350.00			350.00
May 5	Check 221, New York trip, May 5	200.00	$35.48	$24.24			$140.28	59.72
3	Check 222, Chesapeake & Potomac Telephone Co., January-February	17.35				17.35		17.35
15	Check 223, assistant secretary's salary, May 1-15	150.00			150.00			150.00
18	Check 224, Buffalo trip	500.00	225.84	230.27		[1] 4.50	39.39	460.61
18	Check 225, National Surety Co. (bond, May 25, 1922-May 25, 1923)	13.50				13.50		13.50
31	Check 226, assistant secretary's salary, May 15-31	150.00			150.00			150.00
31	Check 227, Pittsburgh, Pa., trip, stenographer, $3; telegram, $3.50	500.00	180.99	297.50		6.50	15.01	484.99
31	Check 228, secretary's salary, May 1-31	350.00			350.00			350.00
June 13	Check 229, Detroit Typewriter Co., 1 Corona	50.00				50.00		50.00
14	Check 230, A. Holmbee (trip Washington, committee)	262.02	136.52	125.50				262.02
15	Check 231, assistant secretary's salary, June 1-15	150.00			150.00			150.00
21	Check 232, Detroit trip, committee	600.00	161.08	314.01			124.91	475.09
30	Check 233, New York trip, committee	500.00	56.74	121.64			321.62	178.38
30	Check 234, assistant secretary's salary, June 15-30	150.00			150.00			150.00
30	Check 235, secretary's salary, June 1-30	350.00			350.00			350.00
	Voucher 24, W. B. Richards & Co., April account	2,161.93	161.93		2,000.00			2,161.93
	Voucher 25, W. B. Richards & Co., May account	2,068.06	68.06		2,000.00			2,068.06
	Voucher 26, W. B. Richards & Co., June account	2,037.78	37.78		2,000.00			2,037.78
	Total	11,080.24	1,064.42	1,113.16	7,950.00	311.45	641.21	10,439.03

JULY 1-SEPTEMBER 30, 1922, INCLUSIVE.

July 13	Check 236, P. A. McGutry, Washington trip, July 12, 1913	$50.00	$14.18	$35.82				$50.00
14	Check 237, Hotel Continental	32.50		32.50				32.50
15	Check 238, secretary, Philadelphia-New York, July 20-Aug. 4	500.00	25.06	85.25			$389.69	110.31
15	Check 239, assistant secretary's salary, July 1-15	150.00			$150.00			150.00
Aug. 1	Check 240, assistant secretary's salary, July 15-31	150.00			150.00			150.00
1	Check 241, secretary's salary, July 1-31	350.00			350.00			350.00
7	Check 242, A. Firmin, Washington trip, July 12-13	14.77	10.77	4.00				14.77
8	Check 243, secretary, New York trip, Aug. 9-14	500.00	25.66	55.20			419.14	80.86
11	Check 244, P. A. McGurty	184.62	38.56	125.16		[1] $20.90		184.62
15	Check 245, secretary and assistant secretary, New York and Atlantic City trip	500.00	65.56	111.25			323.19	176.81
15	Check 246, assistant secretary's salary, Aug. 1-15	150.00			150.00			150.00
24	Check 247, Chesapeake & Potomac Telephone Co., account to June 30	15.90				15.90		15.90
24	Check 248, P. A. McGurty, report to engineers	53.74	22.64	31.10				53.74
31	Check 249, assistant secretary's salary, Aug. 15-31	150.00			150.00			150.00
31	Check 250, secretary's salary, Aug. 1-31	350.00			350.00			350.00
Sept. 7	Check 251, Smith & Hulse	145.75				[1] 145.75		145.75
9	Check 252, J. J. Kiely (Stenerson, railroad fare)	11.89	11.89					11.89
13	Check 253, H. Stenerson (conference on tubes)	19.39	13.79	5.60				19.39
14	Check 254, secretary, New York trip	100.00	21.91	17.74			60.35	39.65
15	Check 255, assistant secretary's salary, Sept. 1-15	150.00			150.00			150.00
23	Check 256, New York trip, secretary and Schladt, Sept. 3-30	500.00	46.63	103.03			350.34	149.66
Oct. 2	Check 257, assistant secretary's salary, Sept. 15-30	150.00			150.00			150.00
2	Check 258, secretary's salary, Sept. 1-30	350.00			350.00			350.00
	Voucher 27, W. B. Richards & Co., July account	1,683.15	183.15		1,500.00			1,683.15
	Voucher 28, W. B. Richards & Co., August account	1,025.11	25.11		1,000.00			1,025.11
	Voucher 29, W. B. Richards & Co., September account	1,030.12	30.12		1,000.00			1,030.12
	Total	8,316.94	535.03	606.65	5,450.00	182.55	1,542.71	6,774.23

[1] Stenographer.

Cash disbursements—Continued.

OCTOBER 1, 1922–NOVEMBER 30, 1922, INCLUSIVE.

1922		Total.	Transportation.	Subsistence.	Salary.	General expenses.	Deposits.	Actual cost.
Oct. 5	Check No. 259, secretary, trip, New York, Boston, Philadelphia	$500.00	$171.18	$328.82				$500.00
5	Check No. 260, Chesapeake & Potomac Telephone Co., August account	9.65				$9.65		9.65
14	Check No. 261, assistant secretary's salary Oct. 1–15	150.00			$150.00			150.00
30	Check No. 262, secretary's salary Oct. 1–31	350.00			350.00			350.00
31	Check No. 263, assistant secretary's salary Oct. 15–31	150.00			150.00			150.00
31	Check No. 264, assistant secretary (clerk hire and stenographer)	360.00				360.00		360.00
Nov. 2	Check No. 265, assistant secretary (clerk hire and stenographer)	364.00				364.00		364.00
15	Check No. 266, assistant secretary's salary Nov. 1–15	150.00			150.00			150.00
17	Check No. 267, Pennsylvania Hotel, Nov. 11–17	88.47	22.42	66.05				88.47
15	Check No. 268, secretary's salary Nov. 1–15	175.00			175.00			175.00
29	Check No. 269, assistant secretary's salary Nov. 15–30	150.00			150.00			150.00
29	Check No. 270, secretary's salary Nov. 15–30	175.00			175.00			175.00
3	Voucher No. 30, W. B. Richards & Co., October account	1,026.07	26.07		1,000.00			1,026.07
Dec. 11	Voucher No. 31, W. B. Richards & Co., Nov. 1–15 account	512.92	12.92		500.00			512.92
	Total	4,161.11	232.59	394.87	2,800.00	733.65		4,161.11

Recapitulation.

EXPENSES MARCH 1, 1922, TO NOVEMBER 30, 1922, INCLUSIVE.

	Total expenses.	Transportation.	Subsistence.	Salary.	General expenses.
Sheet No. 1, March	$2,978.95	$245.26	$83.69	$2,650.00	
Sheet No. 2, April, May, June	10,439.03	1,064.42	1,113.16	7,950.00	$311.45
Sheet No. 3, July, August, September	6,774.23	535.03	606.65	5,450.00	182.55
Sheet No. 4, October, November	4,161.11	232.59	394.87	2,800.00	733.65
Total	24,353.32	2,077.30	2,198.37	18,850.00	1,227.65

Mr. CHINDBLOM. Mr. Chairman, I want to ask the chairman something about the effect of the section just read. I observe that it permits the Postmaster General to fix the salary of any clerk at $100 below that fixed by the present law for his particular class, and as I understand it, it compels the Postmaster General in turn to raise the salary of some other clerk. Is that true?

Mr. SLEMP. That provision has been in the bill for some years. Last year on the floor of the House the language was so changed that the change would be limited to $100. I think the gentleman from Texas [Mr. BLANTON] brought that out last year. The language this year is as it was changed last year. There are about 1,400 employees in the department on the statutory roll.

Mr. CHINDBLOM. It refers only to the employees in the District of Columbia?

Mr. SLEMP. In the Post Office Department, not in the field service. The Postmaster General, the First Assistant, and all of the assistants connected with the department say that gives them a slight leeway. Let us say a vacancy occurs in a $1,600 place. Instead of promoting a $1,400 man to the $1,600 place, they can promote a $1,400 man to a $1,500 place, and the $1,600 man to a $1,700 place. That leaves a leeway, which they say is very much in the interest of the department. They wanted more, but the committee did not yield on that.

Mr. CHINDBLOM. As a matter of fact, this ought to be a part of the law on pay.

Mr. SLEMP. It will be rectified when the classification bill becomes a law.

The Clerk read as follows:

Office, First Assistant Postmaster General: First Assistant Postmaster General, $5,000; chief clerk, $2,500; division of post office service—superintendent $4,000, assistant superintendent $3,000, assistant superintendent $2,750; division of postmasters' appointments—superintendent $3,000, two assistant superintendents at $2,000 each; superintendent, division of dead letters, $2,500; chief, division of correspondence, $2,000; in all, $28,750.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. This morning the distinguished gentleman from Indiana [Mr. SANDERS] in his usual very incisive way twitted the House leader on the very remarkable situation that exists now in our Nation. This is the situation: On August 18 last the President of the United States appeared in this Chamber and called attention to the great profiteering in coal and mentioned that he had no legal power to stop it. He said:

I recommend immediate provision for a temporary national coal agency with needed capital to purchase, sell, and distribute coal which is carried in interstate shipments.

He also mentioned that "it would be an instrumentality of guarding the public interests against extortion where private conscience is insensible to a public need." The Congress was very responsive. That was on August 18, and almost immediately the distinguished gentleman from Massachusetts [Mr. WINSLOW], chairman of the Committee on Interstate and Foreign Commerce, probably not on his own initiative, because the legislation, I take it, was abhorrent to his ideas, but because he was chairman, brought in a bill to the House, and before the month ended passed the bill—on August 31—by an overwhelming majority, creating this Federal Fuel Distributor at an initial appropriation and cost to the Government of $250,000.

Mr. MADDEN. Not so much as that, was it?

Mr. BLANTON. That was what was in the bill—$250,000—when it passed the House; and giving the President the right to proclaim whenever he thought the prices were extortionate such a situation to exist, and to control it, prices and distribution. What has happened? Just what the distinguished gentleman from Indiana called our attention to this morning. Not a thing has been done. Extortion continues. Prices are not controlled. Poor people can not get coal. September has passed, October and November have passed, and this is the end of December, and we find to-day the great city of New York with a supply of coal for only 48 hours, with coal at $16 a ton and upward. You can not get a ton of hard coal now unless you buy a ton of substitute with it, all at extortionate prices.

What could happen? I remember last winter when one of my boys was sick in college and I had to go to him to bring him home, we reached Washington at 4 o'clock in the afternoon, just 1 mile from the Pennsylvania Station, and we stayed at that one point within a mile of the depot for 12 hours trying to get the train through the snow to the depot where the people could be unloaded from the train. We were not unloaded until 4 o'clock in the morning. Suppose a snow comes like that all over this country. What could happen? Not a thing has been done, and the people all over the United States are looking to the Government. If an emergency existed in August, it existed in September, it existed in October, in November, and December; and if it was such a great emergency, why has there not been action taken?

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MADDEN. I have just looked up the figures, and I find that the amount given to the Federal coal distributor was $150,000.

Mr. BLANTON. Oh, yes; that was the result of a change in conference; but I said that the bill which the gentleman

brought into the House and passed embraced $250,000, and if he will turn to the CONGRESSIONAL RECORD for August 31, 1922, he will see that it embraced $250,000, as I say. The gentleman from Illinois [Mr. MADDEN] could have changed that in the committee before the bill was reported to the House if he had wanted to, if he had gone to the gentleman from Massachusetts and said that his committee was not going to allow them to have more than $150,000. He could have stopped it there; but the reduction in conference was a change of administration plans, which had in contemplation the whole $250,000. It was the joint action of the House and Senate conferees that did that, or it may have been changed by amendment.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WINSLOW. I am sure, from my knowledge of the gentleman's frankness, that he would rather be right than otherwise.

Mr. BLANTON. Yes.

Mr. WINSLOW. It was changed in the conference.

Mr. BLANTON. That is correct. But the gentleman's bill as it was brought in called for $250,000. There is no question about that.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask unanimous consent to speak for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. The bill as passed by the House on August 31, 1922, reads as follows, which I quote from the RECORD:

There is hereby authorized to be appropriated the sum of $250,000.

But you are getting me off the subject. That reduction of $100,000 was an afterthought and has no relation to my present discussion, which is nonregulation of coal prices.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WINSLOW. How does the gentleman know it was?

Mr. BLANTON. Because the administration bill as passed by the House called for $250,000 and it was later reduced to $150,000 in conference.

Mr. WINSLOW. The gentleman must realize that there are times in life and procedure when certain things are used for the purpose of testing out the views of people.

Mr. BLANTON. Oh, that was just one of the kind of feelers that we are having abroad now?

Mr. WINSLOW. Yes.

Mr. BLANTON. Concerning which the other distinguished gentleman from Massachusetts in another body spoke so eloquently yesterday—one of the feelers.

Mr. WINSLOW. I am not talking about the gentlemen of yesterday——

Mr. BLANTON. We feel out the House just like we feel out the foreign nations of the world?

Mr. WINSLOW. Exactly, Mr. Chairman; we have to take gentlemen like himself into consideration and give him something rather inconsequential to play with in order to get to more important things. [Laughter.]

Mr. BLANTON. The gentleman, then, is like the bureaus in the departments which when they want only $150,000 ask for $250,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SANDERS of Indiana rose.

Mr. MADDEN. Mr. Chairman, I hope that we will be able to read for a while. We have not read any of the bill, and gave gentlemen plenty of time for debate. We have not done a thing in connection with the bill, and we very much want to finish it to-day so that gentlemen can have a holiday.

Mr. SANDERS of Indiana. Does the distinguished gentleman from Illinois want the Clerk to read? If so, the gentleman from Indiana will be glad to let the Clerk read, but he was in hopes that he might make a two-minute speech.

The Clerk read as follows:

The Postmaster General is hereby authorized to pay a cash reward for any invention, suggestion, or series of suggestions for an improvement or economy in device, design, or process applicable to the Postal Service submitted by one or more employees of the Post Office Department or the Postal Service which shall be adopted for use and will clearly effect a material economy or increase efficiency, and for that purpose the sum of $5,000 is hereby appropriated: *Provided*, That the sums so paid to employees in accordance with this act shall be in addition to their usual compensation: *Provided further*, That the total amount paid under the provisions of this act shall not exceed $1,000 in any month or for any one invention or suggestion: *Provided further*, That no employee shall be paid a reward under this act until he has properly executed an agreement to the effect that the use by the United States of the invention, suggestion, or series of suggestions made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns: *Provided furher*, That this appropriation shall be available for no other purpose.

Mr. RANKIN. Mr. Chairman, I have received several letters since I have been in the House from rural letter carriers to the effect that they have been unable—and I suppose are unable now—to secure leather mail pouches for carrying the mail. They inform me that they are furnished with canvas pouches, but, especially in my section of the country, where we have a good deal of rainfall in the wintertime and where it is necessary to travel horseback a good deal of that time, they say it is practically impossible at times to keep the mails dry in those canvas pouches. It occurs to me that it would not be very much more expensive to furnish, especially for use in certain seasons of the year or localities, leather pouches instead of these canvas ones. I should like to ask if that has been considered by the committee, and, if so, whether any provision is made for them in this bill?

Mr. SLEMP. Mr. Chairman, I will say that during the war it was rather difficult to get leather, and since the war, since the present Fourth Assistant Postmaster General has been in charge, they entered into a contract last year for 11,000 of these leather bags. The contract was made at a very low rate. They have been delivered along during the year, I think, to the extent of about 25 per cent of the rural free delivery carriers' force. Of course, some are used in connection with the City Delivery Service, but this year an order for 15,000 more has been given, and that is carried in next year's bill, so within a short time I think the carriers in the gentleman's section and all over the country will be very well supplied. That is in addition to the bags they had on hand before. That amounts to 25,000 in two years.

Mr. RANKIN. Is that appropriation carried in this bill?

Mr. SLEMP. Yes.

Mr. RANKIN. That is what I wanted to ask.

Mr. SLEMP. This is under the Fourth Assistant Postmaster General. That will supply about 15,000.

Mr. RANKIN. About when does the gentleman from Virginia think those 15,000 extra leather bags will be ready for distribution?

Mr. SLEMP. I will say ready for distribution some time next July, because the contract has already been executed.

Mr. RANKIN. The gentleman says there is already a supply of 11,000?

Mr. SLEMP. The order for the 11,000 has already been executed.

Mr. RANKIN. And have they been distributed?

Mr. SLEMP. Yes; ten thousand and something. Now, the department is so well pleased along the line of the gentleman's argument—it only cost about $3 a bag, which is about one-third of what it formerly cost—they were so well pleased that a contract was given for 15,000 more. The contract for the 11,000 has been made and delivered.

Mr. RANKIN. Delivered to the department or delivered to the carriers?

Mr. SLEMP. To the department as indicated in the appropriation bill, and——

Mr. RANKIN. I am very much obliged to the gentleman for the information, because I intended to call this proposition to the attention of the committee, but I did not want to offer an amendment unnecessarily.

Mr. SLEMP. I feel sure the department is in a position to accommodate all the carriers that need them.

Mr. RANKIN. I am glad to receive the information, because if this provision had not been made I desired to offer an amendment to take care of it. These rural carriers have a very difficult time at the very best during the cold rainy season, and it seems to me that the Government ought to at least take this precaution to add to their comfort and convenience, especially when it can be done at a nominal cost, for I am sure the canvas pouches cost practically as much as the leather ones if the figures of the gentleman from Virginia [Mr. SLEMP] are correct. Besides, the people on these routes are just as much entitled to have their mail protected from the rain as are the people in New York, where certain members of the committee are contending for a large appropriation for the maintenance of mailing tubes. The last correspondence I had with the Post Office Department about this matter they informed me that they had none of these leather pouches on hand, but I am glad to learn that they are at least making an effort to secure a supply, for I feel that they are badly needed by a great many of the men now engaged in carrying rural mail.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For compensation to clerks and employees at first and second class post offices, including substitutes for clerks and employees absent without pay, $107,452,600.

Mr. CHINDBLOM. Mr. Chairman, I would like to ask the chairman of the subcommittee how this amount of $107,452,600, in line 17, page 11, for compensation of clerks and employees in first and second class post offices compares with the current appropriation?

Mr. SLEMP. One hundred and one million dollars.

Mr. CHINDBLOM. It is $800,000 less than the Budget estimate.

Mr. SLEMP. The appropriation is $750,000 less than the Budget estimate, but it is $7,450,000 over this year's appropriation.

Mr. CHINDBLOM. And the committee believes it to be adequate?

Mr. SLEMP. Yes, sir.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

For allowances to third-class post offices to cover the cost of clerical services, $4,250,000.

Mr. STEENERSON. Mr. Chairman, I offer an amendment to substitute $4,750,000 in lieu of the amount named in the paragraph.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STEENERSON: Page 11, line 10, strike out the figures "$4,250,000" and insert in lieu thereof the figures "$4,750,000."

Mr. STEENERSON. Mr. Chairman, it stands admitted, I believe, in the hearings that there is no class of employees in the Government that gives so much for their money as the clerks in the third-class post offices. They work for a very small compensation, and they work long hours.

Now, two or three years ago, or two years ago, I think, the average from this lump sum; that is, this lump sum divided by the total number of third-class post offices, was about $450 per office. The third-class post offices have increased very greatly in number in the last few years, and if you take this total appropriation and divide it by the total number of post offices of that class you will find that it is about $375 for each office. This money has got to be distributed by the Postmaster General in some fair way so as to meet the requirements of each office, but if you give a total so small as this it will be impossible for him to allow to many of these offices as much as they ought to have. Then you compel the postmasters to pay more and more out of their own pockets, in some cases nearly half their salary.

Mr. KELLY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. KELLY of Pennsylvania. The figure the gentleman has given is $450. What would be the average for the clerks in the third-class offices under the amendment offered?

Mr. STEENERSON. It is not to be expected that you will have a certain figure. Some offices might have $100 and others would have $500.

Mr. KELLY of Pennsylvania. There is a maximum, is there not?

Mr. STEENERSON. No; there is no maximum. I get that amount by dividing the total appropriation by the total number of offices.

Mr. KELLY of Pennsylvania. There is a law now providing a maximum, as I understand, that where a postmaster's salary is $1,000 the allowance for clerk hire is $450 as a maximum.

Mr. STEENERSON. Yes; but in the operation of these offices there is a large fluctuation. One office may have a large business, and the minute it exceeds the business expected under a third-class office it falls into the second class, where they have civil-service employees at $1,800, and if you lack a few hundred dollars of the amount necessary to put the office in the second class you have $1,200 as the maximum for that office. I believe this allowance is an inadequate sum.

Mr. SLEMP. Mr. Chairman, in regard to the amendment, the appropriation for this allowance 10 years ago was $1,330,000. Last year the appropriation was $4,000,000. Now there is a balance on hand in the Post Office Department of $160,000. That is to say, the department is not utilizing all of the $4,000,000 that was appropriated for this year, but there is a balance still of $160,000. Now, then, in addition to that we are giving an increase of $250,000, which is 6 per cent over this year's appropriation, or about 10 per cent over this year's expenditures, or it will be perhaps 10 per cent.

Mr. KELLY of Pennsylvania. I think it is a decrease from the 1922 figures. For that year I believe it was $4,500,000.

Mr. SLEMP. They did not use up the $4,500,000 in 1922. In other words, in that remarkable work of the department for 1922 they kept their expenditures within the income of that year. But I am sure we are giving a 10 per cent increase in this for the coming year, an increase that will cover the demands of this part of the service, and an increase that is indorsed by the Budget and by the department.

Mr. KELLY of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. KELLEY of Pennsylvania. I do so simply to say that anyone who is familiar with it will have to agree with what the chairman of the Committee on the Post Office and Post Roads [Mr. STEENERSON] has said, that this is one of the items that is very unscientifically calculated, to say the least. In 1920 the average allowance for clerk hire was $433. In 1921 it was $450, an increase of $17. In 1922 it was $429, and in 1923 it was $384.

Mr. SLEMP. That was not the figure for last year.

Mr. KELLY of Pennsylvania. That surprises me, because I know there are postmasters who have endeavored in every way to secure an increase, and the Post Office Department has said they deserved it, but that they did not have the money.

Mr. STEENERSON. That is correct.

Mr. KELLY of Pennsylvania. I want to tell you what the Postmaster General has said about this proposition. Postmaster General Work, in a letter to the convention of the National League of District Postmasters, held at San Francisco, Calif., September 18, 19, and 20, 1922, said:

There seems to be an impression more or less prevalent among third-class postmasters that the administration of the Post Office Department is deliberately withholding necessary clerk hire from them. This is erroneous. The cause does not lie with the Post Office Department, but rests with Congress in its failure to make sufficient appropriation. The law itself provides that the department may grant fixed allowances for clerk hire to third-class post offices when the salaries of the postmasters have reached certain figures. These allowances would be cheerfully and readily made to the postmasters by the present administration.

The law itself, upon investigation, is also found to be unscientific and unsatisfactory, compelling an unbusinesslike method of allotting clerk hire. If a third-class postmaster needs a clerk—as the law recognizes—he should get a proper allowance when the postal receipts of his office have grown to such proportions and when his business has increased to such an extent as to warrant additional help rather than on the present basis of the postmaster's salary. Another disadvantage of the present law is the amount allowed. In many instances the sum is too small to employ a competent clerk, and as a result the postmaster must take the money given him and through long-hour service get out the mails the best he can. To correct this condition, of course, Congress should change the law and provide both a sufficient allowance as well as a generous appropriation to meet the needs of the service.

You will notice that he makes strong recommendations and says that this present system is unsatisfactory.

Mr. MADDEN. Let us get a law to change the system, then.

Mr. KELLY of Pennsylvania. I can not understand why there should be a reduction from the 1922 figures.

Mr. MADDEN. We have given them all they asked.

Mr. STEENERSON. Mr. Chairman, I disagree with the Postmaster General. We have tried that out several times, and the only way upon which to base the clerk hire is on the compensation of the postmaster, and that is based on the amount of business he does; and that is as broad as it is long.

Mr. KELLY of Pennsylvania. That has nothing to do with it. I hope the gentleman will not torpedo my argument for his amendment.

Mr. STEENERSON. I do not intend to.

Mr. KELLY of Pennsylvania. It seems to me it is a ridiculous thing that when the law states that the maximum shall be $450 where the receipts are $1,000, and we never come anywhere near that, and that up to $2,200 the limit is $1,200, and we never reach that, yet when the postmaster gets a dollar over $2,200 he gets an $1,800 clerk.

Mr. SLEMP. That is a criticism of the law and does not affect us here.

Mr. KELLY of Pennsylvania. It is unjust that a third-class postmaster has to go into his own pocket to pay for his clerk.

Mr. MADDEN. Mr. Chairman, I hope the amendment will not prevail, because we are in perfect accord with the Post Office Department as to the amount allowed. That is all I want to say.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The question is on the amendment offered by the gentleman from Minnesota [Mr. STEENERSON].

The question was taken; and on a division (demanded by Mr. STEENERSON) there were—ayes 2, noes 17.

Accordingly the amendment was rejected.

The Clerk read as follows:

For rent, light, and fuel for first, second, and third class post offices, $13,276,000.

Mr. TIMBERLAKE. Mr. Chairman, I move to strike out the last word for the purpose of getting some information in regard to this appropriation. I see the Budget recommended an appropriation of $14,500,000 for rent, light, and fuel for first, second, and third class post offices, and the appropriation agreed upon by the committee seems to be reduced to $13,276,000.

I want to say in this connection that I have had several cases up with the department where it was desired that better quarters should be secured for post offices, and I have been met with the reply that the appropriations were not sufficient to warrant an increase in the amount of rental. Leases have expired in several instances, and suitable quarters can not be procured for the amount paid under the old lease. Yet this objection is made that they have not a sufficient amount in the appropriation to pay the additional expense of better quarters or to pay higher rental for the same quarters under a new lease.

I am glad to have the information given by the chairman, that the amount carried in this bill, according to information brought to the committee by the First Assistant Postmaster General in the hearings, would be adequate to meet all the needs of the department for increased amounts which will be required to meet the demands for additional quarters and equipment found to be necessary.

Mr. SLEMP. I should like to give the gentleman an analysis of these figures. In the first place, $500,000 of this estimate was in anticipation of a building being completed and rented in New York City, which was not done. That is to say, the contract was not entered into. So the amount we should consider here is not $14,500,000 but $14,000,000. That is, the New York building never having been constructed, that $500,000 estimate goes out.

This is one of the items where a small change was made in the figures submitted by the Budget. That is, the committee recommended $13,276,000 instead of $14,000,000; in other words, a decrease of $724,000 from the estimate. This is the way we did it: The annual rate of expenditure for this year is $11,750,000 for all the rented buildings in the Postal Service. The department will get through this year on that basis. That is the first point. The annual rate as of December 11, 1922, is $11,600,000. That is to say, if all the buildings connected with the Postal Service could be rented next year as they are rented to-day it would cost the Government $11,600,000. But 510 leases expire next year. The question is what allowance should be made for their renewal. Now, this year and last year give a fairly good test of what that should be. For the leases that expire next year we are allowing 100 per cent increase over present rentals, and that is 2½ per cent higher than the average of the renewals during this fiscal year. That takes care of the 510 leases that expire next year, upon the recommendation of the department that that will be sufficient.

Mr. TIMBERLAKE. The opinion of the committee is coincided in by the department, is it?

Mr. SLEMP. That was the opinion of the department. That is where we had to get our information, and there is no difference there.

Now, as to other items, there will be some new leases made between now and the 1st of July, which will operate on next year's expenses, and we treat those on a basis of 100 per cent increase also. There are also supposed to be between 200 and 300 new propositions next year—that is, extensions and entirely new propositions.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLEMP. I should like two minutes more.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. SLEMP. Making this allowance for the 265 new leases that will be made before the 1st of July, we have given exactly what the department wants. When we get through adding all these up we have a surplus of $714,000.

Mr. MADDEN. You will have more than that.

Mr. SLEMP. As to the Chicago office they made the mistake of charging the Van Buren Street station entirely to this appropriation. Three-sevenths of that is carried under the Second Assistant Postmaster General for the terminal, and four-sevenths here.

Mr. CHINDBLOM. A portion of that station is being used by the Railway Mail Service.

Mr. SLEMP. Yes; and they pay three-sevenths of it, so there is another item of $300,000. So, taking the $500,000 at New York and the $300,000 chargeable to the Second Assistant Postmaster General, carried in another part of this bill, you get just about what the department wants. That pretty nearly accounts for the difference between the estimate and the appropriation.

Mr. MADDEN. It amounts to nearly $1,000,000.

Mr. TIMBERLAKE. It would seem that the department should be able to care for the cases I mentioned where an increase of only about 35 or 40 per cent is asked for the new leases over the amounts paid under the old leases.

Mr. SLEMP. Yes. I do not know that it is good business to say this, but for every lease that expires next year we are allowing for a 100 per cent increase. That is the recommendation of the Post Office Department and the Budget.

Mr. CHINDBLOM. There will be cases where the increases will be much more than that.

Mr. SLEMP. Yes; 140 per cent.

Mr. CHINDBLOM. Two or three hundred per cent in some cases, because 10 years ago some places were small towns, and those towns have grown so that now rents will have to be paid at city prices.

Mr. SLEMP. We are now paying about $500,000 for the 510 leases that expire next year and we expect to pay $1,000,000 for the renewals. As I have said, there will be 265 renewals between now and the beginning of the next fiscal year, and the others are covered by old contracts which will remain unchanged.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. I want just a few minutes in which to call attention to the fact that the vote just taken on the amendment offered by the distinguished gentleman from Minnesota [Mr. STEENERSON] illustrates very forcibly the strength of Samson after he recovered himself from the arms of Delilah and found his locks shorn. The gentleman from Minnesota [Mr. STEENERSON] is chairman of the great Post Office Committee. But the Committee on Appropriations has robbed him of his former power. He ought to know more than anybody else about the needs of the Postal Service and especially the needs of third-class post offices, which serve the rural population of the country. This great bill, appropriating $584,614,191.50, is about $6,000,000 under the estimate of the Budget. Now the gentleman from Minnesota, chairman of the Post Office Committee, who used to possess almost the same power that Samson once possessed, offers his amendment for increasing this paragraph for the third-class post-office service $500,000. That is less than one-tenth of the surplus margin permitted by the Budget estimate, yet by a vote of 2 to 17 he was overwhelmed by the chairman of the Committee on Appropriations and the committee. Out of a membership of 435 only 19 votes can be mustered on a meritorious proposition while passing this bill embracing $584,614,191.50.

Mr. MURPHY. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MURPHY. I am sure the gentleman understands that there is no dispute between the gentleman from Minnesota——

Mr. BLANTON. The only dispute between the gentleman from Minnesota and the gentleman from Ohio on the subcommittee is to the recent tune of 2 to 17.

Mr. MURPHY. The dispute is between the gentleman from Minnesota and the Post Office Department as to the manner of administration.

Mr. BLANTON. Then we are to presume that the Post Office Department is not alive to the necessities of the rural post offices scattered all over the country that serve the rural population, but the gentleman from Minnesota has been home this summer, he has talked with the people who have to go one or two miles to the little post office to get their mail, and he knows something about the hardships they undergo, and he comes back fresh from those people imbued with the necessity of increasing this appropriation. But the administration sitting here in Washington whenever it thinks of the post-office service it thinks only of the magnificent buildings and five and six daily deliveries that serve the people in New York, Philadelphia, Cleveland, and other big cities in the country. Well, I thought the gentleman from Ohio would sit down; he does not longer want to ask me any further question on that point. I am with the gentleman from Minnesota on this proposition, and I hope when the power does come back to him, when his locks have grown out, he will not in a fit of anger pull the temple down about our ears. [Laughter.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

For pay of letter carriers at offices already established, including substitutes for letter carriers absent without pay, City Delivery Service, $72,200,000.

Mr. CHINDBLOM. Mr. Chairman, it is very difficult, in fact, it is almost impossible, for the Members of the House who are not members of the committees who handle these post-office matters to talk with much intelligence about them. We can judge of the conditions only by the things that we see and learn. In the city from which I come the postmaster has found it necessary to reduce the number of daily deliveries in the residential and business districts, so that the people are complaining about the service which they are getting from this department.

Mr. MADDEN. I want to say that if the gentleman is correct it is not because there is not money or men enough provided. It is because they have not administered the funds that were placed at their disposal.

Mr. CHINDBLOM. I am referring to the Chicago office.

Mr. MADDEN. I say the administration of the Postal Service have not administered the funds. It is not because they have not had the funds. We have provided the appropriation for the men. I think the gentleman is doing a great injustice to the Postal Service by his statement.

Mr. CHINDBLOM. I am not finding fault with any particular branch of the department, but I do know that the number of deliveries has been reduced.

Mr. MADDEN. I come from Chicago. I do not know about the gentleman's district, but I have had no complaint in my district. I live in the same city the gentleman comes from.

Mr. BLACK. Will the gentleman from Illinois state how many deliveries they receive now a day?

Mr. CHINDBLOM. Two in a district which is both residential and business.

Mr. BLANTON. That is a good delivery.

Mr. CHINDBLOM. That is not what they are accustomed to.

Of course, if it is going to be the policy that there shall be only two deliveries in the thickly settled districts there is no more argument to be made about it. I rose for the purpose of inquiring—and I trust there will be no objection to my making this inquiry—I rose for the purpose of making an inquiry whether anything has developed before the committee with reference to the delivery service for which we appropriate $72,000,000. Will this amount further curtail the deliveries or is it sufficient for an increase?

Mr. SLEMP. It is enough to provide for the number of carriers estimated for by the department.

Mr. CHINDBLOM. What was the amount carried last year?

Mr. SLEMP. It is a little over 3 per cent increase, whereas it was only $200,000 increase the year before.

Mr. CHINDBLOM. Is it a fact that the business of the post office has increased 14 per cent?

Mr. SLEMP. No; not as much as that. For the calendar year 1922, as compared with the calendar year 1921, it is about the same. The Post Office Department held back $20,000,000 which they did not spend, and the postal revenue was about the same. For the fiscal year 1922 the increase is 4 per cent. Since the 1st of July there has been an amazing increase in receipts. That increase in the receipts has been absorbed by the Post Office Department in better organization, and that has been checked up by telegrams as late as December 16. I want to say that in 50 cities of the United States the service was being conducted up to date, even with the 20 or 25 per cent increase in postal service from 1922 to 1921, with the present force. The Post Office Department has now 462 clerks that they can appoint any time they choose from last year's money.

Mr. CHINDBLOM. Have they been distributed?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SLEMP. They have appointed this year something like nine hundred and some odd.

Mr. CHINDBLOM. I am obliged to the gentleman for his information, and I am not disposed to provoke any difficulty here, but I want to say to my good friend, the chairman of the Committee on Appropriations——

Mr. MADDEN. Oh, the gentleman is criticizing the administration for not delivering the mail in his district as often as they ought to have delivered it, and he presumes to say that it is because they have not been given the money with which to appoint the carriers. I want to say in reply to that that they were allowed 1,400 carriers for the United States, and they have appointed all but 482. They are still authorized to appoint 482, and they are asking for 1,400 more for 1924. We are allowing them that, and that would give them 1,882, which they would have the right to appoint for the next fiscal year. We do not presume to administer the Post Office Department; that is for the Post Office authorities to do. All we presume to do in this bill is to say that the amount we give them is adequate to meet the needs according to the best evidence they furnish to us; and if the gentleman has any complaint to make about the service, the place to make it is in the Post Office Department. That is the answer I want to make to the gentleman.

Mr. CHINDBLOM. I will say this: When I find the post-office service has been reduced in new growing sections of a large city—not in the territory where my good friend lives, but in the territory in which I live—and I am advised by the postal authorities that it is because of lack of funds——

Mr. MADDEN. Oh, the constant statement of the postal authorities in respect to every question asked is that the reason why they do not do this, that, or the other is that they have not got the money. That is the easiest answer to make, but it is not always true.

Mr. CHINDBLOM. I am trying to satisfy myself as to the adequacy of this appropriation. I have gotten some information now that I had not received before.

Mr. MADDEN. I think the gentleman had that information during the course of the general debate, because I then answered the same questions that he is asking now.

Mr. CHINDBLOM. But we are now specifically considering the appropriation.

Mr. MADDEN. But the gentleman had that information before we reached that point.

Mr. ROUSE. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ROUSE: Page 11, line 17, after the word "service," strike out the figures "$72,200,000" and insert in lieu thereof the figures "$67,200,000."

Mr. ROUSE. Mr. Chairman, I offer this amendment in consideration of the statement which the Postmaster General made some time ago regarding receptacles and door slots, to the effect that if receptacles and door slots were provided there would be a saving in this item of $5,333,000. This appropriation is $2,000,000 more than the appropriation for the current year, and allowing for the present year, and allowing for the thousand additional carriers that they expect to appoint, and the automatic promotions, this appropriation can be reduced, and in my time I ask that that portion of the Postmaster General's letter be read by the Clerk, which I send to the desk.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

About 35,000 carriers are engaged in the delivery of mail. The number of trips ranges from two to six, the average being about three. The average number of delivery stops on a residential route is approximately 300. It is reasonable to assume that each carrier will deliver mail to an average of 200 stops daily, and that the use of a mail receptacle will save him a quarter of a minute at each stop. On this basis the value of the additional service which may be rendered in the time saved is estimated at $5,355,000. The use of mail receptacles in the delivery of mail is not an experiment, but experience has shown that it is an advantage to the patron, and actually effects a saving of the carrier's time, which is usable in extending service.

Mr. ROUSE. Mr. Chairman, I understand that the Postmaster General said that these receptacles must be erected before the 1st of March next, and if they are this saving can go into effect in the next fiscal year. I hope my amendment will be agreed to.

Mr. MADDEN. Mr. Chairman, of course the gentleman must be having a little fun with himself. He wants to be facetious, I presume, because I am sure that he is not serious in offering the amendment. It might well be that if all these receptacles were placed on the houses throughout the United States a saving could be made, and undoubtedly it could, but we all know that they have not been placed there.

Mr. ROUSE. Did not the Postmaster General state that 60 per cent of the houses had been so equipped?

Mr. MADDEN. I do not remember what he said.

Mr. ANDREWS of Nebraska. And the Postmaster General said that if we did not put them on the Post Office Department would not leave the mail.

Mr. MADDEN. Oh, that order has been rescinded. It does not exist any longer.

Mr. BLANTON. But it was just extended until March 1.

Mr. MADDEN. It is rescinded for the time being. Of course, everybody knows that the Postmaster General has no such power, that he could not put the order into force, that the people of the United States are entitled to their mail, that they are entitled to have it delivered to their houses, and whether the post boxes or receptacles referred to in the order of the Postmaster General are installed or not the mail will

be delivered, and there will be some authority somewhere to see to it that it is delivered if the Postmaster General declines to do so. So that I hope the gentleman's amendment will either be withdrawn or voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was rejected.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. Very unfortunately for myself, and I think the House will appreciate its loss also, I was absent from the floor for a few minutes when lines 9 and 10, on page 11, were read:

For allowances to third-class post offices to cover the cost of clerical services, $4,250,000.

Mr. MADDEN. An amendment was offered to that to raise that amount $500,000 and was voted down.

Mr. McLAUGHLIN of Michigan. I am very sorry that was voted down. I notice the bill carries an increase of $250,000 over the amount provided for the current year, but in my judgment that increase is not enough. Some gentlemen remarked that we have already gone over this, but I wish to have my say about it, even if some feeble remarks have been made in respect to it before this time. In almost every third-class office it is necessary for the postmaster to have help. The Post Office Department recognizes that; in fact, requires it. It recognizes it by providing some money to be used toward the payment of such service, but it is not enough, and it is necessary in almost every office for the postmaster to go down in his clothes and make up a considerable amount of money to be paid to one or more clerks. It is not fair; it is not right. In the first place, the salary of the postmaster is fixed at a figure that does not fully compensate him for his own services, and there is not a Member present who does not often find difficulty in getting just the kind of men he would like to have serve as postmasters in the lower grades. Especially is that true in the third-class offices, where the compensation is not attractive, and where, under the present method of doing business, it is necessary for the postmaster to pay out such a large portion of his salary for clerks. I regret that I was not here to help boost this amount.

It has been in my mind a great deal. I have seen a great deal of difficulty growing out of it, embarrassing to the postmasters, embarrassing to the clerks who have to put up with less than their services are worth, embarrassing to Members of Congress, and it is not fair on the part of the Government.

Mr. MADDEN. If the gentleman will permit, there is one way to remedy that, and that is for the third-class post offices to have the salaries of clerks fixed on an annual basis. Then there will not be any further trouble about it.

Mr. McLAUGHLIN of Michigan. The postmasters do not do it; they get clerks——

Mr. MADDEN. Congress can do it.

Mr. McLAUGHLIN of Michigan. In these matters the chairman of the Committee on Appropriations has much more influence than has any other Member, and if he is unable to do it——

Mr. MADDEN. But it is a matter of legislation and it must come from the Post Office Committee. We are appropriating money under the law as it exists. If you change the law we will appropriate under that. It is not up to us at all.

Mr. McLAUGHLIN of Michigan. It seems to me that this subcommittee considering its appropriation bill could bring in some legislation and get it through in some way. It could put it across. The Committee on the Post Office and Post Roads, like all other legislative committees of the House, has been shorn of its power, unsexed—I do not know what else to call it—but why does not the Committee on Appropriations take this up if the need is recognized?

Mr. MADDEN. We do not recognize the need of it.

Mr. STEENERSON. Mr. Chairman, I think that is very unfair for the chairman of the Committee on Appropriations to say that this is a matter of legislation. It is not. The law is all right that we have—had it for many years, long before the gentleman came to Congress. The system was based upon a lump sum in proportion to the salary of the postmaster. That is the old system, and we considered it when we revised the salary schedules in 1920. We came to the conclusion that that is the fairest way. The law is the deliberate judgment of both Houses of Congress. In regard to the proposition to increase this amount a half million dollars I only got two votes in favor of it. I heard the speech of the gentleman from Texas in my favor but he was not here to vote for it.

Mr. BLANTON. Oh, the gentleman is mistaken. I did not vote against the amendment. I was right here.

Mr. STEENERSON. The gentleman did not vote at all, and I only got two votes.

Mr. BLANTON. From the gentleman's line of argument I never was able to tell exactly what his amendment meant, and the vote came before I was able to tell what he was driving at, and I only found out when it was defeated that the gentleman had offered a very meritorious proposition. With the committee's majority of 17 to 2, my vote was futile.

Mr. McLAUGHLIN of Michigan. If I had been here, the gentleman's vote would have been increased 50 per cent.

Mr. STEENERSON. I give notice that there may be opportunity to vote for this yet, because this is not final. There is a possibility I may offer a motion to recommit with an amendment containing this increase. It is the most important matter there is here. There is no fault with the law. The fault is that the appropriation is inadequate. The gentleman from Michigan has often received letters from the department when increased compensation for clerk hire is asked in these third-class offices and they say they can not give any more because Congress failed to appropriate enough. That is always the reason given.

Mr. THORPE. Mr. Chairman, as a new Member I want to make this statement. Along last spring I was talking to some postal clerks at Lincoln, Nebr., when seven were laid off, and upon investigation they were told there were not sufficient funds to carry them and pay them for their services.

Mr. STEENERSON. The gentleman is talking about some clerks we have not anything to do with. We refer to clerks in first and second class offices. These clerks in third-class offices have no fixed salary. They get $15, $25, and $50 per month. Assistant Postmaster General Bartlett said that the Government never had any employees and had not now any employees who gave so much for the money received as the clerks in the small post offices, working all hours of the day and night sometimes. The gentleman from Michigan is perfectly right, and I want to make it plain, and I hope they will vote for my amendment when an opportunity arises.

Mr. BLANTON. I am with the gentleman.

Mr. STEENERSON. To move to recommit the bill in order to place this increase in?

Mr. BLANTON. Yes. But the trouble with the gentleman is that the Appropriations Committee has robbed him of all of the power he once exercised when he had appropriative power.

Mr. STEENERSON. All I can do is to make the offer, and in spite of the support of the gentleman from Texas I hope to win.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, $1,500,000.

Mr. FESS. Mr. Chairman, I move to change the figures at the end of the line to $1,700,000.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. FESS: Page 11, line 26, strike out "$1,500,000" and insert "$1,700,000."

Mr. FESS. Mr. Chairman, I make this amendment purely pro forma in order to make an observation, and I intend to withdraw the amendment after I make that observation. This is one of the last things that has been added to the Postal Service, showing the general expansion of the service. It seems to me that there is no activity of the Government that is more nearly universal, touching every citizen and every community, as the Postal Service does, and I think there is growing up in the country a conviction that it does not matter how much is the cost, that we ought to go ahead and do it whether it is self-supporting or not. I arose because I wanted to read a letter, which is a rather classical performance, that I received to-day on the subject of the Postal Service.

The letter complains of the practice whereby when a letter does not carry sufficient postage when it is put into the mail it will not be forwarded, but will be held up for more postage, and he says that that practice causes an immense amount of inconvenience and in many cases losses. Then he makes this very remarkable suggestion, and I read the letter just to show you the trend of public thought, that the Government needs to go on and do these things, no matter whether they cost something or not. "If the Government does it, why, what is the difference? It is ours anyway." It seems to me to be along the line of a growing tendency of thought, that it does not matter whether the Government runs at a loss or not, and in the way of public utilities, if they are running at a loss, it makes no dif-

ference, because the Government is doing it. This is a classical letter, written on a typewriter. It is not a "nut" that is writing it, but it is a fellow who really believes that he is making a genuine suggestion of value. He first starts in and says, "Kindly introduce a bill into the Senate." He should say "in the House"; he forgets where I am. [Laughter.]

Mr. CHINDBLOM. He means in the next Congress. [Laughter.]

Mr. FESS. "Providing for the delivery of mail to its destination regardless of insufficient postage and the abolition of fancy red-tape methods now in use of collecting a few pennies for a benevolent Government which spends huge sums lavishly."

Then here is his suggestion, and you will note the language:

Though not having studied the matter intricately, it seems to me such a bill ought also provide a uniform charge of 1 cent for any ordinary daily newspaper (e. g., the Toledo Blade) wherever domestic rates apply, and a uniform charge of 2 cents for all sealed letters of anywhere near ordinary size and allowing for a very generous amount of overweight or overthickness; or removing postage charges entirely and restricting in other ways abuses, on the theory that letter writing and the use of the mails should be encouraged for its educational and entertainment value, assuming most letters to be welcome and a pleasure to the recipient, and representing on the part of the writer time and effort very honorably and profitably spent.

Mr. BEGG. Will the gentleman tell us what business the author of that letter is in?

Mr. FESS. I have no idea. It comes from northwestern Ohio.

Mr. BEGG. I was just wondering what kind of business he was in.

Mr. FESS. It is a typewritten letter. It is a sincere statement that the Government ought to do things, even if it is for nothing. It shows a trend of public thought.

Mr. Chairman, I withdraw my pro forma amendment.

The CHAIRMAN. The gentleman from Ohio withdraws his pro forma amendment.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Maryland moves to strike out the last word.

Mr. HILL. I do so for the purpose of asking permission to include in my remarks made this morning a short editorial from the Baltimore American on the privileges of the House.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD by including the matter mentioned by him. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the operation and maintenance of the airplane mail service between New York, N. Y., and San Francisco, Calif., via Chicago, Ill., and Omaha, Nebr., including necessary incidental expenses and employment of necessary personnel, $1,500,000; and in addition to this sum any unexpended balance of the appropriation for this purpose for the fiscal year 1923 is reappropriated and made available for the fiscal year 1924.

Mr. STEENERSON. Mr. Chairman, this is one of the few items in the bill that exceed the Budget estimate by adding an indefinite appropriation, whatever it may be—it is not disclosed in the bill—an unexpended balance. Has the gentleman from Virginia any figures on that? How do they know there is going to be an unexpended balance?

Mr. SLEMP. I will say to the gentleman that they estimate about $100,000 as the unexpended balance.

Mr. STEENERSON. Now I want to relate a little history concerning this air mail service. When it was first proposed to establish this service several Members of Congress from California and the mayor of San Francisco and the Second Assistant Postmaster General said it would not cost a cent, because the cost was going to be taken from the unexpended balance already appropriated for the Railway Mail Service. I said, "That is preposterous, that it will not cost anything. You can not make this committee swallow any such statement as that."

It turned out within a very few weeks or a very few months that a decision of the Interstate Commerce Commission was rendered as to the compensation of railways for carrying the mails, which created a deficit in the appropriation for the Second Assistant Postmaster General's office of $76,000,000, which had to be paid later on; so that if they had got their bill through at that time they would not have gotten anything. They misrepresented it. There was no unexpended balance.

Now it is only January, or it will be January on Monday, and only half the fiscal year has gone by, and they solemnly asked $1,900,000 in the last appropriation on the ground that they needed it. It was very urgent. In fact, they asked for more. Now they come in here and claim they will have an unexpended balance, six months before the end of the fiscal year, and they are going to use it for this enterprise.

Mr. SLEMP. I would like to say to the gentleman right there that they have reduced the personnel and reorganized the department—the air mail department—almost all the way through. Their supplies are not costing them so much as heretofore, and they are taking so much care of their planes that they will not cost so much, and they think they can pick up $100,000. They propose to run this same service next year for $1,000,000, a service that they are running for $1,900,000 this year.

Mr. STEENERSON. This is a new enterprise that they are going to establish, and of course there may be something in it, and I shall not set my judgment up against that of the rest of the Members of the House. It is subject to a point of order, but I will not make it. But it seems to me that a rule for one should be the rule for all. If this committee is going to abide by the Budget, why not abide by it in all things?

Mr. SLEMP. I will say that I submitted that question to the Budget officer, and he approved of this language.

Mr. STEENERSON. There is no record of that. I have got to go by the record.

Mr. SLEMP. I say that for the information of the gentleman, that it was not done without the consent of the Budget officer.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. TAYLOR of Colorado. The gentleman would not have the Committee on Appropriations completely abdicate and surrender all its authority and jurisdiction here, would he?

Mr. STEENERSON. That is unthinkable. The Committee on Appropriations never abdicates anything, but always grabs everything in sight. [Laughter.] That is what they have done here, and that is what the other subcommittee on appropriations did on the Indian bill. I offered a small amendment to that bill which would have saved the lives of sick people suffering up there on an Indian reservation—people who were helpless and needed assistance—and the subcommittee of the Committee on Appropriations stood here like a rock and refused to modify the language so as to make the appropriation available. Now, here we have the question of these clerks——

The CHAIRMAN (Mr. ANDREWS of Nebraska). The time of the gentleman has expired.

Mr. STEENERSON. I ask an extension of five minutes.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Does the gentleman observe that there is a cut from the Budget estimate of something like $5,000,000 on the total items of this bill?

Mr. STEENERSON. I heard somebody state that. I have not compared the figures. I have no doubt it is true, but that is not conclusive to my mind. I think there might be still more cutting; but on this item that we have been considering, about third-class clerk hire, the subcommittee have been absolutely adamant against all appeals for an increase.

Mr. MURPHY. Surely the gentleman does not want us to take literally what he is saying as an absolute fact when it has been stated on the floor here that the controversy is between the gentleman's committee on the Post Office and Post Roads and the administrative department.

Mr. STEENERSON. That is an error. There is no trouble about the law.

Mr. MURPHY. It may be an error; but we do not like to have the gentleman make the statement that he has made.

Mr. STEENERSON. The gentleman ought to know; but he does not know what he is talking about.

Mr. MURPHY. He knows what the gentleman from Minnesota has said and what has been said in the hearings.

Mr. STEENERSON. I refuse to yield any more. I do not want any controversy. The chairman of the committee stated that it was the fault of the law, and that I deny. The law is the same as it has been for years. The allowance for clerk hire is based on the salary of the postmaster, and that is based on the receipts of the office, and no more fair or just or scientific basis of pay can be made. We can not make any better law than that.

The subcommittee have refused to allow a change in a single line so far. Here, however, when the air mail appropriation comes in they have violated the Budget estimate and put in perhaps $100,000 and perhaps $500,000 of unexpended balances before they know what the amount is. If that is good legislation, I want to know it.

Mr. ROUSE. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee if any

part of this appropriation is to be used to pay for the erection of an airplane factory in Chicago?

Mr. SLEMP. No; not a dollar.

Mr. ROUSE. Where is the money coming from to pay for that?

Mr. SLEMP. I will say to the gentleman that that building has been erected. There was $1,900,000 appropriated last year for this service, and they found they could conduct the service for less money than that.

Mr. ROUSE. And they have taken it out of that appropriation?

Mr. SLEMP. They have taken it out of that appropriation. It was contemplated that that surplus would be used along those lines.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For rent, light, heat, fuel, telegraph, miscellaneous and office expenses, telephone service, and badges for railway postal clerks, and rental of space for terminal railway post offices for the distribution of mails when the furnishing of space for such distribution can not, under the Postal Laws and Regulations, properly be required of railroad companies without additional compensation, and for equipment and miscellaneous items necessary to terminal railway post offices, $930,000.

Mr. ROUSE. Mr. Chairman, I wish to ask the chairman of the subcommittee if his committee has made any investigation of sanitary conditions in any of these terminals, and especially in Washington?

Mr. SLEMP. The committee is not in a position to make any investigation of that kind.

Mr. ROUSE. I have received some complaints regarding the sanitary conditions in the terminal here.

Mr. SLEMP. I would like to say in that connection that the Postmaster General stated in the hearing that he was acting in coordination with the Public Health Service, and that the Public Health Service cooperated with the department in bringing about the very best conditions for the physical well-being of the employees and good conditions in these terminals. I think perhaps 50 or 60 of these terminals and post offices have the public health service already installed and in operation. That is an innovation within the last three months.

Mr. ROUSE. I have had several complaints, especially one in writing which I think should be called to the attention of Members, and especially to the attention of the Superintendent of the Railway Mail Service, and I ask unanimous consent to extend my remarks in the RECORD by printing this letter.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The letter is as follows:

WASHINGTON, D. C., *December 29, 1922.*

Hon. A. B. ROUSE, M. C.,
Washington, D. C.

MY DEAR SIR: We are writing you because of our conversation we had and also because of your being a prominent member of the Post Roads Committee, and we feel that you can be of very material assistance to about 130 Railway Mail Service clerks, who certainly need and will appreciate any effort you may make on their behalf.

We desire to attract your attention to the Washington Terminal railway post office and acquaint you with its faults, failings, crowded condition, unhealthy atmosphere, location. We feel that we are well within our rights when we make and explain two contentions, viz, unhealthiness and crowded condition.

Location: In subbasement of Washington City post office, two floors below street and main floor level.

Fire hazard: Three dead walls with eight windows on one side so high up that a ladder would have to be used. One door leading to this room. One other door, which is kept constantly locked by order of supply division. This in addition to elevator.

Toilet facilities: Wholly inadequate to take care of the wants of about 130 men. Two toilets, two washbasins, one urinal. Clerks compelled to climb three flights of stairs to reach same, being so far removed from workroom that it affords a loafing place for many while on duty.

Lights: Artificial lights must be used for the 24 hours, and the present arrangement which carries the "juice" to us is carrying all that the switchboard will allow. Thus the possibility of a blow-out anytime.

Insanitary conditions: Entirely too hot, bad air, poor ventilation. Floor swept at times, but the crowded condition does not permit of a thorough cleaning. Along the ceiling of this room are carried the soil pipes that carry the refuse from the city post office to the sewers. Frequently the weather affects these pipes so that they throw out a "sweat" which drops on the work in the hand and on the heads of the clerks.

We are laying a great stress on the foregoing conditions, as from the standpoint of health we can find no argument, nor has any been presented, whereby we can come to the conclusion that this is a healthy place to work in. This place was evidently built in for a storeroom or junk shop. The figures will show that during two months this year we were compelled to give out 600 sick days.

Ours is an exacting service—one of speed, accuracy, and stamina—requiring one to be in the best possible physical condition in order to perform good service. With the Post Office Department viewing the humanizing of the service as a splendid thing, we also feel that they might be concerned with the health of their men.

Service: From the standpoint of good mail service very little can be said of the present location. We are so far below the level of the station that all mail that comes to us and mail dispatched by us must come through one lone freight elevator. Very frequently we are hampered in the use of this elevator, as we do not have the exclusive use of this elevator, it being used by the supply division, redemption division, registers, empty sacks, etc. Before this mail comes to us and after being worked it passes through the city post office and over a bridge to the station. According to season, this mounts to from 3,000 to 9,000 sacks per day. We firmly believe that the postmaster at Washington would be more than pleased were it possible for us to secure a location which would not interfere with the workings of his office.

We have just gone through a very trying Christmas mail, and had we not been given extra space from the redemption division, supply division, and the baggage room of the station, which was used for North Carolina and South Carolina and West Virginia, we would have been tied in such a knot we would not be able to extricate ourselves. Understand that this space was granted without cost.

We feel that for the health of the clerks and for the benefit of good mail service we are not now in a proper place to do justice to either. Mail increases from time to time, and along with that increase ought to come space and good conditions.

We are not unmindful of the busy days before you, but we are hopeful that you can lend some effort to securing us some relief.

Very respectfully,

———— ————.

The Clerk read as follows:

For pay of rural carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, and tolls and ferriage, Rural Delivery Service, and for the incidental expenses thereof, $86,900,000.

Mr. STEENERSON. Mr. Chairman, I move to strike out the last word. I should like to ask whether the committee inquired into the matter of the sufficiency of this appropriation to extend the Rural Free Delivery Service to the new routes, or is this just enough to maintain the present routes?

Mr. SLEMP. This item is an increase of $400,000 over the estimate submitted by the Budget officer, which was $86,500,000. This will take care of about 600 new rural free delivery routes more than what they now have, allowing about 130 for the remainder of this fiscal year and between 400 and 500 for the next year, which will be about the normal increase.

Mr. STEENERSON. My observation has been that this administration during the past year, at least, has been very liberal in extending new service and adding new routes.

Mr. SLEMP. Every single rural free delivery application before the department that has been investigated and approved has already been granted and the route installed, and not a single one is being held up.

Mr. STEENERSON. Where there are sufficient patrons to justify it, I think the Post Office Department has done very well.

Mr. SLEMP. Every one has been put in operation where it has been investigated and approved.

Mr. STEENERSON. I am a little afraid you have not appropriated enough money for this purpose for next year.

Mr. SLEMP. We have given them $400,000 more than they asked.

Mr. STEENERSON. Very well. I withdraw my pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

The Clerk read as follows:

For the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of Brooklyn of the city of New York, at an annual rate of expenditure not in excess of $18,500 per mile of double line of tubes, including power, labor, and all other operating expenses, $513,911.50: *Provided*, That the provisions not inconsistent herewith of the acts of April 21, 1902, and May 27, 1908, relating to the transmission of mail by pneumatic tubes or other similar devices, shall be applicable hereto.

Mr. ROUSE. Mr. Chairman, I make the point of order against the section on the ground that it is not authorized by law and that it is legislation on an appropriation bill.

Mr. BLANTON. And I make the additional point of order that it provides special legislation on an appropriation bill.

Mr. MADDEN. The authority for this is granted under the laws of April 21, 1902, and May 27, 1908, relating to the transportation of mail by pneumatic tubes or other similar devices. These tubes were installed under the authority of those acts. We looked it up very carefully because I will say to the gentleman from Kentucky that some of us were not very friendly to the installation of the tubes when it was proposed to install them. We looked up to see whether there was any law to authorize the installation, and we found that the law was specific as to the authority for the installation and we came under the law, except that the law provided a limit of $17,000 a mile. The committee reported in favor of installing the tubes at a rate of $17,000 a mile and the House increased it to $18,500 a mile.

Mr. BLACK. Mr. Chairman, I think the point of order made by the gentleman from Kentucky is clearly good. It must be remembered that these pneumatic tubes do not belong to the Government of the United States and were not constructed by it. Of course, if they had been they would have had to be constructed under authority of law, and the Post Office Department would unquestionably now have the right to continue to operate them. The section to which the point of order is made refers to the act of 1902, and I want to call attention to the language of that act:

And the Postmaster General is authorized to enter into contracts for a period not exceeding four years after publishing advertisements once a week for a period of six consecutive weeks in not less than five newspapers—

And so forth.

Now, it was recognized by the framers of that language which I have just quoted that the mere carrying of the appropriation in the bill then under consideration would not make it authority for it to be carried in some subsequent bill. So Congress gave the Postmaster General authority to make a four-year contract. It was not desired to enter upon a new service for just one year.

Mr. MADDEN. It was afterwards changed to 10 years.

Mr. BLACK. I was going to refer to that in a moment. At the expiration of the act of 1902 the act of 1908 was passed, to which reference was just made, and I will not take the time to read that act because it provides in substance the same thing as is provided in the act of 1902, except that it authorized the Postmaster General to make the contracts for a period of 10 years. That period has expired. It seems to me that no one can contend that the act of 1902, limited as it was for four years, is now the law. No one can contend that the act of 1908, limited as it was for 10 years, is now existing law. That is water which has gone over the wheel.

The only authority for starting this service again is carried in an appropriation bill for the current fiscal year. If the Chair will look at the language therein contained he will find that it does not authorize any contract for the future, but simply makes an appropriation to install this service for the current year. Now comes the committee with an appropriation in the present bill and repeats the language of the bill of last year, and I hold under the precedents of the House that the point of order is well taken.

It seems to me the proposition is virtually the same as the one in reference to the aircraft appropriation. The Post Office appropriation bill had carried an appropriation for the aircraft service for two or three years, and the gentleman from Kansas [Mr. TINCHER] made a point of order against the appropriation upon the ground that aircraft mail service was not authorized by existing law. It was contended in the debate upon that point of order—I recollect the gentleman from Minnesota [Mr. STEENERSON], who was then and now is chairman of the Committee on the Post Office and Post Roads—argued to the Chair that the appropriation was in order because it was a continuation of a public work. The Chair in sustaining the point of order makes the following statement, found on page 1584 of the RECORD, second session, Sixty-sixth Congress:

The point of order is made to the language beginning *"Provided further,"* in line 20, down to and including the word "determine," in line 25, on page 14. The Chair finds on examination of the previous act that in 1917 the Postmaster General was authorized to expend not exceeding $100,000 for the purchase, operation, and maintenance of airplanes for experimental purposes, and furthermore, in the act of May 10, 1918, the Postmaster General, in his discretion, was authorized to require the payment of postage on mail carried by airplane at not exceeding 24 cents an ounce or fraction thereof.

Here is the meat of the decision:

The fact that the establishment of this particular class of service was provided for in an appropriation bill and may have been continued in another appropriation bill or the succeeding year would not, in the opinion of the Chair, be a sufficient justification for the claim that it would not be subject to a point of order, if the point of order be made. In the view of the Chair the Post Office Department is not authorized by any existing law to establish as a permanent class of service of carriage of mail by airplane. The commission to which the gentleman from Minnesota referred provided for the carrying of mail on all post routes, but that would not provide for carrying the mail through the air.

Now, the Chair sustained the point of order in that case on the ground that the existing law was not broad enough to include transportation by airplane, and that it was not a continuation of a "public work" merely because two or three appropriation bills had carried a similar appropriation for prior years.

That is the contention that we make on this point of order. Because the law of 1902 authorized the Postmaster General to enter into a contract for four years, and because in 1908 a similar law was passed authorizing him to enter into contracts for 10 years would not be authority for him to enter into a new contract at the present time.

Mr. REED of West Virginia. Were these previous appropriations for this service for a temporary period, at the time subject to the point of order the same as this, and was the point of order made?

Mr. BLACK. No. For example, any appropriation made during the life of the act of 1908 would not have been subject to a point of order, because anyone making it would have been at once referred to the act of 1908.

Mr. REED of West Virginia. Which came from another committee?

Mr. BLACK. Yes; from the legislative committee, which specifically authorized the Postmaster General to do the thing that he was doing; and the appropriation would therefore be in order.

Mr. MADDEN. The gentleman from Texas would not deny the fact that the contract pursuant to the act of 1902 has been entered into?

Mr. BLACK. But they have expired.

Mr. MADDEN. Oh, no. It is a work in progress.

Mr. BLACK. The gentleman would not contend that under the act of 1902 the Postmaster General entered into a contract for a longer period than for four years?

Mr. MADDEN. The contract was entered into within the last year.

Mr. BLACK. But that was entered into under the appropriation act, which was only for the current year.

Mr. MADDEN. Pursuant to the act of 1902.

Mr. BLACK. Oh, no; not at all; because it does not so recite.

Mr. MADDEN. And 1908 also.

Mr. BLACK. If the Chair will hear me also on the proviso, the proviso is clearly legislation upon an appropriation bill. There is no act now that governs the Postmaster General in the making of these contracts. The act of 1902 existed for only four years. The act of 1908 existed for 10 years. These acts went out of existence with the expiration of that period of time. This provision provides as an affirmative fact that these acts shall be reenacted and govern the provisions of contract made under the appropriation voted in the bill, except those provisions of the acts of 1902 and 1908 which conflict with the limitation of $18,500 a mile now carried in this bill. That would in effect be repealing the existing law of 1902 and 1908, which, if it does exist, limits the contract price to $17,500, and to repeal a law and increase the amount for service is new legislation. There can be no question about that. If the contention of the gentleman from Illinois [Mr. MADDEN] is correct, that the act of 1902 and the act of 1908 still govern, containing the limitation of $17,500, then unquestionably the proviso in this bill is new legislation, because it repeals the former limitation of $17,000 per mile and raises it to $18,500. In either event it seems to me the point of order will have to be sustained, because it is new legislation.

Mr. TEMPLE. Mr. Chairman, I call attention of the Chair to a paragraph in the act of 1902, which I think the gentleman who has just taken his seat has probably overlooked. After making provision that the Postmaster General may enter into contracts we find the following:

That the Postmaster General shall not, prior to January 30, 1904, enter into contracts under the provisions of this act involving an annual expenditure in the aggregate in excess of $800,000, and that thereunder only such contracts shall be made as may from time to time be provided in the annual appropriation act for the Postal Service.

Contracts were to be limited to four years, but there was no limit of four years on the life of the law. Also, I call attention to the fact that the appropriation item pending in the present bill now before us is for the carrying out of the contract which was entered into for a period of 10 years, because in 1908 the 4-year period for contracts was extended so that the Postmaster General might make a contract for 10 years. The item now pending is an appropriation to carry out a contract already entered into for a period of 10 years and is in conformity with the act. The limitation of four years about which the gentleman has been speaking is a limitation upon the term for which the contract might be made, not a limitation at all upon the life of the law. That limitation of four years was changed by the act of 1908, which gave the Postmaster General authority to enter into a contract for 10 years, and in the language of the act of 1902—

only such contracts as may from time to time be provided for in the annual appropriation act for the Postal Service.

So that if the appropriation act now pending provided for a new contract, that amount of legislation in the appropriation bill is already provided for in existing law.

Mr. BLACK. Mr. Chairman, just one more suggestion and I am through. If the contention of the gentleman from Pennsylvania [Mr. TEMPLE] is correct, there would not have been

any necessity for enacting the law of 1908, which authorized the Postmaster General to contract for a period of 10 years.

Mr. TEMPLE. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. TEMPLE. The exact necessity for it was that the act of 1902 authorized that contracts should run for only four years. We found that was not enough, and in 1908 we made a change of law which authorized the Postmaster General to make contracts that would run for 10 years. That was the precise reason for passing the act of 1908.

Mr. BLACK. I understood the gentleman to contend that the provision of law which he read was a general provision and provided an indeterminate time for this service.

Mr. TEMPLE. Not for the service. It put a limit of four years on the time that the contract might be in effect, but there is no limit on the life of the law.

Mr. BLACK. Well, the contention that I make is that the law has to be read as a whole, and the fact it limits the authority to a four-year contract is conclusive evidence that it was the intent of the Congress that the authority should not extend any longer than four years. Now, I make this further point, if the Chair permits, that even if the gentleman from Pennsylvania [Mr. TEMPLE] is right in his contention, nevertheless this paragraph is subject to the point of order because the proviso is clearly legislation. Now let me read the provision here in the law of 1902:

No contract shall be made in any city providing for 3 miles or more of double lines of tubes which shall involve an expenditure in excess of $17,000 per mile per annum, and said compensation shall cover power, labor, and all operating expenses.

The language in the present bill authorizes the Postmaster General to provide for $18,500 a mile, and further says that the provisions in this act of 1902 shall govern the Postmaster General in the making of all of these contracts except where it is inconsistent with the provisions of the language in the present bill. Now, of course, the inconsistency that it refers to is very clear, and that is the $17,000 limitation in the act of 1902 and it removes that limitation and makes a contract for $18,500 a mile permissible. Now, it seems to me that if the contention of these gentlemen is true, to the effect that the act of 1902 is still in existence, why, then, this bill would be clearly repealing a part of the language of the act of 1902, and to repeal part of a law is legislation. That is the contention that I make.

The CHAIRMAN. Do gentlemen care to be heard any further? The Chair is ready to rule.

The Chair doubts whether it is necessary for the Chair to express his opinion on the first part of the section. It is plain to the mind of the Chair that the act of 1902 is still in existence, still a valid enactment. The Chair believes that the language, to which attention was called by the gentleman from Pennsylvania [Mr. TEMPLE]—

and thereafter only such contracts shall be made as from time to time are provided for in a new appropriation act for the Postal Service—

is permanent law and makes it possible at any time for the Congress to exercise its discretion as to that particular subject matter. The Chair has looked at these other acts, and while that particular act provided for four-year contracts it was evident that at that time the Congress was of the opinion this was the period for which such contracts should properly extend. In the act of 1908 first an appropriation was made and then authority was given to extend contracts for periods of 10 years, and following in the act of 1916, in a similar portion of the act, an appropriation of $976,000 was made and the Postmaster General was authorized to extend existing contracts until March 4, 1917. There was some subsequent legislation on that subject; among other things a commission was appointed to investigate the matter and make report on or before March 4, 1918. But in every instance the Chair believes Congress was exercising a power that it still has; a power to make appropriations for the pneumatic-tube service under the original act of 1902, which has never been repealed, either expressly or by implication.

But the gentleman from Texas [Mr. BLACK] urges the proposition that the proviso is legislation. The Chair thinks it is. The Chair can not escape the reasoning which the gentleman from Texas urges as to the proviso, and therefore the point of order is sustained.

Mr. SLEMP. Mr. Chairman, I offer an amendment. It is the same paragraph without the proviso.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SLEMP: Page 19, line 23, strike out: "For the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of Brooklyn of the city of New York, at an annual rate of expenditure not in excess of $18,500 per mile of double line of tubes, including power, labor, and all other operating expenses, $513,911.50."

Mr. BLACK. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation upon an appropriation bill. I understand the viewpoint of the Chair, as recently stated in the decision, and do not take issue with the Chair when he rules that a simple appropriation would be in order. But this limitation, which authorizes the Postmaster General to enter into contracts of $18,500 per mile, is a provision that would repeal the limitation in the law of 1902, which limits it to $17,000 per mile, and it would clearly be legislation, because if that amendment is passed then the Postmaster General would be permitted to go out and contract at $18,500 per mile instead of being limited to the present law, which requires not to exceed $17,000 per mile.

Mr. MADDEN. Mr. Chairman, we have no argument to present on this side.

The CHAIRMAN. If the Chair is correctly advised, that the act of 1902 is permanent legislation, then the provision of that act applies. That provision is:

No contract shall be made in any city providing for 3 miles or more of double lines of tube which shall involve an expenditure in excess of $17,000 per mile per annum, and said compensation shall cover power, labor, and all operating expenses.

The Chair assumes that the kind of service that is to be rendered under this bill is the same kind of service as is mentioned in the section just read. If that is true, a limitation of $17,000 per mile is made by the substantive law. This bill makes a limit possible of $18,500. Surely that changes the law itself and is legislation. The Chair therefore sustains the point of order.

Mr. SLEMP. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SLEMP: Page 19, after line 22, insert: "For the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of Brooklyn of the city of New York, including power, labor, and all other operating expenses, $513,911.50."

Mr. CHANDLER of New York. Mr. Chairman, I just want to occupy a few minutes in discussing the amendment.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. CHANDLER of New York. Mr. Chairman, I am in favor of the amendment offered by my colleague from Virginia [Mr. SLEMP].

I am delighted that the Chair overruled the objection of the gentleman from Texas [Mr. BLACK]. This ruling simplifies matters greatly.

I favor the pending amendment, because it provides for a pneumatic-tube system for New York City and furnishes a better postal service for the metropolis, which means better postal facilities for the entire country and, in a sense, for the whole world.

The voting of the appropriation provided by this amendment is a matter of absolute good faith and business integrity, since the contract for a pneumatic-tube service in New York has already been made, and a suitable appropriation to carry out the contract is absolutely necessary unless the Government is to default in its agreement.

Mr. Chairman, the discussions and dissensions of recent years on the floor of this House concerning pneumatic tubes have almost invariably been caused by the question of economy. It has rarely been denied that pneumatic tubes furnish a better and more expeditious service. It has simply been contended that the truck system furnishes a more economical way of moving mail in New York City. There seems to be no truth in this contention. Indeed, the very opposite seems true. Admitting, however, for the sake of argument, that the system of truck transportation is more economical, it can not be reasonably denied that the small amount of money saved by the trucking of mail is inconsiderable, even insignificant, when compared with the decided advantage and the better service of the pneumatic-tube method. It is all very well to cultivate economy in the administration of public affairs, but it is not wise to destroy efficient government in the name of economy. There is such a thing as being penny-wise and pound-foolish.

What we need in New York City especially, and in the country generally, is a postal service which is characterized at once by safety, certainty, and speed. To secure such a service we can afford to expend a little extra money.

The longer I stay in this House, Mr. Chairman, the more respect I have for facts and figures and the less for declamation and rhetoric. I am coming to believe that an ounce of logic is worth a ton of eloquence. These considerations compel me to submit at once a statement of facts and figures, based upon reports of Postmaster Morgan of New York and of Fourth Assistant Postmaster General Billany of the Government, demonstrating that the pneumatic-tube system is not only more expeditious but more economical as well. I respectfully request your careful consideration of the following statement of facts and figures:

The contract entered into with the New York Pneumatic Service Co. on October 2, 1922, after advertising for bids as provided by law, covers 27.41 miles of double tubes at $18,500 per mile—a total annual charge of $507,085.

Miles of double tubes placed in operation Oct. 2, 1922	16.5633
Miles of double tubes to be placed in operation Jan. 1, 1923	10.1567
Miles of double tubes to be placed in operation May 1, 1923	.69
Total	27.41

Size of containers, 6§ by 21 inches (inside measurements); capacity of containers, 550 average-size short letters or 400 mixed sizes, long and short.

Average number of average-size letters carried in a container during tube hours (4 a. m. to 11 p. m.), 200.

Number of postal points to be connected with tubes (2 of these are the main office at New York and the main office at Brooklyn)	25
Number of points connected with the tube system Oct. 2, 1922	16
Number of points to be connected with tube system Jan. 1, 1923	8
Number of points to be connected with tube system May 1, 1923	1
Total	25

* * * * * * *

Tests made November 14 and December 8 furnishes information as follows:

Number of letters originating at New York and Brooklyn	5,807,629
Number of letters received from outside points for local delivery at New York, including main office in Brooklyn	3,594,933
Grand total of letters handled in New York, including main office, Brooklyn	9,402,562

* * * * * * *

Letters handled by tubes (16,490 original containers of 200 letters each)	3,298,000
Letters transported by trucks	6,104,562
Grand total letters handled	9,402,562

* * * * * * *

Based on service performed by 60.43 per cent of tubes in operation, the number of letters handled by complete system will be	5,457,554

* * * * * * *

Weight of mail received and dispatched at New York, including mail at main office, Brooklyn, received and dispatched through New York postal points or railroad stations—pounds	8,444,270
Weight of letter mail only—do	188,051
Per cent of weight of letter mail only	2.23
Weight of letters transmitted by pneumatic tubes (50 letters to the pound)—pounds	65,960
Per cent of weight of mail (all classes) carried by tubes—pounds	0.781
Per cent of letters (weight) transmitted through tubes in operation	35.10
Per cent of letters (weight) handled by tubes when system complete	57.50

* * * * * * *

Pieces of mail handled per day.

Letters	9,402,562
Other mail	6,597,438
Grand total	16,000,000

Convoy service.

	Hours.
Prior to the reestablishment of tube service, the time of laborers and carriers utilized daily in convoying registered mail amounted to	490
Since the reestablishment of 60.43 per cent of the tube service, the convoy time used per day amounts to	326
Total daily saving	164

* * * * * * *

SAVING EFFECTED IN EXPENSE OF VEHICLE SERVICE.

Twenty-one trucks and forty-four chauffeurs have been released from duty since the reopening of 60.43 per cent of the tube system. The immediate saving is at the rate of $113,311. Ultimately this saving will amount to $131,898 a year.

* * * * * * *

The number of operations required in dispatching mail by tubes and by motor trucks is the same—12 each—and the time is approximately the same.

* * * * * * *

Seventeen thousand special-delivery letters are handled per day, nearly all of which are transmitted through the tube to the station nearest point of delivery. Since the establishment of tube service "specials" are collected from letter "drops" every 10 minutes instead of every 30 minutes, as was the case when motor-truck service was in operation.

REGISTERED MAIL DISPATCHED BY TUBES.

The percentage of registered mail dispatched from tube stations via pneumatic tubes varies from 25 to 94 per cent of the total number of registers handled, the percentage at the more important stations being as follows:

	Per cent.
General post office, New York	54
City Hall station	25
Grand Central station	80
Times Square station	60
Wall Street station	37

* * * * * * *

RELATIVE SPEED OF TRUCKS AND PNEUMATIC TUBES.

Station P to Grand Central station: Truck time, 1 hour 16 minutes; tube time, 19 minutes.

Station P to general post office: Truck time, 1 hour 14 minutes; tube time, 15 minutes.

* * * * * * *

EFFECT OF THE TUBE SERVICE ON OUTGOING MAIL.

Boston and New York, 266—leaving 4.25 p. m.:

Closing time when transported by motor truck, 3.07 p. m.

Closing time—the time of dispatch of last tube container—3.36 p. m.

New York and Ohio, 35—leaving at 9.20 p. m.:

Closing time when transported by motor truck, 8.24 p. m.

Closing time—the time of dispatch of last tube container—8.36 p. m.

It is estimated that 500,000 letters per day are advanced in delivery as a result of operation of tubes.

These facts and figures, Mr. Chairman, speak more eloquently and convincingly than mere words. They prove beyond doubt the superior advantage of the tube system from the viewpoint of both economy and speed. Only a caviling critic, after considering them, remains unconvinced.

Nevertheless, the gentleman from Texas [Mr. BLANTON] talks about "the waste and extravagance connected with this proposition," and proclaims the shibboleth of sectionalism in a manner quite characteristic of his provincial statesmanship, or rather of his petty politics. He grows vehement in his denunciation of my advocacy of this amendment and can explain my attitude only on the ground, as he emphatically states, that I am a New York Representative and that the people of my district and of all New York favor the pending measure.

Quite naturally I favor what the people of my district and the people of New York desire. They have commmissioned me to represent them and their interests, as well as the interests of the whole country, and it is my duty to be faithful to the trust reposed. My primary duty is to them and their interests.

Nevertheless, I have refused and now refuse to conform my public conduct to narrow sectional lines or to strictly partisan demands. The Republic means more to me than any State, and the entire flag than any single star upon its folds.

I have no desire whatever, my colleagues, to enter upon a sectional controversy in this House, from which sectionalism should be forever banished. Nevertheless, facts should be stated and the truth should be told, if the heavens fall.

It can not be truthfully denied that there is now and has been for years a deep-set determination on the part of certain Representatives from the West and South to discriminate unfairly against the East in general and New York especially in the matter of taxation and expenditures. This determination is all the more unworthy since it insists upon placing upon the State of New York the chief burden of Federal taxation in general matters relating to the welfare of the Republic, and at the same time refuses to allow to the Empire State any trifling local advantage that may call for an outlay of a few hundred thousand dollars from the Federal Treasury. The spirit that prompts this determination is not only narrow and sectional but contemptible and short-sighted as well.

The records of the Treasury Department show that the single State of New York furnishes more than one-third (33⅓ per cent) of all Federal revenues for all purposes whatsoever. The Metropolitan district of New York is the chief contributor of the revenues needed to maintain the Agricultural Department whose benefits accrue chiefly to the rural sections of the country. New Yorkers are called upon to foot the bills when we appropriate moneys by the hundreds of millions in the various rivers and harbors schemes designed to irrigate Southern and Western streams, the greater number of which should be filled in, macacamized, and used as highways.

You gentlemen from the South and West never make any objection when we pay these bills uncomplainingly for you, but when we ask you to help create and maintain a pneumatic tube system that is of primary benefit to the people of New York, but is certainly also of great secondary benefit to the balance of the country, you raise the cry of sectionalism.

The ludicrous feature of the whole controversy is the contention that the pneumatic tube system calls for an expenditure of public money from the Federal Treasury for the benefit locally of New York City Nothing could be farther from the truth than this contention. The fact of the matter is that whatever benefits the people of New York City in an appropriation of this kind benefits the people of every State and of all the world.

Please do not forget, gentlemen of the House, that New York City is not local. Remember that it is in more ways than one—in its location by the sea, in the millions and character of its population, in magnitude of its municipal budget, in its strangely complex and varied branches of government, philanthropy, and charity, in its multitudinous phases of life—in all these ways New York City is both national and international.

From the farthest ends of the earth contributions have been made to the citizenship of New York. Every State of the American Union has contributed those among its bravest and best to the making of the population of this magnificent city by the sea. Your friends and relatives, my colleagues, and the friends and relatives of your constituents are residents and citizens of this great city, and whatever benefits the people of New York benefits those nearest and dearest to you and yours.

The statement which I have just submitted shows that on November 14, 1922, 9,402,562 letters were handled by the post office of Greater New York. Of these, 5,807,629 originated in New York and were sent to other points in the city or forwarded to places outside, to localities domestic or foreign. The remainder, numbering 3,594,933 letters, were received from points outside of New York.

Is it not reasonable, gentlemen of the House, to suppose that of these more than 3,000,000 letters that came from the outside on one day into New York City at least 2,000,000 of them were from people of the various States to friends, relatives, and business correspondents in the city? Is it not also reasonable to suppose that of the 5,807,629 that originated in New York City, at least 2,000,000 were answers to letters coming from the States? Then is it not also mathematically correct to say that 4,000,000 letters a day approximately represent the medium of postal exchange in matters of friendship, love, and business between citizens of the States and of the metropolis of the Republic?

If these various suppositions are true, what ground is there for sectional controversy in this House with reference to the establishment of a pneumatic tube service for New York City, in which facts and figures show with almost mathematical exactness that all the people of our country have a common interest?

My final plea to you, my colleagues, is to stifle party prejudice, destroy sectional bias, be patriots and statesmen, and pass this amendment without delay.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. I do not see how any Member of Congress who has read the minority report of our colleague from Kentucky [Mr. ROUSE] on this subject could vote for this amendment.

Of course, I realize the present excruciating necessity of our friend from New York [Mr. CHANDLER] getting this amendment through. I know what it means to him. I would be the last man to stand in the way of his coming back. I know that it would be the open sesame to him back into the halls of Congress, because New York voters, Republicans and Democrats alike, vote for the man who can bring home the bacon, and this amendment is bringing home the bacon for New York.

Mr. CHANDLER of New York. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from New York.

Mr. CHANDLER of New York. If the gentleman will take my word for it I will say that if he will look in the CONGRESSIONAL RECORD of former years he will find that when I was not immediately a candidate I favored the same thing, and the gentleman ought to retract his ungenerous suggestion of political ambitions.

Mr. BLANTON. If it did not take all this money out of the Treasury I would not object to it.

Mr. CHANDLER of New York. I have been consistently in favor of the pneumatic-tube service.

Mr. BLANTON. Sure; because the gentleman is a New Yorker, and he could not be a New Yorker without being consistently for this amendment; but I am going back to the minority report written by the distinguished gentleman from Kentucky [Mr. ROUSE]. Read it and you will see where United States mail has been lost in these tubes for I do not know how long before it was found.

Read all about the waste and extravagance connected with this proposition. And we can not forget the expensive lobby that was maintained here all through the year 1918 trying to push this over again onto the American people. We can not forget that, and the gentleman from New York does not forget it. We remember the contest here in the House. I remember that it was argued here pro and con, and when it came to a vote it was a tie, so many for and an equal number against, and our late lamented good friend who was then presiding, and who always resolved a doubt in favor of a measure, voted in the affirmative and broke the tie, and that is the way it was carried. But I say we ought not to put it again into this bill here on this particular Saturday afternoon with only 25 Members present. We ought not to do it on a controverted issue of this character. I am sorry that the chairman of this committee, who represents the administration, has been so persistent in fighting against the results of the points of order made by my colleague from Texas [Mr. BLACK]. As fast as one point of order was sustained the ingenuity of the gentleman from Virginia would immediately get around it by offering another amendment that would still bring about the desired result.

Mr. SLEMP. Will the gentleman yield for a suggestion?

Mr. BLANTON. I yield to the gentleman from Virginia.

Mr. SLEMP. Last year this matter came before the House and before our committee, and I opposed it.

Mr. BLANTON. Why does not the gentleman oppose it now?

Mr. SLEMP. Just a moment. Let me make my statement. I am in the midst of a statement.

Mr. BLANTON. I want to be courteous to the gentleman.

Mr. SLEMP. It was put in in the Senate——

Mr. BLANTON. And therefore, q. e. d., the House ought to put it back every time.

Mr. SLEMP. I want to finish my statement.

Mr. BLANTON. Yes.

Mr. SLEMP. It was brought back here and agreed to on the floor of the House. I do not know whether the gentleman was here or not.

Mr. BLANTON. I was here fighting it then just like I am fighting it now.

Mr. SLEMP. At any rate it was put in. Now, since that time and under authority granted by Congress, contracts have been entered into by the Postmaster General, and here is an appropriation to carry out that contract.

Mr. BLANTON. Is the gentleman in favor of this proposition?

Mr. SLEMP. I am in favor of carrying out the contract that Congress authorized the Postmaster General to make, and that he made under authority of Congress.

Mr. BLANTON. But the gentleman is not in favor of this proposition.

Mr. SLEMP. I have stated my position on that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. SLEMP].

The question being taken, on a division (demanded by Mr. BLANTON) there were—ayes 26, noes 10.

Accordingly the amendment was agreed to.

Mr. BLANTON. If there were enough men here to order tellers I would ask for them.

The CHAIRMAN. The amendment is agreed to.

Mr. CHANDLER of New York. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Mississippi makes the same request. Is there objection?

There was no objection.

Mr. ROUSE. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Kentucky makes the same request. Is there objection?

There was no objection.

The Clerk resumed and completed the reading of the bill.

Mr. SLEMP. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the Post Office appropriation bill, H. R. 13593, had instructed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ANDREWS of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on this bill.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD on this bill. Is there objection?

There was no objection.

ADJOURNMENT UNTIL WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet on Wednesday next.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns to-day it adjourn to meet on Wednesday next. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. MONDELL. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.) the House adjourned until Wednesday, January 3, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

857. A communication from the President of the United States transmitting, with a letter from the Director of the Bureau of the Budget, a supplemental estimate of appropriation for the Navy Deparment for the fiscal year ending June 30, 1923, for modernization of battleships (H. Doc. No. 521); to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BUTLER: Committee on Naval Affairs. S. 32. An act for the relief of contractors, subcontractors, and material men who have suffered loss by reason of Government orders; with amendments (Rept. No. 1321). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. CRAGO: Committee on Military Affairs. S. 834. An act to authorize the appointment of an ordnance storekeeper in the Army; without amendment (Rept. No. 1320). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on Naval Affairs. H. R. 11738. A bill for the relief of Maj. Russell B. Putnam; without amendment (Rept. No. 1322). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MADDEN: A bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes; committed to the Committee on the Whole House on the state of the Union.

By Mr. COPLEY: A bill (H. R. 13616) granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River; to the Committee on Interstate and Foreign Commerce.

By Mr. FOCHT: A bill (H. R. 13617) to dissolve the Colored Union Benevolent Association, and for other purposes; to the Committee on the District of Columbia.

By Mr. CABLE: A resolution (H. Res. 476) to perfect procedure at ports of entry in examining arriving immigrants; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Virginia: A bill (H. R. 13618) to provide for an examination and survey of Pungoteague Creek, Accomac County, Va., and of the channel connecting said creek with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13619) to provide for an examination and survey of Nandua Creek, Accomac County, Va., and of the channel connecting said creek with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13620) to provide for an examination and survey of Occohannock Creek, Northampton County, Va., and of the channel connecting said creek with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13621) to provide for an examination and survey of Horn Harbor, Mathews County, Va., and of the channel connecting the said harbor with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13622) to provide for the examination and survey of Mathews Creek, Mathews County, Va., and of the channel connecting the said creek with East River, Mathews County, Va.; to the Committee on Rivers and Harbors.

By Mr. GOULD: A bill (H. R. 13623) granting a pension to Joseph Ham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13624) granting an increase of pension to Corydon W. Clark; to the Committee on Pensions.

By Mr. OLDFIELD: A bill (H. R. 13625) providing for the examination and survey of Spring River, Ark.; to the Committee on Rivers and Harbors.

By Mr. ROBSION: A bill (H. R. 13626) granting a pension to Mournin Scott; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 13627) granting a pension to Henry T. Bishop; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6713. By Mr. FOCHT: Petition of sundry citizens of the State of Pennsylvania, to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6714. By Mr. LEA of California: Petition of 56 citizens of California, protesting against the passage of the Sunday observance bills; to the Committee on the District of Columbia.

6715. By Mr. RADCLIFFE: Petition of sundry citizens of New Jersey, concerning the joint resolution to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6716. By Mr. STEENERSON: Petition of the National Conference of State Manufacturers' Associations, relative to immigration bill and favoring selective immigration; to the Committee on Immigration and Naturalization.

6717. Also, petition of C. H. Dahlstrom et al., Parkers Prairie, Minn., requesting legislation to stabilize the price of farm products; to the Committee on Agriculture.

6718. Also, petition of the Marckel Co., Perham, Minn., to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6719. By Mr. TEMPLE: Petition of American citizens of Ukrainian origin, assembled on December 17 at Carnegie, Pa.,

relating to conditions in East Galicia; to the Committee on Foreign Affairs.

6720. Also, petition of Washington Presbytery, Washington, Pa., urging the passage at an early date of Senate bill 4092, for the purpose of giving asylum to Turkish refugees; to the Committee on Immigration and Naturalization.

6721. By Mr. TIMBERLAKE: Resolution from the General Henry W. Lawton Camp, No. 1, United Spanish War Veterans, Denver, Colo., relative to the unjust attitude of the Bureau of Pensions in construing liberally the provisions of the Sells Act granting pensions to the veterans of the Spanish-American War; to the Committee on Pensions.

6722. By Mr. VARE: Petition of the Philadelphia Board of Trade, indorsing the administration of Attorney General Daugherty; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *January 3, 1923.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we bless Thee this morning that notwithstanding the passage of the years Thou art the same yesterday, to-day, and forever. Looking unto Thee as we enter upon the duties of the new year, we ask for wisdom, we ask for strength of purpose, and such conviction of right and of responsibility that the days as they come and go may reveal to us more and more that along the untrodden pathways we are divinely guided and helped. Bless all for whom we shall pray this morning who bear burdens for State and for Nation, and may great grace be our portion. Through Jesus Christ, our Lord. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, December 27, 1922, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McCormick	Robinson
Ball	George	McCumber	Sheppard
Bayard	Hale	McKellar	Smoot
Borah	Harreld	McLean	Spencer
Brookhart	Harris	McNary	Stanfield
Bursum	Harrison	Myers	Sterling
Calder	Heflin	Nelson	Sutherland
Cameron	Hitchcock	New	Townsend
Capper	Johnson	Nicholson	Trammell
Caraway	Jones, N. Mex.	Norbeck	Underwood
Colt	Jones, Wash.	Norris	Wadsworth
Couzens	Kellogg	Oddie	Walsh, Mass.
Culberson	Kendrick	Overman	Walsh, Mont.
Curtis	King	Pepper	Warren
Dial	Ladd	Phipps	Watson
Dillingham	La Follette	Pittman	Weller
Elkins	Lenroot	Pomerene	
Ernst	Lodge	Ransdell	

Mr. CURTIS. I wish to announce that the Senator from Ohio [Mr. WILLIS] is necessarily detained because of illness in his family.

The VICE PRESIDENT. Seventy Senators have answered to their names. A quorum is present.

REPORT OF THE FEDERAL POWER COMMISSION.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, chairman of the Federal Power Commission, transmitting, pursuant to law, the second annual report of the Federal Power Commission for the fiscal year ended June 30, 1922, containing information relative to permits and licenses issued under the Federal water power act, which was referred to the Committee on Commerce.

REINTERMENT OF SOLDIER DEAD.

The VICE PRESIDENT laid before the Senate a communication from the Quartermaster General of the Army, transmitting a list of American soldier dead returned from overseas to be reinterred in the Arlington National Cemetery Thursday, January 4, 1923, at 2.30 p. m., which was ordered to lie on the table for the information of the Senate.

SENATOR FROM CALIFORNIA.

The VICE PRESIDENT laid before the Senate the credentials of HIRAM W. JOHNSON, chosen a Senator of the United States from the State of California, which were read and ordered to be placed on file, as follows:

STATE OF CALIFORNIA,
Executive Department.

To all to whom these presents shall come, greeting:

Know ye that whereas it appears from the statement of the vote made by the secretary of state, and filed in his office, a copy of which has been transmitted to this office, that at the general election held on Tuesday, the 7th day of November, A. D. 1922, in this State HIRAM W. JOHNSON received the highest number of votes cast for the office of United States Senator.

Now, therefore, I, William D. Stephens, as Governor of the State of California, in the name and by the authority of the people of the State of California, do hereby commission him, the said HIRAM W. JOHNSON, United States Senator from the State of California.

In testimony whereof I have hereunto set my hand and caused the great seal of the State to be affixed at the city of Sacramento this the 18th day of December, A. D. 1922.

[SEAL.]

By the governor:

WM. D. STEPHENS, *Governor.*

FRANK C. JORDAN, *Secretary of State.*

PETITIONS AND MEMORIALS.

Mr. ROBINSON presented a telegram in the nature of a memorial from Oliver C. Fuller, chairman special committee on taxation of the American Bankers' Association, protesting against the passage of the so-called Kellogg bill relative to taxes on national banks by States, and urging that no immediate legislation be adopted placing banking capital in a separate class for unlimited taxation and that whatever legislation may be passed contain no clause ratifying past illegal taxation, which was referred to the Committee on Banking and Currency.

Mr. CAPPER presented a petition of the Rural Letter Carriers' Association, of Cherokee County, Kans., praying for the passage of legislation providing a maintenance allowance of $600 per year for rural carriers, etc., which was referred to the Committee on Post Offices and Post Roads.

Mr. TOWNSEND presented a petition of sundry citizens of Lawrence and Hartford, in the State of Michigan, praying for the passage of legislation providing an adequate rural-credit system, etc., which was ordered to lie on the table.

Mr. WARREN presented a petition of sundry citizens of Dubois and Dunoir, in the State of Wyoming, praying for the passage of legislation placing third-class postmasters under civil-service rules and regulations, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the board of directors of the Thermopolis (Wyo.) National Farm Loan Association, favoring the passage of legislation amending certain sections of the Federal farm loan act, especially relative to the present loan limit, which was referred to the Committee on Banking and Currency.

Mr. KENDRICK presented resolutions adopted by the boards of directors of the National Farm Loan Associations of Lost Springs, Cokeville, and Thermopolis, in the State of Wyoming, favoring the passage of legislation amending certain sections of the Federal farm loan act, especially relative to the present loan limit, which were referred to the Committee on Banking and Currency.

Mr. LADD presented the petition of Rev. J. Fontana and 23 other citizens of New Salem, N. Dak., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

He also presented the petition of Ed Olson and 24 other citizens of Ryder, N. Dak., praying for the enactment of legislation stabilizing the prices of farm products, which was referred to the Committee on Agriculture and Forestry.

BRIDGE ACROSS TUG FORK OF BIG SANDY RIVER.

Mr. CALDER. From the Committee on Commerce I report back favorably, with an amendment, the bill (H. R. 12473) granting the consent of Congress to the Wynco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of Big Sandy River, in Mingo County, W. Va., and I submit a report (No. 967) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. UNDERWOOD. May I ask the Senator a question? The only reason why I ask the question is that the other day we thought we were passing an ordinary bridge bill, but we found later that it was something else. Is this just an ordinary bridge bill?

Mr. CALDER. I can assure the Senator that the four bills which I am authorized to report are ordinary bridge bills.

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was, on page 1, line 3, to strike out "Wynco" and insert "Winco," so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the Winco Block Coal Co., a corporation, its successors and assigns, to construct, maintain, and operate a suspension or foot bridge, and approaches thereto, across the Tug Fork of Big Sandy River, at a point

suitable to the interests of navigation, and at or near Naugatuck, in the county of Mingo, State of West Virginia, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill granting the consent of Congress to the Winco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of Big Sandy River, in Mingo County, W. Va."

SUSQUEHANNA RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 12170) to revive and reenact the act entitled "An act to authorize the commissioners of Lycoming County, Pa., and their successors in office to construct a bridge across the West Branch of the Susquehanna River from the foot of Arch Street, in the city of Williamsport, Lycoming County, Pa., to the borough of Duboistown, Lycoming County, Pa.," approved August 11, 1916, and I submit a report (No. 966) thereon. I ask for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the act approved August 11, 1916, authorizing the commissioners of Lycoming County, Pa., and their successors in office to construct a bridge across the West Branch of the Susquehanna River from the foot of Arch Street, in the city of Williamsport, Lycoming County, Pa., to the borough of Duboistown, Lycoming County, Pa., be, and the same is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge hereby authorized be commenced within one year and completed within three years from the date of approval hereof.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ST. FRANCIS RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I also report back favorably with an amendment the bill (S. 4116) granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri, and I submit a report (No. 965) thereon. I ask for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole. The amendment was, on page 1, line 6, after the word "point," to insert the words "suitable to the interests of navigation," so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Commission of Missouri and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, at a point suitable to the interests of navigation on the county line between Butler and Dunklin Counties, on the south line of section 3, township 22 north, range 8 east, in the State of Missouri, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906. Such bridge shall be a part of Federal aid project No. 212.

SEC. 2. That the right to alter, amend, or repeal this act is expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. CALDER. From the same committee I also report back favorably without amendment the bill (S. 4122) granting the consent of Congress to the Interstate Toll Bridge Co. for construction of a bridge across Red River between Montague County, Tex., and Jefferson County, Okla., and I submit a report (No. 964) thereon. I ask for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Interstate Toll Bridge Co. to construct, maintain, and operate a bridge and approaches thereto across the Red River at a point suitable to the interests of navigation between Montague County, Tex., and Jefferson County, Okla., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 4253) for the relief of Guy L. Hartman; to the Committee on Claims.

By Mr. BURSUM:

A bill (S. 4254) for the relief of Elizabeth McKeller; to the Committee on Claims.

By Mr. BALL:

A bill (S. 4255) for the relief of George T. Tobin & Son; to the Committee on Claims.

A bill (S. 4256) to dissolve the Colored Union Benevolent Association, and for other purposes; and

A bill (S. 4257) to amend an act of Congress approved June 18, 1898, entitled "An act to regulate plumbing and gas fitting in the District of Columbia"; to the Committee on the District of Columbia.

By Mr. McNARY:

A bill (S. 4258) for the relief of Albert Wood; to the Committee on Claims.

A bill (S. 4259) relating to the deposit of postal savings funds; to the Committee on Post Offices and Post Roads.

A bill (S. 4260) to extend the time for the construction of a bridge over the Columbia River between the States of Oregon and Washington, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon; to the Committee on Commerce.

By Mr. LADD:

A bill (S. 4261) for the purchase of a Federal building site at Fargo, N. Dak.; to the Committee on Public Buildings and Grounds.

A bill (S. 4262) to create the American stabilizing corporation and to provide for stabilizing the prices of certain farm products; to the Committee on Agriculture and Forestry.

By Mr. LODGE:

A bill (S. 4263) for the relief of John F. O'Neil; to the Committee on Naval Affairs.

By Mr. WADSWORTH:

A bill (S. 4264) for the relief of the Union Shipping & Trading Co. (Ltd.);

A bill (S. 4265) for the relief of the New York & Cuba Mail Steamship Co., owner of the lighter *Lakeport;*

A bill (S. 4266) for the relief of the owners of the steamship *Ceylon Maru;* and

A bill (S. 4267) for the relief of Franklin P. Eastman, owner of the lighter *Eastman No. 14;* to the Committee on Claims.

AMERICAN REPRESENTATION ON REPARATION COMMISSION.

By Mr. ROBINSON:

A bill (S. 4268) authorizing representation of the United States on the Reparation Commission; to the Committee on Foreign Relations.

Mr. ROBINSON. Mr. President, I wish to state that it is my intention if the opportunity shall be presented to make a statement in respect to the bill some time to-morrow.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. PHIPPS submitted an amendment proposing to appropriate $100,000 for surveying oil and oil-shale lands, for surveys and resurveys under the rectangular system provided by law of public lands deemed to be valuable for oil and oil shale, including office work in offices of surveyors general, etc., intended to be proposed by him to House bill 13559, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENT TO DEFICIENCY APPROPRIATION BILL.

Mr. SPENCER submitted an amendment providing that Senators elected, whose term of office begins on the 4th day of March and whose credentials in due form of law shall have been presented to the Senate, or filed with the Secretary thereof, are authorized to appoint the same number of clerical assistants, at the same annual salaries, to which qualified Senators, not chairmen of committees, are entitled whose compensation shall be paid out of the appropriation for clerical assistance to Senators, intended to be proposed by him to House bill 13615, the second deficiency appropriation bill, 1923, which was referred to the Committee on Appropriations and ordered to be printed.

SHIPPING BOARD OPERATIONS.

Mr. FLETCHER. I submit the following resolution and ask for its immediate consideration.

The Assistant Secretary read the resolution (S. Res. 391), as follows:

Resolved, That the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation be, and they are hereby, directed to furnish to the Senate in the earliest possible time

information showing the different routes, lines, and services in which the Shipping Board ships are now engaged and under what management and direction in each case.

Second, a statement of the profits and losses under each MO–4 contract entered into to date, naming the operators and the number and kind of ships in each service, and at the present time and particularly the operating revenues and expenses under each contract and route for the year 1922.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. JONES of Washington. Mr. President, I do not know whether or not I shall have any objection to the resolution, but I should like if the Senator from Florida would permit it to go over for a little while until I have an opportunity to examine it and probably talk it over with him. Then, later in the day, if there shall be no objection to the resolution, the Senator may call it up. The only thing which occurs to me is that if we disclose publicly the business of any one of these routes it may furnish very valuable information to our foreign competitors; and I know the Senator from Florida would not desire to do that any more than would I. That is the only thing I have in mind in reference to the resolution, and I should like to talk to the Senator about the terms of the resolution.

Mr. FLETCHER. I had not thought of that feature of the resolution. Of course, I do not wish to accomplish that. My main purpose, however, is to get the information which we sought to get at the hearings as to each shipping route. I wish to locate, if I can, where the losses are occurring; and I think if we had a report as to the operating expense and the revenue derived from each route, we should be able to ascertain where the loss was taking place and be able to correct it.

Mr. JONES of Washington. That is probable; but, of course, the resolution, if we agree to it, will make such information public. I should, therefore, like to have the Senator withhold the resolution for a little while in order that I may have an opportunity to talk it over with him.

Mr. FLETCHER. Let the resolution take that course, Mr. President.

The VICE PRESIDENT. The resolution will lie on the table.

SHIPPING BOARD CONTRACT FOR TANKERS.

Mr. FLETCHER. I ask unanimous consent for the present consideration of the resolution which I send to the desk and ask to have read.

The resolution (S. Res. 390) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the United States Shipping Board is hereby directed to furnish to the Senate in the earliest possible time a statement showing the substance of the contract made with the Swift-Shore Co. of New York for tankers, giving the number of tankers and the dead-weight tonnage; whether the Shipping Board built or caused to be built these tankers, and, if so, by whom and on what terms; whether the order was placed with the Northwestern Steel Co. of Portland, Oreg., and the cost per dead-weight ton of the tankers; the number of tankers built and the dead-weight tonnage; and whether added to the cost which will be stated there will be charges for insurance and interest or other charges.

Second. Were these tankers sold, and, if so, at what price; what proportion of the price was paid in cash; what portion was evidenced by note or notes and mortgages; and what were the terms as to interest and maturity?

Third. Whether these securities were sold, and, if so, at what price, when, and to whom?

Fourth. Give the dates when the contracts were made and the ships delivered; state the total cost to the Government and the total amount realized by the Government.

GRADING OF COAST GUARD OFFICERS.

Mr. JONES of Washington. Mr. President, House bill 10531 is what is known as the Coast Guard bill. It proposes to redistribute the personnel of the Coast Guard without increasing its membership so as to take care of a situation that is very deplorable and which if continued will probably result in the disintegration of the Coast Guard, as there will be no hope of promotion therein. The bill is now on the calendar, having passed the other House, and the Committee on Commerce of the Senate have reported it without amendment. I ask for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 10531) to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes, which was read, as follows:

Be it enacted, etc., That the number of permanent commissioned line officers of the Coast Guard now authorized by law shall be distributed in grades, as follows: One commandant, 7 captains, 12 commanders, 35 lieutenant commanders, 37 lieutenants, and 37 lieutenants (junior grade) and ensigns; and the number of permanent commissioned engineer officers now authorized by law shall be distributed in grades, as follows: One engineer in chief, 3 captains (engineering), 6 commanders (engineering), 12 lieutenant commanders (engineering), 22 lieutenants (engineering), and 42 lieutenants (junior grade) (engineering) and ensigns (engineering). Promotions to the grades created by this act, namely, captain, captain (engineering), and commander (engineering), shall be made from the next lower grade by seniority: *Provided*, That lieutenants and lieutenants (junior grade), both line and engineering, may be promoted, subject to examination as provided by law, without regard to number or length of service in grade, to such grades in the Coast Guard not above lieutenant commander or lieutenant commander (engineering) as correspond to the permanent ranks and grades that may be attained in accordance with law by line officers of the regular Navy of the same length of total commissioned service, and officers thus promoted shall be extra numbers in their respective grades, which extra numbers shall not at any one time exceed the following, respectively: Twenty lieutenant commanders, 15 lieutenants, 15 lieutenant commanders (engineering), and 8 lieutenants (engineering), but no officer shall be promoted under this proviso who would thereby be advanced in rank ahead of an officer in the same grade and corps whose name stands above his on the official precedence list: *Provided further*, That captains and captains (engineering) shall have the rank of, and be of corresponding grade to, captains in the Navy, and commanders (engineering) shall have the rank of, and be of corresponding grade to, commanders in the Navy.

SEC. 2. That the title of captain commandant in the Coast Guard is hereby changed to commandant. Hereafter the commandant shall be selected from the active list of line officers not below the grade of commander and shall have, while serving as commandant, the rank, pay, and allowances of a rear admiral (lower half) of the Navy: *Provided*, That any officer who shall hereafter serve as commandant shall, when retired, be retired with the rank of commandant and with the pay of a rear admiral (lower half) of the Navy on the retired list, and that an officer whose term of service as commandant has expired may be appointed a captain and shall be an additional number in that grade; but if not so appointed, he shall take the place on the lineal list in the grade that he would have attained had he not served as commandant and be an additional number in such grade: *Provided further*, That the engineer in chief, while so serving, shall have the rank, pay, and allowances of a captain (engineering) in the Coast Guard, and hereafter the engineer in chief shall be selected from the active list of engineer officers not below the grade of lieutenant commander (engineering): *And provided further*, That an officer who shall hereafter serve as engineer in chief shall, when retired, be retired with the rank of engineer in chief and with the pay of a captain (engineering) on the retired list, and that an officer whose term of service as engineer in chief has expired may be appointed a commander (engineering) and shall be an additional number in that grade; but if not so appointed, he shall take the place on the lineal list in the grade that he would have attained had he not served as engineer in chief and be an additional number in such grade: *And provided further*, That a constructor, after 10 years' commissioned service in the Revenue Cutter Service and Coast Guard, shall have the rank, pay, and allowances of a lieutenant commander, and after 20 years' commissioned service the rank, pay, and allowances of a commander.

SEC. 3. That hereafter no commissioned officer of the Coast Guard shall be promoted to a higher grade or rank on the active list, except to commandant or to engineer in chief, until his mental, moral, and professional fitness to perform all the duties of such higher grade or rank have been established to the satisfaction of a board of examining officers appointed by the President, and until he has been examined by a board of medical officers and pronounced physically qualified to perform all the duties of such higher grade or rank: *Provided*, That if any commissioned officer shall fail in his physical examination for promotion and be found incapacitated for service by reason of physical disability contracted in the line of duty, he shall be retired with the rank to which his seniority entitled him to be promoted: *Provided further*, That hereafter when a commissioned officer of the Coast Guard who has had 40 years' service shall retire, he shall be placed on the retired list with the rank and retired pay of one grade above that actually held by him at the time of retirement; and, in the case of a captain, the rank and retired pay of one grade above shall be the rank of commodore and the pay of a commodore in the Navy on the retired list.

SEC. 4. That an ensign, an ensign (engineering), or a district superintendent with the rank of ensign, shall be required to complete three years' service in his grade, after which he shall be eligible for promotion to the next higher grade without regard to the number already in that higher grade.

SEC. 5. That nothing contained in this act shall be construed to reduce the rank, pay, or allowances of any commissioned officer of the Coast Guard as now provided by law.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

THE RULES OF THE SENATE.

The VICE PRESIDENT. Morning business is closed.

Mr. JONES of Washington. I ask unanimous consent to have taken from the table Senate Resolution 385 and that it may be now considered.

The VICE PRESIDENT. The Secretary will read the resolution.

The Assistant Secretary read the resolution (S. Res. 385) submitted by Mr. JONES of Washington December 22, 1922, as follows:

Resolved, That a special committee of five, to be composed of Senators who will be Members of the Sixty-eighth Congress, to be appointed by the Vice President, no more than three to belong to the same political party, is hereby authorized. Such committee is authorized and directed to study the rules of procedure of the Senate and to report and recommend what changes should be made in order to expedite business and to enable a majority to bring a question to a vote for final action and at the same time afford reasonable protection for the rights of the minority. Such committee shall submit its report and recommendations to the Senate on or before the second Monday after the opening of the first session of the Senate in the Sixty-eighth Congress.

Mr. HARRISON. Mr. President, did I understand the Senator from Washington to ask unanimous consent for the present consideration of the resolution?

Mr. JONES of Washington. Yes.

Mr. HARRISON. Reserving the right to object, will not the Senator allow the resolution to go to the Committee on Rules, and does he not think it is best that it should go to that committee so that it may consider the question involved?

Mr. JONES of Washington. If the Senator thinks that it should go there, I will not object to the resolution being referred to the Rules Committee. Of course, it speaks for itself; it is very plain, and I had hoped that the Senate would pass it and authorize the creation of the special committee, which can do nothing except investigate, study, and report its recommendations to the Senate. If, however, the Senator prefers that the resolution should go to the Rules Committee, of course, one objection will take it there in any event, and I have no serious objection to its being referred to the Committee on Rules, but I hope, of course, that the Rules Committee will consider it.

Mr. HARRISON. I had hoped the Senator would suggest that it go to the Rules Committee, because certainly that committee should consider this question. It involves a matter of so much importance that the Rules Committee, it seems to me, would be the proper committee to consider it, rather than a select committee, and if the Senator does not make the request I shall ask that it go to the Committee on Rules.

Mr. JONES of Washington. Very well, let the resolution be referred to that committee.

The VICE PRESIDENT. Without objection, the resolution will be referred to the Committee on Rules.

COMMEMORATION OF CENTENARY OF THE MONROE DOCTRINE.

Mr. JOHNSON. Mr. President, I ask unanimous consent that a very small bill to which there is no opposition at all, and which has been reported unanimously by the Committee on Banking and Currency, may be considered at this time. I refer to Order of Business No. 924, being Senate bill 4096.

Mr. CURTIS. Mr. President, I shall not object to the consideration of the bill, but I had hoped we might go on with the calendar this morning until 2 o'clock, and probably the bill referred to by the Senator from California would be reached. I shall, however, offer no objection to the bill being considered now, so far as I am personally concerned.

The VICE PRSEIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4096) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine, which was read as follows:

Be it enacted, etc., That in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine there shall be coined at the mints of the United States silver 50-cent pieces to the number of not more than 300,000, such 50-cent pieces to be of the standard troy weight, composition, diameter, device, and design as shall be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, which said 50-cent pieces shall be legal tender in any payment to the amount of their face value.

SEC. 2. That the coins herein authorized shall be issued only upon the request of the Los Angeles Clearing House and upon payment by such clearing house to the United States of the par value of such coins.

SEC. 3. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for security of the coin, or for other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized: *Provided*, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE CALENDAR.

The VICE PRESIDENT. The calendar under Rule VIII is in order.

Mr. CURTIS. I ask unanimous consent that the Senate proceed to the consideration of unobjected bills on the calendar.

The VICE PRESIDENT. Is there objection?

Mr. UNDERWOOD. I do not think we will accomplish much by considering only the unobjected bills. I think we had better take the bills up under the rule as they are reached in order that every Senator may have a chance. As I recall, we have recently cleaned up the calendar of unobjected bills.

Mr. CURTIS. Very well. I withdraw my request.

The VICE PRESIDENT. The calendar under Rule VIII is in order, and the Secretary will state the first bill on the calendar.

SUITS AGAINST THE UNITED STATES.

The bill (S. 214) to amend section 24 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, was announced as first in order on the calendar.

Mr. SMOOT. I ask that that bill may go over.

Mr. UNDERWOOD. Mr. President, the Senator, as I understand, can not have the bill go over unless a motion to that effect is made and agreed to. There was no order made that we should consider only unobjected bills, but the Senate is operating under the rule that the bills on the calendar shall be considered as they are reached. If the Senator from Utah desires to ask unanimous consent that the bill go over, I shall not object.

Mr. McKELLAR. What objection has the Senator from Utah to the bill?

Mr. OVERMAN. Let us dispose of the bill. It has been on the calendar for a long time, and has been recommended unanimously by the full Judiciary Committee. As the law now is individuals having claims against the Government can only institute suits in the Federal district court in the States where they live where the claim involved does not exceed $10,000. This bill proposes to extend the amount to $50,000. It is intended to allow a citizen in any district in the United States to bring suit in the Federal court if the amount of the claim does not exceed that sum.

Such cases will be tried on evidence furnished by the plaintiff and by the Government in the respective States, where the Government has its district attorneys to represent it. Instead of requiring the individual who has a claim against the Government to come to Washington and employ a Washington lawyer to bring suit, this bill, by extending the limit from $10,000 to $50,000 will allow the suit to be brought in the United States court in the district where the claimant lives.

I do not think there ought to be any objection to the bill. There was some objection on the part of the Attorney General because it was alleged the Government would be involved in an additional expense, but I think there will be no additional expense imposed on the Government, because the Government enjoys the franking privilege and every document which the Government has in Washington and desires to use in its defense in any claim can be sent down under frank to the court where the proceedings are being had. The Government, I repeat, has able representatives in every district, and the cases can be tried there and the evidence sent down by the Government. Under the existing situation a citizen of the United States who has a claim against the Government has to come here at great expense and employ Washington lawyers to conduct his case. The Judiciary Committee thought this was a proper bill in the interest of those who have claims against the Government not in excess of the amount specified in the bill. All large claims will have to be tried before the Court of Claims, as they are now, but suits involving less than $50,000 may be tried in the district courts.

Mr. UNDERWOOD. Mr. President, I agree with the Senator from North Carolina that this bill ought to be disposed of. I think the bills on the calendar that have been reported ought to have a chance for a vote, and I think the Senate ought to vote on this bill, although I do not agree with my friend from North Carolina that it should be passed, and just in a few words I want to say what my objection to it is.

The Court of Claims was organized to allow citizens of the United States to bring suits sounding in contract against the Government of the United States. It is not merely that we have five judges down there to try these cases, but we have an organized bureau of the Government in the Department of Justice to look after the Government's side of the claims. There is no trouble in the world, if the cases are prepared, about having a hearing and a decision in the Court of Claims. Most of the delays in the Court of Claims have come about because the cases were not prepared; but the situation in the Court of Claims to-day is such that if a case gets on the calendar it is disposed of if the contestants desire its consideration within the term, and it is decided within a few weeks after it is argued.

The only ground on which we could say that these cases should be sent to the district courts is the convenience, I will not say of the litigants—because in the Court of Claims the witnesses are not brought here; in this class of cases the testimony is taken by deposition—but the convenience of the lawyers. Many years ago, in small cases, as a matter of convenience, jurisdiction was given to the district courts to try these cases up to $2,000; then the limit was increased to $10,000; and now it is proposed to increase the jurisdiction to $50,000. I think there is a serious objection on the part of the Government, looking at it from a Government standpoint, to that being done. I think that every man who has a legitimate claim against the Government should have an opportunity to be heard and try his case; but the Government has its side of

these cases as well. The district attorneys throughout the United States are not trained in presenting the Government's side of these cases. It is a specialty. They have an enormous amount of business of their own to attend to, especially now, when the business on the criminal side of the dockets of the United States courts has largely increased. They have their own business to look after. They are not organized to look after the Government's side of these cases and protect the Treasury against illegitimate claims.

More than that, these claims require the testimony of the Government. A great many of them grow out of war contracts. That testimony is in Washington. It is not in Alabama or Arizona or New Mexico or North Carolina; it is in Washington. If we authorize the trying of these claims in the district courts of the various States we are either going to require these records to be taken out of Washington and carried to North Carolina or Alabama or New Mexico, or we are going to have the Government deprived of its testimony in the case.

These important papers might be carried down to one of the States in defense of a $50,000 suit, but, on the other hand, there might be suits pending here involving $200,000 or $1,000,000, and if the papers were lost the Government might lose its defense. I think the only thing involved here is the convenience of the lawyers, not the litigants, because their testimony is going to be taken by deposition anyhow in this class of cases. More than that, when they are tried here there is more uniformity in the decisions, because there is a direct appeal from the Court of Claims to the Supreme Court of the United States, and the appeal from the district court goes to the circuit court, and we may have the circuit court deciding a case one way and the Supreme Court deciding it another way.

I am not disposed to say that in the smaller cases, below $10,000, the present jurisdiction should be disturbed; but I do believe it is very unwise, in the interest of the Treasury of the United States and the proper trial of these cases, to increase the jurisdiction of the district courts and turn over the trial of these cases to men who are not informed, who are not familiar with them, when we have an organized bureau in the Department of Justice to handle these cases and try them here; and it must be remembered that in most instances a number of these cases follow along the same line. Occasionally there is a separate case, but in a great number of instances where one case is tried it is a standard case, and the rest stand or fall by that one decision; and there are trained men in the department who know the Government side and can protect the Government's interests.

For that reason I shall not vote for the bill, but I think the Senator is right in saying that the bill is entitled to have a vote.

Mr. OVERMAN. Mr. President, this matter was considered by the Judiciary Committee, and was urged by lawyers representing every section of the United States. We can not see why one of our constituents should actually be denied, on account of the immense expense, the right of having his claim heard in the court. A claim is a claim, and a lawyer is a lawyer. The district attorneys are generally good lawyers. They understand how to try cases. A claim is no different from any other case. This does not involve the great war claims, because it is limited to $50,000. A man in Florida or Ohio or Georgia has a claim against the United States. Why should he be put to the tremendous expense of coming here and paying some Washington lawyer, when there are good lawyers at home that he could get for half the price?

This bill is in the interest of the people. It is giving justice to the people. Through the long delay in the Court of Claims the people are absolutely denied justice, on account of the immense number of claims that are brought here from all over the United States, when a claimant could go and try his case in his own district and the Government has a lawyer there to represent it. The claimant can have his own lawyer and the testimony of the Government can be presented. The Government has every right, without any expense, to present its evidence. The expressage is paid for the papers to be sent; the franking privilege is granted to the Government; it has its lawyers; and why not give to a constituent in our own States who has a small claim not exceeding $50,000 the right to have it tried in the Federal court at his own home? It would be much less expensive to the Government, because the Court of Claims, when a case is brought, sends these inspectors or referees, as they are called, down to the States at great expense—$10 a day—to take the testimony down there instead of letting the case be tried in the Federal court at home. Let our people try their cases in their own homes, instead of coming here to try them in the interest of these Washington lawyers. This limitation is in their interest.

Mr. McKELLAR. Mr. President, I think there is a great deal of force in what the Senator from North Carolina says; but I want to ask him, if he is so anxious to have these cases tried at home, why does he deprive the litigant of the right of trial by jury?

Mr. OVERMAN. This is a question that is tried upon record evidence.

Mr. McKELLAR. It may or may not be.

Mr. OVERMAN. That would make it even more important that a constituent of the Senator from Tennessee should have his case tried in his own balliwick, before his own jury, by his own lawyer.

Mr. McKELLAR. I agree with the Senator; but the Senator provides in this bill and the last sentence of the bill as reported provides as follows:

> All suits brought and tried under the provisions of this paragraph shall be tried by the court without a jury.

I call the Senator's attention to this fact, which is not only forgotten by the Senator and other Senators on the Judiciary Committee, but it seems to be almost forgotten by all the courts of our country: The Constitution of the United States provides in three separate places that the right of trial by jury shall remain inviolate, and yet the Senator is seeking to take it away from litigants in this class of cases.

Mr. ASHURST. Mr. President, if the Senator will yield, that applies only to cases cognizable at the common law.

Mr. McKELLAR. I understand that; but what the framers of our Constitution meant was to give to the litigants the right of trial by jury. The provision has been construed by the courts not to be as broad as it was intended by the framers of the Constitution that it should be. What I want to know of the Senator is this: If he wants the people back home in his State and in mine and in other States to have the right of a trial in their own local community, why does he not follow the plain direction of the Constitution and provide that we shall have jury trials there just as elsewhere?

Mr. OVERMAN. I am following the statute of the United States. This bill amends the old statute which provides how these cases shall be tried, which has been upheld by the Supreme Court of the United States. These are claims not cognizable at common law, and therefore the Supreme Court has decided that they could be tried without a jury.

Mr. McKELLAR. I understand that; but the Supreme Court could not decide that if Congress provided in this bill that they should have the right of trial by jury, it ought to be given; and I want to say to the Senator that while I have no objection in the world to this bill being considered—I see that it was reported away back in May, 1921, and it ought to be heard; the Senate ought to pass on it—I am going to vote against the Senator's bill unless he strikes out the provision about trial by jury, because I am one of those antiquated men who believe in the right of trial by jury.

Mr. OVERMAN. Then, Mr. President, the Senator had better move to amend the general statute. This bill only amends the general law which is in force to-day in regard to claims. I hope the Senator will not vote against this bill for that reason. Let him propose an amendment to the general law.

Mr. McKELLAR. If the Senator will permit me to say so, I should like very much to vote for a general statute on the subject, but I am not going to vote for any statute that deprives citizens of the United States or of any State of the right of trial by jury.

Mr. OVERMAN. This is an amendment to the law that provides for that. The Senate can do as it pleases with it. I have no interest in it, except in the interest of my constituents who may have claims against the Government and who ought to be able to try them at home instead of coming to Washington at great expense and incurring great expense for witnesses and employing lawyers here in Washington. I am going to leave it to the Senate to do as it pleases. I have no interest in the bill. I simply think it is in the interest of justice and economy.

Mr. SMOOT. Mr. President, in the past I have objected to the consideration of this bill. I think it is a very, very unwise measure.

In the first place, as stated by the Senator from Alabama [Mr. UNDERWOOD]—and I agree with every word he says in relation to this measure—the law provided that cases involving claims of $2,000 or less could be tried in the district courts. Then, after that, the limit was increased to $10,000, and now we are asked to increase it to $50,000.

I am not going to repeat here what the Senator from Alabama has so well said in giving his reasons for objecting to and voting against the bill; but I do want to call attention to the fact that in the Court of Claims—a court that has been set up by Congress to hear claims against the United States—

when one case is decided all similar cases are decided by that court in the same way.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. SMOOT. I yield to the Senator.

Mr. KELLOGG. Does not the Senator know that a man might as well be denied a trial as to have to go to the Court of Claims and be blocked for years?

Mr. SMOOT. No; I do not know that.

Mr. KELLOGG. It is a fact.

Mr. UNDERWOOD. Mr. President, that statement has been repeatedly made on the floor of the Senate, and without intending to contradict the Senator from Minnesota, who I know thinks it is true, I have been assured that there is no difficulty in the world to-day in getting a trial of any case within one term of the court, and I know that to be so, because I have had cases in the Court of Claims myself, not that I was trying them as a lawyer but I was a litigant. For several years past the Court of Claims has sounded its docket every term, and there has been an opportunity to try every case, if the litigants wanted to try them.

Mr. OVERMAN. The cases do not get on the docket. Sometimes it takes five years to get a case on the docket.

Mr. UNDERWOOD. The Senator is now speaking about the litigants preparing their cases.

Mr. OVERMAN. The Court of Claims sends its men out to take the testimony, and the testimony is sent in only after great delay. I agree with the Senator that the court tries all the cases on the docket.

Mr. SMOOT. You can not find any complaint against the court if the litigants do not prepare the cases for trial.

Mr. McNARY. I make a point of order, Mr. President.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. McNARY. We are proceeding under Rule VIII, and we have already taken 35 minutes on this one item. We have only 2 hours altogether for the consideration of these cases on the calendar. I ask for the enforcement of Rule VIII.

Mr. SMOOT. Under Rule VIII each Senator has 5 minutes.

Mr. McNARY. The Senator from Utah and the Senator from Alabama have spoken for more than five minutes.

Mr. SMOOT. I have not been on my feet five minutes.

Mr. McNARY. I ask for an observance of the rule.

Mr. SMOOT. I am perfectly willing to have the rule enforced, but I have not been on the floor five minutes.

The VICE PRESIDENT. The Chair understands that no Senator has spoken more than five minutes or more than once.

Mr. SMOOT. That is true.

Mr. KELLOGG. Under the rules in force in the Federal courts cases can be expedited, but cases have been tied up here in the Court of Claims for years, when men could not get a hearing.

Mr. SMOOT. It is not the fault of the court.

Mr. WATSON. Will the Senator allow me a moment?

Mr. SMOOT. I have only a moment.

Mr. WATSON. The fault is not with the court; it is with the litigants themselves. I have been assured by two of the judges of the Court of Claims in personal conversation within the last 30 days that a hearing can be had in any case in one term of court if the litigants press their cases.

Mr. SMOOT. Mr. President, in conclusion I want to say that this bill will cover perhaps 90 per cent of the cases which will be brought against the Government of the United States. That means that the records in all those cases now at Washington will have to be sent all over the United States.

Mr. OVERMAN. May I ask the Senator a question?

Mr. SMOOT. Certainly.

Mr. OVERMAN. Where did the Senator get his information that this takes in 90 per cent of the cases? It does not take in 10 per cent of them.

Mr. SMOOT. It will if this limitation of $50,000 is put in.

Mr. OVERMAN. The limitation is $50,000, but the Court of Claims handles cases amounting to $100,000, $200,000, $500,000, and over a million dollars.

Mr. SMOOT. Of course, there are few claims of more than $50,000. There are some that run as high as a million dollars and others more than a million dollars, but in the great bulk of the cases the amount claimed is less than $50,000, and this would mean taking the business from the Court of Claims in Washington and transferring it to courts all over the United States. Of course, the evidence that is collected by the Government is in the archives of the Government, and it will be sent all over the United States. Those are the facts in the case. If we want to have a condition of that kind, all we will have to do is to vote for this bill, but I shall vote against the bill.

Mr. McKELLAR. How far is the Court of Claims behind?

Mr. SMOOT. As far as the docket is concerned—and that is all the court has anything to do with—they are almost up to date. I will say to the Senator that they are as nearly up to date as any court in the United States.

Mr. OVERMAN. So far as the docket itself is concerned, they are up to date, but many of the cases do not get on the docket until the men who go down and take the testimony send it here, and they are sometimes five years behind time.

Mr. McKELLAR. Would this not be likely to engender a great many suits against the Government all over the country?

Mr. OVERMAN. I do not think so. I do not see why.

Mr. McKELLAR. I mean improvident suits. It seems to me that everyone who even thought he might have a claim against the Government would be willing to risk the cost and go into court.

Mr. OVERMAN. If a man thinks he has a case against the Government he ought to have a right to go and try it out, if he is willing to put up the money.

Mr. WALSH of Montana. Mr. President, I do not think the reason for this legislation rests at all upon the difficulty or delay in securing an adjudication before the Court of Claims. These causes accruing in behalf of citizens of the United States against the Government of the United States accrue all over this great country, in the State of California, in the State of Washington, in the State of Montana, in the State of Maine. It is a mistake to assume that all the records repose in the archives here in the city of Washington. I recall prosecuting at one time a case of this character arising out of a building contract, the construction of Fort Yellowstone, in the Yellowstone National Park. My client had an opportunity to bring his witnesses here to the city of Washington or to try the case purely upon deposition, if he had a desire to do so. He preferred to abate a very considerable amount of his claim and bring it in the district court of Montana, rather than undergo the expense and inconvenience of coming here to the city of Washington to try a lawsuit. The Government was put to no inconvenience about the matter at all. The evidence was all in the hands of the division office of the Supervising Architect of the Treasury.

So a controversy might easily arise concerning the construction of some public improvement in the city of San Francisco involving an amount somewhere between $10,000 and $50,000. Why should the parties to that transaction with the Government of the United States be compelled to come to the city of Washington to try a lawsuit involving that matter? Of course, there are many of these cases which will be tried before the Court of Claims, all claims involving an amount above $50,000, but in many of the cases, if the claim is less than $50,000, the man will surrender his right rather than come here to the city of Washington and employ lawyers in this city for the purpose of prosecuting.

It is a mere question of justice to the people who have claims against the Government of the United States arising out of contracts, whether they shall be compelled to travel 3,000 miles before they can get a court to try their claims or whether they shall have a court in the immediate vicinity, where the cases can be tried in an inexpensive way. I can see no reason at all why this legislation should not be enacted. It seems to me it is founded in the elemental principles of justice, namely, that a man is entitled to have a court before which his cause can be tried, and have that court somewhere in the immediate vicinity where the transaction took place.

Mr. KING. Mr. President, for information I would like to inquire of the Senator what reason prompted Congress in the beginning to place limitations around the jurisdiction of the courts in the various districts?

Mr. WALSH of Montana. I am glad the Senator asked that question. We started out upon the principle that the Government was not open to suit at all. If anyone had a claim against the Government he was to come before Congress, no matter how trifling it might be in amount or in the principle involved, and Congress would make an appropriation. But in the course of time it was recognized that justice could not be administered in that way, and we created a Court of Claims, and then anyone who had a case against the Government would come before that court and file his claim. It was then recognized that that amounted to practically a denial of justice as to all claims of limited amount arising in remote sections of the country, and Congress authorized suit to be brought against the Government of the United States in the district courts of the various districts where the amount involved did not exceed $10,000.

I defy anyone to demonstrate that the Government of the United States has suffered to any extent whatever by reason of

that legislation. I deny that anyone can demonstrate that any unjust claim against the Government was allowed through the process of the Federal courts. The statute carefully guards it. There is no right to trial by jury. The cause is heard before the district judge, no trial by jury being given at all, so that the prejudice which is supposed to exist against the Government in the prosecution of claims of this character can not possibly obtain.

No harm has come, no injury of any character has resulted, to the Government on account of the right extended to citizens to prosecute their cases in the various courts of the country where the amount involved does not exceed $10,000, and I can not conceive how any injury can come to the Government from giving to these courts the right to try these cases against the Government where the amount involved does not exceed $50,000. I hope the legislation will be enacted.

The VICE PRESIDENT. The Chair is not certain whether objection to the present consideration of the bill was raised.

Mr. KING. I object.

Mr. OVERMAN. I move that the Senate proceed to the consideration of the bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 214) to amend section 24 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911.

The VICE PRESIDENT. On May 16, 1921, the Senate, as in Committee of the Whole, amended the bill by striking out "$100,000" and inserting in lieu thereof "$50,000."

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. WALSH of Montana. Mr. President, I understand that during my absence some question was raised as to the provision of the bill providing that the trial of these cases should be without a jury. I want to state that in that respect no change is made in the law. The only change made is an increase of the limit from $10,000 to $50,000. The law now provides that these cases shall be tried without juries. We are instituting no innovation.

Mr. McKELLAR. I understand that entirely, and that is exactly what I am opposed to. I think the original law ought to have provided that they should be tried by jury. I do not think the right of trial by jury should be denied American citizens, and for that reason I am going to vote against the bill, and I am going to ask for the yeas and nays.

Mr. WALSH of Montana. I trust the Senator will not vote against the bill upon that ground, because that introduces an exceedingly debatable question, which we endeavored to avoid in the preparation of this legislation. I think the Senator might very well defer his views upon that matter until some time when the question can be presented for consideration. It was not under consideration by the Judiciary Committee. We did not canvass that question.

Mr. McKELLAR. I understand what the Senator says, but I want to say in reply that I believe in the spirit of the Constitution in reference to jury trials. There are three specific provisions therefor in the Constitution and amendments, and believing honestly and thoroughly in jury trials, and believing that the Federal courts have from time to time construed the Constitution improperly in depriving citizens of jury trials, I have made up my mind to vote against any bill that deprives an American citizen of a jury trial, and as this bill does deprive an American citizen of the jury trial, I am going to vote against this bill.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. SMOOT. I call for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The senior Senator from Virginia [Mr. SWANSON] is necessarily absent. During his absence I promised to take care of him with a pair on all matters aside from matters relating to the shipping bill. Not knowing how he would vote on the pending proposition, I withhold my vote.

Mr. KELLOGG (when his name was called). I transfer my pair with the senior Senator from North Carolina [Mr. SIMMONS] to the junior Senator from Idaho [Mr. GOODING] and vote "yea."

Mr. POMERENE (when his name was called). I have temporarily a general pair with my colleague [Mr. WILLIS], who is detained because of serious illness in his family. I do not know how he would vote if present. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. WALSH of Montana (when his name was called). I have a general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN], which I transfer to the Senator from Nebraska [Mr. HITCHCOCK] and vote "yea."

Mr. CURTIS (when Mr. WILLIS's name was called). As previously announced, the junior Senator from Ohio [Mr. WILLIS] is necessarily detained on account of serious illness in his family.

The roll call was concluded.

Mr. GLASS. May I inquire whether the senior Senator from Vermont [Mr. DILLINGHAM] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. GLASS. I have a general pair with the senior Senator from Vermont, and in his absence withhold my vote.

Mr. HARRISON. May I inquire if the junior Senator from West Virginia [Mr. ELKINS] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. HARRISON. I have a general pair with the junior Senator from West Virginia. Being unable to obtain a transfer, I am not at liberty to vote. If permitted to vote, I would vote "yea."

Mr. CARAWAY (after having voted in the affirmative). I have a general pair with the junior Senator from Illinois [Mr. McKINLEY]. I transfer that pair to the Senator from Rhode Island [Mr. GERRY] and allow my vote to stand.

Mr. BAYARD (after having voted in the affirmative). I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. In his absence, being unable to obtain a transfer, I withdraw my vote.

Mr. JONES of New Mexico (after having voted in the affirmative). I have a general pair with the Senator from Maine [Mr. FERNALD], which I transfer to the senior Senator from Arizona [Mr. ASHURST] and permit my vote to stand.

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from Maine [Mr. HALE] with the Senator from Tennessee [Mr. SHIELDS];

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD].

The result was announced—yeas 42, nays 22, as follows:

YEAS—42.

Borah	Ernst	New	Stanley
Brookhart	Fletcher	Norbeck	Sterling
Bursum	George	Norris	Sutherland
Calder	Jones, N. Mex.	Overman	Trammell
Cameron	Kellogg	Phipps	Wadsworth
Capper	Kendrick	Pittman	Walsh, Mass.
Caraway	La Follette	Ransdell	Walsh, Mont.
Colt	Lenroot	Reed, Mo.	Warren
Couzens	McNary	Robinson	Williams
Culberson	Myers	Sheppard	
Dial	Nelson	Spencer	

NAYS—22.

Ball	Ladd	Nicholson	Townsend
Curtis	Lodge	Oddie	Underwood
France	McCormick	Pepper	Watson
Harris	McCumber	Poindexter	Weller
Heflin	McKellar	Smoot	
King	McLean	Stanfield	

NOT VOTING—32.

Ashurst	Fernald	Hitchcock	Pomerene
Bayard	Frelinghuysen	Johnson	Reed, Pa.
Brandegee	Gerry	Jones, Wash.	Shields
Broussard	Glass	Keyes	Shortridge
Cummins	Gooding	McKinley	Simmons
Dillingham	Hale	Moses	Smith
Edge	Harreld	Owen	Swanson
Elkins	Harrison	Page	Willis

So the bill was passed, as follows:

Be it enacted, etc., That paragraph 20 of section 24 of "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, be amended to read as follows:

"20. Concurrent with the Court of Claims of all claims not exceeding $50,000 founded upon the Constitution of the United States or any law of Congress, or upon any regulation of an executive department, or upon any contract, express or implied, with the Government of the United States, or for damages, liquidated or unliquidated, in cases not sounding in tort, in respect to which claims the party would be entitled to redress against the United States, either in a court of law, equity, or admiralty, if the United States were suable, and of all set-offs, counterclaims, claims for damages, whether liquidated or unliquidated, or other demands whatsoever on the part of the Government of the United States against any claimant against the Government in said court: *Provided, however*, That nothing in this paragraph shall be construed as giving to either the district courts or the Court of Claims jurisdiction to hear and determine claims growing out of the late Civil War and commonly known as 'war claims,' or to hear and determine other claims which had been rejected or reported on adversely prior to the 3d day of March, 1887, by any court, depart-

ment, or commission authorized to hear and determine the same, or to hear and determine claims for pensions; or as giving to the district courts jurisdiction of cases brought to recover fees, salary, or compensation for official services of officers of the United States or brought for such purpose by persons claiming as such officers or as assignees or legal representatives thereof; but no suit pending on the 27th day of June, 1898, shall abate or be affected by this provision: *And provided further*, That no suit against the Government of the United States shall be allowed under this paragraph unless the same shall have been brought within six years after the right accrued for which the claim is made: *Provided*, That the claims of married women, first accrued during marriage, of persons under the age of 21 years, first accrued during minority, and of idiots, lunatics, insane persons, and persons beyond the seas at the time the claim accrued, entitled to the claim shall not be barred if the suit be brought within three years after the disability has ceased; but no other disability than those enumerated shall prevent any claim from being barred, nor shall any of the said disabilities operate cumulatively. All suits brought and tried under the provisions of this paragraph shall be tried by the court without a jury."

ARMAMENT CONFERENCE TREATIES (S. DOC. NO. 282).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, on motion of Mr. LODGE, referred to the Committee on Foreign Relations and ordered to be printed:

To the Senate:

I transmit herewith a report by the Secretary of State in response to the resolution adopted by the Senate on December 11, 1922, requesting him to furnish to the Senate "information showing to what extent and by what nations the six treaties known as the armament conference treaties, described in Senate Document 124, Sixty-seventh Congress, second session, have been ratified, and to give the date of ratification in each case by each country."

WARREN G. HARDING.

THE WHITE HOUSE, *January 3, 1923.*

CIVIL WAR PENSIONS—VETO MESSAGE (S. DOC. NO. 281).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read:

To the Senate:

I am returning herewith Senate bill 3275, "An act granting pensions to certain soldiers, sailors, and marines of the Civil War, etc.," without my approval.

If the act were limited to its provisions in behalf of the surviving participants in the Mexican and Civil Wars and widows of the War of 1812, it would still be without ample justification. The Commissioner of Pensions estimates its additional cost to the Treasury to be about $108,000,000 annually, and I venture the prediction that with such a precedent established the ultimate pension outlay in the half century before us will exceed $50,000,000,000. The act makes no pretense of new consideration for the needy or dependent, no new generosity for the veteran wards of the Nation; it is an outright bestowal upon the Government's pension roll, with a heedlessness for the Government's financial problems which is a discouragement to every effort to reduce expenditure and thereby relieve the Federal burdens of taxation.

The more particular objection to this act, however, lies in its loose provision for pensioning widows. The existing law makes the widow of a Civil War veteran eligible to a pension if she married him prior to June 27, 1905. In other words, marriage within 40 years of the end of the Civil War gives a veteran's widow a good title to a pension. The act returned herewith extends the marriage period specifically to June 27, 1915, and provides that after that date any marriage or cohabitation for two years prior to a veteran's death shall make the widow the beneficiary of a pension at $50 per month for the remainder of her life. In view of the fact that this same bill makes provision for pensions for widows of the veterans of the War of 1812, the possible burden of this sweeping provision seems worthy of serious consideration. Frankly, I do not recognize any public obligation to pension women who now, nearly 60 years after the Civil War, became the wives of veterans of that war.

The Government has so many defenders to whom generous treatment is due that Congress will find it necessary to consider all phases of our obligations when making provision for any one group.

The compensation paid to the widows of World War veterans, those who shared the shock and sorrows of the conflict, amounts to $24 per month. It would be indefensible to insist on that limitation upon actual war widows if we are to pay $600 per year to widows who marry veterans 60 years after the Civil War.

WARREN G. HARDING.

THE WHITE HOUSE, *January 3, 1923.*

Mr. BURSUM. Mr. President, I feel that all Senators ought to have an opportunity to familiarize themselves with the contents of the message which has just been read from the President. I therefore move that the message be printed and that in the meantime it lie on the table.

The motion was agreed to.

ELIZABETH WHITE.

The bill (S. 1467) to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel N. White, deceased, was announced as next in order.

Mr. KING. Let that bill go over.

Mr. WARREN. I move that the Senate proceed to the consideration of the bill.

The VICE PRESIDENT. The question is on the motion of the Senator from Wyoming.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, directed and authorized to pay, out of any money in the Treasury not otherwise appropriated, to Elizabeth White, administratrix of the estate of Samuel N. White, deceased, late of West Feliciana Parish, La., $27,800, in full satisfaction of her claim as reported by the Court of Claims under the act of March 3, 1887, and embraced in House Report No. 97, Sixty third Congress, second session, at page 100, and by clerical error omitted from an appropriation act for its payment after favorable action thereon by both Houses of Congress, and said sum is hereby appropriated.

Mr. WARREN. Mr. President, this bill has passed the Senate three times and has twice passed the other House. It finally came from the House to the Senate in and as a part of an omnibus claims bill which was referred to the Senate Committee on Claims. That committee struck out of the omnibus claims bill this particular claim, but when the bill came into the Senate, on the 3d day of March, and was taken up for passage, I asked the Senate to reject the amendment proposing to strike out that claim, so that it would remain in the bill as it came from the House. So the Senate rejected the committee amendment and thus the claim became a part of the omnibus claims bill. By an error of enrollment, however, the item was omitted. In the hurry incident to the last hours of the session not only was that claim omitted but there was included another claim that had not been passed upon favorably. Of course, both claims were barred from payment.

The pending bill involves an old controversy. The matter was considered many years ago when I was chairman of the Committee on Claims. Furthermore the cause of the claim arose in a section of country with which I was familiar during the Civil War, as I performed duty there. It involves a case where the Confederate forces took Mr. White's boat and its cargo and forced him to stay with the boat and help to operate it. The boat was afterwards taken from the Confederates by the United States troops. After the war Mr. White took the matter up in court and the court found in his favor. The United States Government appealed, but never prosecuted the appeal. The claim went before the Southern Claims Commission, and they rejected it. Later on, some years afterwards, the boat having in the meantime been used by the United States Government for nearly 900 days continuously without repair or any pay to the owner, was sold for $7,000.

As to the claims for sugar and molasses which were taken with the boat, these articles, I assume, were consumed by the Confederate forces, as we have no record of them. As to the boat itself, years afterwards, when this man was in want, the Government settled with him for the value of the boat alone, and he signed a receipt for that only. The receipt, however, was by an additional certificate worded in a manner which it is now contended establishes the fact that it was in full for the amount due him. Under any circumstances it was a good claim and should have been paid.

Furthermore, the United States is obligated in equity to pay it, because it has been passed upon many times, as I have said, by both Houses separately, and once by the two Houses. I hope that the bill may be passed.

Mr. SMOOT. Mr. President, I have objected to the consideration of this bill on many occasions. I think the bill is unjust. I do not believe that the Government ought to be called upon to pay the $27,800 which is authorized to be paid by the bill.

Mr. RANSDELL. Mr. President——

Mr. SMOOT. I have but five minutes, I will say to the Senator from Louisiana. Let me continue, and after I shall have concluded the Senator from Louisiana may say what he wishes.

Mr. President, this claim was considered under the Tucker Act, and it was decided against the claimant. It was then considered under the Bowman Act, and there was another

decision rendered which was adverse to the claimant. The report states that the claimant received payment in full for his claim against the United States. The receipt which he signed is as follows:

Received at Washington, D. C., the 16th of March, 1866, of Bvt. Col. J. C. M. Ferran, quartermaster, United States Army, the sum of $7,000 and — cents, in full of the above account, in check No. 26, on the First National Bank of Washington, D. C., payable to S. N. White or bearer for $7,000.

S. N. WHITE.

Witnesses:
W. M. MACRAE.
C. A. THORNE.

While it is claimed that that payment was made merely for the boat, the receipt specifically states that the payment was in full satisfaction of all claims against the Government.

Mr. WARREN. Will the Senator allow me to say that the receipt which precedes the one which he has read recites the matter differently?

Mr. SMOOT. The certificate as signed by J. C. M. Ferran, major, quartermaster, brevet colonel, United States Army, states:

I certify that the above account is correct, and that it has been made in triplicate and read over carefully to the claimant, Samuel N. White, in the presence of the attesting witnesses, and that he in their presence accepted the sum of $7,000 in full of all claims by him against the United States or its officers on account of the steamer *Red Chief No. 1.*

J. C. M. FERRAN,
Major, Quartermaster, Brevet Colonel, United States Army.

Think of it, Mr. President! The claimant makes a settlement with the Government for $7,000, and yet those who are in favor of the passage of the pending bill take the position that the receipt was given for the boat only when the claimant signed a receipt for $7,000 in full payment.

The Government of the United States used the boat but 825 days. For the use of the boat for that number of days a claim is made of $27,800, although the boat itself at the conclusion of its use by the Government was sold for $7,000. I can not believe that any such claim as that against the Government ought to be paid.

I know that many times claims bills pass through the Senate when no one is paying any attention to them; I know that claims bills have passed through the Senate half a dozen times without ever being finally enacted into law; but I do not believe that the Government of the United States ought to be called upon to pay this bill of $27,800.

Mr. WARREN. Mr. President, does the Senator deny that the claim was passed as an amendment to an omnibus claims bill and that it was left out of the enrolled bill by error?

Mr. SMOOT. No; I do not deny that. It did pass on an omnibus bill; I am quite aware of that.

Mr. WARREN. And when the omnibus claims bill was considered there was a full attendance, of course, in the Senate.

Mr. SMOOT. There is not always a full attendance on such occasions, I will say to the Senator; and I think this claim was put upon the omnibus bill in the Senate, perhaps, when nobody knew anything about what it was and when Senators did not have the report before them to ascertain really whether the Government of the United States was obligated to the claimant.

Many old claims of this nature have piled up against the Government of the United States. I am perfectly willing to pay such claims wherever there is produced a shadow of justification for them, but there is no justification for paying this claim of $27,800.

Mr. RANSDELL. Mr. President, I can not agree with the Senator nor do the committees which have investigated this claim agree with him. The Senator reads a receipt signed by Mr. White showing that he, the husband of the old lady, a widow, who is now the claimant under this bill, received $7,000. Mr. President and Senators, that $7,000 was paid for the price of the boat. The boat was sold—and the sale was a mistake, as the War Department admits—and that amount was paid for the boat. As the report of the committee shows, and as the court found, the boat was used for 825 days, I believe.

Mr. SMOOT. That is true.

Mr. RANSDELL. The court found that the claimant was entitled to be paid for the use of the boat, and that is what the committee found.

I wish to say to the Senate and to the Senator from Utah that, in my judgment, this is as just a claim as Congress ever paid. The Senator from Utah says there is not a shadow of evidence back of it. I say that, in my judgment—and I do not often rise upon the floor of the Senate to make any claim for my constituents—I do not know a better claim than this, and I do not know one where a poor old widow has been kept out of her rights for so many years as has the old lady in this case, largely by objections such as the Senator from Utah is now making. I think it is a piece of absolute injustice longer to defer the payment of this claim. Bills providing for its payment have passed the House and the Senate a number of times, and on one occasion a bill embodying the claim passed both Houses of Congress, but, owing to a mistake of the clerk, the item was not put in the enrolled copy of the bill and did not receive, therefore, the signature of the President. The claim has been here time and time again; it is no new claim; it has been before us repeatedly. It would be an outrage on justice, sir, not to act favorably upon it, and I sincerely hope that the Senate will now perform this long-deferred act of simple justice and pass the bill. I wish to thank the Senator from Wyoming [Mr. WARREN] for trying to secure proper consideration of the case.

Mr. SMOOT. Mr. President, I want again to call the Senate's attention to this receipt. The receipt is what Mr. White signed. He was a man of intelligence, and he could read language; and when the settlement was made between him and an officer of the Government of the United States, he signed this receipt, accepting "the sum of $7,000 in full of all claims by him against the United States or its officers on account of the steamer *Red Chief No. 1.*"

Mr. MCNARY. Mr. President, I again ask for the enforcement of the rule. We are not getting anywhere with the calendar when we take 15 minutes to speak.

Mr. RANSDELL. I have not yielded. I did not hear the question of the Senator from Oregon.

Mr. MCNARY. I asked the Chair for the enforcement of the rule, which is that no Senator can speak for more than five minutes on a given number on the calendar.

The PRESIDING OFFICER (Mr. NEW in the chair). The Chair will state that this bill is under consideration upon motion, and, consequently, the rule to which the Senator from Oregon refers does not apply.

Mr. MCNARY. Very well.

Mr. RANSDELL. Mr. President and Senators, in regard to the last remark of the Senator from Utah, I wish to say that the receipt to which he refers does not say "in full settlement of all claims." Here is the way it reads:

That he, in their presence—

That is, in the presence of witnesses—

accepted the sum of $7,000 in full of all claims by him against the United States or its officers on account of the steamer *Red Chief No. 1*—

Growing out of the claim which he had made in triplicate, as per some voucher.

The actual facts in connection with that, as I gathered them, were that this old man had had his property taken from him. The Government had used that property. The Government then had sold that property at public sale, and that was all that was offered to him. He would have been very different from most men if he had not signed practically any receipt offered to him. The $7,000 was what the vessel brought at public sale. The Government did not own that vessel. It was Captain White's vessel. The Government had seized it and deprived him of a chance to use it. The Government had actually used it for 825 days, had undoubtedly received great benefit from its use, and then, after using it and probably nearly wearing it out, the Government sold it for $7,000; and Mr. Stanton, the Secretary of War, said, "We will pay him the $7,000 which his property brought." That was not the Government giving him anything, Mr. President and Senators. That was simply returning to this old man the $7,000 which his property brought at public sale.

The Senator from Utah tries to make it appear that that $7,000 was a donation from the Government. That is the inference from his remarks. The Government did not give this man a cent. It took his property from him, sold it, and then turned over to him the proceeds of that sale. The court found that the Government had used that property for 825 days and that a fair rental value for the use of the property—not for the title to the property, but for the use of it—was the sum fixed in this bill.

I think it is most unjust, Mr. President and Senators, for the Senator from Utah to say that merely turning over to that old man the $7,000 received from the sale of his property compensates him for all his claims. Are you not going to pay him one cent for the 825 days that it was used—not a nickel for all of that? I can not conceive such injustice as that, Mr. President. I know it is a long time since the war; but this claim, to my certain knowledge, has been up here for years and years and years, and it ought to be settled now.

Mr. KING. Mr. President, there are two reasons, as I view this case, why this bill ought not to pass.

The first reason exists because of prior action taken by a commission appointed by the Congress; and that commission, upon full investigation, decided on the merits of the case adversely to the claimant. Let me read from page 2 of the report accompanying the bill:

Samuel N. White (Elizabeth White, administratrix). (S. D. 258–55–2.) Tucker Act. This claim originally presented to Southern Claims Commission; referred to court first February 12, 1887, under Bowman Act; decedent found loyal in 1892, under that reference, but court in 1893 found adversely to claimant on merits.

If there is anything in the world that can be res adjudicata, it would seem to be the case at bar. Here was a case where a claim lingered along for many years, and in 1893 it was referred to the court and tried by the court on its merits. It was not a technical disposition of the case. There was nothing arbitrary. It did not go off on some fine point of law, but there was a decision upon the merits. That means upon the facts—not the legal questions involved, but the merits of the case itself. If we are to revive cases after machinery has been provided, and they have been tried on the merits and no appeal taken, then there is no end to claims that may be presented against the Government. When machinery has been set up by the Government to pass upon claims, and that machinery acts pursuant to law, passes upon the merits, and decides adversely, that ought to end the matter. If the claimants may come again and again and again, ignoring the findings made and trial had and decision rendered, then those things are purely abortive, and we might just as well say that, no matter how many adjudications may be had against an individual, he and his heirs for hundreds of years may revive the claims and present them.

Mr. WARREN. No, Mr. President; the case goes back of that. This case was tried in the court and decided in favor of this litigant, and the United States took an appeal and never followed up that appeal. This man was waiting for a settlement. Finally the claim appeared before the Southern Claims Commission, just as many others did. We have paid I would not undertake to say how much, but to my knowledge more than $40,000,000 of cases which that commission decided on the prima facie facts as they appeared. They had thousands of them—yes, tens of thousands—passing on them very hurriedly, and they have come up and been settled since.

There is another feature of this matter: These claims have all been tried out in the committees. They have all been looked over. They have been presented here in reports. They have passed the House and Senate separately several times. Then they passed here in a composite bill, as we formed the line of action at one time of putting all such matters in omnibus bills, matters which had passed both Houses before but failed to pass both Houses in season to reach the President before adjournment. This bill had really once become a law, so far as that is concerned, except for a mistake of the enrolling clerk, who left it out. As I said before, the same bill or act contained another claim that did not belong there at all. I allude to it simply to show the confusion that happened in the closing days of the Congress, the 3d or 4th of March.

Mr. KING. Mr. President, knowing the fallibility of Congress, the fact that it had passed a bill one time or many times would not influence me in the slightest degree in favor of the bill. In fact, I am rather inclined to think that I might be prejudiced against it; and when the Senator says that it was a part of an omnibus bill, that in and of itself stamps it with some little uncertainty as to its merits. Omnibus bills usually gather in good, bad, and indifferent claims, objects, and subjects. When we have an omnibus bill—take the omnibus pork-barrel public buildings bill—usually, as we know, measures are there found that are unjust, and post offices and public buildings are provided for in little towns and villages and hamlets where, in justice to the Government, none should be provided. So when the Senator pleads that we ought to pass this bill because it has been included in some omnibus bill heretofore, it does not appeal to me at all.

Mr. WARREN. But the Senator makes another mistake. It was put in on this floor, by the vote of the Senate, on a bill of that kind, and, of course, that vote came upon its merits.

Mr. KING. Whether it was upon the omnibus bill originally, or as a sort of a tentacle or an appendix to it, makes no difference; it was an omnibus bill if it passed.

But, Mr. President, I call attention again to this statement:

Court in 1893 found adversely to claimant on merits.

There is no evidence that there was any appeal from that finding on the merits. The Senator from Wyoming indicates that there was some other trial upon some other action or in some other court where the findings were in favor of the plaintiff and against the Government, but the Government appealed. No disposition has been made yet of that appeal, apparently. The appeal is still pending. If the plaintiff had any confidence in her bill, why has she not prosecuted the case which was appealed? Why did she not go to the appellate court and ask, if the Government, which was the appellant, failed to prosecute the appeal, that it be dismissed and remitted to the lower court, and then take such steps to enforce the judgment of the lower court as the case called for?

Mr. President, this statement that the case was tried on the merits by a court and the plaintiff was found against stands uncontradicted. That ought to decide the case; but, aside from that—and I ask the Senate's pardon for referring to a matter that my colleague has so fully covered—I want to call attention again to this release. The able Senator from Louisiana [Mr. RANSDELL] attempted rather to explain away the effect, and, so far as the plaintiff is concerned, the damning effect, of the release. Let us read what the release says:

Said voucher, signed by White—

The owner of the boat—

reads as follows:

"The United States to S. N. White, Dr., March 16, 1866: The reimbursement of the proceeds of the sale of the steamer *Red Chief No. 1*, by the United States Quartermaster Department, at Mobile, Ala., on the 12th of October, 1865, it being at the time the property of this said Samuel N. White, which reimbursement is in lieu of the boat and in full payment and release for all claims by said Samuel N. White on the United States Government or its officers on account of said boat, and this said reimbursement 'being in full accord and satisfaction for all claims against the United States and its officers for said boat'"—

Mr. WARREN. Mr. President, the Senator should add "or its value, $7,000."

Mr. KING. Wait a minute—

for all claims against the United States and its officers for said boat or its value, $7,000.

That language admits of but one construction. There had been a controversy, and the controversy ended in a complete accord and satisfaction, in a complete adjustment of the controversy, the payment of $7,000, and a release of any further claim against the Government.

Mr. President, if men may sign releases in full of all claims, and then 50 years afterwards come before Congress and present claims when perhaps the facts of which the Government might avail itself at the time the release was signed, in order to controvert the claim, may not be provided, the Government will always be at the mercy of individuals and we may revive claims which were settled 50 or 100 years ago and vouchers given, upon some pretext of generosity or averment that some coercive measures were adopted by the Government, to get through large appropriations to pay claims settled many years before. It is a dangerous thing. The Government ought to be protected. There ought to be some period beyond which claimants may not assert their claims, particularly where they have signed releases in full. I regard this as a very dangerous precedent. If the Government may not rely upon acquittances and discharges, then there is no use of the Government settling any claims. It seems to me this would be very unfair; first, because there was a finding on the merits against the claim, and, secondly, because the claimant signed a release of the claim.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. SMOOT. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of Washington (when his name was called). Making the same announcement as before with reference to my pair, I withhold my vote.

Mr. KELLOGG (when his name was called). Making the same announcement as before as to the transfer of my pair, I vote "nay."

Mr. STERLING (when his name was called). Making the same transfer of my pair as upon the last vote, I vote "yea."

Mr. WALSH of Montana (when his name was called). I have a general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN], who is absent. I accordingly withhold my vote.

The roll call was concluded.

Mr. POMERENE. Again announcing my pair with my colleague [Mr. WILLIS], who is detained because of illness in his family, not knowing how he would vote if present, I withhold my vote.

Mr. FERNALD. I have a general pair with the senior Senator from New Mexico [Mr. JONES]. I transfer that pair

to the junior Senator from New Hampshire [Mr. KEYES] and vote "yea."

Mr. SUTHERLAND (after having voted in the affirmative). I understand that my pair, the senior Senator from Arkansas [Mr. ROBINSON], who is absent, would vote on this question, if present, as I have voted. I therefore allow my vote to stand.

Mr. CURTIS. I desire to announce the following general pairs:

The Senator from Maine [Mr. HALE] with the Senator from Tennessee [Mr. SHIELDS];

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Pennsylvania [Mr. REED] with the Senator from Delaware [Mr. BAYARD].

The result was announced—yeas 44, nays 7, as follows:

YEAS—44.

Brookhart	Glass	Nicholson	Stanley
Broussard	Harris	Norbeck	Sterling
Capper	Harrison	Oddie	Sutherland
Colt	Heflin	Overman	Townsend
Curtis	Kendrick	Pepper	Trammell
Dial	Ladd	Phipps	Underwood
Elkins	Lodge	Poindexter	Wadsworth
Ernst	McCumber	Ransdell	Walsh, Mass.
Fernald	McKellar	Reed, Mo.	Warren
Fletcher	McNary	Sheppard	Watson
George	Myers	Spencer	Weller

NAYS—7.

Borah	Kellogg	La Follette	Smoot
Dillingham	King	New	

NOT VOTING—45.

Ashurst	France	McCormick	Shields
Ball	Frelinghuysen	McKinley	Shortridge
Bayard	Gerry	McLean	Simmons
Brandegee	Gooding	Moses	Smith
Bursum	Hale	Nelson	Stanfield
Calder	Harreld	Norris	Swanson
Cameron	Hitchcock	Owen	Walsh, Mont.
Caraway	Johnson	Page	Williams
Couzens	Jones, N. Mex.	Pittman	Willis
Culberson	Jones, Wash.	Pomerene	
Cummins	Keyes	Reed, Pa.	
Edge	Lenroot	Robinson	

So the bill was passed.

BILLS, ETC., PASSED OVER.

The bill (S. 1016) to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States," was announced as next in order.

Mr. SMOOT. I do not see in the Chamber the Senator who reported the bill or the Senator who introduced the bill, and I want some explanation of the bill or shall have to object to its passage. I therefore ask that it may go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 491) to provide, without expenditure of Federal funds, the opportunities of the people to acquire rural homes, and for other purposes, was announced as next in order.

Mr. SMOOT. I understand the shipping bill is to be taken up at 2 o'clock, and I shall not ask to have this bill taken up at this time, because it would be impossible to pass it between now and 2 o'clock. Therefore I ask that it may go over to-day.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 7) to amend the act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real estate brokers in the District of Columbia," approved February 4, 1913, was announced as next in order.

Mr. POMERENE. I ask that the bill may go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2228) to amend certain sections of the Judicial Code relating to the Court of Claims, was announced as next in order.

Mr. SMOOT. The Senator from Tennessee desires to be heard upon the bill, as he has an amendment to offer to it, and therefore I ask that it may go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 8331) to amend the transportation act, 1920, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 41) authorizing transportation for dependents of Army field clerks and field clerks, Quartermaster Corps, was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 2718) to provide for leasing of the floating dry dock at the naval station, New Orleans, La., was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2589) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 67) for the relief of the heirs of Adam and Noah Brown was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1539) for the relief of Watson B. Dickerman, administrator of the estate of Charles Backman, deceased, was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1861) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 133) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. STERLING. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 14) providing for the election of a Delegate to the House of Representatives from the District of Columbia, and for other purposes, was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

THE MERCHANT MARINE.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, House bill 12817.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. SHEPPARD obtained the floor.

Mr. FLETCHER. Mr. President, will the Senator yield to me?

Mr. SHEPPARD. I yield.

Mr. FLETCHER. I offer the amendment which I send to the desk and which I ask may be read and lie on the table.

The amendment was read and ordered to lie on the table and to be printed, as follows:

Strike out all after the enacting clause and insert:

"A reduction of 10 per cent shall be made to the several rates of duties specified and imposed by the tariff act of 1922 in respect of all goods, wares, and merchandise which after the passage of this act shall be imported in ships or vessels of the United States.

"All treaties and conventions in conflict herewith shall be denounced and terminated in accordance with their terms and new treaties and conventions shall be entered into conforming herewith in their places."

Mr. McNARY. Will the Senator from Texas be good enough to yield that I may ask unanimous consent for the present consideration of a bill?

Mr. SHEPPARD. I yield for that purpose.

PAYMENT OF CHARGES ON RECLAMATION PROJECTS.

Mr. McNARY. I ask unanimous consent for the present consideration of the bill (S. 4187) to extend the time for payment of charges due on reclamation projects, and for other purposes.

Mr. JONES of Washington. I would like to ask the Senator if the consideration of the bill will take any time?

Mr. McNARY. I would not make the request if I thought so. If it leads to debate, I shall, of course, not press it.

Mr. JONES of Washington. With that understanding, I shall not object.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to authorize the Secretary of the Interior to extend the time for payment of charges due on reclamation projects, and for other purposes," approved March 31, 1922, is amended by striking out the words "one year" where they appear in such section and inserting in lieu thereof the words "two years."

SEC. 2. That the Secretary of the Interior is authorized, in the manner and subject to the conditions imposed by such act of March 31, 1922, to extend for a period not exceeding two years from December 31, 1922, the date of any payment of any charge the date of payment of which has been extended under the provisions of section 1 of such act.

SEC. 3. (a) That every charge the date of payment of which has been extended under section 1 of such act of March 31, 1922, shall in lieu of the rate of interest provided in such act draw interest at the rate of 4 per cent per annum from the date of the passage of this act.

(b) That every charge the date of payment of which is extended under the provisions of section 2 of this act shall draw interest at the rate of 4 per cent per annum from the date from which it was so extended in lieu of any penalty that may now be provided by law, but in case such charge is not paid at the end of the period for which it is so extended any such penalty shall attach from the date the charge was originally due, as if no extension had been granted.

Mr. KENDRICK. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. Add a new section, as follows :

SEC. 4. That section 2 of such act of March 31, 1922, is amended by striking out the words "season of 1922," where they appear in such section, and by inserting in lieu thereof the words "seasons of 1922, 1923, and 1924."

Mr. McNARY. I understand the amendment only makes an extension of the provision of the present bill, making it cover two years.

Mr. KENDRICK. Mr. President, the act approved March 31, 1922, granting relief to settlers on reclamation projects, authorized the extension of the time in which annual construction charges might be paid by settlers until December 31, 1923. Section 2 of that act also provided:

That the Secretary of the Interior is hereby authorized, in his discretion, after due investigation, to furnish irrigation water on Federal irrigation projects during the irrigation season of 1922 to landowners or entrymen who are in arrears for more than one calendar year in the payment of any operation and maintenance or construction charges, notwithstanding the provisions of section 6 of the act of August 13, 1914.

And further provided:

That nothing in this section shall be construed to relieve any beneficiary hereunder from payments due or penalties thereon required by said act: *Provided further*, That the relief provided by this section shall be extended only to a landowner or entryman whose land against which the charges have accrued is actually being cultivated.

The bill now under consideration and approved by our Committee on Reclamation, reported by our chairman, Mr. McNARY, authorizes the extension of time from December 31, 1923, to December 31, 1925, which will no doubt prove very helpful to settlers who, because of crop failures and other disasters, are unable to meet the construction charges. But in many instances, particularly where settlers have been unable to receive anything like fair compensation for their crops, it will be found impossible for them to meet even the maintenance charges.

My amendment simply extends for a corresponding period of time the relief provision in reference to the maintenance charges under which the Secretary is authorized to furnish water to settlers when, on investigation, it is proved they are unable to meet such charges. It is in no sense a repudiation of an obligation; it merely extends the time of payment.

I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. FLETCHER. May I inquire of the Senator from Oregon whether the terms of the bill extend all payments for a period of two years?

Mr. McNARY. It is only in a few distinct cases, and in those cases the Secretary of the Interior may, in his discretion, where a proper showing is made, extend payment of the construction charges for a period not to exceed two years.

Mr. FLETCHER. Two years from what date?

Mr. McNARY. Two years from 1922, which means the years 1923 and 1924. There are only a very few cases which have been found to date where such action will be necessary.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. SHEPPARD. Mr. President, the title of the act under debate, an act popularly known as the merchant marine act of 1922, or the ship subsidy bill, is "An act to amend and supplement the merchant marine act of 1920, and for other purposes." The act of 1920, although it did not refer to the shipping act of 1916 in its title, might well have been called an act to amend and supplement the last-named measure and measures amendatory thereof. The act of 1920 amended the act of 1916 in important respects, left much of it in force, and contained a number of new provisions. The act of 1916 had been amended in the meantime mainly by the shipping act of 1918, which had reference to war conditions. These acts represent the first efforts of this country on so gigantic a scale to aid in the development of an American merchant marine. It is essential to a proper grasp of the subject before us that we review these acts, understand to what extent they remain in force, and examine the operations of the Shipping Board from its beginning. The shipping act of 1916 was entitled:

An act to establish a United States Shipping Board for the purpose of encouraging, developing, and creating a naval auxiliary and naval reserve and a merchant marine to meet the requirements of the commerce of the United States with its Territories and possessions and with foreign countries; to regulate carriers by water engaged in the foreign and interstate commerce of the United States; and for other purposes."

The first section of that act provides that the term "common carrier by water in foreign commerce"—

means a common carrier, except ferryboats running on regular routes, engaged in the transportation by water of passengers or property between the United States or any of its Districts, Territories, or possessions and a foreign country, whether in the import or export trade: *Provided*, That a cargo boat, commonly called "an ocean tramp," shall not be deemed such "common carrier by water" in foreign commerce.

The first section further provides that the term "common carrier by water in interstate commerce" means a common carrier engaged in the transportation by water of passengers or property on the high seas or the Great Lakes on regular routes from port to port between one State, Territory, District, or possession of the United States and any other State, Territory, District, or possession of the United States, or between places in the same Territory, District, or possession.

The first section then provides that the term "common carrier by water" means a common carrier by water in foreign commerce or a common carrier by water in interstate commerce, on the high seas or the Great Lakes, on regular routes, from port to port.

It is further provided by the first section that the term "other person subject to this act" means any person not included in the term "common carrier by water," carrying on the business of forwarding or furnishing wharfage, dock, warehouse, or other terminal facilities in connection with a common carrier by water; that the term "person" includes corporations, partnerships, and associations, existing under or authorized by the laws of the United States, or any State, Territory, District, or possession thereof, or of any foreign country.

Such were the original provisions of section 1 of the shipping act of 1916. This section was amended by the shipping act of July, 1918, to provide further that the term "vessel" included all water craft and other artificial contrivances of whatever description and at whatever stage of construction, whether on the stocks or launched, which are used or are capable of being or are intended to be used as a means of transportation on water, and that the term "documented under the laws of the United States" meant registered, enrolled, or licensed under the laws of the United States.

As amended prior to the act of 1920 section 2 of the shipping act of 1916 provided:

That within the meaning of that act no corporation, partnership, or association should be deemed a citizen of the United States unless the controlling interest therein should be owned by citizens of the United States, and in case of a corporation, unless its president and managing directors should be citizens of the United States and the corporation itself organized under the laws of the United States or of a State, Territory, District, or possession thereof.

That the controlling interest in a corporation should not be deemed to be owned by citizens of the United States (1) if the title to a majority of the stock should not be vested in such citizens free from any trust or fiduciary obligation in favor of any person not a citizen of the United States, or (2) if the majority of the voting power in such corporation should not be vested in citizens of the United States, or (3) if through any contract or understanding it should be so arranged that the majority of the voting power might be exercised, directly or indirectly, in behalf of any person not a citizen of the United States, or (4) if by any other means whatsoever control of the corporation should be conferred upon or permitted to be exercised by any person not a citizen of the United States.

That the provisions of this act should apply to receivers and trustees of all persons to whom the act applied and to the successors or assignees of such persons.

Section 3 of the shipping act of 1916 provided that a board was thereby created, to be known as the United States Shipping Board, and thereinafter referred to as the board; that the board should be composed of five commissioners, to be appointed by the President, by and with the advice and consent

of the Senate, said board to annually elect one of its members as chairman and one as vice chairman; that the first commissioners appointed should continue in office for terms of two, three, four, five, and six years, respectively, from the date of their appointment, the term of each to be designated by the President, but their successors to be appointed for terms of six years, except that any person chosen to fill a vacancy was to be appointed only for the unexpired term of the commissioner whom he succeeded; that the commissioners should be appointed with due regard to their fitness for the efficient discharge of the duties imposed upon them by this act and to a fair representation of the geographical divisions of the country; that not more than three of the commissioners should be appointed from the same political party; that no commissioner should be in the employ of or hold any official relation to any common carrier by water or other person subject to this act, or own any stocks or bonds thereof, or be pecuniarily interested therein; that no commissioner should actively engage in any other business, vocation, or employment; that any commissioner might be removed by the President for inefficiency, neglect of duty, or malfeasance in office; that a vacancy on the board would not impair the right of the remaining members of the board to exercise all its powers; that the board should have an official seal which should be judicially noticed; that the board might adopt rules and regulations in regard to its procedure and the conduct of its business.

Section 4 provided that each member of the board should receive a salary of $7,500 per annum; that the board should appoint a secretary at a salary of $5,000 per annum, and employ and fix the compensation of such attorneys, officers, naval architects, special experts, examiners, clerks, and other employees as it might find necessary for the proper performance of its duties and as might be appropriated for by Congress; that the President, on request of the board, might authorize the detail of officers of the military, naval, or other services of the United States for such duties as the board might deem necessary in connection with its business; that with the exception of the secretary, a clerk to each commissioner, the attorneys, naval architects, and such special experts and examiners as the board might from time to time find necessary for the conduct of its work, all employees of the board should be supplied by the Civil Service Commission and in accordance with the civil service laws; that the expenses of the board, including necessary expenses for transportation, incurred by the members of the board or by its employees under its order in making any investigation or upon official business in any other place than in the city of Washington, should be allowed and paid on the presentation of itemized vouchers therefor approved by the chairman of the board; that until otherwise provided by law the board might rent suitable offices for its use; that the Auditor for the State and Other Departments should receive and examine all accounts of expenditures of the board.

Section 5, which was repealed by the merchant marine act of 1920, provided that the board, with the approval of the President, was authorized to have constructed and equipped in American shipyards and navy yards or elsewhere, giving preference, other things considered, to domestic yards, or to purchase, lease, or charter vessels suitable, as far as the commercial requirements of the marine trade of the United States might permit, for use as naval auxiliaries or military purposes, and to make necessary repairs and alterations of such vessels, provided that neither the board nor any corporation formed under section 11, in which the United States should be a stockholder, should purchase, lease, or charter any vessel—

(a) Which was then engaged in the foreign or domestic commerce of the United States, unless about to be withdrawn from such commerce without any intention on the part of the owner to return it thereto within a reasonable time.

(b) Which was under the registry or flag of a foreign country then engaged in war.

(c) Which was not adapted or could not by reasonable alterations and repairs be adapted to the purposes of this section.

(d) Which upon expert examination made under the direction of the board, a written report of such examination being filed as a public record, was not without alteration or repair found to be at least 75 per cent as efficient as at the time it was originally put in commission as a seaworthy vessel.

Section 6 provided that the President might transfer, either permanently or for limited periods, to the board such vessels belonging to the War or Navy Department as were suitable for commercial uses and not required for military or naval use in time of peace and cause to be transferred to the board vessels owned by the Panama Railroad Co. and not required in its business.

Section 7, which was repealed by the act of 1920, provided that the board, upon terms and conditions prescribed by it and approved by the President, might charter, lease, or sell to any person, a citizen of the United States, any vessels so purchased, constructed, or transferred.

Section 8, which was repealed by the act of 1920, provided that when any vessel purchased or constructed by or transferred to the board and owned by the United States became in the opinion of the board unfit for the purposes of this act it should be appraised and sold at public or private competitive sale, after due advertisement, free from the conditions and restrictions of this act.

Section 9 provided that any vessel purchased, chartered, or leased from the board by persons who were citizens of the United States might be registered or enrolled and licensed, or both registered and enrolled and licensed, as a vessel of the United States and entitled to the benefits and privileges appertaining thereto: *Provided*, That foreign-built vessels admitted to American registry or enrollment and license under this act and vessels owned by any corporation in which the United States was a stockholder and vessels sold, leased, or chartered by the board to any person a citizen of the United States, as provided in this act, might engage in the coastwise trade of the United States; that each vessel purchased, chartered, or leased from the board should, unless otherwise authorized by the board, be operated only under such registry, enrollment, and license; that such vessels while employed solely as merchant vessels should be subject to all laws, regulations, and liabilities governing merchant vessels, whether the United States should be interested as owner, in whole or in part, or hold any mortgage, lien, or other interest therein; that no such vessel, without the approval of the board, should be transferred to a foreign registry or flag; nor, except under regulations prescribed by the board, be chartered or leased; that when the United States was at war, or during any national emergency the existence of which should be declared by proclamation of the President, no vessel registered or enrolled and licensed under the laws of the United States should without the approval of the board be sold, leased, or chartered to any person not a citizen of the United States or transferred to a foreign registry or flag; that no vessel registered or enrolled and licensed under the laws of the United States, or owned by any person a citizen of the United States, except one which the board was prohibited from purchasing, should be sold to any person not a citizen of the United States or transferred to a foreign registry or flag unless such vessel should be first tendered to the board at the price in good faith offered by others, or, if no such offer, at a fair price to be determined as provided in section 10; that any vessel sold, chartered, leased, transferred, or operated in violation of this section should be forfeited to the United States and anyone violating the section deemed guilty of misdemeanor and subject to a fine of not more than $5,000 or to imprisonment of not more than five years, or both such fine and imprisonment.

Section 10 provided for the taking of vessels purchased, leased, or chartered from the board by the President for military or naval purposes and defined the method of compensation.

Section 11 provided that the board, if in its judgment such action was necessary to carry out the purposes of this act, might form under the laws of the District of Columbia one or more corporations for the purchase, construction, equipment, lease, charter, maintenance, and operation of merchant vessels in the commerce of the United States; that the total capital stock thereof should not exceed $50,000,000; that the board might, for and on behalf of the United States, subscribe to, purchase, and vote not less than a majority of the capital stock of any such corporation, and do all other things in regard thereto necessary to protect the interests of the United States and to carry out the purposes of this act; that the board, with the approval of the President, might sell any or all of the stock of the United States in such corporation but at no time should be a minority stockholder: *Provided*, That no corporation in which the United States was a stockholder, formed under the authority of this section, should engage in the operation of any vessel constructed, purchased, leased, chartered, or transferred under the authority of this act unless the board should be unable, after a bona fide effort, to contract with any person, a citizen of the United States, for the purchase, lease, or charter of such vessels under such terms and conditions as might be prescribed by the board; that the offer of vessels to private capital should be through public competition and that the consent of the President should be essential to their operation by the corporation; that the life of any corporation formed under this section should be limited

to five years after the close of the European war, its vessels and property reverting to the board; that the board might sell, lease, or charter such vessels as provided in section 7 and should dispose of property other than vessels on best available terms, depositing net proceeds, after payment of debts and obligations, in the Treasury to the board's credit.

Section 12 provided that the board should investigate the relative cost of building and operating merchant vessels here and abroad, rules of construction and classification, marine insurance with a view to an American system of substantial benefit to an American merchant marine, navigation laws with a view to amendment by Congress, vessel mortgages with a view to the improvement of security, and should on or before the 1st day of each December make a report to Congress including its recommendations, results of investigations, summary of its transactions, statement of expenditures and receipts, operations of any corporation formed under the act, and names and compensation of all persons employed by board.

Section 13 provided that Panama Canal bonds to the extent of $50,000,000 already authorized might be issued to aid the board in carrying out sections 5 and 11, that the proceeds of said bonds and net proceeds of all sales, charters, and leases of vessels and sales of stock by the board and all other moneys received by it from any source should be covered into the Treasury to the board's credit, and were thereby permanently appropriated for the purpose of carrying out sections 5 and 11.

Section 14 prohibited any common carrier by water from giving rebates to shippers, using what are known as "fighting ships"—namely, ships used for the purpose of excluding, preventing, or reducing competition by driving another carrier out of the trade; also prohibited retaliations and discriminations against shippers, and so forth, under penalty of a fine not exceeding $25,000 for each offense.

Section 14a provided that the board might on its own initiative, or on complaint, after due notice and hearing, determine whether any person not a citizen of the United States and engaged in transporting property or passengers by water has violated section 14 or entered into agreements prejudicial to American carriers, and on finding against such person may deny his ships entry to United States ports, and so forth.

Section 15 required memoranda of all agreements between carriers by water relating to rates, fares, pools, traffic divisions and arrangements, understandings, conferences, and so forth, to be filed with the board, which was authorized to disapprove, cancel, or modify any agreement, or any modification or cancellation thereof, whether or not previously approved by it, that it found to be unjustly discriminatory or unfair as between carriers, shippers, exporters, importers, or ports, or between exporters from the United States and their foreign competitors, or to operate to the detriment of the commerce of the United States, or to be in violation of this act, the board being required to approve all other agreements, modifications, or cancellations. This section provided further that agreements existing at the time of the organization of the board should be lawful until disapproved by the board; that agreements made after the organization of the board should be lawful only when and as long as approved by the board; that agreements approved by the board should not be subject to the antitrust laws.

Section 16 prohibited carriers by water from giving undue shipping preferences and advantages to persons or localities, forbade the use of unfair means and devices to obtain lower rates, and so forth, and the attempt to secure marine insurance advantages over competitors.

Section 17 prohibits common carriers by water in foreign commerce from charging discriminatory rates or rates prejudicial to American exporters, and requires them and all other persons subject to this act to observe reasonable practices in receiving, handling, storing, and delivering freight.

Section 18 provided that common carriers by water in interstate commerce must observe just and reasonable classifications, rates, fares, practices, and so forth; that their maximum rates, fares, and so forth, must be filed with the board and kept open to the public, and that no higher rates than those published should be charged; that the board may, if it finds published rates, and so forth, unjust or unreasonable, prescribe reasonable maximum rates, classifications, and so forth.

Section 19 provided that when a common carrier by water in interstate commerce reduced rates below a fair and unremunerative basis with intent to injure a competitor it should not increase such rates unless after hearing the board found that such proposed increase rested on changed conditions other than the elimination of said competition.

Section 20 prohibits the disclosure by carriers of information relating to property transported which might be detrimental to shipper or consignee, and so forth.

Section 21 authorizes the board to require periodical or special reports, filing of rates, charges, memoranda, and so forth, at any time by any carrier or other person subject to this act relating to transactions within the jurisdiction of the board.

Sections 22, 23, 24, and 25 authorize the board on its own motion or on complaint by any person to investigate violations of this act and award reparations, render decisions, and so forth, subject to review by courts of competent jurisdiction.

Section 26 provided that the board should have power, and that it should be its duty whenever complaint should be made to it, to investigate the action of any foreign government with respect to the privileges afforded and burdens imposed on vessels of the United States engaged in foreign trade whenever it should appear that the laws, regulations, or practices of any foreign government operated in such manner that vessels of the United States were not accorded equal privileges in foreign trade with vessels of such foreign countries or vessels of other foreign countries, either in trade to or from the ports of such foreign country or in respect of the passage or transportation through such foreign country of passengers or goods intended for shipment or transportation in such vessels of the United States, either to or from ports of such foreign country or to or from ports of other foreign countries; that it should be the duty of the board to report the results of its investigation to the President with its recommendations, and that the President was authorized and empowered to secure by diplomatic action equal privileges for vessels of the United States engaged in such foreign trade; that if the President should be unable by such diplomatic action to secure such equal privileges he should advise Congress as to the facts and his conclusions by a special message, if he deemed such a step important in the public interest, in order that proper action might be taken thereon.

Sections 27, 28, 29, 30, and 31 provided the board with the power to subpœna witnesses, administer oaths, examine witnesses, and so forth, and provided also for the enforcement and review of the board's orders and decisions by the courts.

Section 33 provided that this act should not be construed to affect the power of the Interstate Commerce Commission nor to confer on the board concurrent power or jurisdiction over any matter within the jurisdiction or power of such commission, nor to apply to intrastate commerce.

Section 34 provided that if any part of this act should be held unconstitutional the other parts should not be affected.

Section 35 appropriated $100,000 to defray the expense of establishing and maintaining the board for the fiscal year ended June 30, 1917, including payment of salaries.

Section 36 authorized the Secretary of the Treasury to refuse clearance to any vessel or other vehicle laden with merchandise destined for a foreign or domestic port whenever he should have satisfactory reason to believe that the master, owner, or other officer of such vessel or other vehicle refused or declined to accept or receive freight or cargo in good condition tendered for such port of destination or for some intermediate port of call, together with the proper freight or transportation charges therefor, by any citizen of the United States, unless the same was fully laden and had no space accommodations for the freight or cargo so tendered, due regard being had for the proper loading of such vessel or vehicle, or unless such freight or cargo consisted of merchandise for which such vessel or vehicle was not adaptable.

Sections 37 to 44, comprising the remainder of the act, were added by the shipping act of 1918 to establish prohibitions and restrictions on foreign interests in vessels under American jurisdiction during war or any national emergency proclaimed by the President.

I have set forth the shipping act of 1916 in considerable detail because a knowledge of its provisions is essential to a clear understanding of the history of our present merchant marine.

Under authority of this act—the act of 1916—President Wilson on December 22, 1916, nominated as commissioners of the Shipping Board Messrs. William Denman, of California; Bernard N. Baker, of Maryland; John A. Donald, of New York; John B. White, of Missouri; and Theodore Brent, of Louisiana. The Senate confirmed Messrs. Denman, Baker, White, and Brent on January 19, 1917, and John A. Donald on January 23, 1917. The President accepted the resignation of Commissioner Baker on January 26, 1917, and the board was formally organized with Mr. Denman as its first chairman on January 30, 1917. Raymond B. Stevens, of New Hampshire, was nominated on March 12, 1917, as commissioner to succeed Baker, and the appointment was confirmed on March 15, 1917. The resignations of Commissioners Denman and White were accepted on July 24, 1917. On the same day the President nominated as their successors Edward N. Hurley, of Illinois, and Bainbridge Colby, of

New York, these nominations being confirmed on July 5 and August 8, 1917, respectively. Commissioner Brent's resignation was accepted on July 26, 1917, and Charles R. Page, of California, was nominated in his place on September 29, 1917, his confirmation following on October 3, 1917.

The board elected Commissioner Hurley as chairman and Commissioner Stevens as vice chairman on July 27, 1917.

The board since its organization had taken on a dual status. It was organized under the act of 1916 to promote in time of peace an American merchant marine and to regulate foreign and domestic shipping. It was given by subsequent legislation emergency powers to meet the shipping problems of the war, the board acting in this regard solely as the agent of the President.

The board's war powers were exercised mainly through the United States Shipping Board Emergency Fleet Corporation, a corporation authorized by the act of 1916. This corporation was organized under the laws of the District of Columbia, under authority of the act of 1916, with a capital of $50,000,000 on April 16, 1917, and was charged by the board with the carrying out of the board's construction program. The war powers for construction of vessels conferred on the President by the urgent deficiencies appropriation act of June 15, 1917, were delegated to the corporation by Executive order and the funds provided by that act for vessel construction were assigned to it.

The Emergency Fleet Corporation, with all its stock held by the Government, except that owned by qualifying trustees, began one of the greatest construction projects ever essayed by mortals. Within six months it framed an organization of more than 1,000 employees, including a large number of technical experts who gave up more lucrative positions to assist in this notable project. Within six or seven months it was supervising from 16 offices, and in 116 shipyards the construction of over 1,000 vessels, disbursing funds for this construction at the rate of more than a billion dollars per annum, and handling virtually all the shipbuilding of the country. Its program called for the completion in 1918 of eight times as much tonnage as had been delivered in this country in 1916. The corporation faced the necessity of building new yards as well as ships, because existing yards were being used by American shipbuilders when we entered the war in building vessels for foreign account, mainly British and Norwegian. To meet the new and urgent demand it was arranged to build mainly in new yards large numbers of wooden ships, as it was found that this could be done without retarding the program for steel ships. Difficulties were had in procuring proper lumber but these were overcome. Designs were standardized for the steel ships. To secure unified control of shipyards and expedite construction the Emergency Fleet Corporation requisitioned on August 3, 1917, under presidential order of July 11, 1917, following an act of Congress, all steel ships then being built in this country of over 2,500 tons dead weight. Four hundred and thirteen steel ships were thus taken over whose tonnage when finished amounted to 2,937,808. Thirty-three of these, with a total tonnage of 257,575, had been finished at the end of October, 1917, the rest having an estimate of completion in 18 months. Methods of compensating shipbuilders had been agreed upon and negotiations were in progress with former owners as to their compensation. On October 31, 1917, 375 wooden ships, with a tonnage of 1,330,900, were under contract for construction; 305 steel ships, with a tonnage of 2,283,000; 58 composite ships, with a tonnage of 207,000. Adding the steel ships requisitioned as described above we had under way on October 31, 1917, in little more than six months after the organization of the Emergency Fleet Corporation, 1,151 vessels of all kinds, with a total tonnage of 6,758,708.

Contracts were being negotiated for 199 additional steel ships with a total dead-weight tonnage of 1,100,000. Funds appropriated or authorized at that time amounted to $1,319,000,000. This meant roughly an average cost of about $190 a ton, a cost far less than would have been incurred under ordinary competitive conditions in that time of general inflation, due to the war. Indeed, ships were selling in private trade at $300 a ton and over. More difficult, however, than the placing of construction contracts and the disbursement of funds was the assembling, keeping, and training of the vast number of needed workers. Here the Emergency Fleet Corporation had the assistance of the Labor Department. The corporation established an industrial service department of its own, and this department, with the cooperation of the Department of Labor, established shipbuilding recruiting centers and soon developed an effective system of securing men for the shipbuilding service. A weekly man-power audit of each shipyard was devised which did much to end the practice of employing from two to six men for each job in a year. New and better standards of employment were created. The heads of the international labor unions aided the corporation in establishing a system of industrial education. At Newport was established an instructor training center, to which from 75 to 150 skilled mechanics were sent from selected yards for six-weeks' courses in the art of training recruits. The housing of workmen in the new yards was another problem which the corporation had to meet.

As the steel vessels requisitioned on August 3, 1917, were completed the title was retained in the United States with the purpose of diverting them or an equivalent tonnage to the allied service. The owners were given opportunity to resume title provided they would yield to the board the use of the vessels for the war and six months thereafter at rate of requisition, the board to be reimbursed by them for expenditures in securing completion and all claims arising out of the process of requisition to be waived. This arrangement meant a substantial reduction in the cost of the ship-construction program and easier conditions for owners.

By Executive order following emergency shipping legislation by Congress the board was empowered to requisition ships already completed, and to operate, manage, and dispose of vessels requisitioned or otherwise obtained, and by the same order the board was authorized in its discretion to do these things through the Emergency Fleet Corporation. Accordingly, the board assigned to the division of operations of the Emergency Fleet Corporation the function of operating ships and carrying out the requisition program, subject to the direction and supervision of the board.

Under this arrangement vessels, unless engaged in governmental service, were handled as merchant vessels, were operated subject to navigation laws, to the jurisdiction of the Admiralty courts, and, so far as their crews were concerned, to the compulsory seamen's insurance law. Otherwise much of the Admiralty litigation would have gone to the Court of Claims, and persons suffering from collisions or similar injuries over which that court was without jurisdiction would have been without remedy. The first officers of the corporation were Edward N. Hurley, president; John A. Donald, vice president; Charles Piez, vice president; Raymond B. Stevens, treasurer; Lester Sisler, secretary; the trustees being Edward N. Hurley, John A. Donald, Raymond B. Stevens, Bainbridge Colby, Charles R. Page, Charles Piez, and Admiral W. L. Capps. It will be seen that the Emergency Fleet Corporation was, in effect, the board in the legal dress of a private corporation.

It was one of the war duties of the board to take vessels for military purposes, and this it endeavored to perform with the least possible disturbance and loss to merchant shipping. It was realized that transportation facilities had to be preserved for raw materials essential to military supplies, nitrates for fertilizer products, that coal was needed by war industries on the Atlantic coast and had to be carried by water on account of the congestion of rail traffic. The reason for the power to requisition ships—on payment of just compensation—delegated by Congress to the President and by the President to the board, was found in the rapid rise of charter and freight rates at the time we entered the war. Cargo steamers had time-charter rates in the spring of 1914 of about $1 per dead-weight ton per month. These rose to $13.88 in the summer of 1917 in trades outside the war zone, to $20 and $21 inside the war zone, the charterer taking the war risk. The time-charter rates for tankers rose from $1.70 and $2.40 in 1914 to $12.50 in 1917. A greater rise was seen in freight rates because they included war risk, while in the case of charter rates this risk was taken by the charterer. Ocean freight rates on cotton from Savannah to Liverpool rose from 35 cents per 100 pounds in 1914 to $6 in 1917; from Savannah to Genoa, from 55 cents to $10; with correspondingly higher rates from Gulf points to these places. On petroleum from New York to Liverpool rates rose from $4 per ton in 1914 to $50 in 1917, including war risk; on grain from 50 cents per quarter to $5.50. Larger costs of operation had come about. Special war bonuses were paid officers and crews of private vessels on account of the increased hazard. The war hazard also increased the cost of capital and insurance. War conditions caused also an advance in the cost of bunker fuel and supplies. But, giving due account to all these elements, charter and freight rates rose out of all proportion to them. These rates, representing an inordinate earning power, caused the market value of ships to rise from $60 and $80 per ton before the war to $300 and over in the fall of 1917. The board in preparing to requisition ships decided that these inflated costs and prices, due to war conditions, did not represent a fair basis of compensation. After careful investigation, they fixed a scale of requisition rates decidedly lower than market rates and reflecting what they believed to be the legitimate development of values since the opening of the war.

The board has been frequently charged with all sorts of inefficiency, and for that reason I am going into its transactions in detail, in order to show that during the war and after the war they were marked by the highest efficiency and by unusually accurate judgment. To prevent unrequisitioned tonnage and rates connected therewith from soaring to still higher prices and to secure the proper mobilization of all our economic resources so essential to our full part in the war, the board decided to requisition, under authority delegated it by Congress through the President, all power-driven steel cargo vessels of 2,500 tons dead weight or over and all passenger vessels of 2,500 gross tons or over in our ocean service; to permit them to continue in operation largely by their former companies, all receipts to be held for Government account, and the owning companies to be credited with the rate allowed by the board; to maintai.. control over all these vessels as to voyages, cargoes, rates, and safeguards in war zones; to secure in this way unified control over all shipping, so that war needs might be given proper priority, and protection of the nations at war with Germany against oppressive and destructive transportation rates. Aside from the requisitioning power, the board was without jurisdiction over rates in foreign trade or over interstate ocean carriage rates, unless the vessels were common carriers and were running on regular routes. In fixing rates for requisitioned vessels left in the commercial service or assigned to foreign governments the board was careful to see that reductions inured to the benefit of the shipper, and were not used as instruments of favoritism.

The training of officers, engineers, and crews for the new ships was another task of formidable proportions. A recruiting service for this purpose was established on June 1, 1917, with offices at Boston. The school-ship system of training deck officers did not work fast enough. It was decided to establish special navigation schools, supervised by the recruiting service, where men already experienced in seamanship might be intensively trained. Fifteen thousand men applied for training as officers in five months, only those qualifying by experience as seamen being accepted. The recruiting service established 27 navigation schools in June, July, and August of 1917, dividing the country into seven sections, following roughly the divisions of the United States Steamboat Inspection Service. This inspection service furnished inspectors to examine candidates for the schools. The schools were also aided by local advisory committees, composed of mayors, school superintendents, collectors of customs, and so forth, while shipping interests helped also as opportunity offered. The teaching force comprised teachers from scientific and technical schools, as well as experienced sea captains. Following the rules of the Steamboat Inspection Service, requiring two years' sea experience for licensed deck officers, a similar period was fixed for admission to these officer schools.

For the training of engineers courses were given at the instance of the board by the Massachusetts Institute of Technology, Stevens Institute of Technology, Johns Hopkins University, Tulane University, University of Washington (Seattle), Armour Institute of Technology, Case School of Applied Science, and on the steamer *John Weaver* at Philadelphia.

A sea-service bureau was established to put these men both on private and Shipping Board ships. From June 1 to October 31, 1917, there were 604 graduates from the navigation schools for deck officers, 416 from the engineering schools.

A large number of ships recently built were taken from the Great Lakes, among them 21 steel steamers for war service. Sixteen of these steamers were too long for the locks. They were cut in two, brought down in parts, and 12 of them reassembled while still afloat, a feat without precedent.

Another task before the board was the administration of section 9 of the shipping act of 1916, providing that before vessels owned by citizens of the United States or documented under United States laws could be transferred to a foreign owner or flag application should be made to the board and its consent obtained. The board was thus vested with what was mainly a war power, the object being to secure proper control of tonnage for war needs. In exercising it the board had to keep in view present and future military and naval requirements, transportation requirements for foodstuffs and products essential to production of munitions and military supplies, and requirements of private trade.

The board was also vested by an act of Congress approved October 6, 1917, with power to suspend the law excluding foreign-built vessels and vessels of foreign construction from coastwise trade, the act to expire 120 days after the close of the war. The purpose of this act was to economize tonnage and to replace coastwise tonnage diverted for war uses. The board was given complete control of the coastwise trade, its permits being necessary for all operations therein.

A further measure by the board to carry out the control of the shipping situation vested in it by Congress was the creation of a chartering committee which, assisted by the War Trade Board, handled the issuance of charters for neutral ships, of American steamers of less than 2,500 tons, and of sailing ships of all sizes carrying cargo from United States ports to foreign ports, the main objects in view being the inducement of neutral ships to carry a fair share of the trans-Atlantic trade and to reduce the high charter rates prevailing in trans-Atlantic, South American, and oriental trades.

Another task assigned the board by presidential direction was to repair and make ready for service the 91 ships of German registry, with a total tonnage of 594,696, which had been interned in American ports when we entered the war. Then Congress authorized the President to take possession of and title to all vessels within the jurisdiction of the United States under enemy ownership or registry at the time of coming within such jurisdiction, and to operate, lease, charter, and equip them for United States service or commerce. This authority the President delegated to the board, and the board formally assumed possession of them. The resolution conferring this authority was based on the power of Congress under the Constitution to cause the forfeiture of enemy property in port at the commencement of war. It did not provide, therefore, for compensation to enemy owners, but did provide for the appraisal by a board of survey, whose findings should be competent evidence in all proceedings on claims for compensation. There were claims of valid nature to be considered in connection with these vessels, such as maritime liens for supplies, for advances, wages of crews, mortgages to American banks taken prior to our entry into the war, alleged sales to American citizens or companies, and so forth.

The board, finding itself without power to control the movements of unrequisitioned ships, requested the cooperation of the Bureau of War Risk Insurance and War Trade Board in enforcing protective measures for ships in war zones. The result was that a higher premium was charged by the Bureau of War Risk Insurance for vessels not obeying the rules of the board's ship-protection committee and the Naval Consulting Board, and a denial of licenses by the War Trade Board to vessels of a type making especially hazardous their presence in the submarine zones. Sailing vessels were excluded from waters infested by submarines, but were allowed to carry cargoes in the coastwise and South American trades, thereby taking the place of steamers transferred for trans-Atlantic business.

In order to avert a threatened fuel shortage in the New England States, the board organized owners and operators of all tugs and barges in the New England coal trade into the New England Coal Barge and Towers' Association in the fall of 1917, with a supervisor appointed by and accountable to the Emergency Fleet Corporation. In this way the movement of tows was expedited and maximum efficiency in operation secured.

The board made careful arrangements to carry out the regulation of rates and practices as contemplated by the shipping act of 1916 as soon as normal traffic conditions should be restored. This function applied to water carriers in both foreign and interstate commerce. The former did not include ferryboats on regular routes or cargo carriers known as ocean tramps. The latter did not include carriers on irregular routes, intrastate lines, or carriers running only in inland waters. Carriers transporting only proprietary traffic were also exempted from regulation under this part of the act of 1916.

Inquiries from the board addressed to 800 water lines in order to ascertain the number within its regulatory jurisdiction mentioned in traffic publications elicited 654 replies, showing their status as of June 1, 1917, to be as follows: Lines dissolved or with operations discontinued, 91; operated exclusively intrastate or between ports of foreign countries, 97; operated exclusively on inland lakes and rivers of United States, 64; engaged in towage, lighterage, or ferriage service, 37; operating on irregular routes, interstate traffic, 107; operating as ocean tramps, foreign traffic, 18; engaged exclusively in proprietary or noncarrier service, 73; subject to exclusive jurisdiction of Interstate Commerce Commission, 13; engaged in regular service on Chesapeake Bay and Delaware Bay, 4; engaged in interstate commerce within purview of shipping act of 1916, 67; engaged in foreign commerce within purview of shipping act of 1916, 83. The number of vessels in the last two categories were diminished by a changed status of several due to transfer by Government requisition or voluntary alienation. The status of some of the other carriers was dependent on a final decision by the courts as to whether Long Island Sound, Chesapeake Bay, Delaware Bay, and like estuarial waters were high seas within the meaning of the act of 1916.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER (Mr. NICHOLSON in the chair). Does the Senator from Texas yield to the Senator from Florida?

Mr. SHEPPARD. I yield.

Mr. FLETCHER. I wish to inquire upon what date was established the status given by the Senator?

Mr. SHEPPARD. June 1, 1917.

It is apparent that a negative decision would reduce the number of interstate water carriers subject to the board's jurisdiction at that time to less than 70.

Certain difficulties existed in the fall of 1917 in the matter of jurisdiction over rates and practices due to provisions in the interstate commerce act, as amended by the Panama Canal act of 1912, placing certain water lines owned by rail carriers under exclusive control of the Interstate Commerce Commission. For example, the Morgan Steamship Line, owned by the Southern Pacific Railroad Co., was subject to exclusive regulation by the commission. The Clyde and Mallory Steamship Lines, competitors with the Morgan Line, were not owned by rail carriers and were subject to the board for regulation of port-to-port rates, practices, and so forth, and were amenable to the commission only as to through rail and water business. Again, the board had no control over a carrier operating only in inland waters, but had control over any competing carrier operating between same ports and to any extent on high seas or Great Lakes. Again, the board had control of a regular line operating, say, between Duluth and Buffalo, but not of a so-called "wild" or irregular carrier available for service between the same ports.

The shipping act of 1916 empowered the board to prescribe just and reasonable rates, regulations, and practices for water carriers in interstate commerce, but not in foreign commerce. As to the latter the board could only see that rates charged by water carriers were applied without discrimination. Nor were foreign carriers required to file tariffs with the board. Moreover, these regulations were subject to the board's correction only in so far as they related to or were connected with the receiving, handling, storing, or delivering of property. The act of 1916 required water carriers in interstate commerce to file with the board and keep for public inspection in form and manner prescribed by the board tariffs showing maximum rates, fares, and charges, and were forbidden to demand, charge, or collect rates greater than those published, except with the board's approval and after 10 days' notice, unless for good cause the board waived such notice. Accordingly the board issued for consideration soon after its organization tariff regulations and furnished copies to all water carriers in interstate commerce.

The formal docket of the board showed two complaints to have been filed by October 31, 1917, to wit, that of Eastern Shore of Virginia Produce Exchange against Baltimore, Chesapeake & Atlantic Railway Co. on account of alleged unjust rates on potatoes in barrels from river points in Northampton and Accomac Counties, Va., to Baltimore, and that of A. George Schulz Co. against Chicago, Racine & Milwaukee Steamers on account of alleged unjust rates on paper boxes from Milwaukee to Chicago.

By November 1, 1918, the Shipping Board, though the Emergency Fleet Corporation, delivered nearly 500 completed ships, which it had wholly or partly constructed, with a dead-weight tonnage of nearly 3,000,000, an average of about one a day from the enactment of the urgent deficiency appropriation law of June 15, 1917, conferring summary shipbuilding powers on the President, which he later delegated to the board. By November 1, 1918, the board had launched 747 hulls, with a dead-weight tonnage of over 4,000,000, and had laid 1,479 keels for ships, with a dead-weight tonnage of 7,742,230. Never before in human history had such an achievement been duplicated or imagined. In the accomplishment of this result and the performance of other responsibilities the activities of the board multiplied tremendously throughout the epic year of 1918. The personnel of the board remained during that year without change from what it was in October, 1917—Hurley, Stevens, Donald, Colby, Page. The personnel of the management of the Fleet Corporation will be referred to later.

As we have seen, the war activities of the board were based mainly on the urgent deficiencies act of June 15, 1917, and not on the original shipping act of 1916. The act of 1916 did not contemplate Government operation of ships as an ordinary thing. It gave the board, as heretofore stated, power to regulate shipping and, with the President's approval, to have constructed and equipped or to purchase, lease, or charter vessels suitable for merchant marine and naval auxiliary or other naval or military purposes; or, if it should deem the step necessary to the development of a merchant marine, to form one or more corporations under the laws of the District of Columbia for the purchase, construction, equipment, lease, charter, maintenance, and operation of merchant vessels in the commerce of the United States, the board, in behalf of the United States, always to have a majority of the capital stock of any such corporation. It provided further that no vessel should be operated by any such corporation until every legitimate effort had been made to secure operation by private parties on such terms and conditions as the board might prescribe. It provided also that the board might charter, lease, or sell ships to private parties. The war involved us before this plan had anything like a substantial trial. The urgent deficiencies act of June 15, 1917, gave the President practically unlimited authority to requisition, construct, and operate ships in any way he might see fit, the only practical limit being the appropriations accorded him for these purposes, and authorized him to exercise these powers through such agency or agencies as he might from time to time select, providing, further, that all ships constructed, purchased, or requisitioned under the act of June 15, 1917, or theretofore or thereafter acquired by the United States, should be managed, operated, and disposed of as the President might direct.

The President, by Executive order of July 11, 1917, delegated directly to the Emergency Fleet Corporation all his authority relating to the construction of vessels. He delegated to the Shipping Board his power to acquire vessels already constructed and to operate, manage, and dispose of all vessels theretofore or thereafter acquired by the United States. During the war period the board and the corporation based most of their activities on these delegations of authority from the President and acted as his direct representatives. By virtue of this war authority they directed the operation of practically our whole merchant marine during the war period as a Government enterprise. They dealt with constantly changing conditions, necessitating constantly changing policies. The board found its duties dividing into three principal phases: (1) Acquisition of vessels, (2) operation of vessels, (3) regulation of shipping and shipbuilding. The first included construction of vessels by the Emergency Fleet Corporation for the board, requisition of American vessels built at home or abroad, commandeering, purchase, or chartering of vessels at home or abroad, seizure of German and Austrian interned vessels, requisitioning of Dutch vessels. These proceedings involved many complicated questions of law and policy. The second included operation of vessels through the Division of Operations of the Emergency Fleet Corporation, assignment of Shipping Board vessels to other governmental agencies, to governments associated with us in the war, and to private operating concerns—control of charters of nonrequisitioned American vessels, and of neutral vessels—manning, supplying, and repairing vessels, reconstructing vessels for war service, salvage, and so forth.

The third phase embraced the regulation of interstate and foreign freight rates and discriminations, of wages, hours, and conditions of labor for officers and seamen, for employees in ports and water fronts, and in shipbuilding, exclusion of certain vessels from war zones, regulation of sale of vessels, of transfer of American vessels to foreign registry, of construction of vessels for private and foreign account, of admission of foreign vessels to American coastwise trade, and encouragement of American citizens to bring foreign vessels under American registry. In addition to all the functions above named the Shipping Board worked out in connection with the War Trade Board import restrictions to secure tonnage for war purposes. It established a port and harbor facilities commission to study improvement of port and terminal facilities, to aid the board in obtaining bunkering facilities, in arranging for the construction of dry docks and repair yards and in coordinating maritime with land transportation.

Besides the urgent deficiencies act of June 15, 1917, there were other war measures conferring still further functions and tasks upon the board. Under the espionage act, which also became law on June 15, 1917, the board cooperated with the Treasury Department and the War Trade Board in preventing injury to vessels in foreign commerce, in enforcing neutrality through withholding of clearance papers, requiring pledges of certain behavior, inspecting vessels, their equipment, and so forth, and in protecting our commerce from interference, and so forth. Under the enemy trading act of October 6, 1917, the Shipping Board cooperated with the War Trade Board in a program of import restrictions, tonnage conservation, and importation of essentials. Under an act of March 1, 1918, the Fleet Corporation was empowered to purchase, lease, requisition, or condemn land and houses for its employees, construct, sell, lease, or exchange such houses, and to make loans to persons and corporations for the protection of housing facilities. To secure these ac-

commodations the Fleet Corporation established a passenger transportation and housing division. By October 1, 1918, projects were under way for housing at 25 shipyards and one turbine plant about 28,190 shipworkers and, in most instances, their families, the expense averaging about $400 per person, counting five to a family. The total cost for these projects contracted for by October 1, 1918, was about $58,000,000. This would be equivalent in normal times to a housing cost of $200 per person or less, certainly not an extravagant figure.

By Executive order of June 18, 1918, the President vested in the Fleet Corporation power given him in the act of April 22, 1918, to take over, lease, or control street or interurban railroad systems—cars, equipment, and franchises—necessary to the transportation of shipyard and ship plant employees, and the corporation undertook the exercise of this power wherever needed.

An act of July 15, 1918, amended the shipping act of 1916 by increasing the board's control over the transfer of American vessels to foreign registry or jurisdiction, and brought within the board's control all shipyards, dry docks, shipbuilding, or ship repairing plants, as well as the facilities and interests therein.

By November 11, 1918, the board had made distinct progress in repairing the ex-Austrian and ex-German vessels taken over by the United States.

The board undertook negotiations throughout the world for the purchase or charter of enemy ships seized or interned by other countries. Two ex-Austrian vessels seized by China were chartered until six months after the war. Two ex-German vessels seized by Siam were chartered for the war.

A number of Austrian ships interned by Brazil were purchased. The board chartered from Uruguay eight ex-German steamers interned in Montevideo, of 60,000 tons dead weight, for common use by Uruguay, United States, and the Allies, sending supplies for necessary repairs. Similar use for unrestricted trade was secured from Peru of five steamers and four sailing vessels. By September 1, 1918, the board had chartered 331 foreign vessels, of a total dead-weight tonnage of 1,084,986, 220 being steamers of 944,238 dead-weight tons, 111 being sailing vessels of 140,748 dead-weight tons. The steamers were largely of Danish, Norwegian, Swedish, and Japanese origin, while the sailors were largely Norwegian and French. The charters ranged all the way from a single trip to the duration of the war. Some of these vessels went into South American, West Indian, Australian, and Hawaiian trade, as well as the coastwise American, although nearly all the charters permitted trans-Atlantic use. After April 18, 1918, the board would approve no charter of neutral vessels leaving American ports unless they were chartered to the board. They were later assigned to various lines for operation in trades to which they were allocated.

The board cooperated with the War Trade Board and the State Department in negotiations for acquisition of ships from neutral and allied countries. Agreements were made under which the United States would license the export of food supplies and other commodities to neutral countries in return for charter to the Shipping Board of all the tonnage they could spare. Chartering agreements were made with Sweden, Norway, and Denmark. Japanese tonnage was arranged for by charter, purchase, and construction contracts. The building of ships in Chinese yards was arranged for. Larger types of vessels in the South American and West Indian trade were replaced by ships obtained from neutrals and transferred to trans-Atlantic trade.

A tentative agreement was made with the Dutch Government in January, 1918, for the use of some of their ships for periods not exceeding 90 days in return for supplies. As a part of this understanding Dutch shipping to the extent of 150,000 tons was to be employed at the pleasure of the United States in Belgian relief work and for Switzerland, it being agreed that each ship sent to Holland for Belgian relief was to be matched by a ship leaving Holland for the United States. The Dutch Government was to charter to us 460,000 tons of Dutch ships under the entire agreement. It had delivered about 300,000 tons when, in the language of the board, it "proved unable to live up to the conditions of the agreement." The United States, on account of its supreme military needs, then resorted to the power of a belligerent, known in international law as the "right of angary"—namely, the power to take for military use vessels of foreign register within its territorial jurisdiction. The President issued a proclamation on March 20, 1918, authorizing the Secretary of the Navy to take over such of these vessels as were essential to our military needs, providing that they were to be manned, equipped, and operated by the Navy and the Shipping Board, and that the Shipping Board should fully compensate the owners in accordance with international law. Under this proclamation the Navy Department took over 87 Dutch vessels, of 533,746 dead-weight tonnage, in various ports of the United States, including Porto Rican and Philippine ports. The preparation of these vessels for our service was in itself a project of colossal proportions. They were in need of repair, were without gun mounts and extra gun-crew quarters, and were loaded, many of them, with colonial and South American cargoes, which had to be cared for. Their own crews had to be replaced with American crews. The rapid accomplishment of the project of putting this great fleet into American service by the Navy and the Shipping Board was one of the noteworthy achievements of the war. The board employed directly the new crews of such of these vessels as fell to its management and operated the vessels directly, departing from its usual practice of assigning vessels to private corporations or to the Emergency Fleet Corporation.

The board was further charged with settling terms of compensation for these ships, maintaining and repatriating the Dutch crews, and indemnifying them for losses, caring for and disposing of their cargoes, and indemnifying owners. The crews consisted of nearly 3,000 Dutch, Dutch colonial, and Chinese seamen, many of them penniless and without knowledge of our language. By July 3, 1918, practically all of those desiring repatriation had sailed. Many of the cargoes were forwarded by other ships, a few by the original ships, while some subject to quick damage were sold for owner's benefit. Negotiations were undertaken for proper indemnity to owners.

On June 13, 1918, the first vessel built in Japan for the Shipping Board was delivered, and by October 1, 1918, nine vessels of 72,990 dead-weight tons built in Japan had been delivered.

We have been dealing with the acquisition of vessels by the board through construction, requisition, charter, commandeering, purchase, and so forth. Great as was this task, that of operation was probably greater. By November 21, 1918, the board owned 455 ships of new construction, with a dead-weight tonnage of 2,468,892; 59 former German vessels, of 343,206 tons; 6 former Austrian vessels, of 35,262 tons; and 36 other ships, of 137,248 tons. Of the 81 Dutch vessels taken over, it had the management of 52, of 236,340 tons. It had chartered 328 foreign ships of 1,366,361 tons and had requisitioned 450 American ships of 2,910,766 tons. Thus it was operating through the division of operations of the Emergency Fleet Corporation on that date a fleet of 1,386 vessels of 7,498,075 dead-weight tons. To accomplish this staggering task the division of operations developed one of the most extensive administrative organizations the world had ever seen. A glimpse of its magnitude may be had by referring briefly to the various departments of the division of operations. The division had a director of operations, having jurisdiction over all functions of the division of operations and maintaining personal contact with the members of the board; an assistant director, assisting in general supervision and charged especially with contact with the shipping control committee, chartering committee, board of survey and consulting engineers, War, Navy, and State Departments, foreign embassies and missions, and with various agencies of the division throughout the country; an assignments department, recommending and recording assignments to managers and operators and making notification of same after approval by the board, and having supervision in conjunction with the shipping control committee of the board of all freight and passenger steamers, divided by trades; a comptroller with general direction of all financial matters; a contracts and charters department, recording and checking all freight agreements, charters, and other obligations, and maintaining contact with the comptroller; a forest-products department, directing and supervising vessels handling timber and lumber for the Army and for the Fleet Corporation, and handling forest products for the general timber and lumber trade; a Great Lakes department, supervising management and operation of vessels constructed on the Great Lakes, its jurisdiction continuing until the arrival of vessels at Halifax; a marine superintendent, supervising all managers with reference to manning, victualing, and supplying, having direction of repairs and maintaining contact with the board of survey and consulting engineers; a department of maritime intelligence, having to do with filing all records concerning vessel movements, new construction, acquirements, charters, and like items of maritime information; a sailing vessels department, directing, in conjunction with the shipping control committee, all sailing vessels; a tanker department, directing, with shipping control committee, all bulk-oil carriers; a traffic department, handling the fixing and issuing of rates as well as claims for loss, damage, or overcharge; a tug and lighter department, directing, with shipping control

committee, all matters pertaining to tugs, lighters, barges, and other harbor equipment.

I have already traced the personnel of the board from organization to the fall of 1918. As to that of the Emergency Fleet Corporation it may be said that Mr. Hurley became president on July 24, 1917; that Maj. Gen. George W. Goethals was appointed general manager on April 26, 1917, and resigned July 27, 1917; that he was succeeded by Admiral W. L. Capps, who resigned December 3, 1917, on account of ill health; that Mr. Charles Piez, who had been elected vice president of the corporation on November 11, 1917, was appointed general manager in December, 1917, and remained throughout 1918. By November, 1917, certain difficulties of organization had been ironed out, and all authority concentrated in the hands of the president of the board of trustees with power to delegate. After the German drive of March, 1918, demands for ships intensified, and Mr. Charles M. Schwab became general manager, Mr. Hurley and the board delegating to him full control of the construction work of the Emergency Fleet Corporation. I have already referred to the remarkable record of the corporation in the matter of construction and what it accomplished by November 1, 1918.

Mr. Howard Coonley became vice president of the corporation in May, 1918, taking charge of administrative departments, and later Mr. J. L. Ackerson became vice president and assistant general manager. The board of trustees of the corporation were Mr. Edward N. Hurley, president; Mr. John A. Donald, vice president; Mr. Bainbridge Colby, vice president; Mr. E. F. Carry, Mr. Charles R. Page, Mr. Charles Day, and Mr. John H. Rosseter. These men accomplished miracles for their country and for civilization, and some day when partisan denunciation of everything Woodrow Wilson and his associates did in managing our part in the war shall have been forgotten they will rank among the outstanding figures of that stupendous conflict.

The board was charged by section 12 of the act of 1916 to make recommendations to Congress looking to the development of an American merchant marine, and to that end was required by that section to investigate relative cost of building merchant vessels in the United States and in foreign maritime countries; the relative cost, advantages, and disadvantages of operating in the foreign trade vessels under United States registry and under foreign registry; to examine the rules under which vessels are constructed abroad and in the United States; the methods of classifying and rating same; the subject of marine insurance and steps necessary to develop a marine insurance system as an aid in the development of an American merchant marine; the navigation laws of the United States and the rules and regulations thereunder; the legal status of mortgage loans on vessel property with a view to improving the security of such loans and encouraging investment in American shipping. Pressure for construction and operation for war purposes, radical changes in costs and practices, and other developments revolutionized conditions and made a report during the continuance of hostilities impracticable. The board set to work, however, on all the matters covered in section 12, and by the end of 1918 had made extensive studies and investigations.

In order to regulate and stabilize labor problems and conditions in water transportation the board employed labor experts and made agreements with labor organizations and Government departments. The object was to adjust differences between employers and employees without stoppage of work. The agencies through which the board handled labor questions were its Marine and Dock Industrial Relations Division, dealing with these questions in operation of vessels and in connection with marine equipment; the Shipbuilding Labor Adjustment Board, an independent organization dealing with the construction field; National Adjustment Commission, handling labor problems of longshoremen; and the New York Harbor Wage Adjustment Board, dealing with operators of harbor boats at New York.

When we entered the war there were in the United States 37 shipyards building steel vessels, 24 building wooden vessels, of over 3,000 tons; the number of ways in the former being 142, in the latter 73. About 70 per cent of the former were building vessels for the Navy and many of the latter were not suited to modern shipbuilding. Immediate expansion of existing yards and the creation of new ones was imperative. By November 1, 1918, the ways in steel yards had grown through the efforts of the Fleet Corporation from 142 to 398; in wood yards from 73 to 418. Four of the steel yards were built and owned by the corporation and were used for the construction of fabricated-steel ships; that is, standardized steel vessels, many parts of which were completed in the factories furnishing the steel and assembled into the form of the vessel in the yard. They were called "agency yards" and were operated and located as follows: By the International Shipbuilding Corporation at Hog Island, Pa.; Merchant Shipbuilding Corporation at Bristol, Pa.; Submarine Boat Corporation at Newark, N. J.; and the Carolina Shipbuilding Co. at Wilmington, N. C. These four yards, with a total of 94 ways when in full operation, could produce more tonnage than the largest yearly output of any country before 1918. There were five other Government-owned yards built for concrete vessels and located at San Diego, Calif.; Oakland, Calif.; Wilmington, N. C.; Mobile, Ala.; and Jacksonville, Fla. Each had four ways and could be expanded considerably. The other yards had a total of 1,083 ways completed or in construction, 939 for the Shipping Board and 144 for the Navy or private work.

The closest and most competent supervision was exercised by the Fleet Corporation over the construction of yards through an engineering and technical unit known as the Division of Shipyard Plants. This division inspected and approved or disapproved all plans for plant work, supervised the construction of shipyards, industrial plants, dry docks, marine railways, storage yards, examined and passed upon grounds, buildings, water fronts, dredging, ways, handling and yard equipment, railroad tracks and equipment, streets and roads, water supply and drainage systems, power plants and distribution systems, installations of tools, and all other parts of plant and equipment essential to shipbuilding. By September 1, 1918, the Fleet Corporation had invested or contracted to invest about $150,000,000 in shipyard plants. The largest of these was at Hog Island, the estimated cost of which was $63,000,000; the next in size, that of the Submarine Boat Corporation, estimated to cost $17,000,000; the next that of the Merchant Shipbuilding Corporation, estimated to cost $11,000,000; the next that of the Carolina Shipbuilding Co., estimated to cost $3,000,000. There was also authorized for Scotch boiler plants and steel-fabricating plants an outlay of about $10,500,000.

The Hog Island location was in its original state swampy, dismal, and uninviting, but it was suitable for a tremendous shipyard on account of its protected interior situation near a great city, with a great industrial population and advantageous railroad connections, and also on account of its nearness to steel mills and fabricating shops. The contract for the Hog Island yard was made September 23, 1917, and provided for the construction and operation of a yard with 20 ways for 7,500-ton ships, 30 ways for 8,000-ton ships, fitting-out piers, shops for correction and replacement work, and a small amount of ship-steel fabrication. In the face of an unusually severe winter and other appalling difficulties the yard was 50 per cent complete on February 12, 1918, and on that day the yard's first keel was laid. When finished the yard covered 846 acres, contained 250 buildings, 80 miles of standard railroad track, 3,000,000 feet of underground wiring, using 20 locomotives and 165 autotrucks. The 50 ways extended along a mile and a quarter of water front, and there was a total water frontage of 20,000 feet. On these ways 50 ships could be built while 28 were being outfitted at the piers, making 78 which could be in process of construction at the same time.

The plans of the Shipping Board and the Fleet Corporation contemplated at least another year of war, during which we would be expected to increase our quota of fighting men abroad to four millions. These plans were well under way when the sudden close of hostilities on November 11, 1918, necessitated their suspension and reversal to a large extent, and brought about a fundamental change in the problems and conditions surrounding the board. The principal activities of the board were now devoted to the supply of tonnage for the return of troops and for European relief, the return of neutral and requisitioned ships, compensation for requisitioned vessels, reimbursement from War and Navy Departments for vessels used by them, and the sale of ships. It became evident early in 1919 that large supplies of foodstuffs must be rushed to Europe to save its stricken peoples from an economic and social breakdown. The food relief movement began in February, 1919, and reached its peak in May, when 264 vessels, of nearly 2,000,000 dead-weight tons, were in use.

In December, 1918, the chairman of the board, at the request of President Wilson, established an office in Paris for purposes connected with the peace conference. At a conference in London representatives of the Shipping Board and the American Food Administration outlined a program for European food relief.

On June 4, 1918, it had been decided to allow no American ship of more than 100 tons to pass to foreign registry, although a few occasional exceptions were later made to this rule. On December 12, 1918, it was decided to permit wooden vessels then being built in American shipyards to be sold to foreign-

owned American corporations and to foreigners, except our enemies, and to permit the transfer of documented wooden tonnage to foreign-owned American corporations unless contrary to national interests.

Only in rare instances was this policy applied to American steel and iron vessels. From June 30, 1918, to July 1, 1919, the board authorized transfer to foreign registry of 253 wooden vessels, with a gross tonnage of 205,000; 34 steel vessels, with a gross tonnage of 47,203; and 12 iron vessels, with a gross tonnage of 14,652. The steel and iron vessels transferred were old vessels of lake-type construction and of no value to the American merchant marine.

The board relinquished on December 3, 1918, its control of the transfer of American vessels from Americans to Americans, the conditions requiring such control having disappeared. It also at a date following the armistice lifted all restrictions on construction of wooden tonnage for American or foreign account and steel tonnage for American account. Finally, on June 4, 1919, the board announced that on application construction of steel ships for foreign account would also be approved. On January 6, 1919, the board began the release of requisitioned tonnage to the extent of turning back privately owned American vessels of not more than 4,000 tons dead weight, except when required for military or food relief use. By June 30, 1919, the board had returned 457 such vessels, with a total dead-weight tonnage of 2,665,000. Where the board had spare tonnage, substitution was made of it with some owners until their requisitioned tonnage could be redelivered. On June 30, 1919, over half the chartered neutral tonnage had been returned to owners. Prolonged negotiations between the Shipping Board, the State Department, the British Government, the Dutch Government, and the Dutch shipowners intervened before terms of restoration were agreed upon as to the Dutch ships taken over by Executive proclamation during the war. The chartering committee, which had controlled rates during the war, ceased to function on March 1, 1919, and its work was continued under a chartering executive, who also served as tank steamer executive. After the armistice the problem was the maintenance of satisfactory charter rates rather than the enforcement of reductions.

After the armistice the board's division of regulations began to function more actively than was possible during the war. Its work was the regulation of rates and practices of water carriers in peace times, and was divided under four heads, to wit, formal dockets, informal dockets, tariffs, contracts and conferences. The formal docket covered complaints filed by shippers and others against carriers within the board's jurisdiction under section 22, shipping act of 1916. Six of these complaints had been filed by June 30, 1919. The informal docket covered any question raised by letter or memorandum and not by formal complaint, and alleging violations of the act of 1916, and which the board would attempt to settle by correspondence and informal conferences.

Sixty-three of these informal complaints were filed during the fiscal year ended June 30, 1919. The tariff authority of the board, exercised through the division of regulations, was derived from section 18, act of 1916, which required common carriers by water in interstate commerce, operating on the high seas or Great Lakes on regular routes from port to port, to file with the board and keep open to public inspection in the manner prescribed by the board their maximum rates, fares, and charges, and which prohibited them from demanding, charging, or collecting rates exceeding those published except with the board's approval and after 10 days' notice, unless the board, for good cause shown, waived the notice. The division of regulations preserved and kept open to the public a file of these published tariffs. Carriers in foreign trade on the high seas were not required by the act of 1916 to file tariffs with the board. The authority of the board over contracts and conferences was derived from section 15, act of 1916, which required carriers and other persons, such as forwarders, subject to the board's jurisdiction to file with the board copies or complete memoranda of all contracts, agreements, and understandings regarding rates, traffic, pooling of equipment, or any other working arrangement. These contracts, agreements, understandings, and so forth, were of two kinds. First, the so-called steamship conferences which, in the language of the board, were "understandings among combinations of groups of steamship lines as to policies affecting operations, traffic, ports, and so forth," and which "in the past also involved maintenance of systems of deferred rebates which are now prohibited by law." Understandings supplementing these conferences were called conference agreements, being made between parties subject to the original conference and being based on said conference. All the parties to the original conference, however, were not necessarily parties to the conference agreement. The second kind of understanding was between carriers amenable to the board's jurisdiction, who had no part in these conferences, and those between carriers and other persons within the board's jurisdiction, such as those furnishing wharf facilities, terminal accommodations, and so forth, in connection with a water carrier. The board maintained a complete record of those contracts and conferences.

Through the division of operations the board continued in close touch with the United States Railroad Administration, realizing that our foreign trade required intimate cooperation between ocean and rail transportation facilities. The assistant director of traffic of the Railroad Administration and the assistant director of operations of the Fleet Corporation composed a joint committee appointed to handle relations between ocean and rail shipping, considering the following subjects among others: (a) Through export bills of lading; (b) export and import rail rates; (c) allocation of Shipping Board tonnage to relieve temporary congestion at certain ports; (d) joint consideration of traffic available to support regular sailings from United States ports; (e) assignments of Shipping Board vessels for railway operations; (f) wage questions involving railway floating equipment and Shipping Board vessels. The object of the board was to secure such unity between ocean and rail carriers that goods might be shipped from places in the United States to any place in the world with the same ease as to any point in the United States.

During the fiscal year ending June 30, 1919, the board allocated to the Army and Navy 265 vessels, including its own and those it had requisitioned, of a total dead-weight tonnage of 1,713,542. Of these 168 were redelivered to the board, their dead-weight tonnage being 1,008,172, and 10 had been lost by sinking, having a dead-weight tonnage of 45,599.

On October 9, 1918, the advisory insurance committee of the board was succeeded by the division of insurance to handle the growing problems of insurance and to negotiate salvage and wreckage contracts, so that prompt assistance might be given imperiled vessels. This division followed as a general rule the commercial market in fixing marine and war-risk premium rates. The ships owned by the Shipping Board were multiplying rapidly, and this was another reason for a division to look promptly after losses. These losses pertained to vessels in operation and not to hulls in course of construction.

As the fleet of the Shipping Board increased, the question of the board's relation to our foreign trade began to be important. Nowhere in the shipping act of 1916 or in any of the war measures affecting the board was any specific authority conferred on the board to promote foreign trade. It was apparent, however, that the promotion of an American merchant marine and the operation of so many American ships in the foreign trade by the board gave it a deep and practical interest in the development of foreign commerce. It came in constant contact with foreign interests doing business with this country, and, moreover, found it necessary to use representatives abroad. Having no foreign trade department of its own, the board would refer foreign trade problems and policies to the proper Government department. It referred the suggestion of keeping an American committee of trade experts in London to look after trade development and possibilities in Europe to the Department of Commerce. Two of the board's commissioners, however, were on the foreign trade committee, an advisory committee charged with the duty of coordinating the work of the various departments in connection with foreign trade. The board could not appoint agents for American steamship operators abroad, but it investigated records and connections of agents in foreign countries, so as to have confidential information available for our shipping interests. In the course of the board's investigations for ship-operating purposes trade opportunities and probable cargo movements were frequently discovered. The board published a number of bulletins containing these results. In order to provide full cargoes for our vessels the needs of various trades were carefully studied, as well as the problem of regular liner service. In these and other ways the board kept in touch with the shipping needs of our foreign trade, and announced in its third annual report, its report for the year ended June 30, 1919, that the construction program was being thoroughly revised with a view to a properly balanced fleet adapted to all probable requirements. So we see that there is nothing new in what the proponents of the present subsidy measure say in reference to a balanced fleet. The board made a thorough revision of its building program with that purpose in view nearly four years ago.

The first step in adjusting the recruiting service to a normal basis after the armistice was to return to owners the passen-

ger steamers used as training ships for the merchant marine, the board substituting for these steamers six of the wooden cargo ships built by the Fleet Corporation. The number of apprentice seamen, firemen, and stewards trained under the board's supervision for merchant marine service from January, 1918, to June 15, 1919, was 23,909; the number of graduates of navigation schools for merchant marine officers and of engineering schools from June 4, 1917, to June 15, 1919, being 9,762. The number of chief engineers for turbine ships trained in factories making turbine engines by July 1, 1919, was 77.

After the armistice the demand for crews for American merchant vessels was greater than it was during the war. To furnish crews and officers for all American vessels, whether operated privately or by the board, the sea service bureau of the Shipping Board, formed in July, 1917, had been gradually enlarged until it was the board's sole agency for such purposes. On May 1, 1919, the sea service bureau was authorized to charge $2.50 for each officer and man it placed on a ship, regardless of who owned or operated it, the charge to be eliminated whenever conditions might warrant. This bureau inspected vessels to see that living quarters were furnished crews in accordance with law. The placements of the bureau increased from 6,330 in November, 1918, to 11,673 in May, 1919. They began to exceed by far the placements of all other agencies. Before the war about 70 per cent of crews on American vessels were foreign born. By May, 1918, 65 per cent of the crews placed on American vessels by the bureau were American born.

The recruiting service maintained on each ship of the training fleet a modern hospital outfit with a surgeon, male nurse, and hospital attendants. Through the medical department physical examinations of more than 23,000 recruits were made between January, 1918, and June, 1919.

With a view to the intelligent regulation of ocean freight rates and of terminal companies the board ordered an investigation of the former under the direction of Prof. Emory R. Johnson, of the latter under C. O. Ruggles. In the matter of terminal charges the result of the study and investigation was a recommendation for stricter governmental regulation.

Some of the problems in this connection arose from the ownership of vitally important facilities by railroads, railroad competition in terminals, lack of coordination among railroads and between railroads and ship lines.

A ship sales division was organized by the board to handle sales of vessels built or acquired, final action in each sale resting with the board. A number of sales were made by June 30, 1919, transactions being had only with actual, capable, and responsible operators. On sale of wooden ships when made through a broker a commission of 1½ per cent was allowed, no commission being allowed on sales of steel vessels.

Commissioner Colby resigned on March 4, 1919, Commissioner Page on May 15, Mr. Henry M. Robinson being appointed ad interim on June 13, 1919, to succeed Page. Mr. Schwab resigned as Director General of the Emergency Fleet Corporation on December 2, 1918, Mr. Charles Piez as vice president and general manager on April 30, 1919. A reorganization of official duties and responsibilities followed. Other changes in official personnel occurred, so that on June 30, 1919, the Fleet Corporation had the following trustees: Hurley, Stevens, Donald, Rosseter, Robinson, Ackerson.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Texas yield to the Senator from Alabama?

Mr. SHEPPARD. I yield.

Mr. HEFLIN. The Senator just made reference to Mr. Schwab. He was director general of the construction work, was he not?

Mr. SHEPPARD. He was placed in charge of the construction work.

Mr. HEFLIN. He made the statement that the vessels which were then being constructed would pay for themselves many times over.

Mr. SHEPPARD. I might say in this connection that Mr. Farrell, another expert in steel construction, stated that the ships built by the Emergency Fleet Corporation were constructed at as low a cost as were any other ships in the world at the time.

The yard construction and enlargement program of the Fleet Corporation was virtually 100 per cent completed by June 30, 1919, the corporation having at its disposal on that day 72 steel-ship yards with 461 ways, 4 steel-tug yards with 21 ways, 87 wood and 7 concrete yards with a total of 473 ways, 53 wood barge and tug yards with 144 ways, altogether 223 yards with 1,099 ways. Shipyards at work for the Navy and shipyards building vessels of less than 3,000 dead-weight tons were outside the corporation's control and are not included in these figures. In tonnage capacity and in speed of construction the United States was leading the world when the armistice was declared. United States yards were building 48 per cent of the world's ship tonnage under construction during the second quarter of 1919, and 44½ per cent of the world's steel tonnage. The United States had under construction at that time a total dead-weight tonnage of 5,811,214, Great Britain 3,786,075, other countries 2,429,361. The United States had under construction at that time a total steel tonnage of 4,746,663, Great Britain 3,738,408, other countries 2,171,497. Our country was achieving records in shipbuilding never before approached, despite the industrial disturbances following the cessation of hostilities, a great reduction in the office personnel of the Fleet Corporation, intense political criticism, and other discouraging factors.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Florida?

Mr. SHEPPARD. With pleasure.

Mr. FLETCHER. May I suggest to the Senator that the records show that at Hog Island we laid the keel of one of the cargo ships of 7,500 or 8,000 dead-weight tons on one day and launched the ship 27 days thereafter.

Mr. SHEPPARD. I thank the Senator for that contribution to the debate. The fact is that the popular impression to the effect that the Government ship program during and following the war represented a mass of inefficiency and wastefulness is entirely without foundation. It is due to the fact that from 1918 to 1920 a fire of partisan criticism was directed at everything accomplished by the Government, with the result that in the popular mind a distinctly unfavorable impression has been developed as to the administration of almost every such activity. I am trying to show that this impression, so far as our shipping progress may be concerned, is without any basis in fact.

During the eight months following the armistice the corporation completed and delivered ships with a total dead-weight tonnage of 3,192,833, more tonnage by 500,000 than was completed by the corporation before November, 1918. Before the armistice rapidity of construction was the main object; after the armistice restoration of shipbuilding to a normal basis. Contracts were canceled as rapidly as was consistent with sound business judgment. In October, 1918, when the maximum building program was at its peak, 17,399,961 dead-weight tons were under contract. On June 30, 1919, the program contemplated 13,616,836 dead-weight tons. Cancellations were made wherever it appeared that contracts could be canceled at less cost than the difference between cost of completion and probable market value. The board adhered in substance to the building plan submitted to Congress in April, 1918, and approved by Congress, no new commitments or contracts being made after September 26, 1918, except where necessary to carry out work already started. The Republican Party took control of both Houses of Congress on March 4, 1919, an extra session being summoned at an early date, but made no change in this building program. On June 30, 1919, the Fleet Corporation had completed and delivered 1,056 ships, with a total dead-weight tonnage of 5,858,164. It was outfitting 433, with a dead-weight tonnage of 2,010,949. It had on the ways 553, with a total dead-weight tonnage of 3,383,273. It was beginning to construct but had not laid the keels of 326, with a total dead-weight tonnage of 2,364,450. Its total active program on that date contemplated, therefore, 2,368 ships, with a combined dead-weight tonnage of 13,616,836, as before stated. It will be instructive at this point to go into further details. Of the 1,056 delivered ships 332 were requisitioned steel in various stages of construction when received by the corporation, 438 were contract steel, 274 were contract wood, and 12 were contract composite. Of the 433 ships that were being outfitted 14 were requisitioned steel, 201 were contract steel, 209 were contract wood, 6 were contract composite, and 3 were contract concrete. Of the 553 on the ways 23 were requisitioned steel, 393 were contract steel, 128 were contract wood, and 9 were contract concrete. Of the 326 with keels not laid 15 were requisitioned steel, 309 were contract steel, and 2 were contract concrete.

Had all the contracts entered into by the Fleet Corporation for ships been carried out, they would have composed a total dead-weight tonnage of 18,092,921.

Through the division of ship construction the board gave attention to the development of original designs of new types of vessels, approval of contractors' designs, approval of con-

struction details, trial-trip procedure, records of ship construction and ship performance, and so forth.

After the armistice the division of operations of the Fleet Corporation began to lay out trade routes to meet the demands of reviving ocean trade. Vessels were being allocated to the different routes when the food and fuel scarcity in Europe demanded their withdrawal and employment for European relief. So insistent were these demands, as well as the call for ships to move coal to the Pacific for the Navy, that the board was unable in the spring and early summer of 1919 to supply sufficient tonnage for all ordinary freight cargoes seeking transportation. However, by June 30, 1919, the board was furnishing a large and increasing number of vessels for various trades, its shipping trades department continued to place vessels in the different trades and to make every effort to secure cargoes for them. This department made a special study of exports and imports of all countries and their usual routes of transportation, with a view to ascertaining the number and types of ships they required. This department kept in touch with cargo offerings in all home and foreign ports. An enumeration of the vessels which the board had in actual service on June 30, 1919, will give an idea of the manner in which it was meeting the demands on our ocean transportation. It had 197 ships, with a total tonnage of 1,204,953, in the European food relief work; 176 ships, with a tonnage of 1,175,614, in Army work, bringing soldiers home, and so forth; 28 ships, with a tonnage of 161,540, helping the Navy; 236 ships, with a total tonnage of 1,512,808, in the trade with northern Europe; 60 ships, with a tonnage of 315,547, in the southern European trade; 14 ships, with a tonnage of 66,096, in the trade with Africa; 6 ships, with a tonnage of 45,820, in the trade with India, Straits Settlements, and the Dutch East Indies; 77 ships, with a tonnage of 480,963, in the trans-Pacific trade; 188 ships, with a tonnage of 795,926, in the South American trade; 143 ships, with a tonnage of 462,937, in the West Indies and Caribbean trade; 105 ships, of 558,876 tons, in the coastwise, international, domestic, and New England coal trades; a grand total of 1,230 ships, with a total tonnage of 6,791,080.

The board, through its exports and imports department, had brought about the use of wooden vessels in the coal trade by all exporters, the diversion of boats unoccupied at any time to the coal trade, thereby keeping all ships generally employed, and promoting equitable distribution of board tonnage among foreign countries and American exporters, the establishment of the export coal trade on permanent lines, and elimination of speculation in board vessels in the coal trade. This department also assisted in obtaining bunkering stations for board vessels abroad and in framing an insurance plan for the board's wooden vessels that would enhance their desirability.

By June 30, 1919, the board had established line services mainly to European and South American ports, and others were in contemplation.

On May 1, 1919, the board established an actuarial department to study earning capacity of vessels by classes and types, trade routes, commodities handled, and so forth, with a view to greater economies and better results in operation of ships.

From the beginning of ship operation by the board to June 30, 1918, the gross revenues were $80,000,000; during the year ending June 30, 1919, $500,000,000, approximately.

We will now review the history of the board from June 30, 1919, to June 30, 1920. Chairman Hurley resigned July 31, 1919, and was succeeded in the chairmanship by John Barton Payne, appointed August 5, 1919. Chairman Payne resigned March 13, 1920, and was succeeded as chairman on that day by Admiral W. S. Benson. On August 5, 1919, T. A. Scott was appointed on the board to succeed Bainbridge Colby, who had resigned March 4, 1919. Commissioners Robinson, Scott, and Stevens resigned on September 15, 1919, April 5, 1920, and June 15, 1920, and no successors to these had been appointed by June 30, 1920. The board consisted on June 30, 1920, therefore, of Admiral W. S. Benson, chairman, and John A. Donald. The merchant marine act of June 5, 1920, had increased the number of commissioners to seven, had provided for the appointment of an entirely new board, the members of the board in office at the time of the act to continue in office until all the members of the enlarged board should be appointed and qualify.

To secure closer contact with, and a better development of, our trade interests in Europe the board began the creation of an European organization in June, 1919. Its special commissioner for Europe established headquarters and the nucleus of an organization at 8 Grosvenor Gardens, London, in that month. By June 30, 1920, Shipping Board representatives had been located in all seaports of the United Kingdom and Continental Europe of substantial importance. Before this organization, centering at London under the special commissioner, was established, agents of the companies managing board vessels had looked after these vessels in European ports. Some were diligent, but others allowed American vessels to be subjected to mishandling, delays, and oppressive charges. On account of the congestion and disorganization in European ports, it was difficult for individual agents to supervise our vessels properly.

The board's European organization, through control of movements, charters, cargoes, bunkers, supplies, repairs, and so forth, reduced the average turn around in part of Shipping Board vessels loading or discharging cargo, or both loading and discharging cargo, from 25.4 days for the United Kingdom and 19 days for the Continent in September, 1919, to 19.2 days for the United Kingdom and 11.3 days for the Continent in May, 1920. Material reduction had also been secured in cost of bunkers, supplies, and repairs.

The European organization established an operating department to supervise Shipping Board vessels in Europe in reference to navigation, pilotage, cargo handling, bunkers, ballast, personnel, and salvage work. The operating department set up branch offices in the United Kingdom at London, Liverpool, Manchester, Cardiff, Fowey Hull, Newcastle; on the Continent at Helsingfors, Stockholm, Gotenborg, Copenhagen, Danzig, Hamburg, Rotterdam, Antwerp, Paris, Dunkirk, Le Havre, Brest, St. Nazaire, La Rochelle, Bordeaux, Gibraltar, Barcelona, Marseille, Naples, Piræus, Constantinople, and Port Said. Traveling representatives covered other ports. This department was supervising on June 30, 1920, a total of 331 vessels—140 of these being in United Kingdom ports, 77 in continental ports, 114 in European waters. It would get in touch with vessels as soon as possible after they reached European ports and render assistance of greatest value. Masters of many American ships were unacquainted with local laws and conditions, and the foreign agents of such ships were frequently chosen with too little opportunity for careful action. The foreign operating department of the board would furnish American ships with latest aids to navigation, warnings as to mines, charts, and so forth, would see that berths were taken promptly, cargoes handled as readily as practicable, bunker and ballast provided in suitable quantities and at proper prices, and recommend diversion of vessels to less congested ports, thereby securing quicker discharges of cargo. This department was in position to render valuable help in securing coal and oil for fuel when local agents were almost helpless. Special storage for Shipping Board oil was secured at Brest and special arrangements perfected with the oil depot at Lisbon. American oil tankers were held at Gibraltar to serve American ships. This department also was of great help in securing prompt aid for stranded vessels, vessels suffering other mishaps, and in supervising salvage operations. It aided materially in looking after the replacement of crews, their behavior in foreign ports, and the treatment of the men by officers and masters.

The European organization also developed a traffic department, handling all European traffic matters connected with Shipping Board vessels, including chartering, demurrage, and cargo claims.

This department was divided into three sections, (1) Baltic and continental traffic, (2) United Kingdom and Mediterranean traffic, (3) demurrage and cargo claims. Its aim was to keep in close contact with cargo developments throughout Europe and to aid American ship interests to secure freighting contracts on as advantageous terms as possible.

The European organization created a construction and repair department to supervise alterations and repairs on Shipping Board vessels in European ports and to see that proper work was done and proper contractors employed. This department by June 30, 1920, had representatives in the United Kingdom at London, Falmouth, Liverpool, Manchester, Newcastle, Hull, Cardiff, Glasgow, Dublin; on the Continent at Dunkirk, Le Havre, Brest, St. Nazaire, Bordeaux, Marseille, Antwerp, Rotterdam, Barcelona, Gibraltar, Lisbon, Genoa, Naples, Hamburg, Danzig, Copenhagen, Stockholm, Gotenborg. It maintained a stock of machinery spares and ship's equipment at Falmouth. It held in readiness the Shipping Board tug *Goliath* to help disabled ships into port. Its duties included inspection of repair lists of ship officers and elimination of work not essential to efficiency or seaworthiness. It rendered substantial service in helping ships to avoid delays on repairs, recommending less congested ports for the work, and so forth. By June 30, 1920, this department had supervised repairs to 4,000 steamers and through its more efficient methods effected a saving of $1,320,000. It also made reports as to steaming results on vessels completing eastward voyages to European ports, advising as to competency and conduct of engine-room force, these reports ultimately reaching the board at Washington.

The European organization also was equipped with a supply department, which supervised purchase of all supplies in Europe for American vessels, with the result that great savings, better articles, and more prompt deliveries were secured.

The European organization was provided with a legal department, rendering aid in respect to many legal matters arising in connection with American shipping and American trade in Europe, having four main divisions—(1) collision and salvage, (2) general average, (3) commercial law, (4) protection and indemnity insurance; an intelligence department, the duty of which was to keep the Shipping Board and American shipping interests informed as to important shipping, shipbuilding, trade, and industrial developments in Europe; a communications department, handling all communications to and from the London office by cable, land, radio, or otherwise, supervising radio personnel, radio repairs and supplies, submarine signaling apparatus, and keeping the board at Washington and American shipping interests advised as to changes in radio work in Europe, location of new stations, use of new facilities, and so forth; and certain other departments essential to the successful functioning of the organization.

During the year under consideration the board reported on some of the subjects it was required to investigate by the act of 1916, to wit, classification and rating of vessels, marine insurance, navigation laws, and mortgage loans for ships. It was announced that the board had undertaken the redrafting and codification of the navigation laws. The board's recommendations as to some of the subjects last mentioned were embodied in the merchant marine act of 1920, especially those relating to ship mortgages. It devised and recommended a ship-mortgage act which became section 30 of the act of 1920. This act changed and improved the status of ship mortgages as security.

The board also devoted considerable effort to the standardizing of commercial documents, such as bills of lading, charter parties, and so forth.

During the year ending June 30, 1920, nearly all the former German vessels allotted the board were sold or chartered with option of purchase. All the freight vessels and all but 11 of the passenger vessels among them were thus disposed of, the remaining 11 having a gross tonnage of 150,152. The Austrian vessel, *Martha Washington*, was still on hand. Negotiations for sale of the remaining German ships were under way on June 30, 1920, specific authority to sell them having been conferred by the act of 1920. This disposed of the question that had been raised as to the right of the board to sell these vessels.

No proclamation having been issued by the President ending the national emergency and peace not having been declared, the board still had jurisdiction, on June 30, 1920, of the transfer of all American-owned vessels to foreign registry, undocumented as well as documented, under sections 9 and 37 of the act of 1916. Each application to transfer was considered on its own merit, the applicant being required to set out his reasons for the transfer, to show why it was not desirable to operate the vessel under the American flag, and to show the use to which he intended to put the vessel. Under no circumstances would the board grant the transfer if it in any way militated against the welfare of the American merchant marine.

The board, under the conditions before recited, permitted the transfer to foreign registry during the year ending June 30, 1920, of 305 wooden vessels with a gross tonnage of 155,686, 55 steel vessels with a gross tonnage of 97,879, 6 iron vessels with a gross tonnage of 7,967, and 1 composite vessel with a gross tonnage of 2,100, a total of 367 vessels with gross tonnage of 263,632.

Those who have sneered at wooden ships are pointed to the fact that but 600 of these went into foreign trade under foreign flags in 1919 and 1920, while the rest remained in American service. Of course this included many wooden ships not owned by the board.

Mr. STERLING. Mr. President, the Senator from Texas speaks about these wooden vessels which were transferred to foreign registry going into the foreign trade. Does he mean that they were used by foreign nations in overseas trade, or were they used more in the coastwise trade of these other nations?

Mr. SHEPPARD. They were used largely on the shorter routes and services in European waters, such as the Mediterranean Sea and the Black Sea. I do not think they were used to any great extent in the regular trans-Atlantic trade, but they were used in sea trades.

Mr. STERLING. But not in overseas trade in the usual acceptation of that term?

Mr. SHEPPARD. If the Senator means by "overseas trade" the trade between the United States and France or England, I do not think many of the wooden ships were used in that trade. However, they were employed effectively in various sea trades, and were not by any means confined to coastwise trades. However, the Shipping Board had over 80 of these wooden ships in the overseas, trans-Atlantic trade during the fiscal year ending June 30, 1920.

During the year ending June 30, 1920, the recruiting service of the Shipping Board continued to conduct its navigation and engineering schools for training licensed officers, its sea-training bureau for training men below grade of licensed officers, and its sea-service bureau for placing on ships officers and men from all available sources, including its own training agencies. The 13 navigation and 6 engineering schools of the recruiting service, located on the Atlantic, Gulf, and Pacific coasts and the Great Lakes, turned out 5,673 graduates for the year ending June 30, 1920, of whom 4,197 were licensed—about 73 per cent—quite a number of the remainder going to sea as cadet officers and in regular berths on ships to receive licenses later. These schools, since the opening of the first school in 1917, have graduated 13,412 students, of whom 9,642 were licensed, 5,784 as officers; that is, as masters (263), first mates (430), second mates (1,788), and third mates (3,303); 3,858 as engineers—that is, as chief engineers (185), first assistant engineers (519), second assistants (1,478), and third assistants (1,676).

The board's school for training in operation of turbine engines graduated 236 men in the year ending June 30, 1920, having graduated prior to June 30, 1919, 136 men.

On May 3, 1920, the board started a school for the training of licensed engineers on the electric drive.

The sea-training bureau during this fiscal year utilized wooden ships in actual trade, with three stations on land, to train seamen, the total number trained from the beginning of the bureau in January, 1918, to June 30, 1920, being 32,335.

The sea-service bureau of the recruiting service, maintaining agencies at 21 American ports, placed 160,863 officers and men on American ships during the year ending June 30, 1920, nearly 66 per cent of these being American citizens and about 15 per cent being graduates of the recruiting service.

By June 30, 1920, the grand total of ships in the American merchant marine had grown to 3,404 vessels, with a gross tonnage of 11,278,741, this wonderful increase being due mainly to the continued rapid delivery of Shipping Board vessels during the six months following June 30, 1919. Of this grand total, the Shipping Board controlled 1,574 vessels, with a dead-weight tonnage of 9,358,421. By June 30, 1920, American bottoms were carrying nearly 43 per cent of our foreign trade in value, as against less than 10 per cent in 1914 and less than 28 per cent in 1918, and all this was accomplished without a subsidy. As will be shown later, we were carrying more than half by June 30, 1920, in actual tons.

Throughout the year ending June 30, 1920, the board continued to reestablish trade routes in operation before the war in the order of their importance and to open new ones. It carried the American flag on freight vessels to regions where it had never appeared, except at the head of an occasional tramp ship or had never been seen at all. By the end of that year the board had established 209 general cargo berths, affording 229 shipping services. Of these berths, 202 were between the United States and foreign ports and 7 between foreign ports. Of these 202 berths, 100 were from North Atlantic, 27 from South Atlantic, 54 from Gulf, and 21 from Pacific coast ports. Sailing from New York on February 6, 1919, the steamship *Beatrice* was the first steamer under the American flag ever to touch the West Coast of Africa. A regular service was established to that coast with an average sailing every 35 days to June 30, 1920. To meet competition, which was severer there than perhaps any other region of the globe, the service was extended from the West Coast to the United Kingdom and return, with regular schedules.

The services enumerated were cargo services exclusively. On June 30, 1920, the board established two combination freight and passenger services, one consisting of three vessels of a total of 25,680 dead-weight tons from New York to the east coast of South America, the other, consisting of one vessel of 8,500 dead-weight tons, from New York to south and east Africa.

For the continuance of its trade-route program the board had in operation on June 30, 1920, 1,294 steel vessels, with a total dead-weight tonnage of 8,253,416.

Throughout the year ending June 30, 1920, the board continued to extend its foreign supervising organizations so as to

cover the world's principal ports. It also began to encourage American firms establishing offices abroad with their own capital by consigning vessels to them for handling.

The board continued through the year now under observation to exercise the powers of regulation conferred upon it by the shipping act of 1916, the preamble of that act having stated that one of its purposes was the regulation of carriers by water engaged in the foreign and interstate commerce of the United States. As we have seen, the war emergency dwarfed for a time the regulatory work, everything being subordinated to building and operating ships.

The board exercised different rate functions through its division of regulation and its division of operations, respectively. The former passed upon the reasonableness and justness of rates after their initiation by carriers. The latter, while operating vessels on its own account, actually fixed rates, and since the Shipping Board vessels were turned over to private operators, kept a large measure of control of rates by agreements with operators and through the power of allocation. The latter's representative would serve as chairman of the steamship conferences which fixed rates in the various trades. These rates, if complained of, would come before the division of regulation for action the same as if made in the first instance independently of the board. The activities of the division of regulation in reference to conferences and contracts, agreements, understandings, and so forth, relating to rates, traffic, pooling of equipment, and other working arrangements filed under section 15 of the act of 1916, and subject to review and adjustment by the division, continued to grow throughout the year ending June 30, 1920, as did the number of complaints on the formal and informal dockets relating to rates, regulations, practices, classifications of commerce, embargoes, damages to goods in transit, refusal to accept goods when tendered, and so forth.

The merchant marine act of 1920 strengthened the act of 1916 by prohibiting use of deferred rebates or other unfair practices in respect to export or import trade, empowering the board to determine by investigation whether any person not a citizen of the United States was violating these provisions, and authorizing the Secretary of Commerce to deny entry into any United States ports of vessels owned, operated, or controlled directly or indirectly by the offending party.

During the year under discussion the board arranged for the continuance of the work of its port facilities commission by the Board of Engineers for Rivers and Harbors.

On November 20, 1919, the Shipping Board consolidated its own marine and dock industrial relations division, which had handled labor problems connected with vessel operation, and a division of the Fleet Corporation which had handled those connected with ship construction into a new division, to be known as the division of industrial relations, and to deal with all labor questions with which the board might be related. It took about 60,000 men to man the vessels actually owned and controlled by the Shipping Board on June 30, 1920. During the war the board had felt responsible for industrial peace on both its own and all other American-owned vessels. To aid the board in this task the private steamship owners and the marine labor unions on the Atlantic and Gulf coasts voluntarily delegated to the board authority to fix such wage rates and working rules as it might deem fair, its decisions to be binding on all concerned. After the war it was tentatively agreed by all concerned that the board should no longer exercise this power, but should follow on its own vessels rates and standards agreed upon by negotiations between shipowners and maritime workers. To this policy the board adhered during the year we are now considering. At times it used its good offices to bring men and employers together. Partly due to its influence was the provision in the agreement effective May 1, 1920, between owners and the Atlantic and Gulf sailors', firemen's, cooks and stewards' unions for a grievance committee to aid in preventing misunderstandings and in securing harmonious action. From July 8 to July 26, 1919, a great marine strike by seamen held up practically all vessels entering Atlantic and Gulf ports, resulting in an advance in wages of about 20 per cent, which was still in effect on June 30, 1920.

A few days before the close of the fiscal year under discussion the engineers on ocean-going towboats struck in behalf of a demand for a third engineer, but were unsuccessful.

During the war wages and working conditions of longshoremen at most United States ports were fixed by the National Adjustment Commission, composed of representatives selected by the Shipping Board, International Longshoremen's Association, and private employers of longshore labor, and so continued by mutual consent for several months after the armistice. In September, 1919, the commission was reorganized on a peace-time basis, but did not include ports on the Pacific coast or the Great Lakes, unless by special submission. It did not include coastwise longshoremen, except those on a few lines in North Atlantic ports. Many longshore labor difficulties arose during the year we are now considering, both among longshoremen under the commission's jurisdiction and those without it, one of these being a strike which tied up shipping operations for about a month in New York and New Orleans and which was caused by what was considered an inadequate advance in wages awarded by the commission, an advance of 5 cents. Among the longshoremen outside the commission's jurisdiction there were serious strikes at San Francisco, Seattle, and Philadelphia, as well as among coastwise longshoremen at Atlantic and Gulf ports.

In the case of labor rates in construction and repair yards the board adhered in the main to the wages prevailing when the war closed, and this policy met the general approval of wage workers, although there were a number of strikes in some sections due to advances in some yards not being extended to others, and so forth. By June 30, 1920, the number of employees in shipyards had decreased from 289,594 on July 1, 1919, to 75,000. The construction program was rapidly nearing completion.

Through the second six months of 1919 the Emergency Fleet Corporation continued its construction work with results surpassing those of the first half of that year. September, 1919, witnessed the delivery of 150 ships of over 3,000 dead-weight tons each, a total of 810,386 tons. Before 1917 the greatest output of ships in any one year was 1,457 vessels of 921,324 dead-weight tons, including all vessels of 5 tons and over in 1908. The tonnage of steamships alone produced in that year was 722,436 dead-weight tons. More ocean-going vessels were produced in September, 1919, than in any single year in the history of the United States prior to the Great War. This one month's production was greater than the average annual construction in the United States from 1890 to 1916, inclusive, that annual construction being 476,092 dead-weight tons. There was much speculation when the Fleet Corporation was organized as to the maximum tonnage that could be produced in this country in a single year. Belief was expressed that 2,000,000 tons could be delivered in 1918, 5,000,000 in 1919. Great Britain, at that time the greatest shipbuilding nation on earth, had never annually exceeded 3,000,000 tons. The actual performance of the United States was 3,030,406 dead-weight tons in 1918, with 533 ships; 6,379,823 tons in 1918, with 1,180 ships; equal to three a day, including Sundays and holidays. By June 30, 1920, the board had delivered 2,070 ships of 11,622,361 dead-weight tons, was outfitting 124 of 888,675 dead-weight tons, had on the ways 95 of 869,775 tons (dead weight), was preparing to build but had not yet laid the keels of 26 of 294,900 dead-weight tons, a total of 2,315 ships of 13,675,711 dead-weight tons.

Of the delivered ships 374 were requisitioned steel, with a dead-weight tonnage of 2,594,166; 1,101 were contract steel with a dead-weight tonnage of 7,051,445; 589 were contract wood and composite with a dead-weight tonnage of 1,948,250; 6 were contract concrete with a dead-weight tonnage of 28,500. Of the ships being outfitted 1 was requisitioned steel with a dead-weight tonnage of 4,300; 101 were contract steel with a dead-weight tonnage of 854,375; 18 were contract wood and composite, tonnage not given; 4 were contract concrete with a dead-weight tonnage of 30,000. Of the ships on the ways 9 were requisitioned steel with a dead-weight tonnage of 88,800; 84 were contract steel with a dead-weight tonnage of 765,975; 2 were contract concrete with a dead-weight tonnage of 15,000. Those with keels not laid were all contract steel with a dead-weight tonnage of 294,900.

As the number of ships multiplied it became evident that increased dry-dock facilities were essential to the fleet's maintenance and operation. Frequently ships must be docked before delivery, and periodically all in service must be docked for underwater overhauling, repairs of damage by accident, stranding, and so forth. A survey showed the necessity of constructing 13 marine railways, 17 floating docks, and 2 graving docks. These projects were not profitable or practicable as private enterprises, and it became necessary for the corporation to aid in financing them. Funds for this purpose were provided by Congress in the sundry civil act of July 1, 1918, and the deficiency act of November 4, 1918. By June 30, 1920, 9 marine railways were complete and in operation, 2 were in process of construction, and work on 2 had been suspended. Five dry docks were complete and in operation, 11 were in process of construction; and work on 1 had been suspended. In addition, the

corporation itself was constructing 40 pontoons from which 8 dry docks of 10,000 tons each were to be assembled. The 2 graving docks were complete and in operation.

The breaking of all former records in rapidity and quality in ship construction during the year now occupying our attention was due in large degree to the skill and energy of the shipyard workers. There were about 50,000 skilled mechanics in our shipbuilding industry when the war began, a number expanded by intensive training received directly or indirectly from the Fleet Corporation to 385,000. A vast supply of skilled labor was thus made available for private construction which itself had reached unprecedented proportions at the close of the year ending June 30, 1920. By that time 29 of the 30 vessels built in Japan had sailed for the United States, the last one, the *Eastern Sword*, being due for completion about August 5, 1920. One of the four Chinese vessels under contract had been launched with delivery expected in October or November, 1920. Nineteen combination cargo and passenger ships were under construction on June 30, 1920, designed to carry a cargo dead weight of 8,000 tons, passengers and crew, fuel, fresh water, stores, all amounting to 3,000 tons, on a mean draft of 30 feet, with a length of 535 feet each, an ordinary speed of 16 knots with reserve power to increase this to 17½ knots. The number of persons each could carry was 790.

The steaming radius of most of these ships was 14,000 nautical miles. In addition seven other combination cargo and passenger ships were being built, with about 12,000 tons dead-weight capacity each, 31 feet 9 inches mean draft, 14 knots speed, and steaming radius of 15,000 nautical miles. The board was always endeavoring to bring the fleet to a proper balance and to construct the most modern and efficient types of vessel.

A review of the financial accounts of the board from the beginning to June 30, 1920, shows a total appropriated for the board of $3,109,745,041.65, an amount smaller by $441,000,000 than the total authorized by Congress. The items for which appropriations had been made were completion of requisitioned ships, construction of ships by contract, plant and property, construction and acquisition, housing, transportation, dry docks and marine railways, foreign ship construction, original capital stock, and so forth. The largest single item was that of contract ships, the appropriation for that purpose being $1,938,451,000, the authorization $2,884,000,000.

As the fleet increased the repair department continued to grow in importance, its duties including review of designs for ships under construction, preparation of designs for large cargo vessels, approval of plans for passenger ships, acceptance for the division of operations of completed tonnage, survey of vessels to establish tonnage ratings, and reconditioning of ex-enemy vessels. While the war continued the intense demand for rapid production for war purposes prevented many new designs from being developed and confined construction largely to the best of existing types. With the armistice the situation changed and plans were at once made to adapt our shipping tonnage to modern and future mercantile needs. A review of all existing plans was made by home and field offices and changes found desirable were made in all ships not yet laid down or not too near completion. Thus the lessons learned from ships in actual operation were embodied in the ships in process of construction. By September, 1919, all existing plans had been thoroughly overhauled and revised, and most of the ships of the banner shipbuilding year of all time represented the latest and most practicable types of ocean-going vessels. The cost of modifying and adapting plans to meet the results of experience and observation was more than absorbed by operating economies thus made possible. New plans were devised for cargo vessels of the larger kind with a capacity ranging from 10,000 to 15,000 dead-weight tons, plans representing the most modern conception of economical operation. A 12,000-dead-weight ton tanker of an entirely new type, having expansion tanks at the side, the center space being reserved for the general cargo, was also designed. Instead of having one large room for the crew, as had been the custom, the quarters space was subdivided into small rooms. Thus better accommodations for the crew were provided, and the design in general was considered a distinct improvement over existing vessels.

The repair department assisted the board in connection with trial trips and acceptance of new vessels. Ships built by the Fleet Corporation always had thorough tests before they were delivered, tests arranged for the detection of defects in hull or machinery. Prior to the trial trips all vessels were equipped completely for sea work. Wood ships were docked, recalked, the seams cemented, and two coats of copper paint given the underwater body. Steel ships were docked and cleaned if since the last docking or since launching more than 42 days had passed. This rule did not apply if the steel vessels had been lying in fresh water. Vessels were subjected to three forms of trial—dock trial, full-power trial, and continuous full power sea trial. The dock trial lasted for six hours, with the vessel in ballast condition, during which the machinery, piping joints, and installation of equipment were carefully inspected and tested. Then the vessel was subjected to a six-hour full-power trial away from the dock in order to test its maneuvering qualities when without freight, to try out windlass and anchors, winches, steering gear, boilers, turbines, auxiliaries, evaporators, pumps, condensers, and so forth. A part of this trial was to stop the vessel, drop both anchors, run out all chain, so that fastenings could be examined, then to lift both anchors at once, so as to determine the capacity of the windlass engine. After passing these two trials the ship was delivered, subject to the third trial while loaded with cargo—the continuous full-power sea trial. The third trial lasted 12 hours for steel vessels, 24 for wood. Machinery, auxiliaries, and equipment were again tested while the vessel was fully loaded and in actual sea service. Loose rivets, or rivets needing calking, which nearly always develop to some extent in new ships loaded and at sea for the first time, were detected and put in proper condition. This last trial also developed the vessel's fuel and water consumption, speed while loaded, propeller strength, and steam-generating capacity.

Prior to these tests inspectors in the service of the Fleet Corporation and of the classification societies constantly supervised the work of construction. Also, surveys of all vessels to ascertain extent of running repairs and to make a record of their physical condition were made before they were turned over to managing companies under the new form of agreement that was being adopted as rapidly as possible after the cessation of hostilities. Further surveys were made by the board's representatives from time to time to assure maintenance in good condition and to prevent deterioration, and special surveys were had in addition whenever necessary to ascertain damages from collision, bad weather, stranding, and so forth. During the year ending June 30, 1920, about 1,500 surveys were conducted and Shipping Board vessels through this constant and skillful supervision in both construction and operation soon established the reputation of being built, equipped, and operated as efficiently as any ships in existence.

The impression studiously cultivated in some quarters that the Shipping Board fleet represents inefficient and wasteful construction, hastily thrown together and unadapted to the requirements of modern commerce, is without any real foundation. With so many of these ships on hand that hundreds must to-day be laid up during the present period of trade depression for lack of tonnage, the argument that we must tempt private interests to build more ships with generous loans and donations from the United States Treasury dissolves into vacancy.

By June 30, 1920, five of the ex-enemy passenger vessels had been reconditioned and placed in service, and six were in process of reconditioning, together with three cargo ships and three wrecking tugs.

By June 30, 1920, the board had the remeasurement of tonnage well under way, excluding from tonnage on which tonnage ratings gross and net, the basis of wharfage, dock, port and harbor, canal, and other operating expenses, were calculated, the inner bottom space used for fuel oil, stores, feed water or drinking water, light and air spaces, and so forth, and thereby effecting immense savings in operating outlay, and placing our ships on an equality with others as to fixed charges in ports, canals, and so forth.

On June 30, 1920, the board of trustees of the Emergency Fleet Corporation consisted of W. S. Benson, president; John A. Donald, vice president; John Barton Payne, and Martin J. Gillen. On March 1, 1920, J. L. Ackerson, vice president in charge of construction, had resigned and was succeeded by R. L. Hague as director of the division of construction and repairs, this division representing a consolidation of two separate divisions.

In the division of operations Director John H. Rosseter had resigned on October 31, 1919, to be succeeded by Director John E. Cushing, who resigned on May 31, 1920. Director Paul Foley succeeded Cushing.

By June 30, 1920, the division of operations of the Emergency Fleet Corporation had under its control 1,502 vessels, with a dead-weight tonnage of 9,367,551. Over 1,000 of these were employed in foreign trade to the principal ports of the entire world. They were holding their own with the ships of other nations, and the American flag was once more the symbol of as efficient a shipping service as seas or shores had ever known.

During the six months ending June 30, 1920, the number of all American vessels in the export and import trade of the United States was 9,550, with 51,534,620 dead-weight tons, or 22,724,217

cargo tons. The number of all foreign ships in this trade was 6,008, with 35,397,080 dead-weight tons, or 15,273,967 cargo tons. Of the number of ships engaged the United States had 61.4 per cent; foreign ships, 38.6. Of the dead-weight tonnage represented the United States had 59.3 per cent; foreign ships, 40.7. Of the cargo tonnage carried the United States had 60.8 per cent; foreign ships, 39.2. The ratio of cargo tonnage to dead-weight tonnage was for United States ships, 44.1 per cent; for foreign ships, 41.5. In value American-borne tonnage equalled nearly 43 per cent of the whole.

On March 1, 1920, the method of rate making was changed by the adoption of a new form of agreement for the operation of Shipping Board vessels, known as managing agency agreement No. 3. This form of agreement was based on the idea of profit sharing, and cargo rates thereunder were made by conferences of Shipping Board managing agents, conferences organized under the supervision of the traffic department of the Division of Operations. Managing agents were permitted to make rates on full and bulk cargoes subject to current market quotations. After these new conferences began to function the rates division no longer issued tariffs. Four general conferences of the kind indicated were established—the North Atlantic, with headquarters at New York; the South Atlantic, with headquarters at Savannah; Gulf, with headquarters at New Orleans; Pacific coast, with headquarters at San Francisco. Subcommittees operated at the other ports in each district covering cargo services to all sections of the globe. The result was a complete steadying of rates in some trades and improved rate conditions in all the rest. Under the new system conference rates were required to represent a unanimous vote, all disagreements being submitted to the board. Even unanimous-rate changes, if drastic, had to be submitted to the board for approval.

It may be interesting to point out that of the entire Shipping Board fleet in active operation on June 30, 1920, there were 170 wood vessels, with an aggregate tonnage of 628,384. About 50 per cent of these were in the trans-Atlantic trade, and 5 were operating abroad under the London office.

An inventory of the assets of the Fleet Corporation on June 30, 1920, showed a total value of $3,537,726.94, as against total appropriations from the beginning of more than three hundred millions less than that amount.

Reviewing the work of the Shipping Board to June 30, 1920, we may well pronounce it one of the most thrilling and stupendous accomplishments of all time. In rapidity of ship construction it shattered all existing records and reached a mark far exceeding anything that had been deemed possible. In adapting its program to peace conditions its achievements were equally amazing. In an incredibly short time it converted a fleet shaped principally for the carrying needs of war into an aggregation of merchant ships superbly fitted for the commercial demands of peace.

In 1914 the American flag had all but vanished from the seas; in 1920 it was mirrored in all the waters of the globe. Under the supervision and inspiration of the Shipping Board American merchant ships were furnishing in 1920 more than half our foreign-trade tonnage in quantity and nearly 43 per cent in money value. I am endeavoring to outline the complicated and imposing responsibilities, tasks, and duties devolving on the Shipping Board in the regulation and development of American commerce on the oceans and in the construction of suitable facilities therefor and the manner in which it has met them in order to show that its record constitutes an everlasting example of the highest capabilities of American genius, American vision, American skill. For the workers and the officials who performed that history-crowning feat there should be naught but praise and honor. It is a brilliant tribute to the capacity of the American people to execute vast national projects through the American Government.

It will be remembered that under the act of 1916 there was to be no direct construction or operation of ships by the Shipping Board, except for a period of five years from the conclusion of the war, and no direct operation of any vessel during that period until after the board had made every reasonable effort to sell, lease, or charter the vessel to a private owner. This act became law in September, 1916, but before its policies could be put into active practice we became involved in the European war and the shipping situation fundamentally changed. The war shipping acts of June, 1917, and subsequent dates gave the Shipping Board, mainly by delegation by the President of part of his war power, practically unlimited authority to construct, commandeer, purchase, lease, and operate ships, and to control practically all American shipping. It was under these war shipping acts, radically altering the policy contemplated in the peace-time shipping act of 1916, that the enormous construction program heretofore described was accomplished, and the immensely difficult and complicated tasks imposed upon the board during the war were discharged. After the armistice the supply of tonnage for the return of the troops, for European food relief, and for coal movements to sustain the Navy represented further demands growing out of war conditions, although active hostilities had ceased. As soon as it could possibly do so, the board began to adapt its plans and policies to the development of a merchant marine adequate to permanent and normal commercial needs and to provide for private operation. The board was returning as quickly as it could reasonably do so to the spirit and purpose of the act of 1916.

Such was the situation in June, 1920, when a new shipping act, known as the merchant marine act of 1920, became operative. A review of that act is essential at this point.

Section 1 of that act declares that it is necessary for the national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of the best equipped and most suitable types of vessels sufficient to carry the greater portion of its commerce and serve as a naval or military auxiliary in time of war or national emergency, ultimately to be owned and operated privately by citizens of the United States; that it is hereby declared to be the policy of the United States to do whatever may be necessary to develop and encourage the maintenance of such a merchant marine, and, in so far as may not be inconsistent with the express provisions of this act, the United States Shipping Board shall, in the disposition of vessels and shipping property as hereinafter provided, in the making of rules and regulations, and in the administration of the shipping laws, keep always in view this purpose and object as the primary end to be obtained.

Section 2 repeals a number of emergency shipping measures enacted during the war, to wit, the emergency shipping act of June 15, 1917, as amended and certain other acts and parts of acts, and then repeals sections 5, 7, and 8 of the act of 1916, which have been already described.

Sections 3 and 4 increase the number of commissioners to seven and increase their salaries to $12,000 each. Section 3 reenacts section 3 of the act of 1920 with little further change, except to prescribe more specifically the geographical distribution of the board and to authorize a division of duties among the commissioners. This section also provides that the board shall have such other rights and duties not inconsistent with the merchant marine act of 1920 as are conferred by existing law.

Section 4 of the merchant marine act of 1920 provides that vessels and property acquired by the President under the acts repealed by section 2, or under the joint resolution of May 12, 1917 (40 Stat. 75), authorizing him to take possession of enemy vessels, except such as may in the President's opinion be required by other branches of the Government, be transferred to the Shipping Board—vessels in the military and naval service, including those assigned to river and harbor work, and so forth—to be exempt from this act.

Section 5 provides that the Shipping Board shall sell as soon as practicable, consistent with good business methods and the purposes and policy of this act, to citizens of the United States, except as provided in section 6, all vessels transferred under section 4 or otherwise acquired. The sale is to be made on terms and conditions prescribed by the board, but payment of purchase price must be completed within 15 years after sale. The board is to take into consideration in fixing price the prevailing market price, supply, and demand for vessels, freight rates, construction cost of similar vessels at the time, as well as actual cost of vessels to be sold, and any other facts which would influence a prudent business man in a similar situation. Sales are to be subject to restrictions on transfer to aliens, prescribed in section 9 of the act of 1916 as amended by section 18 of this act.

Section 6 provides that the board may sell to aliens on similar basis as in section 5 to citizens such vessels as it deems unnecessary to promotion and maintenance of an efficient merchant marine, such action to be taken only by vote of five members on inability after diligent effort to make a sale under section 5. Reasons for the sale are to be entered on the board's records. Completion of payment is not to be deferred more than 10 years after sale, deferred payments to bear interest at not less than 5½ per cent payable semiannually.

Section 7 authorizes the board to determine as soon as possible and from time to time thereafter what steamship lines should be established and put in operation from ports in the United States or any Territory, district, or possession thereof to such world and domestic markets as in its judgment are desirable for the promotion, development, expansion, and maintenance of the foreign and coastwise trade of the United States and an adequate postal service, and to determine the type,

size, speed, and other requirements of the vessels to be employed on such lines and the frequency and regularity of their sailings with a view to furnishing adequate, regular, certain, and permanent service.

The board is authorized to sell, and if satisfactory sale can not be made, to charter such of the vessels referred to in section 4 of this act or otherwise acquired by the board, as will meet these requirements, to responsible persons who are citizens of the United States and who agree to establish and maintain such lines on such terms of payment and other conditions as the board may deem just and necessary to secure and maintain the service desired. If no such an agreement can be made the board shall operate vessels on such line until business is developed, so that such vessels may be sold on satisfactory terms and the service maintained, or unless it shall appear within a reasonable time that such line can not be made self-sustaining. The Postmaster General is authorized to contract for carrying the mail on such lines at prices agreed upon by him and the board, notwithstanding the act of March 3, 1891, directing contracts to be made with the lowest responsible bidder. Preference in sale or assignment of vessels for operation on such lines is to be given to persons, citizens of the United States, who have the support, financial or otherwise, of the domestic communities primarily interested in such lines if the board is satisfied of the ability of such persons to maintain the service, or to persons, citizens of the United States, who may then be maintaining a service from the port of the United States to or in the general direction of the world market port to which the board has determined that such service should be established. Where steamship lines and regular service have been established and are being maintained by ships of the board at the time of the enactment of this act, such lines and service shall be maintained by the board until in the opinion of the board the maintenance thereof is unbusinesslike and against the public interests. Wherever Government service is in operation in addition to private American service, Government rates are to be not less than cost plus proper interest and depreciation charges on vessels and equipment employed.

Section 8 provides that the board in cooperation with the Secretary of War shall investigate zones tributary to ports with a view to port development and development of transportation facilities in connection with water commerce, taking into consideration revenues of transportation by rail, water, and highway and natural direction of flow of commerce; also the congestion of ports, proper equipment of terminals, and so forth, with a view to advising communities; also the practicability and advantages of harbor, river, and port improvements in connection with foreign and coastwise trade; and the board is also authorized to submit findings to the Interstate Commerce Commission as to railroad rates and other conditions detrimental to water transportation.

Section 9 provides that the board shall require in connection with deferred payments that vessels be kept insured, as prescribed by the board.

Section 10 requires the board to create out of net revenue from operations and sales and maintain a separate insurance fund to protect the interest of the United States in vessels constructed or partly constructed and plants or materials acquired by or transferred to the board.

Section 11 provides that the board, during a period of five years from the date of this act, may annually set aside out of the revenues from sales and operations a sum not exceeding $25,000,000, to be known as its construction loan fund, to be used in aid of the construction of vessels of the best and most efficient type, on such terms as the board may prescribe, by persons, citizens of the United States, in private shipyards in the United States. No loan is to be for more than two-thirds of the cost of the vessels constructed and the board is to require security, including first lien on the vessel, for repayment, with interest, and for maintenance of the service for which the vessel is built.

Section 12 provides that all vessels may be reconditioned and kept in suitable repair and, until sold, shall be managed and operated by the board or chartered or leased by it on such terms as are deemed wise in the promotion and maintenance of an efficient merchant marine, pursuant to policy and purposes declared in sections 1 and 5 of the act—sections requiring sale at earliest practicable time; that the Fleet Corporation shall continue in existence and have authority to operate vessels, unless otherwise directed by law, until all vessels are sold in accordance with this act and notwithstanding section 11 of the shipping act of 1916, which terminates the corporation five years after the close of the European war.

Section 13 authorizes the board to sell any property other than vessels transferred under section 4 on such conditions as it may prescribe.

Section 14 provides that net proceeds derived prior to July 1, 1921, from activities under this act or the shipping act, or the acts specified in section 2 of this act, except amounts needed for operating capital for purposes of section 12, or for insurance fund under section 10, or for construction loan fund under section 11, shall be covered into the Treasury to the credit of the Shipping Board, to be available for construction, purchase, and so forth, of vessels within authorized limits; that after July 1, 1921, such net proceeds, less such an amount as may be authorized by Congress to be withheld as operating capital and less such sums as may be needed for such insurance and construction loan funds, shall be covered into the Treasury as miscellaneous receipts; that the board shall as rapidly as it deems advisable withdraw investment of Government funds made during emergency under the authority conferred by the acts or parts of acts repealed by section 2 of this act and cover the net proceeds thereof into the Treasury of the United States as miscellaneous receipts.

Section 15 provides that the board shall not require payment from the War Department for the charter hire of vessels owned by the United States Government furnished by the board from July 1, 1918, to June 30, 1919, inclusive, for the use of such department.

Section 16 terminates all authority of Emergency Fleet Corporation to purchase, build, requisition, lease, exchange, or otherwise acquire houses, buildings, or land under the act of March 1, 1918, provided that expenditures may be made under said act for repair of houses and buildings already constructed and the completion of such houses or buildings as have heretofore been contracted for or are under construction, if considered advisable, and the board is authorized and directed to dispose of all such properties, or the interest of the United States in such properties, at as early a date as practicable consistent with good business and the best interests of the United States.

Section 17 directs the board to take over on January 1, 1921, and maintain and develop all docks, terminal facilities, and so forth, acquired by the President under the act of March 28, 1918—that is, the former property of the North German Lloyd and Hamburg-American lines. The President is authorized to transfer to the board at any time the terminal facilities, and so forth, acquired during the war emergency for military or naval uses; also to direct temporary transfer back to the War or Navy Departments when necessary; and no such property is to be sold except as provided by law hereafter.

Section 18 reenacts section 9 of the shipping act of 1916, relating to registry, enrollment, license, and documentation of vessels acquired from the Shipping Board, with some slight amendments. It omits reference in said section 9 to war or national emergency conditions.

Section 19 relates to the duties of the Shipping Board, and requires that it shall make all necessary rules and regulations to carry out the provisions of this act; that it shall make special regulations to meet conditions unfavorable to trade arising from foreign laws, practices, and so forth; that it shall request modification of regulations of other governmental agencies affecting foreign shipping, except those of the Public Health Service, Consular Service, and Steamboat Inspection Service; that no regulation affecting foreign shipping shall be hereafter established by any Government agency, except those last named, until such regulation has been approved by the President; that the President shall determine the differences between the board and any other agency making the regulations before alluded to; that no regulation shall be established giving vessels owned by the United States any preference over documented vessels owned by citizens.

Section 20 amends section 14 of the shipping act of 1916 and adds a new section to that act—14a—both sections relating to rebates, use of "fighting ships" in beating down competition, retaliations, and discriminations against shippers, and providing how they shall be dealt with, and so forth. The summary given to these sections in my synopsis of the shipping act of 1916 covers the amendments made by section 20 of the merchant marine act of 1920, the act now under review.

Section 21 provides that the coastwise laws shall extend to all island territories and possessions from February 1, 1922; that the board shall establish adequate steamship service at reasonable rates prior to the expiration of such year and maintain such service until it can be taken over and operated on satisfactory terms by private capital, the President to extend period allowed for establishment of adequate service if it is not established by February 1, 1922, so long as may be necessary in the case of any Territory or possession; that the Philippine Government is authorized to regulate shipping between Philippine ports until Congress authorizes the registry of Philippine vessels as vessels of the United States, this section not to take effect as to

the Philippines until the President by proclamation, after full investigation of local needs, declares that an adequate service has been established and fixes a date for such taking effect.

Section 22 repeals the act of October 6, 1917, authorizing Shipping Board to permit foreign-built vessels admitted to American registry and vessels of foreign registry to engage in the coastwise trade until 120 days after close of war, but provides that foreign-built vessels admitted to American registry, owned by persons citizens of the United States February 1, 1920, and foreign-built vessels now owned by the United States, when sold to and owned by persons citizens of the United States, may be admitted to coastwise trade while so owned, and also provides that the board is authorized to permit carrying of passengers between Hawaii and the Pacific coast in foreign vessels until February 1, 1922.

Section 23 provides that owners of documented vessels in foreign trade be allowed for the next 10 taxable years, as deduction from net income under war-profits and excess-profits taxes the net earnings of such vessels, determined as prescribed by the board, on condition of investing at least three times what would have been the tax, as certified by the Secretary of the Treasury, in the construction in American shipyards of new vessels under regulations prescribed by the board; that citizens selling during the next 10 years any documented vessel built prior to January 1, 1914, should be exempt from income, war-profits, and excess-profits taxes on proceeds of sale if entire proceeds are invested in construction in American shipyards of new vessels to be documented under United States laws and of a type approved by the board.

Section 24 provides that all United States mails carried on vessels shall be carried, if practicable, on American-built vessels documented under our laws; that contracts for carrying mails on such vessels shall not be assigned or sublet, nor shall mail covered by such contracts be carried on other vessels, no money to be paid on the contract in case of violation of these provisions; that the Shipping Board and the Postmaster General shall determine reasonable rates of compensation in aid of the development of an American merchant marine and of a satisfactory postal service; that the Postmaster General is authorized to enter into contracts at such rates, within limits of appropriations made, notwithstanding the act of March 3, 1891, which directs that contracts be made with the lowest responsible bidder.

Section 25 provides that all Government departments, boards, bureaus, and so forth, shall recognize the American Bureau of Shipping as their agency as long as it is maintained as a non-dividend-paying organization with no capital stock for purposes connected with the classification of Government-owned vessels; that the Secretary of Commerce and the chairman of the Shipping Board shall appoint one representative each on the executive committee of this bureau, to be accepted by it as active members; that such representatives shall serve without pay, except traveling expenses; that the official list of merchant vessels published by the Government shall hereafter contain a notation clearly indicating all vessels classed by the American Bureau of Shipping.

Section 26 provides that cargo vessels documented under United States laws may carry not over 16 persons in addition to the crew without being classed as "vessels carrying passengers" under the inspection laws, but that regulations as to life-saving equipment must be complied with; that persons other than members of the crew shall be notified as to any dangerous articles on board or other risk of safety; that the privileges of this section be extended in the foreign trade to the cargo vessels of any nation which allows the like privilege to cargo vessels of the United States in trades not restricted to vessels under its own flag.

Section 27 provides that no merchandise shall be transported by land or water on penalty of forfeiture between ports in the United States or its possessions subject to the coastwise laws in a vessel other than one built in the United States, documented under the laws of the United States, and owned by United States citizens, or a vessel to which these privileges extended by section 18 or section 22, above, this section not to apply to shipments between places in the United States—not including Alaska—over through routes recognized by the Interstate Commerce Commission and including Canadian railroads and water connections, nor to become effective as to the Yukon River until the Alaska Railroad is completed and the Shipping Board finds that proper transportation facilities will be furnished by our citizens.

Section 28 provides that no common carrier shall charge for transportation, subject to the interstate commerce act, of persons or property under any joint rate, fare, or charge, or under any export, import, or other proportional rate, fare, or charge based in whole or in part on the fact that the persons or property affected thereby are to be transported to, or have been transported from, any port in a possession or dependency of the United States, or in a foreign country, by a carrier by water in foreign commerce, any lower rate, fare, or charge than that charged, collected, or received by it for the transportation of persons or of a like kind of property for the same distance, in the same direction, and over the same route, in connection with commerce wholly within the United States, unless the vessel so transporting such persons or property is, or unless it was at the time of such transportation by water, documented under the laws of the United States; that whenever the board is of opinion, however, that adequate shipping facilities to or from any port in a possession or dependency of the United States or a foreign country are not afforded by the vessels so documented it shall certify this fact to the Interstate Commerce Commission, and the commission may by order suspend this section for such time and under such terms as it may prescribe; that such suspension may be terminated by order of the commission whenever the board is of opinion that adequate shipping facilities by such vessels to such ports are afforded and shall so certify to the commission.

Section 29 provides that antitrust laws are not to apply to marine-insurance association, pools, and so forth, for marine insurance and reinsurance business in the United States and abroad.

Section 30 contains a number of provisions relating to ship mortgages, embodying the recommendations of a special committee of the board which had investigated this subject under direction of section 12 of the shipping act of 1916. Section 30 of the act of 1920, the act under review, is commonly known and cited as the "ship mortgage act." Its object, as heretofore indicated, is to improve the character and negotiability of mortgages on ships.

Section 31 amends section 4530, Revised Statutes of the United States, so as to provide that every seaman on a United States vessel shall be entitled to receive on demand from the master half of the balance of his wages earned and remaining unpaid at the time when such demand is made at every port where such vessel, after the voyage has commenced, shall load or deliver cargo before the voyage is ended, and all stipulations in the contract to the contrary shall be void, provided such demand shall not be made before expiration of, nor oftener than once in, five days nor more than once in the same harbor on the same entry; that any failure on the master's part to comply with this demand shall release the seaman from his contract and entitle him to all wages earned; that when the voyage is ended every such seaman shall be entitled to remainder of wages due him, as provided in section 4529 of Revised Statutes, provided that notwithstanding any release signed by any seaman under section 4552, Revised Statutes, any court having jurisdiction may, on good cause shown, set aside such release and take such action as justice shall require; and provided further, that this section shall apply to seamen on foreign vessels while in harbors of United States, and the courts of the United States shall be open to such seamen for its enforcement.

Section 32 amends paragraph (a) of section 10 of the act entitled "An act to remove certain burdens on the American merchant marine and encourage the American foreign-carrying trade, and for other purposes," approved June 26, 1884, so as to provide that it shall be unlawful in any case to pay any seaman's wages in advance of the time when he has actually earned them, or to pay such advance wages, or to make any order or note or other evidence of indebtedness therefor to any other person, or to pay any person for the shipment of seamen when payment is deducted or to be deducted from a seaman's wages; that any person violating this section shall be fined not less than $25 nor more than $100, and may also be imprisoned for not exceeding six months; that payment of such advance wages or allotment, whether made within or without the United States or territory subject to the jurisdiction thereof, shall in no case, except as herein provided, absolve vessel or master or owner from full payment of wages after same shall have been actually earned, and shall be no defense to a libel suit or action for the recovery of such wages; that any person demanding or receiving, directly or indirectly, from any seaman or other person seeking employment as seaman, or from any person on his behalf, any remuneration whatever for providing him with employment shall be subject to imprisonment for not more than six months or fined not more than $500.

Section 33 amends section 20 of an act of March 4, 1915, so as to provide that any seaman suffering personal injury in course of employment may at his election maintain an action

for damages at law with the right of trial by jury, and that in such action all statutes of the United States modifying or extending the common-law right or remedy in cases of personal injury to railway employees shall apply; that in case of death resulting from such personal injury the personal representatives of such seaman may maintain similar action and the United States Statutes referred to shall also apply; that jurisdiction in such cases shall be under the court of the district in which the defendant employer resides or in which his principal office is located.

Section 34 provides that in the judgment of Congress articles or provisions in treaties or conventions to which the United States is a party which restrict the right of the United States to impose discriminating customs duties on imports entering the United States in foreign vessels and in vessels of the United States, and which also restrict the right of the United States to impose discriminatory tonnage dues on foreign vessels and on vessels of the United States entering the United States should be terminated and that the President is hereby authorized and directed, within 90 days after this act becomes law, to give notice to the several governments, respectively, parties to such conventions or treaties that so much thereof as imposes any such restriction on the United States will terminate on the expiration of such periods as may be required for the giving of such notice by the provisions of such treaties or conventions.

Section 35 provides that the power and authority vested by this act in the Shipping Board, except as herein otherwise specifically provided, may be exercised directly by the board or by it through the United States Shipping Board Emergency Fleet Corporation.

Section 36 provides that unconstitutionality of any provision of this act shall not affect the remainder of the act.

Section 37 provides that when used in this act, unless the context otherwise requires, the terms "person," "vessel," "documented under the laws of the United States," and "citizen of the United States" shall have the meaning assigned them by sections 1 and 2 of the shipping act of 1916, as amended by this act; that the term "board" means the United States Shipping Board, and the term "alien" any person not a citizen of the United States.

Section 38 amends section 2 of the shipping act of 1916 so as to require ownership by United States citizens of 75 per cent of a corporation, and so forth, to enable it to operate vessels in coastwise trade and so as to apply same definitions to this 75 per cent interest as is applied in that section to the term "controlling interest" in connection with American citizenship.

Section 39 provides that this act may be cited as the "merchant marine act, 1920."

Having made this review of the act of 1920, let us briefly compare it with the act of 1916.

The act of 1916 contemplated Government construction of ships by the board in the form of a corporation whenever the Shipping Board might deem such action essential to a properly developed and balanced merchant marine, such construction to be had preferably in private shipyards.

The act of 1920 contemplated no new Government construction, except such as might have been begun under the war shipping acts and might be deemed worthy of continuance, but established a loan fund of $25,000,000 to aid private construction in private shipyards and provided certain tax remissions to encourage the use of earnings in further ship construction by private interests. It is also provided that all existing contracts or agreements should be carried out.

The act of 1916 provided that effort should be made to secure immediate private operation of all ships constructed by the board in its corporate form, and in the event of failure that the board should in said corporate form, a form that came to be known as the Emergency Fleet Corporation, operate such ships for five years after the close of the war, at which time the said corporation should be dissolved and private operation become imperative. The construction function was to continue indefinitely, not to supplant private construction but to supplement, round out, and complete the merchant marine from the standpoint of the national interest. The existence of such a function in the Government serves as a check against undue or extortionate costs in private yards and insures a properly balanced merchant fleet. The national interest—that is, the interest of the people as a whole—in a merchant marine is too fundamental and far-reaching to justify its entire delegation to private concerns. There are frequently instances where private interests would not develop a merchant marine as comprehensively as would be the case if the Government retained this supplementary construction function. For instance, a ship line in a new region might be ultimately desirable, but on account of initial risks and the uncertainty attaching to a venture in an untried situation private capital might never undertake the task, especially when enterprises in existing routes were constantly bidding for new funds and offering well-known security.

Here the Government could well exercise its construction function, see to it that the new and unfamiliar route was thoroughly tried out, and after firmly establishing it turn it over to private interests whose good faith and capacity were ascertained. The higher interests of the Nation as a whole would be subserved, its commerce permanently improved, although an actual profit in dollars and cents, the only profit private enterprise knows, might not appear in the Government ledger.

The act of 1920 contemplated operation by the Shipping Board and the Emergency Fleet Corporation, directly or by contract, until all the ships owned by the Government should be sold, and provided that the board should conduct all its activities with a view to the sale of all those ships to private interests on such terms as a fair return and good business judgment would dictate. To this end the act of 1920 repealed that portion of the act of 1916 terminating the Fleet Corporation five years after the war and provided that it should continue to function until all the ships were sold. In the meantime it empowered the board to establish new routes and, if private parties could not be found in the first instance to accept charters for vessels therein, to operate such vessels until the routes should be so definitely established as to make private sale practicable or until they had been shown to be incapable of economical development.

The act of 1920 strengthened the regulatory provisions of the act of 1916 relating to all our shipping, and enlarged and added other valuable functions, and added other provisions of distinct merit, all of which have been enumerated.

The principal change of policy embodied in the act of 1920 was to terminate construction power conferred on the Government by the act of 1916, a power essential, in my judgment, to the preservation of the national interest in a merchant marine; a power needed not to displace but to supplement, round out, and guard against the excesses of private enterprise.

We are now in position to examine the operations of the Shipping Board under the act of June 5, 1920, known commonly as the merchant marine act of 1920. I have already outlined the history of the board to June 30, 1920. I now invite attention to its transactions during the year ending June 30, 1921. As heretofore indicated the act of 1920 created a new board to consist of seven members, but provided that the existing board should continue in office until all the new commissioners should be appointed and qualify. Congress adjourned the day after it passed the act of 1920, and on the day the President approved it, June 5, and failed to make appropriation for the salaries of the new board. Under such conditions it became difficult to find men who would accept recess appointments to the board. As we have already seen, the board at the time the act of 1920 became law consisted of Admiral Benson, chairman, and John A. Donald. On November 10, 1920, recess appointments were accepted by the following: W. S. Benson, chairman, Frederick I. Thompson, John A. Donald, J. N. Teal, Chester A. Rowell, Guy D. Goff, and Charles Sutter. These gentlemen qualified in so far as they could personally do so on December 1, 1920, but they were not confirmed by the Senate, and on March 4, 1921, their terms lapsed. President Harding on March 11, 1921, designated Admiral Benson by letter to act as chairman until a new board could be appointed. On June 9, 1921, the new board authorized by the act of June 5, 1920, was appointed as follows: Albert D, Lasker, chairman, from the interior, term six years, qualified June 13, 1921; T. V. O'Connor, vice chairman, from the Great Lakes, term five years, qualified June 15, 1921; George E. Chamberlain, Pacific coast, term four years, qualified June 13, 1921; Edward C. Plummer, Atlantic coast, term three years, qualified June 14, 1921; Frederick I. Thompson, Gulf coast, term two years, qualified June 13, 1921; Meyer Lissner, Pacific coast, term one year, qualified June 11, 1921; W. S. Benson, Atlantic coast, term one year, qualified June 13, 1921. A year later Lissner and Benson received six-year appointments.

These gentlemen were all confirmed by the Senate. At the foot of the list of the members of the new board was placed, it will be noted, Admiral Benson, the man who almost alone had administered the tremendous undertakings of the board for many critical months with conspicuous capacity and fidelity. What a tribute to him and to Mr. Donald it is that the work of so extensive an institution was handled so ably under their supervision against a storm of misrepresentation and attack such as has been rarely seen in American history.

Mr. FLETCHER. Mr. President——

Mr. SHEPPARD. I yield to the Senator from Florida.

Mr. FLETCHER. May I interrupt the Senator to say that was true, notwithstanding the fact that the law under which they were acting required certain important things to be done only by a vote of the majority of the members of the board. So that, not having a majority of seven on the board, they were unable to get a majority vote on many propositions which might have been worked out if they had had a full board.

Mr. SHEPPARD. I am glad the Senator has called attention to this.

During the year now under review a new managing agency agreement, known as MO–4, was devised by a standing committee, consisting of representatives of the board and representatives of the managers. This agreement took retroactive effect as of March 1, 1920, and displaced the previous agreement which has been heretofore described and which was known as MO–3. Under the new agreement the manager was to receive a commission on gross revenues instead of a part of the profits, and a commission on salvage earned. Greater responsibility was placed on the managing agent for default of his domestic and foreign subagents, and the standing committee was to make suggestions as to interpretation of the agreement, the board reserving the right to make final interpretations and to fix salvage awards.

The War Department was relieved by section 15 of the merchant marine act of 1920 from payment of charter hire for Shipping Board vessels from July 1, 1918, to June 30, 1919, the amount involved being $49,061,888.88. On February 1, 1921, a settlement was made as to all other accounts between the War Department and the Shipping Board and thereafter their relations were on a commercial basis. By other acts the Navy was relieved of charter hire due the board in the sum of $7,264,472.87.

During the year ending June 30, 1921, the board's committee on navigation laws continued the redrafting and codification of the navigation laws, laws enacted from time to time during the preceding 140 years, having in view not only codification of but recommendations of changes in existing laws.

On December 10, 1920, the board suggested the creation of a joint committee representing the board and the Interstate Commerce Commission, the committee to consider various provisions of the railroad transportation act of 1920, to study rail and water rates, regulations, and practices with a view to securing cooperation of rail carriers, water carriers, shippers, and ports, and to make suitable recommendations. Such a committee was appointed and was continuing to function at the end of the fiscal year we are now studying.

On April 15, 1921, the board created a division of field information to study such duties of the board under the shipping act of 1916 and the merchant marine act of 1920 as related directly to the promotion of a privately owned and operated merchant marine, these duties comprising the investigation of foreign discrimination and unfair competition against United States ships, of the commercial and economic aspects of port developments, of new trade routes and berth liner services, of an ample marine insurance system, of the status of ships of American registry, and distribution of information to shipping interests generally.

During the year under review the board allocated to the Pacific coast—Hawaii-Oriental-Manila route—the newly constructed 535-foot combination passenger and cargo vessels, declining further permission after June 30, 1921, to Japanese and Chinese companies to carry passengers between San Francisco and Hawaii under section 22 of the act of 1920.

Applications were received from about 27 shipowning companies for remission of certain taxes under section 23 of the act of 1920 on condition that net earnings in foreign trade be invested in new tonnage or put in trust for that purpose, the 27 companies agreeing to build about 737,000 tons of new ships. Nearly a third of this new tonnage was to be constructed by two Standard Oil concerns—the Standard Oil Co. of New Jersey and the Standard Oil Co. of California, and the remainder mainly by the larger shipping and industrial concerns. This shows how quickly the monopolistic interests take advantage of all special privileges offered from the United States Treasury. The result seems always to enhance their power and tighten their control of the situation.

Section 28 of the merchant marine act of 1920 was suspended throughout the year ending June 30, 1921, because adequate shipping facilities under the American flag did not exist for the transportation of the commerce of the United States to and from foreign ports and ports in the possessions or dependencies of the United States. It will be recalled that this section forbade lower rail rates to a port in conjunction with continued shipment on an ocean route than rates on rail shipments ending at the port, unless the vessel on which the shipment continued was documented under the American flag, and unless there were sufficient vessels under such documentation serving that port to handle its commerce with foreign ports. The complications engendered by this section may be easily seen when it is remembered that even the advocates of the subsidy do not hope to carry all our commerce or much more than half our commerce in American bottoms. Necessarily it will always be difficult for particular ports to secure complete service by American ships, and those having it at any particular time would have a vast advantage in the matter of joint rail rates over others.

The President not having terminated the emergency by proclamation when the fiscal year ended, American-owned documented vessels could not yet be transferred to foreign registry without the board's permission, section 37 of the act of 1916 being in operation until the issuance of the proclamation. After its issuance the board would have had jurisdiction only over transfer to foreign registry of vessels documented under our laws. During the year ended June 30, 1921, the board authorized the transfer of 401 vessels, of 202,283 gross tons, to foreign registry, but according to its practice it permitted the transfer of no vessel if such transfer would be detrimental to the interests of our merchant marine.

Seven companies to whom the board had sold vessels encountered receivership proceedings during the year under survey. A world-wide commercial depression had developed during the second half of the calendar year 1920. In fact, symptoms of its approach had been sensed in declining ocean freight rates during the first half of that year. These companies were unable to pay creditors, to make deferred purchase payments on ships. The board tried to help them by asking the courts to appoint receivers in equity instead of receivers in bankruptcy, by furnishing its own officials as such receivers, hoping to tide the companies over the period of general trade recession. The looked-for recovery did not materialize, the board's efforts were not successful, and the courts were requested to discharge the receivers.

The board did everything within its power during the commercially disastrous period that had set in to help all American shipping. Through the rate conferences in every trade in which its vessels plied it aided to prevent a decline of freight rates below cost of operation. In aligning and realigning cargo services and in restraining competition among the managing agents of its vessels it helped to sustain and stabilize rates for all shipping. It urged American companies, as a condition precedent of success, to establish American concerns in foreign countries to handle American vessels and solicit return cargoes.

A Shipping Board office was located in St. Louis to acquaint shippers with facilities offered by American vessels, whether board owned or privately owned, and to induce them to employ such facilities. The trade with Latin America declined in the general slump, but the board, with a view to preparation for the return of better times, made a careful study of services to Latin America so as to be able to persuade shippers to use all vessels flying our flag. A coastwise service was established between Paranagua, Brazil, and points on the River Plate, not only to meet the needs of local shippers but to serve as feeders for our ocean lines. On account of the business crisis, the board averaged but one sailing a month to the west coast of Africa during the year and but once every seven weeks to the south and east coasts.

During the year the board, seeing the need of more passenger services, established several additional ones. The ships placed in these lines were freshly constructed and splendidly equipped, were of two types, known, respectively, as the "502" type and the "535" type, the figures referring to the lengths of the vessels. Six vessels of the 502 type, each carrying 84 first-class passengers and having 465,940 cubic feet cargo space, with speed of 14 knots, were placed in the trade between New York and Queenstown, Boulogne, and London, and between San Francisco and Honolulu, Manila, Saigon, Singapore, Colombo, and Calcutta. Six vessels of the 535 type, each carrying 260 first-class passengers, 300 steerage passengers, and having 466,133 cubic feet cargo space, with a speed of 17½ knots, were placed in trade between Baltimore, San Francisco, and Honolulu; between San Francisco, Honolulu, Yokohama, Kobe, Shanghai, Manila, and Hongkong; and between Seattle, Kobe, Yokohama, Shanghai, and Manila.

The board established services, through the charter of ex-German passenger liners, between New York, Genoa, and Naples; New York, Bremen, and Danzig; between New York, Plymouth, Cherbourg, and Bremen; between New York, Cuba, and Spain.

Besides, the board itself operated three ex-German passenger vessels in the trade between New York and the east coast of South America.

These passenger services enabled the board to carry a substantial portion of the United States mails, as contemplated by section 24 of the act of 1920, and to secure considerable revenue from that source.

During the year the board continued to create new trade routes, so that by June 30, 1921, it had established 410 general cargo berths—393 between the United States and foreign ports and 17 between foreign ports to serve as feeders.

During the year the board, through its port facilities commission, and the War Department, through the Board of Engineers for Rivers and Harbors, continued to cooperate under section 8 of the act of 1920 in making studies for the promotion, encouragement, and development of ports and transportation facilities in connection with water commerce.

During the year the board continued its policy of securing fuel-oil bunker stations at strategic locations on all trade routes, as a vital element in a successful merchant marine policy. Some of these it had to establish and operate through its own agencies, not being able to secure them through private companies. The tank steamers of the Shipping Board supplied these stations, otherwise the oil-burning fleet would have been at the mercy of foreign companies. This system resulted in oil at a lower cost than was possible in the open market. The object of the board was ultimately to supply all American vessels with fuel oil at the lowest possible price.

Inasmuch as only a small portion of the Shipping Board fleet was coal burning, the coal bunkering question was not so serious as that of oil. It was found advisable during the year, however, to establish bunker coal stations at certain ports.

Throughout the year the foreign organization of the board continued to function most effectively, facilitating the dispatch of vessels; securing modification or cancellation of irksome port regulations and restrictions; cooperating with operators' agents in handling marine disasters, surveys, and legal difficulties; determining the necessity for and supervising repairs; supervising purchase of supplies; supervising stevedoring; reporting on efficiency, attitude, and business affiliations of ship agents representing board operators; checking up vessel personnel; assisting representatives of operating companies in securing homeward and way cargoes; controlling homeward and way cargoes to prevent destructive competition between board operators; and reporting on all matters affecting the American merchant marine.

The marine-insurance arrangements resulting from the board's investigations were in effect throughout the year. Inasmuch as the subject of insurance was under State control, a model marine-insurance bill for the District of Columbia, developed by the joint action of the Shipping Board and the House Committee on the Merchant Marine and Fisheries, intended to serve as a suggestion to the States, was pending in Congress when the fiscal year closed.

In making sales of vessels under the act of 1920 the board, during the year ending June 30, 1921, placed a price on steel vessels ranging from $160 to $185 per dead-weight ton, less depreciation—10 per cent to be paid in cash, 5 per cent every six months thereafter for two years, balance to be paid in installments of 3½ per cent every six months for 10 years. On account of disastrous business conditions the demand for steel cargo vessels declined precipitately during the year. Thirty-seven tugs were sold for $2,170,500; 41 uncompleted wooden hulls for $2,063,542.67, an average price of $50,330.30. During the year ending June 30, 1921, purchasers of 121 steel vessels became unable, on account of critical business conditions, to make deferred payments, returned them to the board and the sales were canceled. These ships had a total dead-weight tonnage of 686,619 and a total net selling price of $87,885,273.25. There had been paid in cash on them $7,469,412.15, which was returned. Vessels still in the hands of purchasers on June 30, 1921, numbered 380, with a total dead-weight tonnage of 1,851,902, the net selling price being $293,907,429.54, cash payments, $159,482,747.08, balance represented by notes and accounts receivable, less certain allowances amounting to $13,116,555.28. It was due to no fault of the board or of the vessels that so many were being laid up and so many were being returned in a period of exceptional business depression.

The navigation and engineering schools of the board's recruiting service graduated 1,300 men during the fiscal year, and of these 1,190, or 91 per cent, got licenses, making the total number of graduates from the beginning 14,712, of whom 10,832 got licenses—about 74 per cent. The sea training bureau was discontinued on December 31, 1920, the supply of men beginning to equal demands as the slump in business conditions began to put ships out of commission. Schools training engineers on turbines furnished 289 students during the year, bringing the total since they began to 661. Twenty-six engineers of unusual ability and experience were trained on electric drive, and a few on internal combustion engines, Diesel type, but these specialized classes were stopped during the year on account of limited demand.

The sea-service bureau of the recruiting service placed on United States ships, public and private, during the year, 110,538 officers and men, of whom 68.8 per cent were Americans.

The division of regulations found the volume of its duties increasing during the year, the number of carriers' contracts examined and filed being about 300—the minutes of 2,230 steamship conference meetings and 2,637 conference tariffs being received, 7 formal docket hearings being held, 65 informal docket complaints being settled, 1,685 tariffs being filed, a number of special investigations and reports being made.

The board continued during the year the practice it had adopted from the beginning of circularizing all steamship and terminal companies in the United States to ascertain how many were subject to its jurisdiction in the matter of regulation. It developed that on June 30, 1921, the number of water carriers whose services had been discontinued was 200; of intrastate water carriers operating on rivers, lakes, and oceans, 138; of water carriers operating in interstate commerce on inland waters of the United States—river, lake, or canal (excluding the Great Lakes), 83; of operators of towage, lighterage, or ferriage service, 107; of water carriers engaged in interstate tramp service, 196; of water carriers engaged in foreign tramp service, 182; of water carriers subject to Interstate Commerce Commission, 28; of water carriers operating on regular routes in interstate commerce on the high seas or Great Lakes subject to the board's jurisdiction, 119; of water carriers operating on regular routes in foreign commerce of the United States subject to the board's jurisdiction, 241; of water carriers in exclusively proprietary service, 106; of forwarders and other persons subject to the board's jurisdiction, 32. Out of 1,200 steamship companies in business of their own ownership and management, 370 were subject to the board's regulatory jurisdiction, a gain of 76 during the year, not counting the forwarders and other persons subject to the board.

During the year the board's industrial relations division continued to supervise labor questions arising from operation of vessels and marine equipment, including work of loading and unloading, and endeavored to secure peaceable settlement of disputes, negotiation of working agreements, and promotion of harmony between employer and employee in marine industry. Things went generally well until late in the spring of 1921, the grievance committees doing as a rule effective work. At a general marine conference on April 27, 1921, the unions declined, so the board reports, to accept a wage reduction of 15 per cent, and a general marine strike was called on American ships, which lasted until June 14. At that time wage scales involving a 15 per cent reduction and certain changes in working conditions were promulgated by the board and accepted by the unions until January 1, 1922. In the case of longshore labor, old wages and working conditions were maintained in general throughout the year. A 10 per cent reduction on the average was made in shipyards and ship-repair yards, followed by a number of strikes, the most serious of which were in New Orleans and Philadelphia. Gradually the new conditions were accepted by the workers.

The board, being the largest owner and operator, realized that its labor policies affected and in a measure set the standard for all marine workers. It tried to deal with longshore and aboard-ship labor as a national whole, changes in one locality always reacting to a certain extent on others.

During the year the board appropriated $50,000 for advertising its shipping services, utilizing a group of advertising agencies, the actual cost, however, being $8,000, and being confined largely to a survey. Then followed a campaign through the advertising agencies in daily newspapers, costing $75,000, setting forth the board's freight and passenger services. A like effort in national magazines cost $20,000. The board through its own advertising department placed advertisements in newspapers, trade papers, and marine publications costing $66,000. Through its own advertising department it used the press in giving notice of disposal of surplus ships, shipyards, material, housing projects, of proposed purchases of bunker coal, fuel, lubricating oils, supplies, and so forth, at a total cost of $100,000. Through its advertising department the board supervised freight and passenger advertising of individual operators of board vessels, costing about $630,000, the cost being borne by them. Through this department the board devised motion-picture advertisements costing about $31,000.

On June 30, 1921, vessels owned by the Shipping Board numbered 1,792, of 11,323,668 dead-weight tons, an increase over June 30, 1920, of 218 vessels of nearly 2,000,000 tons. It will be remembered that the board was authorized by the act of

1920 to carry out all existing construction contracts and such construction plans already adopted as seemed advisable to the board to complete.

Of these 1,792 vessels owned by the board, 1,293 were steel cargo vessels, with a total tonnage of 8,800,000. Only 288 were wood and composite, with a total tonnage of 1,066,649.

Of these 1,293 steel cargo vessels, 60 were of 10,000 dead-weight tons each or over, 1 of these having a speed of 13.5 knots, 1 of 12.5, 2 of 12, 2 of 11.5, 15 of 11, 25 of 10.5, 6 of 10, 3 of 9.5, 3 of 9, 1 of 8, 1 of 7. Two hundred and seventy-seven were of 9,000 to 9,999 dead-weight tons each, 120 of these having a speed of 11.5 knots, 119 of 11, 21 of 10.5, 8 of 10, 3 of 9.5, 1 of 9, 4 of 8.5, 1 of 8. Three hundred and nine were of 8,000 to 8,999 dead-weight tons each, 3 of these having a speed of 12 knots, 20 of 11.5, 58 of 11, 150 of 10.5, 31 of 10, 9 of 9.5, 15 of 9, 8 of 8.5, 9 of 8, 4 of 7.5, 1 of 6.5, 1 of 6. One hundred and sixty-four were of 7,000 to 7,999 dead-weight tons each, 1 of these having a speed of 12 knots, 94 a speed of 11.5, 6 of 11, 43 of 10.5, 11 of 10, 1 of 9.5, 5 of 9, 2 of 8.5, 1 of 7. Twenty-four were of 6,000 to 6,999 dead-weight tons each, 1 of these having a speed of 12 knots, 8 of 10.5, 6 of 10, 4 of 9.5, 2 of 9, 1 of 8.5, 1 of 8, 1 of 6.5. One hundred and fifty were of 5,000 to 5,999 dead-weight tons each, 15 of these having a speed of 11 knots, 124 of 10.5, 5 of 10, 1 of 9.5, 2 of 9, 2 of 8.5, 1 of 7.5. Two hundred and twenty-seven were of 4,000 to 4,999 dead-weight tons each, 2 of these having a speed of 11.5 knots, 3 of 11, 2 of 10.5, 3 of 10, 173 of 9.5, 9 of 9, 11 of 8.5, 10 of 8, 8 of 7.5, 2 of 7, 2 of 6.5, 2 of 6. One hundred and fifty-five were of 3,000 to 3,999 dead-weight tons each, 3 of these having a speed of 12 knots, 3 of 10.5, 25 of 10, 70 of 9.5, 6 of 9, 17 of 8.5, 16 of 8, 10 of 7.5, 2 of 7, 2 of 6.5, 1 of 6. Twenty-seven were of 2,000 to 2,999 dead-weight tons each, 8 of these having a speed of 10 knots, 13 of 9.5, 2 of 9, 1 of 8.5, 2 of 8, 1 of 7.5.

To these steel cargo vessels add 16 steel refrigerator steamers of 118,106 dead-weight tons, 89 steel tank steamers of 828,881 dead-weight tons, 39 steel passenger steamers of 417,921 dead-weight tons, 3 steel colliers of 14,832 dead-weight tons, 2 steel cargo sailing vessels of 5,847 dead-weight tons—that is, 149 additional steel vessels with a dead-weight tonnage of 1,385,687—and we have 1,442 steel vessels owned by the Shipping Board on June 30, 1921, out of a total of 1,740, not counting 52 tugs, with a dead-weight tonnage of 10,185,687 out of a total of 11,323,668, excluding the tugs. (See fifth annual report Shipping Board.) We may accurately say, therefore, that on June 30, 1921, we had what was essentially and almost wholly a magnificent, modern, steel merchant fleet. Now, keep in mind the fact that only 12 of the 1,293 steel cargo vessels of this fleet had more than the speed required to secure the lowest subsidy in the pending bill, to wit, one-half of 1 cent per gross ton for each 100 nautical miles traveled, 11 of these 12 having speed enough to reach the second lowest subsidy rate, to wit, one-tenth of 1 cent in addition to the lowest, one having speed enough to reach third from lowest place; that is, two-tenths of 1 cent. There are 10 higher subsidy rates, growing toward the top, and to none of these would this stupendous steel fleet be eligible. Evidently the plot thickens.

During the fiscal year the board's vessels made a total of 5,130 sailings from European ports alone, the number beginning to shorten toward the close of the year.

Our total merchant marine on June 30, 1921, including Shipping Board boats and all others, numbered 3,723 seagoing vessels, with a gross tonnage of 13,234,401, an increase of 319 vessels of 1,955,660 gross tonnage.

The decline of freight rates continued on such a scale during the year that business became very difficult to secure all over the world, and many ships had to be laid up by other countries as well as ours.

The board announced in its fifth annual report, the report covering the year ending June 30, 1921, that the wood-ship construction program was completed on January 18, 1921, with the delivery of the harbor tug *Rochelle* to the Fleet Corporation. In that report the board explained why the wood ships were originally planned, stating that at the outset existing steel yards were all occupied with foreign contracts and that the construction of wood ships offered the next best way to meet the emergency demand for ships; that for this reason most of the corporation's earlier activities had been devoted to this class of construction; that the wood ships took a longer time to build than had been expected because of the scarcity of workmen skilled in and material adapted to the building of wood hulls; that at the armistice a large number of wood ships were in various degrees of completion, with many contracts not yet begun; that in every case all possible effort was made either to suspend construction or to finish the vessels as hulls or barges only, with the idea of disposing of them to as good advantage as practicable; that the original plan called for 1,017 wood vessels of different types; that 428 were finally canceled, leaving 589 to be wholly or partially completed as seemed best from the standpoint of successful disposition. As we have seen, the wood ships completed did good war emergency work and good service in certain types of ocean trade.

The program for the construction of concrete ships was ended on April 12, 1921, with the delivery of the steamship *Moffitt*. As concrete ships were still in the experimental stage, the decision to construct them was due solely to pressure of the war emergency. Originally they were to be cargo ships only, but later most of them were changed to tank steamers and the size increased from 3,500 to 7,500 tons. This program first called for 43 vessels of 302,000 dead-weight tons, but 31 of 228,500 tons were canceled, leaving on the active program 12 of 73,500 dead-weight tons.

The original program for composite ships—that is, ships whose wood hulls were strengthened with a certain amount of structural steel—called for 50, but, on account of high costs and long period required in building, 32 of 112,000 dead-weight tons were canceled, leaving on the active program 18 of 63,000 dead-weight tons, all of which were completed.

Construction of shipyard plants having ceased, the efforts of the yards and docks section of the board's construction department were devoted mainly during the year to construction of dry docks, marine railways, and repair plants, inspection of others in which the board was financially interested, and so forth. Nine of the seventeen dry docks contracted for were in operation during the year, seven were in process of construction, while one had been suspended. Six were under direct construction by the board. Of the 13 marine railways contracted for, 11 had been completed, while 2 had been suspended.

During the year a 15 per cent reduction in rates charged the board for ship repairs was secured, and on June 1, 1921, dry-docking charges in New York Harbor were reduced 66 per cent.

By November, 1920, the slump in shipping business became so serious that large numbers of vessels had to be laid up, a condition not peculiar to the United States. At the lowest ebb in the shipping situation during the fiscal year about 750 steel vessels were laid up of about 5,000,000 dead-weight tons. They were gathered in several lay-up areas, where the chief problem was that of care at the least expense to prevent deterioration. To this end the vessels were divided into three distinct groups, depending on condition at time of lay up and time required to put vessels in seaworthy condition, as follows: Class A including those requiring only minor voyage repairs sufficient to fit the vessel for service in three days or less, such ships being commonly called "spot ships"; class B including those requiring medium voyage repairs, such as would fit the vessel for service in 10 days or less; class C including those requiring a general or thorough overhauling, extensive repairs, reconditioning, new machinery installation, replacements, and so forth, covering 30 days or more.

When the vessels were turned back by managing agents general-condition surveys were made to determine in what repair class a vessel belonged, these surveys being known as "turn-back" and "lay-up" surveys.

The repair department of the board kept records of performance and condition data as to each vessel, both in service and lay up. Thus when a vessel was to be recalled to service the most efficient and suitable could be readily secured.

The repair department had a turbine section supervising repairs to turbines and improving this type of motive power. About 600 turbine vessels were in service on June 30, 1921. With turbine installations it was planned to secure for certain vessels which had been retired for lack of good equipment a first-class state of efficiency.

Two vessels equipped with the electric drive made successful maiden voyages during the year, and four others were being similarly equipped. The advantage of this type of motive power lay in maneuvering capacity, the saving in fuel, however, not proving as great as had been hoped for on one of these maiden trips.

The Diesel engine was being tried out in the ship *William Penn* as the year closed.

During the year more of the ex-German ships were placed in the passenger trade.

The *Leviathan*, the largest vessel afloat at that time except the *Majestic*, which was owned by the British White Star Line and was nearing completion in Germany, was out of action during the entire year ending June 30, 1921. Arrangement was made with the International Mercantile Marine Co. to care for the *Leviathan* while inactive and to act as the board's repre-

sentative in reconditioning her, if that should be determined upon. When this ship was seized from Germany her plans were unavailable and the builders, Blohm & Voss, on being requested to name terms for them asked $1,000,000, a price considered prohibitive. The board then authorized the International Mercantile Marine Co. to prepare the plans. With nothing but the vessel itself to work from a set was prepared at much less cost than the price asked for the original papers. During her inactive status the vessel was kept in first-class condition, was painted and kept clean through and through. The machinery was also kept in first-class shape and the vessel was always ready to take the sea on short notice.

And so it was, as we have seen, with the other ships temporarily laid up on account of adverse commercial conditions. They were mainly first-class ocean carriers which had been laid up as a result of one of the severest, most prolonged, and most universal business depressions ever known, a depression reaching around the globe and holding all countries in its sinister grasp—carriers kept in excellent condition and ready to return to active sea work with the revival of commerce, a revival that has not yet developed.

Notwithstanding the number of vessels laid up the Shipping Board had 611 ships in our foreign trade on June 30, 1921, and during the year ending on that date American vessels carried nearly 40 per cent of our foreign trade tonnage in value and 52 per cent of its tonnage in quantity. In relative efficiency our ships exceeded their foreign competitors, the American percentage of load to dead-weight tonnage being 40.7 per cent, foreign 39. That is to say, American vessels carried each ton of cargo with 2.45 dead-weight tons, foreign with 2.57 dead-weight tons.

On June 30, 1921, the board's consolidated balance sheet showed assets of $3,070,599,518.40, the decrease since the preceding fiscal year being due mainly to shrinkage of values incident to the world-wide business decline, gratuities to other Government departments ordered by act of Congress, losses on uncompleted ships, cost of releases and reconveyances, and so forth—a remarkable showing in the face of a general economic collapse.

The Fleet Corporation's board of trustees consisted on June 30, 1921, of the recently appointed members of the Shipping Board. Mr. R. L. Hague resigned as director of construction and repairs on July 1, 1920, and was succeeded by Commander R. D. Gatewood, United States Navy.

We will now consider the history of the board during the fiscal year ending June 30, 1922. Early in that year the board reorganized its methods of handling its regulatory duties, establishing five bureaus, to wit, traffic, operations, construction, law, and research. Each bureau was headed by a commissioner, except the traffic bureau, which on account of its importance was assigned to two commissioners, all bureaus being under the general supervision of the chairman.

The traffic bureau, headed by Commissioners Thompson and Plummer, had two lines of work, one relating to the growth and development of the privately owned and privately operated merchant marine, the other to regulation of shipping under the various acts conferring such authority. The first line of work had in view the assurance of cargo for water carriers and facilities for their proper operation. Carrying out this purpose the traffic bureau, under direction of section 7, merchant marine act of 1920, made a study of foreign and domestic markets in order to ascertain what steamship lines were needed in establishing and maintaining our foreign and coastwise trade, the best type and size of vessel required, and schedules essential to adequate, regular, and permanent service. It cooperated with the Postmaster General under sections 7 and 24 of the act of 1920 in arranging terms for carrying the mails on American vessels. Under section 8 of that act it made a study of plans for improvement and development of ports and transportation facilities in connection with water commerce, cooperated with the Secretary of War in investigating regions tributary to ports with reference to interior transportation facilities and the natural flow of commerce from interior points, investigated congestion at ports and remedies therefor, methods of securing for ports tonnage logically theirs and adequate shipping therefor, advised the board as to railroad rates and regulations detrimental to any port or to the merchant marine so that the board might take up the matter with the Interstate Commerce Commission. Under section 19 of the act of 1920 the traffic bureau investigated during the fiscal year now under contemplation traffic conditions in foreign trade and recommended to the board steps necessary to meet any conditions unfavorable to American shipping. Under section 21 of the act of 1920 the bureau took up the matter of securing adequate steamship service between the United States and our island possessions so that they might be brought within our coastwise laws.

The bureau held hearings during the fiscal year to determine if service by American vessels at any American port was sufficiently adequate to justify application of section 28, heretofore described, but no final conclusion was reached. It also held hearings as to status and validity of contracts between railroad companies and foreign steamship lines giving preferential treatment to the prejudice of competing American lines, and many such contracts were voluntarily canceled by the roads. The Chicago, Milwaukee & St. Paul, in the case of its contract with the Osaka Steamship Co., a Japanese line, however, and the Great Northern Railroad, in the case of its contract with the Nippon Yusen Kabushiki Kaisha, another Japanese line, did not agree to such remission, and the board entered an order requiring cancellation of these contracts by July 1, 1923. This bureau also made a study of the hearings held by the Interstate Commerce Commission, at the request of the Secretary of War and the Shipping Board, at various South Atlantic ports as to terminal charges on freight delivered by railroads to steamship companies, so as to bring about proper competition with privately owned and publicly owned terminals. The bureau also made a study of steps needed to protect United States ports and transcontinental railroads against competition of Canadian ports and railroads.

The second branch of this bureau's work comprised the regulatory duties imposed on the board by the acts of 1916 and 1920, having in view the protection of shipping companies in their competition with each other and the protection of shippers against unfair treatment by the companies. Conference agreements and contracts continued to be filed with the bureau throughout the fiscal year. Eleven formal docket complaints relating to rates, regulations, and practices of carriers were heard, as well as 74 informal complaints. Over 4,000 conference minutes and tariffs were filed, the latter showing a constant reduction in rates, fares, and charges, due to the general business disturbances and readjustments.

The bureau continued during the fiscal year now before us to ascertain for the board what carriers were subject to the board's jurisdiction. Reports received to June 30, 1922, showed the number of water carriers whose services had been discontinued to be 324; the number of intrastate water carriers on rivers, lakes, and oceans to be 156; of water carriers operating in interstate commerce on the inland waters of the United States, river, lake, or canal—excluding the Great Lakes—to be 87; operators of towage, lighterage, and ferriage service, 170; water carriers in interstate tramp service, 256; water carriers in foreign tramp service, 249; water carriers subject to jurisdiction of Interstate Commerce Commission, 29; water carriers operating on regular routes in interstate commerce on high seas or Great Lakes subject to the jurisdiction of the Shipping Board, 133; water carriers operating on regular routes in foreign commerce of the United States subject to the board, 278; water carriers engaged exclusively in proprietary service, 166; forwarders and other persons subject to board's jurisdiction, 116. The classes subject to the board's jurisdiction number 527 carriers, forwarders, and so forth, an increase over the preceding fiscal year of 135. This is an excellent tribute to the effectiveness of the acts of 1916 and 1920 in building up a permanent and growing merchant marine without a subsidy.

The bureau of operation, headed by Commissioner T. V. O'Connor, comprised the following divisions: Industrial relations, sea-service bureau, stevedoring committee, docks and wharves.

The industrial relations division gave special attention throughout the year to questions involved in labor administration, realizing the fact that labor was the most important factor in successful ship operation. At the close of the year—that is, on June 30, 1922—about 50,000 men were working on the vessels of the American merchant marine, and more than 50,000 were working on land as longshoremen in loading and unloading vessels. This division in the effort to promote better relations between employer and employee made a study of questions involving wages, hours of labor, employment conditions, privileges, rights, and duties of employer and employee; collected and compiled data on labor rates and conditions, and investigated grievances. The board stated in its sixth annual report that its policy in dealing with employees had been to recognize the principle of collective bargaining wherever possible. On August 1, 1921, the wage agreement with deck officers ended and a new arrangement was made, carrying a 15 per cent wage reduction, a similar reduction having been made for the engineers. The wage agreement with the seamen and other vessel workers having expired on January 1, 1922, a new arrangement was made for a reduction of 15 to 25 per cent

in wages to July 1, 1922, a reduction which on that date was continued another six months. As to wages of longshoremen, the custom had been for many years to fix them through collective bargaining for stated periods. Negotiations in the fall of 1921 resulted in reductions of 18 to 25 per cent, a number of strikes following at various points. The board claimed in its sixth annual report, covering the fiscal year now being considered, that these wage reductions had netted a saving in connection with Shipping Board vessels of over $10,000,000. I am not expressing any opinion as to the merit of these reductions; I am merely giving the facts as they appear in the board's official report.

Although the navigation and engineering schools continued to do fine work, increasing efficiency of officers and causing more economical operation of vessels, they were terminated in September and December, 1921, respectively, on account of the urgent demand for reduction of all Government expenditures. The navigation school graduated 196 men during the part of the fiscal year it was in operation, the engineering school 296. On August 5, 1921, the turbine training courses were closed, 67 graduates having been turned out between the end of the previous fiscal year and that date.

The sea-service bureau was retained, and during the year ending June 30, 1922, placed 84,782 officers and men on United States ships, 92 per cent of these officers and men being Americans, being an increase of 23 per cent in this respect over the preceding fiscal year.

The bureau of operation worked out during the year a revision of stevedoring rates and methods and a checking system to secure compliance with established rate schedules. This was done through the bureau's stevedoring committee. Through its division of docks and wharves several units were added to the terminal facilities controlled by the board during the year.

The bureau of construction under the new board, headed by Admiral Benson, was created in November, 1921, and during the remainder of the fiscal year ending June 30, 1922, investigated under direction of section 12, shipping act of 1916, relative cost of building merchant vessels in the United States and foreign maritime countries, rules of construction at home and abroad, and methods of classification and rating. This bureau also had jurisdiction over transfer of American vessels to foreign registry, and during the fiscal year we are now studying permitted such transfer for 158 vessels of 121,931.55 gross tons. Seven undocumented barges, one undocumented towboat, and one undocumented dredge were transferred, permission for undocumented vessels no longer being necessary since presidential proclamation ending emergency had issued. As stated before, the board would not permit transfer of any vessel over which it had jurisdiction if transfer in any way militated against the welfare of the American merchant marine.

This bureau also administered the construction loan fund authorized by section 11 of the merchant marine act of 1920.

This bureau also passed on applications for approval of type and kind of vessel permitted to be built with funds accruing under section 23, act of 1920, through remission of certain taxes in favor of new vessel construction, inspected such vessels on completion, and checked their compliance with the requirements. A list of vessels proposed to be constructed under this section was given in the review of the preceding fiscal year.

This bureau also supervised the classification of vessels and did what it could to advance the standing of the American bureau of shipping, which had been recognized by section 25, act of 1920, as the official classification agency. The purpose was to secure classification for American vessels independently of all foreign institutions, such as Lloyds.

This bureau was charged with the study of new designs of hull and machinery in order to determine the best modes of propulsive power, especially those based on internal-combustion engines.

This bureau was given the supervision of the reconditioning of the *Leviathan*, and had the reconditioning in progress when the fiscal year ended, the estimated cost being $7,000,000. It was expected that this ship would be ready for European tourist traffic in 1923.

The bureau of law, headed by the distinguished and able former Senator George E. Chamberlain, was instituted in November, 1921, and immediately began a thorough investigation of discrimination by foreign governments, officials, merchants, or companies against American vessels in foreign trade, the investigation having been directed by section 26, shipping act of 1916, and other legislation, the investigation covering statutes of foreign countries, rules and regulations of ports and customs districts of other nations, treaties and reciprocity acts, inquiry into actual cases of unfair competition with and discrimination against American vessels by foreign merchants or steamship companies in the matter of terminal facilities, traffic privileges, interpretation of local rules and regulations, and commercial and shipping activities in which our vessels were legitimately involved.

This bureau also supervised the continuance of the work of examining and codifying the navigation laws throughout the fiscal year. It also had the duty of devising regulations for the administration of section 23, act of 1920, which waived certain taxes in the event of certain earnings being devoted to new ships. This it performed in cooperation with the Treasury Department, the rules being promulgated on June 13, 1922.

This bureau also held hearings for the board on the subject of unfair trade practices prohibited by section 19, act of 1916. It also performed certain functions vested in the board in connection with the ship-mortgage sections of the act of 1920. It also had charge of the study and application of certain laws regulating the relations of the board with private vessels.

The bureau of research, headed by Commissioner Meyer Lissner, had already been in existence and was continued and enlarged by the new board. It made during the fiscal year special studies on which proposed shipping legislation was based, collected statistics as to cargo movements in American and foreign vessels, analyzing them by trade divisions, by American ports, and by classes of commodities. It conducted extensive investigations of the general subject of marine insurance. It cooperated with the War Department in making a study of ports, port facilities, and transportation in the regions tributary to the various ports for the purpose of devising and suggesting methods for relief of congestion and improvement in flow of commerce. It kept in touch with marine happenings throughout the world in order to have information available as to commerce and shipping in the United States or in foreign nations.

On July 11, 1921, the board of trustees of the Emergency Fleet Corporation, who were also members of the Shipping Board, in order to relieve themselves from the numerous duties connected with the affairs of the Emergency Fleet Corporation, elected J. B. Small vice president in charge of chartering and allocation of vessels, A. J. Frey vice president in charge of physical operation of vessels, W. J. Love vice president in charge of traffic matters, Elmer Schlesinger vice president in charge of legal matters, and on September 23, 1921, elected H. S. Kimball vice president in charge of finance, and on September 30, 1921, elected E. P. Farley vice president in charge of sales.

On September 30, 1921, the Shipping Board passed a resolution to the effect that whereas the merchant marine act of 1920 had provided that the power and authority thereby vested in the board might be exercised directly or indirectly by the board, or by it through the Emergency Fleet Corporation, except as therein otherwise specifically provided; and that whereas in the board's opinion the executive and personnel organization of the Fleet Corporation had reached such a standard of efficiency as to make it desirable that the board should exercise through the corporation various administrative powers and functions, thereby making it possible for the board to devote its attention to the study and determination of the broad and constructive questions of policy relating to the maintenance, development, and encouragement of the American merchant marine under powers and duties imposed on it by law, it was resolved that it was the sense of the board that its chairman should retire as president, its members as trustees of the corporation, and that there should be elected a separate president and separate board of trustees for said corporation, and that the power and authority vested in the board by the act of 1920 should until otherwise ordered by the board be exercised by it through the Fleet Corporation in the following matters:

1. Operation, maintenance, repair, and reconditioning of vessels, provided that no established line should be discontinued or new line established or allocation of passenger vessels made without the board's approval.
2. Completion of construction work on vessels heretofore begun or authorized by board.
3. Sale of vessels (except to aliens) at such prices and on such terms and conditions as board might prescribe.
4. Operation and sale of housing projects, real estate, railroad, and other similar property subject to board's confirmation before any final contract of sale is made.
5. Operation and sale of dry docks, all sales being subject to board's terms and prices.
6. Custody and sale of all other property and materials.
7. All accounting for corporation.
8. Insurance and matters pertaining thereto.

9. Operation of piers and pier facilities, no pier to be leased without prior authority from board.

10. Leasing and rental of offices, warehouses, docks, and storage facilities.

11. All matters incidental to foregoing, such as execution of contracts, charters, bills of sale, leases, deeds, and so forth.

The resolution further provided that an accurate record should be kept of the meetings of the corporation, a summary transmitted to the chairman and each commissioner of the board, and notices of the meetings of trustees of the corporation sent to each member of the board; that the control of the corporation should remain with the board; and that the president and each member of the board of trustees of the corporation should deposit with the secretary of the board their resignations for acceptance at the board's pleasure, and to deliver to the secretary of the board their qualifying shares of stock in the corporation indorsed in blank for transfer.

In accordance with this resolution, the chairman of the board retired as president of the corporation, the other members of the board retired as trustees of the corporation, and the following trustees of the corporation were elected: J. W. Powell, J. B. Smull, W. J. Love, A. J. Frey, Elmer Schlesinger, H. S. Kimball, and E. P. Farley. J. W. Powell was made president of the corporation and the following assignment of duties made to the other trustees: J. B. Smull, vice president, in charge of allocation department, contract department, and chartering department; W. J. Love, vice president, in charge of traffic department, advertising department, and marine-insurance department; A. J. Frey, vice president, in charge of operating department, department of maintenance and repair, fuel department, department of purchases and supplies, statistical department, and field office, American and foreign; H. S. Kimball, vice president, in charge of general comptroller's department, treasurer's and disbursing department, insurance department (other than marine), and collection department; Elmer Schlesinger, vice president, in charge of legal department, claims department, and department of investigation; E. P. Farley, vice president, in charge of surplus property department and department of ship sales.

President J. W. Powell resigned on March 4, 1922, and Vice President A. J. Frey died on June 13, 1922. These vacancies had not been filled when the fiscal year closed, and in the interim Mr. Smull, senior vice president, became acting president.

During the fiscal year ended June 30, 1922, the world-wide business depression grew more acute, export and import business and ocean freight rates continued to decline, great losses were incurred, and it became necessary to make still further reductions in the board's vessels on the seas. The number of these vessels was reduced from 744 on June 30, 1921, to 394 on June 30, 1922. Of the vessels in ocean trade at the beginning of the fiscal year, about 300 were in the so-called tramp service and the remainder in the regular line service. The tramp steamers became so unprofitable that they were all withdrawn and laid up. It will be seen, therefore, that of the vessels in regular line service on June 30, 1921, only a few were taken out and laid up during the succeeding fiscal year.

Mr. JONES of Washington. Mr. President, I understand the Senator from Texas would be glad to stop now, and that will be entirely satisfactory to me.

Mr. SHEPPARD. I am sure that I can conclude in a reasonably brief time to-morrow.

Mr. JONES of Washington. Very well.

[At this point Mr. SHEPPARD yielded the floor for the day.]

ORDER FOR RECESS.

Mr. JONES of Washington. I ask unanimous consent that when the Senate closes its proceedings to-day it recess until 12 o'clock to-morrow.

Mr. FLETCHER. Does the Senator think we will gain anything by that? I rather think that we ought to adjourn.

Mr. JONES of Washington. I believe it would be better to take a recess. We had an opportunity for morning business this morning and also considered bills on the calendar, and I should like to recess until to-morrow.

Mr. FLETCHER. Very well; I shall not object.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened and (at 5 o'clock and 23 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Thursday, January 4, 1923, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 3, 1923.

UNITED STATES DISTRICT JUDGE.

Marcus B. Campbell to be United States district judge, eastern district of New York.

UNITED STATES ATTORNEY.

John S. Coke to be United States attorney, district of Oregon.

POSTMASTERS.

ARIZONA.

Carrie B. Yett, Safford.
John W. Brown, St. Johns.

CALIFORNIA.

George B. Tantau, Exeter.
Frank L. Powell, Lemoore.

ILLINOIS.

Jesse E. Miller, Cairo.
Walter H. Sass, Monee.
William W. Renton, Wheaton.

LOUISIANA.

Howard S. Allen, Dubach.

OREGON.

Adam H. Knight, Canby.

WASHINGTON.

William R. Cox, Pasco.
John T. Johnston, Wapato.

WISCONSIN.

Blanch Lyon, East Ellsworth.
John S. Farrell, Green Bay.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *January 3, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord and Master, come as Thou wilt and prepare us to receive Thee with eagerness of heart. As our lives are made up of ordinary yet vital duties, establish us in all patience and well-doing. Give us strength and wisdom that we may at all times control those elements and influences which may cause personal vexations and hardship. Bless our Nation and the nations of the earth and work out among them the sovereign purpose of Thy holy will. In the name of Jesus. Amen.

The Journal of the proceedings of Saturday, December 30, 1922, was read and approved.

EXTENSION OF REMARKS.

Mr. HICKS. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. HICKS. Mr. Speaker, my attention has been called to the fact that on December 29 there were certain references put in the RECORD purporting to be the views of Mr. Hoover in regard to the tariff. Mr. Hoover has called my attention to these references which erroneously state his views, and in justice to the Secretary of Commerce and his views on this important subject I ask unanimous consent that I may include in my remarks a statement from Mr. Hoover.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. GARNER. Reserving the right to object, who put them in the RECORD?

Mr. HICKS. The gentleman from Arkansas [Mr. WINGO].

Mr. GARNER. I think the gentleman ought to wait until the gentleman from Arkansas is here to give him an opportunity to correct them if they are erroneous.

Mr. HICKS. Very well, Mr. Speaker, I withdraw my request and will make it when Mr. WINGO is on the floor.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes, in which the concurrence of the House of Representatives was requested.

AGRICULTURAL APPROPRIATION BILL.

Mr. ANDERSON. Mr. Speaker, I call up the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, and I move the previous question on the bill and all amendments to final passage.

The SPEAKER. The gentleman from Minnesota calls up the Agricultural appropriation bill and moves the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. ANDERSON. Mr. Speaker, I demand a separate vote on the Jones amendment relating to the publication of the special report on Diseases of the Horse and Diseases of Cattle.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

There was no demand for a separate vote on any other amendment.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the Jones amendment.

The Clerk read as follows:

Page 70, line 24, after the figures "$39,000," insert a new paragraph as follows:

"For printing, binding, and distribution of the publications entitled 'Diseases of the Horse' and 'Diseases of Cattle,' $200,000."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 36 ayes and 50 noes.

Mr. JONES of Texas. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point that no quorum is present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 148, nays 119, not voting 163, as follows:

YEAS—148.

Abernethy	Frear	Lineberger	Shaw
Almon	Gahn	Lowrey	Shelton
Andrews, Nebr.	Garner	Lyon	Sinclair
Atkeson	Garrett, Tenn.	McClintic	Sinnott
Bankhead	Goldsborough	McLaughlin, Mich.	Sisson
Beck	Griest	McLaughlin, Pa.	Smith, Idaho
Bell	Hadley	McPherson	Steagall
Bland, Va.	Hardy, Colo.	MacGregor	Stevenson
Blanton	Hardy, Tex.	Maloney	Strong, Kans.
Bowers	Haugen	Martin	Summers, Wash.
Bowling	Hawes	Miller	Sumners, Tex.
Box	Hayden	Montague	Swank
Briggs	Henry	Moore, Va.	Sweet
Browne, Wis.	Hickey	Moores, Ind.	Swing
Byrnes, S. C.	Hooker	Morin	Taylor, Colo.
Byrns, Tenn.	Huddleston	Nelson, J. M.	Taylor, Tenn.
Cantrill	Hull	Newton, Mo.	Thomas
Carter	Humphrey, Nebr.	Oldfield	Thorpe
Clague	James	Oliver	Timberlake
Clarke, N. Y.	Jeffers, Ala.	Parks, Ark.	Tincher
Cockran	Johnson, Ky.	Paul	Towner
Collier	Jones, Tex.	Porter	Turner
Collins	Kelly, Pa.	Pou	Tyson
Colton	Ketcham	Quin	Upshaw
Cooper, Wis.	Kincheloe	Raker	Vinson
Crowther	Kissel	Ramseyer	Volgt
Dale	Knight	Rankin	Volstead
Davis, Tenn.	Kopp	Rayburn	Webster
Dominick	Lampert	Reece	White, Kans.
Doughton	Langley	Rhodes	Williams, Ill.
Dowell	Lanham	Roach	Williamson
Driver	Lankford	Rodenberg	Wilson
Dupré	Larsen, Ga.	Rouse	Wingo
Faust	Larson, Minn.	Rucker	Woodruff
Favrot	Lazaro	Sanders, Tex.	Woodyard
Fisher	Lea, Calif.	Sandlin	Wright
Fitzgerald	Leatherwood	Scott, Tenn.	Wurzbach

NAYS—119.

Anderson	Bird	Burton	Cole, Iowa
Andrew, Mass.	Black	Butler	Cole, Ohio
Appleby	Bland, Ind.	Campbell, Kans.	Cooper, Ohio
Bacharach	Bond	Cannon	Copley
Barbour	Britten	Chandler, N. Y.	Crago
Beedy	Brooks, Ill.	Chindblom	Cramton
Begg	Buchanan	Classon	Curry
Benham	Burtness	Clouse	Darrow
Denison	Hoch	Mills	Sanders, Ind.
Dickinson	Huck	Mondell	Shreve
Edmonds	Hukriede	Montoya	Siegel
Elliott	Husted	Moore, Ohio	Snell
Fairfield	Johnson, S. Dak.	Morgan	Speaks
Fenn	Johnson, Wash.	Murphy	Sproul
Fess	Kearns	Nelson, Me.	Stafford
Foster	Kline, N. Y.	Newton, Minn.	Steenerson
Freeman	Knutson	Norton	Stephens
Frothingham	Kraus	Ogden	Strong, Pa.
Fuller	Layton	Olpp	Temple
Gernerd	Lee, N. Y.	Parker, N. J.	Tilson
Gifford	Luhring	Patterson, N. J.	Treadway
Graham, Ill.	McArthur	Perkins	Underhill
Graham, Pa.	McKenzie	Perlman	Vaile
Greene, Mass.	McLaughlin, Nebr.	Radcliffe	Vestal
Greene, Vt.	MacLafferty	Ransley	Ward, N. Y.
Hawley	Madden	Ricketts	Wason
Hersey	Magee	Riddick	Watson
Hicks	Mapes	Robsion	White, Me.
Hill	Merritt	Rogers	Young
Himes	Michener	Rosenbloom	

NOT VOTING—163.

Ackerman	Evans	Kitchin	Riordan
Ansorge	Fairchild	Kleczka	Robertson
Anthony	Fields	Kline, Pa.	Rose
Arentz	Fish	Kreider	Rossdale
Aswell	Focht	Kunz	Ryan
Barkley	Fordney	Lawrence	Sabath
Bixler	Free	Lee, Ga.	Sanders, N. Y.
Blakeney	French	Lehlbach	Schall
Boles	Fulmer	Linthicum	Scott, Mich.
Brand	Funk	Little	Sears
Brennan	Gallivan	Logan	Slemp
Brooks, Pa.	Garrett, Tex.	London	Smith, Mich.
Brown, Tenn.	Gensman	Longworth	Smithwick
Bulwinkle	Gilbert	Luce	Snyder
Burdick	Glynn	McCormick	Stedman
Burke	Goodykoontz	McDuffie	Stiness
Burroughs	Gorman	McFadden	Stoll
Cable	Gould	McSwain	Sullivan
Campbell, Pa.	Green, Iowa	Mansfield	Tague
Carew	Griffin	Mead	Taylor, Ark.
Chalmers	Hammer	Michaelson	Taylor, N. J.
Chandler, Okla.	Hays	Moore, Ill.	Ten Eyck
Christopherson	Herrick	Mott	Thompson
Clark, Fla.	Hogan	Mudd	Tillman
Codd	Hudspeth	Nelson, A. P.	Tinkham
Connally, Tex.	Humphreys, Miss.	O'Brien	Tucker
Connolly, Pa.	Hutchinson	O'Connor	Vare
Coughlin	Ireland	Osborne	Volk
Crisp	Jacoway	Overstreet	Walters
Cullen	Jefferis, Nebr.	Paige	Ward, N. C.
Dallinger	Johnson, Miss.	Park, Ga.	Weaver
Davis, Minn.	Jones, Pa.	Parker, N. Y.	Wheeler
Deal	Kahn	Patterson, Mo.	Williams, Tex.
Dempsey	Keller	Petersen	Winslow
Drane	Kelley, Mich.	Pringey	Wise
Drewry	Kendall	Purnell	Wood, Ind.
Dunbar	Kennedy	Rainey, Ala.	Woods, Va.
Dunn	Kiess	Rainey, Ill.	Wyant
Dyer	Kindred	Reber	Yates
Echols	Kirkpatrick	Reed, N. Y.	Zihlman
Ellis	King	Reed, W. Va.	

So the amendment was agreed to.

The Clerk announced the following general pairs:

Mr. Kline of Pennsylvania with Mr. Bulwinkle.
Mr. Lehlbach with Mr. Connally of Texas.
Mr. Snyder with Mr. Mead.
Mr. McFadden with Mr. O'Brien.
Mr. Dempsey with Mr. Drane.
Mr. Christopherson with Mr. Carew.
Mr. A. P. Nelson with Mr. McSwain.
Mr. Dunn with Mr. Park of Georgia.
Mr. Kahn with Mr. Rainey of Illinois.
Mr. Paige with Mr. Fields.
Mr. Wyant with Mr. Riordan.
Mr. Taylor of New Jersey with Mr. Stedman.
Mr. Winslow with Mr. Tague.
Mr. Keller with Mr. Griffin.
Mr. Wood of Indiana with Mr. Hammer.
Mr. Patterson of Missouri with Mr. Stoll.
Mr. Jones of Pennsylvania with Mr. Kitchin.
Mr. Dunbar with Mr. Tucker.
Mr. Davis of Minnesota with Mr. Drewry.
Mr. Arentz with Mr. Fulmer.
Mr. Dallinger with Mr. Garrett of Texas.
Mr. Focht with Mr. Johnson of Mississippi.
Mr. Osborne with Mr. Taylor of Arkansas.
Mr. Pringey with Mr. Mansfield.
Mr. Michaelson with Mr. London.
Mr. Burroughs with Mr. Rainey of Alabama.
Mr. Ellis with Mr. Crisp.
Mr. Longworth with Mr. Aswell.
Mr. Campbell of Pennsylvania with Mr. Linthicum.
Mr. French with Mr. Wise.
Mr. Kiess with Mr. Gallivan.
Mr. Purnell with Mr. Sabath.
Mr. Ackerman with Mr. Kindred.

Mr. Fish with Mr. Tillman.
Mr. Lawrence with Mr. Lee of Georgia.
Mr. Smith of Michigan with Mr. Williams of Texas.
Mr. Thompson with Mr. Woods of Virginia.
Mr. Moore of Illinois with Mr. Barkley.
Mr. Hutchinson with Mr. Logan.
Mr. Connolly of Pennsylvania with Mr. Overstreet.
Mr. Free with Mr. Deal.
Mr. King with Mr. Gilbert.
Mr. Reed of New York with Mr. Smithwick.
Mr. Anthony with Mr. Humphreys of Mississippi.
Mr. Echols with Mr. Sears.
Mr. Kendall with Mr. Kunz.
Miss Robertson with Mr. Ward of North Carolina.
Mr. Bixler with Mr. Sullivan.
Mr. Ketcham with Mr. Hudspeth.
Mr. Rose with Mr. Brand.
Mr. Fordney with Mr. McDuffie.
Mr. Brennan with Mr. Cullen.
Mr. Goodykoontz with Mr. O'Connor.
Mr. Luce with Mr. Clark of Florida.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. JOHNSON of Washington and Mr. CARTER rose.

The SPEAKER. The Chair will recognize the gentleman from Oklahoma.

Mr. CARTER. Mr. Speaker, I have a motion to recommit which I send to the desk.

Mr. JOHNSON of Washington. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman from Oklahoma opposed to the bill?

Mr. CARTER. I certainly am, without this amendment in it.

The SPEAKER. The gentleman is on the committee, and the Chair recognizes him. The Clerk will report the motion of the gentleman from Oklahoma.

The Clerk read as follows:

Mr. CARTER moves to recommit the bill to the Committee on Appropriations with instructions to that committee to report the same back forthwith with the following amendment: "Page 32, after line 16, insert the following as a new paragraph:

"Purchase and distribution of valuable seeds: For purchase, propagation, testing, and congressional distribution of valuable seeds, bulbs, trees, shrubs, vines, cuttings, and plants; all necessary office fixtures and supplies, fuel, transportation, paper, twine, gum, postal cards, gas, electric current, rent outside of the District of Columbia, official traveling expenses, and all necessary material and repairs for putting up and distributing the same; for repairs and the employment of local and special agents, clerks, assistants, and other labor required, in the city of Washington and elsewhere, $360,000. And the Secretary of Agriculture is hereby directed to expend the said sum, as nearly as practicable, in the purchase, testing, and distribution of such valuable seeds, bulbs, shrubs, vines, cuttings, and plants, the best he can obtain at public or private sale, and such as shall be suitable for the respective localities to which the same are to be apportioned, and in which same are to be distributed as hereinafter stated; and such seeds so purchased shall include a variety of vegetable and flower seeds suitable for planting and culture in the various sections of the United States: *Provided*, That the Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes and the packeting, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States. An equal proportion of five-sixths of all seeds, bulbs, shrubs, vines, cuttings, and plants shall, upon their request, after due notification by the Secretary of Agriculture that the allotment to their respective districts is ready for distribution, be supplied to Senators, Representatives, and Delegates in Congress for distribution among their constituents, or mailed by the department upon the receipt of their addressed franks, in packages of such weight as the Secretary of Agriculture and the Postmaster General may jointly determine: *Provided, however*, That upon each envelope or wrapper containing packages of seeds the contents thereof shall be plainly indicated, and the Secretary shall not distribute to any Senator, Representative, or Delegate seeds entirely unfit for the climate and locality he represents, but shall distribute the same so that each Member may have seeds of equal value, as near as may be, and the best adapted to the locality he represents: *Provided also*, That the seeds allotted to Senators and Representatives for distribution in the districts embraced within the twenty-fifth and thirty-fourth parallels of latitude shall be ready for delivery not later than the 10th day of January: *Provided also*, That any portion of the allotments to Senators, Representatives, and Delegates in Congress remaining uncalled for on the 1st day of April shall be distributed by the Secretary of Agriculture, giving preference to those persons whose names and addresses have been furnished by Senators and Representatives in Congress and who have not before during the same season been supplied by the department: *And provided also*, That the Secretary shall report, as provided in this act, the place, quantity and price of seeds purchased, and the date of purchase; but nothing in this paragraph shall be construed to prevent the Secretary of Agriculture from sending seeds to those who apply for the same. And the amount herein appropriated shall not be diverted or used for any other purpose but for the purchase, testing, propagation, and distribution of valuable seeds, bulbs, mulberry and other rare and valuable trees, shrubs, vines, cuttings, and plants."

Mr. BLANTON. Mr. Speaker, I make the point of order against the motion to recommit.

Mr. ANDERSON. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. BLANTON. Mr. Speaker, I make the point of order against the motion to recommit on the ground that the amendment is legislation unauthorized on an appropriation bill and it is a change of existing law. Especially I call the attention of the Chair to that part of the amendment embraced in the motion to recommit which authorizes the Secretary of Agriculture to make seed contracts for a period as long as five years, extending the contracts through the life of more than two Congresses. It is unauthorized, and it should not be permitted on an appropriation bill.

The SPEAKER. Does the gentleman from Oklahoma claim that it is authorized by existing law?

Mr. CARTER. Mr. Speaker, I know the present occupant of the chair is familiar with the various actions that have been taken with reference to this matter, but I call the attention of the Chair to the two very important ones. As the Chair is aware, perhaps, on January 29, 1907, Mr. Candler, of Mississippi, offered a similar amendment. Mr. Jones, of Washington, made a point of order against it. The Chair sustained the point of order, and on an appeal from that decision the decision of the Chair was overruled by a vote of 136 to 84.

The SPEAKER. Was that in the House or in Committee of the Whole?

Mr. CARTER. That was in Committee of the Whole. Then, last year, on March 29, 1922, the Chairman refused to rule on the point, but submitted it to the House.

The SPEAKER. Was that in the committee or in the House?

Mr. CARTER. That was in the committee. At that time the committee again sustained the amendment by a vote of 113 to 46. The committee having twice decided on the matter, that, it seems to me, ought to fix the status of it. On two different occasions the House in Committee of the Whole has decided by decisive and overwhelming majorities that this same amendment was not obnoxious to the rules of the House. Therefore it is simply now a question of the House having the right to fix the parliamentary precedents. It is a question of the House having the right to vote on that on which it desires to vote.

The SPEAKER. Does the gentleman claim that in his opinion this is not a change of existing law?

Mr. CARTER. I claim that the House in the Committee of the Whole has twice decided that it was not, and that is a much better precedent than the opinion of the gentleman from Oklahoma.

The SPEAKER. The Chair is ready to rule.

Mr. BEGG. Did the House decide this or the Committee of the Whole?

Mr. CARTER. The House in Committee of the Whole.

Mr. BEGG. That is an entirely different proposition from the House.

Mr. BLANTON. And the Committee of the Whole the other day reversed the decision.

Mr. LANGLEY. Mr. Speaker, will the Chair hear me a moment? The gentleman from Texas [Mr. BLANTON] is in error when he says that the committee reversed it the other day.

The SPEAKER. The gentleman from Texas had not been recognized by the Chair.

Mr. LANGLEY. I misunderstood the situation. Mr. Speaker, I call the attention of the Chair to the fact that the Chairman of the Committee of the Whole House has three times decided that this amendment is in order; and not only that, but, as stated by the gentleman from Oklahoma [Mr. CARTER], the Committee of the Whole House by a decisive vote has also twice decided it is in order. As the Chair knows, it is practically the same thing as the House acting, because, as everybody knows, it is merely a fiction that we go from the House into the Committee of the Whole and back again into the House. So that the membership of the House has, as a matter of fact, decided more than once that it is in order, and therefore not a change of existing law. What is the use of going over it all again?

The SPEAKER. The Chair is aware, as all the membership of the House is probably aware, that this question has come up many times in Committee of the Whole. The Chair thinks that every Chairman of the Committee of the Whole who has given his opinion upon it as a problem of parliamentary law has ruled that it is not in order. The Chair thinks that every Member of the House who will give the matter his unbiased attention will admit that it is not in order. It seems to the Chair perfectly clear, and the gentleman from Oklahoma [Mr.

CARTER] does not argue that it is in order under the rules of parliamentary law, but merely argues that the Committee of the Whole has several times decided by a majority vote that it is in order. He offers no other argument as to its being in order. The Chair thinks probably he is wise in that, because the Chair does not see how such an argument can be sustained.

Mr. CARTER. Mr. Speaker, will the Chair——

The SPEAKER. The Chair prefers to rule. The Chair has heard the gentleman. The Chair thinks he ought to suggest that preserving the authority and binding force of parliamentary law is as much the duty of each Member of the House as it is the duty of the Chair, that the rights of every one of us here depend upon it, and that each Member ought to vote on such a question, not as his interest or desires in respect to the particular subject may sway him but as he thinks is really the law. It is unquestionably true that several times the Committee of the Whole House has overruled the decision of the Chairman of that committee and has held that an amendment like this is in order. That, however, has never been done in the House. If the House should take that action, of course the Chair would bow to the opinion of the House and follow it; but until then the Chair thinks that he is bound to follow the rules of parliamentary law, and the Chair thinks the same duty rests upon every individual Member of the House. The Chair sustains the point of order.

Mr. LANGLEY. Mr. Speaker, much as I respect the Speaker's judgment and fairness, I most respectfully appeal from the decision of the Chair.

Mr. ANDERSON. Mr. Speaker, I move to lay the appeal on the table.

The SPEAKER. The gentleman from Kentucky appeals from the decision of the Chair, and the gentleman from Minnesota moves to lay the appeal on the table. The question is on the motion of the gentleman from Minnesota to lay the appeal on the table.

The question was taken, and the Chair announced himself in doubt.

Mr. ANDERSON. Mr. Speaker, I demand the yeas and nays.

Mr. CARTER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 173, nays 85, answered "present" 3, not voting 169, as follows:

YEAS—173.

Anderson	Dowell	Kline, N. Y.	Ramseyer
Andrew, Mass.	Driver	Knight	Rankin
Andrews, Nebr.	Edmonds	Knutson	Ransley
Anthony	Elliott	Kraus	Rayburn
Appleby	Fairfield	Larson, Minn.	Rhodes
Bacharach	Faust	Layton	Rogers
Bankhead	Fenn	Leatherwood	Rosenbloom
Barbour	Fess	Lee, N. Y.	Sanders, Ind.
Beck	Fisher	Lineberger	Shaw
Beedy	Freeman	Longworth	Shreve
Begg	Frothingham	McArthur	Siegel
Benham	Fuller	McClintic	Sinnott
Bird	Garner	McKenzie	Snell
Black	Garrett, Tenn.	McLaughlin, Mich.	Speaks
Bland, Va.	Gernerd	McLaughlin, Nebr.	Sproul
Blanton	Gifford	McLaughlin, Pa.	Stafford
Bond	Graham, Ill.	McPherson	Steenerson
Box	Graham, Pa.	MacLafferty	Strong, Kans.
Britten	Green, Iowa	Madden	Strong, Pa.
Browne, Wis.	Greene, Mass.	Magee	Summers, Wash.
Buchanan	Griest	Mansfield	Sumners, Tex.
Burtness	Hadley	Mapes	Swing
Burton	Hardy, Colo.	Merritt	Temple
Butler	Haugen	Michener	Thorpe
Byrns, Tenn.	Hawes	Mills	Tilson
Cannon	Henry	Mondell	Timberlake
Cantrill	Hersey	Montague	Towner
Chandler, N. Y.	Hickey	Montoya	Treadway
Chindblom	Hicks	Moore, Ohio	Underhill
Clague	Hill	Moore, Va.	Vaile
Clarke, N. Y.	Himes	Moores, Ind.	Vestal
Classon	Hoch	Morgan	Volstead
Clouse	Hukriede	Nelson, Me.	Wason
Cole, Iowa	Humphrey, Nebr.	Nelson, J. M.	Watson
Cole, Ohio	Husted	Newton, Minn.	Webster
Colton	James	Olpp	White, Me.
Cooper, Ohio	Jefferis, Nebr.	Parker, N. J.	Williams, Ill.
Cooper, Wis.	Johnson, S. Dak.	Parks, Ark.	Williamson
Cramton	Johnson, Wash.	Patterson, N. J.	Wingo
Curry	Jones, Tex.	Paul	Woodruff
Dale	Kearns	Perkins	Young
Darrow	Kelly, Pa.	Perlman	
Denison	Ketcham	Porter	
Dickinson	Kissel	Radcliffe	

NAYS—85.

Abernethy	Collier	Goldsborough	Kopp
Almon	Collins	Hardy, Tex.	Lampert
Atkeson	Crowther	Hayden	Langley
Bell	Davis, Tenn.	Hooker	Lanham
Bland, Ind.	Dominick	Huck	Lankford
Bowers	Doughton	Huddleston	Larsen, Ga.
Bowling	Dupré	Hull	Lazaro
Briggs	Favrot	Jeffers, Ala.	Lea, Calif.
Brooks, Pa.	Foster	Johnson, Ky.	Little
Carter	Gahn	Kincheloe	Lowrey
Lyon	Quin	Sinclair	Turner
MacGregor	Raker	Sisson	Tyson
Maloney	Reece	Smith, Idaho	Upshaw
Martin	Ricketts	Smithwick	Vinson
Miller	Roach	Steagall	Voigt
Murphy	Robsion	Stephens	Wilson
Newton, Mo.	Rodenberg	Stevenson	Woodyard
Norton	Rouse	Swank	Wright
Ogden	Rucker	Sweet	Zihlman
Oldfield	Sanders, Tex.	Taylor, Colo.	
Oliver	Sandlin	Taylor, Tenn.	
Pou	Scott, Tenn.	Thomas	

ANSWERED "PRESENT"—3.

Byrnes, S. C.	Cockran	Greene, Vt.

NOT VOTING—169.

Ackerman	Evans	Kleczka	Rossdale
Ansorge	Fairchild	Kline, Pa.	Ryan
Arentz	Fields	Kreider	Sabath
Aswell	Fish	Kunz	Sanders, N. Y.
Barkley	Fitzgerald	Lawrence	Schall
Bixler	Focht	Lee, Ga.	Scott, Mich.
Blakeney	Fordney	Lehlbach	Sears
Boies	Frear	Linthicum	Shelton
Brand	Free	Logan	Slemp
Brennan	French	London	Smith, Mich.
Brooks, Ill.	Fulmer	Luce	Snyder
Brown, Tenn.	Funk	Luhring	Stedman
Bulwinkle	Gallivan	McCormick	Stiness
Burdick	Garrett, Tex.	McDuffie	Stoll
Burke	Gensman	McFadden	Sullivan
Burroughs	Gilbert	McSwain	Tague
Cable	Glynn	Mead	Taylor, Ark.
Campbell, Kans.	Goodykoontz	Michaelson	Taylor, N. J.
Campbell, Pa.	Gorman	Moore, Ill.	Ten Eyck
Carew	Gould	Morin	Thompson
Chalmers	Griffin	Mott	Tillman
Chandler, Okla.	Hammer	Mudd	Tincher
Christopherson	Hawley	Nelson, A. P.	Tinkham
Clark, Fla.	Hays	O'Brien	Tucker
Codd	Herrick	O'Connor	Vare
Connally, Tex.	Hogan	Osborne	Volk
Connolly, Pa.	Hudspeth	Overstreet	Walters
Copley	Humphreys, Miss.	Paige	Ward, N. Y.
Coughlin	Hutchinson	Park, Ga.	Ward, N. C.
Crago	Ireland	Parker, N. Y.	Weaver
Crisp	Jacoway	Patterson, Mo.	Wheeler
Cullen	Johnson, Miss.	Petersen	White, Kans.
Dallinger	Jones, Pa.	Pringey	Williams, Tex.
Davis, Minn.	Kahn	Purnell	Winslow
Deal	Keller	Rainey, Ala.	Wise
Dempsey	Kelley, Mich.	Rainey, Ill.	Wood, Ind.
Drane	Kendall	Reber	Woods, Va.
Drewry	Kennedy	Reed, N. Y.	Wurzbach
Dunbar	Kiess	Reed, W. Va.	Wyant
Dunn	Kindred	Riddick	Yates
Dyer	King	Riordan	
Echols	Kirkpatrick	Robertson	
Ellis	Kitchin	Rose	

So the appeal was laid on the table.

The Clerk announced the following pairs:

On this vote:

Mr. Byrnes of South Carolina (for) with Mr. McSwain (against).

Mr. Purnell (for) with Mr. Thompson (against).

Mr. Christopherson (for) with Mr. Lee of Georgia (against).

Mr. Dunbar (for) with Mr. Pringey (against).

Mr. Rose (for) with Mr. Mead (against).

Mr. Ackerman (for) with Mr. Hudspeth (against).

Mr. A. P. Nelson (for) with Mr. Woods of Virginia (against).

Mr. Bixler (for) with Mr. Lawrence (against).

Mr. French (for) with Mr. Kendall (against).

Mr. Greene of Vermont (for) with Mr. Campbell of Pennsylvania (against).

Mr. Johnson of Mississippi (for) with Mr. Park of Georgia (against).

Mr. Funk (for) with Mr. Luce (against).

Mr. Arentz (for) with Mr. Aswell (against).

Until further notice:

Mr. Winslow with Mr. Barkley.

Mr. Free with Mr. Logan.

Mr. Kiess with Mr. Clark of Florida.

Mr. Reed of New York with Mr. O'Connor.

Mr. Ellis with Mr. Crisp.

Mr. Dempsey with Mr. Rainey of Alabama.

Mr. Wyant with Mr. Brand.

Mr. Burdick with Mr. O'Brien.

Mr. Cable with Mr. Cullen.

Mr. Wood of Indiana with Mr. Gilbert.

Mr. Paige with Mr. Stoll.

Mr. Burroughs with Mr. Wise.

Mr. Codd with Mr. Bulwinkle.

Mr. Dallinger with Mr. McDuffie.

Mr. Hawley with Mr. Carew.

Mr. Dunn with Mr. Linthicum.

Mr. Michaelson with Mr. Sears.

Mr. Davis of Minnesota with Mr. Gallivan.

Mr. Fish with Mr. Griffin.

Mr. Goodykoontz with Mr. Tague.

Mr. King with Mr. Hammer.
Mr. Fitzgerald with Mr. Fields.
Mr. Patterson of Missouri with Mr. Riordan.
Mr. Focht with Mr. Deal.
Mr. Hutchinson with Mr. Connally of Texas.
Mr. Frear with Mr. Sabath.
Mr. Gould with Mr. Drane.
Mr. Jones of Pennsylvania with Mr. Rainey of Illinois.
Mr. Snyder with Mr. Sullivan.
Mr. Kahn with Mr. Stedman.
Mr. McFadden with Mr. Garrett of Texas.
Mr. Keller with Mr. Humphreys of Mississippi.
Mr. Kline of Pennsylvania with Mr. Kunz.
Mr. Lehlbach with Mr. Williams of Texas.
Mr. Moore of Illinois with Mr. Kindred.
Mr. Osborne with Mr. Fulmer.
Mr. Tincher with Mr. Drewry.
Mr. Taylor of New Jersey with Mr. Kitchin.
Mr. Mudd with Mr. Overstreet.
Mr. Smith of Michigan with Mr. Weaver.
Mr. Connolly of Pennsylvania with Mr. London.
Mr. Fordney with Mr. Taylor of Arkansas.
Mr. Brennan with Mr. Tillman.
Mr. Echols with Mr. Tucker.

Mr. GREENE of Vermont. Mr. Speaker, if I am recorded "aye" I ask leave to withdraw that vote as I find I am paired with the gentleman from Pennsylvania [Mr. CAMPBELL].

The name of Mr. GREENE of Vermont was called and he answered "present."

Mr. REED of West Virginia. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. REED of West Virginia. I think not.

The SPEAKER. The gentleman from West Virginia does not qualify. He must be present when his name is called.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. ANDERSON, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill which was just passed.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks. Is there objection? [After a pause.] The Chair hears none.

RESIGNATION OF A MEMBER.

The SPEAKER. The Chair lays before the House the following communication.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 2, 1923.

Hon. FREDERICK H. GILLETT,
Speaker of the House of Representatives,
Washington, D. C.

SIR: I beg leave to inform you that I have this day transmitted to the Governor of Pennsylvania my resignation as a Representative in the Sixty-seventh Congress of the United States from the first congressional district of Pennsylvania, the term of which ends March 4, 1923, the said resignation to take effect January 2, 1923.

Respectfully,

WILLIAM S. VARE.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I wish to call up the bill (H. R. 13559) making appropriations for the Interior Department.

The SPEAKER. The gentleman from Michigan calls up the bill making appropriations for the Interior Department, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

Mr. CRAMTON. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CRAMTON. Mr. Speaker, I demand a separate vote on the Raker amendment, page 36 of the bill, to rebuild the Greenville (Calif.) Indian School, and also on the Temple amendment, on page 87, increasing from $325,000 to $500,000 the appropriation for the topographical survey.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 36, between lines 4 and 5, add as a new paragraph the following:

"For support and education of 100 Indian pupils at the Greenville School, California, including pay for superintendent, $24,000; for general repairs and improvements, $4,000; for repair of school building on account of and by reason of the fire of December 17, 1921, to be immediately available, $60,000; in all, $88,000."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced the noes appeared to have it.

On a division (demanded by Mr. RAKER) there were—ayes 37, noes 127.

Mr. RAKER. Mr. Speaker, I object to the vote and make the point there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and two Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 51, nays 202, not voting 176, as follows:

YEAS—51.

Abernethy	Favrot	Lazaro	Quin
Almon	Fisher	Lea, Calif.	Raker
Barbour	Garner	Lineberger	Rouse
Bell	Garrett, Tenn.	Lowrey	Sinclair
Bland, Va.	Hardy, Tex.	Lyon	Smithwick
Byrnes, S. C.	Hawes	McClintic	Stevenson
Cockran	Hayden	MacLafferty	Swing
Collier	Hooker	Mansfield	Taylor, Colo.
Collins	Huddleston	Martin	Upshaw
Curry	Johnson, Wash.	Moore, Va.	Vinson
Davis, Tenn.	Kincheloe	Oldfield	Wingo
Doughton	Lankford	Parks, Ark.	Wright
Dupré	Larsen, Ga.	Pou	

NAYS—202.

Ackerman	Fenn	Lee, N. Y.	Rodenberg
Anderson	Fess	Little	Rosenbloom
Andrew, Mass.	Fitzgerald	Longworth	Sanders, Ind.
Andrews, Nebr.	Foster	McArthur	Sanders, Tex.
Anthony	Freeman	McKenzie	Sandlin
Appleby	French	McLaughlin, Mich.	Scott, Tenn.
Atkeson	Frothingham	McLaughlin, Nebr.	Shaw
Bacharach	Fuller	McLaughlin, Pa.	Shelton
Bankhead	Funk	MacGregor	Shreve
Beck	Gahn	Madden	Siegel
Beedy	Gernerd	Magee	Sisson
Begg	Gifford	Maloney	Slemp
Benham	Goldsborough	Mapes	Speaks
Bird	Graham, Ill.	Merritt	Sproul
Black	Graham, Pa.	Michener	Stafford
Bland, Ind.	Green, Iowa	Miller	Steagall
Blanton	Greene, Mass.	Mills	Steenerson
Bond	Greene, Vt.	Mondell	Stephens
Bowers	Griest	Montague	Strong, Kans.
Bowling	Hadley	Montoya	Strong, Pa.
Box	Hardy, Colo.	Moore, Ohio	Summers, Wash.
Briggs	Haugen	Moores, Ind.	Sumners, Tex.
Britten	Hays	Morgan	Swank
Brooks, Pa.	Henry	Morin	Sweet
Browne, Wis.	Hersey	Mudd	Taylor, Tenn.
Buchanan	Hickey	Murphy	Temple
Burton	Hill	Nelson, Me.	Thorpe
Butler	Himes	Nelson, J. M.	Tilson
Byrns, Tenn.	Hoch	Newton, Minn.	Timberlake
Cannon	Huck	Newton, Mo.	Towner
Carter	Hukriede	Norton	Treadway
Chandler, N. Y.	Humphrey, Nebr.	Ogden	Turner
Chindblom	Husted	Oliver	Underhill
Clarke, N. Y.	Jefferis, Nebr.	Olpp	Vaile
Classon	Jeffers, Ala.	Parker, N. J.	Vestal
Clouse	Johnson, Ky.	Patterson, N. J.	Voigt
Cole, Iowa	Johnson, S. Dak.	Paul	Volstead
Cole, Ohio	Jones, Tex.	Perkins	Ward, N. Y.
Colton	Kearns	Perlman	Wason
Cooper, Ohio	Kelly, Pa.	Petersen	Watson
Cooper, Wis.	Ketcham	Radcliffe	Webster
Cramton	Kissel	Ramseyer	White, Me.
Dale	Kline, N. Y.	Rankin	Williams, Ill.
Darrow	Knutson	Ransley	Williamson
Dickinson	Kopp	Rayburn	Wood, Ind.
Dominick	Kraus	Reece	Woodruff
Dowell	Langley	Reed, W. Va.	Woodyard
Edmonds	Lanham	Rhodes	Wurzbach
Elliott	Larson, Minn.	Ricketts	Young
Fairfield	Layton	Roach	
Faust	Leatherwood	Robsion	

NOT VOTING—176.

Ansorge	Burdick	Clague	Davis, Minn.
Arentz	Burke	Clark, Fla.	Deal
Aswell	Burroughs	Codd	Dempsey
Barkley	Burtness	Connally, Tex.	Denison
Bixler	Cable	Connolly, Pa.	Drane
Blakeney	Campbell, Kans.	Copley	Drewry
Boies	Campbell, Pa.	Coughlin	Driver
Brand	Cantrill	Crago	Dunbar
Brennan	Carew	Crisp	Dunn
Brooks, Ill.	Chalmers	Crowther	Dyer
Brown, Tenn.	Chandler, Okla.	Cullen	Echols
Bulwinkle	Christopherson	Dallinger	Ellis

Evans	Kahn	Mott	Smith, Mich.
Fairchild	Keller	Nelson, A. P.	Snell
Fields	Kelley, Mich.	O'Brien	Snyder
Fish	Kendall	O'Connor	Stedman
Focht	Kennedy	Osborne	Stiness
Fordney	Kiess	Overstreet	Stoll
Frear	Kindred	Paige	Sullivan
Free	King	Park, Ga.	Tague
Fulmer	Kirkpatrick	Parker, N. Y.	Taylor, Ark.
Gallivan	Kitchin	Patterson, Mo.	Taylor, N. J.
Garrett, Tex.	Kleczka	Porter	Ten Eyck
Gensman	Kline, Pa.	Pringey	Thomas
Gilbert	Knight	Purnell	Thompson
Glynn	Kreider	Rainey, Ala.	Tillman
Goodykoontz	Kunz	Rainey, Ill.	Tincher
Gorman	Lampert	Reber	Tinkham
Gould	Lawrence	Reed, N. Y.	Tucker
Griffin	Lee, Ga.	Riddick	Tyson
Hammer	Lehlbach	Riordan	Volk
Hawley	Linthicum	Robertson	Walters
Herrick	Logan	Rogers	Ward, N. C.
Hicks	London	Rose	Weaver
Hogan	Luce	Rossdale	Wheeler
Hudspeth	Luhring	Rucker	White, Kans.
Hull	McCormick	Ryan	Williams, Tex.
Humphreys, Miss.	McDuffie	Sabath	Wilson
Hutchinson	McFadden	Sanders, N. Y.	Winslow
Ireland	McPherson	Schall	Wise
Jacoway	McSwain	Scott, Mich.	Woods, Va.
James	Mead	Sears	Wyant
Johnson, Miss.	Michaelson	Sinnott	Yates
Jones, Pa.	Moore, Ill.	Smith, Idaho	Zihlman

So the amendment was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Rose with Mr. Mead.

Mr. A. P. Nelson with Mr. Woods of Virginia.

Mr. Arentz with Mr. Aswell.

Mr. Snell with Mr. Wilson.

Mr. Sinnott with Mr. Ward of North Carolina.

Mr. Rogers with Mr. Cantrill.

Mr. Bixler with Mr. Driver.

Mr. Dunbar with Mr. Jacoway.

Mr. Lampert with Mr. Overstreet.

Mr. McPherson with Mr. Rucker.

Mr. Thompson with Mr. Park of Georgia.

Mr. Goodykoontz with Mr. Johnson of Mississippi.

Mr. Lawrence with Mr. Fields.

Mr. Denison with Mr. Gilbert.

Mr. Kendall with Mr. Hudspeth.

Mr. Luce with Mr. McSwain.

Mr. Porter with Mr. Thomas.

Mr. Purnell with Mr. Tyson.

Mr. Christopherson with Mr. Lee of Georgia.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. TEMPLE: Page 87, line 8, after the word "forests," strike out "$324,500" and insert in lieu thereof "$500,000."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. TEMPLE. A division, Mr. Speaker.

Mr. BLANTON. I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 61, noes 60.

Mr. CRAMTON. Mr. Speaker, what was the vote? I did not hear the announcement.

The SPEAKER. The ayes are 61 and noes are 60.

Mr. CRAMTON. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Michigan demands the yeas and nays.

Mr. CRAMTON. Pending that, Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. The gentleman from Michigan suggests the absence of a quorum.

Mr. GARRETT of Tennessee. Mr. Speaker, I do not object to a roll call being held that way, but I will call attention to the last roll call, which showed a quorum, and no business has been transacted since then.

The SPEAKER. It is very clear that there is no quorum present.

Mr. BLANTON. I make the point of order, Mr. Speaker, that after the Chair had announced the vote on the division the gentleman called for the yeas and nays, and the Speaker was proceeding to count, and then the point of no quorum was made. I make the point of order that the point comes too late.

Mr. WINGO. The matter still was not closed.

Mr. BLANTON. But it would bring the vote on the call for yeas and nays.

The SPEAKER. The Chair thinks it would bring the yeas and nays on the amendment.

Mr. SNELL. The point of no quorum is in order at any time.

The SPEAKER. The Doorkeeper will close the doors; the Sergeant at Arms will bring in absent Members. As many as favor the amendment will, as their names are called, vote yea, those opposed nay, and the Clerk will call the roll.

The question was taken; and there were—yeas 138, nays 113, answered "present" 1, not voting 177, as follows:

YEAS—138.

Abernethy	Driver	Lanham	Sanders, Tex.
Ackerman	Dupré	Lankford	Sandlin
Almon	Edmonds	Larson, Minn.	Scott, Tenn.
Bankhead	Elliott	Lazaro	Shaw
Barbour	Favrot	Lea, Calif.	Shelton
Beck	Fess	Leatherwood	Sinclair
Bell	Fisher	Lineberger	Sinnott
Black	Fitzgerald	Lyon	Smith, Idaho
Bland, Va.	Foster	McLaughlin, Mich.	Smithwick
Blanton	Frear	McPherson	Speaks
Bowling	Funk	Mansfield	Sproul
Box	Garner	Mapes	Stevenson
Briggs	Garrett, Tenn.	Martin	Summers, Wash.
Britten	Goldsborough	Merritt	Sumners, Tex.
Brooks, Pa.	Graham, Ill.	Miller	Swank
Browne, Wis.	Graham, Pa.	Montague	Swing
Buchanan	Greene, Vt.	Montoya	Taylor, Colo.
Burton	Griest	Moore, Va.	Temple
Butler	Hardy, Colo.	Moores, Ind.	Timberlake
Byrns, Tenn.	Hardy, Tex.	Morin	Towner
Carter	Hawes	Newton, Minn.	Turner
Chandler, N. Y.	Hawley	Newton, Mo.	Upshaw
Chindblom	Hayden	Oldfield	Vaile
Clarke, N. Y.	Hickey	Oliver	Vinson
Classon	Himes	Paul	Voigt
Cockran	Hooker	Quin	Ward, N. Y.
Collier	Huck	Raker	Watson
Collins	Huddleston	Ransley	Wilson
Colton	Hull	Rayburn	Wingo
Curry	Jeffers, Ala.	Reed, W. Va.	Woodruff
Dale	Johnson, Ky.	Rhodes	Wright
Darrow	Johnson, S. Dak.	Roach	Wurzbach
Davis, Tenn.	Jones, Tex.	Rosenbloom	Zihlman
Denison	Kelly, Pa.	Rouse	
Doughton	Kincheloe	Sanders, Ind.	

NAYS—113.

Anderson	French	Longworth	Rankin
Andrew, Mass.	Frothingham	Lowrey	Reece
Andrews, Nebr.	Fuller	McClintic	Ricketts
Anthony	Gahn	McKenzie	Robsion
Appleby	Gernerd	MacGregor	Shreve
Atkeson	Gifford	MacLafferty	Siegel
Bacharach	Green, Iowa	Madden	Snell
Beedy	Greene, Mass.	Magee	Stafford
Begg	Hadley	Maloney	Steagall
Benham	Haugen	Michener	Steenerson
Bird	Henry	Mills	Stephens
Bond	Hersey	Mondell	Strong, Kans.
Bowers	Hicks	Moore, Ohio	Strong, Pa.
Burtness	Hill	Morgan	Taylor, Tenn.
Byrnes, S. C.	Hoch	Mudd	Thomas
Cannon	Humphrey, Nebr.	Murphy	Thorpe
Clouse	Husted	Nelson, Me.	Tilson
Cole, Iowa	Jefferis, Nebr.	Nelson, J. M.	Treadway
Cole, Ohio	Johnson, Wash.	Norton	Underhill
Cooper, Ohio	Kearns	Ogden	Vestal
Cooper, Wis.	Ketcham	Olpp	Wason
Cramton	Kissel	Parker, N. J.	Webster
Crowther	Kline, N. Y.	Parks, Ark.	White, Me.
Dickinson	Knutson	Patterson, N. J.	Williamson
Dominick	Kopp	Perkins	Wood, Ind.
Fairfield	Kraus	Perlman	Young
Faust	Larsen, Ga.	Petersen	
Fenn	Layton	Radcliffe	
Freeman	Lee, N. Y.	Ramseyer	

ANSWERED "PRESENT"—1.

Sisson

NOT VOTING—177.

Ansorge	Clark, Fla.	Focht	Jones, Pa.
Arentz	Codd	Fordney	Kahn
Aswell	Connally, Tex.	Free	Keller
Barkley	Connolly, Pa.	Fulmer	Kelley, Mich.
Bixler	Copley	Gallivan	Kendall
Blakeney	Coughlin	Garrett, Tex.	Kennedy
Bland, Ind.	Crago	Gensman	Kiess
Boles	Crisp	Gilbert	Kindred
Brand	Cullen	Glynn	King
Brennan	Dallinger	Goodykoontz	Kirkpatrick
Brooks, Ill.	Davis, Minn.	Gorman	Kitchin
Brown, Tenn.	Deal	Gould	Kleczka
Bulwinkle	Dempsey	Griffin	Kline, Pa.
Burdick	Dowell	Hammer	Knight
Burke	Drane	Hays	Kreider
Burroughs	Drewry	Herrick	Kunz
Cable	Dunbar	Hogan	Lampert
Campbell, Kans.	Dunn	Hudspeth	Langley
Campbell, Pa.	Dyer	Hukriede	Lawrence
Cantrill	Echols	Humphreys, Miss.	Lee, Ga.
Carew	Ellis	Hutchinson	Lehlbach
Chalmers	Evans	Ireland	Linthicum
Chandler, Okla.	Fairchild	Jacoway	Little
Christopherson	Fields	James	Logan
Clague	Fish	Johnson, Miss.	London

Luce	Parker, N. Y.	Sanders, N. Y.	Tucker
Luhring	Patterson, Mo.	Schall	Tyson
McArthur	Porter	Scott, Mich.	Volk
McCormick	Pou	Sears	Volstead
McDuffie	Pringey	Slemp	Walters
McFadden	Purnell	Smith, Mich.	Ward, N. C.
McLaughlin, Nebr.	Rainey, Ala.	Snyder	Weaver
McLaughlin, Pa.	Rainey, Ill.	Stedman	Wheeler
McSwain	Reber	Stiness	White, Kans.
Mead	Reed, N. Y.	Stoll	Williams, Ill.
Michaelson	Riddick	Sullivan	Williams, Tex.
Moore, Ill.	Riordan	Sweet	Winslow
Mott	Robertson	Tague	Wise
Nelson, A. P.	Rodenberg	Taylor, Ark.	Woods, Va.
O'Brien	Rogers	Taylor, N. J.	Woodyard
O'Connor	Rose	Ten Eyck	Wyant
Osborne	Rossdale	Thompson	Yates
Overstreet	Rucker	Tillman	
Paige	Ryan	Tincher	
Park, Ga.	Sabath	Tinkham	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Williams of Illinois with Mr. Rucker.

Mr. Porter with Mr. Tague.

Mr. Langley with Mr. Ward of North Carolina.

Mr. Hukriede with Mr. Logan.

Mr. Dowell with Mr. Sabath.

Mr. Bixler with Mr. Carew.

Mr. Bland of Indiana with Mr. Gilbert.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. The amendment is agreed to. The question is on the engrossment and third reading of the bill.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

On motion of Mr. CRAMTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

THE TARIFF.

Mr. WINGO. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. The gentleman from Arkansas asks unanimous consent to address the House for 10 minutes. Is there objection?

There was no objection.

Mr. WINGO. Mr. Speaker, on the 29th day of December, 1922, I took occasion to comment rather facetiously upon an article in the well-recognized administration paper, the Washington Post. At that time I called attention to that article, and referred not only to the newspaper but to the writer of the article, Mr. Harry N. Price, and called attention to the title of the article, which was "Tariff seen as a boon." In reading that article, which appeared on the front page of the administration organ that day, I read a quotation which Mr. Price made from Mr. Hoover. Evidently Mr. Hoover did not himself read my remarks, but anyway he has written me a letter saying he did not make the statement attributed to him and asking me to correct any misimpressions that may have been given to an expectant country by a misstatement of his position upon the question covered in the article.

So that the House may appreciate the spirit of my remarks upon that occasion, those of you who were here will recall that it was a facetious statement, and that in making it I had but one object in view, and that was to call attention to that which was obvious, and that Mr. Price had been directed by the administration to go out and adopt the Doctor Coué method of satisfying the American people with the recently enacted profiteer tariff bill. That was the object of my remarks, which you will find on page 1074 of the RECORD of December 29. You also remember I expressed great surprise to find that one of the arguments the writer gave why this tariff was proving such a boon was that "the imports and the exports are becoming more evenly balanced, and that this is the result of foreign countries paying more in goods than in money, which is helping to bring about a stabilization of foreign exchange and a balance of the world's gold supply."

I expressed surprise on that occasion that a Republican should make any such statement. Later on I read from my own remarks, on page 1075, as follows:

> But, of course, any dissertation at this time would be a little bit "off" if it did not include the guiding genius of this administration—the good genius of this administration and the evil genius of the Wilson administration—Sir Herbert Hoover.

And then the article in question stated the following:

> Mr. Hoover reported, it is said, that arguments that the high duties of the new tariff would strangle imports, so as to make it impossible for foreign countries to buy from America, were controverted effectively by the facts. He held that the invisible exchange more than anything else made up the difference, and that prosperity at home, helped by a protective but a proper tariff, brings a reflex action in foreign trade.

Of course, I paused after reading that quotation from Mr. Price the other day, and then I said: "Get that, my friends, and do not forget it, because Sir Herbert said it, and it must be true."

That is the only statement that can be attributed to me as a quotation of Mr. Hoover. He now writes me:

> My attention has been called to a statement of yours in the CONGRESSIONAL RECORD of December 29 relative to a statement you attribute to me with regard to the effect of tariff on foreign trade and upon gold movements. You have apparently been quoting some one else, or some one's mistaken deductions.

If Mr. Hoover had taken the pains to read my remarks he would have seen that I did not attribute any statement to him, but that I simply read from a newspaper article by Harry N. Price in the Washington Post of December 27, I at the time specifically so stating, so, if anyone has attributed to him a statement that he did not make, it is Mr. Price from whose article I read. I am not interested in the controversy that thus arises between Mr. Hoover and Mr. Price, but I desire to be fair to Mr. Hoover, and for that reason I intend to put his side of the controversy in the RECORD just as I put in the RECORD the statement of Mr. Price. Turning again to the letter of Mr. Hoover to me I read, as follows:

> I wish to state emphatically that I have never made any such statement as you attribute to me. I inclose herewith the only statement I have made on the subject and I would be obliged if you would correct the misimpressions you have given in the RECORD.

I wish to analyze the statement of Mr. Price's which I quoted and which Mr. Hoover now denies, and compare Mr. Price's quotation of him with extracts from the statement which Mr. Hoover says is the only statement he has made. There are three substantive statements contained in the quotation of Mr. Hoover in the newspaper article written by Mr. Price. The first I read is as follows:

> Mr. Hoover said that arguments that the high duties of the new tariff would strangle imports so as to make it impossible for foreign countries to buy from America were controverted effectually by the facts.

Now, let us see if Mr. Price by that statement correctly quoted Mr. Hoover. So that you may judge I will now read an extract from the statement that Mr. Hoover sent me and which he says is the only statement he has made. I quote Mr. Hoover's statement:

> The theoretical assumption that the new tariff will so diminish our imports as to strangle the buying power of foreign countries for our exports does not seem borne out by a critical examination of the actual factors involved.

Why, Mr. Speaker, I may be mistaken, but that is in substance exactly what Harry Price said in the article that I read to the House the other day; but now Mr. Hoover writes me:

> I have never made any such statement.

Well, Mr. Speaker, if there is any difference in substance and only a difference in phraseology, I confess I can not discover it.

What is the next substantive statement attributed to Mr. Hoover quoted by me from the Price article? Turning again to the statement in the RECORD I read:

> That he held that the invisible exchange more than anything else made up the difference and that prosperity at home, helped by a protective but proper tariff brings a reflex action in foreign trade.

Let us see, Mr. Speaker, if Mr. Price thus attributed to Mr. Hoover a statement which he did not make. Again referring to the statement which Mr. Hoover sent me, I find on the first page of it there is a subhead entitled "Invisible exchange," and the first line under that subhead is as follows:

> The influence of the balance of invisible exchange in our whole trade and financial relationships is of growing importance.

Further along in the same statement which Mr. Hoover sent me on the third page of that statement I find the following language:

> It would at least appear that the invisible exchange is certainly able to take care of commodity balances.

Why, Mr. Speaker, are not these two extracts from the statement which Mr. Hoover himself admits he made, the basis of, and really the substance of the statement that Mr. Price attributed to him in his article of which now Mr. Hoover complains and says:

> I deny emphatically that I made any such statement.

Now, what is the next substantive statement attributed to Mr. Hoover by Mr. Price in his article which I read to the House the other day? It is as follows:

> That prosperity at home helped by a protective but proper tariff brings a reflex action in foreign trade.

But Mr. Hoover, taking exception to the quotation that I made from Price's article, says:

> I did not make any such statement.

Well, Mr. Speaker, I confess I can not understand why a Republican should grow indignant and enter a denial to such a

statement, because it is one of the stock arguments of the Republicans, and, as a matter of fact, the whole trend of Mr. Hoover's admitted statement is epitomized by this statement which Mr. Price attributes to him. But, Mr. Speaker, my surprise at Mr. Hoover's denial in view of the facts is only equaled by the surprise I expressed the other day at Mr. Price's article seeking to show that the tariff was a boon to this country because it increased imports of foreign goods into the domestic markets.

Oh, Mr. Speaker, this controversy but illustrates the contention I made when I discussed the article by Mr. Price. When you start out by sophistry to defend an unsound proposition, whether it be one of legislation or of economics, you get yourself into trouble and meet yourself coming back, as does both Price and Hoover. All over this country the newspapers are carrying headings to the effect that Hoover says so and so. It is but the propaganda of the Republican organization in its efforts to try to meet by Doctor Coué methods the objections of bona fide protectionists—not Democrats, but those who believe in a protection theory—to the profiteer tariff law. If Mr. Hoover is so very jealous of his reputation and will endeavor to follow every one of these things up, I fear that he will find his hands full. On my desk I noted to-day 19 newspapers of the South and West that are carrying this particular propoganda, and I think he should not complain, unless he goes to the newspaper editors or, better still, step right around the corner to the head of the Republican propaganda bureau which is sending out this "bunk." He has no right to complain if I, as a Democrat, an innocent bystander on the side lines, now and then indulge in the amusing pastime of analyzing the incongruities of their arguments and statements made in defense of that monstrosity, the profiteers' tariff act recently enacted. The Democrats certainly are allowed that privilege; but, Mr. Speaker, in justice to Mr. Hoover, I ask unanimous consent to set out in extenso the statement which he inclosed in his letter to me and which he says is the statement he really issued.

The SPEAKER. The gentleman from Arkansas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. HICKS. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Yes.

Mr. HICKS. Do I understand that the gentleman is going to put into the RECORD the three or four pages making up Mr. Hoover's statement? The gentleman from Arkansas and I talked about this matter this morning.

Mr. WINGO. I have read in its entirety, though in separated paragraphs, Mr. Hoover's letter to me, and also parts of his statement; but I desire to put into the RECORD the complete statement that he attached to his letter to me, and from which I have been quoting.

Mr. HICKS. The three or four printed pages?

Mr. WINGO. There are 1, 2, 3, 4, 5—winding up with the statement headed "Currents in Foreign Trade."

Mr. HICKS. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

The statement referred to is as follows:

During the 12 months ending June 30, 1922, our foreign trade suffered in common with the general world depression. The monetary value of our exports and imports during the period in question, in comparison with the previous fiscal year, is shown in the following table:

	1920-21	1921-22
Imports	$3,654,459,346	$2,608,079,008
Exports	6,516,510,033	3,771,286,428
Total foreign trade	10,170,969,379	6,379,365,436
Balance of exports over imports	2,862,050,687	1,163,207,420

The fall in the monetary value of imports was therefore 28.6 per cent, in exports 42.1 per cent, and in total trade 37.3 per cent. The great decline in value from the previous year was due in a large degree to a fall in prices rather than in quantities, as indicated by the tables of quantity movements of larger commodities in this statement. From these tables it will be seen that our agricultural exports were actually larger in quantity during the year of depression, although they decreased in value by about $700,000,000. A study of the whole export and import list so far as quantitative statistics are available indicates that roughly our trade in 1922, if it was valued at 1921 prices, would have shown a decrease in exports of 12 per cent, an increase in imports of 29 per cent, or an increase in total trade of roughly 2.7 per cent.

INVISIBLE EXCHANGE.

It is possible to estimate roughly some elements in invisible exchange, such as public issues of foreign loans, tourist traffic, remittances of immigrants, and freight; but other items such as private loans, reciprocal interest payments, investments, and loss by speculation in foreign currencies are unknowable factors. Foreign loans were issued publicly during the fiscal year to the amount of $1,015,000,000 as compared with $618,000,000 during the previous year. What the ebb and flow of private loans may have been is, of course, unknown. It would appear that the net balance of the other items against us amounted to a minimum of from $400,000,000 to $500,000,000 per annum. In any event, the invisible exchange against us could be approximated at not less than about $1,000,000,000 or $1,100,000,000 in 1920–21 and about $1,400,000,000 or $1,500,000,000 in 1921–22.

The balance of goods in our favor drew a net amount of $449,000,000 in gold and silver during the fiscal year 1922, as compared with $511,000,000 during the previous year.

For the year 1920–21 the excess of export goods over imports, i. e., the total trade balance of $2,862,000,000 was liquidated in part by $511,000,000 in precious metals shipped to us in part by invisible exchange of, say, $1,100,000,000, leaving an apparently unliquidated balance of about $1,200,000,000 to $1,300,000,000 for that fiscal year. A study of the banking returns of unfunded foreign advances at this time does not bear out the conclusion that such an amount of private financing of exports, as indicated above, was ever undertaken and thus the probabilities are that the speculative losses in European currencies and other investments and other forms of invisible exchange were even larger than has been estimated above.

For the year 1921–22 the excess of exports over imports of $1,163,000,000 was liquidated in part by $449,000,000 net imports of precious metals and this, together with the additional estimated balance against us of $1,500,000,000 of invisible exchange, exceeds the amount necessary to square accounts by some $750,000,000. No doubt this was at least partly absorbed in repayment of private loans because even a smaller amount of private export financing existed in July, 1922, than in July, 1921. Generally this change indicates a much sounder and firmer basis of trade.

GOLD MOVEMENT.

The gold situation in the world is a matter of a great deal of economic thought, and no doubt the heavy drain to America has contributed to the instability of foreign currencies, not only by the diminution of their essential guaranties but also by their fluctuation involved in liquidating trade balances in this fashion. Our gold stocks amount to about $3,077,000,000. Of this the minimum legal necessities at the moment for assurances to our currency and credits amount roughly to about $1,600,000,000, but for a 60 per cent reserve of security we would require about $2,400,000,000. Therefore our surplus amounts to somewhere over $700,000,000. While this is an asset it nevertheless would be more advantageous to us if it were in active use. The automatic tendencies in our international trade and financial relations are, however, setting strongly toward rectification of this whole situation without artificial action.

There is a steady increase in the ratio of imports to exports of goods as indicated by the decrease in the average monthly balances in our favor over the last two and one-fourth years.

Average monthly balance in our favor.

Six months, July 1 to December 30, 1920	$274,674,811
Six months, January 1 to July 1, 1921	202,333,636
Six months, July 1 to December 30, 1921	126,980,328
Six months, December 30 to July 1, 1922	66,887,576
Three months, July 1 to October 1, 1922	51,623,542

At this rate we would, theoretically, reach a balance in the movement of goods in another few months. However, economic movements do not proceed on time schedules, although their trends are no less positive. Many uncertain factors naturally affect commodity movements, and but little beyond tendencies can be noted. It would at least appear that the invisible exchange is certainly able to take care of commodity balances, and that we are reaching the end of the gold import stage of war readjustments. Continued trend in the general direction now evident would soon produce gold exports even in the face of payments on account of allied debts.

SHIFT IN THE CHARACTER OF EXPORTS.

There are several important shifts in our foreign trade due to the war. The export of foodstuffs has immensely increased, due partially to the demoralization of Russia. There is at best no probability of Russian exports of large volume for another two or three years, not only because of the condition of agriculture but also because of the demoralization of her railways. There has been a decrease in raw cotton exports due to various causes, chiefly short production, but partly due to steady increase in our cotton manufactures.

The following table shows the quantitative movement of major agricultural exports, pre-war, and for the last two fiscal years:

	1913	1921	1922
Grain and grain products....bushels..	258,343,629	543,375,523	544,220,964
Meats, dairy products, animal and vegetable fats.....pounds..	1,610,053,715	2,384,517,262	2,192,174,236
Tobacco, leaf.....do....	418,796,906	496,878,830	451,555,221
Fruits.....do....	620,423,027	675,892,388	491,227,149
Total values	$453,165,897	$1,572,636,646	$938,223,155
Total values at 1913 prices	$453,165,897	$775,052,757	$742,355,278
Cotton, raw.....bales..	8,724,572	5,408,986	6,541,841
Oil cake and meal .....pounds..	2,049,361,136	857,606,407	1,099,246,797
Total values	$576,801,447	$619,698,455	$619,149,842
Total values at 1913 prices	$576,801,447	$351,629,525	$426,165,862

About 55 per cent of our total exports are agricultural produce and raw materials, and 45 per cent are manufactured and partly manufactured goods (excluding manufactured foodstuffs).

About 75 per cent of our exports of agricultural produce and raw materials go to Europe and about 25 per cent to the rest of the world.

About 26 per cent of our manufactured goods go to Europe and 74 per cent elsewhere.

Our exports of agricultural produce comprise, roughly, 15 per cent of the entire crop value on the farm, while our exports of manufactured goods comprise less than 4 per cent of our production. Our exports of agricultural produce to Europe comprise 11 per cent of the value of our agricultural production and less than 1 per cent of our manufactured production.

This last fact has much to do with our ability to shake loose from European economic currents in the manufacturing industries, and with the strengthening of employment in our home industries we will, no doubt, increase home consumption in agricultural products.

A pronounced shift in our foreign trade during the past few years is the increasing ratio of imports from tropical countries. A study of this situation reveals that over one-half of our imports are of tropical origin (rubber, sugar, coffee, woods, etc.) as against about one-third of such imports before the war. The balance of trade is heavily against us in the Tropics as a whole. A study of the trade of these particular countries indicates that the excess of our imports from those areas over our exports to them is about $500,000,000 per annum, which is largely used by them for the purchase of manufactured goods from Europe, thus to a considerable extent liquidating the excessive balance in our favor in our European trade, created by shipping to Europe our agricultural produce. This triangular operation seems likely to increase, as tropical goods do not materially conflict with our own production and our consumption of these commodities is likely to increase steadily.

CURRENTS IN FOREIGN TRADE.

The effect of tariff on exports: The theoretical assumption that the new tariff will so diminish our imports as to strangle the buying power of foreign countries for our exports does not seem borne out by a critical examination of the actual factors involved. Somewhere between one-third and one-half of foreign buying power for our exports is furnished by invisible exchange. Beyond this, somewhere from 49 to 55 per cent of commodities shipped to us from abroad are upon the free list (based upon application of the Fordney tariff to the 1921–22 imports, where about 60 per cent were free); thus the buying power is untrammeled up to, say, 70 to 80 per cent. The remainder of our imports which are dutiable is in large part such goods as will be imported in any event, as sugar, wool, luxuries, etc. Therefore it would not seem that the gross volume of exports would be very greatly influenced one way or another by the tariff. Generally, the volume of our imports is likely to be increased by the increasing prosperity at home.

POST OFFICE APPROPRIATION BILL.

Mr. MADDEN. I call up the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. The gentleman from Illinois calls up the Post Office appropriation bill, which the Clerk will report by title.

The Clerk reported the title of the bill.

Mr. MADDEN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendments. Is a separate vote demanded on any particular amendment?

Mr. ROUSE. Mr. Speaker, I demand a separate vote upon the amendment offered by Mr. SLEMP, of Virginia, on page 19, line 22, relative to the pneumatic tubes.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the question on the other amendments. The question is on agreeing to the other amendments.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the amendment upon which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. SLEMP: Page 19, after line 22, insert: "For the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of Brooklyn of the city of New York, including power, labor, and all other operating expenses, $513,911.50."

THE SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. ROUSE) there were—ayes 74, nays 27.

Mr. ROUSE. Mr. Speaker, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll.

The Clerk called the roll; and there were—yeas 158, nays 81, not voting 192, as follows:

YEAS—158.

Ackerman	Cole, Ohio	Gifford	Humphrey, Nebr.
Andrew, Mass.	Colton	Graham, Ill.	Husted
Appleby	Cramton	Graham, Pa.	Jefferis, Nebr.
Atkeson	Crowther	Green, Iowa	Kelly, Pa.
Bacharach	Curry	Greene, Mass.	Kissel
Bankhead	Dale	Greene, Vt.	Kline, N. Y.
Barbour	Darrow	Griest	Knutson
Begg	Dickinson	Hadley	Kraus
Bird	Dupré	Hardy, Colo.	Larson, Minn.
Bond	Edmonds	Haugen	Layton
Bowers	Elliott	Hawes	Lea, Calif.
Brooks, Pa.	Faust	Hawley	Leatherwood
Burtness	Fenn	Henry	Lee, N. Y.
Burton	Fess	Hersey	Lineberger
Butler	Frear	Hickey	Little
Cannon	Freeman	Hicks	Longworth
Chandler, N. Y.	French	Hill	McArthur
Chindblom	Frothingham	Himes	McLaughlin, Mich.
Clague	Fuller	Hoch	McLaughlin, Pa.
Cockran	Gahn	Huck	McPherson
Cole, Iowa	Gernerd	Hull	MacGregor
MacLafferty	Ogden	Sinnott	Treadway
Madden	Olpp	Snell	Underhill
Magee	Patterson, N. J.	Speaks	Upshaw
Maloney	Perkins	Sproul	Vestal
Mansfield	Perlman	Stafford	Ward, N. Y.
Mapes	Petersen	Steenerson	Wason
Martin	Porter	Stephens	Watson
Merritt	Radcliffe	Strong, Kans.	Webster
Michener	Ransley	Strong, Pa.	White, Me.
Mills	Rayburn	Sweet	Williams, Ill.
Mondell	Reed, W. Va.	Swing	Williamson
Montoya	Roach	Taylor, Colo.	Wood, Ind.
Moores, Ind.	Robsion	Taylor, Tenn.	Woodruff
Morin	Rogers	Temple	Woodyard
Murphy	Sanders, Ind.	Thorpe	Wurzbach
Nelson, Me.	Shelton	Tilson	Young
Nelson, J. M.	Shreve	Timberlake	Zihlman
Newton, Minn.	Siegel	Tincher	
Norton	Sinclair	Towner	

NAYS—81.

Abernethy	Davis, Tenn.	Kopp	Ricketts
Almon	Dominick	Lanham	Rouse
Anderson	Doughton	Lankford	Sanders, Tex.
Andrews, Nebr.	Dowell	Larsen, Ga.	Sandlin
Aswell	Driver	Lazaro	Smithwick
Beck	Fairfield	Lowrey	Steagall
Bell	Fisher	Lyon	Stevenson
Black	Foster	Miller	Summers, Wash.
Bland, Va.	Garner	Montague	Sumners, Tex.
Blanton	Garrett, Tenn.	Moore, Ohio	Swank
Bowling	Garrett, Tex.	Moore, Va.	Thomas
Box	Goldsborough	Morgan	Turner
Briggs	Hardy, Tex.	Newton, Mo.	Tyson
Browne, Wis.	Hayden	Oldfield	Voigt
Buchanan	Hooker	Oliver	White, Kans.
Byrnes, S. C.	Huddleston	Parks, Ark.	Wilson
Byrns, Tenn.	Jeffers, Ala.	Pou	Wingo
Carter	Johnson, Ky.	Quin	Wright
Collier	Jones, Tex.	Raker	
Collins	Kearns	Ramseyer	
Cooper, Wis.	Kincheloe	Rankin	

NOT VOTING—192.

Ansorge	Dunn	Kitchin	Riordan
Anthony	Dyer	Kleczka	Robertson
Arentz	Echols	Kline, Pa.	Rodenberg
Barkley	Ellis	Knight	Rose
Beedy	Evans	Kreider	Rosenbloom
Benham	Fairchild	Kunz	Rossdale
Bixler	Favrot	Lampert	Rucker
Blakeney	Fields	Langley	Ryan
Bland, Ind.	Fish	Lawrence	Sabath
Boles	Fitzgerald	Lee, Ga.	Sanders, N. Y.
Brand	Focht	Lehlbach	Schall
Brennan	Fordney	Linthicum	Scott, Mich.
Britten	Free	Logan	Scott, Tenn.
Brooks, Ill.	Fulmer	London	Sears
Brown, Tenn.	Funk	Luce	Shaw
Bulwinkle	Gallivan	Luhring	Sisson
Burdick	Gensman	McClintic	Slemp
Burke	Gilbert	McCormick	Smith, Idaho
Burroughs	Glynn	McDuffie	Smith, Mich.
Cable	Goodykoontz	McFadden	Snyder
Campbell, Kans.	Gorman	McKenzie	Stedman
Campbell, Pa.	Gould	McLaughlin, Nebr.	Stiness
Cantrill	Griffin	McSwain	Stoll
Carew	Hammer	Mead	Sullivan
Chalmers	Hays	Michaelson	Tague
Chandler, Okla.	Herrick	Moore, Ill.	Taylor, Ark.
Christopherson	Hogan	Mott	Taylor, N. J.
Clark, Fla.	Hudspeth	Mudd	Ten Eyck
Clarke, N. Y.	Hukriede	Nelson, A. P.	Thompson
Classon	Humphreys, Miss.	O'Brien	Tillman
Clouse	Hutchinson	O'Connor	Tinkham
Codd	Ireland	Osborne	Tucker
Connally, Tex.	Jacoway	Overstreet	Vaile
Connolly, Pa.	James	Paige	Vinson
Cooper, Ohio	Johnson, Miss.	Park, Ga.	Volk
Copley	Johnson, S. Dak.	Parker, N. J.	Volstead
Coughlin	Johnson, Wash.	Parker, N. Y.	Walters
Crago	Jones, Pa.	Patterson, Mo.	Ward, N. C.
Crisp	Kahn	Paul	Weaver
Cullen	Keller	Pringey	Wheeler
Dallinger	Kelley, Mich.	Purnell	Williams, Tex.
Davis, Minn.	Kendall	Rainey, Ala.	Winslow
Deal	Kennedy	Rainey, Ill.	Wise
Dempsey	Ketcham	Reber	Woods, Va.
Denison	Kiess	Reece	Wyant
Drane	Kindred	Reed, N. Y.	Yates
Drewry	King	Rhodes	
Dunbar	Kirkpatrick	Riddick	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Paul with Mr. McClintic.

Mr. Crago with Mr. Sisson.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. STEENERSON. Mr. Speaker, I offer the following motion to recommit.

Mr. BLANTON. Mr. Speaker, I also have a motion to recommit if the gentleman is not against the bill. I am against the bill.

The SPEAKER. Is the gentleman from Minnesota against the bill?

Mr. STEENERSON. Well, as at present I prefer to have it amended.

Mr. BLANTON. If the gentleman's motion is the same as mine, I prefer to have him make it.

Mr. STEENERSON. I do not want to contend with the gentleman from Texas.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. STEENERSON moves to recommit the bill H. R. 13593 to the Committee on Appropriations with instructions to report the same back to the House forthwith with the following amendment, to wit: On page 11, line 10, strike out "$4,250,000" and insert in lieu thereof "$4,750,000," so that as amended the paragraph will read as follows: "For allowances to third-class post offices to cover cost of clerical services, $4,750,000."

Mr. BLANTON. That motion is the same as mine, hence I withdraw my motion to recommit, which likewise offers relief to clerks in third-class post offices.

Mr. MADDEN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced the noes seemed to have it.

On a division (demanded by Mr. BLANTON) there were—ayes 6, noes 92.

Mr. BLANTON. Mr. Speaker, I object to the vote and make the point of no quorum. This is for the rural people.

The SPEAKER. It is clear there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 94, nays 145, not voting 190, as follows:

YEAS—94.

Almon	Dupré	McLaughlin, Mich.	Shaw
Andrews, Nebr.	Fisher	McLaughlin, Pa.	Sinclair
Aswell	Foster	Mansfield	Sinnott
Bankhead	Garrett, Tex.	Michener	Smithwick
Beck	Goldsborough	Moore, Ohio	Steenerson
Bell	Hardy, Colo.	Moore, Va.	Stevenson
Benham	Hayden	Moores, Ind.	Swank
Bird	Huddleston	Morgan	Sweet
Bland, Va.	Hull	Nelson, J. M.	Swing
Blanton	Jeffers, Ala.	Oliver	Taylor, Colo.
Bowling	Jones, Tex.	Olpp	Thomas
Box	Kearns	Parks, Ark.	Thorpe
Briggs	Kelly, Pa.	Petersen	Tincher
Browne, Wis.	Knutson	Pou	Tyson
Carter	Kopp	Quin	Upshaw
Clague	Lampert	Ramseyer	Vaile
Cole, Ohio	Lanham	Rankin	Vinson
Collier	Lankford	Reece	Voigt
Collins	Larsen, Ga.	Reed, W. Va.	Volstead
Cooper, Ohio	Lazaro	Ricketts	Williams, Ill.
Cooper, Wis.	Lineberger	Roach	Wingo
Curry	Lowrey	Rouse	Wurzbach
Dowell	Lyon	Sanders, Tex.	
Driver	McClintic	Sandlin	

NAYS—145.

Abernethy	Fenn	Layton	Rogers
Ackerman	Fess	Lea, Calif.	Rosenbloom
Anderson	Fitzgerald	Leatherwood	Sanders, Ind.
Andrew, Mass.	Freeman	Lee, N. Y.	Shelton
Appleby	French	Little	Shreve
Bacharach	Frothingham	Longworth	Siegel
Barbour	Fuller	McKenzie	Sisson
Begg	Gahn	McLaughlin, Nebr.	Snell
Black	Garner	McPherson	Speaks
Bond	Garrett, Tenn.	MacGregor	Sproul
Bowers	Gernerd	MacLafferty	Stafford
Brooks, Pa.	Gifford	Madden	Steagall
Buchanan	Graham, Ill.	Magee	Stephens
Burtness	Graham, Pa.	Maloney	Strong, Kans.
Burton	Green, Iowa	Mapes	Strong, Pa.
Butler	Greene, Mass.	Merritt	Summers, Wash.
Byrnes, S. C.	Greene, Vt.	Miller	Sumners, Tex.
Byrns, Tenn.	Griest	Mills	Temple
Cannon	Hadley	Mondell	Tilson
Chandler, N. Y.	Hawes	Montague	Timberlake
Chindblom	Hawley	Montoya	Towner
Cockran	Henry	Morin	Treadway
Cole, Iowa	Hersey	Murphy	Turner
Colton	Hickey	Nelson, Me.	Underhill
Cramton	Hicks	Newton, Minn.	Vestal
Crowther	Hill	Newton, Mo.	Wason
Dale	Himes	Norton	Watson
Darrow	Hoch	Ogden	Webster
Davis, Tenn.	Hooker	Oldfield	White, Kans.
Denison	Huck	Parker, N. J.	White, Me.
Dickinson	Humphrey, Nebr.	Patterson, N. J.	Williamson
Dominick	Husted	Perkins	Wood, Ind.
Doughton	Jefferis, Nebr.	Perlman	Woodruff
Edmonds	Kincheloe	Radcliffe	Young
Elliott	Kissel	Ransley	
Fairfield	Kline, N. Y.	Rhodes	
Faust	Kraus	Robsion	

NOT VOTING—190.

Ansorge	Echols	Kirkpatrick	Riordan
Anthony	Ellis	Kitchin	Robertson
Arentz	Evans	Kleczka	Rodenberg
Atkeson	Fairchild	Kline, Pa.	Rose
Barkley	Favrot	Knight	Rossdale
Beedy	Fields	Kreider	Rucker
Bixler	Fish	Kunz	Ryan
Blakeney	Focht	Langley	Sabath
Bland, Ind.	Fordney	Larson, Minn.	Sanders, N. Y.
Boies	Frear	Lawrence	Schall
Brand	Free	Lee, Ga.	Scott, Mich.
Brennan	Fulmer	Lehlbach	Scott, Tenn.
Britten	Funk	Linthicum	Sears
Brooks, Ill.	Gallivan	Logan	Slemp
Brown, Tenn.	Gensman	London	Smith, Idaho
Bulwinkle	Gilbert	Luce	Smith, Mich.
Burdick	Glynn	Luhring	Snyder
Burke	Goodykoontz	McArthur	Stedman
Burroughs	Gorman	McCormick	Stiness
Cable	Gould	McDuffie	Stoll
Campbell, Kans.	Griffin	McFadden	Sullivan
Campbell, Pa.	Hammer	McSwain	Tague
Cantrill	Hardy, Tex.	Martin	Taylor, Ark.
Carew	Haugen	Mead	Taylor, N. J.
Chalmers	Hays	Michaelson	Taylor, Tenn.
Chandler, Okla.	Herrick	Moore, Ill.	Ten Eyck
Christopherson	Hogan	Mott	Thompson
Clark, Fla.	Hudspeth	Mudd	Tillman
Clarke, N. Y.	Hukriede	Nelson, A. P.	Tinkham
Classon	Humphreys, Miss.	O'Brien	Tucker
Clouse	Hutchinson	O'Connor	Volk
Codd	Ireland	Osborne	Walters
Connally, Tex.	Jacoway	Overstreet	Ward, N. Y.
Connolly, Pa.	James	Paige	Ward, N. C.
Copley	Johnson, Ky.	Park, Ga.	Weaver
Coughlin	Johnson, Miss.	Parker, N. Y.	Wheeler
Crago	Johnson, S. Dak.	Patterson, Mo.	Williams, Tex.
Crisp	Johnson, Wash.	Paul	Wilson
Cullen	Jones, Pa.	Porter	Winslow
Dallinger	Kahn	Pringey	Wise
Davis, Minn.	Keller	Purnell	Woods, Va.
Deal	Kelley, Mich.	Rainey, Ala.	Woodyard
Dempsey	Kendall	Rainey, Ill.	Wright
Drane	Kennedy	Raker	Wyant
Drewry	Ketcham	Rayburn	Yates
Dunbar	Kiess	Reber	Zihlman
Dunn	Kindred	Reed, N. Y.	
Dyer	King	Riddick	

So the motion to recommit was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Atkeson with Mr. Cantrill.

Mr. Johnson of South Dakota with Mr. Rayburn.

Mr. Taylor of Tennessee with Mr. Favrot.

Mr. Yates with Mr. Martin.

Mr. Chandler of Oklahoma with Mr. Raker.

Mr. Mott with Mr. Johnson of Kentucky.

Mr. Mudd with Mr. Hardy of Texas.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, and the Doorkeeper will open the doors.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. MADDEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

NAVAL APPROPRIATION BILL.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 13374, the naval appropriation bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the naval appropriation bill, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, I notice the Senate has increased the appropriation for the training of Naval Reserve officers a million dollars. When that item was under consideration in the House attention was directed to the fact that the Naval Reserve Force was getting two or three times what was provided for similar service in the Army. I do not think such a large increase can be justified at all. I shall not ask for a separate vote on this item, but shall expect, judging from the remarks made by the chairman of the subcommittee, that he is not in sympathy with it and will protest to the utmost against the allowance of this extravagant increase.

Mr. MADDEN. I will make this statement to the gentleman from Wisconsin: After I saw what the Senate did on this matter and heard the rumor that it was likely that the Secretary of the Navy might restore the reserves to the pay roll, I wrote him a letter to the effect that I hoped he would not do anything of that sort until this bill became a law, because we did not know what it might contain, or whether it would con-

tain anything. I will say to the gentleman that I am not friendly to the item, and I will do my best.

Mr. STAFFORD. If the gentleman does his best, I know it will not be included in the bill.

Mr. BLANTON. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Illinois whether or no any of the so-called Britten rehabilitation program has been placed by the Senate in this bill?

Mr. MADDEN. No.

Mr. BLANTON. Would the gentleman mind giving us his attitude on that so-called rehabilitation plan?

Mr. MADDEN. I think it is before the Committee on Appropriations now, and I would not like to commit the Committee on Appropriations by making any statement.

Mr. BLANTON. Until the gentleman converses with them?

Mr. MADDEN. Until I see them.

Mr. LINEBERGER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman if he knows whether the words "as soon as practicable" have been inserted in the last paragraph of the bill—the so-called Kelley paragraph? The subchairman stated on the floor, I believe, that he intended to have them put it in if possible.

Mr. MADDEN. I do not know as to that.

Mr. BUTLER. There is no change whatsoever in the paragraph.

Mr. MADDEN. I do not think it is in controversy.

The SPEAKER. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. KELLEY of Michigan, Mr. FRENCH, Mr. MADDEN, Mr. BYRNES of South Carolina, and Mr. OLIVER.

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman withhold that motion?

Mr. MADDEN. Yes.

Mr. GARRETT of Tennessee. I ask unanimous consent, Mr. Speaker, to address the House for two minutes.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

ROBERT B. GORDON.

Mr. GARRETT of Tennessee. Mr. Speaker, the news reached the House upon its assembling at noon that Mr. Robert B. Gordon, familiarly known to most of the Members of the House as "Bob" Gordon, died in this city last night while on a visit here. Mr. Gordon was a Representative from Ohio in the Fifty-sixth and Fifty-seventh Congresses. Subsequently he became Sergeant at Arms of the House of Representatives, serving in that capacity for eight years. The news of his death will, I know, come to those Members who knew him with the very greatest regret.

He was a man of lovable character, full of accommodation for all men, all Members, irrespective of party; genial, lovable, fine in every respect. The unusual esteem in which he was held by the House and the love and affection that were entertained for him by all Members, as I frequently heard it expressed during the days of his service as Sergeant at Arms, causes me to feel justified in making this statement.

Mr. MONDELL. Mr. Speaker, those of us who served with Mr. Gordon in the House remember him as a very faithful and very efficient Member, and those of us who were Members during the period when he was an officer in the House recall his services in that capacity as of the finest character. He was always faithful, always considerate, and was in all respects a public servant of the very best character. We all very greatly regret his passing away.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that on January 2 they had presented to the President of the United States, for his approval, the following bills:

H. R. 13232. An act making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1924, and for other purposes;

H. R. 13180. An act making appropriations for the Treasury Department for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13346. An act making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes.

ADJOURNMENT.

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, Thursday, January 4, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

858. A letter from the Secretary of Commerce, transmitting copies of two proposed bills, one authorizing the acquisition by the Secretary of Commerce of additional land for the enlargement of the present site of the Bureau of Standards and the other authorizing the construction of a power-plant building on the present site of that bureau; to the Committee on Public Buildings and Grounds.

859. A letter from the Secretary of War, transmitting a letter from the Governor of the Panama Canal recommending legislation which will enable the President to lease the oil and coaling plants at Cristobal and Balboa, Canal Zone, to private parties; to the Committee on Interstate and Foreign Commerce.

860. Letters from the Postmaster General and the Secretary of the Treasury, transmitting recommendations for a Federal building program throughout the United States, and submitting a table showing the number of leases and approximately the amount of rents paid for buildings for Federal use (H. Doc. No. 523); to the Committee on Public Buildings and Grounds and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FESS: Committee on the Library. S. J. Res. 251. A joint resolution providing for the filling of two vacancies that will occur on January 14, 1923, and March 1, 1923, respectively, in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; without amendment (Rept. No. 1324). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. KRAUS: Committee on Naval Affairs. H. R. 1887. A bill for the relief of Milton M. Fenner; without amendment (Rept. No. 1323). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 13357) granting a pension to Susan V. Payne, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BOX: A bill (H. R. 13628) to limit the immigration of aliens into the United States; to the Committee on Immigration and Naturalization.

By Mr. KELLY of Pennsylvania: A bill (H. R. 13629) for the purchase of a site and the erection thereon of a public building at Wilkinsburg, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. LEHLBACH: A bill (H. R. 13630) grading civil employees of the Government of the United States engaged in the maintenance and care of public buildings outside of the District of Columbia, and providing for salary schedules for such grades; to the Committee on Reform in the Civil Service.

By Mr. BALDWIN: A bill (H. R. 13631) to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921; to the Committee on the Territories.

By Mr. LITTLE: A bill (H. R. 13632) to perfect the revision of the laws of the United States, known as the Code of the Laws of the United States and as H. R. 12; to the Committee on Revision of the Laws.

By Mr. TURNER: A bill (H. R. 13633) to amend section 213, subsection (b), paragraph (3), of the revenue act of 1921, by

adding to said paragraph "Also the value of the direct products of the soil in the hands of the producer or the proceeds of the sale of such products in the hands of the producer thereof to the value and amount of $5,000"; to the Committee on Ways and Means.

By Mr. BURTNESS: A bill (H. R. 13634) for the purchase of a Federal building site at Fargo, N. Dak.; to the Committee on Public Buildings and Grounds.

By Mr. WURZBACH: A bill (H. R. 13635) for the acquisition of additional ground and the erection thereon of a public building or an addition to the present public building in San Antonio, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. GREEN of Iowa: A bill (H. R. 13636) to amend the Victory liberty loan act; to the Committee on Ways and Means.

By Mr. SINNOTT: A bill (H. R. 13637) to extend the time for the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dallas City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington; to the Committee on Interstate and Foreign Commerce.

By Mr. FOCHT: A bill (H. R. 13638) to amend an act of Congress approved June 18, 1898, entitled "An act to regulate plumbing and gas fitting in the District of Columbia"; to the Committee on the District of Columbia.

By Mr. RAMSEYER: A concurrent resolution (H. Con. Res. 78) creating a commission to be known as the joint commission on national defense; to the Committee on Rules.

By Mr. HILL: A resolution (H. Res. 477) directing the Judiciary Committee of the House to investigate certain charges purporting to have been written by WILLIAM D. UPSHAW, a Representative from Georgia, regarding the enforcement of prohibition, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHARACH: A bill (H. R. 13639) for the relief of Lee C. Davis; to the Committee on Claims.

By Mr. CURRY: A bill (H. R. 13640) granting a pension to Edward Powell; to the Committee on Invalid Pensions.

By Mr. FUNK: A bill (H. R. 13641) for the relief of James R. Sutton; to the Committee on Claims.

By Mr. GENSMAN: A bill (H. R. 13642) granting an increase of pension to Peter F. Weasel; to the Committee on Pensions.

By Mr. JAMES: A bill (H. R. 13643) granting a pension to Henry F. Hoffman; to the Committee on Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 13644) to provide an examination and survey of Grays River, Wash.; to the Committee on Rivers and Harbors.

By Mr. KELLY of Pennsylvania: A bill (H. R. 13645) granting a pension to Mary M. Barnett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13646) for the relief of L. A. Levin; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 13647) granting an increase of pension to Horace G. Butterfield; to the Committee on Pensions.

By Mr. LITTLE: A bill (H. R. 13648) granting a pension to William H. Stark; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 13649) granting a pension to Mary A. Hopkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13650) for the relief of the United Theaters Co.; to the Committee on Claims.

By Mr. NORTON: A bill (H. R. 13651) granting a pension to Leonard G. Foster; to the Committee on Invalid Pensions.

By Mr. SWANK: A bill (H. R. 13652) for the relief of John Mehan; to the Committee on Military Affairs.

Also, a bill (H. R. 13653) for the relief of Ruthie J. Nance, widow of Isaac N. Nance; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6723. By Mr. BURTNESS: Petition of members of Lebanon Lodge, No. 34, Ancient Free and Accepted Masons, Langdon, N. Dak., urging favorable consideration of the Towner-Sterling bill; to the Committee on Education.

6724. Also, petition signed by residents of Durbin, N. Dak., urging aid for poverty-stricken populace of German and Austrian Republics; to the Committee on Foreign Affairs.

6725. Also, petition of members of Lebanon Lodge, No. 34, Ancient Free and Accepted Masons, Langdon, N. Dak., urging favorable consideration of Towner-Sterling bill; to the Committee on Education.

6726. Also, petition signed by residents of Casselton, N. Dak., urging aid for poverty-stricken populace of German and Austrian Republics; to the Committee on Foreign Affairs.

6727. By Mr. ELLIOTT: Petition of Omer E. Hey, Richard Roby, Addison Roby, Homer Ramey, Otto Jones, Thomas Simmons, Ralph Burleson, Lon Wood, Frank Smith, Ray W. Davis, Earl Fort, John A. Trouse, Clarence Holliday, Walter E. Woods, Gail Smoker, George W. Weber, Frank Hale, Harvey Woods, C. M. Lybrook, Charles Colvin, Walter Wissler, Harry Lambert, William Plankenham, Rube Paddock, John Holler, Lawrence Burcham, Joses O. Burrsi, John A. Weber, H. B. Hamilton, C. E. Ham, Bert Wolting, Charles J. Kauffman, Lester Stinson, Lawrence Wissler, Thomas Chappelow, O. E. Saxton, Alden Naylor, Loat Shay, Joseph H. Weiss, Earl C. Leab, and Henry Bockos, to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6728. By Mr. FAUST: Petition of Mother Dolorosa and associates of the convent at Clyde, Mo., to extend relief to the peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6729. By Mr. GRIEST: Petition of Claude V. Bender and others, residents of Penryn, Pa., to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6730. Also, petition of J. H. Keener and other residents of Maytown, Pa., to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6731. By Mr. KIESS: Petition of sundry residents of Salladasburg, Pa., against tax on firearms and small-arms ammunition; to the Committee on Ways and Means.

6732. Also, evidence in support of House bill 13248, granting an increase of pension to Mary Marley; to the Committee on Invalid Pensions.

6733. By Mr. KISSEL: Petition of Frances T. Nash, State regent, New York Daughters of the American Revolution, relative to the $500,000 fund now available in the War Department and urging immediate sum of $6,000 to save the historic castle; to the Committee on Military Affairs.

6734. By Mr. McLAUGHLIN of Michigan: Petition of sundry citizens of Muskegon, Mich., to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6735. By Mr. ROGERS: Petition of sundry citizens of the State of Massachusetts to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6736. By Mr. ROUSE: Petition of South Gate Club, of Cincinnati, Ohio, in favor of the Towner-Sterling bill; to the Committee on Education.

6737. By Mr. SMITH of Idaho: Petition of sundry citizens of Pocatello, Idaho, indorsing the Smith-McNary reclamation bill; to the Committee on Irrigation of Arid Lands.

6738. By Mr. TEMPLE: Petition of American citizens of Ukrainian origin as result of mass meeting held December 17, 1922, at McKees Rocks, Pa., relating to conditions in East Galicia; to the Committee on Foreign Affairs.

SENATE.

THURSDAY, *January 4, 1923.*

(Legislative day of Wednesday, January 3, 1923.)

The Senate met at 12 o'clock meridian on the expiration of the recess.

The VICE PRESIDENT. The Senator from Texas [Mr. SHEPPARD] is entitled to the floor on the unfinished business, House bill 12817.

Mr. SMOOT. Will the Senator from Texas yield to me to present a report? I will say to the Senator that it will take me about 10 minutes.

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Utah for the purpose indicated?

Mr. SHEPPARD. I yield.

REPORT OF PUBLIC BUILDINGS COMMISSION.

Mr. SMOOT. Mr. President, I present a report from the Public Buildings Commission. The commission instructs me as its chairman to submit the following report to the Senate:

Since making its last report on June 3 this year the Public Buildings Commission has effected one conspicuous saving in the

amount the Government is now spending for the rental and upkeep of office buildings in the city of Washington. Reference is made to the Hooe Building, at 1330 F Street, which was vacated by the prohibition unit on November 1, thereby effecting a saving in rental and maintenance charges amounting to approximately $75,000 a year. This saving has been partially offset by increases in the rental of the Department of Justice Building and the Atlantic Building, occupied by the United States Forest Service. The commission is now endeavoring to make arrangements whereby the Department of Justice can be transferred to the Munitions Building or some other fireproof Government-owned structure and thus eliminate the exorbitant rental of $75,000 per annum which the department is paying for its present quarters. It is also the purpose of the commission to require the Forest Service to vacate the Atlantic Building as soon as suitable space can be made available in a Government-owned building.

The commission has in the past few months conducted intensive room-by-room surveys of the new Interior, Navy, and Munitions Buildings. The survey of the Interior Building brought out the fact that some 28,000 square feet of space could be saved by a better arrangement of personnel and equipment. As a result the department has been required to provide space in the building for the United States Coal Commission and to bring in the Bureau of Education from the Pension Office Building, thus relieving a congested situation in that structure.

The surveys also disclosed that 51,000 square feet of space can be made available in the Navy Building and 129,443 square feet in the Munitions Building. It is, of course, the purpose of the commission to make every effort to have this surplus space utilized to the best possible advantage.

Aside from the larger activities enumerated herein, the commission is constantly engaged in making numerous routine assignments of office space and such consolidations and rearrangements as appear to be for the best interests of the Government service as a whole.

The following tabulation shows the amounts the various departments were expending for the rental of office space on May 22, 1919, about the time this commission was organized, and the amounts being expended for rentals on December 1, 1922:

Department.	Annual rental, May 22, 1919.	Annual rental, Dec. 1, 1922.
Agriculture	$190,910.00	$146,710.00
Alien Property Custodian	31,200.00	----------
Civil Service Commission	16,875.00	16,875.00
Commerce	66,900.00	65,500.00
Court of Customs Appeals	7,000.00	7,000.00
Employees' Compensation Commission	3,600.00	----------
Federal Board for Vocational Training	6,400.00	----------
Federal Trade Commission	12,600.00	----------
General Accounting Office	----------	64,900.00
Interior	23,000.00	----------
International Boundary Commission	2,040.00	----------
International Joint Commission	1,724.00	----------
Interstate Commerce Commission	72,058.04	72,058.04
Justice	36,000.00	78,000.00
Labor	58,368.60	24,000.00
Panama Canal Office	7,500.00	----------
Railroad Administration [1]	86,985.00	----------
Shipping Board	210,105.56	----------
State	5,000.00	----------
Tariff Commission	11,000.00	----------
Treasury	174,339.00	42,150.00
War	111,797.08	7,500.00
Total	1,135,897.28	524,693.04

[1] Rental for building occupied by the Railroad Administration is now being paid by funds derived from operation of the railroads.

A total of $13,500 has been appropriated by Congress for the expenses of the Public Buildings Commission, of which amount there is now an unexpended balance of $2,922.65 in the Treasury.

PURCHASE OF THE SITES OF THE TEMPORARY BUILDINGS WEST OF SEVENTEENTH STREET.

The independent offices appropriation act approved June 12, 1922, appropriated $1,500,000 for the purchase of seven squares of ground between Eighteenth and Twenty-first Streets and between B Street and New York Avenue NW. This appropriation was based upon options which had been secured previous to the passage of the act, but there was considerable delay in the passage of the bills, so that the options expired before it became a law. It was feared that some difficulty would be met in securing this land at the option figures, due to the fact that the options had expired before the funds became available. In reality, however, the superintendent of the State, War, and Navy buildings reports that the purchases are being made at considerably lower figures on the average than the option figures. As an illustration of this, the square occupied by the War Trade buildings, known as temporary No. 5, between B and C Streets and between Twentieth and Twenty-first Streets NW., was purchased at an average cost of approximately $1.95 per square foot. An appraisal recently made by a disinterested board placed that value at $2.75 per square foot. In this one square alone there is an approximate saving of $75,000 over the appraised valuation. It is believed that the purchase of all the seven squares, which has now been consummated or is in process of satisfactory negotiations, will result in a saving of between $250,000 and $300,000 over the estimates upon which the appropriation was based.

A PUBLIC BUILDING PROGRAM.

One fact which is becoming more evident each day is that the Government should at the earliest possible moment embark upon a building program which will lead to the housing of all departments and independent establishments in permanent Government-owned structures. The commission is rapidly approaching a point where it will be impossible to effect further reductions in rentals unless new buildings be erected. To illustrate the urgent necessity for immediate action, the attention of Congress is directed to the fact that there are now in existence 12 of the so-called temporary war buildings, comprising a total floor area of 2,380,559 square feet. The best judgment of those in position to know is that these structures can not possibly last more than 8 or 10 years longer, and even then it will probably be necessary to spend vast sums for their repair. In fact, one of them is deteriorating so rapidly at this time that the constant expenditure of considerable funds is necessary to make it habitable. The building referred to is the old War Industries Building at Fourteenth and B Streets and occupied by an important unit of the Bureau of Internal Revenue.

It is very evident that immediate steps should be taken to replace these structures with permanent buildings. While officials in charge of them take the most elaborate precautions against fire and are doing everything that is humanly possible to guard against it, nevertheless the danger is always present. Their destruction by fire would almost certainly entail the loss of valuable and, in many cases, irreplaceable records, as well as the possibility of loss of human life. The Government would then be forced to rent private buildings at a tremendous outlay of money.

Aside from the urgent necessity of replacing the temporary buildings, there are other and equally as serious situations demanding relief.

The present haphazard housing of the Department of Agriculture is cited as an example. This department, one of the worst-housed institutions in the city, occupies 22 buildings of all possible types, in widely scattered locations. It does not require a very discerning mind to picture the great economy and increased efficiency which would inevitably result from bringing this great activity together in one location in buildings adapted to its needs.

The Bureau of Internal Revenue of the Treasury Department is another activity which is suffering by reason of inadequate housing. This important unit should by all means be housed in one building, instead of being distributed around in nine different locations as at present. Officials of the bureau estimate that a saving of 25 to 30 per cent in the cost of collection of taxes could be effected should they be housed in one building.

The General Accounting Office, now located in 19 different buildings, would function with highly increased efficiency if located in one building.

The erection of the following buildings at an early date is earnestly recommended:

1. A modern office building, well lighted, with appropriate but simple finish, on square east of 88, between Twentieth and Twenty-first Streets and B and C Streets NW., land now owned by the United States and admirably adapted to the construction of an office building; this building to be approximately six stories and basement, providing a floor space of 900,000 square feet, sufficient to take care of both the internal revenue office and the Comptroller General's office.

2. The demolition of the buildings south of Pennsylvania Avenue, between Fourteenth and Fifteenth Streets NW., and the erection thereon of the three buildings for which plans have already been prepared, with such modifications in the plans that will make it possible to meet the present-day needs of the departments.

3. The procurement of a site for the construction of an archives building and the construction of this building according to plans already completed and approved.

4. The erection of 15 stories of steel filing stacks in the interior court of the Pension Office Building at an estimated cost of $1,000,000. If these stacks are installed it will result in making of the Pension Office Building an ideal archives building. That building is fireproof and is isolated from other buildings. In addition, there is no heating plant in it, as it is heated from the Land Office Building. The danger from fire, therefore, would seem to be reduced to an absolute minimum.

There are summarized below the arguments for the erection of these stacks in the court of the Pension Office Building:

(a) A building admirably adapted for the purpose is already erected.

(b) The present use of the building could continue without interference.

(c) The court in which it is contemplated erecting the steel stacks contains 4,000,000 cubic feet of space, practically all of which is wasted.

(d) The proposed stacks, if installed, would make use of 2,894,008 cubic feet of space which is now wasted.

(e) The proposed stacks would provide 729,929 linear feet of shelving (approximately 138 miles), or 220,356 shelves (not including top shelves), with a net filing capacity of 948,900 cubic feet.

(f) The estimated cost of erecting an archives building to accommodate an equal amount of shelving, including necessary stairways, elevators, corridors, toilets, etc., would be $1,680,000. This figure is based upon a cost of $0.56 per cubic foot for a building of 3,000,000 cubic feet capacity. This cost is very reasonable. In addition, the shelving for such a building would cost $500,000, and the land would represent an outlay of $200,000 more. The total cost would therefore be $2,380,000 (approximately).

(g) The cost of making provision for the same amount of filing space for the Pension Office Building would be approximately $1,000,000.

(h) If a new archives building were erected it would be necessary to provide a force for guarding it and for maintaining and operating it. If these shelves are erected in the Pension Office Building, the present guard and maintenance forces would not have to be augmented. The only additional cost would be for electricity for lighting.

(i) If these filing stacks were installed an almost unlimited amount of space now occupied by files in office buildings could be relinquished for office purposes. A study is being made as to approximately how much office space could be given up as a result of the erection of these stacks and the saving which would result through the giving up of rented buildings.

Data concerning the proposed filing stacks in the interior court of the Pension Office Building.

Estimated cost of proposed filing stacks in interior court of the Pension Office Building	$1,000,000
Net cubic capacity	948,900
Total number of shelves (not including top shelves)	220,356
Total number of shelves (including top shelves)	224,052
Linear feet of shelves (not including top shelves)	729,929
Linear feet of shelves (including top shelves)	742,172
Total length in miles of shelves (not including top shelves) equal approximately	138
Estimated cubage of building that would be required for this amount of shelving if placed in rooms of ordinary type	3,000,000
Estimated cost of erection of this amount of shelving if placed in such a building	$500,000
Estimated cost of erection of such a building	$1,680,000
Cubage of court	4,000,000
Cubage of building	6,170,200
Cubage of space occupied by stacks	2,894,008

Estimated annual saving to the Government as a result of the installation of these stacks.

500,000 square feet of space released at estimated annual cost, including maintenance, of 80 cents per square foot		$400,000
Less:		
Interest on $1,000,000 at 4½ per cent	$42,500	
Lighting and cleaning 390,000 square feet of space in filing stacks (only maintenance work required) at 10 cents per square foot	39,000	
		81,500
Net saving per annum, in addition to annual saving		318,500
Value of steel filing cases released and made available for use at approximately $3 per square foot (cost is about $6 per square foot) for one-half area of stacks		600,000

Another great need, as the commission sees it, is the erection of a large fireproof warehouse in a suitable location for the use of the General Supply Committee. Their supplies are now stored for the most part in the old barrack buildings in East Potomac Park. These structures, aside from being eyesores in a public park, are rapidly falling to pieces and afford but little protection to the goods stored there.

This commission is unanimously of the opinion that Congress should at once authorize the expenditure of some twenty-five or thirty million dollars for the construction of suitable public buildings in Washington. This amount could be appropriated at the rate of two or three million dollars per annum, and should this recommendation be favorably acted upon it is confidently believed that within a few years all Government activities in Washington will be housed in permanent fireproof buildings. It is also recommended that the Public Buildings Commission be designated as the agency which shall decide which buildings are to be built and where they are to be located. This will enable the commission to lay out the plans of housing the various departments and will make it possible to consider the whole matter from the broad general viewpoint of the best interests of the Government. In the past it has been the custom of the various departments and bureaus to submit their individual building needs to Congress, without regard to any general plan, and this has naturally resulted, and will continue to result, in numbers of buildings being most unfortunately located. The commission, having had nearly four years' experience in dealing with the assignment of space in the public buildings, believes it is qualified to say just what the needs of each department are and where the buildings should be located.

It is suggested that the legislation herein proposed authorize the commission to submit an estimate to the Director of the Budget each year prior to the December session of Congress, which estimate shall state the amount required for carrying on the work for the ensuing fiscal year. It is also suggested that the commission be authorized to apportion the work of preparation of plans, letting of contracts, and supervision of construction of the buildings herein proposed among such agencies of the Government as appear best qualified to do the work.

Thus it would merely be the duty of the commission to—

1. Submit the annual estimates to the Director of the Budget as outlined above.

2. Decide what buildings are actually needed by each department and bureau.

3. Decide what type of building is to be built.

4. Decide where each building is to be located.

The various buildings recommended herein could be constructed under the general authorization suggested above. The commission earnestly hopes that Congress will take some action in the near future with a view to the adequate housing of the Federal departments.

During the reading of the report by Mr. SMOOT,

Mr. FLETCHER. Mr. President, may I ask the Senator what building it is where there is now so much waste space?

Mr. SMOOT. It is the old Pension Office Building. The Senator has been in it and knows that in the center of it there is a space that is not occupied for any purpose, but is a perfect waste of valuable space. We can put steel stacks in there, and in that way save over 2,000,000 cubic feet of space in other buildings which is occupied now for storage purposes. I have the blue prints, I will say to the Senator, and the estimated cost for putting the 15 stories of steel stacks in the Pension Office Building would be not to exceed $1,000,000, and we would save at least $600,000 every year thereafter as a result.

Mr. FLETCHER. The stacks are proposed for storage purposes?

Mr. SMOOT. For record purposes. Not only that, but the Senator knows that the records of the departments now in many cases are placed in large boxes and the lids fastened down and the boxes stored in space which might otherwise be occupied by employees of the Government. When a paper contained in one of those boxes is needed, it is necessary to send four or five colored men, who have, perhaps, to take four or five of those great boxes down in order to find the one desired, open it, and fish out of that box the paper that is wanted, sometimes taking days to do it, whereas if we had the stacks all these papers could be stored in them and cross-indexed, so that any person could go and find a desired paper within five minutes after reaching the building.

Mr. SHEPPARD. Mr. President, may I ask the Senator the present status of the project for an archives building?

Mr. SMOOT. The Senator will notice that the commission have recommended that the building be erected, and if the recommendations of the commission shall be followed out the building will be erected.

Mr. OVERMAN. To what commission does the Senator from Utah refer—to the Fine Arts Commission?

Mr. SMOOT. No; I refer to the Public Buildings Commission.

Mr. OVERMAN. Where is it proposed that these new buildings shall be erected?

Mr. SMOOT. If the Senator from North Carolina had been present he would have known that I have already made a statement as to that. For instance, we recommend that three of the principal buildings shall be erected on the squares just south of the Willard Hotel. The Government owns those two squares, together with the street running between them. The commission recommends that the old buildiings now occupying that site shall be demolished and that three buildings be erected there.

I will also say to the Senator that the plans for those buildings, which have already been drawn, were adopted by the old commission of which, I think, the Senator from North Carolina was a member.

Mr. SHEPPARD. Has a site been selected for the archives building?

Mr. SMOOT. There was a site selected for that building, but, as the Senator knows, there was objection made here on the floor of the Senate by one of the Senators in the closing days of the session. When an appropriation was asked for, if I remember correctly, the House did appropriate the money for the erection of the building on that site. I have forgotten the exact location, but I think it was down where Eighteenth Street runs between B and C Streets. There is a square there on which the Fine Arts Commission have recommended that the archives building be located. That commission has also passed upon the plans for the building.

Mr. SHEPPARD. The Senator from Utah states that the other House voted to appropriate the money to construct a building on that site?

Mr. SMOOT. I think so.

Mr. SHEPPARD. What became of the appropriation when the bill carrying it came to the Senate?

Mr. SMOOT. The Senate did not agree to it, and the item went out of the appropriation bill.

Mr. SHEPPARD. And the result is that we have the site, but as yet have no appropriation for the building?

Mr. SMOOT. No, we have not the site; for the bill carrying the appropriation for the building also provided for the purchase of ground for the site.

Mr. SHEPPARD. So we have neither the site nor the money appropriated for the building?

Mr. SMOOT. Not as yet.

Mr. SHEPPARD. Mr. President, one of the most urgent needs of this Government is for a modern fireproof archives building.

Mr. SMOOT. I am going to ask for an appropriation of a million dollars in the proper appropriation bill to build the proposed steel stacks and to place them in the Pension Office. Should that appropriation be made, it will take care of many of the ordinary current records of the Government. That, however, will not interfere at all with the plan of erecting an archives building, I will say to the Senator from Texas.

Mr. SHEPPARD. I wish to say that as long ago as 1911, while I had the honor of being chairman of the Public Buildings Committee of the House of Representatives, that committee conducted an exhaustive investigation as to the status of the files and papers of the various governmental departments; and even at that time it was shown that the need for such a building was most urgent; that records of an invaluable nature were in danger of destruction; and that many of them were practically inaccessible.

Mr. SMOOT. The Senator from Texas is correct. I wish again to emphasize the fact that if $1,000,000 be appropriated for that purpose the shelving space which will be furnished to the Government in the old Pension Office Building will aggregate 138 miles of linear feet; there will be 15 stories of shelving; and it will not cost the Government of the United States for maintenance a cent other than, perhaps, the electric lights which may be necessary on dark days or in evenings or mornings so that those desiring to examine the papers and records may go to the different stacks and get them.

Mr. SMITH. May I ask the Senator from Utah if the space which he proposes shall be utilized in the Pension Office Building will be in addition to the proposed archives building?

Mr. SMOOT. It will.

Mr. SMITH. In other words, what I am getting at is, what would be the necessity of spending a million dollars to provide facilities in the Pension Bureau if it is proposed to erect an archives building which will have sufficient space to take care of all of the records of the Government?

Mr. SMOOT. I will say to the Senator that the archives building as proposed will not be large enough to take care of all the records of the Government; but if so, the stacks we propose to purchase now can be used in the archives building. The provision to be made in the Pension Office will always be needed; there can be no question about that. We want a place there where the current records of the Government may be available at any time in order that it may be possible to secure a Government record or paper without hunting days for it.

Mr. BRANDEGEE. Mr. President, is this debate proceeding by unanimous consent?

The VICE PRESIDENT. The Chair has assumed that that was the case. Does the Senator object?

Mr. BRANDEGEE. I do not object to the Senator from Utah making his report and reading it; but I do not think this is the place or the time for discussing all the details of the report.

Mr. SMOOT. If the Senator from Connecticut objects, I will not take a moment further of the time of the Senate; but when an opportune time presents itself I will submit my report.

Mr. BRANDEGEE. I said I did not object to anything the Senator from Utah wanted to say; but I do object to the interruptions which lead to the discussion of the details which are no part of the report.

Mr. SMOOT. Mr. President, I am nearly through with my report, I will say to the Senator.

Mr. FLETCHER. Mr. President, I do not want to delay the Senator, but I am a little curious to know whether or not it is intended to spend a million dollars on stacks in a building which I am sure is not fireproof?

Mr. BRANDEGEE. It is just such interruptions as that I rose to object to, Mr. President.

Mr. FLETCHER. As I understand, the Pension Office is not a fireproof building.

Mr. BRANDEGEE. I object to debate, though I do not object to the Senator from Utah reading his report.

The VICE PRESIDENT. The Senator from Utah has the floor.

Mr. BRANDEGEE. I know he has, but some other Senator has not the floor, and I object to the Senator from Utah being interrupted.

Mr. SMOOT. Mr. President, I will conclude the presentation of the report.

The reading of the report having been concluded, it was ordered to lie on the table and to be printed in the RECORD in 8-point type.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	George	McKellar	Sheppard
Brandegee	Glass	McKinley	Smith
Brookhart	Harreld	McLean	Smoot
Bursum	Harris	McNary	Spencer
Calder	Harrison	Nelson	Stanfield
Cameron	Heflin	New	Stanley
Capper	Hitchcock	Nicholson	Sterling
Caraway	Johnson	Norris	Sutherland
Couzens	Jones, Wash.	Oddie	Townsend
Culberson	Kellogg	Overman	Trammell
Curtis	Kendrick	Pepper	Wadsworth
Dial	King	Phipps	Walsh, Mass.
Dillingham	Ladd	Poindexter	Walsh, Mont.
Elkins	La Follette	Pomerene	Warren
Ernst	Lenroot	Ransdell	Weller
Fletcher	McCormick	Reed, Mo.	Williams
Frelinghuysen	McCumber	Robinson	

Mr. CURTIS. I desire to announce that the Senator from Ohio [Mr. WILLIS] is necessarily absent on account of serious illness in his family.

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). Sixty-seven Senators having answered to their names, there is a quorum present.

Mr. SHEPPARD resumed and concluded the speech begun by him on yesterday. The entire speech will be published hereafter.

THE LEAGUE OF NATIONS.

Mr. WILLIAMS. Mr. President, I hold in my hand an article which I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the Labor World, May 27, 1922.]

WHERE'S WILSON'S LEAGUE? ASKS NEWS-TRIBUNE; MCCARTHY REPLIES—PARTY WOULD DESTROY WORLD'S CIVILIZATION.

Here is an able and instructive criticism of an editorial in the Duluth News-Tribune on "Where, oh, where is the League of Nations?" Mr. McCarthy tells 'em. He blames the Republican Party for the present European crisis and for the 5,000,000 unemployed workers in America.

Mr. McCarthy is a life-long Republican. He served as a member of the Minnesota Senate in the sessions of 1899 and 1901. He is one of the best-informed men in America on world events. His familiarity with them led him to follow closely the work of Woodrow Wilson. As an American he refused to join with his party in the assassination of the world's civilization by killing the League of Nations. His contribution in this number of the Labor World is a terrific indictment against the Harding administration.

—

REPUBLICANS MADE IT IMPOTENT, GRAND RAPIDS MAN DECLARES—PRESENT WORLD CRISIS DUE TO UNITED STATES.

The May 15, 1922, issue of the Duluth News-Tribune contained an editorial entitled "Where, oh, where is the league?" As it is a fair sample of the systematic scheme or plan of the Republican Party to mislead the public and make the League of Nations odious, we will give it some attention. It said:

"Where is the League of Nations? In a physical sense it is at Geneva, but in the sense of being worth a continental in the present European crisis it is nowhere.

"It is not easy to realize that Woodrow Wilson all but ruined his health for so inefficient a thing.

"It is impotent and gives no promise of accomplishing anything save finding a place in the budget of certain nations. Americans make errors like unto other peoples, but they at least did not make the stupendous blunder of joining the League of Nations."

We will dissect and analyze this stereotyped and canned Republican propaganda. It contains eight assertions:

1. That there is a present European crisis.
2. That this crisis is ominous, foreboding, portentous of danger.
3. That it ought to be adjusted, removed.
4. That there is a League of Nations.
5. That this league should have adjusted the trouble.
6. That the league is impotent, unable to remove the danger.
7. That the Republican Party prevented America joining the league.
8. That we did well not to join it.

With the first assertions or positions we have no quarrel. We will consider the eighth and discuss it solely from the standpoint or viewpoint of America's selfish interests—safety, security, business, pecuniary gain, material advantage. That puts us in the field of the avowed foreign policy of the Republican Party, "Islands, Oil, Dollars." The discussion will be on familiar ground.

WHOLE EARTH INVOLVED.

This present European crisis commenced July 28, 1914. From the beginning it involved the whole earth.

It still involves all nations, including the United States. In 1917 it dragged this country into a world war.

It dug the graves of 81,000 American soldiers.

It wounded, mangled, and disabled 250,000 other American soldiers.

It sowed the seeds of disease and death in the bodies of hundreds of thousands of other American soldiers.

It compelled us to loan over $11,000,000,000 to European nations which can never be repaid until the crisis passes.

It compelled this Nation to contract a national public indebtedness of $24,000,000,000, which we must pay.

COSTS MORE THAN WAR.

It compels us now to expend the enormous sum of over $1,000,000 per day for hospital service for the wrecked and ruined lives of those who, but for it, would be self-supporting American citizens.

It caused us to suffer a financial loss in 1921 of over $24,000,000,000, a greater sum than it cost us to fight the war.

It is causing this country to lose millions of dollars every day, right now, because of industrial conditions in Europe and throughout the world.

It compelled over 5,000,000 able-bodied Americans to tramp the streets and highways during 1921, looking for work and finding it not.

It promises to continue these conditions indefinitely into the future.

AMERICA AGAINST WAR.

At the close of the World War America's selfish interests required a settlement that would accomplish two things; one, that we should not be dragged by foreign nations into another war as we were into that one; and two, that the industries of the world, especially of Europe, should be promptly reestablished.

Europe owed us $11,000,000,000 and we needed the money. We could get neither principal nor interest until Europe went to work. America is able to produce sufficient to have a foreign trade represented by exports and imports of $15,000,000,000 annually. Because we can so produce, our domestic internal business and prosperity requires this foreign trade.

Of our total foreign trade over two-thirds is with Europe, when Europe is in a normal business condition. Every mill, mine, factory, and farm in America depends on the prosperity of Europe.

WILSON SAW CLEARLY.

At the close of the war there was one man in America who saw, understood, and appreciated the vital interest we had in a proper settlement of the war. That man was Woodrow Wilson. He knew that Europe could not do business with us to the amount of two-thirds of our foreign trade unless Europe settled down to business; that it was vital to us that Europe should settle down to business promptly.

He also knew that the only way to prevent political chaos, anarchy, and probable war likely to again involve America was to get Europe on her feet industrially. These things he set out to accomplish. He had in mind the welfare of his own country, the prosperity of his native land. He would save America from future wars, and give her a world-wide field in which to expand and develop.

RICHEST IN WORLD.

His country was the richest in the world, made so by the war.

It was the creditor nation of the world, made so by the war.

It was the most powerful nation on earth, left so by the war.

Its mills, factories, mines, forests, and farms were all intact, ready for business.

It had unlimited resources, natural and artificial; labor, skilled and unskilled. It was ready to supply the world.

Restore stable conditions in Europe and America could do the rest.

Establish sound credit in Europe and America would lift the stricken nations into the sunlight of prosperity.

LEAGUE WAS NECESSARY.

This he would accomplish by two things; one, a League of Nations; two, a reasonable settlement and adjustment of the obligations of Germany. Beginning in 1914 and continuing to the fall of 1918 America had considered and discussed the necessity of a League of Nations.

It was the consensus of opinion that such a league was necessary and that the time had arrived to create it. The key to a return of normal industrial conditions in Europe was the matter of German restitution and reparations. To accomplish a settlement of these matters required freedom from hatred, malice, and the passions engendered by the war.

At the close of the war there was but one nation on earth so conditioned as to be able to lead and guide the stricken world to a sensible, reasonable peace. That nation was the United States. No nation had a greater interest in the establishment of such a peace. Our financial interests, our industrial prosperity required it. One would have supposed that America would have been a unit, standing solidly in support of President Wilson and his administration in his efforts to secure such settlement. But such was not the case.

BEGAN TO CONSPIRE.

America, under the influence and guidance of the then Republican leaders, commenced, in December, 1918, and continued during the entire negotiations and work of the peace commission at Paris, to undermine, discredit, and destroy the standing, influence, and power of both President Wilson and the Nation at Paris.

The scheme was to make it appear in France, to cause the Peace Conference to believe that President Wilson did not represent America; that America was opposed to what he there advocated; that America was not in favor of a league of nations, and was not in accord with the President's ideas as to what would be a reasonable or sensible settlement with Germany.

In the matter of German restitution and reparations, these American conspirators declared that America stood with those who demanded the utmost of Germany, and that Mr. Wilson was trying to secure a "soft peace" for Germany, to let Germany off easy, to assist Germany in her efforts to escape restitution and reparation.

HARVEY'S TREASON.

By March, 1919, the Republican partisan press of this country filled the air with denunciations of President Wilson's attitude and objects in the matter of German reparations. The entire propaganda was prepared and carried on pursuant to a carefully arranged plan to accomplish the defeat of everything advocated by the President at Paris. The scheme was to ruin him and his cause; to destroy him.

The climax was reached by a false and libelous cartoon printed and published in the April 26, 1919, issue of Harvey's Weekly. The picture covered two full pages of the magazine. At the left was the symbolical figure or statue of Justice, standing erect, blindfolded, holding in her left hand the scales and in her right the sword. At the right, facing Justice, with hands uplifted in remonstrance and protest, stands President Wilson. Immediately behind him, crouching to the ground, skulking, hiding, is Germany, represented by the usual cartoon of a booted, helmeted, uniformed Hun. Underneath are the words "The Protector of the Huns."

INFAMOUS AND DAMNABLE.

Considering that picture in the light of what it expressed as to the attitude of America in the then crisis of the world, and in the light of the disastrous financial and industrial results actually experienced by America because of it, and in the light of present world conditions, it was probably the most infamous and damnable ever printed and published on this globe. But he who did it, whose genius put the soul of the Republican Party into it, has been rewarded for it by appointment as American ambassador to the Court of St. James.

The conspirators succeeded. American influence was reduced by their work to such an extent that a sensible adjustment of German reparations was not made, with the result that all Europe is still in turmoil, in a state of industrial chaos, to the damage of America in the sum of billions of dollars.

ULTIMATELY KILLED IT.

They succeeded also as to the League of Nations. While they failed in their efforts during the negotiations of the treaty to kill it, they have ultimately succeeded. Notwithstanding that 51 nations entered into it, signed the solemn compact, the written treaty, in good faith, hoping, trusting thereby to save the world, these conspirators have labored for three years to destroy it.

* * * * * * *

The League of Nations is impotent in the present crisis in Europe. There is nothing to take its place, to the great glee of that party. Meanwhile our industries languish and 5,000,000 able-bodied Americans are unemployed.

PETITIONS AND MEMORIALS.

Mr. WARREN presented the petition of Rawlins Lodge, No. 5, Ancient Free and Accepted Masons, of Rawlins, Wyo., praying for the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

Mr. ROBINSON presented a resolution adopted by Local Union, No. 1556, United Mine Workers of America, of Russellville, Ark., favoring prompt action by the Federal Government to remedy the faulty condition of railroad operating equipment, which was referred to the Committee on Interstate Commerce.

Mr. KENDRICK presented the petition of Rawlins Lodge, No. 5, Ancient Free and Accepted Masons, of Rawlins, Wyo., praying for the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Laramie (Wyo.) Council of Industry, protesting against the recommendation made by the Budget Bureau to appropriate only $3,000,000 for forest roads and trails and urging the appropriation of $6,500,000, the amount authorized by the act of June 19, 1922,

which were referred to the Committee on Agriculture and Forestry.

Mr. LADD presented the petition of Oscar Schmitler and seven other citizens of Wolford, N. Dak., praying for the enactment of legislation to stabilize the prices of farm products, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of Rev. G. Wullschleger and 32 other citizens and of W. E. Lohr and 47 other citizens, all of Judson and vicinity, in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

Mr. NORBECK presented the petitions of Mahlon T. Lightner and 47 other citizens of Edmunds County and of M. L. Stavig and 132 other citizens of Roberts County, in the State of South Dakota, praying for the enactment of legislation to stabilize the prices of farm products, which were referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Java and Mound City, S. Dak., praying the enactment of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES.

Mr. NEW, from the Committee on Claims, to which was referred the bill (S. 4030) for the relief of Capt. Murray A. Cobb, reported it without amendment and submitted a report (No. 968) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

A bill (S. 419) for the relief of the owners of the steamship *Esperanza* (Rept. No. 969);

A bill (S. 420) for the relief of the Long Island Railroad Co. (Rept. No. 970); and

A bill (S. 421) for the relief of the owners of the steamship *Lexington* (Rept. No. 971).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 3668) for the relief of Gertrude Lustig (Rept. No. 972);

A bill (H. R. 966) for the relief of the Tacoma Tug & Barge Co. (Rept. No. 973);

A bill (H. R. 2049) for the relief of the Delaware River Lightering Co. (Rept. No. 974);

A bill (H. R. 3461) for the relief of Eugene Fazzi (Rept. No. 975);

A bill (H. R. 4619) for the relief of the Link-Belt Co., of Philadelphia, Pa. (Rept. No. 976);

A bill (H. R. 4620) for the relief of Th. Brovig (Rept. No. 977);

A bill (H. R. 4622) for the relief of the Lloyd Mediterraneo Societa Italiana di Navigazione, owners of the Italian steamer *Titania* (Rept. No. 978);

A bill (H. R. 5249) for the relief of Ephraim Lederer, collector of internal revenue for the first district of Pennsylvania (Rept. No. 979);

A bill (H. R. 5648) for the relief of Ike T. Boyles (Rept. No. 980);

A bill (H. R. 6177) for the relief of the owner of the fishing smack *Mary S. Dolbow* (Rept. N . 981);

A bill (H. R. 8214) to compensate the owners of the American steamship *Vindal* for damages and expenses in repairing the said steamship, and to make an appropriation therefor (Rept. No. 982);

A bill (H. R. 9887) for the relief of the Pennsylvania Railroad Co. (Rept. No. 983); and

A bill (H. R. 10287) for the relief of John Calvin Starr (Rept. No. 984).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 3503) to carry out the findings of the Court of Claims in the case of the Commercial Pacific Cable Co., reported it with an amendment and submitted a report (No. 985) thereon.

Mr. PEPPER, from the Committee on Banking and Currency, to which was referred the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, reported it with an amendment in the nature of a substitute and submitted a report (No. 986) thereon.

Mr. LADD (for Mr. NORRIS), from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 8086) to prohibit the shipment of filled milk in interstate or foreign commerce, reported it with amendments and submitted a report (No. 987) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPENCER:

A bill (S. 4269) to create a commission of investigation in connection with the eighteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

A bill (S. 4270) to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin; and

A bill (S. 4271) to amend section 1 of the act of Congress of March 3, 1921 (41 Stat. L. 1249), entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes'"; to the Committee on Indian Affairs.

By Mr. ODDIE:

A bill (S. 4272) granting a pension to Henry Rabbes; to the Committee on Pensions.

By Mr. COUZENS:

A bill (S. 4273) authorizing and directing the Treasurer of the United States to convey certain land in section 21, Huron County, Mich., to the Pointe Aux Barques Resort Association; to the Committee on Public Lands and Surveys.

By Mr. WADSWORTH:

A bill (S. 4274) to provide for the organization of the Organized Reserves in the Philippine Islands; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 4275) incorporating the Supreme Lodge of the World, Loyal Order of Moose; to the Committee on the District of Columbia.

By Mr. BROUSSARD:

A bill (S. 4276) for the relief of Maj. Russell B. Putnam; to the Committee on Naval Affairs.

TERMS OF COURT OF CLAIMS.

Mr. RANSDELL submitted two amendments intended to be proposed by him to the bill (S. 2228) to amend certain sections of the Judicial Code relating to the Court of Claims, which were ordered to lie on the table and to be printed.

AMERICAN PROPERTY INTERESTS IN THE ISLE OF PINES.

Mr. POMERENE submitted the following resolution (S. Res. 392), which was considered by unanimous consent and agreed to:

Resolved, That the Secretary of State be, and he is hereby, directed to inform the Senate how many citizens of the United States have landed or other property interest in the Isle of Pines, and the amount and value of such lands and other property owned by them.

SHIPPING BOARD CLAIMS COMMISSION.

Mr. KING submitted the following resolution (S. Res. 393), which was referred to the Committee on Commerce:

Resolved, That the Committee on Commerce is authorized and directed to investigate the cause of the dissolution of the Claims Commission which was constituted to examine and pass upon claims against the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation, which was dissolved and abolished by Chairman Lasker of the Shipping Board in an order issued December 19 and made effective December 31, 1922; to investigate the activities and work of said commission and ascertain the results of the same, and whether the work of said commission was advantageous to the Government, and what, if any, reasons existed for the discontinuance of said commission; to ascertain the amount of outstanding claims against the United States Shipping Board Emergency Fleet Corporation and the proposed methods of dealing with the same, and whether or not said methods will be more advantageous to the Government than the handling of such claims by the Claims Commission; and report its findings and recommendations to the Senate in the premises. Said committee may send for persons and papers, administer oaths, and employ such clerical assistance as may be necessary, and may appoint a subcommittee to exercise the powers and duties conferred upon said committee by this resolution.

ASSISTANT CLERK TO COMMITTEE ON INDIAN AFFAIRS.

Mr. SPENCER submitted the following resolution (S. Res. 394), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution 328, agreed to September 13, 1922, authorizing the Committee on Indian Affairs to continue the employment of an assistant clerk, payable out of the contingent fund, until the end of the present Congress, be, and the same hereby is, further continued in full force and effect until the end of the Sixty-eighth Congress.

AMERICAN REPRESENTATION ON REPARATION COMMISSION.

Mr. ROBINSON obtained the floor.

Mr. STANLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STANFIELD in the chair). The absence of a quorum being suggested, the Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Ball	Glass	McKellar	Smoot
Borah	Harreld	McKinley	Spencer
Brandegee	Harris	McNary	Stanfield
Brookhart	Heflin	Myers	Stanley
Calder	Hitchcock	New	Sutherland
Cameron	Johnson	Norris	Townsend
Capper	Jones, Wash.	Oddie	Trammell
Caraway	Kellogg	Overman	Underwood
Couzens	Kendrick	Pepper	Walsh, Mass.
Culberson	King	Phipps	Walsh, Mont.
Curtis	Ladd	Pittman	Warren
Dial	La Follette	Poindexter	Watson
Elkins	Lenroot	Pomerene	Weller
Fletcher	Lodge	Robinson	
Frelinghuysen	McCormick	Sheppard	
George	McCumber	Smith	

The PRESIDING OFFICER. Sixty-one Senators have answered to their names. There is a quorum present.

Mr. ROBINSON. Mr. President, it is with some hesitation, and with a sense of both personal and official responsibility, that I bring before the Senate at this time a measure of great importance respecting the foreign relations of this Government.

So many influences have been at work, and still continue their efforts, to fashion public sentiment in the United States and to influence the official action of this Government, that it is quite difficult to ascertain sufficient facts upon which to form a decisive opinion as to what course this Nation should take respecting the problems that distress European peoples and prevent the normal conduct of their affairs. Within an hour it has been said to me by a well-informed citizen, in whom I have great confidence, that propagandist influences of a powerful character are now at work to induce this Government to change its policy respecting European controversies, and to participate in the settlement of them, and if such counsel prevails we may be led into serious and costly error.

From the signing of the armistice it has seemed to me necessary that this Government should have a share in the adjustment of the acute problems which embarrass the nations of Europe, and which are the outgrowth of the great conflict which the armistice terminated.

It will be remembered that President Wilson, while the treaty of Versailles was pending in the Senate, submitted to the chairman of the Committee on Foreign Relations, the Senator from Massachusetts [Mr. LODGE], a somewhat informal communication, a letter, in which he expressed the opinion that it was necessary and advisable for this Government to have temporary representation on the Reparation Commission. President Harding was then a member of the Committee on Foreign Relations, and, with other members of that committee constituting a majority, took the position that until the treaty of Versailles had been ratified by the Senate it was not proper or competent that this Government should have representation on any commission created by that treaty. The President then adopted the policy of securing information as to the action and deliberations of the commission through the medium of unofficial observers; and President Harding, as I shall later show, continued that policy.

When the separate treaty of peace between this Nation and the German Government was entered into, there was incorporated section 4 of Article II, which is as follows:

> That while the United States is privileged to participate in the Reparation Commission, according to the terms of part 8 of that treaty, and in any other commission established under the treaty or under any agreement supplemental thereto, the United States is not bound to participate in any such commission unless it shall elect to do so.

And in the resolution of ratification this provision was inserted:

> The United States shall not be represented or participate in any body, agency, or commission, nor shall any person represent the United States as a member of any body, agency, or commission in which the United States is authorized to participate by this treaty, unless and until an act of the Congress of the United States shall provide for such representation or participation.

By exchanging the ratifications of that treaty the President estopped himself from designating representatives of this Government to serve officially as members of the Reparation Commission.

The incorporation in the resolution of ratification of the provision just read was a most extraordinary proceeding. It would seem to show a lack of confidence on the part of the Senate in the President of the United States, who, under the Constitution, is vested with the control of our foreign relations. If the President had not bound himself by the exchange of ratifications of the treaty containing this provision, it is doubtful if Congress could have taken any action so effectively intrenching upon the constitutional prerogative of the Executive. It is difficult to understand, in the light of recent and current events, why any Executive would willingly become a party to such a limitation on the exercise of his powers. It is inconceivable that any President, whatever his politics or views touching foreign problems, should desire to preserve such a monument to the suspicion and mistrust of his party adherents as exists in the effort to deny him the privilege to appoint representatives for the United States in matters which involve the foreign relations of our Government, even if it be conceded that the provision literally does not infringe upon his rights.

Mr. BRANDEGEE. Mr. President——

Mr. ROBINSON. I yield with pleasure to the Senator from Connecticut.

Mr. BRANDEGEE. The last sentence of the Senator would seem to me to be rather inconsistent with his previous statement that this action did trench upon the exclusive powers of the President; but does the Senator claim that Congress has nothing whatever to say about what the foreign policy of this country shall be?

Mr. ROBINSON. Certainly not. The Senator from Arkansas claims, however, that the conduct of the foreign relations of this Government is exclusively an Executive function; and if the President, in the conduct of those relations, finds it necessary to appoint an agent, a minister, or an ambassador, that he has the right to do so, and it is doubtful whether the Congress can, by any mere legislative act, estop him from taking the course in that regard which, in his judgment, will promote the best interests of the Nation. I have said, however, that even if it be conceded that the Congress has the power by legislative act to deny the President the right to appoint a representative, an ambassador, or a minister, even though such representative be not accredited to a particular government, even though his services be confined to such services as are performed by members of the Reparation Commission, it is doubtful, in my mind, whether Congress should do that; but such an issue is not important in this discussion, for the reason that the President exchanged the ratifications of the separate treaty of peace with Germany, in which it was provided that no member to serve on any commission created under the Versailles treaty should be appointed except when authorized by an act of Congress. For that reason, believing that the President ought to have the opportunity of appointing a representative of the United States to serve on the Reparation Commission if he thinks such action will conserve the best interests of the Nation, I have introduced a bill authorizing him to do so, and I have put the provision in the form of an act, because the separate treaty of peace with Germany specifies that it must be done by act of Congress.

Mr. BRANDEGEE. Mr. President, I agree entirely with the Senator that the President has the exclusive right of the conduct of our foreign relations, conducting diplomatic intercourse, and negotiating treaties; but there is a grave difference, in my opinion, between the President's right to conduct our foreign relations and the question of what our foreign policy shall be. I never have thought, and do not now think, that the President has a right, of his own motion, to decide what the foreign policy of the United States of America shall be and to go ahead and put it in operation in spite of the wish of the Congress or of the people of the country.

Mr. LODGE. Mr. President——

Mr. ROBINSON. I yield to the Senator from Massachusetts with pleasure.

Mr. LODGE. Is not the Senator through?

Mr. ROBINSON. Oh, no; I have not concluded.

Mr. LODGE. I will wait until the Senator has completed his remarks.

Mr. ROBINSON. Mr. President, the discussion between the Senator from Connecticut and myself is academic and has no very great importance, considering the conditions under which the discussion proceeds, for the reason that the President did exchange the ratifications of the treaty of peace, and that act by him bound him to refrain from appointing a member of the Reparation Commission until Congress consents he shall do so. I have expressed some doubt as to whether an act of Congress denying to the President the right to appoint a member of the Reparation Commission in the exercise of his duty as the Chief Executive of the Nation, to conduct our foreign relations, is an infringement of his constitutional right. The Senator from Connecticut implies that he has no doubt that Congress could say to the President of the United States, by act, that he shall not appoint a minister or an ambassador, a servant or an agent, to represent him in the performance of his duty as the Chief Executive of the Nation, managing the foreign relations of the

Government, and that the President would be compelled to respect that act of Congress.

I do not believe that is true. I do not believe the President would be compelled to observe any mere direction of that nature that Congress might give him. But that question, I repeat, loses its importance in this discussion when we recall that the President did exchange the ratifications of a treaty which estopped him from appointing a member of the Reparation Commission.

Mr. BRANDEGEE. I do not want to intrude upon the Senator's time——

Mr. ROBINSON. The Senator knows I have plenty of time. Any suggestion the Senator from Connecticut makes always illuminates a debate, and I am very glad to have him interrupt me.

Mr. BRANDEGEE. I was not going to make this suggestion so much for the purpose of illuminating the debate, which I am sure the Senator will sufficiently do without assistance from me, but simply to put myself right. I do not want the Senator to conclude that I inferentially deny, or inferentially from anything I have stated it can be deduced that I deny, the right of the President to appoint ambassadors and other diplomatic representatives, a right which Congress could not deny him. He gets that right from the Constitution. I say now, not particularly because the Senator has verged upon the subject, although, as he says, it may not be particularly related to the pith of the bill he has introduced, it is continually asserted, whenever the Senate or either branch of Congress attempts to express an opinion about our foreign relations or about the wisdom of a proposed policy to be adopted by this country, that we should keep our mouths shut, have no views, or, if we have, suppress them, because the President has exclusive control of the conduct of our foreign relations. I have seen that statement made in the columns of representative newspapers of both parties, I might say metropolitan newspapers, if that gives any added weight to their utterances, and I totally and entirely disagree with them, and I say that if that were true, approximately or remotely true, there would be no sense in having the Senate ratify negotiations of the President which might ripen into treaties. He would be the arbitrary and sole dictator of the policies of this country with respect to foreign relations.

Mr. ROBINSON. Mr. President, I know the Senator from Connecticut, when he says that he has seen in the metropolitan press statements that the Chief Executive is the absolute dictator respecting our foreign policies——

Mr. BRANDEGEE. I did not say I had seen that statement. I say that if what they say is true, if their theory about it is true, he would be the dictator of our foreign relations.

Mr. ROBINSON. What I wish to say is that I am sure the Senator from Connecticut will not attribute any such statement or position to me. I have never thought or said anything of the kind. I do say, and I have always thought, that in the conduct of our foreign relations, in the negotiation of treaties, in the settlement of international disputes, the Executive, who alone under the Constitution of the United States can carry on that business for the Government, ought to be given a free hand, and that the Congress should not unintelligently interfere in his negotiations and in the performance of his duties.

I respect public sentiment, and I wish that Presidents, I will not say the one now in the White House alone, but that all Presidents would find a way to familiarize themselves with the course of public thought throughout the Nation; that they would learn what the people are thinking on public questions and give consideration to public opinion. But, as the Senator from Connecticut can not dispute, it was a most extraordinary provision that the President should be denied the privilege, if it be conceded it was not a right, to appoint a member of the Reparation Commission to represent the United States, when the fact is considered that the political party to which he belongs at that time had an enormous majority in the Senate of the United States. It can have meant only one thing, that the Senate at that time, as it was then constituted, was so opposed to any participation on the part of this Government in the efforts of European nations to settle their economic and political problems that it was unwilling to give the President of the United States the option, if he found it necessary and advisable to do so, of placing a representative of this Government among the agents who were empowered by an arrangement among the European Governments to settle those problems. I challenge any Senator to escape the force of that conclusion.

The Senate as it was then constituted was so anxious to stand aloof from the difficult and confusing problems that were threatening again the peace of Europe and the peace of the world that they did a very extraordinary thing. I doubt if such a thing was ever done before, and I doubt if it will ever be done again. They tied the hands of the Executive and denied to him the opportunity of doing what he believed to be best in the interest of the Government.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. ROBINSON. I yield.

Mr. McKELLAR. I have not recently examined the language critically, but as I recall it, that language was not only broad enough to exclude any official representative but to exclude any unofficial representative as well; and, as I understand it, the President has already appointed an unofficial representative, or he has an observer there, which is the same thing.

Mr. LODGE. He is not a member.

Mr. McKELLAR. Oh, of course, he is not a member.

Mr. ROBINSON. The Senator's suggestion it happens comes at an opportune time. I was just proceeding to discuss that question.

As the result of this limitation of his authority, the President has been driven to a course regarded by many as belittling the dignity of the Executive and the Government. We have what is known as unofficial representation on the Reparation Commission, unofficial observers.

Mr. LODGE. Mr. President——

Mr. ROBINSON. I will yield in just a moment, if the Senator please.

Mr. Boyden, a great lawyer residing in Boston and enjoying a national reputation, serves as the unofficial delegate, while Mr. Logan, of Philadelphia, acts as the underdelegate, as his position is known. Mr. Henry B. Hodge, of Philadelphia, is the general secretariat of the United States unofficial delegation on the Reparation Commission, and Mr. Lloyd Robbins, of San Francisco, Calif., is the unofficial advisor of the delegation, and serves on what is known as the committee of guaranties, which was created under the London agreement and which apparently exercises sovereign authority over Germany.

I now yield to the Senator from Massachusetts.

Mr. LODGE. I merely wish to say, to make the record correct, that the representation which now exists of course existed from the beginning.

Mr. ROBINSON. Yes; I said that.

Mr. LODGE. I did not so understand the Senator. In fact, the gentlemen appointed by President Wilson were continued by President Harding for some time.

Mr. ROBINSON. I made that statement some time ago.

Mr. LODGE. I beg the Senator's pardon; I did not hear the statement.

Mr. ROBINSON. My information is that, so far as actual labor is concerned, in the investigation of conditions and the decision of controverted questions, this unofficial delegation of our Government has been and is quite influential.

Let me illustrate by a single fact the service that it has rendered. The committee of guaranties, of which I am informed Mr. Lloyd Robbins, of San Francisco, is a member, made an unofficial survey of Germany and submitted a report to the Reparation Commission about October, 1922, which is claimed to be an accurate and complete description of the resources, the economic and financial conditions prevailing throughout the German Republic.

It will be remembered that the committee of guaranties exercises very great power over Germany. As an agent of the Reparation Commission it directs the German people to increase their taxes. As an agent of the Reparation Commission it reduces at will the German budget. It is exercising sovereign authority over the German Republic, not complete sovereignty, of course, but the acts which it performs are in a technical and an actual sense acts of sovereignty.

From the beginning it may be said that there have been two theories in this country with reference to the action of our Government respecting European problems which became acute at the end of the war. There have been some who believe that it is the traditional policy of the United States to refrain from participation in European affairs. They insist that this Government and her people should leave the nations of Europe to settle their own disputes, to adjust without assistance from us their own great problems. There are others who, from the signing of the armistice, have held to the theory that our duty, as one of the associated powers engaged in the conduct of the war which resulted in victory for the Allies, our duty to our own interest, and respect for every consideration which should govern the United States in the conduct of its foreign affairs, justified, if it did not require, this Government to engage in an effort to assist them in settling their disputes in order that

the victory which cost so much in blood and treasure might not be rendered fruitless.

It would not be profitable in this discussion to review the controversy between the representatives of those two viewpoints. The Government apparently adopted the policy of standing aloof. At the same time, so important was the business of the Reparation Commission, not only to Europe, but as its work reflected itself upon our affairs and our life, that President Harding, denied the opportunity under the treaty of peace with Germany to appoint an official representative, continued in service the very able unofficial organization with, I believe, some material changes in the personnel. It will be recalled that in his letter to the Senator from Massachusetts [Mr. LODGE] dated December 27, 1922, when the so-called Borah amendment to the naval appropriation bill was under consideration by the Senate, the President used this language:

In ratifying the treaty of peace with Germany the Senate made a reservation that the United States should not be represented on the Reparation Commission without consent of the Congress and no such consent has been given—

And so forth. This was an implied suggestion, although not a direct recommendation, that the consent of Congress should be given.

From the beginning it has been manifest to some Senators that if the United States is to perform an effective service in solving her own problems as the same are related to economic and political conditions in Europe we must participate in the studies and work of the Reparation Commission. Evidently the President takes that view of the matter. Denied by the treaty with Germany the power to appoint an official representative, he resorts to the expedient of appointing an unofficial representative. I shall not now attempt to go into the manner in which our unofficial delegate on the Reparation Commission has performed his duty. My information is very limited. The channels of information available for my study are very narrow. I do feel justified in saying that it appears from all that has come to my knowledge that exceptional intelligence and rare good judgment have usually been exercised by the unofficial delegation serving as representatives of the United States on the Reparation Commission.

The fact that it has been found necessary to have unofficial representation, the fact that some of our unofficial agents are serving on the most powerful and influential bodies of the Reparation Commission, the fact that they have participated in some of the important decisions of the commission, lead me to wonder why anybody who thinks we ought to have representation at all questions the wisdom and the fairness of having there men expressly authorized to perform their duties. I know that the only answer can be that we are afraid; but if we go in at all, if we are to render assistance at all, why should we not do it through the agency of men who are authorized to represent the Government?

No one has suggested that the unofficial representation be withdrawn. Through two long years of as troublesome a period as the world ever knew, save only that period which closed when the armistice was signed, these unofficial agents of the Government, known throughout the world as actually representing this Nation, hampered and restricted, discredited and belittled by being denied official standing, have performed service of substantially the same nature as that performed by the representatives of other governments on the body with which they serve. Whether as the result of propaganda or the awakened conscience of the people of the Nation from the acquisition of knowledge concerning the facts, there is in progress a change of sentiment in this Republic. Men who heretofore have believed in the policy of aloofness are coming to the conviction that if that policy be continued revolution will engulf some, if not many, of the nations of Europe.

Mr. McKELLAR. Mr. President, before the Senator leaves the question of our representatives on the commission, will the Senator tell us out of what appropriation the unofficial representatives are paid?

Mr. ROBINSON. They are paid by the Reparation Commission. This Government, refusing to appoint official representatives, has actually put its unofficial representatives in the position of receiving their compensation through the body to which we have refused to accredit them. The American unofficial delegation are paid just as are all the other delegations.

Mr. LODGE. They are all paid by Germany.

Mr. ROBINSON. Yes; they are all paid by Germany. In justice to the great German Republic, whose money we take to pay our servants, we ought to give those servants official recognition. If we are not going to do that, what course shall we pursue?

It has been said to me this morning that the only result of the action contemplated by this bill would be to involve us in the controversies of Europe, and that as a reward for our efforts we shall experience only censure and shall suffer financial loss. To that I reply that every nation in the world knows that for every hour the Reparation Commission has been in existence this Government has had a hand in its work though we have had no official representative. What pride can be taken by any American citizen in a continuance of such an arrangement? Why not have the courage to do our duty in a way that commands respect?

Something has been said about the creation of an unofficial board of inquiry. The Secretary of State in an address recently delivered at New Haven recognized the close relation of these European problems to the welfare of the people of the United States in this language:

We can not dispose of these problems by calling them European, for they are world problems; and we can not escape the injuries of a failure to settle them.

Then he said:

The crux of the European situation lies in the settlement of reparations.

That is almost a literal quotation from an address delivered by that great American economist and publicist, Mr. B. M. Baruch, at the reunion of the members of the War Industries Board held at Washington, D. C., on December 10, 1920. In the address I have just mentioned Mr. Baruch used this language:

Hence it is not too much to say, as I do say, that the crux of the world industrial and commercial problem lies in the fixing of the reparations that Germany must pay. The Allies must eventually come to see this, for they are under heavy burdens and are looking to the German reparations for their own rehabilitation. Germany must work to produce the wealth with which to pay the reparations. In helping herself she will do what is more important, she will be helping us all. Until central Europe is again going full speed ahead the rest of the world will lag. They may not like it, but that is the cold-blooded fact. The question of the interindebtedness of the Allies and even the sane rehabilitation of our own taxation can not be disposed of until the world is again humming with industry and every route and channel of commerce is reopened.

The Secretary of State announced no new position when he made the declaration that the reduction of reparations to an amount that Germany can pay is the crux of the economic and political problems that now vex Europe.

The Secretary of State in his New Haven address suggested a remedy as possible which is somewhat indefinite; it is not very specific. He said:

There ought to be a way for statesmen to agree upon what Germany can pay, for no matter what claims may be made against her, that is the limit of satisfaction. There ought to be a way to determine that limit and to provide a financial plan by which immediate results can be obtained and the European nations can feel that the foundation has been laid for their mutual and earnest endeavors to bring about the utmost prosperity to which the industry of their people entitles them. If statesmen can not agree and exigencies of public opinion make their course difficult, then there should be called to their aid those who can point the way to a solution. Why should they not invite men of the highest authority in finance in their respective countries, men of such prestige, experience, and honor that their agreement upon the amount to be paid and upon a fiscal plan for working out the payments would be accepted throughout the world as the most authoritative expression obtainable?

The Secretary of State impliedly says that if the Reparation Commission, the official body organized by the powers to determine this question, and the premiers of the respective nations whose interests are involved fail, then a body of business men, private citizens of the great governments of the earth, including our own, can volunteer or be selected, and that these private citizens will have such authority and such moral force throughout the world that mankind will immediately accept, or be disposed to accept, their findings as conclusive evidence of the amount of reparations that Germany should pay. The question is not intimately related to the bill I am discussing, and, therefore, I shall not go into detail in the discussion of the proposed board of inquiry. The selection of a board of inquiry, it may be borne in mind, would occasion indefinite delay. That board would either be compelled to accept the work already done by the Reparation Commission and the committee on guaranties, or it would be compelled to duplicate the work done by them, and the inevitable result would be that final adjustment would be postponed. The clouds that seem to be gathering above the horizon would grow blacker and blacker until they would merge with the shadows of night.

It has been said that Germany is on the verge of collapse; that she will not and can not maintain herself unless the reparations problem be settled and the aggregate amount be readjusted so as to enable her to find a way to meet her obligations.

The conference in Paris between the premiers of the French Government and of the British Government has disclosed the fact that they are not widely apart respecting the aggregate amount of reparations; and it is singular to note that the amount they propose, after two years of wrangling and bickering amongst the representatives of the governments involved, is almost exactly the amount which Bernard M. Baruch said

two years ago was the maximum sum which Germany could pay. We are making no progress.

The morning press contains the statement that some Senators on the other side of the Chamber propose to support this bill, provided the nations of Europe in the meantime settle the question of reparation. Well, if that question is settled I will not be found in the Senate of the United States urging the authorization of an official representative of this Government to help settle it.

I have believed from the beginning that by the force of circumstances, from a prompt consideration of our own interests, and from a sense of justice not only to France and Poland but also to the great German Republic the United States would in time be driven to give her open and well-considered counsel to those who have tried in vain without our advice to settle this great problem. After two years, however, we are still hesitating to act officially, though we are acting unofficially, and have been throughout that period.

Our commerce and industry are suffering by reason of the political distraction and financial panic which threaten almost every government in Europe. An able, learned gentleman said to me this morning that this Nation is now more prosperous than ever before in its history and that no excuse or justification exists for changing the policy which marks the present conduct of our foreign relations. Let me call to your attention, Mr. President, the fact, stated in an editorial of the New York World under date of December 18, 1922, when it points out that, notwithstanding the present excessive price of merchandise, the value of the money crops of America is less than it was in 1914.

The editorial says:

> This year's wheat crop alone is worth actually less than that of 1914; it is worth only 31 per cent more than that of 1909, in the days before the war had overturned all precedents. Thus the total of wheat value has little more than kept pace with the growth of population. Its increase bears no relation whatever to prices for merchandise in general, which are far higher than they were 13 years ago.
>
> This is what has happened to the farmer: The price of his chief money crops—wheat, cotton, meat—is fixed in international markets, where he has been accustomed to sell his surplus. These markets are failing him and he is selling at cut rates, while everything he buys, including labor and the interest on his investment, if his farm was bought or improved at recent prices, is costing him double. As a rule, he is not coming out even. He is trenching upon his savings to pay living expenses, if he has any savings available for the purpose; if he has no such savings, as in the case of many renters, his condition calls for lively sympathy no more than for swift relief.

If Germany experiences complete collapse, as many fear she may, our foreign market will be further diminished, if not destroyed, and in all probability the prices of agricultural products will still further decline. I think the Senator from Idaho was right when he said, in substance, during the debates on his amendment proposed to the naval appropriation bill, that the time has arrived when the people of the United States, from considerations of their own self-interest, should render effective and prompt service toward the settlement of the economic and the political disputes that make it impossible for men of brains and genius to take ventures in commerce and in trade so long as these disputes continue.

That Germany is approaching a collapse is apparent. The great Republic, which has arisen above the ruins of the former German Empire—a Republic whose people seek an opportunity to live and labor in peace—must not remain forever an outcast among the nations. The opportunity of assisting to lead the new German nation to a plane of permanent safety while at the same time advancing the happiness and prosperity of our own people is worthy of our united and wholehearted efforts.

Both hesitation and secrecy should be abandoned. Let the Senate and the public be informed as to what has been done and what this Government proposes to do to save us from the harm which must inevitably come if present political and economic disturbances in Europe continue. The responsibility of conducting foreign affairs must not be left to bankers, merchants, and bond brokers in their private capacities. It must primarily devolve upon the Chief Executive. The issues to be met are governmental. Therefore the power that should grapple with them is not private responsibility but public authority.

Mr. President, while I have been speaking there has been sent to me from the press gallery a news report which I accept as authentic:

> PARIS, January 4.—The allied premiers' conference ended to-day in complete disagreement.
>
> Failure of the entente that won the war to agree upon a joint method of collecting the spoils from Germany brought the latest European economic parley to an end.
>
> Britain and France were unalterably opposed in their stands as to how the reparations payments should be collected.

So the great problem continues. Difficulties are augmented. This Nation may or may not be able to accomplish a settlement and bring back peace to the world; but it has the opportunity and the enterprise, and its possibilities are worth the risk and the endeavor. Certainly the Foreign Relations Committee of the Senate should obtain for itself and furnish the Members of this body all the information available affecting the problem which underlies the provisions of this bill.

I have some information, through the courtesy of the chairman of the committee, that the subject will be promptly investigated. I think that the Secretary of State and Mr. Henry B. Hodge and Mr. Lloyd Robbins, one or both of them, who are serving in connection with our unofficial delegation on the Reparation Commission, who are somewhat familiar with the work that has been done and the tasks that are yet to be performed, should be called before the committee and questioned fully. I think it might be well to invite our ambassador to the Court of St. James to give his views. I have been informed that there are on file in the State Department a number of documents and reports which will be very enlightening and of great value to the committee in its deliberations, should it see fit to take up the matter. This suggestion is made in the hope that the Senate will not be compelled to continue in a state of benighted darkness respecting available information relating to these great problems.

Mr. LODGE. Mr. President, I only desire to say that I very fully appreciate the importance of the bill which the Senator from Arkansas has presented, and which will be referred to the Committee on Foreign Relations. I have already called a meeting of that committee for to-morrow morning. I can assure the Senator and the Senate that the gravity of the situation is understood by all the members of the committee certainly, as by the Senate generally, and that we shall seek all possible information on anything that can be of assistance in dealing with the very great questions involved in this bill. I can assure the Senator and the Senate, further, that this will be done without delay.

I am going to say one word, not about the large and present subjects which the Senator from Arkansas has been discussing so ably, but with reference to what the Senator from Connecticut [Mr. BRANDEGEE] spoke of as academic—the constitutional method of dealing with foreign relations.

I do not think that there really is or ought to be any confusion in regard to it. The conduct of our foreign relations, the conduct of negotiations, must of necessity remain in the hands of the Executive, where the Constitution leaves it. As I said the other day, it is entirely open to the Senate, if it sees fit, to offer advice to the President, pending or even prior to a negotiation, and it is equally within his power to accept this advice or not, precisely as he pleases, in regard to the performance of the Executive function. In the same way, when the treaty or the convention, whatever it may be, passes into the power of the Senate, it is of course entirely open to the President to make any suggestion to the Senate that he may desire or that he thinks it proper to make, and it is within the power of the Senate to follow that advice and be guided by it or not, exactly as they please.

I do not think myself that there is anything which invades the Executive power in the provision in the German treaty which has been read here. When a treaty comes within the power of the Senate it is recognized that the Senate can accept, can reject, or can accept with reservations or with amendments, as it sees fit; and if it chooses to establish a condition as to a commission created by treaty, that power of reservation or amendment must rest in its hands. The power of the President to carry on all negotiations and initiate them all is absolute and he can use his own personal agents for that purpose if he chooses. The Constitution reserves to the Senate the right to confirm the appointment of ministers and ambassadors, and to extend that to commissioners created by treaty does not seem to me going far, as they are officers normally of less importance than ambassadors and ministers recognized by the Constitution. That, however, does not debar the President from choosing a personal agent for the purposes of negotiation if he chooses to do so. Most of our treaties have been negotiated by our Secretaries of State or by our ambassadors and ministers delegated for that purpose by the President, but the President can select if he prefers some citizen of the United States holding no official office whatever and direct him to conduct negotiation and to make a treaty. This use of personal agents until late years has been but very little indulged in. From the very beginning the Presidents have employed personal agents but rarely. There was a very famous case, that of Ambrose Dudley Mann, who was sent to Hungary by Mr. Fillmore at the time of the uprising there; but, on the whole, that method has been but slightly employed. Of late it has been more the fashion for Presidents to select personal agents; and, in my judgment, nothing can take away from the

President under the Constitution the power to operate through a personal agent if he sees fit any more than there can be taken from the Senate the power to assent or disagree to the selection of an ambassador or a minister.

Mr. President, under the treaty with Germany, whether this academic question is decided one way or the other, there is no doubt of the law established by that treaty, and that is that if we are to be represented officially on the Reparation Commission it will require the action of the Senate.

Mr. ROBINSON. If the Senator will pardon me, it will require the action of both Houses of Congress.

Mr. LODGE. Yes; the Senator is right. It will require the action of Congress. It will require an act of Congress, as the Senator has provided.

Mr. ROBINSON. Yes; it will require an act.

Mr. LODGE. That is more unusual in practice than putting in simply the right of the Senate to confirm a given officer. At all events, this act raises a question, and a most important one, as I have already said, and I only desire to repeat what I began by saying that I fully appreciate the great importance of the question at this moment, especially in view of the dispatch which has been read here as to the break between the prime ministers of the principal powers on the question of reparations. The Committee on Foreign Relations will give it most immediate attention, and I shall endeavor to get all the information possible for the benefit of the committee and of the Senate.

Mr. JOHNSON. Mr. President, the question that is submitted by the bill is by no means a new one, but at various times during different discussions of matters relating to our foreign affairs it has been more or less before us in the Senate and more or less before the Congress and more or less before our people. I have listened with the utmost interest, as usual, to the remarks of the Senator from Arkansas [Mr. ROBINSON]. He is always entertaining, always logical, always eloquent, and to-day his address has been strikingly so.

I must say, Mr. President, in the light of the information that is now at hand, without developments, indeed, of which at the present we know nothing, I am compelled to enter an emphatic dissent to the design the Senator seeks to accomplish. I recognize, of course, what he says about this country's unofficial observer in the Reparation Commission, but I recognize, too, that that sort of activity is a prerogative of the President, with which we of the Senate have nothing to do and which we of the Senate can not at all control.

There is something, however, which we may control, something which lies within our province, and that is the selection of an official representative on the Reparation Commission, and because of what this country might be compelled ultimately to do I repeat that as at present advised I would not wish that we have any official representative there at all.

There is a great deal of loose talk all over the Nation to-day, just as we have had that loose talk during the past two years, about "stabilizing Europe," "throwing in our fortunes with the rest of the world," "doing our duty to all humanity," "aiding civilization," and the like. That appeal, of course, we all understand, and the appeal, of course, is one which touches us all; but in all of the talk thus indulged scarce anybody points a way, and there is nothing definite that thus far has been suggested upon this floor so far as I am aware, nothing that has been suggested thus far in the country, whereby we can stabilize Europe and aid the rest of the world, prevent a collapse in Germany, or do our duty unto mankind, as gentlemen constantly are asserting we ought to do.

There is no such mistake about our duty in the minds of our English brethren, no such mistake as to the duty we ought to perform in the minds of some of those who have dealt with the question. I have before me a recent edition of the Manchester Guardian, wherein very plainly is pointed out exactly what this country can do, and the only thing it can do, to do its duty toward civilization, aid mankind, stabilize Europe, and perform all the other altruistic things that every one of us would perform and have our country perform.

I read from an editorial in the Manchester Guardian of December 22:

> But until America is prepared to release Europe from a great part of her debts, American "intervention" must be confined to good advice. Advice, unfortunately, will not stabilize the mark or fill a hole in the French budget.

There is the thing we could do. Do you want to do it? Europe owes us $12,000,000,000 or more to-day. We can aid Europe if we want to. If this is not empty talk in which we indulge in this country to-day, we are told there is a way in which we can play our part in this economic intervention of which so much has been said. We can play our part if you are ready to do it by forgiving the debt that Europe owes unto us. I am not ready to do it, but these gentlemen here who talk of what we ought to do for Europe have one definite, specific, concrete mode in which they can render aid. Are you ready to render that aid? I say that it will be an injustice unto our people, an injustice unto our Government. But there is the road. Will you take it—dare you take it—or will you continue to indulge in the same nebulous expressions that have been indulged in in this Chamber and that are being written all over this land?

As the London Times said in a recent editorial, do you want to indulge a mere gesture, and a ridiculous gesture at that, or are you ready to go the route and play your part as they want you to play your part? That is the question, and it will not be for us constantly to indulge in the phrases that are common now all over the land. There is the road. Take it if you dare. Some of us will not take it with you, because we think it unjust; but it is the only feasible, concrete thing to do if you want to stop talking in mysterious and nebulous phrases and render the aid.

Let us look at this bill a bit further. It seeks to place us upon the Reparation Commission. Recently I endeavored to describe that Reparation Commission. All here, I think, understand now exactly what it is; that it is, indeed, a supergovernment, with its various powers, political in character, executive in character, sovereign in character, as the Senator from Arkansas has said.

We would not go upon that Reparation Commission for the purpose of settling the amount of the reparations now, Mr. President. The amount of reparations is in little dispute to-day. The amount of reparations was practically conceded by the Premiers of Great Britain and France in the conference that has just been ended in this hour. They agreed upon practically a definite, specific sum, so that it would not take an American representative upon the Reparation Commission to agree upon a sum of reparations, for there is little disagreement concerning that, and a fact-finding commission, such as was suggested by the Secretary of State a few nights ago, would be of very little avail to-day.

Your representative upon the Reparation Commission would have a larger and a much more important duty to perform. He would have the duty to perform officially, under the authority of the United States Government, of being part of a sovereign power, directing, managing, operating, and conducting the affairs of the territory over which the Reparation Commission rules; directing political and legislative operations and activities of the governments over which the Reparation Commission rules, going into a realm far, far removed from that which deals with amounts, or that which deals with finances at all.

When you go into that realm, with your associates, you go into a realm which necessarily may lead into the question of military occupation in a part of Europe. Are you ready to go that far, and take this country again into military occupation of any part of Europe, if default be made in the reparations payments? If you are, I am not; and as time goes on, I believe, notwithstanding the propaganda in this country, notwithstanding all that has been said during the past few months by various newspapers and various individuals and organizations concerning helping Europe, you will find that this country will not go into any plan, any scheme, any commission, under which ultimately military occupation may be had, and under the government of which commission, plan, or scheme we may be required to do our part in the military occupation of any portion of the Continent of Europe.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from California yield to the Senator from Connecticut?

Mr. JOHNSON. I yield.

Mr. BRANDEGEE. The Senator says that if this country should have an official representative on the Reparation Commission it may have to use military force. Is it not so, in the opinion of the Senator, and inevitably so, that if we shall be officially represented on that commmission we will be absolutely bound to enforce whatever decrees and orders the commission may make?

Mr. JOHNSON. Oh, I think so.

Mr. BRANDEGEE. And use whatever means are necessary to do that?

Mr. JOHNSON. I do not think there is any question about that. I suggested the contingency instead of the actual fact, because of the possibility that the reparations might be paid as directed to be paid, and that military sanctions might not be required. That was the only reason for the suggestion in the form in which I made it.

Mr. McKELLAR. Mr. President, the Senator is on the Committee on Foreign Relations, and was on that committee when the treaty of peace was ratified. In the ratification resolution it was stated:

> The United States shall not be represented or participate in any body, agency, or commission, nor shall any person represent the United States as a member of any body—

And so forth. As I construe that language, it seems that it was intended by the committee and by the Senate, when it ratified the treaty, that we were not to be represented on this commission or any commission, directly or indirectly, until there was an act of Congress, and I think it was so argued here in this body. Is the Senator in favor of our continuing to be unofficially represented on the Reparation Commission, and if he is in favor of our being unofficially represented on that commission, are we not just as much morally bound by our unofficial representation as we would be if we were officially represented?

Mr. JOHNSON. The 17 questions which have been asked by the Senator I will try to answer. As to the last, no; we are not morally bound, nor are we legally bound. As to the earlier part of the Senator's question, if I may recall it, I think the purpose of the proviso originally was to prevent representation on the Reparation Commission or participation in its deliberations. I speak only one voice in that regard.

Mr. McKELLAR. Official and unofficial?

Mr. JOHNSON. I speak only one voice in that regard, I say. I am not attempting to say what was in the minds of my colleagues in that respect, but I state only what was in my mind. I am not attempting to justify what has happened upon the Reparation Commission. Make no mistake as to that at all. I say that is a prerogative of the President, and I can not help it; but because of the wording of that treaty, I can help in keeping this country from going into the Reparation Commission and binding the United States of America, and it is that that I will prevent, if I can, by my vote in the Senate. That is the attitude I assume.

Let me refer to another editorial in the Manchester Guardian, because I want to bring home to Senators the concrete thing that may be done in relation to aiding Europe, and then when the discussion may come upon this question I want Senators to say whether they are ready to do the concrete thing.

> Here we get onto the very delicate question of interallied debts. But it is no use burking it. The fact has got to be faced that in the long run debts, like reparations, will have to be scaled down and the two treated together in a common plan. None of the messages from America suggests the faintest dawning of this truth in the mind of the American public, and it may be said that in its turn the American Government would not be politically strong enough, even if it were so minded, to accept a reparations settlement which involved the cancellation of the American debt.

There is what is in the minds of our brethren abroad—the American debt. There is what ought to be in our minds if we are going to talk about doing something concrete and definite for Europe, instead of in this hazy fashion in which somewhere men mount the clouds and are sitting far up above the rest of us, with an assumed superior wisdom looking down upon the rest of us because we want to deal with concrete things and deal with the situations as we find them.

Mr. BRANDEGEE. Mr. President——

Mr. JOHNSON. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. I want to ask the Senator if it is not true that either the forgiveness of the debt or its cancellation is a somewhat euphemistic way of stating that it is to be imposed upon our own citizens instead of upon those who benefited by it.

Mr. JOHNSON. Of necessity so, and that is exactly what I was coming to. Oh, the stuff that has been indulged in about the aid that is to be given to the farmer by holding conferences and the like. Hold a conference, Mr. President, and the next instant wheat will increase 100 per cent in price. Some farmers actually profess to believe it. "Aid Europe economically," they say. Nobody says how. "Economic intervention." Nobody explains what it is. Have economic intervention and aid Europe economically, and every farmer in the West will have the price of every product he raises increased 1,700 per cent. That sort of thing has gone abroad in the country to-day to the detriment of our own people, to the arousing of false hope abroad. The concrete thing is just what the English papers said. The debt that is due to this country—cancel it, they say; but who then pays it? Why, the farmers will pay the bill, the farmers will pay the debt. These fanciful flights at the end mean cancellation of what is our due—putting the burden wholly upon our own people.

Please do not think because I am speaking as I do that I am lacking in a desire to aid Europe in solving her problems. Everything that could be done, that might be done, in justice to our own people I am willing to do. I am not ready to cancel the debt that is due to America. I am not ready yet to saddle that $12,000,000,000 upon American citizens. I am not ready yet to take us into any pact, to take us into any reparation commission, where we might be called upon for military sanctions in the future or to police any part of the European continent.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield.

Mr. ROBINSON. The Senator said with great emphasis that he is not willing that this Government shall have representation on the Reparation Commission because he thinks that would involve the cancellation or forgiveness of the debts which certain Governments of Europe owe the United States. Does the Senator think the Reparation Commission has or would assume jurisdiction of that question?

Mr. JOHNSON. The Senator is mistaken entirely in his statement. Either I expressed myself very inadequately or the Senator misunderstood me. I do not say that entering upon the Reparation Commission would cancel our debt at all.

Mr. ROBINSON. Oh, no; I did not understand the Senator to say that.

Mr. JOHNSON. I understood the Senator to say that he understood me to so state.

Mr. ROBINSON. I understood the Senator to say that if we had representation upon the Reparation Commission the Governments of Europe would insist upon our representatives there canceling or consenting to the cancellation of the debts which those Governments owe us.

Mr. JOHNSON. Oh, no.

Mr. ROBINSON. That that was the only thing we could do.

Mr. JOHNSON. Oh, no; I beg the Senator's pardon. I did not say that.

Mr. ROBINSON. The Senator has said we can not have, from his viewpoint, representation upon the Reparation Commission and we should not engage in any conference looking toward our assisting in bringing about a settlement of those questions.

Mr. JOHNSON. Oh, I beg the Senator's pardon; I did not say that either. The Senator is mistaken.

Mr. ROBINSON. The Senator did ridicule the idea of an economic conference.

Mr. JOHNSON. Yes.

Mr. ROBINSON. And said it would accomplish nothing.

Mr. JOHNSON. Yes; I did.

Mr. ROBINSON. The Senator has also said that he is anxious to do anything that can be done of a practical nature to help. What does the Senator think can be done?

Mr. JOHNSON. I know what can not be done. I am perfectly clear as to that. Our good offices I would use. I would aid in any advice that I could. In any fashion that it would be possible without involving our country or committing us, I would endeavor to be of service. I would not enter into political commitments at all, nor in any fashion involve us in the malestrom of European politics.

Mr. ROBINSON. The Senator has accused some of us who have favored the representation of the United States on the Reparation Commission of indefiniteness and generalities. Does not the Senator think his reply to my question as to what remedy he proposes or what action he thinks this Government should take, if any, in connection with the problems and troubles of Europe, is subject to the same criticism?

Mr. JOHNSON. Oh, I do. I plead guilty. But the difference between us is this: I am taking us into nothing harmful. The Senator is taking us into something which I believe would be harmful. That is the difference between us.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a question?

Mr. JOHNSON. I yield the floor to the Senator.

Mr. McKELLAR. I just want to ask the Senator a question.

Mr. JOHNSON. Very well.

Mr. McKELLAR. The Senator does not mean to say that he is at all satisfied with the present condition of things?

Mr. JOHNSON. The present condition of what things?

Mr. McKELLAR. Of economic conditions in Europe.

Mr. JOHNSON. Of course I am not at all. I never would be satisfied indeed until everybody was happy and everybody was wealthy. [Laughter.]

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House disagreed to the amendments of the Senate to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service

for the fiscal year ending June 30, 1924, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KELLEY of Michigan, Mr. FRENCH, Mr. MADDEN, Mr. BYRNES of South Carolina, and Mr. OLIVER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 13481. A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes;

H. R. 13559. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13593. A bill making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

SENATOR FROM MISSOURI.

Mr. SPENCER. I present the certificate of election of my colleague, the senior Senator from Missouri, as United States Senator for a term of six years commencing on March 4 next. I ask that it be read and placed on file.

The credentials were read and ordered to be placed on file, as follows:

STATE OF MISSOURI,
Executive Department.

To the President of the Senate of the United States:

This is to certify that on the 7th day of November, 1922, JAMES A. REED was duly chosen by the qualified electors of the State of Missouri a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1923.

In testimony whereof I hereunto set my hand and cause to be affixed the great seal of the State of Missouri. Done at the city of Jefferson this 22d day of December, A. D. 1922.

[SEAL.] ARTHUR M. HYDE.

By the governor:

CHARLES U. BECKER,
Secretary of State.

SENATOR FROM FLORIDA.

Mr. FLETCHER. I present the credentials of my colleague, Mr. TRAMMELL, and ask that they may be read and placed on file.

The credentials were read and ordered to be placed on file, as follows:

To the President of the Senate of the United States:

This is to certify that on the 7th day of November, 1922, PARK TRAMMELL was duly chosen by the qualified electors of the State of Florida a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1923.

Witness: His excellency, our governor, Cary A. Hardee, and our seal hereto affixed at Tallahassee this the 27th day of December, 1922, in the year of our Lord 1922.

[SEAL.] CARY A. HARDEE, *Governor.*

By the governor, attest:

H. CLAY CRAWFORD,
Secretary of State.

SENATOR FROM NEW JERSEY.

Mr. FRELINGHUYSEN presented the credentials of EDWARD I. EDWARDS, chosen a Senator of the United States from the State of New Jersey, which were read and ordered to be placed on file, as follows:

I, EDWARD I. EDWARDS, Governor of the State of New Jersey, do hereby certify that at an election held in the said State on the 7th day of November, 1922, EDWARD I. EDWARDS was duly chosen and elected by the people of the said State of New Jersey to be a Member of the United States Senate for the term of six years beginning on the 4th day of March, 1923.

In testimony whereof I have hereunto set my hand and caused the great seal of the State of New Jersey to be hereunto affixed at Trenton this 5th day of December, in the year of our Lord 1922, and of the independence of the United States the one hundred and forty-seventh.

[SEAL.] E. I. EDWARDS.

By the governor:

THOS. F. MARTIN,
Secretary of State.

SENATOR FROM DELAWARE.

Mr. BALL presented the credentials of THOMAS F. BAYARD, chosen a Senator of the United States from the State of Delaware, which were read and ordered to be placed on file, as follows:

BY AUTHORITY OF THE STATE OF DELAWARE.

To the President of the Senate of the United States:

Be it known an election was held in the State of Delaware on Tuesday, the 7th day of November, A. D. 1922, that being the Tuesday next after the first Monday in said month, in pursuance of the Constitution of the United States and the laws of the State of Delaware, in that behalf, for the election of a Senator for the people of the said State in the Senate of the United States.

Whereas the official certificates or returns of the said election, held in the several counties of the said State, in due manner made out, signed, and executed, have been delivered to me according to the laws of the said State by the superior court of the said counties; and having examined said returns and enumerated and ascertained the number of votes for each and every candidate or person voted for for such Senator, I have found THOMAS F. BAYARD to be the person highest in vote and therefore duly elected Senator of and for the said State in the Senate of the United States for the constitutional term to commence on the 4th day of March, A. D. 1923.

I, William D. Denney, governor, do therefore, according to the form of the act of the general assembly of the said State and of the act of Congress of the United States, in such case made and provided, declare the said THOMAS F. BAYARD the person highest in vote at the election aforesaid and therefore duly and legally elected Senator of and for the said State of Delaware in the Senate of the United States for the constitutional term to commence on the 4th day of March, A. D. 1923.

Given under my hand and the great seal of the said State, in obedience to the said act of the general assembly and of the said act of Congress, at Dover the 15th day of November, A. D. 1922, and in the year of the independence of the United States of America the one hundred and forty-seventh.

[SEAL.] WM. D. DENNEY.

By the governor:

A. R. BENSON,
Secretary of State.

HOUSE BILLS REFERRED.

The following bills were severally read twice by title and referred to the Committee on Appropriations:

A bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes;

A bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes; and

A bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

The PRESIDING OFFICER (Mr. LADD in the chair). The pending question is on the motion of the Senator from Nebraska [Mr. NORRIS], which will be stated.

The READING CLERK. It is that the Senate proceed to the consideration of the bill (S. 4050) to provide for the purchase and sale of farm products.

Mr. SHEPPARD. Mr. President, resuming my account of the transactions of the Shipping Board during the fiscal year ended June 30, 1922, I desire to say that it was the opinion of the board that the tramp service was not of fundamental benefit in developing a merchant marine, and it was decided to concentrate its efforts on regular trade routes deemed essential to the future of the American merchant marine. Despite the continued decline in freight rates the corporation instituted between New York and London another line of combination passenger and freight steamers, with weekly sailings, superior to any foreign line from any North Atlantic port and offering sufficient space for perishable cargo in refrigerated chambers. New freight services were established. Offices were set up at various interior points to acquaint the public with Shipping Board lines in world trade routes, sailing dates, rates, and so forth.

The corporation secured an agreement with shippers of Egyptian cotton by which half of the quantity intended for shipment to the United States would be carried in board vessels. British ships had been carrying all the cotton shipments from Egypt to the United States.

Dependable sailing schedules were maintained to a greater degree than ever before during the fiscal year now being considered.

The 23 combination passenger and cargo vessels constructed by the corporation were delivered during the year and assigned as follows: Seven to operate in the service between New York, Cherbourg, and London; four between New York, Rio de Janeiro, Montevideo, and Buenos Aires; five between San Francisco, Honolulu, Yokohama, Kobe, Shanghai, Manila, and Hongkong; five between Seattle, Yokohama, Shanghai, Hongkong, and Manila; two were being reconditioned when the fiscal year closed.

Five more ex-German ships were put in service during the year. Sailing time to Rio was shortened to 12 days, to Buenos Aires to 17 days, a saving of six to eight days over former schedules. Sailing time to the Orient was exceptionally good from Puget Sound, that to Yokohama being 12 days, Kobe 14 days, Shanghai 17 days, Hongkong 21 days, Manila 25 days. Fortnightly sailings were maintained on nearly all the principal world routes, with weekly sailings to prominent European ports. Definite schedules were established in many cargo services, a monthly freight service being operated from the Pacific coast to Australia. For this service there were six

board vessels operated as feeders between Shanghai, Hongkong, and Calcutta, and four for the Seattle service between Hongkong and Java ports.

Shipping Board vessels handled 10,948,294 cargo tons during the year—6,634,381 representing exports and 4,313,913 representing imports. This was nearly 14 per cent of the cargo tonnage handled by all American vessels. Nearly 39 per cent was handled by American ships privately owned. So about 52 per cent of our foreign trade in quantity was handled by the American merchant marine during the fiscal year ended June 30, 1922. The percentage in value was nearly 35 per cent. The remainder of the trade was carried in foreign ships. Our total seagoing merchant marine, in both Shipping Board and private ownership, while it comprised fewer ships on June 30, 1922, than a year earlier, had a ship tonnage of 13,351,295, as against 13,234,401 a year earlier. This was the largest seagoing tonnage ever assembled under the flag, representing larger and better ships than ever before, and yet they talk of subsidy!

On June 30, 1921, the laid-up steel fleet comprised 690 vessels, at an upkeep cost per vessel of $1,019.42 per month. Reduction of employees and wages lowered the cost per vessel per month to $300.62 on June 30, 1922, at which time the laid-up steel fleet had increased to 971 vessels. During the fiscal year the laid-up fleets were carefully surveyed and classified as to adaptability to service and physical condition, so that vessels in lay up could be intelligently substituted, whenever necessary, for those previously engaged in active service. The impression, therefore, that the enormous expenditures required for the construction of this great fleet represent almost total waste and loss is a stupendous error.

On June 30, 1921, the number of wood and composite ships in lay up was 275, and the annual expense per vessel averaged $919.65, or $76.64 per month. During the year some of these were disposed of and expense of maintenance reduced for the remainder. The number on hand June 30, 1922, was 236, and the average annual cost of maintenance per vessel $173.79, or $14.66 per month.

The immense construction program of the board, which began in 1917, was finally ended with the delivery of *Western World*, a 13,000-ton passenger and cargo steel vessel, on May 9, 1922.

In the sixth annual report of the board—the report for the fiscal year ending June 30, 1922—it is stated that perhaps the most remarkable shipbuilding record during the construction of the great board fleet was that of the Great Lakes Engineering Works in building at its plant on the Great Lakes the steamship *Cruel Keys*, a 3,350-ton steel cargo vessel. Keel was laid July 11, 1918; vessel launched July 27, 1918, just 16 days later; completed ship delivered to board August 14, 1918, just 34 days after keel was laid. Close to this was the record of the New York Shipbuilding Corporation in building the steamship *Tuckahoe*, a 4,900-ton steel collier. Keel was laid April 8, 1918; vessel launched May 5, 1918, just 27 days later; completed ship delivered to board May 15, 1918, just 37 days after keel was laid. The Grays Harbor Motorship Corporation launched the wood ship *Aberdeen* on September 28, 1918 just 19 days after keel was laid, and delivered the completed ship October 6, 1918, just 27 days after keel laying.

By June 30, 1922, 11 of the 17 dry docks in contemplation had been completed, 5 were almost complete, while construction of one remained in suspense. The Fleet Corporation reported that during the year dry-dock construction was practically completed.

During the year the corporation consolidated all its fuel agencies into a fuel department, whose duties covered purchase and distribution of fuel oil and bunker coal; construction, maintenance, and operation of fuel-oil and bunker-coal stations.

The board's foreign organization continued to function during the year, rendering needed assistance to its ships in foreign trade along lines heretofore set out.

As we have seen, sales of all kinds were taken over by one of the vice presidents of the new and separate organization of the Fleet Corporation early in the fiscal year now under observation.

The new Shipping Board had, as the result of an examination at the beginning of the year, reached the conclusion that the price the preceding board was asking for steel cargo tonnage—that is, $160 to $185 per dead-weight ton—varied too widely from world market prices, and made a radical readjustment of prices. The board, in carrying out the policy of the act of 1920, for a privately owned and operated merchant marine as an ultimate ideal, and as a step to that end for the sale of the Government-owned ships as soon as practicable on terms consistent with good business judgment and the proper development of the American merchant marine, decided to establish a general basis of valuation for such sale. The board stated in its report for the fiscal year ended June 30, 1922, that its object in establishing this basis was to fill demands for ship tonnage under the American flag from the Government-owned vessels, except in the few cases of very special service for which vessels of special design only could be used.

The board stated that the price for these Government vessels should be sufficiently below present cost of reproduction or probable cost of reproduction in the near future to cover depreciation, overcome preference of purchaser for particular requirements, and to compensate for any fault or inferiority of design due to war construction. The board stated that its study of the world's ship market indicated that a fair price for the best steel cargo tonnage would be about $30 per dead-weight ton; that this price was merely for the guidance of the board; that sales would be made on a lump-sum basis, "as is, where is," purchaser to make his own estimate as to dead-weight tonnage, condition, and so forth.

The board said further that but few ships could be sold at any price until legislation should make it possible for American operators to compete with foreign vessels; that if prices were established which would meet existing demand, sales in volume could be anticipated as soon as competitive operation could be established and the world's trade rehabilitated.

The board went on to say that in November, 1921, it had offered different types of vessels for sale but found that practically no market existed at the time.

The board then stated that while prices should be sufficiently low to cause shipowners to buy Government vessels rather than construct new ones, except for very special service, it would be neither good business nor justice to the taxpayer to establish a needlessly low level of prices; that a merchant marine built on a fleet obtained at prices that did not reasonably represent its value would give only temporary benefit based on an unstable foundation; that no permanent success could be built on a narrow margin of profit which would be changed to a loss when new vessels would have to be bought at market prices.

Here, it will be observed, the board condemns with unanswerable logic the idea of subsidy. The sale of vessels at prices below reasonable value is but a form of subsidy, and is denounced by the board as fatal to the sound and permanent development of a merchant marine.

Mr. TRAMMELL. Will the Senator yield for a question?

Mr. SHEPPARD. I yield.

Mr. TRAMMELL. I would like to know from what report the Senator is reading? Is that a recent report made by the Shipping Board?

Mr. SHEPPARD. The report of the present Shipping Board for the fiscal year ending June 30, 1922, its last annual report.

Mr. TRAMMELL. Made by the board which is now advocating this bill, selling these ships for practically nothing, and giving a very large subsidy?

Mr. SHEPPARD. By the board which is now asking for a subsidy. How the board, after an expression like this, can consistently advocate the subsidy provisions of the pending bill—provisions calling for at least $450,000,000 in direct donations to shipowners during the next decade and a half, for loans exceeding a hundred millions on most generous terms—is beyond comprehension or belief.

Mr. WALSH of Massachusetts. Will the Senator again read the expression of the board to which he refers?

Mr. SHEPPARD. I gave it a few moments ago, but I shall be glad to repeat it.

Mr. WALSH of Massachusetts. I wish the Senator would do so.

Mr. SHEPPARD. The board said that while prices should be sufficiently low to cause shipowners to buy Government vessels rather than construct new ones, except for very special service, it would be neither good business nor justice to the taxpayer to establish a needlessly low level of prices; that a merchant marine built on a fleet obtained at prices that did not reasonably represent its value would give only temporary benefit based on an unstable foundation; that no permanent success could be built on a narrow margin of profit which would be changed to a loss when new vessels would have to be bought at market prices.

The Senator will realize that the sale at too low a price is as much a subsidy as a direct donation from the Treasury.

Mr. WALSH of Massachusetts. The Senator construes that statement as an argument against the principle of the subsidy?

Mr. SHEPPARD. It speaks for itself. It is one of the best statements I have ever seen of the reasons which should prompt Congress never to grant subsidies to private enterprises.

Continuing its discussion of a sales policy, the board in the report referred to stated further that it would establish a

price scale advantageous to American purchaser and operator but still representing a fair value after considering all elements of the shipping problem; that this contemplated only steel vessels suitable to permanent incorporation in the American merchant marine; that vessels of unsuitable type for this purpose and exceeding in number any demand anticipated in a reasonable period were in a different class; that for a part of this surplus fleet there existed and would exist for many years a market under foreign flags; and that when these surplus ships could be clearly identified and designated prices would be fixed for sale to foreign flags.

The board added that there was no favorable prospect for the early disposal of the fleet; that even with needed legislation its transfer to private hands as a part of the upbuilding of the American merchant marine must be a slow process; that one of the most favorable factors in the gradual working out of the problem was the fact that a large percentage of the world's tonnage was over 15 years old and was approaching a period when cost of maintenance would make purchase of other tonnage preferable to upkeep of our vessels; that while a greater portion of foreign tonnage was approaching this point than was the case with American tonnage the difficulties of the present situation were largely caused by an excess of world tonnage, and that any absorption at home or abroad tended to remove this excess and establish higher values for all vessels; that the increase in value of vessels due to the demand in the next few years, resulting from the increasing age of the world's tonnage, would more than compensate for the cost of upkeep during the period that must elapse until the excess should disappear.

Such was the general shipping situation and the board's policy in reference thereto, as defined by the board on June 30, 1922. During the fiscal year ending on that date the board sold 59 steel ships, totaling 359,577 dead-weight tons, for $9,753,757, and 28 wooden and concrete ships, totaling 98,918 dead-weight tons, for $247,923. Twenty-one wooden ships had been sold on bids taken at the time the present board took office for $120,422.88. The board afterwards discovered that the wooden ships, while salable only at a very low price, could be used in certain trades in serious competition with established lines operating steel ships and with injurious effect upon the development of the American merchant marine. (See Sixth Annual Report United States Shipping Board, p. 194.)

The board sent a number of these wooden ships to shipyards for dismantling in order to determine their salvage value, evidently with a view to salvaging rather than selling them, thereby avoiding the dangerous competition they might offer steel vessels. So these despised wooden ships had no little efficiency after all. During the fiscal year 36 ships, all steel but 2, were transferred by Executive order to other Government departments without payment—ships that had probably cost $50,000,000 to build.

After sales and other disposals of all kinds and types of ships, finished or unfinished, that had come into the board's ownership, partial or complete, from all sources since the beginning, the total number being 3,444, totaling about 19,598,900 dead-weight tons, the board had in its possession on June 30, 1922, 1,686 vessels of 10,809,172 dead-weight tons, of the following kinds: 1,256 steel cargo ships of 8,537,675 dead-weight tons, 44 steel combined cargo and passenger ships of 506,807 dead-weight tons, 82 steel tankers of 751,086 dead-weight tons, 13 steel refrigerator ships of 91,183 dead-weight tons, 30 steel tugs, tonnage not given, 225 wooden cargo ships of 828,385 dead-weight tons, altogether 1,425 steel ships; 16 wooden harbor tugs, tonnage not given, altogether 241 wooden ships; 11 composite cargo ships of 39,175 dead-weight tons, 2 concrete cargo ships of 6,078 dead-weight tons, and 7 concrete tankers of 48,783 dead-weight tons.

As we have seen, this mighty merchant fleet, principally of steel, was in condition for gradual incorporation into a privately owned and operated merchant marine, that is, such as was not in actual use, represented the newest and largest volume of carrying tonnage in the word, whether in lay up or in use, was destined to grow in value as the rapidly aging tonnage of the world marine neared the point of inevitable replacement, had all of it in prosperous times found ready employment, was now for the most part in lay up on account of continuous and universal business depression—a condition affecting other merchant fleets as well as ours in lay up, but carefully guarded against deterioration at a cost of about $300 per month for steel ships and less than $15 per month for wooden ships—an expense offset by the growth in value due to world conditions already mentioned. To speak of this fleet as representing a total loss, or an approximately total loss, or the greatest commercial wreck of the ages, as some have done, is to ignore the facts.

Despite this superabundance of modern vessels, waiting for the return of prosperous activities on the seas, and despite the unparalleled progress of the American merchant marine since 1914—a progress from an almost negligible point to a foremost place in ocean trade, a progress marked by the handling of more than 50 per cent of our foreign trade tonnage every year since and including 1920—despite the fact that these hundreds of laid-up ships will accommodate the expansion of our foreign trade for years to come, a bill has been pending in Congress for several months, and has passed the House, providing cash subsidies involving at least 450 millions in the next decade and a half, and a loan fund of $125,000,000 for the construction of more ships.

Let us now consider that bill, the bill commonly known as the ship subsidy bill—the bill now under discussion in the Senate. In the event it becomes law it will also be known as the merchant marine act of 1922. The title reads that it is a bill to amend and supplement the merchant marine act of 1920, and for other purposes. As we have seen, the merchant marine act of 1920 amends and supplements the shipping act of 1916. It is necessary, therefore, to have all three measures before us in order to obtain a proper estimate of the situation confronting us. We have already reviewed the acts of 1916 and 1920 and intervening war shipping acts.

The bill now before us is divided into seven titles in addition to the general title already given. The first title is called "Amendments to the merchant marine act, 1920." Section 1 of this title amends section 5 of the act of 1920, the section authorizing and directing the board, as soon as practicable, to sell all of the vessels referred to in section 4 of the act of 1920 or otherwise acquired by the board by requiring that the interest on the unpaid purchase price shall be payable at least annually at a rate of not less than 4½ per cent per annum; that payments of principal be so arranged that the amounts due or paid under the contract of sale as principal up to any moment of time shall be sufficient to cover depreciation of the vessel up to such moment, unless the board waives this requirement on the giving of adequate security, provided that no employee of the Government shall in any way be interested as a vendee in any purchase made from the Shipping Board; that all sales made under this act shall be subject to the limitations and restrictions of section 9 of the act of 1916, as amended, provided that the ship known as the *Leviathan*, now being reconditioned, shall not be sold for a price less than the cost for reconditioning said vessel. Section 1 of this title further amends section 5 of the act of 1920 by striking out certain requirements and safeguards in connection with the sale of vessels. This will be referred to later.

Section 2 of this title amends section 7 of the merchant marine act of 1920, the section relating to the establishment of routes by the board and the operation of ships thereon, by requiring that domestic communities primarily interested in such lines shall be understood to mean the geographical divisions of the coast lines of the United States known as the North Atlantic, South Atlantic, Gulf, and Pacific coasts, together with particular ports from which such lines may run or be intended to run and the territorial regions and zones naturally tributary to such ports and coastal divisions; that the board shall not for the period of two years after the enactment of the merchant marine act, 1922, sell vessels operating on routes established by the board prior to the enactment of this act to persons other than those who, in the judgment of the board, have the support, financial and otherwise, of the domestic communities primarily interested in such lines; that it is hereby declared to be the policy of Congress to discourage monopoly in the American merchant marine, and in pursuance of this policy the board is directed in the development of its sales and its assignment policy to continue as far as possible and practicable, subject to the provisions of this section, all existing steamship routes and regular services, and to endeavor in every way to bring about the permanent establishment of such routes and services and their retention, as far as possible, in the hands of persons having the support, financial and otherwise, of the domestic communities primarily interested in such routes and services; that in carrying out the provisions of this section the board is directed to investigate fully all matters in connection therewith and to conduct hearings at which the persons interested in such communities may have the opportunity to express their views as to the course to be pursued by the board and the methods to be adopted in carrying out the policy therein prescribed.

Sections 3 and 4 of this title reenact and amend sections 9 and 10 of the merchant marine act of 1920, sections relating to marine insurance, adding the provision that purchasers could take the necessary insurance with commercial concerns or with the separate insurance fund created by the board, and the further provision that private parties could utilize the separate

fund only when foreign insurance companies were offering lower rates than the American companies.

Section 5 of this title amends and enlarges section 11 of the merchant marine act of 1920 by increasing the construction-loan fund from $25,000,000 to $125,000,000 and adding other provisions, so that the section as amended provides (a) that there is hereby established in the Treasury a revolving fund to be known as the "United States Shipping Board construction-loan fund"; that there shall be covered into such loan fund all moneys which at the time of the enactment of this act are in the fund created by section 11 of the act of 1920; that the board may set aside and cover into the loan fund all receipts of the board except appropriations made by law and profits of the board from the operations of vessels, but that the total amount of moneys covered into the loan fund, other than payments upon the principal and interest upon loans made therefrom, shall not exceed $125,000,000.

(b) That the board may use the loan fund to such extent as it deems necessary for making loans to aid persons, citizens of the United States, (1) in the construction by them of vessels in private shipyards of the United States of the best and most efficient type, equipped with the most efficient and the most economical machinery and commercial appliances, or (2) in the equipping by them of vessels already built with such machinery and commercial appliances, provided that this section shall not apply to construction or equipment of vessels by corporations or individuals primarily for the purpose of transporting their own products.

(c) That no loan shall be made for a longer time than 15 years; that all loans shall bear interest payable at least annually upon the unpaid principal at a rate not less than 4½ per cent per annum; that no loan shall be made (1) for construction purposes for a greater sum than two-thirds of the cost of the vessel to be constructed nor (2) for equipment purposes for a greater sum than two-thirds of the cost of the equipment or two-thirds of the value of the vessel when thus reequipped, whichever is the lesser; that the board shall require such security, including a first lien on the entire interest in the vessel, as it deems necessary in order to insure the repayment of the loan with interest; that in case of a loan under this section made after the enactment of the merchant marine act, 1922, all payments on the principal and interest of the loan shall be covered into the loan fund.

Section 6 of this title amends section 24, merchant marine act, 1920, by adding the requirement that ships carrying mails must be such as are eligible for compensation under this act by repealing so much of section 7, act of 1920, authorizing mail-carrying contracts despite the act of March 3, 1891, and by repealing that act.

The second title is called "Taxation." The first seven sections under this title, amending the revenue act of 1921 by allowing certain income-tax exemptions as an encouragement for the construction of new ships or the saving of earnings for that purpose, were adopted by the House but were stricken out by the Senate Committee on Commerce and are no longer in the bill.

Then comes a section under this title numbered 201 in the bill as reported by the Senate Committee on Commerce and providing that Title II of the revenue act of 1921 is amended by adding at the end thereof a new section numbered 272, and providing—

(a) That in case of vessels registered, enrolled, or licensed under the laws of the United States the reasonable allowance for exhaustion, wear and tear, and obsolescence provided in paragraph (8), subdivision (a), of section 214, and in paragraph (7), subdivision (a), section 234, of said revenue act, shall be determined and allocated to the years in which such depreciation was sustained under rules and regulations prescribed by the Shipping Board.

(b) That in case of a vessel of 1,000 gross tons or more acquired after August 1, 1914, and prior to January 1, 1921, there shall be allowed for the taxable year 1922 and each of the four succeeding taxable years, under rules prescribed by the board, a reasonable deduction for the exceptional decrease in value thereof since the date of acquisition, but not again including any amount otherwise allowed under this act or any previous act of Congress as a deduction in computing net income; that at any time before March 15, 1927, the Commissioner of Internal Revenue may, and at the request of the taxpayer shall, reexamine the return, and if he then finds as a result of an appraisal or from other evidence that the value on which the tentative deduction for exceptional decrease in value was based was incorrect or has changed, the income, war profits, and excess-profits taxes for the year or years affected shall be redetermined, and the amount of tax due on such redetermination, if any, shall be paid on notice and demand by the collector, and the amount of tax overpaid, if any, shall be credited or refunded to the taxpayer in accordance with section 252 of said revenue act; that this section shall take effect as of January 1, 1922.

The next section, 202, excludes subsidy money received under this act from taxable income. Then follows section 203, doubling tonnage duties, tonnage taxes, or light money as to vessels eligible for subsidy.

The third title of the bill under debate is called "Transportation of Immigrants by Water."

The first section under this title, numbered as section 301, provides that, as nearly as practicable, one-half of the total number of immigrants admitted to the United States in any fiscal year shall be transported in vessels registered or enrolled and licensed under the laws of the United States. The next section, 302, provides that the Commissioner General of Immigration, with the approval of the Secretary of Labor, shall make regulations necessary for the enforcement of section 301 and that all such regulations relating to administration by diplomatic and consular officers of the United States shall be subject to approval of the Secretary of State. Section 303 provides that section 301 shall not take effect as to immigrants transported in a vessel documented under the laws of any foreign country until a time fixed by proclamation of the President, and that he is authorized and directed, whenever in his opinion this title is or may be in conflict with treaties, to take steps necessary to remove such conflict.

The fourth title is denominated "Compensation to Vessels of the United States." This is the part of the bill defining and conferring subsidy.

The first section under this title is numbered 401 and is a definition of terms. Section 402 provides that there is hereby established in the Treasury a fund to be known as the merchant marine fund, to the credit of which the Secretary of the Treasury is directed to set aside the following sums paid into the Treasury after the enactment of the act:

(a) All tonnage duties, tonnage taxes, and light money.

(b) Ten per cent of the amount of all customs duties paid under law in force at time of enactment of this act or subsequently enacted.

(c) All excess earnings paid by the owner of any vessel under section 416 of this act.

Section 403 provides: (a) That in order to aid the development and maintenance of the American merchant marine, to promote the growth of the foreign commerce of the United States, to contribute to the national defense, and to carry out the policy set forth in section 1 of the merchant marine act, 1920, the board is authorized and directed on behalf of the United States to enter into a contract with any person, a citizen of the United States, who is the owner of a vessel for the payment of compensation in respect to such vessel, subject to the limitations of this title, if in the judgment of the board such person possesses such ability, experience, resources, and character as justify the belief that the payment of compensation will be reasonably calculated to carry out such policies and otherwise promote the general welfare of the United States, no contract to be refused on ground that the person is not so qualified unless after a public hearing such refusal is specifically authorized by affirmative vote of not less than five members of the board and the vote and full statement of reasons are spread upon the minutes of the board.

(b) That such contract shall provide that it shall be made for a period not exceeding 10 years from the date thereof and shall provide that payments of compensation shall be made at reasonable intervals not exceeding six months, provided that no contract made hereunder shall extend beyond a period of 15 years from the date of the enactment of this act.

(c) That the board shall not enter into any contract for the payment of compensation, or increase the rate of compensation fixed in any contract, unless it is satisfied that the amount payable under such contract in any fiscal year, plus the total amount payable in such year under other contracts for compensation, will not exceed the sum of $30,000,000.

(d) That the Secretary of the Treasury is authorized and directed to pay, out of any moneys in the merchant marine fund, compensation to the owner of any vessel contracted with, but such payment shall be made only on vouchers signed by the chairman of the board under authorization of the board; that all moneys in the merchant marine funds are hereby permanently appropriated for the purpose of making such payments and refunds subsequently authorized in this act.

Section 404 provides that compensation shall be computed as follows: For each gross ton of the vessel for each 100 nautical miles covered by the vessel there shall be paid—

(a) Regardless of the speed of which the vessel is capable, one-half of 1 cent; and

(b) In case of a power-driven vessel capable of making (when self-propelled solely by machinery) a speed of 12 knots or over when on such draft as the owner may select and in addition to any amount payable to such vessel under subdivision (a)—

(1) One-tenth of 1 cent, if such speed is 12 knots or over but less than 13 knots;

(2) Two-tenths of 1 cent, if such speed is 13 knots or over but less than 14 knots;

(3) Three-tenths of 1 cent, if such speed is 14 knots or over but less than 15 knots;

(4) Four-tenths of 1 cent, if such speed is 15 knots or over but less than 16 knots;

(5) Five-tenths of 1 cent, if such speed is 16 knots or over but less than 17 knots;

(6) Seven-tenths of 1 cent, if such speed is 17 knots or over but less than 18 knots;

(7) Nine-tenths of 1 cent, if such speed is 18 knots or over but less than 19 knots;

(8) One and one-tenth cents if such speed is 19 knots or over but less than 20 knots;

(9) One and three-tenths cents if such speed is 20 knots or over but less than 21 knots;

(10) One and five-tenths cents if such speed is 21 knots or over but less than 22 knots;

(11) One and eight-tenths cents if such speed is 22 knots or over but less than 23 knots; and

(12) Two and one-tenth cents if such speed is 23 knots or over.

Section 405 provides that for the purpose of computing compensation under the title—

(a) A vessel is held to be power driven if equipped so as to be self-propelled through use of machinery and if the rated horsepower of the propulsive machinery exceeds one-third the gross tonnage of the vessel;

(b) A vessel is held to be a sailing vessel if it is equipped so as to be self-propelled through use of sails and is not equipped so as to be self-propelled through use of machinery;

(c) Gross tonnage of vessel shall be as determined under laws of the United States and stated on vessel's certificate of admeasurement;

(d) The speed which a vessel is capable of making on such draft as owner may select shall be ascertained by the board at reasonable intervals and by such methods as it may by regulations prescribe;

(e) The mileage covered by the vessel shall be determined solely by distances of direct, customary route for vessels of same type and kind on similar voyages between the ports touched by the vessel based upon tables of such distances approved by the board, except that if such distances do not in the board's opinion fairly represent distances which under efficient operation are required actually to be traversed by the vessel on its voyage the board may increase the mileage to such an extent as it deems fair and reasonable, but in no case shall the mileage so increased exceed mileage actually traversed by the vessel;

(f) In computing mileage, a fractional part of 100 miles shall be disregarded, unless in excess of 50 miles, in which case it shall be counted as 100 miles.

(g) Any power-driven vessel of 5,000 gross tons or less but of 1,500 gross tons or over shall be considered as if it were a vessel of 5,000 tons.

Section 406 provides (a) that compensation shall not be paid in respect to any sailing vessel whose tonnage is less than 1,000 gross tons, nor to any other kind whose tonnage is less than 1,500 gross tons.

(b) That compensation shall be paid in respect to any vessel only for mileage covered while the vessel—

(1) Is a privately owned merchant vessel;

(2) Is registered or enrolled and licensed under the laws of the United States;

(3) Is self-propelled by sails or machinery, except when in distress or being aided by means of tugs or other assistance on entering or leaving port or in navigating any inland or restricted waterway;

(4) Is classed by the American Bureau of Shipping in the highest classification open to vessels of its type and kind according to the rules of the bureau; and

(5) Carries a crew (exclusive of licensed officers required by law) at least two-thirds of which are citizens of the United States and the remainder of which are individuals eligible to United States citizenship, the required number of United States citizens to be one-half instead of two-thirds during the first year after the enactment of this act and six-tenths instead of two-thirds during the second, the provisions of this paragraph to apply only to deck and engine departments in case of passenger vessels; owner and master of vessel not to be held to strict compliance with this paragraph in case of loss of any member of crew through desertion, casualty, or other cause beyond control in any port outside the United States where due diligence is shown; the owner of a vessel outside the United States at the enactment of this act or on the first day of the second or third year thereafter not to be required to comply with the provisions of this paragraph applicable to such year until her first arrival at a United States port if he complies with said provisions applicable to the previous year.

(c) That compensation shall not be paid in respect to any vessel unless the vessel (1) is registered, enrolled, or licensed under the laws of the United States on the sixtieth day after the enactment of this act; or (2) is built in the United States, its Territories, or possessions, or the Canal Zone after the enactment of this act; or (3) is at the time of the enactment of this act undocumented and owned by a person, a citizen of the United States, and is not thereafter documented under the laws of any foreign country; or (4) is owned by the United States at the time of the enactment of this act and is not thereafter documented under the laws of any foreign country; or (5) was built in a foreign country before the enactment of this act and is within three years after the enactment of this act registered under the laws of the United States, compensation to be paid for such vessel only when specifically authorized on the affirmative vote of at least five members of the board to receive compensation and specifically certified to be essential to the proper development of the merchant marine of the United States by reason of the particular type or kind of vessel, such vote and a full statement of the reasons for such authorization and certification to be spread on the minutes of the board.

(d) That from total compensation earned in respect to any voyage there shall be deducted an amount bearing the same ratio thereto as the revenue attributable to the carriage of cargo owned by the owner of the vessel or any person affiliated with him within the meaning of subdivision (c), section 409, of this act relating to two or more affiliated corporations or associations bears to the total revenue attributable to the carriage of passengers, cargo, and mails, the amounts so attributable to be determined by the board as representing the fair value of services performed by the vessel in transporting such cargo.

Section 407 provides (a) that for purposes of compensation under this title a vessel shall be held to be engaged in foreign trade while operated on any voyage as a merchant vessel, with certain exceptions, namely, (b) that it shall not be held to be so engaged while carrying any passengers or cargo (1) which are taken on board at a port in the United States and discharged at a port in the United States, (2) which are taken on board at a port in the United States and discharged at a port in Alaska or Porto Rico, (3) which are taken on board at a port in Alaska or Porto Rico and discharged at a port in the United States, (4) which are taken on board at a port in the United States and discharged at a port in Hawaii or vice versa, if the revenue from such passengers and cargo amounts to more than one-fourth of the total revenue from all passengers and cargo on board at time of departure from last port of call in the United States or (5) Hawaii, as the case may be, or (6) which are taken on board at a port in Alaska, Hawaii, Porto Rico, Virgin Islands, Philippine Islands, Canal Zone, and discharged at a port in the same Territory, possession, or zone.

(c) That the last-named restrictions shall not apply (1) to a voyage for carriage of passengers on a special or sight-seeing tour or for scientific purposes if the vessel does not, in the judgment of the board, carry passengers or cargo in competition with vessels in the coastwise trade, nor (2) to merchant vessels while operating as auxiliaries to the military or naval forces of the United States.

(d) That a vessel shall not be held to be in foreign trade while moving without passengers or cargo (1) between ports in the United States, unless the next carriage of passengers or cargo is to or from a port outside the United States, Alaska, Hawaii, and Porto Rico; (2) between the United States and Alaska, Hawaii, or Porto Rico, unless the next carriage of passengers or cargo is to or from a port outside the United States and outside such Territory or possession; (3) between a port in Alaska, Hawaii, or Porto Rico and a port in the same Territory or possession, unless the next carriage of passengers or cargo is to or from a port outside such Territory or possession and outside the United States; (4) between a port in the Virgin Islands, Philippine Islands, or Canal Zone and a port in the same possession or zone, unless the next carriage of

passengers or cargo is to or from a port outside such possession or zone.

(e) That a vessel is not in foreign trade under this title while operating on the Great Lakes or adjacent or connecting waterways, unless the voyage begins or ends east of Quebec, Canada.

Section 408 provides (a) that compensation shall be paid in respect to any vessel only for mileage covered while the vessel is engaged in foreign trade upon a voyage of which one of the ports is a port of the United States, its Territories, or the Canal Zone, except that any vessel engaged in foreign trade shall be paid compensation for mileage covered in such trade during any period of time (1) if the vessel has entered or cleared from a port of the United States at any time during the 12 months prior to such period of time and after the making of the contract or (2) if the vessel during the six months ending with such period of time has derived at least one-half of the total revenue accruing to it by reason of the carriage of passengers or cargo from passengers and cargo received from or delivered to vessels which are registered or enrolled and licensed under the laws of the United States and whose voyage began or terminated at a port in the United States, its Territories or possessions, or the Canal Zone.

(b) That compensation shall not be paid for a voyage during which the vessel enters or clears from a port in the United States, its Territories or possessions, or the Canal Zone, if the distance between the terminal ports of the voyage is less than 150 nautical miles.

Section 409 provides (a) that compensation shall accrue only while the vessel is owned by a person, a citizen of the United States; (b) that compensation earned after three years from the enactment of this act shall not be paid to any vessel owner unless at all times during the period over which such compensation was earned at least 50 per cent of (1) the total gross tonnage of all vessels—other than those documented in the coastwise trade only, and other than those operating on the Great Lakes or adjacent or connecting waterways upon voyages neither beginning nor terminating east of Quebec, Canada—which are owned or chartered by such vessel owner, or for which such owner acts as agent, plus (2) the total gross tonnage of all such vessels owned or chartered by any person affiliated with such vessel owner, or for which such affiliated person acts as agent, is comprised of vessels registered under the laws of the United States; (c) that the affiliation referred to means ownership or control of 50 per cent of outstanding voting stock or voting power, or of 80 per cent of all outstanding stock or interest; (d) that the board may suspend from time to time the provisions of subdivision (b) of this section in respect to a power-driven vessel of a particular type or kind which any person desires to own or charter if, in the opinion of the board, vessels of such type or kind registered or enrolled and licensed under the laws of the United States are not reasonably available for the purposes desired, and that any vessel in respect to which such suspension is made shall not be counted in computing gross tonnage for the purpose of subdivision (b).

Section 410 provides (a) that whenever the board determines that in order to promote the welfare of the United States the operation of vessels in any particular service, or of any particular type or kind, is desirable and necessary and that the rate of compensation under section 404 is insufficient to induce the operation of vessels in such service, or of such type and kind, the board in making the contract for compensation may provide therein for such increase of compensation as it deems necessary to these ends, the increase not to be more than twice the rate under section 404; (b) that the board in making contracts of compensation may decrease the compensation under section 404 in any particular case to such extent as it deems advisable; (c) that after making the contract of compensation the board may, with the consent of the other party, decrease, or increase to a figure not more than twice the rate under section 404, the rate of compensation to be paid, provided that no expenditure shall be made from the merchant marine fund because of any increased compensation granted after contracts have been made, except out of appropriations made annually therefrom by Congress; (d) that no increase or decrease shall be made under this section unless specifically authorized by the board on the affirmative vote of not less than five members, and unless such vote and a full statement of the reasons therefor are spread on the minutes of the board.

Section 411 provides (a) that the contract may require a vessel to be operated in a particular service—the term "service" including, by previous definition in the bill, the route, frequency of sailings, and speed—(1) if the rate of compensation is based thereon and (2) if the contract also provides a different rate of compensation to be paid for any period of time after obligation of owner to operate the vessel in such service has been terminated as herein provided; (b) that if the contract provides for operation in a particular service the owner's obligation may terminate on six months' written notice to the board; that on failure of owner to operate the vessel in such service (act of God and restraint of princes excepted) before his obligation has terminated, then (1) all rights to compensation earned since the last time for payment provided in the contract may, at the board's option, be forfeited, and (2) the board may terminate the entire contract.

Section 412 provides that any vessel under a compensation contract may at any time during the life of the contract be taken and purchased or used by the United States for national defense or during any national emergency declared by proclamation of the President; that in such event the owner shall be paid the fair actual value of the vessel at the time of taking or paid fair compensation for her use based upon such fair actual value, said value not to be enhanced in either case by the causes necessitating the taking; that in case the vessel is taken and used but not purchased the vessel shall be restored to the owner in a condition at least as good as when taken, less reasonable wear and tear, or the owner shall be paid an amount for reconditioning sufficient to place the vessel in such condition; that the owner shall not be paid for any consequential damages arising from such taking and purchase or use; that in case of disagreement between the United States and the owner of the vessel as to the fair actual value, fair compensation, or amount for reconditioning, such value, compensation, or amount shall be determined by arbitration, one arbitrator to be selected by the President, one by the owner of the vessel, and the third by the two thus selected, or, if they can not agree, by the Chief Justice of the United States.

Section 413 provides that all repairs, renewals, or reconditioning of contract vessels or of their machinery or equipment shall be done in a port in the United States, its Territories or possessions, or the Canal Zone, except that repairs or renewals may be made in a foreign port if the repairs or renewals are essential to the safety of the vessel, its passengers, crew, or cargo, or are made to a vessel operating exclusively between foreign ports under this act; that the board shall refuse to pay any person failing to perform his obligations under this section such amount of compensation as the board may determine.

Section 414 provides that if a vessel in respect to which a contract for compensation is made is sold prior to the expiration of the contract the compensation shall cease unless a new contract therefor is made with the purchaser.

Section 415 provides that any purchaser of a contract vessel before expiration of contract shall be held to take the vessel with notice of and subject to the right of the United States to take and purchase or use such vessel as provided in section 412.

Section 416 provides (a) that when used in this section the terms "taxable year," "gross income," "net income," and "invested capital" shall have the same meaning as when used in the revenue act of 1921.

(b) That the owner of a contract vessel or vessels shall pay the United States 50 per cent of the amount by which his net income for the taxable year attributable to the operation of such vessels exceeds 10 per cent of his invested capital for such year attributable to such vessels, but in no case shall the amount so paid exceed the compensation earned in respect to such vessels during the taxable year under a contract made under this title by the owner.

(c) That in computing the gross income attributable to the operations of the vessels there shall be included the compensation earned under this title in respect to vessels during the taxable year; that in computing the net income there shall be deducted from gross income a reasonable amount determined by the board and certified by it to the Commissioner of Internal Revenue as representing the fair value of the products, services, or facilities furnished by the owner in connection with operations; that there shall not be allowed as a deduction in computing the net income attributable to the operation of the vessels the deduction provided in section 265 of the revenue act of 1921 as amended by this act.

(d) That if the owner of vessels uses them in whole or in part for transportation of his own property, his gross income attributable to the operations of the vessels in transporting such property shall be considered to be such amount as is determined by the board and certified by it to the Commissioner of Internal Revenue as representing the fair value of the services performed by the vessels in transporting such property.

(e) That if the owner of the vessel is an individual, a partnership, or an estate or trust, the invested capital shall be determined under rules and regulations prescribed by the Commis-

sioner of Internal Revenue, with the approval of the Secretary of the Treasury, so as to equal as nearly as may be practicable the invested capital that would be allowable to such owner if a corporation.

(f) That to secure an accurate distribution or apportionment of profits, income, deductions, or invested capital in computing net income or invested capital among two or more trades or businesses—whether incorporated or unincorporated, or whether or not organized or created in the United States—controlled directly or indirectly by the same interests the Commissioner of Internal Revenue may consolidate the accounts of such trades or businesses (1) if the person conducting one of such trades or businesses in dealing with the person conducting another bought from or sold to the other person during the taxable year products, services, or facilities at prices above or below the current market price, thus effecting an artificial distribution of profits, (2) or if one such person in any way so arranged his financial relations with another such person during the taxable year as to assign to either a disproportionate share of net income or invested capital, (3) or where for any reason it appears to the Commissioner of Internal Revenue that the net income or invested capital attributable to the vessels, as shown by the return of the owner, does not fairly reflect the actual or true net income or invested capital of the owner.

(g) That every person liable for the 50 per cent payment to the Government under this section shall make at the time and in the manner provided by law for making his income-tax return a return in such form as may be prescribed by the Commissioner of Internal Revenue, stating his net income attributable to the operations of the vessels, his invested capital attributable to the vessels, and any other information relating to the determination of the amount payable under this section which may be required by the commissioner; that a copy of such return, together with all schedules and data submitted therewith, shall be transmitted to the board at the same time when the return is filed.

(h) That the entire amount for which a vessel owner is liable under this section shall be due and payable at the same time and in the same manner and collected in the same manner as the first installment of income tax imposed by law.

(i) That for the purposes of this section the amount of compensation earned in respect to vessels during the taxable year shall be determined by the board and certified by it to the Commissioner of Internal Revenue.

(j) That amounts paid under this section shall be covered into the Treasury to the credit of the merchant marine fund, and that any refunds for overpayment shall be paid therefrom on vouchers approved by the Commissioner of Internal Revenue and countersigned by the chairman of the board.

(k) That provisions of the revenue act of 1921 and any other internal revenue laws relating to assessment, collection, remission, or refunding of income and excess-profits taxes shall, so far as practicable, apply to payments dealt with by this section.

(l) That the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall make rules and regulations for the enforcement and have charge of the administration of this section.

Section 417 provides (a) that the board shall provide in every contract for compensation with any person that such person agrees to accept and comply with sections 412, 413, 414, and 416, and that whether or not the contract does so provide, such person shall be held to have so agreed.

(b) That any contract for compensation with any person may be canceled by him at any time without the consent of the board, but that the cancellation shall not relieve him of obligations under sections 412 and 416, or of any obligation under section 411, to operate a vessel in any particular service.

(c) That the board shall provide in the contract no terms or conditions except those (1) which are specified in subdivision (a) of this section or in section 411, or (2) which are necessary to carry out sections 411, 412, 413, 414, and 416, or (3) which are necessary to ascertainment and determination of amount of compensation at rate fixed in contract payable under this title.

Section 418 provides that the board's determination as to amount of compensation to which any person is entitled under this title shall be subject to review by the General Accounting Office.

The fifth title is called "Army and Navy Transports."

Its first and only section, numbered 501, provides that whenever in the judgment of the President adequate transportation facilities to meet any or all of the needs of the Army, Navy, or Marine Corps are afforded by vessels registered or enrolled and licensed under the laws of the United States, he may direct the discontinuance in whole or in part of the transport service of either the Army or the Navy and transfer to the board or place out of commission any of the vessels now or hereafter engaged in either of such services; that whenever such disposition is made the Secretary of War and the Secretary of the Navy, respectively, are authorized and directed to make contracts with owners of such vessels for transportation required, that the contracts may be for terms of 10 years, and that the board shall furnish necessary assistance in making them; that there is hereby authorized to be appropriated such sums as are necessary to meet payments required under such contracts.

The fifth title is named "Rail and Water Transportation."

Its first section, numbered 601, provides that, as used in this title, the term "commission" means Interstate Commerce Commission.

Section 602 declares (a) that it is the policy of Congress to promote, encourage, and develop water transportation service and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation, and that the board and commission are hereby severally authorized, empowered, and directed to cooperate to that end.

(b) That the board and commission are authorized and directed to create a joint board from among their members, officers, and employees to study conditions and interrelations of rail and water traffic, the control, improvement, and extension of ocean freight terminals, and the principles and methods essential to the policy declared at the outset of this section.

(c) That the joint board shall hold regular meetings, appoint a secretary, keep minutes, and so forth.

(d) That the joint board shall make recommendations to the board and commission, which, if they approve, shall make them effective by such means as are granted by law, each acting within its own jurisdiction.

(e) That this section shall not affect the jurisdiction of the commission or create any power concurrent with its powers.

Section 603 provides that the board shall certify the form to be used by the commission in prescribing through bills of lading for exports.

Section 604 provides that paragraph (9), section 5, of the interstate commerce act, relating to rail-owned water lines, shall not apply when such common carrier by water or such vessel is engaged exclusively (a) in trade (other than with foreign contiguous territory) not included in the coastwise trade, or (b) in trade between United States ports and Philippine ports, or exclusively in trade on rivers or canals of the United States.

Section 605 amends section 15 of the shipping act of 1916, requiring filing of all agreements and understandings between carriers affecting water transportation, by requiring also the filing of all arrangements with railroads affecting joint rail and water shipments.

Section 606 amends section 6 of interstate commerce act so as to require railroads entering into agreements with ocean carriers under section 15 of the shipping act of 1916 to enter into similar arrangements with any and all other carriers by water from same port to same foreign country.

Section 607 amends section 28 of the merchant marine act of 1920 by requiring 30 days' notice before any suspension of that section becomes effective, and by providing that whenever the board and commission are both of opinion and certify that putting into effect or keeping in effect this section will cause unjust discrimination between ports of United States or as to commerce accustomed to move through such ports, or will materially change the channels of transportation within the United States, or in unduly congesting United States ports, the commission shall by order suspend said section until such time as it and the board decide otherwise, whereupon such suspension shall by order be terminated by the commission on 30 days' notice.

The seventh title is denominated "Miscellaneous provisions." The first section of this title, numbered 701, provides that officers and officials of the United States Government traveling at public expense shall use, as far as practicable, public vessels of the United States or vessels registered or enrolled and licensed under United States laws; that when such passage is not practicable vessels under foreign flags may be used only when ordered by the head of department or other Government establishment concerned, or on order approved by such head of department or other Government establishment, who shall promptly report each such voyage to the board with reasons showing necessity therefor.

Section 702 makes practically the same requirements as to Government supplies as are made as to officers and officials in section 701.

Section 703 amends section 12 of the shipping act of 1916 by requiring inclusion of all transactions with the merchant marine and construction-loan funds in the board's annual report to Congress.

Section 704 provides that (a) the Secretary of Commerce is authorized to designate such ports of entry as he deems advisable as ports of documentation for vessels.

(b) That for the purposes of section 30 of the merchant marine act of 1920, the section relating to ship mortgages, and of the navigation laws, the home port of a vessel shall be the port of documentation at or nearest to and in the same customs district as the place at which there is conducted the greater part of the vessel business of the owner of the vessel, except that the Secretary of Commerce shall by regulation prescribe the home port where he finds the above rule not applicable.

Section 705 amends the definition of certain terms in section 30 of the shipping act of 1916.

Section 706 amends section 4141, Revised Statutes, so as to read that every vessel except as otherwise provided by law shall be registered by the collector of customs at the home port of the vessel.

Section 707 amends a subsection of section 30 of the shipping act of 1916 relative to preferred mortgages and regulating their surrender, while section 708 amends section 42 of that act in regard to the surrender of documents.

Section 709 provides that except when otherwise specifically provided in this act, the board may make such regulations in respect to matters placed under its jurisdiction by this act as it deems necessary in order to make effective the intent and purposes of this act.

Section 710 provides that if any provision of this act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of this act and of the application thereof to other persons and circumstances shall not be affected thereby.

Section 711, the last section of this title and of the bill itself, provides that this act may be cited as the "merchant marine act, 1922."

The first observation occurring to me after a review of this bill is that it contains a number of valuable legislative advances outside the subsidy provisions. These forward steps, with the Government gift features eliminated from the bill, and such portions of previous measures, beginning with the Democratic act of 1916, as remain unrepealed or have been perfected constitute a body of enactment under which the Shipping Board may continue successfully to develop an American merchant marine of satisfactory proportions. Congress could do no better service to American overseas trade than to strike out the subsidy and special-privilege sections of this bill and adopt most of the remainder.

There is one amendment in the first section of the bill, however, which calls for comment. That section in amending section 5 of the act of 1920 eliminates certain requirements relating to the sale of vessels, to wit, requirements that the board in fixing or accepting a sale price should consider the prevailing domestic and foreign market price of, the available supply of, and the demand for, vessels, existing freight rates, and prospects for their maintenance, cost of constructing vessels of similar types under prevailing conditions, as well as cost of construction or purchase price of vessels to be sold, and any other facts or conditions that would influence a prudent, solvent business man in the sale of similar vessels or property which he is not forced to sell. It is true that the first section of the pending bill retains the direction in section 5 commanding the sale of vessels as soon as practicable, consistent with good business methods and the objects and purposes of this act, but the expression "good business methods" relates here more to the time of sale than requirements to be observed in making it, and the fact that the framers of the act of 1920 deemed it necessary to add specific stipulation that market prices, construction costs, reproduction costs, and any other conditions that would influence a prudent, solvent business man not forced to sell shows that the framers of the act of 1920 had in mind the prevention of the closing out of our great merchant fleet for practically nothing, and on auction-block terms. Now, why is this stipulation omitted from the present bill? Why is it repealed by the present bill? The very fact of its elimination might be construed as authority to fling one of the most useful and valuable properties in the world to the winds.

The Shipping Board states in its last annual report, the report for the year ending June 30, 1922, that the construction cost of the vessels it owned on that date was $2,351,505,875.92. It tells us that the demand for this practically new and modern ship tonnage will increase as world conditions, now suffering one of the severest depressions ever known, improve and as present ship tonnage in use on all the seas nears the point of necessary replacement, a point large portions of it are about to reach on account of age. It does not give us a statement of its other assets in a sum combining them with these ship values, as was done in prior reports. It tells us that at present there is practically no market for ships. The few sales it did make during the last fiscal year were almost on terms of owners forced to sell. It tells us that the great fleet in lay up is being preserved at a cost strikingly small, a cost offset by a gradual increase in value due to world tonnage conditions heretofore specified. It tells us that the laid-up fleet is being held in readiness for replacements as they become necessary in our own service. Is it not madness under such circumstances to strike out the safeguards thrown around the sale of these ships by the act of 1920? The policy announced by the board in its last annual report, a policy I outlined in detail, would certainly negative the idea of sacrifice sales. This makes the amendment making such sales possible by striking out the sale requirements in the act of 1920, heretofore described, all the more a mystery. The amendment should be disagreed to and the requirements of section 5 of the act of 1920 retained without modification.

In this connection I call attention to another fact. The subsidies provided in this bill are so arranged that almost all the cargo ships owned by the Government will get only the minimum rate. As I have heretofore shown, only a handful of these ships will be in the next two classes above the minimum, while the 10 next higher classes call for a speed no Government-owned ship possesses. Thus the Government is called upon to give the lion's share of a subsidy mounting through the years to hundreds of millions from its own Treasury to ships with which its own can not compete. The blow such a measure would deal to the value and availability of the present fleet can hardly be measured. The Germans found a way to sink their ships at Scapa Flow. Is this another way to sink ours? The whole transaction looks as if a fleet of merchant ships built with the money of the people must be annihilated to enable more ships to be built by private interests at the further expense of the people.

This subsidy to private shipowners is morally wrong. Congress has no more right to take the money of the taxpayers and hand it over to men and corporations engaged in ship operation than it has to give it to those engaged in other trades as an inducement or premium for the pursuit of their vocations. It would be legislative embezzlement of the most vicious type.

This subsidy is economically wrong. No merchant marine will endure upon the artificial basis of cash donations from the Government. A permanent marine must be built on merit alone—merit and ability matched against the competition of the world. The receipt of a subsidy postpones the hour of real trial, the trial which the recipient will face with weakened will when the subsidy ceases, as cease some day it must. The ship that survives in ocean trade is the ship that makes its way solely from the returns its services produce. Armed with that capacity its place on the main is a lasting one.

This subsidy is practically wrong. With more ships on hand than we can use, why build more? With a Government-owned fleet, which cost the people nearly two billions and a half, more than two-thirds of which is in lay up awaiting the revival of commerce, with an American merchant marine composed of both Government and private ships, and all managed privately, transporting more than 50 per cent of our foreign trade tonnage, composing the largest merchant marine in our history—the second largest in the world—why expend four hundred and fifty millions in gratuities and hundreds of millions in loans to force the construction of more ships. The cry of the war was more ships, and they blossomed from the ways by thousands, exemplifying the constructive genius of a Schwab, the executive capacity of a Hurley, the energy of a Piez, the unerring judgment of a Payne, the intellectual power of a Benson. The cry of peace is not more ships but more markets. We have the ships. What we need is a secure world market. Give us that and our present shipping facilities will be more than ample.

This subsidy will be a source of increased expense. Its elaborate ratings will require elaborate supervision. It means the installation of a new system in the promotion of our merchant marine, a system largely experimental. New and experimental systems are costly, as a rule, to the last degree. The statement that the Fleet Corporation is losing fifty millions a year was based partly on items during the last fiscal year that are rapidly disappearing. It was based on an excess of construction cost over outlay of nearly twenty millions, but the construction program is practically ended. It was based also on an excess of transportation and housing cost over outgo of over fifteen

millions, but these elements will vanish as construction ceases. The Shipping Board's consolidated cash statement for the last fiscal year, covering receipts and disbursements of all kinds, shows an unexpended balance on June 30, 1922, of $66,521,117.02, as against an unexpended balance on June 30, 1921, of $34,047,304.54.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. LENROOT in the chair). Does the Senator from Texas yield to the Senator from Tennessee?

Mr. SHEPPARD. I yield.

Mr. McKELLAR. I should like to inquire how they figure out their loss at $50,000,000 a year with that kind of a cash balance staring them in the face?

Mr. SHEPPARD. That is as much of a mystery to me as the advocacy by the Shipping Board of a subsidy after denouncing the principle of the subsidy in their last annual report.

This subsidy operates unfairly even among its beneficiaries. Based on speed for all ratings above the minimum the faster and costlier the vessel the larger will be the subsidy. In fact, it was recently announced that eastern capitalists were preparing to construct, with the enormous financial aid they would receive under this bill in the event it became law, two passenger liners eclipsing in size and speed anything the world has yet beheld; liners 1,000 feet long and of 70,000 gross tons each; liners that would make the *Majestic* and the *Leviathan* look like canal boats. It has been estimated that these ships would get about $4,000,000 a year in basic subsidy under this bill, or twice that amount if the board should so allow, the board having the power to double the basic grants.

An expert of the Shipping Board testified at the hearings that the *Leviathan* would get $900,000 a year in basic subsidy from the Treasury under this bill, and the subsidy could be doubled under this bill if the board should so desire. On the other hand, ordinary cargo vessels, such as make up the bulk of the present Shipping Board fleet and such as carry most of the world's commerce, including farm products, would receive only a few thousand dollars each per annum. It will be seen that the subsidy favors the huge and luxurious passenger vessel, designed mainly for the accommodation of the wealthier classes, the pleasure seekers, the tourists, the globe-trotters, the moneyed idlers, the feasters, and revelers of America's vulgar, dollar-worshiping aristocracy.

This subsidy is an abdication by Congress of the control it should retain over the disposition of the people's money. Under this bill, as it comes to the Senate, the board has the power to grant subsidies for 10 years in semiannual payments, and the moneys needed to meet such payments are permanently appropriated in advance. The House put in a provision—a provision which the Senate Commerce Committee has stricken out—to the effect that these payments could not be obtained except from annual congressional appropriations, approximately as the payments were earned and became due. This is the way our public-building contracts and our river and harbor contracts are handled. Why make an exception of the men to whom we are giving money as an inducement to continue their usual vocation? It is a healthy thing for Congress to retain the power of appropriation to meet deferred contract payments it has authorized. The retention of such power is a salutary check on executive and administrative agencies.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Tennessee?

Mr. SHEPPARD. I yield to the Senator.

Mr. McKELLAR. In that connection, if this bill with the cash subsidy provision in it shall pass the present Congress, it is almost certain that the next Congress will repeal that portion of the bill; and the result will be that we will have on our hands for the next 10 years claims for damages on account of the discontinued payments.

Mr. SHEPPARD. And we would have the further anomalous condition of such contracts as had been entered into by the board after the bill became a law and before its repeal being beyond the power of Congress to recall.

Mr. McKELLAR. Well, I think constitutionally, perhaps, the Congress would have the right to change the contracts, but the same restriction is not in the Federal Constitution that is in the usual State constitution. If, however, we repealed the law these people would have a claim for violation of their contracts with us, which would cost the Government, no doubt, a very large sum. I think it is conceded by everybody that even should this cash provision of the subsidy bill be passed the next Congress will certainly repeal it, because we all know that the next Congress will not be favorable to it.

Mr. SHEPPARD. In any event, the result will be extremely undesirable.

Mr. McKELLAR. Certainly.

Mr. SHEPPARD. Furthermore, the language of the subsidy section limiting subsidy payments to $30,000,000 a year is so indefinite as to invite violation. The board is forbidden to make contracts which it is satisfied will exceed in totality thirty millions a year. If a mistaken satisfaction, an erroneous self-assurance, should lead it to make contracts involving forty millions or fifty millions Congress would be helpless to undo them. The mere recital by the board of its "satisfaction" that the limit would not be exceeded would justify a transgression of the proposed limit.

This subsidy is a contradiction of all for which America stands. It is a denial of the principles on which the career of this Republic is based, individual initiative, resource, and responsibility, equality of opportunity, impartiality of authority. It belies our history and imperils our institutions. It brings us to the brink of an issue involving the nature and genius of our ideals. Shall we turn from the pathway along which we have walked in glory for more than a hundred years? Shall we erase the legend of equal rights from the heart and memory of the Union and substitute the sinister symbols of special privilege?

If so, the Constitution of the United States may be resolved into a single word: Subsidy!

SENATOR M'CORMICK'S LETTER TO SENATOR LODGE.

Mr. HARRISON. Mr. President, as time drags itself along incidents often happen that in the making attract no attention, but which are of sufficient importance when brought to light to impress themselves upon the whole country. There was such an incident just before the recent election. It involved what is or should be an historic document, a document which should be preserved in the archives of the country. I am going to have it placed in the RECORD so that generations yet to come may have an opportunity to read it. It was the expression of one high in authority and one who spoke by the card, so to speak.

I refer to the letter which was written by the distinguished Senator from Illinois [Mr. McCORMICK], a member of the majority in this Chamber, chairman of the Republican senatorial campaign committee. He wrote the letter to the leader of the Republican Party in this body. The peculiar part of the incident was that the letter was written immediately before the election, with instructions not to have it printed until after the election. It so happens that it was printed just as the Senator had left the shores of America, sailing over the placid waters of the Atlantic, on his way to European lands, to put out feelers, for the President, perhaps, touching economic conditions in Europe. It was to be published after he had removed himself from the shouts of a victorious Democracy, far and away from the lamentations of his repudiated colleagues and party bearers. I do not know whether Senators on the other side of the aisle have read this remarkable document, so I am going to ask to have it read at the desk. I am sorry the Senator from Illinois is not now in his seat, because I sent him word and I had hoped he would be here. I am sorry the distinguished leader on the other side of the Chamber, the Senator from Massachusetts [Mr. LODGE], to whom the letter was sent, is not in his seat. I told him that perhaps the matter would come up. But those two Senators have conveniently absented themselves.

Mr. President, I send to the desk and ask to have read the letter to the Senator from Massachusetts [Mr. LODGE] from the Senator from Illinois [Mr. McCORMICK].

The PRESIDING OFFICER. Without objection, the letter will be read as requested.

The reading clerk read as follows:

DEAR SENATOR LODGE: You know that I was greatly disappointed not to see you in Massachusetts before sailing to Europe, there to see my mother and to make some study of economic conditions. I wanted to talk with you again upon the urgency of putting aside the rule under which the chairmen of the Senate committees are chosen by reason of their seniority of service on the committees, and for no other reason, and to talk with you, too, about the constitution of a steering committee which may be truly representative of the average opinion of the Republican majority of the Senate and which, in collaboration with the steering committee of the House, may labor energetically and effectively to enact our legislative program.

We owe the country the creation of such a steering committee and the abolition of the binding seniority rule. I can speak so frankly to you because of the intimate consideration which you have always shown me and because of your own energetic and representative activity. But we do know that although in a majority of instances the men who have become chairmen through seniority have been good chairmen, there have been others who were unfitted for their posts by reason of extreme old age or of failing health or because of grave differences of opinion with the majority of their Republican associates.

DUTIES OF A CHAIRMAN.

Certainly I would be the last to challenge the right or the duty of a Senator to assert his independent opinion or to differ with any majority. A Senator is elected to represent his constituency according to his best judgment and his conscience, but the chairman of a committee acts not in his sole representative capacity but as the representative of the majority of that committee of the majority in the Senate to which he belongs. Naturally, more, he is the executive agent of the committee, burdened with the labors of the committee, and required vigilantly to press for the consideration of the bills reported by it.

The old system served very well in the old days. In the majority of cases, as I have already said, the majority of chairmen who have come to their posts under the seniority rule have been representative and capable chairmen, but the Republican conference and the Republican steering committee owe it to the country to put aside the rule, just as the conference owes it to the country to make provision for the selection of a truly representative steering committee, which shall meet regularly and which as occasion may require shall meet with the corresponding committee of the House.

There is no other way in which we can dispatch the great volume of business devolved upon Congress as a consequence of the war, bring the sessions of Congress to a reasonably early conclusion, and, finally, make certain that we write legislation which represents the common judgment of the majority of the country and meets its pressing needs.

I wish I might have talked this over with you, as I have had opportunity to talk it over with other Senators during the campaign, and since the campaign with CURTIS. I feel very certain that you will agree with us, and I write now in the hope that if Congress reassembles before the end of my hurried journey to Europe, you will have counseled with other Senators to the end that we may do our duty to the country.

Always faithfully yours,

MEDILL MCCORMICK.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. HARRISON. I yield to the Senator.

Mr. BORAH. Has the Senator from Mississippi seen the reply to that letter?

Mr. HARRISON. No; and that is why I wanted the majority leader to be on the floor of the Senate, in order that he could read to us a copy of the reply. The newspapers have not carried the reply. It is another chapter in secret diplomacy.

Mr. POMERENE. Mr. President——

Mr. HARRISON. I yield to the Senator from Ohio.

Mr. POMERENE. Were there any reservations in that reply?

Mr. HARRISON. I suspect that there were many upon the part of the Senator from Massachusetts. A copy of this letter, I think, was sent to the vice chairman of the majority party, the distinguished Senator from Kansas [Mr. CURTIS], who graces us with his presence. I do not know whether he has made reply as yet to the copy of that letter.

Mr. CURTIS. There was no reply asked for in my case.

Mr. HARRISON. That is a good excuse for the Senator not to make reply.

Mr. MCKELLAR. The session of Congress was not delayed, was it?

Mr. HARRISON. No; I think not.

Mr. President, on yesterday I asked that the resolution offered by the Senator from Washington [Mr. JONES] touching the appointment of a select committee to revamp the rules of the Senate be referred to the Committee on Rules. In that resolution the Senator from Washington desired that the committee be "authorized and directed to study the rules of procedure of the Senate, and to report and recommend what changes should be made in order to expedite business and enable a majority to bring a question to a vote for final action."

Mr. CARAWAY. Will the Senator from Mississippi yield to me for just a moment?

Mr. HARRISON. I yield.

Mr. CARAWAY. I hope the Senator from Mississippi does not take an exception to that part of the resolution which advises the colleagues of the Senator from Washington [Mr. JONES] to study the rules of the Senate.

Mr. HARRISON. No, I do not; for a good many of them ought to study the rules of the Senate. However, that would not go to answer the charges that are made by the American people against this Congress.

The distinguished Senator from Illinois [Mr. MCCORMICK], who wrote the letter to the majority leader which I have had read at the Secretary's desk, differs from the Senator from Washington. He does not lay the blame to the fact that the rules are antiquated and need revising, but he says that Senators on the other side have a steering committee that does not steer legislation properly through the Senate; that on some committees there are chairmen who should not be chairmen at all; that there should be a change of policy here; and that it is "due to the American people" that that course should be pursued.

Perhaps some Senators do not catch the force of some of the expressions which are contained in the remarkable historic document which I have had read. Let us look merely at a few passages of it.

[At this point Mr. HARRISON yielded for the presentation by Mr. FRELINGHUYSEN of the certificate of election of Senator elect EDWARD I. EDWARDS, of New Jersey, which was read and ordered to be placed on file.]

Mr. BALL. Mr. President——

Mr. HARRISON. If the Senator from Delaware desires to present the commission of another Democratic Senator, I yield to him for that purpose.

[Mr. BALL presented the certificate of election of THOMAS F. BAYARD, of Delaware, which was read and ordered to be filed.]

Mr. HARRISON. That is very good reading. I am very thankful to the Senator from New Jersey and the Senator from Delaware for interrupting me so that commissions bringing more Democrats into the Senate might be read. Those commissions, however, add weight and force to this remarkable letter. They are breathing examples of its living truths.

Mr. President, the distinguished Senator from Illinois—and I regret to see that he has not come into the Chamber as yet—said:

I wanted to talk with you again upon the urgency of putting aside the rule under which the chairmen of the Senate committees are chosen by reason of their seniority of service on the committees and for no other reason, and to talk with you, too, about the constitution of a steering committee which may be truly representative of the average opinion of the Republican majority in the Senate.

It is pretty hard to ascertain the average opinion of the Republican majority in the Senate at this time on any question; but I am curious to know just who constitute the membership of the steering committee on the majority side. I see sitting before me a very distinguished leader of the Republican Party [Mr. WATSON], and it may be that he can tell us just who are the members of the steering committee against whom the distinguished Senator from Illinois inveighs and whom he criticizes.

Mr. WATSON. Mr. President, I should like to say to the Senator from Mississippi that I do not know who they are.

Mr. HARRISON. There we are. I am wondering if the Senator from Illinois is a member of the steering committee. Certainly the Senator from Indiana is not a member of the steering committee, or he would know its members, because he always knows "where he is at." It may be that the Senator from Utah [Mr. SMOOT] can give us the information.

Mr. SMOOT. I am not a member of the committee, and I do not know.

Mr. HARRISON. We can not find out much about the personnel of the Republican leadership in this body. The Senator from Utah says he is not a member of the steering committee and does not know who its members are. I wonder who does know the membership of the Republican steering committee. Perhaps the reason why things have been going so badly is that nobody knows who constitute the steering committee. Is that the way legislation has been "steered" through this body? Is that the reason why the Republican Party brought in a bill here to loan to Liberia $5,000,000 and consumed about six weeks of time and then sent it back to the committee without any action? Is that the work of the steering committee, the members of which no Republican Senator sitting before me knows. I wonder if the Senator from Oregon knows or if the Senator from South Dakota knows. Does not anybody know who constitute the steering committee? [Laughter.]

Mr. CARAWAY. Mr. President——

Mr. HARRISON. I yield to the Senator from Arkansas.

Mr. CARAWAY. I was going to suggest that perhaps the steering committee is not made up of Members of the Senate.

Mr. HARRISON. Perhaps not; it has been transplanted to the other end of Pennsylvania Avenue.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from South Dakota?

Mr. HARRISON. I yield to the Senator to give us the names of the steering committee.

Mr. STERLING. I apprehend that the members of the committee are in the performance of their duties now and that is the reason they are not on the floor of the Senate.

Mr. HARRISON. Well, they have been performing their duty in that way for a long time, because they never stay on the floor and they never tell the Senate what to steer. That is the trouble.

I do not blame the Senator from Illinois for penning this letter to the distinguished leader of his party in the Senate. It will be noted that the letter was written at a time when the Senator from Illinois had just returned from the smoke of political battle in many sections of the country. He had

heard the clash of political steel in Ohio, Michigan, and practically all the States of the Union; Massachusetts was the exception. He confesses in his letter that he did not take part in the campaign in Massachusetts. Perhaps if he had done so he might have increased the majority of his distinguished leader, or it may have been that the distinguished leader on the Republican side would have been defeated; who knows?

Mr. McKELLAR. The Senator means his plurality, does he not?

Mr. HARRISON. His plurality, yes; that is better.

Mr. CARAWAY. I was going to suggest that he might have increased the plurality, but whose plurality?

Mr. HARRISON. Well, Mr. President, one who is designated by his colleagues as chairman of the Republican senatorial campaign committee is bound to have great weight and influence; and so, soon after he had come into contact with the people, heard their complaints, saw the closed factories, realized the extent of unemployment, and listened to the criticisms of the farmers of the great Middle West and of the miners of the mining sections of the country, he penned these lines in which he said to the leader of his party in the Senate, "I will tell you we can not go on this way; we have got to revamp the 'unknown' steering committee of the Senate; we must get new chairmen; we must mend our ways." He said this about that:

> The old system served very well in the old days.

Before the election of Senators by the direct vote of the people, of course, it served all right; but this progressive Senator from the great State of Illinois, whose campaign is rapidly approaching, who must go before his people next year, and who, as that occasion approaches, becomes more progressive all the time, says:

> In the majority of cases, as I have already said, the majority of chairmen who have come to their posts under the seniority rule have been representative and capable chairmen—

That is a broad confession on the part of the Senator from Illinois; but he continues—

> but the Republican conference and the Republican steering committee owe it to the country—

Not to the Republican Party but to the country—

> to put aside the rule, just as the conference owes it to the country to make provision for the selection of a truly representative steering committee—

one which will respond to the needs of the country.

Who is the steering committee? I am sorry the distinguished vice chairman of the Republican conference has left the Chamber, for I was just getting ready to propound an inquiry to him, because somebody knows who constitute the steering committee, which is not representative of the average Republican majority here.

I have no idea who it is that the chairman of the Republican senatorial campaign committee is talking about. If he is indirectly finding fault with the leadership of the Senator from Massachusetts he should have been a little more explicit, because when you read the lines closely the letter carries that insinuation. I do not know whether the Senator from Massachusetts put that construction on it or not. I am sorry he is not here, so that he could tell us, but he is not. At any rate, the chairman of the Republican senatorial campaign committee is finding fault with the steering committee, and I imagine—I wish some one over there would tell us—that the leader of the majority party in this body is the chairman of the steering committee.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from South Dakota?

Mr. HARRISON. Yes; I yield.

Mr. STERLING. Does not the Senator think the situation grave enough to have an investigating committee appointed?

Mr. HARRISON. To investigate the steering committee?

Mr. STERLING. No; to find out who the steering committee is.

Mr. HARRISON. Yes, I think so; but I do not think you are going to find anyone over there who will admit being on it, who will assume the responsibility for the do-nothing policy that you have adopted and the record that you have made. What sayeth the Senator from Indiana [Mr. WATSON]?

Mr. WATSON. Mr. President——

Mr. HARRISON. I yield to the Senator.

Mr. WATSON. I can say to my genial friend from Mississippi that I think, without knowing, that the Senator from Massachusetts [Mr. LODGE] and the Senator from Kansas [Mr. CURTIS] are both on the steering committee.

Mr. HARRISON. That is two.

Mr. WATSON. I am not a member of the steering committee, and therefore am not interested. I know that when we have measures in which we are especially interested, of sufficient gravity to excite the attention of the country, or we deem it necessary to call especial attention to any measure of particular merit, we have conferences for the purpose of determining our course of procedure. Whether or not the steering committee ever functions, of course I am not able to say, and therefore I can not gratify the wishes of my friend by telling him who they are or whether or not they ever meet. It will be necessary for him to ask some member of the committee in order to obtain that information.

Mr. HARRISON. The Senator from Indiana does not agree with his colleague from Illinois, then, that the steering committee needs changes badly and that the whole fault is in the steering committee, does he?

Mr. WATSON. No; I do not think the fault is in the steering committee. As long as the steering committee does not steer, I guess it does not matter much who its members are.

Mr. HARRISON. So the Senator thinks that the Senator from Illinois was just mistaken about this charge that he has made?

Mr. WATSON. The Senator from Illinois may have some knowledge of the situation that I do not possess as to the functions or functioning of the steering committee. He may know whether or not they have met. I do not.

Mr. HARRISON. Does the Senator see any reason for changing the rules as suggested by the chairman of the Republican senatorial campaign committee?

Mr. WATSON. I am very decidedly in favor of changing the rules of the United States Senate.

Mr. HARRISON. According to this suggestion?

Mr. WATSON. No; I am not interested in that; but, inasmuch as the Senator has asked me, I am interested in changing the rules so that after a reasonable discussion a majority can transact the business of the country that we were sent here to transact. If I had my way about it, if there should be no special session of Congress, I would have the President call a special session of the Senate of the United States for the express purpose of changing its rules, and of sitting here long enough to change them, so that a majority of the body might function and prevent what is going on now in the United States Senate, namely, a filibuster.

Mr. HARRISON. Does the Senator think there is a filibuster now going on?

Mr. WATSON. I do.

Mr. HARRISON. And the Senator from Utah [Mr. SMOOT] agrees with him as to that?

Mr. SMOOT. Oh, certainly I do.

Mr. HARRISON. And yet the Senator from Utah this morning, while the distinguished Senator from Texas [Mr. SHEPPARD] was delivering a prepared speech——

Mr. SMOOT. Yes; it was prepared.

Mr. HARRISON. Yes; it took him months, and if the Senator from Utah had studied the question of ship subsidy as the Senator from Texas has he would not hold to the views that he has now in favor of this bill. But, while the Senator from Texas was delivering himself of this splendid speech, thoroughly prepared, giving information to the country—every line and syllable of the speech was touching the subject matter—the Senator sought an interruption and took up the time of the Senate in reading a whole lot of data in some report about rents; and that is generally the case. More of the time of the Senate is taken up by Senators on the other side than by Senators on this side, and yet they charge a filibuster!

Mr. SMOOT. Of course the Senator can say that, but the record will speak. I simply asked the Senator from Texas if he would yield to me in order that I might present that report that I wanted to make before the end of the year as chairman of the building commission.

Mr. HARRISON. Well, he yielded.

Mr. SMOOT. He did, and he yielded very graciously. I would not have asked him to yield, but I expected the Senator from Texas to speak the balance of the day. I did not know what amount of time had been assigned to him to occupy in this filibuster. It might have been all day to-day, and it might have been all day to-morrow, and I wanted to get that report in, and it took only a few minutes. I do not know what assignments have been made for each one of the Senators on the other side. I know, of course, that the Senator from Mississippi is going to take this time here. He is not talking about the shipping bill.

Mr. HARRISON. I am trying to get from the Republican side some information that I can not get.

Mr. SMOOT. The Senator can get it by not standing on the floor.

Mr. HARRISON. Mr. President, I want to ask the Senator from Utah if it is not a fact that after he had read and read and read from some report that nobody had heard anything about or knew anything of or cared anything about one of the Senators on his side had to ask him for goodness sake to desist and not read any more but to put it in the RECORD?

Mr. SMOOT. No; that is not the fact, Mr. President.

Mr. HARRISON. Did not the Senator from Connecticut [Mr. BRANDEGEE] ask the Senator that?

Mr. SMOOT. No; the Senator from Connecticut did not.

Mr. HARRISON. And then did not the Senator from Utah say, "Oh, well, if you do not want to hear it, all right"?

Mr. SMOOT. Mr. President, the Senator from Connecticut did not ask that. The Senator from Connecticut objected to the Senator from Florida [Mr. FLETCHER] interrupting me, which the Senator from Connecticut thought, and no doubt truly, was for no other purpose than to take up time; it was a part of the filibuster; and therefore he objected to my answering those questions, as I was speaking by unanimous consent. That is the truth of the case.

Mr. HARRISON. Let us get the reporter's notes and have them read and see just what did transpire.

Mr. SMOOT. That is part of the filibuster, too. That would take that much time.

Mr. WATSON rose.

Mr. HARRISON. I yield now to the Senator from Indiana.

Mr. WATSON. Mr. President, as eager as we are always to listen to the very mellifluent language and flow of speech of the Senator from Mississippi, if the steering committee on this side were really steering the business of the Senate——

Mr. HARRISON. They are not.

Mr. WATSON. I doubt very seriously whether they would steer the Senator on the floor as often as he appears.

Mr. HARRISON. I know that I am not under the directions of the Republicans. I would not be. That is one charge I would not desire even my friend from Indiana to make against me.

Mr. WATSON. Does the steering committee on the other side function, and can the Senator tell me who the members of that committee are?

Mr. HARRISON. Yes; I can tell the Senator every one of them; and we function, too.

Mr. WATSON. Do they ever meet?

Mr. HARRISON. Yes; we meet every time you try to put over some nefarious legislation here, and we try to stop it.

Mr. WATSON. Does the Senator say in all seriousness that the members of the steering committee on the other side really meet?

Mr. HARRISON. Oh, yes; when the occasion arises; and we know our steering committee members. We are not ashamed of the fact that they are members.

Mr. WATSON. Has the steering committee on the other side had a meeting this session?

Mr. HARRISON. Oh, yes; I think they have had several meetings.

Mr. WATSON. The Senator thinks so. Does he know?

Mr. HARRISON. There was not much reason, really, for the steering committee to meet this time, because we all knew that we were against the ship subsidy bill as soon as it was proposed, and that is the only thing that has been up.

Mr. WATSON. Precisely. Is the Senator a member of the steering committee?

Mr. HARRISON. No; I am not a member of it.

Mr. WATSON. Can the Senator name the members?

Mr. HARRISON. Yes. Does the Senator want me to name them?

Mr. WATSON. No; I am not interested.

Mr. HARRISON. I want to give the Senator information, even though he does not reciprocate.

Mr. President, I thought there would leak out in this discussion what is being planned, I will not say by the steering committee but by the majority side of this Chamber, deliberately done, and this is what it is—to try to impress the country with the idea that the Democrats are filibustering. The Senator from Utah last Friday, when the Senate had not been in session an hour and a half, charged that there was a filibuster on this side of the Chamber. Every time the argument gets too hot for the Senator from Utah, and he can not make a legitimate answer, he cries "Filibuster!" Why, he whispers it sometimes while he is at his desk writing a letter back to his constituents in Utah—"Filibuster!" I imagine sometimes he cries it in his dreams.

What has happened? We have been in session only about four weeks, and several days of that time were taken up by the Christmas holidays, and more days were taken up by the New Year holidays. During that time we passed four large appropriation bills. We assisted you in passing them. I have never seen a debate so confined to the issue as that that has been presented on this floor with reference to the ship-subsidy legislation. Why, I think when the Payne-Aldrich tariff bill was up in the Senate you discussed it for about six months in the Senate; it may have been longer than that. Here is a ship subsidy bill that will make every consumer in the country feel the heavy burden of increased taxes, and when we propose to discuss it and unfold its nefarious provisions to the American people we are told by the leaders on the other side, not members of the steering committee—because nobody knows who the members of the steering committee are—that there is a filibuster in progress! If there were a filibuster here upon the part of the Democratic side you would not have passed a single appropriation bill by this time; yet there has not been a whole day consumed in the consideration of a single appropriation bill that carried millions of dollars of appropriations by the Congress. Filibuster! Is not the Senator sorry he made that assertion?

Mr. WATSON. I will explain what I meant.

Mr. HARRISON. I yield to the Senator.

Mr. WATSON. I can express my sorrow in these words: First, I express gratification at the fact that our friends on the other side have not filibustered or attempted to filibuster against the passage of any appropriation bill, for which we are duly grateful.

Mr. HARRISON. Did the Senator ever see appropriation bills passed through the Senate with more haste?

Mr. WATSON. I never have.

Mr. HARRISON. And yet the Senator from Utah [Mr. SMOOT] says there is a filibuster!

Mr. WATSON. No; not on appropriation bills, which everybody understands; but I express my sorrow over the fact that our Democratic friends have determined, as nobody knows they have better than my friend from Mississippi, that there shall not be a vote taken at this session of Congress on the passage of the ship subsidy bill. Is not that a fact?

Mr. HARRISON. I do not know that it is a fact. I should like to see the bill killed.

Mr. WATSON. Certainly.

Mr. HARRISON. And I hope there will not be a vote taken on the proposition.

Mr. WATSON. Precisely.

Mr. HARRISON. But I am not going to take part in a filibuster against the bill, and I know of no Senator on this side who intends to filibuster against the ship subsidy bill.

Mr. WATSON. Mr. President, of course the Senator would like to see the bill killed, because he is opposed to it, and he is conducting himself in a manner that tends to kill it.

Mr. HARRISON. Because I am talking about this letter from your chairman to the leader of your party in this body touching the organization of the Senate?

Mr. WATSON. Certainly. Now, let me ask my friend, who is always frank and candid, if it is not a fact that he and his associates do not intend that any vote shall be taken on the ship subsidy bill at this session?

Mr. HARRISON. I know nothing about it. They have not taken me into their confidence. I know one thing: If you do adopt that plan, if you ever pass a ship subsidy bill, you will not make as good a race next time as you did this last time in Indiana.

Mr. WATSON. We did very well in Indiana, I think.

Mr. CARAWAY. I think so, too.

Mr. HARRISON. I think, too, that the Senator's party did better than he really thought they would do.

Mr. McKELLAR. They did splendidly in Indiana.

Mr. WATSON. No; they did not do as well as I thought they would do.

Mr. HARRISON. But they did as well as he hoped they would—no, I will not say that. I withdraw it.

Mr. WATSON. The Senator ought to withdraw that.

Mr. HARRISON. I withdraw that, because the Senator made speeches all over Indiana, and they were good speeches.

Mr. WATSON. I thank the Senator.

Mr. CARAWAY. Every county into which the Senator went, went Democratic.

Mr. HARRISON. I do not know whether the Senator's fingers were crossed at the time or not, but he made good speeches.

Mr. WATSON. I know that my friend, on account of our close relationship, would not do me an injustice.

Mr. HARRISON. I certainly would not.

Mr. WATSON. The Senator knows that when a man is nominated by my party I am for that candidate. I am a regular Republican.

Mr. HARRISON. There is no question about that.

Mr. WATSON. Not the slightest, and I supported the candidate for the Senate in Indiana with the same zeal that I supported the rest of the ticket, at all times, and under all circumstances.

Mr. HARRISON. With too much zeal.

Mr. WATSON. And no one is warranted in making any assertion to the contrary.

Mr. HARRISON. The Senator understood me to say he made many eloquent speeches throughout Indiana, did he not?

Mr. WATSON. For which I thanked the Senator.

Mr. HARRISON. The Senator agrees with me in that statement, does he not?

Mr. WATSON. I certainly do. [Laughter.]

Mr. President, while we are in an affable and humorous frame of mind, I really want to become serious enough to ask my friends on the other side, several of whom are confronting me with their faces wreathed in smiles, while in that frame of mind, I want to ask them deliberately and candidly to tell me whether or not they intend that a vote shall ever be taken on the ship subsidy measure at this session of Congress?

Mr. HARRISON. It depends. If your steering committee would get to functioning or reorganize, as suggested by the Senator from Illinois, so that you would really transact the public business and you knew how to do it, you would get to a vote.

Mr. WATSON. Inasmuch as I should like to test, I will not say the sincerity of my friend, because he is always sincere——

Mr. HARRISON. I thank the Senator.

Mr. WATSON. But his sincerity in the statement just made; inasmuch as it is my belief that the Democrats do not intend that any vote shall be taken on the ship subsidy bill at this session, in order to test their sincerity I now ask unanimous consent that we vote on the ship subsidy measure two weeks from to-day.

Mr. HARRISON. That is the way with the Senator; he does not want a bill discussed, so that the American people can be informed about it.

Mr. WATSON. Then I ask unanimous consent that we vote on the measure six weeks from to-day.

Mr. HARRISON. I have no objection myself, but there ought to be a roll call and Senators should be here. If the steering committee of the Republican Party thought that that might be done, they would themselves object.

Mr. WATSON. Mr. President, I can not take time to hunt up the steering committee.

Mr. HARRISON. The Senator can not locate it.

Mr. WATSON. In the first place, I do not know who they are, and, in the second place, they do not have anything to do with steering my conduct at this time. I am now asking unanimous consent of the Senate that a vote on the ship subsidy bill may be taken six weeks from to-day at 4 o'clock.

Mr. McKELLAR. May I offer an amendment to the Senator's request for unanimous consent?

Mr. WATSON. I think not. I am anxious to have the Chair state my proposition.

Mr. McKELLAR. The Senator might be willing to accept my amendment.

Mr. WATSON. I will permit the Senator to state it.

Mr. McKELLAR. That we vote 30 days after the next session of Congress meets.

Mr. WATSON. I will accept no such amendment as that. I would like to have the Chair state the request.

Mr. HARRISON. Would the Senator agree to an amendment that no "lame ducks" vote on this proposition?

Mr. WATSON. I would like to have the Presiding Officer put my proposition to the Senate.

Mr. KING. I think there is no necessity for that. I object, if it is put in that form.

The PRESIDING OFFICER. The Senator from Utah objects.

Mr. WATSON. Did I understand the Senator from Utah to object?

Mr. KING. To relieve the Chair from the burden of putting the request, I object.

Mr. HARRISON. And because of the embarrassment it would cause the Senator's party.

Mr. WATSON. It would be no embarrassment, I can assure my friend.

Mr. HARRISON. Did the Senator have some other interruption?

Mr. WATSON. Not at all.

Mr. HARRISON. Mr. President, I am sorry the Senator took up so much of my time——

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. HARRISON. I yield.

Mr. POINDEXTER. If the Senator will yield for that purpose, I ask unanimous consent that the Chair lay before the Senate a message from the House on the naval appropriation bill.

Mr. HARRISON. The Senator is going to spoil a very good speech; but I will yield the floor in one minute, and then the Senator can get that action taken.

Some one has handed me a list—a Democrat, I think—headed "Republican committee on order of business." I wonder if that is the same thing as the steering committee? I can get no reply. Nobody knows. Do none of the Senators on the other side know anything about the movements of the Republican Party in this body? [Laughter.]

Mr. SMOOT. That is what the Senator terms the "steering committee."

Mr. HARRISON. Steering committee: McCUMBER, chairman; LA FOLLETTE, of Wisconsin; WADSWORTH, of New York; FERNALD, of Maine; FRANCE, of Maryland. They will have to revamp it after the 4th of March. FRELINGHUYSEN, New Jersey. KELLOGG—the people revamped it for you. McCORMICK, of Illinois. I wonder if he knew he was a member of the steering committee. And LODGE, ex officio member. Of the steering committee, which has steered the party in this body, four were defeated in the recent reckoning. No wonder the Senator from Illinois found fault, and the people recorded it with their votes. McCUMBER, FRANCE, FRELINGHUYSEN, and KELLOGG will be with us no more. So you will have an opportunity, after the 4th of March, of getting a new steering committee, in part, and carry out the suggestions, at least to that extent, made by the Senator from Illinois to the Senator from Massachusetts.

Mr. President, the strange thing about all of this is that he wrote this letter immediately after a return from these various States, hearing the criticisms of the people, and knowing what the issues were; but he said, "Do not have it published until I am away out upon the briny deep." But I noticed this in one of the papers of November 7:

The Senator said to-day—

That is, the day he was leaving—he thought the news would be so sad that he could not stay here to receive it—

The Senator said to-day that the campaign had been hard work. He compared it to flogging a dead mule, saying that the voters in most States seemed satisfied and contented with the Republican administration, and that it had been hard to convince them that they ought to go to the polls to express their approval of President Harding and his work.

Then he prophesied an increased majority in the Senate, and I think an increased majority in the House. But on November 13, when this letter was published, it was stated that Senator McCORMICK was informed by radio of the severe blow suffered by the Republican Party in contests for the Senate and the House.

Mr. President, this letter, written under the circumstances, is a plea of confession upon the part of the distinguished chairman of the Republican senatorial campaign committee that his party has not made good. It is an indictment against you which should be answered. It is the stroke of a bold and courageous public servant. It will be an historic document, even though it was withheld from the public until the distinguished senatorial chairman was far wafted upon the bosom of the mighty Atlantic.

NAVAL APPROPRIATIONS.

Mr. POINDEXTER. I ask the Chair to lay before the Senate the action of the House of Representatives on the naval appropriation bill.

The PRESIDING OFFICER (Mr. LADD in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. POINDEXTER. I move that the Senate insist upon its amendments, that the request of the House for a conference be granted, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PAGE, Mr. POINDEXTER, Mr. HALE, Mr. SWANSON, and Mr. GLASS conferees on the part of the Senate.

CALL OF THE ROLL.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Fletcher	McKinley	Spencer
Bayard	Frelinghuysen	McNary	Stanley
Borah	George	Nelson	Sterling
Brookhart	Glass	New	Sutherland
Broussard	Harris	Nicholson	Townsend
Bursum	Harrison	Norris	Trammell
Calder	Heflin	Oddie	Underwood
Cameron	Johnson	Overman	Wadsworth
Capper	Jones, Wash.	Pepper	Walsh, Mont.
Caraway	Kendrick	Poindexter	Warren
Couzens	King	Ransdell	Watson
Curtis	Ladd	Reed, Mo.	Weller
Dial	La Follette	Reed, Pa.	Williams
Dillingham	Lenroot	Sheppard	
Ernst	Lodge	Smith	
Fernald	McKellar	Smoot	

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present.

PAYMENT OF PENSIONS.

Mr. DIAL. Mr. President, I read in the newspapers last night about the best news I have heard in a long time, to wit, that the President of the United States had vetoed a pension bill. I must say that I had very little hope of any such act being performed, but it is indeed encouraging and reassuring.

I had not been in the Senate more than two or three months until there was a pension bill brought up for consideration providing for a considerable increase of Civil War pensions. I confess that I thought it was out of place, considering the condition in which the country was at that time and considering the great length of time that had transpired since the close of the Civil War. I ventured at that time to make a few remarks in opposition to the measure. I stated that I knew my effort was in vain, that it was useless to oppose the bill—at least that I had been so informed. However, I did not believe that the honest people of the United States in any section favored any such legislation. So I at least entered my protest.

Since that time there have been other bills before the Senate against which I have ventured to speak, almost in season and out of season, but I was very much discouraged and I could get very little, if any, help. There were a few Senators who entertained the same views I did, but we were so hopelessly in the minority that we did not make much of an impression upon this body. I had made up my mind, however, and had announced just yesterday that henceforward I expect to oppose any and all Civil War pension legislation. I wanted to put my colleagues on notice that I was not doing that for the purpose of incurring the enmity of any man, but that I would make general objection to such legislation; that I expected to read the reports and to bring to the attention of the Senate all of the private pension bills.

I remembered the good that great President Grover Cleveland, one of the greatest Presidents the country ever had, rendered the country during his term. I must say that I was delighted last night when I read that a Republican President had had the justice in his heart and the firmness of mind to veto a pension bill passed by a Republican Congress. I want to commend him. I feel that there is yet hope for the oppressed taxpayer. That action on the part of the President ought to encourage some of us who are opposed on principle to these raids on the Treasury. We are going to have renewed hope and will enter into new activities hereafter along those lines. Therefore I do not want any Senator to think there is anything personal about it, because I am against the whole principle of private pension. This bill would have added around $108,000,000 annually to the burden of the taxpayers and this would eventually amount to $50,000,000. Of course, I was opposed to its original passage and will certainly vote to sustain the President's veto.

Mr. President, it will be of interest to the country to bring to the attention of the Senate the matter of pensions in detail. I have before me the report of the Commissioner of Pensions for the fiscal year ended June 30, 1922. It contains great information for the people of the country if they will but read it. On page 1 is contained a statement of comparisons of amounts paid out for the fiscal years 1921 and 1922, which I ask to have inserted in the RECORD at this point without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement referred to is as follows:

Comparison of amounts paid out for the fiscal years 1921 and 1922.

For pensions during the fiscal year:	
1921	$258,720,821
1922	253,807,583
For fees and expenses of examining surgeons:	
1921	389,687
1922	327,164
For field and special examinations:	
1921	86,269
1922	95,730
To pensioners in foreign countries:	
1921	$1,342,022
1922	1,319,231

Mr. DIAL. On page 2 of the same report is a tabulation entitled "Information of general interest," which I ask may be inserted in the RECORD without reading.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Information of general interest.

	1921	1922
Pensioners on the roll June 30:		
Civil War—		
Soldiers	218,775	193,881
Widows, etc	281,327	272,194
War with Spain—		
Soldiers	31,066	45,955
Widows, etc	8,216	9,198
Regular Establishment—		
Soldiers	13,832	13,081
Widows, etc	4,081	4,002
World War—		
Soldiers	63	61
Widows, etc	32	29
Indian wars—		
Soldiers	3,784	3,867
Widows, etc	2,599	2,748
War with Mexico—		
Soldiers	109	73
Widows, etc	2,135	1,878
War of 1812—		
Widows, etc	64	49
By classes—		
Soldiers	267,629	256,828
Widows	290,955	282,965
Minors	2,163	2,105
Helpless children	919	927
Other dependents	4,285	4,100
Nurses	102	90
Total of all classes	566,053	547,016
Deaths of Civil War pensioners:		
Soldiers	24,775	25,082
Widows, etc	19,451	21,259

Largest number of Civil War soldiers on the roll was in 1898	745,822
Largest number of Civil War widows on the roll was in 1912	304,373

Mr. POINDEXTER. Mr. President, can the Senator give us information as to how many Civil War pensioners are on the pension roll at the present time?

Mr. DIAL. At the present time, as set forth in Exhibit 13, on page 14 of the report to which I have referred, it is shown that there were 466,075 Civil War pensioners paid in 1922; 500,102 in 1921. I will ask that that table may also be inserted in the RECORD without reading.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Pensioners of the different wars on the roll at the close of each of the last five fiscal years.

	1922	1921	1920	1919	1918
Civil War	466,075	500,102	533,729	568,343	591,793
War with Spain	55,153	39,282	30,432	28,251	27,513
War of 1812	49	64	71	81	99
War with Mexico	1,951	2,244	2,571	2,956	3,353
Indian wars	6,615	6,353	6,228	5,463	4,238
Regular Establishment	17,083	17,913	19,031	19,218	19,843
World War	90	95	128	115	56
Total	547,016	566,053	592,190	624,427	646,895

Mr. DIAL. On page 16 of the same report appears Exhibit 16, being a comparative table of the value of an average pension of the different wars for the last five fiscal years, and on page 12 is Exhibit 10, showing the number of pensions granted by special acts of each Congress since March 4, 1861. I ask that these tables may be printed in the RECORD without reading.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Comparative table of the value of an average pension of the different wars for the last five fiscal years.

	1922	1921	1920	1919	1918
Civil War	$480.06	$477.74	$358.77	$373.39	$287.95
War with Spain	178.92	164.34	142.01	137.28	138.30
War of 1812	355.59	356.63	232.73	218.57	213.31
War with Mexico	370.59	373.37	240.29	256.48	263.60
Indian wars	202.72	203.71	203.49	285.84	221.78
Regular Establishment	189.23	183.49	180.55	192.62	190.30
World War	238.81	238.62	227.63	233.53	223.07
Average for all wars	436.82	443.13	339.72	355.78	278.00

Number of pensions granted by special acts each Congress since March 4, 1861.

Thirty-seventh (1861–1863)	12
Thirty-eighth (1863–1865)	27
Thirty-ninth (1865–1867)	138
Fortieth (1867–1869)	275
Forty-first (1869–1871)	85
Forty-second (1871–1873)	167
Forty-third (1873–1875)	182
Forty-fourth (1875–1877)	98
Forty-fifth (1877–1879)	230
Forty-sixth (1879–1881)	96
Forty-seventh (1881–1883)	216
Forty-eighth (1883–1885)	598
Forty-ninth (1885–1887)	856
Fiftieth (1887–1889)	1,015
Fifty-first (1889–1891)	1,388
Fifty-second (1891–1893)	217
Fifty-third (1893–1895)	119
Fifty-fourth (1895–1897)	378
Fifty-fifth (1897–1899)	694
Fifty-sixth (1899–1901)	1,391
Fifty-seventh (1901–1903)	2,171
Fifty-eighth (1903–1905)	3,355
Fifty-ninth (1905–1907)	6,030
Sixtieth (1907–1909)	6,600
Sixty-first (1909–1911)	9,649
Sixty-second (1911–1913)	6,350
Sixty-third (1913–1915)	5,061
Sixty-fourth (1915–1917)	5,885
Sixty-fifth (1917–1919)	3,641
Sixty-sixth (1919–1921)	2,200
Sixty-seventh (1921–June 30, 1922)	1
Total	59,125

Mr. DIAL. The last table, Exhibit 10, shows the number of pensions granted by special acts of Congress since March 4, 1861. To my mind it is a great evil and ought to be stopped. Anyone who is not eligible to a pension under the general law ought not to be able to come in and get it by special act of Congress. For instance, in the Forty-sixth Congress there were only 96 pensions granted by special act, and yet in the Sixty-fourth Congress there were 5,885 pensions granted by special act. I am glad to say that in the Sixty-seventh Congress there was but one pension granted. That is refreshing, if it might be continued. I want to commend that kind of procedure. I hope there will not be any more private Civil War pensions granted.

Mr. President, coming from the South as I do, perhaps it is not in the best taste in the world to speak about this matter, but the war has long since been over. The people of my section thought they were right in their action at that time and I have never doubted it. The fact is, the older I get the more I agree with them that they were right and advocated the right principle. This country, however, is one country. The Government has needed help at different times and our section has responded nobly. I remember that in Union, the adjoining county to that in which I live, they did not conscript a single soldier during the last war. Every man required volunteered before the time came for conscription. We bought bonds. We paid taxes. We fought in the war. We have done our part.

I think it is time to quit persecuting one section of the country by levying this tribute in the name of a pension. All one has to do is label a bill "pension," and it seems to become hallowed. We seem to have been pensioning people whether they were in battle or not, irrespective of their means, whether they were wounded, or anything of the kind. Anybody who can establish a relationship to a man who was in the war seems to be wanting a pension. They have gone wild in the granting of monthly pensions of from $50 to $72.

I am glad the President vetoed the bill. I commend and congratulate him for his action. I think there is hope for the taxpayer. I see signs of equilibrium returning in the Senate, and I am glad it is returning in the early part of the year so we can all make good resolutions and try to live up to them.

We ought to watch the Treasury more closely. I see before me, honoring me with his attention, my good friend the senior Senator from Utah [Mr. SMOOT]. I am glad to have his assistance in these matters, or, rather, I should say, I am glad to render him all the assistance within my power. We are going to establish a militant bloc—I believe that is what they call it when they get ready to fight—here in the Senate, irrespective of party, and we are going to see that the people are treated better. I do not believe that the honest people, the fair-minded people, of the United States in any State or any section favor this great increase of pensions and favor the principle of primogeniture in extending pensions. Notwithstanding a few of the States receive a tremendous amount, yet I do not believe that the working people of those States, the people who labor and the people who create things, the people who pay taxes, and the people who amount to something, favor any such unjust procedure as was proposed in this pension legislation.

Mr. President, I merely wanted to express my hope that in the future, as in the past, this will be a great country, this will be a great body, and this will be a great Government, and that we will legislate in the interest of all the people and not in favor of a class.

Mr. NICHOLSON. Mr. President, will the Senator from South Carolina yield to me?

Mr. DIAL. I yield to the Senator with pleasure.

Mr. NICHOLSON. I note that the Senator referred to "people who amount to something." Does the Senator mean by that the bankers of the country?

Mr. DIAL. Yes; some bankers. I have no ill will against a man who has something. If he acquired it in the proper way, he is to be commended. I have not much respect for a man who does not try to acquire something; neither have I any love for the man who oppresses; but I want everyone to try to better his condition, whether it is through the exercise of his muscle or his brain or the use of his means.

Mr. NICHOLSON. Will the Senator from South Carolina yield to me for another question?

Mr. DIAL. With pleasure.

Mr. NICHOLSON. Does the Senator from South Carolina himself belong to the banker class?

Mr. DIAL. I am one of the people.

Mr. NICHOLSON. But that does not answer my question. Is the Senator a banker?

Mr. DIAL. I am one of the people who take an interest in this Government. I am one who tries to better his condition and the condition of mankind. I spend my time along that line.

Mr. NICHOLSON. That is, the Senator spends his time by taking the other man's money and loaning it back to him at interest?

Mr. DIAL. No; I have, perhaps, paid more interest than has any other man of my means and my undertakings in my section of the State of South Carolina; but I am glad to say that my paper is good at any bank where I present it. I endeavor to help the one who tries to help himself. This is as great work as one could perform.

Mr. President, in all seriousness, times are getting better, and I wish to make the statement for the benefit of the people that they need not lose hope. I am interested in various enterprises—manufacturing, farming, developing water powers, and various activities which add to the wealth of the country and which give employment to the people. I try to better the condition of mankind to the utmost extent of my means and my influence.

INTERIOR DEPARTMENT APPROPRIATIONS.

Mr. SMOOT. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes, and I submit a report (No. 988) thereon, which will be printed under the rule.

I desire to give notice that to-morrow morning, as soon after the Senate convenes as possible, I shall ask that the bill be taken up for consideration.

The VICE PRESIDENT. The bill will be placed on the calendar.

REPORT OF ALIEN PROPERTY CUSTODIAN (H. DOC. NO. 525).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered to be printed and to lie on the table:

To the Congress of the United States:

In accordance with the requirements of section 6 of the trading with the enemy act, I transmit herewith for the information of the Congress a communication from the Alien Property Custodian, submitting his annual report of the proceedings had under the trading with the enemy act for the year ended December 31, 1922.

WARREN G. HARDING.

THE WHITE HOUSE, *January 4, 1923.*

[NOTE.—Report accompanied similar message to the House of Representatives.]

CONSTRUCTION OF RURAL POST ROADS IN COOPERATION WITH STATES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report concerning the appropriations for the construction of rural post roads in cooperation with the States, the Federal administration of this work, and the survey, construction, and maintenance of roads and trails within or only partly within the national forests, for the fiscal year ended June 30, 1922, which was referred to the Committee on Post Offices and Post Roads.

TRANSACTIONS OF EMERGENCY FLEET CORPORATION.

Mr. KING. Mr. President, on December 30 last I offered a resolution which is now lying upon the table. I exhibited it to the chairman of the Committee on Commerce, the Senator from Washington [Mr. JONES], this morning, and he said that much of the information asked for by the resolution had been supplied by the Shipping Board in various documents; that it was somewhat disconnected, but could be easily assembled by the Shipping Board. Some of the information, however, has not, in my opinion, been submitted in any form. My resolution asks for certain information; and, as I understand the Senator from Washington has no objection to the resolution, I ask unanimous consent for its present consideration.

Mr. CURTIS. Let the resolution be read, in order that we may see for what information it asks.

The VICE PRESIDENT. The resolution, consideration of which is asked by the junior Senator from Utah, will be read.

The Assistant Secretary read the resolution (S. Res. 388), which had been submitted by Mr. KING December 30, 1922, as follows:

Resolved, That the Shipping Board is hereby directed to report to the Senate the names of all officers and employees of the Emergency Fleet Corporation, together with a statement of the salary or compensation which is paid to each of them; a list of all persons who have received passes or gratuitous transportation on vessels operated by or for the account of the Emergency Fleet Corporation, with particulars as to the voyages made by such persons and the relations such persons have to the Shipping Board or to any of its officers or employees, together with a statement of the regular passage fares which would have been charged for such voyages; a statement of all charter parties, general or special, entered into for or on behalf of the Emergency Fleet Corporation or the Shipping Board since January 1, 1920, with particulars as to the vessels covered by such charter parties, the voyages made, cargo tons carried inbound and outbound, the amount of revenues received and the expense accounts allowed, together with a statement of all allowances for entertainments and the cost of any intoxicating liquors, and of all amounts of money paid under such charter parties, and to whom paid; a statement of all moneys which had been paid at any time for advertising, publicity, or propaganda; and a statement containing a complete list of all the vessels at any time owned or controlled by the Emergency Fleet Corporation, the gross tonnage of every such vessel, the date of acquisition of every such vessel, the parties from whom such vessels were acquired, whether by contract for construction, requisition, or seizure, the amount of money paid for every such vessel, the amount of money spent upon every such vessel since acquisition, the disposition of every such vessel, and if sold or transferred, the amount of money received by the Shipping Board for such vessel, and a statement of the present status of every such vessel, giving its location and the use or service, if any, to which such vessel is subjected.

Mr. SMOOT. Mr. President, I desire to ask my colleague if it would not be better to eliminate from the resolution requests for information which is at this time in the possession of Congress? If the resolution shall not be framed in that manner, the information will again have to be printed, with all the expense incident to such printing; and that, in my opinion, will be unnecessary. There is no objection on my part to obtaining all of the information asked for by the resolution, but a great portion of it, and the portion which it will be costly to print, is already in our possession. I therefore thought perhaps my colleague could take the matter up with the Senator from Washington and eliminate that part of the resolution requesting information which we already have; and we might then adopt the resolution in such form as to call for the additional information, which it would not cost very much to print. There is, however, document after document which has already been printed in full in answer to some of the requests which are contained in the resolution.

Mr. KING. Mr. President, I am quite as anxious as is my colleague to avoid incurring any expense on the part of the Shipping Board or on the part of the Government. The only information that I feel sure is available—and I am not sure that that is absolutely accurate and complete—is that which relates to the number of ships which have been acquired and the number and tonnage of the ships which are now on hand. I am inclined to think that perhaps that information, or at least the latter part of it, as to the number of ships now on hand and the tonnage of each vessel, is not only available but has been published. So, if the chairman of the Committee on Commerce will assure me that that is a fact, I shall be perfectly willing to eliminate the request for that information from the resolution.

Mr. JONES of Washington. Mr. President, it struck me as I listened to the Senator from Texas [Mr. SHEPPARD] that the Senator from Texas had compiled very much of the information for which the junior Senator from Utah asks in the resolution. I remember distinctly that the Senator from Texas specified the number of ships, the cost of the ships, the ships that were sold, how much they were sold for, and all that sort of thing. I think that there is contained in the speech of the Senator from Texas a great deal of the information for which the resolution of the junior Senator from Utah calls. As the senior Senator from Utah [Mr. SMOOT] has stated, I think much of this information has already been printed; but, as the junior Senator from Utah suggested a while ago, it is in different volumes, in different publications, and so on, and he would like to have it a compact document. I have no objection to the resolution, though it calls for much information that is already available. I will admit, however, that the information is scattered.

Mr. KING. Let me say to my colleague and to the chairman of the committee that when the resolution shall have been answered, if it shall be adopted, before any request is made by me to have it printed—and I do not know that such a request will be made; I do not anticipate having it printed at all; I want the information to aid me in submitting some remarks which I intend to offer upon the bill—but before it is printed, if any demand to that effect shall be made, I am entirely willing to go over it with the chairman of the committee and to strike out from any print the information which has already been printed.

Mr. SMOOT. Mr. President, I hardly think that would be the proper way to proceed, because whenever a report is submitted it ought to be printed in full, and there is no right, I think, on the part of a committee to omit any portion of it and print only the remainder. All reports printed by the order of Congress are given numbers, just as every public document is given a number, and when such reports are submitted the department in which they are prepared adopts the number of the report which is given to it here when it is published as a public document. I think it would be rather confusing to have any portion of a report eliminated; but I have no objection, if the Senator wants to have the resolution adopted as it is, to that course being followed, and then, if in the Senator's opinion it shall really be necessary to have it printed, I will not have any objection to it being printed. The only object I had was to save expense that I thought was really unnecessary and could be avoided.

Mr. KING. Mr. President, I do not complain at all at the position of my colleague; indeed, I quite approve of his interest in avoiding incurring obligations to a greater extent than is absolutely necessary. I do not quite agree with his view, though, that when information is submitted by any department and we order a part of the report printed, we must print it all. I think that is truly within the discretion of the Senate. If they find that any portion of the report should be printed, then they may order that portion printed, and the residue may be left upon the table or with the Secretary.

Mr. SMOOT. I did not say the Senate could not order that done, but I do not think that a committee could do so.

Mr. KING. I agree with the Senator.

Mr. SMOOT. I said the committee, and not the Senate.

Mr. KING. I think the Senator is right. Mr. President, I ask for the adoption of the resolution.

The VICE PRESIDENT. Is there objection to the consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

ORDER FOR RECESS.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 11 o'clock to-morrow morning. As I understand, there is an appropriation bill ready for consideration which is likely to occupy considerable time.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington?

Mr. FLETCHER. Mr. President, I think we had better make the hour 12 o'clock. A recess will dispense with the morning hour.

Mr. JONES of Washington. As I understand, no Senator is ready to go on this afternoon, and we are going to quit early. I do not think the Senator from Florida ought to object to the request. The appropriation will be pending and we would like to get that through.

Mr. FLETCHER. I am not making the suggestion merely because I want further time, but I know that the Committee on Banking and Currency, for instance, is to meet to-morrow at 10 o'clock, as they have been meeting every day recently at 10 o'clock, in the effort to report out a rural-credits measure.

Mr. JONES of Washington. I wish to suggest to the Senator that I have been attending meetings of the Appropriations Committee both morning and afternoon to-day. We could get a quorum in the Senate in the morning and begin the consideration of the appropriation bill. There will be many Senators who probably will not care to be present when the appropriation bill is being considered; so that I think the committees

will be able to proceed with their business. The Appropriations Committee will also meet in the morning.

Mr. FLETCHER. I should like to view the situation in that light, but there is this to be said about it, that if we have got to be here we can not be at work in the committee. I know there will be necessary only a few more days of work on the part of the Committee on Banking and Currency. I am quite sure that committee is about finishing up its labors, and I do not believe there will be much more time required by it. I know, however, that the meeting to be held by the committee to-morrow will be a very important one, and I should dislike to be away from the session of the committee.

Mr. JONES of Washington. If we meet at 11 o'clock that will give the committee an hour, and I doubt if there are very many members of that committee who will particularly care to be here while the appropriation bill is being considered. I hope the Senator will let us begin with the appropriation bill at 11 o'clock to-morrow.

Mr. FLETCHER. I wish very much the Senator would make that 12 o'clock. We are proceeding rapidly here. We are disposing of legislation fast. It will be only a little time before these appropriation bills will be passed, and I know that it is important that certain work go on that is being attended to by the committees. I do not believe we will save any time by meeting here at 11 o'clock, and I know that it will hamper that work. It is impossible to attend to it. I speak rather feelingly on the subject because I know the importance of this meeting of the Banking and Currency Committee at 10 o'clock to-morrow. We scarcely ever can be on hand at the minute. It may be 10 or 15 minutes after 10 o'clock before we get started, and if then we have to be here by 11 o'clock we might as well not have any meeting of the committee at all.

Mr. JONES of Washington. Does the Senator think the Committee on Banking and Currency will pretty well conclude its important work to-morrow morning?

Mr. FLETCHER. I think so. I think to-morrow morning is the important session.

Mr. JONES of Washington. Then, on that statement, I will change my request to a request for a recess until 12 o'clock to-morrow.

Mr. FLETCHER. I have no objection to that. I could go on this afternoon, of course, but I would not much more than make a start.

Mr. JONES of Washington. I do not suppose we would gain anything by forcing the Senator to go on this afternoon. It is desired that we have a brief executive session.

The VICE PRESIDENT. Without objection, it is ordered that when the Senate concludes its session to-day it shall take a recess until 12 o'clock to-morrow.

INTOXICATING BEVERAGES.

Mr. SPENCER. Mr. President, I introduced this morning a bill to provide for a commission in connection with the eighteenth amendment to the Constitution, to determine scientifically the per cent of alcohol in a beverage which renders that beverage intoxicating. Concerning that bill I wish to make a few remarks at this time.

I ask unanimous consent that the bill which I introduced this morning may be incorporated in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 4269) to create a commission of investigation in connection with the eighteenth amendment to the Constitution of the United States is as follows:

Be it enacted, etc., That the President is hereby authorized to appoint a commission of seven persons, of whom at least two shall be women, who in his judgment are qualified to investigate and determine as far as possible what alcoholic content in a beverage, under a fair and reasonable interpretation, makes the beverage intoxicating.

SEC. 2. That members of the commission shall each be paid a compensation of $750 a month. The expenses of the commission for such accommodation and equipment and clerical, expert, and stenographic assistance as they may feel necessary shall be paid for out of the moneys herein appropriated on the certification of the chairman or acting chairman that the same are necessary, and that such amount paid is fair and reasonable, and that the services for which compensation has been paid or materials for which payments have been made have been actually furnished.

SEC. 3. The commission is hereby given power to summon witnesses and to secure information and to conduct experiments and to administer oaths by any member of the commission as may enable it to report its findings as soon as possible under the terms of this act.

SEC. 4. The Federal courts of the United States are hereby directed to enforce such subpœna or subpœna duces tecum, or such other order or information as the commission may under this act properly issue, and to punish as for contempt of court any failure of any person to respond to such orders of the commission, and any person testifying falsely or giving false information shall be guilty of and punished for the same offense as if such act had been committed in the trial of a case before the Federal court.

SEC. 5. The commission shall be under the supervision of the Secretary of Agriculture, who shall give such assistance from the Department of Agriculture as he may be able to furnish, and he himself shall be ex officio member of the commission in addition to the seven members herein provided.

SEC. 6. There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $100,000 to carry out the purpose of this act.

Mr. SPENCER. Mr. President, the proposed legislation to scientifically determine what per cent of alcohol makes a beverage intoxicating is intended to be a step in the enforcement of the eighteenth amendment, and to solidify the ranks of those who believe in its enforcement. An increasing number of Americans who do believe in the enforcement of the eighteenth amendment to the Constitution of the United States, as they believe in the enforcement of all other provisions of law in this country—and in loyalty to our country and confidence in her future there is no other course to follow—are cooperating and voting with those who do not believe in the enforcement of the eighteenth amendment, and who are striving in every way to weaken its power and to increase disrespect for it and disobedience of its provisions.

This unfortunate and unnatural alliance is occasioned by the belief in the minds of many that the so-called Volstead law—which is the bill passed by Congress to enforce the eighteenth amendment—is unnecessarily restrictive of personal liberty, and interferes in an unwarranted degree with the rights of the individual. Wherever this belief is well founded the law ought to be changed, for it is fundamental in our Government that laws—all of which must be enforced and obeyed—ought to be enforced with as little interference with the liberties of citizens as possible.

Restrictive provisions should be the minimum necessary to secure the law's full enforcement, and not the maximum. The wise policy is not to regulate the habits or actions of individuals more than is necessary to accomplish the full enforcement of existing law.

Just in proportion as unnecessary regulation is insisted upon there is encouraged a spirit of discontent and resentment which tends to lawlessness.

If the eighteenth amendment would be better enforced with less restriction than is provided in the Volstead law, then by all means the restrictive features ought to be changed. If it is not necessary to prohibit any beverage which has more than one-half of 1 per cent of alcohol in order to enforce the prohibition against all intoxicating liquors, then it is most unwise to insist upon such an arbitrary and unnecessarily small per cent of alcohol.

Chemists tell me that there is very often more than one-half of 1 per cent of alcohol in buttermilk, and no one will seriously contend that buttermilk is intoxicating. The purpose of the proposed bill is to determine in a fair and scientific manner, as far as human investigation can determine the question, what amount of alcohol does, in fact, make a beverage intoxicating. It is information which ought to be available.

Obviously, an investigation conducted by those whose inclinations are strongly wet, or an investigation conducted by those whose inclinations are strongly dry, can not create the same confidence in the result of the investigation as would follow an impartial, scientific, governmental inquiry into the matter. I can see nothing but good from such an investigation, nor can I see any substantial reason why there should be any opposition to such a measure. It will tend to satisfy the discontent of tens of thousands who believe that the present enforcement law was enacted with unwarranted restrictions, and whose dissatisfaction would vanish, or at least substantially lessen, if they were satisfied that the law of the land was not more restrictive than of necessity it had to be in order to enforce the eighteenth amendment.

No intoxicating beverages can be lawfully made or sold or transported under the provisions of that amendment. This is the fixed law of the land. Those who wish the return of intoxicating beverages into American life, whether with or without the saloon, must recognize the existence of this constitutional prohibition which stands immovably in the way. There will be no change in its provisions. It is not only engrafted into the fundamental law of the land, but it is in entire conformity with the judgment and desire of an overwhelming majority of the American people. In a large number of States there are provisions of State law which are fully as restrictive and in many cases more restrictive than the so-called Volstead law. This is not unusual in our dual form of government. So far as the Federal Government is concerned, considering as it does the country as a whole, and recognizing the sentiment in Massachusetts, New Jersey, and New York, as well as in Missouri, Kansas, California, Maine, and Florida, it should enact only such general Federal legis-

lation as will without doubt enforce the provisions of the eighteenth amendment, but with as little restriction upon the rights and actions and habits of the people as is possible.

This is the only safe foundation for the Federal law, and it leaves the way entirely open to separate States to make their own law, which may be more strict if they so desire, but can not be less strict.

The Federal law should be the minimum of necessary restriction. No State can require less than the Federal law provides. No State can open the door any wider than is permissible under Federal legislation, but every State under the provisions of the Constitution may make its enforcement law more strict, if it so desires, than the Federal law, in order to meet the conditions of its own locality and the wishes of its own people. From whatever standpoint the question is viewed, the great outstanding fact before the American people is this—that the eighteenth amendment to the Constitution is here, and here to stay, and that its full enforcement is an absolute necessity not only because of itself but because of that general respect for law and obedience to its provisions which is the corner stone of the Republic.

Lawlessness along any single line breeds with malignant germ lawlessness along many another line; and when once a people come to believe that they can with impunity defy an existing law the first great step has been taken toward universal anarchy and lawlessness.

The proposed bill is but a single step. It may well be improved as other minds come to consider it. It is in no sense the final word, but it will in some degree, in my judgment, tend to lessen the general discontent and strengthen the legitimate enforcement of the eighteenth amendment.

ADDRESS BY NORMAN H. DAVIS.

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD, in 8-point type, an address delivered by Hon. Norman H. Davis, former Undersecretary of State, before the Democratic Women's Luncheon Club, of Philadelphia, on the fundamental differences between the Democratic and the Republican Parties.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

FUNDAMENTAL DIFFERENCES BETWEEN THE DEMOCRATIC AND THE REPUBLICAN PARTIES.

[Address delivered by Hon. Norman H. Davis before the Democratic Women's Luncheon Club, Philadelphia.]

The welfare of this Nation is in the keeping of its citizens, in whom all sovereignty rests. Our moral and material progress depends upon the wise exercise by the people of their sovereign powers, and that must, in the last analysis, be governed by the character, intelligence, and sense of duty with which the people approach the problems that are constantly demanding solution. We can not have a government of the people, by the people, and for the people if the majority of the people step aside and let an active minority, with some special interest to serve, elect their representatives and direct the destinies of the Nation. There has been a dangerous and growing tendency on the part of eligible voters to hold aloof and take no interest whatever in public questions. In the last presidential election only about half of those entitled to vote went to the polls. This is no doubt due in part to a lack of interest and sense of public duty, and also to a failure to distinguish any marked difference between the contending political parties. There is, however, a most gratifying indication that the women desire to get an intelligent grasp of public questions and to fulfill their duties of citizenship, but it is not always easy to get at facts and at the truth. This requires thought, and also freedom from prejudices which obstruct thought and obscure the truth. Therein lie the chief obstacles, because as a rule we do hate to think and we do cherish our prejudices. Nevertheless, if we are to progress as a people and enjoy the benefits of a highly developed democracy, we must have a sincere desire for truth and a constant sense of obligation to discharge with courage our responsibility as citizens.

Political parties perform a necessary function in our governmental system. They offer the only practicable means by which the will of the people can be expressed and enforced. It is therefore important to align ourselves with the party which more nearly represents the principles and policies in which we believe and to support and encourage it in the advancement of those principles. Every year vast multitudes of new voters are called upon to determine what their party affiliation shall be, and that is not always easy, because the party platforms more often confuse than aid them in making a choice. At times it is very difficult for a conscientious person to look above the struggle of parties and the contests between their respective candidates and see what each party stands for and what may be the essential differences between them. As a result many in disgust give up attempts to fathom political complexities and then either lose interest in public questions or allow social pressure or inherited prejudices rather than conviction to determine their party loyalty.

The original purpose of party platforms—a custom instituted by Andrew Jackson—was to inform the voters what specific principles and policies the party advocated. As some one has very aptly stated, "Platforms are now made to run on but not to stand on." The party platform is now often drafted with a view of reconciling conflicting views and preventing a split within the party, and is filled with platitudes which it is hoped will at least not alienate votes. This occurs when there is not an outstanding issue or when there is not a unity of view within the party on important issues, and when those holding conflicting views are willing to subordinate them to party success. A typical instance was the Republican platform of 1920. That was a great feat. It enabled those who were unalterably opposed to our entrance into the League of Nations to work for the election of the Republican ticket with those who were ardent advocates of our entrance into the league. It enabled Mr. Harding to hold the antileaguers in one hand, the proleaguers in the other, and to lead them all with a smile right on to the White House. Some of those who strongly favored our entrance into the league became skeptical and required some reassurance. They could not get it from the platform or from the candidate, but at this juncture 31 prominent Republicans came to the rescue. They not only professed their profound faith in the league and the conviction that we should and must enter it, but assumed the solemn moral responsibility of speaking for Mr. Harding and of assuring the American people in an open letter that his election would insure our taking the course which they, with such wisdom, advocated. Mr. Harding was elected, but we have not entered the league nor has the President made any apparent attempt to enter or to form another association of nations, about which he made several allusions. Obviously, these 31 gentlemen were misled and others were misled by them.

The last Republican platform, for the first time in over a generation, gave no indication of any intention to impose a higher protective tariff and it did not declare in favor of ship subsidies. Nevertheless the Republican Party has already built for us the highest tariff wall known in history and a special session of Congress is to be called, so we are told, for the purpose of putting through a proposed bill which provides for the sale of the Government ships and the subsequent payment in subsidies to the purchasers of about four times as much as they will pay for the ships.

I merely cite these facts as an instance of how dangerous it may be to rely alone upon a platform or upon representations of a faction within a party. The question which naturally arises is how can one best secure facts and information which will enable him to determine his party affiliations? The only satisfactory way is to study the history of the parties; the conditions and issues which brought them into existence, the ideals, principles, and interests which have influenced their actions in the past; and the sympathies, tendencies, and influences which at present seem to dominate them. Only thus can we hope to fathom how a party will react to a particular problem and attempt to solve it.

Political parties originate through the association of a large number of people having deep convictions and similar views on some particular questions which at the time may be considered vital issues. The life of a party depends to a great extent upon the life and importance of the issues which may have brought it into existence, or, in case those issues become obsolete, upon the position it takes on other issues which may develop.

The Democratic Party, which was founded by Thomas Jefferson, is the oldest political party in existence. Although some of the moral and legal precepts and main theories of government, the application of which served as the motive power in its formation, have become universally accepted by all parties and are no longer issues in controversy, the Democratic Party has continued its long existence by advocating with few exceptions the application to new or changing problems of the same fundamental principles to which its founders and leaders have held. Now that the theories of democratic government and human relationships which Jefferson advocated have been accepted, it is rather difficult to understand why, just a century and a quarter ago, there should have been such marked differences of opinion and bitter controversies over their acceptance and application.

Since the formation of our Government there have been certain well-defined periods—including the present one—in our political, social, and economic affairs which have created a new set of problems, and in practically every instance the Democratic Party has led the way in advocating the measures in which solutions have been found. This party had its origin during the first of these periods, when it led in the great movement to revive the spirit and ideals of the American Revolution. After the Revolution there was a decline in the ideals for which our forefathers had fought and during the period of the Confederation there was a considerable social ferment which showed a tendency on the part of many to think that liberty meant license. As a result, the majority of those who drafted the Constitution were reluctant or afraid to apply the theories embodied in the Declaration of Independence. Our historical records show that some of our very greatest patriots who were instrumental in drafting the Constitution were frankly outspoken in their fear of or objection to a government by the people. This was to be the first great experiment in constitutional democracy, and it was most natural that there should have been considerable doubt on the part of conservative thinkers as to the wisdom of giving the people too much control in the Government. The Constitution was therefore very carefully drawn up with a view of establishing a carefully concentrated rather than a vaguely dispersed responsibility, which makes it all the more important that those who are to have such responsibility shall be guided by sound principles. The people were permitted to vote only for Representatives in the Lower House of Congress, and it was never intended that they should elect the President or Senators by direct vote.

The first great conflict between those who believed in a representative democracy and those who believed more in an aristocracy came over the adoption of the Constitution. In this fight Thomas Jefferson and his associates forced the adoption of the Bill of Rights as a part of the Constitution, which was subsequently embodied in the first 10 amendments, and defined the fundamental principles of Democracy.

Those who composed the Federalist Party were opposed to most of the theories and principles embodied in the Declaration of Independence. They not only believed that the aristocrats should run the Government but also that they should do so primarily for the benefit of their class; that only property holders could vote and only those with considerable property could hold public office. Thomas Jefferson, who wrote that immortal document, had very deep convictions to the contrary. The Democratic Party therefore came into existence and into power as a result of the controversy over the application of these principles. The party founded by Jefferson was at first called Democratic-Republican, but subsequently Democratic. The Democratic-Republicans were first called Democrats by the Federalists as an opprobrium to those who could advocate such radical and progressive theories. In his first inaugural address Jefferson defined the issues then in controversy, the principles of Democracy, and the theories of Government which he advocated. While Jefferson could not under the then prevailing conditions give full application to all of these theories, he made much progress in doing so and left an indelible impression on future political thought and molded to an incredible extent the form and character of our Government.

Although Jefferson and his chief party associates were men of high birth and cultivation, they believed that the Government should be conducted for the benefit of the masses and that the people should be given more voice in it. Jefferson established the rule that presidential electors should register the will of the people. He was opposed to slavery, but public opinion was then indifferent to it.

The Democrats believed that a strong government must be built from the foundations up. They therefore advocated the greatest degree of local self-government, State rights, and the extension of free public education, realizing that since sovereignty should rest in the people the people must be educated in order to exercise their power wisely.

The Jeffersonian Democrats were in control of the Government for 25 years. They accomplished much toward applying their theories, but in the course of time there developed a tendency toward Government bureaucracy and the people were not given as much voice in government as they were beginning to demand. With the opening up of the West and its rapid development and expanding spirit of freedom a new and powerful impetus was given to Democracy. A strong demand came from the West for a more extensive application of the Democratic principles, local self-government, and education. In the East the small farmers and laborers began to demand their rights. It was a period of "Democratic ferment" and likewise our greatest period of literature. It witnessed the first labor movement in this country, the principal demands of which were that hours of labor should be reduced from 12 to 10 hours, that children from 6 to 16 years of age should not be permitted to work in factories, and that public schools should be established for their education.

Andrew Jackson, who was a typical product of this new Democratic spirit, was elected President in 1832. It is only now that we are beginning to get histories which are sufficiently devoid of prejudice to give a correct account of the great social and political movement headed by Jackson. The franchise was extended and thereafter based on "manhood" rather than on "property." Andrew Jackson's greatest contribution was to make our Government responsive to the will of the people and to strengthen the principles of national unity. He was a strong advocate of local self-government and State rights, but he was opposed to an abuse of the principle of State rights. As it has been aptly said, Jefferson established a Government of the people and for the people and Jackson completed the process by making it a Government of the people, for the people, and by the people.

After the death of Jackson party spirit became weakened. The welfare of the Nation as a whole became subordinated to sectional issues, involving a divergence of opinion and of interest regarding slavery and the tariff, which caused a rift in political alignments. For a long time there had been a conflict of interest between the agricultural and manufacturing districts of the country over the tariff, but political parties had not been divided over it. However, the tariff and State rights became indirectly involved in the controversy which arose over the extension of slavery to the new States. Some students now hold that these questions could have been settled without war had there not been a weakening in party spirit. Others think that party lines were probably weakened because of the apparent differences in material interest.

Slavery finally became a moral issue, and the Republican Party was organized in 1854 by those who were opposed to the extension of slavery. Tariff protection did not, however, then become a political issue, as is generally supposed; nor did it become the principal tenet of the Republican Party until 1872.

Abraham Lincoln and certain other practical statesmen who later gave their support to the Republican Party were actuated by high ideals. Strange as it may now seem, the so-called vested interests in the East were bitterly opposed to this new party, which they considered most radical and revolutionary. Since the principal issue upon which the Republican Party had been formed was slavery, the party was without an issue for some years after the abolition of slavery and stood only on its war record until 1872, when it declared for a protective tariff.

After the war there began an unprecedented development in industries and railroads. Those who led in this development gradually became more attached to the Republican Party and finally supported it in exchange for its paternalistic aid to them through the tariff and other legislation. As the reaction and passions resulting from the Civil War subsided public opinion became aroused at the injustices and blunders which were committed during the reconstruction period and demanded a Government which would act for the good of the Nation as a whole.

Discontent at the abuse of those in power increased, and in 1884 Grover Cleveland was nominated by the Democratic Party and elected President on a platform which demanded the establishment of an extensive civil service, reforms in governmental administration, and radical financial reforms. Cleveland did much to extend the civil service and to eradicate the barriers of sectionalism which had been left by the war. In keeping with the principles of the Democratic Party, which had always been opposed to legislative measures passed for the benefit of certain classes at the expense of others, he opposed the protective tariff, but was unable to get very important reductions in the tariff rates.

The injustices of the tariff, the abuses in the industrial field, and the ill effects of the unsound and unscientific banking and currency system which had been adopted after the Civil War were becoming very burdensome. Before sufficient constructive measures could be adopted to alleviate the situation, hard times and discontent among the agricultural interests developed in the Middle West, and the farmers joined in a movement which brought into existence the Populist Party. Failing to diagnose the basic cause of the troubles, relief was sought through a change in the monetary standard, and in the campaign of 1896 this became the political issue. In this campaign many Democrats supported McKinley. This monetary question was finally taken out of the realm of politics.

With the beginning of this century a new spirit, with a new type of statesmanship, was born. During the latter part of

McKinley's administration a divergence of views within the Republican Party began to develop. Public hostility to the power or abuses of large business combinations and to the subservience of the Government to selfish interests increased until there was a split within the Republican Party between the Progressives, headed by Theodore Roosevelt, and the so-called standpatters. The Progressives rendered a great service in pointing out the necessity for reform, but they were unable to secure and retain control of the party, and the independent voters began to look to the Democratic Party to lead in the reforms which public opinion demanded.

Woodrow Wilson was elected President in 1912 upon a platform which promised to revise the tariff downward, to establish a sound banking and currency system under the supervision and control of the Government, and other measures which would set the industrial and economic forces free. Through the lowering of the tariff, further extension of the civil-service system, improvement in industrial relations, and the organization of a complete and constructive banking and currency system, practically all of the campaign pledges were redeemed during the first two years preceding the outbreak of the World War. There has not been another such period of constructive legislation.

Both political parties had been in favor of a bank of issue, with a new system of currency, but had different views of how it should be established. The Republicans favored one central bank of issue, to be owned and controlled by private interests, with branches in other parts of the country. The Democrats held that an institution with such power should be controlled by the Government and operated in conjunction with the banking interests. They also favored a decentralized system, in order that each economic section of the country should have its own bank of issue, which banks should form part of one general system, with a board of supervision in Washington. There was at the time considerable opposition to the plan which was adopted, but its subsequent success destroyed all criticism and it is now pronounced by the foremost financial students of the world as the most perfect and constructive financial system which has yet been devised. We little knew at the time when this constructive financial measure was taken how very imperative it was, because, had it not been for our Federal reserve system, we should not have been able to stand as we did the strains of the World War in which we were soon to be involved.

During the century and a half in which the people of the United States have been working out their destiny under a constitutional democracy the Democratic Party has, with the exception of the Civil War period, taken the lead in every important political, social, and industrial reform and development and contiguous territorial expansion. When the World War came inequalities and injustices still existed within this Nation in the economic field because of discrimination through the tariff, but equal political and civil rights had been to a great extent secured to individuals and we had learned to settle our domestic controversies by peaceful processes. The war gave us an entirely new set of problems, as to which it took considerable time to crystallize public opinion. Just as those seeking material advantages for themselves have caused conflicts within a nation by disregarding and abusing the rights and interests of others, so had nations, actuated by similar selfish ambitions, disregarded the rights of other nations and brought on the World War. As the war progressed it became more apparent that the ground gained through the long struggle for individual freedom was endangered and could not be held unless the freedom of nations was safeguarded.

In America we had been leading what we thought to be an isolated existence, free from any foreign entanglements. Developments soon showed us that we were inextricably and unalterably entangled. We had not been able to grasp the significance of this great scientific and industrial age in which time and space had been practically eliminated by the improvements in communication and transportation, and how interdependent politically and economically had become world affairs. The derangement brought about by the war shocked us into thought and action. To those who gave much consideration to the problems which arose it became evident that the conflict had been caused by blind, selfish, aggressive national policies, based upon false moral and economic theories, which ignored the rights and interests of others and the welfare of the world as a whole. Since the world had become an economic unit, it became obvious that it must become a political unit, at least to the extent of applying a common international code of laws and morals which would give stability, insure justice, and keep open the channels of trade and commerce.

In the beginning of our struggle for national freedom and self-government the founder of the Democratic Party, Thomas Jefferson, wrote the declaration of the rights of man, which defined the aspirations of our forefathers and which served as an inspiration to them in their struggle for independence and subsequently as the foundation for this Government. It now became obvious that these same principles upon which individual liberty was based and the same rules of conduct which had been worked out for individuals within a nation should be accepted and applied by the nations in their relations with one another.

Gradually the fact was borne in upon us that as a consequence of the economic and political transformation within the last half century our national freedom and material welfare could be jeopardized by conflicts between other nations, brought o. by conditions not of our making and practices alien to us. It was then that another great American and leader of the Democratic Party, Woodrow Wilson, crystallized and gave expression to the aspirations of all the liberal forces of mankind who were seeking an improvement in world affairs. His solution was simple and purely American. He merely proposed to take the same fundamentals of the rights of man which had served as the foundation of our Government and apply them to nations, and to take the same rules of conduct which have guided us in our relations with nations, making them a law unto all nations, doing away with the idea of privilege as between nations, bringing all nations, big or small, forward or backward, upon an equal status before the law with equal right of protection if weak and with equal observation of the law if strong.

Unfortunately, the stress of war had been too great, and when hostilities ceased these principles were for the time being obscured and overcome by reaction to personal and national selfishness, and the same evil and blind forces of greed which had caused the great conflict again became predominant. What happened is still too fresh in the memory of everyone to require recapitulation. I merely suggest that you consider for a moment what brought on this conflict which almost destroyed civilization, and ask yourselves what we have done to repair the ravages of that war and to prevent such a recurrence, and what assurance we have, if any, which we did not have before for the future peace, stability, and prosperity of the world.

We are confronted to-day with conditions which threaten the peace of the world and with obstacles which are preventing the return of prosperity. In Europe we find a continent economically prostrate, with bankrupt governments, depreciated currencies, and a serious contraction in purchasing power. We find deeply embedded prejudices, fears, and selfish ambitions (such as those which led to the war and drew us in), which are preventing the return of prosperity and the stabilization of peace, and we find that the Turk is coming back into Europe. In the United States we see our exports constantly dwindling, we find our ships idle, we witness serious industrial conflicts, we see a growing movement of discontent in the agricultural districts, and we feel the excessive burdens of taxation.

Now, what steps has the Republican Party taken or proposed for coping with such a situation and preventing another war? Isolation, a still higher protective tariff wall, and ship subsidies, with their added financial burdens! The Republicans were most eager to get into power in order to reduce taxes and the cost of living, but when they have a chance they proceed to increase both by providing us with the most vicious protective tariff in our history. They were eager to stabilize exchange, to stimulate foreign trade, and to put our idle ships to work, and yet under the pressure of special interests to which they are indebted they took steps which prevent any such relief. The amusing discovery was made that if America had possessed a large mercantile marine it would have prevented the war. The administration is therefore advocating a ship subsidy in order to maintain our mercantile marine and prevent future wars. Disinterested students are unable to see how ships can be operated successfully unless the world is at work and unless there is a movement of goods inward as well as outward, and they are unable to see how a subsidy would create such cargoes.

This administration was willing to make all sorts of concessions and commitments for peace in the Far East but refused to do anything of the kind in Europe where peace is more threatened and where there is more at stake. Our present policy toward Europe seems to be one of holding aloof and allowing all sorts of calamities and atrocities to take place and then to send relief to the victims. If that is all we have learned from our experience in the war and if we have no more concern than that about what takes place in Europe, then obviously we made a terrible blunder when we entered the war.

The Republican Party has in the last two years proved its inability to cope with either the international or the domestic problems with which we are confronted. This party is still

wedded to false economic theories and dominated by selfish interests which prevent it from adopting measures which will permit a healthy economic recovery, and there is a conflict of view within the party which prevents it from adopting a constructive course which will assist in the stabilization of world peace, upon which our own welfare depends. The course which the Republican Party has taken has not only added to the difficulties of the situation in Europe but it has accentuated those in the United States.

In their different approach to these problems there has never been a more striking illustration of the difference in the influences and principles which guide the actions and mold the policies of the two great political parties. Some of the most able and progressive members of the Republican Party are opposed to the policy of isolation and are not in sympathy with the tariff policy of their party, but unfortunately they are not exercising any effective influence on party action. It is becoming more evident that the only hope lies in the Democratic Party and that if we are to have a solution it must come through a broader outlook on world affairs and the application of the political and economic theories held by the Democratic Party. Broadly speaking, the Democratic Party believes that each individual is entitled to equal rights and advantages. It is opposed to privilege for individuals as well as for nations. It is opposed to class legislation or to any policies which violate that principle by giving to any group of citizens aid, protection, or privileges which may be detrimental to the rights and interests of others and to the country as a whole. In keeping with this basic principle it is and always has been opposed to a tariff except for revenue purposes.

A tariff adds an artificial price to the protected article which is taken from the pocket of the consumer and put into that of the producer. This is not only unfair but the doubtful benefit to the producer is not sufficient to justify exacting from the consumers a bounty for the protection of articles which they could otherwise get cheaper. This practice starts a vicious circle of artificial prices which adds to the entire cost of living and also gets industries on such an artificial basis with consequent high costs of production that they can not in normal times compete successfully in foreign markets.

This practice of granting bounties to certain groups at the expense of other groups will inevitably lead to a demand by the unprotected groups for equalization of benefits and other Government aid which will ultimately lead to socialism or to the cessation of such preferential legislation.

Protection is destroying the morale and weakening our economic structure. It was originally imposed to foster infant industries and to protect them until they could get strong enough to stand and walk alone. Instead of strengthening them, it has had the reverse effect. Instead of growing stronger and requiring less charity, the protected industries, according to their own spokesmen, are growing weaker and requiring more nourishment. There is not an instance in our tariff history where the protected interests have acknowledged their growth to manhood and their ability to survive on their own efforts and efficiency. On the contrary, they have become so weak and inefficient, according to their own claims, that they have recently induced the Government to pass the hat around and take up, by means of the Fordney-McCumber tariff bill, a forced collection from the tax-burdened masses to the amount of at least $6,000,000,000 per annum for the benefit of these industrial paupers.

As long as we were a debtor nation and not dependent upon foreign markets for the full employment of our laborers and the export of manufactured products without competition, we could follow unsound economic practices. We can not continue this now. As a result of the war we have become a creditor nation with surplus manufactured articles and farm products to export and a large mercantile marine to employ. We also have surplus capital, the export of which could be used to the great advantage of the world as well as of ourselves, provided it can be safely invested. But can you imagine how we can find purchasers for our surplus products, safe investments for our surplus capital, and employment for our ships unless the rest of the world is producing and selling its products? And can you believe after the experience we have just had that this can be done unless far-reaching measures are taken by all the principal powers, including the United States, to improve international relations and to cooperate in the adoption of political measures which will stabilize peace and set the economic forces free?

AMENDMENT OF PITTMAN ACT.

Mr. KING. Mr. President, I introduce a bill for appropriate reference. I am not sure whether it should go to the Committee on Finance or the Committee on Mines and Mining.

Mr. CURTIS. Let the title of the bill be read.

The bill (S. 4277) to amend the act entitled "An act to conserve the gold supply of the United States, to permit the settlement in silver of trade balances adverse to the United States, to provide silver for subsidiary coinage and for commercial use, to assist foreign governments at war with the enemies of the United States, and for the above purposes to stabilize the price and encourage the production of silver," approved April 23, 1918, was read twice by its title.

Mr. KING. I will say to the Senator that it is an amendment of the Pittman Act. I am not sure whether that act was considered by the Finance Committee or by the Banking and Currency Committee. My recollection is that it was considered by the Finance Committee.

Mr. CURTIS. I should think, from the reading of the title, that the bill should go to the Committee on Finance; but there are some matters covered by it that would be under the jurisdiction of other committees.

Mr. KING. Technically, it ought to go to the Committee on Mines and Mining; but my recollection is that the so-called Pittman Act came from the Committee on Finance.

The VICE PRESIDENT. The bill will be referred to the committee that had the original bill, which, the Chair is informed, is the Committee on Banking and Currency.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 47 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Friday, January 5, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 4 (legislative day of January 3), 1923.

UNITED STATES PUBLIC HEALTH SERVICE.

The following-named passed assistant surgeons to be surgeons in the United Public Health Service, to rank as such from the dates set opposite their names:

Roscoe R. Spencer, January 5, 1923.
Walter C. Teudel, January 7, 1923.
Paul M. Stewart, January 8, 1923.
Royd R. Sayers, January 6, 1923.

These officers have served the required time in their present grade and have passed the necessary examination for promotion.

APPOINTMENTS IN THE REGULAR ARMY.

INFANTRY ARM.

To be second lieutenants.

Pvt. Elbert Kelly, United States Army, unassigned, with rank from June 26, 1922.

Pvt. First Class Orestes Cleveland, headquarters One hundred and third Division, United States Army, with rank from June 26, 1922.

FIELD ARTILLERY ARM.

Pvt. James Harrison Dickie, United States Army, unassigned, with rank from June 26, 1922.

AIR SERVICE.

Richard André Peterson, of Illinois, now second lieutenant, Air Service, Officers' Reserve Corps, with rank from January 5, 1923.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 4 (legislative day of January 3), 1923.

PRESIDING JUDGE, UNITED STATES COURT OF CUSTOMS APPEALS.

George Ewing Martin to be presiding judge, United States Court of Customs Appeals.

DISTRICT JUDGES.

Henry W. Goddard to be district judge, southern district of New York.

Francis A. Winslow to be district judge, southern district of New York.

COAST AND GEODETIC SURVEY.

Aaron George Katz to be hydrographic and geodetic engineer with relative rank of lieutenant in the Navy.

Harry Louis Bloomberg to be aid with relative rank of ensign in the Navy.

POSTMASTERS.

ARIZONA.

Lannes L. Ferrall, Grand Canyon.
Warren F. Day, Prescott.

CALIFORNIA.

James F. Trout, Avalon.
William J. Ohlheiser, Crescent City.
George T. Fissell, Davis.
John V. Van Eaton, El Segundo.
George F. Bartley, Escondido.
George H. Gischel, Tracy.

COLORADO.

Earl E. Ewing, Colorado Springs.
William D. Asbury, Montrose.
Ira R. Wood, Ramah.

INDIANA.

Herman E. Goodwin, Clinton.
Harvey H. Galloway, Cromwell.
Charlie W. Elliott, Middlebury.

KANSAS.

David W .Naill, Herington.

MAINE.

Jessie E. Nottage, Solon.
Harry M. Robinson, Warren.

MARYLAND.

Earl H. Ault, Accident.
H. Vincent Flook, Boonsboro.
James W. Friend, Friendsville.
Howard J. Fehl, Smithsburg.

MICHIGAN.

Adam B. Greenawalt, Cassopolis.
George W. Weaver, Charlevoix.

MINNESOTA.

Nellie M. Watkins, Clinton.
Gunhild Sollom, Holt.
Carl A. Ecklund, Marine on St. Croix.
Norman Hanson, Renville.

MISSOURI.

Walter G. Gieck, Belle.
William T. Thompson, Eugene.
Robert F. Stalling, Lexington.
Eldridge G. Hoff, Stockton.

NEW YORK.

Samuel W. Berry, Maybrook.
Lewis E. Elston, Unionville.

OKLAHOMA.

Robert B. Morford, Lawton.

SOUTH DAKOTA.

Solomon Hoy, Fort Pierre.

UTAH.

George M. Jones, Richfield.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 4, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, we thank Thee that Thou art the Father of the brotherhood of mankind. We bless Thee that there is a power, not of ourselves, that makes for righteousness. May this great realm of truth fill us with abiding and increasing hope and courage. Put us all in harmony with the good, the true, and the spiritual in Thy universe. Teach us with growing emphasis that the art of successful living is not in making our own way but in building true manhood for God and our beloved country. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

Mr. MOORE of Virginia. Mr. Speaker, I ask permission to extend my remarks on the resolution proposing a constitutional amendment relative to tax-exempt securities, for the purpose of printing a letter on the subject which I have received from Robert M. Hughes, Esq., of Norfolk, Va., who is a lawyer and writer of unusual ability and distinction.

The SPEAKER. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The letter referred to is as follows:

NORFOLK, VA., *January 2, 1923.*

Hon. R. WALTON MOORE,
House of Representatives, Washington, D. C.

DEAR SIR: Permit me to thank you for sending me in response to my request a copy of H. J. Res. 314, in relation to the reciprocal right of the Government and the States to tax each other's securities.

A careful study of it confirms me in the opinion that it should not pass, and I will take the liberty of giving you my views on the subject for what they may be worth.

As you know, I am a life-long Republican, but I do not think this question should be treated from a party standpoint, even though the administration should be back of it. I think it a high tribute to the present Congress that they are dividing on questions like this.

My first objection is that the proposed amendment if passed will tend to break down the mutual independence of State and Nation. I am enough of an old fogy to believe that each should work in its proper sphere without interference from the other.

Fiske, in his American Political Ideas (p. 133), says:

"Stated broadly, so as to acquire somewhat the force of a universal proposition, the principle of federalism is just this: That the people of a State shall have full and entire control of their own domestic affairs which directly concern them only and which they will naturally manage with more intelligence and zeal than any distant governing body can possibly exercise; but that as regards matters of common concern between a group of States a decision shall in every case be reached not by brutal warfare or weary diplomacy but by the systematic legislation of a central Government which represents both States and people."

In his Critical Period of American History he says:

"If the day should ever arrive (which God forbid) when the people of the different parts of our country shall allow their local affairs to be administered by prefects sent from Washington, and when the self-government of the States shall have been so far lost as that of the departments of France, or even so far as the counties of England, on that day the progressive political career of the American people will have come to an end, and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked forever" (p. 238).

In Collector *v.* Day (11 Wall., U. S. 113, 124) Mr. Justice Nelson, of New York, said:

"The General Government and the States, although both exist within the same territorial limits, are separate and distinct sovereignties, acting separately and independently of each other within their respective spheres. The former in its appropriate sphere is supreme; but the latter within the limits of the powers not granted, or in the language of the tenth amendment 'reserved' are as independent of the General Government as that Government within its sphere is independent of the States."

The proposed amendment substantially provides that the National Government may tax the income of State securities, provided that it lay the same tax on the income of national securities; and conversely that the States may tax the income of national securities, provided it lay the same tax on the income of State securities. In other words, the idea seems to be, that the best way to preserve the mutual independence of our two governments is to make them mutually dependent.

I can not imagine a greater firebrand than such a provision. It invites endless tax wars between State and Nation. We are all familiar with Marshall's famous statement that the power to tax is the power to destroy. No mortal can say whether the State or the Nation would be most imperiled. In the past the Nation has almost invariably triumphed in contests with a State. This provision, even if not acted on by Congress after its insertion in the Constitution, would destroy the market for State and municipal securities and prevent their issue in great emergencies for the most necessary purposes. The liability to taxation would have this effect, even though the right to tax was not exercised.

Suppose that such an amendment had been in force at the time of the Galveston storm or the San Francisco earthquake. Could those cities have negotiated any bonds, except at ruinous rates of interest?

But circumstances might arise in which the right of a State to tax the income of national securities would be equally disastrous. Suppose that we should become involved in a war which was unpopular in the wealthy States, or what might be called the creditor States. The obligation to tax their State issues would have small effect with them in comparison with a national loan. The legislatures of such States could break up the sale of Government securities within their States by the imposition of a heavy tax on their income.

This is no hypothetical case. It is a fact of history that the New England States were violently opposed to the War of 1812, which they called "Mr. Madison's War," and went to the verge of secession on its account. It is equally well known that many States were opposed to the Mexican War, which they looked upon as an attempt to extend the slave-holding area. In the World War it was stated in many newspapers that some of the States with large German populations were not in sympathy with the war. Whether the statement was true or not, I do not know; but the fact is that the State debts of Missouri and Wisconsin are small, and would not be considered if the right were given to tax Federal bonds.

We can not say now whether the national debt will be paid off rapidly, as in the past, or not. If we branch into Government ownership, we know that it will not be. Where will the advocates of Government ownership float the bonds which they will have to issue in payment of mines, railroads, or other properties which they classify under the name of Government utilities?

If two sovereignties have a mutual power of mischief, history proves that they will exercise it. We have but to recall the tariff war between New York, New Jersey, and Connecticut which contributed so largely to the adoption of the Constitution.

Those States were bound together by the most sacred ties and had just emerged from a devastating war of six years' duration which they had fought shoulder to shoulder. And yet the power of mutual mischief almost made them fly at each other's throats. In view of this experience, how can we wonder at the differences among the allies of the recent war? And how can we avoid the conclusion that such

a measure as the one proposed may result in similar quarrels between the Nation and the separate States?

My next objection is that such a measure would act as a preferential tariff in favor of foreign securities and against our own.

The foreign outlook may be discouraging, but it is hardly more so than at previous periods following long and destructive wars. It is but a matter of time, whether near or distant, before the principal European nations will get on their feet and resume their productiveness. Their securities will pay high interest rates and will take much capital abroad which would remain at home if allowed the opportunity. Our public securities, if taxable, would lose their attractiveness and, at least in part, their safety.

My next objection is that it would discourage saving by the small investor. The financial strength of France, due to the desire of every peasant to own a few of the rentes, is well known. Our bonds should continue to be issued in small denominations as well as in large, and the people of limited means should be encouraged to purchase them and hold them for a rainy day. They are really contributing taxes indirectly, for the Government or State, as the case may be, gets its taxes in its saving of interest. To deny him this opportunity is to make him the victim of "blue sky" promoters, for men of that class are not easily persuaded to invest in industrial bonds or stocks, which are usually in denominations too large to be available.

My next objection, and a most vital one, is that the proposed amendment makes no provision for primary and successive renewals of outstanding public obligations.

It does provide only for "securities issued after the ratification of this article," thereby, of course, excluding those now outstanding. But it would in terms cover renewals.

To make renewals subject to tax would bankrupt half the cities in the United States. No growing city pays off its debt, but always expects to renew it. I understand that the debt of New York City is over $1,500,000,000. To make its renewals subject to national taxation would involve a ruinous interest rate, for the possibility of taxation affects the marketability of bonds only less than the actual imposition of the tax.

In the last few years the States have had the road-bond craze and the General Government, so far from discouraging it, has stimulated it by the bait of Federal appropriations.

When pay day rolls around on those bonds, what rate of interest will the States have to pay for their renewals?

My next objection is that it will not, in my judgment, result in driving money into industrial securities, as predicted by its advocates.

The decline in the value of public utilities and industrial securities began before the late war and before the large increase in public securities, State and National. It was due to hostile legislation, State and Federal, such as the creation of various boards and commissions with extensive powers of regulation. Other illustrations are the employer liability acts, the workmen's compensation acts, the child labor laws, and the many statutes regulating hours and methods of work. I do not mean to criticize this legislation, for I favored much of it. But its most ardent advocates can not deny that it has greatly increased the proportion of expenses to gross receipts and correspondingly diminished the returns from industrial investments. Another illustration of these growing liabilities is the increased amounts of verdicts. I can remember when a verdict for $5,000 in a personal-injury case was thought a large one, even where the injury was serious. It should be our policy to encourage the formation of small corporations rather than large ones. That is a cardinal object of the Sherman Act; but a small corporation may be put out of business by some of these recent verdicts.

Legislation can not drive capital into investments that it distrusts. It may be driven into lock boxes and old socks or into foreign channels, but that is the only result of such measures.

We see this partially illustrated already. In spite of the fact that many of our industries are languishing, Dutch loans, Brazilian loans, Argentine loans, Swiss loans, and many others have been floated in this country and taken up by investors in preference to local bonds. The proposed amendment will aggravate matters by extending to our public securities the same distrust that is now felt for our corporate securities, thereby driving additional American capital abroad.

My next objection is that it would stimulate the spirit of intolerance and suspicion now so prevalent.

The essentials of an ideal democracy are supposed to be liberty, equality, and fraternity. We have plenty of the two first, but the last seems to have disappeared. Our nerves are apparently on the raw, and no one is willing to credit the other with proper motives.

This is forcibly illustrated in the history of public securities. During the drives to float the Government bonds the public buildings were plastered over with flaming posters urging upon those who could not go to the front that it was a patriotic duty to buy bonds, and banks were advised to extend special accommodation to those who had to borrow for the purpose. Mass meetings were called, speakers sent to all the theaters, and the influence of business organizations invoked. The tax exemption feature was specially stressed, and in this manner the Government placed its bonds at an interest rate that more than counterbalanced any tax receipts that otherwise might have been possible.

The investor was a patriot until he parted with his money, but as soon as that found its way into the Government coffers he became a tax dodger. That is one of the mildest terms applied to him to-day.

The trouble about legislation to-day is that it looks too much to the relief of some temporary inconvenience and too little to the permanent effect on our institutions. Excessive bond issues will gradually be self-corrective. The increased taxes resulting therefrom, the scandals frequently connected with their use, gradually build up a public spirit against them. The American public may be misled for a time, but their sober second thought can almost invariably be trusted.

But an amendment to the Constitution counter to its whole theory of distribution of powers is not so easy to correct and the mischief springing from it reaches far beyond the special occasion which prompted it.

An amendment which originates in Congress and not in the State legislatures places the primary responsibility on Congress, which represents the Nation in such case and is intended as a balance upon the State legislatures. It evades its own responsibility when it passes the amendment along to the State legislatures under the hope that they will assume the onus of voting it down. I sincerely hope that they will reject a proposition so fraught with peril.

Yours truly,

ROBT. M. HUGHES.

LEAVE TO WITHDRAW PAPERS.

Mr. CLAGUE. Mr. Speaker, on behalf of the gentleman from Minnesota [Mr. SCHALL], who is absent on account of sickness, I ask permission to withdraw from the files of the House, without leaving copies, the papers in the case of H. R. 1929, a private pension bill upon which no report has been made.

The SPEAKER. The gentleman from Minnesota, on behalf of his colleague [Mr. SCHALL], asks unanimous consent to withdraw the papers in the case described. Is there objection?

There was no objection.

THE LATE REPRESENTATIVE PADGETT.

Mr. TURNER. Mr. Speaker, I ask unanimous consent that Sunday, January 21, be set apart for the holding of memorial exercises in honor of our deceased colleague, the late Hon. LEMUEL C. PADGETT.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that January 21 be set apart for memorial exercises in memory of the late Mr. PADGETT. Is there objection?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message, in writing, from the President of the United States was presented by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills and joint resolution of the following titles:

On December 28, 1922:

H. J. Res. 180. Joint resolution extending the provisions of the act of February 25, 1919, allowing credit for military service during the war with Germany in homestead entries, and of Public Resolution No. 29, approved February 14, 1920, allowing a preferred right of entry for at least 60 days after the date of opening in connection with lands opened or restored to entry, to citizens of the United States who served with the allied armies during the World War.

On January 3, 1923:

H. R. 13180. An act making appropriations for the Treasury Department for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13232. An act making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1924, and for other purposes.

ANNUAL REPORT OF ALIEN PROPERTY CUSTODIAN (H. DOC. NO. 525).

The SPEAKER laid before the House the following message from the President of the United States, which, with the accompanying documents, was ordered to be printed and referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

In accordance with the requirements of section 6 of the trading with the enemy act, I transmit herewith for the information of the Congress a communication from the Alien Property Custodian, submitting his annual report of the proceedings had under the trading with the enemy act for the year ended December 31, 1922.

WARREN G. HARDING.

THE WHITE HOUSE, *January 4, 1923.*

SECOND DEFICIENCY APPROPRIATION, 1923.

Mr. MADDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the urgent deficiency bill. Before that motion is put I would like to ask the gentleman from Tennessee [Mr. BYRNS] if we can agree on time for general debate?

Mr. BYRNS of Tennessee. I do not think there will be any trouble about that.

Mr. MADDEN. How much time does the gentleman want?

Mr. BYRNS of Tennessee. I have very few requests. I am disposed to agree to almost anything that the gentleman suggests in that regard.

Mr. MADDEN. Would three-quarters of an hour on each side be agreeable to the gentleman?

Mr. BYRNS of Tennessee. That is entirely agreeable to me.

Mr. MADDEN. I ask unanimous consent that the general debate continue for not exceeding one hour and a half, half the time to be controlled by the gentleman from Tennessee [Mr. BYRNS] and the other half by myself.

The SPEAKER. The gentleman from Illinois asks unanimous consent that general debate be limited to an hour and a half, half the time to be controlled by himself and half by the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

There was no objection.

The motion of Mr. MADDEN was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, with Mr. MCARTHUR in the chair.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Chairman and gentlemen of the committee, the Budget estimates upon which the bill is based were submitted by the President in House Documents Nos. 388, 390, 487–493, 495–497, 500–504, 506–508, 510, and 517 of the present Congress, aggregating $74,882,191.23. In addition to this sum the committee considered items for the House of Representatives not formally submitted through the Budget Bureau, totaling $26,625. These two sums make the aggregate of requests considered by the committee in connection with this bill of $74,908,816.23.

The amount recommended to be appropriated in the bill is $74,645,674.06, of which $51,025 is for the legislative branch, leaving $74,594,694.06 for the executive and judicial branches of the Government.

The amount recommended in the bill is $263,142.17 less than the total amount requested. This decrease was effected by the elimination or curtailment of the amounts requested for the following purposes:

Botanic Garden, 1923	$15,000.00
Federal Narcotic Board, 1923	800.00
Tariff Commission, 1923	100,000.00
Supreme Court, 1923 and 1924	900.00
Books for judicial officers, 1923	7,500.00
Payment of rewards, Postal Service, 1921	9,750.00
International Boundary Commission, United States and Mexico, 1923	8,500.00
Arlington Memorial Amphitheater, roof repairs, 1923	35,000.00
War Department, damage claims, 1922	85,692.17

The total recommended in the bill divides itself logically into two classes of items, namely, (a) appropriations to supply urgent deficiencies in appropriations for the fiscal year 1922 and prior fiscal years for obligations already incurred, and (b) supplemental appropriations for the fiscal year 1923 for purposes for which no appropriation was made and rendered necessary because of the enactment of new law or the arising of a situation which could not be foreseen when the regular bills were enacted, or for supplementing existing appropriations for 1923 due to the enactment of new law or the arising of a situation unforeseen when the original appropriation was made. A division of the total amount in the bill ($74,645,674.06) on the basis of the foregoing classification is as follows:

(a) Fiscal year 1922 and prior years	$46,391,723.87
(b) Fiscal year 1923	28,253,950.19

The total of $46,391,723.87 for the fiscal year 1922 and prior fiscal years is composed of the following items:

Refunding taxes illegally collected, internal revenue	$42,430,000.00
Zoo Park, payment for land under court award through condemnation	3,096.34
United States courts and support of United States prisoners	562,278.95
Payment of rewards, Postal Service	7,750.00
Compensation of postmasters	1,399,508.03
Special delivery fees, Postal Service	780.05
State Department, international obligations in accordance with treaties and relief and protection of American seamen in accordance with provisions of law	58,468.81
Judgments rendered against the United States by United States courts and the Court of Claims	662,392.33
Claims audited and allowed by the General Accounting Office	1,267,449.36

Aside from the amount in the foregoing list for refunding taxes, the items represent actual deficiencies incurred in 1922 and prior years and for which no payment has been made.

The amount of $42,430,000 for refunding taxes illegally collected for the fiscal years 1920 and 1922 represents, in part, actual claims approved and awaiting payment and in part is in anticipation of the amount which will be approved for payment from among the claims already filed and awaiting audit and adjustment. Approximately $17,000,000, involving 15,583 claims, has been approved and awaits payment from this appropriation. The remainder of the amount recommended is for payment of claims which it is anticipated will be approved during the remainder of this fiscal year. The number of claims now pending is approximately 83,000, with an aggregate amount claimed of about $250,000,000.

While the amounts required for the repayment of taxes illegally collected are large and arise from the collections of fiscal years when the tax receipts were unusually heavy, it must be kept in mind that the Government is recovering approximately $25,000,000 per month as the result of audits and investigations from schedules where underpayments have been made. The following table will prove of interest to the House in connection with the consideration of this appropriation:

Total internal-revenue receipts, total amount of additional assessments due to office audits and field investigations, and total amount of refunds of taxes illegally collected, by fiscal years 1917 to 1922, inclusive.

Year.	Total internal revenue receipts.	Amount of additional assessments and collections resulting from office audits and field investigations.	Amounts of refunds of taxes illegally collected.
1917	$809,393,640.44	$16,597,255.00	$887,127.94
1918	3,698,955,820.93	29,984,655.00	2,088,565.46
1919	3,850,150,078.56	123,275,768.00	8,654,171.21
1920	5,407,580,251.81	466,889,359.00	14,127,098.00
1921	4,595,000,765.74	416,483,708.00	28,656,357.95
1922	3,197,451,083.00	266,978,873.00	48,134,127.83

The foregoing statement shows an aggregate of receipts for the years named of $21,558,531,640.48. It also shows that during those years there was assessed and collected, as the result of office and field audits and investigations, $1,320,209,618. Contrasted to this latter sum there was refunded to taxpayers for the period named, because of overpayments, the sum of $102,547,448.39.

Mr. BANKHEAD. Will it interrupt the gentleman if I ask him a question here?

Mr. MADDEN. If the gentleman will allow me, I would like to finish this statement, and then I will be glad to yield.

Mr. BANKHEAD. Certainly.

Mr. MADDEN. The amount assessed and collected from back taxes during the first quarter of the fiscal year 1923 is approximately $78,000,000, and if this rate is maintained the estimated collection of $300,000,000 of back taxes during the fiscal year 1923 will be realized. The estimate for the fiscal year 1924 is that $200,000,000 will be received from this source.

The total of $28,253,950.19 for the fiscal year 1923 is composed of the following items:

Cooperative construction of rural post roads	$25,000,000.00
United States marshals and deputy marshals	2,000,000.00
Tariff Commission	150,000.00
Regulation of entry of pink bollworm	75,000.00
Motor boat, Alaska forest service	8,500.00
Salaries of additional judges	81,000.00
United States penitentiaries	105,267.28
Cape Spartel Light, maintenance	96.50
Payments to Chinese Government	5,913.79
Lighthouse Service, damage claims	653.16
Navy Department, damage claims	6,969.46
Supreme Court reports	525.00
Sites for military purposes	769,000.00
House of Representatives	26,625.00
Botanic Garden	24,400.00

The item of $25,000,000 for the cooperative construction of rural post roads is one-half of the authorization of $50,000,000 for the fiscal year 1923 in accordance with paragraph 1, section 4, of the Post Office appropriation act approved June 19, 1922. Under that authorization and the apportionment thereof by the Secretary of Agriculture approximately $16,700,000 has been obligated to December 20 last to 33 different States, and only 3 States have submitted vouchers to draw against 1923 money.

The committee carries in this bill the provision recommended by the Bureau of the Budget and approved by the Department of Agriculture, preventing the lapse of such part of the 1923 authorization as may not be absorbed during the fiscal year 1923, and making the appropriations heretofore and hereafter granted for road construction available for the payment of any maturing obligations under the authorized programs. This procedure will not in any manner affect or prejudice the allotment justly due to any State and will greatly reduce the Treasury balance, heretofore unnecessarily large because past appropriations have been made often far in advance of the time when funds were needed to pay for the accomplished work. On December 1, 1922, the unexpended cash balance in the Treasury was $139,000,000. The cash balance on hand plus the appropriations carried in the pending Agricultural appropriation bill and in this bill will be more than sufficient to pay all maturing obligations presented prior to December 31, 1923, and are reasonably certain to care for all necessities up to June 30, 1924.

The appropriation of $2,000,000 represents a deficiency in the appropriation for "Salaries, fees, and expenses of United States marshals and their deputies." This sum is due entirely to the employment of deputy marshals during the recent rail-

road strikes and for the payment of such expenses as were incident to their employment.

The appropriation of $150,000 for the Tariff Commission is recommended to enable that body to perform the duties placed upon it by the tariff act of September 22, 1922.

The item of $75,000 for the regulation of the entry into the United States of the pink bollworm of cotton is occasioned by the destruction by fire of the fumigating house, equipment, and supplies at Laredo, Tex. The amount recommended is for the replacement of these facilities in order that the work may not be unduly hampered.

The appropriation of $81,000 for salaries of judges is composed of $6,000 for an additional circuit judge for the Territory of Hawaii, as authorized by law, and of $75,000 for the compensation during the remainder of this fiscal year of such of the additional district judges authorized by the act of September 14, 1922, as may be appointed and qualified prior to July 1, 1923.

The appropriation of $769,000 for sites for military purposes is carried pursuant to law in the same amounts and for the same projects as are specifically authorized in the act of September 22, 1922.

An appropriation of $5,913.79 is recommended for payment to the Chinese Government as an act of grace and without reference to the question of the legal liability of the United States in satisfaction of claims arising out of the negligent or unlawful acts in China of persons connected with the military and naval services of the United States. The communication from the President transmitting the estimate indicates that the failure of the United States to pay these amounts is embarrassing the Department of State in its endeavors to press for settlement the claims of American creditors against the Chinese Government.

In connection with the item for the refund of illegally collected taxes, I may say that I think it is a remarkable showing that as the result of the audit so far made we have collected $1,320,000,000 on underpaid schedules, while the Government has only paid out $102,000,000 as the result of overpaid schedules.

The question has been asked frequently in the House whether there is any chance for collusion between people who are filing claims and pressing them and those in the Treasury Department. The committee applied itself to that question as fully as it could. We went carefully into the question of how these claims are audited, how they are adjudicated, the persons to whom they must go before final settlement, and we find that when a schedule is filed for overpayment the claim comes through the collector of the district in which the taxpayer lives. Then it comes to the Treasury Department and goes into the Bureau of Accounts. There it is given a number and then sent to the auditing section, where there are a great many auditors, in groups of 15 auditors each.

The schedules are sent to one auditor in a group without anybody knowing what schedule he will get. He never knows what schedule is coming to him. When he gets through the audit, makes up the balance of the amount to be paid, the schedule is sent back to the supervisory officer of the section in which this group of 15 auditors work. The supervising officer then reads the evidence, reads the conclusions, reads the determination, reads the law, reads the facts, and he may revise or he may reject or he may approve. When he gets through, that schedule is sent back to the accounting section, and from there it is sent to a board of review which consists of 15 men, 10 sitting on one board and 5 on another.

This board of review hears all the evidence in the case on which the audit was made and conclusion reached, and after they get through reading and looking up the law, examining all the facts, reviewing the conclusions reached by the auditing and supervising officers of the auditing section, they may send the whole thing back or they may approve. On all items for refund in excess of $50,000 they have the final right to adjudicate. If the amount involved is in excess of $50,000, it goes to the solicitor of the department, and there the solicitor with his corps of lawyers and assistants review everything that has been done by the board below, including the facts and the law, and decide the question finally.

Mr. McKENZIE. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. McKENZIE. In your investigations did you find out whether or not former employees of this department of the Government who had resigned and accepted positions with outside firms had been active and at least very influential in getting certain claims expedited for the refund of taxes?

Mr. MADDEN. No; we did not do that, but we did do this: We did find that while any person might be able to expedite a claim—that is, get it considered more promptly—nobody was able to influence the conclusion reached, not even the man who made the first audit, for he did not know when he was auditing one claim what claim would come next. He never knew what claim would come to his desk. When it went to somebody else, they did not know where the claim was going. The man above did not know what was coming to him. It had to go through five separate hands, each one of whom could approve, disapprove, send back, or revise. I do not believe there is any chance of collusion anywhere.

Mr. McKENZIE. I am not raising the question as to the validity and justice of these claims. The point I am raising is it has been charged that men in this department, regardless of political affiliations, owing to the advantageous position which they held, acquired information that was very valuable in connection with these matters and are in a position to pass that information on to some one on the outside who can get himself in touch so that he can have his claim expedited, and that citizens who have been held up for months and perhaps two or three years, kept out of their money, could not get relief.

Mr. MADDEN. We did not go into that. I do not think we could have gone into that.

Mr. BANKHEAD. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BANKHEAD. I have been much interested in the statement on page 4 of the report of the committee which says:

> On December 1, 1922, the unexpended cash balance in the Treasury was $139,000,000. The cash balance on hand plus the appropriations carried in the pending Agricultural appropriation bill and in this bill will be more than sufficient to pay all maturing obligations contracted prior to December 31, 1923, and are reasonably certain to pay for all necessities up to June 30, 1924.

That is a very gratifying statement if the chairman is positive that the assurance is given, and I would like in view of the recent statement made by the President of the United States that it was likely we would have a deficit in the next fiscal year of at least $650,000,000 to have him give us a little further assurance.

Mr. MADDEN. I wish to say in answer to the gentleman that the committee went very carefully into the road question. We originated a plan to see if we could not obviate the possibility of trouble between the States and the Agricultural Department in the matter of getting money for the roads. The gentleman will recollect that in the past allotments were made out of appropriations for each of the States under the law.

Mr. BANKHEAD. I fear the gentleman misapprehends my inquiry. I do not ask with reference to the road question. The gentleman's statement as I gather it from the report is that the balance, representing the whole Treasury—that there will be no deficit in the year 1924. A short time ago the President said that there would be a deficit of at least $650,000,000.

Mr. MADDEN. This bill does not deal with that. The balance the gentleman has referred to deals with roads entirely. But let me answer the question the gentleman does ask as far as I am able to do it. The indicated deficit for the beginning of the fiscal year 1923 was $674,000,000. The evidence we have before us now shows that that deficit has been worked down definitely to $272,000,000. It is clear and almost definitely certain that by the end of the fiscal year we will work it all out so that there will be no deficit at the end of the fiscal year.

Mr. BANKHEAD. And that is an actual working out and not a bookkeeping statement?

Mr. MADDEN. It is an actual working out. At the beginning of the fiscal year 1922 the indicated deficit was $759,000,000. At the close of the fiscal year 1922 we showed an actual surplus of $313,000,000, and all the evidence points to the fact that for 1924 we will have a clear surplus of $181,000,000 at the beginning of the fiscal year. But assuming that the $272,000,000 should not be worked out, the surplus for 1923 and the surplus for 1924—$313,000,000 and $181,000,000, making an aggregate of $500,000,000, from which should be deducted the $272,000,000—would leave $220,000,000 surplus for the three-year period.

Mr. GARNER. If the gentleman will permit, of course the surplus he speaks of is a mere bookkeeping balance necessary to be kept in the Treasury.

Mr. MADDEN. The $313,000,000 I refer to was used to take up obligations against the Government.

Mr. GARNER. I understand that, but you have to keep a certain amount, say, two or three hundred million dollars, as a working balance in the Treasury.

Mr. MADDEN. Yes.

Mr. GARNER. And you can call that a surplus or whatever you want to, but how is the gentleman going to work out this $273,000,000?

Mr. MADDEN. By the introduction of economies in the administration of the departments of the Government.

Mr. GARNER. Would the gentleman mind enumerating?

Mr. MADDEN. I could not go into the details.

Mr. GARNER. The details would be very interesting. The gentleman is one of the men who prepared and helped to pass through this House what is known as the Budget law. He will recall the arguments made before the committee with reference to the responsibility to be placed upon the Executive in respect to his duty to report to Congress deficits and to suggest to Congress methods by which those deficits might be met. The President comes to Congress with his first Budget message, as I recall it, under the law——

Mr. MADDEN. Yes.

Mr. GARNER. And he tells the Congress there is $273,000,000 of deficit, but he does not recommend one single method by which you shall meet it; but, like the gentleman from Illinois, he says, "We expect to work it out."

Mr. MADDEN. They did work it out.

Mr. GARNER. By economies, they say; but they do not go into detail.

Mr. MADDEN. They did work it out. I now yield to the gentleman from Maine [Mr. WHITE], who has been wanting me to yield for some time.

Mr. WHITE of Maine. Mr. Chairman, I desire to recur to the question of the refunding of taxes. The gentleman has told of the process of these returns through the department.

Mr. MADDEN. Yes.

Mr. WHITE of Maine. Specifically what I want to know is this: Why is it, after this process has all been gone through, after claims have been audited and passed and settlements made, that the claims are then sent into the field again for further audit?

Mr. MADDEN. I will tell the gentleman. In the first place, as soon as a settlement is made, the very first thing done is to send the schedule with the settlement to the collector of the district in which the taxpayer lives for the purpose of permitting the collector to ascertain whether the taxpayer owes the Government any money. If he owes the Government, the amount of the settlement is applied to the payment of what he owes instead of being paid him in cash. If the research made by the collector of the district shows that he does not owe any money, that schedule is sent back to the bookkeeping and warrants and accounts bureau of the Treasury, and a voucher is made, upon which payment follows.

Mr. WHITE of Maine. As a matter of fact they pay to the taxpayer here, refund to him, and the taxpayer assumes that the matter is closed, and then the return is sent into the field.

Mr. MADDEN. Oh, no.

Mr. WHITE of Maine. Absolutely; I can say that from personal experience. I can testify that that is true.

Mr. MADDEN. If the gentleman knows the facts better than we do who have investigated them, well and good, but I am telling the gentleman the process through which the matter goes.

Mr. WHITE of Maine. And I am telling the gentleman what has happened in specific cases.

Mr. MADDEN. We can not control that. I simply want to say, in connection with this refund of taxes, that this $42,000,000 which we propose now is to pay the $17,000,000 on which claims have already been audited and allowed and to pay any claims between now and the 1st of July that may be audited and allowed for the fiscal year 1920 and prior years. For 1921 there is a balance of $8,900,000 out of which payment can be made on schedules audited for 1921. For 1922 they have a balance of $1,300,000 which can be used to pay on schedules audited for 1922, and they have a balance of about $3,350,000 for 1923 from which payments can be made. Most of the schedules that are being audited to-day are for the fiscal years 1917, 1918, 1919, 1920, and particularly for 1917, and the reason why they are making a drive on 1917 is that the statute of limitations runs out on the 1st of March and they want to get all of these claims audited before that time, and after that they will have established beyond any question the policy under which audits and allowances will follow. The great problem the department has had to deal with is, first, to establish a foundation, a policy, for example, as to what may be allowed in depreciation of inventories, what would be allowed in the matter of expenses, what would be allowed in the matter of depreciation in property in case of coal mines and oil wells, and all that sort of thing; and when they get through with this and wish an audit on these great fundamental questions there will not be much money involved in the return on overpaid schedules, because the policy will have been definitely and decisively established.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one-half minute to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by including therein an article by Professor Seligman, of Columbia University, on tax-exempt securities.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Speaker, under the leave granted to me to extend my remarks in the RECORD I include therein an article by Professor Seligman, of Columbia University, on tax-exempt securities.

The article is as follows:

[From the New York Times, December 31, 1922.]

MENACING FLOOD OF TAX-FREE BONDS—TOTALS $30,000,000,000—ESCAPE OF THE WEALTHY FROM JUST INCOME PAYMENTS—MANY GROSS INEQUALITIES—COLUMBIA ECONOMIST PRESENTS FACTS IN FAVOR OF HARDING'S PROPOSED AMENDMENT.

(By Edwin R. A. Seligman, Ph. D., LL. D., McVickar professor of political economy, Columbia University.)

The recommendation of the President in his message to Congress, also found in the report of the Secretary of the Treasury, that we should end the further issue of tax-exempt bonds by an amendment to the Constitution brings the matter to the forefront of public discussion. As there seems to be much misunderstanding of the topic, it may be wise to discuss it under five separate heads:

1. What is the reason for tax exemption?
2. What are the facts?
3. What are the objections to tax exemptions?
4. What are the alleged advantages?
5. What is the solution of the problem?

I.

WHY DO WE HAVE TAX EXEMPTIONS?

Exemptions from taxation are as old as taxation itself. In their origin they undoubtedly played a useful rôle. Thus, in medieval times, a man was subject to a scutage, or "shield money"; but if he went to war and provided his own horse and armor in the feudal array he was exempt from the tax. Exemptions were accorded for public rather than private reasons. Even to-day—not to speak of growing crops and workingmen's tools—ministers' houses, cemeteries, educational and religious institutions are exempt from taxation. The public at large is willing to bear the higher rate of taxation because the exempted classes or institutions are really performing a function which the Government would otherwise be called upon to assume.

EXEMPTION DEGENERATED.

The original system of class exemption, however, soon degenerated. In some cases exemption was acquired by classes which enjoyed political power without assuming political responsibility, as notably in France under the ancient régime. In other cases the exemption became individual in character, finally culminating in a system whereby anyone could buy himself free of taxation.

As a result of the French Revolution and modern democracy, individual exemptions have almost everywhere been abolished and the class exemptions have been reduced to the narrowest limits. One of these class exemptions which still persists is that with which we have to deal at present, namely, the exemption of Government bonds.

WAR AS AN EXCUSE.

The first obvious reason which led to the exemption of Government bonds from taxation was war. At the outbreak of war Government credit is apt to weaken, and yet it is precisely at this moment that the need for revenues is greatest. What is more natural, then, than that the Government should seek to strengthen its credit—that is, to sell its bonds at a higher price or at a lower interest rate, by granting to the holders an exemption from taxation?

The argument originally applied in times of war was soon extended to times of peace. If exemption of Government bonds in war means a strengthening of public credit and an increased facility for the marketing of a loan, there seemed to be no reason why governments should not avail themselves of the same advantage in normal times. This was especially true of the State and local governments in the United States, with their desire to borrow money for productive expenditures for good roads and more schools, instead of the unproductive expenditures of war. The advocates of tax exemption found a ready defense in the argument that the lower rate of interest would mean a reduced cost of the enterprise and a consequent diminution of the burden on the taxpayers, who would ultimately have to meet the loan.

COURT DECISION.

As the result of a long and interesting development in the judicial construction of the Constitution, it has been decided that the bonds of the National Government are not subject to tax by the States, and that the bonds of the State and local governments are not subject to tax by the Federal Government. Here, therefore, we have a remarkable situation. The Federal Government surely has received no benefits from the issue of State and local securities; nor have the State and local governments derived any peculiar benefits from the issue of the national securities. Yet both kinds of government are inhibited by constitutional interpretation from taxing their own citizens who happen to possess securities issued by the other class of government.

HANDS OF STATES NOW TIED.

Whatever the Federal Government might decide to do about its own bonds—and it is quite conceivable that for reasons of weight, as we shall see, the Federal Government might like to tax its own bonds—it is prevented from applying the same method to the State and local bonds; vice versa, the State and local governments which might decide to tax their own securities would be prevented from taxing the bonds of the Federal Government in the possession of their own citizens. The fact that the hands of each class of government are tied in dealing with the securities of the other class of government would thus prevent them from attempting a reform—if a reform seemed desirable—with their own securities.

II.

WHAT ARE THE FACTS?

Bearing in mind, then, the peculiar character of our American problem, let us consider the facts.

When we entered the war the Government was much disturbed at the outlook. Although the credit was good, the necessity of marketing such an unheard-of quantity of bonds created a delicate situation. Secretary McAdoo was exceedingly anxious to issue the first Liberty loan at as low an interest rate as possible, and yet he was confronted by a market in which there were outstanding large quantities of State and local tax-exempt securities. Moreover, he was obsessed by the idea that Wall Street should not derive any special advantage from the emission, and he believed that a high interest rate would not only accomplish this result but would saddle an undue annual burden upon the country. He therefore decided, contrary to the advice of many economists and some of the leading financiers, to accord a complete tax exemption to the entire issue.

LIBERTY BONDS SUBJECT TO SURTAX.

The result of this maneuver was, however, not entirely satisfactory. When the succeeding issues of Liberty and Victory bonds were made the tax exemption was accordingly restricted, both in amount and in duration. In some cases a distinction was made between the normal tax and the surtax; in others the maximum amount of the exempt principal was fixed at $20,000, $30,000, or $45,000, and the time limit on the exemption was made from two to five years after the presidential proclamation of peace.

EXTENT OF EXEMPTIONS.

The net result was that of the total new debt of some $22,000,000,000 there was exempt from taxation in the hands of any individual not only the 3½ per cent bonds and the 3¾ per cent notes, but also on all the issues together a maximum of $160,000 if he had properly distributed his purchases among the various classes of obligations. Inasmuch as the richer investors had at their disposal not only this $160,000 but the entire amount of the 3½ per cent bonds and the 3¾ per cent notes, and in view of the fact that a not inconsiderable number of smaller investors were in the $160,000 class, it may be asserted with confidence that from the time of issue up to the present virtually the entire issue of Government war loans of about twenty-two and a half billions has been exempt from taxation. To this should be added almost a billion of pre-war bonds and some half billion of Government farm-loan bonds.

It must be remembered, however, that inasmuch as the presidential proclamation of peace did not come until June, 1921, the privilege of tax exemption on all the Government war loans, except the first, will automatically cease between 1923 and 1926. The tax exemption of Federal bonds must therefore be pronounced in large part an exemption of limited range, designed primarily for war purposes.

On the other hand, the exemption of the entire $23,000,000,000 from State and local taxation will continue, irrespective of the provisions of the Federal law.

STATE BONDS FREE OF SURTAX.

In the case of the State and local issues, however, the exemption is perpetual for all forms of tax, not alone for State and local but also for Federal taxes. The problem of State and local exemption, therefore, is really the more important one. This is all the more true because of the steady increase in the issue of such securities. Until the results of the new Federal census of wealth, debt, and taxation to be taken in 1923 become available we shall have no exact facts at our disposal. The last statistics are those of the census of 1913, and even these are not complete. We know how many bonds were outstanding at that time in States and counties and in incorporated places of over 30,000 and in civil divisions of less than 30,000, including drainage and irrigation districts, school districts, and the like. The exact figures are as follows:

States	$364,836,427
Counties	333,236,161
Local:	
Over 30,000	2,489,665,185
3,000 to 30,000	316,695,185
2,500 to 3,000	232,023,319
Under 2,500	111,516,694
Other specified civil divisions	103,068,188
Total	3,834,807,291

INCREASE IN STATE BONDS.

The latest official figures are those for 1919. For that year we have two census reports, one affecting States and the other affecting incorporated places of over 30,000. We find that in 1919 the bonds or funded debt of the States had risen from $364,000,000 in 1913 to $625,000,444, or almost double. We find that in the cities of 30,000 or over the outstanding bonds had risen from $2,489,000,000 to $3,904,000,000. Applying the same percentage of growth to the counties and civil divisions under 30,000, for which we have no figures, it would bring the tax-exempt securities outstanding in 1919 to a little under $6,000,000,000.

With reference to the bonds issued by the States and municipalities alone we are in a little better position owing to the records kept in Wall Street. The following table, taken from the Bondbuyer, discloses the amounts of bonds issued by the States and localities during the last 10 years:

	Long term.	Short term.	Total.
1912	$399,046,000	$192,450,000	$591,496,000
1913	408,478,000	483,218,000	891,696,000
1914	445,906,000	286,055,000	731,961,000
1915	492,590,000	154,278,000	647,318,000
1916	497,404,000	292,407,000	789,811,000
1917	444,933,000	392,444,000	837,377,000
1918	262,819,000	473,135,000	735,954,000
1919	770,195,000	450,094,000	1,220,289,000
1920	773,664,000	664,087,000	1,437,751,000
1921	1,304,289,000	716,104,000	2,020,393,000
1922 [1]	1,039,939,000	210,605,000	1,250,544,000

[1] Nine months.

From these tables two conclusions are apparent. The first is that since the adoption of the Federal war income taxes the issue of State and local securities has enormously increased, and that the rate of increase itself is growing from year to year. The second is that in addition to the $6,000,000,000 outstanding in 1919 we have had another $3,500,000,000 up to the end of this year. We can therefore confidently assert that there are now outstanding some $10,000,000,000 of State and local bonds, with an annual increase of from one to one and a half billions.

If this rate of increase is maintained, as seems likely, there will be outstanding by the end of 1926, when most of the Federal securities will lose their exemptions, from $14,000,000,000 to $17,000,000,000 of State and local securities, in addition to the several billions of Federal bonds and farm-loan bonds.

In other words, from 1919 to 1926 there will have been outstanding of tax-exempt bonds an amount ranging from $25,000,000,000 to $35,000,000,000, to be reduced in 1926, unless the Federal Government issues more tax-exempt bonds, to between $18,000,000,000 and $21,000,000,000. These are the outstanding facts of the situation. In other words, the average of tax-exempt bonds from the end of the war to 1926 is about $30,000,000,000, and the average for the period of the few years after 1926 will be about $20,000,000,000.

Making a liberal allowance for the bonds held by banks and corporations, we may safely assume that one-half of the entire issue is held by individuals with an income over $2,000. The National Bureau of Economic Research has confronted the proportion as over 57 per cent. What we have to deal with practically is therefore a tax exemption in the hands of individuals ranging between $15,000,000,000 up to 1926 and $10,000,000,000 after 1926, increasing thereafter by from one and a half to two billions.

III.

WHAT ARE THE DISADVANTAGES OF TAX EXEMPTION?

First and foremost, it is obvious that if outstanding bonds, Federal, State, and local, bear an interest rate of about 4½ per cent, it would mean that the income on an average of $15,000,000,000 would be about $675,000,000. The Federal Government alone will have lost up to 1926 not only the 8 per cent normal tax but also the surtax in so far as these securities are held by the richer individuals. If we assume that these bonds are so held that they are subject to an average tax of 40 per cent, we have a loss to the Federal Government of $270,000,000 a year, or 40 per cent of $675,000,000, which is the interest on $15,000,000,000. This makes no allowance for the 12½ per cent tax on the bonds held by corporations, which will bring the figure to at least $300,000,000.

M'ADOO MADE MISTAKE.

This loss of revenue far transcends any possible gain that might accrue to the Federal Government from the lower rate of interest on the tax-exempt bonds. From the point of view of revenue the issue of tax-exempt bonds has been a losing investment. Instead of being grateful to Secretary McAdoo for the alleged savings which he secured for the Government, we should censure him severely for the increased burden that he has imposed on the community as a whole.

HEAVY ANNUAL LOSS.

If we add to these figures for the Federal Government the sums lost by the separate States through inability to subject these securities to the State property or income taxes the loss of annual revenue becomes appalling.

More important, however, than the fiscal side of the problem is the economic and social side.

The second objection to tax exemption is that it creates a gross inequality of burden. To the extent that these bonds form an increased share of the realized property of the Nation, tax exemption means the liberation of unearned incomes at the expense of earned incomes. We may not be ready in this country for the principle which has been adopted almost everywhere else, namely, the principle of differentiation of taxation, whereby lower rates are granted to labor or earned incomes than to property or unearned incomes.

WE STAND ALONE.

But it is certainly true that no country has yet seen fit to tax property or unearned incomes at an actually lower rate than earned incomes. Yet that is what we are virtually doing.

In addition to this glaring inequality we have a still worse situation, namely, the escape of the rich man from the burden, which must accordingly be borne by the poor man and by the recipients of moderate incomes. The President has made us familiar with the facts of the situation. With the exceedingly high surtaxes in our present income tax, making the entire tax rise until recently to 77 per cent, and now to 58 per cent, the temptation on the part of the wealthy to invest in the tax-exempt bonds becomes irresistible. The result is a progressive falling off in the numbers and amounts of taxable incomes in the higher income scales. The following table from the report of the Secretary of the Treasury, made public a few days ago, clearly shows the tendency:

	Number of returns.		Net income.	
	All classes.	Over $300,000.	All classes.	Over $300,000.
1916	437,036	1,296	$6,298,577,620	$992,972,983
1917	3,472,890	1,015	13,652,383,207	731,372,153
1918	4,425,114	627	15,924,639,355	401,107,868
1919	5,332,760	679	19,859,491,448	440,011,589
1920	7,259,944	395	23,735,629,183	246,354,585

"During the same period," says the Treasury report, "the investment income of all classes increased, while in incomes over $300,000 investment income shrank from $706,945,738 in 1916 to $229,052,039 in 1920. This indicates an astounding decline in taxable incomes over $300,000."

HOW THE PLAN WORKS.

While it is true, of course, that in a period of business depression incomes are apt to decrease, it is beyond peradventure of doubt that the prodigious falling off implies an immense investment in the tax-exempt securities.

Consider for a moment what this means. The development of modern democracy has brought about a demand for the wiping out of the old abuses of taxation, whereby the wealthy rolled the burden off on

the masses. If America has stood for anything, it was the democratization of society and the conferring of equal opportunities upon all. We are the only country in the world which has raised so much of its war tax from wealth and not from consumption. Not a few even think we have gone too far in that direction.

AN UPSIDE-DOWN TAX.

Now we are confronted by a situation in which the wealthy gradually stand from under and make the less fortunate bear the burden. The existence of the tax-exempt securities is honey-combing our entire system of taxation; it is upsetting the system of graduated taxation which we thought we had adopted; it is converting it into its opposite, a degressive tax, or what the French call an "upside-down progressive tax." We are quickly getting back to the system of the Middle Ages, with its noble principle of le fort portant le faible, "the strong bearing the burden of the weak," but which in practice was turned into the opposite principle, of the weak bearing the burdens of the strong.

What a travesty on justice! What an absurdity for a country like the United States! How can we expect social peace and class contentment with such a glaring inequality of taxation? What wonder that we should have a radical "bloc"!

FAVORS CERTAIN INVESTMENTS.

Tax exemption, in the third place, gives an unfair advantage to certain forms of investment, and for that reason disturbs and even imperils general industry. Tax exemption puts Government bonds into a preferred condition and artificially restricts the market for other bonds. Thus large lenders of mortgage bonds tell us that since these large issues of State and local tax-exempt bonds the market for farm mortgages has become less attractive, with the result that the farmer has to pay a higher interest rate.

ENCOURAGING EXTRAVAGANCE.

The fourth objection to the issuance of State and local tax-exempt bonds is that they encourage extravagant expenditure.

The fifth objection to the system of tax exemption is that it prevents reduction of our tax burden. We have not, indeed, suffered to the extent of England, not to speak of France and Italy. It has been claimed that England is even now burdening her social income to such an extent as actually to trench on her social capital. Nevertheless, with us the cry for a reduction of the tax burden is widespread. Yet, with our present tax exemptions, that prospect must be deferred to the Kalends. Nothing would tend more to a diminution of our tax burdens than to put an end to these tax exemptions. A small normal income tax and a moderate surtax would then suffice for all our needs.

ENDANGERS PUBLIC REVENUE.

The sixth objection to the system of tax exemptions, especially State and local tax exemptions, is that it is endangering the entire system of Federal revenues. We all remember with dismay the fiscal system of our Government before the adoption of the present Constitution, when the Federal Government had to depend entirely on largesses, called requisitions, from the separate States. As the outstanding and tangible wealth comes more and more to consist of securities issued by State and local governments the basis of the Federal income tax—our chief source of reliance, present and prospective—will continually contract. More and more we shall be compelled to resort to an undesirable system of indirect taxes, or taxes on consumption, while with the growing and imperious needs of the Federal Government we may be compelled to depend again in large measure on the largesses of the States. Such a prospect is uninviting, to say the least.

IV.

WHAT ARE THE ALLEGED ADVANTAGES OF TAX EXEMPTION?

It is sometimes urged that the objections alluded to in the foregoing section are exaggerated, and that the shortcomings of the system of exemptions are by no means so glaring as depicted. One of the criticisms sometimes advanced is that the inequality of taxation is more fanciful than real, for the reason that the purchaser of the tax-exempt bonds has to pay so much more for the bond. He loses, it is alleged, in the premium which he has to pay for the bond, and this loss offsets any advantage supposed to accrue to him from tax exemption.

To a certain extent there is some truth in this, but only to a limited extent. There is undoubtedly what is known as the capitalization or amortization of taxation. If a particular bond or class of bonds, hitherto subject to tax with all others of the same class, is suddenly exempted, the market price will rise to an amount equal to the capitalization of the tax. Let us suppose that the market rate of interest is 4 per cent, and that 5 per cent bonds, subject to 1 per cent tax, sell at par. That is, if I own a $100 bond bearing 5 per cent interest and pay $1 tax, the net return is $4 and the bond will sell at par. If now one bond is exempted from the tax so that the net return is $5, the market value of the bond will, of course, rise proportionately, so as to keep the bond on a net 4 per cent income basis. The conclusion seems to be that it makes no difference to the new purchaser whether the bond is taxable or tax exempt. In either case he will make only $4 net.

A SCARCITY PRIVILEGE.

The fallacy of this argument is due to the fact that it neglects a consideration of the market conditions. It is true that if one bond is now exempt from tax, its market value will rise by the full capitalization of the tax. But in proportion as the privilege of tax exemption is accorded to another bond, then to another, and then to an entire class, the advantage of the privilege tends to diminish.

In other words, as the market tends to broaden, the conditions will change. Tax exemption through capitalization is a scarcity privilege. If all securities were exempt the privilege would disappear and there would be no difference in price. With every billion of dollars added to the amount of tax-exempt securities the advantage becomes smaller. But in proportion as the advantage of exemption diminishes the premium on the tax-exempt bonds will fall. Yet the advantage of remission from taxation remains unimpaired.

ACCRUING BENEFITS TO WEALTHY.

In other words, where the amount of tax-exempt securities is expanded by billions, as in this country at present, the benefits of tax exemption accruing to the wealthy increase. They will have to pay in the shape of premium a continually diminishing sum, and yet they will enjoy the same remission of tax. The disparity in market price between tax-exempt bonds and the taxables tends to efface itself; the disparity in the tax tends to remain the same.

PROGRESSIVE TAX DEFEATED.

Another and still more important consideration is neglected by those who claim that our criticism is unfounded. This is due to our graduated or progressive income tax. The reason why there is such a phenomenon as the capitalization of taxes, the reason why we have a premium on the market value of tax-exempt bonds, is that the market discounts the tax that has to be paid in future. Where we have a stable income tax, levied at a normal rate, as our present 8 per cent normal tax, it may be argued that the future purchaser, with his eyes open, will make allowance for this 8 per cent. But how about the high surtaxes? The bond may get into the hands of the man subject to the 50 per cent surtax; but it may also get into the hands of the small investor subject only to the 8 per cent normal tax.

RICH AVOID SURTAX.

Would it be reasonable to say the premium will amount to the capitalization of the 50 per cent rate? Under the condition at present, with the demand for tax-exempt bonds on the part of the small and modest investor as well, that position is assuredly untenable. The exact amount of the capitalization will depend upon the relative supply and the demand. Under actual conditions it is safe to say that probably only a little more than the normal tax is capitalized. Inasmuch as so little of the surtax is capitalized, the wealthy investor will pay a slight premium, but will enjoy remission of taxation on the total 50 per cent of the income.

COMBINE TWO ARGUMENTS.

If we combine these two arguments—on the one hand the scarcity-value argument, and on the other the graduated, or progressive, tax argument—it will be seen that the wealthy investor in tax-exempt securities pays very little for the privilege, and that the objections arising from the inequality of taxation remain unaffected.

The second criticism often urged is that tax exemption is really beneficial, because the benefit is passed on from the creditor to the debtor or borrower. In other words, it is claimed that the taxpayers in State and local governments benefit because the State and local governments pay so much less interest on their bonds. Whatever advantage is seemingly derived by the wealthy investor really, so it is alleged, accrues to the ordinary taxpayer.

A FALLACIOUS ARGUMENT.

This widespread argument is fallacious for the same reason as that just advanced above. While the State and local governments were able at one time to sell their bonds at a higher price because of exemption from State and local taxes, that advantage was gradually dissipated as the other State and local governments did the same. Every bond broker will tell us that this special advantage to the State and local bonds gradually disappeared. The same is true at present. The State and local issues always enjoy certain advantages due to the security of the principal and to other reasons. This advantage, measured in terms of interest rates, has ranged in the past from one-half per cent to 1 per cent.

The situation is just about the same to-day. Barring the spurt in 1919, when the States and locals first enjoyed the exemption from suddenly increased surtaxes of the Federal Government, the situation has gradually returned to normal.

CANADA TAXES BONDS.

To-day, in fact, if we compare the premiums on the State and local bonds in the United States with premiums on the similar classes of bonds in Canada we find the range about the same, despite the fact that the Canadian bonds enjoy no similar privilege of tax exemption. It is clear, therefore, that there is a fallacy of the current contention that tax exemption affords a great advantage to the public. The advantages are exaggerated; the objections can not be exaggerated.

V.

WHAT IS THE SOLUTION?

We ask, in conclusion, why should the present system be perpetuated? Some of our States and cities still cling to the fallacious opinions set forth above. But even if the contentions were true in fact, they would be indefensible in principle. If the State and local bonds were subject to tax in the same way as other property, including Federal bonds, they would suffer no disadvantage. The States, indeed, have the right to demand that the Federal Government impose no exclusive or differential burden on them. That was the foundation of the decision of the Supreme Court, which said that the imposition of an unequal tax on the States might subject them to a disadvantage, and, by impairing State credit, attack their sovereignty. To permit the Nation to impose a special tax on the agencies of State government is one thing; to ask the Nation to confer a special privilege and advantage on the States is quite another matter.

If the Federal Government should decide after 1926 to tax its own bonds, is there any reason for according a special privilege to the State and local government bonds? Is there anything sacrosanct about State and local credit as compared to Federal credit? The States may have the right to demand of the Federal Government that they be not subjected to disadvantage—they have no right to ask for a special privilege. Tax exemption in theory, at least, affords them a special privilege. As a matter of fact, as we have seen, the advantage is much slighter than they think.

STATES WOULD GAIN.

Moreover, it must not be forgotten that with the change now taking place in the State and local fiscal systems even this slight advantage will be far more than outweighed. Twelve States now have an income tax, and many others are discussing it. Where the State income taxes are unable to reach the holders of Federal and other State bonds the States will stand to lose far more in the deficit of revenue than the little they gain by partial capitalization of the tax and by the slightly increased price at which they are able to market the securities.

STATES ARE LOSERS.

With every year the situation in the States will become more and more analogous to the situation in the Federal Government. Not only will they lose absolutely in dollars and cents, but the growing inequality between social classes, as between the rich and the moderately wealthy in town and county, will be continually accentuated.

CONSTITUTIONAL AMENDMENT NEEDED.

What we need is a constitutional amendment providing reciprocity as between States and Nation. The Nation should have the right to subject State and local bonds to the same tax as it assesses on its own bonds; the State and local governments should have the right to subject Federal bonds to the same burdens as they impose on their own bonds. This is no attack on the sovereignty of the States. It simply removes an unjust and originally unintended privilege. And when the people of the States come to understand the problem they will learn that the privilege really amounts to very little, and that is, moreover, purchased at the cost of a grievous inequality among social classes. In the long run their selfishness will not avail them; they will lose, rather than gain, by the continued tax exemption.

FISCAL EQUALITY REQUIRED.

Equality between State and Nation; equality between local and Federal bonds; equality between economic classes; equality between earned and unearned income; equality between rich and poor—that is the equality which we desire to achieve. The problem of tax exemption is the problem of fiscal equality; it is the problem of social justice.

Mr. BYRNS of Tennessee. Mr. Chairman, there is nothing in this bill of a controversial nature and I therefore see no necessity for indulging in any argument concerning it, especially in general debate. If occasion should arise I may have something to say with reference to some of its provisions when it is read for amendment.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. WINGO. I was detained in a committee meeting and did not hear the general debate so far. Do I understand that this bill carries ample funds to enable the Treasury to pay to citizens of the country who have been overtaxed, refunds due for many months, which the Treasury has been telling them they can not pay because Congress fails to provide funds with which to pay?

Mr. BYRNS of Tennessee. I do not think there is any question about that.

Mr. WINGO. I have several constituents who have been put off, in one instance for several months, blaming Congress, because it would not appropriate the money, at the same time that the administration was making its plea of economy and keeping down expenditures in appropriations. Of course, the election is over, and I presume that will be done now.

Mr. BYRNS of Tennessee. The bill carries $42,430,000 for that purpose, and it is stated that that sum, with what is appropriated for the next fiscal year in the regular supply bill, is amply sufficient to meet the claims that have been adjudicated and will be adjudicated between now and the end of the year.

Mr. WINGO. If the gentleman will permit, the point I want to make is this: I want to condemn the practice which was indulged in prior to the last campaign of holding down the appropriations so as to make a good showing when at the same time the Treasury was telling the taxpayer, whose money is in the Treasury, that they could not pay them because Congress had not appropriated the money.

Mr. BYRNS of Tennessee. I think the gentleman is justified in that criticism. This bill carries an appropriation of $28,253,950.19 by way of deficiency for 1923, and undoubtedly succeeding appropriation bills will carry much larger sums, and I may say there appears in this hearing a statement from one of those who appeared before the committee——

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. If the gentleman will indulge me until I answer this inquiry. There appears in the hearings a statement from the representative of the Department of Justice, in explanation of a statement that in another deficiency bill, which must be passed later in this session, the sum of $250,000 to $350,000 would be required for a particular purpose, that at the time the former appropriation was asked it was stated and agreed to by the chairman of the subcommittee that the appropriation which was made would not be sufficient for the fiscal year.

Mr. WINGO. The gentleman speaks of the fiscal year 1923. The point I am interested in is in regard to payments made by citizens on taxes erroneously collected from them for past years and were found to be due to such citizens in the fiscal year that ended last June 30. Will this take care of those?

Mr. BYRNS of Tennessee. Yes; that will be taken care of, so the representative of the Treasury Department stated; the committee did not reduce the estimate submitted in any way.

Mr. LAZARO. Will the gentleman yield for a question for information?

Mr. BYRNS of Tennessee. I will.

Mr. LAZARO. According to a press dispatch recently the Surgeon General of the Public Health Office, Doctor Cumming, had made a statement that there was some shortage of 150 beds in the National Leprosarium at Carrville, La.; in other words, 150 lepers can not be accommodated. I would like to know if the Committee on Appropriations received such a report and if there is any effort being made to take care of all the lepers?

Mr. BYRNS of Tennessee. That matter was not brought to the attention of the committee in the consideration of this appropriation bill. There was no estimate submitted. It may be brought to the attention of the committee later on when the general deficiency bill is taken up; but so far as the committee is concerned, as a committee it has no official knowledge of the fact stated by the gentleman. I am sure that the entire committee has shown from the appropriations heretofore made that it has been anxious to appropriate every dollar that is necessary in order to take care of the lepers at this leprosarium.

Mr. LAZARO. Will the gentleman permit me to make a statement in his own time?

Mr. BYRNS of Tennessee. I will.

Mr. LAZARO. I feel that the committee appreciates the duty and the necessity of taking care of these lepers not only because they are afflicted with a terrible disease that possibly might be cured if they are taken care of in time but on account of the public, who may contract the disease from them if they are permitted to go at large and are not taken care of in some institution. I hope when this matter is brought to the attention of the committee they will consider it and make the necessary appropriations to take care of them all the time in the future.

Mr. BYRNS of Tennessee. Speaking for myself, personally, I will say to the gentleman, I am heartily in favor of adequate appropriations for that purpose, and I feel sure that when the matter is brought to the attention of the committee in the way of a request for an appropriation, if one be necessary, that the committee will give it favorable consideration.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. ANDREWS of Nebraska. Some years ago these refunds for excess payment of taxes were made out of permanent indefinite appropriations. Under that condition the department seldom had occasion to say to a taxpayer that he must wait until Congress made an appropriation to make the repayment. About five or six years ago the present method was introduced of making annual appropriations to pay these refunds. From year to year and from time to time we have this statement from the department—that no funds are available for the payment of the amount allowed. In addition to that error or that objectionable feature, has occurred this fact. Under this plan duplicate payments have been made in large amounts——

Mr. BYRNS of Tennessee. Under which plan?

Mr. ANDREWS of Nebraska. Under the plan now in force. Men have received warrants in payment of funds that they had already been given allowances in their subsequent payments and returned the warrants to the department, saying that they were not entitled to double payment. On one day over $100,000 of such duplicate warrants were on the desks in the Treasury Department.

Mr. BYRNS of Tennessee. Well, I do not see how that could happen under this method to any greater extent than under the old method.

Mr. ANDREWS of Nebraska. There was a method by which it happened. Now right there, that happened through the inefficiency and negligence of the very men who are operating the scheme now.

A large number of these law clerks and a large number of the boards to which reference was made a few minutes ago secured their appointments to those positions from men who are now on the outside and practicing before the department and prosecuting these claims for refunds. In the course of the debate I shall be very much gratified if the gentleman or someone else on his behalf or on behalf of the committee will bring out an explanation to show how we are to correct these mistakes.

Mr. BYRNS of Tennessee. I think the statement made by the gentleman is the very best argument in favor of the present plan of procedure.

Mr. ANDREWS of Nebraska. Then the gentleman is in favor of a plan that will compel the department to say to the taxpayer that Congress is in fault in his failure to get the money back for the excess payment of taxes?

Mr. BYRNS of Tennessee. Oh, no; not at all.

Mr. ANDREWS of Nebraska. Exactly so.

Mr. BYRNS of Tennessee. I am in favor of Congress keeping its hand on all appropriations.

Mr. ANDREWS of Nebraska. Oh, it had its hand on them before, and no duplicate payments amounting to any such sum as $100,000 in one bunch ever appeared.

Mr. BYRNS of Tennessee. I am unwilling to see the Government return to the old system under which there was left at the disposal of the executive departments immense sums of money to be expended without the opportunity on the part of Congress to know just how much was being expended and in what way.

Mr. ANDREWS of Nebraska. I know, because reports were made, and I have signed them again and again.

Mr. BYRNS of Tennessee. The gentleman knows that in the matter of permanent indefinite appropriations, which have

amounted to many hundreds of millions of dollars, there is no supervision ever exercised by Congress except the receipt of reports that are submitted from time to time by the departments.

Mr. ANDREWS of Nebraska. How do you pay the interest on the public debt now?

Mr. BYRNS of Tennessee. That is a fixed, definite sum.

Mr. ANDREWS of Nebraska. And the other was fixed by clerks in the department as it would be fixed in court.

Mr. BYRNS of Tennessee. Yes; it is fixed, as the gentleman says, by some law clerk in the department; and it seems to me that Congress, which is the governmental body responsible to the people for the appropriations and expenditures, should retain to itself the right to say what money shall be appropriated and expended.

Mr. ANDREWS of Nebraska. You could not tell any more about it under the present plan than under the other plan.

Mr. BYRNS of Tennessee. There can not be any such objection made if Congress will make these appropriations from time to time as they are called for. The gentleman from Arkansas [Mr. WINGO] a moment ago stated that there was some criticism and that the Treasury Department was telling taxpayers who were entitled to refund of taxes that they could not be paid promptly because Congress had not made the appropriation. I submit that the Treasury Department, whenever it becomes apparent that money is due, should submit an estimate so that it can be carried in a deficiency appropriation bill, and Congress has never failed to appropriate the money when these estimates are made.

Mr. ANDREWS of Nebraska. Congress meets only at certain times in the year, and the taxpayers must wait for their money.

Mr. BYRNS of Tennessee. Congress has been practically in session nearly all the year round of late years. The gentleman speaks in favor of an indefinite appropriation.

Mr. ANDREWS of Nebraska. I am not speaking so much in favor of an indefinite appropriation as I am of the evils of the present method.

Mr. BYRNS of Tennessee. The amount of refunds for the past five years are as follows: In 1917 they were $887,000, in round numbers; in 1918 they were more than $2,000,000; in 1919 they were $8,000,000; in 1920 they were more than $14,000,000; in 1921 they were more than $28,000,000; and in 1922 they are more than $48,000,000.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield for a moment?

Mr. BYRNS of Tennessee. I submit that with respect to the immense sums of money necessary to make these refunds, passed upon, as the gentleman says, by officials in the Treasury Department, involving thousands and thousands of claims, Congress ought to have some supervision over the amount of money appropriated. Every Member of Congress, I know, is anxious to see these refunds promptly made, because when a taxpayer makes an overpayment and it is duly and properly ascertained he is entitled to a return of his money just as quickly as it can be received; but I am not in favor of the old, antiquated, unbusinesslike system of placing large and indefinite appropriations at the disposal of the executive departments without any supervision on the part of Congress.

Mr. ANDREWS of Nebraska. How much supervision is there now? At this point I wish to say that the larger amounts of refunds in one year as compared with another year will grow out of new legislation very largely. Why? Because that legislation must be construed by the department and by the courts, and many times large sums of money will be paid back under a departmental construction that will be taken out by a decision of the court. Take as an illustration the war revenue act of 1898, passed during the war with Spain. About $23,000,000 were paid in as legacy taxes alone. Nearly $20,000,000 of that was refunded under the decisions of the courts.

Mr. MADDEN. That is true in this case.

Mr. ANDREWS of Nebraska. Whenever you have this new legislation you have new requirements to meet.

Mr. BYRNS of Tennessee. The gentleman is entering a new field when he speaks of new legislation.

Mr. ANDREWS of Nebraska. We had new legislation in 1921, and we had new legislation in 1913. Thus it comes and thus it goes, and whenever Congress passes a new law levying taxes in a new form you are bound to have larger refunds in customs and internal revenue than you will after the department and the courts shall have applied those laws in accordance with permanent rules and practice.

Mr. BYRNS of Tennessee. And that is another justification, it seems to me, for the present method of making direct appropriations from time to time to cover these refunds, because, I submit to the gentleman, that neither Congress nor the public will ever know exactly what is being spent in the way of refunds unless Congress makes direct appropriations.

Mr. ANDREWS of Nebraska. Congress could have known before just as well as now. The point of objection is that this method delays; that it multiplies details. This method has brought on duplication of over $100,000 in one day, as I have cited already.

Mr. BYRNS of Tennessee. Of course, Mr. Chairman, it is always possible to go to the department or to the reports to ascertain what amount has been expended for this purpose or any other purpose, but I think it is clear to every Member of Congress that as to many details of the Government's money transactions, many details as to expenditures made by the Government, the public is not informed and Congress is not informed as to the amount of money being paid for any particular purpose, and will not be unless specific appropriations are made. It is for that reason that I have always consistently opposed the old plan of having immense, indefinite appropriations for various purposes placed at the disposal of executives and their subordinates, rather than making specific appropriations from year to year.

Mr. FREAR. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. FREAR. I am going to ask, in view of the fact that the Treasury reports are practically the only records that are considered confidential or secret, does not the gentleman believe that if these records were made public there would be a better administration of the Treasury Department in the Internal Revenue Bureau?

Mr. BYRNS of Tennessee. That is possibly true, although——

Mr. FREAR. Would it not avoid some of these questionable refunds that have been referred to here to-day?

Mr. BYRNS of Tennessee. That is possibly true, but I can understand that there might be some objection to making public some of the records of the intimate business affairs of income-tax payers, in so far as they relate to incomes for the various years.

Mr. FREAR. Does not the gentleman believe this is the only place where these records are held secret? States to-day are making their records public. All the local tax officers have public records. Why should the Government hold these records secret at the application of corporations that do not care to have their own matters disclosed? Is not the public service of more importance?

Mr. BRIGGS. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield to the gentleman from Texas.

Mr. BRIGGS. Does the gentleman know whether State income-tax returns in States like New York and other States where they have these returns are public records open to the public generally or not?

Mr. FREAR. If the gentleman will permit me to answer that, I know there is a movement in one State with which I am quite familiar where they expect the present legislature to make them public records.

Mr. BRIGGS. The gentleman does not know of any State which has done so up to this time?

Mr. FREAR. I have not made any inquiry as to the other States.

Mr. BYRNS of Tennessee. Mr. Chairman, when I arose I did not expect to consume any time. As stated, this bill carries more than $74,000,000. Of that amount $28,253,950.19 is by way of deficiency appropriations for the present fiscal year 1923. If the total authorization for good roads for this year, amounting to $50,000,000, had been appropriated, this bill would carry $25,000,000 more for the present year; but the committee has inserted a provision in this bill, which has my hearty approval, making available unexpended sums in the Treasury now to the credit of the various States, without in any way interfering with or militating against any State in the matter of its proper apportionment of road funds.

This bill also carries $81,000 for the payment of salaries of district judges. Six thousand dollars of that amount is for the payment of an additional judge appointed in Hawaii and $75,000 for the payment of the salaries of the 24 judges who were authorized by the act passed September 14, 1922. I have a very clear recollection that when that bill was before Congress those who advocated it insisted upon the importance of its immediate passage. I think all the Members of the Congress were satisfied that additional judges were needed in some sections, although there was a sharp controversy as to whether or not there was necessity for the full number of 24 finally provided in the law. It was then insisted that the dockets of the various courts of the country were badly congested. The

hearings disclose that at the close of the last fiscal year, on June 30, 1922, there were 172,000 cases upon the dockets of the courts of the country, as compared with something like 142,000 one year before and 118,000 the year before that. In other words, as was stated, there is an increase, due to the national prohibition act and other causes, of something like 20 or 25 per cent in the litigation in the Federal courts of the country. Only three or four judges—possibly four—have been appointed under this act, although four or five months have elapsed. I simply want to express the hope that the political exigencies will permit the President to make these appointments very soon, so that these cases may be disposed of and litigants secure their rights in the courts. [Applause.]

Mr. Chairman, I reserve the remainder of my time.

Mr. MADDEN. Mr. Chairman, I yield the remainder of my time, 15 minutes, to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, a bill introduced by me to-day provides for soldiers' compensation along the lines of the bill passed by Congress, but vetoed by the President, last session. This bill undertakes to meet the objections raised by the President and provides a means for financing the measure that ought to receive the support of every Member who favors a compensation bill. It should be pressed for passage early next session.

The only material difference in the bill now offered and that vetoed by the President relates to the loaning privilege under Title V, which is increased from 50 per cent of the loan basis in the old bill to 70 per cent. The Secretary of the Treasury is also authorized to call in, pay, and cancel any loan or certificate in his discretion. Also, it eliminates the irrigation scheme, which was not intended to benefit veterans, who can find over a million acres of fertile abandoned farm lands now available. A financing provision is also attached that ought to be acceptable.

I will not offer any argument in favor of a compensation bill beyond saying that in 1917, for the first time in all history, Congress drafted into military service every able-bodied man of military age and sent them into camps or abroad in order to fight our battles. The great majority of these drafted men were submitted to hardships, privations, and often bodily danger for a compensation around $30 per month. Those who stayed home as a rule sacrificed little proportionately, and thousands profited inordinately by the war.

WHY QUIBBLE AND HAGGLE AND PROTEST?

Ours, the richest Government and one of the few that imposed the draft, is practically the only government that has quibbled, haggled, and protested against giving extra compensation to its veterans. Congress has done its full part toward extending some small pay, not as compensation but to evidence the Nation's appreciation of sacrifice by the few who went to war for the many who stayed. When a soldier's compensation bill was in committee last year notice was served on the committee in the name of Secretary Mellon and the President that the administration did not favor the bill and that any measure not accompanied by a financing provision would be vetoed. The railway compensation bill, the canceled war contract bill, all past pension bills, and, in fact, every bill since the organization of this Government down to the recent ship subsidy bill failed to provide any financing plan so far as I can remember; but both House and Senate committees in an effort to comply with administration views waived their constitutional rights and finally agreed on a tentative financing plan that included nominal stamp taxes on stock transfers, a small tax on oil, a small tax on undistributed corporation taxes, and other items. Its submission to the Executive brought response by letter that the plan was rejected, and a sales tax was the only plan that would meet Executive approval.

Pursuant to its constitutional right and duty, Congress passed the soldiers' compensation bill, according to usual precedents, without a definite financing plan other than making it a charge on obligations of foreign governments. Acting on his constitutional rights, the President vetoed the bill, which lacked only four votes in the Senate from becoming law.

DID LAFAYETTE "COMMERCIALIZE PATRIOTISM?" WHO SAYS SO?

Secretary Mellon, while acting within his rights, has been the most effective opponent of any soldiers' compensation law to date. A comparison, however, is interesting. In the north front of the Treasury, I understand, is a framed draft for $200,000 paid to Lafayette by the Treasurer of the United States for services and sacrifices in the War of the Revolution. Proposed payment of $1 per day to World War veterans now evokes from influential Wall Street concerns a storm against "commercializing patriotism" from concerns that during the war capitalized patriotism by commercializing war for their own profit. Lafayette's $200,000 draft from the young American Government was a princely gift then, because it represented one thousand times what it does to-day, while the reported wealth of the present custodian of the canceled draft, Mr. Mellon, reaches over one thousand times Lafayette's bonus. History also records another change in wealth's standards when Bache, the New York broker, asserts his Wall Street colleagues now spend 11 months of the year studying how to avoid their taxes. Such facts furnish food for thought when discussing the merits of the bill.

Mr. HILL. Will the gentleman yield for a question?

Mr. FREAR. Not until I finish my statement, and then I will be glad to yield.

Without conceding Congress is required to present any accompanying financing plan, I have endeavored to meet the Executive proposal to the extent of presenting a definite, logical, and just method of financing the soldiers' bill. Last session, yielding to propaganda, Congress repealed the excess-profits tax due to representations that such tax was a hindrance to business and that business, big and little, was skirmishing along on thin ice. Practically every tax expert not employed by business interests to be affected conceded the tax was just in principle, although frequently evaded.

Development of enormous surpluses accumulated throughout the past 10 years, since the beginning of the European war, have disclosed that a handful in number of great companies after paying excess profits and all other taxes, and in many cases generous annual cash dividends, also have accumulated $2,000,000,000 in excess profits that, due to a teeter-totter 5 to 4 decision of the Supreme Court, will escape all personal taxes and also avoid any excess-profits tax for 1922. A law was passed in 1921 which authorized the Secretary of the Treasury to impose tax penalties of 25 per cent on accumulated surpluses, which he was strongly urged to do in correspondence found in the RECORD of November 28 last. Although surpluses disclosed were divided up into stock dividends, reaching in a single case as high as 16,000 per cent based on capitalization as shown in the RECORD of December 20 last, the penalty clause has been practically ignored by the department, while the American consumers of oil, for illustration, have contributed these profits, due to extortionate prices sought to be justified by "business needs" for exploiting foreign countries in certain cases.

WHY NOT MAKE PROFITS PAY THE BONUS?

The enormous profits with reasonable exemptions, in all fairness, should be made to contribute liberally to the veterans' compensation bill, because the great interests involved which control many banks, newspapers, and other propaganda agencies were loudest in their insistence on the war and on conscription of men to protect the country and incidentally to save their own businesses from German indemnities.

It seems just and right that the excess-profits tax law repealed in 1921 should be reenacted to cover 1921 and ensuing years, and that the enormous profits which have been set aside as "surplus" should pay some individual tax as would be done if distributed in cash dividends. My plan to finance the bill seeks to meet that situation.

For the first time in history a disclosure has occurred of the unprecedented profits gathered in by melon-cutting corporations. During 1922 I learn the Federal Trade Commission reports that 328 corporations have released surpluses by the stock-dividend plan reaching $2,149,151,425. These profits collected from the public were over all payments after running expenses, for taxes, and for profits distributed as cash dividends. They were excess profits made by the corporation covering different periods, and, according to repeated press reports, were made to avoid payment of taxes. I submit they should pay taxes on such profits to finance the bonus bill.

No man can explain these off-year results, due to a single issue, for many causes contributed in scrapping the phenomenal House Republican majority of 169 in 1920 to a bare majority of 16 in 1922; but every man of discernment knows that while the soldiers' bonus bill was opposed by big business in Wall Street in 1921, it was popular in Sullivan Street and on the Bowery, and, in fact, all over New York State and throughout the country. It is also reasonably certain that while great business interests, familiarly classed as "Wall Street," were a unit in securing the repeal of the excess-profits tax in 1921, a great majority of the people were opposed to its repeal and are in favor of its reenactment into law without delay because of unconscionable net profits of many corporations, reaching 775 per cent in 10 years by one company and others of equal amount recently disclosed by the press.

A large majority of the House and Senate, as evidenced by the vote in each body, rejects the sales tax as a vicious proposition that taxes farmers, laborers, and millionaires alike on necessities, and it was overwhelmingly defeated in a Republican Congress while the soldiers' bonus bill was as overwhelmingly carried in both branches of Congress.

THE PRESIDENT'S VETO.

The last soldiers' bill passed the House over the President's veto by a vote of 258 to 54 and in the Senate by a vote of 44 to 28, lacking only 4 votes of passing over the presidential veto. As interpreted by the elections, the country wants the soldiers' bonus bill passed, and there is also a general belief to-day that we have been too tender with excess profits and profiteers under the plea of helping business. Those who have harkened to the voice of the Wall Street Journal and the New York Comic Commercial, with Secretary Mellon's Pittsburgh paper and others scattered throughout the country controlled by large business interests to be affected, are now aware that the sentiment of these papers is not that of the country.

On more than one occasion I have sought to help prevent what was believed to be a grave mistake in certain legislation presented to the House, including drastic reduction in the surtaxes, the retroactive repeal of the excess-profits tax, and the passage of a general-sales tax.

A proposed tax on undistributed profits will place funds in the Treasury with which to finance the soldiers' bill, leaving an ample surplus over and above immediate demands that may be used to mature the claims of the veterans under the bill. These taxes are not, properly speaking, double taxes, because the excess-profits tax is taken from the corporation after certain exemptions, including 8 per cent net profits, are deducted. If the corporation instead of distributing its surplus profits thereafter decides to lay it by in order to avoid personal taxes or uses it for additional development, thereby avoiding personal-income taxes, then such action is covered by the undistributed profits tax proposal offered with the bill.

Corporations that have exhausted ready cash may have to borrow to pay taxes but hundreds of thousands of farmers and home owners who are doing the same can show this is a common experience with those who do not clip coupons or cut juicy stock dividends.

THE COUNTRY NEEDS THE MONEY AND CAN USE THE SURPLUS TAX.

The country is facing a debt to-day amounting approximately to $23,000,000,000, and great pressure is being brought to compel cancellation of some of the foreign debts so that if successful no offset will help liquidate the enormous tax burden that will be placed upon the people of the country. It is doubtful if any man can point out any immediate material reduction in our debt at a time when the Treasury Department is engaged in liberal tax refunds estimated to reach $500,000,000 or possibly more in the near future. Unless we wake up from our easy-going policy, a day of retribution swift and certain will follow.

Mr. MILLS. Will the gentleman yield?

Mr. FREAR. As soon as I finish my statement I will be glad to yield. Mr. Chairman, I am offering a plain proposition that I believe the country will approve just as certain as it disapproved the passage of any consumption tax and the veto of the soldiers' bonus bill. Any man must be blind who fails to know that during the war and ever since the war a few favored corporations have exacted unconscionable profits from the people. Their profits were not known until the recent exposure of stock-dividend distributions made in order to avoid personal-income taxes.

The only excuse for protecting such extortionate profits is that these great trust companies assert they will refuse to do business unless permitted to charge profits without limit, while stockholders are protected by the Supreme Court stock-dividend decision and by tax-free securities which offer avenues for tax evasions. No sensible man believes business will close up shop unless permitted to profiteer untrammeled. If any company decides to do so, that act will bring its own reward or penalty.

Every income-tax payer who pays his full tax to-day without evasion resents the stock-dividend decision and other methods of tax escape not afforded with equal justice to him. Every man who has paid two prices for gasoline during the last 10 years resents the extortionate profits taken from him by the hand of might.

The cry of "soaking the rich" can no longer confuse the issue so as to drown out cries of fair play, stop price extortion, and stop tax dodging. The world asks that we get a little nearer the golden rule rather than selfishly and graspingly to seize all within reach because the power exists to grab and to hold.

Something like $200,000,000 annually is needed, according to Treasury experts, to cover the charge of the soldiers' bonus bill during the 20 years required to mature certificates. Reenactment of the excess profits tax which I have proposed as a part of the bill ought to average far more than that amount, depending upon the price extortion still practiced. In addition, large receipts should be had from the retroactive graded tax on undistributed profits beginning with the year 1917, which is made a part of the bill.

If the President will call a special session, like the ship subsidy session, to put through the soldiers' bonus bill with the accompanying tax measures to finance same, I believe it will meet with the approval of four-fifths of the people of the country, with the active opposition of less than 5 per cent. Let us act not as a matter of political expediency but in justice to those who have been shabbily treated by the wealthiest country in the world.

EVEN POLITICAL PLATFORMS ARE AGREED.

Last month a conference met in Cleveland to advance progressive political action. Five hundred delegates from practically every State in the Union claiming to represent millions of voters in farm and labor organizations there issued a call to Congress based on overwhelming political changes they contributed to bring about at the recent election. One of the six planks adopted by that conference favors—

(5) The payment of a soldiers' bonus by restoring the tax on excess profits. The measure here submitted includes that plank, and as restoration of the excess-profits tax only reaches the year 1922, an additional tax on undistributed profits is proposed with which to reach enormous profits not covered by the excess-profits tax, thereby equalizing tax burdens by financing the bill through such profits.

I will now be glad to answer the gentlemen who desire to interrogate me, if able to do so.

Mr. MILLS. I want to get the gentleman's proposition clearly in my mind. As I understand it, under the gentleman's plan if a corporation had put a certain percentage of its earnings back into plant development and addition to its productive capacity, and it did not have liquid assets, the gentleman through a retroactive tax on surplus would either compel that corporation to sell its plant for the payment of taxes or borrow money with which to pay them?

Mr. FREAR. I would compel them to do what every man is compelled to do to-day who has to borrow or raise money to pay his taxes. If the corporation has used the profits contributed by the people through price exactions for the purpose of advancing their own business, however invested, I would say then they can readily step into any business place and get their tax money on the increased security by borrowing the same as any private individual has to do. If distributed as a cash dividend, the money would have gone into the payment of personal income taxes where it would have been subject to a surtax. That has been avoided by the stock-dividend route, but I ask to reach the profit tax when first the profit is declared.

Mr. MILLS. But if instead of keeping their profits in cash they build a new factory, the gentleman would compel them to sell the factory to pay the tax?

Mr. FREAR. Not at all; but I would compel them to borrow money on their new factory to pay the tax. If built with surplus profits, why should it not pay a tax on those profits? Or, as I said to the Secretary of the Treasury the other day, "If I were in your position, Mr. Secretary, I would not permit the Standard Oil Co. to make 77½ per cent profit annually and pay to its stockholders 22 per cent cash dividend and thereafter permit to go free from any 25 per cent penalty tax a 400 per cent dividend, for the purpose of developing Mesopotamia oil fields. [Applause.]

Mr. BLANTON. Will the gentleman yield? Or, in other words, if the cattleman pays no income tax, but uses all his profits every year to buy additional cattle and additional lands he ought to pay the tax; even if he has to borrow the money, or sell some property?

Mr. FREAR. Yes; he pays the tax, or should pay the tax, but the Standard Oil Co. and other companies who put their profits back in their business do not.

Mr. MILLS. Now the gentleman goes further. If any individual uses money made in business to buy new cattle the gentleman proposes to make him pay the tax.

Mr. FREAR. No. I am asking that corporate surpluses should not be merged into stock dividends so as to reach the surtax. The man in the cattle business in Texas pays the surtax if he makes profits, and why should not John D. Rockefeller, for instance, pay as well as every other individual?

Mr. BLANTON. What is sauce for the goose ought to be sauce for the gander.

Mr. MILLS. We are not discussing that; we are discussing taxing the surplus. I would like to ask the gentleman another question. Will he explain to me how by the declaration of a stock dividend an individual stockholder avoids income taxes.

Mr. FREAR. I can not discuss a technical tax matter in the five minutes remaining of my time. If the gentleman will take the four dissenting opinions in the Macomber case he will find how completely they cover the attempt to avoid taxes through the stock-dividend route. That is as far as the individual surtax is concerned.

Mr. MILLS. Will the gentleman explain to me——

Mr. FREAR. I have no time for explanation when you can read the dissenting opinions in the Macomber case that cover the question completely.

Mr. MILLS. I have read them and I have read the gentleman's speeches and I can not find out——

Mr. FREAR. I can not yield to the gentleman for a speech. If you will give me half an hour I will try and explain it to you if you do not understand.

Mr. MILLS. If the gentleman had five times a half an hour he could not explain how the——

Mr. FREAR. I can explain it, but the gentleman does not listen; he looks through colored spectacles, and he always has in this House and always will. The gentleman is a fine gentleman personally, but I simply disagree with him and ever expect to on the subject of taxing wealth according to its ability to pay.

Mr. Chairman, a word further regarding the merits of this tax proposal contained in the bonus bill attached to these remarks.

What more preposterous economic situation can be presented than that shown to-day by Standard Oil in Senate committee hearings. It fixes prices on oil for the country without any relation to production, reasonable profits, or any other matter ordinarily affecting trade. On its own showing, one subsidiary company has made $775,000,000 in net profits during the past 10 years, of which amount above taxes $220,000,000, or 22 per cent, annually was distributed among its fortunate stockholders and $400,000,000, or 40 per cent, additional annual average net profits are laid away in cash or in increased investments or in development of oil fields from California to Mesopotamia or in some other form. When income taxes are assessed on its $400,000,000 stock dividends it responds that five Justices of the Supreme Court have held its profits when put in stock dividends are not taxable.

WHAT GOOD JUDGES SAY OF THAT DECISION.

To this unjust decision made in violation of the spirit of the sixteenth constitutional amendment, four Justices dissented with two memorable statements:

> First, the known purpose of this (sixteenth) amendment was to get rid of nice questions as to what might be direct taxes and I can not doubt that most people not lawyers would suppose when they voted for it that they put the question like the present at rest. I am of the opinion that the amendment (sixteenth) justifies the tax.

Is not that statement of the judges unanswerable?

What answer, I submit, will stand against this second proposition quoted from the dissenting opinion of another judge in the same decision, who says:

> If stock dividends representing profits are held exempt from taxation under the sixteenth amendment the owners of the most successful businesses in America will be able to escape taxation on a large part of what is actually their income. So far as their profits are represented by stock received as dividends they will pay these taxes not upon their income but upon the income of their income. That such result was intended by the people of the United States when adopting the sixteenth amendment is inconceivable. Our sole duty is to ascertain their interest as therein expressed.

That is the opinion the gentleman from New York has read but does not understand.

In the face of the mandate of the people as expressed in the sixteenth amendment to the Constitution on the income tax, in the face of a previous 5 to 4 teeter-totter decision of the same court that made the submission of the amendment to the people necessary, an amendment later disregarded by five judges according to the opinion of the other four judges, in the face of a direct law passed by Congress pursuant to the will of the people expressed in the sixteenth amendment, five judges by hair-splitting reasoning overthrew the will of the people and of the Congress and allowed successful businesses, like Standard Oil in that case, to accumulate $2,000,000,000 in undistributed surpluses that will pay no tax as corporation profits or as individual surtax. This decision, rendered some three years ago by one deciding justice against the will of the people, the will of Congress, and in favor of these big businesses is followed by the Secretary of the Treasury's refusal to impose 25 per cent penalty provided by statute. He could not well do so, as his own oil company, Gulf Oil, led the stock-dividend race with a 200 per cent tax-free stock dividend; but why, I ask, should not Congress carry out the expressed will of the people in collecting this tax before the stock dividend is declared? As the dissenting justice said: "Let us get rid of nice questions" where it is "inconceivable" the people intended to exempt these profits from taxes.

THE TAX CAN BE COLLECTED IF CONGRESS ACTS.

We are asked by men of great wealth on this floor and by pamphlets placed on our desks by the Standard Oil Co., and by pamphlets issued by the National City Bank, of New York, and by every other big business to be affected, how the tax can be collected if the untaxed surplus is invested in the property. In other words, after the untaxed loot has been hidden behind invested profits how can it be reached? I have stated the "how" and we know the "why." It is for Congress to do its part by enacting the law.

Then the obvious answer is the same as the taxgatherer reaches with every other tax defaulter who fails to pay his tax. If he can not find the cash, he borrows the money to pay the tax, and thousands of homes and a hundred thousand farms are being sold for taxes this year because the owners are in default. Why not make the profiteer pay the same as the humbler citizen? And if it can not borrow on the enormous surplus profits retained, then sell part of its holdings.

One of the modern crimes against competition, against the rights of the little fellow in business, and against the vast army of consumers is the present stock-dividend practice carried to the nth degree. It enables the big fellow without distributing profits to gobble up the little fellow with those profits until, like Standard Oil or United States Steel, the prices are fixed by the great monopoly that destroys competition and abides by no economic law. Accepting the situation, why not make these unwarranted if not unlawful practices pay the cost of a soldiers' bonus bill?

It is said the corporations affected will immediately flee to the Supreme Court for their haven, based on the stock-dividend decision, if this retroactive tax on undistributed profits for the years 1917 to 1922 is pressed for passage.

In an effort to meet that situation I have provided in the bill that no part of the act shall be held invalid if more than one justice of the court dissents from the opinion.

The Constitution provides, Article III, "The Supreme Court shall have appellate jurisdiction, both as to law and fact, with such exceptions and under such regulations as the Congress shall make." In view of some appointments and some recent proffered appointments for the highest judicial position in the country, Congress, representing the people, has a right and possibly a duty to protect their will, particularly as expressed in the sixteenth amendment or even through the act of Congress under its constitutional power.

If one member of the Supreme Court can set aside constitutionally enacted State or Federal law, as is constantly done under present practices, what protection can be had against such an anomalous situation? The people who enacted the sixteenth amendment can enact another amendment that will prevent any one justice from setting aside an act of Congress and the constitutionally expressed will of the people. That is not the alternative and the cure provided by the Constitution.

Mr. Chairman, I have sought briefly to present to your attention a soldiers' compensation bill that ought to pass, and a tax proposal is attached that will raise over a billion dollars, according to unofficial estimates, or far more than enough to pay the bill and to provide a sinking fund.

The bill is attached hereto, with the tax features appearing in the latter part. The excess-profits tax for 1922 and the tax on undistributed profits from 1917 are provisions that invite the support of every former opponent of the bill on the ground that it had no self-financing scheme to prevent a heavy draft on the Treasury. This bill will place $2 in the Treasury for every dollar taken out.

The bill H. R. 13659 introduced to-day is the same as H. R. 10874, this session, with slight changes. The following covers the parts of the bill that materially differ from the bill that passed Congress but was vetoed.

The bill follows:

LOAN PRIVILEGES BEFORE JANUARY 1, 1927.

SEC. 502. (a) A loan may be made to any veteran holding a certificate prior to January 1, 1927, upon his adjusted service certificate only in accordance with the provisions of this section.

(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called "bank"), is authorized to loan to any veteran upon his promissory note secured by his adjusted service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of 70 per cent of the loan basis (as defined in subdivision (f) of this section) of the certificate, such loan to mature on or before December 31, 1926. The rate of interest charged upon the loan by the bank shall not exceed, by more than 2 per cent per annum, the rate charged at the date of the loan for the discount of commercial paper under section 13 of the Federal reserve act, by the Federal reserve bank for the Federal reserve district in which the bank is located. Any bank holding a note for a loan under this section, secured by a certificate (whether the bank originally making the loan or a bank to which the note and certificate have been transferred) may sell the note to, or discount or rediscount it with, any bank authorized to make a loan to a veteran under this section,

and transfer the certificate to such bank. In case the note is sold the bank making the sale shall promptly notify the veteran.

(c) If the veteran does not pay the principal and interest of the loan within six months after its maturity (or on or before December 31, 1926, if the loan matures on or after June 30, 1926), the bank holding the note and certificate shall present them to the Secretary of the Treasury not earlier than August 31, 1926, and not later than January 15, 1927. The Secretary shall thereupon cancel the note and pay to the bank the amount of the unpaid principal due it, and the unpaid interest accrued, at the rate fixed in the note, up to the date of the check issued to the bank. The Secretary shall restore the certificate to the veteran at any time prior to its maturity, upon receipt from him of (1) the amount paid by the United States to the bank in cancellation of his note, and (2) interest on such amount from the time of such payment to the date of such receipt at 4½ per cent per annum, compounded annually.

(d) If the veteran dies before the maturity of the loan the amount of the unpaid principal and the unpaid interest accrued up to the date of his death shall be immediately due and payable. In such case, or if the veteran dies on the day the loan matures or within six months thereafter, or, in case the loan matures on or after June 30, 1926, if he dies on or after the day the loan matures but before January 1, 1927, the bank holding the note and certificate shall, upon notice of the death, present them to the Secretary who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the check issued to the bank; except that if, prior to the payment, the bank is notified of the death by the Secretary of the Treasury and fails to present the certificate and note to the Secretary within 15 days after the notice, such interest shall be only up to the fifteenth day after such notice. The Secretary shall deduct the amount so paid from the face value (as determined under section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(e) When any loan becomes in default the bank holding the note shall within 30 days thereafter notify the Secretary of the Treasury of the facts relative to the note, the name of the veteran, and the number of his certificate.

(f) The loan basis of any certificate at any time shall, for the purposes of this section, be the amount of the adjusted service credit, plus interest thereon, from the date of the certificate to such time, at the rate of 4½ per cent per annum, compounded annually.

(g) No payment upon any note shall be made under this section by the Secretary of the Treasury to any bank unless the note when presented to him is accompanied by an affidavit made by an officer of the bank which made the loan, before a notary public or other officer designated for the purpose by regulation of the Secretary, and stating that such bank has not charged or collected, or attempted to charge or collect, directly or indirectly, any fee or other compensation (except interest as authorized by this section) in respect to or because of any loan made under this section by the bank to a veteran. Any bank which, or director, officer, or employee thereof who, does so charge, collect, or attempt to charge or collect any such fee or compensation shall be liable to the veteran for a penalty of $100, to be recovered in a civil suit brought by the veteran.

LOAN PRIVILEGES AFTER JANUARY 1, 1927.

SEC. 503. The Postmaster General is hereby authorized and directed to instruct postmasters of the first, second, and third classes to take applications of veterans for Government loans and collect payments thereon.

SEC. 504. (a) Application for Government loans may be made at any post office of a first, second, or third class. Such loans, secured by the adjusted service certificate, shall be made by the Secretary of the Treasury, with or without the consent of the beneficiary, and payments thereon collected, in accordance with the provisions of this title, under rules and regulations to be prescribed by him. He shall supply postmasters of the first, second, and third classes with blanks upon which veterans may make applications for Government loans. Such applications shall be in the form prescribed by the Secretary of the Treasury, and have attached thereto a form of promissory note to be executed by the veteran, and a receipt, to be delivered to the veteran, which shall be signed by the postmaster receiving the application, and which shall acknowledge the receipt of the note and the certificate, and contain a description of each. The postmaster shall thereupon transmit to the Secretary of the Treasury the application, note, and certificate. Upon the approval of the loan by the Secretary of the Treasury he shall transmit to the veteran a check for the amount of the loan. He shall also issue in triplicate a statement showing the name and service of the veteran, the number of his certificate, and a schedule of the amounts of the several payments and the dates when due. The original of the statement shall be retained with the application, the duplicate shall be transmitted to the postmaster receiving the application, and the triplicate to the veteran. The postmaster holding such statement shall receive and indorse thereon the payments made by the veteran, shall give a receipt to the veteran, and shall promptly transmit payments to the Secretary of the Treasury. Such payments shall be covered into the Treasury as miscellaneous receipts. The veteran shall make repayment of the loan upon an amortization plan by means of a fixed number of annual installments sufficient to cover (1) interest on the unpaid principal at the rate of 4½ per cent per annum and (2) such amount of the principal as will extinguish the debt within an agreed period, not exceeding the life of the certificate.

(b) If the veteran fails to make any payment when due, the Secretary of the Treasury, at any time prior to the maturity of the certificate, shall cancel the note and restore the certificate to the veteran, upon the receipt of all installments in arrears, together with interest at 4½ per cent per annum, compounded annually, upon each such installment from the time when due.

SEC. 505. No loan shall be made by the United States upon any certificate prior to January 1, 1927. The amount of such loans to any one veteran outstanding at any time shall not exceed:

(a) If the loan is made on or after January 1, 1927, and at any time not more than three years after the date of the certificate, 70 per cent of the sum of (1) the adjusted service credit of the veteran plus (2) interest thereon from the date of the certificate to the date of the making of the loan, at the rate of 4½ per cent per annum, compounded annually; or

(b) If the loan is made at any time more than three years after and not more than six years after the date of the certificate, 85 per cent of the sum of (1) the adjusted service credit of the veteran plus (2) interest thereon from the date of the certificate to the date of the making of the loan at the rate of 4½ per cent per annum, compounded annually; or

(c) If the loan is made at any time more than six years after the date of certificate, 70 per cent of the sum of (1) the adjusted service credit of the veteran increased by 25 per cent, plus (2) interest thereon from the date of the certificate to the date of the making of the loan, at the rate of 4½ per cent per annum, compounded annually.

SEC. 506. No certificate issued or right conferred under the provisions of this title shall, except as provided in section 502 or 504, be negotiable or assignable or serve as security for a loan. Any negotiation, assignment, or loan made in violation of any provision of this section shall be held void.

SEC. 507. In the case of the death of the veteran before the maturity of the loan, any Government loan made upon the certificate, and the note in respect thereto, shall be canceled, and the Secretary of the Treasury shall deduct the amount of the unpaid principal and interest of the loan from the amount of the face value of the certificate in respect to which the loan is made, and the remainder shall be paid by the Secretary of the Treasury to the beneficiary named or, if no beneficiary is named, to the estate of the veteran.

SEC. 508. Any certificate issued under the provisions of this title shall have printed upon its face the conditions and terms upon which it is issued and to which it is subject, including loan values under sections 502 and 505.

SEC. 509. If the veteran dies after making application in accordance with the provisions of section 302 and before the issuance of a certificate to him, the amount of the adjusted service credit of the veteran shall be paid by the Secretary of the Treasury to the beneficiary named, or if no beneficiary is named, to the estate of the veteran.

SEC. 510. The certificate shall be canceled (a) if the veteran fails to redeem his certificate before its maturity, or (b) if he fails to make any payment when due and such default continues to his death.

SEC. 510a. Whenever application has been received from the veteran and filed with the Secretary of the Treasury, said Secretary, in his discretion, at any time may call in for payment and cancellation any loan or certificate of veterans, such payment to be based on values as herein provided.

TITLE VI.—VOCATIONAL TRAINING AID.

SEC. 601. The Director of the United States Veterans' Bureau (hereinafter in this title referred to as the "director"), upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 303, is hereby directed to pay to the veteran designated therein (if he is not receiving the benefits of the vocational rehabilitation act, as amended) the sum of $1.75 for each day of his attendance (on or after January 1, 1923) on a course of vocational training previously approved by the director as suitable for such veteran. Such payments shall be made without deduction for Sundays, holidays, or vacations not exceeding two weeks in duration, or for absence for other cause which the director deems justifiable; but the total payment shall not exceed 140 per cent of the amount of the adjusted service credit of the veteran.

Payments under this section shall be made monthly or at more frequent intervals, as the director may determine generally or in special cases.

SEC. 602. The director shall establish such regulations as will insure the regular attendance of the veteran on his course of training, and no sum or sums shall be payable under this title unless the director has been furnished proof of such regular attendance. For each day of unjustifiable absence the veteran shall forfeit the sum payable for that day, and shall receive no reimbursement for it in any other form.

SEC. 603. If the payment under section 601 plus the amounts forfeited under section 602 is less than 140 per cent of the adjusted service credit, either by reason of the duration of the course approved or by reason of the veteran's discontinuing, with the approval of the director, his attendance on his course of training, he shall be entitled to receive an amount equal to the difference between (1) his adjusted service credit and (2) that proportion thereof which the payments made or accrued under section 601 plus the amounts forfeited under section 602 bear to 140 per cent of his adjusted service credit: *Provided*, That from the amount thus computed there shall be deducted an amount equal to the sums forfeited under section 602.

SEC. 604. If before the completion of the payments under this title the veteran is separated from the military or naval forces under other than honorable conditions, or is discharged therefrom on account of his alienage, no further payments shall be made under this title.

SEC. 605. (a) If the veteran dies after making application in accordance with the provisions of section 302, and before any payments have been made or have accrued under this title, the amount of the adjusted service credit of the veteran shall be paid by the director to his estate.

(b) If the veteran dies after the course of training has begun, his estate shall be paid by the director the same amount as would have been paid to the veteran under section 603, treating for such purposes the date of his death as the date of discontinuance of attendance on his course of training.

SEC. 606. (a) The director is hereby authorized to cooperate with State boards for vocational education in such manner as will secure their assistance in the approval of courses of training for veterans, and other assistance in carrying out the provisions of this title.

(b) Whenever any State provides funds for assistance to veterans in attendance upon approved courses or provides for free tuition in approved educational institutions, the director is authorized and directed to cooperate with the State board for vocational education of such State in securing the maximum educational opportunities to veterans entitled to the benefits of this title.

TITLE VII.—FARM OR HOME AID.

SEC. 701. (a) The Secretary of the Interior, upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 303, is hereby directed, on or after July 1, 1924, to pay to the veteran designated therein, in one payment or in installments, an amount equal to the following percentage of his adjusted service credit:

One hundred per cent, if the payment or the first installment thereof is made during the calendar year 1923;

One hundred and five per cent, if the payment or the first installment thereof is made during the calendar year 1924;

One hundred and ten per cent, if the payment or the first installment thereof is made during the calendar year 1925;

One hundred and twenty per cent, if the payment or the first installment thereof is made during the calendar year 1926;

One hundred and thirty per cent, if the payment or the first installment thereof is made during the calendar year 1927; and

One hundred and forty per cent, if the payment is made during the calendar year 1928 or thereafter.

(b) Such payment shall be made for the purpose, and only for the purpose, of enabling the veteran to make improvements on a city or suburban home, or to purchase or make payments on such a home or farm, or to pay off indebtedness existing on such a home or farm prior to the date of the application by the veteran under section 302.

SEC. 702. No such payment shall be made unless and until the Secretary of the Interior has approved the purpose for which it is desired by the veteran, and has suitable assurance that the money will be expended for such purpose. The Secretary of the Interior may, on his own motion or at the option of the veteran, make the payment directly to the vendor or other person to whom such payment is due from the veteran.

SEC. 703. For the purpose of enabling him to pass upon the desirability of the investment, the Secretary of the Interior may make use of the services of land bank appraisers of the Federal Farm Loan Board, to be designated by the board.

SEC. 704. (a) If the veteran dies after making application in accordance with the provisions of section 302 for farm or home aid and before a contract has been entered into with the approval of the Secretary of the Interior, the amount of his adjusted service credit shall be paid by the Secretary of the Interior to his estate; but no such payment shall be made if the veteran has been separated from the military or naval forces under other than honorable conditions or discharged therefrom on account of his alienage.

(b) If before the veteran's death a contract has been entered into with the approval of the Secretary of the Interior, and payments under this title on such contract are still due, such payments shall be made by the Secretary of the Interior to the vendor or other person to whom such payments are due from the veteran.

TITLE IX.—MISCELLANEOUS PROVISIONS.

SEC. 901. The officers having charge of the administration of any of the provisions of this act are authorized to appoint such officers, employees, and agents in the District of Columbia and elsewhere, and to make such expenditures for rent, furniture, office equipment, printing, binding, telegrams, telephone, law books, books of reference, stationery, motor-propelled vehicles or trucks used for official purposes, traveling expenses and per diem in lieu of subsistence at not exceeding $4 for officers, agents, and other employees, for the purchase of reports and materials for publications, and for other contingent and miscellaneous expenses, as may be necessary efficiently to execute the purposes of this act and as may be provided for by the Congress from time to time. With the exception of such special experts as may be found necessary for the conduct of the work, all such appointments shall be made subject to the civil service laws; but for the purposes of carrying out the provisions of section 305 such appointments may be made without regard to such laws until the services of persons duly qualified under such laws are available. In all appointments under this section preference shall, so far as practicable, be given to veterans.

SEC. 902. If any provision of this act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 903. Whoever knowingly makes any false or fraudulent statement of a material fact in any application, certificate, or document made under the provisions of Title III, IV, V, VI, or VII, or of any regulation made under any such title, shall, upon conviction thereof, be fined not more than $1,000, or imprisoned not more than five years, or both.

SEC. 904. The Secretary of the Treasury, the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, and the Director of the United States Veterans' Bureau shall severally submit to Congress in the manner provided by law estimates of the amounts necessary to be expended in carrying out such provisions of this act as each is charged with administering, and there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, amounts sufficient to defray such expenditures.

SEC. 905. There is hereby appropriated such amount as may be necessary to carry out the provisions of this act, to be paid out of and to be a first charge upon the tax receipts collected under the following new revenue provisions that are made a part of this act. If at any time the amount of such receipts is not sufficient to meet the appropriation hereby made, the same shall be paid out of any money in the Treasury not otherwise appropriated.

SEC. 906. That section 230 of the revenue act of 1921 is hereby amended by adding a new subdivision at the end thereof as follows:

(c) In addition to the taxes hereinabove provided there shall be levied, collected, and paid, for each of the taxable years 1917, 1918, 1919, 1920, 1921, 1922, and for each year thereafter on that portion of the net income for any such year of every corporation, not distributed in the form of cash dividends, a tax upon the amount of such net income for such year in excess of the credits provided in section 236, and a further deduction of $3,000 for such year at the following rates:

Five per cent of the amount of such excess not exceeding $20,000;
Ten per cent of the amount of such excess not exceeding $100,000;
Fifteen per cent of the amount of such excess not exceeding $200,000;
Twenty per cent on all of such excess above $200,000:

Provided, That if any of such undistributed profits are taxed as above provided and the corporation shall have, after the payment of such tax, distributed in money any of the profits upon which this tax has been paid, then the corporation shall be entitled, in its next income-tax return, to a credit upon its tax so returned to the extent and amount of the tax which it has paid under its provisions of this subdivision.

SEC. 907. That the provisions of the war-profits and excess-profits tax for 1921 is hereby reenacted into law as a part of this act with numbered sections of 1921 act retained, which act reads as follows:

EFFECTIVE DATE OF TITLE.

SEC. 263. That this title shall take effect as of January 1, 1922.

War-profits and excess-profits tax.

PART I.—GENERAL DEFINITIONS.

SEC. 300. That when used in this title the terms "taxable year," "fiscal year," "personal-service corporation," "paid or accrued," and "dividends" shall have the same meaning as provided for the purposes of income tax in sections 200 and 201.

PART II.—IMPOSITION OF TAX.

SEC. 301. (a) That in lieu of the tax imposed by Title III of the revenue act of 1918, but in addition to the other taxes imposed by this act, there shall be levied, collected, and paid for the calendar year 1921 upon the net income of every corporation (except corporations taxable under subdivision (b) of this section) a tax equal to the sum of the following:

FIRST BRACKET.

Twenty per cent of the amount of the net income in excess of the excess-profits credit (determined under section 312) and not in excess of 20 per cent of the invested capital.

SECOND BRACKET.

Forty per cent of the amount of the net income in excess of 20 per cent of the invested capital.

(b) For the calendar year 1922 and thereafter there shall be levied, collected, and paid upon the net income of every corporation which derives in such year a net income of more than $10,000 from any Government contract or contracts made between April 6, 1917, and November 11, 1918, both dates inclusive, a tax equal to the sum of the following:

(1) Such a portion of a tax computed at the rates specified in subdivision (a) of section 301 of the revenue act of 1918, as the part of the net income attributable to such Government contract or contracts bears to the entire net income. In computing such tax the excess-profits credit and the war-profits credit which would be applicable to such calendar year under the revenue act of 1918 if it had been continued in force, shall be used;

(2) Such a portion of a tax computed at the rates specified in subdivision (a) of this section as the part of the net income not attributable to such Government contract or contracts bears to the entire net income.

For the purpose of determining the part of the net income attributable to such Government contract or contracts, the proper apportionment and allocation of the deductions with respect to gross income derived from such Government contract or contracts and from other sources, respectively, shall be determined under rules and regulations prescribed by the commissioner with the approval of the Secretary.

(c) In any case where the full amount of the excess-profits credit is not allowed under the first bracket of subdivision (a) by reason of the fact that such credit is in excess of 20 per cent of the invested capital, the part not so allowed shall be deducted from the amount in the second bracket.

SEC. 302. That the tax imposed by subdivision (a) of section 301 shall in no case be more than 20 per cent of the amount of the net income in excess of $3,000 and not in excess of $20,000 plus 40 per cent of the amount of the net income in excess of $20,000; and the limitations imposed by section 302 of the revenue act of 1918 (upon taxes computed under subdivision (c) of section 301 of that act) are hereby made applicable to taxes computed under subdivision (b) of section 301 of this act. Nothing in this section shall be construed in such manner as to increase the tax imposed by section 301 of this act.

SEC. 303. That if part of the net income of a corporation is derived (1) from a trade or business (or a branch of a trade or business) in which the employment of capital is necessary, and (2) a part (constituting not less than 30 per cent of its total net income) is derived from a separate trade or business (or a distinctly separate branch of the trade or business), which if constituting the sole trade or business would bring it within the class of "personal-service corporations," then (under regulations prescribed by the commissioner with the approval of the Secretary) the tax upon the first part of such net income shall be separately computed (allowing in such computation only the same proportionate part of the credits authorized in section 312), and the tax upon the second part shall be the same percentage thereof as the tax so computed upon the first part is of such first part: *Provided*, That the tax upon such second part shall in no case be less than 20 per cent thereof, unless the tax upon the entire net income, if computed without benefit of this section, would constitute less than 20 per cent of such entire net income, in which event the tax shall be determined upon the entire net income, without reference to this section, as other taxes are determined under this title. The total tax computed under this section shall be subject to the limitations provided in section 302.

SEC. 304. (a) That the corporations enumerated in section 231 shall, to the extent that they are exempt from income tax under Title II, be exempt from taxation under this title.

(b) Any corporation whose net income for the taxable year is less than $3,000 shall be exempt from taxation under this title.

(c) In the case of any corporation engaged in the mining of gold, the portion of the net income derived from the mining of gold shall be exempt from the tax imposed by this title or any tax imposed by Title II of the revenue act of 1917, and the tax on the remaining portion of the net income shall be the same proportion of a tax computed without the benefit of this subdivision which such remaining portion of the net income bears to the entire net income.

SEC. 305. That if a tax is computed under this title for a period of less than 12 months, the specific exemption of $3,000, wherever referred to in this title, shall be reduced to an amount which is the same proportion of $3,000 as the number of months in the period is of 12 months.

PART III.—EXCESS-PROFITS CREDIT.

SEC. 312. That the excess-profits credit shall consist of a specific exemption of $3,000 plus an amount equal to 8 per cent of the invested capital for the taxable year.

A foreign corporation or a corporation entitled to the benefits of section 262 shall not be entitled to the specific exemption of $3,000.

That Parts IV, V, VI, and VII of the revenue act of 1921 are made a part of this act.

SEC. 908. No part of this act shall be rendered invalid by the decision of any court if more than one justice dissents from such decision, and no holding of any part of this act invalid shall affect the remainder of the act.

SEC. 909. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

SEC. 910. That unless otherwise herein specifically provided this act shall take effect on the day following its passage.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, when a few years ago it was heralded that we had reached a billion-dollar Congress the people of the United States were astounded. A billion-dollar Congress meant that the direct appropriations from the Treasury annually had reached the sum of $500,000,000. So that for the two years of the life of the Congress the appropriations aggregated the sum of $1,000,000,000. But a little later when we spoke of a billion-dollar Congress we meant a Congress that

appropriated each year a billion dollars. When we speak of a Congress now I will show you what we mean.

Our direct appropriations in the regular supply bills for the present fiscal year, exclusive of the permanent appropriations, amounted to $2,318,911,174.70, and the permanent appropriations for the present fiscal year, in addition to that sum, amounted to $1,394,852,282.63. That makes a total appropriation for the present fiscal year of $3,713,763,457.33. Fully that much was appropriated for the preceding fiscal year. In addition to these appropriations, we have revolving funds that aggregate up into the hundreds of millions. For instance, the Navy Department has access now to a revolving fund of $200,000,000 at least, in addition to its regular appropriations.

Mr. MADDEN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MADDEN. That in a large measure was created during the war in buying supplies for war purposes.

Mr. BLANTON. Yes; but whether in money or property on hand it may be used now, as they have access to it.

Mr. MADDEN. That is all included, but we are reducing that. We took $35,000,000 away from them.

Mr. BLANTON. I am glad of that; the gentleman can say that on the hustings and can advise the newcomers in Congress that he is doing that. But what about deficiency appropriations?

Under our law and our present Budget system, the heads of the departments are supposed to come annually with their estimates of what they need for the fiscal year.

The President is supposed to give us his estimates for the regular supply bills for which Congress is to appropriate the necessary money. It is against the law for departments to create deficiencies. Yet in addition to the regular supply bills for these two years of the Sixty-seventh Congress I want to call attention to the extra appropriations which Congress has appropriated for in deficiency bills.

In the first deficiency bill of this Congress, an act approved August 24, 1921, we appropriated $50,566,222.72.

In the second deficiency bill for this Congress, an act approved December 15, 1921, we appropriated $105,277,593.50.

In the third deficiency bill for this Congress, an act approved March 20, 1922, we appropriated $137,245,686.54.

In the fourth deficiency bill for this Congress, an act approved July 1, 1922, we appropriated $47,011,935.46.

In the fifth deficiency bill for this Sixty-seventh Congress, an act approved September 22, 1922, we appropriated $2,454,210.09.

And now in this, the sixth deficiency bill for the present Sixty-seventh Congress, we are appropriating, if this bill passes as it is drawn, $74,645,674.06.

This makes an aggregate total in deficiency bills alone for this Sixty-seventh Congress of $417,191,322.37, which makes appropriated in deficiency bills alone in this Congress nearly the amount of the whole appropriations made by Congress in the first billion-dollar Congress.

Mr. MADDEN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MADDEN. The gentleman knows that these deficiencies were not created in this Congress, but that they run from 1912 up.

Mr. BLANTON. Oh, that passes the buck. I want the gentleman to explain that a little later. I have just 10 minutes, and I want to use it.

Mr. MADDEN. Well, I have three minutes left.

Mr. BLANTON. I expect the gentleman to explain it in his time, because the people of the United States expect him to do it.

Yet when we ask for something that really benefits the people, how ridiculously economical the administration leaders are! Yesterday when they asked for $513,911.50 for the pneumatic tubes for New York and Chicago——

Mr. CHINDBLOM. Oh, no.

Mr. BLANTON. Are they not going to have any in Chicago?

Mr. MADDEN. No; there is nothing in the bill for Chicago.

Mr. BLANTON. But they have it in contemplation.

Mr. MADDEN. I do not know what they have in contemplation.

Mr. BLANTON. I do. I will not take that back—for Chicago and New York.

Mr. MADDEN. I think the gentleman ought not to say that.

Mr. BLANTON. Then I will not say Chicago yet, but will wait for it a few months; but in New York, where they have already five or six deliveries a day, when they asked for that sum for pneumatic tubes for New York, by a vote of 158 yeas to 81 noes it was granted. However, when attention was called to the fact that out in the little third-class post offices that serve the rural people of the country, where the clerical force is now paid as low as $10 a month or $15 a month or $20 a month, there was need for some larger appropriation, and also when attention was called to the fact that the Postmaster General tells us every time we ask for relief that he has not the money, that if we will give him the money relief will be granted, and when we asked for that relief yesterday what did the gentleman and his Congress do for the rural population of the country? By a vote of 94 yeas against 144 nays, almost the same number by which they gave the pneumatic tubes to New York, they denied the needed clerical help for the little third-class post offices scattered in the rural communities throughout the United States. The people are getting tired of it, and you are going to hear from them sooner or later!

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MADDEN. Mr. Chairman, the gentleman from Texas [Mr. BLANTON] is always eloquent when he talks about appropriations, but he would lead the country and the House to believe that all of these deficiency appropriations to which he has called attention were created because of the conduct of the business of the Congress in which we are sitting, the Sixty-seventh Congress. The truth is that out of the sum he mentions, $332,000,000, most of it was for 1922 and prior years, running back to 1912, mostly due to obligations created during the war, which have come down to us. For example, $158,000,000 was due to the Veterans' Bureau for medical and hospital services and vocational training, and I am sure the gentleman from Texas never objected to that.

Mr. BLANTON. Oh, no.

Mr. MADDEN. He is in strict accord with that?

Mr. BLANTON. I am for that.

Mr. MADDEN. Yes. That was not created as a result of any activity upon the part of the Sixty-seventh Congress or this administration. That was a war measure. The next thing was the Shipping Board, to meet losses of operation during the war, $48,500,000. Next was the refunding of taxes collected as a war measure from 1917 up to 1920. That amounted to $78,674,500. The next thing was a sum aggregating $11,980,000 to carry out new laws or treaties effective after the regular annual bills had been passed. The next thing are the judgments of $13,498,000 rendered by the courts of the land. Only $13,000,000 out of the whole $332,000,000 had anything whatever to do with the work of the Sixty-seventh Congress. I think that explanation ought to satisfy the gentleman. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 12 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION. Mr. Chairman and gentlemen of the committee, I wish to call the attention of the committee to the progress of the road-building program of the country. Under an act of Congress more than a year ago we provided for a great interstate and intercounty system of highways throughout the country. This comprises something like 185,000 miles of highways and will connect up when completed practically every county and center of population in the 48 States.

My thought in rising is to call the attention of the Congress and the country to the fact that, in my opinion, the road program of the country is being cut down and obstructed. If we should appropriate $100,000,000 a year and that amount was taken up and met by the States, it would require about 10 years to complete this system of highways. If we appropriated only sixty-six and two-thirds million dollars a year it would require 15 years, and if we appropriated $50,000,000 per year it would require 20 years. I know it is contended that we are appropriating all of the money necessary to carry forward the road work, but I call the attention of my colleagues to a recent statement made by Mr. McDonald, the director of roads. Mr. McDonald testified in November of 1922 that during the fiscal year ending June 30, 1920, the States matched and there was taken up out of the Federal Treasury $109,127,000, and for the fiscal year ending June 30, 1921, $84,115,000, but for the fiscal year ending June 30, 1922, that amount had fallen to $49,000,000, showing that the Federal-aid program of the country had been cut in two in a single year, and at a time when road construction was more favorable than it had been for the years ending in 1920 or 1921. Mr. McDonald also points out:

> Had not progress been repressed during 1921 by the approaching exhaustion of apportioned funds the obligations during that year would undoubtedly have passed the $100,000,000 mark. Again, during the fiscal year ending June 30, 1923, it is estimated that Federal-aid road work was repressed to the extent of approximately $50,000,000 because of lack of a congressional appropriation at the proper time to continue the work at the same rate as in 1920 and 1921.

The question is, Is the House willing and is the country willing to have its road program cut in two in this manner? The House early in 1922 passed a bill providing an authorization of $65,000,000 for the present fiscal year and $75,000,000 for the next fiscal year. The Senate reduced that sum to $50,000,000 and $65,000,000, respectively. This bill proposes to appropriate $25,000,000 of the $50,000,000 to be used for road construction. I wish to say here in my opinion and I wish to have the ear of the chairman of the committee, that I am very doubtful that we will get the other $25,000,000 of the $50,000,000 for road work. Oh, the chairman may say that we will get it in subsequent years, but it is undoubtedly the sentiment of this House and the country that there should not be appropriated less than $50,000,000 for this year and $65,000,000 for next year. If you appropriate only the $25,000,000 of the $50,000,000 authorized for this year, then we lose $25,000,000.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. Yes.

Mr. MADDEN. There is not a chance in the world that any State will lose a single dollar of the $50,000,000. That will be appropriated as the department needs it. They have obligated only $16,000,000 and odd against the $50,000,000. Mr. McDonald certifies to the Committee on Appropriations that they will not need any more than $25,000,000, and, perhaps, not that much, before next December, and we have provided in this bill that no State under any circumstances shall lose any rights or be retarded in its progress in road building.

Mr. ROBSION. But I have the statement of the Director of Roads that the road program of this country has been cut in half.

Mr. MADDEN. He did not tell us that.

Mr. ROBSION. Here is his statement, page 373, given in November, 1922, on the Agricultural appropriation bill, in which he says:

> During the fiscal year 1920, $109,127,000 in Federal funds were obligated to the States; during 1921, $84,115,000; and during the fiscal year 1922, $49,000,000. Had not progress been repressed during 1921 by the approaching exhaustion of apportioned funds, the obligation during that year undoubtedly would have passed $100,000,000.

So for the fiscal year 1922 you have only had $49,000,000; fiscal year 1923 you are going to use less than $50,000,000.

Mr. MADDEN. Ninety-eight million dollars.

Mr. ROBSION. Oh, no.

Mr. MADDEN. Oh, yes.

Mr. ROBSION. I have his statement here.

Mr. MADDEN. I know, but we have his statement here, too.

Mr. ROBSION. But you did not use the $98,000,000 in 1923——

Mr. MADDEN. Nineteen hundred and twenty-four.

Mr. ROBSION. He says it was cut down $50,000,000, and the States would have used $100,000,000 but for the action of Congress delaying appropriations.

Mr. MADDEN. We did not delay anything. We gave carte blanche where there was a contract——

Mr. BYRNS of Tennessee. The proof of that fact arises in the fact that he has or had in November—or November the 1st—$65,000,000 unobligated. He now has only $16,700,000 of $25,000,000 obligated, and there will not be any State in the Union that will call upon the Treasury for any more than a million dollars between now and the 1st of March, all told.

Mr. ROBSION. I understand; but what has brought about this condition is because of congressional action in repressing the road-building program Congress failed to provide sufficient money in time and by saying we did not need the money.

Mr. MADDEN. That means we did not pass bills that gave more than $50,000,000 or $60,000,000 or $75,000,000 instead of a billion dollars.

Mr. ROBSION. No; the legislation was held up until winter came, and they could not spend the money.

Mr. KINCHELOE. Will the gentleman yield?

Mr. ROBSION. I will.

Mr. KINCHELOE. Is not the fact of the uncertainty of these appropriations—and there is no certainty in a deficiency bill until the bill passes both Houses and is signed by the President——

Mr. MADDEN. There is no uncertainty——

Mr. KINCHELOE. There is nothing but uncertainty in a deficiency appropriation bill. And here Congress has come and authorized $50,000,000 for 1922, and the Appropriations Committee proposes to meet it by piecemeal appropriations.

Mr. ROBSION. And the statement I am making is this, that America will not get over $25,000,000 of this $50,000,000 for the road program.

Mr. KINCHELOE. The appropriation by piecemeal in an appropriation bill of itself stops the road projects and road contracts throughout the country; and if it is not all appropriated and not all spent that is now available, is not that brought about by reason of the fact that some of the States have not taken advantage of it, and the States that have taken advantage of it every year are dubious on account of this uncertain policy of piecemeal appropriations?

Mr. ROBSION. And those States are being penalized.

Mr. WINGO. Mr. Chairman, I make the point of order that the gentleman from Kentucky, who is one of the leading Republicans on this floor, in making this charge of inefficiency and repression of governmental activities is guilty of a kind of lese majeste against the administration.

The CHAIRMAN. The gentleman from Arkansas will be in order.

Mr. ROBSION. Well, I want to say this to the gentleman from Arkansas, that he heard the ranking Member [Mr. BYRNS of Tennessee] on the Democratic side say that he would join in to carry forward this policy of repression, if it is repression. It seems not to be a one-sided affair.

Mr. WINGO. Getting back to normalcy and having less of hysteria and more practicability.

Mr. ROBSION. I can not yield further. There is undoubtedly a movement on foot in the House and outside this House to curtail the road-building program of this country; and one of the agencies behind it are the railroads of the country. Perhaps some of you have noticed the propaganda being put out by the railroads of the country in which they are assailing the road-building program, and they are having their employees on the trains hand literature to travelers. Among other statements they say this—this is from the Chesapeake & Ohio Railroad:

> The legitimate function of a highway is, first, the accommodation of private owners of vehicles for their individual pleasure or business. They are not designed nor intended as permanent roadbeds for transportation business and should not be depended upon to fulfill that function.

Here are the railroads of the country putting out propaganda not to build good roads in the country because of their jealousy of the growing use of the motor trucks in handling the business of the country. The railroads can not carry all the business, and their rates are so high people are forced to use trucks. Now, I do not want to criticize anyone; but since the bill passed by more than 8 to 1, I think that we should at least have $50,000,000 for road purposes. We should have this sum. I am making the statement that we will not get over $25,000,000 of this $50,000,000 unless my amendment is adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBSION. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

> To pay the widow of John I. Nolan, late a Representative from the State of California, $7,500.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to proceed for 15 minutes out of order.

Mr. STEVENSON. Reserving the right to object, what subject is the gentleman going to discuss?

Mr. CRAMTON. I would like to discuss the referendum to be held in Washington next month.

Mr. WINGO. About what?

Mr. CRAMTON. The referendum on the question of beer and wine, to be held in this city next Monday.

Mr. BLANTON. The gentleman is not taking that seriously, is he?

The CHAIRMAN. Is there objection?

Mr. STEVENSON. I object.

The CHAIRMAN. The gentleman from South Carolina objects. The Clerk will read.

The Clerk read as follows:

> For payment to James I. Campbell for expenses incurred as contestant in the contested-election case of Campbell *v.* Doughton, audited and recommended by the Committee on Elections No. 2, $2,000.

Mr. MADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. MADDEN: Page 2, after line 14, insert the following: "For payment to Jacob Gartenstein for expenses incurred as contestant in the contested-election case of Gartenstein *v.* Sabath, audited and recommended by the Committee on Elections No. 2, $2,000."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For stationery for Representatives, Delegates, and Resident Commissioners, $125.

Mr. CRAMTON. Mr. Chairman, I renew my request to be allowed to proceed for 15 minutes out of order.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to proceed out of order for 15 minutes. Is there objection?

Mr. CRAMTON. I will say in that connection that I had anticipated time in general debate, but through a misunderstanding it was not reserved for me.

Mr. MADDEN. I had promised the gentleman from Michigan that I would reserve time for him, but I overlooked it.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. MOORE of Virginia. I do not wish to interfere with any arrangements made by the gentlemen on the other side, but, as I understand, an effort is to be made in the morning to bring up the District of Columbia appropriation bill. It seems to me the gentleman will then have ample time to discuss the subject he has in mind.

Mr. CRAMTON. The District bill?

Mr. MOORE of Virginia. Yes.

Mr. CRAMTON. As to the taking of time by me to-morrow, I may say that I think it will be only fair to the House that such time as I take to-morrow should be devoted to the bill that I have in charge.

Mr. MOORE of Virginia. That bill ought not to be considered to-morrow. The bill has just been printed, and the hearings have not yet been printed, as I understand.

Mr. MADDEN. Yes; the gentleman can get copies of the hearings in the Committee on Appropriations.

Mr. MOORE of Virginia. What opportunity has anybody had to study a bill reported only to-day? It seems to me we ought not to adopt the plan of going ahead in that very hasty and haphazard way.

Mr. MADDEN. I suggest that time can be given during the general debate on the District bill.

Mr. MOORE of Virginia. What does the gentleman contemplate in the way of general debate?

Mr. CRAMTON. I had hoped to take care of pressing requests and at the same time limit it as might be agreeable.

Mr. MOORE of Virginia. Well, I shall not make any objection.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Reserving the right to object, Mr. Chairman—and I do not think I shall object—the gentleman from Virginia [Mr. MOORE] spoke of the District appropriation bill being introduced yesterday or to-day and being taken up to-morrow, and that that plan ought not to be followed. I want to ask the chairman if it is not true also with respect to every other supply bill thus far considered by the House, bills that have to deal not only with the few miles square composing the District of Columbia but also have to do with the entire 48 States of the Union? The bills are introduced on one day and taken up the next day under general debate.

Mr. CRAMTON. I have opportunity to speak only in connection with the Interior Department bill, of which I was in charge, and that bill was before the House several days before it was taken up.

Mr. BLANTON. Practically all of them were taken up the next day after having been reported.

Mr. HILL. Mr. Chairman, I hope nobody will object.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. CRAMTON]?

There was no objection.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. FREAR. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CRAMTON. Mr. Chairman and gentlemen of the committee, on Monday there is to be conducted a wet and dry vote. We are told in an article in the Washington Post of January 2, which, I take it, is good authority on the question, apparently the official wet organ, that—

Now that the old year has gone and the new year is here, Mayor F. C. Harley, of Astoria, Oreg., arises to ask the boys—and girls—a question: "Is or is not Washington wet or dry?"

This is the article:

GIRLS TO TAKE CITY WET AND DRY VOTE—BEVY ARRIVES TO PRESIDE OVER BALLOT BOXES FOR NATIONAL LIBERAL ALLIANCE—POLL TO BE OPENED MONDAY—WILL BE THOROUGH, SAYS MAYOR F. C. HARLEY, OF ASTORIA, OREG., IN CHARGE.

Now that the old year has gone and the new year is here, Mayor F. C. Harley, of Astoria, Oreg., arises to ask the boys—and girls—a question: "Is or is not Washington wet or dry?"

"Ahem," ahems the chorus. "That all depends on whose party you attended the other night."

At any rate, the mayor is ready for business. He wants to poll the town, and he's going to get the votes. To see that everything shall be done in the right way, he has wired to Providence, R. I., for assistance. Out of that fair city comes Miss Helen L. Baughan, director of the women's division of the National Liberal Alliance. She arrived yesterday, and with her came a bevy of beautiful girls. They are going to get your vote!

3,000,000 VOTES ALREADY IN.

Miss Baughan, an experienced vote getter in seven States, will be in active charge of all these girls who are to be stationed on principal corners of the city, hotel lobbies—in fact, everywhere—for the one purpose: Finding out what Washingtonians want—light wines and beer or a drought.

The National Liberal Alliance is the direct antithesis of the Anti-Saloon League. It is an organization built up to aid, if possible, in obtaining the opinion of the Nation on a question that is causing men many sleepless nights. In getting this opinion its officers and workers are prepared to journey over the entire United States. To date the New England States have been canvassed and 3,000,000 votes have been obtained.

Just to show that its heart is in the right place, the National Liberal Alliance takes votes both ways—pro and con, for and against. Out of the 3,000,000 votes so far, approximately 1 per cent are against the return of light wines and beer. That is the computation just made by Mayor Harley, and from these figures he believes that the States he has visited are for a return of these beverages.

VOTE TO BE TAKEN MONDAY.

As Washington is the Capital of the Nation, as it is a city the residents of which never had a chance to vote, and as it is immediately under the eyes of the Congress, Mayor Harley is going to extend himself in making the contemplated poll. The vote will be taken next Monday.

"I intend to have ballot boxes placed wherever people gather," says the mayor. "I will have one box for every 500 of the population. These boxes will be placed in hotel lobbies, grocery stores, restaurants, churches—wherever permitted—drug stores, department stores, and barber shops.

"I respect the views of everyone. There are folks in this city, as in all others, who do not believe in the return of light wines and beers. There are others who do. Just how many are lined up on each side I do not know at present, but I intend to find out. The ballot that is placed in the hand of each man and woman asks for the information that the country needs.

WOULD SAVE YOUNG GIRLS.

"When we get votes we do not merely ask for a 'yes' and 'no' answer. We ask for names, addresses, occupations, etc. Any person who takes time to fill out one of these blanks is serious. It is surprising just how many men in the higher professions have already voted for a return of light wines and beers."

Miss Baughan is a former Providence newspaper woman. She is a member of the Young Women's Christian Association, has no use for so-called "hard liquor," but believes that too many young girls are being ruined because of the present-day tendency to stage what are popularly known as "hip-hip-hurray parties," the carrying of liquor on the hips of young men who trip the light fantastic.

They claim the referendums which they are conducting have now polled 3,000,000 votes, of which only 1 per cent is opposed to the return of beer and wine. That may give you some idea as to the unprejudiced manner in which this poll is taken.

We are told that to legalize the sale of beer and wine will promote temperance, when we know its underlying appeal grows out of human appetite or out of the greed of those who would exploit that appetite for selfish gain. Many organizations have come into existence having as their object the furtherance of this proposal. I have long been convinced that many well-meaning and patriotic citizens are being misled by this cunning and insidious propaganda. I have just had brought to my attention these activities of this National Liberal Alliance, with headquarters in New York City. The affidavit of Mr. Edward Gordon, formerly director of distribution of the association, and letter which I now place in the RECORD show very clearly the character of some of the methods which are being employed to mislead the American people upon this important question. These exhibits show that certain of the promoters of this organization have evidently seized upon the question of prohibition, which is now one fundamentally of law and order, as a means of exploiting the American people for personal advantage. I feel sure that most of the citizens whose names are associated with this organization would never have loaned their moral or financial support to this organization had they not been utterly deceived in the character of its activities.

I will insert the letterhead of the organization giving the names of those that have been put forth as sponsors, and also the appeal for funds, which has so prominent a part of the work of this National Liberal Alliance:

The following appears on the letterhead of the National Liberal Alliance:

(Purpose: To restore and secure to the people of the United States the inalienable rights of life, liberty, and the pursuit of happiness. National Liberal Alliance. New York State Headquarters. Jerome A. Myers, campaign director, 169 West Forty-ninth Street, at Seventh Avenue, New York City. Phone, Circle 1430.)

THE VOLSTEAD ACT MUST GO!

General committee, New York State: Walter J. Joyce, chairman; Edw. Gordon, director of distribution; Benjamin Adler, cotton; Leo W. Adler, jewelry; Eugenio Armentino, insurance; Dr. W. E. Aughinbaugh, editor; Alfred K. Behrens, costumes; Fred M. Berkley, paper; W. A. Berlinger; Fred M. Billings, asphalt; John J. Campeau, post office; Archibald Colby, insurance; Wm. F. Eighmey; L. R. Eastman, publisher; Benjamin Franklin, attorney; M. Friedlander, D. D., rabbi; Wm. B. Gibson, Ph. D.; Hon. A. J. Gilchrest, senator; Sigmund Gold, exporter; Chas. C. Goodrich; Richard A. Guinsburg, boxes; Frank Girard, theatricals; R. Randolph Hicks, attorney; R. M. Hodge, D. D.; Jacob I. Hoffman, merchant; Burr McIntosh, publicist; Walter I. Joyce, quartermaster general, Veterans of Foreign Wars; J. E. Katzenstein, mill ends; F. E. Kavanagh, M. D.; Hon. Owen D. Kiernan, assemblyman; Joseph M. Keatinge, attorney; Felix Kleeberg, M. D., chemist; A. L. Libman, insurance; J. D. Livingston, securities; Hudson Maxim, inventor; Jerome A. Myers, director; H. G. Martin, publicity; W. H. Osborne; S. H. Pellettier, insurance; Walter Pulitzer, editor; Harold M. Schwab, printing; H. N. Schwarz, check writing.

THE BLUE LAWS MUST GO!

Henry T. Terry, attorney; Emile W. Voute, publicity; Chas. A. Weil, merchant; George Wood, fire prevention; Hon. Harry Wandmaker, assistant district attorney; Chas. A. Young, D. D., minister; Francis D. Dulin, chairman women's general committee; Julia Reinhardt, chairman women's committee New York State; Marie Bruce, New York City; Belle Gold Cross, New York City; Catherine Doran, Albany, N. Y.; Marie Flaherty, Buffalo, N. Y.; Reba Gillon, New York City; Faye Graham, New York City; Mabel Kleeberg, New York City; M. C. Smith, New York City; Amelia Summerville, New York City; Grace Sweeney, New York City; Isabelle D. Widder, New York City; Zilfe B. Wood, New York City; Julia Wheelock, New York City.

The following is a sample of the appeals for funds which have been made by correspondence:

DEAR FELLOW LIBERAL: Have you ever stopped to think why we have prohibition to-day?

LETHARGY OF THE PEOPLE.

Webster defines lethargy as follows: "Dullness; inaction; inattention; apathy."

If the prohibition agitator had been filled with lethargy there would have been no prohibition. Continual lethargy on our part will see more of our constitutional rights taken away from us unless we wake up.

Your ballot received shows you are with us as against prohibition and for *light wines and beer, and that you are also opposed to blue laws.*

Great, fellow liberal!

With your views and with hundreds of thousands, in fact, millions of others expressing themselves throughout the United States, no doubt some of our parasitic, hypocritical, political representatives will begin to realize that some of the people are beginning to throw off the yoke of lethargy which took hold of them during and after the war *and are now ready to assert themselves.*

Individually we can do nothing, but concertedly we can undo that which the prohibitionist wished on us at a psychological moment—*prohibition.* However, this can not be done alone by your *moral* support, which we appreciate. To win, we need your *material* support to buy and distribute ballot boxes, ballots, and other educational printed matter. Unless we do get your help our efforts will be seriously handicapped. Therefore we feel you will not hesitate to back up your views by joining the National Liberal Alliance. The membership fee is $1.

We are inclosing membership subscription blank, which we trust you will fill out at your convenience. But do it now!

Every dollar will help us buy more ammunition to carry on the fight for life, liberty, and the pursuit of happiness.

Very truly yours,

NATIONAL LIBERAL ALLIANCE,
JEROME A. MYERS,
Campaign Director.

The primary purpose of the National Liberal Alliance is to get money. I will also insert one of their appeals. The following appeal for funds appeared in the publication of the National Liberal Alliance, called the National Liberal Alliance News:

HOW YOU CAN HELP.

1. Join in the referendum; get your friends to use the ballots. We want millions to vote, so that the sentiment of the Nation may be voiced. This referendum should be the biggest vote of the people ever recorded.

2. Become a member of the National Liberal Alliance and induce your friends to join. An associate membership costs only $1. Surely you can afford that small sum to aid in this great struggle for liberty. Make the members of your family members. The blight of prohibition and blue laws is a menace to the generation now growing up. Father, mother, sons, daughters, even the baby's name should be enrolled with the National Liberal Alliance in its great work. Associate membership cards will be mailed to you promptly from national headquarters, No. 15 Whitehall Street, New York City.

3. Send a contribution, as much as you can spare, to advance our educational campaign. No salaries are paid to our officers, but we pay for the best brains in the country in pushing our propaganda. Speakers, clerks, ballot boxes and ballots, printing, postage—all cost money. It is your fight as well as ours. Help us with the sinews of war—money. A contribution of only $5 will pay for the installation of one of our ballot boxes, with the attendant expenses of ballots, clerical work, distribution of literature, and information to the newspapers for publication. Make your financial aid as great or small as your purse permits, but before you write your check think well how much this fight against injustice, oppression, and bigotry means to America, and means to you and your family.

The inaccuracy and bad faith of these alleged referendums is shown by the following affidavit of Mr. Edward Gordon, who, as the letterhead shows, was formerly director of distribution of the alliance.

Here is a portion of an affidavit. I have the original affidavit in my possession. I will not insert all its charges, for I have not had the opportunity to make the extrinsic investigation that I would desire to make as to some of them. It is an affidavit, I say, given by Mr. Edward Gordon, who has heretofore been connected with the National Liberal Alliance, in charge of direct distribution.

In the month of July, 1921, I entered the employ of the National Liberal Alliance at their uptown office located, first, in the Lowe Theater Building, later on moved to 169 West Forty-ninth Street, New York City, with confidence in their honesty and integrity of purpose. A few days after many things happened to weaken my faith in the officers of the organization. The stationery that I offer shows my position with them. I discovered that they kept imperfect records of where the ballot boxes were located, and after many complaints had come to me from people having ballot boxes in their places of business was told by Jerome A. Myers, campaign director, on my request for ballots to supply the needs of box holders, "Hell, we don't give a damn about the ballots; its the money we are after."

This Mr. Gordon, who makes this affidavit, is a man of some perception.

I then concluded they were not sincere with the public. * * *
I started an investigation of the activities and records of the National Liberal Alliance and have found a great deal of evidence, some of which has been turned over to the proper authorities, and I have much more in course of preparation for their consideration. * * *

EDWARD GORDON.

STATE OF NEW YORK,
County of Queen, ss:

On this 23d day of November, 1922, personally appeared before me Edward Gordon, who being by me duly sworn, deposes and said that he is the person who signed the foregoing statement and acknowledged to me the execution thereof.

[SEAL.] MAX STEINER,
Notary Public, New York County No. 408.

(New York register's No. 4090, certificate filed in Queens County No. 954.)

Mr. WINGO. Will the gentleman yield?

Mr. CRAMTON. I yield to the gentleman from Arkansas.

Mr. WINGO. The gentleman has been talking about wine, beer, and money. The gentleman said this man was engaged in distribution. Was he engaged in the distribution of funds or of liquor?

Mr. CRAMTON. His title is director of distribution. What he distributed I do not know; I suppose he distributed their literature.

This is the way the brewers view the activities of the National Liberal Alliance:

The National Liberal Alliance of New York makes things hum. Many stores have been provided with voting boxes for the customers to show their preferences for wet or dry. Since most of the shoppers are ladies, it is an experiment worth watching. (The Brewers' Journal, August 1, 1921.)

This shows the point of view of the brewers concerning this organization. I appreciate the courtesy of my friend from Maryland [Mr. HILL] in asking that I be given time this morning. I am not discussing his particular organization. This is another one of the 30 different brands. Let me tell how New York newspapers view the National Liberal Alliance.

The New York Evening Journal of Friday, November 24, 1922, contains an article with the heading—

Court scores antidry body as "phony."

This article says—

Magistrate Corrigan, in the West Side court to-day—

I do not suppose Magistrate Corrigan is one of these prohibition fanatics at all, holding office as he does in New York City. The article says:

Magistrate Corrigan, in the West Side court to-day, characterized the National Liberal Alliance, which purports to be an organization fighting prohibition, as "a phony enterprise," and fined one of its young women members $25 for collecting money without a license on the streets.

The young woman is Irene Bryant, who gave her address as 958 East Fourteenth Street, Brooklyn. She, in charge of several other young women, was one of the principals in a meeting which several speakers for the alliance were conducting at Broadway and Forty-seventh Street on November 4. Memberships in the alliance were sold at this meeting, as well as copies of the alliance's organ, The National Liberal Alliance News.

Edward Gordon, office manager of the Stanley Electric Contracting Co., of 132 Fourth Street, Long Island City, who had resigned from the alliance because he did not like its methods, went to the Broadway meeting. He bought a membership and several copies of the paper. He consulted the city authorities and discovered, he says, that the alliance had no permit to hold meetings and that it was not incorporated in this State and did not hold a Federal charter.

Miss Bryant said she did not solicit any money from Mr. Gordon, but that he made all the advances. Magistrate Corrigan spoke to her severely.

That is the organization that proposes to take this ballot in the Capital of the Nation next Monday. As this article states,

he imposed a fine of $25 upon a representative of the National Liberal Alliance, and in doing so he said:

I believe prohibition to be the most important matter before the country to-day. We are suffering enough from bootleggers, poisoned whisky, and other results of the Volstead law. We do not want to have in addition phony enterprises that are supposed to help those against prohibition and do not.

The New York Herald of Saturday, November 25, 1922, carried a news item to the same effect, as follows:

MAGISTRATE ASSAILS BOGUS DRIVES BY WETS—CORRIGAN FINES GIRL $25 FOR SOLICITING FUNDS.

"The prohibition issue is one of the most important in this country to-day," said Magistrate Corrigan in West Side court yesterday. "We certainly suffer enough with bootleggers without people going around and collecting money for bogus enterprises that are supposed to help and do not."

The magistrate gave this opinion in the case of Irene Bryant, 22, charged with soliciting funds for the National Liberal Alliance, which has headquarters in the Hotel Continental. Miss Bryant is secretary to Helen J. Baughas, who is in charge of 500 girls conducting a drive. She was fined $25.

That is the attitude of a court in New York City that had on trial one of the representatives of the National Liberal Alliance, and condemned it as a "phony" organization that was seeking only to get money without doing anything real for those who furnish the money.

The dry forces of Washington have declared a policy with reference to this organization and its alleged poll, which is to be followed probably throughout the country, and have issued a signed statement appealing to the people to ignore so irregular and undesirable and "phony" an enterprise as Mr. Harley is to conduct here next Monday. That appeal is as follows:

JANUARY 4, 1923.

To the people of Washington, D. C.:

It has been announced in the daily press that the National Liberal Alliance, through its national chairman, F. O. Harley, a defeated wet candidate for governor in Oregon, is planning an alleged poll of the people of Washington on light wine and beer.

We desire to make known to the public that this wet organization furnishes no evidence of accuracy or integrity in the taking of such poll. Sworn statements in our possession by a former employee of the organization make clear that there is neither accuracy nor good faith in the conduct of these polls. In addition, to hold out to the people of Washington that light wine and beer can be legalized under the eighteenth amendment is an insult to their intelligence. Any poll indicating the desirability of adopting an unconstitutional proposal is indefensible and against sound public policy.

We therefore appeal to all law-abiding persons of the District of Columbia to refuse to participate in such a poll, and respectfully suggest to those who are opposed to prohibition that they proceed in a legal and orderly manner to amend the Constitution of the United States—if the legally constituted majority desires to do so—instead of participating in an unauthorized referendum, the only effect of which is to encourage lawlessness.

Andrew Wilson, president Anti-Saloon League, District of Columia; Emma Sanford Shelton, president Woman's Christian Temperance Union, District of Columbia; E. O. Watson, secretary Federal Council of Churches in Christ in America; W. L. Darby, executive secretary Washington Federation of Churches; William Knowles Cooper, general secretary Young Men's Christian Association; Homer J. Councilor, chairman central committee, Men's Organized Bible Classes, District of Columbia; Clarence True Wilson, general secretary Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church; Wayne B. Wheeler, general counsel Anti-Saloon League of America; Herbert F. Randolph, president Pastors' Federation, District of Columbia; Albert E. Shoemaker, executive secretary and attorney Anti-Saloon League of the District of Columbia.

Mr. COOPER of Ohio. Will the gentleman from Michigan yield?

Mr. CRAMTON. I yield to the gentleman from Ohio.

Mr. COOPER of Ohio. Can the gentleman give the House any information as to the sources from which they receive this money to carry on this election?

Mr. CRAMTON. Their main purpose is to get the money. Everyone who signs up one of these slips will receive an appeal soliciting money ostensibly to conduct the election. The election is the excuse for the collection of the money, but the real purpose of the money is to pay good salaries to Mr. Harley and his assistants. Everyone who is engaged in this work is working on commission for part of the money.

Harley himself appears to be a worthy one to head this "phony" organization. He parades himself as "Mayor of Astoria" and defeated candidate for Governor of Oregon. My information is that he was once mayor of Astoria, to the lasting regret of that town, and that when he left he stood not upon the order of his going. He was defeated for the nomination for governor and hardly had enough votes to put him among the "also rans."

I have before me a telegram from Portland, Oreg., which sums up the standing of Harley in Oregon. It is dated January 4, 1923, and says:

Harley entirely discredited. Has no following. Overwhelmingly defeated in primary for governor in which he had support of worst wet element. It is common rumor he was disloyal. Delivered addresses in I. W. W. meetings and had their support. Owes thousands of dollars in Astoria and Portland. Administration as mayor of Astoria wide open in its most aggravated form. Has headed many movements. Collected tens of thousands of dollars from Japs of entire coast to lobby in Washington to open wide their entry into this country.

Mr. COOPER of Ohio. Just one more question. The gentleman from Michigan does not know whether the representatives of the National Liberal Alliance are going to take these ballots around to the mothers in the homes and ask them how they are going to vote?

Mr. CRAMTON. My judgment is that however people vote the result announced will be just the same, because they have had the audacity to say that only 1 per cent of those who have voted so far are against wine and beer, and no one with any judgment—not even my friend from Maryland [Mr. HILL]—will contend that any such result would come from any such election anywhere in the country.

Mr. HILL. I will say to the gentleman that I do not know anything about the organization to which he refers, but I should like to ask him if its attitude toward the collection of money and the payment of salaries is not the same as the attitude of the Anti-Saloon League?

Mr. CRAMTON. I suppose the Anti-Saloon League must have money with which to carry on its organization, but the gentleman and those with him will testify that the Anti-Saloon League and other temperance organizations have secured results for the money contributed to them. The charge of the judge in New York was that this organization was a "phony" organization; that it would not get results for those who contributed money to it.

Mr. HILL. I am sure the gentleman agrees with me that the Anti-Saloon League ought to file reports of its expenses.

Mr. CRAMTON. We do not want to get into too much of a discussion, but the Anti-Saloon League is the only organization of the kind that has really made any reports of its political activities.

Mr. HILL. Have they filed any report this year?

Mr. CRAMTON. I have not checked up on all of it. I understand they have.

Now, I wish to show the effort of this organization to yoke up blue laws with prohibition in an entirely unfair way. That is shown in the form of the proposed ballot submitted by the National Liberal Alliance.

Here is a copy of the ballot:

NATIONAL LIBERAL ALLIANCE.

GENTLEMEN: I am (for) against presenting to Congress a memorial requesting the modification of the Volstead Act and a liberal construction of the national prohibition amendment, as indicated by my mark X on the ballot herewith.

(Vote this side if against prohibition and the blue laws.)		(Vote this side if for prohibition and the blue laws.)	
I am for liberal construction of the national prohibition laws.		I am for strict enforcement of the national prohibition amendment and the Volstead Act.	
I am for light wines and beers.		I am against light wines and beers.	
I am against all "blue laws."		I favor strict enforcement of "blue laws."	

Sign full name.....

Business or occupation.....

Residence, street address.....

City..... State.....

.....

Names of my two United States Senators.....

.....

Name of my Congressman.....

Congressional district.....

National headquarters will fill in your Senators' and Congressman's names if you do not know them.

Please mail this ballot immediately to National Liberal Alliance, 15 Whitehall Street, New York City. Typewrite or print carefully all names and addresses to avoid mistakes in our records.

The above ballot proposes a vote upon the question of light wine and beer. Everyone on the floor of this House knows that wines, light or heavy, can not be made or sold under the eighteenth amendment, yet this wet organization proposes to make the discontented thirsty in a few wet centers of this country believe that beer and wine can be legalized under the eighteenth amendment.

Such a proposal or fake referendum ought not to be permitted upon the streets of the Capital City. The Capital of the Nation should and does stand for law and order. It is just as blameworthy to propose an unconstitutional referendum as it is to violate the law itself.

The next proposition they propose by a referendum is: "I am against all blue laws." What are blue laws, and why is such a question presented? Manifestly for the purpose of trying to make the people believe that those who voted prohibition into the Constitution would favor some kind of blue law that would take all the joy out of life. The same practical men and women who wrote the eighteenth amendment into the Constitution are back of every movement that puts joy and wholesome pleasure into life and are not in favor of taking the joy out of life. A majority of the people of this country will never favor a blue law that kills wholesome pleasure. This sane majority will never favor any red law, either, that stands for anarchy and lawlessness. The people of the United States are neither for the so-called blue laws that kill joy nor for the red laws that kill law and order. They are back of the "red, white, and blue" laws which stand for orderly government.

The eighteenth amendment to the Constitution was written into it by the orderly processes of government, and it is never going to be mutilated and destroyed by a minority whose appeal to the people is dictated by their thirst rather than by their loyalty to law and order.

Prohibition as a national policy in this country is the result of the adoption of an amendment to the Constitution by the people of the United States. This amendment prohibits the manufacture and sale of intoxicating liquors. Congress can not amend the existing law to permit the sale of liquors which would be intoxicating in fact. Even were it to do so, the law would be declared unconstitutional by the courts.

Many misleading statements are being disseminated by which, frequently, patriotic and law-abiding citizens are being misled to believe that Congress can, by an amendment to the enforcement statute, so change the definition of intoxicating liquors as to satisfy the demands of those who desire an alcoholic stimulant. It is the unquestioned right of any citizen to proceed by lawful means to secure the change of any governmental policy which does not meet with his approval.

To those who desire to legalize the sale of beer and wine only one legitimate method is available; that is, by proceeding to secure an amendment to the Constitution. When this is attempted no one will dispute the right, though many will deny the wisdom of such a course.

Much of th alleged popular support for the beer and wine proposal will vanish like the mist before the rising sun when the American people are made aware of the fallacious and illegal grounds upon which it rests. When they are called upon to face squarely the issue of nullification or preservation of the Constitution there will be no doubt of the outcome. Not only is the proposal itself legally unsound, but many of the arguments which are urged in support of it are conceived in deceit and inspired by selfishness.

In closing let me say that a man named Harley, defeated once for governor of his State, and now engaged, so a New York court says, in a "phony" enterprise for the money there is in it, urges return to beer and wine and proposes a fake vote. The laws of the country provide the way in which the sentiment of the people shall be registered; and in the recent election the people of this country indorsed prohibition, and retained an overwhelmingly dry majority in both Houses of Congress. We do not need to fool with these fallacious attempts of such organizations as the National Liberal Alliance, created to raise money and not to accomplish any good thing; but I do want to read a letter written by the President of the United States within a few days to an organization in New York, and I shall put his statement up against the statement of such organizations as that of Mr. Harley and his National Liberal Alliance. This letter from the President was printed in the Washington Post this morning, and is confirmed by the White House to-day as an accurate statement of what the President wrote in response to those who sought an interview with him. A woman's club of New York wished to lay before the President their arguments in favor of a return to beer and wine and for repeal of the eighteenth amendment. In declining an interview President Harding said:

> Ordinarily I would receive any delegation on your suggestion, and I try to make it a rule to find time for an audience with any delegation whose members desire to present to the President a pressing problem of government. Frankly, however, I do not believe it would be an opportune time just now to receive a delegation which aims to give expression to its hostility to the eighteenth amendment. It is such a futile thing to expect the repeal of the amendment that I doubt the wisdom of giving an interview which can only result in controversial publicity and create a suspicion that the Federal Government is not in good faith endeavoring to enforce the prohibition laws.

The President appeals to us to stand back of law and order and the Constitution. The vote here which comes next Monday is only for the purpose of creating suspicion and doubt in the minds of the people of this country. No one who believes in law, order, and the Constitution should pay any attention to this "phony" enterprise. Let them get their money from those who are not interested in law, order, and the Constitution. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired, and the Clerk will read.

The Clerk read as follows:

EXECUTIVE DEPARTMENTS—DEPARTMENT OF AGRICULTURE.

FOREST SERVICE.

To enable the Secretary of Agriculture to purchase a gasoline motor boat in the administration of the Alaskan forests to replace boat sunk by striking rocks in Sumner Strait, $8,500.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman from Illinois, chairman of the Committee on Appropriations, if these motor boats are insured.

Mr. MADDEN. No; the Government does not insure its boats.

Mr. WATSON. How about the Shipping Board boats?

Mr. MADDEN. The Shipping Board has an insurance fund, and they pay their losses out of that fund.

Mr. WATSON. I withdraw the pro forma amendment.

The Clerk read as follows:

COOPERATIVE CONSTRUCTION OF RURAL POST ROADS.

For carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, to be expended in accordance with the provisions of such act as amended, $25,000,000, to remain available until expended, being part of the sum of $50,000,000 authorized to be appropriated for the fiscal year ending June 30, 1923, by paragraph 1 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture shall act upon projects submitted to him under his apportionment of such authorization of $50,000,000, and his approval of any such project within three years shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto: *Provided further*, That the appropriations heretofore and hereafter made for the purpose of carrying out the provisions of such act of July 11, 1916, and the acts amendatory thereof and supplemental thereto, shall be considered available for the purpose of discharging the obligations created by the approval of projects.

Mr. ROBSION. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBSION: Page 6, line 3, strike out the figures "$25,000,000"; also strike out all of the remainder of the paragraph and insert in lieu thereof the following: "$50,000,000 to remain available until expended, being the sum of $50,000,000 authorized to be appropriated for the fiscal year ending June 30, 1923, being paragraph 1 of section 4 of the act making appropriations for the fiscal year 1923, approved June 19, 1922," so that the paragraph, as amended, shall read as follows:

COOPERATIVE CONSTRUCTION OF RURAL POST ROADS.

For carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, to be expended in accordance with the provisions of such act as amended, $50,000,000, to remain available until expended, being the sum of $50,000,000 authorized to be appropriated for the fiscal year ending June 30, 1923, by paragraph 1 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922.

Mr. BLANTON. Mr. Chairman, I make the point of order that if the gentleman strikes out all after the $25,000,000, in line 3, his amendment does not restore the language embraced in what he says would be the paragraph, because he has stricken it out and he does not reinsert it.

Mr. ROBSION. Mr. Chairman, early in 1922 the House passed a bill authorizing $65,000,000 for the present fiscal year and $75,000,000 for the next fiscal year to aid the States in the construction of good roads. That bill was adopted by the House by a vote of something like 8 to 1. It went to the Senate and was cut down by the Senate to $50,000,000 and $65,000,000, respectively. It was the intention of the House, and I am sure the sentiment of the country, not to cut the road appropriation

any less than the sums fixed by the Senate. I know it will be argued by the chairman of the Appropriations Committee that this is not being done, but I want to say to my colleagues it is being done. There can be no other construction placed upon the action of the Appropriations Committee. The chairman of the Appropriations Committee [Mr. MADDEN], the distinguished gentleman from Illinois, will tell you that in this bill they are proposing to appropriate $25,000,000 of the $50,000,000, and they will authorize the Secretary of Agriculture to make contracts with the States for roads for the other $25,000,000, and also make available any balances in the Treasury now due the various States for the payment of claims that may be presented by other States. But when we do that we borrow from the States that have not used their part of the road money, and it must be repaid. The deficiency bill before us appropriates $25,000,000 of the $50,000,000 heretofore authorized by the Congress. The amendment which I have just offered proposes to appropriate the other $25,000,000 of that $50,000,000 so as to make the $50,000,000 available for road construction this year and until it is expended, and I think my amendment should be adopted.

A few days ago we passed the Agricultural appropriation bill. In that bill we appropriated $30,000,000 of the $65,000,000 authorized for roads for the year 1924. In that bill no mention was made of the $50,000,000 authorized to be appropriated for this year. The Appropriations Committee up to that time had entirely ignored the mandate of Congress authorizing $50,000,000 for roads this year. When this was discovered by the friends of good roads they got busy, and $25,000,000 of this $50,000,000 was put in this deficiency bill. Although Congress has authorized $50,000,000 and $65,000,000, respectively, for the fiscal year ending June 30, 1923, and June 30, 1924; you will observe that the Appropriations Committee is attempting to appropriate only $25,000,000 and $30,000,000, respectively. You will remember that the chairman [Mr. MADDEN] said a little while ago if we appropriate the $25,000,000 carried in this bill and the $30,000,000 carried in the bill which we passed a few days ago that there would be no more appropriations for roads until 1925. If that is true, then you lose the authorization for $25,000,000 this year and you lose the $35,000,000 for next year.

Mr. MADDEN. Will the gentleman yield? Of course, the gentleman from Kentucky does not want to convey the idea——

Mr. ROBSION. I will cover the gentleman's point in a moment.

Mr. MADDEN. I do not think the gentleman knows what I was going to say.

Mr. ROBSION. The bill passed a few days ago and this bill authorizes the Secretary of Agriculture to enter into contracts for road construction with the States to the amount of the $25,000,000 and the $35,000,000. In doing this you merely string out and extend what we have already authorized. In other words, if you take $25,000,000 of the $50,000,000 that was authorized for this year and extend it over into the fiscal year of 1924, then you have lost it so far as the sum total for road construction is concerned. If you take the $35,000,000 of the $65,000,000 authorized for the year of 1924 and extend it into the fiscal year of 1925, you lose the $35,000,000 for the road program for 1924. You gentlemen mark my words, you gentlemen who will be here in 1925, instead of having the $50,000,000 and the $65,000,000 for the fiscal years of 1923 and 1924, you will find that they will string out the $50,000,000 and $65,000,000 into the years of 1924 and 1925 and, unless the friends of good roads get active, there will be no more authorization or appropriations for roads other than what was authorized for 1923 and 1924 until 1925.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBSION. I ask to proceed for five minutes more.

The CHAIRMAN. The gentleman asks for five minutes more. Is there objection?

There was no objection.

Mr. ROBSION. I make that statement predicated on the statement of Mr. McDonald, the director of roads, that the policy that has been pursued by the Congress is cutting down the road-building program of the country. Under the unfavorable conditions during the fiscal year ending June 30, 1920, Federal aid amounting to $109,000,000 was matched by the States, and for the fiscal year ending 1921 Federal aid of nearly $85,000,000 was matched by the States. For the year ending June 30, 1922, only $49,000,000 of Federal aid was put up, and the present fiscal year ending June 30, 1923, only about $50,000,000 of Federal aid will be used and matched by the States, although Mr. MacDonald, the director of roads, states that $100,000,000 could have been used by the States if the money had been available at the proper time. What is the cause of this cutting down of the road program of the country? It is due to the delay and obstruction offered in the Congress and by the Congress. For instance the $75,000,000 provided for the fiscal year ending June 30, 1922, was not appropriated until the month of November, 1921, after the road-building season was over. It requires months to provide and prepare road projects and let the contracts. The road program of the 48 States is so large and complicated that in order to carry the program out successfully and fully the States must know six months or a year in advance what to expect. The plans must go ahead of the actual building and expenditure of the money from 12 months to 18 months. This great program can not be carried on by dribs or makeshifts. It is unwise to follow a hand-to-mouth policy as it seems to me is being attempted by the Appropriations Committee.

GOOD ROADS v. SHIP SUBSIDY.

It is argued that we must conserve the Treasury. I certainly do not favor the useless expenditure of a single dollar. I want to cut down the expenses of the Government to the lowest minimum; but a little, jerky, niggardly policy in the road-building program of our country is a false economy. The good roads law that we passed some time ago provides for a great system of interstate, intercounty highways, comprising 185,000,000 miles, which when completed will practically tie up and unite every county seat and center of population in the 48 States, and further provides for the constant upkeep and maintenance of this great system of highways. All have agreed that this will be of great economic value to the country. If this be true, why delay the enjoyment thereof? Already about 25,000 miles of this system have been completed, and if the Congress provides $100,000,000 per year of Federal aid the entire system can be completed in about 10 years, but if we only provide $50,000,000 per year it will require 20 years to complete this system. Nothing could add more to the wealth and prosperity of the Nation or to its national defense than a great system of highways like is contemplated, but we are told by the proponents of this bill that the States can not use the $100,000,000 or even $50,000,000 per year, and are attempting to appropriate the money in small dribs to meet this program.

A few days ago we had before the House—and it passed the House—a bill known as the ship subsidy bill. That bill proposes to pay certain shipowners a "bonus" or "subsidy" in the operation of their ships, and, of course, in addition to the regular freight and passenger rates charged by them. We are collecting on import duties now about $500,000,000 per year. The ship subsidy bill proposes to take one-tenth of that sum every year and for 10 years and place it in a fund to pay these shipowners these subsidies. Under that bill that money will not even go into the Treasury, but something like $500,000,000 will go into the Shipping Board fund. A 10-year program at something like $50,000,000 per year, and these shipowners receive certain exemptions on their income taxes and other indirect benefits. All of which may amount to as much as $600,000,000 or more in 10 years. It is not claimed that the "ship subsidy" will create new cargoes or increase the amount of cargoes. This subsidy is not necessary to create ships to carry our goods. We already have three times as many ships as are necessary.

The war caused all of these nations to build a large number of merchant ships. Our merchant fleet cost us between $3,000,000,000 and $4,000,000,000. There is a much larger shipping tonnage than is necessary to carry the cargoes. If the ship subsidy would mean all to this country that its most enthusiastic proponents claim, it could not compare in benefit to the American people with what this system of highways will mean to the people. Its benefits will extend to every nook and corner of the 48 States, yet the shipowners are provided with finances for 10 years for their subsidy, while the roads are denied a complete program for a year. The roads must wait until the money has been obligated and expended, and then we must come, hat in hand, and say we want a small appropriation for roads.

It is true that some of the States have not used their quota of the road fund. This bill proposes to borrow from those States and pay off the claims of the States that have used up their quota of Federal funds, but we must not forget that one of these days these States that have not used their Federal funds will use them and the money will have to be paid back to them by the Federal Government. We are merely robbing Peter to pay Paul. But the ship subsidy must have a 10-year program. The road program can wait.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. Yes.

Mr. BLANTON. Did the gentleman from Kentucky hear the speech of my colleague [Mr. BUCHANAN] the other day giving

the result of his investigations about this matter, wherein he said that he felt perfectly satisfied on the situation?

Mr. ROBSION. He is perfectly satisfied to this extent: We will have money to run the road program this year all right, because here are New York and some other States that have not used their Federal aid money and it is now in the Treasury, and in one of the provisions of this bill they authorize that money to be used by the Secretary of Agriculture to pay the claims of States that have used up their Federal money and for which no appropriation has been made to continue their road program; but my point is this, you are merely borrowing here. You must pay it back, and in this way we are only using $25,000,000 of the $50,000,000 authorized for this year, and $30,000,000 of the $65,000,000 authorized for next year. In that way you are cutting down the road program of the Nation at least $60,000,000 for this year and next year.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. LANGLEY. Mr. Chairman, I ask unanimous consent that my colleague's time be extended five minutes.

The CHAIRMAN. Is there an objection?

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. Yes.

Mr. DOWELL. Will the gentleman state how much is in the Treasury at the present time already appropriated for road construction?

Mr. ROBSION. I have read the hearings over and over, and I think there are about $139,000,000.

Mr. DOWELL. Is there not $139,000,000 in the Treasury appropriated for this purpose, and is it not also true that Mr. MacDonald stated in the hearings before the committee that $25,000,000 will run them until December 1, 1923, which is several months after this year's appropriation ends?

Mr. ROBSION. The gentleman is undertaking to ask a question and then answer it.

Mr. DOWELL. Is not that true?

Mr. ROBSION. Yes; Mr. MacDonald said that if we would give him $25,000,000 of the $50,000,000 authorized for this year and then permit him to take the money in the Treasury due to New York, Tennessee, and other States, but which has not been used by them, and use that money, they can go along all right. But here is the point: You are not adding anything to your road program but you are taking away what the House voted. In November Mr. MacDonald testified before the committee that they wanted an immediate appropriation of $50,000,000, the amount of money authorized by the Congress for this year, and $30,000,000 of the $65,000,000 authorized for the fiscal year of 1924 and before the 1st of January, 1924, to appropriate the other $35,000,000. I contend that this Congress went on record almost unanimously in authorizing that $50,000,000 be appropriated for the present fiscal year and $65,000,000 for the next fiscal year. The Congress did not authorize us to string it out and add to it by using some of the money due some of the other States.

Mr. BURTNESS. Are there States that do not expect to use their quota for each year?

Mr. ROBSION. Yes.

Mr. BURTNESS. If there are, then why the appropriation for the full amount suggested?

Mr. ROBSION. If you do not get it now, you will never get the $25,000,000 for the roads of this country.

Mr. MADDEN. Oh, yes, you will.

Mr. ROBSION. Oh, I know you will get some money next year, but then we have the $65,000,000 authorized for that year and you will wipe out this $25,000,000, the balance of the $50,000,000 authorized for this year and which is covered by my amendment.

Mr. DOWELL. Will you not get it as soon as you can use it?

Mr. ROBSION. No; Mr. MacDonald says the road program of the country has been repressed by the action of Congress and cut in two, in half. He further says instead of spending $49,000,000 in 1922 and $50,000,000 for 1923, but for the action of Congress the States could have used and have absorbed judiciously $100,000,000 of Federal aid.

Mr. ROACH. The gentleman's amendment strikes out both provisos in the paragraph in which he seeks to amend, but does not restore either one of them. It occurs to me that at least the first proviso is a very important one. What has the gentleman to say as to restoring that proviso?

Mr. ROBSION. Do you want to embark on the policy of borrowing the Federal aid money from one State to pay the Federal aid due another State?

Mr. ROACH. No.

Mr. ROBSION. If you want to do anything for the States that are not going to use their money, put them on terms; but what is attempted to be done here, in my judgment, is to adopt a plan to cut down the sum total for road construction in this country.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman have five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. If we appropriate the money now before we need it, the Treasury will have to have it and will have to pay interest probably for it, whereas if the States are not going to use it, and if we do not need it just now, we will save the interest on that money by not having to pay it.

Mr. ROBSION. You will save $25,000,000 and $35,000,000 from going into the highways of the country. That is what you will save. In addition to former appropriations, this House went on record nearly eight to one authorizing $50,000,000 for this year and $65,000,000 for next year, after the Senate had cut down the House bill from $65,000,000 and $75,000,000 to these sums, and as one of the advocates of good roads in the House I want to see this $50,000,000 appropriated for this year and $65,000,000 for next year, and will not be satisfied with the $25,000,000 for this year and $30,000,000 for next year. I favor at least $100,000,000 of Federal aid per year for the next 10 years until the great system of interstate and intercounty highways heretofore authorized by Congress is completed.

RAILROADS FIGHTING FEDERAL AID FOR ROADS.

I am convinced that there is a concerted movement on, both in Congress and out, to hamper and obstruct the Federal aid road program. Some of the railroads of the country have become active in this fight against Federal aid. There are now millions of motor vehicles carrying passengers and freight, and this has provoked the jealousy of many railroads. Some of the railroads are putting out literature denouncing the use of these motor vehicles. I find the following in a booklet put out by one of the railroads:

> The railroads and their patrons have a great deal at stake in the growing use of motor vehicles for commercial purposes and the extension of hard-road systems to cover the whole country. Indeed, it is an important problem, and one which deserves urgent attention.
>
> The legitimate function of the highway is, first, the accommodation of private owners of vehicles for their individual pleasure or business. They are not designed or intended as permanent roadbeds for transportation business and should not be depended upon to fulfill that function.

One of the very great problems of the times is how to feed, clothe, and warm the people of this country. This problem will become more pressing as the years come and go. We need everything that can be produced. The producers and the consumers must be brought together. Fruit, vegetables, and other products are going to waste in great quantities in many sections of the country while countless thousands want for food, clothing, and heat. The producer and consumer are brought together by means of transportation. Transportation is carried on by railroads, by water, and by highways.

The most important of these is the highways of the country. They penetrate all sections of the country and extend to the producing centers, and are the means by which the products are brought to the railroads, the water, and consuming centers. If people are to be attracted to the farms, the rural communities must be made more attractive by good roads. Good roads will produce better farms and better farmers, better schools, better churches, and better homes, and it will mean more to the national defense than a standing army. I can not understand the viewpoint of gentlemen who are willing to vote hundreds of millions out of the Treasury for railroads and ship subsidies and oppose Federal aid in the development of the highways of the Nation. I favor a great American merchant marine, but I opposed the ship subsidy bill that was passed by the House because, in my opinion, it will not produce or maintain a merchant marine, and under the provisions of that bill the merchant fleet which cost our Government more than $3,000,000,000 will be sold to shipping syndicates or trusts made up of a few rich men for $200,000,000 or less. There is no market now for ships, and if we attempt to sell them we will not realize as much as 15 cents on the dollar of their cost. It will not mean cheaper transportation rates by ocean, but under that bill, in my judgment, we will pay to these shipowners $50,000,000 out of the Treasury of the United States annually for the next 10 years and give them other direct benefits amounting to $10,000,000 per year. The countries of the world that have the best merchant marine

pay little or no subsidies. Great Britain, that has by far the greatest merchant marine in the world, does not pay in excess of $2,500,000 per year as a subsidy. Italy and France pay the highest subsidies and neither of them has a merchant marine equal to little Norway, that pays no subsidy. Two reasons have been assigned for granting subsidies to these shipowners: First, the high cost of construction of American ships; and, second, the high wages. No one contends that the persons who buy our ships will pay more than 15 cents on the dollar of the cost; and, of course, this knocks out the question of high cost, and it has been shown that a British ship of equal size with an American ship pays practically the same wages as an American ship, and whatever sum we vote for a ship subsidy will benefit the American shipper but little, if anything. Railroad rates are so high that they have crippled many industries of this country. The greatest means of transportation for the American people is our highways, and I favor less subsidies for ships and less appropriations for railroads and more money for good roads.

Mr. MADDEN. Mr. Chairman, I think the gentleman from Kentucky [Mr. ROBSION] is unduly alarmed. There is no disposition anywhere to cut out any provision for road building anywhere in the United States. We not only appropriate $25,000,000 in this bill but $30,000,000 in the Agricultural bill, and we propose to take the money that is now lying idle allotted to the States and permit it to be used without taking any rights away from any State. Now, what would be the result of the gentleman's contention? It would be that if there was only one State in the Union that required money to carry out its obligations that you would have to appropriate for every other State in the Union whether it needed it or not. Say that we only needed a million dollars to pay to the State of Kentucky and you wanted to appropriate the money for that obligation, you could not do it without appropriating a million dollars to each of the other 47 States. Now, we are trying to simplify the problem, and instead of having three or four hundred million dollars lie idle in the Treasury allotted to the States we are giving to the Secretary of Agriculture the power to make the allotments to the States as the law provides——

Mr. MCKENZIE. Will the gentleman yield?

Mr. MADDEN. If the gentleman will kindly not interrupt me until I finish this statement—as the law provides and under which they are permitted to make contract obligations to the full extent of the allotment. But we propose instead of having 48 accounts, one with each State in the Union, to create one single account against which checks may be drawn to pay the obligations of any State under the contract obligation for road building. That will leave the funds for road building liquid. Now, we have a ship-building program, we entered upon it in 1916, and under that program we agreed to build a certain number of capital ships and other ships, and we made an initial appropriation of several hundred million dollars, but we did not set aside a certain amount for each ship. Whatever we appropriated we appropriated in a general fund, that general fund to be used for the payment of any bill for any work done on any ship. That is what we propose to do now. It is the simple, businesslike way to do it. There never was any sense in the plan that we have had in existence. It only resulted in turmoil; it did not expedite the road construction in any State where they did not want to build the roads, but it did retard the State that did want to build roads, because it could only go as far as the allotment was subject to an appropriation. Now, any State that does not want to proceed loses no right in the matter of allotment, and the State which does is not retarded by the States that do not do any work. So here we are. We are establishing a modern business method to take the place of the antiquated system that we have had in existence. [Applause.] And we are not only doing that but we are taking out of the Treasury a lot of money that was set aside for the purposes for which it is not being used, and we are putting it into active use on the roads of the States that want to use it, and while we are doing that we are not taking any rights of those other States away. On the other hand, we are preserving every right that they have under the law by saying that the money allotted shall be subject to contract over a period of three years, and this money allotted or appropriated shall be subject to draft against the funds for a period of three years, whereas it only exists for one now under the law.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. And I hope that the amendment offered by the gentleman from Kentucky will not prevail, but that we will adopt a modern, simple, systematic method of conducting the Government's business and wipe out the antiquated system that is now in existence.

Mr. BYRNS of Tennessee. Mr. Chairman, there has not been a more consistent friend of road improvement than I have been since I have been a Member of the Congress. I have supported every proposition looking to the improvement of roads, and would not support any proposition which might result in delaying the improvement of roads, but I am satisfied that my friend from Kentucky is unduly alarmed over the situation. If his amendment is adopted it simply means that we will take $25,000,000 more out of the pockets of the people at this time and pile it up in the Treasury not to be used possibly for a year and a half or two years, according to the statement of Mr. MacDonald.

Mr. ROBSION. Will the gentleman yield?

Mr. BYRNS of Tennessee. For a brief question.

Mr. ROBSION. Now, if this $25,000,000, and the other $25,000,000 of the $50,000,000, no action taken until 1924 and for 1924, and then the other $35,000,000 of the $65,000,000 authorization, no action taken until 1925, will not the sum total for road improvement of the country be cut down if it is extended out and lengthened out to a subsequent year?

Mr. BYRNS of Tennessee. No; I do not think so by any means, because, as the gentleman from Illinois stated, if the gentleman's amendment is adopted it will not be used; it can not be used according to the statement of the director of public roads. Now, here is what he said.

Mr. ROBSION. Will the gentleman yield further, please?

Mr. BYRNS of Tennessee. I will yield for a brief question.

Mr. ROBSION. Now, if you do not use, or in a sense borrow or take away the money due from the States that have not used any, would you not have to have the whole $50,000,000?

Mr. BYRNS of Tennessee. Oh, we might for two States, but why keep in the Treasury $139,000,000, lying there idle, merely because in two or three years certain States will need their proper proportion of that amount? Congress is going to be in session and will make the necessary appropriation when it is needed because, under this bill and under the road act, it is made a legal obligation of the Government.

Now, here is what Mr. MacDonald said to the committee, and the committee acted in accordance with Mr. MacDonald's statement and his request. He says: "We believe that it is not necessary to appropriate at this time the entire $50,000,000, but if the entire sum of $50,000,000 is not appropriated at this time we are concerned that provision shall be made to authorize the Secretary to approve projects following the end of this fiscal year which will not allow any of the 1923 authorizations to lapse," and the committee has incorporated in this bill and recommended to the House the very provision that the director of public roads drafted to the committee and asked them to insert in the bill in order to preserve the authorization for 1923.

Now, more than that, Mr. MacDonald says this:

Mr. MACDONALD. Under the act carrying the previous appropriations the amounts which were available for each year were apportioned to the individual States, as prescribed in the law, and each State's account has been carried as a single account. After the fund has once been divided into 48 parts we have carried 48 separate accounts; so, although a large Treasury balance appears, if the balances in the 48 accounts are brought together into one total, there are States which have exhausted, or have practically exhausted, their individual funds. This makes it necessary for us to come to Congress to ask for an additional appropriation, while there are still apparently large Treasury balances available.

The CHAIRMAN. If we should make appropriations under the old system, we would have to appropriate to each State?

Mr. MACDONALD. Yes, sir.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the gentleman from Tennessee be given five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BYRNS of Tennessee. I do not care to make any remarks of my own about this, but I do want to call attention to what Mr. MacDonald says about the matter. Mr. MacDonald further states:

The CHAIRMAN. And it would not be necessary for you to modify the rule——

Mr. MACDONALD (interposing). If the language is now modified so that the Treasury balances are available for meeting obligations as they mature, without regard to the balances in the accounts of the individual States, then it would not be necessary to ask for additional appropriations by Congress until the Treasury balances have been drawn down to a point reasonably near the point of exhaustion; that is, it will only be necessary to carry a reasonable balance to cover the period between sessions of Congress. That would mean that our future policy would be based upon two distinct lines of action: The first would be the authorization for the program of road development, under which the Secretary of Agriculture would be authorized to contract with the States, and that program would be

carried out ahead of the actual appropriation. There is a lag of from 6 months to 18 months between the time the authorization is made and the time the funds are actually needed to pay for the work accomplished; so that it would not interfere with the efficiency of our work if we have a program authorized for, say, a three-year period in advance without an appropriation. We would then come to Congress for an appropriation to cover the authorizations as the work is completed or as the States made demands upon the department for payment for work actually completed.

Mr. BYRNS. Would that plan of making the prior appropriations available as a general fund militate in any way against any State which did not need its part of this fund, in so far as its allotment of prior appropriations is concerned?

Mr. MACDONALD. Not in any way.

Mr. BYRNS. In other words, no State would be deprived of its proportion of the appropriations or of prior appropriations?

Mr. MACDONALD. There is absolutely only one question involved, and that is simply the necessary action by the Congress. Having directed the Secretary to apportion the funds and to enter into contracts with the States, there is the necessity of making the appropriation when the States shall actually need the money.

Now, in addition to that, gentlemen, Mr. MacDonald made this statement:

Mr. MACDONALD. We are asking $25,000,000, as this must carry us over until next December.

The CHAIRMAN. That will carry you through until December, 1923?

Mr. MACDONALD. Yes, sir.

The CHAIRMAN. That would take in a part of the fiscal year 1924?

Mr. MACDONALD. Yes, sir.

The CHAIRMAN. $25,000,000 would be all that would be needed in addition to what is provided in the regular annual bill?

Mr. MACDONALD. Yes, sir; and the probabilities are that if the legislation proposed is enacted, we will not have to come to Congress for any further appropriation before the fiscal year 1925, but it will be necessary to request authority for the Secretary to apportion the authorization of $75,000,000 for the fiscal year 1925 when the regular Budget is considered for that year.

Now, as has been stated, on December 1 there was in the Treasury $139,000,000 to the credit of the road fund. The regular annual bill carried $30,000,000 in round numbers for the next fiscal year, and we are appropriating on this bill $25,000,000 with full authority to the Secretary of Agriculture to make authorizations so as to preserve the rights of the States under the road act.

Now, if gentlemen wish to pile up money in the Treasury and add to the appropriation bills, you can do so by adopting this amendment. But, gentlemen, I submit that under the circumstances and under the statement of the director we ought not to adopt this amendment.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired. The question is on agreeing to the amendment offered by the gentleman from Kentucky [Mr. ROBSION].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF COMMERCE.

BUREAU OF LIGHTHOUSES.

Damage claims: To pay the claims adjusted and determined by the Department of Commerce under the provisions of section 4 of the act approved June 17, 1910 (36 Stat. p. 537), on account of damage occasioned to private property by collision with vessels of the Lighthouse Service and for which the vessels of the Lighthouse Service were responsible, certified to the present Congress in House Document No. 489, $653.15.

Mr. MADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 7, after line 4, insert the following:

"DEPARTMENT OF THE INTERIOR.

"BUREAU OF INDIAN AFFAIRS.

"Fort Sill Apache Indians, Oklahoma: For the relief of and purchase of land for certain of the Apache Indians of Oklahoma confined as prisoners of war at Fort Sill Military Reservation and authorized by the act of September 21, 1922, $42,500."

Mr. MADDEN. Mr. Chairman, in explanation of that amendment I wish to say that by act of Congress approved September 21, 1922, the Secretary of the Interior was authorized and directed to continue relief to the Apache Indians of Oklahoma, lately confined as prisoners of war at Fort Sill Military Reservation, for their subsistence and for the purchase of land for their settlement thereon, to be selected by the Secretary of the Interior and the Secretary of War.

And there was authorized in that act to be appropriated $42,500, to be made immediately available. The appropriation has never been made. The question did not come to the Committee on Appropriations soon enough to have it incorporated in the report of the committee, and hence the amendment which is just offered.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MISCELLANEOUS OBJECTS, DEPARTMENT OF JUSTICE.

For the payment of costs taxed in the Supreme Court against the United States in the case of R. E. Kennington and others against A. Mitchell Palmer and others (October term, 1921), $49.65.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. Mr. Chairman, these items that we have just read are all bona fide deficiency items and properly come on a deficiency bill.

A short while ago I called attention to the fact that this Sixty-seventh Congress in six deficiency bills, counting this as the sixth, has appropriated $417,191,322.37. It was admitted this morning by the Treasury Department official appearing before a committee of Congress that there is to-day a Treasury deficit of $273,000,000. If we could get paid the interest due this Government on the $11,000,000,000 of foreign indebtedness, we would stop having any deficit of $273,000,000, or any other deficit.

I am sure that the people of the United States of America were astounded yesterday when they found out for the first time that the governor of the Bank of England, Mr. Montague Collet Norman, had secretly appeared in the capital of this Nation eight months ago and spent two weeks here, and as a member of the debt-funding commission of England had had various conferences with the President of the United States and with certain particular members of his official family—two or three Cabinet officers. And the people doubtless were also astounded when they learned yesterday that not a single member of our debt-funding commission appointed under authorization of this Congress had been taken into any of these conferences or had even been granted any knowledge of the secret appearance in this country of this great official, the governor of the Bank of England. I want to say that unless the membership of this Congress keep on the alert and unless we keep up in the pit of this House a continual fight against the insidious propaganda being carried on all over this Nation for the cancellation of our $11,000,000,000 of foreign indebtedness, sooner or later it is going to pass beyond our reach, and some unauthorized agreement is going to be made on behalf of this Government by some official of this Government that is going to wipe out beyond our power of recovery all of this $11,000,000,000 of sacred funds of the people, raised by the people through their borrowing of money from banks in order to purchase Liberty bonds to send this great sum of money across the water. The people of the United States are going to demand that this money be paid back, and they are not going to stand for these menacing secret conferences that are being carried on all over the country. Every day we read in the paper where some man of great importance in this Nation leaves his post of duty and goes far across the continent to speak in behalf of the cancellation of the foreign debts due to this Government. It is just a part of the insidious propaganda that is being carried on in this country for the cancellation of this debt. Every Member of this Congress who is not in favor of the cancellation of that debt ought to keep this matter alive before the people, and the people of the United States ought to know what is going on in this Nation about this sacred fund. Whenever you keep knowledge of the people's business away from the people, then the people lose confidence in their representatives.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TOWNER. Mr. Chairman, I presume we are all of us very much pleased, indeed, to notice that the gentleman from Texas [Mr. BLANTON] gives his approval to the action of the administration. There is no possible doubt about what the attitude of the administration is. The President, as well as members of the Cabinet, has declared that there would be no consideration of a proposition to cancel our foreign debts. The gentleman seems to think there is something very alarming about the fact that a representative of the Bank of England came over here secretly for the purpose of interviewing members of the administration. Well, suppose that is true. It is very significant, Mr. Chairman, that as a result of that interview, after that representative presumably had made his report to the English Government, the English Government commenced paying the United States the interest on the debt that it owes us. [Applause.] That is a sufficient answer to any query that there might be in the mind of any gentleman with regard to the information which that English representative obtained from the officials of the United States Government. The Con-

gress of the United States, both the House and Senate, the President of the United States, the representatives of the United States in foreign lands, all those who have had anything to do with the proposition or who have given any expression of the attitude of the United States, all those charged with any responsibility whatever in the United States with regard to our foreign debt, have made repeated statements to the effect that this Government expects the payment of the foreign debt with interest. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. TOWNER. Certainly.

Mr. BLANTON. Our distinguished colleague, the gentleman from Ohio [Mr. BURTON], who is a member of our Debt Funding Commission, did not keep his visit abroad secret. He let it be known to the world what he was there for, what he was doing, what he was talking about. He did not keep it secret from any person.

Mr. TOWNER. No; he went officially. The other gentleman did not come officially, so far as we know.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States, including the same objects specified under this head in the sundry civil appropriation act for the fiscal year 1918, $89.16.

Mr. HILL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL: Page 8, line 7, after the figures "1918," strike out "$89.16" and insert in lieu thereof the following: $9,000,089.16: *Provided*, That of this amount $9,000,000 shall be expended for the immediate prosecution of such of the 172,349 cases pending on June 30, 1922, in the United States courts, and instituted by the United States, which still remain on the court dockets."

Mr. MADDEN. I make a point of order against the amendment.

Mr. HILL. Will the gentleman reserve his point of order for a few moments?

Mr. MADDEN. Yes.

Mr. BLANTON. I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. HILL. Will the gentleman reserve his point of order?

Mr. BLANTON. I will not object to the gentleman getting time to speak; but I think this amendment is so ridiculous that it ought to go out on a point of order.

The CHAIRMAN. Does the gentleman make his point of order?

Mr. BLANTON. I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. HILL. Mr. Chairman, I move to strike out the last word. One of the best commendations of the amendment I have just offered was given by the gentleman from Texas just now when he said it was ridiculous. In support of that amendment, which I regret was ruled out on a point of order, I desire to call the attention of the committee to the hearings on this bill, at page 124, and I desire to read to the committee a portion of those hearings. I think the hearings disclose a situation in this country which should call for an immediate appropriation for the Department of Justice. If I erred in the selection of a proper place to offer this amendment for the appropriation of the $9,000,000, I shall offer it later in another place. I read from the hearings as follows:

The CHAIRMAN. Will there be more marshals needed on account of the new judges?
Mr. HOLLAND. Yes, sir; we will have to have more deputy marshals.
Mr. KENNARD. There is also an increase in the business.
Mr. HOLLAND. There is a very large increase in the business.
The CHAIRMAN. What is that occasioned by?
Mr. KENNARD. By greater judicial activities; a larger number of cases commenced, principally under the national prohibition act.
The CHAIRMAN. Do you mean that the national prohibition act caused that increase of business?
Mr. KENNARD. It has been one of the contributing causes, and the heavy contributing cause.
The CHAIRMAN. How many cases are pending in court now?
Mr. HOLLAND. Do you mean prohibition cases?
The CHAIRMAN. I would not ask for that, but what is the total number of cases?
Mr. KENNARD. I can state the number of prohibition cases commenced, terminated, or pending, as you may prefer.
The CHAIRMAN. Give it in all its phases.
Mr. KENNARD. The number of cases under the national prohibition act commenced during the fiscal year 1922 was as follows: Civil, 2,157; criminal, 34,984; and the collections on account of the litigation were $2,376,305. The number of cases terminated under the national prohibition act or disposed of during the fiscal year 1922 was as follows: Civil, 1,537; and criminal, 28,743.
The CHAIRMAN. Those are cases pending?
Mr. KENNARD. Those are cases terminated or disposed of.
Mr. KELLEY. In what time?
Mr. KENNARD. In one fiscal year.
Mr. KELLEY. There were commenced 34,000 and there were closed out 28,000 cases, so that you are just about keeping up.
Mr. KENNARD. We are not quite keeping up.
The CHAIRMAN. What is the state of the calendar of the courts now?
Mr. KENNARD. They are very seriously congested. The total number of cases pending at the close of the year was 172,000.
The CHAIRMAN. How does that number compare with the number in the prior years?
Mr. KENNARD. It is 30,000 more than were pending at the close of the fiscal year ended June 30, 1921.
The CHAIRMAN. How many cases were instituted during the period that you have just referred to in each year?
Mr. KENNARD. Under the national prohibition act?
The CHAIRMAN. Are you just talking about prohibition cases?
Mr. KENNARD. No, sir; I was referring to all cases.
The CHAIRMAN. I am referring to all cases. That is what we want.
Mr. KENNARD. There were 172,349 cases pending on June 30, 1922; 142,402 cases pending at the end of the previous year; and 118,000 cases pending at the close of the year previous to that. The increase in the business has been approximately 20 or 25 per cent per annum expressed in case units, whereas the increased expense has been only 1.6 per cent for the previous year and nine-tenths of 1 per cent for the fiscal year 1922.
The CHAIRMAN. What about 1923?
Mr. KENNARD. The information for 1923 is incomplete, and we could not make any calculation on that at the present time.
Mr. HARRIS. We give that by fiscal years.
The CHAIRMAN. So you can not tell us about 1923.
Mr. KENNARD. No, sir.

Mr. Chairman, we should at once appropriate the money to clean up the 172,349 cases pending on the dockets of the Federal courts.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. HILL. I will.

Mr. BYRNS of Tennessee. Does not the gentleman think that these cases could be cleaned up without the necessity of an appropriation if the President would take advantage of the authority given him last September to appoint additional district judges, which the gentleman from Maryland said at the time there was urgent need for?

Mr. HILL. No; I voted against the bill. [Laughter.]

Mr. BYRNS of Tennessee. Well, the gentleman's party voted for it.

The Clerk read as follows:

NAVY DEPARTMENT.

Damage claims: To pay the claims adjusted and determined by the Navy Department under the naval appropriation act for the fiscal year 1911, on account of damages occasioned to private property by collisions with vessels of the United States Navy and for which naval vessels were responsible, certified to the present Congress in House Document No. 496, $6,969.46.

Mr. BUTLER. Mr. Chairman, I offer the following amendment. I will say that I know that it is not in order.

The Clerk read as follows:

On page 13, after line 17, insert:

MARINE CORPS.

To pay Maj. Russell B. Putnam, assistant paymaster, United States Marine Corps, to cover the loss sustained by him through the embezzlement of such amount of Government funds by Robert H. Rudolph, pay clerk, United States Marine Corps, in 1915, while serving as pay clerk to the said Major Putnam, at Marine Barracks, Philadelphia, Pa., and on expeditionary duty in the West Indies, and which amount Major Putnam was required to and did deposit with the Treasurer of the United States, $2,173.

Mr. STAFFORD. Mr. Chairman, I reserve a point of order against the amendment.

Mr. BUTLER. Mr. Chairman, I am thankful for that much. I confess that this amendment is out of order, but I am endeavoring to do what I think is right to obtain justice for an injured man. I would like to have that amendment attached to some vehicle which is likely to reach the station and not be thrown off at the switch. Here are the facts with their unusual merit: A private bill has been reported favorably by the Committee on Naval Affairs, and this claim has been reported on favorably by every tribunal that has examined the facts for the last four or five years. Never was there a case of more positive injustice done to an individual coming to my notice since I have been a Member of this House, 25 years. I believe in observing the rules, but there are occasions when they might be set aside in order to do absolute square justice between the Government and an individual. This bill has unusual merit in it and the injury demands immediate redress.

I will not take up much of your time. This officer bears the grade of major and is a paymaster in the distinguished corps of the United States marines. He is a man who has been used for all kinds of service. He has been highly commended for distinguished valor in battle. He has been used everywhere that an officer might be used. When line officers were few in number the department has called upon him to perform service on the firing line. He has been commended time and time again for heroism in battle.

Repeating, he was at the time of the occurrence complained of a paymaster and is now a paymaster, and without invitation

from him, I understand, the Government appointed and assigned to him a clerk who robbed him. This is a historical case. He was paymaster at the Philadelphia Navy Yard. The department sent him off on an expedition and left the clerk in charge, and during his absence the clerk robbed him of $1,200. That was in 1915. After that he was sent on another expedition, and the same clerk robbed him of $400. This same clerk fixed up the books in such an expert manner that the robbery was only discovered after accountants had gone over the books and after the officer had left the navy yard. For a man who knows how to do a job well I commend this same paymaster clerk.

Mr. ANTHONY. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. ANTHONY. I understand there are about 100 claims of that sort by gentlemen which have been approved by the War Department now pending before the Committee on Claims, of which the gentleman from New York [Mr. SNELL] is chairman. Does the gentleman think it would be fair to pick out one of them and pass it?

Mr. BUTLER. I would like to say that if the gentleman knew of the hardship in this case I think he would be in favor of immediate relief. I know it is subject to a point of order. Friends came to this paymaster's assistance and assisted him to pay the money into the Treasury. The thief was court-martialed and sentenced to jail. The paymaster endeavored to find a plan to make a lawful demand for reimbursement. The case was heard before an examining board appointed by the department while the paymaster was off on an expedition, I imagine, and the Court of Claims held that because he did not testify before this board but only submitted his accounts he lost his right before the Court of Claims, and he could not appeal the case because the amount was less than $3,000. I am glad that an opportunity is given me to speak in this man's favor, and care not who may interpose the rules of the House against it. I criticize no one for it. He can not appeal; he has not the funds so that the judgment might be overridden. Our whole committee examined the facts with great care as reported by the subcommittee, and any claim that can get by that subcommittee I will vouch for without ever looking at it. Any claim that can pass Mr. MILTON KRAUS and his colleagues is a good one and a hundred per cent white. There is no question but that this man was robbed, and there is no question at any time he was in any way careless or culpable. It required experts to discover that the embezzlement had been made.

Mr. GARNER. Who sent this man over there?

Mr. BUTLER. The department sent him, detailed him, and sent him into battle. He went cheerfully and performed acts of heroism.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BUTLER. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARNER. The gentleman did not understand my question. Who sent the man over there who stole the money?

Mr. BUTLER. The department sent the man, and since this larceny from this officer they have revised the whole method of accounting of paymasters. They have brought about a complete change in the administration of affairs of these different paymasters. I mean the manner of keeping books. I want to repeat what I have said. This man needs this money and the Government owes the money to him. He has paid every dollar into the Treasury, and he was in no way culpable or responsible. He is a man who has as good a record as any man has ever had.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BUTLER. Yes.

Mr. ANDREWS of Nebraska. Was not the clerk placed there without the consent of the paymaster, under the civil-service rules?

Mr. BUTLER. Yes; I presume he was. I will say to my friend that since then the clerks are all bonded by the Government, so that the Government is protected, likewise the paymasters.

Mr. KNUTSON. He was an enlisted man.

Mr. BUTLER. My friend from Minnesota makes a suggestion. The man was unaccustomed to such duties, and while we have splendid men in the enlisted force, this man, in my judgment, had never had such experience as would justify his being placed there. It is said that he gambled. He was sentenced and put in jail, and then in order that there might be leniency shown to him, he promised to pay back. He was released and the Court of Claims held that he might have paid the money which he embezzled against the statement of this officer that he never had paid it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BUTLER. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BUTLER. Mr. Chairman, the gentleman from Wisconsin [Mr. STAFFORD] is entirely right. This amendment is subject to a point of order, and I must submit to the rule if applied, but I promise him, and I promise the rest of you, that I will use every effort within me to make this bill a law to reimburse this paymaster, and I will try to remain in Congress long enough to accomplish this result. The bill is on the calendar. It is unanimously reported by the committee. Hearings were held, experts were asked to testify, and I repeat to the credit of this man, that they have always found him honest and efficient. But what chance has this man in his struggle for justice with this bill on the Private Calendar, to be called at some indefinite time in the future? They say that they will consider it some day. Why, I would rather try to grow hair on a bald head than I would to try to pass this bill at this session of Congress. I know there are a number of such claims, as the gentleman from Kansas [Mr. ANTHONY] says. Why are they not spoken of here, and why not some one speak for them if they have merit such as this one has? I certainly would not oppose them. Is there not anyone here who is ready and willing to speak for them? Of course, this bill must go out on the point of order, if it is made, but I thank the committee for its patience and its attention.

Mr. KNUTSON. Oh, the gentleman from Wisconsin will withdraw it.

Mr. BUTLER. I hope he will; but I have endeavored only to do justice to this man in taking the time of the committee for 5 or 10 minutes. [Applause.]

Mr. STAFFORD. Mr. Chairman, just a word. This bill was reported favorably from the committee of which the gentleman from Pennsylvania [Mr. BUTLER] is the distinguished chairman on December 30 last, four or five days ago. The bill under consideration is not an omnibus claims bill. It is a deficiency appropriation bill. If we adopt the practice of adding claims, and there are many on the Private Calendar of like merit to the one under consideration, this bill will be littered with private claims here or in the other body. I do not think it is good practice. I believe it is the understanding of the majority leader that a day is going to be set apart for the consideration of bills of this character unobjected to.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. This bill was sent from the Navy Department in June last. I do not know the reason it was not reported sooner or action taken upon it by the Committee on Naval Affairs. If it had been it likely would have been reached before now, because this Congress has passed more private claims bills than any other Congress within my knowledge.

Mr. Chairman, I make the point of order.

Mr. BUTLER. Mr. Chairman, the gentleman from Wisconsin asks why this was not taken up before. I confess my inability to use the English language very well, but I have endeavored to say to this committee that this man has dogged the Court of Claims, and he has been refused a hearing. He paid the money over five years ago as an honest man would and like the man of honor that he is. Here is the explanation why he was not here earlier asking for justice from his countrymen. I want to promise my friend from Wisconsin that this measure will become a law, as I am sure my colleagues here will admit it should.

The CHAIRMAN. The gentleman from Wisconsin makes the point of order. The point of order is sustained, and the Clerk will read.

The Clerk read as follows:

For Morgan general ordnance depot, South Amboy, N. J., $300; for Pig Point ordnance reserve depot, Virginia, $3,000; for Middletown air intermediate depot, Middletown, Pa., $165,000; for Edgewood Arsenal, Edgewood, Md., $24,200; for Fitzsimons General Hospital, Denver, Colo., $1,500; for inland warehouses, Philadelphia, Pa., $575,000; in all, $769,000.

Mr. ANTHONY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 16, after line 24, insert a new paragraph as follows:

"National Guard: During the fiscal year 1923, the cost of subsistence allowance for enlisted men of the Regular Army on duty with the National Guard shall be chargeable to the appropriation for subsistence of the Army."

Mr. STAFFORD. Mr. Chairman, I reserve the point of order.

Mr. ANTHONY. Mr. Chairman, if this amendment is not adopted, it will create a deficiency in the current year's appro-

priation for the support of the National Guard. When we passed the Regular Army appropriation bill for this current year we included the cost of subsistence of the instructors from the Regular Army on duty with the National Guard under the item of subsistence. Subsequently, on September 22 of last year, new legislation was passed by Congress which charged that appropriation directly to the National Guard. We had made no provision in the current appropriation for the National Guard for that purpose. Consequently, if we do not adopt this amendment at this time there will be no way for providing for the subsistence of these instructors of the Regular Army on duty with the National Guard.

Mr. STAFFORD. Has the gentleman any estimate of the amount of money required?

Mr. ANTHONY. No.

Mr. STAFFORD. I withdraw my reservation of the point of order.

Mr. MADDEN. Mr. Chairman, I think I must say that there is no doubt about the merits of this case, and, so far as the chairman of the committee is concerned, I am glad to accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. McKENZIE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McKENZIE: After line 24, following the amendment just adopted, insert:

"The expenditures authorized by Public Resolution No. 44, approved April 1, 1922, as modified by War Department appropriation act approved June 30, 1922, for the purchase of real estate to establish suitable burial places in Europe for American military dead, may, when title to such real estate can not be secured, be made instead for the acquisition of the exclusive rights of burial in perpetuity in such lands."

Mr. STAFFORD. Mr. Chairman, I reserve the point of order until some explanation is made.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, House Resolution No. 44 was passed on April 1, 1922. It was a resolution reported from the Committee on Military Affairs authorizing the expenditure of $111,000 of the appropriations carried in the sundry civil bill for the purchase of lands in Europe for the burial of our soldiers, but it was found that in England, where our boys were buried, that under an act of Parliament passed in 1852 it was impossible to get a fee simple title. So then it was undertaken to get a title for burial purposes in perpetuity. The Comptroller of the Currency held that an appropriation made by Congress for the purpose of buying land in fee simple could not be expended for the purpose of taking over land for burial purposes in perpetuity, and this amendment simply provides that that appropriation made by Congress under the authorization from the Committee on Military Affairs may be carried out and become effective to take care of the bodies of our boys over there.

Mr. MADDEN. Mr. Chairman, I wish to say that the deficiency subcommittee of the Committee on Appropriations has made a thorough investigation of this, and we find the facts as stated by the gentleman from Illinois [Mr. McKENZIE] to be true. We would have reported this item from the Committee on Appropriations, but we felt that we had not the legislative jurisdiction to do it. As it had joint reference to the Committee on Military Affairs and the Committee on Appropriations the subcommittee of the Committee on Appropriations felt that it was the proper function of the Committee on Military Affairs, and I, as chairman of the Committee on Appropriations, requested the Military Committee to report it. If they had not done it, we would, but we wanted to concede their right. I hope the amendment will be agreed to.

Mr. STAFFORD. I withdraw the reservation.

Mr. MADDEN. I would like to ask that the heading "National Cemetery" be put on the amendment, so that it may be distinguished.

The CHAIRMAN. Without objection, that will be done. The Chair hears no objection. The gentleman from Wisconsin withdraws the reservation of the point of order and the question is on the amendment offered by the gentleman from Illinois as modified by the gentleman from Illinois [Mr. MADDEN].

The question was taken, and the amendment as amended was agreed to.

The Clerk read as follows:

Total audited claims, section 2, $1,267,449.36.

Mr. MADDEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 33, after line 23, insert a new section, as follows:

"SEC. 3. This act hereafter may be referred to as the second deficiency act, fiscal year 1923.

The question was taken, and the amendment was agreed to.

Mr. MADDEN. Mr. Chairman, I move that the committee do now rise and report the bill with amendments to the House, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 13615 had directed him to report the same to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MADDEN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. MADDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, by direction of the Committee on Appropriations I offer a privileged report carrying appropriations for the government of the District of Columbia.

The SPEAKER. The gentleman fom Michigan, by direction of the Committee on Appropriations, submits a privileged report on a bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13660) (Rept. No. 1326) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1924, and for other purposes.

Mr. BYRNS of Tennessee. Mr. Speaker, I reserve all points of order on the bill.

The SPEAKER. Referred to the Committee of the Whole House on the state of the Union.

SUGAR EQUALIZATION BOARD.

Mr. HAUGEN. Mr. Speaker, by direction of the Committee on Agriculture I submit a privileged resolution.

The SPEAKER. The Clerk will report the resolution by title.

The Clerk read as follows:

House resolution (H. Res. 475) requesting the President to transmit to the House of Representatives certain facts in his possession concerning the United States Sugar Equalization Board.

The SPEAKER. Referred to the House Calendar.

EULOGIES.

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent that Sunday, February 11, be set apart for the holding of memorial exercises on the life, character, and public services of my deceased predecessor, Hon. SAMUEL M. BRINSON, Member of Congress from the third North Carolina district.

The SPEAKER. Without objection it is so ordered.

There was no objection.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted to Mr. OLIVER for seven days.

ADJOURNMENT.

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 49 minutes p. m.) the House adjourned until to-morrow, Friday, January 5, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

861. A letter from the Secretary of Agriculture, transmitting a report for the fiscal year ended June 30, 1922, concerning the appropriations for the construction of rural post roads in cooperation with the States, the Federal administration of this work, and the survey, construction, and maintenance of roads and trails within or only partly within the national forest; to the Committee on Roads.

862. A communication from the President of the United States, transmitting, with a letter from the Director of the Bureau of the Budget, a list of judgments rendered by the Court of Claims, amounting to $83,260.47, which have been submitted by the Secretary of the Treasury and require an appropriation for their payment (H. Doc. No. 526); to the Committee on Appropriations and ordered to be printed.

863. A communication from the President of the United States, transmitting a judgment rendered against the United States by the United States District Court for the Eastern District of Virginia, sitting in admiralty, under the provisions of an act entitled "An act for the relief of Gaetano Davide Olivari fu Fortunato," approved February 18, 1922 (private act No. 28, Sixty-seventh Congress), which requires an appropriation for its payment, with a proviso that this judgment shall not be paid until the right of appeal shall have expired (H. Doc. No. 527); to the Committee on Appropriations and ordered to be printed.

864. A communication from the President of the United States transmitting, with a letter from the Director of the Bureau of the Budget, schedules of claims amounting to $110,339.61 allowed by the various divisions of the General Accounting Office, as covered by certificates of settlement (H. Doc. No. 528); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FESS: Committee on the Library. S. J. Res. 258. A joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; without amendment (Rept. No. 1325). Referred to the House Calendar.

Mr. HAUGEN: Committee on Agriculture. H. Res. 475. A resolution requesting the President to transmit to the House of Representatives certain facts in his possession concerning the United States Sugar Equalization Board; without amendment (Rept. No. 1327). Referred to the House Calendar.

Mr. SUMMERS of Washington: Committee on Irrigation of Arid Lands. S. 3808. An act authorizing the Secretary of the Interior to investigate and report to Congress upon the Columbia Basin irrigation project; with an amendment (Rept. No. 1329). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. S. 3570. An act for the relief of the United Dredging Co.; with an amendment (Rept. No. 1328). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 13226) granting a pension to William K. Price, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SNYDER: A bill (H. R. 13654) authorizing the Secretary of the Treasury, in his discretion, to designate depositories without the boundaries of the State of Oklahoma for the deposit of the surplus funds of the Osage Tribe of Indians in Oklahoma; to the Committee on Indian Affairs.

Also, a bill (H. R. 13655) to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin; to the Committee on Indian Affairs.

By Mr. MOORE of Virginia: A bill (H. R. 13656) to provide for the acquisition of a site and the erection of a post-office building at Alexandria, Va.; to the Committee on Public Buildings and Grounds.

By Mr. COPLEY: A bill (H. R. 13657) incorporating the Supreme Lodge of the World, Loyal Order of Moose; to the Committee on the District of Columbia.

By Mr. LINEBERGER: A bill (H. R. 13658) providing free passage through the Panama Canal for American ships; to the Committee on Interstate and Foreign Commerce.

By Mr. FREAR: A bill (H. R. 13659) to provide adjusted compensation for veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. CRAMTON: A bill (H. R. 13660) making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1924, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. PERLMAN: A bill (H. R. 13661) to repeal the literacy test of immigrants; to the Committee on Immigration and Naturalization.

By Mr. KNIGHT: A bill (H. R. 13662) to increase the cost of the public building at Akron, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. FISHER: A bill (H. R. 13663) to increase the cost of the public building at Memphis, Tenn.; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER: A bill (H. R. 13664) for the relief of Oswald H. Halford, Hunter M. Henry, William C. Horne, Rupert R. Johnson, David L. Lacey, William Z. Lee, Fenton F. Rodgers, Henry Freeman Seale, Felix M. Smith, Edwin C. Smith, Robert S. Sutherland, and Charles G. Ventress; to the Committee on Claims.

By Mr. DALE: A bill (H. R. 13665) granting a pension to Julia M. Fletcher; to the Committee on Invalid Pensions.

By Mr. DUNBAR: A bill (H. R. 13666) granting a pension to John Wellman; to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 13667) granting an increase of pension to Leona May Ferguson; to the Committee on Invalid Pensions.

By Mr. HENRY: A bill (H. R. 13668) granting a pension to Hazard F. Shultz; to the Committee on Pensions.

By Mr. HOCH: A bill (H. R. 13669) granting a pension to Francis Marion Lucas; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 13670) granting a pension to Fannie Gardner; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6739. By Mr. APPLEBY: Papers to accompany House bill 11157, granting a pension to Amelia M. Hetherington; to the Committee on Invalid Pensions.

6740. By Mr. COLE of Ohio: Petition of citizens of Marion, Ohio, opposing discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6741. By Mr. GRAHAM of Pennsylvania: Extract from minutes of a meeting of the Philadelphia Board of Trade, December 18, 1922, indorsing attitude of Attorney General Harry M. Daugherty; to the Committee on the Judiciary.

6742. By Mr. KISSEL: Petition of the Sacramento Bee, Sacramento, Calif., favoring House bill 12169, which denies admission as immigrants and permanent residents to aliens who, under the existing naturalization laws of the United States, are ineligible to citizenship; to the Committee on Immigration and Naturalization.

6743. By Mr. MAPES: Resolutions of G. F. Furner, E. A. Marvin, and 38 others of Cedar Springs, Mich., for the repeal of the tax on shot shells, metallic cartridges, and firearms; to the Committee on Ways and Means.

6744. Also, resolutions of H. M. Johnson and 21 others of Grand Rapids, Mich., for the repeal of the tax on shot shells, metallic cartridges, and firearms; to the Committee on Ways and Means.

6745. Also, resolutions signed by H. Vanderwarf and 20 others of Holland, Mich., for the repeal of the tax on shot shells, metallic cartridges, and firearms; to the Committee on Ways and Means.

6746. By Mr. RAKER: Petition of the California Cattlemen's Association, indorsing and urging the passage of Senate bill 4063 and House bill 13033; to the Committee on Banking and Currency.

6747. Also, petition of Chamber of Commerce of the State of New York, relative to the merchant marine of the United States of America; to the Committee on the Merchant Marine and Fisheries.

6748. Also, petition of the Chamber of Commerce of the State of New York, relative to uniform service and more adequate support for Diplomatic and Consular Service; to the Committee on Foreign Affairs.

6749. Also, petition of Detroit Council of Churches, of Detroit, Mich., urging passage of the Keyes-White immigration bill admitting Armenian refugees to this country; to the Committee on Immigration and Naturalization.

6750. Also, petition of W. E. Gould, of Kewanee, Ill., indorsing the Norbeck-Nelson war finance foreign credit bill; to the Committee on Banking and Currency.

6751. Also, petition of the National Grange and the American Farm Bureau Federation, favoring an amendment to the Constitution of the United States to prohibit further issues of all tax-exempt bonds; to the Committee on the Judiciary.

6752. Also, petition of Corpl. Harold W. Roberts Post, No. 466, Veterans of Foreign Wars of the United States, relative to the retired pay of enlisted men of the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

6753. Also, telegram from Wm. D. Stephens, Governor of California, urging Federal aid for the city of Astoria, Oreg.; also telegram from Herbert Fleishhacker, of San Francisco, Calif., urging Federal aid for the city of Astoria, Oreg.; to the Committee on Appropriations.

6754. Also, petition of C. C. Thomas (Navy) Post, No. 244, American Legion, San Francisco, Calif., urging support of the Navy Department's request for $6,000,000 appropriation for the Naval Reserve; also, petition of the Los Angeles Chamber of Commerce, Los Angeles, Calif., urging appropriations for an Army of 150,000 men and the necessary officers; to the Committee on Appropriations.

6755. Also, petition of the water users of the Strawberry Valley project, at Payson, Utah, relative to the time for repayment of construction charges on reclamation projects; to the Committee on Irrigation of Arid Lands.

6756. By Mr. TEN EYCK: An appeal to the civilized world made by Right Rev. Gregorius Khomishin, D. D. Ukrainian, Bishop of Stanislaviv, and others, at Lemberg, East Galicia, November 5, 1922, protesting against the exterminating policy of the Polish Government in East Galicia; to the Committee on Foreign Affairs.

SENATE.

FRIDAY, *January 5, 1923.*

(Legislative day of Wednesday, January 3, 1923.)

The Senate met at 12 o'clock meridian on the expiration of the recess.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, in which it requested the concurrence of the Senate.

REPORT OF THE NATIONAL ACADEMY OF SCIENCES.

The PRESIDENT pro tempore laid before the Senate a communication from the president of the National Academy of Sciences, transmitting, pursuant to law, the report of the National Academy of Sciences for the fiscal year ended June 30, 1922, which was referred to the Committee on the Library.

INTERIOR DEPARTMENT APPROPRIATIONS.

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah?

Mr. JONES of Washington. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington? The Chair hears none. The unfinished business is temporarily laid aside.

Mr. McKELLAR. I have no objection to the request of the Senator from Utah, but I think we ought to have a quorum. The Senator from North Carolina [Mr. OVERMAN] is not in the Chamber. I make the point that there is no quorum present.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Brookhart	Caraway	Curtis
Bayard	Bursum	Couzens	Dial
Borah	Calder	Culberson	Dillingham
Brandegee	Capper	Cummins	Ernst
Fernald	Kendrick	Norbeck	Smoot
Fletcher	King	Norris	Spencer
France	Ladd	Oddie	Stanfield
George	La Follette	Overman	Sterling
Glass	Lenroot	Pepper	Sutherland
Harreld	Lodge	Phipps	Townsend
Harris	McCormick	Pittman	Trammell
Harrison	McCumber	Pomerene	Underwood
Heflin	McKellar	Ransdell	Wadsworth
Hitchcock	McKinley	Reed, Mo.	Walsh, Mass.
Johnson	McLean	Reed, Pa.	Walsh, Mont.
Jones, N. Mex.	McNary	Robinson	Warren
Jones, Wash.	Nelson	Sheppard	Watson
Kellogg	New	Smith	Weller

Mr. CURTIS. I wish to announce that the Senator from Ohio [Mr. WILLIS] is necessarily detained by reason of serious illness in his family.

The PRESIDENT pro tempore. Seventy-two Senators have answered to their names. There is a quorum present.

Mr. LODGE. If the Senator from Utah will yield to me a moment, I would like to submit a report from the Committee on Foreign Relations. I think it will take but a moment.

Mr. SMOOT. I yield for that purpose.

ABROGATION OF PANAMA CANAL AGREEMENTS.

Mr. LODGE. I report back favorably from the Committee on Foreign Relations, without amendment, the joint resolution (S. J. Res. 259) authorizing the President to abrogate the international agreement embodied in certain Executive orders relating to the Panama Canal, and I submit a report (No. 989) thereon. I ask for the present consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. JONES of Washington. With the understanding that it will involve no considerable discussion, I would have no objection; but if considerable discussion should arise, I hope that the Senator will not press it.

Mr. LODGE. I have no intention of keeping it before the Senate if it leads to any general discussion. I can not conceive how it could. It is a unanimous report from the Committee on Foreign Relations.

In 1904 temporary arrangements were made by ordinances and orders for the protection of the Canal Zone during the building of the canal. Those orders and ordinances were approved by Congress. The canal has been long finished, and it is desired, both by Panama and the United States, to put those ordinances and orders and some additional provisions into a treaty. The President does not feel able to make such a treaty unless Congress gives him authority to abrogate the pending orders, which were a temporary arrangement.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

Mr. WALSH of Montana. I ask that the joint resolution may be read.

The PRESIDENT pro tempore. The Secretary will read the joint resolution.

The Assistant Secretary read the joint resolution, as follows:

Joint resolution (S. J. Res. 259) authorizing the President to abrogate the international agreement embodied in certain Executive orders relating to the Panama Canal.

Whereas it is provided in the act entitled "An act to provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone," approved August 24, 1912, "that all laws, orders, regulations, and ordinances adopted and promulgated in the Canal Zone by order of the President for the government and sanitation of the Canal Zone and the construction of the Panama Canal are hereby ratified and confirmed as valid and binding until Congress shall otherwise provide"; and

Whereas among the orders so ratified and confirmed as valid and binding are Executive orders, issued by the Secretary of War, by direction of the President, on December 3, December 6, and December 28, 1904, January 7, 1905, and January 5, 1911, in which were embodied the terms of an agreement reached between the Secretary of War and officials of the Panama Government to serve as a modus operandi during the construction of the canal; and

Whereas the purpose of the agreement in question has passed with the formal opening of the canal, and the agreement no longer provides an adequate basis for the adjustment of questions arising out of the relations between the Canal Zone authorities and the Government of Panama, and should be replaced by a more permanent agreement:

Resolved, etc., That the President be authorized to abrogate the international agreement embodied in the Executive orders issued as aforesaid, on December 3, December 6, and December 28, 1904, January 7, 1905, and January 5, 1911.

SEC. 2. That when the President shall exercise the authority hereby granted, such orders shall no longer be valid and binding, and the legal effect of these orders given to them by the said act of Congress approved August 24, 1912, shall be repealed.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

INTERIOR DEPARTMENT APPROPRIATIONS.

The PRESIDENT pro tempore. The question now is upon the request of the Senator from Utah [Mr. SMOOT], which is that the Senate proceed to the consideration of the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes. The Chair hears no objection.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. SMOOT. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, the committee amendments to be first considered.

The PRESIDENT pro tempore. Is there objection to the request?

Mr. McKELLAR. Mr. President, I am compelled to object to the request on the ground that the bill has just come into the Senate and I believe it ought to be read. I noticed in the newspapers a day or two ago a great deal of comment as to the rapidity with which bills appropriating enormous sums were passed by the House without adequate opportunity being afforded to examine them. The members of the Committee on Appropriations, of course, are familiar with the pending bill but others of us are not. I have not had time to examine it; I want an opportunity to do so, and therefore I object.

Mr. SMOOT. The request made by me merely refers to the formal reading of the bill. If that be dispensed with, nevertheless every word of the bill will be read, and the Senator can follow it as it is read from the desk. I have merely asked that the formal reading of the bill be dispensed with and that the bill be read for amendment.

Mr. McKELLAR. I understand that, but I want the bill to be read, as I desire to examine it. I object.

Mr. LODGE. Mr. President, if I may——

The PRESIDENT pro tempore. Objection is made.

Mr. LODGE. Mr. President, I should like to say a word in the hope possibly that the Senator from Tennessee will withdraw his objection. If the bill is read formally, it will not be read again and will be open to amendment at any point or stage.

Mr. McKELLAR. That, at least, would give some of us who are not members of the Committee on Appropriations an opportunity to examine the bill. I think we might be privileged to look at it. I tried to get a copy of the bill last night, as did several others who wanted to examine it, but, as I understand, it was not even in print last night.

Mr. LODGE. Of course it may be read formally at the desk by the Secretary, but then there will be no other reading.

Mr. McKELLAR. Of course not.

Mr. LODGE. And I think the formal reading by the Secretary at the desk will receive merely such attention as the formal reading of bills ordinarily receive.

Mr. McKELLAR. I think that the practice which has grown up in the Senate of allowing the great appropriation bills to go through without any reading at all is a bad practice. We ought to know something about the measures which we are called upon to pass.

Mr. SMOOT. Mr. President, I think we will save time if the Secretary will begin the reading of the bill.

The Assistant Secretary read the bill.

MEMORIALS.

Mr. UNDERWOOD. I present memorials that were sent to me by a large number of American citizens remonstrating against the ratification of the treaty that is now pending in the Senate in regard to the Isle of Pines. I do not ask that all the names be printed in the RECORD, but that the body of one of the memorials be printed, so that it is available for the use of the Senate. The treaty is now before the Senate and the memorials should go to the table.

There being no objection, the memorials were ordered to lie on the table and the body of one was ordered to be printed in the RECORD, as follows:

To the United States Senate:

We, the undersigned citizens of the United States, respectfully petition the President and Senate to take such action as may be required to make the Isle of Pines permanently a possession of the United States. By the treaty of Paris Spain ceded the island to this country in 1898. President McKinley thereupon placed it on the official maps of the United States, and the War Department informed intending settlers that it was our territory; as a result the Isle of Pines has become a distinctively American colony, citizens of the United States owning over 95 per cent of the land and constituting a majority of the population.

When the Cuban Republic was established, the Isle of Pines was omitted from its constitutional boundaries; yet, against the protest of its inhabitants, a treaty, surrendering the island to Cuba, was negotiated eight years ago. This treaty the United States Senate patriotically refused to ratify, and we now ask that a new agreement be negotiated with Cuba confirming the title of the United States to the Isle of Pines.

We refuse to believe that our Government after officially promoting on its own territory a colony of its citizens will deliberately abandon that colony to the control of an alien people, who have not yet demonstrated their capacity to govern themselves.

Mr. LADD presented the memorial of P. A. Petersen and nine other citizens of Pekin and vicinity, in the State of North Dakota, remonstrating against the passage of the so-called ship subsidy bill, which was ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. STERLING, from the Committee on Civil Service, to which was referred the bill (S. 4167) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, in order to extend the benefits of said act to certain employees in the Panama Canal Zone, reported it without amendment.

Mr. STANFIELD, from the Committee on Claims, to which was referred the bill (H. R. 5475) for the relief of the Standard American Dredging Co., reported it with an amendment and submitted a report (No. 990) thereon.

ESTATE OF JAMES W. MARDIS.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 3652) for the relief of the estate of James W. Mardis, reported a resolution (S. Res. 397), as follows:

Resolved, That the bill (S. 3652) for the relief of the estate of James W. Mardis, now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

The PRESIDENT pro tempore. The resolution will be placed on the calendar.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPENCER:

A bill (S. 4278) to establish the department of public welfare and to determine its functions, and for other purposes; to the Committee on the District of Columbia.

By Mr. McNARY:

A bill (S. 4279) for the relief of W. C. Milligan; to the Committee on Naval Affairs.

By Mr. CAPPER:

A bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States, and for other purposes; to the Committee on Banking and Currency.

HOUSE BILL REFERRED.

The bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

AMENDMENT OF DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. CURTIS submitted an amendment proposing to appropriate $215,000 for beginning the construction of a new McKinley Manual Training School on land north of Taylor Street and east of Fourteenth Street, now owned by the District of Columbia, intended to be proposed by him to House bill 13660, the District of Columbia appropriation bill, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF AGRICULTURAL APPROPRIATION BILL.

Mr. FLETCHER. I present an amendment intended to be proposed by me to House bill 13481, the Agricultural appropriation bill. In connection with the amendment I ask unanimous consent that there may be printed in the RECORD and referred to the Committee on Appropriations the original letter addressed to me on the subject by the Secretary of Agriculture under date of September 13, 1922; a copy of letter addressed to the chairman of the Committee on Agriculture and Forestry of the Senate by the Secretary of Agriculture, under date of September 21, 1922; and a copy of letter addressed to the chairman of the Committee on Agriculture and Forestry of the Senate by the Acting Secretary of Agriculture under date of October 24, 1922.

There being no objection, the amendment intended to be proposed by Mr. FLETCHER and the letters referred to by him were ordered to be printed in the RECORD and referred to the Committee on Appropriations, as follows:

On page 64, strike out lines 7 to 18, inclusive, and insert in lieu thereof:

"For collecting, publishing, and distributing by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of live stock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, $1,100,000."

—

DEPARTMENT OF AGRICULTURE,
Washington, September 13, 1922.

Hon. DUNCAN U. FLETCHER,
United States Senate.

DEAR SENATOR: This is in reply to your letter of August 19, with reference to the manner in which the appropriation of $405,000 "for collecting, publishing, and distributing by telegraph, mail, and otherwise timely information on market supply and demand," etc., is being expended.

This appropriation provides for the market news service work carried on in the Bureau of Agricultural Economics, and covers fruits and vegetables, peanuts and their products, honey, live stock and meats, dairy and poultry products, and grain, hay, feeds, and seeds. This appropriation is being expended for the services on these various products approximately as follows:

For live stock and meats	$139,150
For fruits and vegetables	208,850
For dairy and poultry	37,000
For grain, hay, feed, and seeds	20,000

With the appropriation provided for the current fiscal year it is possible to maintain news service over leased wire at the following points: Washington; Boston; New York; Baltimore; Philadelphia; Pittsburgh; Cincinnati; Columbus; Chicago; Waupaca and Fond du Lac, Wis.; Minneapolis; St. Paul; St. Louis; East St. Louis; Kansas City; Omaha; Fort Worth and Austin, Tex. Under cooperative agreements with various States, whereby such States pay the cost of the leased-wire extensions from the Federal circuit, offices are being maintained at Trenton, Harrisburg, and Lancaster, Pa.; Columbus, Ohio; Madison, Wis.; Jefferson City and St. Joseph, Mo.; and Lincoln, Nebr. In addition a limited amount of market information is furnished by commercial wire to a number of points where temporary branch offices are maintained during the heavy movement of important crops.

The inclosed map (No. 1) shows the leased-wire mileage now being operated by the department. The appropriation of $405,000 available for the news-service work is not quite adequate to cover this system, the leased-wire service to Austin and Fort Worth being operated for only a part of the current year.

No extension of the market-news service was contemplated in the estimates submitted to the Bureau of the Budget for the year ending June 30, 1923. Although the department has on several occasions submitted estimates to Congress for an appropriation sufficiently large to permit of the reestablishment of a complete market-news service which in addition would cover both the southern and western sections of the country, this estimate, for economical reasons, was not submitted for the current year.

During the period from August 10, 1917, to June 30, 1919, a very complete market-news service was built up in the department, financed largely from the war-emergency funds provided under the food production act. The service in operation at that time included a leased-wire circuit which covered the Pacific coast region and another circuit which included the important market centers of the South and East. It was necessary to discontinue both the western circuit and the southern circuit on June 30, 1919, however, on account of the great reduction in available funds. Since that time it has been possible to maintain only a "skeleton" organization, which, of course, must include the large eastern markets and the points of heavy shipment in the Middle West.

As you are doubtless aware, a bill has been introduced in the Senate which provides for the appropriation of $500,000 for the extension of the present leased-wire service to Denver, Salt Lake City, San Francisco, and other cities upon the Pacific coast.

Many requests have been received by the department also for an extension of the leased-wire service into the important producing sections of the Southeastern States. We have made a careful estimate of the cost of this extension, and have found that with an additional appropriation of $200,000 a leased-wire circuit could be arranged to include Atlanta, Ga.; Jacksonville and Orlando, Fla.; Birmingham, Ala.; Memphis, Tenn.; and New Orleans, La.; and probably a few other points for short periods during the year.

The accompanying map (No. 2) shows the principal leased-wire circuits which were in operation while funds were available under the war-emergency appropriations.

Map No. 3 shows in general the leased-wire circuits which would be necessary in order to extend this service to the principal producing sections of the West and the South. In order to conduct the news services on this basis an appropriation of approximately $1,100,000 would be necessary.

If there is any further information which you may desire along this line, I shall be glad to furnish it.

Sincerely yours,

HENRY C. WALLACE, *Secretary.*

(Inclosure.)

—

UNITED STATES DEPARTMENT OF AGRICULTURE,
Washington, D. C., September 21, 1922.

Hon. GEORGE W. NORRIS,
Chairman Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR: Consideration has been given to Senate bill 3908, providing for the extension of market news service, transmitted with your letter of August 24, and the following is submitted for the information of your committee:

During the period from August 10, 1917, to August 30, 1919, a very complete market news service was built up by the department, financed largely from war emergency funds provided under the food production act. The service at its maximum included a leased-wire circuit to the Far West, as is shown on inclosed map No. 2. It was necessary to discontinue both the western circuit and the southern circuit on June 30, 1919, when the funds available for this work were reduced in amount. Since then it has been possible to maintain only a limited leased-wire service between the principal markets and Washington, as shown on map No. 1, attached. The extension from Kansas City to Austin, Tex., was opened September 1 last.

Senate bill 3908 is apparently designed to provide for a leased-wire service to the Pacific coast somewhat along the same lines as existed when the service was at the maximum. The agricultural situation in much of the western country, especially with regard to the movement of potatoes, apples, and other fruits, is very serious at the present time. Producers and handlers are facing a very serious situation; and while we know that additional market news service would not solve their difficulties entirely it would accomplish a great deal in facilitating the trading by making available to all concerned a better knowledge of the daily movements, unloads, and prevailing prices in the large consuming centers. There is a question, however, whether an appropriation such as contemplated is fully justified at this time, taking into account the need for strict economy in the expenditure of Federal funds and the other needs of agriculture which can not be met.

For your information I am inclosing map No. 3, which shows a projected leased-wire system, including both a southern and western circuit, which extension would involve an appropriation of $1,100,000, according to estimates just completed.

Sincerely yours,

HENRY C. WALLACE, *Secretary.*

—

DEPARTMENT OF AGRICULTURE,
Washington, D. C., October 24, 1922.

Hon. GEORGE W. NORRIS,
Chairman Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR: In the absence from the city of Secretary Wallace, I am replying to your letter of September 9, in which you requested reports on various bills, among which were the following: S. 3976, S. 3977, S. 3979, and S. 3983.

The object sought by these bills is the extension of the market news service of the Department of Agriculture by telegraph to various sections of the country. I think in considering these bills the department can do no better than to refer to the Secretary's letter of September 21, reporting on bill S. 3908, on the same subject. The Secretary mentioned therein the present situation as well as conditions as they existed in the past with reference to the operation of the leased wire by this department. The possibility of extension was also covered by the letter of September 21. As the same conditions apply to all of the bills, the report on S. 3908 will serve as a report upon those enumerated above. A copy of the department's letter of September 21 is inclosed for convenient reference.

Sincerely yours,

C. W. PUGSLEY,
Acting Secretary.

RETURN OF AMERICAN TROOPS FROM GERMANY.

Mr. REED of Missouri. Out of order, I ask unanimous consent to offer two resolutions which I should like to have lie on the table. I ask to have them read, however, for the RECORD.

The PRESIDING OFFICER (Mr. LADD in the chair). Without objection the Secretary will read the resolutions.

The Assistant Secretary read the resolution (S. Res. 395), as follows:

Resolved, That the President is hereby respectfully requested to at once cause the return to the United States of all troops now stationed in Germany.

Mr. REED of Missouri. I ask that that resolution lie on the table, and I give notice that I intend to ask to take it up at the earliest opportunity, probably the first morning hour that we have.

The PRESIDING OFFICER. It is so ordered.

PROPOSED CESSION OF CERTAIN WEST INDIAN ISLANDS.

Mr. REED of Missouri. I ask now to have the second resolution read.

The PRESIDING OFFICER. The resolution will be read.

The Assistant Secretary read the resolution (S. Res. 396), as follows:

Resolved, That the President be, and he is hereby, respectfully requested to ascertain whether the Government of the United Kingdom of Great Britain, etc., is willing to discuss the cession by it to the United States of all or any part of its possessions in the West Indies, including the island of Trinidad, and also the Bermuda Islands.

The President is further requested to ascertain whether the Government of the Republic of France is willing to discuss the cession by it to the United States of all or any part of its possessions in the Lesser Antilles, including the islands of Grande Terre, Guadeloupe, Marie Galante, and Martinique.

Mr. REED of Missouri. Mr. President, nearly a year ago I introduced the same resolution but in two separate resolutions covering the same subject matter. One of those resolutions went to the Committee on Foreign Relations, and it has been sleeping there ever since without action. I ask that this resolution may lie on the table, and I give notice that on next Wednesday, if the business of the Senate will permit, I shall address the Senate on the last resolution which I have offered.

The PRESIDING OFFICER. Without objection, the resolution will lie on the table.

PROBLEMS RELATING TO REFORESTATION.

Mr. HARRISON. Mr. President, the question of reforestation is one of the most important, I think, with which we might deal. There are millions of acres of land where the for-

ests have been cut, and nothing has been done toward reforesting them. I know that applies to my section, and it applies to the western section. I venture to say that this country has done less toward reforestation than any other civilized country on the globe. So I submit a resolution, which I ask may be printed, read, and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 398) was read, referred to the Committee to Audit and Control the Contingent Expenses of the Senate, and ordered to be printed, as follows:

Resolved, That the President of the Senate appoint a committee to consist of five Members of the Senate, three from the majority party and two from the minority party, to investigate problems relating to reforestation, with a view to establishing a comprehensive national policy for lands chiefly suited for timber production in order to insure a perpetual supply of timber for the use and necessities of citizens of the United States. The committee shall make a final report of its investigations with recommendations to the Senate not later than December 2, 1924. For the purpose of this resolution, the committee is authorized to sit and act at such times during the sessions or recesses of the Sixty-seventh and Sixty-eighth Congresses and in such places within the United States, to hold such hearings, and to employ such clerical and stenographic assistants, as it deems necessary. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per folio. The committee is further authorized to send for persons, books, and papers, to administer oaths, and to take testimony. The expenses of the committee shall be paid from the contingent fund of the Senate.

MERGER OF MEAT-PACKING COMPANIES (S. DOC. 283).

Mr. NORRIS. Mr. President, I wish to submit a request to the Senate from the Committee on Agriculture and Forestry.

Some time ago the Senate passed a resolution calling on the Secretary of Agriculture for certain information. The Secretary of Agriculture replied. I was not present when the reply of the Secretary of Agriculture came to the Senate, and I have not read his reply. For some reason or other the usual course was not followed, which, I understand, is that when a Cabinet officer replies to a request from the Senate for information the reply is printed for the information of the Senate. However, for some reason this was not done in the case to which I am referring. The reply was referred without any instructions to the Committee on Agriculture and Forestry.

I ask that the reply of the Secretary of Agriculture be printed in the usual form, which would be in the form of a Senate document.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

INTERIOR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER. The reading of the bill having been concluded, the Secretary will state the first amendment.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Ernst	Lodge	Reed, Pa.
Ball	Fletcher	McCormick	Sheppard
Bayard	George	McCumber	Shortridge
Borah	Glass	McKellar	Smith
Brandegee	Harreld	McKinley	Smoot
Brookhart	Harris	McNary	Spencer
Bursum	Harrison	Myers	Stanfield
Calder	Heflin	Nicholson	Sterling
Capper	Hitchcock	Norbeck	Trammell
Caraway	Jones, N. Mex.	Oddie	Underwood
Couzens	Jones, Wash.	Overman	Wadsworth
Culberson	Kellogg	Pepper	Walsh, Mont.
Curtis	Kendrick	Pittman	Warren
Dial	King	Pomerene	Watson
Dillingham	Ladd	Ransdell	Weller
Elkins	Lenroot	Reed, Mo.	Williams

The PRESIDING OFFICER. Sixty-four Senators having answered to their names, a quorum is present. The Secretary will state the first amendment reported by the committee.

The READING CLERK. The first amendment proposed by the Committee on Appropriations is, on page 2, line 8, in the items for Office of the Secretary, to strike out "$3,500" and insert "$4,000," so as to read:

chief clerk, who shall be chief executive officer of the department and who may be designated by the Secretary to sign official papers and documents during the temporary absence of the Secretary and Assistant Secretaries, $4,000.

Mr. DIAL. Mr. President, this being an appropriation bill, I am reminded of what we are appropriating in the South to keep going the bucket shops in New York. I am not going to speak long; I have no desire to filibuster against this bill; but I have been intending for a few days to make known to the country a practice which is now in vogue in New York, especially in connection with what is known as the bucket-shop business. The fact has come to my attention that the people all over the country, and particularly in the cotton sections, have been sending their funds to New York to buy "odd-lot" cotton. I am not going to make a cotton speech, and I am not going to speak about the legitimate exchanges; I am not saying whether I favor or do not favor exchanges; perhaps they may serve a good purpose; but if anyone wants to invest his money to hedge or to speculate I would advise him to do so with some house of good reputation, of financial standing, and which is a member of a regular exchange. It is a dangerous proposition to advise people about speculating, and I do not undertake to do so. I have seen 30 reasons for thinking that the price of cotton would go one way and then have seen it go the other way.

Mr. President, if one desires to invest in the manner in which I have mentioned, he ought to put up sufficient margin to take care of his contract even down to zero, and he ought to be prepared to demand the delivery of the cotton. The evil of which I wish to speak now is in the "odd-lot" transactions which are carried on by a certain crowd in New York. It has been brought to my attention that a large number of people in the South have sent their money there to buy cotton within the last several months, and I am astonished to find that instead of going to reputable houses they have gone to this shyster crowd. I wish to send out an S. O. S. warning to the people of the United States, to all Government officials, both State and National, to look out for the propaganda that is proceeding from this nefarious bunch. The matter has been reported to the Post Office Department, to the Department of Justice, and to every other department of the Government which may have an interest in it. It is hard enough in these times, Mr. President, for people to accumulate and keep a few dollars on hand, but when they are enticed to send their money away to be placed for investment in the hands of these crooks who will not pay back the profit much less the margin it presents a most outrageous situation.

That crowd has not the conscience of even the boll weevil. The boll weevil will leave the stalk lying on the land, while this crowd not only refuse to return the profit which may be made but they refuse to return the margin.

The manner of conducting the bucket-shop business is not generally known. The way they operate is this: If they, for instance, get an order to buy, and the market goes up, they pay no attention to it; but if the market goes down, they require additional margin, and keep on calling on the customer to put up more margin. If the market goes against them, they have themselves thrown into bankruptcy. I have before me an instance of that kind where one concern in New York the other day had itself put into bankruptcy owing $100,000 with nominal assets of only $10,000, and they followed the sharp practice of having a petition filed by employees of the company and by a printing concern. They had flooded the South with propaganda with these circulars about an easy way to make money. The fact is, we have too many printing presses in the country anyway. I wish the Post Office Department would find some way to put a whole lot of them out of business; but here is this crowd, employing clerks, and claiming to owe clerks, and then going in, possibly in conjunction with a printing concern, to issue these enticing circulars and send them all over the country. I have a few of them in my office. The reason they do that is because they offer to cut the commission under that of the regular commission houses. We have a few of that crowd up there that ought to be brought to the attention of the public.

Here was one a short time ago known as the American Cotton Exchange. That concern dealt in odd lots—that is, less than 100-bale lots. They were convicted of bucketing, and were fined $5,000 by the court, and then went into the hands of a receiver. They have another institution there of the same sort, known as the National Cotton and Grain Exchange; then still another one, known as the Odd Lot Cotton Exchange; and still another one, now being organized, known as the New York Odd Lot Cotton Exchange or the Curb Odd Lot Cotton Exchange.

I have taken occasion to investigate the members of some of these institutions, and while, of course, I am not condemning all of them, yet I see that they are made up in a great measure of crooks. I notice that there was one whose name formerly had the euphonius sound of Gorowitz. He is now going under a most honored name in the United States. He has Americanized his present title, and so have many others.

I hear further that the manager of one of these odd-lot concerns is a darkey, with a few white girls working under him.

A great many others have been expelled from other exchanges and there are serious charges hanging over them. So I merely want to warn my constituents, and the people in the South in particular, not to be allured by a cheap service, but if they want to invest at all to do so through some house of standing, some house of worth and reputation, and they can very easily find out which ones they are.

This odd-lot crowd appeals to people of small means, who can ill afford to lose.

I trust that the courts will look into the actions of these people. The other day one of these men was called upon by a creditor, and he got no satisfaction. He was threatened with being reported to the United States district atorney, and he said, "You can report it"; that he had as much influence with the district attorney as anybody else. Mr. President, I do not believe any such assertion. I have respect for the district attorneys of the United States and for the courts of the United States, and I do not believe that any crook would have any influence with the district attorney in New York or anywhere else; but I want the district attorneys to be more diligent and to see that these people receive their deserts and that they are put out of business and in stripes, where they belong. Let the bankruptcy courts scrutinize carefully.

Recently I have had letters from various of my constituents, some of whom have several thousand dollars in the hands of these people, and they refuse to return the margin, much less the profit. There is no reason in the world why the people who invested their money in cotton contracts within the last six months should not have made money, because the market has been going up. I am not advocating making contracts, but I do want to say that after people work hard and have a little surplus on hand they should not be induced to send that money away from home, to go into the hands of people of doubtful reputation, or without reputation at all. The people have already spent a great deal of money in wildcat schemes, all kinds of stocks and bonds and oil companies and the like, and it is time that we were stopping. It does seem that the public ought to become sane and have a little more judgment. Better keep your money at home.

Mr. President, the object I had in this was simply to call the attention of the people to this subject and to urge them to pay no attention to circulars from these crooks and to investigate the matter if they want to do so, and if they have any money out in that way now to put it in the hands of honest people and members of the regular exchanges who do business in a proper way.

At a later date I propose to say more about the cotton futures contract law, which is depriving our people of hundreds of millions of dollars annually; but for the day I will content myself with what I have already said, as I have no desire to delay the consideration of the bill which is now before the Senate.

The PRESIDING OFFICER. The question is on the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment of the committee.

The next amendment of the Committee on Appropriations was, on page 3, line 9, to increase the total appropriation for salaries in the office of the Secretary of the Interior from "$221,520" to "$222,020."

The amendment was agreed to.

The next amendment was, on page 3, line 24, after the word "telegraphing," to insert "telephone service"; so as to read:

For contingent expenses of the office of the Secretary and the bureaus, offices, and buildings of the department; furniture, carpets, ice, lumber, hardware, dry goods, advertising, telegraphing, telephone service, street car fares not exceeding $250, and expressage.

The amendment was agreed to.

The next amendment was, on page 4, line 2, after the numerals "$5,000," to insert "which sum is hereby made immediately available"; so as to read:

For the purchase for the use of the Secretary of the Interior, at a cost not to exceed $5,000, which sum is hereby made immediately available, of one passenger-carrying automobile to replace one present passenger-carrying automobile, which may be exchanged or traded in part payment thereof.

The amendment was agreed to.

The next amendment was, on page 7, line 14, after the figures "1913," to strike out "$29,000" and insert "$29,900," and in line 16, to strike out "$41,000" and insert "$41,900"; so as to make the paragraph read:

For the Bureau of Mines, including printing, engraving of illustrations, and binding bulletins, technical papers, miners' circulars, and other publications to carry out the purposes of the act of February 25, 1913, $29,900; for miscellaneous printing and binding, $12,000; in all, $41,900.

The amendment was agreed to.

The next amendment was, on page 8, after line 12, to strike out lines 13 to 16, inclusive, in the following words:

Traffic in intoxicating liquors: For suppression of the traffic in intoxicating liquors among the natives of Alaska, to be expended under the direction of the Secretary of the Interior, $15,000.

Mr. McKELLAR. Mr. President, will the Senator in charge of the bill explain the striking out of lines 13, 14, 15, and 16?

Mr. SMOOT. Mr. President, the department, and also the committee of the Senate, decided after the hearings that it was not necessary to have two agencies in operation for the suppression of the traffic in intoxicating liquors among the Indians in Alaska. The Department of Justice is handling that matter. The Senator knows that the cities are far apart, travel is very expensive indeed, and there is no necessity of the Government having two agencies in each place in Alaska for the purpose.

Mr. McKELLAR. The appropriation under the head of the Department of Justice is sufficient for this purpose, is it?

Mr. SMOOT. It is sufficient for this purpose.

Mr. McKELLAR. Of course, there ought not to be two agencies having charge of it away up in that Arctic country, I should think. It seems to me, therefore, that the amendment is a very proper one.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, in the items for surveyor general and ex officio secretary of the Territory of Alaska, on page 11, line 1, to increase the appropriation for clerks from "$11,100" to "$12,300," and at the end of line 2, to change the total appropriation from "$18,600" to "$19,800."

Mr. McKELLAR. Mr. President, there are a number of items on page 11 that indicate that they are increases of salaries of various clerks. Will the Senator state just what the facts are about that matter? I have not had a copy of the hearings, so I am obliged to ask the Senator about it.

Mr. SMOOT. I will state to the Senator that what I say now applies to all of the other items.

Mr. McKELLAR. Yes; I know that.

Mr. SMOOT. It is no increase of salaries whatever. It is carrying out the existing law and paying the employees in each one of these offices just what they are being paid to-day, and just what the Budget estimated that they should be paid. The House, for some unknown reason, made these cuts, and in the opinion of the Senate committee they were not justified.

Mr. McKELLAR. If the House provisions should be adopted, then these various clerks would get less than they are now getting by law?

Mr. SMOOT. They must, or else one of them will have to be entirely done away with. Take Arizona. The amount appropriated for the surveyor general is $3,000, and for the clerks the House appropriated $15,820. We gave them $16,120. There is a difference of $300. The $300 has to be taken off the present pay of those clerks, or else one clerk has to be discharged. That can not be done in this office, and therefore I can not understand why it was done by the House.

Mr. McKELLAR. Then, as I understand the Senator, this appropriation is not a lump-sum appropriation for that particular office, but it must be paid out in accordance with existing law, providing for so many clerks at such and such salaries?

Mr. SMOOT. Absolutely.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, in the item for surveyor general of Arizona, on page 11, line 4, to increase the appropriation for clerks from "$15,820" to "$16,120"; and at the end of line 5 to change the total appropriation from "$19,520" to "$19,820."

Mr. McKELLAR. Mr. President, I understand the Senator to say that what he has just said applies to all these items on pages 11 and 12. His explanation of the matter applies to all of them?

Mr. SMOOT. Yes; down to and including line 8 on page 12.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, in the item for surveyor general of California, on page 11, line 7, to increase the appropriation for clerks from "$12,000" to "$13,500"; and at the end of line 8 to change the total appropriation from "$15,550" to "$17,050."

The amendment was agreed to.

The next amendment was, in the item for surveyor general of Colorado, on page 11, line 10, to increase the appropriation for clerks from "$11,100" to "$14,520"; and at the end of

line 11 to change the total appropriation from "$14,600" to "$18,020."

The amendment was agreed to.

The next amendment was, in the item for surveyor general of Montana, on page 11, line 16, to increase the appropriation for clerks from "$13,180" to "$14,000"; and at the end of line 17 to change the total appropriation from "$16,705" to "$17,525."

The amendment was agreed to.

The next amendment was, in the item for surveyor general of Nevada, on page 11, line 19, to increase the appropriation for clerks from "$11,100" to "$12,040," and, at the end of line 20, to change the total appropriation from "$14,500" to "$15,440."

The amendment was agreed to.

The next amendment was, in the item for surveyor general of New Mexico, on page 11, line 22, to increase the appropriation for clerks from "$11,100" to "$14,650," and at the end of line 23, to change the total appropriation from "$14,650" to "$18,200."

The amendment was agreed to.

The next amendment was, in the item for surveyor general of Utah, on page 12, line 2, to increase the appropriation for clerks from "$11,100" to "$13,500," and, at the end of line 3, to change the total appropriation from "$14,650" to "$17,050."

The amendment was agreed to.

The next amendment was, in the item for surveyor general of Wyoming, on page 12, line 8, to increase the appropriation for clerks from "$9,980" to "$10,600," and, at the end of line 9, to change the total appropriation from "$13,430" to "$14,050."

The amendment was agreed to.

The next amendment was, on page 14, line 2, to increase the appropriation for contingent expenses of land offices; for clerk hire, rent, and other incidental expenses of the district land offices, etc., from "$360,000" to "$370,000."

Mr. McKELLAR. Mr. President, will the chairman of the committee explain the increase of $10,000 on page 14?

Mr. SMOOT. Mr. President, the appropriations for the present year amounted to $380,000. The Budget estimated for this year $375,200. The committee of the House gave them $370,000. On the floor of the House the amount was reduced to $360,000, as the bill now shows. I have a letter from the department in which they plead for the $375,200 and give the reasons why they should have that amount; but the committee agreed to compromise the matter between the House and the Senate and make it $370,000.

Mr. McKELLAR. Does the letter explain why they wanted the additional $10,000?

Mr. SMOOT. The Senator will remember that two years ago, when we had up the question of an appropriation for this purpose, there was read into the RECORD a statement showing the number of entries made by the homesteader that were still lying in the office unsettled. They have to have the money in order to get those entries into shape so that the lands can be patented. This is for the hire of employees and all the contingent expenses of the land offices; and I want to say to the Senator now that last year we thought the work was of such importance that we gave $385,000 for this purpose. We have cut that now, and with the increase that was given last year the number of pending cases in the Land Department has been decreased over 50 per cent.

Mr. McKELLAR. Is it estimated that any portion of the appropriation for last year will not be used, or will they use it all?

Mr. SMOOT. Every dollar of it. Really, I think it would have been very much better if we had last year added a little more, so as to clean it up.

Mr. McKELLAR. There has been no suggestion of a deficiency?

Mr. SMOOT. No; none whatever.

Mr. McKELLAR. The Senator seems to know exactly what this is for, and I have no objection to it.

The amendment was agreed to.

The next amendment was, on page 16, line 18, to increase the appropriation for surveys and resurveys of public lands, examination of surveys heretofore made and reported to be defective or fraudulent, inspecting mineral deposits, coal fields, and timber districts, etc., from "$650,000" to "$699,600."

Mr. KING. Mr. President, may I inquire of my colleague whether this increase in the appropriation is for the survey of public lands or for any of the other items found within the paragraph?

Mr. SMOOT. The great bulk of it is for public surveys, and we have recommended exactly what the Budget estimated. The House gave $650,000. The Budget figure was $699,600, and that is the same as the appropriation for this year. If there is one item in the bill which ought to be appropriated for, it is this one.

Mr. McKELLAR. Will the junior Senator from Utah yield to me to ask a question?

Mr. KING. Certainly.

Mr. McKELLAR. What reason did the House have for reducing it to $650,000?

Mr. SMOOT. I can not state the reason. I do know that the Government is being compelled to make a great many resurveys. The titles to the land are involved. Men who go upon public land that is not surveyed—and the Senator knows a great many entries are being made—can receive no titles to their lands until the lands are surveyed. No matter how many improvements a man may want to make, no matter what kind of a building he may want to build, no matter how much money he may want to borrow in order to improve the land, he has no title to the land, and he can not get the money necessary to make the improvement.

Mr. McKELLAR. Is a systematic resurvey being made of all the public lands? I know a great many lands down in my section of the country, and some over in Arkansas, have been resurveyed comparatively recently, and I was wondering whether this appropriation was for such a purpose.

Mr. SMOOT. No; resurveys are made where conflict arises. In some of the mining sections of the country it would have been far better if the lands had never been surveyed in the first instance as they were surveyed.

Mr. McKELLAR. The Senator is referring to surveys away back before the Civil War?

Mr. SMOOT. Years back. When a conflict arises the only thing to do is to have the land resurveyed, and the Government is required to do that.

Mr. McKELLAR. There is a very wide discrepancy between the surveys we have had in the last few years and those which were had many years ago. I do not know who has been at fault.

Mr. KING. Let me say to my colleague that I make no criticism of the increase in this item, provided the increase is to be devoted to an extension of the public surveys. I want to say to the Senator and to my friends on this side that the settlement of the West is being retarded in many places because the Government of the United States has not made adequate provision to survey the public domain.

Mr. SMOOT. Take our own State; I do not think 30 per cent of our State has been surveyed.

Mr. KING. I know of many persons who have gone upon the public domain, many of them have lived there for years, and though they have made repeated requests to have the public lands surveyed, no appropriation has been made for that purpose, and they are there without title. Their improvements are there. They have not made the progress they would have made if they could have gotten title or if the land had been surveyed, and I think the Government is not fair to those settlers, where lands are capable of occupation and settlement, in failing to take steps that title may be obtained.

I would be in favor of very liberal appropriations for the survey of the public lands, because if they are surveyed the public lands will sooner pass into the hands of private individuals. I should have been glad if the committee had seen their way clear to make more liberal appropriations to survey the public domain.

The point I had in mind when I interrogated my colleague was to find out whether any part of this was to be devoted to clerical help in the offices here, or whether all of that increase was for the survey of public lands.

Mr. SMOOT. This is for the survey of public lands. The bill provides:

For surveys and resurveys of public lands, examination of surveys heretofore made and reported to be defective or fraudulent, inspecting mineral deposits, coal fields, and timber districts, making fragmentary surveys, and such other surveys or examinations as may be required for identification of lands for purposes of evidence in any suit or proceeding in behalf of the United States, under the supervision of the Commissioner of the General Land Office and direction of the Secretary of the Interior.

It is only resurveys for that particular purpose. The great bulk of the appropriation is for the survey of public lands.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, under the head "Bureau of Indian Affairs," on page 32, after line 18, to insert:

The Secretary of the Interior is hereby authorized to establish and maintain the former Fort Apache military post as an Indian boarding school for the purpose of carrying out treaty obligations, to be known as the Theodore Roosevelt Indian School. For support and education

of 350 pupils, including pay of superintendent, $78,750; for repairs, remodeling, and improvement, $17,800; for purchase of equipment, $17,500; for collection and transportation of pupils, $1,200; in all, $115,250, to be immediately available: *Provided*, That the Fort Apache military post, and land appurtenant thereto, shall remain in the possession and custody of the Secretary of the Interior so long as they shall be required for Indian school purposes.

Mr. McKELLAR. Will the Senator from Utah make the explanation as to this amendment he made to me a few moments ago, so that it may be in the RECORD? I understand it is to fulfill a treaty obligation.

Mr. SMOOT. The Government has a treaty with the Apache Indians, the date of which is June 1, 1868. Under that treaty the Government is required to educate the children of the Indians of that tribe, and this amendment is simply to carry out the treaty provision. I recognize the fact that there are only about 325 children in that tribe, but without this appropriation there would be no school whatever for those children. Under the treaty between the Indians and the United States we are compelled to educate those Indian children, and the appropriation is only to carry out that provision.

Mr. McKELLAR. Can the Senator tell us why this has not been done before?

Mr. ASHURST. Mr. President, this should have been done long ago, but it was not done owing to the reluctance of Congress to make the appropriations. Fort Apache was a military post for nearly 50 years, and it has been abandoned for military purposes. It was almost the last of our western posts; and the buildings, which are numerous and some of which are modern, are being utilized by the Indian Bureau, having been transferred to that bureau at a saving of several thousand dollars.

Mr. McKELLAR. I notice that $17,800 of the appropriation is for repairing, remodeling, and improving those buildings, which indicates that it will not be a permanent charge.

Mr. SMOOT. No; the repair of the buildings this year is included in the total of $115,000.

Mr. McKELLAR. It seems to me that if we have a treaty with the Indians providing for such a school, and the Indian children are there, unquestionably that school ought to be appropriated for, and we ought to educate the children. It seems to me it should have been done before. We know that we have not been as liberal with the Indians, perhaps, as we should have been, and certainly we ought to fulfill every obligation in regard to the Indians. For that reason I shall not object in any way to this amendment.

Mr. HARRISON. Mr. President, we have passed over an item on page 21 about which I wanted some information from the Senator from Utah or some other Senator. It is an item reading as follows:

For the suppression of the traffic in intoxicating liquors and deleterious drugs, including peyote, among Indians, $25,000.

What is peyote?

Mr. SMOOT. It is a drug which acts upon the Indian as rot-gut whisky acts upon the white man, I think, except that the effect lasts longer. In justice to the Indians, however, I want to say that there are some Indians in the United States who claim that they use it in their religious worship, and I know there is an objection to its suppression.

Mr. McKELLAR. What is it made of?

Mr. SMOOT. I think it is made from a small bean. It is the extract from that bean which is grown in the West. I do not know whether it is grown in Arizona or not, but I think it is.

Mr. McKELLAR. Does it have to be imported?

Mr. SMOOT. I think it is grown in this country.

Mr. ASHURST. It is made from a shrub grown on the Rio Grande, in Texas, and possibly in some parts of New Mexico.

Mr. McKELLAR. Is it a deleterious drug?

Mr. ASHURST. Yes.

Mr. McKELLAR. Somewhat like opium or cocaine, or worse? What effect does it have? Does the Senator know anything about it?

Mr. ASHURST. Observation leads me to believe that in the addict it produces grandiose ideas, the delusion that one is rich, although in truth poor.

Mr. McKELLAR. In other words, it gives a man a temporary paresis?

Mr. HARRISON. An exhilaration.

Mr. SMOOT. I will say to the Senator that if he will wait until we conclude the committee amendments I have promised to send for the senior Senator from Mississippi [Mr. WILLIAMS], who wants to speak upon this subject.

Mr. HARRISON. I do not want to speak upon the subject.

Mr. SMOOT. I said the senior Senator from Mississippi wants to speak upon it.

Mr. HARRELD. I also want to be heard on that question.

Mr. HARRISON. I am not antagonistic to the provision in the bill.

Mr. HARRELD. I am.

Mr. HARRISON. Has such a provision always been carried?

Mr. SMOOT. No; on several occasions it has been put in in the House, and the Senate committee has also reported it to the Senate, but in the past it has always gone out on the floor of the Senate. In the consideration of past appropriation bills the senior Senator from Oklahoma [Mr. OWEN] has insisted that it go out of the bill; but I hope we will not take any time to discuss it now, because there will be an amendment offered to strike it from the bill, and it is going to lead to some discussion.

Mr. HARRISON. Is the junior Senator from Oklahoma [Mr. HARRELD] opposed to the item?

Mr. SMOOT. He is.

Mr. HARRELD. I am. I want to say that the question is very much in doubt. A few years ago a few old fossils from the Interior Department made a report to the effect that it was deleterious. There is a bill pending in the House now and a committee is making an investigation and testimony is being taken as to whether or not it is deleterious. I am going to oppose the inclusion of the item in the pending bill because of the investigation pending in the House, which will determine whether or not it is deleterious. I think that it ought to be stricken out.

Mr. SPENCER. The Senator refers to the words "including peyote"?

Mr. HARRELD. Yes. I am going to make a motion to strike out those words whenever the opportunity presents itself.

Mr. SMOOT. After the committee amendments are acted upon.

Mr. JONES of New Mexico. Mr. President, I may say that two or three years ago the Committee on Indian Affairs had hearings of considerable length regarding this item. I do not know of a question about which there are such strong differences of opinion.

Mr. HARRELD. That is quite true.

Mr. JONES of New Mexico. It is claimed by some, I think by Doctor Wiley, among others, that it is a very deleterious drug. On the contrary, there were others who have visited the Indians and say that it is used for sacramental purposes in connection with their religious rites.

Mr. McKELLAR. Does it produce the kind of intoxication that has been suggested here, that it makes them believe temporarily that they are rich?

Mr. JONES of New Mexico. I do not believe I heard any direct testimony, except that of one witness who was a missionary among these people. He was of Indian blood, however. He said that the effect was to bring about a very beautiful state of mind; that after the use of this drug the whole thought of the individual was centered upon everything that is beautiful and good; and that if he had plenty of it he could make a Christian out of every Indian in the country.

I know that the subcommittee of which I was a member that made an investigation of the matter did not feel like making the report on it at the time. The testimony was taken toward the close of the session of Congress when former Senator Gronna was chairman of the committee.

My judgment is that it is a matter involving such serious differences of opinion that it ought not to go in the bill in this way. The members of the church stated that it was an essential part of the sacraments of their church and that it tended to bring about the development of Christian ideas. As I said a while ago, the representative of the church made the broad statement that if he had plenty of it he could make a Christian of every Indian in the land.

Mr. McKELLAR. Did they try it on the committee?

Mr. JONES of New Mexico. No; we did not. We had samples of it there and could have tried it, but of course did not. I might add that it is used in different forms. It is a bud that grows upon a shrub, and after it is dried it would probably be a quarter of an inch in thickness and about an inch in diameter, having the appearance, to a considerable extent, of a very small sunflower dried. They sometimes use the buds by chewing them and swallowing the juice, and at other times by making a tea of it and drinking the tea. But it is used in their ceremonials usually on Saturday night. Some of the churches objected to its use because, having these very exciting and interesting exercises all night, they were not able to attend the orthodox church the next day. It is a question about which there are violent differences of opinion, and I do not think Congress in this way ought to touch it.

Mr. SMOOT. I have been in the Senate for 20 years, and there have been hearings upon this very thing every year since

I have been here. We have had Indians here by the dozens, all testifying that they wanted it, and the medical fraternity of the United States testifying it was an exceedingly dangerous and deleterious drug and ought to be prohibited, not only to the Indians but to everybody else. I know that in the Indian reservation in Utah, when they get hold of it and use it, they lay in an absolute stupor for two days; they know nothing. Of course, they may dream beautiful dreams during that time, but the testimony we have had from the people in my own State is that they would very much prefer to have liquor given direct to the Indians than to have them use this drug.

Mr. JONES of New Mexico. There is violent opposition to its use; there is no question about that.

Mr. HARRELD. I would like to ask the Senator from New Mexico, and also the Senator from Utah, if it is not a fact that in the same testimony the proof went to show that the effects to which the Senator has referred were produced by the hootch they drink rather than the eating of this berry?

Mr. JONES of New Mexico. I am sorry I did not hear the Senator's question.

Mr. HARRELD. Did not the testimony to which the Senator referred leave it in some doubt as to whether the effects were produced by the use of this berry or by drinking hootch that is always being sold among the Indians?

Mr. JONES of New Mexico. The testimony taken before the committee dealt only with the use of this particular drug. I think the use of the drug is objectionable, but if taken it undoubtedly had a very decided effect upon the mentality or imagination of the individual who took it. Whether it was deemed deleterious to his physical welfare or spiritual welfare, it was impossible to determine from the evidence which was taken from a great number of witnesses.

Mr. HARRELD. If the Senator refers to the testimony of one old fossil who talked to me about it, I would not give much credence to his testimony.

Mr. JONES of New Mexico. I can not at this time undertake to say who were entitled to credence in connection with it. There is a violent difference of opinion among them about its use.

Mr. HARRISON. Mr. President, there is another question I want to ask if we are through with peyote for the present. I notice there is now an appropriation for $25,000, but it is my recollection that a few years ago there was appropriated something like $200,000 or $250,000 for the suppression of traffic in intoxicating liquors among the Indians. Can the Senator from Utah tell me about that? The amount seems to have been greatly reduced.

Mr. SMOOT. I will say to the Senator that for 1924 the amount appropriated for this very purpose is $25,000; for 1923, $30,000; and for 1922, $65,000.

Mr. HARRISON. Can the Senator tell us what it was in 1912 and 1913?

Mr. SMOOT. In 1912 it was $75,000 and in 1913 it was $75,000.

Mr. HARRISON. So it has been reduced quite a good deal?

Mr. SMOOT. It has been reduced, I will say to the Senator.

Mr. HARRISON. Can the Senator tell us what has been the effect of the appropriation—whether it really has done much good?

Mr. SMOOT. The officials of the department think it has. They do not want any more money than is necessary, but there are some places where there is a great sale of liquor to the Indians.

Mr. HARRISON. But they do not think it would take as much money to suppress the traffic among the Indians as it did formerly?

Mr. SMOOT. No; they think not. This is what the Budget gave them.

Mr. HARRISON. It is peculiarly strange, does not the Senator think, when we hear so much of the violation of the prohibition law among the whites, that it seems to be getting better among the Indians?

Mr. SMOOT. I rather think that is true.

Mr. HARRELD. That is largely due to the fact that we have the Volstead Act and under it a lot of officials are duplicating the very same work. As a matter of fact, I think the provision ought to be stricken out entirely and the work left to the Federal officers who are enforcing the general provisions of the Volstead Act.

Mr. SMOOT. A part of the purpose of the Volstead Act was to suppress liquor traffic among the Indians.

Mr. HARRELD. The same force is at work among the Indians in my State suppressing traffic in liquor, and therefore it is not necessary to have such a large force for this purpose.

Mr. SMOOT. That depends on where the Indians are located. In the Senator's State they are located, many times, right adjacent to a city. In other States they are some distance away from a city. In that case, of course, this money would be used, and no doubt there is ample money for those particular cases.

Mr. FLETCHER. This provision includes drugs?

Mr. HARRELD. Yes. In our State there is really no necessity for it, in my judgment.

Mr. HARRISON. So the decrease in appropriation might not be indicative that the liquor traffic among the Indians is diminishing?

Mr. HARRELD. Not necessarily.

Mr. HARRISON. That is, the use of liquor is not diminishing, but the appropriations decrease in this bill because there are very large appropriations elsewhere provided for the enforcement of the Volstead law.

Mr. SMOOT. The House incorporated a provision for the enforcement of it in Alaska, and the committee struck it out because of the very fact that in Alaska the Department of Justice is enforcing the law, and we did not think it was necessary, nor did the Department of Justice itself after its attention was called to it think it was necessary. Therefore we struck it out of the bill.

Mr. FLETCHER. May I ask the attention of the Senator in charge of the bill to page 13, where it is proposed to consolidate the offices of register and receiver of the land office at Gainesville, Fla.? I do not care to have the Federal Treasury burdened with two salaries at that place if there is any saving to be accomplished by the consolidation. I ask the Senator from Utah if there would be a saving by consolidating the register and receiver of the land office?

Mr. SMOOT. I will say to the Senator that it must necessarily be so.

Mr. FLETCHER. It would not necessarily follow if, for instance, in the case of the consolidation of the office of register and receiver they would employ a lot of additional clerks to do the work.

Mr. SMOOT. Oh, no; that would not follow, because we have given each office just so much money for clerk hire, and this provision necessarily takes out one of the officers in the department. That is the purpose of it. The Senator will remember that last year we enacted a measure authorizing certain offices, where the receipts would not amount to a certain sum, to be consolidated. This is merely carrying out the provisions of that law. We are consolidating at Leadville, Colo., Gainesville, Fla., and other offices.

Mr. FLETCHER. I remember the act that was passed formerly, but I am not familiar with the development of it, as to whether there would be actual economy accomplished by making this change.

Mr. SMOOT. Yes. Not only that, but in some of the offices which were consolidated under the original act the receipts were so small that they could not get a man to serve in either one of the offices; but with the consolidation of the two the receipts which come into the office will take care of one man.

Mr. FLETCHER. I realize, of course, that the public lands of Florida are very limited in extent.

Mr. SMOOT. They are very limited, indeed.

Mr. FLETCHER. That raises the question whether there ought to be both a register and receiver there and whether the fees are sufficient to take care of their salaries. Of course, if they may be consolidated and the officer is either a register or receiver or whatever he may be designated, the fees ought to be sufficient to take care of his salary and expenses.

Mr. SMOOT. Judge Finney in his testimony before the committee, when he was asked whether it would save the Government any money, stated:

> It will depend, Governor, on the receipts. At Gainesville the receipts have been a little over $4,000. If we consolidate the offices and appoint one man, he would receive $3,000. There would be a saving of $1,000.

That would be the saving to the Government, and then the man who does the work could be allowed $3,000, which would justify him in holding the office. That is the reason why the consolidation is proposed to be made.

Mr. FLETCHER. Under that showing I do not feel that I should be justified in objecting to the consolidation.

Mr. KING. Mr. President, if I may have my colleague's attention for a moment, I desire to state that the Senator from Mississippi [Mr. HARRISON] was calling attention to the enforcement of the prohibition law, and that suggested some observations by the junior Senator from Oklahoma [Mr. HARRELD]. I was wondering if the committee on reorganization is considering the proposition which has been discussed a great

deal for years—I know the Attorney General has suggested it, and I have offered a bill to effectuate it—of bringing under the head of the Department of Justice all governmental agencies which have to do with enforcement of the law.

May I say that I have had perhaps a thousand letters from various officials of the United States and from various individuals recommending that that course be pursued. As it now is, we have a force under the Treasury Department seeking to enforce certain statutes, and under the Post Office Department another force, or perhaps more than one, engaged in enforcing criminal statutes. The result is that we are duplicating work. When I was home recently—and no doubt my colleague's attention has been called to the matter—the claim was made by persons interested in enforcing the prohibition law that there was duplication. It was insisted by some that if the enforcement of the law were left with the district attorneys, with competent marshals and aids, the prohibition law could be far better enforced than it is under the present system, and that if the enforcement of the penal statutes of the United States were left with the district attorneys, they would be better enforced, and there would be greater economy than under the chaotic conditions which now obtain.

Mr. SMOOT. Mr. President, I myself think that the enforcement of all the laws should be under one head. I think better results would thereby be obtained. I will call my colleague's attention to the fact that we undertook so to provide in an appropriation bill here some time ago, but those who were deeply interested in the prohibition question would not consent to have the enforcement of the prohibition law taken from under the Treasury Department. In the reorganization legislation, however, when it is enacted, I hope there will be provided a consolidation in one department of all agencies for the enforcement of the law. I think that is the proper way to do it, in accordance with the view which my colleague has expressed.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, under the head "Pension Office," on page 71, line 5, to increase the salary of the disbursing clerk for the payment of pensions, from "$3,000" to "$4,000."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. FLETCHER. Mr. President, before the amendment is agreed to I wish to ask the Senator from Utah a question.

Mr. SMOOT. Will the Senator from Florida not allow us to complete the consideration of the few committee amendments? Then I shall be glad to answer any question the Senator may ask.

Mr. FLETCHER. We are considering items on the various pages, and I thought——

Mr. SMOOT. We are now merely considering committee amendments and shall be through with them in a very few moments, as they are very few in number. Then I will be glad to answer any question which the Senator from Florida may ask.

Mr. FLETCHER. I merely wish to make an inquiry in regard to an item on page 37, but I can do so later.

Mr. KING. May I ask my colleague if he does not consider it rather an unwise precedent to increase the compensation of some clerks in view of the fact that a reclassification bill is now before this body, and in view of the further fact that, if we increase the compensation of one, demands will be made for increase in the compensation of others?

Mr. SMOOT. The committee has no option in the present case. The law itself provides $4,000 for this position. When the reclassification bill comes in we are going to endeavor to adjust all these salaries to one level; that is, the salaries of employees who fall within a certain class. However, when the bill passed Congress in reference to this matter Congress provided that this position should have a salary of $4,000, and the committee is merely carrying out the law.

Mr. KING. I think that was rather unwise, because it is bound to create conflicts and demands from others that they be equally compensated where the work is of the same grade and of the same importance. I perceive, however, that we can not deal with the matter in the pending appropriation bill, because to do so would be legislation upon the appropriation bill.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, on page 71, line 13, to increase the total appropriation for salaries in the Pension Office from "$1,383,720" to "$1,384,720."

The amendment was agreed to.

The next amendment was, under the head "United States Geological Survey," on page 87, line 16, to increase the appropriation for geologic surveys in the various portions of the United States from "$300,000" to "$325,000."

The amendment was agreed to.

The next amendment was, on page 88, line 19, to increase the appropriation for the examination and classification of lands requisite to the determination of their suitability for enlarged homesteads, stock-raising homesteads, public watering places, and stock driveways, or other uses, as required by the public land laws, from "$225,000" to "$300,000."

The amendment was agreed to.

The next amendment was, on page 88, at the end of line 20, to increase the total appropriation for the United States Geological Survey from "$1,615,190" to "$1,715,190."

The amendment was agreed to.

The next amendment was, under the head "National parks," on page 99, line 12, to increase the appropriation for administration, protection, and maintenance, etc., of the Glacier National Park, Mont., from "$100,000" to "$125,000."

Mr. FLETCHER. Mr. President, in that case there is an increase of $20,000. For what purpose, may I ask?

Mr. SMOOT. For the administration of the Glacier National Park.

Mr. FLETCHER. Is that within the estimates and within the Budget allowance?

Mr. SMOOT. It is within the estimates, I will say to the Senator, and I will tell the Senator in just a moment what was the amount appropriated last year. The estimate was $127,295, and we cut the estimate, as the Senator will notice, from that amount to $125,000.

Mr. McKELLAR. What did the Budget recommend?

Mr. SMOOT. The Budget asked for $127,295, and we cut that to $125,000.

Mr. McKELLAR. The amount in the bill is just what the Budget recommended?

Mr. SMOOT. No; it is a little less than the Budget recommended.

Mr. FLETCHER. There is an increase of $35,000 in the total carried by the House bill.

Mr. SMOOT. Yes; in the two items, including that for construction, repair, and physical improvement, there is an increase; but the amount recommended by the Budget for the physical improvement of the park was $127,505, and we gave $125,000 in each case, reducing the amount recommended by the Budget.

Mr. FLETCHER. Does the Senator mean the estimate or the Budget?

Mr. SMOOT. The estimate is the Budget recommendation.

Mr. FLETCHER. Then the Budget Director passed on it?

Mr. SMOOT. The Budget passed on it and asked for $127,295 for maintenance and $127,505 for physical improvements.

Mr. KING. Mr. President, may I call attention to one matter here which is rather general in character? I observe in the paragraph under consideration a provision for the—

purchase, maintenance, operation, and repair of horse-drawn and motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work.

We also find on the preceding page provision for the "purchase, maintenance, operation, repair of motor-driven passenger-carrying vehicles."

Mr. SMOOT. Those words are used in connection with the appropriation for each one of the national parks.

Mr. KING. The point I am about to make is that in nearly every appropriation bill we find very large sums carried to buy automobiles for employees of the Government. It has gotten so now that nearly every employee of the Government, except Senators and Representatives, has a private vehicle provided by the Government for him; there are thousands and thousands of them. A gentleman who came to protest to me about this abuse, as he denominated it, told me yesterday that he had attempted to figure up the cost to the Government annually for motor vehicles for employees of the Government and it exceeded $10,000,000. In his estimate he included wear and tear, gasoline, and so forth. My opinion is that he very much underestimates the amount.

Mr. SMOOT. I think his estimate is too low.

Mr. KING. I think that the actual amount is two or three times that sum. Attention was called by the same gentleman—and he is a resident of the District—to the fact that in the District of Columbia, as he avers—I do not vouch for the statement—that many of the employees use these cars and their families also use them. We frequently find them parked at the theaters and the picture shows, evidencing the fact that some persons in the Government service or some persons pre-

tending to be in the Government service are using these Government cars. In my opinion, from my observation of the appropriation bills, there has been a very great abuse in this respect.

Mr. HITCHCOCK. And they are marked "For official use only."

Mr. KING. They are marked "For official use only," as the Senator from Nebraska suggests, but they are not confined to "official use only."

Mr. McKELLAR. Mr. President——

Mr. KING. I yield to the Senator from Tennessee.

Mr. McKELLAR. I have understood also that frequently the cost and the upkeep of the car, which, of course, are all charged to the Government, are greater than the salary of the employee who uses it. There ought to be some committee of the Senate or of the House or of both to examine into the matter of passenger-carrying motor vehicles for Government employees. I think an enormous saving could be made in that regard, for there is no doubt in the world that the privilege of the use of Government-owned machines, not only here but all over the country, has been greatly abused, and it ought to be stopped to a very large extent. I presume the greater part of it arises under this bill.

Mr. KING. This bill represents only a very small part of it, I will say to the Senator.

Mr. McKELLAR. Every appropriation bill which comes before us contains large appropriations for this purpose. Certainly something ought to be done in connection with that matter.

Mr. KING. Mr. President, just a word in conclusion.

Mr. SMOOT. Mr. President, I wish to say to the Senator that there is one really good provision in this item which is generally not found in the direct appropriations for the use of automobiles. I refer to the provision in line 8, which reads:

Including not exceeding $3,000 for the purchase, maintenance, operation, and repair of horse-drawn and motor-driven passenger-carrying vehicles.

So not more than $3,000 can be expended for the purpose indicated. There is a limitation, whereas in some years past there has been no limitation whatever.

Mr. McKELLAR. Mr. President, may I suggest to the Senator from Utah, who always takes such an active interest in appropriations and understands the situation so fully, whether it would not be a wiser plan to require all appropriations for automobiles to be set out specifically for that purpose, and say that such sums shall not be paid out except upon specific authority of law? In that way wide publicity would be given to it. There are a great many officials of the Government and a great many employees of the Government who would not use Government machines if it were known that they were costing the Government these sums of money; but they are paid for at present out of lump-sum appropriations. I find a number of Government garages here in the city, and they are full of machines; and apparently a great many Government employees use them who would not ordinarily use them.

Mr. SMOOT. I will say to the Senator that no Government employee is using an automobile at present unless it is by authority of law.

Mr. McKELLAR. Of course; but it is usually in a lump-sum appropriation, and in that way it is covered up.

Mr. SMOOT. No; I think they are limited in all the appropriations of late. Originally they were not limited; they were paid out of a general expense appropriation; but since we passed the law requiring that every Government automobile should be marked "U. S. A." in letters, I think, 5 inches in height, no appropriation that I know of has been made authorizing the purchase of automobiles unless it was specifically stated in the law. We have passed provision after provision authorizing the transfer of automobiles now held by the War Department to the different departments and to various officials, and also to the States, but that is always done by general legislation; and in this case I called my colleague's attention to the fact that we limit to $3,000 the amount that can be spent for the purchase and maintenance and operation of horse-drawn and motor-driven vehicles.

Mr. McKELLAR. Yes, I know; but the limitation is quite large, and a great many machines may be used. I am not objecting to this particular item, but it seems to me that a resolution ought to be passed by the Congress requiring the heads of all departments to show the number of passenger-carrying automobiles used in their departments, what officers use these machines, and the cost of each, including the maintenance and the cost of gasoline and everything else connected with the automobile. Whenever we secure the passage of a resolution like that, and get the information, as certainly as we live the expenditures for passenger automobiles are going to be greatly lessened, because the public will not stand for the large appropriations that are now being made for that purpose.

I hope the Senator from Utah, with his great skill in cutting down appropriations, will look into this matter and see if we can not have a resolution of that kind put through.

Mr. SMOOT. I want to say frankly that I fought this automobile business for years and years and years, long before there was any regulation at all, and when everybody was using Government automobiles Sundays, nights, and at every other time.

Mr. CARAWAY. They do that yet.

Mr. SMOOT. I suppose there is some of it done yet; but when it is done, there is not any question but that they have to park their automobiles somewhere, and we know that they are Government automobiles, whereas before we did not.

Mr. CARAWAY. If the Senator really wants to know, if he will go out he can find them anywhere parked in front of apartment houses—not only automobiles of the Government, but automobiles of the District of Columbia. I rather imagine that it is the usual way of going courting.

Mr. SMOOT. I suppose it is not limited to any one particular purpose; but when you take into consideration the extensive area of the Glacier National Park, in Montana, and the roads that the superintendent and the employees have to pass over, and the fact that we allow only $3,000 for automobile service and horse-drawn service, there can not be very much waste in that amount.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 99, line 13, to increase the appropriation for construction of physical improvements at Glacier National Park, Mont., from "$115,000" to "$125,000."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, if I may have the attention of the Senator in charge of the bill, on page 72 the total of the appropriation for pensions this year is $253,000,000. Will the Senator state how that compares with the appropriations for last year and the year before?

Mr. SMOOT. I will tell the Senator in just a minute.

Mr. McKELLAR. That is for invalid pensions and pensions for widows and minor children and dependent relatives, Army nurses, and all other pensioners who are now borne on the rolls. I had understood that the number had been very greatly decreased by death, and I was wondering whether the appropriation had been decreased in the same proportion. I assume that it has.

Mr. SMOOT. In 1923—that is the present year—it was $253,987,720.

Mr. McKELLAR. That is a decrease of $900,000.

Mr. SMOOT. In 1922 it was $266,839,920, or a decrease of about $11,000,000.

Mr. McKELLAR. That is what I wanted to find out—why there was such a large decrease last year and only a relatively small decrease this year. In other words, as I remember the figures that the Senator has given, there was a decrease of about $12,000,000 last year, and this year it is about $900,000.

Mr. SMOOT. That is right.

Mr. McKELLAR. It is not possible that there would be that variation in the number of deaths; is it?

Mr. SMOOT. I was trying to think whether during last year or during this fiscal year there was not a pension bill passed increasing the appropriation for Indian pensions. I think that was the case, but I am not quite sure.

Mr. McKELLAR. Did the Budget provide for this amount or for a less amount?

Mr. SMOOT. The Budget provided for the amount. This is the Budget estimate.

Mr. McKELLAR. The bill appropriates the same amount that was provided for by the Budget?

Mr. SMOOT. Just the same as the Budget provides for.

Mr. McKELLAR. And the Senator thinks that the cause of what is virtually an increase is found in the passage of the Indian appropriation bill?

Mr. SMOOT. That is the only appropriation bill that I can think of.

Mr. McKELLAR. I was wondering whether the Senator might not be figuring on the Bursum bill, which was vetoed a short time ago.

Mr. SMOOT. Oh, no; that was not figured. That would have cost $108,000,000 alone if it had become a law.

Mr. McKELLAR. The Indian pension bill would not be in here, would it?

Mr. SMOOT. These are all pensions.

Mr. McKELLAR. Under the old system of appropriating, my recollection is that the entire Indian appropriation bill was less than $10,000,000.

Mr. SMOOT. No; they are all handled in the Pension Bureau.

Mr. McKELLAR. Was that true when we were appropriating separately for Indian affairs?

Mr. SMOOT. No; the pensions never came under Indian affairs. They were always appropriated under the Interior Department.

Mr. McKELLAR. Is it the Senator's recollection that the appropriation for Indian pensions amounts to as much as $10,000,000?

Mr. SMOOT. I should think it would; or more than that; I think all of that, if not more.

Mr. McKELLAR. As I understand the figures, these are pensions provided for in the various acts of Congress largely for the Civil War. They are decreasing at the rate of about $10,000,000 a year.

Mr. SMOOT. Yes; and in two or three years they ought to be considerably less, but if the widows come in there will be very, very little decrease.

Mr. McKELLAR. They were all married, I suppose, or nearly all of them.

Mr. CARAWAY. Is it the impression of the Senator from Utah that the widows do not die?

Mr. SMOOT. The widows are generally younger than the old men.

Mr. CARAWAY. Let me ask the Senator a question. Is the civil pension list for Government employees in there?

Mr. SMOOT. No.

Mr. CARAWAY. That is separate.

Mr. SMOOT. The high mark for pensions was in 1921.

Mr. McKELLAR. How much was it then?

Mr. SMOOT. Two hundred and seventy-nine million dollars; but if the Bursum bill had become a law the high-water mark would have been next year.

Mr. McKELLAR. About how much does it carry—$79,000,000?

Mr. SMOOT. One hundred and eight million dollars.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 99, line 18, to increase the total appropriation for Glacier National Park, Mont., from "$215,000" to "$250,000."

The amendment was agreed to.

The next amendment was, on page 101, line 6, to increase the appropriation for administration, protection, maintenance, etc., of the Mesa Verde National Park, Colo., from "$21,000" to "$25,000."

The amendment was agreed to.

The next amendment was, on page 101, line 7, to increase the appropriation for construction of physical improvements at Mesa Verde National Park, Colo., from "$10,000" to "$14,000."

The amendment was agreed to.

The next amendment was, on page 101, line 9, to increase the total appropriation for the Mesa Verde National Park, Colo., from "$31,000" to "$39,000."

The amendment was agreed to.

The next amendment was, on page 101, line 18, after the word "improvements," to strike out "$35,000" and insert "$73,000, including not exceeding $38,000 for continuing widening of the Nesqually entrance to Paradise Valley Road," and, in line 24, to change the total appropriation from "$95,000" to "$133,000," so as to make the paragraph read:

Mount Rainier National Park, Wash.: For administration, protection, and maintenance, including not exceeding $1,800 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $60,000; for construction of physical improvements, $73,000, including not exceeding $38,000 for continuing widening of the Nesqually entrance to Paradise Valley Road, including not exceeding $25,300 for new public camp grounds at Longmire Springs, not exceeding $2,000 for a residence for the chief clerk, and not exceeding $2,000 for an employees' duplex cottage; in all, $133,000.

Mr. SMOOT. Mr. President, let me correct the spelling there. It should be "Nisqually" instead of "Nesqually."

Mr. FLETCHER. Mr. President, will the Senator explain how that item comes here? Was that an afterthought after the estimates were made up or is it an increase over the estimates?

Mr. SMOOT. No; it is not an increase. This amount of $38,000 is for continuing the widening of the Nisqually entrance——

Mr. FLETCHER. I know; it is taking care of a particular item there for continuing the widening of the entrance to Paradise Valley Road. It is an increase from $35,000 to $73,000 so as to include that.

Mr. SMOOT. Yes.

Mr. McKELLAR. Would not that be new legislation?

Mr. SMOOT. No; it is within the Budget estimate.

Mr. McKELLAR. I know; but it is legislation on an appropriation bill apparently.

Mr. SMOOT. No; it was carried last year exactly the same, and now it is in the Budget estimate.

Mr. FLETCHER. Why was it omitted in the House?

Mr. SMOOT. I do not know why the House left it out. I can not say.

Mr. McKELLAR. I imagine that it was contrary to their rules, just as it is contrary to ours.

Mr. SMOOT. Does the Senator from Washington know why that was done?

Mr. JONES of Washington. I will say to the Senator that I do not know, of course, why the House committee omitted it; but an amendment was offered on the floor of the House to put it in, and the vote upon it was 17 to 18. The Senator knows how, in the Committee of the Whole, Members are not present and the votes are very small; but that shows how the membership was divided. This road, I understand, goes up into the park to an elevation of seven or eight thousand feet. Along this road there are great precipices, and riding along in a wagon or an automobile you look right down maybe two or three thousand feet. There are some places where the road is very narrow, and the authorities want to widen the road so as to make it perfectly safe. Thousands of tourists go into this park every year, and the numbers are increasing every year, and the purpose is to make the existing road much safer than it is now. It is a very dangerous situation.

Mr. McKELLAR. It is new legislation, but I shall not object to it, because I think it is a very worthy purpose.

Mr. SMOOT. I want to say to the Senator that it was estimated for, and the estimate was $81,200. We have only recommended $73,000, so we cut the Budget estimate.

Mr. McKELLAR. However that may be, it seems to be a very proper appropriation, and I think it ought to pass.

The amendment was agreed to.

Mr. KING. I desire to inquire of my colleague with respect to these various park appropriations. It seems, from a hasty examination of them, that the administrative costs are rather disproportionate to the aggregate appropriations. For my information, and doubtless for the information of other Senators, I would like to inquire generally the number of employees and the necessity for such a great amount for administrative purposes.

Mr. SMOOT. We can hardly make any estimate of the cost of the maintenance of all the parks. The Senator knows that when a park is first established the physical upbuilding of the park costs a great deal more than its maintenance costs after it is established. I have not the list of the number of employees. I can give the Senator in detail what the money is expended for, but I can not tell the number of employees.

Mr. KING. What is the average compensation paid superintendents? I see they have clerks—apparently considerable clerical help—in some of these parks. I can not see the necessity for clerks there.

Mr. SMOOT. I will look at the Budget and see if the appropriations for the different parks have been kept separate. I doubt very much whether the employees in the parks are paid any more than the regular employees of the Government are paid.

Let us take Crater Lake National Park, in Oregon. The superintendent is paid $2,400; the chief typist, $1,320; the head ranger, $1,200; the others, $1,080; foreman, $90 a month; machinist, $135 a month; storekeeper, $90 a month; timekeeper, $75 a month; blacksmith, $100 a month; engineman, $100 a month; truck driver, $90 a month; pump man, $75 a month; stableman, $75 a month; cook, $100 a month; carpenter, $6 a day; stonemasons, $6 a day; plumbers, $6 a day; teamster, $2.85 a day; and laborers, $2.70 a day.

Mr. KING. May I inquire of the Senator whether that park receives any tourists?

Mr. SMOOT. A great number of tourists visit it.

Mr. KING. I notice in the item for the Grand Canyon National Park, in Arizona, for administration, protection, and maintenance, $60,000 are provided. Then, for construction of physical improvements, $66,400, including not exceeding $40,000 for widening of certain roads; $6,000 for a building to be used as a community center; and $3,000 for the construction of a duplex cottage for employees. Then I notice in some of these appropriations provisions for homes for the superintendent and

for the clerks. Is it the purpose to erect buildings to house all of the employees?

Mr. SMOOT. No; nor is that done. Generally there is a house provided for the superintendent, and necessarily so. I can tell the Senator how many people visit all the parks.

In his testimony before the committee Mr. Cammerer stated that during the past five years the number of people visiting the national parks has increased from 450,000 to 1,150,000. Of course, that throws an additional burden on the administration of the parks, and necessarily the expense has been increased.

Mr. KING. I am in sympathy with the policy of the Government to establish and protect and properly care for a limited number of national parks, but if we are not careful the expenses are going to be so enormous and the demands for increased parks so frequent that we will burden the Government after awhile far beyond the exigencies of the situation.

Mr. SMOOT. I have voted a great many times against the establishment of national parks.

Mr. KING. Does the Senator think, from the record before him, that these very large sums for so-called physical improvements are necessary?

Mr. SMOOT. I think the physical improvement appropriations are the most vital in the bill. If the people are going to visit these parks it will be necessary to have somewhat better roads in the parks than are maintained to-day, and I think that before the parks are really taken advantage of, and result in what we intended they should result in, the Government of the United States has to spend some money for the building of roads and the maintenance of the roads and the physical improvement of the parks a great deal better than it is doing it to-day.

Mr. KING. I agree with my colleague that if we have parks they should be properly protected and guarded, and the roads should be such as will be inviting to tourists.

Mr. SMOOT. The Budget in nearly every case has estimated more money than the House gave, and we have increased the estimates very slightly indeed.

Mr. KING. I notice that in each of these numerous provisions dealing with separate parks an item is carried for the purchase, maintenance, operation, and repair of motor-driven passenger vehicles.

Mr. SMOOT. It must necessarily be so.

Mr. KING. It would seem as though they have to have new vehicles every year.

Mr. SMOOT. Take the case of the Glacier National Park. They have only $3,000 for the maintenance of their motor vehicles, and if the Senator has undertaken to maintain an automobile in the District of Columbia, with the wear and tear and the expenses of keeping it, he knows what it costs. Out in the mountains, with gasoline costing almost double what it does here, $3,000 will not go very far toward maintaining the whole transportation facilities within a national park.

Mr. KING. All these physical improvements were deemed necessary by the committee?

Mr. SMOOT. If I had my way, I would see that the appropriations for physical improvements were increased so as to get the parks into shape, and not half do it and then let automobiles run over the roads during the year and destroy all that had been done beforehand. It is just as we used to do in the building of roads in the West. We would haul in a lot of dirt and fill up the roads, and the next year we would haul it out; and we never had a good road. As to the physical improvements in the parks, I think I would rather do less in extent and do it right, because when it is done right it is permanent. But when we put a patch here and a patch there, we never have a road complete.

Mr. WALSH of Montana. Mr. President, now that this discussion has been opened, I feel like saying that in my judgment there is no investment the Government of the United States makes that is more justifiable and returns better results than these expenditures made to make the national parks attractive. Year by year the number of our people who visit them is growing. A most gratifying showing is made.

Heretofore anyone who had a summer vacation to spend and wanted to get to the mountains or to some place where the scenery was attractive, posted off to Europe. The amount annually expended by American citizens who go to Europe to observe the attractive scenery is something stupendous. It forms an important item in the balances of an international character.

We have scenery in those parks, which are set apart by the wisdom and beneficence of the Government, that is unsurpassed anywhere in the world. Much has been done by the Government, as well as by the railroads interested in exploiting those parks, to bring their scenic beauty and their attractions to the knowledge of the American people. After many years of struggle that effort has begun to be appreciated. We have here something well worth visiting. The consequence is that many of our people not only go to visit those parks but return year after year to spend their summer vacations in the attractive and health-giving surroundings found there.

From an examination of these items, so far as the physical structures and the allowances made for the keeping up of vehicles for travel by the superintendents and the guards are concerned, they seem to be very reasonable indeed. I do not think any of the appropriations ought to be reduced, at least.

Mr. HARRELD. Mr. President, I agree with all the Senator from Montana has said. However, I live in a section of the country where perhaps one-eighth of the population go to the mountains in the summer time, and they appreciate very much the good roads leading to the mountains and through these parks. But I hear a good deal of complaint about the concessions the Government gives to people in these parks. Concessions are given to the hotel men and to the fellows who run automobile lines, and a good deal of complaint is made about the action of those concessionaires. I would like to ask the Senator in charge of the bill if the committee has ever looked into those things in this connection.

Mr. SMOOT. In the past, in one or two cases, complaints have been made and investigation has been undertaken and carried to a conclusion. I know of one complaint involving the Yellowstone National Park, where, of course, the concessionaires have better chances than in any of the other parks to make money out of any grant which may be given. At that time it developed that nothing had been made. I do not know what has been made since. I know, of course, that the travel through the park has increased greatly, but at that time the concession was a dead expense. In our State we have Zion Canyon Park, and it is hard for us to get a man to go there to take one of these concessions. In fact, in several cases the railroads have actually assisted in paying the expenses of a man to run the hotel in that park, small as it was at that time.

I do not think there is very much in the complaint. What I have heard more complaint about were the roads. Tourists have been put to great expense and great annoyance at times by the roads not being in condition, so that they were unable to get to a stopping place through some neglect, as they claim, of the party having the concession for carrying people into the parks. But when we come to examine into it, it always will be found there is some reason for it. There may be, as the Senator said, some ground for it, because there has been no investigation that I know of made since the increased travel has taken place in the parks. Within the last two years the increase of travel in our parks has been over 200 per cent. I never expect to see a year from now on in which the travel in our parks will not increase by leaps and bounds.

Mr. HARRELD. That ought to make it easier on the concessionaires and they ought to reduce their prices.

Mr. SMOOT. I think that is true. I think when that situation arises there should be an examination made. I do not believe that any undue amount should be made by any concession that may be granted by the Government in any park. But before they get established I want to say that it is a pretty hard proposition for the concessionaires to make even a living in the parks. There is a short season generally, in the West a few months in the year, and travel has to be exceedingly heavy in order to pay any kind of concession to the Government. They are paying them in large amounts now, I will say to the Senator.

Mr. PHIPPS. Mr. President, I may say to the Senator from Oklahoma that I think perhaps some of the criticism has been directed to the point that the right to use passenger-carrying vehicles has necessarily been limited to the concessionaires. The complaint comes from transportation companies, who are unwilling to go in and agree to furnish regular service through the entire season when the park is open to the public, or in some cases, as, for instance, the Rocky Mountain National Park, through the entire year, because there are people who live in that section the year round. The question that arose there was thoroughly inquired into. It was taken up by one of the local chambers of commerce at the instance of a certain hotel keeper in the park, who has since passed away. The conclusion of the inquiry was that the park service was fully justified in awarding the contract to the transportation company that would agree to furnish and has furnished regular and adequate service to the visitors.

So far as I am aware, no complaint has been made as to the charges. The charges are believed to be reasonable, so far as my information goes. I think the information coming to the

Senator is probably centered around the Rocky Mountain Park transportation service. I believe that has been inquired into and that the conditions have been found to be really above criticism under all the circumstances.

Mr. HARRELD. The last complaint I have had is that, with all the immense traffic through there, they have not reduced the rates. They ought to reduce the rates as the volume of business increases, but they have not done so.

Mr. SMOOT. In answer to that suggestion I want to say to the Senator that the records show that so many private parties are taking their own automobiles into the park in greater numbers than ever before that it reduces the business of the concessionaire rather than increases it. I suppose there are one hundred automobiles going from the State of Utah into the Yellowstone National Park each year now where one went 10 years ago. There has been at least that much of an increase. Of course, that has a great deal to do with the amount of business which would otherwise go to the men who have received the concession, because they get little or no benefit from that class of travel.

For instance, private automobiles entering the Yellowstone National Park in 1916 were 3,445 in number; that is from all over the United States. In 1917 there were 5,703; in 1918, 4,734; in 1919, 10,737; in 1920, 13,586; in 1921, 15,726; in 1922, for just a part of the season, 18,253. I also have the figures as to all of the parks. For instance, the total as to all parks in 1916 was 29,000 private automobiles, and in 1922, for part of the season, 197,000. Those figures relate to the private cars.

Mr. HARRELD. I merely wanted to know if there had been any investigation to see if they were keeping pace with the general traffic.

Mr. KING. Mr. President, I am in agreement with the statement just made by the senior Senator from Montana relative to the advantages to be derived from the establishment of a reasonable number of national parks and maintaining them in a suitable and proper condition. The questions which I have propounded with respect to a number of the items over which we have just passed, carrying appropriations for national parks, and the observations submitted were the result of various criticisms which have been brought to my attention by individuals who claim that there was discrimination in favor of certain parks, and that the overhead expense—that is, the expense of administration—has been entirely too great. Complaints have been made to me that there were too many employees in some of the parks and that too much of the moneys appropriated by Congress for the maintenance of parks was spent in administration and too little devoted to legitimate and permanent road building. One gentleman who called upon me complained that some of the moneys expended did not produce adequate results; that there was too much theory and red tape and inefficiency, particularly with the employees and administrative forces operating within the parks.

I promised to make inquiry when the bill came up on the floor of the Senate in regard to a number of these items with a view to determining whether there was any basis for these criticisms. It has been my personal opinion that Mr. Mather, head of the national parks, has been exceedingly energetic in the performance of the work which devolves upon him and that he has devoted himself with intelligence and ability to the great work of developing our national parks and bringing them to the attention of the American people.

Mr. SMOOT. He has spent a great deal of his own money, too.

Mr. KING. My information is to the same effect as that of my colleague. Mr. Mather has believed that our country was rich in scenic beauties and that the Government should create a number of national parks and maintain them for the benefit of the people. In my opinion, it is a proper function of the Federal Government to utilize some of its domain for this purpose. Even from a utilitarian standpoint such a course would be justified; but other reasons not only justify but require the creation of national parks. The educational benefits resulting therefrom can not be measured, and the advantages which accrue to the people from having suitable places for recreation are beyond computation. In these parks, nature is exhibited in her power, and beauty, and grandeur.

Contact by the people with lofty mountains and transcendently beautiful geological formations, and lakes, and streams, and geysers, and myriad forms of animal and vegetable life, not only develop the artistic, moral, and religious spirit of the people, but it strengthens their love and devotion to country and in many ways equips them for higher and better service in life.

Criticism has often been made that the American people had been so absorbed in material things, and in the accumulation of wealth, that they have been blind to the physical and scenic beauties of their country and have been irresponsive to forces that make for spiritual and æsthetic development. Whether these criticisms are warranted, I shall not pause to examine. Undoubtedly, it is true that many of the people of our country have not become acquainted with the resources and beauties and with the physical and geographical conditions of the United States. Many have been denied opportunities to become acquainted with our country and it is not uncommon to find persons who have visited but a limited part of continental United States. Upon the other hand, there have been those who have been more interested in seeing Europe than in becoming acquainted with their own country. Tens of thousands of Americans have annually visited Europe during the past 50 years. They have spent their holidays and recreative periods not in their own land but beyond the seas. Many have treated with disdain the suggestion that they visit the West, or traverse the imperial domain stretching from the Atlantic to the Pacific and from the Canadian border to the Rio Grande.

A number of years ago there came to the State of Utah a brilliant young Virginian, Fisher S. Harris. He was a worthy son of the Old Dominion State. He became one of the leading figures in my State, and for many years, indeed until his untimely death, he was a leader in all movements looking to the development of Utah and the West. He was a true American, and sought the unification of all sections and elements in our country. He gave to the American people the slogan "See America first," and inaugurated a campaign to compel a realization of the import and spirit of that slogan. He visited various States of the Union, and before thousands of their people raised his eloquent voice in behalf of a deeper and truer patriotism and a greater appreciation of our country and its institutions. He painted pictures—which have not faded from the minds of his auditors—of the physical beauties of our country; and the lofty mountains became silent sentinels guarding this Republic and pointing the way of the people to nobler resolves and to higher things. Under the spell of his inspiring words the very deserts became beautiful and the purple hues of the fading day and the overarching vault of the night filled with celestial orbs carried revelations to the souls of those who heard. It was as if a vision had been opened to their view, and to many came the resolve that in the future they would exhibit greater devotion to their country and that before seeking foreign shores they would "See America first."

Mr. President, I avail myself of this opportunity to commend the splendid work accomplished by the commercial organizations of my State, and particularly the Salt Lake Commercial Club, which has so consistently and earnestly labored for a quarter of a century to bring to the attention of the American people the great resources of the West and the unparalleled beauties of nature which in such a great profusion exist in Utah and other States of the intermountain region.

Mr. President, I regret that this bill does not carry an adequate appropriation for Zion Park, but I am assured that a later bill will provide for the construction of imperatively needed roads therein. In view of the promised legislation I shall not offer an amendment to the pending bill, although I appreciate that if I did it would be subject to a point of order.

Concerning the criticisms to which I referred in the beginning of these observations, permit me to say that I do not think they are supported by the facts, although it is quite likely that there have been some inefficient employees and perhaps too many persons in the service in some parks and at some periods. Unfortunately, most Government agencies suffer from overadministration and create too much machinery for the work to be done. I have felt that in many Federal agencies costs of administration were entirely too great. It is to be hoped that the National Park Service will practice the most rigid economy and secure the highest stage of efficiency. My own opinion is that the work of the park officials has been of a very high order, and Mr. Mather has exhibited a desire to accomplish the highest and best results.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The question is on agreeing to the amendment on page 101, line 24.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, on page 102, line 23, to increase the appropriation for construction of physical improvements at the Sequoia National Park, Calif., from "$80,000" to "$85,000," and on page 103, at the end of line 2, to increase the total appropriation for the Sequoia National Park, Calif., from "$115,000" to "$120,000."

The amendment was agreed to.

The next amendment was, on page 104, line 24, after the word "without," to strike out "contract or bond," and insert

"compliance with sections 3709 and 3744 of the Revised Statutes of the United States"; so as to make the paragraph read:

Hereafter the purchase of supplies or the procurement of services by the National Park Service outside the District of Columbia may be made in open market without compliance with sections 3709 and 3744 of the Revised Statutes of the United States in the manner common among business men, when the aggregate amount of the purchase or service does not exceed $50.

The amendment was agreed to.

The PRESIDING OFFICER. This concludes the amendments of the committee appearing in the bill.

Mr. SMOOT. I have a few more committee amendments to offer. On page 29, line 8, I offer the amendment which I send to the desk. I offer the amendment on behalf of the junior Senator from Missouri [Mr. SPENCER]. It is a committee amendment. The junior Senator from Missouri is chairman of the Committee on Indian Affairs and the committee were instructed to offer it. That Senator is now in the chair and I offer the amendment in his behalf.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 29, line 8, after the colon insert:

Provided further, That hereafter upon a determination of the heirs to any trust or restricted Indian property of the value of $250 or more, or to any allotment, or, after approval by the Secretary of the Interior, of any will covering such trust or restricted property, there shall be paid by such heirs, or by the beneficiaries under such will, or from the estate of the decedent, or from the proceeds of sale of the allotment, or from any trust funds belonging to the estate of the decedent, the sum of $20 where the appraised value of the estate of the decedent is $250 or more and does not exceed $1,000. Where the appraised value of the estate of the decedent is more than $1,000 and less than $2,000, $25; where the appraised value of the estate of the decedent is $2,000 or more and does not exceed $3,000, $30; where the appraised value of the estate of the decedent is more than $3,000 but does not exceed $5,000, $50; where the appraised value of the estate of the decedent is more than $5,000 but does not exceed $7,500, $65; and where the appraised value of the estate of the decedent is more than $7,500, $75; which amount shall be accounted for and paid into the Treasury of the United States, and a report shall be made annually to Congress by the Secretary of the Interior on or before the first Monday in December of all moneys collected and deposited as herein provided.

The PRESIDING OFFICER (Mr. REED of Pennsylvania in the chair). The question is on agreeing to the amendment.

Mr. HARRELD. May I ask what the fees are for?

Mr. SPENCER. The amendment is one that comes from the department, and I will state the purpose. In ascertaining the heirship of Indians, when the heirship is ascertained and as the result thereof the Indian whose heirship is thus ascertained gets a part of the Indian funds, out of that which he gets there is a small fee in connection with the expense of the ascertainment of his heirship that goes to provide for the expense of making the examination. The fee is comparatively small and is not assessed unless the Indian actually reaps benefits from the examination.

Mr. HARRELD. Who makes the examination?

Mr. SPENCER. The Commissioner of Indian Affairs.

Mr. HARRELD. For what Indian tribe has he the right to determine such matters?

Mr. SPENCER. In any matter where that duty is given to him by Congress.

Mr. SMOOT. It only applies when the question is to be handled by the office here.

Mr. HARRELD. It applies to cases handled by the Indian Office here in Washington?

Mr. SMOOT. That is all.

Mr. WALSH of Montana. Mr. President, I should like to inquire of the chairman of the Committee on Indian Affairs, the junior Senator from Missouri, why this should not apply to the Osage Indians?

Mr. SPENCER. Did the Senator from Montana ask me a question?

Mr. WALSH of Montana. I wish to know why the Osage Indians as well are not required to contribute?

Mr. SPENCER. The proposed amendment does not mention any particular tribe, and I presume it is applicable to all tribes.

Mr. WALSH of Montana. But there is a proviso here which reads:

Provided further, That the provisions of this paragraph shall not apply to the Osage Indians nor to the Five Civilized Tribes of Oklahoma.

As I understand, the Government of the United States, through the Indian Bureau, undertakes to prosecute the proceedings for the determination of the heirs of deceased Indians and provides attorneys for that work. It is very just that in case of estates of any consequence there should be turned into the Treasury a certain amount to reimburse the Government for that expenditure. A great many of these Indians are very wealthy and there is good reason why the Government should interest itself in the determination of heirship, but the estates of the Indians ought to contribute to the expense. What I wish to know is why we should thus favor the Osage Indians and the Five Civilized Tribes of Oklahoma, while we impose this burden upon other Indians?

Mr. SPENCER. I can not say to the Senator from Montana with absolute accuracy, but my recollection is that there was a treaty agreement with those Indians by which the ascertainment of the question of heirship should be determined without cost to them. That, however, is only a general impression, and I can not vouch for its correctness; but there was a reason why those two tribes were omitted.

Mr. HARRELD. Mr. President——

Mr. WALSH of Montana. Perhaps the Senator from Oklahoma can give me the information I desire.

Mr. HARRELD. Perhaps I can explain the matter. The Osage Tribe of Indians, of whom there are only 2,200 members, who are all enrolled, own the whole of their property in common. It has never been segregated or separated or allotted in severalty. In administering that estate it is perfectly natural and perfectly proper for the Government to see that the proper record is kept as to the heirs of deceased Indians. I think that is the reason those Indians are excepted.

Mr. WALSH of Montana. But it would seem to me, then, Mr. President, that the Government ought to be reimbursed for the work from the community fund.

Mr. HARRELD. All the expenses of administering the fund are paid by the tribe; therefore, it is covered.

Mr. WALSH of Montana. If that it the case, of course, it is all right.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri.

The amendment was agreed to.

Mr. SMOOT. Mr. President, on behalf of the Committee on Appropriations, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Utah will be stated.

The ASSISTANT SECRETARY. On page 82, line 18, after the figures $140,000, it is proposed to insert the following:

Provided, That repayment of the construction cost of the project may be made through a division by the Secretary of the Interior of such cost into a primary construction charge and a supplemental construction charge of approximate equality, the former payable according to section 2 and the latter payable according to section 4 of the extension act of August 13, 1914 (38 Stat. 686).

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Utah.

Mr. KING. I should like an explanation of that amendment.

Mr. SMOOT. Mr. President, the Milk River project is in Montana. The net construction cost to date of that project is $6,559,896. There has not been a cent of reimbursement paid on the project, and it is frankly admitted by the Director of the Reclamation Service, Mr. Davis, that the project itself, as a whole, is going to be a failure. It would be too long a story to recite. However, the owners of a portion of the lands included in the project can pay a reasonable amount for the water that is furnished from the project. Such lands are limited in area. The amendment provides that wherever there are lands of that character which are really agricultural lands and are susceptible of cultivation by irrigation, and the water is brought to them according to the original contract, no matter how small in quantity such lands may be, they may pay their part of the contract but not be liable for all of the cost of construction; in other words, unless Congress adopts this amendment the Government can collect nothing from the few who can successfully use the water under the project. I do not think there will be any objection to the proposal on the part of the people who get the water and whose land is susceptible of cultivation by irrigation.

I think both Senators from Montana know that a great deal of that land has what, I think, is called gumbo under it, and it is virtually impossible of successful irrigation. Therefore I have not any doubt, nor has the Director of the Reclamation Service any doubt, that the Government of the United States will never get back the cost of the project, but what little we can get back through the amendment the Director of the Reclamation Service thinks we ought to recover.

Mr. McKELLAR. How many people are now located on this project?

Mr. SMOOT. How much money have we spent on it?

Mr. McKELLAR. The Senator stated that we have spent $6,000,000 on it. How long has the project been in existence? When was the project started?

Mr. WALSH of Montana rose.

Mr. SMOOT. Perhaps the Senator from Montana can answer the question of the Senator from Tennessee. I do not know the date when the project was begun, and have not the information relative to the matter now before me.

Mr. WALSH of Montana. Mr. President, if the Senator from Utah will pardon me, I feel that I ought to say something in this connection, and I am glad to reply to the question which has been addressed to the Senator from Utah by the Senator from Tennessee. This was the first reclamation project ever started.

Mr. McKELLAR. In the entire West?

Mr. WALSH of Montana. Anywhere. It was started or at least investigation of it was begun even before the reclamation act was passed. It was begun under the direction of the Geological Survey in the year 1890. Some expenses were incurred in that connection even before the reclamation act was passed; but as speedily after the reclamation act was passed as possible work was begun upon the project, because it obtains its supply of water from two rivers—the St. Mary and the Milk River—both of which have their source in the Glacier National Park. The St. Mary River flows due north into Canada and never comes back, its waters finding their way into Hudson Bay through the Saskatchewan. The other, the Milk River, flows off into Canada, remains there for a distance of about 150 miles, and then comes back into Montana. The area to be irrigated by the project is in the Milk River Valley.

At that time reclamation projects were about to be started in Canada, and it was feared that if work were not instituted in this country before work was begun in Canada Canadian settlers would be able to claim priority in the waters which thus had their origin in the State of Montana. So the work was begun and, at great expense, a very considerable amount of work was done, though not directly for the benefit of the project, in order to forestall any such claims as might be made by the Canadian Government with reference to it.

The Senator from Utah has referred to the threatened failure of this project. It has dragged along during all these years and still remains far from completion. Much of the extraordinary delay that has ensued, resulting in the enormous increase in the cost of the project, was due to the controversy which thus arose between this country and Canada concerning the utilization of the waters of these two rivers.

Among the works to which I have referred was an extremely expensive canal by which the water was taken from the St. Mary River, which never comes back into Montana, and carried over into the Milk River, the water eventually coming back into Montana.

The controversy raged for many years between this country and Canada over the division of the waters of these two rivers, resulting in the year 1909 in the negotiation of a treaty with Great Britain under which the waters of these two rivers were to be divided. Then, unfortunately, a controversy as serious as the original controversy arose in relation to the construction which was to be given to the treaty thus negotiated, those interested in the State of Montana contending that if the contention of the Canadian Government with respect to the meaning of the treaty should be maintained the expenditure which the Government of the United States had then made, amounting to several million dollars, would be absolutely wasted and Montana would never get enough of the water of these rivers to irrigate the land within her borders. That controversy was pending for a number of years before the International Joint Commission created by virtue of the treaty of 1909, to which I have adverted. The controversy was heard by the commission three separate times, once at St. Paul in 1915, again at Detroit in 1917, and lastly at Ottawa, Canada, in the spring of 1921. It dragged its course before that commission until last spring, when it was determined in favor of the contention made by the United States.

These and many other obstacles have intervened, so that it now appears under the most careful estimate that the cost of this project will not be less than $83 per acre. The estimate originally made when the project was undertaken, upon which the people of the community were induced to go into it, was not more than $25 per acre. The report of the Reclamation Service discloses that the annual return per acre from the land up to the present time—it is hoped that it will be very greatly increased as cultivation proceeds—is $8.30 per acre. So it will be perceived that with a construction cost of $83 per acre and a maintenance cost of $1.50 per acre per annum where we stand on the project.

Mr. McKELLAR. Mr. President, I should like to ask the Senator how many acres are under cultivation now and how many people are located on the project?

Mr. WALSH of Montana. I can not give the Senator the figures as to the number of people, but this is the information given in the report for the current year:

Areas and crops:
Irrigable acreage when project is complete, 160,208.

One hundred and sixty thousand acres are to be irrigated.

Public land entered to June 30, 1922, 31,590.
Public land withdrawn on June 30, 1922, 19,603.
State land unsold on June 30, 1922, 6,795.
Private land, June 30, 1922, 102,220.
Acreage service could supply, season of 1921, 94,100 acres.
Acreage irrigated, season of 1921, 42,400 acres.
Acreage cropped under irrigation, season of 1921, 39,910 acres.
Value of irrigated crops, season of 1921, $358,080.
Value of irrigated crops per acre cropped, $8.98.

I might say in this connection that, as will be perceived, a very considerable acreage of the area under the ditch is held in private ownership. Many of those tracts are held in areas of very considerable extent. An effort is now being made to colonize those lands; and it is a part of the plan which this amendment is to make feasible that before the Secretary shall order the distribution which is contemplated here funds shall be secured from the owners of the larger tracts of land for a limited sum which will justify an attempt to colonize the lands, so that the settlers will go upon the lands and take them in restricted areas, and thus the Government eventually, it is hoped, will come out. I do not think the statement is quite justified that it is a failure and that the Government must lose; but there is no doubt in the world that, with respect to a considerable portion of the land referred to by the Senator from Utah, it will be necessary to give very much more liberal terms than are accorded under the present act.

Mr. SMOOT. I will say to the Senator that the statement I made was simply repeating exactly what the Director of the Reclamation Service states.

Mr. McKELLAR. It never has paid at all?

Mr. SMOOT. Not a cent.

Mr. WALSH of Montana. That might be misleading, Mr. President. Under the reclamation act payments are not made at all on construction charges until the work is completed and the total amount expended is determined and thus apportioned between the acreage to be irrigated. That is arrived at when notice of completion of construction is given by the Secretary of the Interior. The project not having been completed, and no notice of completion of construction having been given, no payments, of course, have been made.

Mr. McKELLAR. When is it proposed that the construction will be completed?

Mr. WALSH of Montana. Of course, that depends upon how rapidly the work goes on. I have stood here ever since I have been in the Senate pleading and pleading with the Senate to make adequate appropriations for these reclamation projects, so that they could go on with some reasonable degree of rapidity and not consume themselves by overhead charges.

Mr. McKELLAR. Does it cost more to have piecemeal appropriations?

Mr. WALSH of Montana. Unquestionably.

Mr. McKELLAR. It costs a great deal more?

Mr. WALSH of Montana. Unquestionably.

Mr. McKELLAR. I should imagine that it would.

Mr. WALSH of Montana. You see, this has been going on now for 20 years, and so the overhead charges are very considerable. This $83 an acre has come about very largely by reason of the overhead charges.

Mr. McKELLAR. Has any estimate ever been made by the Director of the Reclamation Service as to how much it would cost to complete the project?

Mr. WALSH of Montana. Yes.

Mr. McKELLAR. What is that?

Mr. WALSH of Montana. I think the figures before me here tell the proportion of completion. I thought I had them here; but it could be figured out easily enough, because the figures are $83 per acre and the area is 160,000 acres.

Mr. KING. Mr. President, may I inquire of the Senator whether any part of that 160,000 acres may resort to any other source of water supply than this irrigation project?

Mr. WALSH of Montana. No; the Milk River and its tributaries are the sole source of water supply for this region.

Mr. KING. Are the private lands to which the Senator referred—and I think he said there were approximately 100,000 acres—required to go to this reclamation project for their water supply?

Mr. WALSH of Montana. They are within the reclamation project; and in order to lessen the cost of the public lands, of course, as the Senator understands, the private lands were taken in, the private owners agreeing to pay the same amount as would be paid by the adjacent public lands.

Mr. KING. And they have made no payments whatever yet?

Mr. WALSH of Montana. As I have explained, there has been no occasion to make any payments, because the amount to which they are obligated can not possibly be determined until the notice of completion is given.

Mr. SMOOT. Were they dry farming in that section?

Mr. WALSH of Montana. Oh, yes. That is another thing. During the years 1915 and 1916 there was a great abundance of moisture all over our State, and crops of very great value were raised. Indeed, for several years prior to that time the precipitation was relatively abundant and it was difficult to get settlers to take land under the irrigation projects, they all going for the region above the ditch; but our experience for the last four or five years has been exceedingly disappointing in that respect, and we now hope to induce immigration to the lands that are thus insured by the reclamation project. We are hoping to bring that about.

Mr. McKELLAR. Mr. President, the figures that the Senator gave a few moments ago would make $13,280,000 for the completed project, and, as I understood the Senator from Utah a while ago, about $6,000,000 has been expended; so that over $7,000,000 more would be needed to complete the project.

Mr. WALSH of Montana. It is practically half completed, then. Just about half the amount has been expended.

Mr. McKELLAR. And the appropriation in this bill is only $140,000.

Mr. WALSH of Montana. That is the trouble.

Mr. McKELLAR. It will take a long time to finish it at that rate.

Mr. WALSH of Montana. I have stood here on this floor session after session calling attention to these facts. We have got this money in, and we are just putting in little driblets that barely cover the overhead charges and maintenance.

Mr. SMOOT. Does the Senator claim that all of the land under the project is irrigable land?

Mr. WALSH of Montana. No; unfortunately, that is not so. At the present time there is a very considerable area of the land under the project that can not be profitably tilled.

Mr. SMOOT. That is what the Director of the Reclamation Service advised the Senate committee.

Mr. McKELLAR. About how much of the land will be good land if the project is completed?

Mr. SMOOT. The director did not say to the committee what proportion of it, but I am quite sure that it is quite a large proportion.

Mr. WALSH of Montana. I think they have not yet gone far enough to furnish the information asked by the Senator.

Mr. McKELLAR. A portion of the land, as I understand, will not be good even if they have the water?

Mr. SMOOT. No.

Mr. WALSH of Montana. Except by very high cultivation. Those of us from the West who know about these matters know that often these gumbo lands, after undergoing a number of years' cultivation, become highly productive; but they are very refractory, and it takes years to bring them under cultivation.

I should like to conclude what I have to say by reading from the statement made by Mr. Davis, the Director of the Reclamation Service, before the House committee, as follows:

> The continued advance of construction costs and the long drawn-out delays due to international difficulties have increased the cost above reasonable expectations, and it has been found that a large portion of the land has a very heavy gumbo soil difficult to reclaim and incapable of repaying the construction cost under present laws.
>
> The adoption of this project was ordered after deliberate decision that it was justified at a considerable sacrifice of the reclamation fund to preserve this water from foreign appropriation. The project is not yet finished, and, in my judgment, it will not be possible to collect from the irrigable lands the construction charges on the basis of the present laws without some amelioration of the terms of collection. It is possible, however, to segregate these costs into two portions—first, those of the completed works, and, second, those of works not built or but partially built which are necessary for the success of the project—and if we can have authority to divide these charges into two parts and consider one part a supplemental charge, such as contemplated in section 4 of the extension act, there will be a chance to recover investments that can not be otherwise recovered. For this purpose I recommend the following language be incorporated in the appropriation act.

Being the language tendered by the Senator.

Mr. McKELLAR. Mr. President, if the Senator will yield again, I notice that the bill speaks of several other reclamation projects in Montana. I believe the last one is the Montana-North Dakota project.

Mr. WALSH of Montana. Yes.

Mr. McKELLAR. Will the Senator state how these projects are developing? A great deal of work has been done on them, I believe.

Mr. WALSH of Montana. Oh, yes.

Mr. McKELLAR. What is the situation in reference to the other projects in Montana?

Mr. WALSH of Montana. The Huntley project has been completed, and it has been a very marked success, very largely due to the fact that it is in the immediate vicinity of Billings, where there is a large sugar factory; and the culture of sugar beets is carried on extensively on the Huntley project. The Senator will understand that by reason of that situation the yield per acre on the Huntley project is very high as compared with the Milk River project, for instance. It is hoped that in time we shall be able to get a sugar factory located on the Milk River project, and that will help very materially.

Mr. McKELLAR. What sums have been paid back to the Government under the Huntley project? Has the Government been reimbursed?

Mr. WALSH of Montana. My recollection is that there are practically no deficiencies on the Huntley project.

Mr. McKELLAR. No deficiencies at all? It has been, then, an abundant success?

Mr. WALSH of Montana. It has.

Mr. SMOOT. In the Huntley project there has been repaid to the Government $345,647 out of a net construction cost of $1,467,685.

Mr. McKELLAR. It has not all been paid, has it, by any means?

Mr. WALSH of Montana. The Senator will understand that it is to be paid in 20 years. Everything that is due, I am quite sure, has been paid.

Mr. McKELLAR. Oh, yes; so that it will pay out entirely?

Mr. WALSH of Montana. Oh, no doubt.

Mr. McKELLAR. Has the Senator information in regard to the Sun River and Lower Yellowstone projects?

Mr. WALSH of Montana. The Sun River project is still in the same state of incompletion as the Milk River project, but I have never heard it suggested that there is any doubt about the Sun River project.

Mr. SMOOT. There is no doubt about the Sun River project.

Mr. McKELLAR. That will pay, just as the Huntley project will?

Mr. SMOOT. That will pay out. It has already paid $135,863.

Mr. McKELLAR. Those amounts when they are paid in are covered into the Treasury; are they?

Mr. SMOOT. They are covered into the Treasury.

Mr. McKELLAR. They are not used to maintain the project? The cost of maintenance is appropriated for here?

Mr. WALSH of Montana. That is separate. The cost of maintenance and operation is separate from the construction charge. The Senator is giving the construction charge.

Mr. McKELLAR. I notice here, in the case of the Huntley project, that $115,000 is appropriated for continuation of construction and incidental operations.

Mr. SMOOT. That is not in the construction charge, I will say to the Senator. As the Senator says, that is entirely a different item.

Mr. WALSH of Montana. The Senator will observe that it says "continuation."

Mr. McKELLAR. "Continuation of construction"; yes. It provides for it in the bill. I was just wondering how long the appropriations would have to be continued for these projects—I mean where they are practically completed, as the Huntley project seems to be.

The questions that I am asking are not in opposition to the appropriations at all. I just want to find out what the situation is about these matters. I take it that these appropriations for reclamation do an immense amount of good out in your country. I think so, and I sincerely hope so; but I just wanted the information in reference to this point.

Mr. SMOOT. One-twentieth of the total construction cost is to be paid each year after the declaration that the construction is completed.

Mr. McKELLAR. Then what about the operation cost? The Government continues to operate, does it?

Mr. SMOOT. The operation cost is charged to the project—that is, to the users of the water—each year.

Mr. McKELLAR. In other words, all of this appropriation that we now make for construction and incidental operation will be paid back?

Mr. SMOOT. Yes; the operation cost.

Mr. WALSH of Montana. I want to say to the Senator with respect to that that this "continuation of construction" has reference, I take it, to the act recently passed.

It has been found that after these projects are completed, as it is understood at the time, some supplementary work is necessary. Frequently there is no water on the land, and it is necessary to set up some drainage system. The Reclamation Service is so situated that it can conduct that work, and it is

very desirable that it should do so. The act referred to makes provision for the payment of this supplemental charge over a period of years, so that, so far as the continuation of construction is concerned, it will all be paid, but will be paid only in installments, the same as the original cost.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. Has the committee any further amendments?

Mr. SMOOT. On page 75, line 10, after the word "papers," I move to insert a comma and the following words:

Such papers when reproduced for sale to be sold at not less than cost plus 10 per cent.

The amendment was agreed to.

Mr. SMOOT. On page 96, line 13, after the word "building," I move to strike out "$33,000" and to insert the words "and surrounding the mine, $75,000."

The amendment was agreed to.

Mr. SMOOT. On page 103, after line 19, I move to insert the following new paragraph:

Hereafter the Secretary of the Interior is authorized, in his discretion, and under regulations to be prescribed by him, to give surplus elk, buffalo, bear, beaver, and predatory animals inhabiting the Yellowstone National Park to Federal, State, county, and municipal authorities for preserves, zoos, zoological gardens, and parks: *Provided*, That the said Secretary may sell or otherwise dispose of the surplus buffalo of the Yellowstone National Park herd, and all moneys received from the sale of any such surplus buffalo shall be deposited in the Treasury of the United States as miscellaneous receipts.

Mr. President, just a word of explanation: The first part of the amendment is existing law, but the proviso is new. It is recommended by the department for this reason, that the buffalo in the Yellowstone Park are growing in numbers so rapidly that they are becoming a perfect nuisance. We have had to purchase hay to keep them alive. They are a nuisance to people outside of the park, and the park service is asking for this authority to either sell or to give to the States the extra buffalo, which are to-day an expense on the Government. That is all there is to the amendment.

The amendment was agreed to.

Mr. SMOOT. On page 106, line 13, I move to strike out "$95,000" and to insert "$100,000," and in line 16 to strike out "$9,000" and to insert in lieu thereof "$10,000."

The VICE PRESIDENT. The question is on agreeing to the first amendment proposed by the Senator.

Mr. McKELLAR. Will the Senator state the reason for that? Is it above the Budget estimate?

Mr. SMOOT. It is just the Budget estimate. The House cut the Budget estimate, giving them $95,000 for the support of the Columbia Institution for the Deaf. The Budget had estimated a hundred thousand dollars. For the repairs to the building of the institution, including plumbing and steam fitting, the Budget estimate was for $10,000, and the House cut it to $9,000.

I have a letter here from the Columbia Institution for the Deaf, addressed to the senior Senator from Ohio [Mr. POMERENE], in which they say that it is absolutely impossible for them to get along in the school unless they have what the Budget granted them, and this is simply to carry out that desire.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 106, line 13, strike out "$95,000" and insert in lieu thereof "$100,000," and on line 16 strike out "$9,000" and insert in lieu thereof "$10,000," so as to read:

COLUMBIA INSTITUTION FOR THE DEAF.

For support of the institution, including salaries and incidental expenses, books and illustrative apparatus, and general repairs and improvements, $100,000.

For repairs to buildings of the institution, including plumbing and steam fitting, and for repairs to pavements within the grounds, $10,000.

The amendment was agreed to.

Mr. SMOOT. That completes the committee amendments.

Mr. ASHURST. Mr. President, I offer the following amendment. I ask the attention of the Senator from Utah to the amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 34, after line 14, insert the following separate paragraph:

The sum of $15,000 is hereby appropriated from any tribal funds on deposit in the Treasury to the credit of the Indians of the Fort Apache Indian Reservation, Ariz., to be immediately available, to pay one-half the cost of constructing a wagon road, within said reservation, between Cooley and the northeast boundary of said reservation: *Provided*, That no part of the appropriation herein authorized shall be expended until the Secretary of the Interior shall have obtained from the proper authorities of the county of Apache, Ariz., satisfactory guarantees of the payment by said county of one-half of the cost of the construction of said road.

Mr. ASHURST. Mr. President, a few words in explaining the amendment. Apache County is the northeastern county of the State of Arizona. It will be observed from this map [exhibiting] that the red lines are the boundary lines of Apache County. The yellow on the map indicates an Indian reservation, and it will be perceived that about one-half of that county is within an Indian reservation and, of course, the lands therein not taxed and not subject to settlement. The population of that county is smaller than that of any of the other counties of our State, and the taxable property is also smaller than that of any of the other counties of that State. Nevertheless, that county has recently issued bonds in the sum of $375,000 to build roads in that county.

The town of Cooley is in Apache County and is within Fort Apache Indian Reservation. There is no suitable road leading from Cooley, in the reservation, to St. Johns, the county seat of the county, and to the town of Springerville, some 40 miles from Cooley; but the board of supervisors of the county have set apart the sum of $15,000 out of this sum of $375,000 avails of bond sales for the construction of a road in the Indian reservation from the town of Cooley to the reservation line, and are simply asking that the United States Government meet that sum of $15,000 with a like sum for the following reasons:

First, the grazing fees paid into the tribal funds amount annually to $50,000. At the town of Cooley is a large sawmill, sawing matured timber on that Indian reservation. The amounts paid for stumpage have been $100,000 annually until within the past year and a half, when a slump in the market shut down the mill; but the mill resumed operation last July, and the stumpage avails for 1922 will be $40,000 and for many years to come will be $100,000 annually.

It is but just that where the county expends such a sum as $375,000 to build roads and sets aside $15,000 thereof to build a road on an Indian reservation the Federal Government should pay at least half of the expenses of constructing the road. It will be perceived that no part of the appropriation shall be expended until the Secretary of the Interior shall have obtained from the proper authorities of Apache County satisfactory guaranties of the payment of one-half the cost of the road, or $15,000. The revenues accruing in that corner of the reservation will amount to $150,000 a year, to go into the Treasury to the credit of that tribe.

The Indians are in favor of this. The citizens of the county have shown their good faith by their willingness to pay one-half of the expense of the road. I hope the amendment will be adopted.

Mr. SPENCER. I understand from the Senator from Arizona that the Indians on the reservation and the tribe to which they belong are in favor of the use of their money in this way?

Mr. ASHURST. They are; and this prompts me to say that Mr. HAYDEN, Representative in Congress from Arizona, has introduced a bill looking to this end, of which my amendment is a rescript. The Commissioner of Indian Affairs has directed a favorable report on Mr. HAYDEN's bill, but owing to the cluttered condition of the calendars, it may be difficult for the bill to pass, hence I have availed myself of the opportunity to propose this amendment to the Senate this afternoon.

Mr. SMOOT. Mr. President, I will be compelled to make a point of order against the amendment. It has not been estimated for, and it is new legislation.

Mr. ASHURST. Before the Senator makes his point of order, I must say that he was out of the Chamber during my argument. I am sure that if the Senator had heard me, he would not make his point of order. Therefore, I am driven to the unfortunate necessity of repeating what I have already said, because I know after the Senator has heard what I have to say he would never think of making a point of order, because he is a progressive statesman, seeking to do substantial justice. If the Senator will give me his attention, I will repeat what I have heretofore said.

Mr. SMOOT. Nothing would please me better than to accommodate the Senator at this time, but I know that if the committee approve of this amendment, there are at least a dozen or 15 more, running all the way up to a hundred thousand dollars, which would be offered; and if I allow one to go in, I am barred from objecting to the others from going in. I do not think the Senator wants to put me and the committee in that position.

Mr. ASHURST. I do not.

Mr. SMOOT. I will say to the Senator that I will support his measure as separate legislation, but we are up against a

proposition here of keeping this bill within reason, and I would not want to hold out hope to the Senator and say that it can go in, and then have it go out in conference, with all the expense and time wasted in both the House and the Senate. I must make a point of order against the amendment, although I dislike to do it. I am compelled to do it.

Mr. ASHURST. Then the situation practically is this: Even if the Senator should hear my argument, he would be obliged to make a point of order?

Mr. SMOOT. I would be obliged to make it.

Mr. ASHURST. Therefore, there would be no use of my detaining the Senate further at this time.

The VICE PRESIDENT. The point of order made by the Senator from Utah is sustained.

Mr. McNARY. Mr. President, I offer the following amendment.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 60, after line 13, insert the following new paragraph:

That the time for the reimbursement of the sums appropriated for the benefit of the Indians of the Klamath Indian Reservation in Oregon, under the authority of the last paragraph of section 19 of the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for various other purposes, for the fiscal year ending June 30, 1919," approved May 25, 1918, is extended until December 31, 1924.

Mr. SMOOT. There is no appropriation involved in the amendment. I think it is necessary, and I have no objection to it.

The amendment was agreed to.

Mr. ODDIE. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 47, after line 11, insert the following as a new paragraph:

That the Secretary of the Interior be, and he is hereby, authorized, by agreement or otherwise, to bring 4,887 acres of Paiute Indian lands in the State of Nevada within the provisions and benefits of a drainage district, organized pursuant to the laws of said State, for the purpose of draining the lands within the Newlands irrigation project; and there is hereby appropriated the sum of $2,500, out of any money in the Treasury not otherwise appropriated, for the purpose of paying the first installment assessable against said Indian lands: *Provided, however,* That the total amount of the charges assessed against said Indian lands shall not exceed $49,603.05, and shall be payable in 20 annual installments: *Provided further,* That the Indian lands so drained by said district shall not be amenable to any lien which is subject to foreclosure created by the laws of said State for failure to pay charges when due: *And provided further,* That the money herein appropriated shall be reimbursed in accordance with such rules and regulations as the Secretary of the Interior shall prescribe.

Mr. ODDIE. Mr. President, the amendment is identical with that which was incorporated in the Interior Department appropriation bill last year. The amendment was agreed to in the Senate and was lost in conference. The failure of the amendment in conference was made the basis of a protest by my colleague [Mr. PITTMAN], who, in view of an understanding secured on the floor of the Senate that the Indian Affairs Committee would act promptly on a bill if introduced by him covering the same matter, withdrew his opposition to the adoption of the conference report and permitted action on it to be taken. The Committee on Indian Affairs, in complying with this understanding, favorably reported the bill which was introduced by my colleague, with several amendments. They cut out a small acreage and reduced the appropriation proportionately. The bill then was placed on the calendar, where it now is.

I would like to have printed in the RECORD the report of the committee containing a letter addressed to the chairman of the Committee on Indian Affairs, the junior Senator from Missouri [Mr. SPENCER], by the Acting Secretary of the Interior, Judge Finney.

The VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

[Senate Report No. 714, Sixty-seventh Congress, second session, Calendar No. 709.]

DRAINAGE SYSTEM FOR PAIUTE INDIANS IN THE STATE OF NEVADA.

Mr. SPENCER, from the Committee on Indian Affairs, submitted the following report, to accompany S. 3384:

The Committee on Indian Affairs, to whom was referred the bill (S. 3384) authorizing an appropriation to meet proportionate expenses of providing a drainage system for Paiute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service, having considered the same, report favorably thereon, with the recommendation that the bill do pass with the following amendments:

On page 1, lines 4 and 5, strike out the words "eight hundred and eighty-seven" and insert in lieu thereof "and forty-seven."

On page 1, line 9, strike out the figures "$2,500" and insert in lieu thereof "$2,100."

On page 1, line 13, strike out the figures "$49,603.05" and insert in lieu thereof "$41,077.05."

The facts relating to the bill are fully set forth in the following letter from the Acting Secretary of the Interior, under date of April 15, 1922, which is appended hereto and made a part hereof:

DEPARTMENT OF THE INTERIOR,
Washington, April 14, 1922.

Hon. SELDEN P. SPENCER,
Chairman Committee on Indian Affairs, United States Senate.

MY DEAR SENATOR: Further reference is made to your letter of April 4, 1922, inclosing for report a copy of S. 3384, providing for inclusion of certain Paiute Indian lands in a drainage district in Nevada and for the payment of the proportionate cost of draining such lands. The necessity of including the Indian lands in the drainage district is apparent and the purpose of the proposed legislation meets with my approval.

In regard to this matter I may say that a recent report, based on an investigation made by the assistant chief engineer of the Indian irrigation service, shows that practically all lands in the Newlands irrigation project except the Indian lands have been included in a State drainage district organized for the purpose of providing adequate drainage facilities for the lands within the Newlands project. The Paiute Indian lands within said project for which water rights have been acquired approximate 4,047 acres. Of this area some 1,200 acres are now waterlogged, which renders the land unfit for cultivation. This condition seems to clearly indicate the necessity for drainage. The Indian lands have not been included within the drainage district, due to the fact that it would require specific action on the part of Congress authorizing their inclusion.

It is my understanding that the drainage project proposed by the district will cost approximately $700,000. By dividing the acreage including the Indian lands into that cost will place the per acre cost or assessment at $10.15.

The records show that the charge for acquiring water rights for the Paiute Indian lands was $97,848 and that $47,293.20 has been expended on account of maintenance and operation. The construction cost on a per acre basis is about $20 and the annual operation and maintenance assessment for a 10-year period about $1 per acre. Both these charges, as compared with similar charges on other projects, are quite reasonable. In view of these facts the Indian lands can readily stand an additional charge of $10.15 per acre for drainage purposes.

In view of this situation and of the fact that the Indian lands will of necessity have to be drained, the only reasonable deduction is that provision should be made to include them within the State drainage district and make provision for the payment of their proportionate part of the expense entailed.

The bill as introduced provides for the drainage of 4,887 acres. This area is in excess of the actual amount for which water rights have been acquired. The irrigable area of Indian lands, as above set forth, is 4,047 acres. This reduction in the area naturally reduces the total proportionate share of the cost of the drainage. The total amount for this work appearing in line 13 should be therefore changed to $41,077.05 and the annual installment should be reduced to $2,100 instead of $2,500, as appears in line 9. The area appearing in lines 4 and 5, page 1, should also be changed to 4,047 acres instead of 4,887. With these changes I shall be pleased to see the bill enacted into law, providing it meets with the approval of your committee and the Congress.

Sincerely,

E. C. FINNEY, *Acting Secretary.*

Mr. ODDIE. Mr. President, I believe that a point of order should not lie against the amendment, because under the substitute for clause 1, Rule XVI, applying to amendments to appropriation bills, it is stated:

All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it may be made to carry out the provisions of some existing law.

The amendment is in pursuance of existing law, the reclamation act, under which the Newlands reclamation project has been carried out. My amendment was agreed to by the Senate last year in identically the words of the amendment which I have just offered, and I feel that the Senate in showing good faith will allow the amendment to be agreed to. When my colleague's bill was introduced, it was passed on by a committee of the Senate and by the Bureau of Indian Affairs, which shows that the department approved it. The provisions contained in this amendment are perfectly legitimate and very necessary to the Newlands reclamation project. The people on that project have suffered severely from conditions for which they were not responsible. I ask that the amendment may be agreed to.

Mr. SMOOT. Mr. President, I shall have to make the point of order against the amendment. The Senator from Missouri [Mr. SPENCER], when the Commissioner of Indian Affairs was before the committee and this particular amendment was under consideration, asked the commissioner:

Is it desirable to include these Indian lands?
Commissioner BURKE. We do not ask for it.
Senator SPENCER. You do not think it is advisable?
Commissioner BURKE. I do not know anything about it. I know we are not asking for it.
Senator SPENCER. Is it estimated for?
Commissioner BURKE. No.

It has not been estimated for. The Budget did not recommend it. For that reason I make the point of order against the amendment.

The VICE PRESIDENT. What does the Senator from Utah say with reference to the contention of the Senator from Nevada that the amendment is for the purpose of carrying out the provisions of an existing law?

Mr. SMOOT. It provides for an appropriation for a certain purpose that may have been caused by the construction of an irrigation project under the Newlands law, but it has nothing whatever to do with the original law. More than likely the lands that are to be drained were caused to be flooded by the construction of an irrigation project, but it had nothing whatever to do with the law itself.

Mr. ODDIE. Mr. President, I suggest to the Senator from Utah that a matter of this kind should be looked at in a broad way. This condition was brought about by water being placed on certain lands under the Newlands irrigation project, which caused certain other lands to be flooded. It is necessary that this drainage project be installed for the drainage of certain lands, including these Indian lands which receive the benefit of that drainage project and should pay their proportionate share of the cost.

Mr. SMOOT. There is no question but what the Senator could introduce a bill appropriating the amount. Then, if Congress sees fit to appropriate the money for the purpose of assisting the individuals who were damaged by the construction of the Newlands project in the State of Nevada, well and good. Let it be done by the introduction of a bill for that specific purpose. But this is a direct appropriation which has not been estimated for, and under the rule it can not be put upon an appropriation bill when an objection is made to it. I am in sympathy with the Senator's object. I will say to the Senator that I will vote for his bill when it comes before the Senate, if he will introduce it. But if this amendment is put on here, every other claim would have to be allowed. It is nothing more nor less than a claim against the Government of the United States.

Mr. ODDIE. I will state to the Senator from Utah that the Senate passed the appropriation bill last year, containing exactly the same amendment that I have introduced again.

Mr. SMOOT. And the House ought to have passed it and that would have settled it. If the House would pass it and the Senator would bring it here, I would vote for it and support it and help the Senator to get it through. There is no question but what the work ought to be done. I know what these lands are that are made wet by irrigation, I know what it means to the land, and I know that the lands are not going to be good for agricultural purposes until they are drained. But this is asking for an appropriation to enable that to be done, and if I let this amendment be attached to the appropriation bill I do not see how I could make objection to other similar amendments.

Mr. ODDIE. It seems to me such a clear case of justice, because the people in the district under the law are constructing the drainage system which is a very necessary part of the irrigation project. The Indian lands are receiving the benefit from it and it is only fair and just that they should pay their share. I believe this amendment is germane to the bill. I will say further to the Senator from Utah that there is now on the Senate Calendar the bill introduced by my colleague [Mr. PITTMAN] to which I have referred, making it unnecessary for me to introduce a similar bill.

The fact is that the Senate passed a measure last year in identical terms, and it does not seem as if it were fair to my colleague or to me if it does not allow the amendment to go in this year. He tried to get it through last year after the conference committee threw it out. I feel that it is only just to our project that the amendment should be agreed to. I hope the Senator from Utah will withdraw his point of order.

Mr. SMOOT. I would do so if I could, but I can not do it. As I said, I am in sympathy with the object of the Senator, but let the matter be presented in the proper way. The amendment which he now offers provides for a straight appropriation for which no estimate has been made at all. Therefore, I am compelled to make the point of order.

The VICE PRESIDENT. The point of order is well taken.

Mr. HITCHCOCK. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 39, after line 19, insert:

To pay the sum of $17,471.25 to the Allied Contractors (Inc.), of Omaha, Nebr., as additional compensation for the construction of a bridge across the Little Colorado River near the Leupp Indian Agency, Ariz., under contract approved by the Secretary of the Interior on November 10, 1919, funds for said bridge having been appropriated by the acts of March 2, 1917, May 25, 1918, and June 30, 1919, and the cost thereof to the contractors having exceeded the contract price by said sum: *Provided*, That said amount shall be reimbursable to the United States from any funds now or hereafter placed in the Treasury to the credit of the Navajo Indians in Arizona, to remain a charge and lien upon the lands and funds of said tribe of Indians until paid.

Mr. HITCHCOCK. Mr. President, the bridge referred to in the amendment was built on the Navajo Indian Reservation, I think, in Arizona. It was an absolutely necessary piece of work. The bridge was built under the authority of the acts which are cited in the amendment. When the time for the construction arrived and the materials had been shipped to the place the contractor found that the engineer of the department had made a mistake in his soundings as to the depth necessary to go in order to reach bedrock. He refused to go on with the work, and was summoned to Washington and made what might be called a supplemental agreement with the department as to the construction. The memorandum which was sent to me by the assistant commissioner is dated April 29, 1920, and reads as follows:

LEUPP BRIDGE CONTRACT WITH ALLIED CONTRACTORS (INC.).

APRIL 29, 1920.

PURCHASE DIVISION:

At a conference held on this date by Assistant Secretary Hopkins, Mr. Meritt, Mr. Towles (representing the contractors), Judge Pollock, and Mr. Middleton it was agreed that the contract for the bridge should stand as approved, and that the bridge should be constructed in accordance with the requirements of the specifications prepared in this office, which accompanied the advertisement for bids. It was also agreed that the office would give consideration to any claims for additional compensation presented by the company and supported by sufficient justifiable facts upon the completion of their contract.

E. B. MERITT,
Assistant Commissioner.

Mr. President, under that agreement the contractors went on with their work. After it was finished they presented claims amounting to $21,045.92. At a conference held at the department the amount was adjusted, in June, 1921, to $17,471.25. This year, on the recommendation of the Acting Secretary of the Interior, the Senate of the United States passed a bill providing for the payment of that amount. The bill went to the House of Representatives; it has been favorably reported there; and I am asking now to have the item inserted in the pending measure.

Mr. SMOOT. Mr. President, there is no doubt that the claim ought to be paid and no doubt that the House of Representatives will pass the separate bill providing for its payment, but it is a private claim proposed to be placed upon an appropriation bill; it has not been estimated for; and I am compelled to make a point of order against it.

Mr. HITCHCOCK. Before the point of order is ruled on, I should like to read the provision of the amended rule on that question. In the light of the rule the objection, I think, is certainly a very technical one. Here is a case of emergency work which had to be done. The contractor, acting under an act of Congress, made his bid; and the construction of the bridge was a matter of urgent necessity. Until the bridge was built, the Indians were compelled to make a detour of something like 100 miles to go to their market and even to their school. In that situation, the supplemental contract was made by the authority of the Interior Department.

Now I wish to call the attention of the Senator from Utah to the language of the rule as it has been amended. It reads:

All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session.

Mr. President, I am aware that the bill covering this claim to which I have referred is not an act which has previously been passed during this session, but I do not believe it was the intention to limit the rule to the particular session, a matter of a few days. I believe the intention of the rule was to limit it to the Congress then in existence, because Congress has not any right and the Senate has not any right to divide the rights of bills according to the session of a Congress in which it was passed. A bill introduced in any session of a Congress remains pending throughout that Congress and may be acted on at any time during that Congress. That was evidently the contemplation of this rule.

Mr. President, all rules ought to be interpreted with reason. What possible reason could there be for saying that my amendment would have been in order in November but not in order in December or January? The bill to which I have referred was passed during the session which closed only a few days ago. As the Senator from Utah has stated, there is no question about the justice of the claim; and there is also no doubt the contractor has been kept out of his money now for three or four years by technicalities and delays. Of course, the House of Representatives may pass the separate measure embracing this claim; but what reason is there why the Senator from Utah, in charge of the pending bill, should enforce a technicality which has not any logic or any reason in this case?

Mr. SMOOT. I call the Senator's attention to paragraph 4 of the same rule from which he has read, which reads:

No amendment, the object of which is to provide for a private claim, shall be received to any general appropriation bill, unless it be to carry out the provisions of an existing law or a treaty stipulation, which shall be cited on the face of the amendment.

Mr. President, this is a private claim; there is no doubt about that.

Mr. HITCHCOCK. The requirement of the rule has been complied with in this case.

Mr. SMOOT. No.

Mr. HITCHCOCK. The amendment which I presented has cited the existing law, to wit, the law directing the construction of the bridge.

Mr. SMOOT. But the claim is not covered by existing law, and it is not a treaty stipulation. We might just as well, Mr. President, take any other claim and put it upon an appropriation bill as to insert the amendment of the Senator from Nebraska. Even as provided by the new rule, the bill has not passed at this session. There was a reason for providing that it should be "the session" and not "the Congress."

Mr. HITCHCOCK. What was the reason?

Mr. SMOOT. The very fact that a measure could be passed at one session, followed by an adjournment, we will say, for several months, and then when the appropriation bill for the next year came up for consideration at the next session it could be offered again, which would not be right.

Mr. HITCHCOCK. What possible reason could there be for that when the bill in this instance has passed during the existing Congress? A Congress is an entity. The fact that it divides itself into sessions has not any particular significance. The fact that it was this Senate during the present Congress that did this thing should be controlling.

Mr. SMOOT. That, however, is not what the rules of the Senate provide. I shall have to insist upon the point of order, Mr. President, not only upon the first ground but also upon paragraph 4 of the rule as well.

The VICE PRESIDENT. The Chair is of the opinion that, under the fourth section of Rule XVI, irrespective of the first section, the point of order made by the Senator from Utah is well taken.

Mr. HITCHCOCK. Mr. President, I think that such technical objections go far to destroy the value of the rules, and I think, furthermore, that the Senator in charge of this measure is standing in his own light in insisting on such objections. The Senate has been complying with the desires of those in charge of legislation by facilitating the passage of appropriation bills; but if the Senator proposes to take the position that he is going to enforce strict technicalities against claims which are admitted to be just and upon which the Senate has already acted, he will have to expect a little more trouble in getting through some of these measures.

Mr. SMOOT. I know that the Senator from Nebraska is a reasonable man and I believe he knows that if I should allow one claim to be attached to this bill there would be no limit to the claims which might be presented. If in the enactment of the appropriation bills we are going to live up to our Budget law there is only one way to do it.

It does not give me any pleasure, I will say to the Senator from Nebraska, to object to any claim that he may present; I do not like to take such action; but I have got to treat my friend from Nebraska—and he is my friend—the same as I would treat any other Senator. I can not do otherwise than I have done.

Mr. HITCHCOCK. Mr. President, I do not see how the Senator can contend that the amendment I have proposed will have any effect on the Budget one way or the other. The Senate has passed a bill providing for the payment of the claim and the Senator himself suggests that the House ought to pass that bill, whether it will or not. If the House shall pass the bill it will be at some later date, and the Budget will be effected in exactly the same way as if the Senator allows this item to be incorporated in the pending bill. I believe the Senator ought to do so as a matter of facilitating business, inasmuch as this side of the Chamber is cooperating in facilitating business, and if another claim shall be presented the equities of which are equal to those of the claim I have presented, I do not think he ought to enforce the rule. The rules of the Senate are not like the laws of the Medes and Persians; they are to be relaxed when there is reason for relaxing them, and in the case of reasonable and just claims there is no fair objection that can be urged to their going into the bill.

Mr. HARRELD. Mr. President, on page 21, line 14, I move to strike out the words "including peyote."

The VICE PRESIDENT. The amendment proposed by the Senator from Oklahoma will be stated.

The READING CLERK. On page 21, line 14, after the word "drugs" it is proposed to strike out the words "including peyote." so as to make the clause read:

For the suppression of the traffic in intoxicating liquors and deleterious drugs among Indians, $25,000.

Mr. HARRELD. Mr. President, I think the words covered by the amendment ought to be stricken out for two reasons. Last year when the bill making appropriations for the Interior Department was under consideration the same provision was in the bill, but it was stricken out on a point of order. I expected to make a point of order against it in this instance, but find that I can not do so, because the item was passed by the House without a point of order being made, and, therefore, it is not subject to a point of order here. However, it passed the House under a misapprehension. A member of the Oklahoma delegation, Mr. MCCLINTIC, who is present, expected to have made the point of order in that body, but was prevented from doing so because a member of the committee told him the words were not in the bill.

Mr. SMOOT. Mr. President, it seems to me, if that be the case, the easiest course to pursue in this instance is to accept the amendment striking out the words and let it go to conference, and then the House Members may decide the question whether there was any misunderstanding about it.

Mr. HARRELD. I will call attention to the record in the case if the Senator desires me to do so.

Mr. SMOOT. No; if the Senator says that such a state of facts exists, I have every confidence in his statement, and I am perfectly willing, so far as I am concerned, to accept the amendment of the Senator and let it go to conference, where the question may be thrashed out with the House conferees.

Mr. HARRELD. That will be satisfactory.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, two days ago I presented an amendment to the pending bill proposing an addition of $100,000 in the item for land surveys, for the express purposes of surveying and resurveying oil and oil-shale lands. The necessity for the amendment is supported by a statement from the Commissioner of the General Land Office, who describes the need for that work at the present time. However, the committee has granted an increase of $49,600 in the item for surveys and resurveys of public lands over the amount approved by the House; so that, instead of pressing for action on my original amendment, I now offer a substitute amendment which I should like to have read by the Secretary.

The VICE PRESIDENT. The Secretary will read as requested.

The READING CLERK. On page 17, line 6, after the word "lands," it is proposed to strike out the period and insert the following:

: *Provided further*, That not to exceed $50,000 of this appropriation shall be used for surveys and resurveys under the rectangular system provided by law, of public lands deemed to be valuable for oil and oil shale, including office work in offices of surveyors general.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado.

Mr. SPENCER. On what page is that?

The VICE PRESIDENT. Page 17.

Mr. SMOOT. I think the Senator is wrong in the page. I think it should come in on page 16, line 18.

Mr. MCKELLAR. Is not that subject to a point of order as general legislation on an appropriation bill?

Mr. PHIPPS. No; it is not.

Mr. MCKELLAR. It says "including office work in offices of surveyors general."

Mr. PHIPPS. I will say to the Senator that it leaves it in the discretion of the department to use up to that amount for that express purpose. It does not state that so much must be used for that purpose and no other. It gives them the opportunity to do that work. Without that, there is a question as to whether or not they could do any of that particular character of work out of this appropriation. It is merely to clarify the language. It does not involve any increase in the amount of the appropriation.

Mr. MCKELLAR. Manifestly, if it changes the law, it is objectionable as being general legislation on an appropriation bill. I will say to the Senator that I am not going to make the point of order; but it does seem to me that if other items are kept out by reason of points of order, all ought to be treated alike.

Mr. SMOOT. If it made an appropriation of a dollar, I would make a point of order immediately; and the question for the Chair to decide is as to whether it is not new legislation.

Mr. McKELLAR. Of course, I am not making the point of order. According to the statement of the Senator from Colorado, though, it is clearly subject to a point of order, because he says that under existing law it can not be done.

Mr. PHIPPS. No; I did not mean to convey that impression.

Mr. McKELLAR. I understood the Senator to say that.

Mr. PHIPPS. I mean, it is to clarify the purpose.

Mr. SMOOT. Under existing law, there is not any question but that it can be done. The only object of the amendment is to direct them to do it.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. SPENCER. Mr. President, I should like to have the amendment read again. I think it is entirely new legislation.

Mr. McKELLAR. Unquestionably it is new legislation; there is no doubt in the world about it; but I am not going to make a point of order against the amendment.

Mr. HITCHCOCK. Will the Senator read it?

Mr. FLETCHER. Will the Senator read it aloud again?

Mr. SPENCER. I make the point of order that the proposed amendment is new legislation and objectionable to Rule XVI.

Mr. PHIPPS. Mr. President, I desire to state my understanding of the situation.

The general item in the bill for survey and resurvey of lands, approved in the House to the amount of $650,000, and raised by the Senate committee, and now by the Senate, as in Committee of the Whole, to the amount of $699,600, permits the General Land Office to survey all character of public lands, whether they be oil-shale lands or oil lands or agricultural lands.

The purpose of this proviso is simply to indicate to the department the desire that the approximately $50,000 additional voted on by the Senate may be devoted to the purpose of examining the oil-shale and oil lands. Where to-day we are endeavoring to have the oil-shale property developed, people going on that land and expending their money may find that they are half a mile away from the proper line, and that the property on which they are working belongs to some one else, instead of being covered under the patent which they have paid for. It is very important to have errors made in the original surveys corrected without delay, and I do not believe that a point of order will lie against the amendment in the form in which it is written.

Mr. KING. Let the amendment be stated. Some of us have come into the Chamber since it was stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 17, line 6, after the word "lands" and before the period, it is proposed to insert a colon and the following proviso:

Provided further, That not to exceed $50,000 of this appropriation shall be used for surveys and resurveys, under the rectangular system provided by law, of public lands deemed to be valuable for oil and oil shale, including office work in offices of surveyors general.

Mr. KING. Mr. President, if the Senator will permit me, my understanding is that the oil-shale lands have been pretty well delimited. Their physical boundaries are easily ascertainable, and I can not quite understand the object of the Senator's amendment.

Mr. PHIPPS. The resurveys are necessary by reason of the fact that that territory was platted years ago under a contract system, where as a matter of fact the work was probably done in the office of the surveyor instead of on the ground itself, so that to-day when you go to look for corners and monuments or other land markings it is impossible to locate them. They do not exist. The probability is that they were never put in position on the property, although the land is supposed to have been surveyed.

Now money is being expended, experimental plants are being erected on this property, and the owners who have expended their money in doing their assessment work year by year and have acquired their patents and are acquiring them are not assured that they are working on the property that is designated in the patent which they hold, and they may find that they are as much as half a mile off the line of the property that they should be working on. Not only that, but under the oil-leasing bill it is now possible to take up these lands, and in a short time they should be bringing revenue to the Government by way of royalties; and it is necessary to have these surveys corrected up to date, so that the people going on the lands and acquiring title to them will have the right land and not be trespassers on the land of some one else.

Mr. KING. I confess that the situation described by the Senator is entirely new to me. We have in my State and in Nevada upon the west perhaps the largest deposits of oil shale that exist in the world. I have heard no complaint as to the accuracy of the surveys wherever those lands have been surveyed, and I can not conceive of any greater inaccuracies with respect to the oil-shale lands than with respect to any part of the public domain. If you are to resurvey all of the lands which are now denominated oil-shale lands, it would seem to me that you would be compelled to survey all of the public domain, particularly that which is known as mineral land; and if the Senator seeks to discredit or challenge the accuracy of the surveys of the United States with respect to oil-shale lands, it does seem to me that his challenge would extend necessarily to surveys with respect to all mineral lands and with respect to agricultural lands.

Mr. PHIPPS. Mr. President, I have not wanted to consume the time of the Senate in reading the statement to which I referred when I opened my remarks. Now I think it proper to do so.

This communication is from the General Land Office. It is a memorandum on resurvey of oil lands, and it states:

Activities under the provisions of the act of Congress approved February 25, 1920 (41 Stat. 437), have brought to the attention of this office the fact that many original surveys executed under the old abandoned contract system over regions where the value of the lands from an oil-producing standpoint was unrecognized are so grossly defective, fraudulent, or obliterated as to render it impossible for claimants now to comply with the requirements of law that all oil-prospecting units be made to conform to the subdivisions of the public lands surveys. In some localities the discovery of oil and producing shale has made the lands exceptionally valuable, and under such conditions the necessity for definite land boundaries is particularly emphasized. The failure on the part of the Government to respond to meritorious requests for resurveys in such cases is at the risk of interfering with the proper and efficient development of these natural resources. Instances are being brought to the attention of this office where the original surveys, made over 40 years ago, over lands now found to contain oil-producing shale, are almost totally obliterated, and where corners were found on the outskirts, they were so discordantly related in position as to render it impossible, without resorting to extensive resurvey work covering blocks of townships of considerable size, to recover any of the intervening lost or obliterated corners to their most probable original position.

The demands for the resurvey of single townships or a small number of townships in oil fields of known value can usually be met through the administration of the provisions of the resurvey acts of March 3, 1909 (35 Stat. 271), and September 21, 1918 (40 Stat. 965), but the apportionments made to the various surveying districts from the annual appropriation for surveying the public lands are substantially absorbed by demands for surveys and resurveys from actual settlers, and the apportionment to one district can not be increased without detriment to the demands arising in another district. The result is that the larger areas standing in need of resurvey, particularly in the oil fields, must be left without relief. Furthermore, by the terms of the act of March 3, 1909, as amended by the act of June 25, 1910, the amount of the general appropriation for surveying the public lands that can be devoted to resurvey work is limited to 20 per cent of the total appropriation. This limit has been substantially reached in each of the past 10 years in the making of resurveys applied for by settlers.

To attempt to place any reliance in the making of oil developments upon surveys shown by competent evidence to be grossly erroneous, fraudulent, or obliterated will only result in confusion, disorder, and discouragement. A resurvey is the only solution, as definite boundaries must necessarily attend developments of a valuable and permanent character.

Already there have been crystallized the necessities for resurvey relief in several surveying districts, notably in Colorado, New Mexico, and Utah. To meet these and other demands that might reasonably be anticipated during the ensuing fiscal year, it is estimated that an appropriation of $100,000 will be required.

May we have a ruling on the point of order?

The VICE PRESIDENT. The Chair understood the Senator from Utah to say that the work that is proposed to be done under the amendment can be done without the amendment being made.

Mr. SMOOT. It can be, I will say to the Chair, for surveys and resurveys. This amendment directs that it *shall* be done. That is the only change that is made.

The VICE PRESIDENT. Why is it not in the nature of a limitation on the proposed appropriation and not in the nature of new legislation?

Mr. SMOOT. It is not a limitation on the appropriation. The appropriation remains just as it is, but it says to the commissioner that out of this amount he shall expend $50,000 for this purpose.

Mr. PHIPPS. Mr. President, may I interrupt the Senator?

Mr. SMOOT. Yes.

Mr. PHIPPS. It does not say that he shall spend that amount but that he may spend up to $50,000.

Mr. SMOOT. I agree with the Senator as to the object of it.

Mr. KING. I think it uses the word "shall."

Mr. SMOOT. I think it says "shall," or else it will do no good. If the amendment simply says "may," there is no need of it at all.

The VICE PRESIDENT. The amendment reads:

Provided further, That not to exceed $50,000 of this appropriation shall be used for surveys and resurveys——

Mr. SMOOT. That is what I understood it was—mandatory.

Mr. PHIPPS. Mr. President, I beg to differ. I drew the amendment, not that $50,000 shall be expended, but——

Mr. SMOOT. Does the Senator want to change the word "shall" to "may"?

Mr. PHIPPS. Yes; I am willing to change it to "may be used." I desire to modify the amendment by making it read "may be."

The VICE PRESIDENT. The Secretary will state the amendment as modified.

The reading clerk read as follows:

Provided further, That not to exceed $50,000 of this appropriation may be used for surveys and resurveys, under the rectangular system provided by law, of public lands deemed to be valuable for oil and oil shale, including office work in offices of surveyors general.

Mr. JONES of Washington. Mr. President, if the statement of the Senator from Utah is correct, and the money can be used for that purpose now, what does this proviso add?

Mr. SMOOT. I have no objection to the amendment as it is.

Mr. JONES of Washington. This would use the whole six hundred and odd thousand dollars.

Mr. SMOOT. I was calling attention to this particular class of survey.

The VICE PRESIDENT. The Chair will rule that the proposed amendment, in its present form, is not subject to a point of order.

Mr. SMOOT. I think that is right.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

ROADS IN NATIONAL PARKS.

Mr. PHIPPS. Mr. President, "See America First" is a slogan which has met with general approval. Deservedly so! Some of us, however, have been a little slow in viewing the wonders of our own country, while in the case of many a World War was required to change the trend of travel. Americans who spent those dark days in Europe were mostly engaged in business, a grim but necessary business; and our citizens on this side who sought wholesome recreation or recuperation in travel were well-nigh compelled to "see America first."

Hence, in the short space of seven years the number of annual visitors to our national parks, which boast of some of the finest scenic treasures to be found anywhere in the world, has quadrupled. In 1921, for instance, more than 1,200,000 people came to the parks from all parts of the country, and one of them alone, the Rocky Mountain National Park, furnished pleasure and relaxation to 219,164 visitors in a single year.

Two-thirds of these travel by automobile, bringing their own equipment. Then what about the roads—that prime necessity of the motorist? It is well-nigh unbelievable that they have been woefully neglected, and that to date no program of any magnitude has been approved by the Congress for the construction, improvement, and maintenance of highways in our national parks. In the Rocky Mountain Park, which had the maximum number of visitors during the past year, Congress has only authorized the expenditure of $35,000 for road improvement since its establishment. In other words, the State and the counties of Colorado have constructed all of its present highways, and the meager sum mentioned was spent in widening narrow sections of roads constructed with other than Federal funds.

Director Stephen Mather, of the park service, stated in his 1921 annual report, "We have not a single paved road in the national park system at this time." There are now, I understand, 5 miles of oiled macadam in Yellowstone and a short stretch of pavement in Grand Canyon, built by a railroad company without Government aid.

These are facts which challenge the attention. At that, they are merely illustrative of the existing deplorable situation.

Mr. President, in only two national parks, Yellowstone and Crater Lake, has the United States Government constructed road systems for present needs, and even these highways have had no surface improvement. The first national park, Yellowstone, was established in 1872, since which time 18 other parks and 24 national monuments have been added to the system. These are located from Maine to the Hawaiian Islands and from Arkansas to Alaska. During this half century of park history less than $3,250,000 has been expended in road and bridge construction, of which $1,265,000 was appropriated for special road projects. I should add that the pending Interior Department bill contains approximately $200,000 for the construction of roads in Sequoia, Mount Rainier, Glacier, and Grand Canyon Parks. Not a mile of road has been built by the United States in Mount McKinley, Hawaii, Wind Cave, General Grant, Lafayette, and other parks.

Bear in mind also that in recent years road building has been under way all around these parks. Splendid highways have been constructed with Federal, State, and county money right up to the park boundaries, where the tourist has met with unimproved roads or roads with but a semblance of improvement. Illustrations are legion. Mount Rainier National Park, in Washington, contains 324 square miles, with only 36½ miles of roadway. An autoist who remains in the park for three days can only cover 5 per cent of its area.

Against this lack of service to its citizens in the matter of providing safe and comfortable roads may be set the fact that license fees are charged by the Government at the gates of Yellowstone, Yosemite, Mount Rainier, Sequoia, and a few others. The excellent highways outside are, of course, free. During the past 10 years $1,138,200 has been collected in such automobile fees, all of which has been turned into the Federal Treasury, while only about $1,500,000 has been spent in road construction in the same period of time. As already pointed out, most of these roads, such as they are, the Federal Government never built, so that we have the picture of Uncle Sam charging a fee for the use of something he never paid for himself.

In Yosemite Park there are 138 miles of roads, only 8 of which were built by the Government. The other 130 miles were constructed by toll-road companies or by the State for wagon travel and have never been reconstructed for automobiles. Motorists drive free of charge to the gates of the park over roads built by the State, and then are charged a license fee of $5 to ride over dusty, narrow roads which the Government inherited but does not even keep in proper repair. At the gates of Yosemite over $310,000 has been collected in license fees for the use of these privately built roads.

These are days when the Federal Government must conserve its revenues at every turn; hence I do not advocate the abolition of these charges. I believe, too, that the average American citizen would pay the money quite cheerfully if the roads were in good condition. But it is manifestly unfair and unjust to charge the public for the privilege of traveling over highways which are unimproved or badly in need of repair. Such conditions as those described at Yosemite can not endure.

Give the parks money for road construction so as to make them reasonably accessible and perfectly safe. Then the license fees can be better justified, and the total income from that source, if continued, will increase greatly, probably to $600,000 or $800,000 annually, yielding 8 to 10 per cent interest on the investment.

Early in 1922 park officials, at Secretary Fall's direction, prepared a road program calling for $7,500,000 to be expended over a three-year period, $2,500,000 each year, beginning July 1, 1923. General Dawes, then Director of the Budget, favored this appropriation, and the data for the estimates were carefully compiled. Later on, however, the Budget Bureau eliminated the item on the ground that the road work in the parks should be delayed until the Treasury was in better condition. While I do not advocate the inclusion of this program in the present bill, I do feel that it should have favorable consideration in the near future.

None of us want the parks overdeveloped with expensive roads. Parts of these great wilderness regions should never have roads, but some of the parks now have practically no roads at all.

Glacier Park has only a few miles of road along her east and west boundaries and no road across the Continental Divide. Automobiles must be shipped 68 miles across the mountains by rail. A scenic highway connecting the two sides has been authorized, but with funds now being made available it will be years before it is finished.

In Rocky Mountain Park the roads built by the State and counties for wagons must be widened and improved to accommodate the heavy motor traffic of to-day. And new roads should be built to beauty spots now inaccessible but which should be opened up to give more camping room for the tens of thousands who are coming to this park from all parts of the United States.

In Mesa Verde Park, which is also in Colorado and which contains some of the most valuable relics of early Indian life on this continent, roads must be improved and an outlet to the south built.

In the Grand Canon Park, which the people visit all year around, the old roads built by private enterprise or by the

State must be improved for automobile tourists and reconstructed and extended so as to give winter visitors an opportunity to see the canon from more than one point of view.

In California, General Grant and Sequoia Parks should be connected by a mountain road in order to open new camping areas and provide better circulation of traffic. Yosemite's old wagon roads must all be rebuilt, and where traffic is heaviest the roads should be paved.

Mount Rainier Park should have the little stretches of roads in the northwest and southwest corners connected by a road around the west side and later through to the east boundary.

In Mount McKinley Park a few miles of road would be a very valuable asset to the Alaska railroad, which needs highway connections very badly. There is a strong demand for opportunity to see something of this Alaska park, but it is utterly inaccessible now.

Also in Zion, Lafayette, Hawaii, and other parks, carefully developed plans for road construction have been made with the idea of making these parks only reasonably accessible. In all parks the work can be done within the $7,500,000 estimate for a three-year program.

I submit that program to the thoughtful and favorable consideration of the Senate, and now ask unanimous consent that it may be inserted in the RECORD at the conclusion of my remarks, as well as tables showing that, while other necessary appropriations have been made for highway construction throughout the country, the national parks have been sadly neglected.

The PRESIDING OFFICER (Mr. ODDIE in the chair.) Is there objection? The Chair hears none, and it is so ordered.

Mr. PHIPPS. I have introduced two amendments to H. R. 13559, the Interior Department appropriation bill, which I trust will be approved at this time. These provide for an appropriation of $50,000 each for the construction and improvement of roads in Rocky Mountain and the Yosemite. The Acting Director of the National Park Service informs me that the need is greatest at those points, and that these amounts, while grossly inadequate, will nevertheless afford some relief from existing conditions.

I would also call attention to a committee amendment, which provides for the restoration of a sum approved by the Budget Bureau, namely, $38,000, for completing the widening of the Nisqually Glacier to Paradise Valley Road, in the Mount Rainier Park.

Mr. President, I wish I could impress upon Senators not only the importance of the park work but also the zeal and enthusiasm of thoughtful men who are most familiar with the wonderful opportunities for observation, health, and pleasure afforded by these Government reservations. Down in Mesa Verde, the present superintendent, Mr. Jesse Nesbaum, made his home in the park all last winter. He and his wife were snowed in all winter long, completing their home, a stone structure built by themselves in the Pueblo style, and making their own furniture. Except for the telephone, he was shut off from outside contact with the world for five and a half months, and his wife for nearly eight months.

Senators, this matter of adequate roads for the parks is not a selfish, a local, or solely a western issue. The parks are widely scattered and the number of visitors affects travel in every State of the Union. But that, possibly, is incidental. The proposition is this: The Congress, representing the will of the Nation, has created these parks for the use, enjoyment, and benefit of all its people. This was extremely wise, as no investment could yield better returns in improving the health and quality of our citizenship, in promoting that unity of national feeling, that love of country, called patriotism. Having already taken this step, will the Congress now deny, to a large extent, the means whereby the parks may be used and enjoyed?

We have given deserved recognition to the importance of other road work in all parts of the country. We have provided liberal Federal contributions for post roads, for farm-to-market roads, and for connecting links in a comprehensive program, national in its scope. We have also constructed needed highways in our national forests. That these appropriations were prudent and that the work should continue, experience has already demonstrated. Now, Mr. President, there is one thing lacking. One well-nigh forgotten class of Government reservations should be connected up with the other highway chains already authorized. We must remember our national parks.

APPENDIX.

ROAD CONSTRUCTION.

For construction, reconstruction, widening, and surfacing of highways, inclusive of necessary bridges, in the national parks and monuments, and for similar improvement of approach roads connecting directly with such park and monument roads, provided such improvements are within 5 miles of a park or monument boundary, $2,500,000 for the fiscal year ending June 30, 1924; $2,500,000 for the fiscal year ending June 30, 1925; and $2,500,000 for the fiscal year ending June 30, 1926: *Provided, however,* That all appropriations for road projects herein authorized shall remain available until expended: *And provided further,* That the sum of $6,000 annually of the appropriations herein made shall be available for the employment of accounting and clerical help in the District of Columbia, available until expended.

The Secretary of the Interior shall submit with his annual estimate of expenditures a report showing the various classes of road construction work accomplished and the locations, together with a statement of expenditures made from these funds.

Name of park.	Area.		Existing roads (miles).	Nature of improvement.				Reconstruction cost.	
	Square miles.	Acres.		Reconstruction (miles).	Widening (miles).	Surfacing (miles).	New construction (miles).	Average per mile.	Total.
Crater Lake	249	159,360	56.6	0.25	.....	38.4	.....	$8,000	$2,000
Glacier	1,534	981,681	154	44	37	40	36	4,932	217,000
General Grant	4	2,536	7.5	.5	5	.....	2	(1)	(1)
Grand Canyon	958	613,120	104	46	35	79	35	2,130	98,000
Hawaii	118	75,295	10	10	.....	.....	40	5,000	50,000
Hot Springs	1.5	911	11	.....	10	6	.6	.....	.....
Lafayette	8	5,000	.5	.....	.....	4	4	.....	.....
Lassen Volcanic	124	79,561	.....	.....	.....	.....	13	.....	.....
Mesa Verde	77	48,966	45.2	2.9	7.6	5.7	13.7	5,655	16,400
Mount McKinley	2,200	1,498,000	.....	.....	.....	.....	93	.....	.....
Mount Rainier	324	307,360	36.5	.....	8.5	24.5	40	.....	.....
Platt	1.33	848	11	.2	8	6	.....	3,000	6,000
Rocky Mountain	397.5	254,327	65.1	6.5	27.8	22	2	6,710	43,600
Sequoia	252	2,040	49	2	30.09	.....	26.5	10,000	20,000
Wind Cave	17	10,899	6	2	3.33	6	.....	2,600	5,200
Yellowstone	3,348	2,142,720	361.5	3.125	.....	10	31.25	4,800	15,000
Yosemite	1,125	719,622	138	59	.....	20	9	8,729	515,000
Zion	120	76,800	5	1	3	18.5	13.5	2,000	2,000
NAME OF MONUMENT.									
Devil's Tower	1.8	1,152	.....	2	.....	.....	.....	8,000	16,000
Montezuma Castle	.25	160	.....	.5	.....	.....	.....	540	270
Muir Woods	.66	423	.....	.....	1.25	.....	.....	.....	.....
Petrified Forest	40	25,625	.....	.....	14.2	.....	.....	.....	.....
Scotts Bluff	3.2	2,053	.....	1.5	.....	.....	.....	2,400	3,600
Total	.....	.....	.....	183.3	190.8	280.1	359.6	5,510	1,010,020

[1] 0.5 mile of reconstruction and 1 mile of new construction of The General's Highway included in Sequoia projects.

Name of park.	Widening cost.		Surfacing cost.		New construction cost.		Total cost.	Total of project (miles).	Total of existing and projected roads (miles).
	Average per mile.	Total.	Average per mile.	Total.	Average per mile.	Total.			
Crater Lake			$7,200	$276,480			$278,460	38.65	56.6
Glacier	$2,919	$108,000	4,500	180,000	$16,278	$586,000	1,091,000	134.	186
General Grant	1,600	8,000			2,000	[1] 2,000	10,000	7.5	9.5
Grand Canyon	1,828	64,000	5,835	461,000	2,000	70,000	675,000	124.	139
Hawaii					10,000	400,000	450,000	50.	60
Hot Springs	3,600	36,000	6,000	36,000	10,000	6,000	78,000	10.6	11.6
Lafayette			4,000	16,000	21,000	84,000	100,000	4.5	4.5
Lassen Volcanic					10,000	130,000	130,000	13	13
Mesa Verde	4,777	36,300	6,000	34,200	2,335	32,000	118,900	24.2	52.9
Mount McKinley					3,870	360,000	360,000	93	93
Mount Rainier	4,470	38,000	7,715	189,000	22,500	900,000	1,127,000	67.5	76.5
Platt	2,250	18,000	3,000	18,000			42,000	11	11
Rocky Mountain	4,727	131,400	3,864	85,000	10,000	20,000	280,000	54.6	67.1
Sequoia	4,786	144,023			14,207	376,500	540,523	56.54	81
Wind Cave	800	2,667	2,000	12,000			19,867	6	6
Yellowstone			6,000	60,000	7,200	225,000	300,000	44.375	392.75
Yosemite			20,000	400,000	65,000	585,000	1,500,000	88	147
Zion	1,500	4,500	1,500	27,750	23,333	315,000	349,250	18.5	18.5
NAME OF MONUMENT.									
Devil's Tower							16,000	2	
Montezuma Castle							270	.5	
Muir Woods	4,000	5,000					5,000	1.25	
Petrified Forest	150	2,130				[2] 23,000	25,130	14.2	
Scotts Bluff							3,600	1.5	
Total	3,135	598,020	6,409	1,795,410	11,442	4,114,500	7,500,000	829.41	

[1] 0.5 mile of reconstruction and 1 mile of new construction on The General's Highway included in Sequoia projects.
[2] Item of $23,000 is for bridge outside of monument.

TABLE 1.—*Appropriations for Federal aid to State roads—1917–1926, fiscal years.*

Act of July 11, 1916	$75,000,000
Act of Feb. 28, 1919	200,000,000
Act of Nov. 9, 1921	75,000,000
Act of June 19, 1922 (authorized appropriations)	190,000,000
Total	540,000,000

TABLE 2.—*Appropriations for national forests roads—1917–1926, fiscal years.*

Act of July 11, 1916	$10,000,000
Act of Feb. 28, 1919	9,000,000
Act of Nov. 9, 1921	15,000,000
Act of June 19, 1922 (authorized appropriations)	13,000,000
Total appropriations and authorizations	47,000,000
Acts of Aug. 10, 1912, and Mar. 4, 1913, granting 10 per cent of annual revenues for road building (average of $500,000 a year for 10 years)	5,000,000
Total funds available for forest roads	52,000,000

TABLE 3.—*Appropriations for national park roads—1872–1922, inclusive.*[1]

Crater Lake National Park	$433,000
Glacier	177,500
Mesa Verde	48,000
Mount Rainier	399,000
Rocky Mountain	35,000
Sequoia	102,800
Yellowstone	1,482,000
Yosemite	350,000
Zion	15,000
Total	3,042,300

TABLE 4.—*Recapitulation.*

Federal aid to States, fiscal years 1917–1925, inclusive	$540,000,000.00
National forest roads, fiscal years 1917–1926, inclusive	52,000,000.00
National park roads, fiscal years 1872–1923, inclusive	3,042,300.00
National park revenues from automobiles and motor cycles since motor vehicles were admitted to parks, 1913–1922	1,138,198.27

Mr. President, the amendment I have prepared and which is on the desk appropriates the sum of $5,000 for roads in each of the two parks mentioned. I understand from the statement of the Senator in charge of the bill and the ruling of the Chair in other cases that it would be subject to a point of order, and therefore I shall refrain from presenting it at this time.

Mr. McCUMBER. Mr. President, I offer the following amendment.

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 51, line 22, insert the following:

For the purchase of additional land for the Wahpeton Indian School, $75,000, or so much thereof as may be necessary, the same to be immediately available.

[1] Making allowance of $200,000 for possible small items not isolated in the records, the total expenditure for road construction and improvement in the national parks in 50 years would not exceed $3,250,000. There has been no funds authorized for the fiscal years 1924–1926, inclusive, as in the case of the Forest Service.

Mr. McCUMBER. Mr. President, I am fully aware of the fact that the amendment is subject to the point of order that it has not been estimated for. I have attempted to use all of the powers of persuasion that I have to get the Senator in charge of the bill to agree not to raise the point of order, but I find that he is as obdurate as ever in that respect, and that it would be useless for me to go into a statement of the details to show the propriety and the necessity for the amendment. The Senator would not listen to that part of it. He simply takes the position that it would create a precedent whereby any matter could come in, and he is afraid of those precedents.

So instead of taking up any time in the discussion at this time of the merits of the case I ask to have printed in the RECORD a letter from the superintendent in charge of that school in reply to a question of mine. I ask this simply that it may be useful to those who may have the matter before them again, as it certainly will come up again at the next session. I simply ask that the letter may be printed in the RECORD and then the Senator from Utah can make his usual objection.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
UNITED STATES INDIAN FIELD SERVICE,
WAHPETON INDIAN SCHOOL,
Wahpeton, N. Dak., December 12, 1922.

Hon. P. J. McCUMBER,
United States Senator, Washington, D. C.

MY DEAR SENATOR: Receipt is acknowledged of your communication of November 28, 1922, relative to the introduction of Senate bill No. 4055, to provide for the purchase of additional land for this school.

I am pleased to have you take the initiative in this matter, as there is no doubt of the need for some additional land for the use of the school. We have been renting land from the Commercial Club of this place for several years past, and while this has been an aid it has not provided a sufficient acreage by any means.

We have had to purchase hay for our live stock each year in addition to what little we can spare acreage for, and we are unable to produce a sufficient amount of grain for the live stock, all due to the limited acreage now owned by the school.

The requirements of the school naturally demand that we produce as much grain and forage as is consumed each year for the upkeep of the dairy herd, the horses necessary for successful operation of the farm, and other school work, and we should be able, with sufficient acreage, to produce as much wheat each year as will be required to furnish flour. It is conservatively estimated that we should be able to do this excepting in case of a general failure of the wheat crop in this section if we had the required additional acreage.

Our school is largely interested in training the students in agriculture for the reason that they all come from the agricultural regions of the different States from which we procure our enrollment, and they will go back to live among their people, who are engaged in agricultural pursuits.

The dairy herd is wholly inadequate for the needs of the school, but is being enlarged by retention of the female offspring from the present herd, with the idea that we shall eventually have enough cows for the production of milk and butter to meet the needs of the school. We can not maintain a larger herd with our present acreage, as we can not spare land for pasturage, nor can we produced the required amount of silage, hay, and grain for feed.

It is not anticipated that we might make the school self-supporting, yet we could add very materially to necessities and aid generally in maintenance.

There is no doubt but that all farming land in this section will require well-planned rotation of crops to make it again as productive as it once was, and this will require the use of additional acreage, for the reason that the clovers will only furnish forage for live stock, thus reducing the production of grain for a few years.

Our total acreage available for agricultural purposes does not exceed 130 acres, and a good deal of this is unfit for crops from year to year on account of lack of drainage. If your bill was amended to provide for the purchase of additional land, farm equipment, and for drainage purposes, it would meet the most urgent needs of the school.

If I have not given you the information you desire in detail, I shall be glad to write you further and take up any particular feature that you may have in mind, it being my intention now to give you a general justification.

Thanking you for the interest manifested in behalf of this institution and for all past favors, I am,

Very truly yours,

JESSE W. SMITH, *Superintendent.*

Mr. SMOOT. I am compelled to make the point of order against the amendment.

The PRESIDING OFFICER. The point of order is sustained.

Mr. KING. Mr. President, I move to strike out, commencing on page 94, line 11, all of the rest of that page, all of page 95, and down to and including the word "yard" in line 8, on page 96. It is a provision embarking the Federal Government upon the purchase of lands and the purchase of coal and the distribution of the same. There is a question of fact involved that ought to be fully considered and it ought to go to conference in any event.

Mr. SMOOT. There is a question of fact connected with the amendment. So far as I am concerned I am perfectly willing to accept the amendment and let it go to conference where it can be thrashed out.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, at the last session the Senate passed a joint resolution authorizing and directing the Secretary of the Interior to make a survey of Columbia Basin irrigation project in the State of Washington and authorized an appropriation of $100,000 for that purpose. On yesterday the House Committee on Irrigation reported that measure back practically approving the Senate bill, but adding two or three amendments covering some other projects. In order to carry out the purpose of that joint resolution I offer the following amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 84, after line 21, insert the following:

For investigating the feasibility of irrigation, water storage, water sources, and related problems on the Columbia River and its tributaries, including Columbia River Basin, $100,000.

Mr. SMOOT. I am compelled to make the point of order against the amendment, because it has not been estimated for.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. KENDRICK. I offer the following amendment, and ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 70, line 2, after the word "law," insert:

Of which amount $35,000 shall be immediately available.

Mr. SMOOT. The amendment ought to be adopted.

The amendment was agreed to.

Mr. WALSH of Montana. I offer the following amendment.

The PRESIDING OFICER. The amendment will be stated.

The READING CLERK. On page 45, line 11, at the end thereof insert the following:

The Secretary of the Interior is hereby authorized to require the owners of irrigable land within the Flathead Indian Reservation reclamation project to which water for irrigation purposes can be delivered to pay a minmum water rental charge, whether water is used or not, at such times and in such amounts as he may deem best, and such charges, when collected, may be used for construction or maintenance of the systems through which such water has been made available.

Mr. SMOOT. I am compelled to make the point of order against the amendment.

Mr. MYERS. Mr. President, I wish to say that I join my colleague in urging the amendment offered by him, and I hope it may be agreed to. I think it is very essential. It is of the highest importance to the welfare of the Flathead reclamation project and the settlers on the project. I sincerely hope no point of order will be urged against the amendment, and I ask the Senator from Utah to withdraw his objection. When the need for the amendment may be explained, I am sure he will see it.

Mr. SMOOT. I agree that the Senator's provision is all right, but——

Mr. WALSH of Montana. Let me say to the Senator from Utah that the provision is applicable to the reclamation projects generally, but there has been some special legislation with respect to the Flathead Reservation project and it is not applicable there. I did not imagine there could be any objection to it.

Mr. SMOOT. I shall have to object.

The PRESIDING OFFICER. The Chair sustains the point of order. If there be no further amendments as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CAPT. MURRAY A. COBB.

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent for the immediate consideration of the bill (S. 4030) for the relief of Capt. Murray A. Cobb, which is a bill that I think can be disposed of without any debate.

Mr. FLETCHER. It is unusual at this time in the evening to take up the calendar or any matter on the calendar. However, I shall make no objection if it is a very urgent measure.

Mr. REED of Pennsylvania. It is an urgent matter. The bill has been reported from the Committee on Claims with the statement that it would be a gross and unjustifiable injustice if it failed to pass. It is a bill for the relief of the last American soldier out of France. He was detained in a private hospital, and the War Department, because of a technicality only, states that it is unable to pay for his hospitalization there. The Committee on Claims have audited the amount and unanimously recommended the passage of the bill.

Mr. FLETCHER. I have no objection to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Murray A. Cobb, captain in the United States Army, the sum of $15,747.63, to reimburse him for medical and hospital treatment for tuberculosis of the thoracic vertebræ (Pott's disease) with pulmonary complications, said officer having been gassed in October, 1918, while serving in the American Expeditionary Forces in France, said treatment covering the period from May, 1919, to March 25, 1922, and having been rendered at Leysin, Switzerland, where Captain Cobb was taken with the approval of the medical officers of the United States Army.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 5, 1923, the President approved and signed the act (S. 3295) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce.

EXCESS RAILWAY OPERATING INCOME.

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed as a Senate document a report received a few days ago from the chairman of the Interstate Commerce Commission, in response to Senate Resolution 357, as to the excess railway operating income under section 15a of the Cummins-Esch Act.

The PRESIDING OFFICER. Is there objection? The Chair hearing none, it is so ordered.

THE COTTON FUTURES SITUATION.

Mr. RANSDELL. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the senior Senator from South Carolina [Mr. SMITH] and a letter from the junior Senator from South Carolina [Mr. DIAL] to Mr. Lanoux, editor of the Gonzales Weekly, in my State, on the cotton futures situation, and brief replies to those letters by the editor of that paper. I ask that they be printed in the RECORD in 8-point type.

There being no objection, the matter referred to was ordered to be printed in the RECORD in 8-point type, as follows:

LETTERS FROM UNITED STATES SENATORS E. D. SMITH AND N. B. DIAL STATE THEY WILL STAND BY THE FARMERS.

UNITED STATES SENATE,
COMMITTEE ON CONSERVATION OF NATIONAL RESOURCES,
Washington, D. C., December 12, 1922.

Mr. J. F. LANOUX,
Editor Gonzales Weekly, Gonzales, La.

MY DEAR SIR: I have received a copy of the December 2 edition of your publication, wherein is carried an article en-

titled "Threatened new and dangerous legislation on cotton." This article is entirely erroneous in so far as it refers to my attitude to the cotton futures act. I am writing you in order that the matter might be clarified in your mind.

I introduced the present cotton futures act in the Senate and pressed it to its passage. It went to the House and there was amended in some particulars, but remained principally as it had passed the Senate. It is referred to as the Smith Cotton Futures Act or the Smith-Lever Cotton Futures Act. I merely mention this to show that the attitude alleged to have been taken by me in regard to this measure is erroneous. I subsequently introduced an amendment, which was adopted, limiting the grades that could be delivered to the 10 now in the act, obviating the differences which formerly existed and which has been of great benefit to the producers and the trade.

It is possible that at some time after due investigation I might introduce some amendment to the cotton futures act. So far I have not introduced any such amendment, except as indicated above. If it can be shown that the act needs amendment, or I come to that opinion after my own process, I will endeavor to amend it. But I can not have imputed to me in advance something that I do not contemplate. My name is connected in your article with that of my colleague, Senator DIAL. He has introduced an amendment in the Senate to amend the cotton futures act. It is, roughly, the Comer amendment introduced by Senator Comer when he was a Member of the Senate. I am not supporting this amendment, but on the contrary am opposed to it. I think it will tend to fix an arbitrary value on the different grades of cotton that do not exist in reality. I secured an appropriation for the investigation of the different grades some years ago, and the results showed that the differences in value of the grades was very small and could be arrived at by calculation.

I think, if you will consult the record, that you will find that the bitterest criticisms of me have been because I looked too much after the side of the producers and not the manufacturers. I believe in fairness for both sides, but my whole contention in the cotton question has been that the manufacturers in the nature of things were better able to look after themselves than was the producer, and my whole legislative career has been along this line. It was with this thought in view that I introduced the present cotton futures act.

I am sure that you would not willfully misrepresent me in your publication, and that what was inferred in your article was entirely unintentional, and it is for this reason that I write you.

Yours very truly,

E. D. SMITH.

(Gonzales Weekly, Printers and Publishers: A newspaper published every Saturday by three veterans of the World War. Every issue is a boost for the Parish of Ascension, town of Gonzales.)

GONZALES, LA., *December 18, 1922.*

U. S. SENATOR E. D. SMITH,
Washington, D. C.

DEAR SENATOR SMITH: We have your letter of the 12th, and wish to say we have no desire to do an injustice to anybody, and we received a newspaper published in Alabama, which stated that you and Senator DIAL and Senator HEFLIN intended to introduce more laws on cotton sales. We know the cotton farmers have been up against it in more ways than one, and they are up against it yet, and we again know that no law can find a market for cotton and no law can make any buyer of cotton pay a certain price, and we also know that when cotton is made dingy by rain and dust that it is not the farmers' fault, and that any law that keeps such cotton from being contracted is a bad law for the farmer who raises the cotton, and we further know that the greater market there is for cotton and the greater number of buyers the farmers can reach it is that much better for the farmers.

We heard that you was the main one who had lower grades of cotton tested and in this way proved that rain and dust did not hurt cotton for spinning purposes, and we surely think you did a big thing for the cotton farmers when you did this, and we are proud to read in your letter that you oppose any law which will have the effect of keeping the farmers' cotton called low grades from being placed on a contract for future sales.

The farmers' union has done a big thing for the cotton farmers, and we heard from some of its members that you and Mr. Lever were the head of the present cotton law, and we are opposed to any more changes in it, and you can depend on us standing by you and helping head off any change in this law, for we have too many laws already, and if Congress would quit passing laws for 10 years off we would all be better off. We want markets for cotton, rice, live stock, and sugar and wheat, and laws can't give these to us. Don't you think we are right about this? We would be glad to hear from you any time. We inclose our last issue and hope you will help demand that France take those black troops out of Germany, as no white person can stand to have the black race over white race.

Yours very truly,

J. F. LANOUX.

UNITED STATES SENATE,
COMMITTEE ON POST OFFICES AND POST ROADS,
December 12, 1922.

The GONZALES WEEKLY, *Gonzales, La.*

GENTLEMEN: Your issue of the 2d has just been brought to my attention, in which you speak of my proposed cotton futures contract amendment.

You do me an injustice. I was raised on a farm, have owned farms all my life, and while I am not magnifying myself, am the owner of many hundreds of acres of farms to-day.

I inclose herewith a copy of a speech which I made on this subject, and I would like for you to study it carefully and then write me your views as to whether or not I am right or wrong?

Yours truly,

N. B. DIAL.

(Gonzales Weekly, Printers and Publishers: A newspaper published every Saturday by three veterans of the World War. Every issue is a boost for the Parish of Ascension, town of Gonzales.)

GONZALES, LA., *December 18, 1922.*

United States Senator N. B. DIAL,
Washington, D. C.

MY DEAR SENATOR DIAL: We have your letter of the 12th and thank you for the boll weevil paper and your speech on cotton exchanges. I have only had time to glance over your speech, and you make some good points in it, and while we do not claim to be experts, still we can not see how a farmer can be helped by a law that holds back from a free market and free sale any cotton they raise.

We are not an authority on cotton exchanges, but we do know that when the cotton exchanges were closed in 1914 that the price of cotton went all to pieces, and Congress had a chance then to keep up the price of cotton, if it could be done by law, but Congress did nothing to help keep up the price of cotton in 1914 when the cotton exchanges were closed, and we do not see how any law can get a price for cotton.

We know that the farmers want all the markets they can reach and all the buyers they can reach. You are correct when you say that the farmer is forced to sell their cotton in three or four months to pay for supplies, but if the farmers could pay for the supplies they use in one year to raise cotton the next year following, then they would not be forced to sell their cotton.

I notice that you say, if it were not for the cotton exchanges, "The users of cotton might combine and the producers would be at their mercy." This is what Mr. Lever said in his report when the present cotton law was passed, and this is why we are afraid of any more changes. And, again, farmers can not prevent rain and dust from getting in cotton, but it has been proven by the United States Government that such cotton is as good as ever for spinning purposes, has it not?

We have too many laws, anyhow, and we believe farmers who raise cotton and live stock and other farm products should be helped to find markets, and laws can not do this, and we note that you are a friend of the farmers, as you say that you will help to prevent any more laws.

Yours very truly,

GONZALES WEEKLY,
J. F. LANOUX, *Editor.*

The Weekly is proud to get above letters from Senators E. D. SMITH and N. B. DIAL stating that they will be on the farmers' side on all legislation for cotton, and Senator SMITH says plainly that he opposes any legislation which will have the effect of denying the delivery on contracts of grades of cotton just because they happen to be soiled by dust and rain, something which the farmers are powerless to prevent, and already the cotton producers have lost hundreds of thousands of dollars on account of spinners and big cotton buyers throwing cotton out of contracts just because it happened to be soiled by dust and rain although experiments by the Government have proven that such cotton is perfectly good for spinning purposes.

The farmers' union have always given Senator E. D. SMITH credit for having those tests made on low-grade cottons by the

Government. It will be seen by Senator SMITH's letter that he is proud he introduced the present United States cotton futures law. We are glad to learn from his letter that he is opposed to proposed changes in it, which changes the farmer opposes also. Senator RANSDELL is with the cotton producers, and with him and Senator E. D. SMITH standing with the farmers they should win, and the farmers can now feel safe, and Senator DIAL says he is with the farmers.

The Weekly has no desire to do injustice to anyone, and gladly gives space to the Senators' letters and the Weekly's replies which explain the situation so well.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I send to the desk and ask to have read a proposed unanimous-consent agreement which I expect to submit to-morrow. I merely want to have it read at this time.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be read for the information of the Senate.

The ASSISTANT SECRETARY. On to-morrow the Senator from Washington will propose the following unanimous-consent agreement:

It is agreed by unanimous consent that on and after the calendar day of Monday, January 22, 1923, in the consideration of H. R. 12817, the shipping bill, no Senator shall speak more than once or longer than 60 minutes upon the bill, or more than once or longer than 30 minutes upon any amendment offered thereto, and that on and after the calendar day of Thursday, February 1, if said bill is not sooner disposed of, no Senator shall speak more than once or longer than 15 minutes upon the bill or more than once or longer than 10 minutes upon any amendment then pending or thereafter offered.

Mr. JONES of Washington. I had intended to ask that the Senate recess until 12 o'clock to-morrow, but I understand arrangements have bene made under which it has been agreed that the Senate would adjourn. So I shall not submit the request. I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

INTERIOR DEPARTMENT REPORTS.

The VICE PRESIDENT laid before the Senate a report from the Acting Secretary of the Interior, transmitted pursuant to law, relative to the rental of land and buildings acquired under the acts for the enlargement of the Capitol Grounds, which was referred to the Committee on Public Buildings and Grounds.

He also laid before the Senate a report from the Acting Secretary of the Interior, transmitted pursuant to law, showing in detail what officers and employees of the department have traveled on official business to points outside the District of Columbia during the fiscal year ended June 30, 1922, which was referred to the Committee on Appropriations.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed report of receipts and expenditures of St. Elizabeths Hospital for the fiscal year ended June 30, 1922, which was referred to the Committee on the District of Columbia.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a statement of expenditures on account of the Indian Service for the fiscal year ended June 30, 1922, from the appropriation "Industrial work and care of timber, 1922," which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed report of expenditures for encouraging industry among the Indians of the various reservations during the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a report of the Acting Secretary of the Interior, transmitted pursuant to law, showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report showing the diversion of appropriations for the pay of specified employees in the Indian Service for the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a report of the Acting Secretary of the Interior, transmitted pursuant to law, showing proceeds from the sale of surplus and obsolete material and equipment and from collections from town-site assessments during the fiscal year ended June 30, 1922, which was referred to the Committee on Territories and Insular Possessions.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of the surgeon in chief of Freedmen's Hospital, giving a detailed statement of receipts and expenditures on account of pay patients, for the fiscal year ended June 30, 1922, which was referred to the Committee on the District of Columbia.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, an itemized statement of expenditures made by the department and charged to the appropriation "Repairs of buildings, Department of the Interior, 1922," for the fiscal year ended June 30, 1922, which was referred to the Committee on Appropriations.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a statement of expenditures, fiscal year 1922, of money carried on the books of the department under the caption "Indian moneys, proceeds of labor," which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed statement of expenditures from the tribal funds of the Chippewa Indians of Minnesota, fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed report of expenditures from the $250,000 authorized from the funds of the Apache, Kiowa, and Comanche Indians for the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a report of the Acting Secretary of the Interior, made pursuant to law, that no expenditures were made for the construction of hospitals during the fiscal year ended June 30, 1922, from the appropriation "Relieving distress and prevention, etc., of diseases among Indians, 1922," which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed report of expenditures made from tribal funds of the Confederated Bands of Utes during the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of expenditures made for encouraging industry and support among the Indians on the Tongue River Reservation, Mont., during the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of expenditures for the purchase of cattle for the Northern Cheyenne Indians on the Tongue River Reservation, Mont., fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursant to law, a report of expenditures from the permanent fund of the Sioux Indians during the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a report of the Acting Secretary of the Interior, made pursuant to law, of all moneys collected and deposited during the fiscal year ended June 30, 1922, under the appropriation "Determining heirs of deceased Indian allottees, 1922,"' which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a statement of the cost of all survey and allotment work on Indian reservations, fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, an itemized statement of expenditures charged to appropriation "Contingent expenses, Department of the Interior, 1922," which was referred to the Committee on Appropriations.

He also laid before the Senate a report of the Acting Secretary of the Interior, made pursuant to law, of disbursements for the fiscal year ending June 30, 1923, made in the States and Territories under the provisions of certain acts of Congress relative to endowment and appropriation for colleges of agriculture and the mechanic arts, etc., which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law,

a statement of the surgeon in chief, Freedmen's Hospital, giving a detailed account of expenditures for professional and other services, fiscal year ended June 30, 1922, which was referred to the Committee on the District of Columbia.

He also laid before the Senate a report of the Acting Secretary of the Interior, transmitted pursuant to law, on typewriters, adding machines, and other similar labor-saving devices, etc., which was referred to the Committee on Appropriations.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed statement of documents received and distributed during the fiscal year 1922, which was referred to the Committee on Printing.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed statement showing the aggregate number of various publications issued during the fiscal year 1922, the cost of paper, printing, and preparation of copy, and the number distributed, which was referred to the Committee on Printing.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a statement of traveling expenses incurred by employees detailed from the office of one surveyor general to another, etc., which was referred to the Committee on Appropriations.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report for the fiscal year 1922, showing the amounts expended at each school and agency from appropriations for construction, lease, purchase, repair, and improvement of school and agency buildings, which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report for the fiscal year ended June 30, 1922, relative to the appropriation "Indian schools, support, 1922," which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a detailed report of expenditures from the $100,000 appropriation for encouraging industry among the Indians of the various reservations during the fiscal year ended June 30, 1922, which was referred to the Committee on Indian Affairs.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

EXTRADITION WITH VENEZUELA.

In executive session this day the following treaty was ratified, and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate:

I transmit herewith, to the end that I may receive the advice and consent of the Senate to their ratification, an extradition treaty between the United States and Venezuela, signed at Caracas on January 19, 1922, and an additional article thereto which, as is explained in the accompanying report of the Secretary of State, was signed at Caracas on January 21, 1922, in order to meet a requirement of the Venezuelan constitution.

WARREN G. HARDING.

THE WHITE HOUSE,
Washington, July 28, 1922.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to their transmission to the Senate, if the President approve thereof, to receive the advice and consent of that body to their ratification, an extradition treaty between the United States and Venezuela, signed at Caracas on January 19, 1922, and an additional article to the treaty which, at the request of the Venezuelan Government, was signed at Caracas on January 21, 1922, in order to meet the requirement of article 120 of the constitution of Venezuela that in international treaties there shall be a provision that "All differences between contracting parties relating to the interpretation or execution of this treaty shall be decided by arbitration."

Respectfully submitted,

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, July 26, 1922.

The United States of America and the United States of Venezuela, desiring to strengthen their reciprocal relations, to facilitate the course of punitive justice and to limit the crimes which may be committed in their respective territories; to prevent the impunity which would result from the escape of guilty persons and of their asylum in the territory of one or the other nation, have resolved to conclude a treaty for the extradition of the accused as well as of those who have been sentenced, and have appointed for that purpose the following plenipotentiaries:

The President of the United States of America, John Campbell White, chargé d'affaires ad interim of the United States of America to Venezuela, and

The Provisional President of the United States of Venezuela, Dr. Pedro Itriago Chacin, minister of foreign affairs of the United States of Venezuela;

Who, after having exchanged their full powers, found in good and due form, have agreed upon the following articles:

ARTICLE I.

The Government of the United States of America and the Government of the United States of Venezuela agree to deliver up to justice, by means of requisition duly made as herein provided, any person who may be charged with or may have been convicted of any of the crimes committed within the jurisdiction of one of the contracting parties and specified in Article II of this convention, while said person was actually within such jurisdiction when the crime was committed, and who shall seek an asylum or who shall be found within the territories of the other. Such surrender shall take place only upon such evidence of guilt as, according to the laws of the country in which the fugitive or accused shall be found, would justify his detention and commitment for trial if the crime or offense had been committed there.

ARTICLE II.

In accordance with the provisions of this convention, the persons shall be delivered who shall have been charged with or convicted of any of the following crimes:

1. Murder, comprehending the crimes designated by the terms of parricide, assassination, manslaughter, when voluntary; poisoning, or infanticide.
2. The attempt to commit murder.
3. Rape, abortion, carnal knowledge of children under the age of 12 years.
4. Bigamy.
5. Arson.
6. Willful and unlawful destruction or obstruction of railroads, which endangers human life
7. Crimes committed at sea:

(a) Piracy, as commonly known and defined by the law of nations, or by statute;

(b) Wrongfully sinking or destroying a vessel at sea or attempting to do so;

(c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas, for the purpose of rebelling against the authority of the captain or commander of such vessel or by fraud or violence taking possession of such vessel;

(d) Assault on board ships upon the high seas with intent to do bodily harm.

8. Burglary, defined to be the act of breaking into and entering the house of another in the nighttime with intent to commit a felony therein.
9. The act of breaking into and entering into the offices of the Government and public authorities, or the offices of banks, banking houses, saving banks, trust companies, insurance companies, or other buildings not dwellings with intent to commit a felony therein.
10. Robbery, defined to be the act of feloniously and forcibly taking from the person of another, goods or money by violence or by putting him in fear.
11. Forgery or the utterance of forged papers, or illegal sale of documents belonging to the national archives.
12. The forgery or falsification of the official acts of the Government or public authority, including courts of justice, or the uttering or fraudulent use of the same.
13. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by National, State, provincial, territorial, local, or municipal Governments, bank notes or other instruments of public credit, counterfeit seals, stamps, dies, and marks of State or public administrations, and the utterance, circulation, or fraudulent use of the above-mentioned objects.
14. Embezzlement or criminal malversation committed within the jurisdiction of one of the parties by public officers of de-

positaries, where the amount embezzled exceeds $200 in the United States of America or B. 1.000 in the United States of Venezuela.

15. Embezzlement by any person or persons hired, salaried, or employed, to the detriment of their employers or principals, when the crime or offense is punishable by imprisonment or other corporal punishment by the laws of both countries, and where the amount embezzled exceeds $200 in the United States of America or B. 1.000 in the United States of Venezuela.

16. Kidnapping of minors or adults, defined to be the abduction or detention of a person or persons, in order to exact money from them or their families or for any other unlawful end.

17. Larceny, defined to be the theft of effects, personal property, or money of the value of $50 or B. 250 or more, accordingly.

18. Obtaining money, valuable securities, or other property by false pretenses or receiving any money, valuable securities, or other property knowing the same to have been unlawfully obtained, where the amount of money or the value of the property so obtained or received exceeds $200 in the United States of America or B. 1.000 in the United States of Venezuela.

19. Perjury or subornation of perjury.

20. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, executor, administrator, guardian, director, or officer of any company or corporation, or by anyone in any fiduciary position, where the amount of money or the value of the property misappropriated exceeds $200 in the United States of America or B. 1.000 in the United States of Venezuela.

21. The extradition is also to take place for participation in any of the aforesaid crimes as an accessory before or after the fact, provided such participation be punishable by imprisonment by the laws of both contracting parties.

ARTICLE III.

The provisions of this convention shall not import claim of extradition for any crime or offense of a political character, nor for acts connected with such crimes or offenses; and no person surrendered by or to either of the contracting parties in virtue of this convention shall be tried or punished for a political crime or offense. When the offense charged comprises the act either of murder or assassination or of poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of the sovereign or head of a foreign State or against the life of any member of his family, shall not be deemed sufficient to sustain that such a crime or offense was of a political character, or was an act connected with crimes or offenses of a political character.

ARTICLE IV.

In view of the abolition of capital punishment and of imprisonment for life by constitutional provision in Venezuela, the contracting parties reserve the right to decline to grant extradition for crimes punishable by death and life imprisonment. Nevertheless the executive authority of each of the contracting parties shall have the power to grant extradition for such crimes upon the receipt of satisfactory assurances that in case of conviction the death penalty or imprisonment for life will not be inflicted.

ARTICLE V.

A fugitive criminal shall not be surrendered under the provisions hereof, when, from lapse of time or other lawful cause, according to the laws of the country within the jurisdiction of which the crime was committed, the criminal is exempt from prosecution or punishment for the offense for which the surrender is asked.

ARTICLE VI.

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof shall be at the time of the request for the extradition under prosecution, either at liberty, out on bail, or in custody, for any crime or offense committed in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be determined, and until he shall have been set at liberty in due course of law.

ARTICLE VII.

If a fugitive criminal claimed by one of the parties hereto shall be also claimed by one or more powers pursuant to treaty provisions, on account of crimes committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received.

ARTICLE VIII.

Under the stipulations of this convention, neither of the contracting parties shall be bound to deliver up its own citizens.

ARTICLE IX.

The expense of the arrest, detention, examination, and transportation of the accused shall be paid by the Government which has preferred the demand for extradition.

ARTICLE X.

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offense, or which may be material as evidence in making proof of the crime, shall, so far as practicable according to the laws of either of the contracting parties be delivered up with his prisoner at the time of the surrender. Nevertheless, the rights of a third party with regard to the article aforesaid shall be duly respected.

ARTICLE XI.

The stipulations of this convention shall be applicable to all territories wherever situated, belonging to either of the contracting parties or under the jurisdiction or control of either of them.

Applications for the surrender of fugitives shall be made by the respective diplomatic agents of the contracting parties. In case of the absence of such agents from the country or its seat of government, or where extradition is sought from territory included in the preceding paragraph other than the United States, application may be made by superior consular officers.

It shall be competent for such diplomatic or superior consular officers to ask and obtain the preliminary arrest of the person whose surrender is requested before the government of whom such request is made. The judicial functionaries shall prescribe the method of complying with the legal formalities of the country of which the extradition is requested.

If the fugitive criminal shall have been convicted of the crime for which his surrender is asked, a copy of the sentence of the court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, with such other evidence or proof as may be deemed competent in the case.

ARTICLE XII.

If when a person accused shall have been arrested in virtue of the mandate or preliminary warrant of arrest, issued by the competent authority as provided in Article XI hereof, and been brought before a judge or a magistrate to the end that the evidence of his or her guilt may be heard and examined as hereinbefore provided, it shall appear that the mandate or preliminary warrant of arrest has been issued in pursuance of a request or declaration received by telegraph from the government asking for the extradition, it shall be competent to hold the accused for a period not exceeding two months, so that the demanding government may have opportunity to lay before such judge or magistrate legal evidence of the guilt of the accused, and if at the expiration of said period of two months such legal evidence shall not have been produced before such judge or magistrate, the person arrested shall be released, provided that the examination of the charges preferred against such accused person shall not be actually going on.

ARTICLE XIII.

In every case of a request made by either of the two contracting parties for the arrest, detention, or extradition of fugitive criminals, the legal officers or fiscal ministry of the country where the proceedings of extradition are had, shall assist the officers of the government demanding the extradition before the respective judges and magistrates by every legal means within their or its power; and no claim whatsoever for compensation for any of the services so rendered shall be made against the government demanding the extradition: *Provided, however,* That any officer or officers of the surrendering government so giving assistance who shall, in the usual course of their duty, receive no salary or compensation other than specific fees for services performed, shall be entitled to receive from the government demanding the extradition the customary fees for the acts or services performed by them, in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XIV.

No person shall be tried for any crime or offense other than that for which he was surrendered.

ARTICLE XV.

This convention shall take effect from the day of the exchange of the ratifications thereof; but either contracting party may at any time terminate the same on giving to the other six months' notice of its intention to do so.

The ratifications of the present convention shall be exchanged at Caracas as soon as possible.

In witness whereof the respective plenipotentiaries have signed the above articles, and hereunto affixed their seals.

Done in duplicate, in Caracas, this 19th day of January, 1922.

JOHN CAMPBELL WHITE.
P. ITRIAGO CHACÍN.

The undersigned, John Campbell White, chargé d'affaires ad interim of the United States of America to Venezuela, and Dr. Pedro Itriago Chacín, minister of foreign affairs of the United States of Venezuela, have agreed upon the following additional article to the treaty of extradition signed by the aforesaid on the 19th instant:

It is agreed that all differences between the contracting parties relating to the interpretation or execution of this treaty shall be decided by arbitration.

In witness whereof they have signed the above article, and have hereunto affixed their seals.

Done in duplicate, in Caracas, this 21st day of January, 1922.

JOHN CAMPBELL WHITE.
P. ITRIAGO CHACÍN.

CONVENTION WITH COLOMBIA TO FACILITATE WORK OF TRAVELING SALESMEN.

In executive session this day the following convention was ratified, and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to its ratification, I transmit herewith a convention signed at Bogota on August 4, 1922, between the United States and the Republic of Colombia, to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen.

WARREN G. HARDING.

THE WHITE HOUSE,
September 14, 1922.

—

The PRESIDENT:

The undersigned, the Acting Secretary of State, has the honor to lay before the President with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of the Senate to its ratification, a convention signed at Bogota on August 4, 1922, between the United States and the Republic of Colombia, to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen.

Respectfully submitted. WILLIAM PHILLIPS.

DEPARTMENT OF STATE,
Washington, September 13, 1922.

—

The United States of America and the Republic of Colombia, being desirous to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen, have agreed to conclude a Convention for that purpose and have to that end appointed as their plenipotentiaries:

The President of the United States of America, Samuel H. Piles, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Government of the Republic of Colombia; and the President of the Republic of Colombia, Doctor Antonio Gómez Restrepo, Secretary in charge of the Ministry for Foreign Affairs; who having communicated to each other their full powers, which were found to be in due form, have agreed upon the following articles:

ARTICLE I.

Manufacturers, merchants and traders domiciled within the jurisdiction of one of the high contracting parties may operate as commercial travelers either personally or by means of agents or employees within the jurisdiction of the other high contracting party on obtaining from the latter, upon payment of a single fee, a license which shall be valid throughout its entire territorial jurisdiction.

In case either of the high contracting parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this convention, or otherwise, enemy nationals or other aliens whose presence it may consider prejudicial to public order and national safety.

ARTICLE II.

In order to secure the license above mentioned the applicant must obtain from the country of domicile of the manufacturers, merchants and traders represented a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be visèed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon the presentation of such certificate, issue to the applicant the national license as provided in Article I.

ARTICLE III.

A commercial traveler may sell his samples without obtaining a special license as an importer.

ARTICLE IV.

Samples without commercial value shall be admitted to entry free of duty.

Samples marked, stamped, or defaced in such manner that they can not be put to other uses shall be considered as objects without commercial value.

ARTICLE V.

Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

ARTICLE VI.

All customs formalities shall be simplified as much as possible with a view to avoid delay in the dispatch of samples.

ARTICLE VII.

Peddlers and other salesmen who vend directly to the consumer, even though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

ARTICLE VIII.

No license shall be required of:

(a) Persons traveling only to study trade and its needs, even though they initiate commercial relations, provided they do not make sales of merchandise.

(b) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.

(c) Travelers who are exclusively buyers.

ARTICLE IX.

Any concessions affecting any of the provisions of the present convention that may hereafter be granted by either high contracting party, either by law or by treaty or convention, shall immediately be extended to the other party.

ARTICLE X.

This convention shall be ratified; and the ratifications shall be exchanged at Washington or at Bogota within two years, or sooner if possible.

The present convention shall remain in force until the end of six months after either of the high contracting parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time. And it is hereby agreed between the parties that, on the expiration of six months after such notice shall have been received by either of them from the other party as above mentioned, this convention shall altogether cease and terminate.

In testimony whereof the respective plenipotentiaries have signed these articles and have thereunder affixed their seals.

Done in duplicate, at Bogota, in the English and the Spanish languages, on the fourth day of August, nineteen hundred and twenty-two.

[SEAL.] SAMUEL H. PILES.
[SEAL.] ANTONIO GÓMEZ RESTREPO.

INTERNATIONAL CONVENTION RELATING TO WEIGHTS AND MEASURES.

In executive session this day the following convention was ratified, and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to its ratification, I transmit an authenticated copy of an international convention signed at Sevres, France, in one original on October 6, 1921, amending the convention relating to weights and measures, signed at Paris on May 20, 1875, and the regulations annexed to the said convention.

The attention of the Senate is invited to the accompanying report from the Secretary of State and to the copy of a letter to him from the Secretary of Commerce therewith inclosed, stating the reasons why, in the opinion of the Director of the Bureau of Standards, the modifying convention is necessary.

WARREN G. HARDING.

THE WHITE HOUSE,
Washington, August 16, 1922.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a translation, a duly authenticated copy of an international convention signed at Sevres, France, on October 6, 1921, amending the convention relating to weights and measures, signed at Paris on May 20, 1875, and the regulations annexed to the said convention.

For convenience of comparison by the Senate there is also inclosed a copy of the said convention of May 20, 1875, and the regulations annexed thereto.

The modifying convention of October 6, 1921, was signed on the part of the United States by Dr. Samuel W. Stratton, Director of the Bureau of Standards, and Mr. Sheldon Whitehouse, counselor of the American Embassy at Paris, in virtue of full power issued to them by the President.

For the further information of the Senate I inclose a letter from the Secretary of Commerce stating the objects which the proposed modifications have in view and which, it is stated, are necessary owing to changes in conditions since the original convention was agreed to.

Respectfully submitted.

(Signed) CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, August 14, 1922.

[Translation.]

INTERNATIONAL CONVENTION FOR THE AMENDMENT.

1st. Of the Convention signed at Paris, May 20, 1875, to insure the international unification and improvement of the metric system;

2nd. Of the regulations annexed to the said convention;

Concluded between: Germany, Argentine Republic, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, Denmark, Spain, the United States of America, Finland, France, Great Britain, Hungary, Italy, Japan, Mexico, Norway, Peru, Portugal, Rumania, The Serbs, Croats, and Slovenes State, Siam, Sweden, Switzerland, and Uruguay.

The undersigned plenipotentiaries of the countries hereinafter enumerated having met in conference in Paris, have agreed on the following:

ARTICLE 1.

Articles 7 and 8 of the Convention of May 20, 1875, are superseded by the following provisions:

ARTICLE 7. After the Committee shall have proceeded with the work of coordinating the measures relative to electric units and when the general conference shall have so decided by a unanimous vote, the Bureau will have charge of the establishment and keeping of the standards of the electric units and their test copies and also of comparing with those standards the national or other standards of precision.

The Bureau is also charged with the duty of making the determinations relative to physical constants, a more accurate knowledge of which may be useful in increasing precision and further insuring uniformity in the provinces to which the abovementioned units belong (Article 6 and 1st paragraph of Article 7).

It is finally charged with the duty of coordinating similar determinations effected in other institutions.

ARTICLE 8. The international prototypes and standards and also their test copies shall be deposited in the Bureau; access to the deposit shall be solely reserved for the international committee.

ARTICLE 2.

Articles 6, 8, 9, 10, 11, 12, 15, 17, 18 and 20, of the regulations annexed to the Convention of May 20, 1875, are superseded by the following provisions.

ARTICLE 6. The annual appropriation for the international bureau consists of two parts, one of which is fixed, the other complementary.

The fixed part is, in principle, 250,000 francs, but on the unanimous vote of the Committee may be raised to 300,000 francs. It is borne by all the states and autonomous colonies that adhered to the meter convention before the sixth General Conference.

The complementary part is made up of contributions from the states and autonomous colonies that joined the Convention after the aforesaid General Conference. The Committee is charged with the duty of drawing upon the motion of the Director the annual budget, but without exceeding the amount computed in accordance with the provisions of the two paragraphs above. The budget is made known every year by means of a special financial report to the governments of the high contracting parties.

If the committee find it necessary either to increase beyond 300,000 francs, the fixed part of the annual appropriation or to modify the computation of the contributions as determined by Article 20, of these regulations, it should lay the matter before the governments so as to enable them to issue in good time the needed instructions to their delegates to the next General Conference in order that the said conference may deliberate to good purpose. The decision will stand only in the case that no opposition shall have been expressed before or in the conference by any of the contracting states.

If the state should let three years go without paying its contribution, that contribution shall be divided among the other states proportionally to their own contribution. The additional sum thus paid by the states to make up the whole of the appropriation of the Bureau shall be regarded as an advance to the delinquent state and shall be reimbursed to them if that state should make good its arrears. The advantages and prerogatives conferred by adhering to the Meter Convention are suspended in the case of states that have been delinquent three years.

After three more years the delinquent state shall be expelled from the Convention and the reckoning of the contributions restored in accordance with the provisions of Article 20, of these regulations.

ARTICLE 8. The International Committee mentioned at Article 3 of the Convention shall be composed of 18 members all from different states.

At the time of the renewal by halves of the international committee, the outgoing members shall be first those who may have been provisionally elected to fill vacancies between two sessions of the conference; the others will be drawn by lot. Outgoing members may be reelected.

ARTICLE 9. The International Committee organizes itself by electing by its own secret vote its Chairman and Secretary. Those appointments are notified to the governments of the high contracting parties.

The chairman and the secretary of the Committee and the Director of the Bureau must belong to different countries.

Once organized, the Committee cannot hold other elections or make other appointments except before three months shall have elapsed after the notice of a vacancy calling for a vote shall have been given to all the members.

ARTICLE 10. The International Committee directs all the metrological works that the high contracting parties shall decide to have carried on jointly.

It is also charged with the duty of seeing to the conservation of the international prototypes and standards.

It may, lastly, institute the cooperation of specialists in questions of metrology and coordinate the results of their work.

ARTICLE 11. The committee shall meet at least once in two years.

ARTICLE 12. The ballotting in the committee is by a majority vote; in case of a tie vote the chairman has the casting vote. Decisions are only valid if the members present are at least one-half of the elected members forming the committee.

Subject to that condition absent members have a right to delegate their votes to present members who must prove that they have been so delegated. This also applies to appointments by secret ballot.

The Director of the Bureau is a nonvoting member of the Committee.

ARTICLE 15. The International Committee will draw up a detailed set of regulations for the organization and work of the Bureau and will fix the dues to be paid for the extraordinary works provided by Articles 6 and 7 of the Convention.

Those dues will be applied to improving the scientific equipment of the Bureau. A certain amount may be drawn annually for the retirement fund from the total dues collected by the Bureau.

ARTICLE 17. A regulation drawn up by the Committee will determine the maximum staff for each category of the personnel of the Bureau. The Director and his assistants shall be elected by secret ballot by the International Committee. Other appointments shall be notified to the governments of the high contracting parties. The Director will appoint the other members of the personnel within the bounds laid by the regulation mentioned in the first paragraph above.

ARTICLE 18. The Director of the Bureau shall have access to the place where the international prototypes are deposited only in pursuance of a resolution of the Committee and in the presence of at least one of its members. The place of deposit of the prototypes shall be opened only by means of three keys, one of which shall be in the possession of the Director of Archives of France, the second in that of the Chairman of the Committee and the third in that of the Director of the Bureau.

The standards of the class of national prototypes alone shall be used for the ordinary comparing work of the Bureau.

ARTICLE 20. The scale of contributions spoken of in Article 9 of the Convention is established for its fixed part on the basis of the appropriation referred to in Article 6 of the present regulations and of the population; the normal contribution of each state cannot be less than 5 to a thousand nor more than 15% of the whole appropriation, regardless of the population. In order to establish that scale, it shall first be found which are the states that are in the conditions required for the minimum and maximum and the remainder of the quota shall be distributed among the other states in the direct ratio of their population.

The quota thus reckoned stands for the whole time included between two consecutive General Conferences and can only be modified in the meanwhile in the following cases:

(a) When, on the contrary, a state which had been previously delinquent for more than three years pays up its arrears, and the occasion arises to return to the other governments the advances made by them.

The complementary contribution is computed on the same basis of population and is like that which the states that have long belonged to the Convention pay under the same conditions.

If after adhering to the convention a state declares it would like to extend the benefits thereof to one or more of its colonies that are not autonomous, the number of the population of the said colonies would be added to that of the state in reckoning the scale of contributions.

When a colony that is recognized as autonomous shall desire to adhere to the convention, it will be regarded with respect to its admission into the Convention and as the mother country may decide, either as a dependency of that mother country or as a contracting state.

ARTICLE 3.

Any state may adhere to this Convention by giving notice thereof to the French Government which shall notify all the participant states and the Chairman of the International Committee of Weights and Measures.

Any new accession to the Convention of May 20, 1875, will necessarily involve adhesion to this Convention.

ARTICLE 4.

The present Convention shall be ratified. Each power shall within the shortest possible time send its ratification to the French Government which will see to its being notified to the other signatory countries. The ratifications shall remain in deposit in the archives of the French Government. The present Convention will go into effect for each signatory country on the very date of the deposit of its instrument of ratification.

Done at Sevres, October 6, 1921, in one copy that will be deposited in the Archives of the French Government and of which certified copies shall be forwarded to every one of the signatory countries.

This copy, dated as above, may be signed until March 31, 1922.

In witness whereof the plenipotentiaries hereinbelow named, whose powers have been found to be in good and due form, have signed the present Convention.

For Germany:
FORSTER,
KÖSTERS.

For Argentina:
M.-T. DE ALVEAR,
LUIS BEMBERG.

For Austria:
MAYRHAUSER.

For Belgium:
ERN. PASQUIER.

For Brazil:
FRANC. RAMOS DE ANDRADE NEVES.

For Bulgaria:
SAVOFF.

For Canada:
HARDINGE OF PENSHURST,
J. E. SEARS, Jr.

For Chile:
M. AMUNATEGUI.

For Denmark:
K. PEYTZ.

For Spain:
SEVERO GOMEZ NUÑEZ.

For the United States:
SHELDON WHITEHOUSE,
SAMUEL W. STRATTON.

For Finland:
G. MELANDER.

For France:
P. APPELL,
PAUL JANET,
A. PEROT,
J. VIOLLE.

For Great Britain:
HARDINGE OF PENSHURST,
J. E. SEARS, Jr.,
P. A. MACMAHON.

For Hungary:
BODOLA LAJOS.

For Italy:
VITO VOLTERRA,
NAPOLEONE REGGIANI.

For Japan:
A. TANAKADATE,
SAISHIRO KOSHIDA.

For Mexico:
JUAN F. URQUIDI.

For Norway:
D. ISAACHSEN.

For Peru:
G. TIRADO.

For Portugal:
ARMANDO NAVARRO.

For Rumania:
ST. HEPITES,
C. STATESCU.

For the Serbs, Croats, and Slovenes:
M. BOCHKOVITCH,
CELESTIN KARGATCHIN.

For Siam:
DAMRAS.

For Sweden:
K. A. WALLROTH,
IVAR FREDHOLM.

For Switzerland:
RAOUL GAUTIER.

For Uruguay:
J. C. BLANCO.

A True Copy,

(Signed) P. DE FOUQUIÈRES,
Minister Plenipotentiary,
Chief of Protocol Division.

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, July 24, 1922.

The SECRETARY OF STATE,
Washington, D. C.

MY DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your letter of July 12 (SYS 592.51 A 4/76), requesting an opinion concerning the international convention signed at Paris on March 31, 1922, amending the convention relating to weights and measures signed at Paris on May 20, 1875. In reply, I would state that I have been informed by the Director of the Bureau of Standards that the changes proposed in the above-mentioned treaty have four objects in view, each of which is necessary owing to changes in conditions since the original convention was agreed to.

First. The total amount of funds subscribed by the various countries for the support of the International Bureau of Weights and Measures was wholly insufficient. The amendment provides for an increase from one hundred to two hundred and fifty thousand francs.

Second. The functions of the international bureau have heretofore included only the standards of length and mass, whereas there are other standards which should be deposited at a central source in order that the subscribing countries may have the benefit of them, as, for example, the standard of electrical resistance. Provision is made for this additional standard in the convention as amended.

Third. In view of the wider range of standards to be handled by the international bureau the personnel of the administrative committee, known as the International Committee on Weights and Measures, has been increased from 14 to 18 members.

Fourth. The international bureau has been authorized to investigate and coordinate the values of the physical constants connected with the standards taken up by that bureau.

The necessity for these changes is evident, and there is no objection on the part of this department to the transmission of the amended convention to the United States Senate in the usual form.

Yours faithfully,

HERBERT HOOVER.

ADJOURNMENT.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Saturday, January 6, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 5 (legislative day of January 3), 1923.

UNITED STATES CIRCUIT JUDGE.

Frank H. Rudkin, of Washington, to be United States circuit judge, ninth circuit, vice William W. Morrow, resigned.

POSTMASTERS.

ALABAMA.

Arnold R. Woodham to be postmaster at Opp, Ala., in place of Clarence Byrd, resigned.

CALIFORNIA.

Henry Metzler to be postmaster at Fowler, Calif., in place of Roy Freer, removed.

Fred W. McCullah to be postmaster at Long Beach, Calif., in place of C. H. Windham, resigned.

Warren N. Garland to be postmaster at Oakdale, Calif., in place of W. S. Boddy. Incumbent's commission expired September 5, 1922.

Sherman G. Batchelor to be postmaster at San Bernardino, Calif., in place of Ernest Martin. Incumbent's commission expired September 5, 1922.

COLORADO.

Charles E. Leibold to be postmaster at Manitou, Colo., in place of T. J. Sandford, deceased.

Orion W. Daggett to be postmaster at Redcliff, Colo., in place of O. W. Daggett. Incumbent's commission expired November 21, 1922.

GEORGIA.

Edgar Bargeson to be postmaster at Waynesboro, Ga., in place of G. B. Banks. Incumbent's commission expired September 28, 1922.

Jesse L. Dann to be postmaster at Albany, Ga., in place of N. B. Brimberry. Incumbent's commission expired September 26, 1922.

ILLINOIS.

Christy C. Roper to be postmaster at Carriers Mills, Ill., in place of Elby Ozment. Incumbent's commission expired October 24, 1922.

Orville L. Davis to be postmaster at Champaign, Ill., in place of C. J. Mullikin. Incumbent's commission expired October 24, 1922.

John J. Lord to be postmaster at Galva, Ill., in place of E. L. Benson. Incumbent's commission expired October 24, 1922.

Roy F. Dusenbury to be postmaster at Kankakee, Ill., in place of S. J. Jackson, resigned.

Anna M. Tennysen to be postmaster at Manhattan, Ill., in place of F. A. McGowan. Incumbent's commission expired October 24, 1922.

Lewis R. Inman to be postmaster at Oswego, Ill., in place of C. S. Barker. Incumbent's commission expired October 24, 1922.

Owen A. Robison to be postmaster at Palmyra, Ill., in place of R. T. Ross. Incumbent's commission expired October 24, 1922.

Robert H. Christen to be postmaster at Pecatonica, Ill., in place of H. J. Richardson. Incumbent's commission expired October 24, 1922.

Louis A. Luetgert to be postmaster at Elmhurst, Ill., in place of G. L. Burmeister. Incumbent's commission expired October 24, 1922.

Vernon G. Keplinger to be postmaster at Waverly, Ill., in place of Robin Etter. Incumbent's commission expired October 24, 1922.

INDIANA.

Thomas J. Jackson to be postmaster at New Albany, Ind., in place of J. A. Cody, removed.

John A. Austermiller to be postmaster at Terre Haute, Ind., in place of J. J. Cleary. Incumbent's commission expired September 5, 1922.

Arthur E. Dill to be postmaster at Fort Branch, Ind., in place of W. S. Hoffman. Incumbent's commission expired September 5, 1922.

David E. Purviance to be postmaster at Wabash, Ind., in place of Cornelius Lumaree. Incumbent's commission expired September 5, 1922.

IOWA.

Charles A. Frisbee to be postmaster at Garner, Iowa, in place of H. A. Sweigard. Incumbent's commission expired September 5, 1922.

Jacob E. Rogers to be postmaster at Lenox, Iowa, in place of G. E. Patton. Office became presidential September 5, 1922.

Elsie A. Haskell to be postmaster at Luverne, Iowa, in place of E. D. Lovell, resigned.

Eunice M. Bute to be postmaster at Stanhope, Iowa, in place of S. C. Bute. Incumbent's commission expired September 5, 1922.

KANSAS.

James E. Miller to be postmaster at Walnut, Kans., in place of J. E. Miller. Incumbent's commission expired September 13, 1922.

KENTUCKY.

Harry C. Barrett to be postmaster at Hickman, Ky., in place of Goalder Johnson. Incumbent's commission expired October 24, 1922.

MARYLAND.

William O. Yates to be postmaster at La Plata, Md., in place of R. M. Garner, removed.

Perry A. Gibson to be postmaster at Rising Sun, Md., in place of C. T. Dare. Incumbent's commission expired September 5, 1922.

MASSACHUSETTS.

Carl D. Thatcher to be postmaster at Housatonic, Mass., in place of H. F. Shufelt. Incumbent's commission expired October 1, 1922.

John H. Baker to be postmaster at Marlboro, Mass., in place of J. M. Hurley. Incumbent's commission expired October 1, 1922.

Thomas Smith to be postmaster at North Grafton, Mass., in place of J. J. Fleming. Incumbent's commission expired July 24, 1920.

MICHIGAN.

Harry B. McCain to be postmaster at Alpena, Mich., in place of G. W. Manion. Incumbent's commission expired September 13, 1922.

Bert A. Dickerson to be postmaster at Constantine, Mich., in place of G. F. Catton. Incumbent's commission expired September 13, 1922.

Carl A. Anderson to be postmaster at Menominee, Mich., in place of A. A. Juttner. Incumbent's commission expired January 24, 1922.

MINNESOTA.

Ethel V. Engstrom to be postmaster at Grandy, Minn., in place of E. V. Engstrom. Office became third class July 1, 1920.

Fred G. Fratzke to be postmaster at Janesville, Minn., in place of M. W. Keeley. Incumbent's commission expired September 13, 1922.

Henry C. Megrund to be postmaster at Shelly, Minn., in place of Peter Moen, deceased.

Olaf E. Reiersgood to be postmaster at Ulen, Minn., in place of O. A. Fuglie. Incumbent's commission expired September 13, 1922.

MISSISSIPPI.

Louis B. Phillips to be postmaster at Eupora, Miss., in place of J. L. Latham. Incumbent's commission expired September 19, 1922.

Lizzie D. Oltenburg to be postmaster at Winona, Miss., in place of L. D. Oltenburg. Incumbent's commission expired September 19, 1922.

MISSOURI.

Herbert Schnur to be postmaster at Joplin, Mo., in place of W. A. Kirkpatrick. Incumbent's commission expired October 14, 1922.

Henry O. Abbott to be postmaster at Lebanon, Mo., in place of Phil Donnelly. Incumbent's commission expired September 5, 1922.

Edward B. Wilson to be postmaster at Stanberry, Mo., in place of S. W. Hatheway. Incumbent's commission expired September 5, 1922.

MONTANA.

Joseph Brooks to be postmaster at Livingston, Mont., in place of J. E. Swindlehurst. Incumbent's commission expired September 13, 1922.

Howard Squires to be postmaster at Harlowton, Mont., in place of C. H. Lanius. Incumbent's commission expired September 13, 1922.

NEBRASKA.

Edward Ericksen to be postmaster at Boelus, Nebr., in place of F. E. Bax. Office became third class July 1, 1922.

William E. Smith to be postmaster at Antioch, Nebr., in place of G. J. Naber, resigned.

NEW HAMPSHIRE.

Lena K. Smith to be postmaster at Lancaster, N. H., in place of H. W. Bailey. Incumbent's commission expired September 19, 1922.

Cora H. Eaton to be postmaster at Littleton, N. H., in place of A. J. Richardson. Incumbent's commission expired September 19, 1922.

NEW JERSEY.

Dante Caporale to be postmaster at Fairview, N. J., in place of J. P. Caccio, removed.

NEW YORK.

John L. Mahalish to be postmaster at Hillburn, N. Y., in place of J. F. Metoskie, removed.

Arthur F. Crandall to be postmaster at Wappingers Falls, N. Y., in place of M. F. McLean. Incumbent's commission expired March 15, 1920.

Benjamin W. Wellington to be postmaster at Corning, N. Y., in place of J. W. Lynahan. Incumbent's commission expired September 19, 1922.

Wilbur S. Oles to be postmaster at Delhi, N. Y., in place of F. W. Youmans. Incumbent's commission expired November 21, 1922.

Stuart W. Smyth to be postmaster at Owego, N. Y., in place of M. J. Murray. Incumbent's commission expired September 19, 1922.

William T. Binks to be postmaster at Rome, N. Y., in place of A. R. Kessinger. Incumbent's commission expired October 24, 1922.

Margaret D. Martin to be postmaster at Willard, N. Y., in place of C. E. Palmer. Incumbent's commission expired September 28, 1922.

NORTH CAROLINA.

Rufus W. Caswell to be postmaster at Forest City, N. C., in place of W. C. Blanton. Incumbent's commission expired September 5, 1922.

Samuel S. Weir to be postmaster at Kings Mountain, N. C., in place of A. H. Patterson. Incumbent's commission expired September 5, 1922.

Blanche S. Wilson to be postmaster at Warsaw, N. C., in place of D. E. Best. Incumbent's commission expired January 24, 1922.

NORTH DAKOTA.

Fred E. Ackermann to be postmaster at Wishek, N. Dak., in place of J. C. Nippolt. Incumbent's commission expired April 17, 1920.

OHIO.

William H. Hunt to be postmaster at Mechanicsburg, Ohio, in place of J. D. Yocum. Incumbent's commission expired September 19, 1922.

Arthur G. Williams to be postmaster at Perrysburg, Ohio, in place of Philip Wetzel. Incumbent's commission expired September 19, 1922.

OKLAHOMA.

Henry W. Hoel to be postmaster at Jennings, Okla., in place of C. M. Foil, resigned.

OREGON.

George C. Stephens to be postmaster at Arlington, Oreg., in place of C. H. Morris. Incumbent's commission expired September 5, 1922.

Annie S. Clifford to be postmaster at Molalla, Oreg., in place of A. S. Clifford. Office became third class January 1, 1921.

PENNSYLVANIA.

John D. Gerhart to be postmaster at East Greenville, Pa., in place of J. L. Dimmig. Incumbent's commission expired September 19, 1922.

Franklin H. Bean to be postmaster at Quakertown, Pa., in place of C. R. Smith. Incumbent's commission expired September 13, 1922.

John S. Leidy to be postmaster at Hatboro, Pa., in place of H. J. Morris. Incumbent's commission expired September 19, 1922.

SOUTH DAKOTA.

Benjamin R. Stone to be postmaster at Lead, S. Dak., in place of F. C. Fisher. Incumbent's commission expired September 11, 1922.

Garfield G. Tunell to be postmaster at Mobridge, S. Dak., in place of M. F. Ryan. Incumbent's commission expired September 11, 1922.

Matt Flavin to be postmaster at Sturgis, S. Dak., in place of William Galvin. Incumbent's commission expired September 11, 1922.

Clarence I. Hougen to be postmaster at Wilmot, S. Dak., in place of M. F. Cummins. Incumbent's commission expired September 11, 1922.

TENNESSEE.

Eva Shelton to be postmaster at Linden, Tenn., in place of J. D. Daniel, resigned.

TEXAS.

Arthur G. Gilbert to be postmaster at Abernathy, Tex., in place of J. C. Arnett. Incumbent's commission expired September 5, 1922.

Charles A. Ziegenhals to be postmaster at Bastrop, Tex., in place of T. W. Cain. Incumbent's commission expired September 5, 1922.

Oliver S. York to be postmaster at Galveston, Tex., in place of E. R. Cheesborough. Incumbent's commission expired September 5, 1922.

Fannie H. Miller to be postmaster at Newton, Tex., in place of F. M. Mattox. Incumbent's commission expired September 5, 1922.

Otis A. Gildon to be postmaster at Daisetta, Tex., in place of J. W. White, jr. Office became third class July 1, 1922.

Sidney O. Hyer to be postmaster at Frost, Tex., in place of A. W. Howell. Incumbent's commission expired September 5, 1922.

Ralph E. Hollingsworth to be postmaster at Sunset, Tex., in place of J. E. Nix. Incumbent's commission expired September 5, 1922.

UTAH.

Aroet L. Harris to be postmaster at Richmond, Utah, in place of S. W. Hendricks. Incumbent's commission expired September 5, 1922.

VERMONT.

Frank E. Howe to be postmaster at Bennington, Vt., in place of E. S. Harris. Incumbent's commission expired September 19, 1922.

VIRGINIA.

Everett M. Berrey to be postmaster at Luray, Va., in place of W. C. Lauck, resigned.

Eugene C. Geary to be postmaster at Woodstock, Va., in place of W. M. Calvert. Incumbent's commission expired September 13, 1922.

VIRGIN ISLANDS.

Albert L. Lockwood to be postmaster at St. Thomas, Virgin Islands, in place of Albert Pfaus, resigned.

WASHINGTON.

Walter L. Cadman to be postmaster at Dayton, Wash., in place of S. S. Moritz. Incumbent's commission expired October 14, 1922.

Charles E. Rathbun to be postmaster at Pomeroy, Wash., in place of J. H. Schneckloth. Incumbent's commission expired October 14, 1922.

WEST VIRGINIA.

J. Lee Heavner to be postmaster at Buckhannon, W. Va., in place of L. W. Bartlett, resigned.

WISCONSIN.

Edward J. Tracy to be postmaster at Doylestown, Wis., in place of E. J. Tracy. Office became third class July 1, 1922.

Dean J. Hotchkiss to be postmaster at Foxlake, Wis., in place of N. H. Berigan. Incumbent's commission expired September 5, 1922.

Ferdinand A. Nierode to be postmaster at Grafton, Wis., in place of F. A. Nierode. Incumbent's commission expired April 30, 1922.

David L. Mann to be postmaster at Horicon, Wis., in place of T. D. Pluck. Incumbent's commission expired September 5, 1922.

Carrie K. Lehner to be postmaster at Juneau, Wis., in place of O. F. Illing. Incumbent's commission expired September 5, 1922.

Elmer E. Haight to be postmaster at Poynette, Wis., in place of J. C. Thomas. Incumbent's commission expired September 5, 1922.

Cora L. Evenson to be postmaster at Rio, Wis., in place of Frank Hall. Incumbent's commission expired September 5, 1922.

Alfred E. Von Wald to be postmaster at Sauk City, Wis., in place of John Maegerlein, resigned.

Elwin J. McLeod to be postmaster at Rib Lake, Wis., in place of J. J. Voemastek. Incumbent's commission expired September 5, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 5 (legislative day of January 3), 1923.

POSTMASTERS.

GEORGIA.

Andrew H. Stapler, Metter.
Louise F. Hays, Montezuma.

MASSACHUSETTS.

John B. Rose, Chester.
William Stockwell, Maynard.
Merton Z. Woodward, Shelburne Falls.

MISSOURI.

William E. Hodgin, Maitland.
Frank A. Stiles, Rockport.

OHIO.

William C. Parks, Cadiz.
Warren E. Smiley, Cardington.
Howard B. Kurtz, Conneaut.
Edward C. Anderson, Blanchester.
George H. Lewis, Geneva.
Roy Heap, St. Marys.

OKLAHOMA.

Ottis E. Thompson, Wright City.

PENNSYLVANIA.

Paul C. Rupp, Pitcairn.

TEXAS.

William M. Bowen, Beckville.
Minnie L. Landon, Burnet.
Hugh W. Cunningham, Eliasville.
Lee Hood, Justin.
Mary A. Haskell, Stockdale.
Willie O. Brents, Whitewright.

HOUSE OF REPRESENTATIVES.

FRIDAY, *January 5, 1923.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord and Father of us all. We thank Thee for the vision of the one perfect life; ever lead us toward its purity and beauty. Endow us with determined wills that we may be true to every trust and faithful to every obligation. By faith and by love may we always be bound to them. Help us to wear worthily the badge of mature years and to be earnest and brave these vital days in the service of our Republic. Ever give us the outlook of life and light and be as near us as our conscience. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Craven, its Chief Clerk, announced that the Senate had passed, with amendment, the bill (H. R. 12473) granting the consent of Congress to the Wynco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of Big Sandy River, in Mingo County, W. Va.; in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed, without amendment, the bill (H. R. 12170) to revive and reenact the act entitled "An act to authorize the commissioners of Lycoming County, Pa., and their successors in office to construct a bridge across the West Branch of the Susquehanna River from the foot of Arch Street, in the city of Williamsport, Lycoming County, Pa., to the borough of Duboistown, Lycoming County, Pa.," approved August 11, 1916.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. PAGE, Mr. POINDEXTER, Mr. HALE, Mr. SWANSON, and Mr. GLASS as the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4116. An act granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri.

S. 4187. An act to extend the time for payment of charges due on reclamation projects, and for other purposes.

S. 4096. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine.

S. 214. An act to amend section 24 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911.

S. 1467. An act to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel N. White, deceased.

S. 4122. An act granting the consent of Congress to the Interstate Toll Bridge Co. for construction of a bridge across Red River between Montague County, Tex., and Jefferson County, Okla.

SUGAR EQUALIZATION BOARD.

Mr. HAUGEN. Mr. Speaker, I call up privileged House Resolution 475.

The SPEAKER. The gentleman from Iowa calls up House Resolution 475, which the Clerk will report.

The Clerk read as follows:

House Resolution 475.

Resolved, That the President be requested to transmit to the House of Representatives the facts in his possession concerning the following, if not incompatible with the public interest:

First. What activities the United States Sugar Equalization Board, a corporation organized under the laws of the State of Delaware, is now engaged in.

Second. What salaries, if any, are being paid by such board to its officials or employees and what salaries have been paid during the last two years.

Third. What other expenses are being incurred and have been incurred since December 31, 1920, by said board.

Fourth. What money or property is now owned or controlled by such board.

Fifth. Where such funds, if any, are now deposited and what, if any, interest has been drawn on same since December 31, 1920.

Mr. HAUGEN. Mr. Speaker, this is simply to call for information on behalf of my colleagues. I report this by instruction from the committee.

Mr. STAFFORD. Of what value will this information be to the House if it is furnished by the President?

Mr. HAUGEN. Well, it is information that the House is entitled to. The Government has $5,000,000 invested in this organization, and the profits of the organization were about $39,000,000.

Mr. STAFFORD. Could not this information be obtained by addressing a letter to the Sugar Equalization Board?

Mr. HAUGEN. I will say to the gentleman that a letter was addressed to the commission, and the information was promised, but evidently it was overlooked.

Mr. STAFFORD. When was the letter addressed to this board?

Mr. HAUGEN. On April 17, 1920.

Mr. STAFFORD. No effort has been made since April 17, 1920, to get this information from the Sugar Equalization Board?

Mr. HAUGEN. Well, it would be rather presumptuous, would it not, to ask a $5,000,000 corporation for information the second time?

Mr. STAFFORD. Is the gentleman acquainted with the fact that the board is not of the same personnel as it was in 1920? I differ with the gentleman in saying it would be presumptuous.

Mr. HAUGEN. It would be presumptuous for the chairman of the committee to ask a second time for information which had already been promised, but not furnished.

Mr. GREENE of Vermont. Who is to have the first opportunity for respect, this Congress or some corporation from which it seeks information? You would represent Congress in that request, would you not?

Mr. HAUGEN. The request was made on the 17th day of April, 1920, and the reply is dated——

Mr. GREENE of Vermont. Do you not put yourself in the attitude of one who is afraid of making a second request for fear it will be answered?

Mr. STAFFORD. This is two years afterwards, and you are calling upon the President of the United States for that information which might be obtained by addressing a letter to the board.

Mr. HAUGEN. On April 19, 1922, they said they would send the information in a few days.

Mr. GREENE of Vermont. Would it not be the same courtesy as is known among business men to write again for data which were supposed to have been prepared and might have been intrusted to the mail and might have been miscarried? Might you not make some such call as that, so as to give them an opportunity to answer gracefully?

Mr. JONES of Texas. They had the opportunity when they were on the stand.

Mr. TINCHER. The attorney for the board was on the stand before our committee, and some of us tried to elicit that information from him so as to be able to put it in the record.

Mr. STAFFORD. How long ago has it been since that representative was before the committee?

Mr. JONES of Texas. It was in January, 1921.

Mr. HAUGEN. It was on January 18, 1921.

Mr. STAFFORD. Two years ago the attorney was on the firing line before the committee and was asked for the information, and now, two years afterwards, you want the President of the United States to require them to furnish the information.

Mr. TINCHER. The gentleman knows that the information was requested of the President by reason of the fact that he will undoubtedly request the board to furnish it. This information ought to be available.

Mr. STAFFORD. It will be available only in the closing hours of a Congress, when there is no opportunity to utilize it.

Mr. TINCHER. There may be times here when we shall want information of that kind.

Mr. STAFFORD. You may want the information in the next Congress, but I shall not.

Mr. TINCHER. We want information of this kind.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union to consider the bill H. R. 13660, the District of Columbia appropriation bill.

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the District of Columbia appropriation bill.

Mr. CRAMTON. And pending that, Mr. Speaker, I would like to ask the gentleman from Kentucky [Mr. JOHNSON] if we can make an agreement as to the extent of general debate? For that purpose, I ask unanimous consent that the general debate on the bill be limited to one hour and a half, 45 minutes to be controlled by the gentleman from Kentucky and 45 minutes by myself.

Mr. JOHNSON of Kentucky. I will state to the gentleman from Michigan that the requests for time which have been made, added to the time I myself desire to use, will make more than 45 minutes. Will not the gentleman agree to a longer time than that?

Mr. CRAMTON. What would the gentleman think should be the minimum? The gentleman, of course, realizes that we must spend the necessary time in the consideration of the bill and yet proceed as rapidly as convenient.

Mr. JOHNSON of Kentucky. I have three requests for time in addition to what I myself wish to use, and that would require that I should cut myself off to a shorter time than I would really like to have. I think we could get along with an hour.

Mr. CRAMTON. Could the gentleman on his side get along with an hour?

Mr. JOHNSON of Kentucky. I think it possible.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that general debate on the bill may be limited to two hours, one hour to be controlled by the gentleman from Kentucky [Mr. JOHNSON] and one hour by myself.

Mr. BLANTON. Mr. Speaker, reserving the right to object, this bill carries $22,624,895.

Mr. CRAMTON. Yes; it appropriates as much as some single items in the Army and Navy bills.

Mr. BLANTON. Yes; but some of these millions are to pay for civic improvements in Washington that are local in their nature, that mostly concern residents of the city of Washington but have no connection whatever with the Government. There are many such projects in this bill, running away up into the hundreds of thousands of dollars.

I think the gentleman ought to be a little more liberal in allowing time, especially when there are matters in the District appropriation bill which should have legislative consideration.

Mr. CRAMTON. The gentleman knows that usually the longer the general debate the less attention is given to the bill under consideration.

Mr. BLANTON. There will be very little chance to discuss these propositions under the five-minute rule.

Mr. CRAMTON. We hope to be generous in the five-minute debate.

Mr. BLANTON. I know, but after we get through with the general debate the bill is rushed through and the time is limited by motions to cut off debate.

Mr. CRAMTON. I assume the gentleman wants to discuss the bill.

Mr. BLANTON. I want to discuss the bill.

Mr. CRAMTON. I hope he may have the time to do so and I hope we can get it all in an hour on a side.

Mr. BLANTON. I do not know what arrangements the gentleman from Kentucky has made, but I would like to have 20 minutes on some propositions.

Mr. JOHNSON of Kentucky. I doubt if I will be able to give myself 20 minutes.

Mr. BLANTON. Why the hurry? We have already passed the majority of the supply bills, and it is only the 5th of January. We will get through with them by the 15th of January, and then we will sit here with folded hands waiting on the Senate.

Mr. CRAMTON. The gentleman knows there are Members who would be very glad to see the appropriation bills out of the way in order to give an opportunity to consider the farm credit legislation and other important matters.

Mr. BLANTON. Well, but the propositions contained in this bill are some of the matters in which the people of the United States are vitally interested.

Mr. CRAMTON. I do not know what time the gentleman desires. I will let the gentleman have five minutes out of my hour.

Mr. BLANTON. Good. I will make no objection.

Mr. MOORE of Virginia. Reserving the right to object, may I suggest that we are now getting into the habit of considering appropriation bills immediately after they are printed, and immediately after the hearings are printed and made available to the Members.

Mr. CRAMTON. That is a habit which has existed for the 10 years that I have been in Congress.

Mr. MOORE of Virginia. I have never before observed anything like the extent to which that has been carried this session.

Mr. CRAMTON. It has been done all the past 10 years.

Mr. MOORE of Virginia. I suggest to the distinguished chairman of the Committee on Appropriations [Mr. MADDEN] that he might save several thousand dollars by not printing the hearings, if the hearings are not going to be useful, and certainly they are not useful if forthwith after they are printed the bills are brought to the House for consideration. Who has had an opportunity to study this bill in the light of the hearings? Why spend the money to print the hearings if no time is given to read them?

Mr. CRAMTON. The committee endeavored to keep out extraneous matter, and the hearings are not very voluminous. They can be read in a reasonable length of time.

The SPEAKER. The gentleman from Michigan asks unanimous consent that general debate be limited to two hours, one hour to be controlled by himself and one hour by the gentleman from Kentucky [Mr. JOHNSON]. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Michigan that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1924, and for other purposes, with Mr. HICKS in the chair.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the first reading of the bill may be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Chairman, I will ask the Chair to notify me when I have consumed 30 minutes.

The CHAIRMAN. The Chair will do so.

Mr. CRAMTON. Mr. Chairman and gentlemen of the committee, we take up now the consideration of the bill making appropriations for the maintenance of the government of the District of Columbia. I am sure that every member of the committee shares in the regret which I feel that our distinguished colleague, the gentleman from Minnesota [Mr. DAVIS], is not in a condition of health to permit him to bring this bill before the Congress to-day. It was my good fortune to serve on the subcommittee under the chairmanship of Mr. DAVIS in the preparation of three annual appropriation bills for the District of Columbia, and I know, as do the Members of the House generally, the great ability and the conscientious manner with which he has always discharged his duties. I know that not only do we regret that we have not the benefit of his wisdom and advice in the consideration of this bill, but every Member of the House will join in the hope that he may speedily be restored to health and return to service with us. [Applause.]

In the preparation of this bill the committee have given as careful consideration as a committee can give to the problems intrusted to them. They have held hearings for longer hours than any other committee with which I have ever served in Congress, and have held very numerous conferences with officials, organizations, and individuals interested in District affairs.

The bill which we bring before you to-day carries appropriations amounting to $22,624,895. The appropriation for the current year amounted to $22,851,609.80.

Here follows a summary of the regular annual appropriations for 1923, the estimates for 1924, and the amounts proposed in this bill:

Appropriations, 1923		$22,851,609.80
Estimates, 1924:		
Original	$23,531,130.00	
Supplemental	20,000.00	
		23,551,130.00
Increase of estimates over 1923 appropriations		699,520.20
Appropriations proposed in this bill for 1923		22,624,895.00
Decrease of proposed 1924 appropriations under 1923 appropriations		226,714.00
Decrease of proposed 1924 appropriations under 1924 estimates		926,235.00

In this connection it is to be remembered that there are numerous items in the appropriation bill for the current year in which decreases were desired and recommended by the District authorities. One item alone, for the completion of the Georgetown Bridge, $250,000, of course, is not necessary to be repeated this year, and more than accounts for the decrease of this bill below that for 1923.

In addition to the amounts carried in this bill for 1924, there will be permanent and indefinite appropriations which occur automatically without action of Congress, amounting to $1,512,843. Of the $22,624,895 carried in this bill, only $8,552,137.20 of that sum will constitute a charge upon the Federal Treasury. The entire sum on account of the water service, exclusive of appropriations for the increase of water supply, is chargeable to the water revenues. This bill provides that certain small items including the minimum wage board, the public employment service, playgrounds, a part of the appropriations on account of the parks that shall make the parks available for outdoor sports, all amounting to $203,532, shall be paid entirely out of the revenues of the District. There remains, as a divisible expense, $21,380,343, of which 40 per cent, or $8,552,137.20 is chargeable to the Federal Treasury.

In connection with that it should be noted that in the current year 1922 there came back to the Federal Treasury certain income in the way of receipts from fees, and so forth, amounting to $412,464.89. It seems that about a half million may be expected to be returned in 1924, so that approximately $8,000,000 is the total charge on the Federal Treasury in this bill.

Notwithstanding the committee has not seen its way clear to give all that the Budget estimates carried in every case, in the main we have not exceeded their estimates, although in exceptional cases we have done so to a small amount. Although we have not been able to give all that the Budget estimates in every case, we are satisfied that the bill will better provide for the needs of the District of Columbia than any appropriation bill for the District that has ever heretofore been brought to Congress. I think we may be fortified in that belief by the reception which the bill has received from the newspapers of Washington, particularly from the Washington Post and the Evening Star. The Post this morning heads the article reviewing the bill "Greet the $22,000,000 city bill with hope," saying "on the whole the bill reported to the House is satisfactory to the commissioners."

Everyone knows that the Evening Star has given a closer study and attention to the needs of the District government that any other Washington newspaper. That paper last night, in an interesting and dispassionate editorial discussion of this bill, stated, after having criticized the reduction of some items concerning schools, that—

> Had the school-improvement program recommended by the committee gone beyond the Budget Bureau, as in some other particulars of District maintenance, and approximated the provisions carried by the current law, the new bill would have been the most satisfactory yet reported to the House for the District.

Thereby the Star commends the bill as the most satisfactory that has been brought to the Congress except as to the item of schools. I hope to touch upon the provision for the schools before I conclude. Now, what I desire this morning, and I think what the House will desire, is not so much that I shall engage in any controversial discussion but that I should give the House in the time I may be privileged to take now as complete a picture of the bill as possible of what the bill proposes to do for the District of Columbia. Therefore I am going to ask Members of the House not to interrupt me by questions, because I think I can give them a more connected description and more interesting to the Members generally if I am not unduly interrupted. I will ask that I be not interrupted unless some statement I make is not understood or is felt to be directly incorrect.

I will first touch on the subject of sewers. One of the great problems in any city that is rapidly growing, as is the city of Washington, or any great city, is its problem of keeping up with the new developments—sewers, schools, streets, and all those things which must necessarily be somewhat behind the new development. For sewer repair for the current year there was $80,000. For 1924 we give $105,000, and we are assured by the authorities that the $105,000 will take care of their repair work, and that they will be enabled to bring all repair work for sewers to a higher standard than heretofore. In fact, the engineer characterizes it as fourteen-sixteenths perfect as to the standard of sewer care. They will provide new equipment, $8,000, and repair of scows, $3,000, and put their whole service in a greatly improved condition. There was appropriated for the pumping station in 1923, $80,000, and we are giving them $120,000. We have gone into these items carefully. We are assured that it will take care of the operation and the maintenance of the station. It also gives $7,500 to start replacements, and it will enable them to inaugurate a six-day week for these employees in the pumping station. These employees heretofore in the service have worked seven days every week in the year, which is an undesirable condition for any class of people to work. This gives them $7,800 to inaugurate the six-day week. There is a small increase of salary—$100—in one case.

For main and pipe sewers, new construction, work on sewers, the current year there was allowed $125,000, and we gave the same amount, the amount of the estimate. For suburban sewers, taking the big sewers out into the new sections that are being so rapidly developed, for the current year there was appropriated $125,000, and for the year 1924 we give $300,000. For assessment and permit work the current year the appropriation is $100,000 and the estimate is $150,000, which we give in full. For the Rock Creek intercepter, a new item, we allowed $20,000, and $20,000 more to continue the construction of the upper Potomac intercepter, the amount of the estimate.

Now take up the question of streets and roads. Nothing has been brought more frequently to the attention of the Congress than the streets and roads, and I know there are sometimes hasty statements made in the Congress and out of it. I have driven by automobile through many of the cities of the United States, and I say without fear of successful contradiction that the streets, pavements, and roads of the District of Columbia, as a whole, are the best of any city in the United States. In the average city one will find a limited number of streets that are paved suitably for automobile traffic, but also you will find that many of the business streets of the cities are paved with old rough blocks or are otherwise unsatisfactory. There is less of that in Washington than in any other large city in the country. Nevertheless, there is a need in this growing city for improvement, and we have tried to meet that need. For assessment and permit work for the current year, $250,000, and we have given them $285,000, the full amount estimated. For street improvements the current year appropriation was $233,500. The Budget recommended $730,000 for 1924, better than 300 per cent raise, and we have gone above the Budget estimate to the extent of $44,700 and have recommended in this bill for 1924, $774,700. We ask further that that money be made

immediately available, which is a departure. The idea of that is that more economical construction of street improvements can be secured if it is done each year in accordance with the calendar season instead of having the season chopped in two with the fiscal year, dividing in that way some of their program. We are assured that they can accomplish more with the same amount of money, under that change of authorization. In giving those street improvements we have given everything that the Budget recommended and that the commissioners recommended as the most urgent items except two.

The program of the Budget and of the commissioners was to give emphasis entirely, first, to those main arteries coming into the city that are used by the greatest number of people, and there were items for a number of improved streets. Of those streets we take out the item for Massachusetts Avenue, that portion from S Street to Wisconsin Avenue. That street is in very good condition at the present time, although the gutters and the curbing need to be installed and there could be some improvement in the surface; but it is in pretty satisfactory condition. We take out $80,000 there. Then there is the Rock Creek Church Road on the west side of the Soldiers' Home. That did not appeal to us as being used to any very great extent, not so great in extent as the main arteries, and it is also in pretty satisfactory condition. Thirty thousand dollars was taken out there, a total in those two items of $110,000. There were many small items that the Budget did not recommend that are for residential streets in these new neighborhoods that are building up, with new home owners on both sides of the streets—a street connecting with an existing good pavement, a street at present consisting only of the natural clay, with possibly a slight mixture of cinders, but built up 100 per cent on each side. It appealed to the committee that in that kind of a street, with the adjacent two property owners paying one-half of the cost, we ought to give that class of home owners a decent pavement in front of their homes. Therefore we inserted many new residential items, to the extent in full of $154,700, which were not in the Budget at all. Those are items which run from five to six to ten and eleven thousand dollars each, a great number of urgent items, all cared for in that $154,700. I want to emphasize that we have taken care of many of those cases, while, in addition, we have indorsed the action of the Budget as to those main arteries. Canal Street, from the Georgetown bridge to the Conduit Road, Connecticut Avenue, running out toward Chevy Chase and Maryland, will be thoroughly taken care of; the amount of money granted in the bill will complete the improvements on that street within the District.

The same is true of Georgia Avenue running out into Maryland, and of Rhode Island Avenue going out to the northeast. This amount of money granted in the bill will complete the repaving of those two streets, of Georgia Avenue to the District line, and of Rhode Island Avenue from Sixteenth Street to the District line. Then there is Bladensburg Road running out from Fifteenth and H Streets toward Baltimore, commonly known as the Baltimore Pike, now having a line of poles down the center, and it is said that this is one place where more bootleggers and patrons of bootleggers are killed off than in any other section around here. We propose to improve that street through a removal of the poles from the center of the street, and I am sure that all will agree that that is a very desirable reform. Then in the southeast there is Nichols Road and Good Hope Road, both leading to the country, and both to receive repaving. We are in this way reaching out on the main arteries in every direction, improving roads, and at the same time this bill takes care of a great number of residential streets.

One place, perhaps, in which we have not given the full amount asked by the Budget in respect to streets is in the item of trees and parkings; $50,000 is carried for the current year and the Budget recommended $60,000. It seemed to us that this increase might be deferred for the present.

Then there is the item of refuse from the streets and homes of the city. For street cleaning the current year there is carried $385,000 and we give the estimate, $400,000. In the matter of garbage disposal, $750,000 is carried for the current year, and we increase that to $825,000. That, to be sure, is below the Budget estimate, but in that respect there is now an increased demand for the things which can be salvaged out of that refuse—paper and other materials, and the prices are going up. The receipts, no doubt, will be greater than in the past, and we are hoping that the $825,000 will prove to be sufficient.

Charities and prisons. At Occoquan we have given everything asked for in their new construction and maintenance program. At the tuberculosis hospital, where they asked a nurses' home, we have allowed $35,000, not the full amount, but it seemed to us sufficient to take care of 10 or 12 nurses and 2 or 3 other persons. It will make available the construction of that nurses' home and provide a greater capacity for patients in the institution.

At the industrial home for colored children heretofore they have had an appropriation for an additional boys' cottage, but the money was not sufficient to permit its construction. We have given the additional amount of money necessary. The industrial home for white children has been closed during the current year, and the bill carries an amount that will insure the reopening and the proper functioning of that institution. At the home for the aged and infirm we extend the water mains and give them considerable equipment—in fact, all of the new equipment that was asked.

We are placing fire-alarm boxes at all the institutions. We restored $7,500 for aid to the ex-Confederate veterans who are in need in the city, and as I myself am the son of a Union veteran it was a particular pleasure to restore that particular item that had not been included in the estimate that came to the Congress. For the militia we increased the fund available for pay because of the increased enrollment of militia. The Anacostia River improvement, $150,000 is appropriated for the continuance of that work. This appropriation, it is expected, will provide $30,000 to complete the drainage this side of Bennings Bridge, and the balance will be used for the building of a sea wall in the development of that area. For the public grounds and parks of the city, under Colonel Sherrill, we give more to maintain these parks for outdoor sports, believing that the use is very desirable and beneficial. We reappropriate the amount for the construction and maintenance of the colored bathing beach. Then we appropriate $50,000, the amount estimated, for the development of section D in Anacostia Park. For the Rock Creek and Potomac Parkway we cut out those appropriations estimated for acquiring Klingle Valley and for Piney Branch Valley, believing those extensions can wait a more favorable financial condition; but we give the changes that Colonel Sherrill and the commission asked as to the boundaries of the parkway in bringing into the park some small areas and excluding from the parkway other small areas. That was in the direction of working out a more desirable boundary for the parkway. We gave the full estimates for the parkway outside the two items I have mentioned—Klingle Valley and Piney Branch Valley. From the heading of some of the papers it might be thought that we had seriously cut into some of these appropriations, where it is not the case. We have increased the offices where the work is largely increased, as the assessor, collector, license bureau, and elsewhere. Under the head of libraries we provide for a Mount Pleasant branch to be established in the Northwest, being the third branch library.

Under public playgrounds we give two new sites and increase the amount for the maintenance of public playgrounds and summer-school playgrounds under Mrs. Rhodes. For the electrical department, general supplies, we give a small increase. Under the estimate for lighting the city the increase is from $430,000 to $450,000. For the police we give them an increase of 5 in their force following the increase of 33 of the current year resulting from the transfer of the White House police to a different jurisdiction. The House will be interested to know that the bill carries an amount that will result in completely arming the police force of Washington with modern revolvers. The firemen, we increased the force by 26. And then we go a little above the Budget, the item carried $2,300, I think, in order to equip the fire fighters with gas masks and oxygen helmets. We have increased the amount to $7,300 carried in the bill, believing we should at once fully equip the fire force with this very essential equipment in order to make more safe the work of the fire fighters and extend their usefulness. We gave all that was asked for hose, increasing it from $12,000 to $20,000, believing in the program Chief Watson announced that we should have only the best hose. We gave all the new motor equipment asked for the fire department, and we are getting to the point where some of the motor equipment goes into the reserve force.

One item carried in this bill is for reserve purposes. The only thing cut out of the bill for new equipment for the fire force is their drill tower and smoke-testing building.

In the health department the most significant thing is perhaps the creation of a new hygiene service, which is to take the place of the work done by the Child Welfare Society. It is a transfer that follows the desires of that organization, and the health officers assure us the cooperation of the Child Wel-

fare Society will be continued in the work of this child hygiene service, which is to give attention to the physical needs of children 6 years old and under.

The item as to schools has been one that has had particular attention in the public press and elsewhere, and some of the newspapers have been even so unkind as to intimate that because this subcommittee happened to be presided over by a Member of Congress who, when at home, lives in a town of less than 5,000 population, the committee was not fit to handle it, and its conclusions should not have any particular weight in Congress.

I am glad I do live in a small town where men can preserve their confidence in their fellows and can know people in all walks of life and have friendly relations with all. I am glad, however, in this case that I do not have to ask Congress entirely to take my judgment as a resident in a small town, or even the judgment of the gentleman from Kentucky [Mr. JOHNSON], who may live in a town no larger than my home town. We have worked on these items in close cooperation with the Budget Bureau, and the Budget Bureau was created as the agency of Congress to accomplish certain things, and it is the duty of Congress, so long as that office properly performs its functions, to support and sustain it. Our effort has been to sustain it in this drive that must be on now to reduce expenditures until we bring them within the receipts of the Government, and if we can supplement the work of the Budget we are very glad to do so, but we have tried not to defeat the good work they have done. As to the work by the Budget on this item of schools and the investigations that were made and the decisions that were arrived at, I want to say, respecting the decisions of the Budget as to the new school program and new lines of building, that that part of the program of the Budget was indorsed by the subcommittee and comes before you with the approval of the full committee.

Let me read to you what the Budget officer says about Captain Stephens, so that, if there is any suspicion in your minds that there is anything wrong in this bill because it comes from a committee headed by a man who comes from a small town, I hope the impression will be removed by remembering that the bill also represents the views of Captain Stephens. Concerning Captain Stephens, General Lord says:

> Captain Stephens served in my office during the war when I was officiating as Chief of Finance, handling finance matters of the most extraordinary importance—matters that required great administrative ability and great legal and financial training. His qualifications were so unusual and his services so signal that before becoming Director of the Bureau of the Budget, after being informed by the President that he intended to appoint me, I got in touch with Captain Stephens to see if I might not secure his services as an assistant. He at that time was a member of the well-known law firm of Scott, Bancroft, Marshall & Stephens, of Chicago. He is a man of means, and consented, after a conference with me, to devote at least six months to the Budget work, his interest in the National Budget and his desire of having a part in its creation inducing him to make what was really a great financial sacrifice in accepting the position offered him.

He is a Chicago man, and it is my understanding that Chicago is at least as large as Washington, and so Captain Stephens does not labor under the handicap that I do of coming from a small town. I read further:

> He is, as stated, a Chicago man, graduate of Harvard University, taking his legal degree from Northwestern University. He at the present time is a director of the Glenwood Manual Training School and a director of the Chicago Museum of Art. All during his life he has been connected with and interested in educational matters, and has made a study of civics, with especial reference to city affairs. He devoted a great deal of time to the District estimates, making a study of the schools, streets, and other interests in person.

I happen to know that he visited all the schools and examined into all the propositions in company with Doctor Ballou, and the school authorities had every opportunity to put everything before him.

The CHAIRMAN. The gentleman has reached the limit of time that he allotted to himself.

Mr. CRAMTON. I thank the Chair. I will take five minutes more.

So much for the personnel that supports this program before you. Now, as to the program itself, I shall not now take much time on it, but I just want to bring before you this important fact, that they urge that the crying need in the District of Columbia, the thing that you hear the most about, is that the schools do not have enough seats for those who would attend the schools. This program which is now brought to you with the recommendation of the Budget and the recommendation of the Committee on Appropriations gives everything, every item, that the Board of Education asked this year that had anything to do with seats in the schools at any early date. We give them everything that the Board of Education says they need, and it is my observation that Doctor Ballou and his associates will ask at least for everything they need. We give them, as the Budget gave them, every item that has anything to do with providing additional seats at any early time in the schools.

Following is a list of school projects for the fiscal year 1924, as submitted by the Board of Education, approvals by the commissioners, and approvals by the Budget:

	Board of Education.		Commissioners.		Budget.	
	Number of projects.	Total estimate.	Number of projects.	Total estimate.	Number of projects.	Total estimate.
New buildings or additions to existing buildings	10	$1,125,000	8	$1,005,000	6	$750,000
New sites or additions to existing sites	[1] 35	1,314,500	33	1,127,000	6	450,000
Assembly halls and gymnasiums for existing buildings	2	65,000	2	65,000	.....	.....
Total	47	2,504,500	43	2,197,000	12	1,200,000

[1] Eighteen of these sites are for playgrounds and one for an athletic field.

The commissioners modified the school board's estimates on building projects as follows:

Eliminated:	
New McKinley High involving reappropriation of an unexpended balance and authority to enter into contracts for $1,500,000 for new building. The bill carries $215,000 for a new site for this project.	
Addition to MacFarland Junior High	$100,000
Reductions in project estimates approved:	
Eight-room building, Georgia Avenue and Sixteenth Street, north of Park Road, reduced from $150,000 to $130,000	20,000
Eight-room building to relieve Tenley School, reduced from $175,000 to $160,000	15,000
Addition to Thomson School, reduced from $175,000 to $135,000	40,000
	175,000
Addition to project estimates approved:	
Remodeling of Garnett Patterson School, increased from $25,000 to $80,000	55,000
Board's estimates for buildings	1,125,000
Commissioner's approvals	1,105,000
Net reduction	20,000

The Budget modified the school board's estimates on building projects as follows:

Eliminated:	
New Junior High, Twentieth Street and Rock Creek, K and O	$100,000
New McKinley High, as above.	
Addition to MacFarland Junior High, as above	100,000
Garnett Patterson remodeling (Board of Education wanted $25,000; commissioners revised to $80,000)	25,000
Approved reductions by commissioners:	
Tenley School	15,000
Eight-room building, Georgia Avenue and Sixteenth Street	20,000
Made further reductions:	
Thomson School addition, reduced from $175,000 to $60,000	115,000
	375,000
Board of Education estimates for building projects	1,125,000
Budget recommendations for building projects	750,000
Net reduction	375,000

You will notice that the Budget gives every item that means new seats. But a long list of real-estate ventures—small areas scattered all over the city, either for some remote building program or some extension for playground purposes or otherwise for existing schools—are not approved by the Budget and are not included in this program. Other items for the construction of gymnasiums and assembly halls are not included; but every item that the Board of Education asked that meant new seats and provided for new construction of classrooms is granted with one exception: $100,000 for work on an addition, as I recall, to one of the junior high schools. That was not given because the school authorities said if they were given the $100,000 this year it would not be an amount sufficient to justify construction, and they would hold that $100,000 until they got $200,000 more a year hence to put with it, and the Budget felt—and we thought that they were right—that they might as well wait and get their entire $300,000 a year later.

The Board of Education have listed their needs. So far as seating capacity goes, we are giving them everything they ask for. We are giving them $1,200,000, and there have been only one or two years in our history when any larger amount than that has been given. More than that, I will make this statement, which will be elaborated later under the five-minute rule, perhaps, that the amount we gave last year and the amount

we are giving this year is more than equal to the increased enrollment in the schools. We are building classrooms now faster than the enrollment is increasing. Let me remind you further that the figures as to enrollment are the ones you hear about. The figures as to attendance do not begin to keep up with the figures as to enrollment.

The CHAIRMAN. The gentleman has used 30 minutes.

Mr. CRAMTON. I will take five minutes more.

Mr. LAZARO. Will the gentleman yield for a question for information?

Mr. CRAMTON. I yield to the gentleman from Louisiana.

Mr. LAZARO. Some time back there was a good deal said in the press of the District relative to the sale of bonds for the improvement of schools, the building of more buildings, and for the improvement of streets and roads, as is done throughout the country.

Mr. CRAMTON. There is nothing in the bill as to that.

Mr. LAZARO. I merely wanted the gentleman's opinion on that.

Mr. CRAMTON. I think it would be quite useless for me to give an opinion. That program, if considered at all, would come properly from the legislative committee. It is outside of the functions of our committee.

Mr. SNYDER. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. SNYDER. I want to ask the gentleman about one of the very small items in this bill. Has the gentleman investigated the question of the wages of the janitors of the various schools?

Mr. CRAMTON. Not this year; but I was on the committee when that was gone into before.

Mr. SNYDER. Does the gentleman know that janitors of schools in this city are paid $60, $80, and $100 a month?

Mr. CRAMTON. The wages of janitors are low, as are the wages of many other employees of the Government; but as the gentleman knows we are trying to refrain from any wage-raising program until the condition of the Treasury is more satisfactory.

Mr. SNYDER. There should be reason in all things. A man called on me yesterday who is a janitor in the Franklin School, a man who worked for me four or five years ago, who has a family of five children, the oldest only 10 years of age, and he is getting the munificent sum of $80 a month. Now, I do not believe a janitor in the town that the gentleman lives in, no matter what the size of his family, could work and live on $80 a month.

Mr. CRAMTON. It is a very low salary I admit. I agree with the gentleman on that.

Mr. SNYDER. I wondered if the gentleman's committee had considered those things, and if the gentleman thinks that is a fair remuneration?

Mr. CRAMTON. It has had consideration, but it was not possible for this committee to do anything about it. If this committee had entered upon a salary-raising program as to janitors we would have had demands as to others, and if we had raised the salaries of District officials, then every department of the Government would have been upon us, and the gentleman knows we are not yet ready for that program.

Mr. SNYDER. I do not think it is a fair proposition for the committee to pay salaries on a basis so small that people can not live decently upon the salaries they receive.

Mr. CRAMTON. The gentleman knows that there is a salary bill pending before the legislative committee which deals with the salaries of teachers. I am not informed whether that includes janitors also, but I assume that it does.

Mr. SNYDER. I was talking with the superintendent of schools about this matter, and he admits that there is no possible way by which he can advance the man from one place to another.

I wish the gentleman and his committee would consider this matter, as one of simple justice to these hard-worked employees.

Mr. GARRETT of Tennessee. Will the gentleman yield to me for a question before he leaves the subject of the schools?

Mr. CRAMTON. Yes.

Mr. GARRETT of Tennessee. What becomes of the Western High School?

Mr. CRAMTON. This bill provides an appropriation for an addition to the Western High School. We provide everything that the board of education asked that gave an increased number of classrooms.

Mr. GARRETT of Tennessee. I do not see any appropriation for the principal. In appropriating for the principals of the high schools I did not see the Western High School mentioned.

Mr. CRAMTON. However that may be, if we did not give it then it did not come to us from the board of education. I am speaking of the building program. This addition to the building will not be ready for classroom use for 1924.

Mr. GARRETT of Tennessee. I am talking about the continuation of the school, not the building program.

Mr. CRAMTON. Nothing of that kind was stricken out of current law that the Board of Education asked for. I have not that item before me. I do not know how they took care of it. We gave everything that the Board of Education asked for as to that item.

The water department carries $1,500,000 for continued work on the increased water supply. That is the program initiated a year ago, with which the House is familiar, and the estimate is given in full. For the distribution system of the water department the appropriation for the current year was $420,000, and the estimate of $450,000 for the coming year is allowed in this bill. For extension of the water distribution system there is an increase allowed from $100,000 to $150,000. A new reservoir site at Georgetown is provided for and the construction of 6,200 feet of 30-inch mains at $96,000 is granted.

I trust that this liberal treatment of District needs upon a well-balanced program that gives due consideration to every department will be duly appreciated. To the person in touch with schools that seems the place where we should spend millions; to another we should plunge on street improvement or lighting or parks or libraries. This bill is well balanced. Consideration has been given the needs of every branch of the service and more betterment will result to the District Government as a whole than if extremists were given their way as to any items. [Applause.]

Mr. JOHNSON of Kentucky. Mr. Chairman, the gentleman from Michigan [Mr. CRAMTON] has dealt so thoroughly with the bill that I feel that I shall be required to be very limited in what I shall have to say about it. There is one feature of the bill to which the gentleman from Michigan has just alluded which I wish to impress upon you, and that is that every request made by the school board which will give a seat to a child in the schoolhouses has been granted by this bill. I wish further to impress upon you the fact that previous Congresses have appropriated more money for school buildings than has been used.

When it comes to a question of furnishing money for the erection of a classroom or a theater room or an assembly hall, as they call it, I think preference had better be given to the classroom rather than to the palatial theaters which are being built in connection with the public schools of the District of Columbia. If some gentleman from any of the States wishes the erection of a public building for the transaction of Government affairs, the Washington papers immediately call that "pork"; but if a million or two million dollars is wanted in the District of Columbia for the erection of theater buildings called schoolhouses, then that is patriotism or good common sense. But to ask for the building out in the States anywhere, a building in which the Government may transact its business, that is immediately pounced upon here in the District by the local papers, by civic organizations, and even by individuals as being "pork" and ought therefore to be defeated.

The gentleman from Michigan has so completely explained the bill that I feel, at least for the present moment, I shall confine my further remarks to a provision which was in last year's bill, now in the current law, and one which is renewed in the present bill. That is relative to the payment of jurors' fees in the local courts.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. GREEN of Iowa. Before the gentleman leaves the question of schools, a resident of the District of Columbia told me the other day that some schools were running only a part of the time by reason of a lack of capacity.

Mr. JOHNSON of Kentucky. I understand that is true. I will say further that it is true if it is possible for the school officials to do so. The school officials, in my honest judgment, would like to do that very thing for the purpose of emphasizing not that they so much need but that they desire more schools. But the gentleman will bear in mind that the gentleman from Michigan stated that allowance has been made for schoolrooms sufficient to seat every child in the District.

Mr. SNELL. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. SNELL. How many children are there outside of the District now being schooled in the District buildings?

Mr. JOHNSON of Kentucky. That question was asked of the superintendent of schools, and he said he would supply it. If he has done so up to this time, I do not know of it.

Mr. FOCHT. Let me say to the gentleman that there are nearly 3,000.

Mr. SNELL. If there are 3,000 pupils outside of the District, why are we under obligation to furnish seats for them? Why should they be allowed to go to school in the District when the children of the District have not seats?

Mr. JOHNSON of Kentucky. That has been a much mooted question, but one the Committee on Appropriations can not deal with.

Mr. FOCHT. That is a question that embarrasses every municipality in the country—the question whether you are going to educate the children who come in and pay tuition. It is true that they get the benefit of the overhead. It is so in my town, and it is a question everywhere. If some one can answer it, I think these communities would be very happy.

Mr. JOHNSON of Kentucky. Now, Mr. Chairman, as I was saying when interrupted, I wish to say something about the pay of jurors in the District of Columbia.

The language of the limitation in this bill has been changed somewhat because of a most remarkable ruling made by the Comptroller General.

The Comptroller General has held that the language, "None of the money appropriated by this act," which appears in the current law, would have been broad enough to include money appropriated for jurors' fees in the Supreme Court of the District of Columbia except for the fact that the location of the limitation immediately followed the $10,000 appropriated for jurors' fees in the police court. He therefore held on submission of the question to him that because of the location of the limitation it did not apply to the Supreme Court of the District of Columbia.

If the limitation had not used the words "this act," then the decision of the comptroller might have been a correct interpretation of the limitation. But the use of the words "this act" instead of "this appropriation" or "this item" or "this paragraph" was deemed by the committee and Congress to be applicable to all appropriations in the act for the payment of jurors' fees.

In one part of the act an appropriation of $10,000 was made for the payment of jurors' fees in the police court, and in another part of the act an appropriation of $60,000 was made for the payment of like fees in the Supreme Court of the District of Columbia.

If special findings had been asked of the comptroller, he could not possibly have found that any money was appropriated for the payment of jurors' fees in the Supreme Court of the District of Columbia except that appropriated by the act submitted to him.

However, he has found the anomalous situation of money having been appropriated by the District of Columbia appropriation act for the payment of jurors' fees in the Supreme Court of the District of Columbia, and at the same time also has found that the limitation, "None of the money appropriated by this act shall be available for the payment of jurors' fees unless * * *," does not apply to the Supreme Court of the District of Columbia.

In effect he has not only held that the word "act" does not mean "act" but he also has unequivocally held that the language "none of the money" means some of the money.

Since a total of $70,000 was appropriated (subject to the limitation) for the payment of jurors' fees in both the police court and the Supreme Court—$10,000 for the former and $60,000 for the latter—he has held that "none of the money" means most of the money.

And as he suffers even the money appropriated (subject to the limitation) for the police court to be used without the limitation being complied with, he construes "none of the money" to mean all of the money.

The committee has changed the language of the limitation in this act with the hope that even the comptroller may be able to hold that the words "none of the money" do not mean either "some" of the money or "all" of the money.

It has been suggested that the limitation as to the jury fee to be taxed as costs is uncertain or not fixed in amount, and therefore that it is impossible to be carried into effect.

It is quite easy of execution where there is willingness on the part of the court.

A jury is composed of 12 persons. The daily compensation of each is fixed by law. If that amount be multiplied by 12, the total cost of the jury for one day is the result. Can it be that any of our local judges is unable to so multiply?

Then the question was asked the committee, "Suppose the trial should continue longer than one day?" The answer is: Add the cost of each succeeding day and the answer is obtained. Is it to be contended that there are any of our local judges who can not make so simple an addition?

Then, again, the committee was asked: "Suppose the same jury tries three cases on the same day?" In that event the judge would merely have to divide by three the cost of the jury for one day.

"But," said one of the witnesses before the committee, "suppose the panel consisted of 36 men and the jury of 12 were drawn from the 36; would the one upon whom the cost fell have to pay the 36?" Certainly not, because the limitation provides only for the cost of the "trial jury," not of the panel, to be taxed as costs.

The language of the limitation is now plain that the court shall ascertain the cost of the trial jury and render judgment for that amount against the unsuccessful litigant.

If we have a local judge who can neither multiply by 12 nor add one day's costs to another nor divide a day's costs by three, please stand up and say so.

Then somebody said something before the committee about the limitation being unconstitutional; that it might deprive somebody of the right of trial by jury. Whoever offered the suggestion must have been unmindful of the fact that the defendant who demands a jury can not be asked to pay the costs until after both his trial and conviction. If he should be acquitted, he has had a trial by jury. If he should be convicted, again, he has had a trial by jury. There is no more reason why he should go free of the cost of the jury trial which he has demanded than there is that he should not pay such fine as may be assessed against him. No one under the terms of this limitation can be imprisoned for the nonpayment of costs. Costs are to be collected only where the convicted one has property subject to execution.

What reason can there be why the bootlegger or the traffic violator, for instance, or any other rich or even solvent offender should not pay the costs of the trial for his offense against the law? Why should the expense be saddled on the innocent taxpayers of the community?

Jury trials have multiplied over and over again, because bootleggers are demanding juries not for the purpose of getting justice but in order to defeat it by succeeding in getting some similar offender on the jury, thereby corruptly defeating justice.

The suggestion was also offered the committee that to compel a defendant to pay the cost of a jury which he has demanded rather than be tried by the judge seemed like "buying" a jury for his trial.

The one who made the suggestion has lost sight of the fact that this limitation has to do only with compensating the jury for the day's service, and in no wise undertakes to change the law which gives the right of trial by jury. Neither does this limitation in the least respect change the law which compels the court to provide a jury when one is demanded by the defendant, nor does it excuse anyone from jury service who heretofore was subject to such service. It must be borne in mind all the while that a defendant, with this limitation made a part of the law, has the same right to be tried by jury that he always has had.

When this limitation becomes operative and a defendant is brought into court he may demand a jury trial; the court can not deny it; the jury is there ready to try him, and he is tried by the jury. Those statements being true, has he been deprived of the constitutional right of trial by jury? Certainly not. If the jury return a verdict of "not guilty," then the defendant walks out free, even of all costs. By this limitation he must pay the actual cost of the jury only in event he be convicted. In either event, guilty or innocent, the jury trial is behind him. There is positively nothing in this proviso which creates any condition precedent to a trial by jury. That right, as has been said already, is left wholly unimpaired by this proviso. The only new or altered condition is that a convicted defendant must pay the jury for which he has asked. And he must do that only if he be solvent. Against the collection of such costs he would be entitled to all legal exemptions. Again I ask, Why should not a convicted man with plenty of property be compelled to pay costs instead of saddling the expense upon the innocent and unoffending members of society?

The Comptroller General, in a recent opinion given the United States marshal of the District of Columbia, stated that a similar limitation which is now in the current law applied only to the police court, because, with other reasons, a Member while discussing the original proviso said the limitation might apply only to the police court. I trust that official will not hold that this limitation applies only to a particular court or cause because I am discussing some of its features and not all of them. I am now dealing only with the objections to the

limitation, frail though they be, and not with those provisions which are unchallenged.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. GREEN of Iowa. It is the uniform custom in my State when a defendant is sentenced to add, as an addition to his fine or other penalty, a requirement that he pay the costs.

Mr. JOHNSON of Kentucky. Many jurisdictions throughout the country are doing exactly what is contemplated to be done by the limitation on this bill.

Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. CRAMTON. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, the gentleman from Michigan [Mr. CRAMTON], who has charge of the bill, stated that provision had been made to allow certain of the employees of the District of Columbia, to wit, those in the pumping plant, one day out of seven in lieu of Sunday. I am wondering, and would like the attention of the gentleman from Michigan, if I may have it, why, if it is right to do this for the employees in the pumping plant—and it is right—if it is right to do this for the other clerical employees of the District, why the gentleman should leave out the firemen and the policemen in the District? They get no day in lieu of Sunday.

Mr. CRAMTON. Mr. Chairman, there were two reasons for that. First, the only question brought to the attention of the committee was as to the particular force that I have mentioned. Then, so far as the firemen and the policemen are concerned, their case was not brought to the attention of the committee; and, not to be evasive, if it had been brought to the attention of the committee I fear—and this is only an assumption—that we would not have granted it, because in respect to the one which we did grant there is a lump-sum appropriation, where there is no parliamentary difficulty, and in respect to the policemen and firemen it is a matter that would be beyond our jurisdiction; it would be a legislative proposition which would have to come from another committee.

Mr. BLANTON. Then, it is a case of hiding. If the committee can seek to hide the one provision in a lump-sum appropriation, that provision in a lump-sum appropriation is just as much subject to a point of order as if it were out in the open in the bill, and the distinguished gentleman knows that, but I will tell you one thing that is the matter, I presume. Congress saw fit to take away from the policemen and the firemen by legislative enactment the right to strike when they felt that they were not accorded fair treatment. They have no such right in this District now. They have to take what the Congress gives them, and I would be the last man on earth to disarm a man and then take advantage of him. The policemen of this District and the firemen here are entitled to one day a week off in lieu of Sunday, just as all other employees of the Government now enjoy.

I would like also to have the chairman of the committee explain, if he can, why it is that he will not equip the policemen and firemen with their uniforms, and with all of the equipment that is made necessary for them to possess in order to hold their jobs? We now equip the new police force at the White House, involving quite a number of officers, with uniforms, and we give them everything else in the way of necessary equipment. We ought to give it to the policemen and firemen of the District.

The chairman says that we have made provision in the bill to equip the police with new pistols, to bring the firearms up to date. Why have we not done that before? There is hardly a day but when a loyal, patriotic policeman leaves his home that he does not know whether he is going to see his wife and children again. He has been armed with a little .32 caliber pistol, and he has to meet the thugs and the bootleggers of the country that center in the Nation's Capital, who are armed with the very latest .45's that can shoot twice as far and twice as accurately as the little .32's. That is the treatment that we have been according them. Then there is another thing. We have not yet accorded to the police the right to receive their pay during the time they serve as witnesses. They are forced to go down here to these courts day by day as witnesses against lawbreakers and put in much time without pay, in addition to the regular time they put in on their beats. They go down and put in hour after hour as witnesses in these police courts for which they never get one single penny. That time is taken from them. That is just as arduous a duty as the duty on their beats, and I think this committee ought to grant them relief along that line and provide that when forced to attend these courts as witnesses that that time should be paid for just the same as the regular time on their beats.

But I have not time to discuss further that question. I want to call attention to some other matters. I want to see Washington one of the most beautiful cities not only of the United States but of the world. Everything that is connected with the public business of the country that affects this city, the Government of the United States ought to pay for, and I will vote with my colleagues to vote out of the Treasury every single dollar that is necessary along that line, but I think that the time ought to come when we should quit voting the public money out of the people's Treasury to spend it in beautifying and furnishing conveniences of a local nature to help build up these fine residential sections for the tax dodgers of the Nation who have come here to live and who have no connection whatever with the Government business of the United States. Why should the people of the United States, the taxpaying people at home, pay 40 per cent of the expenses of conducting the public schools in Washington? We who send our children to school here, we who receive the benefit of the public-school system, ought to pay for it, and not call upon the people back home to pay 40 per cent of it. I would like to see the teachers of this District have their salaries doubled if it came from the proper source of payment. I think all teachers in the District are entitled to have their salaries doubled, so far as that is concerned; those who stay in the schoolroom day by day and teach. They are entitled to have their salaries doubled, but it ought to come from the pepole who receive the benefit of it. We ought not to continue paying 40 per cent out of the Public Treasury. I would like to see every street and every alley in the city of Washington and the District of Columbia, and all of the avenues that approach the District of Coumbia by State roads, paved with the very finest pavement in the world, but it ought to come from the proper source of payment, and the people of America, the taxpayers at home, ought not to be called upon annually to pay 40 per cent of the paving of these residential additions, out 5 or 6 or 7 miles from this Capitol, that have been built up by ambitious millionaire real estate owners and real estate promoters.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a moment. Under the present law when a street in Washington that is 40 feet wide is paved, the abutting property owners are called upon to pay half the expense under the Borland Act, and the other half is paid by the District of Columbia and the Government out of funds jointly—60-40, 60 per cent by the District and 40 per cent by the Nation's taxpayers at home.

If that street is 60 feet wide the abutting property owners pay the expense of only one half of 40 feet; and the other half of that 40 feet and all of the 20 feet extra is paid 60 per cent by the District and 40 per cent by the Nation's taxpayers at home. I do not know how your taxpayers at home feel about that matter, but the 314,000 people in my district do not like it. They are not satisfied with it. They have to pay for their own paving down there. They are willing to pave the main streets here of this Nation's Capital that have to do with the Nation's business, but they are not willing to continue to make millionaires and multimillionaires out of suburban property owners who put in these additions way out here—miles from the Nation's Capital.

Mr. KETCHAM. Does not the abutting property owner pay anything, if the gentleman will permit?

Mr. BLANTON. I have already said that they pay one half where the street is not over 40 feet wide, as I fully explained a minute ago. The other half is paid 60 per cent by the District of Columbia and 40 per cent by the whole people, and where the street is 60 feet wide the abutting property owners pay only one-half of 40 feet.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. SANDERS of Indiana. Is it the gentleman's idea that the taxation here should all be put on the District of Columbia, or is he merely dissatisfied with the proportion made?

Mr. BLANTON. I think that so far as schools and paving in residential sections are concerned, the people of the District should pay it all. The people back in Indiana ought not to be called upon to pay one single dollar here to educate the children of Washington, I do not care if some of them are the children of Congressmen, Senators, or Cabinet officers. They ought to be paid for here, and we ought not to call upon the people back home. Year before last when we had nine new school buildings to erect, involving hundreds of thousands of dollars, nothwithstanding that we maintain a District architect with an office of employees under him, when the plans and specifications for

those nine new buildings were to be prepared, instead of having our District architect prepare them, they employed nine outside private architects, one for each one of the new buildings, and paid each one of them a 3 per cent commission, and we took that money out of the Treasury of the United States, 60 per cent from the District and 40 per cent from the whole taxpayers of this Nation.

Mr. SANDERS of Indiana. Will the gentleman yield further?

Mr. BLANTON. In just a minute. There are a few things which I would be glad to state if I could have just a few minutes to discuss them, but this bill is being rushed through here. There are lots of questions Members of the House would have liked to have asked the distinguished gentleman from Michigan if he had permitted them, but he did not have the time. We are in a rush to get these hundreds of millions of dollars passed in a few days here in the Congress. We can not have any time to consider and discuss them and reach an intelligent conclusion on the facts from the standpoint of the taxpayers of this Nation.

Mr. GREEN of Iowa. There will be any amount of time for debate under the five-minute rule.

Mr. BLANTON. The gentleman knows what the five-minute rule means.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Will the gentleman from Kentucky give me five minutes additional?

Mr. JOHNSON of Kentucky. I am very sorry, but I have not got it.

Mr. BLANTON. Could the gentleman from Michigan give me three minutes more?

Mr. CRAMTON. My time has been all taken, I am sorry.

The CHAIRMAN. The time remains as follows: The gentleman from Kentucky has 37 minutes remaining and the gentleman from Michigan has 15 minutes remaining.

Mr. BLANTON. I will get a little more time, I presume, under the five-minute rule.

Mr. JOHNSON of Kentucky. Will the gentleman from Michigan use some of his time now?

Mr. CRAMTON. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, a week or so ago when the constitutional amendment in reference to tax-exempt securities was being considered by the House and discussion not being completed on account of the necessity of taking up appropriation bills, some of the Members of the House were somewhat disturbed on account of the amendment proposed by the gentleman from Texas [Mr. GARNER], the necessity of which did not at all appeal to me, and for that reason I addressed the Secretary of the Treasury a letter as to the effect of this amendment. I now send the answer to my letter to the desk and ask unanimous consent that it be read in my time, and printed in the regular 8-point type.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that a certain letter be read from the desk in his time. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

THE SECRETARY OF THE TREASURY,
Washington, December 21, 1922.

DEAR Mr. GREEN: I received your letter of December 20, 1922, with respect to House Joint Resolution 314, proposing an amendment to the Constitution of the United States to restrict further issues of tax-exempt securities, and note your statement that an amendment has been proposed by Mr. GARNER, of Texas, which would strike out in section 1, after the word "income," the following words: "derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State," and in section 2, after the word "income," the words "derived from securities issued, after the ratification of this article, by or under the authority of such State." For the words thus stricken out the Garner amendment would, I understand, substitute the words "from any source" in both sections. I note further that in support of his proposed amendment Mr. GARNER has stated that under the resolution as reported by the Committee on Ways and Means the United States might discriminate against the bonds of a State and in favor of the bonds of a railroad or industrial corporation, and that his amendment is proposed in order to prevent such a result. I am glad to be able to write you, first, that in the judgment of the Treasury the resolution in the form reported by the committee would of itself prevent discrimination of this character, so that the amendment proposed by Mr. GARNER is unnecessary, and, second, that to adopt the amendment proposed by Mr. GARNER would probably nullify both sections and make the whole constitutional amendment ineffective.

Whatever opposition there is to the proposed amendment to restrict further issues of tax-exempt securities rests, I think, upon a misunderstanding of the object and effect of the amendment, and this, in turn, harks back to the old controversies about State rights and the powers of the Federal Government. I can say without hesitation that, separated from these old prejudices and taken from the point of view of the facts as we have to face them to-day, the proposed constitutional amendment involves no question whatever of State rights and makes no attack whatever on the credit or borrowing power of the States or their political subdivisions. The amendment would apply with absolute equality to the Federal Government, on the one hand, and the States and their political subdivisions on the other, and in the interests of the general welfare would put exactly the same restrictions upon future borrowings by the Federal Government as upon future borrowings by the States and their political subdivisions. The constantly growing mass of tax-exempt securities threatens the public revenues, not only of the Federal Government, but of the States as well, and it is reaching such proportions as to undermine the development of business and industry.

The Federal Government, for the most part, has refused to have recourse to tax-exempt issues in financing its own operations, but the volume of tax-exempt securities of the States and their political subdivisions, and of other agencies, already outstanding and currently issued, is so large that the value of the exemption to the borrower issuing the securities has become relatively insignificant. Even now the States and their political subdivisions, notwithstanding the full tax exemptions on their securities, are obliged to pay substantially the same rates on their tax-exempt borrowings as the Federal Government pays on securities without exemption from Federal income surtaxes.

The facts are that under our system of graduated Federal income surtaxes the issue of tax-exempt securities, while of constantly diminishing advantage to the borrowing State or city, provides a perfect refuge for wealthy investors, being most valuable to the wealthiest taxpayer. The actuarial figures show that to taxpayers paying surtaxes in the highest brackets securities subject to Federal income surtaxes would have to yield about 10.4 per cent in order to be as attractive as a 5 per cent tax-exempt security. For this great advantage the State which issues the securities gets but very little compensating return, and certainly no greater return from the wealthiest investor than from the smallest investor—to whom the exemption is relatively worthless—while the United States, which imposes the surtaxes, loses its revenue without any compensating advantage whatever. It is the graduated surtax, of course, that gives the greatest value to the tax exemption, and viewed from this aspect the tax exemption in substance constitutes a subsidy from the Federal Government, the cost of which in the long run must fall on those taxpayers who do not or can not take refuge in tax-exempt securities. Even from the point of view of the States themselves, I believe it is clear that the continued issuance of tax-exempt securities saves nothing to the taxpayers in the States and that in the long run it brings heavier taxes. The tax-exempt privilege, with the facility that it gives to borrowing, leads in many cases to unnecessary or wasteful public expenditure, and this in turn is bringing about a menacing increase in the debts of States and cities.

These debts constitute a constantly growing charge upon the taxpayers in the several States, and will ultimately have to be paid, principal and interest, through tax levies upon these very taxpayers. It is easy to overlook this when the debts are incurred, but it is none the less impossible to escape the facts when the time comes for payment. It is also necessary to bear in mind that in the long run all of these public debts, whether the debts of States and their political subdivisions or of the Federal Government itself, as well as the taxes which must be imposed to meet them, fall upon but one body of taxpayers, and that the apparent advantage of borrowing by States and cities at the expense of the Federal revenues is illusory, since any temporary advantages thus obtained will have to be paid for by the Federal Government at the expense ultimately of the great body of taxpayers. This is particularly true of tax-exempt securities, for their effect is to provide a refuge from taxation for certain classes of taxpayers, with correspondingly higher taxes on all the rest in order to make up the resulting deficiency in the revenues.

Once it is understood, I think no one can raise any valid objection to the proposed constitutional amendment restricting further issues of tax-exempt securities. As a matter of fact, it is almost grotesque to permit the present anomalous situation to continue, for as things now stand we have on the one hand a system of highly graduated Federal income surtaxes

and on the other a constantly growing volume of securities issued by States and cities which are fully exempt from these surtaxes, so that taxpayers have only to buy tax-exempt securities to make the surtaxes ineffective. The only way to correct this condition is by constitutional amendment, accompanied, if possible, by a reduction in the rates.

To take up the Garner amendment more specifically, I believe that the changes it would make are very clearly unnecessary. The resolution reported by the Committee on Ways and Means expressly provides in section 1 that Federal taxes on income derived from securities issued after the ratification of the article, by or under the authority of any State, must be without discrimination against income derived from such securities and in favor of income derived from securities issued after the ratification of the article by or under the authority of the United States or any other State. The same protection for the Federal Government is accorded by the second section, conferring power on the States to lay and collect taxes on income derived from securities issued after the ratification of the article by or under the authority of the United States. Under section 1 as it stands it would be impossible for the Federal Government to impose an income tax on income from future issues of State or municipal bonds without imposing the same tax on income derived from future issues of its own bonds, and as a practical matter it is almost inconceivable that Congress would be willing to impose such a tax upon the income from both State and Federal securities and at the same time exempt from the tax income derived from securities issued by private corporations. Such a course would be repugnant to every constitutional principle. Entirely apart from the practical impossibility of such a situation, however, I think it clear that the amendment in its present form would prohibit discrimination against the bonds of a State and in favor of a railroad or industrial corporation.

All corporations in this country are organized under either State or Federal law and derive their powers, including the power to borrow money, from charters issued by the State or Federal Governments, as the case may be. Securities issued by private corporations, therefore, may be said to be issued "under the authority of" the United States in the case of a Federal corporation, or the State of incorporation, in the case of a State corporation. Section 1 of the constitutional amendment as reported by the committee expressly prohibits discrimination in favor of securities issued after ratification of the article under the authority of the United States or any other State. This in terms would prevent discrimination in favor of any bonds issued by a railroad or industrial corporation incorporated under the laws of the United States or of any other State, and likewise, it seems to me, by a corporation organized under the laws of the State concerned, for it would be constitutionally impossible for the Federal Government to single out corporations of one State in the granting of tax exemptions. If there were any danger here, however, it could readily be corrected by striking out in the last line of section 1 the word "other," and I suggest that this be done to remove any question in the matter.

The Garner amendment is not only unnecessary but it would defeat the entire constitutional amendment and make it practically impossible for either the States or the Federal Government to proceed effectively under it. The Garner amendment, by its terms, forbids discrimination by either the Federal Government or the States in favor of "income derived from any source." This apparently covers all sources of income, including, for example, income from securities already issued and outstanding, and income from salaries of State and Federal officers. Even after the adoption of the proposed constitutional amendment, neither the United States nor any State would have power to tax securities of the other already issued and outstanding, and under generally accepted constitutional principles, which have been affirmed by the Supreme Court, the Federal Government can not levy income taxes upon the salaries of State or municipal officers, nor can the States levy income taxes upon the salaries of Federal officers. To forbid discrimination in favor of these nontaxable sources of income would, in effect, make the constitutional amendment inoperative. There are also other generally recognized distinctions, as, for example, between earned and unearned income and miscellaneous special exemptions which it might be impossible to make under the form of wording proposed. These difficulties would embarrass the State governments, in proceeding under the constitutional amendment, quite as much as they would the Federal Government, and would make it impossible for the States to levy any income tax upon future issues of Federal securities without at the same time imposing an income tax on all outstanding issues of their own securities, and, in fact, a general income tax upon all sources of income subject to State taxation. Even if it could be constitutionally done, to levy income taxes upon securities already issued as tax exempt would constitute a gross breach of faith, while to require a general and uniform income tax, with exactly the same taxation of income from securities as of all other sources of income, would involve almost insuperable practical difficulties and probably prove impossible.

I believe, therefore, that the Garner amendment would accomplish nothing but to defeat what is probably the most necessary reform in our system of taxation, and I hope that, in the light of these comments as to the effect of the constitutional amendment as reported by the committee and the changes proposed, the Garner amendment will either be withdrawn or rejected. The constitutional amendment as reported puts the Federal Government and the States on absolutely the same basis, and the very fact that the Federal Government is ready and willing, for the sake of the general welfare, to place itself under these restrictions as to future issues of tax-exempt securities, notwithstanding its own heavy debt and the practical certainty that it will always have obligations outstanding and to be financed, gives the best possible assurance that the States and their political subdivisions can place themselves under like restrictions without endangering their credit or embarrassing their necessary borrowings.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Hon. WILLIAM R. GREEN,
Acting Chairman Committee on Ways and Means,
House of Representatives, Washington, D. C.

Mr. JOHNSON of Kentucky. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Chairman, there is no pressure incident to the general condition of business in the House which makes it necessary to take this bill up for consideration to-day. On the other hand, there is good reason why it should not be taken up to-day but put over until next week. The bill, which contains over a hundred printed pages, was only reported to the House yesterday afternoon, and, along with the hearings contained in a volume of over 450 printed pages, was only within the reach of Members during the afternoon. Thus no time has been afforded anyone to study the bill in the light of the hearings, and no one can now know much about it except the members of the subcommittee of the Committee on Appropriations which is in charge of it. Surely in the consideration of this and other appropriation bills either there should be an interval of two or three days between the report and printing of the bills and hearings before the bills are considered, or else it may as well be understood that the House is expected to automatically approve the conclusions of the subcommittees.

The policy of the House in dealing with District affairs seems to be to rush through the appropriation bills and to retard the disposition of specific measures that crowd the calendar of the District Committee by disregarding the rules which assigns to District business two days in each month. Two days in each of the months when Congress is in session would seem to be a very meager allowance, and nevertheless the common practice is to devote those particular days to other business.

No one except somebody gifted with the temperament of Mark Tapley, who always became more cheerful as conditions became worse, can regard this bill as satisfactory. Everybody, for example, realizes that it does not adequately meet the educational needs of the District. Those needs and other urgent requirements are set forth in the communication of the commissioners to the Director of the Bureau of the Budget under date of September 15, 1922, which I ask leave to print with my remarks.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to be allowed to include as a part of his remarks a certain document. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. I shall not attempt the futile effort of trying to have the bill amended here, but I hope that some attention may be given the views of the commissioners which will now appear in the RECORD, and some fair response made to their requests when the bill is considered at the other end of the Capitol.

Mr. FOCHT. Mr. Chairman, if the gentleman will yield right there. Has the gentleman in mind from that letter, or could the gentleman state to the House, how much more was asked by the Board of Education than the Budget?

Mr. MOORE of Virginia. The communication will show what was asked for educational purposes.

Mr. FOCHT. Just so as to have it now, instead of hunting up the record.

Mr. MOORE of Virginia. What is the evolution of this bill? The time was when the Commissioners of the District were in direct relation to Congress and presented their estimates directly to Congress. They are appointed by the President to the office they hold because of their knowledge of conditions in the District and their ability to represent to Congress the expenditures that should be made, in order to keep the District on a normal basis, or, anyway, to prevent it from traveling toward a basis of abnormalcy, to use a word which under high authority now seems to be permissible. The civilian commissioners are taxpayers; they act for the entire body of taxpayers of the District, and it would appear that it might be assumed that they could be counted upon not to submit extravagant or fantastic estimates. They heretofore did precisely what the local officials of, I suppose, every large city in this country do in making up an annual city budget. But under the new law the contact between the commissioners and the Congress is broken. The commissioners now submit their estimates to the Bureau of the Budget, and recently, as will be seen by reference to the September communication of the commissioners, they were told by the bureau "that a maximum total of $24,532,515 had been allocated to the District, which amount the estimates could not exceed." It is further true that they were informed "that if such sum was not sufficient to meet the absolutely necessary requirements they could submit a supplemental statement showing the additional amounts required." But they were given to understand that they must make every possible exertion to adhere to the amount allocated. The allocation was apparently arbitrary, and it expressed the opinion not of the officials of the District or citizens of the District, but of the official of the Bureau of the Budget who had been placed in charge of the task of estimating the expenditures that should be made. In 1921 the official of the bureau who performed this task was former Senator Sherman, of Illinois, and this time, I am informed, the official is Capt. R. D. Stephens, a Chicago lawyer, who took service under General Lord when the latter was appointed to succeed General Dawes.

Mr. STAFFORD. Will the gentleman yield?

Mr. MOORE of Virginia. Yes, sir.

Mr. STAFFORD. Does the gentleman differentiate between estimates for the District and estimates for other departmental work?

Mr. MOORE of Virginia. I do.

Mr. STAFFORD. In that, as far as the District is concerned only a very small proportion is paid by the National Government, and therefore the estimates of the District should not be restricted to the extent by the Budget Director as the estimates for the Government generally.

Mr. MOORE of Virginia. That is one fact; and, in addition, I may say to my friend that I think it is perfectly incongruous to place the Bureau of the Budget, made up of officials from outside of the District of Columbia, in charge of the business of making and submitting to Congress estimates for municipal needs. I think those estimates ought to be made up and submitted just as estimates are made in other cities for annual expenditures—just, as I take it, they are made, for example, in Milwaukee by the officials of Milwaukee to the legislative body of the city of Milwaukee. My friend from Wisconsin [Mr. STAFFORD] would not for a minute approve the preparation of estimates for the municipal expenses of Milwaukee by the gentleman from Michigan [Mr. CRAMTON] or by myself, a citizen of the State of Virginia.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. CRAMTON. I do not suppose that the city of Milwaukee has a portion of those expenditures paid out of the treasury of the State of Wisconsin or out of the Federal Treasury; and if the city of Washington did not have $8,000,000 from the Federal Treasury, then the Budget officer would not have the same interest that he has now.

Mr. MOORE of Virginia. I can not think that that should be a determining factor. Finally, in any event, the Government of the United States, speaking through the legislative branch, with the approval of the President, determines what the appropriations shall be.

Mr. CRAMTON. But the purpose of the Budget is to see that the total of all the expenditures that must come from the Federal Treasury shall be within the expected revenue; and if that total is not complete, then the function of the Budget is destroyed.

Mr. MOORE of Virginia. I can not believe the fact that something like $8,000,000 included in the total is payable out of the Treasury furnishes any practical ground for applying the Budget plan to the municipal activities of the District. The Government of the United States after all, comparatively speaking, is but slightly interested. Government expenditures for the next fiscal year are going to aggregate about $3,000,000,000, of which only a very small fraction can be a liability on the Federal Treasury for District purposes.

I spoke of Captain Stephens. I understand he is a very capable and high-minded man, and it is not my purpose to level any criticism at him or at Mr. Sherman, but I do point to the fact that the important matter of passing on District needs and District estimates is intrusted to officials who by no possibility can have that knowledge of the situation which is derived from long years of local experience and observation. It is as indefensible to place that matter under the control of a citizen of Illinois, new to this environment, as it would be for the Legislature of the State of Ohio to turn over to a citizen of Washington or a citizen of Michigan the duty of estimating for the necessary annual expenditures of, say, the city of Cincinnati, which has approximately the same population as Washington.

The commissioners in their communication to the Bureau of the Budget did the best they could to observe the arbitrary limit fixed by the bureau, but they added a series of supplemental estimates amounting to $6,361,520. In other words, they estimated for a total expenditure of $30,894,035, as against the bureau limitation of $24,532,515.

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. I will yield if I have time.

Mr. JOHNSON of Kentucky. I would simply like to ask the gentleman, since he has spoken of somebody outside of the District of Columbia making the estimates for the District of Columbia, what does he think of somebody being employed from the outside, as, for example, a superintendent of schools, to come in here and make the estimates of the school system?

Mr. MOORE of Virginia. Those estimates, however, if the old system were in effect, would be passed to the commissioners and revised by them and the final estimates for educational purposes would be submitted to Congress by the commissioners.

Mr. CRAMTON. Mr. Chairman, I hate to take the gentleman's time, but I have a very brief observation I would like to make.

Mr. MOORE of Virginia. I want to say to my friend that after I have taken the time to commend him personally, then if I have any time remaining I shall be very glad to yield to him.

Mr. CRAMTON. I am glad of the gentleman's commendation.

Mr. MOORE of Virginia. The subcommittee in control of this bill held hearings for four days and the bill, as reported, cutting down the bureau estimates $338,471.80, carries a total of $24,137,738, which is less by over $300,000 than the appropriations for the fiscal year now current. And, as before stated, the House is now expected to drive ahead and pass a bill freshly printed, with little or no prospect of any real scrutiny or analysis of the various subjects and items that are involved.

In saying all of this I am not arraigning the Subcommittee on Appropriations, for whose members I have very great respect. That committee at the outset of the hearings before it, by its chairman, said to the officials of the District:

> The committee has full authority to take up any items it thinks desirable and the Congress has full authority to go to any extent. It is not limited by the figures in the Budget. The Appropriations Committee, however, has adopted the rule which governs this committee, as it does every subcommittee, that we will not, except in the most extraordinary cases, recommend to the House items not recommended by the Budget.

This was in effect stating that, without the most extraordinary showing, the conclusions of Captain Stephens, of Illinois, would be adopted by the subcommittee and reported to the House.

My quarrel is not with the subcommittee or the Committee on Appropriations, which I think is doing very valuable work, but with the Budget law, which unreasonably, and, as it seems to me, absurdly, classifies a great municipality having numberless activities with the ordinary departments of the Government. I am thoroughly convinced now, as I have been for some time, that a mistake was made in including the District of Columbia in the Budget law, and that the sensible thing would be to amend that law and go back to the former law under which the commissioners submitted their estimates directly to Congress.

If I could have my way, not acting upon any mere theory but for the purpose of bringing Congress into a common-sense relation to the District, I would amend the Budget law by excluding the District from its operation, and, in addition, create a joint committee of the two Houses on the District of Columbia, and vest that joint committee with complete juris-

diction to formulate and propose legislation relative to the District, including appropriation bills. In my judgment, such a recasting of the present system would not be in any sense hurtful to the Government but helpful to both the Government and the District, and it would tend to remove the increasing complaint that Congress, which is crowded with business, is unconsciously more or less indifferent to the interests of a great community over which it has full control. The volume of congressional business is evidenced by the fact that about 18,000 bills and joint resolutions have been introduced in the present Congress.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. Will the gentleman from Michigan grant me one minute more?

Mr. CRAMTON. I will give the gentleman one minute.

The CHAIRMAN. The gentleman from Virginia is recognized for one minute more.

Mr. MOORE of Virginia. All of my material interests lie in Virginia. I am not a property owner or taxpayer here. But I know something about the rapid growth and the progressive needs of this locality. I am the friend of the District, as I assume every other Member is. I am not, however, blindly its friend. Last year, for example, I approved the increase of the tax on intangibles, and perhaps myself suggested the payment of taxes in installments, so as to save the Treasury from some alleged burden. Coupled with my friendship for the District is a strong desire that Congress, as the governing body, shall exercise its power, which is practically without restriction, in the most practical and effective manner that is possible so as to meet the just and reasonable expectations of the people who live here, and who pay an increasing proportion of the expense of maintaining their institutions.

I append the following communication from the commissioners to the Bureau of the Budget, to which I alluded a while ago:

SEPTEMBER 15, 1922.

To the DIRECTOR, BUREAU OF THE BUDGET:

The Commissioners of the District of Columbia direct me to transmit, herewith, estimates of appropriations of the District for the fiscal year to end June 30, 1924.

In your letter of August 11, 1922, you informed the commissioners that a maximum total of $24,532,515 had been allocated to the District, which amount the estimates could not exceed. You further informed them that if such sum was not sufficient to meet absolutely necessary requirements they could submit a supplemental statement showing the additional amounts required.

In compliance with your instructions the commissioners have limited their estimates proper to $24,532,515, but they also transmit a series of supplemental estimates amounting to $6,361,520. Both sets of estimates aggregate $30,894,035, which amount the Commissioners earnestly urge be included in the complete budget to be submitted by your bureau to Congress.

The estimates totaling $24,532,515 are classified as follows:

Chargeable 60 per cent to the revenues of the District of Columbia and 40 per cent to the revenues of the United States	$22,094,652.00
Chargeable to the revenues of the water department	925,020.00
Permanent and indefinite appropriations chargeable wholly to the revenues of the District of Columbia	50,000.00
Trust and special funds	1,462,843.00

Of the total sum of $24,532,515, the District of Columbia would be chargeable with $13,556,791.20, the United States with $8,837,860.80, the revenues of the water department, no part of which is paid by the United States, with $925,020, and trust and special funds, no part of which is paid by the United States or the District of Columbia, with $1,208,843. Of the total budget the United States, under existing law, would be responsible for only 36 per cent.

With every desire loyally to cooperate with you and to conform to the desire of the President for the utmost economy, the commissioners feel that certain facts should be called to your attention and that you should also be informed that the estimates proper, together with the supplemental estimates, represent the minimum amount that should be spent during the fiscal year ending June 30, 1924, if the people of Washington, the Capital of the Nation, are to be adequately served, if reasonable conditions as to comfort and sanitation are to exist, and if the progress and growth of the city are not to be materially retarded.

In order to bring the estimates within the limit of $24,532,515, it has been necessary to reduce greatly the figures presented by the heads of the various branches of the District government, which, in accordance with instructions previously given to them, had been prepared to cover merely those items that were regarded as indispensable in the proper administration of this large and rapidly growing community. This total represents the minimum needed to preserve public order and to keep the community safe from the possible hazards of riots and of, perhaps, great conflagrations. They do not go beyond this, and they are not adequate for the health or for the comfort of the people, who under these estimates would continue to suffer from crowded schools, unpaved streets, inadequate water and sewer service, and insufficient standard of public lighting, and other remediable evils and inconveniences.

Specifically, your attention is invited to the fact that in spite of the record-breaking activity in building construction recently experienced in Washington and promising to continue for some time to come, the estimates include not a single dollar for the extension of principal lines of water mains or for additions to our system of sanitary sewers, and only $50,000 for the paving of streets and but slight provision for public-school betterments. Nothing is provided for the relief of residents and taxpayers from damage caused by storm water, though recent experience has shown in many localities hitherto regarded as moderately well served by storm sewers that conditions are such as to demand construction upon a general scale if the residents are to be relieved from the further serious damage to their property, and possibly to their persons.

It is perhaps needless to say that a great city like Washington is a living and growing thing, and that its activities can not be conducted upon the basis of a constant or diminishing scale of expenditures. As streets are opened, as houses are built, as the population increases and expands, there arises the need for increased expenditures. In the past the residents of the District have willingly submitted to restrictions upon appropriations caused by the war status. They feel now that the restrictions arbitrarily placed, four years after the conclusion of the war, in spite of the fact that more than 60 per cent of all expenditures are financed by the taxpayers themselves, are a hardship. This is the sentiment of the various commercial bodies of Washington and of the numerous citizens' associations, all of which are familiar with the physical needs of the city and join in protesting against the limitations now proposed to be placed upon the expenditures and against the discomfort, inconveniences, and dangers to which in consequence they and their families are likely to be subjected.

The commissioners wish to emphasize the statement already made orally that the District of Columbia is unlike the Federal departments and bureaus which, with scarcely an exception, are money-spending agencies supported exclusively by the Federal Treasury, whereas the District of Columbia produces through local taxation and from other sources of revenue more than 60 per cent of its annual expenditures. Furthermore, many of these expenditures are, at least in part, reimbursed, and to that extent should in strict fairness not be charged as part of the total. Thus, under the law, abutting owners are required to pay practically half the cost of permanent street pavements, as well as of the cost of laying sidewalks and paving alleys. Property owners also pay at a rate specified by law for service water mains and service sewers, the result being that about 47 per cent of all expenditures for the operation of the water-supply system are paid out of the revenues of the water department, and, obviously, sums needed for improving this service involve no increase in demand upon the Federal Treasury, while, on the other hand, curtailment of necessary expenditures produces no gain in Federal resources, since all receipts of the water department are carried in a separate fund and credited to that department, nor are the moneys received from trust and special funds, which for the first time the commissioners have been compelled to include within the total of the estimates they might submit, in any way a charge upon the revenues of the United States.

It has already been remarked that Washington is a living, growing entity. From purely selfish motives its growth should be encouraged, because increased land and property values will result, representing correspondingly increased earnings in the form of greater taxable values. Regarded, therefore, merely in this material light, a fairly liberal policy in the making of improvements is sound business.

But the question is not exclusively a business one, though it is true that the continual denial of the ordinary conveniences of modern life will tend to discourage prospective residents and home builders from adopting Washington as their home. The very essentials of what we regard as purely American progress and civilization are at stake in that the city of Washington, which should of all cities in the United States be a shining example in sanitation and in conditions generally, is not only not achieving this high standard, is not constantly becoming a better place to live in, but is actually going backward. As evidence of this, we cite the fact that during the past year so great has been the increase in the number of dwellings unprovided with sewer and water service that the number of privies, the cost of which is borne by the District treasury, has increased nearly 15 per cent. This is retrogression, not progress—a reproach to the city and to the Nation.

During the past fiscal year building activity in the District has been extraordinary. Construction is going on in all sections, but it is most active in the northwest section, where solid blocks of new houses are the frequent rule. An hour's ride in an automobile through the area lying east of the Soldiers' Home and north of Columbia Road will show street after street solidly built with attractive and substantial homes. Practically all of these streets are unpaved, and many of them are impassable in the winter. In no other city would they be permitted to remain long in their present condition, and the property owners and residents are justified in the numerous complaints made by them. Relief should be given; but, even though the funds for paving the streets as now submitted in our supplemental estimates are duly appropriated, their residents will undergo at least one more winter of mud and great discomfort before the money becomes available and the work can be done.

As a result of the recent shifting of the center of population, schools are no longer convenient of access for a considerable part of the people. As an instance, it may be mentioned that there is only one school in the section north of Rock Creek between Connecticut and Wisconsin Avenues, and there is no school whatever in the area between Sixteenth Street and Rock Creek Park, both sections where building has been and still is extremely active. In addition, the existing older school buildings have been neglected. Few of them are properly lighted or heated, and it is the exception rather than the rule to find them even satisfactorily clean and well painted.

As a brief epitome of recent experience, it may be said that during the past year lack of funds has prevented the execution of the following work: Water connections for new buildings, $55,973; sewer connections for new buildings, $210,955; lighting of newly settled neighborhoods, $21,000; and urgently needed repairs of schools, $360,638.

In addition, the growth of the city has far outstripped the extension of large water mains, needed to permit adequate service without excessive cost for pumping; and so-called storm sewers, needed to take care of the surface drainage for which natural water courses are no longer available, are seriously lacking, so much so that premises are now extensively flooded by comparatively small storms and, in addition, much damage is being done by the erosion caused by the torrential character now assumed by the run-off. During the past summer the rains have been excessive, and washouts and floods have occurred throughout the city. Liberal provision should be made at an early date for extending the main lines of drainage. Unless this is done, liability for damage may be incurred by the District, and, in any event, the residents of the areas of deficient drainage will experience serious losses.

If the total amounts in the original and supplemental estimates are approved and the appropriations are made by Congress, by the end of the calendar year 1924 it will have become possible to provide a seat in the schools for nearly every pupil. Part-time classes and stag-

gered school schedules may then be practically ended, and the use of portable school buildings of unsatisfactory character abandoned. Permanent pavements can be furnished for the large number of streets fully built up on both sides with dwellings and other buildings, and the main arterial highways connecting the District with the excellent roads of the State of Maryland can be put into good condition so as no longer to reflect reproach upon the National Capital. Sewer and water service can be supplied to all new buildings, and it will no longer be necessary to resort to the humiliating expedient of denying these necessities to those who have a right to demand them.

Finally, legitimate extensions of these services may, in anticipation of future growth, be made, and betterments of both in the interest of more dependable, efficient, and economical operation.

Whatever may be the final result of our representations, the commissioners feel that they have a right to ask that no item in the estimates be changed except as a result of careful investigations into the subject matter to which it relates, and that, in any event, such items as relate to physical improvements and material conditions capable of verification by visual inspection be decided only after careful investigation in the field has been made. The commissioners stand ready, of course, to cooperate with you or any agency that you may designate in expediting such field investigations as they believe to be indispensable.

The commissioners, in conclusion, call attention to the fact that the estimates proper which they are allowed to submit for 1924 are over $1,400,000 less than current appropriations.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the whole of the letter of the Secretary of the Treasury that I referred to be printed in the RECORD, and in view of the importance of the matter I also ask that it be printed in 8-point type.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the letter read in part into the RECORD be printed in full in 8-point type. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. SNELL].

The CHAIRMAN. The gentleman has four minutes. The gentleman from New York [Mr. SNELL] is recognized.

Mr. SNELL. Mr. Chairman, I have listened to the statement made by the chairman of the subcommittee relative to District affairs, and I think it is a clear, businesslike statement from the standpoint of the American Congress. I think every man in this House is interested in the District of Columbia, and wants it to be one of the foremost cities in this country and its citizens to have every advantage and improvement consistent with good judgment. We are willing to do our part in helping to make it such, but I think so long as the present system of taxation and raising money to pay the expenses of this District is continued as at the present time there will always be unnecessary arguments and disagreements between the District and the Federal Government. I for one am absolutely sick of reading in the papers nearly every night of the Takoma Park Association or Petworth Club or some other suburban society legislating and fulminating against Congress. I do not think it helps any, and I do not think they get any more from Congress by continually depricating Congress and the attention it gives to District matters.

In early days, when it was first agreed that the Federal Government and the District of Columbia should each pay 50 per cent of the local taxes, our proportion of the real estate in this District was far larger than it is at the present time, and while perhaps at that time it might have been a fair proposition, neither 40 per cent nor 50 per cent now is a fair proposition; and every man who gives careful consideration to the increase of population and the increase in real-estate values in this District knows that that is not a fair proposition at the present time and the basis ought to be changed.

I have tried to find out definitely the proportion of real estate the Government owns in the District of Columbia, but there is nothing definite on it; but one thing is absolutely true, that if that proposition was fair to all parties concerned 50 years ago, it is absolutely unfair to the Federal Government now and ought to be changed.

My idea would be that the Federal Government should pay a reasonable amount toward the support of the government of the District of Columbia. Personally I should be willing to pay even as much as it is paying now, $8,000,000 a year, and then let the District pay the balance, whatever it is. Then I would go ahead and give the people of the District of Columbia every single improvement in reason, in any way, shape, or form, that they were willing to pay for, and stop this argument back and forth that Congress will not give needed improvements to the District and the things they say they want and are willing to pay for. A gentleman who lives in the District told me that his tax this year was $13 a thousand. That is a joke as far as taxation is concerned when you talk about present-day costs of municipal government. In my individual home town I pay more than that for school tax alone, besides the other city, town, and State taxes, and the majority of the Members of this House will find this is true in their local communities, while here they only pay one tax and get more for it than any city or town in the world. Still they find fault. Let them have what they want and make them pay for it and you will not have as much complaint and argument. Furthermore, they have the lowest valuation in the whole country.

I believe we should have legislation right away to change the method of raising the appropriations for the District of Columbia. I feel that the Federal Government should pay a reasonable amount, perhaps more than our share, and then the committee that has the appropriations for the District of Columbia in charge should grant every single request that the people of this District are entitled to. If they want a schoolhouse on every block, let us give it to them. Let them have pavements as good as they want, but in return let them pay for them. [Applause.] That is the only manner in which we will ever get away from this continual argument between the District of Columbia and the Federal Government, and is the only sensible and businesslike way to deal with the much-disputed question of District improvements. And I hope the District Committee will give this question some careful consideration in the near future.

Mr. TILSON. Will the gentleman yield for a question?

Mr. SNELL. Yes.

Mr. TILSON. Does the gentleman know of any resolution passed by the Takoma Park Citizens' Association asking for the kind of legislation he is referring to?

Mr. SNELL. No, I do not; and there never will be any, either. The only thing they advertise throughout the length and breadth of the country is that Congress does give very little attention to the District of Columbia, and they ridicule the local Government, when they live in the best governed city in the United States and get more for their money than other people. As far as I know, every Member of this House wants to give fair treatment to the District of Columbia, and afford them every advantage and convenience consistent with economy and good judgment. [Applause.]

The CHAIRMAN. The gentleman from Kentucky [Mr. JOHNSON] has 18 minutes remaining.

Mr. JOHNSON of Kentucky. I yield five minutes to the gentleman from Tennessee [Mr. GARRETT].

The CHAIRMAN. The gentleman from Tennessee [Mr. GARRETT] is recognized for five minutes. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, in the letter of the Secretary of the Treasury, Mr. Mellon, which was read from the Clerk's desk a few minutes ago, referring to the proposed constitutional amendment relative to tax-exempt securities, these two sentences appear:

> Whatever opposition there is to the proposed amendment to restrict further issues of tax-exempt securities rests, I think, upon a misunderstanding of the object and effect of the amendment, and this in turn harks back to the old controversies about State rights and the powers of the Federal Government.
>
> I can say without hesitation that, separated from these old prejudices and taken from the point of view of the facts as we face them to-day, the proposed constitutional amendment involves no question whatever of State rights and makes no attack whatever on the credit or borrowing power of the States or their political subdivisions.

To these two expressions, Mr. Chairman, I wish to address myself in the brief time allotted me. I shall not attempt to discuss the economic phases mentioned by him at this time.

Everyone recognizes in the Secretary of the Treasury a man of great financial power and of great intellectuality. But, Mr. Chairman, his ipse dixit upon this legal question is not conclusive. When one has studied out the legal propositions involved he can not fail to say, though he will say it respectfully, that such an assertion as that of the Secretary of the Treasury is preposterous. No attack upon the credit of the States when you give to the Federal Government the power to tax that credit! No attack upon the credit of the National Government when you give to the States the power to tax that National Government's credit! But the Secretary of the Treasury follows up that statement with an argument that simply because you will have given to the State the power to tax the securities issued by the Federal Government therefore you will not have attacked State rights or State powers.

That can not be true. Marshall said that the power to tax is the power to destroy. So, indeed, it is. Of all who have argued this question, the Secretary of the Treasury, so far as I know, is the only one who has ever asserted that it did not affect the rights and powers of the States, and in turn did not carry the power to affect the rights, the credit, and the strength of the Federal Government itself. Mr. Chairman, I do not want to charge the Secretary of the Treasury with demagoging. He is not that type of man. Yet it is singular that he should use

the words "old prejudices" in connection with the discussion of this matter.

Mr. GARNER. Will the gentleman yield for a question?

Mr. GARRETT of Tennessee. I yield to the gentleman from Texas.

Mr. GARNER. If the gentleman had occasion to read the entire letter he would see where the Secretary of the Treasury admits that it lodges the power in Congress to which the gentleman refers, but the Secretary of the Treasury can not conceive it is possible that Congress will exercise that power.

Mr. GARRETT of Tennessee. I was discussing that particular statement which I read, not that which he subsequently made. I have not yet read all of the letter.

Mr. GARNER. In substance, the Secretary does admit that Congress would be given this power, but he can not conceive it possible that Congress would constitutionally exercise it.

Mr. GARRETT of Tennessee. Then that statement is inconsistent with the language I have read. There can, of course, be no question about that. Perhaps the Secretary may have discussed that in pages of the letter that I have not yet had time to read. The entire letter was not read from the desk. As I endeavored to point out in the discussion of this matter on December 19 last, this is a thing of high importance, that it is not a reciprocal proposition between the States and the Federal Government as to all the securities. The great bulk of the tax-exempt securities are not issued by the States as State securities, but they are issued by the subdivisions—by your counties, by your school districts, by your municipalities, by your drainage and irrigation districts. The great bulk of the billions invested in tax-exempt securities are invested in those issued by such subdivisions, not by the governments of the States; and as to those subdivision securities it can not be reciprocal.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TOWNER. I ask unanimous consent that the time of the gentleman may be extended.

The CHAIRMAN. Owing to the fact that the House has limited the time for debate and placed the control of this time in the hands of the gentleman from Michigan [Mr. CRAMTON] and the gentleman from Kentucky [Mr. JOHNSON], the Chair regrets that he does not feel competent to entertain the request of the gentleman from Iowa. The gentleman from Kentucky [Mr. JOHNSON] has 13 minutes remaining.

Mr. JOHNSON of Kentucky. I yield five minutes more to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. I thank the gentleman from Kentucky.

Mr. MOORE of Virginia. If the Secretary of the Treasury is right in his reference to "ancient prejudices," can it not be properly said that those prejudices date back to the Constitutional Convention of 1787?

Mr. GARRETT of Tennessee. Undoubtedly. Ah, Mr. Chairman, those of us who recall history remember that perhaps the principal reason for bringing about the Constitutional Convention and forming this great Republic was because of the discriminations imposed upon commerce by one State as against another and other rivalry legislation whereby one State would seek undue advantage over another.

Now, this so-called Green constitutional amendment, I undertake to say as to the power of the legislature in the States, would undo all that was accomplished in regard to many of these discriminations by that great instrument as it came from the hands of the fathers, and open up an era of discrimination and sectional legislation such as this country in all its history, even during colonial days, never witnessed.

Mr. MONDELL. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will yield to the gentleman from Wyoming.

Mr. MONDELL. The gentleman from Tennessee was in favor of the sixteenth amendment, the income-tax amendment. Did it not occur to the gentleman at the time the amendment was pending in the House and in the country that it conferred very great and far-reaching authority on the Federal Government without any reciprocity whatever from the standpoint of the citizen or the State to tax incomes everywhere contrary to the original intent? If the gentleman fears the encroachment of the Federal taxing power, how did it happen that he was in favor of extending the Federal authority in the income-tax amendment?

Mr. GARRETT of Tennessee. The sixteenth amendment did not confer on the Federal Government the right to tax incomes on State securities. Let the gentleman from Wyoming understand me, and let all understand me. I stated in the brief remarks I made when this proposed amendment was under discussion on December 19 last that I was not opposing it simply from the standpoint of a man who believes in State rights. Of course I believe in State rights, not out of sentiment, not out of prejudice, but as a sound principle of Government in a country such as ours. [Applause.] But I do not believe in State rights to the exclusion of the national rights, the national powers. There are things the Federal Government must do; there are things that can not be done by the State. I am not one of those who would cripple in any respect the power of this great Republic. I am as much opposed to a proposition which would place the power over the credit of this Federal Government in the hands of the States as I am to the placing in the hands of the National Government the power over the credit of the States themselves. [Applause.]

Oh, we do not know what the future has in store. We do not know what division of sentiment may be in this Republic in years to come. If again there be stress of war, and this Republic or the Congress that will succeed us in years to come should find it necessary to pass a resolution similar to that we passed at the beginning of the great World War, pledging all the men, pledging all the resources of the Republic, pledging all the credit and all the power, to the President that he might fight a foreign enemy, I do not wish it to be within the power of any State to tax the credit of this great Federal Government and prevent it from doing that which it seeks to do. [Applause.]

No matter from what powerful source it may come, I do not want to go unchallenged the statement that this does not affect one of the great sovereign powers of the States and of the Nation, the supreme power of credit. [Applause.]

Mr. JOHNSON of Kentucky. Mr. Chairman, I yield eight minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES of Texas. Mr. Chairman and gentlemen of the House, in view of the fact that some misunderstanding seems to have arisen with reference to the purpose of the resolution of inquiry passed this morning, I thought it advisable to make a few brief remarks as to the purpose of it. It calls on the President simply as a matter of form for a report as to the present activities of the Sugar Equalization Board. Under the act passed and approved December 31, 1919, the activities of the United States Sugar Equalization Board were extended for the period of one year. By the terms of the law the board automatically went out of existence on December 31, 1920. Here is a copy of the act, and it makes that provision in the very first sentence of the act of extension. Yet, notwithstanding the fact that under the terms of the law the Sugar Equalization Board is without any legal existence, my information is that it still has several million dollars in its hands which it has not covered into the Treasury and which it is now holding. Now, I ask for a statement of that account and a statement of any salaries or expenses incurred and for incidental information in connection therewith.

That is not simply for the purpose of satisfying idle curiosity. There are some sugar claims pending before the Agricultural Committee, and two of them have been reported out and are now pending before the House. During the period of inquiry into the facts in connection with these claims one of the witnesses was asked as to the status of the Sugar Equalization Board and as to the funds they had on hand and as to the expenses and salaries which were being paid and incurred.

The witness failed to furnish the information but stated it would be furnished later. Also we had at a later time one of the members of the Sugar Equalization Board before us, and he was asked for the same information. He gave general information relative to it but did not have the specific data just at hand. And so from time to time the committee sought to ascertain information, and finally on April 12 the committee passed a resolution as follows:

> That the chairman of the committee request the head of the United States Sugar Equalization Board to report the names and salaries of all persons paid by the board and other expenses incurred by it during the past two years, and also the balance in the Treasury to the credit of the board.

The chairman sent a copy of the resolution and received a reply on April 19 as follows:

> DEAR SIR: This is to acknowledge receipt of your letter of the 17th addressed to me requesting certain information in regard to the United States Sugar Equalization Board in accordance with the resolution adopted at the hearing before your committee on the Lamborn sugar claims. I am having this data prepared and will forward same to you within the next few days.
>
> Yours very truly,
>
> THOMAS HEADS,
> *Comptroller United States Sugar Equalization Board.*

Yet to this day the information has never been furnished. It seems to me that the Congress and the committee are entitled to that information, and that the Sugar Equalization Board, nor any other organization, should not be permitted to flaunt in the face of the committee the contempt or the disregard

which their action seems to evidence. It may be merely a matter of neglect, but if it is, this resolution most assuredly will be a reminder of that fact.

The United States Wheat Corporation had some $30,000,000 in its hands, which it made in profits in handling wheat, and it long ago covered that money into the Treasury, notwithstanding the fact that there were many claims pending before the Agricultural Committee and the Committee on Claims running into millions of dollars arising out of the activities of that corporation. Nevertheless when it ceased its activities it turned the money into the Treasury.

The only reason that seems apparent why the Sugar Equalization Board should not want to turn the money into the Treasury is the fact that they may want to give opportunity for the pending $4,000,000 of sugar claims to be paid without seeming to have them paid out of the United States Treasury. If that is not the only reason, they can state the reason in answer to the resolution of inquiry. If that is the only reason, most assuredly they should not be permitted to hold in their hands several million dollars which they have on hand, I think some $10 000,000 at the time their activities terminated, but at least several million dollars now, and they should not be permitted to camouflage the payment of claims running into four or four and a half million dollars by simply directing that the Sugar Equalization Board take over the contracts for those claims, and avoid what seems to be an appropriation. They should cover the money into the Treasury. Then, if the claims are allowed by the Congress, they can be appropriated for in the regular way.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. KINCHELOE. If that is their purpose, then it is their purpose in view of the fact that one of those claims was reported, not unanimously, by the Committee on Agriculture, went on the calendar of the House as a private claim, and that the Committee on Rules finally reported a rule providing for its consideration, and after all debate was exhausted, and the Committee of the Whole House on the state of the Union was ready to rise and report to the House, the advocates of the measure quit because they knew they would be beaten in the House.

Mr. JONES of Texas. Yes; they got cold feet when they saw that they were beaten, and it was whispered around that they better wait until after election and that they would then have a better chance to pass them during the "lame-duck" season. But I do not believe they can do it.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That in order to defray the expenses of the District of Columbia for the fiscal year ending June 30, 1924, 40 per cent of each of the following sums, except those herein directed to be paid otherwise, is appropriated, out of any money in the Treasury not otherwise appropriated, and all the remainder out of the combined revenues of the District of Columbia and such advances from the Federal Treasury as are authorized in the District of Columbia appropriation act for the fiscal year 1923, namely.

Mr. CRAMTON. Mr. Chairman, in line 6, page 1, I ask unanimous consent to have the comma taken out after the word "appropriated."

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. This paragraph provides that 40 per cent of all of the expenses of the District government, as provided for in this bill, shall be paid out of the Treasury of the United States by the taxpayers of the United States. If the people of the District of Columbia were paying a proper tax, there might be nothing wrong with that, possibly, but when as a matter of fact the present tax rate of the District is only $1.30 on $100 on real property and tangible personal property, and five-tenths of 1 per cent on intangible personal property, and that is all the tax they pay, the provision with regard to many items of expense is not just to the taxpayers of the Nation. If the people back home in every district in the United States only knew that the people here in the District of Columbia were paying only $1.30 tax on a hundred, with every modern city convenience furnished, and that $1.30 on $100 constituted all of their taxes, we would hear from the people.

The good, trusting people of the United States do not know that the miles and miles of paved streets throughout the District of Columbia have been paid for half with their money. They do not know that the million-dollar bridge on Connecticut Avenue was paid for half with their money. They do not know that the fine bridge across the Potomac below Lincoln Monument, the bridges across the Potomac above, and the new Key Bridge, which have cost several million dollars, were paid for half with their money. They do not know that the main water conduit that furnishes this city with water was paid for with their money. They do not know that Rock Creek Park, winding for miles along the creek, and constantly enjoyed by the 450,000 residents here, as well as the many other parks, were all paid for and are maintained with their money. They do not know that the thousands upon thousands of electric and gas lights that burn all night upon every street and alley in this District have been paid for and maintained half with their money. They do not know that the expense of acquiring and maintaining the numerous playgrounds, the numerous bathing pools, the splendid Tidal Basin, furnishing skating in the winter and a bathing beach in summer, the municipal golf links and clubhouses, the cricket and polo grounds, the numerous tennis courts, the special drives for horseback riders, have all been paid for half with their money. They do not know that 40 per cent of the expense of the great army of trash gatherers, with their wagons, who call regularly at our back doors, is paid out of the United States Treasury. They do not know that the army of garbage gatherers, with their special garbage wagons, who call at our back doors, are paid for 40 per cent by the people of the United States. They do not know that the horde of laborers who regularly call for our ashes at our back doors are paid for 40 per cent by the people of the United States. They do not know that the army of laborers who regularly trim the thousands of trees along each street in Washington are paid for 40 per cent by the whole people. They do not know that the army of laborers who regularly spray the thousands of trees along each street in Washington are paid for 40 per cent by the whole people. They do not know that the army of tree doctors who are regularly performing surgical operations on the diseased trees here are paid for by the whole people. They do not know that the fine Western High School, the Tech High School, the Business High School, the Dunbar High School, the Central High School, and the Eastern High School now being constructed to rank with the others, and which when finished will cost $1,500,000, and as well the scores of other fine school buildings here, have all been paid for half with the money of the whole people, and that 40 per cent of their expense of maintenance, as well as the salaries of the 2,587 teachers and employees of said schools are paid for by the whole people of the United States. They do not know that the salaries of the host of firemen, the cost and maintenance of the numerous fire stations all over the District of Columbia, the fire engines, apparatus, and equipment have been paid for half with the money of the whole people. They do not know that the great army of city police doing service in the District of Columbia—exclusive of the numerous special police and watchmen in public buildings paid for wholly out of the Treasury—have been paid half by the whole people. They do not know that the great army of street sweepers, sprinklers, and cleaners here are paid for half by the people. They do not know that the great army of laborers who, with sacks on their arms and punch sticks in their hand, each day gather up the papers residents scatter all over the city are paid half by the whole people. They do not know that the Public Health Service, with its army of sanitary officers, are paid for by the whole people. They do not know that 40 per cent of the expense of this Rent Commission, benefiting only Washington residents, is paid for by the whole people.

I see my distinguished friend from Illinois [Mr. SPROUL] on the floor. I want to commend him, because while on the District Committee, when he found that the resident District architect and his big force of employees were employing nine outside architects to plan the nine new buildings that were then proposed, he condemned it. And that is the last time a proposition of that kind was heard of. We stopped it then largely through the action of the gentleman from Illinois. When the foundation of the magnificent Eastern High School was built, they let first the contract for the foundation and they advertised for bids for the superstructure. The contractor who constructed the foundations, who knew more about the building than anybody else, had all of the employees and all the implements necessary, tool houses, and so forth, on the grounds. Notwithstanding that his was the lowest bid for the superstructure, they turned his bid down and gave the contract for the superstructure to another man at an increased cost of $17,000. After turning this man down in that way they afterwards gave him two other contracts for two other buildings, and the people back home are paying 40 per cent for that sort of business.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SNELL. The gentleman would advocate that the Federal Government do not pay anything toward the schools here?

Mr. BLANTON. Yes; I think that if the gentleman from New York has children here and I have children here we ought to pay for their schooling, because our people back home have to pay for their schools down there.

Mr. MURPHY. Do not they pay rent?

Mr. SNELL. Will the gentleman yield further?

Mr. BLANTON. Oh, the people at home do not want to pay for their school expenses there and then pay for part of the school expenses in the District. The school item is one which ought to be paid exclusively by the people who live in this District.

Mr. SNELL. Will the gentleman yield for another question?

Mr. BLANTON. We have tax dodgers, as I have said, from almost every State in the Union, men and women, rich, who come here to this Nation's Capital to escape taxation. One dollar and thirty cents on the $100 they pay on real property and on tangible personal property and five-tenths of 1 per cent on intangible property. They come here to live, with their fine residences out on Sixteenth Street and on Connecticut Avenue, away out, miles, where they are providing for new paving in this bill for their benefit and convenience. I say they ought to pay for their own children's schooling in this District and not call upon the tax-burdened people back in our districts at home to pay these school expenses here in addition to their own school expenses at home.

The CHAIRMAN. The time of the gentleman has again expired.

The Clerk read as follows:

Purchasing division salaries: Purchasing officer, $3,000; deputy purchasing officer, $1,800; computer, $1,440; clerks—1 $1,800, 1 $1,600, 3 at $1,500 each, 12 at $1,200 each (5 of whom shall be stenographers and typewriters), 1 $1,100, 3 at $1,000 each; storekeeper, $1,200; messenger, $600; driver, $600; inspectors—1 of materials, $1,400, 2 at $900 each; 2 property-yard keepers, at $1,000 each; temporary labor, $100.

Mr. JOHNSON of Kentucky. Mr. Chairman, I wish to ask the chairman of the subcommittee, the gentleman from Michigan, in line 16, page 2, should it not be stricken out?

Mr. CRAMTON. I think the copy the gentleman has is a committee print which contained an error which has been corrected in the reported bill.

Mr. JOHNSON of Kentucky. That being so, I had better get another copy.

Mr. CRAMTON. I think perhaps the gentleman is not speaking of the matter I had in mind. Line 16 in the committee print was a repetition of "purchasing division, salaries," and so forth. Is that the language?

Mr. JOHNSON of Kentucky. Yes. I see in the bill which has been distributed around the House that has been left out.

The Clerk read as follows:

Building inspection division: Inspector of buildings, $3,000; assistant inspectors of buildings—one $2,000, three at $1,500 each; one $1,400, nine at $1,360 each; fire-escape inspector, $1,400; civil engineers or computers—one $2,000, three at $1,800 each, one $1,500; clerks—chief, $1,800, one $1,050, three at $1,000 each, one (who shall be a stenographer and typewriter) $1,000, one $900; messenger, $600; assistant inspector, $1,500; for temporary additional assistant inspectors, $15,000.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word. I desire to ask the chairman if this is the paragraph that relates to the inspectors who inspect buildings under construction? Has there been any material change in this department since the trouble we had here a year ago?

Mr. CRAMTON. Yes; a deficiency act passed Congress last spring or early summer providing $20,000 additional for this purpose of inspection. That addition is continued in the bill before the gentleman.

Mr. DOWELL. Is the same inspector in charge who was in charge prior to this bill?

Mr. CRAMTON. So far as I know the same official is in charge of the bureau, but I can not speak with certainty.

Mr. DOWELL. Then the benefit we get is that the inspectors are drawing salaries with an increased expenditure and not making any change in the department itself?

Mr. CRAMTON. I would not say that is the only benefit, but I should hope that the personnel took a lesson in reference to the need of increased watchfulness, and so forth. One of the immediate results was an increased force given in the deficiency act, and we have continued that force.

Mr. DOWELL. I notice there is in this paragraph $15,000 for temporary additional assistant inspectors. Are those regular inspectors employed, or is that for an emergency fund?

Mr. CRAMTON. That continues in the main the temporary force authorized under the deficiency act, and while the language refers to temporary it refers to the employment of individuals rather than the continuation of the fund. As the gentleman will realize, the needs of this service are not constant thoughout the year, and instead of having a regular roll and an annual salary they have this fund from which they can hire temporary inspectors when the need develops, and they are on a per diem basis, as I recall.

Mr. DOWELL. There is not any regular employee under that appropriation?

Mr. CRAMTON. Well——

Mr. DOWELL. I mean of continuous service.

Mr. CRAMTON. There may be some under that who do have employment throughout the year, and I will not say there are none, but in the main it is a flexible fund that can be used as the occasion develops.

Mr. DOWELL. Are the salaries under this in any manner fixed by the committee, or is that matter entirely with the inspector?

Mr. CRAMTON. There is no limitation in the section, as the gentleman will note. They made their showing before the deficiency committee when first they were given the funds, and I have in my hand a letter from Mr. Healey, the present inspector of buildings, and, as my recollection goes, he was before the Knickerbocker disaster also, giving the names. There is one gentleman who is an engineer and computer at $8 a day, some one working on the revision of the building code at $8 a day, and a number of inspectors at $6 a day and some at $5.25 a day, and one as low as $3.50 a day.

Mr. DOWELL. And none on an annual salary?

Mr. CRAMTON. No.

Mr. DOWELL. May I inquire of the gentleman if an investigation has been made as to the competency of this inspector, the general inspector, whether or not he is properly performing the duty assigned to him under this paragraph?

Mr. CRAMTON. Yes; he must have the training necessary, and he apparently is competent or the commissioners, who are charged with the duty of making the appointment——

Mr. DOWELL. The reason I am making——

Mr. ZIHLMAN. If the gentleman will permit, he is a member of the American Society of Engineers and a very competent man, and he has done all the work possible in the way of building inspection with the very limited force Congress has allowed him to do the work.

Mr. MADDEN. He is a qualified man. There is no doubt about that.

Mr. DOWELL. He not only needs the qualification, but he also needs the disposition to make a very careful inspection here. We have had some experience along this line, and it occurs to me that there ought to be no question about the man at the head of this department.

Mr. MADDEN. Of course the chief inspector can not inspect.

Mr. DOWELL. But the chief inspector ought to know what is going on, and it seemed to me at the time that the chief inspector ought to have known something about the building that collapsed here a year ago, and it seems to me that this inspector and this force of men ought to be held to a very strict accountability for their services. I make this inquiry in order to know that this department at least is giving service for the appropriation that is granted.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For purchase of metal identification tags for horse-drawn vehicles used for business purposes and motor vehicles in the District of Columbia, $17,500.

Mr. SNYDER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. SNYDER. Just to ask a question. I would like to ask the chairman of the committee whether these salaries that are read in the bill below $2,500 carry the bonus of $240 in addition?

Mr. CRAMTON. For the current year they do. Of course, there has been no decision by Congress as yet as to the bonus for any Government employees for 1924.

Mr. SNYDER. Then so far as these salaries are stated here now, they are flat at the rates quoted?

Mr. CRAMTON. Yes.

Mr. SNYDER. And unless legislation later on is enacted giving them the bonus, this is the salary for the year we are legislating for?

Mr. CRAMTON. Yes. I hope—and I speak only for myself—that it will be the case, that if the bonus is provided for Government employees generally for 1924 it will be continued for the District employees.

Mr. SNYDER. I simply asked for information, not stating my view of the policy involved at all.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

OFFICE OF SUPERINTENDENT OF WEIGHTS, MEASURES, AND MARKETS.

Salaries: Superintendent, $2,500; inspectors—chief, $1,500, 5 at $1,200 each; clerk, $1,200; market masters—2 at $1,200 each, 2 at $900 each; assistant market masters—2 at $780 each, 2 at $600 each; watchman, $600; laborers—5 at $600 each, 5 at $480 each; in all, $24,160.

Mr. BEGG. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last word.

Mr. BEGG. I do so for the purpose of asking a question. This refers to the Center Market, does it not?

Mr. CRAMTON. To all the markets.

Mr. BEGG. They are under the control of the Government and are operated by the Government, are they?

Mr. CRAMTON. Yes.

Mr. BEGG. Can the gentleman ascertain why it is that the most expensive place to buy fruit in the city is at the Government-operated market? If you want to buy any high-priced food you will have to pay more in those places even than you will in a little grocery store.

Mr. CRAMTON. I can not give the gentleman the desired information. If he has discovered the most expensive place in Washington to buy those things, I would like to know the most economical place.

Mr. BEGG. If you go into a little corner grocery, with which the Government has nothing to do, you will find the prices much under those in the places where the Government runs the establishment. I am serious about this. I am not saying this in any spirit of levity. The Government runs these markets, and the highest prices prevailing to-day are found in those market houses.

Mr. CRAMTON. There are a lot of things about this that I do not know anything about, but my understanding is that the Government owns this property and leases it to individuals to conduct their business there, to sell food and other commodities at such prices as they desire. Outside, along the curb, as the gentleman knows, are many people coming in from the country and others selling their commodities.

Mr. BEGG. What revenue is derived, does the gentleman know, from the lease of these buildings?

Mr. CRAMTON. The figures I have before me do not include the Center Market. The other markets bring in total receipts of $41,882, and the expenses to the Government are $16,868. That shows a profit, without making allowance for depreciation and interest on investment, of $25,000.

Mr. BEGG. The gentleman realizes with receipts amounting to $41,000 coming in as a return for the use of buildings, and with a salary roll of $16,000 and other expenses of $24,000, how soon the bankruptcy court would get him if he himself were conducting this as a private business?

Mr. CRAMTON. This $16,000 does not cover salaries entirely. It includes lighting and supervision.

Mr. BEGG. The Government permits a public market to be conducted here where the highest food prices prevail. I make that statement without fear of any contradiction. The highest food prices are in the market to-day.

Mr. CRAMTON. The salary roll in this paragraph is $24,160, and that is not alone in connection with these markets, but it covers the entire inspection service of weights and measures throughout the District.

Mr. BEGG. I am not calling the attention of the committee to that particular phase. I simply wanted to know why it is that the Government goes to the trouble of supervising a series of markets under the implied promise that we are going to see the public protected from gouging in food prices, and yet in every one of the places supervised by the Government the peak price of foods is charged. I may say if that is the natural result of Government operation, it is a good lesson for the advocates of Government control and operation to be compelled to come down here and buy their food from the markets operated by the Government.

Mr. DOWELL. Is not this a municipal affair operated by the city?

Mr. CRAMTON. I think the Secretary of Agriculture runs this market. The Center Market is operated by the Department of Agriculture, but the gentleman understands that it has only the ownership of the buildings and the carrying on of the various stalls.

Mr. BEGG. Why do we not get rid of them and stop the loss?

Mr. CRAMTON. We are not losing money.

Mr. BEGG. If the gross income is $41,000 and the expenses are $16,000 and $24,000, it would indicate a loss.

Mr. CRAMTON. The shopkeepers rent the stalls inside, and outside along the curb there is opportunity for the market gardener and the farmer outside to bring in his vegetables and fruits and things and sell them. I suppose no charge is made unless it is a small fee. The object of running these markets by the Government is not to make money but to give that opportunity to the people of the country to come in and sell their wares.

The Government does not regulate the price of eggs. We must assume that that is governed by the law of supply and demand. My own experience does not bear out the gentleman's assertion that the Center Market is always the most expensive place to buy. Recently I bought some eggs there, and I paid 2 cents under even the chain-store price in Washington.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEGG. I ask unanimous consent for two minutes more.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent for two minutes more. Is there objection?

There was no objection.

Mr. REED of West Virginia. Will the gentleman yield for a question?

Mr. BEGG. Yes.

Mr. REED of West Virginia. Is it not true also that the Government of the United States rents a theater to a theater company in Washington? Yet the Government does not regulate the price of the theater tickets.

Mr. BEGG. That is very true; but that is a different proposition entirely. They rent it because they are holding that property for available building space in the future. Now, I may be entirely in error as to the purpose of operating these markets, but I read in a newspaper the other night where the Secretary of Agriculture was going to feed so many people in this country. I am not averse to the Government and the Secretary of Agriculture operating these markets, but they ought not to be operated for the benefit of a few retailers, to the exclusion of everybody else, who sell at a higher price than a man can rent a little suburban store and sell food for. The gentleman says he can buy more cheaply at the Center Market, but I can not buy more cheaply in any of the markets than I can in any other stores.

Mr. SNELL. Has this bill anything to do with Center Market? I thought that came under the Secretary of Agriculture.

Mr. BEGG. This appropriates for markets.

Mr. CRAMTON. Not the Center Market, but the Western and the Eastern and some other markets.

Mr. BEGG. The whole thing comes under the idea of Government operation.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment. The remarks of the gentleman from Ohio [Mr. BEGG] merely emphasize the argument I made a moment ago, but he has got the Center Market mixed up. He speaks about gouging. If the gentleman will read up on the splendid work done by our colleague from Kentucky [Mr. JOHNSON] with regard to that Center Market, he will find out that the main gouging was stopped. If the gentleman from Kentucky [Mr. JOHNSON] had done nothing else in all of his long useful years of splendid service here than that one thing, it ought to entitle him to a seat in this House for the rest of his life. He saved this Government thousands of dollars annually by seven or eight years of hard work, trying to get that property back, and after working seven or eight years on it his proposition finally went through the House without a single vote against it.

Mr. BEGG. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Ohio.

Mr. BEGG. I am not interested in what the gentleman from Kentucky did. I am curious to know why it is, if the Government controls and operates these public markets, that prices are higher there than they are in private retail stores? If the gentleman can give us some light on that, I would be very glad to hear it.

Mr. BLANTON. According to the newspapers here, if the Government operates anything, the people of the District ought to be able to go down and get their vegetables and their meats absolutely for nothing.

Here is what the Herald says this morning, editorially:

The increasing tendency of the House Appropriations Committee toward exempting certain appropriations from the 60–40 arrangement between the Federal and the District Government and saddling the District with the whole expense ought to cause a note of alarm.

Even if the items are for strictly local purposes, a dangerous and unfair precedent is set. On one pretext and another Congress can depart from the 60–40 program and charge the revenues of the District with the entire expense of any local activity—

Do you get that—

any local activity.

In other words, with respect even to local activities in this great District of 437,000 people, activities that have relation only to the residents who live here, not to the governmental activities, not to the business of the Government but for the pleasure and convenience of the people who live here, who have no connection with the Government, the Herald says that if we do not watch out, the Government will make the people pay the expense of their local activities. Why should they not pay all such expense? That is exactly what I have been contending for.

Mr. WILLIAMSON. Speaking of the schools in particular, does the gentleman think the District ought to pay all the expenses in connection with the schools of the city? Does not the gentleman recognize that over half of the pupils who attend the public schools in this city are the children of people who are not residents of the District of Columbia but who are here temporarily for the purpose of their employment in the Government service, and who pay taxes back home?

Mr. BLANTON. There are about 66,000 children in school here. By an investigation I made last year I showed conclusively and had Superintendent Ballou admit that there were 2,485 school children from the States of Virginia and Maryland who attend school here every day in Washington and have their books and tuition furnished free, and 40 per cent of the whole expense is paid by the taxpayers at home.

Mr. WILLIAMSON. Is it not a fact that those very children are the children of men who are in the Government service and who are temporarily living within the District?

Mr. BLANTON. A few of them are, but a great many of them are not. The parents of these 66,000 children do not all work for the Government. If in order to escape paying $100 a month rent in the District a man moves over into Virginia or Maryland, where he can rent for $25 a month, why should he not pay the expense of sending his children to school in Virginia or Maryland, if he is getting the benefit of reduced rents? Why should he call upon the taxpayers in the States back home to pay for part of it? It is not right and it ought to stop. The gentleman from Ohio has to buy his meat and vegetables here. I do not blame him for kicking because they charge him more at the Center Market. Why does he not do as I do, go to these chain stores and hunt up the places where they do not charge him so much?

Mr. BEGG. Will the gentleman permit a question?

Mr. BLANTON. I yield.

Mr. BEGG. The gentleman from Ohio was not kicking. He was just inquiring why the prices were higher at the Center Market than they are at the retail stores. I was not complaining.

Mr. BLANTON. The gentleman's words may have been just an inquiry, but the tone of his voice sounded like a kick. [Laughter.]

Mr. FOCHT. Mr. Chairman, I move to strike out the last two words. In regard to the old Center Market, you have all seen it and probably have been fleeced more than once when you went there to buy provisions. I agree with the gentleman from Texas [Mr. BLANTON] as to the untiring efforts of the gentleman from Kentucky [Mr. JOHNSON] in behalf of the District, and his desire to economize and at the same time to progress and more greatly beautify the city and make it more inviting, and exalt the Nation by the attractiveness of the surroundings of a great Capital.

But so far as this market house is concerned, the people that had it were glad to get rid of it, and so they passed it back to the Government. Now, you have all this trouble over again, that of Government control. Some years ago when my distinguished friend, Mr. Moore, now the mayor of Philadelphia, was a Member of this House, he made an investigation as to the higher cost of produce purchased at the market places in the District of Columbia. He positively reported back as a fact that the storage men supplied the little dealers with their produce, with orders to sell it at the same price everywhere—fix the price; they were price fixers—and they said if you do not sell it at that price you bring it back and we will destroy it. Did you ever hear anything the equal of that as a base hindrance to the law of supply and demand? It is an accepted fact that there is a combination made every market morning that fixes the price of commodities, particularly butter and eggs, and that that price does not prevail only in the stalls themselves but by wonderful celerity—perhaps it is radio or something equivalent—it is transmitted to the colored women on the outside who charge the same price within five minutes after this combination has issued its edict.

Now, whether there is anything in the bill that will remedy the situation I do not know. I have looked into the matter somewhat, and we are going to ask much for the District and there is much that is needed. This is the Nation's Capital, and our consideration ought to be for the National Capital beyond that of any taxpayer here or elsewhere. If this country is to stand on the rock of education, if it is to continue to have Christian civilization as its sturdy pillar, if these are to mean anything at all, in the name of God and all blessings, we ought to have it here in the highest type; the best structures and the best instructors ought to be at the Capital of this great American Republic. [Applause.]

We ought to pay the teachers adequately. The teaching of to-day is not the method of inculcation employed before Plato, the first systematic teacher; not now like the old masters, who walked up and down lecturing to the sons of the nobility—we have a confederated democracy where we bring all the children of the masses together and give them an education alike and by the best teachers.

Now, if you look this teachers' salary bill through, you will see that under its provisions we have increased the pay gradually. We do not give the teachers 100 per cent at once, but we graduate it according to their efficiency as may appear to the examining board.

The gentleman from Virginia [Mr. MOORE] is under a misapprehension. From all appearances he is entirely right, and it would look as if consideration of these measures had been abandoned. But that is not true. I have been a member of a legislative body for many years, and I can well understand the processes and the power that resides in the members of any legislative body and the subdivisions or committees thereof. We have a Committee on Rules that can bring in any kind of controlling measure providing for the debate of a question in any way, or not have it debated at all. So, therefore, in order to accomplish results, instead of going up against a stone wall and trying to start something and failing, as I have seen many a man do in undertaking to filibuster and then leave the floor chagrined and humiliated. No, my friends, I have been willing to submit to the judgment of gentlemen who have the power, who gained the power from you as the result of some widespread so-called independent reform movement—which, if anything, reforms backward instead of forward, and which, to my mind, has been more tyrannical than JOE CANNON ever was. [Laughter.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FOCHT. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FOCHT. I was defeated once because I stood for JOE CANNON'S czarism. I recall that I was a little slow in responding to a request that came from Mr. Mann as to whether I would be in favor of Uncle JOE for Speaker. Later I got a letter from Senator Penrose, and he said Mr. Mann would like to know how I stood as to Uncle JOE, and told me that I had better tell him where I stood. He did not tell me that I should say I was for Uncle JOE or against him. Of course, I was for him, but I thought I would wait until I got here before committing myself. The record stops there, and it need not be said that Penrose was for Uncle JOE. He was a czar all right; but he laid the cards on the table and you knew he was a czar, and you knew there was no false pretense about it. But now you do not know where you are going or how you are coming out if you hunt the Committee on Rules to get something done for the District of Columbia. [Laughter.] It is something submerged, it may be the Ku Klux, I do not know whether it is or not. Brother SNELL will tell us more about it later.

Mr. BLANTON. The gentleman is talking about the gentleman from Kansas [Mr. CAMPBELL].

Mr. FOCHT. Now, about these District bills. I hope the Members here will be patient and considerate when they are brought on the floor. There is no partisanship about any of them. There is no place for partisanship in District bills. In many other matters the majority is here to be partisan. I never squealed when one session I lost the only job I had here. An old soldier held it, and after he was removed I saw a Confederate soldier over there in his place.

That was the business of the Democrats; it belonged to them, and so now the conduct of this House is in the hands of the Republican Party. The Republican Party is responsible, as it must necessarily be in a country like this, where we have representative and responsive government. We are now

waiting until these appropriation bills are passed, so that there may be no tie-up in this great body, so that on the 4th of March next, when the gavel falls and we adjourn, you may go home and spend some time there. I have not been able to do that for 8 or 10 years now. The fact of the matter is that 20 years ago I bought and gave my wife a house, and I have actually spent two months in that house, and one of those months I was sick. Most of the rest of the time I have been running around after this job. But when we bring these bills here, my friends, after yielding all of the time, we would like to have your attention, we would like to have you here, we would not like to be in a position where just criticism may not be made, as it has been made in the past by my friend from Texas [Mr. BLANTON], who has complained of absenteeism when these great appropriation bills are being considered, and particularly now when this District of Columbia appropriation bill is being considered. This District does not have representation. We should remember that. You represent the District of Columbia. I hope you may give proper consideration and concern to this great Capital of a great Nation, and particularly to the intellectual and cultural aspect of it, and remember that only half of the population of America is of the original stock and that our future hope is the schoolhouse. The two great markers of all civilization are the schoolhouses and the churches. Let them forever be the greatest and best buildings in any town, and particularly in the Capital of the Republic. [Applause.]

Mr. JOHNSON of Kentucky. Mr. Chairman, I had not expected to say a word upon this subject, but the gentleman from Ohio [Mr. BEGG] interjected some remarks about the Center Market. I invite his attention to the fact that under the law the Center Market is under the control of the Secretary of Agriculture and not under the Commissioners of the District of Columbia. Under that same law the Secretary of Agriculture has the right to eject any stall master in the place who charges exorbitant prices for commodities put there for sale. Therefore, instead of his inquiry being made of the chairman of this subcommittee respecting extortion in the market, he had better direct the inquiry to the Secretary of Agriculture.

The gentleman from Pennsylvania [Mr. FOCHT] a few moments ago said that the owners of the Center Market were anxious to get rid of that property. They exhibited their anxiety by contesting the proposition most vigorously, indeed, for 8 or 10 years. The act of Congress creating the Center Market authorized a capital stock of $1,000,000. Only $150,000 of that amount was ever paid in. They paid a dividend annually of 5 per cent on the million dollars. Therefore they were receiving on the $150,000 they had paid in a dividend of 33⅓ per cent. Receiving 33⅓ per cent on their money invested, one can imagine their anxiety to get rid of the investment.

The Clerk read as follows:

MINIMUM WAGE BOARD.

Salaries: Secretary, $2,500; clerical, contingent, and miscellaneous expenses, including the purchase of books of reference and periodicals, $2,500; in all, $5,000, to be paid wholly out of the revenues of the District of Columbia: *Provided*, That until the constitutionality of this board shall have been determined by the Supreme Court of the United States there shall not be expended from this appropriation or from the appropriation for this board for the fiscal year 1923 a greater sum than at the rate of $1,600 per annum for personal services and $400 per annum for contingent and miscellaneous expenses.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 11, line 13, after the word "of," insert the words "the act creating," and in line 16, before the word "fiscal," insert the words "remainder of the."

Mr. CRAMTON. This is simply to perfect the text.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

RENT COMMISSION.

For salaries and expenses authorized by section 103, Title II, of the "food control and the District of Columbia rents act," approved October 22, 1919, as amended by the act approved August 24, 1921, extending the rent commission until May 22, 1922, and the act approved May 22, 1922, extending the said commission until May 22, 1924, $42,500, of which $13,750 shall be available exclusively for the salaries of members of the commission.

Mr. SNELL. Mr. Chairman, I move to strike out the last word. Something was said about this the other day, but I did not understand just what provision was made and how far this took the commission.

Mr. CRAMTON. The act authorizing this commission expires the latter part of May, 1924. Hence, unless there is further legislation continuing that legislation the commission will cease to exist. I think the date is May 22, 1924.

Mr. BLANTON. Is it not 1923?

Mr. CRAMTON. Nineteen hundred and twenty-four. It was extended this year, the gentleman will remember.

Mr. SNELL. This is a proportionate amount to take it up to that time?

Mr. CRAMTON. The amount carried here is below the Budget figures. There are five commissioners provided for in the act. Only three have been appointed. The committee assumed, without any definite information, that so much time now having elapsed and the end of the period being in sight, it is not the purpose to appoint more commissioners. So this item carries salary for only three commissioners. Then it takes the existing pay roll of the board, and it carries that pay roll right up to the last day that the board can exist. It gives some further allowance for printing and contingent expenses, cutting down somewhat the allowance for printing and cutting out almost entirely the amounts for new equipment, because it does not seem that this board needs to keep on buying new furniture up to the day that its head is cut off, and cutting those figures we are enabled still to cut the amount as I have indicated.

Mr. SNELL. Then a reasonable amount has been allowed for the board to function?

Mr. CRAMTON. We have an allowance for salaries for the three commissioners, for their present pay roll, and something for contingent expenses and printing.

The Clerk read as follows:

Free Public Library, including Takoma Park and Southeast branches.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 12, strike out the caption in lines 13 and 14 and insert in lieu thereof the following:

FREE PUBLIC LIBRARIES.

In type to distinguish the items which follow as comprising an independent subdivision of the bill.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Miscellaneous, including Takoma Park and Southeast branches: For books, periodicals, and newspapers, including payment in advance for subscriptions to periodicals, newspapers, subscription books, and society publications, $17,500.

Mr. BLANTON. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 14, line 2, strike out the words "society publications."

Mr. BLANTON. Mr. Chairman, under this subhead of "Miscellaneous, $17,500," we authorize them to furnish for the readers out here at Takoma Park and the Southeast branches "society publications." I do not know how many of my colleagues live in Takoma Park—I see one of our new leaders of the majority lives out there——

Mr. GRAHAM of Illinois. Not guilty.

Mr. BLANTON. Of course, a leader, whether he is a present leader or a leader to come hereafter, needs these society publications, and the gentleman from Illinois, if he becomes a leader, why he has to have these publications to post himself on society matters, but his people back at home in Illinois, I take it, do not want part of this $17,500 spent for that purpose. If these were some technical publications that would benefit the public, it would be different; but we are providing lots of libraries for Washington. Why, of all the places on earth that does not need so many branch libraries, it is Washington, D. C. The Congressional Library is one of the finest of its kind in the world. In addition to it, with all its fine, magnificent possibilities, we have the big Carnegie Library, down here on New York Avenue, and others. We are extending all the time——

Mr. DENISON. If the gentleman will yield, the Congressional Library——

Mr. BLANTON. I was referring to the other gentleman from Illinois; I did not mean the gentleman who is addressing me.

Mr. DENISON. I was going to ask the gentleman if it is not a fact that the Congressional Library is not available to the public to take out books?

Mr. BLANTON. Any person in this city who can come to any Representative and get his Representative to O. K. orders can go there at will and get all the books he wants, providing he brings them back; and almost every person here in Washington has an open sesame to the office of some Representative or some Senator.

Mr. DENISON. But the gentleman from Texas does not think a private person here, a resident of Washington, has access to the Congressional Library, does he?

Mr. BLANTON. I help a great many people here in Washington to get books, not merely people from Texas but people who are from other States who come to me once in a while and want me to help them get a book.

Mr. DENISON. Does not the gentleman think, in so far as he does, that he is violating the rules of the Library?

Mr. BLANTON. Not if I see that the books are returned.

Mr. DENISON. I think if he will inquire into it a little he will find he is going a little beyond his privileges.

Mr. BLANTON. What is the Congressional Library for?

Mr. DENISON. Is it for Members of Congress——

Mr. BLANTON. That magnificent library which covers several blocks of ground for Members of Congress only?

Mr. DENISON. For Members of Congress and those people who want to go there for research, investigation, and such matters, but it is not for the public generally to go and take out books.

Mr. BLANTON. Thousands of those books are fiction with hundreds of pages each, and Members of the House and Senators are not expected to read so very many books of fiction.

Mr. DENISON. Speaking for myself, I read a great deal of fiction.

Mr. BLANTON. I mean that we do not have enough time to devote to reading fiction that would take in the possibilities of the whole Library in that regard, but the people also have ample opportunity in the other public libraries here. Congress ought not continually to extend this matter to the extent of $17,500 to pay for society publications.

Mr. REED of West Virginia. What are society publications?

Mr. BLANTON. I put the question back to the gentleman from West Virginia; what are they?

Mr. REED of West Virginia. The American Medical Society, Society for the Prevention of Cruelty to Animals——

Mr. BLANTON. Oh, yes.

Mr. REED of West Virginia. There is a society relating to the protection of childhood.

Mr. BLANTON. Yes.

Mr. REED of West Virginia. And that kind of society publications.

Mr. BLANTON. Yes; but that is not the kind of society publications I am talking about.

Mr. HERSEY. What is the gentleman talking about?

Mr. BLANTON. High-society publications.

Mr. HERSEY. No such publications are out in the library in Takoma Park, where I live.

Mr. BLANTON. That is the reason you are asking for this $17,500 appropriation.

Mr. HERSEY. I am not asking for it.

Mr. BLANTON. Somebody is asking for it and somebody is getting it, for it is in the bill. Why, they are not confined to medical-society books, they are not confined to engineering-society books, they are not confined to technical publications. Under this term of "society publications" they can get any kind they want with the $17,500.

Mr. DENISON. I was wondering if my friend from Texas can give an illustration of one of the high-society books.

Mr. BLANTON. Well, the gentleman from Illinois is so efficient along that line, being one of the high-society leaders of this great District, that he ought not to need any information along that line.

Mr. DENISON. I was wondering if the Smart Set would be one.

Mr. BLANTON. It would.

Mr. DENISON. Would the CONGRESSIONAL RECORD be one?

Mr. BLANTON. In some instances; yes.

Mr. MOORE of Virginia. The Social Register might be.

Mr. BLANTON. Yes; sometimes at about half-past 4 or 5, when we are in such a hurry to get through with our session here in order to attend special dinners and other high-society functions, the gentleman might call the proceedings then taking place, as recorded in the CONGRESSIONAL RECORD, society publications.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I see that the Members are not in the humor to get rid of their high society, so I will ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MOUNT PLEASANT BRANCH LIBRARY.

For the purchase of a site for a branch of the Free Public Library in the Mount Pleasant-Columbia Heights section of the District of Columbia, $25,000, or so much thereof as may be necessary, and authority is hereby conferred upon the commissioners of the District of Columbia to accept from the Carnegie Corporation of New York not less than $100,000 for the purpose of erecting a suitable branch library building on such a site, subject to the approval of said commissioners and the board of library trustees.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph as being new legislation, unauthorized on an appropriation bill.

The CHAIRMAN. The gentleman from Texas makes a point of order against the paragraph.

Mr. CRAMTON. Mr. Chairman, will the gentleman reserve his point of order for a moment?

Mr. BLANTON. The gentleman will admit that it is subject to a point of order.

Mr. CRAMTON. I may do anything the gentleman wants if he will reserve his point of order.

Mr. BLANTON. I will reserve it.

Mr. CRAMTON. Mr. Chairman, the item provides for the purchase of a site for a third branch of the Public Library in the city. There is one at Takoma Park, and there is one in the southeast, and this item provides for one in the northwest in a section that is built up now, quite distant, some 3 miles from the central library, so that it will serve a great public need to have a library in that section of the city.

The site proposed, I am reliably informed, is worth at least $50,000. I say I am reliably advised, and I believe it to be a fact that the value of the site proposed is at least $50,000. It is offered to the District for $25,000.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BLANTON. The gentleman has a Carnegie Library in his own town, has he not?

Mr. CRAMTON. We are getting one.

Mr. BLANTON. And the people of the gentleman's district bought that site, and they are providing the library that Mr. Carnegie furnished the money with which to build the building?

Mr. CRAMTON. In our case the late Mr. Carnegie was not quite as generous as he was with respect to the city of Washington. We are getting less than one-third of the building and site from the Carnegie Corporation, whereas in this case the owner of this land offers it at not over half the real price. Then the Carnegie Corporation will put on it a $100,000 building. The building will be entirely at the expense of the Carnegie Corporation, so that the $150,000 site and building will cost the people of the District only $25,000, of which, under this bill, only $10,000 will be the part of the United States. As long as our present policy is to share this expense, I do not object to the Government sharing in a branch library to the extent of $10,000 where the whole cost will be $150,000.

Mr. BLANTON. The point I make is that the people of Mount Pleasant do not contribute to the expense of the gentleman's home library, but I live in Mount Pleasant and I am willing to contribute my portion of the proper expense to buy this site for $25,000 for the benefit of those of us who live in Mount Pleasant. But the gentlemen who live in Mount Pleasant ought not to call upon the people back home throughout the United States to provide a site for their own benefit.

Mr. CRAMTON. It will not benefit me much. In the Southeast branch and in the Takoma Park branch this policy was followed, and it is simply to follow the policy heretofore adopted. I will concede that the point of order is good, and if the gentleman from Texas insists upon his point the item will have to go out of the bill. But I am going to say to the gentleman this: That in view of the fact that this $25,000 will make possible a contribution of $25,000 from the owner of the land and a contribution of $100,000 from the Carnegie Corporation, I hope the gentleman will not insist.

Mr. BLANTON. It is not simply a question of providing $25,000 for the purchase of a site. The very minute we buy this site it becomes a question of maintenance for years. I will match any contribution that the gentleman from Michigan may make to raise this money in Mount Pleasant and provide the site.

Mr. CRAMTON. My financial condition is such as to make the gentleman's proposition safe. I hope he will not make the point of order.

Mr. BLANTON. Mr. Chairman, I must insist on the point of order.

The CHAIRMAN. The gentleman from Texas makes a point of order on this paragraph. Many rulings have been made in

the past sustaining it, and the Chair does sustain it. The Clerk will read.

The Clerk read as follows:

CONTINGENT AND MISCELLANEOUS EXPENSES.

For printing, checks, books, law books, books of reference, periodicals, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; purchase of laboratory apparatus and equipment and maintenance of laboratory in the office of the inspector of asphalt and cement; damages; livery, purchase, and care of horses and carriages or buggies and bicycles not otherwise provided for; horseshoeing; ice, repairs to pound and vehicles; use of bicycles by inspectors in the engineer department not to exceed $800 in the aggregate; and other general necessary expenses of District offices, including the personal-tax board, harbor master, health department, surveyor's office, office of superintendent of weights, measures, and markets, department of insurance, and Board of Charities, $45,000.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. JONES of Texas. I would like to ask the chairman of the committee a question, or maybe some one else on the committee can furnish the information desired. I was wondering what the need was for a buggy or carriage and horses in this connection.

Mr. CRAMTON. There is blanket basket section; it is a basket section for various needs of the District government. It touches all the different activities. In some of these activities they still use horses and buggies, although the need for them is being done away with in general.

Mr. JONES of Texas. I notice on page 18 there is another provision with reference to horses and buggies. I was wondering whether it was not cheaper to keep a Ford car than to maintain a horse and buggy. It is in most cities and towns.

Mr. CRAMTON. I notice that these officials are all anxious to get Ford cars and buggies as rapidly as Congress will let them.

Mr. JONES of Texas. I notice even veterinarians not only stop riding in carriages but stop riding on street cars and prefer to ride in Fords. It seems to me that they might need horses in some of the street work, but it also seems to me that it is not a matter of economy to maintain horses for the purpose of drawing buggies and carriages.

Mr. CRAMTON. The whole amount carried in the item would be very small. The item of forage and stable supplies and horseshoeing, vehicles and repairs, livery and garages is $1,025 only out of the $45,000.

Mr. JONES of Texas. That does not include the horses and buggies provided for on page 18.

Mr. CRAMTON. This is a general basket provision, a contingency fund.

Mr. JONES of Texas. From the number of places where horses and carriages and buggies are referred to in the bill, it seems that there must be a number of them maintained, not only the ones provided for in this contingent fund. I used that simply as a basis for making an inquiry. I wondered how many there are.

Mr. CRAMTON. There are about 700 horses cared for by the District veterinarians. Of course, that includes about 70 horses still in use in the fire department, and some for the collection of refuse.

Mr. JONES of Texas. Yes; I understood that some would be needed in street work.

Mr. CRAMTON. In work where there are frequent stops horses are desirable.

Mr. JONES of Texas. Yes; but, of course, they would not use the buggies for that purpose.

Mr. CRAMTON. No. I can not say how many buggies there are, but there are 700 horses. I suppose the number of buggies is very limited. I will guarantee that every man who drives around at Government expense will take an automobile in preference, if Congress will give him one, but it is not always an economy to do so.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For printing all annual and special reports of the government of the District of Columbia for the fiscal year ending June 30, 1923, for submission to Congress, $5,000: *Provided*, That authority is hereby given the Commissioners of the District of Columbia to discontinue the printing of any annual or special reports of the government of the District of Columbia in order to keep the expenditures within this appropriation. In all cases where the printing of said reports is discontinued, the original copy thereof shall be kept on file in the offices of the Commissioners of the District of Columbia for public inspection.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word. What has this appropriation been heretofore?

Mr. CRAMTON. At one time it was $10,000, but in 1922 it was cut to $5,000, and has been that since.

Mr. DOWELL. Then the only part of this paragraph that is of any importance is the releasing of the commissioners from making a report of their acts to Congress?

Mr. CRAMTON. I do not regard that as the important portion.

Mr. DOWELL. The expenditure has been reduced heretofore.

Mr. CRAMTON. When the cut was made from $10,000 to $5,000 this proviso was put in the bill, and it may be surplusage now. They are given the authority to discontinue the printing of some reports, and that does not seem to be undesirable.

Mr. DOWELL. This relieves them from making any report.

Mr. CRAMTON. This relieves them from printing certain reports.

Mr. DOWELL. Any printed report.

Mr. CRAMTON. It does not discontinue their responsibility to make a report, but relieves them from printing certain reports.

Mr. DOWELL. It says:

In all cases where the printing of said reports is discontinued the original copy thereof shall be kept on file in the offices of the Commissioners of the District of Columbia for public inspection.

Mr. CRAMTON. They have to make the report just the same.

Mr. DOWELL. Does not this relieve them from any report?

Mr. CRAMTON. Not at all. It only relieves them from the printing of such reports as the commissioners do not deem it desirable to print.

Mr. DOWELL. It permits the commissioners to file their reports in their office, but relieves them from any report whatever to Congress if they see fit.

Mr. CRAMTON. It does not do anything of the kind. This has simply to do with the printing.

Mr. DOWELL. I am asking for information, to ascertain whether or not the $5,000 is to be paid if the reports are not printed.

Mr. CRAMTON. I think their estimate is $4,725 for next year.

Mr. CHINDBLOM. Is it not a fair interpretation of the language that they shall expend as much of the $5,000 as may be necessary for printing their reports, but if the $5,000 is exhausted then they are not expected to spend any more for printing?

Mr. DOWELL. Oh, no; this language clearly exempts the commissioners from submitting any printed report.

Mr. CHINDBLOM. The proviso reads as follows:

Provided, That authority is hereby given the Commissioners of the District of Columbia to discontinue the printing of any annual or special reports of the government of the District of Columbia in order to keep the expenditures within this appropriation.

That is the only purpose for which they may discontinue printing.

Mr. DOWELL. Yes; but any report may not be printed if the commissioners see fit not to print it.

Mr. CHINDBLOM. I do not think so.

Mr. DOWELL. It relieves the commissioners from submitting any printed report. I do not know the importance of having their reports printed and sent here rather than having them filed in their office, but this is a complete release from the obligation to file a report with Congress.

Mr. BRIGGS. It does not mean that it relieves them from filing a report, but it does provide that the report shall not be printed.

Mr. DOWELL. They file their report in the office of the commissioners.

Mr. BRIGGS. They still make their reports. The reports are printed in order to make them accessible to the Members of Congress.

Mr. DOWELL. But the appropriation is $5,000 for filing a report in their office. I do not know to whom this report is made, but I assume it is a detailed statement of the business transactions of the various departments of the government of the District of Columbia.

Mr. BRIGGS. Why should the $5,000 be carried then?

Mr. DOWELL. I submit that question to the chairman of the committee. The reason I am making the inquiry is because, as I understand it, heretofore they have filed a printed report with Congress. This, as I understand the language, entirely relieves them from filing a report.

Mr. CRAMTON. There is nothing in this section that relieves them from the filing of any report that the law requires. It does provide that they may discontinue the printing of a report if necessary to keep within the $5,000 limitation, the limitation that is carried in the original act of Congress. The committee found that they were printing reports from Tom, Dick, and Harry to an unreasonable extent. Each board, each branch of activity, made a report, and so it goes. This does not affect the legal obligation of any agency to file a report. It does keep

down the senseless printing of reports that nobody wants to read.

Mr. DOWELL. Why did not the committee specify the reports that should be printed and exclude the others?

Mr. CRAMTON. We did not consider it necessary; it is the language heretofore put in the bill and we did not want to impose any hardship on the commissioners. We give the commissioners, and we think it is right, the discretion as to what reports should be printed and what should not. I do not think there is any conflict.

Mr. DOWELL. I simply wanted the information in regard to the paragraph, and, Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

For maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and motor cycles owned by the District of Columbia and used exclusively for official purposes; for the pay of persons employed exclusively in maintaining, repairing, and operating such vehicles; for all expenses incident to the occupation of any building in whole or in part for the housing or repair of such vehicles; for allowances to officers and employees of the District of Columbia for supplying for official use their own motor-propelled passenger-carrying vehicles at not to exceed $26 per month for an automobile and $13 per month for a motor cycle, there shall be set up on the books of the Treasury a single appropriation to which shall be transferred on July 1, 1923, from appropriations contained in this act similar to appropriations which were properly available for such expenses during the fiscal year 1923, such sums as the Commissioners of the District of Columbia shall certify as being required for the purposes hereinbefore enumerated, and, except as hereinafter provided, no part of any other appropriation contained in this act, after such transfers shall have been made, shall be available for any such expense: *Provided*, That nothing herein shall be construed as affecting the appropriations herein made under the police, fire, and water departments, under the Superintendent of Public Buildings and Grounds and under the Engineer Department of the Army, but no motor-propelled passenger-carrying vehicle or motor cycle acquired by purchase or otherwise by any of such excepted activities shall be transferred, loaned, or assigned to or for any other activity provided for in this act: *Provided further*, That during the fiscal year 1924 not more than 40 persons shall be paid an allowance for supplying their own passenger-carrying automobiles and not more than eight persons shall be paid an allowance for supplying their own motor cycles: *Provided further*, That the Commissioners of the District of Columbia shall report to Congress at the beginning of the next regular session the total sum expended under each appropriation during the fiscal years 1922 and 1923 for each of the purposes specified in this paragraph.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word. I wish to call the attention of the gentleman from Michigan to lines 10 and 11 on page 16. That provision for allowance to officers not to exceed $26 a month for an automobile and $13 a month for a motor cycle was reduced in the committee to $20 and $10, respectively.

Mr. CRAMTON. This is new language. I can not be certain as to that and I would not controvert the statement of the gentleman from Kentucky. I will accept the gentleman's recollection of it. The gentleman knows that it was a section that was gone over considerably in order to put it in proper shape.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move, on page 16, line 10, to strike out the figures "26" and insert "20," and on line 11 strike out "13" and insert in lieu thereof "10."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. JOHNSON of Kentucky: Page 16, line 10, strike out "$26" and insert "$20"; line 11, strike out "$13" and insert in lieu thereof "$10."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

All of said motor vehicles and all other motor vehicles provided for in this act and all horse-drawn carriages and buggies owned by the District of Columbia shall be used only for purposes directly pertaining to the public services of said District, and shall be under the direction and control of the commissioners, who may from time to time alter or change the assignment for use thereof or direct the joint or interchangeable use of any of the same by officials and employees of the District: *Provided*, That no automobile shall be acquired hereunder, by purchase or exchange, at a cost, including the value of a vehicle exchanged, exceeding $650, except as may be herein specifically authorized.

Mr. JOHNSON of Kentucky. Mr. Chairman, I wish to ask the gentleman from Michigan if it was not also agreed in committee that there should be no assignment of one automobile from one department to another.

Mr. CRAMTON. I understand that is provided for on page 16:

No motor-propelled passenger-carrying vehicle or motor cycle acquired by purchase or otherwise by any such excepted activities shall be transferred, loaned, or assigned to or for any other activity provided for in this act.

Mr. JOHNSON of Kentucky. Is not the language at the bottom of page 17 and the top of page 18 contradictory?

Mr. CRAMTON. I am satisfied that specific provision would control the other general language.

Mr. JOHNSON of Kentucky. Does not the gentleman think that, beginning after line 25, page 17, after the word "Commissioners," that language should come out down to and including the word "District," in line 3, page 18?

Mr. CRAMTON. No; I think the language is required to take care of some needs, and I think there would be no conflict between it and the language on page 17. But if the gentleman fears that there is, I think that that could be safely eliminated by adding at the end of this proviso "except as otherwise provided in this act."

Mr. JOHNSON of Kentucky. Will the gentleman offer that amendment?

Mr. CRAMTON. Yes. Mr. Chairman, on page 18, line 3, after the word "District," insert "except as otherwise provided in this act."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 18, line 3, after the word "District," insert "except as otherwise provided in this act."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

To reimburse fire inspectors for expenses incurred by them in the maintenance of their own automobiles incident to the performance of their official duties, at the rate of $26 per month each, $1,560.

Mr. CRAMTON. Mr. Chairman, on line 8, page 22, I move to strike out the word "fire" and insert the word "five." That is a typographical error.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 22, line 8, strike out the word "fire" and insert in lieu thereof the word "five."

The amendment was agreed to.

Mr. CRAMTON. Now, Mr. Chairman, in order to correct an error similar to the one the gentleman from Kentucky called attention to, I move to amend on line 7, page 22, strike out the figures "$13" and insert "$10," and correct the total.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 22, line 7, strike out "$13" and insert "$10," and correct the total.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. CRAMTON. And in line 10 strike out "$26" and insert "$20," and correct the total.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 22, lines 10 and 11, strike out the figures "$26" in line 10 and insert in lieu thereof "$20," and in line 11 correct the total.

Mr. STAFFORD. Mr. Chairman, how is the Clerk going to ascertain what the total will be in the amendment proposed? We only allow the Clerk to compute the total when it is a matter of mathematical computation.

Mr. BLANTON. That is all it is here.

Mr. STAFFORD. I think in the computations it is well enough for the clerk of the committee to give the Clerk at the desk the amount so that there will be no mistake about it.

Mr. CRAMTON. I shall put it in, and if I am wrong I want the gentleman from Wisconsin to correct me. In line 11 strike out "$1,560" and insert in lieu thereof "$1,200."

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to modify his amendment as indicated. Is there objection?

There was no objection.

The CHAIRMAN. The question now is on the amendment now offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I offer to amend also in line 7, page 22, by striking out "$468" and inserting in lieu thereof "$360."

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 22, line 7, strike out the figures "$468" and insert in lieu thereof "$360."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, your committee tried to improve the bill by a regrouping of the items to bring in one place the expenses of each certain bureau rather than to have them

scattered. These two paragraphs in respect to the building inspection division were not placed with the building inspection division on page 3 of the bill because at that time the committee had under consideration the general question of this matter of motor vehicles.

I ask unanimous consent that the Clerk be authorized to transpose the two paragraphs, lines 4 to 11, on page 22, to page 3, following line 9, so that they may immediately follow the paragraph for the building inspection division.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that certain changes be made in the arrangement of the paragraphs referred to. Is there objection?

Mr. BLANTON. Mr. Chairman, I do not intend to object, but ought not the line, "building inspection division," be transferred also?

Mr. CRAMTON. No; I would ask to omit that line entirely.

Mr. BLANTON. I think that ought to be made a separate subhead at the top of page 3, because there is no subhead there.

Mr. CRAMTON. I think the side heading on page 3 will be sufficient.

Mr. BLANTON. But it would be out of proportion.

Mr. CRAMTON. Very well, I shall include that.

The CHAIRMAN. In order that the Clerk may be sure of the intention of the gentleman from Michigan, will he kindly repeat his request?

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that on page 3, line 1, the words "building inspection division," which is a side heading, be made a subhead, and that following line 9, on page 3, the Clerk be authorized to transpose to that point the paragraphs lines 4 to 11, on page 22.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that there be a certain transposition of paragraphs as indicated in the bill. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Chairman, I make a further request that on the same page, in line 10, the words "plumbing inspection division" may be made a subhead, and that the Clerk be authorized to transpose to follow line 16, on that page, the paragraph from line 13 to line 16 on page 22.

Mr. JOHNSON of Kentucky. Does not the gentleman wish to correct the item of $13 in line 16, page 22, before he makes that transfer?

Mr. TILSON. I do not think that has yet been read.

Mr. CRAMTON. It has not been read. We will defer that request for the present.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PLUMBING INSPECTION DIVISION.

To reimburse five assistant inspectors of plumbing for provision and maintenance by themselves of five motor cycles for use in their official inspections in the District of Columbia, $13 per month each, $780.

Mr. CRAMTON. Mr. Chairman, in line 16, page 22, I move to amend by striking out "$13" and inserting "$10," and by striking out the figures "$780" and inserting in lieu thereof the figures "$600."

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 22, line 16, strike out "$13" and insert in lieu thereof "$10," and strike out "$780" and insert in lieu thereof the figures "$600."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that line 12 on page 22 be stricken out.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that line 12 on page 22 be stricken from the bill. Is there objection?

There was no objection.

Mr. CRAMTON. And that lines 13 to 16 be transferred to follow line 16 on page 3, and that the words "plumbing inspection division," in line 10 of that page, be made a subhead.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that certain changes be made in the arrangement of the bill as indicated by him. Is there objection?

There was no objection.

The Clerk read as follows:

DISTRICT BUILDING.

For fuel, light, power, repairs, laundry, mechanics, and labor not to exceed $5,000, and miscellaneous supplies, $35,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I rise to obtain information as to what is the policy in the District as to the purchase of light and power, or whether it is generated directly by the various instrumentalities. Some years ago the power for the operation of the Washington Monument, under the then Superintendent of Public Buildings and Grounds, was generated by its own plant. He made the representation to the subcommittee on the War Department appropriation bill that it was more economical to buy the power direct. I was curious to inquire of the chairman what is the policy as to light and power, so far as the District government is econcerned?

Mr. CRAMTON. I have no definite information as to that.

Mr. STAFFORD. I withdraw the pro forma amendment on the information furnished me by the gentleman from Michigan.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the subcommittee a question. Has it been ascertained that it is cheaper to have the Washington Monument supplied by the local company than for the Government itself to supply it as it formerly did?

Mr. CRAMTON. Well, the gentleman from Wisconsin [Mr. STAFFORD] was just throwing some light on the subject, and I think he was the authority for that statement. Independent of that I have no information.

Mr. COOPER of Wisconsin. The gentleman from Wisconsin to whom I referred is Mr. STAFFORD. He supplied no information on the subject, but simply referred to it.

Mr. STAFFORD. If my colleague will permit, I may not have supplied any more information than the gentleman from Michigan furnished me, but I intended to supply a little bit more.

Mr. CRAMTON. The gentleman from Michigan was trying to be careful not to supply misinformation.

Mr. DOWELL. I am not sure we are getting a great deal of information from these distinguished gentlemen.

Mr. COOPER of Wisconsin. I want to suggest that the gentleman from Wisconsin [Mr. STAFFORD] merely mentioned the fact that the officer in charge of public buildings and grounds in this city urged that instead of having the Government supply the electric power for the Washington Monument that a private corporation supply it on the ground of economy. The change was made, I understand, and I have just asked the gentleman from Michigan, chairman of the subcommittee, if the facts bore out the recommendation made by the Superintendent of Buildings and Grounds and whether by making that change there has been a reduction in the public expenditure.

Mr. CRAMTON. If the gentleman will permit——

Mr. COOPER of Wisconsin. It is a question of fact.

Mr. CRAMTON. The operation of the Washington Monument and all of that question referred to by the gentleman from Wisconsin [Mr. STAFFORD] is in an entirely different bill, with which I am not connected, and I can say my only information on that subject is that which is furnished by the gentleman from Wisconsin [Mr. STAFFORD], and of course I would not dispute that statement made by him.

Mr. COOPER of Wisconsin. Nor would I dispute the statement of the gentleman from Wisconsin [Mr. STAFFORD], because I know it to be true. I remember when that recommendation was made. But what I ask now is whether the subsequent facts have justified the recommendation? Has there been a lessening of expenditure? I know that there is a persistent propaganda always going on here to have changes made so that the Government shall not be able to supply anything for its own use, but that private corporations, which make a profit out of it, shall supply every need of the Government. I merely asked for information as to whether the facts have justified that particular recommendation.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last two words. In the hearings a couple of years past it was developed that the Washington Monument was having its own power furnished by a small integral unit that was very expensive to maintain, or rather the cost of generating that small unit of power was greater than what the power could be furnished by the Potomac Electric Light & Power Co. I can not recall offhand the number of men who were required to generate that small power, but the showing was so obviously in the interest of the Government for economy in this one particular instance that the committee discontinued in last year's appropriation bill the employment of the six or seven men engaged in the generation of this small power and authorized, or rather permitted, the purchase of power from a private utility company. There is no question in that instance that there was a decided benefit to the Government. It stands to reason that a small project for the development of small power would cost more than a large one, and I think it will be clear, even to my colleague from Wisconsin, from that statement of facts that it is better to purchase power where it was generated in large quantities at a low rate from a private company and it would

cost less than by having it generated in the way it had been for years. With that statement I withdraw the pro forma amendment.

The Clerk read as follows:

Northwest: For paving Georgia Avenue Military Road to Dahlia Street, 60 feet wide, $85,000.

Mr. CRAMTON. Mr. Chairman, page 24, line 1, after the word "Avenue" I move to insert a comma.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 24, line 22, after the word "Avenue" insert a comma.

The question was taken, and the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Mr. Chairman, this $85,000 is for paving Georgia Avenue to Dahlia Street. Georgia Avenue is already paved; not with the kind of boulevard paving that the gentleman expects to see with this $85,000, but it is already paved. Oh, I presume that the gentleman from Michigan is one of the persons whom the commissioners bumped over this road as outlined in the Washington Herald this morning in an editorial, and they succeeded in bumping him out of $85,000. The Herald says:

In one respect the House bill is to be commended. That is in the matter of street appropriations. Gentlemen of Congress have evidently had some good bumping over District thoroughfares that should long ago have been paved. So the House Appropriations Committee is liberal enough to add $44,700 over Budget estimates. The total allowed streets is $521,200 over appropriations for the current fiscal year. If distinguished Senators can also be given a physical demonstration of street needs here the Senate will doubtless add to the House allowances.

In other words, they are going to take the Senators up and bump them over Georgia Avenue and several other roads.

Mr. FITZGERALD. Why not?

Mr. BLANTON. Georgia Avenue is paved now with various kinds of pavement. For some distance there are cobblestones. There is some bumping when you travel over there in fine limousines, and it is a kind of bumping that Congressmen do not like sometimes when out on rough roads. But why not take this $85,000 and go to the streets that are muddy and impassable; impassable in muddy weather in wagons, even, much more in automobiles? There are a good many of them in the District where poor people live who have not got limousines. They do not even get to be bumped over them in these demonstration cars of the commissioners.

I now yield to the gentleman from Michigan if he wants to ask me a question.

Mr. CRAMTON. I just want to contribute to the discussion.

Mr. BLANTON. I do not believe they bumped the chairman. He was subcommittee chairman, and they had fallen out with him already. There was a statement in the paper to the effect that they did bump the other three Congressmen in this demonstration ride. I can imagine their feelings when they bumped over these bumpy roads and enabled those Congressmen to feel the real need of paving those streets.

But not only is Georgia Avenue paved, but on the next page you provide $54,000 for Nichols Avenue, in the southeast. That is already paved. The gentleman will not deny that it is paved in a way. There is a pretty good pavement there now. You also provide $40,000 for paving Canal Road from Aqueduct Bridge to Foxhall Road, which is used when you go down and take the boat for Norfolk——

Mr. CRAMTON. No; that would be a long way around to get to the Norfolk boat. This Canal Road connects with the Chain Bridge Road.

Mr. BLANTON. Yes. It is already paved, and you are making an appropriation to improve it still further. It is paved now, and it is not muddy in muddy weather. Your automobile does not sink down in it as it does in some roads and streets and alleys that are not yet provided for in this bill. Yet for these three propositions alone you are providing an appropriation of $174,000 for streets already paved, and this practice ought to stop.

Mr. CRAMTON. Mr. Chairman, I think the House is entitled to one or two suggestions about this matter. The gentleman from Texas [Mr. BLANTON] speaks of going into these other places and paving streets for poor people. I want to remind him that this Georgia Avenue leads out to Walter Reed Hospital, and I do not think he will object to our making that thoroughfare as smooth as possible for carrying the wounded soldiers out to that hospital.

Mr. BLANTON. We have extended Sixteenth Street right up to Walter Reed Hospital. They all come in at Sixteenth Street, the finest boulevard in the country, except that there is one in Philadelphia that is better.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. DENISON. The traffic on Sixteenth Street is getting so thick that it is not safe to take the patients out there. There ought to be another route.

Mr. BLANTON. I am familiar with that street. I drive out on Sixteenth Street.

Mr. CRAMTON. This is a shorter road, and as the gentleman from Illinois [Mr. DENISON] says, one more convenient for access to Walter Reed. But now as to the policy involved in these items, where the gentleman from Texas says that a street once paved ought not to be paved again, I do not think that theory will find much support anywhere in the country. Streets do wear out. Georgia Avenue is at present paved. There is no part of this that is of a block surface. It is more or less a smooth surface. This is a main highway, a main artery running out into Maryland, and the expense of maintaining the pavement, such as the section under debate here, is very great.

The cost of renewal and the patching of spots here and there is very heavy, and all that expense of repairing is at the expense of the Government—three-fifths the District and two-fifths the United States. All that repair work is at the expense of the Government. This expense for repaving will eliminate maintenance costs for many years to come, and of this $85,000 $42,500 is contributed by the adjacent property owners, and of the $85,000 only $17,000 comes out of the Federal Treasury; so that while the immediate cost this year is a little more to the Federal Government to put $17,000 into the paving there, rather than pay the 40 per cent of repair costs, in a very few years there will be a decided economy. That is true of the other main arteries provided for in the bill.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN (Mr. DOWELL in the chair). Does the gentleman from Michigan yield to the gentleman from Texas?

Mr. CRAMTON. Yes.

Mr. BLANTON. The Washington Post this morning says the gentleman's committee has increased the Budget estimate for street improvements by $29,000, while the Herald says it has increased it $34,000. I ask the gentleman which is correct.

Mr. CRAMTON. It is refreshing occasionally to find the Herald correct.

Mr. BLANTON. Then the administration paper is wrong to the tune of the difference?

Mr. CRAMTON. I think that is a safe deduction. The $44,700 represents an additional charge on the Treasury of a little less than $9,000, and in a bill that carries $8,000,000 from the Federal Treasury we thought we could go $9,000 above the Budget estimate without any great shock to our consciences.

Mr. HICKS. Mr. Chairman, will the gentleman yield to an inquiry?

Mr. CRAMTON. Yes.

Mr. HICKS. While we are talking about these Humpty Dumpty roads, I would like to ask the gentleman about Connecticut Avenue. In resurfacing that road to the Rock Creek Bridge a shoulder is put on the road beside the trolley tracks. It seems to me that by granting permission to put that shoulder on that right of way you are giving an absolute monopoly to the railroad company to the central part of the street, for which they probably pay nothing. I should like to ask the gentleman if that is true?

Mr. CRAMTON. I would not say that any statement the gentleman from New York makes is not true.

Mr. HICKS. No; I am asking the gentleman whether they are paying anything for that privilege?

Mr. CRAMTON. There has been a very sharp controversy about that curbing. There has been no specific authority from Congress to allow that curbing to be placed there. There has been a great deal of controversy about it. A short time ago I read in the newspapers that the commissioners had abandoned that policy. At any rate, the item in the bill is for the full paving on each side of the street. There is no authorization for that shoulder to be put there, and it is my understanding—although I will not be positive about it—that that shoulder proposition is to be abandoned.

Mr. JOHNSON of Kentucky. Major Besson told me as we were going over the street several days ago that they were going to knock that shoulder off just as soon as they had this pavement put down.

Mr. HICKS. Who gave permission to put the shoulder on in the first place, or who took the responsibility of doing it?

Mr. CRAMTON. The Commissioners of the District of Columbia.

Mr. HICKS. It seems to me it is an absolute violation of the rights of the people to have that shoulder put there, and have that much of the street thrown out of public use.

Mr. ZIHLMAN. More than that, does not the gentleman think that shoulder is exceedingly dangerous?

Mr. HICKS. Absolutely.

Mr. ZIHLMAN. Not only does the street car company pay nothing for the use of the street except the 4 per cent gross receipts tax, but there has been a great deal of complaint on the part of residents of that section that they have not kept their part of the street in repair; that the stones they put on the middle of the street are knocked out onto the pavement and in that way are very destructive to it.

Mr. HICKS. Do I understand the gentleman from Kentucky [Mr. JOHNSON] to say that that shoulder is to be removed?

Mr. JOHNSON of Kentucky. Yes; that is the statement that was made to me.

Mr. ZIHLMAN. I think everybody concedes that it was a mistake to put it there.

Mr. HICKS. It is brand-new and has just been put there.

Mr. JOHNSON of Kentucky. I called attention to that shoulder, and Major Besson said that when they came to pave the street they were going to knock it off.

Mr. BLANTON. The gentleman from New York need not be concerned over Connecticut Avenue, because the committee have granted $45,000 and $17,000 and $64,000, so that they will have plenty of money to cut that shoulder off.

Mr. HICKS. I am afraid the money will be used to put more shoulders on.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Northwest: For paving Woodley Road, Twenty-seventh Street to Twenty-eighth Street, $4,800.

Mr. ZIHLMAN. Mr. Chairman, I move to strike out the last word for the purpose of making an inquiry of the chairman of the committee [Mr. CRAMTON]. I desire to commend the members of the subcommittee and also the Appropriations Committee on what I consider the very liberal policy they have adopted in the matter of street improvements, especially in view of the practice that has been established in the committee of confining themselves exclusively to the items recommended by the Director of the Budget. I feel that in providing for these unpaved streets, the paving of which will cost the Federal Government only about 20 per cent, they have done something that is very commendable and that will be very beneficial to various sections of the District and to the people of Washington generally.

I should like to ask the chairman of the committee, however, if the matter of Wisconsin Avenue has ever been brought to the attention of the subcommittee either by the Director of the Budget or the Commissioners of the District of Columbia? I think that is one of the worst streets in the city, not only that portion which is macadamized but also the cobblestone-paved portion of the street down to Georgetown. The heavy cars have broken down the cobblestone paving of that street, and it is almost impassable. Last year I made an attempt to incorporate an amendment that would provide for the repaving of this street, which is certainly in a deplorable condition.

Mr. CRAMTON. There was nothing for Wisconsin Avenue in the estimates this year, either as prepared by the commissioners or as submitted by the Budget. I think I have in mind the character of that street, and I am going to ask the gentleman from Maryland, if he has not already done so, to examine Sixth Street SW., where the commissioners have been experimenting with the use of asphalt dressing over an old cobblestone pavement. One of the papers this morning criticized those experiments, but I think they have been successful on Sixth Street in transforming one of those very old cobblestone pavements, at a very little cost, into a splendid pavement.

Mr. MADDEN. That is the scientific way to do it, and that is what they ought to do with all of them.

Mr. CRAMTON. It seems to me that the gentleman might be interested in such a thing being done with the portion of Wisconsin Avenue that he refers to; but there was nothing for that street in the estimates before the committee this year from any source.

Mr. ZIHLMAN. Does the chairman believe it is possible to make such an improvement on Wisconsin Avenue, that portion of it which is paved with cobblestones, out of the repair fund provided in this section of the bill?

Mr. CRAMTON. I would not want to give an answer to the gentleman that I would not be positive about. I can not inform the gentleman whether they have the authority to do this resurfacing out of the repair fund or not where the resurfacing is more than a block in length.

Mr. ZIHLMAN. The committee made a very material increase in the maintenance fund.

Mr. CRAMTON. Yes; very material. The maintenance item was increased, on city streets, from $460,000 to $550,000, as estimated, and on suburban roads it was increased from $225,000 to $275,000.

Mr. FESS. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. FESS. In further comment on Wisconsin Avenue, that is one of the avenues by which the city is entered from one of the leading thoroughfares going out to the western country?

Mr. ZIHLMAN. Yes; it connects up with the Lincoln Highway and the Old Trails Road.

Mr. FESS. Yes.

Mr. CRAMTON. The particular part to which the gentleman refers is below that.

Mr. ZIHLMAN. They are both bad.

Mr. CRAMTON. I know the road is rough.

Mr. ZIHLMAN. It has been in very bad condition for a number of years.

Mr. FESS. The comment I want to make is that from Springfield, Ohio, clear on through all the States the road is in admirable condition outside of one or two very short stretches, and it is not a very pleasant experience after driving over this splendid road to strike Washington over this rough Wisconsin Avenue. That is the point I was making.

Mr. ZIHLMAN. It is the only road in America built exclusively by Federal funds—the Cumberland Road—the construction of which was begun in 1812.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the gentleman may be given two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ZIHLMAN. While on the subject of roads I want to say, in answer to some statements that have been made by some gentlemen, particularly the gentleman from Texas [Mr. BLANTON], deprecating the contribution of 20 per cent of Federal funds toward the paving of streets that have not previously been paved and to the cost of which the property owners abutting on each side pay 50 per cent, the Federal Government contributes 50 per cent to the building of many roads in the States—the State of Maryland, which has been referred to by the gentleman from Ohio.

Mr. MADDEN. It does not contribute to the paving in any city in any State with over 2,000 population.

Mr. ZIHLMAN. The Federal Government contributes to the building of roads in Texas and Maryland.

Mr. MADDEN. In the country, but not in the city.

Mr. ZIHLMAN. The plans for the roads are prepared by the State road commissions of various States and must be submitted to the Bureau of Roads in the Department of Agriculture, and it is no more a wrong policy for the Federal Government to contribute to the paving of streets in the Capital City than it is to the building of roads throughout the States of the Union under the guise of building post roads. Away back in 1824 there was a presidential campaign fought out on the issue whether the Federal Government had the power to construct internal improvements and reconstruct the old national road, officially known as the Cumberland Road.

Mr. MADDEN. As far as I am concerned, I do not think the Federal Government ought to contribute to the building of any road.

Mr. ZIHLMAN. The gentleman from Texas laid great emphasis on the fact that 20 per cent of the cost of paving the streets comes out of the Federal Government, whereas the Federal Government contributes 50 per cent to the construction of roads in Maryland and in Texas and in other States.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment. I do not blame the distinguished gentleman from Maryland [Mr. ZIHLMAN] in his efforts to get every dollar of appropriation he can to build good roads in the Capital toward Maryland. That is the reason that his people send him back here and give him such big majorities, both Democrat and Republican.

Mr. ZIHLMAN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ZIHLMAN. Do not the residents of the District contribute to the good roads in Texas?

Mr. BLANTON. Not for the streets of any city in Texas. The citizens of my State do not enjoy a tax rate of only $1.30 on the $100.

Mr. ZIHLMAN. Oh, those are local taxes. I am talking about Federal taxes.

Mr. BLANTON. You look at the record of my district and you will see that the Federal tax paid is as large in proportion as from the gentleman's district in Maryland. But what I am objecting to, and the same objection was raised by the gentleman from Illinois, is to the city improvement for residential sections. I do not object to the Government paying for any pavement around its property or buildings that are used for public affairs. But these are residential sections, out in the silk-stocking neighborhoods around Connecticut Avenue, miles from the Capitol, where the people who own the property build new buildings, residences and apartment houses, and get the Government to come in and pay a substantial part for the paving of the streets and alleys, and I say it is not right that that should be paid by the people of Maryland or Texas or Illinois. It ought to be done by the people in those residential sections of Washington who reap the benefit of it.

Mr. ZIHLMAN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ZIHLMAN. Take the street, for instance, in the residential section, 60 feet wide.

Mr. BLANTON. All the street along Connecticut Avenue is 60 feet wide.

Mr. ZIHLMAN. Take the residential section where the streets are occupied by residents in moderate circumstances, would the gentleman assess the property owner for paving that street 60 feet in width, a man who has no automobile?

Mr. BLANTON. They do it in my State.

Mr. ZIHLMAN. They do not build roads 60 feet wide there.

Mr. BLANTON. Oh, yes. The gentleman is mistaken. We have streets wider than that. The main street through my home city is wider than 60 feet. Now, Mr. Chairman, I do not object to a single thing that is proper, but I do object to these real estate owners becoming multimillionaires putting this expenditure on the people of this Government.

Mr. DENISON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DENISON. What does the gentleman think of the people building roads through his district? Is he in favor of that?

Mr. BLANTON. Yes.

Mr. DENISON. Contributed to by the Federal Government?

Mr. BLANTON. Yes.

Mr. DENISON. How can the gentleman differentiate the two cases?

Mr. BLANTON. The roads are public highways. In building roads through the States, when they come to an incorporated town they stop. The street improvement is done by the city.

Mr. ZIHLMAN. What is the difference? You are building roads for rich motorists.

Mr. BLANTON. Let me tell you the result. You take the Willard Hotel in Washington. It has paid this year on its common stock 33 per cent dividends. The Washington Hotel has paid on its common stock this year 27 per cent dividends. Take the Raleigh Hotel here in Washington, where many of my colleagues live. It has paid 22 per cent dividends on its common stock.

A MEMBER. How about the Wardman?

Mr. BLANTON. That is in a class by itself. I can not get up that high. These large dividends on the common stock are made possible by reason of the ridiculous 60–40 fiscal relation between the District of Columbia and the Federal Government.

Mr. ZIHLMAN. I might say to the gentleman in regard to hotels that they have used the public streets for the taxicabs which serve the patrons of those hotels. They have turned the use of the public streets over to the exclusive use of these taxicabs. If the gentleman wants to do something helpful, there is a problem that is more vicious than the one he presents. The public streets are being used for taxicab stands.

Mr. BLANTON. Oh, that to an extent has been broken up. The monopoly is transferred to the terminal station. A Congressman or a Senator has to drive into a second or third removed roadway to get into the terminal station. Only one particular line of taxicabs can go into the terminal station and unload at the main entrance. Everybody else has to go in at a second or third entrance. That is the main monopoly. At most of the hotels you can go down there right now and park your car with just the same right as any other automobile or taxicab in this District.

The CHAIRMAN. The time of the gentleman from Texas has expired, and the Clerk will read.

The Clerk read as follows:

Condemnation: For purchase or condemnation of streets, roads, and alleys, $1,000.

Mr. DENISON. Mr. Chairman, I move to strike out the paragraph in order to ask the chairman of the committee what this paragraph means. It provides for the purchase or condemnation of streets, roads, and alleys, $1,000. What streets and roads and alleys are they going to condemn for $1,000?

Mr. CRAMTON. That is condemnation of land for streets.

Mr. DENISON. If it means that why not put it in that way? Ought not the words "land for" be inserted after the word "of"?

Mr. CRAMTON. It has been so carried for many years. Colonel Keller says with respect to this that they use the money generally to buy a small piece of property necessary for making an alley more convenient in width, in cases where it is impossible to have the land dedicated, or to modernize an old alley to meet the requirements of the present day as to convenience and size. It is an emergency item, for which a small amount is now expended.

Mr. DENISON. Should it not be condemnation of land for streets and alleys?

Mr. CRAMTON. I suppose so; but they get the money spent just as well under the present language. I would not object to the amendment.

Mr. DENISON. Then, Mr. Chairman, I move as an amendment that after the word "of" in line 8, page 27, there be inserted the words "land for."

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk reads as follows:

Amendment offered by Mr. DENISON: Page 27, line 8, after the word "of" insert the words "land for."

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. FESS. The gentleman recalls that we had up the matter of the establishment of an archives building some time ago. The recommendation would require a condemnation of a street called Ohio Street. Is it possible that in this case the language might mean that you might at some time want to close a street?

Mr. CRAMTON. I do not imagine that it would be a condemnation proceeding. It would be the closing of a street by authority of Congress in the case the gentleman speaks of. I do not see any objection to the amendment, although this existing language has served the purpose for a good many years.

Mr. STAFFORD. Mr. Chairman, I ask for recognition in opposition to the amendment. I ask the chairman of the committee whether from this appropriation expenses are not paid for condemnation proceedings?

Mr. CRAMTON. I am advised not.

Mr. STAFFORD. Years back Congress used to pass special bills authorizing the opening of streets throughout the District, and if the land could not be obtained by purchase, then condemnation proceedings were to be had. Where is the item in the bill to provide for such character of expenses? There must be some provision in the bill authorizing the payment of condemnation expenses when streets are opened.

Mr. DENISON. If the gentleman will look on page 27, line 13, does not that general item provide for that?

Mr. STAFFORD. No; that applies only to certain provisions, whatever they may be, which were contained in the District appropriation act for 1914. I agree that if this item is solely for the purchase of small tracts of land, it would be better phraseology to insert the words "land for"; but what is the use of making uncertain a provision that may embarrass and restrain the commissioners? I think the gentleman should withdraw the amendment, because no real good can come from it and it may hamper the work of the commissioners.

Mr. MOORE of Virginia. Can the gentleman from Michigan tell us in a few words what that provision is in the appropriation act of 1914?

Mr. CRAMTON. I think it is the general act that governs condemnation proceedings to secure land for street purposes.

Mr. MOORE of Virginia. I do not know what limitations were included in that act. I have sent for it.

Mr. CRAMTON. I have not that at hand.

Mr. STAFFORD. There is no provision for appropriations for the purpose of paying expenses of condemnation proceedings.

Mr. CRAMTON. Colonel Keller states that the money in this item is used for the purchase of the land, and no part of

this $1,000, I feel sure, is for the expense of condemnation proceedings.

Mr. LONGWORTH. If the gentleman will yield, I am not familiar with the language that has been used in the bill but I do happen to be familiar with the language used in my State for condemning streets. It never used condemnation of land for a street or an alley, but it is directly condemned, and I rather think it would be a mistake to change this phraseology which has been in existence.

Mr. DENISON. It is condemning land for the purpose of a street.

Mr. LONGWORTH. The phraseology is "condemning the street." You condemn a street through a piece of property or an alley through a piece of property.

Mr. DENISON. I think the gentleman from Ohio is wrong; you condemn land for street purposes.

Mr. LONGWORTH. Perhaps it may be the wronge phraseology, but in the State of Ohio it is the condemning of a street.

Mr. HILL. If the gentleman will permit, I will say that in the case of the Baltimore & Ohio Railroad tunnel under Howard Street in Baltimore the question came up of the city condemning the street rights, and it was held that the fee of the street remained in the Howard heirs and they got $50,000 or $60,000 from the Baltimore & Ohio Railroad for the tunnel. They condemn street rights and not the land.

Mr. CRAMTON. Mr. Chairman, this language has been in the bill for many years, and they are getting the money under it for the purpose for which it is necessary, and I see no objection to continuing it as it is.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

To carry out the provisions contained in the District of Columbia appropriation act for the fiscal year 1914 which authorize the commissioners to open, extend, or widen any street, avenue, road, or highway to conform with the plan of the permanent system of highways in that portion of the District of Columbia outside of the cities of Washington and Georgetown there is appropriated such sum as is necessary for said purpose during the fiscal year 1924, to be paid wholly out of the revenues of the District of Columbia.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph that it is legislation on an appropriation bill and unauthorized by law. It is a change of existing law.

Mr. CRAMTON. Just to what does the gentleman refer?

Mr. BLANTON. Page 27, ending with line 21.

Mr. CRAMTON. Mr. Chairman, this is entirely and directly based upon existing law and clearly is not subject to the point of order.

Mr. BLANTON. That was merely a rider on an appropriation bill, I call to the attention of the gentleman, in the year 1914. It was a rider on an appropriation bill. It did not become permanent law, but it was merely for a year. This is an indeterminate appropriation and it may amount to hundreds of thousands of dollars. We do not know; there is no limitation placed upon it whatever. It says, "There is appropriated such sum as is necessary for said purpose." We are absolutely taking the bridle off and giving them entry into the door of the Treasury without any restriction at all.

Mr. CRAMTON. If the gentleman has concluded, the District of Columbia act for 1914 carried this provision:

That the Commissioners of the District of Columbia are hereby authorized to open, extend, or widen any street, avenue, road, or highway, to conform with the plan of the permanent system of highways in that portion of the District of Columbia outside the cities of Washington and Georgetown—

And so forth. With the usual directions. The essential language is, "That the Commissioners of the District of Columbia are hereby authorized to open, extend, or widen any street," and so forth. That is permanent legislation. It does not say that "hereafter" they are authorized, it is true. It does not say in the Constitution that you have got to use the word "hereafter" in order to make it permanent.

It is clearly apparent that the language gives a permanent authority. It does not say for the current year. It is not in connection with any item in the appropriation act. It is not tied to any specific appropriation for the year. It is a legislative provision of a permanent character that was put in an appropriation act that year. Now, I take it if that is to be conceded, then the gentleman will have no objection to the language in the bill. The language in the bill simply gives the money with which to carry out the authority conferred in the permanent legislation.

Mr. ZIHLMAN. If the gentleman will yield, does not the act of 1914 also provide that the damages assessed in a suit of condemnation shall be equal to the benefits, and this simply provides the revenue for the paying of the benefits——

Mr. CRAMTON. That is one of the portions of the act, but I think the only question that can be before the Chair raised on the point is whether this language, "The commissioners are hereby authorized," is permanent law. I think there can be no reasonable controversy about it that it is.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. Certainly.

Mr. BLANTON. The gentleman will remember, in discussing this very point the distinguished gentleman from Illinois, our late lamented colleague, Mr. Mann, laid down the rule here, and he went back for years and called attention to the fact that a provision to be permanent law in an appropriation bill must use that word "hereafter" to make it permanent law, and held that without the word "hereafter" in there it was held to apply for that particular year. I am not making this point of order captiously. I think it is an unwise power to be placed in the hands of these commissioners not to be obliged to come to Congress when they want to open up a street. If they want to close a street, I do not care whether it is a quarter of a block or a half a block or half a mile, they have to come to Congress and get the power to close the street. If they have to get the power to close a street by coming to Congress, they should come to Congress in order to get the power to open the street; and I think it is an unwise power to be placed in their hands.

Mr. CRAMTON. Mr. Chairman, I simply suggest this further consideration, that in that same act the preceding paragraph has reference to this same general subject of highways for the District, and it provides that "the Commissioners of the District of Columbia are hereby authorized whenever in their judgment the public interests require it," and so forth. It does not say during that year or during the year after, but "whenever the public interests require it" to prepare a new highway plan for any portion of the District of Columbia and to submit the same for their approval. Then comes the next paragraph which was offered, which was to supplement that authority to acquire by condemnation land for the purposes of highways in carrying out that general highway plan.

Mr. STAFFORD. Mr. Chairman, I certainly will have to dissent from the position taken by the gentleman from Texas [Mr. BLANTON], in which he claims to reflect the opinion of our lamented distinguished parliamentary leader, that you could not in phraseology make permanent law on an appropriation bill without the use of the word "hereafter."

Mr. BLANTON. Or words that mean that.

Mr. STAFFORD. Oh, now the gentleman is qualifying it—or words that admit it, of course. It has been held from time to time by the Comptroller of the Treasury in construing acts of Congress that the purpose is determined from the phraseology; where the language shows that character of permanency that it is intended for more than the appropriation year, then it is construed as permanent legislation. The very purpose of clause 2 of section 1 is to prevent legislation of a permanent character being carried on an appropriation bill, and it is liable and vulnerable to a point of order. Appropriation bill after appropriation bill has been passed here with permanent legislation.

If the Chair will examine the item under consideration he will see from the entire scope of it that it was to be permanent; that it was not merely for the year then pending. In that bill no appropriation even is carried for that year. It is at the close of the item relative to highways, inserted there for the definite purpose of making it permanent law, and the gentleman can not escape it.

It is so in nearly every appropriation bill that is presented.

In the War Department appropriation bill, now under consideration by the Committee on Appropriations, there is item after item where the comptroller has construed the phraseology to be permanent without the use of the word "hereafter," because on its face the purpose is indicated that it was the purpose of Congress to make it permanent. How ridiculous it would be for the Comptroller of the Treasury to hold that this language, permanent in character, was only intended for the fiscal year! Its very breadth and scope indicate that it was for all time, and that is the policy of Congress in carrying this utilizable appropriation for expenses.

Mr. CRAMTON. Mr. Chairman, may I make this further observation that if the gentleman from Texas [Mr. BLANTON] is right, and if that legislation in 1914 was not permanent in character, then there has not been since that day any legislation upon which to base condemnations for street purposes. But on the contrary the authorities of the District, year after year since 1914, have been proceeding under that authority. The courts have sustained condemnation proceedings under

that particular provision. The courts recognize it as permanent law.

Mr. STAFFORD. Why, Mr. Chairman, if the gentleman will permit, the very phraseology which has already been referred to by the chairman of the committee in the preceding paragraph shows that it was intended to be permanent. For instance, "That the Commissioners of the District of Columbia are authorized." When? "Whenever in their judgment the public interest requires it." Not during the fiscal year 1914, but whenever in their judgment the public interest requires them to prepare a new highway plan and submit the same for approval to the Highway Commission under the act of March 2, 1893, they are given that authority, and the following clause amplifies and supplements that. It is the paragraph that makes it workable. "The Commissioners of the District of Columbia are hereby authorized to open, extend, or widen any street, avenue, road, or highway." If you will examine the legislative annals of this Nation you will find that prior to the enactment of this law there were at almost every session when District business was considered bills coming from the District of Columbia Committee for opening of streets. Since that authorization was enacted—permanent, as I contend—there has not been one bill presented for opening or widening any street. It is under this authorization that the District Commissioners function.

The CHAIRMAN. This question is rather an involved one. The Chair is going to ask the chairman of the committee to defer the decision on this point until to-morrow, and asks that the paragraph be passed over without prejudice until to-morrow.

Mr. CRAMTON. I move, Mr. Chairman, that the committee do now rise. That will leave the matter pending.

The CHAIRMAN. The gentleman from Michigan moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13660) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. TUCKER. Mr. Speaker, during the consideration of the ship subsidy bill the House granted me permission to extend my remarks in the RECORD. I was detained from the House on account of sickness. I desire to renew that request now.

The SPEAKER. The gentleman from Virginia asks unanimous consent to extend his remarks on the ship subsidy bill. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. TUCKER. Mr. Speaker, this bill has been so amply and ably discussed by the gentleman from Alabama [Mr. BANKHEAD], the gentleman from Tennessee [Mr. DAVIS], the gentleman from Texas [Mr. HARDY], and my colleague [Mr. BLAND] from Virginia that little is left for discussion which has not already been covered by these conclusive arguments. I desire, therefore, to direct the attention of the House for a moment to the pending motion to strike out all of section 410, including (a), (b), (c), and (d).

Section 410 (a) is as follows:

Whenever the board determines that in order to promote the welfare of the United States the operation of vessels in any particular service or of any particular type and kind is desirable and necessary, and that the rate of compensation authorized under section 404 is insufficient to induce the operation of vessels in such service or of such type and kind, the board in making the contract for compensation may provide therein for the increase of the rate of compensation authorized in respect to such vessel under said section to such an extent as it deems necessary to procure the establishment and maintenance of such service and the operation of vessels in such service or the operation of vessels of such type and kind; but the rate of compensation as so increased shall not exceed twice the rate authorized by said section. As used in this subdivision and in section 411 the term "service" includes the route on which the vessel operates, the frequency of sailings, and the speed which she maintains.

An examination of the above provision clearly shows an attempt on the part of the framers of the bill to take from Congress the power of legislation and place such power in the Shipping Board. If this be so, of course it is beyond the power of Congress to accomplish.

Article I, section 1, of the Constitution provides "all legislative powers herein granted shall be vested in a Congress of the United States which shall consist of a Senate and a House of Representatives." This is an exclusive grant of every legislative power to the Congress, and, therefore, the executive, the judiciary, and all others arms of the Government are excluded from its use. This principle is so well recognized as to need no further discussion. Does the above paragraph, then, take from Congress the power of legislation and give it to the Shipping Board?

Under section 404 of the bill the rate of compensation is determined by Congress for all vessels. This rate is carefully and specifically determined by the committee in six pages of the bill embracing sections 404, 405, and 406. Having determined with precision what that compensation should be, the above paragraph (a) says that if the Shipping Board—not the Congress that has the power to legislate—but if the Shipping Board determines it is "desirable and necessary" to have vessels of a particular type in its service and the Shipping Board—not Congress—determines that the compensation under section 404 is insufficient to induce such vessels to enter such service, the Shipping Board—not Congress—may provide for a change of the rate in section 404 and increase it "to such extent as it"—not Congress—"deems necessary," and so forth.

The power to exercise judgment, the power to exercise discretion, the power of determination—that is, of fixing a status as permanent amidst a multitude of conflicting facts and of making that status final—that is the power of legislation. But see what a latitude by this paragraph is given to the Shipping Board, "whenever the board determines that in order to promote the welfare of the United States." What a vision! What powers of determination and decision! What unlimited scope for the exercise of judgment and discretion! "The welfare of the United States" is at stake. That welfare follows the commerce of the world and goes with every vessel that plows the seas. It is closely woven into State, interstate, and international commerce. It sits at the council table of the Nation directing and controlling our international relations, and reaches as truly the hovel of the poor as the mansion of the rich. A power with no limit but its own vision, with no restraint but its own desires, and this unlimited power is attempted to be taken from the Congress of the United States to be exercised by the Shipping Board. The power to fix this subsidy or bonus under all the circumstances of the case is a legislative power. This has been done in sections 404, 405, and 406, and having been done this bill—section 410—seeks to abolish sections 404, 405, and 406 and lodge this power in an abortive legislative agency known as the Shipping Board.

Second, it gives to the Shipping Board the power to legislate for "the welfare of the United States" when Congress itself has no power to legislate for "the welfare of the United States." Can Congress, itself incapable of doing a thing, vest in another the power to do what it can not itself do? Some ambitious statesmen have in times past invoked the power of Congress to legislate for "the general welfare of the United States," but it remains for this Congress to produce those bold enough to suggest a further extension of that power in its application to "the welfare of the United States" without the semblance of constitutional sanction. The principle involved here is simple. Congress may construct a piece of legislation complete in itself, except, first, as to the time of its going into operation, and that time may be a fixed point, as July 1, 1923, or, second, upon the happening of a certain fact or event, which fact or event is to be determined by a designated party or agency, but such party or agency can not change provisions already fixed and established in the law. The paragraph we are considering (a) violates this principle. Sections 404, 405, and 406 fix and determine the amount of subsidy to be granted, while this paragraph gives the Shipping Board the power to change these and establish a different rate of subsidy.

Two cases may be quoted—and there are many others that could be—which I take from the speech of Senator THOMAS J. WALSH, of Montana, in the Senate of the United States on May 8, 1922:

The legislature can not delegate its power to make a law; but it can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its own action depend. (Locke's Appeal, 72 Pa. St. 491, 498.)

The result of all the cases on this subject is that a law must be complete, in all its terms and provisions, when it leaves the legislative branch of the Government, and nothing must be left to the judgment of the electors or other appointee or delegate of the legislature, so that, in form and substance, it is a law, in all its details, in praesenti, but which may be left to take effect in future, if necessary, upon the ascertainment of any prescribed fact or event. (Dowling *v.* Lancashire Insurance Co., 92 Wis. 63.)

This principle is strongly affirmed in Field *v.* Clark (143 U. S. p. 692 et seq.), wherein it is decided that upon the determination by the President of certain facts and the announcement of

such facts, that ipso facto duties on certain articles were changed, *not to such duties as might be named by the President but to those specifically named in the bill.* The President's function then was in no wise legislative, but declaratory. Congress in the bill prescribed the duty which was to take effect when the President declared a certain fact.

This section 410 (a) we, therefore, hold is unconstitutional and void, and while the section is viciously bad in principle, in that it gives to any board the right to double the subsidy to be paid (that is bad enough), but when it is noticed that this bill provides for this as a continuing appropriation for 10 years, during which time this board will probably change its personnel in its entirety after we pass this bill, we are actually granting this great legislative power to a body of men that we know nothing of. The present board may command the confidence of some who believe that they would not use this power unjustly; but in a year or two the board will begin to change, and during the length of this bill we are safe in saying that not a member of the present board will be on it at the end of 10 years, and we are actually granting these great powers to unknown men.

I have never known a bill in Congress that contained as many vicious provisions as the pending bill, and if passed in the form in which it came from the committee by the Republican Party, I think will relieve the Democrats of the necessity of a campaign two years hence for the Presidency. It is a fitting complement to the Fordney tariff bill. It is full of special legislation for the great interests of the country at the expense of the great mass of the people. If it passes this House in its present form, it will never pass the Senate, in my judgment.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 1467. An act to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel N. White, deceased; to the Committee on War Claims.

S. 4122. An act granting the consent of Congress to the Interstate Toll Bridge Co. for construction of a bridge across Red River between Montague County, Tex., and Jefferson County, Okla.; to the Committee on Interstate and Foreign Commerce.

S. 214. An act to amend section 24 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on the Judiciary.

S. 4116. An act granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri; to the Committee on Interstate and Foreign Commerce.

S. 4187. An act to extend the time for payment of charges due on reclamation projects, and for other purposes; to the Committee on Irrigation of Arid Lands.

S. 4096. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine; to the Committee on Coinage, Weights, and Measures.

LEAVE OF ABSENCE.

Mr. BANKHEAD, by unanimous consent, was granted leave of absence for two days, on account of important business.

EXTENSION OF REMARKS.

Mr. JOHNSON of South Dakota. Mr. Speaker, in accordance with permission granted by unanimous consent of the House to extend my remarks in the RECORD and print the so-called "Slacker Lists," I desire to call attention to a letter from The Adjutant General's office, dated December 30, 1922.

It is my intention to insert these lists on the fifth day of each month until all of the names are printed. No good soldier will be injured by the publication of his name in these lists; but, on the contrary, if his military record is one to be proud of, the publication will only serve to call attention to that record. If by mistake the names of good soldiers have not been eliminated from the record, it will be my pleasure and duty to insert in the RECORD the facts in each individual case and to see that the facts are brought to the attention of the Secretary of War, who is as anxious as any soldier of the late war with Germany to have the records correct. Mistakes ought to be corrected while the men are living and while there is evidence to substantiate any valid claim as to service.

The letter is as follows:

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
Washington, December 30, 1922.

Hon. ROYAL C. JOHNSON,
House of Representatives.

MY DEAR MR. JOHNSON: I have the honor to transmit herewith for publication in the CONGRESSIONAL RECORD of January 5, 1923, lists of alleged draft deserters, which lists were released by the War Department for publication between November 5 and December 4, 1922, both dates inclusive. A copy of the statement to be printed at the head of the lists is also inclosed herewith.

There is also transmitted herewith for insertion in the CONGRESSIONAL RECORD a list of the names of registrants which have been removed from the lists of alleged draft deserters heretofore published in the RECORD, the reasons for such removals being set forth in the second paragraph of the statement which is to precede the lists in the RECORD.

Very respectfully,

ROBERT C. DAVIS,
The Adjutant General.

The following names have been removed from the lists of alleged draft deserters heretofore published in the CONGRESSIONAL RECORD since the publication of such names:

LOCAL BOARD FOR DIVISION NO. 1, COUNTY OF KERN, STATE OF CALIFORNIA.

1619 Martimer Peter Shea, Standard Oil Co., Bakersfield, Calif.

LOCAL BOARD FOR DIVISION NO. 4, BOSTON, MASS.

507 John Ville, 6 Chestnut Street, Boston, Mass.

LOCAL BOARD FOR DIVISION NO. 3, COUNTY OF WAYNE, STATE OF MICHIGAN.

572 Anthony Loss, 37 Twelfth Street, Wyandotte, Mich.

LOCAL BOARD FOR DIVISION NO. 10, CITY OF MINNEAPOLIS, STATE OF MINNESOTA.

1760b Fred LaPlante (F. La Plant), 2915 North Third Street, Minneapolis, Minn.

LOCAL BOARD FOR COUNTY OF CUSTER, STATE OF MONTANA.

2041 Geo. W. Flock, Kruger, Mont. (Seneca, Nebr.).

LOCAL BOARD FOR DIVISION NO. 1, MIDDLESEX COUNTY, N. J.

2085 Erine Hazen (Aaron Isaac Hazan), 89 Morris, New Brunswick, N. J.

LOCAL BOARD FOR DIVISION NO. 40, CITY OF PHILADELPHIA, STATE OF PENNSYLVANIA.

2358 Michael Hoffman, 1131 Wolf Street, Philadelphia, Pa. (219 Kingston, Brooklyn, N. Y.).

LOCAL BOARD FOR DIVISION NO. 2, CITY OF KNOXVILLE, STATE OF TENNESSEE.

458 Robert A. McDaniel (Robert A. McDaniels), 411 Dale Avenue, Knoxville, Tenn.

LOCAL BOARD FOR THE COUNTY OF SULLIVAN, STATE OF TENNESSEE.

2234 Nibie Osborne Harrison (Nevil Osborne Harrison, Nebie Osborn Harrison), 552 Lake Street, Britsol, Tenn.

LOCAL BOARD FOR DIVISION NO. 3, CITY OF NASHVILLE, STATE OF TENNESSEE.

5 Jesse (Jessie) Stokes, 1429 Fifteenth Avenue south, Nashville, Tenn.

LOCAL BOARD FOR COUNTY OF LEWIS, STATE OF WASHINGTON.

4008a Leo Edward Baranowicz, Adna, Wash.

LOCAL BOARD FOR DIVISION NO. 2, COUNTY OF HONOLULU, TERRITORY OF HAWAII.

640 George A. Reis, Pearl City, Oahu.

LOCAL BOARD FOR COUNTY OF MAUI, TERRITORY OF HAWAII.

480 Robert W. Kamakahi, Halawa, Molokai, Territory of Hawaii (Robert W. Kamakahi, jr., Pukoo, Maui, Hawaii).

The men whose names appear below, and who were under the jurisdiction of the local boards named, were, according to the public draft records, classified and reported by the draft authorities as deserters from the military service of the United States. The lists in which these names were originally included have been given at least one month's publicity.

The name of any man who, since the publication of the lists, has been found to have actually served in either our own forces or in those of the Allies during the period between May 18, 1917, and November 11, 1918, is not included; nor is that of any man who, though he rendered no service during the period mentioned, has, since the publication of his name, been found to have been erroneously inducted or to have been erroneously certified as a deserter, nor that of any man who is known to be no longer living.

Every reasonable effort has been made by the War Department to eliminate from these lists names which, for any of the aforementioned reasons, should not appear thereon. Should it develop, however, that certain of the names listed below should, for any of these reasons, likewise be removed, notice to that effect will be published in each such case in a later issue of the CONGRESSIONAL RECORD.

LOCAL BOARD FOR THE COUNTY OF BROWARD, STATE OF FLORIDA.

191 Rufus Edgar Bostic, Deerfield, Fla.
295 Arthur Budges, Atlanta, Ga.
408 Alvin Cain (Cane), Palm Beach, Fla.
518 James Cambell (Campbell), Dania, Fla.
65 Sam Coleman, Columbia, S. C.
231 James Donald (Donnald), Pompano, Fla.
533 George Franklin Fordham, Deerfield, Fla.
575 Williams Gelloway, Davie, Fla.
634 Henry Gaut, Dania, Fla.

388 Cecil Gibson, Tampa, Fla.
28 David Gripes (Griper), Norfolk, Va.
110 Tom Harris (Hanis), Fort Lauderdale, Fla.
19 James Walter Hayes, Fort Lauderdale, Fla. (James Walter Hays, Newark, N. J.).
17 Alonzo Huntley, Deerfield, Fla. (605 Davis Street, Jacksonville, Fla.
516 Adam E. Jackson, Fort Lauderdale, Fla.
182 Morgan Jasper, Hallandale, Fla.
651 Victor Johnson, Dania, Fla.
262 David Merricks, Dania, Fla.
580 Ernest (Earnest) Merritt, Fort Lauderdale, Fla.
27 Nathan Murdock, Fort Lauderdale, Fla.
613 Johnnie Neal, Live Oak, Fla.
400 Walter Nelson, Alachua, Fla.
174 Percell (Purcell) Perry, Fort Lauderdale, Fla.
306 Enoch E. Pritchett, Dania, Fla.
329 William Gurideans (Geaurideans), Greenville, S. C.
121 Chas. Raines, Clearwater, Fla.
16 Clayborn Richardson, Pompano, Fla.
490 Richard Sanford, Dania, Fla.
253 Ben Scott, Fort Lauderdale, Fla.
422 James Leonard Simmons, Deerfield, Fla.
551 Andrew Starks, Pompano, Fla.
146 Manfred F. (T.) Sweeting, Nassau, Bahamas.
703 John J. (James) Thomas, Deerfield, Fla.
464 Bert (Bert F., B. F.) Floyd Thornton, Lakeland, Fla. (Miami, Fla.).
594 Luther Watford, Dania, Fla.
689 Joe West, Americus, Ga.
397 Isaac Williams, Edisto Island, S. C.
139 Joe Williams, Tampa, Fla.
385 Isaac Wilson, Waldo, Fla.
893 Willie James Woodhouse, Deerfield, Fla.
154 Robert Yarn, Fort Lauderdale, Fla.

LOCAL BOARD FOR THE COUNTY OF DADE, STATE OF FLORIDA.

171 Standley (Stanley) Adley, Miami, Fla.
2960 Hugh Alderman, Homestead, Fla.
1331 Henry Alexander, Columbia Avenue, Miami, Fla.
2047 Loue (Lovie) Alexander, 608 Third (Thirty-third), Miami, Fla.
3341a Cinens Alian (Alisin), 505 Fifth, Miami, Fla.
463 John Allen, Waddell, Miami, Fla.
119 Will Anderson, Arch Creek, Fla. (Miami, Fla.).
1979 Thomas Armbrister (Armfrister), Princeton, Fla.
1213 Thodous Ask (Thaddens (Thaddeus) Ash), 808 Third, Miami, Fla.
2444 Frank Bardon (Bardow), 533 Twelfth, Miami, Fla.
2341 Bennie Brown (Barnes), 320 Florida, Miami, Fla. (Goulds, Fla.).
2516 James E. Barnes, 110 (610) Maiden Lane, Miami, Fla.
2319 Johnnie Basket (Johnie Boskit), Roosevelt Avenue, Miami, Fla.
113 Charley Bayless, Peters, Fla. (Charlie Boyless, Miami, Fla.).
1139 McCoy Beigman (Bingman), 436 Second, Miami, Fla.
3198 William Bevans, Ouge, Miami, Fla. (Orange, Miami, Fla.).
3457 Walter Blakely, Cocoanut Grove, Fla.
3680 John Blatch, 479 Columbus, Miami, Fla.
613 Wm. Bozed (Boyed), 609 Avenue G, Miami, Fla.
2043 Ben (Benjiman) Bradley, Aventina, Fla.
1285 Thomas Brinnard, Avenue G, Miami, Fla.
3630 Bennie Brown, 830 Second, Miami, Fla. (82 Henderson, Pittsburgh, Pa.
3253 Frank Brown, Homestead, Fla.
872 John Bryan (Bryant), Miami, Fla.
1963 R. N. (Richard) Bullin (Richard Nixon Bullen), Miami, Fla.
457 Wilfred Carday (Cardor), 508 Fifth, Miami, Fla.
1445 Henry Carlton (Joseph Henry Carlton, Joe Carlton), route No. B, Miami, Fla.
3230 Thos. Carmie (Carmine), 20 Avenue H, Miami, Fla.
3609 Samuel Carry (Sam Carry), 507 Avenue G, Miami, Fla.
2581 Richard C. (Connor, Cannon) Chalmers, county jail, Miami, Fla.
2219 Henry Clay, Waddell, Miami, Fla.
1034 W. B. Coakley (J. B. Coakley, Hartman Joseph Benj. (Benjamin) Coakley), route No. 1, Miami, Fla.
1044 Alonzo Cook, Miami, Fla. (Atlanta, Ga.).
1221 George B. (Butler) Cooley, Perrine, Fla.
681 J. A. Cooner (Cooper), Jard Albert Cooper, 332½ Fourteenth, Miami, Fla.
53 James Coston, 128 Avenue J, Miami, Fla.
1784 Jacob L. (Lewis) Crist, jr., 326 Fourteenth, Miami, Fla. (1124 East Central Avenue Albuquerque, N. Mex.).
261 Johnnie Crumb, Perrine, Fla. (Miami, Fla.).
1570 Frank Crump, 3rd, Miami, Fla.
2955 Chas. Cunningham, Princeton, Fla.
1954 Attilio Cuppolett (Attileo (Attilio) Cuppoletti), 408 Seventh, Miami, Fla.
2229 Wm. Weaver Danenhower (Dauenhower), Ostend Apartment, Eleventh and Boulevard, Miami, Fla. (95 Grover, Bridgeport, Conn.).
104 Frank Davis, 813½ Third, Miami, Fla.
2483 Jodie Davis, Miami, Fla. (convict camp, Miami, Fla.).
572 Essie Dennis, 115 Florida, Miami, Fla.
266 Samuel Dudley, Larkins, Fla. (Miami, Fla.).
151 George Dunaway (Dunoway), Kendal, Fla.
3021 Steve Duncan (Stephen Duncon), Miami, Fla.
183 John Duvalier, Homestead, Fla.
2186 Herman J. Eady, Homestead, Fla. (Muscle Shoals, Ala.).
2531 Everard Ebanks, Miami, Fla.
3167 Douglas Eddy (Eddey, Norman Edden, Douglas Edday, Norman Eddy), Ojus, Fla.
1198 Tinnie Ellenwood (Elenwood), Arch Creek, Fla.
2494 Albert E. (Edward) Ernest, Eighteenth, Miami, Fla. (Charlotte, N. C.).
3566 Ceasar Evans, Waddell, Miami, Fla.
712 J. C. (John Carthage) Farrell, Field Apartments, Seventh West, Miami, Fla.
3008 Enor Fergerson (Enos (Enot) Fergurson), Crooked Island.
2819 Cliff R. (Clifton Robert) Ferguson, Columbia Avenue, Miami, Fla.
863 Edward Ferguson, Wadel, Miami, Fla.
3796 Lawrence Ferguson, Waldel, Miami, Fla.
884 Samuel D. (Drew) Fife, 1414½ Avenue D, Miami, Fla.
3423 John A. (Alexander) Finley, 130 Fifth, Miami, Fla.
1518a Albert Finleyson, No. 2, P. O. Miami, Fla.
324 Geo. Flaherty, Aventina, Fla.
1276 David Ford, 630 Fourth, Miami, Fla.
2401 Robert Ford, Larkins, Fla.
37 Samuel Francis, Kendal, Fla.
3317 Deanie Frierson, Route No. B, Miami, Fla. (311 Division, Macon, Ga.).
3496 Wallace Gadson, Aventina, Fla.
3704 Willie Garvin (Garwin), 517 Second, Miami, Fla.
3676 Henry Gattis, Bowers Southern Dredging Co., Miami, Fla. (Cocoa, Fla.).
1641 Henry Gay, Ojus, Fla. (Miami, Fla.).
2794 Thomas Glass, 930 Sixth, Miami, Fla.
3357 John Arthur Glenn, Morgana, S. C. (922 Wallace, Philadelphia, Pa.).
2399 Roy Dale Goodrich, 621 Twelfth, Miami, Fla.
3542 Hilton Gordon, Lemon Street, Miami, Fla.
3748 Raymond Gray, Baldwin, Miami, Fla.
859 Golden Green, Homestead, Fla. (Miami, Fla.).
828 John H. (Henry) Green, Aventina, Fla. (Fort Lonesome, Fla.).
3800 Morris H. (Herman) Greeburg (Greenburg), 200½ Avenue D, Miami, Fla.
1544 Andrew Gunderson (A. Gunerson), 618 Thirteen, Miami, Fla.
2600 Osamer Hall, Sherman Avenue, Miami, Fla.
522 Judge Hamilton, Johnson, Miami, Fla. (Ojus, Fla.).
1185 Leon L. Hanna (Lionel Hannd), 133 Florida Avenue, Miami, Fla.
3522 L. L. (Leslie) Hardie (Leslie Lee Hardin), 1013 Avenue A, Miami, Fla.
208 Charlie Harrison, Miami, Fla. (C. H. Harrison, 16 Columbia, Miami, Fla.).
1860 Samuel M. Harrison, Larkins, Fla.
778 H. W. Hayes, Miami, Fla. (Henry W. (William) Hayes, Benson, Fla.).
1671 Chas. C. (Clifford) Hendrix, 115 Third, Miami, Fla. (West Palm Beach, Fla.).
969 J. S. (John A.) Hepbiyrb (John A. Hepburn), 634 Fifth, Miami, Fla.
952 Chas. J. (James) Higgins, Bowers Southern Dredging Co., Miami, Fla.
2943 Thomas High, 519 Third, Miami, Fla.
692 J. F. Hill (James Franklin Hill), 926 Seventh, Miami, Fla.
134 Oscar Hill, Seminole Café, Miami, Fla.
3553 Dennis Hinton, Ojus, Fla.
1263 Harcourt Holbert, Larkins, Fla.
1396 Lester Hornton, Wadel, Miami, Fla.
1482 Richard B. Hoyt (Richard Bolles Holt), 210 Seventh, Miami, Fla.
683 J. C. Hudson, Miami, Fla. (Jack C. Hudson, 390 Market, Philadelphia, Pa.).
2968 William Humphry (Humphrey), Goulds, Fla.
255 Andrew Jackson, grocery Fifth and Avenue I, Miami, Fla.
3694 N. M. Jackson (Wiel Montgomery Jackson, Wriel James), 112 Fifth, Miami, Fla.
3262 Charlie James, Goulds, Fla.
2541a Emanuel Jean, post office No. 2, Miami, Fla.
2439 L. R. Jenkins (Louis Rewalt Jenkins), 309 Seventh, Miami, Fla.
2626 Willie Jenkins, Kendall, Fla. (Larkins, Fla.).
2347 Willie Jennings, Goulds, Fla.
1212 Joseph S. (Samuel) Johnson, 214 Sixth (219 Sixth), Miami, Fla.
1273 Jessie (Jess) Jones, 832 Second, Miami, Fla.
3541 William Jones, Ojus, Fla.
2696 Harry Jordan (Jordon), 502 Second, Miami, Fla.
1918 John Kelly, Homestead, Fla. (119 Broad, New York, N. Y.).
2906 Rufus King, 181 Columbia, Miami, Fla.
2937 Theophilus Knowles, Sam "O" Cook Dock, Miami, Fla.
2074 Robert L. (Langford) Lawrence, 1821 Avenue H, Miami, Fla.
582 Louis F. Lazo (Lewis Layo, Lewis Fernando Layo, Louis Layo), 707 Seventh, Miami, Fla. (263 route B, Miami, Fla.).
1325 Tom Lee, Princeton, Fla.
2348 John S. (Shelby) Lowe, Homestead, Fla.
1588 Ernest Lynes (Tynes) (Earnest Tynes), 622 Lemon, Miami, Fla.
3308 Frank B. McCluney (McPluney), box 103 Lemon City, Fla.
1234 Andrew McDade, Princeton, Fla.
1355 Herschel M. McGlasson (Herschel McGlasson, Urshel McGlasson), 205 Avenue C, north, Miami, Fla. (Cave City, Ky.).
51 Coatney McKenzie, Cocoanut Grove, Fla. (Miami, Fla.).
263 John A. McKenzie, Cocoanut Grove, Fla.
14 Wilfred (Willfred) McKenzie, 214 H, Miami, Fla.
3415 Edward M. McNeil, Roseland Park, Miami, Fla.
2667 Robert Mack, Perrine, Fla.
2686 Ebbie Magee, 513 Second, Miami, Fla.
3529 Zeb Malachi, Princeton, Fla. (Z. Malachi, Miami, Fla., general delivery).
371 Benjamin Manen (Manem, Benjaman Manur), 606 First, Miami, Fla.
2813 Hezehiak Manning (Hezekiah (Heezekian) Munnings), Third Street between H & I, Miami, Fla.
162 Aron (Aaron) Martin, Ojus, Fla. (Cutler, Fla.).
64 Frank Martin, Buena Vista, Fla.
1767 J. A. Mathis (James Arthur Mathis), Goulds, Fla.
1018 Samuel Matho (Mather), 222 Six and one-half, Miami, Fla.
1045 H. C. Mehrtens (Henry C. Mehrtens), 611 Twelfth, Miami, Fla.
228 James Merchant, jr., Gaston Drake Bis. Drive, Miami, Fla.
966 Howard Moody, Princeton, Fla.
2148 Earl A. Musselman, 1105 Avenue G, Miami, Fla.
3690 Barte (Bartow, Barton, Barts) Nixon, 206 Avenue H, Miami, Fla.
394 Henry Osborne (Osburne), Millers Addition, Miami, Fla. (727 Orchard, New Haven, Conn.).
3670 Clayton Page, Goulds, Fla.
213a Franklin A. (C.) Parker, care Biscayne Bay Fish Co., Miami, Fla.
3163 Robert Parron (Parrom), R. F. D. Box 275, Miami, Fla. (Miami, Fla.; General Delivery, Birmingham, Ala.).
1347 Fred D. B. Pazzallo (Frerick D. B. Pezzallo), 1000 Avenue G, Miami, Fla.
2266 Leonard G. (Gold) Penny, 621 Seventh, Miami, Fla.
2593 Lewis Pinckney, Avenue G, extended, Miami, Fla.
1760 James R. Pless, 25 Fourth, Miami, Fla.
2482 Oscar Portier, 617 Waddell, Miami, Fla.
3502 James A. Porter (Poiter, Poitier), 615 Fourth, Miami, Fla.

3728 March Powell, 115 Florida Avenue, Miami, Fla.
2734 Robert Powell (Robert Bruce Powell, Bruce Powell), Miami, Fla.
3658 Sam Procter, 915 Fifth, Miami, Fla. (care Virginia Hotel, Charleston, W. Va.).
186 Will Pullins, General Delivery, Miami, Fla. (326 Spruce, Jacksonville, Fla.).
1571 John Rae, New York, N. Y.
540 Prevaust (Prevoust) Renson, Perrine, Fla.
1240 Mose Robinson (Moses Robison), Aventina, Fla.
649 Thomas Rochelle, Homestead, Fla.
3255 Walter Roff (Rolf), Florida City, Fla.
1928 John Rolle (511 Third, Miami, Fla. (P. O. No. 2, Avenue G, Miami, Fla.).
779 Kirkwood (Kirkward) Roole, 5 North Sixth, Miami, Fla.
3555 Ed Roundtree, Homestead, Fla.
2814 John Royals (Reyals), Larkins, Fla.
269 Berthia Alpha Rusell (Russell), Grand Bahama, Bahamas (Miami, Fla.).
2005 John A. Russell, 531 Fifth, Miami, Fla. (104 Edge Avenue, Jersey City, N. J.).
2227 Joseph Rutherford, Benson, Fla.
44a Henry Sanders, 608 Martin, Miami, Fla.
1454 Cleve Saunders (Cleave Sanders), Ojus, Fla.
596 G. W. Sawyer (George Wellington Sawyer), 711 Fifth north, Miami, Fla.
3883 Thaddeus Scavalla (Scarlle), Fifth north, Miami, Fla.
620 Alexander Seymour, 708 Second, Miami, Fla. (Traylor Shipyards, Cornwells, Pa.).
3089 Ben Simmons, Larkins, Fla. (Government Camp Brake No. 2, Bridgewater, N. C.).
3595 Boston Simmions (Simmons, Basten Simmions), 115 Florida Avenue, Miami, Fla.).
2701 Ernest Sims, Ericksons Addition, Miami, Fla.
1541 J. E. Sloan (Jos. Edwin Sloan, J. Edwin Sloan), 312 Avenue C north, Miami, Fla.
1475 Daniel M. (Milton, Fulton) Smith, Largo, Fla.
3802a Edwin K. Smith, Byhalia, Miss.
137 John Smith, care Florida East Coast Railway shop, Buena Vista (Key West), Fla.
35 Rollin L. Smith (Rollin Smith), Peters, Fla.
2041 Roy Smith, Waddell, Miami, Fla.
1586 William Smith, 512 Second Street, Miami, Fla.
2368 Alfradia Spence (Spruce), 610 Fifth Street, Miami, Fla.
944 Harry Stafford, Ojus, Fla.
3332 Corbett (Carbett) Stewart, Homestead, Fla.
3689 Percy Sturrup (Stirrup), 5, Miami, Fla.
1053 Luther Strand, Roosevelt Avenue, Miami, Fla.
2774a William (Wm.) R. (Rufus) Streater, Cocoanut Grove, Fla. (201 North Dargan, Florence, S. C.).
2316 W. O. (Walter Overby) Strickland, 417 Bay Street, Miami, Fla.
1299 James H. (Henry) Strohman, Miami, Fla.
1678 W. (Walter) W. Tanner, 435 Eighth Street, Miami, Fla.
3805 James (Jim) Thomas, Perrine, Fla.
2867 Oscar J. Thomas 1909 Avenue G, Miami, Fla.
766 Shelton (Sheldon) Thomas, Homestead (Miami), Fla.
31 Lee Thompson, 221 Roswell, Miami (Thonotosassa), Fla.
2336 Henry N. (Nathan) Tinney (Tinny), 309 Morse, Miami, Fla.
1924 David Tinsley (Finsley), Aventina, Fla.
2004a Angel Toro (Foro), 921 Avenue D, Miami, Fla.
2331 Charlie Tucker, Ojus, Fla.
77 Clifford Earl Walker, Miami, Fla. (Kahoka, Mo.).
305 David (Dave) Walker, Peters (Monte Vista), Fla.
737 Earnest L. (Ernest Laurence) Walker, 1129 Fifteenth Street, Miami, Fla.
2779 Whit Walker, Peters, Fla.
1050 Frank Washington, 521 Sixth Street, Miami, Fla.
1169 Nelachi (Malachia, Malachi) Washington, 521 Sixth Street, Miami, Fla.
3311 J. (Jose) A. Weatherby (Jas. A. Weatherly), Miami, Fla.
2440 Ernest J. (Jean) Whittle, Fifteenth and River, Miami, Fla.
1235 William Wilkerson (Wilkinson), Miami, Fla.
302 Ernest (Earnest) Williams, 717 East Wood, Miami, Fla.
3786 Fred Williams, Kendal, Fla.
3245 Harold Williams, care dredge *Norman H. Davis* (921 Third Street), Miami, Fla.
1132 Herman Williams, Cocoanut Grove, Fla.
3771 Johnny (Johnsey) Williams, 217 Avenue H, Miami, Fla.
3180 Nelson Williams, Cocoanut Grove, Fla.
1440 Raymond Williams, 422 H, Miami, Fla.
3790 Samuel Williams, Perrine, Fla.
231 Thomas Williams, Ojus, Fla.
1817 Albert Willis, Ojus, Fla.
2662 Ernest M. (Manuel) Willon, 415 Avenue D, Miami, Fla. (1907 Pine, Tampa, Fla.).
2103 H. Wiley (Herbert Wilson), 301 Florida Avenue, Miami, Fla.
456 Edward Jefferson Winthorp, 300 Thirteenth, Miami, Fla.
1158 Wiley Woodard, Johnson Street, Miami, Fla.
2873 Cossie Wright, Benson, Fla.
2117 Geo. Daniel Wright, 210 East State, Jacksonville, Fla. (George Wright, Erickson Addition, Miami, Fla.).
74 John Wright, Miami, Fla.
3282 Dave Young, jr., 304 Florida Avenue, Miami, Fla.
1108 Fred'k Maultine (Freerick Maultino), Francis S. Cook's dock, Miami, Fla.

LOCAL BOARD FOR THE COUNTY OF PALM BEACH, STATE OF FLORIDA.

541 Hamlin Alexander, Banyan Street, West Palm Beach, Fla.
600 Payton E. Alexander, 902 Clemat (Payton E. Alexandee, 902 Clematis), West Palm Beach, Fla.).
1274 Thomas Atkins, West Palm Beach, Fla.
805 Edward Barnwell, 509 Douglas, West Palm Beach, Fla.
719 Jessie Brown, Delray, Fla.
1312 Joe Chrisholm (Chisalin, Chisholm), Sasanola, Ga. (Deerfield, Fla.).
470 Joe Cole, West Palm Beach, Fla.
63 Willie Corbett (Willie Clayten), Hobe Sound, Fla.
996 Warren Council, Eastman, Ga.
184 John Crawford, Boynton, Fla. (West Palm Beach, Fla.).
215 Alfred De Veavx (Alford, Alfred Deveaux), 600 Rosemary, West Palm Beach, Fla.
396 James Edmonds, Banyan Street, West Palm Beach, Fla.
1346 James (Jame) Ellis, 527 Bamia (527 Banyan), West Palm Beach, Fla.
260 William Evans, jr., Delray, Fla.
244 Guy Evanson, 515 Gardenia, West Palm Beach, Fla. (Elberton, Ga.).
949 Alfred Floyd, 509 Sapodilla, West Palm Beach, Fla.
975 Benjamin Francis, Hobe Sound, Fla.
837 James Arthur Franklin, Salerno, Fla.
1099 Frank Gibson, 812 Clematis, West Palm Beach, Fla.
668 Harry Gibson, Ocala, Fla. (Jupiter, Fla.).
11 Willie Gilliard, Delray, Fla.
272 Simon Hamilton, 509 Douglas, West Palm Beach, Fla.
1217 Henry Holley (Henry J. Holly, Holley), Gomez, Fla.
472 George Hunt, 543 Fourth, West Palm Beach, Fla.
950 Walter Johnson (Johnston), 309 Sapildolle, West Palm Beach, Fla.
363 Will Jones, West Palm Beach, Fla.
1314 Chas. Lewis, Jupiter, Fla.
667 Asberry Massey, 431 First, West Palm Beach, Fla.
1208 Will Mitchell, Stuart, Fla.
1004 Frank Nixon, 621 Althea, West Palm Beach, Fla.
881 Frank O'Neal, Dania and West Palm Beach, Fla.
1036 Walter Ormond, 822 Clematis, West Palm Beach, Fla.
442 Bob Owens, Hobe Sound, Fla.
316 Herbert F. Pfiefer (Herbert Frank Pfeifer, Herbert Pfiefer), Stuart, Fla.
920 William M. Pollard, 510 Sapodilla, West Palm Beach, Fla.
931 Albert Rolle, 406 First, West Palm Beach, Fla.
847 John H. (Henry) Saunders, Delray, Fla.
1106 George Sheppard, Boynton, Fla.
788 Lewis Simmons, Althea, West Palm Beach, Fla.
909 Frank Story, West Palm Beach, Fla.
730 McKinley Suncey (Suncy), Delray, Fla. (care Smith's Garage, West Palm Beach, Fla.).
570 Milton Taylor, Delray, Fla.
464 Sam Thomas, 619 Fourth, West Palm Beach, Fla.
685 Tom E. (Earnest) Thornthwaite, West Palm Beach, Fla.
796 James Turner, Stuart, Fla.
1325 Alvin Veal, 712 Rosemary, West Palm Beach, Fla.
612 Emzzie W. Washington (Emzzie Washington), Jupiter, Fla.
586 Frank Watson, P. City, West Palm Beach, Fla.
918 Ed Williams, 523 Althea, West Palm Beach, Fla.
854 Fred Workman, West Palm Beach, Fla.
1129 James R. Zackery, 917 Clematis, West Palm Beach, Fla.

LOCAL BOARD FOR THE COUNTY OF PINELLAS, STATE OF FLORIDA.

273 Leroy Adams, Tarpon Springs, Fla.
74 George Milton (M.) Alford, Second Avenue South, between Seventh and Eighth Streets, St. Petersburg, Fla.
463 Wm. Ask (Ash), Tarpon Springs, Fla.
1390 Robert Baker, Tarpon Springs, Fla.
1267 Edmond Blair, Twenty-eighth Street and Sixth Avenue, St. Petersburg, Fla.
1345 Sam Brantley, Dunedin, Fla.
1041 Thomas Brown, Safety Harbor, Fla.
323 Girley Brewster, Tarpon Springs, Fla.
181 Will Burke, Tarpon Springs, Fla.
1165 Saunders Carter, Tarpon Springs, Fla.
216 Peter Cattrabos (Cottrabos), Tarpon Springs, Fla.
1018 Geo. Nicholon (Nicholas) Charafios, Tarpon Springs, Fla.
964 Jim (James) Davis, 448 Fourth Avenue South, St. Petersburg, Fla.
1482 Jim Davis, Clearwater, Fla.
1109 Willie Davis, 415 Avenue, Palm Street, St. Petersburg, Fla.
157 Frank Deas, Clearwater, Fla.
1777 Robert Hugo (H.) Deminatus, Tarpon Springs, Fla.
321 Nicholas Simeon Drake, Tarpon Springs, Fla.
1808 James Duheart, Tarpon Springs, Fla.
978 Harry (Harvey) Fagins, Clearwater, Fla.
8 Samuel Floyd, Tarpon Springs, Fla.
1216 Jim (James) Frazier, Largo, Fla.
1641 James Godson, Tarpon Springs, Fla.
1746 Louis Grey (Gray), St. Petersburg, Fla.
229 Herbert Hobbs, Tarpon Springs, Fla.
920 Kelley (Kelly) Holmes, Clearwater, Fla.
1427 Sam Ingram, Largo, Fla.
1845 Josh Jackson, Tarpon Springs, Fla.
140 Henry Johnson, Clearwater, Fla.
1042 John Johnson, Tarpon Springs, Fla.
1385 Walter Lambright, Tarpon Springs, Fla.
912 Willie Haywood (H.) Landrum, Sutherland, Fla.
669 John Goss Lang, Clearwater, Fla.
1199 Fred Lee, Second Avenue South, between Ninth and Tenth Streets, St. Petersburg, Fla.
662 Wm. McIntosh, Tarpon Springs, Fla.
1847 Isaac (Izaac, Izac) McRay, Williston, Fla.
1669 James Manuel, Clearwater, Fla.
1309 Thomas Martin, 734 Second Avenue South, St. Petersburg, Fla.
1818 Hugh Mason, 1018 Third Avenue South, St. Petersburg, Fla.
313 Will Mayfields (Mayfield), Largo, Fla.
1846 Edward H. Mellon, 991 Beach Drive, St. Petersburg, Fla.
855 Geo. Milton, Clearwater, Fla.
361 Alexander Mitchell, Tarpon Springs, Fla.
675 Demetris Nicitas (Nicetas), Tarpon Springs, Fla.
1647 Eugene Pearce, 325 Ninth Street, St. Petersburg, Fla.
457 George Pool, general delivery, St. Petersburg, Fla.
373 Sam Quinn, Clearwater, Fla.
42 James Reis (Ries), Safety Harbor, Fla.
1103 Eddie Rivers, Dunedin, Fla.
962 Charles Robinson, 89 Throop Avenue, New Brunswick, N. J.
1329 Thomas Oliver (O.) Robinson, 842 Fourth Avenue South, St. Petersburg, Fla.
747 John Rough, Largo, Fla.
917 Henry Scott, Clearwater, Fla.
436 Sam Small, Clearwater, Fla.
1340 Zeke (Yeke, Jeke) Small, Dunedin, Fla.
381 Albert Smith, Anona, Fla.
1584 Charles J. Smith (Charlie Smith), 920 Third Avenue South, St. Petersburg, Fla.
597 James Perry (P.) Smith, general delivery, St. Petersburg, Fla.
1576 John Smith, 909 Hansen Avenue (909 Hanson Street), St. Petersburg, Fla.
406 Algie Spencer, Clearwater, Fla.

696 Cleveland Spencer, Passa Grille, Fla. (St. Petersburg, Fla.).
1667 Henry James (G.) Stanley, Largo, Fla.
1075 Harvey Taylor, Clearwater, Fla.
1275 Luther Watson, 275 Lee Street, St. Petersburg, Fla.
1242 Willie White, 108 Second Avenue (Twenty-ninth Avenue) North, St. Petersburg, Fla.
179 Mack Williams, Clearwater, Fla.
1124 John Williams (J. W. Williams), 1028 Third Avenue South, St. Petersburg, Fla.
1510 John Williams, Tarpon Springs, Fla.
1680 John Byron (B.) Williams, 340 Williams, St. Petersburg, Fla.
66 William Winaton (Winoton), Midland Park, S. C.
1100 Affred Wallace Wood (A. W. Wood), Largo, Fla.
891 Nathaniel (Nathanal) Wright, Tarpon Springs, Fla. (Belleview Hotel, Belair, Fla.).

LOCAL BOARD FOR THE COUNTY OF TAYLOR, STATE OF FLORIDA.

253 James Alexander Adams, Carbur, Fla.
239 Charley Alexander, Fenholloway, Fla.
242 Gile Alexander, Perry, Fla.
330 Samuel Alexander, Perry, Fla.
1468 Cornelius (C. S.) Anderson, Carbur, Fla.
533 Henry Artis, Athena, Fla.
1225 Jim Atmore, Carbur, Fla.
163 Edmond Baker, Perry, Fla.
1210 Ben Measley, Perry, Fla.
1451 Benjamin Beckham, Perry, Fla.
679 Walter Bell, Perry, Fla.
606 Rufus Bellamy, Hampton Springs, Fla.
154 Jacob Berry, Boyd, Fla.
222 William Bivens (Biven), Boyd, Fla.
609 Walter Blackshire, Perry, Fla.
1454 Elijah Boatman, Hampton Springs, Fla.
1276 James Boynton, Boyd, Fla.
235 Abram Bradley, Boyd, Fla.
670 Cleveland Bradley, Perry, Fla.
1334 Walter Bradley, Perry, Fla.
882 Henry Brown, Shady Grove, Fla.
60 James Brown, Swansboro, Ga. (Carbur, Fla.).
545 Joe Brown, Lake Bird, Fla.
642 McKinley (McKinney) Brown, Perry, Fla.
1482 Robert Brown, Cordeal, Ga. (Springdale, Fla.).
1058 Thos. (Thomas) P. Brown, Carbur, Fla.
517 Tom Brown, Athena, Fla.
1121 Walter Brown, Perry, Fla.
1120 Arthur Bryant (Brown), Perry, Fla.
872 William Bryant, Loughridge, Fla.
18 Bonnie Butler, Carbur, Fla.
651 Jesse Butler, Fenholloway, Fla.
1414 Jessie Camble (Canble), Springdale, Fla.
179 N. C. (M.) Charles, Carbur, Fla.
1244 Fred Clark, Perry, Fla.
383 Harry Clark (Hary Clarke), Perry, Fla.
549 Lacy Cooper, Albany, Ga. (Thelma, Fla.).
678 Ossie (Oisey) Corker, Thelma, Fla.
1396 Jhon Wesley (W.) Crittenden, Lake Bird, Fla.
816 Lewis Cromity, Boyd, Fla.
1206 Ben Cross, Loughridge, Fla.
352 James (Jas.) Cummings, Carbur, Fla.
486 Frank (F.) Daniels, Perry, Fla.
1104 George Darden, Perry, Fla.
1475 John W. Davis, Springdale, Fla.
779 Isiah Deamon, Loughridge, Fla.
1317 Eugene Dennis, Perry, Fla.
451 Mack Denson, Tarpon Springs, Fla. (Perry, Carbur, Fla.).
1428 Jordan Dick, Ozark, Ala.
513 R. Dillon, Carbur, Fla.
478 Eb (Edd) Dixon, Carbur, Fla.
54 J. (Jim) W. Eady, Athena, Fla.
349 Cleve Edwards, Ciara, Fla.
1019 Jess (Jesse) English, Perry, Fla.
1502 John Facing, Perry, Fla.
1262 Nick (Nicn) Fells, Boyd, Fla.
1470 C. Fennell, Perry, Fla.
429 Jasper Ferguson, Boyd, Fla.
1257 Sam Flemming (Fleming), Sprindale, Fla.
966 Charlie (Charly) Ben Fredrick (Charlie Ben Fredick, Charley Ben Frederick), route 1, Denton, Jeff Davis County, Ga. (Fenholloway, Fla.).
667 D. Fullwood, Carbur, Fla.
798 Willie Gardner (Garder), Perry, Fla.
1015 Jim Gibson, Perry, Fla.
1183 Will Gip, Carbur, Fla.
1341 Harry Godfrey, Carbur, Fla.
115 Hardy Ralph (R.) Godwin, Dowling Park, Fla.
890 Ira J. Goode, Springdale, Fla.
327 James Green, Hampton Springs, Fla.
1098 J. H. Hall, Carbur, Fla.
521 Nelson Harkness, Springdale, Fla.
965 George Wm. Harmon (Harman), Loughridge, Fla.
177 Ed. Harris, Carbur, Fla.
550 John Harris, Athena, Fla.
1381 Will Harris, Carbur, Fla.
320 Will Harvey, Lake City, Fla. (Lake Bird, Fla.).
464 Dave Hays, Athena, Fla.
630 Ben Helms, Clayton, Ala. (Boyd, Fla.).
114 Elisha Henderson, Lamont, Fla.
1327 Louis Hill, Perry, Fla.
1388 Henry Hill (Hills), Athena, Fla.
954 Maliki Hollman (Holoman), Springdale, Fla.
750 Isaac Cleaveland (C.) Horne, Carbur, Fla.
731 Virgil Howard, Perry, Fla.
1189 Jim Hudson, Boyd, Fla.
1312 Charlie Irvin, Perry, Fla.
800 Ed (Edd Edgar) Jackson, Perry, Fla.
788 John Jackson, Springdale, Fla.
462 Tom Jackson, Springdale, Fla.
111 Will Jackson, Perry, Fla.
956 Will Jackson, Carbur, Fla.
621 Edward Jenkins, Springdale, Fla.
554 James Jenkins, Perry, Fla.
589 Arch Johnson, Loughridge, Fla.
1360 Howard Johnson, Perry, Fla.
726 Will Johnson, Eufaula, Ala. (Carbur, Fla.).
453 Willie Jones, Springdale, Fla.
1162 Will Lampkin, Hawkinsville, Ga. (Carbur, Fla.).
1083 James Larry, Carbur, Fla.
1355 Robert Layton, Springdale, Fla.
438 G. Leevis, Athena, Fla.
448 Walter Leonard, Carbur, Fla.
748 Lucius (Luscius) McIntosh, Perry, Fla.
1000 John McKeever, Carbur, Fla.
488 Prince McKeithon (McKeithan), Hampton Springs, Fla.
53 Eunice McLeod, Springdale, Fla.
1278 Will McMath, Pensacola, Fla. (Springdale, Fla.).
854 Robert Major, Perry, Fla.
1027 Sam Manning, Hampton Springs, Fla.
720 Bernard Martin, Loughbridge, Fla.
3 Tom (T.) Mathis, Rentz Camp, Carbur, Fla.
1215 Willie Malvin Mathis, Ozark, Ala.
874 Eugene Mays, Loughbridge, Fla.
1003 George M. Merchant, Hampton Springs, Fla.
590 John Mezrone, Loughbridge, Fla.
367 Sam Miller, Madison, Fla. (Thelma, Fla.).
1370 E. Mills, Athena, Fla.
754 Robert Milton, Boyd, Fla.
780 Henry Mitchell, Thelma, Fla.
476 Oscar Mitchell, Boyd, Fla.
1331 John Moore, Shady Grove, Fla.
861 Jessie Moosely, Perry, Fla.
611 Peter Morris, Perry, Fla.
357 Frank Nix, Boyd, Fla.
368 Grover Osby, Athena, Fla.
520 Will Outler, Loughbridge, Fla.
1036 H. Parker, Carbur, Fla.
749 N. Patterson, Carbur, Fla.
613 Sam Payne, Hampton Springs, Fla
1004 Walter Pinkens (Perkins), Perry, Fla.
638 James Pope, Springdale, Fla.
1501 Lewis Porter, St. Marks, Fla. (Springdale, Fla.).
931 Henry Powell, Perry, Fla.
715 John Powell (John Henry Powell), Loughbridge, Fla.
879 John Henry Proctor, Perry, Fla.
1274 Willis Ransom (Ranson), Perry, Fla.
262 Reuben (Reubin) Redding, Loughbridge, Fla.
1466 Sam Redman, Hampton Springs, Fla.
52 John Reed, Boyd, Fla.
290 Amos Reily (Riley), Boyd, Fla.
1427 Solomon (Soloman) Roberson (Robertson), Hampton Springs, Fla. (Springdale, Fla.).
377 Louis (Lousis) Roberts, Perry, Fla.
704 Henry Robinson, Shady Grove, Fla.
1169 Sim Rodgers (Rogers), Carbur, Fla.
1538 Johnnie L. Rogers (Jonnie L. Rodgers), Carbur, Fla.
373 Henry Russell, Perry, Fla.
1175 Chas. Sanders, Carbur, Fla.
72 Walter Scipio (W. Scippio), Perry, Fla.
1544 Charlie Sculur (Soulur), Brainbridge, Ga. (Athena, Fla.).
1367 Silas Henry Shely (Shelly), Boyd, Fla.
697 Nathan Shipman, Carbur, Fla.
1050 John Singleton, Carbur, Fla.
668 E. Smith, Carbur, Fla.
36 Kirbie (Kirby) Smith, Perry, Fla.
1364 Shellie Smith, Springdale, Fla.
1465 Willie Smith, Perry, Fla.
1417 Robert Smoley, Carbur, Fla.
1320 Charlie Snider, Perry, Fla.
940 Charlie Sparks, Springdale, Fla.
977 Judge W. Stapleton (George Stapleton, Judge Geo. Stapleton), Springdale, Fla.
689 Lester (Lister) Steney, Perry, Fla.
147 Ed Stephens, R. F. D., Perry, Fla.
656 Ed Stephens, Red Springs, N. C. (Lake Joe, Fla.).
997 Robert Stewart, Springdale, Fla.
17 Mack Stubbs, Perry, Fla.
807 Willie (Will) Styles, Loughbridge, Fla.
1476 Ed Sweet, St. Petersburg, Fla. (Perry, Fla.).
1177 Palmer Sylvester, Perry, Fla.
426 John Mack Taylor, Shady Grove, Fla.
911 Robert Terry, Carbur, Fla.
811 John L. Thomas, Carbur, Fla.
30 Glen Tinsley, Hampton Springs, Fla.
671 Sam Thompson, Perry, Fla.
492 Malcom Timmons (Trimmons), Carbur, Fla.
400 Chas. W. Vanderhorst, Carbur, Fla.
1280 Will Walker, Carbur, Fla.
920 Willie (William) Wadley, Carbur, Fla.
581 Reuben Ware, Springdale, Fla.
1043 Joe (Joel) Washington, Lake Bird, Fla.
643 Elija (Elijah) Watson, Cardele, Ga. (Carbur, Fla.).
382 Carburt Webb, Carbur, Fla.
1105 Arthur White, Perry, Fla.
64 Mack Wiggins, Carbur, Fla.
929 Will Wilcox, Hampton Springs, Fla.
11 James Wiley (Riley), Perry, Fla.
702 Joe Wilkerson, Athena, Fla.
803 Ernest (Earnest) Wilkins, Perry, Fla.
937 Bill Williams, Perry, Fla.
921 Cornelus (Cornelius) Williams, Lang, Ga. (Hampton Springs, Fla.).
906 Henry Williams, Carbur, Fla.
1343 Homer Williams, Thomasville, Ga. (Hampton Springs, Fla.).
1446 Jim Williams, Holmes Still, Fla. (Perry, Fla.).
927 Joe Williams, Carbur, Fla.
247 Joseph Williams, Springdale, Fla.
683 Lee Williams, Carbur, Fla.
713 Raymond Williams, Springdale, Fla.
45 Willie Williams, Perry, Fla.
602 Willie Williams, Carbur, Fla.
1550 John Wilson, Shady Grove, Fla.
191 Sim (Sam) Wilson, Carbur, Fla.
1085 Snead Wilson, Springdale, Fla.
695 Ed (Edd) Winston, Carbur, Fla.
781 Oscar Wisdom, Perry, Fla.
1212 Willie Wise, Loughbridge, Fla.
166 John (Johnie) Wooden, Perry, Fla.

285 Sanders Woods, Carbur, Fla.
917 Charley Worthen, Loughbridge, Fla.
802 Robert Wright, Springdale, Fla.

LOCAL BOARD FOR THE COUNTY OF HOLMES, STATE OF MISSISSIPPI.

542 Eulyses (Eulyes) Adams, 548 Woodward Avenue, Lexington, Miss. (Memphis, Tenn.) (?).
894 Henry Anderson, Yazoo City, Miss.
44 Robert Anderson, R. F. D., Cruger, Miss.
2443 Will Anthony, Lexington, Miss.
1811 Nath Andrew (N. A.) Banks, Durant, Miss.
985 Humphrey (Humphey) Baughn, route No. 3, Lexington, Miss.
2474 Douglas Bell, Bee Lake, Miss.
1781 Eddie (Eadie, Easie) Bell, Tchula, Miss.
2531 James Bowman (Newman), R. F. D. No. 1, Pickens, Miss.
2199 Joe Brown, Durant, Miss.
755 Albert Brown, Lexington, Miss.
2573 Will Brown, 913 Monroe Street, Montgomery, Ala.
555 Frank Buckles, Tchula, Miss.
274 Washington, Burl, Durant, Miss.
538 Oscar Burrell, West, Miss.
2737 Ed. Campbell, Tchula, Miss.
265 Henry Clark, Cruger, Miss.
593 George Collins, Cruger, Miss.
150 Rias Collins, Durant, Miss.
2173 Robert (Robt., Rbt.) Collins, Cruger, Miss. (Robert Cooper Collins, Yazoo City, care Ed. Salter).
925 Tom Collins, Tchula, Miss.
961 Pearl Conkide (Caukide, Coneide, Coueide, Coukede), Starkville, Miss.
2123 Charlie (Chas.) Davis, Water Street, Lexington, Miss.
806 Andrew Davis, Starkville, Miss.
1865 Dee Davis, Near Howard, Miss.
533 Freeman Davis, 12 Decatur Street, Montgomery, Ala.
55 Joseph Davis, Belzoni, Miss.
2533 Ralph (Rolph) Davis, Tchula, Miss.
148 Robert Davis, R. F. D. No. 5, Lexington, Miss.
561 Jesse Diamond, Cruger, Miss.
1960 Will Dickson (Dixon), Cruger, Miss.
2800 Samuel Edwards, R. F. D., Lexington, Miss.
70 Will Franklin, 16th 22, and 23 Street, Merridian, Miss. (16, 22, and 23d, Meredian, Miss.).
2043 John L. Gray, Cruger, Miss.
1040 Booker Greer (Green), Goodman, Miss.
1415 Willis (Wils) Grismer (Grinner), Clinton, La.
518 Charley Grubbs (Grubs), Pickens, Miss.
2675 Nace Hale (Hall), Durant, Miss.
850 Jake Hall (Joke Holl), Cantor, Miss.
1611 Paul Hampton, Tchula, Miss.
2291 A. Buick (Buck) Harris, Cruger, Miss.
963 Ammens (Amems) Harton, Lexington, Miss.
944 Albin Henderson, Thornton, Miss.
790 Anderson (Andrew) Hester, Goodman, Miss.
272 John Hicks, Milestone, Miss.
2121 Wm. (William) Hinton, Pickens, Miss.
1972 Henry Holmes, Durant, Miss.
1486 Johnnie Holmes, Durant, Miss.
2794 Willie Holmes, Clinton, Miss. (Clinton, La.).
1104 Allen Homer, Tchula, Miss.
1480 James (Jimmie) Horton (Hortan), Goodman, Miss.
1499 John Hudson, Lexington, Miss.
1 Henry Hughes, Lexington, Miss.
682 Ben Hutchins (Dan Hutchens), Milestone, Miss.
1014 Willie Jackson, Pickens, Miss.
631 Elias Jackson, Canton, Miss.
2673 George James, Milestone, Miss.
630 Jesse (Jessie) Jefferson, Thornton, Miss.
2232 James Johnson, Tchula, Miss.
545 James Johnson, Cruger, Miss.
687 James Wesley Johnson, R. F. D. No. 2, Durant, Miss.
2068 Willie Johnson, Tchula, Miss.
14 Henry Johnston (Johnson), Cruger, Miss.
322 Jeremiah Jones, Pickens, Miss.
1852 Paul V. Jones, Pickens, Miss.
229 Henry Jordan, Tchula, Miss.
1934 Henry Jordan, Cruger, Miss.
930 Robert Keys, Tchula, Miss.
1598 Charley Lackey (Lockey), Cruger, Miss.
1664 Freeman Little, Cruger, Miss.
2724 Hays (Hayes) McClure (Haynes McClure), Durant, Miss.
2282 Cefus (Cephus) McGee, Cruger, Miss.
69 Lincoln McMillan, Lexington, Miss.
182 Will McMillan, Tchula, Miss.
2627 Sam Meadows, Tchula, Miss.
636 Hezekiah Mietry (Hesakiah (Mesakiah) Meetry), Cruger, Miss.
373 Eli Mills, Tchula, Miss.
1974 Jack Moore, Durant, Miss.
742 Jeff Moore, Goodman, Miss.
2546 Henry Murphy, Durant, Miss.
2676 Randall (Randal) Nash, Cruger, Miss.
2156 Oscar Palmer, Durant, Miss.
1578 Alford (Alfred) Patterson, Howard, Miss. (Richland, Miss.).
634 Jimmie (Jammie) Patton, Tchula, Miss.
2088 Wyatt (Myatt) Polk, Tchula, Miss.
2795 Henry Powell, Durant, Miss.
2650 Willie (Wellie) Pratt, route No. 3, Lexington, Miss.
1623 James Price, route No. 2, Durant, Miss. (R. F. D., Durant, Miss.).
411 Philip J. (Phillip Jacob) Raichel, Tchula, Miss.
1832 Ross (Roso) Redmond, Lexington, Miss.
1773 Walter Redmond, Lexington, Miss.
2280 Jim Reid, Durant, Miss.
2564 Willie Reid (Willis Ried, Willie Hood), route No. 3, Lexington, Miss.
1950 Willie Robinson, Durant, Miss.
2385 Lee Roby, Mohrud, Miss.
1983 Charlie Rogers (Rodgers; Charley Rogers), Durant, Miss.
445 Reuben Ross, Tchula, Miss.
2790 Dennis Russell, Cruger, Miss.
81 Will Shaw, Durant, Miss.
158 John Shed, Pickens, Miss.
2035 Conway Shields, Cruger, Holmes County, Miss.
1605 Brady Simmond (Simmons), Milestone, Miss.
52 Daniel Simmons, Cruger, Miss.
1490 Jake (Joke) Simmons, Goodman, Miss.
60 Willie Smith, Cruger, Miss.
1167 John Sproles, Durant, Miss.
1713 James Stewart (Stuart), Durant, Miss.
969 John Stokes (Stakes), Goodman, Miss. (Cruger, Miss.).
175 Allen Tate, Lexington, Miss.
335 Ed Taylor, Belzoni, Miss.
2165 John Taylor, Cruger, Miss.
1156 Will Taylor, Cruger, Miss.
743 Jerry Torrell (Terrell), Goodman, Miss.
242 Edgar Thomas, Tchula, Miss.
1816 Hosie Thomas, Thornton, Miss.
1625 Leroy Thomas, Cruger, Miss.
1283 Leroy Tolbert, Cruger, Miss.
856 Joe Trope, Tchula, Miss.
2812 George Washington, Tchula, Miss.
2149 Robert Washington, Mahrud, Miss.
2195 Andrew Jackson Weems (Neems), Durant, Miss.
2512 Frank Weems, route No. 8, Lexington, Miss.
1241 William Wesley, Tchula, Miss.
841 Eugene Williams (William), Cruger, Miss.
940 James Williams, Tchula, Miss.
1487 Walter Willis, Cruger, Miss.
1952 Charlie E. (Chas. E., Claude R.) Willman, Durant, Miss.
6 Henry Young, Belzoni, Miss.

LOCAL BOARD FOR THE COUNTY OF HUMPHREYS, STATE OF MISSISSIPPI.

2125 Charley Adams (Chas. Adams), Glen Allen, Miss.
1631 Harry Anderson, Belzine, Miss.
1645 Robert M. (Robert Nathaniel, R. N.) Armstrong, Wilmot, Miss.
2079 Pet (Pettis) Arnett, Belzoni, Miss. (Twist, Ark.).
526 Jim Bailey, Chatham, Miss.
161 Peter Baker, Silver City, Miss.
675 Ed. Beach, Isola, Miss.
513 Herbert Beasley, Longwood, Miss. (Yoncapin, Ark.).
2038 Tom Bedgood, Gustilie, Miss. (Wilmot, Miss.).
882 Steve Bell, Tutwiler, Miss.
1759 Mose Bennett (Mose Burnett), Wilmot, Miss. (Holly Knowe, Miss.).
1872 Ben Bird, Arcola, Miss.
273 Willie Boddie (Willie Body), Estill, Miss.
1453 E. A. Bolden (Ellis Alexander Bolder), Chatham, Miss.
794 Arthur Bonnett (Arthur Barnett), Chatham, Miss.
1037 John Boyd, Willett, Miss.
1696 Henry Bradford, Isola, Miss.
171 Charley (Charlie) Bradley, Clarksdale, Miss.
2068 Charley Brasselles (Charley Brosels, Charley Brassells), Arcola, Miss.
2044 Ben Brown, Glen Allen, Miss. (Rolling Fork, Miss.).
187 Joe Brown, Isola, Miss.
620 John (Joe) Brown, Glen Allen, Miss.
523 Johnnie Brown, Percy, Miss.
1416 Nathan (Nathaniel) Brown, Belzoni, Miss.
157 Robert Brown, Wilmot, Miss.
1003 Sylvester Brown, Trolake, Miss. (Trail Lake, Miss.).
2037 John Buchana (John Buchanan), Bourbon, Miss.
1125 Geo. Buggs, Isola, Miss (Rome, Miss.).
732 Joe Cage, Belzoni, Miss.
27 Willie Cannon, Percy, Miss.
1832 Robert Carrollton (Robert Carlton, Carrolton), Belzoni, Miss. (Craig, Miss.).
1836 H. Y. (Hy, Henry) Chandler, West Point, Miss. (Glen Allen, Miss.).
2171 Will Charleston, Hollandale, Miss.
964 Clusic Chatham (Clarence Cheatham), Isola, Miss.
670 John H. Clark (John Henry Clark), Isola, Miss. (Louise, Miss.).
955 Amos Clarke (Amos Clark), Summerset, La. (James, Miss.).
916 Peter Clayiun (Peter Clayborn), care of G. B. McLane, Arcola, Miss.
1156 Charlie Coleman, no address given.
121 Isaac Collins, Estill, Miss.
2131 Lacey Collins (Lacy Collinp), Hollandale, Miss.
1672 Tom Collins, Willet, Miss.
1820 Amos Cook, Isola, Miss.
270 Cleveland Cooper, Isola, Miss.
307 Will Craig, Longwood, Miss. (Will Craige, West Greene County, Ala.).
61 Nemon (Namon) Criss, Belsoni, Miss. (Hollandale, Miss.).
547 Jessie Cummins (Jessie X. Cummins), Foote, Miss.
1530 Sidney Cuttie, Isola, Miss.
585 Lize Davidson (Lige Davison, Davisson), Edwards, Miss. (Trail Lake, Miss.).
1463 Allen Davis, Arcola, Miss.
1246 Richard Davis, Wilmot, Miss.
885 Wash Davis, Belzoni, Miss.
1005 Thomas Dodson (Thomas Dason), Isola, Miss.
1209 Geo. Dorsey (Dorsy), Estill, Miss.
1647 Henry Dorsey, Erwin, Miss.
1652 Jessie Douglass (Douglas), Hollandale, Miss.
1950 John Edward, Slaughter, Miss. (John Edwards, Belzoni, Miss.).
700 S. C. Edwards (S. O. Edwards), Isola, Miss.
344 Willie Edwards, Swift Water, Miss.
1564 John Effinger, Trolake, Miss. (Trail Lake, Miss.).
1184 Oscar Emile, Hollandale, Miss. (2325 La Salle Street, St. Louis, Mo.).
869 Jim Erwin, Avon, Miss.
1175 Eugene Figgers, Estill, Miss.
2116 Gus Figgers, Estill, Miss. (Germania, Miss.).
1725 B. H. Fitler (R. H. Fitter), Glen Allen, Miss.
1046 Gus Foster, Estelle, Miss. (Estill, Miss.).
1606 Menry Franklin, Hampton, Miss.
1644 Hector Frazier (Friason, Frasier), Belzoni, Miss.
1533 Cleveland Galespie (Gillespie), Belzoni, Miss. (Greenwood, Miss.).
119 Robert Gardner, Isola, Miss.
822 Napoleon Gorgg (Gorg, Gary), Charleston, Miss. (Hollandale, Miss.).
725 Frank Gray, Wayside, Miss.
1260 Geo. T. (Thomas) Gray, Hollandale, Miss.
730 Arthur Green, Glen Allen, Miss.
519 Willie Hall (Mack Hall), Chatham, Miss.
2124 Albert Hall, Estell, Miss.
266 Ed. Hall, Hollandale, Miss.

1356 Fred Hall, Belzoni, Miss.
353 Chas. Harper (Hobbs), Arcola, Miss. (Isola, Miss.).
1968 Charley (Charlie) Harris, Wayside, Miss.
1429 Lucian M. (McMaster) Harrison, Willett, Miss.
1697 Henry Haymon, Belzoni, Miss.
278 James Henderson, Isola, Miss.
654 Alex (Alec) Hill, James, Miss.
134 Henry Hill, Hampton, Miss.
1480 Morris Hilliard, Belzoni, Miss.
425 Clarence (Clarina) Hollingsworth, Isola, Miss.
195 Leon Horton (Horten), Belzoni, Miss.
777 Jessie Howard, Bear Creek, Miss.
638 Lonzo (Lunzo) Hudgers, Trail Lake, Miss.
1549 Nelson (Wilson) Humphrey, James, Miss.
432 Tabe Irvin (Erving), Vicksburg, Miss. (Hollandale, Miss.).
792 Calius (Callius, Collins) Jackson, Greenville (Glen Allen), Miss.
2056 Jamie (James) Jackson, Isola, Miss.
977 Henry Jacobs, Willett, Miss.
1113 Alexander James (Alexander Jacobs), Arcola, Miss.
1538 Clarence (Charles) Jefferson, Erwin, Miss.
2043 Will Jefferson, Murphy (Leland), Miss.
929 Howard Johns (Johnson), Leland (Leota, Chatham), Miss.
11 Aaron Johnson, Belzoni, Miss.
897 Adam Johnson, Estill, Miss.
1474 Andrew Johnson, Leoto (Greenville, Leoto Landing), Miss.
1885 Jen (Ben) Johnson, Isola, Miss.
575 Jessie Johnson (Jones), Lulu (Refuge), Miss.
204 John Johnson, Murphy (Sunflower), Miss.
1756 Leonard Johnson, Isola, Miss.
428 Monroe Johnson, Isola, Miss.
1026 Mose Johnson, Murphy, Miss.
1509 Sam Johnson, Belzoni, Miss.
1347 Sorrel (Sorrell) Johnson, Isola, Miss.
1279 Stanford Johnson, Murphy, Miss.
1475 Walter Johnson, Belzoni, Miss.
1514 Willie Johnson, Percy, Miss.
1082 Bill Jones, Leota (Chatham, Leoto Landing), Miss.
329 Gilford Jones, Percy, Miss.
1993 John Jones, Isola, Miss.
176 Prophet Jones, Belzoni, Miss.
472 Son Jones, Longwood, Miss.
764 William Jones, Foote, Miss.
1311 John Jordan, Arcola, Miss.
549 Ben Kemp, Glen Allen, Miss.
1780 Will (Willie) King, Isola, Miss.
1524 Henry Kneely (Kneelay), Hollandale, Miss.
162 Willie King, Pettit, Miss.
1838 Jim Kyles, Isola, Miss.
1077 Eugene Lacy (Uguie Lacey, Eugene Lacey), Hollandale, Miss.
117 Harry Lane, Wayside, Miss.
1613 Geo. Latson, Duval, Miss. (Refuge, Miss.).
2027 Joe Lawson, Hampton, Miss.
1527 Frank Lee, Murphy, Miss.
1680 Joseph Lee, Hollandale, Miss.
461 Richard Lewis, Isola, Miss.
477 William Lewis, Longwood, Miss.
152 Joe Lilly, Percy, Miss.
726 Bob Love, Isola, Miss.
458 Jessie McCloud, Isola, Miss.
1122 Elijah McCoy, Isola, Miss.
835 Tom McCoy, Wilmot, Miss.
308 Robert McGee (Robert McGhee, Geehee), Morgan City, Miss. (Long Lake, Miss.).
81 Frank McLain, Isola, Miss.
1033 Geo. McLead (McClaud, McCloud), Louise, Miss. (Belzoni, Miss.).
529 Tom Mainty, Meridian, Miss.
160 Henry Marshall (Manshall), Indianola, Miss. (Pettit, Miss.).
1419 Jim Mathews (Matthews), Murphy, Miss.
783 Sam Mathews (Matthews, Mathew, Mathis), Estill, Miss.
67 Abe Milton (Joe Milton), Belzoni, Miss.
1888 Joe Mitchell, Isola, Miss. (Lyon, Miss.).
2007 Eraiy Moon (Early Moore), Isola, Miss.
840 James Morris, Yazoo City, Miss. (Belzoni, Miss.).
1864 Isaac Myric (Myrick), Willett, Miss.
660 Willie Nelson, Belzoni, Miss.
1824 Nat Norman, Estill, Miss.
1956 Will Owen, Isola, Miss.
1547 Borch Patton (Barch Potlow), Longwood, Miss.
1775 Granville Payne, Hollandale, Miss.
1947 Willie Payne, Isola, Miss.
893 Thomas W. Petty (T. Petty, Thomas Walter Petty), Belzoni, Miss. (Marion, Ark.).
275 Eugene Pope (Polk), Belzoni, Miss.
1791 Henry Pope, Hampton, Miss.
846 Morris (Maurice) Prunter, Wilmot, Miss.
1241 Harney Pulliam (Harvey Pullium), Bourbon, Miss.
743 Chas. (Charlie) Ransom, Hollandale, Miss.
1665 Doc. Robertson (Dock Roberson), Wilmot, Miss.
681 Mose Rucker, Glen Allen, Miss.
740 Robert Rucker, Belzoni, Miss.
197 Willie Russell, Lexington, Miss.
1498 Ben Sanders, Belzoni, Miss.
179 Jim Schlater (George Slater, Jim Slater), Percy, Miss.
994 Ben Scott, Refuge, Miss.
1799 Handy Shaw, Estill, Miss.
642 Will Signet, Belzoni, Miss.
1188 James Simms (Sims), Belzoni, Miss.
104 Sam Simpson, Belzoni, Miss.
1781 Jack Smith, Isola, Miss.
805 James Smith, Arcola, Miss.
1795 Will Smith, Isola, Miss.
96 Oscar Soloman, Percy, Miss.
2181 Ike Spears, Arcola, Miss.
1556 Robert Stephenson (Steverson), Percy, Miss.
1357 John Stevens, Isola, Miss.
1986 Luther Stewart, Longwood, Miss.
207 Will Stewart, Arcola, Miss.
1395 Adolph (Adolphus) Stone, Belzoni, Miss.
1280 Dave Tankson, Murphy, Miss.
1810 Waits Terry, Wilmot, Miss.
1275 James Thomas, Arcola, Miss.
1702 Jessie (Jessy, Jerry) Thomas, Isola, Miss.
100 Scott Thomas, Trolake, Miss (Trail Lake, Miss.).
1267 Jack Thornton, Arcola, Miss.
1738 Geo. Tyler (Tylor), Glen Allen, Miss.
1626 Edw. (Eural) Wade, Belzoni, Miss.
1126 Flem Wade, Isola, Miss.
136 Geo. Washington, Hampton, Miss.
1636 George Washington, Hollandale, Miss.
38 James Watkins, Wilmot, Miss.
1439 Eugene Weathers, Percy, Miss.
85 Henry Weathers, Isola, Miss.
465 West Weaver, Belzoni, Miss. (Yazoo, Miss.).
1306 James White, Glen Allen, Miss.
1434 Willie White, Isola, Miss.
1608 William White, Belzoni, Miss.
221 Chipa (Chippa) Williams, Trolake, Miss.
497 Dan Williams, Hampton, Miss.
391 Ed. Williams, Purvell, Miss.
872 Eddie Williams, Trolake, Miss.
535 Elijah (Elzie) Williams, Estill, Miss.
715 Fred Williams, Hampton, Miss.
1163 Isiah Williams, Belzoni, Miss.
1712 Richard Williams, Belzoni, Miss.
1314 Scott Williams, Hollandale, Miss.
520 Aaron (Aron) Wilson, Estill, Miss.
215 Adolph Wilson, Alexander, La.
2034 Sam Wilson, Hampton, Miss.
1375 Willie Wilson, Yazoo City, Miss. (Belzoni, Miss.).
698 Robert Weins (Wima), Grow, Miss.
337 John Winch, Wilmot, Miss.
718 Bob (Robert) Winding, Belzoni, Miss.
722 Ed Wright, Belzoni, Miss.
838 Jim (Jimmie) Wright, Belzoni, Miss.
1812 Hy (Henry) Young, Murphy, Miss.
312 Johnnie (Jonnie, Jimmie) Young, Knack, Tex. (James, Miss.).

LOCAL BOARD FOR THE CITY OF JACKSON, STATE OF MISSISSIPPI.

1324 Mark (Marks) Anthony, 208 Mill, Jackson, Miss.
86 Zack Barry (Zeck (Zeek) Berry), 134 Court, Jackson, Miss.
815 Louis Battle (Batte, Bottle), Conner Street, Jackson, Miss.
249 Cornelius Bloomfield (Bromfield), Florence, Miss.
573 Willis Blow, 909 Monument Street, Jackson, Miss.
1771 Willie Bonnie, 328 Garner, Jackson, Miss.
1249 Grover Boyett, 157 Adams Street, Jackson, Miss.
79 Elmer Brown, 1407 Mill Street, Jackson, Miss.
1581 Willie Brown, Washington County, Jackson, Miss.
1613 Bennie Catchings, Taylor Addition, Jackson, Miss.
1198 Wm. Cloures (William Cloures), Jackson, Miss.
1284 Ellis Clowers (Ellie Clower), 527 North Farrish, Jackson, Miss.
705 Charley Sam'l (Samuel) Collins, 134 Court Street, Jackson, Miss.
1512 Fred Greyton (Ned Creyton), 918 Rose Street, Jackson, Miss.
1304 Mart Daley (Daly), Davis Street, Jackson, Miss.
208 Willie Davis, Lynch Street, Jackson, Miss.
910 Walter Denson, 667 S. W. Street, Jackson, Miss.
388 John Desmer Dobbs, North State Street, Jackson, Miss. (4412 Elm Street, Dallas, Tex.)
1063 Shelby Duncan, 410 South West, Jackson, Miss.
1082 Jake Fulton, 220 Elru Street, Jackson, Miss.
1170 Carl Funchess (Funches), 903 Lynch Street, Jackson, Miss.
887 Tensley Gardner, 118 Monument, Jackson, Miss.
1326 Tony Green (Terry Green), 428 Roach, Jackson, Miss.
297 Richard Hales (Halles), route No. 2, box 29, Jackson, Miss.
1377 Chas. (Charlie) Arnold Hoch, 334 Gallatin, Jackson, Miss.
667 John Hoard, Yokena, Miss.
1570 Aaron (Aron) Houston, Jackson, Miss.
558a Joe Hughes, 313 East Hamilton, Jackson, Miss.
596 Wenfield (Winfield) Jackson, 514 West Farrish, Jackson, Miss.
676 Abell Jones, 122 S. Jackson, Miss.
1182 Ed Jones, 436 Mill, Jackson, Miss.
88 Revis (Revers) Jones, Jackson, Miss.
1046 Sam Jones, 284 George, Jackson, Miss.
1035 Charley Jordan, Jackson, Miss.
564 Jess (Jeff) Keys, 258 Roach Street, Jackson, Miss.
812 Abe King, West Pascagoula, Jackson, Miss.
757 Eddie Laughlin, 324 Roach Street, Jackson, Miss. (St. Louis).
603 Dan Lee, Co. G. & S. I. & Allen, Jackson, Miss. (Cor. G. & S. I. Alley).
375 Rob't E. Lee, Jackson, Miss.
1607 Harvey Lewis, 218 Poindexter, Jackson, Miss.
594 Wesley Lovelace, Byram, Miss.
1919 Jackson Luckett, Washington Addition, Jackson, Miss.
43 John McMullen, 133 Mill, Jackson, Miss.
1153 Castel Mickey, 440 Poindexter Street, Jackson, Miss.
387 Albert Miller, 146 (145) Hamilton, Jackson, Miss.
1504 Jackson (John) Pedro Minors, 209½ Washington Addition, Jackson, Miss.
449 Eliga (Elijah) Moore, 135 Allen Lane, Jackson, Miss.
1827 Chas. J. (Joseph) Morris, 312 Lonkigkee, Jackson, Miss. (car inspector I. C. R. R., Chicago, Ill.).
438 Henry Nolan (Nelon), 1107 Lynch, Jackson, Miss.
221 Cleveland Northern, 522 Mill (North Mill) Street, Jackson, Miss.
1265 James Thomas Parker, 318 West Pascagoula, Jackson, Miss.
1238 Charlie Patterson, 121 Farish, Jackson, Miss.
1750 William Albert Proctor, 847 Blair Street, Jackson, Miss. (care of sheriff, Wabash County, Ill.).
416 Charlie Redman, Jackson, Miss.
1546a Sam Richardson, Jackson, Miss.
1360 Johnnie Robinson, 823 Hooker, Jackson, Miss.
234 Percy Robinson, 221 (212) Bell Street, Jackson, Miss.
1195 Henry James Ross, 210½ Mill, Jackson, Miss.
5 James Ross, 316 West Pascagoula, Jackson, Miss.
729 Jim Sanders, Jackson, Miss.
512 Cleve Smith, 109 Ash, Jackson, Miss.
328 Edw. Smith, 715 Railroad Avenue, Jackson, Miss.
1496 John Smith, 1035 Hickory Street, Jackson, Miss.
864 Mack Tarvin, Washington Addition, Jackson, Miss.
1255 G. H. Taylor, Jackson, Miss.
888 Wm. Taylor, 614 South Roach Street, Jackson, Miss.
82 Walter Thomas, Jackson, Miss.
1200 Henry Thornton, Livingston Street, Jackson, Miss.
1824 Frank Vaughn, 817 Jones Alley, Jackson, Miss.
1619 Chas. Emmett (Emmitt) Walker, Charity Hospital, Jackson, Miss.

1093 Geo. Walker, West Pearl, Jackson, Miss.
926 Frank Arnold Wallace (Walace), 931 Gallatin Street, Jackson, Miss.
518 Will Warren, Top Street, Jackson, Miss.
1228a Willie Watkins, 510 Fair Street, Jackson, Miss.
1656 James Webster, Bailey Avenue, Jackson, Miss.
1687 Will Wiggins, 720 Minerva, Jackson, Miss.
1563 John Williams, Jackson, Miss. (West Capitol Street, Jackson, Miss.).
1053 Percy Williams, 522½ North Farich Street, Jackson, Miss.
309 Robert Anthony Williams, 137 Maple Street, Jackson, Miss. (255 East McLemore Avenue, Memphis, Tenn.).
836 Robert Lee Williams, 242 East Oakley Street, Jackson, Miss.
341 Louis (Lewis) York, Washington Street, Jackson, Miss.

LOCAL BOARD FOR DIVISION NO. 1, COUNTY OF LAUDERDALE, STATE OF MISSISSIPPI.

1005 William G. (Grady) Abernathy, Front Street, Meridian, Miss.
63 Finnis (Finies) Allen, Twentieth Avenue and Sixteenth Street, Meridian, Miss.
825 Floyd Bailey, 1014 Eighth Street, Meridian, Miss.
1021 John Ballard, 444 Fifth and Forty-first Avenue, Meridian, Miss. (4445 Forty-first Avenue, Meridian, Miss.).
466 Plumber Neal Barlow, 1414 Tenth Avenue, Meridian, Miss.
1982 Willie H. F. Barnett, Twenty-ninth Avenue, between First and Second Streets south, Meridian, Miss.
683 William Barney, Thirteenth Street, Meridian, Miss.
856 Benjamin W. Beard, 1501 Seventh Avenue, Meridian, Miss. (William Benjamin Beard, Fifteenth and Seventh Avenue, Meridian, Miss.).
1295 Walter Bender, Meridian, Miss.
589 Willie Bingham, Tuscaloosa, Ala.
1658 Felix Bishop, B Street, Twenty-second Avenue, Meridian, Miss.
216 James H. Bush, Meridian, Miss. (Hezekiah Rush, 66 Lyon Avenue, St. Louis, Mo.).
427 Clyer James Bynum, 917 Ninth Avenue, Meridian, Miss.
120 Jackson Carr, 110 First Street, Meridian, Miss.
1609 Frank Carter, Meridian, Miss.
69 Fred Douglas Cary, Fourteenth Street and Nineteenth Avenue, Meridian, Miss.
1175 Sam Chappell (Chapple, Chapell), Twenty-seventh Avenue and Rays Alley, Meridian, Miss.
1091 Arthur Chattman, Meridian, Miss.
1747 Emmett Crook Cobb, 906 Twenty-fourth Avenue, Meridian, Miss.
1364 Grover Cole, A Street and Thirty-first Avenue, Meridian, Miss.
685 Demos Cooper, Meridian, Miss.
1089 Henry Cotton, Meridian, Miss.
118 John E. Curtis, Meridian, Miss. (3404 Fifth Street, Meridian, Miss.).
388 William L. (W. L.) Daniels, 2712 Tenth Avenue north, Meridian, Miss.
1948 Emmitt Davenport, 504 Fifth Street, Meridian, Miss.
126 Dolphus A. De Lopez (D. A. De Lopaz), 337 Fifth Street, Meridian, Miss.
1705 Frank Dickson, Livingston, Ala.
316 Will Dixon, Drinkwater Quarter, Meridian, Miss.
931 Maud Dunn (Dumn), Tenth Avenue, Meridian, Miss.
1709 Alex Edman, B Street, Meridian, Miss.
1709 Alex Edman, B Street, Meridian, Miss.
1950 Gilbert Daniel Fagan, 1316½ Fourteenth Street, Meridian, Miss.
1072 Collins (Collin) Fenderson, M. & O. R. R., Meridian, Miss.
1476 John D. (Johnie B., J. D.) Fisher, Fifth Street and Nineteenth Avenue, Meridian, Miss.
1238 Monroe C. Flemming (Fleming), between Fifth and Railroad and Thirty-eighth, Meridian, Miss.
760 Alex Fuller, 504 Fifth Street, Meridian, Miss.
78 Willie Gibson, Thirty-sixth Avenue and Seventh Street, Meridian, Miss.
372 Elton Allen Gordon, Meridian, Miss.
1898 Ernest (Earnest) Goree, 1107 Fifth Street, Meridian, Miss.
1350 Will Gowdy, Twenty-ninth Avenue and Twentieth Street, Meridian, Miss.
1652 Van Green (Greer), Twenty-ninth Avenue outside, Meridian, Miss. (Greer, Forty-ninth Avenue outside, Meridian, Miss.).
1832 Anderson Griffin, Twenty-second Avenue between Seventeenth and Eighteenth Streets. Meridian, Miss.
630 Lee Hardee, B Street, Meridian, Miss.
651 Walter Harris, South Side, Meridian, Miss.
1899 John Hart, Eighteenth Avenue and Sixth Street, Meridian, Miss.
1222 Alex Henderson (Elx Harris), 101 Sixth Street, Meridian, Miss.
532 George Hines, Meridian, Miss.
594 John Hinton, 3115 Eleventh Street, Meridian, Miss.
1846 Fred Holman (Holmon), 517 Thirty-ninth Avenue, Meridian, Miss.
1463 Josh House, B Street, 18–19 Avenue (B Street, Eighteenth Avenue), Meridian, Miss.
1692 Sylvester Jackson, Meridian, Miss.
493 Tommie James, Thirty-first Avenue and Second Street, Meridian, Miss.
1835 Arthur Thomas Johnson, 4014 Third Street, Meridian, Miss.
1413 Luther Johnson, Sixteenth Street and Sixteenth Avenue, Meridian, Miss.
99 Nores (Norse) Johnson, 151 Sixteenth Street, Twenty-first Avenue, Meridian, Miss.
1617 William Leroy Jolly, Meridian, Miss.
1198 Jessie Jones, M. & O. train (transit), Meridian, Miss.
1935 Pollard Jones, Second Street and Thirty-first Avenue, Meridian, Miss.
138 Lide Knight, 617 Thirteenth Avenue, Meridian, Miss.
2004 Chas. Andrew Kyle, 2502 Seventh Street, Meridian, Miss.
486 Clarence Lee, Tenth Avenue and Seventeenth Street, Meridian, Miss.
1223 Taylor Logan, A Street, M. & O., Meridian, Miss.
23 George Long, Seventeenth Avenue between Nineteenth and Twentieth Streets, Meridian, Miss.
722 John Loyd, Eighteenth Street and Sixteenth Avenue, Meridian, Miss.
114 Dave McCan, 405 Seventeenth Avenue, Meridian, Miss.
1876 Hughie McDonald, Meridian, Miss.
680 William McKinley, Drinkwater Quarters, Meridian, Miss.
22 Duncan C. (Campbell) McLaurin, Meridian, Miss.
49 Curtis McMillan, Eighteenth Street and Eighteenth Avenue, Meridian, Miss.
1780 Charley Marshal (Marshall), Meridian, Miss.
1595 Joseph Moy (May), Ninth Avenue and Sixteenth Street, Meridian, Miss.
1728 Jimmie (Jimmy) Miles, Eighteenth Avenue and Twenty-first Street, Meridian, Miss.
1550 Albert Mitchell, 2d, Thirty-first Avenue, Meridian, Miss.
1067 James Mitchell, 2101 Seventeenth Street, Meridian, Miss.
1076 Willie Mobberly (Moberly), Thirty-first Avenue and First Street, Meridian, Miss.
2039 Robert Morton, Meridian, Miss., care G. D. Brock.
1689 Lee Mosby, Eighteenth Avenue and Eighteenth Street, Meridian, Miss.
1151 Kirk Neal, Sixth Street and Eleventh Avenue, Meridian, Miss.
692 Julius Needham, 1403 Thirty-fourth Avenue, Meridian, Miss.
1871 Allen Nicholson, Eleventh Street and Thirty-third Avenue, Meridian, Miss.
808 West Nicholson, Sixth Street, between Eleventh and Twelfth Avenues, Meridian, Miss.
605 John Nigerson, A Street, Meridian, Miss.
686 Leroy Oliver, Fifth Street and Eighteenth Avenue, Meridian, Miss.
849 Ollis Parker, Eleventh Street and Thirty-third Avenue, Meridian, Miss.
276 Frank Patton, Drinkwater Quarters, Meridian, Miss.
1130 Walter Perry, B Street and Twenty-second Avenue, Meridian, Miss.
1331 Dave (Dan) Poe (Dan Powe), Nineteenth Street and Twenty-second Avenue, Meridian, Miss.
50 Elmore Portis, Fourteenth Avenue, Twentieth Street, Meridian, Miss.
748 Evans Ramsey, Meridian, Miss.
168 Tom Ramsey, 1619 Sixteenth Street, Meridian, Miss.
1450 Dan Ran, R. F. D. No. 2, Meridian, Miss.
1465 John Walter Rose, 603 Thirtieth Avenue, Meridian, Miss.
945 Carl Marcus Rowe, Fifth Street and Twenty-fifth Avenue, Meridian, Miss.
851 Jessie Ruffin, Meridian, Miss.
1181 Ernest Sanders, Eleventh (Twelfth) Avenue, Meridian, Miss.
354 John Sanders, Meridian, Miss.
1375 David Scott, Tenth Avenue and Twentieth Street, Meridian, Miss.
1078 Lewis Scott, Sixteenth Avenue and Fort Street, Meridian, Miss.
569 Jas. Edgar Smith, Meridian, Miss.
1189 Allen Smith, Fewell Survey, Meridian, Miss.
1048 Lucius (Lucious, Luscious) Smith, Thirty-first Avenue and Eleventh Street, Meridian, Miss.
1097 John Franklin (J. F.) Snowden, Meridian, Miss.
959 Mack Van Spears (Von Spears), Hooper Street and Forty-third Avenue, Meridian, Miss.
61 Hughey Speights, 3104 Third Street, Meridian, Miss.
1017 Sim Spell, Meridian, Miss.
270 Will Steward, Thirteenth Street and Thirty-second Avenue, Meridian, Miss. (Thirteenth Street and Thirty-ninth Avenue, Meridian, Miss.).
1900 Will Tasel (Tosel), Fifth Street and Forty-ninth Avenue, Meridian, Miss.
2032 Bob Thomas, Meridian, Miss.
421 Harry Dell Thomas (Harry Davis Dell Thomas, Harry Davis), 17 Thirty-second Avenue, Meridian, Miss.
134 William K. Thomas, 3916 Paulding Street, Meridian, Miss.
655 John Maxwell (Maxwell John) Trawick, 626 Twenty-sixth Avenue, Meridian, Miss.
743 Andrew Dennis Walker, St. Luke Street and Brothers Avenue, Meridian, Miss.
1583 Clifton Ward, 1319 Twenty-seventh Street, Meridian, Miss.
1975 Ike Ward, Hooper Street, Meridian, Miss.
757 Willie Washington, Meridian, Miss.
318 Johnnie (Johnie) Webb, First Street and Thirty-first Avenue, Meridian, Miss.
21 John Thomas White, 11 Thirty-fourth Avenue, Meridian, Miss.
1946 Dan Whitlock, 5 26–27 Avenue, Meridian, Miss.
38 Robert Luther Wiggins, 1510 Eighth Avenue, Meridian, Miss.
481 George Williams, Eleventh Street, 19–20 Avenue, Meridian, Miss.
2031 Willis (Willie) Williams (Willis (Willie) McDonald), Meridian, Miss.
1009 Charlie Winston, Fifth Street and Tenth Avenue, Meridian, Miss.
1635 Clarence Woods, 433 Harris Street, Meridian, Miss.
473 Willie Woods, 1417 Twenty-ninth Avenue, Meridian, Miss.
1873 Joe Young, 6 St. Keeton's Alley, Meridian, Miss.

LOCAL BOARD FOR THE COUNTY OF MADISON, STATE OF MISSISSIPPI.

256 Ben Allen, Canton, Miss.
213 Geo. (George) Anderson, Canton, Miss.
354 Walter Berry (Perry), Madison, Miss.
1126 Will Boulding (Baulding, Baldwin), Way, Miss.
1700 John Bright, Finlang, Miss.
467 Henry Brown, Ridgeland, Miss (Pelahatchee, Miss., care V. D. Loveless).
1698 Ike Burros (Burrus), Flora, Miss.
1327a Amos Carson, R. E., Canton, Miss.
112 Frank Chambers, route No. 4, Camden, Miss. (E. B. Canthen).
1892 Jesse (Jessie) Clanton, Millville, Miss.
687 John Clanton, route No. 3, Box 80, Canton, Miss.
1230 Pete Clanton, Canton, Miss.
1743 Allen Clark (Clerk), jr., R. F. D. No. 3, Pickens, Miss.
1052 Henry Clay, Ridgeland, Miss.
1591 O. B. G. (Otha Bell George) Cobbins, Tangalos, Miss.
652 Nowland (Nolan, Nowland) Coleman, Canton, Miss.
852 Cap Collins, Canton, Miss.
565 John Dalton, Canton, Miss.
242 John Davis, Madison Station, Miss.
1382 Perry Davis, route No. 1, Canton, Miss.
1638 Robert Dawson (Robt. Daron), Canton, Miss.
1557 John Dwine (Devine, Divine), R. F. D. No. 2, Canton, Miss.
411 James Dodson (Jas. Datson), care Soft Pine Co., Canton, Miss.
2085 Louis Dyke, route No. 3, Canton, Miss.
1681 Carl Emmerson (Emerson), Flora, Miss.
270 John D. (David) Farish (Farris), Canton, Miss.
1308 James Farmer, Brookhaven, Miss. (Flora, Miss.).
881 Grant Fobias, 221 West North Street, Canton, Miss.
833 Bryant Fode, Canton, Miss.
1147 Jerome Franklin, Canton, Miss.
1992 Harvey (Hervey, Hearvy) Frazier, Canton, Miss.

1057 Lawyer Gibbs (Lawyer Gibbs, jr.), Madison, Miss.
171 Sam Gider (Gidis), Camden, Miss.
1118 Bennie Glover, Canton, Miss.
1822 Henry Goodloe, Canton, Miss.
1139 Mathis Gordon, Flora, Miss.
2026 Geo. (George) Griffin, Sharon, Miss.
1779 Jack Hampton, Canton, Miss.
1811 Jim Hardy, Canton, Miss.
71 Isidore (Isadore) Harris, route No. 3, Box 15, Canton, Miss.
1745 Morris (Monroe) Harris, Ridgeland, Miss.
1910 S. B. Harris, Auding, Miss.
902 Lem Hicks, route No. 3, Canton, Miss.
783 Elijah Holman, care Dick Chandle, Livingston, Miss. (Pocahontas, Miss.).
1996 Zack Horn, R. F. D. No. 4, Canton, Miss.
1945 Philman (Philmore) Hughes, Flora, Miss.
748 Mathis (Mathews) Hunt, Madison, Miss.
674 Edgar (Edger) Hunter, R. F. D., box 29, Canton, Miss.
201 Columbus Jefferson, Canton, Miss.
1043 Andrew James, route No. 2, Canton, Miss.
1439 Ernest Jefferson, route No. 1, Sharon, Miss.
375 Bennie Johnson, Flora, Miss. (Lake City, Miss.).
1592 John Johnson, Canton, Miss.
1243 Man Johnson, Canton, Miss.
437 Percy Johnson, Flora, Miss.
696 Sam Johnson, route No. 3, Canton, Miss.
1323 Sam Johnson, Canton, Miss.
1742 Charlie Johnson, Flora, Miss.
1734 John Jones, Canton, Madison County, Miss.
2002 W. L. R. Jones (Will (Willie) Lee Robert Jones), Canton, Miss.
1324 Mack King, Madison, Miss.
566 Tom Kirby, Madison, Miss.
1789 Martin Lacy, Canton, Miss.
699 Sam Lambert, Way, Miss.
2006 Wes Lee, Canton, Miss.
2099 Lonnie (Lennie) Leese, Flora, Miss.
281 John Louis, route No. 2, Canton, Miss.
682 Peter Lowe (Love, Lane), route No. 3, Canton, Miss.
936 Dennis Lowe, Flora, Miss.
831 Jeff Luckett, Canton, Miss.
209 John (Jonny) Luckett, Flora, Miss.
862 Calvin McAllister, Flora, Miss.
928 Smith McMorris, Canton, Miss.
193 Jim Moore (Jim Moore, jr.), Madison, Miss.
1897 John Nichols, Canton, Miss.
229 Henry Patterson, Canton, Miss.
1513 Olive Payton, Stokes, Miss.
1163 Fate Poats, Ridgeland, Miss.
1415 Emmett Pondexter (Poindexter), Madison, Miss.
973 Wm. Primias (Prymas) (William (Wm.) Paymos), Canton, Miss.
1582 Geo. Pryer (George Gryor), Madison Station, Miss.
1972 James Reeves, West Otto, Canton, Miss. (McComb, care I. C. R. R. Co.).
1821 John Roberts, Canton, Miss.
834 Goodloe Robinson, Canton, Miss.
817 John Robinson, Madison, Miss.
900 Pearl Robinson, route No. 1, Canton, Miss.
884 Sam Wood Robinson (Rollinson) (Woods Rollinson), N. A. Lancaster, Canton, Miss.
1036 Nathan Roseburg, Flora, Miss.
1778 Dolphus Ross, Pickens, Miss.
* 52 John Ross, Pickens, Miss.
2083 Joe Sanders, Stokes, Miss.
276 Tom Sanders, Stokes, Miss.
759 Wm. Schimmerhorn (William Schmerhorn, W. Schenerhorn), care Cumberland Telephone Co., St. Louis, Mo.
2102 Joe Simms (Sims) (Jo Sims), Canton, Miss.
1140 Luther Skylock (Skylark), route No. 2, Canton, Miss.
1246 Alonco (Alonzo) Smith, Canton, Miss.
1617 Hamp Smith, route No. 2, Canton, Miss.
2040 Charley (Charlie) Smith, Canton, Miss.
401a Harvey Smith, Canton, Miss.
106a Jake Smoot, care I. C. R. R. Co., Centralia (Canton, Miss.).
1197 Tobbett (Cobbett) Smoots (Smoot), Canton, Miss.
233 Dewitt Stewart, Canton, Miss.
1072 Ernest (Earnest) Stewart (Stewards), Canton, Miss.
1487 Henry Stovall, Canton, Miss.
782 Jim Sullivan, Camden, Miss.
504 John Sumter (Sumlen), Flora, Miss.
618 Will Sutherland, Canton, Miss.
890 Frand Thomas (Frank Thomas), Flora, Miss.
1208 Jim Thomas, Flora, Miss.
2081 Sam Thomas, Flora, Miss. (Mounds, Ill.).
330 Samuel Thomas, Flora, Miss.
1546 Greenlan (Greenlow, Green Law), Tolbert, Madison, Miss.
985 David Tucker, Flora, Miss.
123 Roy Walker, Canton, Miss.
1969 Thomas Walker, 355 East Fulton, Canton, Miss.
356 Geo. (George) Warren, care Mr. B. Owen, Flora, Miss. (Jackson, Miss.).
770 Willie Watkins, West North Street, Canton, Miss.
150 Kemp Watts, Milleville, Miss.
1722 Honor Wells (Homer Week, Homer Wells), care B. Owen, Flora, Miss. (Brookhaven, Miss.).
163 Henry Williams, Canton, Miss.
972 Lover Wilson, Cameron Street, Canton, Miss.
1495 Robt. (Robert) Worthy, Madison, Miss.

LOCAL BOARD FOR THE COUNTY OF PANOLA, STATE OF MISSISSIPPI.

1868 Willie Anderson, Sledge, Miss.
222 Ollie Ausby, Route No. 3, Como, Miss.
221a Clinton Anthony, Charlston, Miss.
201 Russell Atkins, Como, Miss.
2409 Warren Bert (Burt), Sledge, Miss.
1891 Joe Booker, Crenshaw, Miss.
941 Ethel Bethel, Batesville, Miss.
705 Johnnie (Johnie) Brack, Sardis, Miss.
930 Robert Brassell (Brasell), Batesville, Miss.
2053 Fred D. (Douglas, E.) Bradley, Batesville, Miss.
677 Arthur Brooks, Sardis, Miss.
1242 Eddie F. (Floyd) Brown, Route 1, Sardis, Miss.
1798 Mose Brown, Crenshaw, Miss.
268 Ausby (Osby) Buford, R. F. D. No. 2, Batesville, Miss.
1659 Sam Campbell, Duck Hill, Miss.
649 Will Cathey, R. F. D. No. 1, Sardis, Miss.
1606 Galloway Crowley, R. F. D., Como, Miss.
861 Howard (Haywood, Hayword) Cobb, Sardis, Miss.
1683 Oscar Connor (Conner), Crenshaw, Miss.
1629a James Coops (Cooper), Route No. 4, Como, Miss.
1372a Bogan Davis, No. 1, Crenshaw, Miss.
1267a Walter Davis, Batesville, Miss.
560 Heabran Deloach, Sardis, Miss. (Bosham or Borham, Tex.).
197 Willie Eason, Crenshaw, Miss.
2269 George Eberhart, Sardis, Miss. (Sledge, Miss.).
98 James Ellis, Sledge, Miss.
2018 John Farley, Crenshaw, Miss.
1339 Tom Fillman, Crenshaw, Miss.
194 Lonzo (Lonzy, Lonz) Fletcher, Horatio (Haratio), Miss.
2317 Clifton Foster, Batesville, Miss.
962a Fred Frazier (Frazer, Freddie Frazier), Sardis, Miss.
1701 Harrison Fultz, Crenshaw, Miss.
61 James Granger, Como, Miss.
242 John H. (Henry) Hanley, Sledge, Miss.
396 Levy Hanley, Sledge, Miss.
1302 John Hardaway, R. F. D. No. 4, Sardis, Miss.
1927 Parvis (Parvi) Hardy, Canton, Miss.
1470 Percy Harper, Canton, Miss.
2222 Will Harris, Delta, Miss.
328 Robert Herron, Crenshaw, Miss.
1616 Will Hill, Route No. 2, Senatobia, Miss.
219 Lee Holman, Sledge, Miss.
1432 Tommie (Tommy) Howard, R. F. D. No. 1, Como, Miss.
270 Dee Jackson, R. F. D., Saroh, Miss.
827 Frank Johnson, Sardis, Miss.
891 Joe (Jae) Johnson, Enid, Miss.
1180 Berry Jones, Como, Miss.
2025 Charles Jones, route No. 1, Crenshaw, Miss.
1115 Columbus Jones, Ballentine, Miss.
909 Eugene Jones, Como, Miss.
42b Johnnie (Johnie) Jones, R. A., Senatobia, Miss.
1700 Lewis Jones, R. F. D. No. 3, Como, Miss.
2435 Rayford Jones, R. F. D. No. 1, Como, Miss.
883 Chas. K. Jordon (H. Gordon), Batesville, Miss.
410 Walter Killebrew, Sledge, Miss.
431 Pete Kuykendall, Batesville, Miss.
818a Rufus Lanton, route No. 3, Sardis, Miss.
1839 Dix (Dink) Lawson, Delta, Miss.
74 Willie Sherman Lester (Willie Lester), route No. 1, Batesville, Miss.
1177 Tom Long, Batesville, Miss.
1634 Andrew Lynch, Batesville, Miss.
1995a Eddie Lyons, Horatio, Miss.
138 William McCullar (McCuller, McCullough), Pleasant Grove, Miss.
1198 Clifton Margon (Morgan), R. F. D., Batesville, Miss.
685 Richard Mitchell, route No. 4, Como, Miss.
541 Adam Moore, Grenada, Miss.
1648 Ed (Edd) Moore, Batesville, Miss.
439 Smith Moore, Batesville, Miss.
586 Joe Neal, Crenshaw, Miss.
2124 Theodore Nolen, R. F. D., Como, Miss.
63a Andrew Nunley, route No. 2, Como, Miss.
512 Alex Orange, route No. 1, Grenada, Miss. (R. F. D. No. 1, Crenshaw, Miss.
1883 Will Osborne (Osbourn) (Will Be Osborne), R. F. D. No. 1, Crenshaw, Miss.
128 Albert Palmer, Como, Miss.
117a Henry Parnell, Ra, Senatobia, Miss.
136 Willie Peoples, Sardis, Miss.
404 Rufus (Ruffus) Perry, Horatio, Miss.
354 Wilbaum (Wilbourn, Wilburn) Phillips, Batesville, Miss.
579 Will Read (Reed), Phillips, Miss.
1810 Anthony (Antney) Roberson, R. F. D. No. 1, Crenshaw, Miss.
1950 Ernest Roberson (Earnest Robertson), Batesville, Miss.
977 Malachie (Malachi) Rogers, route No. 1, Sardis, Miss.
52 George Ruffin, route No. 3, Como, Miss.
318 Lun Russon (Russom), Pleasant Grove, Miss. (Sledge, Miss.).
1757 Robert Sanford (Sandford), Crenshaw, Miss.
74a Earl Shaw, Batesville, Miss.
993 Harry Shaw, Batesville, Miss.
401 Charlie (Charley) Sherman, Canton, Miss.
2418 Dewitt Smith, Sardis, Miss.
1523a Ed. D. Smith, route No. 2, Sarah, Miss.
137 Floyd Smith, route No. 4, box 42, Water Valley, Miss.
2392½ Ham Smith, Crenshaw, Miss.
2058a Charlie Thomas, Sledge, Miss.
405 Ollie Smith, Como, Miss.
563a Monroe Strong, Batesville, Miss.
105 Lawrence Tucker, care Jim Woodruff, route No. 1, Batesville, Miss.
199a John Vaughn, Batesville, Miss.
852 Ples (Pleas) Turner, R. F. D., Como, Miss.
109 Reece Waldrip (Waldrup), route No. 2, Como, Miss.
1037 Bishop Walters (Walton), route No. 2, Sarah, Miss.
1284 Cleveland Watson, R. F. D. No. 2, Batesville, Miss.
740 General Watson, Batesville, Miss.
2342 Ed Williams, Sardis, Miss.
1879 Houston Williams, Crenshaw, Miss.
483 Johnnie (Johnie) Williams, route No. 1, Crenshaw, Miss.
2146a Major Williams, Sardis, Miss.
2227a Turner Williamson, Crenshaw, Miss.
899 Andrson (Anderson) Wilson, Como, Miss.
1139 Smith Wilson, Batesville, Miss.
2157 Willie Wyatt, Canton, Miss.
2285a Jake Osborne Roy (Jake O. Wray), Monroe, La.
17 Frank Wright, route No. 3, Como, Miss.

LOCAL BOARD FOR THE COUNTY OF WARREN, STATE OF MISSISSIPPI.

405 Louis Addison, Garveys Hill (Garveys Alley), Vicksburg, Miss.
916 Columbus Barber, Vicksburg, Miss.
1764 Eugene Barber, Vicksburg, Miss.
2216 John Bowen, 1321 North Washington (1322 North Madison), Vicksburg, Miss.
2029 Doctor C. Bowman (D. C. Bowman), Vicksburg, Miss.
1840 Allen Bradford, Bell Café, Vicksburg, Miss.
257 Jim Brooks, Skena, Miss.
1822 John Brooks, Cedars, Miss.
221 Willie Brown, Brunswick, Miss.

1340 Will Henry Bur (Burr), Oak Ridge, Miss.
444 Dave Burton, 1514 Gordon Alley, Vicksburg, Miss.
1903 St. Clair Butler, Walters, Miss.
113 Louis Caples (Capel), 2022 Ryan Street, Vicksburg, Miss.
2403 David Carter, 708 Clay Street, Vicksburg, Miss.
90 Horace Carter, Vicksburg, Miss.
1871 Frank Chase, Vicksburg, Miss.
1859 Oscar Coleman, R. F. D., Vicksburg, Miss.
1826 Lewis Dowing (Dennis), Bovina, Miss.
117 Ben Essic, Floweree, Miss.
1587 Ike Ford, motor route A, Vicksburg, Miss.
88 Willie Gaines, R. F. D. No. 1, Vicksburg, Miss.
2107 Henry Galloway, Floweree, Miss.
355 Gus McGee, Edwards, Miss.
539 Augusta (August) Gibson, R. F. D. No. 1, Vicksburg, Miss.
986 Leroy Glen (Glenn), 1417 Farmer Street, Vicksburg, Miss.
56 Harley Gray, 615 Carter, Greenville, Miss.
2268 Charles Green, jr. (Charles Green), near Vicksburg, Miss.
844 Alonzo Greer, Nanachehaw, Miss.
2414 Will Griffin, 605 Jackson Road, Vicksburg, Miss.
1964 Nathaniel Handy, Cedars, Miss.
239 Joseph Hardiman, 908 Locust, Vicksburg, Miss.
2434 Louis Hardy, 1113 Locust Street, Vicksburg, Miss.
391 Thomas Harkness, South Street, Vicksburg, Miss.
1575 George Harris, 1018 Speed Street, Vicksburg, Miss.
1780 Will Harris, Bovina, Miss.
1926 Lonzy (Louzy) Henderson, Vicksburg, Miss.
746 Len (Lee) Herron, Yokena, Miss.
280 Melcar Hollenburg, Lumberton, Sunflower County, Miss.
1287 John Hopkins, Vicksburg, Miss.
251 James Houston, 1516 Vine, Vicksburg, Miss.
1304 Will Howard, Magnolia Avenue, Vicksburg, Miss.
571 Lewis Hugh Gray (Highgray), Blakely, Miss.
2555 Sunny (Surry) Hunter, Fort Hill, Vicksburg, Miss.
1980 Thomas James Ivory, near East Grove Street, Vicksburg, Miss.
1245 Leonard (Lenard, Lenord) Jefferson, 3 Franklin Street, Vicksburg, Miss.
385 Jim Johnson, 827 Meadow, Vicksburg, Miss.
2033 Will Johnson, Shreveport, La.
925 Ed Jones, Oak Ridge, Miss.
2309 Joe Jones, Clay, Vicksburg, Miss.
2236 Nathan Jones, motor route A, Vicksburg, Miss.
2370 Ramiel Jones, Bovina, Miss.
77 Walter Jones, Floweree, Miss.
410 Walter Jones, 717 North Walnut Street (717 Washington Street), Vicksburg, Miss.
2353 Willie Jones, Vicksburg, Miss.
2470 Walter Judge, 1411½ Veto, Vicksburg, Miss.
1585 Colonel Kenney (Kennedy), R. F. D., Vicksburg, Miss.
2542 Will Kennedy, Signal, Miss.
1919 Joseph Lumpkin (Lampkin), El Dorado, Miss.
2476 Will Lee, Brunswick, Miss.
1312 Ernest Charles Lewis, Walnut, Vicksburg, Miss.
650 Henry Lewis, Vicksburg, Miss.
934 Willie Mackley, R. F. D., Vicksburg, Miss.
523 Fred Madison, 1405 First North Street, Vicksburg, Miss.
773 Cornelius Martin, 1411 F East, Vicksburg, Miss.
2345 Sam Mayes (Mays), 1721 Pearl, Vicksburg, Miss.
884 Mathews Montgomery, Fifth North Street, Vicksburg, Miss.
1924 John Moore, camp cars, Y. & M. V., Vicksburg, Miss.
2305 William Moore, 1123 Mulberry Street, Vicksburg, Miss.
219 Johnie (Johnnie) Neal, Brunswick, Miss.
1728 Willie (Will) Owens, First East Street, Vicksburg, Miss.
2239 Spencer Palmer, Vicksburg, Miss.
1206 Lonnie Parker, R. F. D. 1, box 5, Vicksburg, Miss.
347 Pollart Parker, Redwood, Miss.
1925 Willie (Willis) Perkins, Bovina, Miss.
434 Andrew Raspberry, 208 Vick Street, Vicksburg, Miss.
897 Oscar Reed, R. F. D. 1, Vicksburg, Miss.
2282 Ed Reid (Reed), R. F. D. No. 2, Bovina, Miss.
1572 Emanuel Robertson, 209 Mulberry, Vicksburg, Miss.
1825 Mose Robinson, Clay and Locust, Vicksburg, Miss.
888 Leroy Russel, Fort Hill, Vicksburg, Miss.
1862 James (Sam) Scales, Levee Street, Vicksburg, Miss.
1035 Locket (Lockett) Shannon, 1616 Pearl Street, Vicksburg, Miss.
2146 Frank Shields, Alpine Heights, Vicksburg, Miss.
292 Ed (Eddie) Shivers, R. F. D. No. 1, Vicksburg, Miss.
2093 Alice Sims (Simms), A. & V. track gang, Vicksburg, Miss.
606 Jim Smith, Port Gibson, Miss.
1763 Mark (Mack) Smith, Cedars, Miss.
668 Shep Smith, R. F. D. No. 1, Bovina, Miss.
174 Silas Smith, R. F. D. No. 1, Vicksburg, Miss.
2372 Willie Smith, jr. (Willie Smith), Bovina, Miss.
317 Thomas Stewart, Bovina, Miss.
1909 Frank Thomas, 1107 Mulberry, Vicksburg, Miss.
1343 Hezekiah Thomas, Red Light, Washington Street, Vicksburg, Miss.
100 Russian Lee Thomas, South Signal, Miss.
2418 George Thompson, Cleveland, Miss.
2085 Alfred Washington, Cedars, Miss.
981 George Washington, 411½ Levee Street (Washington Street, 411 Levee), Vicksburg, Miss.
253 McKinley White, Vicksburg, Miss.
1858 Horace Eugene Wilcox, 779 Grove, Vicksburg, Miss.
1897 Elbert Williams, 1010 Pearl Street, Vicksburg, Miss.
1661 Eugene Williams, Fort Hill, Vicksburg, Miss. (253 South Compton Street, St. Louis, Mo.).
945 Matthew (Mathew) Williams, Lanes Hill, Vicksburg, Miss.
1893 Jim Young, Shreveport, La.

LOCAL BOARD FOR THE COUNTY OF PICKENS, STATE OF SOUTH CAROLINA.

1540 Wm. E. Alexander (William E. Alexander), Pickens, S. C.
1560 Hezaky Burgus, Calhoun, S. C.
880 Jolly Cannon, Central, S. C.
2201 Zebulon Vance Featherston (Z. V. Featherston), Hendersonville, N. C.
1087 Elijah Forman (Elliah Forman), Calhoun, S. C.
1659 Abe Gaston, Pickens, S. C.
2149 Clarence Glover, R. F. D. No. 6, Pickens, S. C.
821 Paul Green, Central, S. C.
1043 Monroe McCollough (Monro McCollough), Calhoun, S. C.
1802 Avery Mausel, Pickens, S. C.
1429 Phillip Preston Morgan (P. P. Morgan), Calhoun, S. C.
1831 John Dawson Oliver (J. D. Oliver), Easley, S. C. (Liberty, S. C.).
913 John Ortison, R. F. D. No. —, Easley, S. C.
2090 Guss Pillow, Central, S. C.
210 Shelton Prater (Skelton Proter), Easley, S. C.
1097 Horace Reid (Harace Reid), Central, S. C.
2202 Isaac Stevens, R. F. D. No. 6, Pickens, S. C.
385 Joe Summers, Central, S. C.
129 John Thomas, Pickens, S. C.
1872 Raymon Thomas, Liberty, S. C.
1391 Samuel Walker, Central, S. C.
180 Oben Williams, R. No. 1, Pendleton, S. C.
1976 Oliver Williams, Central, S. C.

LOCAL BOARD FOR THE COUNTY OF UNION, STATE OF SOUTH CAROLINA.

267 Grant Brownin, Union, S. C.
699 Charley (Charley G.) Carn (Charley Garner Carn), Monroe, N. C. (care R. W. Brown, Union chain gang, Monroe, N. C.).
88 James Chalk, station tug *Andrews*, Georgetown, S. C. (Santuck, S. C.).
704 Clarence Dover, Jonesville, S. C.
1114 Artemus Duckett, Union, S. C.
1834 Rhodes Fergerson (Ferguson), Union, S. C.
962 Amos Gist, Union, S. C.
795 Will Gess Gist (Will Geiss), Union, S. C.
933 James Lottie (Lattie) Hemphill, Buffalo, S. C.
1345 Johnnie Hunter, Union, S. C.
396 Andrew Jeter, R. No. 1, Kelton, S. C.
1768 Isiah Jeter, Carlisle, S. C.
2294 Jim Jeter (Geter, Getu), Carlisle, S. C.
235 Prince Jeter, Carlisle, S. C.
209 Wm. Allen Pruitt (Pruitte), Buffalo, S. C.
1934 Wm. Washington, 2 Mani Street, Union, S. C.
1476 Robert Worthy, Lockhart, S. C.

SUPPLEMENTAL LOCAL BOARD FOR THE COUNTY OF MARSHALL, STATE OF SOUTH DAKOTA.

261a Glen Lewis Hinkley, Cumberland, British Columbia, Canada (G. Hinkley, G. M. Hudson, Britton, S. Dak.).

LOCAL BOARD FOR DIVISION NO. 1, CITY OF MEMPHIS, STATE OF TENNESSEE.

2785 Doc (Dock) Adams, 1173 Grime, Memphis, Tenn.
895 Lewis Aldredge (Aldridge), 748 Simmons, Memphis, Tenn.
3206 Thos. Alexander, rear 731 Penn. (731 Penna.), Memphis, Tenn. Memphis, Tenn.
286 Daniel Ambrose, 157 McLemore, Memphis, Tenn.
72 Leroy Aston, 739 Hobert, Memphis, Tenn. (Le Roy Aston, 28 South Leonard, St. Louis, Mo.).
2441 Jas. Bailey, 1247 Ninth, Memphis, Tenn.
2952 Henry Baker, 2617 Alpha (2017 Alpha), Memphis, Tenn.
2272 Lewis Baker, 954 Goodman Hill, Memphis, Tenn.
1691 Edward Barlow, 153 Butler, Memphis, Tenn.
1195 Simon Barr (Simon Brown), 284 Virginia, Memphis, Tenn.
2424 Jas. Baty, 6 McLemore, Memphis, Tenn.
1317 Willie A. Beasley, 600 South Lauderdale, Memphis, Tenn.
485 Albert Bell, 1301 Adelaide, Memphis, Tenn.
94 Willie Bell, 1236 Kansas, Memphis, Tenn.
2712 Johnnie (Johnie) Bennett, 114 Illinois, Memphis, Tenn.
574 James Blackman, 873 Kansas, Memphis, Tenn.
3194 Leonard Blanton, 620 Broadway, Memphis, Tenn.
432 Buddy (Buddie) Bly, 775 Florida, Memphis, Tenn.
1535a Phillip (Philip) Bowman, Memphis, Tenn. (Tennessee State Penitentiary, Nashville, Tenn.).
2153 Lonnie Boykin, 703 Polk, Memphis, Tenn.
195 Leroy Bradshaw, 976 South Fourth, Memphis, Tenn. (3002 Scoville, Cleveland, Ohio).
1225 Eddie Branch, 180 Bailey's Row, Memphis, Tenn.
1051 Fred Branch, route 1165, McLemore, Memphis, Tenn.
2855 Joe Brickle, 23 Horace, Memphis, Tenn.
2232 Jos. Brooks, 406 Cynthia, Memphis, Tenn.
1477 Charlie (Charley) Brown, 223 Jackson Md., Memphis, Tenn.
1781 Willie Bryant, 1116 Raven, Memphis, Tenn.
1795 Geo. Burns, 180 W. R. R. (180 W. Railroad), Memphis, Tenn.
2939 Tom Burns, 180 West Railroad, Memphis, Tenn.
1648 Ulysesses (Uyless) Bydden, 147 St. Paul, Memphis, Tenn.
284 Willie Calvert, 1420 Helen, Memphis, Tenn.
1104 Ernest Canada, 586½ Polk, Memphis, Tenn.
1219 James W. Cannon (James Nathel Cannon, Jim Cannon), 624 Georgia, Memphis, Tenn.
1704 Henry Carson, 126½ Carolina, Memphis, Tenn.
1256 Jas. W. Clary, 250 East Iowa, Memphis, Tenn. (box 35, Monroe, La.).
2135 Peter Collins, 171 Broadway, Memphis, Tenn.
499 Arthur Conley, 1346 Ninth (1340 Ninth), Memphis, Tenn.
2485 Bill Conner, Oxford, Miss.
1617 Turner Cook, 539½ Miss. (539½ Mississippi), Memphis, Tenn.
3040 Robt. Cookery (Cookry, Cookrey), 81 West Illinois, Memphis, Tenn.
3030 Houston Cooper, rear 115 Trigg No. 10 Michigan, Memphis, Tenn. (rear of 115 Trigg, Memphis, Tenn.).
1441 Sidney (Sid) Cox, 175 West Georgia, Memphis, Tenn.
283 Stace Crate, 15 West Carolina, Memphis, Tenn.
2659 Clarence L. Crawsord, United States Government fleet, Memphis, Tenn. (care U. S. dredge *H. S. Taber*, Washington, Mo.).
531 Ernest Crawford, 672 Orleans, Memphis, Tenn.
1207 Jacob Crops, 789 South Main, Memphis, Tenn.
2769 Oscar Davis, 396 Humphrey, Memphis, Tenn.
2428 Samuel Davis, 1020 Florida, Memphis, Tenn.
1342 Thomas Davis, 1020 Florida, Memphis, Tenn.
2036 Addison Delhay, 145 East Calhoun, Memphis, Tenn.
1336 Osey Dorsey, 1411 Adelaide, Memphis, Tenn. (Hermando, Miss.).
3087 Edward Echols, rear 342 Webster, Memphis, Tenn.
2931 Herbert Edwards, 189 East McLemore (165 McLemore), Memphis, Tenn.
2543 Nathan Eskridge, 39 West Virginia, Memphis, Tenn.
2695 Joe Evans (Evans), 558½ South Main, Memphis, Tenn.
2396 John Finnie, 157 West McLemore, Memphis, Tenn. (210 Michigan, Memphis, Tenn.).
2219 Theodore Fennie, 1120 Ken (1120 Kerr, 611 East Broadway), Memphis, Tenn.
1140 Levy Ford, 112 Bailey Row, Memphis, Tenn.
3029 Will Ford, 872 Deleware, Memphis, Tenn.
2697 Will Franklin, 41½ Iowa, Memphis, Tenn.

829 Wm. Franklin (William Lambert Franklin), 716 Louisiana, Memphis, Tenn.
689 Jeff Gadley, 220 Bailey Row, Memphis, Tenn. (27 Sycamore, Buffalo, N. Y.).
1260 Aaron Gaines, 908 Michigan, Memphis, Tenn.
1008 Marion G. Gaither, 713 Florida, Memphis, Tenn.
550 Frank P. Gardner, 628 Wilkerson, Memphis, Tenn.
419 Will Garrett, 968 Kansas, Memphis, Tenn.
594 James J. (Jefferson) Gibson, 269 Trigg, Memphis, Tenn.
2523 Mansfield Gilliam (Gillian), 1507 Latham, Memphis, Tenn. (Sturgis, Ky.).
2503 James Glenn, R–227, West Illinois (rear 227 West Illinois), Memphis, Tenn.
1533 Fred Gordon, 297 McLemore, Memphis, Tenn. (I. Fred Gordon, Memphis, Tenn.).
694 Lincoln Gray, 17 East Trigg, Memphis, Tenn. (423 Dane, Waterloo, Wis.).
18 James E. (Edward) Grays, 595 King Place, Memphis, Tenn.
3258 Al Green, 101 West Iowa, Memphis, Tenn.
726 McKinley Guknes (Guyner, McKenley Guynes), 859 South Fourth (857 South Fourth), Memphis, Tenn.
992 James Hall, Floyd Street (Floyds Alley), Memphis, Tenn.
265 Houston Haney, 318 Patton, Memphis, Tenn.
3069 Lawrence Harmon, rear 660 Georgia, Memphis, Tenn.
2815 Lucian (Lucean) Harmon, 108 St. Paul (1008 St. Paul), Memphis, Tenn.
831 Alfonso (Alphonso) Harris, 660 Georgia, Memphis, Tenn.
2941 Joe Harris, 11 Rock Alley (71 Rock Alley), Memphis, Tenn.
605 Joe Harris, 378 South Wellington, Memphis, Tenn.
1265 Joe Harris, 1055 Delaware, Memphis, Tenn.
940 Thos. Harris, 374 Sanaford, Memphis, Tenn.
431 Johnnie (Johnie) Harrison, 657 South Orleans, Memphis, Tenn.
1386 Clarence A. Harvey, 226 McLemore, Memphis, Tenn.
1575 Thomas Harvey, residence 943 McLemore, Memphis, Tenn. (Station F. Memphis, Tenn.).
1357 John Hatch, 34 Illinois, Memphis, Tenn.
1080 Chas. Hawkins, 955 Kentucky, Memphis, Tenn.
859 James T. Hayes (James Thomas Hayes), 121 Jackson Mound, Memphis, Tenn.
1251 Geo. Hickey (Hickery), 123 Bailey Sub (Bailey Row), Memphis, Tenn.
3168 Jas. Hill, 428 St. Paul, Memphis, Tenn.
3093 Leonard (Lenard) Hill, residence 132½ West Georgia, Memphis, Tenn.
984 James Hizor (Hizen), 999 Texas, Memphis, Tenn.
1862 Curt Hobson (Hoposn, Cirt Hopson), 595 South Third, Memphis, Tenn.
2878 Murray (Murry) Holmes, 37 West Georgia, Memphis, Tenn.
2898 Ed. Houston, 867 Athens, Memphis, Tenn.
154 James L. (Leroy) Howard, 452 (522) East Georgia, Memphis, Tenn.
2360 Jno. Hudson, 215 Omega, Memphis, Tenn.
564 W. J. Hudson (Will James Hudson), 295 West Iowa, Memphis, Tenn.
1963 Richard Hall, residence 245 Webster, Memphis, Tenn. (Richard Hill, 442 East Carolina).
2492 Lester Hyter, 596 Landerdale, Memphis, Tenn.
1904 Allen Irvin (Irvine), 1132 Zero Alley, Memphis, Tenn.
989 Buster Ivory, 1097 Texas, Memphis, Tenn.
486 John Isabell, 710 Wright, Memphis, Tenn (3530 Central, Cleveland, Ohio).
127 Harris Jackson, 665 Orleans, Memphis, Tenn.
807 Henry Jackson, 1165 McLemore, Memphis, Tenn.
2149 John Jackson, 17 White's Alley, Memphis, Tenn.
253 Matthews (Mathews) Jackson, 193 West Trigg, Memphis, Tenn.
1554 Sonny Jackson, 155 McLemore, Memphis, Tenn.
2303 Will Jackson, 180 Broadway, Memphis, Tenn.
1381 Claud (Claude) James, 910 Palmer, Memphis, Tenn.
1525 Luther Jeanell, 677 Florida, Memphis, Tenn.
955 Robt. Jefferson, 5 Arkansas Extended (residence 243 Trigg), Memphis, Tenn.
2089 Edgar Jenkins, McLemore Avenue, Memphis, Tenn. (care of Shelby County Workhouse, Memphis, Tenn.).
1686 Frank Johnson, 340 Richmond, Memphis, Tenn.
2512 Steve Johnson, 1169 McLemore, Memphis, Tenn.
2528 Wm. C. Johnson (Bill Johnson), 37 Georgia, Memphis, Tenn.
2797 Wm. (Will) Johnson, 34 Virginia, Memphis, Tenn. (Peachtree Alley).
4142 Geo. Jones, 959 Geove, Memphis, Tenn.
2377 Henry Jones, 875 Latham, Memphis, Tenn.
716 Lawrence (Larence) Jones, 911 South Wellington, Memphis, Tenn. (1538 Rayburn extended, Memphis, Tenn.).
1894 Martin Jones, 973 Texas, Memphis, Tenn.
261 Phil Jones, 405 South Wellington, Memphis, Tenn.
920 Calvin Jordon, 237 Baker's Alley, Memphis, Tenn.
2913 Chas. Jordon (Jordan), 351 Georgia, Memphis, Tenn.
3036 Walter Jordan (Jordon), 660 East Georgia, Memphis, Tenn. care Ragland's Store, Memphis, Tenn,).
2255 Watson King, 652 South Wellington, Memphis, Tenn.
491 Will Kirkman, rear 1191 Orleans, (304 Sanders), Memphis, Tenn.
1420 Henry Lawrence, rear 1134 Florida, Memphis, Tenn.
894 Henry Lewis, 1396 Michigan, Memphis, Tenn.
2904 Earl (Earle) Lightfoot, 743 Polk, Memphis, Tenn.
1869 General (Geneal) Little, 701 Moore, Memphis, Tenn.
1418 Claude Locke, 38 East Jackson Mound, Memphis, Tenn.
101 Mose Love, Togola, La. (Tallulah, La.).
1055 Will (Willie) Lovinger (Willie Lovings), South Fourth, Memphis, Tenn. (freight handler, freight line, Memphis, Tenn.).
296 John McGhee (McGee), 611 Railroad, Memphis, Tenn.
2372 John McGraw, 14 Trigg, Memphis, Tenn.
2724 Lewis McMillan, S Michigan Avenue, Memphis, Tenn.
1377 Jarrett (Jarret) McRay, 1132 Florida, Memphis, Tenn.
2106 Ernest (Earnest) McNelson, 260 Weaver, Memphis, Tenn.
1072 Joe Mallory, 224 Delta, Memphis, Tenn.
1348 James W. (William) Martin, 709 Greenwood, Memphis, Tenn.
169 Ernest (Earnest) Mayfield, rear 733 Florida, Memphis, Tenn.
3189 Lex Milam, 700 South Kansas (174 West Carolina), Memphis, Tenn.
768 Buster Miller, 10 Michigan, in rear 110 Trigg, Memphis, Tenn. (rear 115 Trigg, Memphis, Tenn.).
2163 Walter Miller, 210 Carolina, Memphis, Tenn.
1396 Julius Milligan, 1158 Florida, Memphis, Tenn.
914 Eddie Mills, 136 Bailey, Memphis, Tenn.
2108 Ed. V. Moore, Rayburn, Memphis, Tenn. (laborer, care C. O. Conley, Erie, Pa.).
2999 Robt. Moore, 573 Iowa, Memphis, Tenn.
3086 Lee Mosely (Mosley), 195 West Georgia, Memphis, Tenn.
2121 Levi Nichols, 930 Latham, Memphis, Tenn.
843 Ashley Noel (Noeb), 345 Simpson, Memphis, Tenn.
3277 Adolphus (Adoephus) Odom, 1353 Shat, Texas (1353 Short Texas, Memphis, Tenn.).
2980 Alex E. (Alec Mar in) Oldsby, 934 Kansas, Memphis, Tenn.
3042 Geo. O'Neal, 282 East Iowa, Memphis, Tenn.
569 Fred Owens, Memphis, Tenn. (care East St. Louis Ry. Co., East St. Louis, Ill.).
656 Tom Owens, 688 South Wellington, Memphis, Tenn.
1553 Will Palmer, 1405 Main extended, Memphis, Tenn.
1710 Lewis Parker, 509 St. Paul (908 South Fifth), Memphis, Tenn.
1245 Geo. Pate, 1415 Cummings, Memphis, Tenn.
1705 Henry Petette, 755½ Polk, Memphis, Tenn.
227 Fred Polk, 543 South Fourth, Memphis, Tenn.
3054 Van Pool, 275 East Calhoun, Memphis, Tenn.
836 Alphonso Powell, 1328 James, Memphis, Tenn.
179 Richard Powell, 568 St. Paul, Memphis, Tenn.
1367 Wm. Pegues (Peques), 411 Wellington, Memphis, Tenn.
2840 Arthur Peerson, 783 Florida, Memphis, Tenn.
1472 Clarence Perkins, rear 651 South Lauderdale (651 South Orleans), Memphis, Tenn.
575 Ernest Phillips, 166 Gilbert, Memphis, Tenn.
2468 Ellam Pettis, 1277 Penn (1277 Pecan), Memphis, Tenn.
2438 Elbert Pope, 165 West Trigg, Memphis, Tenn.
1771 Jim Powers, 685 Keely, Memphis, Tenn.
1036 Earlie Purnell, 1354 Main extended, Memphis, Tenn.
1960 Jimmie Purnell, 1173 McLemore, Memphis, Tenn.
2444 Jno. Reed, 147 St. Paul, Memphis, Tenn.
1595 Jim Richardson, 502 South Third, Memphis, Tenn.
3055 Roe Richardson (Richerson), 812 Minnesota, Memphis, Tenn.
374 Abraham Robertson, 775 Broadway, Memphis, Tenn.
2531 Cleveland Robertson, 275 West California, Memphis, Tenn.
2461 Henry Robinson, Horn Lake Road, Memphis, Tenn.
1497 James Robinson, 961 Kansas, Memphis, Tenn.
2242 Jas. Robinson, route 14, West Carolina, Memphis, Tenn.
2814 Jas. Robinson, 1303 Texas, Memphis, Tenn.
680 John Roe, 15 Carolina, Memphis, Tenn.
2857 Fred Rogers (Rodgers), 254 East Virginia, Memphis, Tenn. (2839 Vincennes, Chicago, Ill.).
451 Geo. Sawyers, 275 Calhoun, Memphis, Tenn. (House of Correction, Toledo, Ohio).
1953 Charlie (Charley) Scott, 867 Kansas, Memphis, Tenn.
1297 John Session, 139 Carolina, Memphis, Tenn.
786 Richard Sharp, box 1017, Memphis, Tenn.
3060 Frank Shaw, 1170 Eighth, Memphis, Tenn.
2506 Brandy (Braddy) Simond, 1295 Texas, Memphis, Tenn.
2079 Chas. Sims, 1115 Texas (115 Texas), Memphis, Tenn.
3170 Douglas Sneed, 349 A. Humphrey, Memphis, Tenn.
348 Chester A. (Arthur) Smith, 601 South Fourth, Memphis, Tenn.
1147 Ed. Smith, 15 West Georgia (14 West Carolina), Memphis, Tenn.
2131 Geo. Smith, 1350 Adlaide, Memphis, Tenn. (89 Lake, Forrest River, Ill.).
400 Henry Smith, 399 East Calhoun, Memphis, Tenn.
483 Henry Smith, 1288 Saxon, Memphis, Tenn.
3129 Jno. Smith, Memphis, Tenn.
2053 O. D. Smith, 7 McLemore, Memphis, Tenn.
2270 Otis (Odis) Smith, 183 California, Memphis, Tenn.
899 Scott Smith, 1171 Rayburn, Memphis, Tenn.
3233 Wm. Spencer, 100½ Calafornia (1003 Calafornia), Memphis, Tenn.
2184 Shead (Shed) Stark, 1007 rear Texas, Memphis, Tenn.
2942 Jim Stave, 731 Pennsylvania, Memphis, Tenn.
658 Charlie Sterling, 14 West Carolina, Memphis, Tenn.
328 Clarence Sumner, 810 South Main, Memphis, Tenn.
1303 Gilbert Taylor, 63 East Trigg, Memphis, Tenn.
2681 Henry Taylor, 35 West Carolina, Memphis, Tenn.
1572 Jim (Tim) Taylor, 670 South Main, Memphis, Tenn.
259 Matthew Taylor, 139 East Carolina, Memphis, Tenn.
751 Sam Taylor, 183 East Carolina (133 East Carolina), Memphis, Tenn.
2737 Will Taylor, 1284 McLemore (112 McLemore), Memphis, Tenn.
2764 Eddy (Eddie) Thomas, 921 South Second, Memphis, Tenn. (Clarksdale, Miss.).
2094 Jas. Thomas, 1575 Preston, Memphis, Tenn.
323 Sam Thomas, Memphis, Tenn. (Care C. W. Stanfield, foreman, I. C., Macy, Iowa.)
3103 Charlie Thompson, 5 Yellow Bottom, Memphis, Tenn.
2603 Eddie Thompson, 904 Palmer (566 Mississippi), Memphis, Tenn.
1279 Jim Thorton (Thornton), 766 Florida, Memphis, Tenn.
2607 Jimmie Tipton, 912 Willoughby, Memphis, Tenn.
2657 Alphonso Torres, 219 McLemore, Memphis, Tenn.
3035 Garfield Tucker, 1183 Short Texas, Memphis, Tenn.
3007 Clifford Turner, 14 Carolina, Memphis, Tenn.
2816 Nathan (Nath) Vance, 1146 Florida (434 Main), Memphis, Tenn.
3018 J. B. Wade, 1214 Florida, Memphis, Tenn.
107 Othas Wade, Memphis, Tenn. (care Cole Bros. Shows, Cincinnati, Ohio).
238 Roy Ray Waite, 179 Elm (287 Vance), Memphis, Tenn.
458 Willie Walker, 1324 Adelaide, Memphis, Tenn.
1437 Frank Walls, 862 Florida, Memphis, Tenn.
241 Curtis Walton, camp cars McLemore, Memphis, Tenn. (McLemore & Rayburn camp cars, Memphis, Tenn.).
189c John Richard Ware, 864 Florida, Memphis, Tenn.
1190 Elija (Elijah) Ward, 7 West McLemore, Memphis, Tenn.
1191 Wm. Washington, Memphis, Tenn. (Phoenix Iron Works, Meadville, Pa.).
2368 Cleveland Weathersby, 1177 East Trigg, Memphis, Tenn.
1774 Frank Weaver, 682 Glenmore, Memphis, Tenn.
939 Geo. Wefford (Wafford), 426 Beta (Bita), Memphis, Tenn.
438 John Wesley (Westley), 17 Horace (Horan), Memphis, Tenn.
196 Aaron White, 1350 Adelaide, Memphis, Tenn.
2901 Albert White, 9 West McLemore, Memphis, Tenn.
2907 Bob White, 634 South Orleans, Memphis, Tenn.
2720 Sam White, 712 South Wellington, Memphis, Tenn.
1353 Claud F. Wilburn (Claud Francis Wilborn, Wilbarn), end South Memphis Suburban car line, Memphis, Tenn.
2618 Newt Wilburn (Wilborn), 125 Trigg, Memphis, Tenn.
1071 Abraham Wiley, 893 Darnell (Daniel), Memphis, Tenn.
2731 Dee Williams, 177 East Georgia, Memphis, Tenn.
2462 Johnnie (Johnie) E. Williams (Johnnie Williams), 92 West Colorado, Memphis, Tenn.
1326 Robt. Williams, 20 Happyland, Memphis, Tenn.
1989 Robt. Williams, 441 East Georgia, Memphis, Tenn.

123 Roger Williams, 3650 Forrest, Chicago, Ill.
1032 Roger Williams, 818 Keatrick (Kentucky), Memphis, Tenn.
64 Willie Williams, 935 South Fourth, Memphis, Tenn.
2112 Ester P. (Pette, Peet) Wilson, 748 Simmons, Memphis, Tenn.
30 Louis Young, 157 (161) McLemore, Memphis, Tenn.
2183 Ozzie Young, 141 West Georgia, Memphis, Tenn. (St. Louis Smelting & Refining Co., Collinsville, Ill.).

ADJOURNMENT.

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, Saturday, January 6, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

865. A letter from the Acting Secretary of the Interior, transmitting two tables showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year, June 30, 1922; to the Committee on Indian Affairs.

866. A letter from the Acting Secretary of the Interior, transmitting a detailed report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations during the fiscal year ended June 30, 1922, from the appropriation "Industry among Indians, 1922"; to the Committee on Indian Affairs.

867. A letter from the Acting Secretary of the Interior, transmitting an itemized statement of expenditures made by this department and charged to the appropriation "Contingent expenses, Department of the Interior, 1922," fiscal year ended June 30, 1922; to the Committee on Expenditures in the Interior Department.

868. A letter from the Acting Secretary of the Interior, transmitting an itemized statement of expenditures made by this department and charged to the appropriation "Repairs of buildings, Department of the Interior, 1922," for the fiscal year ended June 30, 1922; to the Committee on Expenditures in the Interior Department.

869. A letter from the Acting Secretary of the Interior, transmitting a detailed statement embodying the aggregate number of the various publications issued during the fiscal year 1922, the cost of paper used for such publications, the cost of printing, cost of preparation of copy, and the number distributed; to the Committee on Printing.

870. A letter from the Acting Secretary of the Interior, transmitting a statement of expenditures on account of the Indian Service for the fiscal year ended June 30, 1922, from the appropriation "Industrial work and care of timber, 1922"; to the Committee on Indian Affairs.

871. A letter from the Acting Secretary of the Interior, transmitting a letter from Mr. M. Sanger, administrative assistant to the superintendent of St. Elizabeths Hospital, transmitting the financial report contemplated by the act of June 4, 1880; to the Committee on Expenditures in the Interior Department.

872. A letter from the Acting Secretary of the Interior, transmitting report showing the number of typewriters, adding machines, and other labor-saving devices exchanged in part payment for new machines for the fiscal year ended June 30, 1922; to the Committee on Appropriations.

873. A letter from the Acting Secretary of the Interior, transmitting statement showing the number of documents received and distributed during the fiscal year 1922; to the Committee on Printing.

874. A letter from the Acting Secretary of the Interior, transmitting statement showing what officers or employees of the Department of the Interior have traveled on official business from Washington to point outside of the District of Columbia during the fiscal year ended June 30, 1922; to the Committee on Appropriations.

875. A letter from the Acting Secretary of the Interior, transmitting report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations during the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

876. A letter from the Acting Secretary of the Interior, transmitting a report for the fiscal year 1922, showing the amounts expended at each school and agency building for Indians; to the Committee on Indian Affairs.

877. A letter from the Acting Secretary of the Interior, transmitting a report for the fiscal year ended June 30, 1922, relating to the appropriation "Indian schools, support, 1922"; referred to the Committee on Indian Affairs.

878. A letter from the Acting Secretary of the Interior, transmitting statement of the fiscal affairs of Indian tribes for the fiscal year ended June 30, 1922; referred to the Committee on Indian Affairs.

879. A letter from the Acting Secretary of the Interior, transmitting statement showing receipts from rentals, extension Capitol grounds, for the period December 1, 1921, to and including November 30, 1922; referred to the Committee on Expenditures in the Interior Department.

880. A letter from the Acting Secretary of the Interior, transmitting statement of the expenditures for the fiscal year ended June 30, 1922, of money carried on the books of this department under the caption "Indian moneys, proceeds of labor"; referred to the Committee on Indian Affairs.

881. A letter from the Acting Secretary of the Interior, transmitting a detailed statement of expenditures from the tribal funds of the Chippewa Indians of Minnesota for the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

882. A letter from the Acting Secretary of the Interior, transmitting a detailed report of expenditures from the $250,000 authorized from the funds of the Apache, Kiowa, and Comanche Indians for the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

883. A letter from the Acting Secretary of the Interior, transmitting a detailed report of the expenditures made from tribal funds of the Confederated Bands of the Ute Indians during the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

884. A letter from the Acting Secretary of the Interior, transmitting a report showing that no expenditures were made during the fiscal year ended June 30, 1922, for the construction of hospitals from the appropriation "Relieving distress and prevention, etc., of diseases among Indians, 1922"; to the Committee on Indian Affairs.

885. A letter from the Acting Secretary of the Interior, transmitting a report of expenditures made for the purpose of encouraging industry and support among the Indians on the Tongue River Reservation, Mont., during the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

886. A letter from the Acting Secretary of the Interior, transmitting a report of expenditures made for the purchase of cattle for the Northern Cheyenne Indians on the Tongue River Reservation, Mont., for the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

887. A letter from the Acting Secretary of the Interior, transmitting a report of expenditures from the permanent fund of the Sioux Indians during the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

888. A letter from the Acting Secretary of the Interior, transmitting a report of all moneys collected and deposited during the fiscal year ended June 30, 1922, under the appropriation "Determining heirs of deceased Indian allottees, 1922"; to the Committee on Indian Affairs.

889. A letter from the Acting Secretary of the Interior, transmitting a statement of the cost of all survey and allotment work on Indian reservations for the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

890. A letter from the Acting Secretary of the Interior, transmitting a report showing the diversion of appropriations for the pay of specified employees in the Indian Service for the fiscal year ended June 30, 1922; to the Committee on Indian Affairs.

891. A letter from the Acting Secretary of the Interior, transmitting reports showing traveling expenses incident to the detail of employees from the office of one surveyor general to another during the fiscal year ended June 30, 1922; to the Committee on Appropriations.

892. A letter from the Acting Secretary of the Interior, transmitting a copy of a letter from Dr. W. A. Warfield, surgeon in chief of Freedmen's Hospital, transmitting detailed statement of expenditures for professional and other services; to the Committee on Expenditures in the Interior Department.

893. A letter from the Acting Secretary of the Interior, transmitting a copy of letter from Dr. W. A. Warfield, surgeon in chief of Freedmen's Hospital, transmitting detailed statement of receipts and expenditures on account of pay patients; to the Committee on Expenditures in the Interior Department.

894. A letter from the Acting Secretary of the Interior, transmitting a report of disbursements for the fiscal year ending June 30, 1923, made in the States and Territories for colleges of agriculture and the mechanic arts; to the Committee on Expenditures in the Interior Department.

895. A letter from the Acting Secretary of the Interior, transmitting a report showing proceeds from the "Sale of surplus and obsolete material and equipment during the fiscal year ending June 30, 1922," and from "Collection from town-site assessments during the fiscal year ended June 30, 1922"; to the Committee on Expenditures in the Interior Department.

896. A letter from the Acting Secretary of Commerce, transmitting a summary of reports, with a brief statement of the action of the department in respect to accidents sustained or caused by barges while in tow through the open sea during the fiscal year 1922; to the Committee on the Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 13476. A bill amendatory of and supplemental to an act entitled "An act to incorporate the Texas Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874; with amendments (Rept. No. 1331). Referred to the House Calendar.

Mr. STEENERSON: Committee on the Post Office and Post Roads. S. 2573. An act to amend section 198 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," as amended; without amendment (Rept. No. 1332). Referred to the House Calendar.

Mr. MOORES of Indiana: Joint Select Committee on Disposition of Useless Executive Papers. H. Report No. 1330. A report on the disposition of useless papers in the Post Office Department. Ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LANGLEY: A bill (H. R. 13671) to authorize an appropriation to enable the Secretary of Agriculture to purchase and distribute valuable seeds; to the Committee on Agriculture.

By Mr. STEDMAN: A bill (H. R. 13672) authorizing the erection in the city of Washington of a monument in memory of the faithful colored mammies of the South; to the Committee on the Library.

By Mr. DEAL: A bill (H. R. 13673) authorizing the payment of additional compensation to master mechanics at navy yards for overtime work; to the Committee on Naval Affairs.

By Mr. LEATHERWOOD: A bill (H. R. 13674) to establish a court of claims and to provide for the settlement of land claims of persons not Indian within Pueblo Indian lands and land grants in the State of New Mexico; to the Committee on Indian Affairs.

By Mr. MOORE of Virginia: A bill (H. R. 13675) for the purpose of preserving life at sea, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. DAVIS of Tennessee: A bill (H. R. 13676) to amend the copyright law in order to permit the United States to enter the International Copyright Union; to the Committee on Patents.

By Mr. BLAND of Indiana: A bill (H. R. 13677) to authorize the acquisition of a site and the erection of a Federal building at Bicknell, Ind.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13678) to authorize the acquisition of a site and the erection of a Federal building at Sullivan, Ind.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13679) for the erection of a public building at Linton, Ind.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13680) to make additions, extensions, and improvements to the post-office building at Vincennes, Ind., to be used for post-office and mine-rescue purposes; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY: A bill (H. R. 13681) providing for the examination and survey of Neuse River, N. C., from New Bern to Smithfield; to the Committee on Rivers and Harbors.

By Mr. BLAND of Indiana: A bill (H. R. 13682) granting a pension to William Powell; to the Committee on Invalid Pensions.

By Mr. BULWINKLE: A bill (H. R. 13683) granting a pension to Fannie E. Anthony; to the Committee on Pensions.

By Mr. COLE of Ohio: A bill (H. R. 13684) granting a pension to Lulu Moore; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 13685) granting a pension to Jacob Shoup; to the Committee on Invalid Pensions.

By Mr. GRAHAM of Illinois: A bill (H. R. 13686) granting a pension to Otto R. King; to the Committee on Invalid Pensions.

By Mr. GREEN of Iowa: A bill (H. R. 13687) granting an increase of pension to Laura Hurd; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Kentucky: A bill (H. R. 13688) for the relief of Thomas Etherton; to the Committee on Military Affairs.

By Mr. MICHENER: A bill (H. R. 13689) granting a pension to Charles Curtis Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13690) granting a pension to Kittie C. Simpson; to the Committee on Invalid Pensions.

By Mr. MILLER: A bill (H. R. 13691) granting a pension to Phillip S. Jackson; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6757. By Mr. COLE of Iowa: Petitions signed by Fred Drew and 21 others, residents of Cedar Rapids, Iowa, for the abolishment of discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6758. Also, petitions signed by William Fisher and 21 others, residents of the fifth congressional district of Iowa, for the abolishment of discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6759. Also, resolutions adopted by the Philathea Class, of St. Paul's Methodist Episcopal Church, of Cedar Rapids, Iowa, a class with a membership of 150 women (submitted by George C. Claassen, Mrs. F. C. Waples, and Mrs. Gail Yessler, committee), regarding conditions in the Near East; to the Committee on Foreign Affairs.

6760. Also, petitions signed by F. W. Schencken and 42 others, residents of Keystone, Iowa, for the abolishment of discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6761. By Mr. CULLEN: Resolutions adopted December 21, 1922, by Harry Boland Council of the American Association for the Recognition of the Irish Republic, favoring the United States protesting against the barbarous executions of prisoners now being carried on by the so-called Irish Free State; to the Committee on Foreign Affairs.

6762. Also, resolutions adopted at seventeenth annual meeting of the Empire State Forest Products Association, urging that the Director of the Budget and the Congress should give favorable consideration to the request for funds for the establishment of a northeastern forest experiment station; to the Committee on Agriculture.

6763. By Mr. FESS: A petition in support of joint resolution now pending in Congress purporting to extend immediate aid to the people of the German and Austrian Republics, now famine-stricken owing to scant crops and money depreciation, signed by citizens of New Bremen, Ohio; to the Committee on Foreign Affairs.

6764. By Mr. KIESS: Petitions of citizens of Williamsport, Pa., with reference to tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6765. By Mr. KISSEL: Petition of Hon. Frederick M. Davenport, chairman committee on taxation and retrenchment, the senate of the State of New York, favoring the constitutional amendment to eliminate tax-exempt securities; to the Committee on Ways and Means.

6766. By Mr. RAKER: Petition of the California Anti-Vivisection Society (Inc.), of Los Angeles, Calif., indorsing the bill introduced by Congressman Albert Johnson, of Washington, to abolish poison-gas experiments on living animals, House bill 12605; to the Committee on the Judiciary.

6767. Also, petition of the Matzger Chocolate Co., of San Francisco, Calif., urging the repeal of the 3 per cent excise tax on candy; to the Committee on Ways and Means.

SENATE.

SATURDAY, *January 6, 1923.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we turn toward Thee this morning supplicating Thy guidance, and as we look out upon a world in distress we beseech of Thee for Thy revelation to all the peoples of earth. Give wisdom in deliberation, give judgment and guidance continually, and so enable us in our own land and life to realize the highest interests to Thy glory. Through Jesus Christ. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, January 3, 1923, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

REPORT OF THE CHESAPEAKE & POTOMAC TELEPHONE CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Chesapeake & Potomac Telephone Co., transmitting, pursuant to law, the annual report of that company for the year 1922, which was referred to the Committee on the District of Columbia.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of the Interior, transmitting a list of documents and papers on the files of the Interior Department not needed in the conduct of business and having no permanent value or historic interest, and requesting action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The Vice President appointed Mr. NORBECK and Mr. MYERS members of the committee on the part of the Senate, and ordered that the Secretary notify the House of Representatives thereof.

PETITIONS.

Mr. LADD presented the petition of Heinrich Kuball and 14 other citizens of Dresden and vicinity in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

Mr. STERLING presented a petition of sundry citizens of the State of South Dakota, praying for the passage of legislation repealing the discriminatory tax in existing law on small-arms ammunition and firearms, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. MCNARY, from the Committee on Appropriations, to which was referred the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, reported it with amendments and submitted a report (No. 992) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 4028) for the relief of John N. Halladay, reported it without amendment and submitted a report (No. 994) thereon.

He also, from the same committee, to which was referred the bill (S. 3553) for the relief of the family of Lieut. Henry N. Fallon (retired), reported it with an amendment and submitted a report (No. 991) thereon.

DEFICIENCY APPROPRIATIONS.

Mr. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, and I submit a report (No. 993) thereon.

I give notice that I expect to call up the bill for consideration on Monday.

The VICE PRESIDENT. The bill will be placed on the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4281) to appropriate $500,000 for the purchase of seed grain to be supplied to farmers in the crop-failure areas of eastern Washington, said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. NICHOLSON:

A bill (S. 4282) for the purchase of the statue "The Pilgrim Mother and Child of the *Mayflower*" and presentation of same to the Government of Great Britain; to the Committee on the Library.

By Mr. BALL:

A bill (S. 4283) to authorize the Commissioners of the District of Columbia to require operators of motor vehicles in the District of Columbia to secure a permit, and for other purposes; to the Committee on the District of Columbia.

By Mr. BURSUM:

A bill (S. 4284) granting an increase of pension to Elizabeth F. Long; to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 4285) defining the legal status of all children under 18 years of age who violate Federal statutes, the creation of a United States parental court, and defining the duties and jurisdiction of a chief United States parental guardian; to the Committee on the Judiciary.

By Mr. HARRISON:

A bill (S. 4286) for the relief of James Francis McDonald and Sarah Elizabeth McDonald; to the Committee on Claims.

By Mr. LENROOT:

A bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes; to the Committee on Banking and Currency.

By Mr. TOWNSEND:

A joint resolution (S. J. Res. 263) to authorize the Secretary of Agriculture to accept membership for the United States in the Permanent Association of the International Road Congresses; to the Committee on Agriculture and Forestry.

STATE TAXATION OF NATIONAL BANKS.

Mr. KELLOGG submitted an amendment intended to be proposed by him to the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, which was referred to the Committee on Banking and Currency and ordered to be printed.

REGULATION OF MOTOR VEHICLES IN THE DISTRICT.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 4237) to control the operation of motor vehicles in the District of Columbia, to provide for indemnity bonds or insurance policies, to fix penalties, and for other purposes, which was referred to the Committee on the District of Columbia and ordered to be printed.

AMENDMENTS OF DISTRICT APPROPRIATION BILL.

Mr. SPENCER submitted an amendment proposing to appropriate $1,500 to aid the Columbia Polytechnic Institute for the Blind in the city of Washington, intended to be proposed by him to House bill 13660, the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to appropriate $5,000 for aid and support of the National Library for the Blind in the city of Washington, intended to be proposed by him to House bill 13660, the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

DEPARTMENTAL USE OF AUTOMOBILES.

Mr. MCKELLAR. Mr. President, I submit a resolution, which I ask may be read, and I ask for its immediate consideration. It is simply a resolution calling for information, to which, I am sure, there will be no objection.

Mr. CURTIS. Let the resolution be read.

Mr. MCKELLAR. I have asked that it be read.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 399) was read, as follows:

Resolved, That the head of each department and head of each independent bureau or commission of the Government in the city of Washington, including the District Commissioners, be, and they are hereby, directed to furnish to the Senate as early as may be practicable the number of passenger automobiles in use by such department, independent bureau, or commission; the name of the official or person to whom such automobile is assigned; the cost thereof; the cost of the upkeep and operation thereof; the salary or pay of chauffeur furnished, if one is furnished, to the end that the Senate may have accurate information as to the number of automobiles, the cost thereof, the person using same, and all the facts pertaining thereto in each department, independent bureau, or commission in the city of Washington. If allowances for privately owned automobiles are made in any department, independent bureau, or commission to officers or employees of such department, independent bureau, or commission, then the amount of such allowances for upkeep or operation shall be reported with the names and positions of those to whom such allowances are made.

Also the number, location, and cost of any garage or garages maintained by such department, independent bureau, or commission; where such garages are located; number of employees used in said garages; cost of same; rentals on same; and all other information in connection therewith; the number of passenger automobiles kept in said garages and the number of trucks; the names of such officers or employees keeping such automobiles in said garages. The heads of said several departments, independent bureaus, or commissions are likewise directed to furnish in reports separate from the foregoing facts, like facts, figures, and information concerning the use, upkeep, and operation of all passenger vehicles in use in their said departments, independent bureaus, or commissions outside the city of Washington.

Mr. McKELLAR. I ask unanimous consent for the immediate consideration of the resolution. I think there can be no objection to the furnishing of the information.

The resolution was considered by unanimous consent, and agreed to.

CALL OF THE ROLL.

Mr. OVERMAN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Fernald	McCormick	Sheppard
Brandegee	Fletcher	McCumber	Shortridge
Brookhart	France	McKellar	Smith
Broussard	George	McKinley	Smoot
Bursum	Harreld	McNary	Spencer
Calder	Harris	Nelson	Stanfield
Cameron	Harrison	New	Stanley
Capper	Heflin	Nicholson	Sterling
Caraway	Hitchcock	Norbeck	Sutherland
Couzens	Johnson	Oddie	Townsend
Culberson	Jones, N. Mex.	Overman	Trammell
Curtis	Jones, Wash.	Phipps	Underwood
Dial	Kendrick	Pomerene	Walsh, Mass.
Dillingham	Ladd	Ransdell	Warren
Elkins	La Follette	Reed, Mo.	Watson
Ernst	Lodge	Reed, Pa.	Weller

Mr. CURTIS. I wish to announce that the junior Senator from Ohio [Mr. WILLIS] is necessarily absent, due to serious illness in his family.

The VICE PRESIDENT. Sixty-four Senators have answered to their names. There is a quorum present.

CONSTRUCTION OF RURAL POST ROADS (S. DOC. NO. 286).

Mr. TOWNSEND. I ask unanimous consent to have printed as a public document the report of the Secretary of Agriculture upon the work which has been done on the public roads.

There being no objection, the report on the construction of rural post roads in cooperation with the States, etc., was ordered to be printed as a Senate document.

PUEBLO INDIANS OF NEW MEXICO.

Mr. CAPPER. I ask unanimous consent to have printed in the RECORD a letter from Judge A. J. Abbott, of Santa Fe, N. Mex., in regard to the Bursum bill affecting the Pueblo Indians.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SANTE FE, N. MEX., *December 17, 1922.*

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

MY DEAR SENATOR CAPPER: You may not remember me personally, but you will probably recall who I am when I tell you that I was for nine years judge of the Twenty-seventh Judicial District of Kansas, with headquarters at Garden City. * * *

As a Member of the Senate you are, of course, familiar with the action of that body on the measure recently passed known as the Bursum bill, but which has been by the Senate withdrawn from the House. It is on behalf of this Bursum bill, as it is called, because it was introduced and sponsored by our Senator BURSUM, that I am asking a few minutes of your attention.

I was from 1902 to 1910, about eight years, special attorney for the Pueblo Indians of New Mexico. I am now writing you on behalf of these same Indians.

You have doubtless noticed the sensational and alarming headlines and articles which have gone down the lines of certain classes of newspapers since this bill passed the Senate. I sincerely hope that the unreasonable furor against this measure which seems to have taken hold upon a certain class of people, many of whom I am persuaded are uninformed, will not be allowed to influence the sane and sensible Members of the Senate and House when the measure shall again come up for consideration.

A change in the relationship of these Indians to the Government, brought about by a recent decision of the Supreme Court of the United States, has made some congressional legislation concerning their property rights imperatively necessary. To meet this necessity the Department of the Interior, through the Indian Office, has called to its aid certain gentlemen well informed as to the history and necessities of these people. The bill was prepared by Col. R. E. Twitchell, Attorney A. B. Renehan, and Indian Commissioner Charles H. Burke and carefully examined and approved by Secretary of the Interior A. B. Fall, submitted to and approved by other able and experienced men of the Indian Office, and United States Senator H. O. BURSUM, of New Mexico, who introduced it in the Senate.

Who are these gentlemen? Secretary Fall, as you know, is an old resident of New Mexico and an excellent lawyer, whose interest in these Indians can not be held in suspicion. Col. R. E. Twitchell, also an old-time resident of New Mexico, one of the best lawyers in our State, and a man who has written much on the history of New Mexico, and especially the history of these Indians, and who now holds the office of Assistant Attorney General, assigned to the special work of studying the Pueblo Indian problem and the duty of the Government toward these Indians; a man who, I believe, has taken more interest in the Pueblos than any other man in New Mexico. Hon. A. B. Renehan, an able, careful, and critical lawyer of Santa Fe, N. Mex., who stands high at the bar of our State, and United States Senator BURSUM, who introduced the bill. These are the men to whom was intrusted the difficult task of framing suitable legislation to meet the immediate and future demands of the Pueblo Indian situation.

It is unthinkable that intelligent and well-informed people with good and honest hearts should allow themselves to believe the fallacious and deceptive arguments which have been published under flaming and alarming headlines in sensational articles, with the evidently corrupt intent of producing political dissatisfaction with administration of the Indian department and reflecting discredit upon Government officers.

It is easy for those of us who reside in New Mexico and are acquainted with political conditions here to see in it all a deep-seated political scheme.

This "terrific barrage," as it is called, upon the Bursum bill is designed as a camouflage to blind the public vision and prevent a clear view of the measure, while a scheme for a special commission or court is being developed and brought to light as a substitute, with a purpose of revolutionizing the entire Indian policy and creating places, I may add, for some hungry office seekers who can not hope for anything under the present administration.

Such headlines as "The end of the Pueblo Indians," "Cruel and treacherous assault," "Legalized robbery," "Repugnant to morals," "Special piece of villainy," and many other such bombastic, sensational, deceptive, and misleading illusions and fallacies can not be begotten by an honest desire to promote the public good or prevent a supposed wrong. Honest effort is not usually accompanied by such methods, and it is to be hoped that the promoters of these would-be deceptions will soon learn that the Congress of the United States can not be easily tricked or deceived.

Now, dear Senator, my interest in these Indians has prompted me to write you thus at length, for which trespass upon your time, if indeed it be trespass, I beg your pardon.

With the sincere hope that Congress may act wisely in the premises, I am,

Very sincerely yours,

A. J. ABBOTT.

RETURN OF AMERICAN TROOPS FROM GERMANY.

Mr. REED of Missouri. Mr. President, I desire to call up Senate Resolution 395 submitted by me on yesterday with reference to the recall of troops from Germany. I ask that the resolution may be read.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Assistant Secretary read the resolution as follows:

Resolved, That the President is hereby respectfully requested to at once cause the return to the United States of all troops now stationed in Germany.

Mr. CURTIS. Mr. President, a parliamentary inquiry. As I understand, the resolution is merely presented to the Senate for discussion and not for consideration. Is that correct?

Mr. REED of Missouri. I submitted the resolution on yesterday and gave notice that I would call it up this morning.

The VICE PRESIDENT. The resolution is on the table and it may come up by unanimous consent or on motion.

Mr. REED of Missouri. I ask unanimous consent that the resolution may now be taken up.

The VICE PRESIDENT. Is there objection?

Mr. JONES of Washington. I wish to know is the request of the Senator from Missouri for unanimous consent for the consideration of the resolution with a view to its passage today or merely with a view to its discussion?

Mr. REED of Missouri. Certainly for its passage if the Senate is ready to vote on it; but, of course, at the end of the morning hour I suppose the resolution will have to give way to the regular order.

Mr. JONES of Washington. I merely wish to understand the matter. I myself have no objection to the consideration of the resolution.

Mr. CURTIS. Mr. President, so far as I am concerned, I have no objection to the consideration of the resolution, but the chairman of the Committee on Military Affairs, the Senator from New York [Mr. WADSWORTH], is not present, and I think he ought to be consulted in reference to the matter before any action shall be taken upon it.

Mr. REED of Missouri. I think the chairman of the Committee on Military Affairs will get here. As he is not present, he had better be sent for.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. REED of Missouri. I can say what I have to say on this matter, I hope, in a very brief speech, though my prophecies as to the time I am going to speak are not always accurate.

Mr. President, there is no useful purpose to be served by any long statement regarding this subject. The Senate is entirely familiar with the history of the occupation by our troops of a part of Germany subsequent to the signing of the treaty of Versailles and up to the present time. Speaking in round numbers, there are approximately 1,000 American troops still located

in Germany. If my recollection serves me right—and if I am wrong I hope some Senator will correct me—the President during his preelection campaign stated that our troops ought promptly to be recalled from Germany. At that time we had a considerable force there. I may be in error regarding the statement which I have just made, but that is my recollection. In any event, the administration did begin the return of the troops, and it was publicly stated and understood that all of the American troops in Germany were to be returned to the United States. The task of returning the troops began some months ago and had been largely accomplished when, for a reason that has never been made plain, at least to my knowledge, the return of the troops was stopped, leaving this small force still in Germany.

The arrangement with Germany, as all know, was that she would pay the expenses of the troops while stationed there. I have sent for the latest figures in reference to the subject, but have not been able to obtain them. So late, however, as April 30, 1921, the troops had cost the United States $240,719,338.29. The total cost had been $275,607,146.84, on which Germany had a credit of $34,887,808.55. I am not informed how that came about. I do not think it came from the actual payment of money, but, possibly, through some adjustment of properties which might have been held by the United States, perhaps dyestuffs, as suggested by the Senator from Nebraska [Mr. HITCHCOCK].

The best information that I have is that we have not received any kind of payment for a long time; and, judging by the present situation, with which we are all familiar and upon which I need not dwell, it is extremely problematical whether we will ever get anything in the way of reimbursement, certainly not so long as France proposes to stand in her present position and take the steps which are now threatened.

From the first I have believed and have stated repeatedly upon this floor and elsewhere that, when the armistice had been signed and when our allies and associates had completed their treaties of peace and those treaties had been solemnly signed and were effective, it was the business of the United States to remove armed forces from Europe. We had no indemnities there to collect; we had no responsibilities. Certain it is to my humble way of thinking that, after we had solemnly signed a treaty of peace and amity and good will with Germany, we had no further business for an armed force on German soil.

We have no controversies with Germany, except in regard to some property located in this country and some claims against the German Government, which we do not propose to collect by armed force. Germany has consented to the creation of a tribunal to adjust those differences, and, further than that, has consented that America shall have two representatives out of the three. An eminent former Justice of the Supreme Court of the United States occupies that position, and certainly every question of dispute which is decided by him and by his other American associate ought to be satisfactory to the American people.

There can be, therefore, no good reason for retaining American troops in Germany, wheresoever they happen to be stationed at this moment, so far as their service to American interests is concerned; and, if that were not true, if we did have a material interest there to guard or material right to enforce, it would be the height of folly to withdraw all of our troops except 1,000 men or less, for such a body of men, if there for the purpose of the enforcement of any of our rights, would merely be an irritant because it could not constitute an effective force. The troops, therefore, must have been kept in Germany for some other reason, and that other reason must be service for some other country instead of service in the interest of the United States.

What I am saying now is not by way of criticism. I can well understand how the administration may have been persuaded that for some temporary cause it was best to halt the return of the troops. Although I think I should differ from the administration with regard to such a policy, nevertheless I accord to the administration perfect good faith and acquit it of any desire to do anything which it regarded as wrong; but the Senate has a responsibility, the Congress has a responsibility, and I think it is time we discharged that responsibility to the extent of our power.

These troops never could have been in Germany except for a declaration of war, which the Congress alone was authorized to make. The President would have had no authority or right to send them there or to keep them there but for that declaration of war. Peace has come, and every consideration demands the return of these troops. I inquire, why are they kept there? There is, I repeat, but one reason that can be assigned. They have been kept there not for the benefit of America but for the benefit of other countries.

What is the condition with reference to these other countries? When this war ended the United States said that she did not want to take any land from Germany; that she did not want to levy any penalties upon Germany. There were certain pre-war claims which were open to discussion, but we claimed no right of indemnity. We waived it. We therefore have no business over there to collect something which we do not demand. Our allies, however—and I do not criticize them for it—demanded heavy indemnities. They took from Germany vast portions of her possessions. They cut deeply into the German Empire. Great Britain, as the result of this war, added to her landed estates directly and indirectly a territory greater than that of Rome in the days of the Cæsars. She demands other heavy indemnities. France took vast landed estates and is demanding an indemnity so high that Germany protests she can not pay it, and it would appear now to be the opinion of Great Britain that the amount named is so excessive that it must be mitigated.

In addition to that, Japan took vast possessions, and we yielded to her our just claim to a share in the control of some 30,000 or 40,000 islands of the Pacific Ocean, and gave to her by the four-power pact an advantage which may mean some day a terrific disaster to America.

Now come the later developments. I am not here to prophesy a great European war, but it is apparent to-day that there is grave danger of France invading Germany and seizing possession of a large part of that country. Thank Heaven it is no longer an empire, although they still denominate themselves an empire. If France undertakes that, it is understood, as far as we can credit the reports of the press, that she will do so in opposition to the will of Great Britain. The press brings us word that the Turko-Grecian war is to be resumed. We all know to our own satisfaction that Great Britian has been morally if not financially supporting the Greeks, and France has been morally if not financially supporting Turkey.

With this state of affairs, every prudent man must recognize the fact that Europe to-day is in a highly inflammable condition, and that trouble may break out at any time.

If trouble should break out, what would be the condition of our American troops—less than 1,000 of them, and I understand those 1,000 men are under the command of French generals? Whether that be correct or not—and we can get so little information that we must guess these matters out largely—if trouble should ensue in Germany, it is highly probable that our troops might suffer an attack. That attack might come from an exasperated and desperate people in Germany who, in seeking to resist the French, should draw our troops into the struggle. Such an attack might be by regular forces; it might be by an infuriated people; it might arise under any one of a thousand conditions and circumstances which we can conceive. If the attack should unfortunately be made, even though there were totally absent any purpose or intent to attack our troops, though they should come within the fire zone merely because of their location, the moment a drop of American blood is shed the cry will go up that that blood must be avenged.

Mr. BRANDEGEE. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. REED of Missouri. I yield.

Mr. BRANDEGEE. I ask for information, of course, simply. Does the Senator know whether the American troops now stationed in Germany are in that part which the French propose to occupy?

Mr. REED of Missouri. The trouble is, I do not know what the French propose to occupy.

Mr. BRANDEGEE. I mean the Ruhr Valley section?

Mr. REED of Missouri. The exact location of these troops I am unable to state. Perhaps the Senator from Massachusetts can tell us.

Mr. LODGE. The troops are at Coblenz, and the Ruhr district is in Westphalia, north of Lorraine.

Mr. REED of Missouri. How far away?

Mr. LODGE. I can not give the Senator the distance in miles, but it is a very considerable distance.

Mr. REED of Missouri. Not very far, because you can not go very far without getting out of Germany.

Mr. LODGE. It lies between Belgian territory, I think, and Alsace-Lorraine; but while I can tell by looking at the map, I think it is a very considerable distance from Coblenz.

Mr. BRANDEGEE. I read in one of the public prints yesterday that Coblenz is the place that the French probably would take possession of and occupy, or one of them.

Mr. LODGE. In connection with the Ruhr?

Mr. BRANDEGEE. No; not in connection with the Ruhr.

Mr. LODGE. I was not aware that France planned to take possession of Coblenz, but that may be.

Mr. BRANDEGEE. I was not aware of it, either. I simply say, with due caution, that I saw that in a newspaper. Of course, all sorts of reports are coming from abroad and being printed, and nobody knows what importance to attach to them.

Mr. REED of Missouri. I think we can agree that the troops are entirely too close to the scene of possible difficulty. When an army starts to move nobody knows where it is going to halt; and nobody knows when the opposing force may surround and isolate our troops, even if they are not at the immediate point at which the French propose to stop.

The New York Times headlines this morning read:

French take steps to enlarge penalties—Rhine forces are put on a war footing—May affect status of our troops there—Mayence troops prepare—Mining engineers and customs forces mobilized in Paris—Move for coal penalty—Poincaré must bring money out or force submissions that satisfy French—Cordiality to Bonar Law—British premier says, in parting, he hopes that Poincaré is right, but doubts it.

I think almost everybody else doubts it.

Mr. President, a heavy responsibility rests upon those to-day charged with public office. The way of safety is perfectly obvious. That is to bring our troops home, where they ought to be, to get them out of this turbulent zone, and to keep our hands out—I will use the expression, though it is not very senatorial—of this hell pot they are brewing over there.

I have seen the last American boy cross the ocean to fight any wars of Europe or Asia, I trust. I hope no man living will ever again witness the spectacle of a draft of American young men to be sent across the seas to engage in quarrels and wars over there. Of course, if America's sovereignty and honor are assailed, we must defend them, though we send our troops to the uttermost parts of the world; and we will defend them. If our troops should unfortunately be attacked, if one of them should be slain, even by an infuriated and irresponsible mob, or by accident, it would be likely to inflame the people of this country and to furnish an excuse for drawing us into another European controversy.

No good reason can be assigned for keeping those troops in Germany one hour. There is every reason for their return, and not the least of them is the fact that if the United States now promptly orders the return of those troops it will be notice to France, it will be notice to every country on earth, that if they propose to keep up their quarrels they must settle their own quarrels.

What I am saying does not run counter to the ideas of any man who may want, by peaceful negotiations, to render assistance to stricken Europe, for I am not dealing with the question of negotiations or friendly offices; I am dealing with the question of soldiers and bayonets and guns. They have no business there except as a war menace.

I might talk long about this matter, but I have said all I desire to say, and I submit the resolution.

Mr. HITCHCOCK. Mr. President, I think the Senator from Missouri has presented a very important question to the Senate. It is doubtful in my mind whether it should have been presented much sooner than this, but the psychological moment has arrived when some one in this country should seriously raise the question of longer continuing on the Rhine the American troops we have there now. I will say to the Senator from Missouri that I would prefer a different form for the resolution. Instead of a request to the President, it seems to me it would be more in accordance with the ordinary proceedings to express the sense of the Senate that the troops should be withdrawn; but that is a rather minor matter.

The Senator from Missouri asks why the troops are kept there. It seems to me we can also properly go back and ask the question, Why were they put there in the first place? They were put there, as a paragraph in the treaty of Versailles very well indicates, for a certain purpose. Article 428 of that treaty reads as follows:

As a guaranty for the execution of the present treaty by Germany, the German territory situated to the west of the Rhine, together with the bridgeheads, will be occupied by allied and associated troops for a period of 15 years from the coming into force of the present treaty.

The article next following indicates when and how the troops shall be withdrawn. If the treaty is carried out, they shall first be withdrawn from the Cologne bridgehead at the expiration of 5 years, and later, at the expiration of 10 years, withdrawn from Coblenz. Coblenz is the point where our troops are located.

Mr. LODGE. Mr. President, of course we are not signatories to the treaty of Versailles. Our troops are there solely under the provisions of the armistice, are they not?

Mr. HITCHCOCK. I think they were originally put there under the provisions of the armistice, but, if the Senator from Massachusetts will recall, this particular article of the Versailles treaty I have read was imported into the separate treaty which we made with Germany. It does not require us to keep the troops there, but it was specifically mentioned as a part of the treaty of Versailles under which the United States retained its right to act. I think the Senator will find that is correct.

Mr. LODGE. I suppose it might be included in that provision of the treaty of peace with Germany, and if we thought it was of advantage to us I suppose we could act under the treaty of peace with Germany. But the troops are there solely under the armistice; I think that is the only ground.

Mr. HITCHCOCK. I judge that when we made our treaty with Germany the armistice died. An armistice only exists until the treaty takes its place.

Mr. LODGE. I suppose the treaty of peace with Germany terminated the armistice.

Mr. HITCHCOCK. I think so.

Mr. LODGE. My only point was that when the troops went there originally it was under the armistice.

Mr. HITCHCOCK. I think so; and they are continued there under the terms of the treaty we made with Germany, which carried into its provisions article 428 of the Versailles treaty.

I am not criticizing the administration for having kept the troops there as long as their presence could be justified as tending to improve conditions, without any embarrassment or danger to the United States. I think there was for a time that justification for keeping a nominal number of soldiers there. There was another justification, too. As long as they are there they constitute a sort of listening post, which has enabled the United States to get inside information about conditions there, and, as has been stated upon the floor of the Senate, they were kept there not only because France requested it but because Germany requested it, and probably also because Great Britain requested it, on the theory that an international occupation was more calculated to produce quiet conditions and to preserve a desirable situation than the occupation by French troops, who have always played the part of conquerors in their occupation.

Mr. WATSON. Mr. President, is the Senator informed as to how many English troops yet remain in that district, if any?

Mr. HITCHCOCK. I have a general impression that there are something like 20,000.

Mr. WADSWORTH. Oh, no, Mr. President. I happen to know that the number was reduced below 5,000 a long time ago.

Mr. HITCHCOCK. I do not know the number.

Mr. WADSWORTH. I think they have very few more than we have.

Mr. HITCHCOCK. Be that as it may, Mr. President, it seems to me that the time has come when American sentiment will naturally crystallize in favor of removing our troops. Great Britain and France have apparently come to the parting of the ways, and instead of seeing an international treatment of Germany under the terms of this treaty we are in danger of beholding an aggressive military treatment of Germany by one of the parties to the war, namely, France. Under those circumstances it does not seem to me either desirable or safe for the United States to become involved as a party to the proceedings, by leaving its troops there any longer, and I cordially support the movement inaugurated by the Senator from Missouri looking to some action by the Senate to indicate to the President that sentiment here favors their removal.

To my mind, it is most deplorable that France should take the position which she is now apparently disposed to take, and while I suppose the United States could hardly put itself in the attitude of rebuking France for this shortsighted and destructive policy, certainly there is no just reason why the United States should longer be a party to the proceedings over there by allowing her troops to remain.

As the Senator from Missouri has said, we may be involved in actual danger. We hope that the action of France is not going to result in disorder. We hope it will not lead to war. We hope that some way will be found of escaping from the crisis which seems to be impending; but the disorders may come, the violence may come, and war may come, and there is no possible reason why we should permit ourselves to be embroiled in it or involved in it by longer keeping our troops there.

It may be that we are overpessimistic. It may be that France will halt in her dangerous course; but, in that event, it seems to me that this is the time which above all other times

can be properly availed of to withdraw the troops from Germany. We have the right to keep them there, I believe, under this treaty. I voted for the ratification of the treaty, and that treaty involves the right to keep the American troops upon the Rhine under article 428, which is made a part of our treaty, but we have no interest in keeping them there and there is no reason, to my mind, why we should continue to keep them there at the request of France or of any other country. If the Senator prefers to keep his resolution in its present form, involving a request on the President to withdraw the troops, I shall vote for it. I would prefer to see it in the form of merely expressing the sentiment of the Senate of the United States that they should be withdrawn.

ATTORNEY GENERAL DAUGHERTY—DISMISSALS FROM OFFICE.

Mr. CARAWAY. Mr. President, I am very much impressed by the new year's advice given to the American people by the Attorney General, Mr. Daugherty. I am impressed, because he asked everyone to do what he himself never did. He said:

I am impressed with the thought that no nobler resolution may be taken by any inhabitant of this Republic than that he will live the life of a 100 per cent American;
That he will dedicate himself to a strict observance of the laws of his country; and
That he will obey them in the letter and spirit—all of them, even though there be some that in his individual opinion hurt.

I had never known before that the Attorney General posed as a humorist. Of course, I presume that he justifies this sentiment by saying he wants the people to do as he tells them and not as he himself does. We all know how the Attorney General practiced a deception on the former President of these United States, Mr. Taft, and had him pardon a man by the name of Morse. We all know how he secured the distinguished Senator from Indiana [Mr. WATSON], who left the floor just as I rose, to say here upon the floor, upon his honor as a Senator, that Daugherty never had anything to do with the obtaining of Morse's pardon, never received a penny for his service in connection therewith, and then, when it was shown that he—Daugherty—was Morse's attorney and that he had been paid for his services in connection with his pardon therewith, he had the very poor sportsmanship to turn upon his friend and say that the Senator from Indiana had utterly and willfully misrepresented him.

Well, I know that is not true, because another Senator on the Republican side told me that the Attorney General had told him that he had nothing to do with the Morse case and never received a penny in connection therewith. If I did not know, as I do know, without any corroborative evidence, that the Senator from Indiana told the truth when he said here upon the floor that the Attorney General assured him over and over again that he never had anything to do with the Morse case and never had any connection with it nor received any fee for his services therein, and that he knew that that was true, because he, the Senator—I am referring to the Senator from Indiana [Mr. WATSON]—had gone to the Attorney General and asked him specifically if he had, I would believe the Senator anyway.

In this connection I read:

Daugherty's accuser ill, ordered to South. KELLER'S condition becomes known as committee prepares to clear Attorney General.

I take that statement from the court journal, which knows what the administration knows before the administration finds it out, and knows what the Committee on the Judiciary in the House is going to do before the members of that committee themselves have been told. I realize that I am not permitted to say anything about the Committee on the Judiciary in the House. It would be highly improper for me to do so. But if I were permitted to say it, I would say that we knew in advance what the Republican members of that committee would do under the circumstances under which this case came to that committee. I do not suggest it because I am not permitted to do so. But if permitted I should like to suggest that the committee change the word "clear" to "whitewash." I do so because the committee has no power "to clear" the Attorney General of the charges that were made against him, and its findings do not do that. It is not accomplished, although it gave out through the "court journal" in advance that its intention was "to clear" the Attorney General. It can not do that. It can "whitewash" the Attorney General and will do that, but "clearing him" is what no one can do, because in the minds of the American people a verdict has been written that the Attorney General is guilty of the offenses of which he stands accused, and therefore no committee of either House can "clear" him of those charges.

In passing I do not blame Mr. KELLER from withdrawing as the accuser before the committee. We all have read how the hearings were conducted. I am sure if evidence was anxiously sought that sources have been suggested from which that evidence could be had; but the committee—let me read it, because I want to be fair:

DAUGHERTY'S ACCUSER ILL, ORDERED TO SOUTH—KELLER'S CONDITION BECOMES KNOWN AS COMMITTEE PREPARES TO CLEAR ATTORNEY GENERAL.

Illness of Representative KELLER, sponsor of impeachment proceedings against Attorney General Daugherty, will necessitate his leaving the Capital for a month, it became known yesterday just as Republican members of the House Judiciary Committee were beginning preparation of a report to the House designed to show Mr. KELLER had failed to submit evidence to warrant impeachment of Mr. Daugherty and had so maneuvered presentation of his testimony as to make possible the dramatic withdrawal from his case which virtually ended the hearings three weeks ago.

Anyone could have foretold before the new year that the Republican members of the committee would so find; could have told that the day after the charges were filed; could have told Mr. KELLER that even before he made his charges.

This is recited here, together with the advice of the Attorney General to the American people on New Year, because the Attorney General was present when an order was issued by the President discharging many civil-service workers to make places for Republican henchmen, and yet we have had no report concerning it. On the 31st day of March, 1922, 28 employees of the Bureau of Engraving and Printing were summarily dismissed, most of them not only from their places of employment but from the civil-service rolls. A number of them were eligible to retirement compensation. It was said at the time these men and women were discharged that it would be shown shortly that they had been guilty of very grave offenses and that the very safety of the Treasury depended upon their immediate dismissal. I myself introduced a resolution asking that the information be given. It went to the Committee on Civil Service and Retrenchment, over which the Senator from South Dakota [Mr. STERLING] presides, and it went, as everybody knew, to its grave.

However, from time to time there was a revival of talk that very grave offenses had been committed by these men and that it would be shown, and that a report would be made public and all of us who had championed their cause would be humiliated. A Republican Senator assured me that I myself was going to be very much embarrassed when I should be convinced that I have been espousing the cause of men who had been guilty of very grave offenses; tremendously grave offenses. He said he knew it because he had talked to the department officials and they had assured him it was true. Such stories crept into the newspapers. These men and women who had worked for 25 to 30 years for the Government, who had honorable names in this community where they lived, were compelled to live under the disgrace and this suspicion for nearly a year, and still no report has been forthcoming. I have very reliable information, Mr. President, that not only did the Department of Justice put its sleuths to hunt out crimes upon the part of the administration of the bureau under the régime of Mr. Wilmeth, but the Treasury also had every one of these people's records checked, and that both investigations showed that not one of them was guilty of any wrongdoing or that there was anything in the conduct of the bureau that would subject them to criticism at all.

Many of those discharged employees were, as I said, entitled to compensation under a retirement law. They can not get it until the President shall take action. This report from the bureau has been on his desk for weeks, and he will not act. He will not act because when he does act he must admit that he discharged these people unjustly, and for political reasons, and therefore he will not act at all.

Let me call attention to a further fact. Dr. E. L. Beach, 68 years old, a native of the State of Tennessee, had worked for 30 years for the Government. He was one of the men dismissed from the Bureau of Engraving and Printing. He was eligible to retirement. There never has been a charge made against Doctor Beach except the blanket charge that the President of these United States made against the 28 men and women whom he saw fit to discharge. Doctor Beach, as I said, was 68 years old. He was discharged and disgraced under this order of the President on the 31st day of March, 1922. He lived at 6314 Delaware Avenue, Chevy Chase, Md. Last Tuesday he died, and his son said this:

Father felt that he had been disgraced by being turned out without warning and without explanation. He had been 30 years in the bureau, and although he received but $1,800 a year as storekeeper he handled about $1,500,000 a year in Government property. He often said the treatment was cruel and inhuman and broke his heart.

His son added that, without question, his father died of a broken heart because of this unjust and cruel dismissal.

Now, Mr. President, I had hoped that the President would make public the report and let these men and women at least have an honorable name restored to them, even if he did not see fit to give them back their places of employment. I know that their dismissal was the first of what they call Hardingizing

the administration; that is, to turn out everybody who is not an active Republican and put in his place an active Republican. Other dismissals were to follow had not the public condemnation been so pronounced.

The man who succeeded Mr. Wilmeth, Mr. President—Mr. Hill—was being sued by his wife for divorce, in which suit charges which it would be entirely improper to discuss upon the Senate floor were made.

Mr. McCauley displaced Mr. Ashburton as custodian of dies, rolls, and plates. His wife, on similar charges, obtained an interlocutory decree against him; and on yesterday the press contained this statement:

Justice Siddons has granted permanent maintenance of $100 a month to Mrs. Caroline D. McCauley, who sued her husband, Joseph D. McCauley, superintendent of plate vaults in the Bureau of Engraving and Printing. The decree requires the husband to pay the wife's lawyer $150 and the costs of the suit.

Mr. McCauley, it will be remembered, took the place of Mr. Ashburton, who, on the day he was dismissed, was commended for his faithful services. The letter commending him came but a few hours before he was discharged. Mr. McCauley, the man who was put in his place, will be remembered as the man who wrote the letter to the 15-year-old girl that found its way into the RECORD here.

I desire to say, Mr. President, unless the President shall soon make public the report and let these former employees be restored at least to good standing in the community, that I shall ask the Senate next week to pass a resolution requesting that the report be made public. The President has no right, simply because he is President of these United States, to strike down the good name and reputation of men and women because he wanted their places for his friends and his henchmen. It would be just for him, at least, since he has their places for his friends, to give back to these men and women their good reputation, so that they may go elsewhere and find honorable employment. He should not wait until they go down to their graves of broken hearts, as Doctor Beach has just done—go down disgraced and humiliated by the President because the President wanted their places for his friends and supporters.

Mr. President, I was particularly moved to say this because the Attorney General was present when the President's order was issued; he is presumed to know the law, and that law forbids the discharge of a civil-service employee until he had been given notice in writing of the charge against him and an opportunity to be heard in his own defense by affidavit. The Attorney General, it is fair to presume, advised the President to strike down the law and disgrace these 28 men and women in order that their places might be given to supporters of the administration. Then the Attorney General, after having been a party to that unlawful act, proclaims that everybody ought to obey the law!

RETURN OF AMERICAN TROOPS FROM GERMANY.

The Senate resumed the consideration of the resolution (S. Res. 395) submitted by Mr. REED of Missouri, January 5, 1923, as follows:

Resolved, That the President is hereby respectfully requested to at once cause the return to the United States of all troops now stationed in Germany.

Mr. WADSWORTH. Mr. President, I am aware that there are many Members of the Senate upon both sides of the aisle who are thoroughly in favor of the resolution which has been submitted by the Senator from Missouri [Mr. REED] and that in opposing it, as I shall in the very brief remarks I am about to make, I shall find myself in conflict, as it were, with many of my colleagues.

I can not share the fears expressed by the Senator from Missouri and other Senators. I do not believe that the dangers painted by them really confront our little force at Coblenz or confront the United States, which they represent. I think in their fears they fail to take into consideration the influence of an American soldier, no matter where he is stationed. I call to mind that we have had troops in foreign countries for long, long periods, thousands of miles away from home, at times when those very countries have been seething with violence, revolution, and war; and that in no instance has any faction among the contenders or any influence whatever, foreign or otherwise, come into violent contact with American soldiers.

I have in mind the fact that for many years we have had stationed in Pekin and Tientsin in China a few hundred men. China, Mr. President, as everybody realizes, has been seething with war and violence. Our little force has been at Pekin, near the legations, and there has been another little force at Tientsin, the two being held there in accordance with a treaty into which we entered following the Boxer Rebellion. Their influence upon every occasion has been in the direction of peace. No faction has thought for one moment of involving them in the difficulties that have cursed that part of the world. I think that is due to the respect which people of all nations—and I mean by that the common people of all nations—have for the American soldier and the flag that he carries. They know that everything he does is done in the spirit of fairness; that when it is the duty of the American soldier to his own country to be neutral, he is, in fact, neutral; that when it becomes incumbent upon him to pass upon some dispute, he does so in a spirit of fair dealing to everyone concerned.

That, Mr. President, has been the history of our little force at Coblenz. There are but 1,000 men, approximately, there. Something like two years ago our force there was reduced to below 5,000 troops. It has no military strength and, in my judgment, no military significance; but it is a fact that that little area about Coblenz which is occupied by our men has been the happiest and most contented area in all the troubled regions of Europe, merely because everyone involved respects the American soldier and what he stands for.

It may be that troubles will arise there and grow more acute as a result of recent developments in Germany or in that neighborhood; but I venture to say that, no matter what troubles may arise, no matter what their nature may be, the little area around Coblenz, if our men remain there, will be the safest place in Europe. So far as our men are concerned, I believe they will be as safe there as they would be in the District of Columbia. What I have said, Mr. President, will indicate that I do not share the fears expressed by some Senators upon the floor.

It may be difficult to describe in precise terms the function which this little force performs, and I feel myself unable to describe them in precise terms; but, from everything I have heard from Americans who have traveled in Europe during the last two years, both civilians and returning officers, I gather the very clear impression that our troops, from time to time, in ways which may be described as unofficial but nevertheless effective, have performed a great service not only so far as the situation on the spot is concerned but also to their own country.

General Allen and his assistants have been appealed to, I dare say, many, many times to smooth out little frictions which have necessarily arisen in the extraordinary situation prevailing. His judgment and that of those who assist him has been relied upon; he and his associates have excited the confidence of the Germans, the French, the British, and the Belgians. Upon not one occasion, as I am informed, have our soldiers there failed to contribute something toward peace and a better understanding among the conflicting elements which surround them. I am informed that there have been innumerable instances of just that kind where the judgment of the Americans, devoted to justice and fair dealing, has been accepted.

Mr. President, none of us can know what the future may bring. It so happens, however, that the region in Germany which some believe the French intend to seize lies something like 100 miles from the Coblenz area. I think that the matter of distance is comparatively unimportant; I think if that region were in juxtaposition to the territory occupied by the American troops the territory so occupied would still be absolutely safe. I can not conceive of any one of the parties to the disputes bringing about a situation which would involve the United States of America with one side or the other.

I think we should be conscious of our own power, and conscious of the respect which all the parties, I am sure, feel toward us in this situation; and, conscious of those elements, I think we have nothing whatsoever to fear of America being dragged in or drawn into some outbreak of violence which may involve some portion, or indeed all, of the contingent of 1,000 men.

We may not judge accurately, Mr. President, the psychological effect in Europe of things which we may do or say in the Senate; and I would not attempt, indeed I would not dare, to prophesy in explicit terms the possible result of the adoption of the pending resolution. For one, I have not yet given up the hope that the difficulties existing between the Allies upon the one side and Germany upon the other, and especially the difficulties now existing or apparently existing in France on the one side and Germany on the other, may be composed; and I think no one will deny that their composition would be to the great advantage of the United States, to say nothing of the advantage accruing to Europe itself.

Mr. President, I entertain the belief that in the midst of all this turmoil, all this hysteria, all the prejudice and misunderstandings which every sensible man knows plague Europe today, the presence of this flag of ours and of that little group of men at Coblenz in more ways than one holds forth a hope toward the composition of those difficulties. We can not know

how we may perform a service. It may not be to-morrow, it may not be next month, it may not be for months yet to come; but I honestly believe, Mr. President, that the presence of our people in Coblenz—safe, I am sure, from the dangers depicted by other Senators, and their country safe, too—I honestly believe that the presence of those men at Coblenz under General Allen constitutes and holds forth the best hope of America being finally and properly and in accordance with her traditions helpful in composing this distressing situation. I do not fear their continued presence there. I believe that at some time, in some way, they may be useful; and believing as I do that that is the possibility, I can not join at this time in urging their recall.

Mr. REED of Pennsylvania. Mr. President, I expect to vote against the resolution; but I do not wish to do so without stating in the RECORD the reasons that impel me to cast my vote in that way.

I believe that our troops in Germany ought to be returned, and I hope it will be possible for our Government to order their return in the near future; but I do not believe that there is the slightest danger of our troops being drawn into any controversy at this time as innocent bystanders might be drawn into some controversy in which they were not concerned.

The only suggestion of aggressive action that I have seen in the newspapers is the suggestion that the Ruhr district, around Essen and Duisburg, should be occupied by the French. That lies down the Rhine more than 80 miles from Coblenz, where our troops are stationed. Coblenz is not on the line of communications that would be adopted if any such move were made, and it is not in any strategic position which would become important; and to my mind there is no danger whatever of our small force being drawn as innocent bystanders into any such military operations.

I hope very much that no such military operations are going to occur. The peace of Europe will be gravely disturbed by any such invasion as that; but the disagreement that is reported is not final, and all of us must share the hope that an arrangement or composition can be entered into between the Allies and Germany which will be acceptable to all of them. The Germans in March of 1921 themselves suggested the payment of a larger sum in reparations than is contemplated by the British suggestion of recent days; and it seems to me, bearing that in mind, that we must regard the various proffers that have been made by the different nations concerned in these negotiations as mere beginnings of negotiations, in which certainly in friendship to all of the countries involved we do not wish to interfere by action apparently hostile to any one of them. Yet, if we withdrew our troops to-day, within 48 hours after the breaking off of the Paris conference, it could be construed as nothing but an unfriendly act toward France, or at least an unsympathetic action toward France.

Surely, Mr. President, the war is not so long past that we have forgotten how to be sympathetic for France. The war is not so far gone, our comradeship for France is not so faint in the dim past, that we can afford to ignore the distress under which that nation is working to-day. With the fear of a hostile neighbor across a narrow river, on the one hand, and the equal fear of bankruptcy just as close to her on the other hand, surely we can not so show an utter lack of comprehension of her difficulties as to administer this affront to her at this moment.

I want to see those troops brought back to the United States. I want to see the American Expeditionary Force a thing of the past, something of which we can be unqualifiedly proud; but this is not the minute to bring back those troops. A month from now, perhaps, yes; or two months from now; but right now, on the heels of the disruption of the Paris conference, it would be nothing but an affront, and that is why I intend to vote against the resolution.

Mr. POMERENE. Mr. President, will the Senator yield for a question?

Mr. REED of Pennsylvania. I yield.

Mr. POMERENE. During the last few days I have seen statements repeated which were made some time ago to the effect that the German people and the German Government both desired that the American troops should remain there temporarily. What information has the Senator on that subject?

Mr. REED of Pennsylvania. I have seen the same statements, and I am inclined to believe them, because it happened that I was one of the first American officers to go into Germany after the armistice. We were met by German officials at these various towns, including Coblenz, who begged us to send the American troops on as fast as it could be done. They wanted the Americans there; and all the time that I had any connection with it they reiterated the same wish that our troops would stay, because they regarded their presence there as the greatest security for order for the German population itself; and I do not conceive that leaving our troops in Germany at the present time will be treated by the German people themselves as anything but a blessing.

Mr. LODGE. Mr. President, I have favored for a long time the withdrawal of our troops. The subject was discussed here many months ago, and I do not recall now whether the Senate passed a resolution favoring the withdrawal of the troops or not, but I have always favored it. The other day when we were discussing the resolution offered by the Senator from Idaho [Mr. BORAH] and the question was asked me as to the troops that remained, whether I favored their withdrawal or not, I said yes, I did. I never have changed my view on that point at all, and I think they all should have been taken away when the great bulk of the troops were removed, as they were more than a year ago. My only hesitation about this resolution is the moment at which it is offered.

Our troops were put there under the armistice and continued under the armistice until we ourselves made the treaty of peace with Germany. That, I conceive, ended any obligations that we might have under the armistice; but in that treaty with Germany we retained the right to avail ourselves of any provisions of the treaty of Versailles which we thought were for our advantage if we chose to do so, and under that privilege, agreed to in that treaty, I suppose the troops have been kept.

Just at this moment a situation has arisen in which I should be very sorry to see the United States take sides—I do not mean as between France and Germany, but as between France and Great Britain, who have come to a break on the question of the settlement of reparations. We seek no reparations, and never have sought any. We always have adhered to the statement made in that respect by President Wilson, and I think very rightly; and I, for one, have no desire to see the United States drawn into taking part in any attempt to settle the question of reparations, which concerns altogether those who are seeking them. We have, it is true, an indirect interest, which is entirely protected by our unofficial observers who have been there, but I feel that it would be very unfortunate if anything we do to-day should be construed as taking sides. I do not think that is the intent of the mover of the resolution, and I wish to say this to make it plain, so far as I can, that in my judgment there is no intention on the part of the Senate to take sides one way or the other. It is not our business to decide between the differing views of the allied and associated powers who are attempting to settle the question of reparations with Germany. They are all our friends and will therefore, I believe, remain so.

That is my only objection to the resolution, but the question of immediate action is a very serious one. I think the troops ought to be withdrawn—I wish they had been withdrawn long ago—and that we should put an end to that phase of our connection with the late war.

I had hoped that the Senator from Missouri would be willing to accept the modification proposed by the Senator from Nebraska. I think the form of expressing the sense of the Senate is much better.

Mr. REED of Missouri. Mr. President, the suggestion of the Senator from Nebraska and other Senators relates purely to the form of the resolution. I have no objection to yielding to their judgment in the matter; and I have prepared a substitute for the resolution, which I send to the desk and ask to have read.

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). The Secretary will read the proposed substitute.

The Assistant Secretary read as follows:

Resolved, That it is the sense of the Senate of the United States that the President should order the immediate return to the United States of all troops of the United States now stationed in Germany.

Mr. REED of Missouri. I see no difference in the two forms, but I am always willing to yield to the judgment of others in matters of form.

Mr. President, if no other Senator desires to speak, I ask for the yeas and nays.

Mr. WALSH of Montana. Mr. President, before this vote is taken I desire to say a few words. I am impelled to do so inasmuch as I shall cast my vote in favor of the resolution, because, unlike the Senator from Missouri [Mr. REED], who has from the beginning opposed the policy of keeping troops upon the Rhine, I have taken quite a different view in the past with respect to that matter. A year ago last summer, in company with the junior Senator from Illinois [Mr. MCKINLEY], I was in the area occupied by our troops. After our return he made a very clear, concise, and impartial statement of the conclusions at which all of us arrived, from first-hand information, concerning the conditions there. I fully indorsed everything the Senator from Illinois said about the matter on the floor of

the Senate. I think the presence of our troops there has been a highly pacificatory influence. The feeling was so intense between those upon both sides, very naturally, that a clash could easily have occurred during the occupancy of this very considerable portion of the German Empire by the troops of the Allies after the war was terminated.

The occupation of conquered territory by troops of the successful party in war is always a thing giving rise to further strife. It might easily have been precipitated, except for the pacificatory influence of the American troops, and particularly of the American commander. Although we had no representation upon the commission charged with the conduct of government in the occupied territory, we always had with the commission something in the nature of an unofficial observer, who was acting under the immediate direction of General Allen, and who was really the deciding influence upon that commission. Controversies would arise and complaints would be made against the French troops by German citizens of offenses against them, and breaches of the rules of war, and other things of that character. The Germans did not feel they could get any real consideration from the French representative upon the commission, and the feeling, so far as the British representative was concerned, was not very much different. On the other hand, the French recognized that whatever they did would be entirely unsatisfactory and their motives would be misconstrued by the Germans. The result, accordingly, was that practically every controversy which arose was determined by the American commander or by his representative, and, so far as we were able to discover, generally with entire satisfaction to both parties. I felt that to retain the American troops in that area for some time after the cessation of hostilities was a highly commendable course to pursue. I regretted that our force there was so rapidly reduced after I visited the area in the summer of 1921.

But a different situation presents itself now, and whatever may have been my feelings about the matter in the past or my conclusions from the observations which I made, I do not like to see our troops remain there any longer. Everybody recognizes that the situation is exceedingly tense. Apparently nothing will deter the French from occupying the Ruhr Valley. That means, of course, military occupation, which means a resumption of the war with Germany. I do not believe that in that situation of affairs we can be any longer of any very great help in that locality.

Apparently every effort at pacification seems to have miscarried. If, unfortunately, hostilities should arise, our soldiers there would be in a very awkward predicament and might involve us in some way or other in the controvery that is rapidly coming to a crisis.

I shall accordingly support the resolution to express the desire of the Senate that the troops now be recalled, but I felt compelled to say that I do not by my vote indicate any sympathy with the views so often expressed on this floor by the author of the resolution, that they never should have been kept there.

Mr. NELSON. Mr. President, I have no desire to inflict a speech on the Senate on this question. I simply rise to state that I am utterly opposed to the pending resolution. Our little force over in Germany is a picked force of men, a sample of the best American soldier. They have been a stabilizing force there. The Germans are glad to have them in the midst of all the other foreign troops stationed there—English, Belgian, French, and Italian. They are anxious to have the American soldiers, because they are model soldiers and help to stabilize the conditions there.

I do not think our soldiers will be contaminated if they stay there. I do not see why that little body of American troops could not stay over there as a sample to the Old World of what the American soldier is. The Germans like him; they prefer him to any other soldier there; and why should we enter upon this picayunish policy about a thousand or fifteen hundred men, and bring them back to this country?

I have been surprised at the attitude assumed by certain statesmen lately. Two years ago it was considered a dangerous matter to have anything to do with Europe. The phrase "entangling alliances" was heard on all sides, and it was thought to be a most dangerous thing to have anything to do with the affairs of Europe in any shape or manner. Lately we have found men on this floor most strenuous in the advocacy of our going into Europe. The Senator from Idaho [Mr. BORAH] and the Senator from Arkansas [Mr. ROBINSON] want us to participate in reconstructing Europe.

I may be a heretic, Mr. President, but I have always believed that it was the greatest of mistakes, economically and in every other way, for America not to enter the League of Nations, with one or two amendments of the covenant. If we had become a part of the League of Nations we would have stabilized conditions over there. Political conditions must be stabilized before economic conditions can be stabilized, and I am satisfied in my own mind, though I may be called a heretic, that if we had entered into the League of Nations and accepted the treaty of Versailles, instead of trying to sneak under it by piecemeal, as some of us have been doing lately, conditions would have been far better in Europe than they are to-day.

There were some features of the League of Nations of which I did not approve; but we could have eliminated them. In its main features, however, it would have acted upon the conditions of Europe just as our little Army to-day on the Rhine acts upon the foreign soldiers. It would have stabilized conditions there, and the economic difficulty under which Europe is suffering to-day would have been far less than it is now.

All the people of Europe look to America. As a result of the war a large share of the money of the world came to this country. We were the wealthy country; we were the strong, the rich country, and we attained such a position in the war that, had we been a member of the League of Nations, if Uncle Sam had shaken his head to the powers of Europe our advice would have been taken, and we would have controlled the whole situation.

This may be a sort of a funeral oration on the days of the past, and yet I felt then, and I feel now, that we made the greatest mistake in the world when we did not adopt the treaty of Versailles, with some amendments, particularly as to article 10. If we had done that conditions in the world to-day would have been much better than they are now. I do not like this peanut politics about what a great danger it is to leave a thousand American soldiers over there in Europe, what a horrible thing it is to leave a thousand model American soldiers over there to stabilize conditions.

We had better go to work and pass legislation that is of vital interest to this country, rural-credit legislation, and the merchant marine bill. In Minnesota we hope some day to get ocean shipping up to Duluth, the head of Lake Superior, and to the great ports on Lake Michigan. We hope in the near future to have that accomplished, and if it should be done our people would certainly be glad to have American shipping do the business of the country.

What is the situation? I can not give the exact figures, but we have between 800 and 1,000 steel ships, owned by the Government, which we have not been able to sell or dispose of. Fortunately we are able to scrap the four or five or six hundred wooden ships. They are buried for good and all. We have a few concrete ships, which might as well be buried also. But, counting the very best grade of our vessels, we have from 600 to 800 vessels which we own, which we built at enormous expense during the war, and the question to-day is, Shall we scrap those ships, shall we sell them to our competitors, or shall we try to have them afloat under the American flag? Do gentlemen on the other side want to have those ships scrapped? Do they want us to sell them to foreigners? If not, what would they suggest doing with them?

That shipping cost us over $3,000,000,000, and it was a great extravagance. This morning I looked through the speech of the Senator from Texas [Mr. SHEPPARD], and it seems to be a justification of the action of the several Shipping Boards we have had. It seems to be a defense of the Shipping Board. I do not care to open old sores. We have had several investigations of that matter before the Committee on Commerce, of which I am a member. A great many things occurred under that Shipping Board which will not bear criticism; but I do not care to go into that subject.

The condition in brief is this: That we built those ships and we have them on our hands. What shall we do with them? Shall we sell them to foreigners, our competitors? I hope there are none on the other side of the Chamber who will take that position. Shall we scrap them, dispose of them as we did of the wooden ships lately; shall we sell them for old iron; or shall we try to put them afloat under the American flag and induce Americans to operate them? That is a plain, simple question. It seems to me that the doctrine enunciated by Senators on the other side who are opposed to this "subsidy" bill, as they call it, will lead to this, that we will have to scrap and throw into the junk heap over 800 good American ships.

When I voted for the shipping bill of 1920 I was in hopes that it would lead to the establishment of routes from the ports of the South, so that all our foreign commerce would not be congested in the port of New York.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, it becomes the duty of the Chair to lay before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. REED of Missouri. I ask the Senator in charge of the bill if he will not temporarily lay it aside?

Mr. NELSON. Just let me finish my remarks. It will take me only a few minutes, as the Senator from Washington knows I never speak long.

Mr. JONES of Washington. Very well.

Mr. NELSON. Mr. President, when I voted for the shipping bill of 1920 I had hoped that it would result in establishing a number of routes from the Gulf and South Atlantic coast and from the Pacific coast. But I am surprised to see Senators who live along the Atlantic coast voting against the pending measure. Look, for instance, at the port of Galveston. Would it not be a great thing for Galveston if some prominent citizens of that place could be induced to buy some of these ships and use them to establish an American route from Galveston to some foreign port? New Orleans sees the point and through the Louisiana Senators here is in favor of the legislation. But what about Mobile? What about Pensacola? What about Tampa? What about Savannah? What about Charleston? What about all the other Atlantic ports?

Mr. President, I live way up in Minnesota, yet I have an interest in those southern ports. I would like to see a shipping line established and operated by our own people from all the great ports along the Atlantic coast, from Norfolk clear around to Galveston in the Gulf of Mexico.

If we scrap all our ships, and that is what the action of Senators on the other side of the Chamber will lead to, what then? Instead of having as many ships afloat as we have to-day, we will within a year have many less. How much better would it be were Gulf ports like Galveston, New Orleans, Mobile, and Tampa and South Atlantic ports like Jacksonville, Savannah, Charleston, Wilmington, and Norfolk each to have a shipping line of its own?

I am surprised to see so much party politics enter into a matter that ought to be a plain business proposition. I would like to see an American line of boats established from each of the southern ports under the American flag and controlled by their own citizens. By defeating the pending bill that highly desirable result will be prevented. But, Mr. President, it is useless to talk. It is evident from what is going on here that politics enters into the situation. It is not made, as it ought to be made, an economic and business question. I am sorry to see that party politics enters into the question.

The bill in one particular is different from all bills of the past. In all those instances we did not have the ships. It was then a question of getting ships built. In the present case we have the ships in this country. We have a big surplus of ships and the question is, What shall we do with them? That is the only question. It is not a question of building more ships, because we have the ships now. The main thing is to get them afloat. Shall we sell them to our competitors and thus create more competition? Shall we let them go to the scrap heap and then forever cut off America from holding her own in the matter of ocean shipping? It is a pity that such a great question should be made the football of party politics.

Mr. JONES of Washington. If it is thought that the resolution can be disposed of in a very few minutes I would be perfectly willing that the unfinished business should be temporarily laid aside for that purpose.

Mr. REED of Missouri. I think the resolution could be disposed of very quickly if we would stick to the question.

Mr. JONES of Washington. I ask unanimous consent to lay aside temporarily the unfinished business, with the understanding that if the resolution takes too much time I shall call up the unfinished business.

Mr. REED of Missouri. Very well.

Mr. NEW. Mr. President, while in sympathy with the general proposition that the American troops should be withdrawn from Europe, I am inclined to vote against the resolution. There is no Member of this body who is more jealous of the prerogative of the Senate than I, and yet it appears to me that the Senate is at this moment rather going outside its province in offering the resolution.

After all, the President of the United States under the Constitution is the Commander in Chief of the military forces of the country. He will probably act ultimately as seems to him best, whether the Senate passes the resolution or not. I do not wish to be misunderstood in that statement. I do not know any more than any other Member of this body knows what the President will do, but that is what I think he will do. I think the President of the United States has been singularly frank and open in his dealings with this body, of which he was formerly a distinguished Member. I think that will always be his policy.

But, Mr. President, without knowing even that there have been exchanges, it is apparent to me, as I think it must be to everyone else, that in such a situation as we know exists at the moment it is almost certain that there are frequent and rapid exchanges of information between the representatives of the United States abroad and our home Government as to the conditions existing on the other side of the Atlantic. It is manifestly impossible for the President or the Department of State to keep this body conversant with every bit of information that it gets as it gets it. That is a hopeless impossibility.

I believe, sir, that it is inopportune for the Senate to pass the resolution. As was pointed out by the Senator from Massachusetts [Mr. LODGE] an exigency has arisen. I think the Senate should exercise deliberation in the consideration of the question.

Then, too, I think beyond that that there is grave danger of the Senate being misunderstood in the passage of the resolution at this time. I think there is grave danger of its action being misinterpreted in France as an act of unfriendliness toward that Government when manifestly it is understood here on the floor of the Senate that it is not intended as anything of the kind. If the resolution is to be considered at all, I am much inclined to think that there should be attached such an amendment as I now offer to be added at the end of the resolution proposed by the Senator from Missouri:

And that in this expression the Senate disavows any unfriendly or partisan attitude toward any nation or nations of Europe.

The PRESIDING OFFICER. The resolution is not before the Senate, but the unanimous-consent request submitted by the Senator from Washington [Mr. JONES] that the unfinished business be temporarily laid aside is before the Senate. Is there objection to that request? The Chair hears none and it is so ordered.

Mr. NEW. I was under the impression that the request of the Senator from Washington had been agreed to. It now having been agreed to, I offer the amendment to the resolution of the Senator from Missouri, to be added at the close of his resolution.

Mr. JONES of New Mexico. Mr. President, I rose some little time ago with the expectation of making just a few remarks upon the resolution. I am glad now to say that the Senator from Indiana [Mr. NEW] has just made observations of a nature similar to those which I had intended to make.

The resolution was introduced yesterday. It has not been referred to any committee. We are asked to express it as the sense of the Senate that the troops should now be withdrawn. I look upon the resolution as a most extraordinary proposal. We know that the troops were first sent to Germany for a very substantial reason. We know that some of those troops have been kept in Germany since the treaty of peace with Germany. We know that they have been gradually withdrawn. But for some reason a small number of troops still remain there. The President of the United States is the Commander in Chief of the Armies of the United States. The troops are kept there under his orders. Presumably he has what appears to him to be a sufficient reason for keeping them there.

The author of the resolution, in presenting it to the Senate, has confessed a lack of knowledge as to why the troops are there. No one has pretended to state on the floor of the Senate the reasons which have actuated the President of the United States in keeping them there. They are under his control; and for the Senate of the United States, without even referring the resolution to a committee for investigation, to adopt it seems to me to be an absolute invasion of the prerogatives of the President of the United States. It seems to me to be more than that. To pass the resolution in this manner, without investigation, without calling upon the President to inform us as to why the troops are there, would be an affront to the President of the United States in which I am unwilling to participate. In my judgment, before we pass a resolution of this character we should at least do one of two things; we should refer it to a committee for investigation as to the reasons why our troops are there, or we should, at least, be considerate enough to ask the President of the United States to inform us, if compatible with the public interest, why they are there.

Mr. President, the suggestion has been made that the resolution should be referred and I move that it be referred to the Committee on Foreign Relations.

Mr. POMERENE. Mr. President, American troops have been stationed on the Rhine since the armistice was signed. They

have been retained there under two administrations—one Democratic, the other Republican. My information, gleaned from the newspapers, is to the effect that the presence of our American troops has been desired both by the French people and the German people, and that seems also to be the information of the Senator from Pennsylvania [Mr. REED].

Why should the Senate act upon this subject at the present time without having a report from one of the organized committees of the Senate? Certainly whatever my vote might be on this subject after an investigation and a report, I am not prepared to vote upon it with satisfaction to myself at the present time.

Mr. President, I was very much interested in the statement which was made by the distinguished Senator from Montana [Mr. WALSH] when he told the Senate that he approved the policy of keeping our troops on the Rhine up to the time that he and certain other Senators made their visit to Germany and came back here and made a report to the Senate. The distinguished Senator from Montana has said that the American troops exercised a stabilizing influence as between the Germans and the French, and that when any trouble arose the American officers acted as umpires, and they did decide, I assume, to the entire satisfaction of both sides of the controversy. If it were a good thing to help to preserve the peace from the time the armistice was signed up until the time that these distinguished Senators made their report on the floor of the Senate, why is it unwise now to keep the American troops there?

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. POMERENE. I yield.

Mr. WALSH of Montana. I thought I made it clear why I thought so. There had not been any purpose declared upon the part of France until recently to occupy any territory except that which she occupies pursuant to the treaty, namely, the Rhineland. Now an entirely different situation arises. She does not intend to content herself with the occupation of the Rhineland, but intends to occupy other territory in Germany not in accordance with the treaty at all but taking such satisfaction as she thinks she is entitled to because Germany has not complied with the terms of the treaty. I trust the Senator from Ohio will see that we now occupy a different position.

Mr. POMERENE. The reasons which the Senator from Montana has given may satisfy his mind, but they do not satisfy mine. What information have we bearing upon this subject? Of course, I have understood through the newspapers that, perhaps, France might take possession of the Ruhr Valley unless Germany paid a certain sum of money on account of reparation, but have we that information officially? If the French people are a little bit more disturbed now than they were a few months ago, and if it were a good thing for us to be present in Germany at that time in order to mollify the feelings of the Frenchmen or of the Germans, may it not be likewise true that if our troops are present now they may postpone the evil day?

I am not prepared to say, in my judgment, there is going to be an armed conflict, but if there should be an armed conflict certainly we can then withdraw our troops quite as well as we can withdraw them now. With both Governments and both peoples seemingly wanting our troops to remain, why now should the Senate of the United States pass this resolution when we do not know the views of the President or of the State Department?

I am paired with my colleague [Mr. WILLIS]. I do not know how he would vote upon this question if he were present, but certainly if I were permitted to vote I should vote in favor of the motion of the Senator from New Mexico, and if that motion should fail, with my present information, I would vote against the resolution.

Mr. McKELLAR. Mr. President, I am loath to vote for any resolution offering advice to the Executive in a matter of this kind, and yet under the peculiar circumstances which now surround our situation on the Rhine I do not see how I can refuse to vote for the resolution submitted by the Senator from Missouri.

I believe that the presence of our troops on the Rhine has done a great deal of good. It was absolutely necessary; they should have been sent there in the first instance. The Senate will recall that when they were first sent there they numbered about 15,000. They were sent there to aid in the enforcement of the armistice and kept there to enforce the Versailles treaty when it was thought we were going to be a party to that treaty. That force was gradually reduced during the last administration, I think, to about 5,000 men, and demands have been made from time to time that the number be further reduced and that they all be brought home. After we failed to ratify the treaty there was no real reason why they should have been kept there. I think it has been pretty generally the sentiment of the Senate that they all ought to have been brought home. Our Republican friends long ago assured us they were going to bring them home as soon as they got in power, but two years have passed and our soldiers are still over there. Inasmuch as we are not a party to the treaty of Versailles, inasmuch as we have no representative on the Reparation Commission, it does seem to me that it would have been the part of wisdom to have brought them home before now. There are not enough of them there to do any real good in the event of an outbreak, and as I look at it, Mr. President, if France should invade Germany at any time, as she is now threatening to do, we would certainly be put in a very embarrassing attitude by reason of the presence of our troops on the Rhine. One thousand men could hardly do any good in case of the trouble which now seems imminent.

What are we going to do? Are we going to aid France in upholding the provisions of the treaty of Versailles, to which we are not even a party, or are we going to stand back and say we will not assist in upholding the provisions of that treaty? It is no answer to say that our troops need not take sides, because we will have to take sides; our troops will either have to go forward or they will have to remain there. If they go forward, they will take sides with France. If they fail to go forward, they will in effect take sides against France. If they remain there, they can not do any good, and their presence might involve us in interminable trouble.

I hope the President will withdraw them forthwith. I would have preferred very much that the President had acted and that there had been no necessity for this resolution, but the President not having acted and the resolution being before the Senate, it seems to me it is my duty under the circumstances to vote to have the remaining troops, which, I believe, number about a thousand, brought home immediately. I think it is very regrettable that the Executive has not brought the troops home long before now. It is most regrettable that this phase of our foreign affairs has been handled so clumsily as to make this action upon the part of the Senate necessary. If the troops had been brought home before, as our Republican friends assured us would be done by this administration, we would have been saved from the embarrassing situation that now confronts us. If France acts, we are going to be greatly embarrassed, whatever we may do in relation to our troops on the Rhine unless we get them out speedily. I shall vote against the motion to refer this resolution to the committee and in favor of passing the resolution now.

Mr. McKINLEY. Mr. President, I visited Coblenz, Germany, in 1919, again in 1921, and also in 1922. When the last administration went out of power there were something like 20,000 troops stationed at the Coblenz bridgehead, while at this time there are, perhaps, a thousand men stationed there, the number having gradually been reduced.

So far as danger to our boys there is concerned, my opinion is that the only danger is that all of the unmarried ones will acquire German wives. The impression which the members of our party received in 1921, as well as in 1922, was that both the enlisted personnel and the officers all wanted to remain at the Coblenz bridgehead, and for that desire they gave various satisfactory reasons.

As soon as the party of which I was a member arrived in Germany on a previous visit, we found that the German officials were particularly anxious that some American soldiers should remain on German soil. The reason actuating them seemed to be largely the wonderfully able diplomacy displayed by General Allen, the commander of the American forces there. When we went further into Germany, crossing the Rhine, we were met with the same report that he was continually settling difficulties arising between the French and the Germans, not only at the Coblenz bridgehead but at other bridgeheads. Both sides trusted him.

We found during our visit last summer the same condition to exist, all those interested seeming to agree that General Allen was doing a wonderful work there. Probably it would make no difference if there were only one American soldier there, provided General Allen of the American Army was also there. He is trusted by all. We found that the Germans wanted our soldiers to remain there, and likewise that the French, the English, the Belgians, and the Italians were anxious that the United States should be represented by troops on German soil. Personally, I feel, our troops being Germany, that when the German Government shall indicate to the American Govern-

ment that they would like to have the small American representation of troops withdrawn, it will be time enough for us to consider their withdrawal.

Mr. UNDERWOOD. Mr. President, I want to say just a word to explain why I shall vote in favor of the pending resolution.

Our troops occupied the Coblenz bridgehead in the beginning under the armistice. We were there by right, and should have stayed there as long as the conditions under the armistice existed. After that, the question of the ratification of the treaty of Versailles was before the country. If the treaty of Versailles had been ratified, we would have had our part to perform under that treaty, and our troops should have remained there. The treaty of Versailles was rejected, and a separate treaty of peace with Germany was ratified. Among the other provisions of the treaty of Versailles that were made a part of the German treaty were two provisions, one authorizing these troops to stay and the other providing that if the Congress of the United States was willing we might have representation on the Reparation Commission.

As I see the situation legally—I am not discussing it from a sentimental standpoint, but from the standpoint of our position in the world's affairs as fixed by our own treaty agreements—there is no reason whatever for these troops to remain on the Rhine except for the settlement involved in the Reparation Commission. If we determine to keep the troops on the Rhine, we should not leave them there with the actual votes as to what is done on the Reparation Commission left in the hands of foreign powers, while we are there with our troops merely to enforce a decree found by countries where we are not in the voting column.

I recognize that it is said that we are represented there unofficially; but, if we are going to have troops to enforce a decree, we should be represented officially. I think it is manifest that the party in power does not intend to have a representative on that commission officially representing this Government and casting a vote in the deliberations of that commission. If we do not, if we are not directly involved in the findings of that commission, for what purpose except a sentimental purpose can these troops be there? None whatever except to enforce the decrees of other nations.

I think myself it is unfortunate that our Government has not taken its seat on the Reparation Commission, as it is authorized to do not under the treaty of Versailles but under the agreement for the armistice; but that is all that is involved on the River Rhine now. The only question involved on the River Rhine is the question of reparations and how they shall be enforced. We are not sitting in the commission. We have no direct voice in the commission. Why should we have troops there to enforce its decree?

That being the case, I think these troops should be brought home; they should be removed from the Rhine; they should come home at the very earliest opportunity; and therefore I shall vote in favor of the resolution.

The PRESIDING OFFICER. The question is on the motion of the Senator from New Mexico [Mr. JONES].

Mr. REED of Missouri. Mr. President, I ask the Senator if he will not let us vote on the resolution without voting on sending it to the committee.

Mr. JONES of New Mexico. Mr. President, I am unwilling to leave the matter to be passed upon with the information that we have. I do not believe that we should act upon a matter of this sort with the information coming only from the general press of the country. Of course, I realize that the press of the country ordinarily can be relied upon, but this is a most important matter.

Personally, I know of no reason why the troops should not come back home; but I am unwilling to say, by a vote in favor of this resolution, that I am convinced that there is no information which would cause me to change my mind about it. The President of the United States must have some reason for keeping them there; and without even asking him what it is, upon mere rumor, upon mere dispatches from unofficial sources, we are asked to say that we have come to the deliberate conclusion that those troops should come home. I do not see why the merits of this resolution should not be reviewed by a committee of the Senate, the same as all other business of the Senate.

We heard some articles read here to-day from the morning press that may convey the correct situation as it is over there. The distinguished Senator from Montana [Mr. WALSH] said that he had changed his mind about it because of the changed situation; that France is now threatening to overrun a part of the country in excess of that which she had occupied under previous conditions. How do we know it? I submit that there is not a Senator here to-day who knows what France is going to do. There are rumors about it; there are intimations in the press about it; but shall we act upon such vague information as that?

I am anxious, so far as I am concerned, to have these troops come home. It may be that upon official investigation of the subject we would all reach that conclusion. That is why I made the motion to have the investigation made. I hope the Committee on Foreign Relations will investigate the subject, and if it can not present some valid reason for keeping the troops there then I am willing to join with the Senator from Missouri in asking that they come home; but I am unwilling to vote one way or the other without some investigation of the subject. Therefore, Mr. President, I am unwilling to withdraw the motion which I have made.

Mr. REED of Missouri. Mr. President, I hope that the motion to refer the resolution to the committee will not prevail.

For more than three years we have had our troops over there. Many months ago we made a solemn treaty of peace with Germany. The order was issued to bring the troops back, and suddenly an exception was made, and this small body of troops was left there. We were told that it was for some temporary reason. Now time has run on and on and on and on, and still the troops are there.

We may not know absolutely what France's intentions are. I question whether anyone knows absolutely what they are, except the French statesmen; but we do know beyond a peradventure that France's attitude to-day is a threatening attitude. That is all that the Foreign Relations Committee could tell us on that phase of the question. I should be for this resolution if there had been no disturbance there, and I am inclined to believe it would have been better if the resolution had been offered a month ago instead of now; but here is a crisis, and it is proposed in the face of that crisis to refer this matter to the Foreign Relations Committee, where it may sleep a long time.

The press reports, I apprehend, are quite as reliable as any other information, coming as they do from all the press agencies, reported as they have been not for a single day but for several days, with cumulative effect, and with details which indicate an intimate knowledge. Those reports all indicate grave danger of trouble. In that state of affairs there ought to be no delay. A new situation confronts us. If there should be hostilities in Europe, our troops can scarcely be kept out of danger of involvement.

My good friend said that this was an insult to the President. Why, resolutions similar to this have been passed a thousand times. The right of petition is a right that the humblest citizen of the United States has, and that is all this is—the expression of an opinion to the President. My original resolution was in the nature of a request. This expresses an opinion. It is couched in courteous language. The chairman of the Foreign Relations Committee himself says that he supports this resolution; and I apprehend that he has as much knowledge of foreign affairs as they have at the State Department.

How long are we to wait? How long are these troops to be kept there?

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. REED of Missouri. I do.

Mr. JONES of New Mexico. I understood the Senator from Missouri to say that the chairman of the Committee on Foreign Relations would support this resolution.

Mr. REED of Missouri. He so stated on the floor.

Mr. JONES of New Mexico. Then I imagine that there would be no difficulty in getting a report upon the resolution from the Foreign Relations Committee within a short time. It seems to me that there should be nothing embarrassing about having the resolution referred to that committee. I have been usually more than anxious to comply with any request of my friend from Missouri, and I was under the impression that a reference to the committee might mean that the resolution would not be acted upon by the committee.

I think the Senator from Missouri made some such suggestion as that a moment ago, that if it were referred to the committee it would sleep there. If the chairman of the committee is in favor of the resolution, I think the apprehensions are not well founded. In addition to that, a motion could be made to discharge the committee at any time and the resolution could be brought before the Senate, if the Senate saw fit to act upon it.

Mr. REED of Missouri. The conclusion of the Senator does not follow. If a resolution goes to the Foreign Relations Committee, it does not at all follow that that committee will be

called in immediate session, and it does not at all follow that that committee will report the resolution out. It does absolutely follow that there must be some delay, and this is no time for delay.

There has been a good deal of talk here about our soldiers having acted over there in a manner pleasing to the Germans, and it is stated that they are all marrying German girls. Are we sending them over there and paying their expenses because we are running a matrimonial bureau? Let us understand the real reason why they have been desired there. Undoubtedly every German who loves the Fatherland, as he calls it, resents the foot of any foreign soldier on his soil, but he prefers having an American to a Frenchman or an Englishman or an Italian or the soldier of any other nation, because he knows that he gets fairer treatment from us than from them. That is all there is to his welcome to the American soldier.

I suppose Germany would like to have an American army there if France were to invade her, if Germany were right sure that the American Army would take Germany's side. But the thing I am talking for is—in view of this threatened condition and the fact that our troops have no business there anyway—to get them out of a position where they may be forced to take sides, for the minute they are forced to take sides, then we will incur the enmity of one or the other of those nations. We will offend either France or offend Germany, and let us remember we are now bound to Germany as we are to France by a solemn treaty of peace, and if we look to the future, as we ought to, we must regard that treaty in good faith and attempt to carry it out in its true spirit.

I do not want an American army in a place where its influence will almost necessarily be cast on one side or the other. I did not offer this resolution in order to place the United States in a position of taking sides in the controversy over there, but to get us in a position where we would not be obliged to take sides, and the amendment to the resolution offered by the Senator from Indiana [Mr. NEW] is entirely acceptable to me.

I want to get America out of the danger zone, out of a place where trouble is likely to ensue. Gentlemen may say there is no danger; that the mere presence of America is such a majestic thing that all power will pause at its mere presence; that no nation will do aught to offend us; and that our mere moral presence is enough to arrest the mailed hand of any country. I heard that argument made just before we declared war. There were thousands of people, there were Senators, who believed that a mere declaration of war on the part of America would end the European struggle, but we had no sooner declared war than we were called upon for troops.

America's position may be a proud one, but I sometimes think we are about the only people who indulge in a full measure of that pride. Other nations do not regard us as omnipotent, and this much is certain, that as long as we have those troops in Europe, when trouble is menacing, every effort will be made by one side or the other to gain an advantage from that. That means we begin to take sides in the controversy. Once a nation puts its finger in a strife between two other nations, its hand, its arm, and its body are likely soon to follow.

Let us get these American boys home. Let European statesmen take the responsibility of their own acts. Let no situation exist where, even by intent and conspiracy, an attack might be made for the mere purpose of dragging us into a conflict. The Senator from Massachusetts stated the correct position, in my opinion, when he said that these troops should have been home long ago.

Certainly they should have been ordered home when we signed a solemn treaty of peace with Germany. The Senator from New Mexico says we should know the reason for the troops being kept there. We should have known that reason long ago, if there be a reason. The country should have known it; the world should have known it.

Four years ago last November the battle flags were furled, the war was over, but we kept our troops there. It was justifiable up to the time the treaty of Versailles was signed, and not one minute longer. When that treaty was signed European nations had made their peace. We had no further responsibility to them. They got what they demanded, and perhaps it was our duty to stand by until they did get what they demanded. When they got what they demanded it was no part of our duty to act as a collection agency for indemnities or penalties which inured to them, when we were marching out without the levy of a penny of indemnity. That was their business.

Senators, I think, are mistaken. They imagine the people of this country do not want their troops home and do not want to escape this present menace in Europe. I hope the motion will be voted down.

Mr. HEFLIN rose.

Mr. JONES of Washington. Mr. President, if we could have a vote now, I would be perfectly willing to have it taken. This discussion has been going on nearly an hour since the unfinished business came up; and unless we can have a vote, I shall be constrained to call for the regular order.

Mr. HEFLIN. I will not occupy more than two minutes' time, and then I will be perfectly willing to have a vote taken.

Mr. JONES of Washington. If the Senator will take only a couple of minutes, I will withhold the call for the regular order.

Mr. HEFLIN. Mr. President, in reply to the Senator from New Mexico, I just want to say that the chairman of the Committee on Foreign Relations received a letter from the President when the Borah amendment asking for an economic conference was pending in this Chamber, and in that letter the President was quick to let the Senate know that he opposed that amendment. The President must have known that on yesterday the Senator from Missouri introduced this resolution, and the chairman of the Committee on Foreign Relations [Mr. LODGE] has been on the floor to-day; and if the President had opposed the resolution very strongly, I suppose we would have heard from him. He knew what was going on here.

I think these troops ought to be brought home. The Republican Party promised in 1920 they would bring them home just as soon as possible, and they should have been brought home immediately after the treaty was signed. They have not been brought home, and we ought to bring them home now.

I do not want to embarrass the President in any way, and I do not want the country endangered in any way by the threatening conditions which now obtain in Europe. I do not want our boys to be there so that harm could come to them. I hope the resolution will pass.

Mr. DIAL. Mr. President, last year when the Army appropriation bill was before us, I offered an amendment providing that none of the funds appropriated therein should go to pay our soldiers in Germany after 60 days. That amendment was defeated. I felt then that our soldiers ought to be brought home, and I have felt the same ever since. I believe the quicker we bring them home the quicker those countries will settle their differences, and it will be better for all parties concerned. I shall therefore vote for the resolution.

The VICE PRESIDENT. The question is on agreeing to the motion to refer the resolution.

Mr. REED of Missouri. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. NEW. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. NEW. I understand the vote is on the motion of the Senator from New Mexico [Mr. JONES]?

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Mexico [Mr. JONES] to refer the resolution to the Committee on Foreign Relations. The yeas and nays have been ordered, and the Secretary will call the roll.

Mr. JONES of Washington (when his name was called). The senior Senator from Virginia [Mr. SWANSON] is necessarily absent. I promised to take care of him with a pair during his absence, but I have a right to transfer it. I find I can transfer my pair to the junior Senator from Iowa [Mr. BROOKHART], I do so and will vote. I vote "nay."

Mr. POMERENE (when his name was called). Announcing my pair with my colleague [Mr. WILLIS], who is detained because of illness in his family, I refrain from voting. If I were permitted to vote, I would vote "yea."

Mr. REED of Pennsylvania (when his name was called). Transferring my general pair with the junior Senator from Delaware [Mr. BAYARD] to my colleague [Mr. PEPPER], I vote "yea."

Mr. SHIELDS (when his name was called). I am paired with the Senator from Maine [Mr. HALE], who is absent, I understand, on account of illness. I therefore withhold my vote.

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. TRAMMELL (when his name was called). In the absence of my pair, the senior Senator from Rhode Island [Mr. COLT], and being unable to obtain a transfer, I withhold my vote. If permitted to vote, I would vote "nay."

Mr. WALSH of Massachusetts (when Mr. WADSWORTH's name was called). On this question I am paired with the Senator from New York [Mr. WADSWORTH]. If he were present, he would vote "yea"; and if I were at liberty to vote, I would vote "nay."

Mr. WALSH of Montana (when his name was called). I have a general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN], which I transfer to the Senator from Nevada [Mr. PITTMAN], and vote "nay."

Mr. CURTIS (when Mr. WILLIS's name was called). I wish to announce that the junior Senator from Ohio [Mr. WILLIS] is unavoidably detained by reason of serious illness in his family. He is paired with his colleague [Mr. POMERENE], as has been stated.

The roll call was concluded.

Mr. BROUSSARD (after having voted in the negative). I have a general pair with the Senator from New Hampshire [Mr. MOSES]. I transfer that pair to the Senator from Rhode Island [Mr. GERRY] and permit my vote to stand.

Mr. CURTIS. I wish to announce that the Senator from Colorado [Mr. NICHOLSON] is unavoidably detained. If present, he would vote "nay."

I also wish to announce that the Senator from New Jersey [Mr. EDGE] has a general pair with the Senator from Oklahoma [Mr. OWEN].

Mr. CARAWAY. I announce the absence of my colleague [Mr. ROBINSON] on official business.

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is necessarily absent on account of important business. He has a general pair with the Senator from Minnesota [Mr. KELLOGG].

Mr. WATSON (after having voted in the affirmative). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. I have voted, but find that that Senator is not present. Therefore I transfer my pair to the junior Senator from New Hampshire [Mr. KEYES] and permit my vote to stand.

Mr. JONES of New Mexico (after having voted in the affirmative). I inquire if the Senator from Maine [Mr. FERNALD] has voted?

The VICE PRESIDENT. The Senator has not voted.

Mr. JONES of New Mexico. I have a general pair with that Senator. I do not know how he would vote upon this question. I am unable to obtain a transfer of the pair, and therefore withdraw my vote.

The result was announced—yeas 22, nays 38, as follows:

YEAS—22.

Calder	McCormick	Phipps	Sutherland
Dillingham	McKinley	Ransdell	Townsend
Elkins	Myers	Reed, Pa.	Watson
Ernst	Nelson	Shortridge	Weller
Fletcher	New	Spencer	
Lodge	Oddie	Sterling	

NAYS—38.

Ashurst	Culberson	Heflin	Reed, Mo.
Ball	Cummins	Hitchcock	Sheppard
Borah	Curtis	Johnson	Smith
Brandegee	Dial	Jones, Wash.	Stanfield
Broussard	France	Kendrick	Stanley
Bursum	George	Ladd	Underwood
Cameron	Glass	La Follette	Walsh, Mont.
Capper	Harreld	McKellar	Warren
Caraway	Harris	McNary	
Couzens	Harrison	Overman	

NOT VOTING—36.

Bayard	Jones, N. Mex.	Norbeck	Shields
Brookhart	Kellogg	Norris	Simmons
Colt	Keyes	Owen	Smoot
Edge	King	Page	Swanson
Fernald	Lenroot	Pepper	Trammell
Frelinghuysen	McCumber	Pittman	Wadsworth
Gerry	McLean	Poindexter	Walsh, Mass.
Gooding	Moses	Pomerene	Williams
Hale	Nicholson	Robinson	Willis

So the Senate refused to refer the resolution to the Committee on Foreign Relations.

Mr. MYERS. Mr. President, now that it appears the resolution of the Senator from Missouri [Mr. REED] will be voted upon, I desire to state briefly the reasons which impel me to vote against it.

I do not believe the resolution should be adopted, at any rate without being first referred to a committee; without the Senate having the judgment of a committee which shall have had opportunity to investigate the matter and learn and report whether there are any reasons why American troops should be left in the Rhine Valley or any reason why they should be withdrawn. In that event, unless the committee should report strong and cogent reasons for the withdrawal of the troops, I should even then vote against a resolution requesting or advising the President to withdraw them.

There was reason for stationing and keeping some of our troops in the Rhine Valley after the signing of the armistice. President Wilson was then Commander in Chief of the Army and Navy of the United States, and he had, I am sure, good and sufficient reasons for his action in keeping some of our troops there. President Harding, who succeeded him, has continued to keep some of them there. Some of them have been gradually withdrawn, and the number there has been greatly diminished; but there are still a small number there, and I have no doubt President Harding, the Commander in Chief, has sound reasons for keeping them there. I believe we have much the same reason for keeping troops there that the Entente Allies have for keeping their troops there; that the difference is only one of degree. It is true we have no reparations due us, expect none, and will have none, but a large number of claims have been made and more will be made by citizens of this country against Germany for damages inflicted by Germany upon them prior to our entrance into the World War. Citizens of this country have something due them from Germany, and I think we should be just as much interested in collecting claims due our citizens as the Entente Allies are in securing reparations for themselves. It is a difference in degree; that is all.

We are interested in maintaining order in that section of the world. I think it is to our interest, as well as to the interest of the rest of the world, to have order maintained there and to see that Germany complies with her obligations, no matter what they may be, whether reparations or damages. Undoubtedly our troops have had a stabilizing effect there, and I do not see any reason why we should run away from there now, simply upon the mere appearance of trouble arising. Our troops were put there to prevent trouble, and why should we run away immediately that trouble is threatened? True, it is reported that France threatens to invade the Ruhr Basin. As I understand, under the provisions of the Versailles treaty, the Entente Allies have a right to invade the Ruhr Basin and take possession of it whenever Germany shall be found in default in her agreement to make payment of reparations.

I do not think we need to be so very much afraid of France doing anything wrong and dragging us into it. France has been our friend and our ally, and I do not think we need to mistrust her on this particular occasion. I do not think we should do anything which would tend to encourage Germany to continue willfully and deliberately to evade payment of her reparations, and, in my opinion, that would be the effect of the withdrawal of our troops just now. I think Germany has been willfully and deliberately evading payment of her reparations and pretending she could not pay more. If we should withdraw our troops at this particular time I have no doubt that action would encourage Germany to persist in her policy of evasion. It may be said we are not concerned in the collection of reparations for the Entente Allies. We are not directly concerned but we are indirectly concerned.

I think the peace, welfare, and prosperity of the world depends largely upon Germany making an effort in good faith to pay the reparations which she agreed to pay. We are interested in having her do so, as all the rest of the world is interested, on account of the stabilizing and tranquilizing effect it would have upon the world. While we are not directly concerned in compelling Germany to pay her reparations, I think we should be concerned not to do something which would encourage her willfully and deliberately to continue to evade payment. We are interested in having every nation in the world make an honest effort to comply with its duties and discharge its solemn obligations, because it is the only way in which the disturbed conditions of the world, I think, can be stabilized.

It is said by some that we are getting no pay from Germany for the expense of keeping our troops over there. That is true, but that is no reason why the troops should be withdrawn. We have had no payment on that obligation or at least none of any consequence. However, it costs us no more to keep troops there than here. Troops can be kept more cheaply there than here. I doubt, though, if we will ever be reimbursed. I do not think Germany intends to pay us, if she can get out of it. I do not think Germany intends to pay her reparations to the Entente Allies, if she can get out of it. In my opinion, there is only one argument that will have any influence on Germany and that is the argument of force. If France is entitled to use force, I do not think we should run away and refuse even to be a witness to what may take place there.

I think this would be a very inopportune time for us to withdraw our troops or even for the Senate to express a desire that the President withdraw them. The time and circumstances are inauspicious. I think the President should be left to exercise his own judgment in the matter and should not be hampered by action of the Senate. He is Commander in Chief of the armed forces of the United States. It is an Executive province, and I think it should be left to the President, without interference, for the present, at least. Therefore I shall vote against the resolution.

Mr. McCORMICK obtained the floor.

Mr. JONES of Washington. I should like to know how long the Senator from Illinois is likely to speak?

Mr. McCORMICK. About two or three minutes. If Senators will bear with me, I merely wish to say by way of reply, in part, to the Senator from Montana, that the argument which he advanced against the adoption of the pending resolution seemed to me to be one addressed to the Senate in its favor. It would have been more expedient, in my judgment, to have postponed action upon this resolution for a few days during the pending crisis in Europe, but since the Senate has decided otherwise, it would be a grave mistake by our action to lead Governments across the sea to believe that we approve the course which events have taken.

No one who has followed the press of this country can mistake its common judgment, its common criticism, of the course decided upon by the continental allies dealing with the question of reparations. Under these circumstances if this resolution were to fail, first there would be those in Europe who might easily construe its failure as an approval of their course toward reparations, while others would believe that we purpose the continuance of the occupation of Coblenz by American forces and that in so doing we represent the views of the American people. We know that that would not be true, but they would not know it across the sea.

Since this resolution has come before us and is about to be voted upon, there is only one candid course for the Senate to pursue, and that is to vote for the adoption of the resolution.

Mr. REED of Missouri. Mr. President, I ask for the yeas and nays on the adoption of the resolution.

The VICE PRESIDENT. The question is on the adoption of the resolution as modified. The Secretary will call the roll.

Mr. NEW. A parliamentary inquiry. I understand that the amendment which was offered by me to the resolution was accepted by the Senator from Missouri [Mr. REED] and is a part of the resolution.

Mr. REED of Missouri. Yes, sir.

The VICE PRESIDENT. That is correct.

The reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement which I made before in reference to my pair and its transfer, I vote "yea."

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD]. I do not know how he would vote on this motion, and I am unable to obtain a transfer. I therefore withhold my vote.

Mr. JONES of Washington (when his name was called). Making the same announcement with reference to my pair and its transfer as before, I vote "yea." I also desire to announce that if the junior Senator from Iowa [Mr. BROOKHART] were present and voting he would vote "yea."

Mr. LA FOLLETTE (when the name of Mr. NORRIS was called). The Senator from Nebraska [Mr. NORRIS] is absent from the Senate on account of a death in his family. If he were present he would vote "yea" on this resolution.

Mr. POMERENE (when his name was called). Again announcing my pair with my colleague, the junior Senator from Ohio [Mr. WILLIS], who is absent because of illness in his family, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. REED of Pennsylvania (when his name was called). I make the same announcement as to my pair and its transfer as on the former vote and vote "nay."

Mr. SHIELDS (when his name was called). On account of the absence of my pair, the Senator from Maine [Mr. HALE], as stated, I will withhold my vote. If my pair were present, I should vote "yea."

Mr. SUTHERLAND (when his name was called). Making the same announcement as on the previous vote with reference to my pair and its transfer, I vote "yea."

Mr. TRAMMELL (when his name was called). My pair being absent, and being unable to obtain a transfer, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. WALSH of Massachusetts (when his name was called). On this question I am paired with the Senator from New York [Mr. WADSWORTH]. I transfer that pair to the Senator from Nebraska [Mr. NORRIS] and will vote. I vote "yea."

Mr. WALSH of Montana (when his name was called). Transferring my pair as on the preceding vote, I vote "yea."

The roll call was concluded.

Mr. CARAWAY. I wish to announce the unavoidable absence of my colleague, the senior Senator from Arkansas [Mr. ROBINSON], on official business. If present, he would vote "yea."

Mr. OVERMAN. I desire to state that my colleague, the senior Senator from North Carolina [Mr. SIMMONS], is necessarily absent, and is paired with the Senator from Minnesota [Mr. KELLOGG].

Mr. CURTIS. I desire to announce that the junior Senator from Colorado [Mr. NICHOLSON] is necessarily detained from the Senate. If present, he would vote "yea."

I also wish to announce that the Senator from New Jersey [Mr. EDGE] has a general pair with the Senator from Oklahoma [Mr. OWEN].

Mr. SHIELDS. I transfer my pair with the Senator from Maine [Mr. HALE] to the Senator from Arkansas [Mr. ROBINSON] and vote "yea."

Mr. SUTHERLAND (after having voted in the affirmative). I withdraw the statement which I have made regarding the transfer of my pair. I understand that, if present, the Senator from Arkansas [Mr. ROBINSON], with whom I am paired, would vote "yea," and therefore I let my vote stand.

The result was announced—yeas 57, nays 6, as follows:

YEAS—57.

Ashurst	Dillingham	Ladd	Shortridge
Ball	Elkins	La Follette	Smith
Borah	Ernst	Lenroot	Stanfield
Brandegee	Fletcher	Lodge	Stanley
Broussard	France	McCormick	Sutherland
Bursum	George	McKellar	Townsend
Calder	Glass	McKinley	Underwood
Cameron	Harreld	McNary	Walsh, Mass.
Capper	Harris	Oddie	Walsh, Mont.
Caraway	Harrison	Overman	Warren
Couzens	Heflin	Phipps	Watson
Culberson	Hitchcock	Ransdell	Weller
Cummins	Johnson	Reed, Mo.	
Curtis	Jones, Wash.	Sheppard	
Dial	Kendrick	Shields	

NAYS—6.

Myers	New	Sterling	Williams
Nelson	Reed, Pa.		

NOT VOTING—33.

Bayard	Jones, N. Mex.	Norris	Smoot
Brookhart	Kellogg	Owen	Spencer
Colt	Keyes	Page	Swanson
Edge	King	Pepper	Trammell
Fernald	McCumber	Pittman	Wadsworth
Frelinghuysen	McLean	Poindexter	Willis
Gerry	Moses	Pomerene	
Gooding	Nicholson	Robinson	
Hale	Norbeck	Simmons	

So the resolution as modified was agreed to, as follows:

Resolved, That it is the sense of the Senate of the United States that the President should order the immediate return to the United States of all troops of the United States now stationed in Germany.

In giving this expression of its opinion the Senate disavows any unfriendly or partisan attitude toward any nation or nations of Europe.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. JONES of Washington. Mr. President, I desire to have presented to the Senate the request for unanimous consent which I sent to the desk yesterday afternoon.

The VICE PRESIDENT. The Secretary will read the request for unanimous consent submitted by the Senator from Washington.

The Assistant Secretary read as follows:

It is agreed by unanimous consent that on and after the calendar day of Monday, January 22, 1923, in the consideration of H. R. 12817, the shipping bill, no Senator shall speak more than once or longer than 60 minutes upon the bill, or more than once or longer than 30 minutes upon any amendment offered thereto, and that on and after the calendar day of Thursday, February 1, if said bill is not sooner disposed of, no Senator shall speak more than once or longer than 15 minutes upon the bill or more than once or longer than 10 minutes upon any amendment then pending or thereafter offered.

Mr. FLETCHER. Mr. President, the junior Senator from Iowa [Mr. BROOKHART] has been necessarily called from the Chamber. Before leaving he asked me, if the request of the Senator from Washington were presented, to note his objection to it. I therefore feel obliged to object.

Mr. WATSON. Do I understand the Senator from Florida to object?

Mr. FLETCHER. Yes; for the junior Senator from Iowa.

Mr. WATSON. I do not think a Senator on the floor can voice the objection of another Senator who is not present.

Mr. FLETCHER. Very well; I object on my own responsibility. We need not be technical about the matter. I am stating the fact, as I was requested to do by the junior Senator from Iowa, and the objection is noted. Senators may take it either way they like.

The VICE PRESIDENT. Objection is made.

The question is on the motion of the Senator from Nebraska [Mr. NORRIS] to proceed to the consideration of the bill (S. 4050) to provide for the purchase and sale of farm products.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Ernst	McKellar	Sutherland
Broussard	Fletcher	Nelson	Townsend
Bursum	George	New	Trammell
Capper	Harris	Oddie	Underwood
Caraway	Harrison	Pomerene	Walsh, Mass.
Couzens	Heflin	Ransdell	Watson
Curtis	Jones, Wash.	Sheppard	
Dial	Lenroot	Shields	
Dillingham	Lodge	Sterling	

The VICE PRESIDENT. Thirty-three Senators have answered to their names. A quorum is not present. The Secretary will call the names of the absentees.

The reading clerk called the names of the absent Senators, and Mr. BRANDEGEE, Mr. CAMERON, Mr. GLASS, Mr. MCCORMICK, Mr. MCKINLEY, Mr. OVERMAN, Mr. PHIPPS, Mr. REED of Missouri, Mr. SHORTRIDGE, Mr. STANLEY, and Mr. WARREN answered to their names when called.

The VICE PRESIDENT. Forty-four Senators have answered to their names. A quorum is not present.

Mr. JONES of Washington. Mr. President, as this is Saturday afternoon, I know if we secure a quorum we shall accomplish nothing; that the time will simply be taken up until the usual hour for adjournment. I realize the difficulty when I am up against a situation of this kind. I do not think we would gain anything by sending the Sergeant at Arms after absent Members this afternoon. I do not believe we will lose anything by adjourning at the present time. So I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate adjourned until Monday, January 8, 1923, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *January 6, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, our unchangeable friend, do Thou hear our prayer as we lift to Thee our breath of gratitude. In our sins and in our failures remember mercy. Give us the love that envies not, that seeks not its own but suffers and labors long for the advancement of everything that is good. Ever hold us to the duty, the dignity, and the destiny of our being. Be Thou the refuge for every officer, every Member, every helper, and every home of this assembly. Be with him whose heartstrings have been shattered by the hand of death and give him great peace. Touch all our hearthstones and to-morrow fill them with the sweetest joy. Amen.

The Journal of yesterday's proceedings was read and approved.

PEYOTE.

Mr. McCLINTIC. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes in order to correct what I think to be an erroneous opinion that might be formed from an article appearing in the Washington Post this morning relative to certain legislation..

Mr. CRAMTON. If the gentleman will confine his request to five minutes, I will not object.

Mr. McCLINTIC. It probably will not take more than five or seven minutes; just enough to have a letter read. I think seven minutes will be enough.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to address the House for seven minutes. Is there objection?

There was no objection.

Mr. McCLINTIC. Mr. Speaker and gentlemen of the House, in order that an erroneous opinion may not be formed, I respectfully wish to call attention to an item which appeared in the Washington Post this morning relating to the use of peyote among the Indians. I want to say that it is used as a religious rite among the Indians of Oklahoma, and there are Indian doctors who prescribe it as a medicine. It has never been decided by any of the medical authorities to be a deleterious drug. If it is decided to be a deleterious drug and is harmful to the Indians, I will be the last one ever to make any objection to its suppression. In my time I ask the clerk to read the article published in the Washington Post and a letter which came to me unsolicited from a doctor in Oklahoma who is trying to look after the health and welfare of the Indians.

The Clerk read as follows:

[From the Washington Post, Saturday, January 6, 1923.]

REDSKINS' "SUPERHOOCH" SURVIVES SENATE ATTACK.

The crafty red-skinned aborigine may have the same difficulty as his white conqueror in getting his fire water these days, but he still has his peyote, and peyote, according to competent testimony, will produce a more prolonged jag than the best 100-proof redeye.

The Senate yesterday, after considerable debate, declined to give its approval to an appropriation of $25,000 for the suppression of the use of peyote among the Indians. Peyote, it was generally admitted, enabled the Indians to get even drunker than they could on "red" liquor, but it was saved from the ban on the ground that its use was absolutely essential to the Indians' religion.

When the item came up, in connection with the Interior Department bill, Senator HARRISON (Democrat), Mississippi, asked Senator SMOOT (Republican), Utah, to give the Senate some information about peyote.

"It's the same to the Indian as rot-gut whisky is to the white man," answered Senator SMOOT. "The only difference is that its effect lasts longer."

He explained that it was made of a small bean grown along the Rio Grande, and that one of its effects was to produce a delusion of great wealth. Senator JONES (Democrat), New Mexico, said he had investigated its effects on the Indians and had been informed by a missionary that it brought about "a most beautiful state of mind."

"The missionary added that it produced such a good feeling that he felt sure he could make Christians of all the Indians in the United States within a few days if he had a large enough supply of peyote beans," said Senator JONES.

ANADARKO, OKLA., *January 2, 1923.*

Hon. J. V. McCLINTIC,
Washington, D. C.

DEAR SIR: No doubt you will look upon this as an unwarranted presumption on my part, and had you wished any information from me, would have asked for it. Still, I am hoping you might find this of some little interest.

The stand you took regarding the bill aimed at peyote was of course published in the Oklahoman, and it is this I am writing about.

No doubt you know that my work here has to do with the Kiowa, Comanche, Delaware, Caddo, Wichita, Apache Indians; a great number of all these use peyote to some extent.

Before assuming the attitude toward this bill which you did, I am sure you informed yourself upon the subject; but, unfortunately, Mr. McCLINTIC, the medical profession really knows very little about the effect of peyote or its actual value in disease, if any.

Dr. Ernest E. Hadley, of St. Elizabeths Hospital, Washington, D. C., wrote me some time ago, requesting that I assist him in obtaining a supply of the drug for experimental work, as he and Doctor Nolon were contemplating some such work. It was my intention of carrying out some experiments of my own and checking with the results obtained by these two doctors. Working separately and then comparing results would be much more reliable than if all were working together. At first I thought I could obtain the peyote for Hadley and myself, as one of the peyote doctors (Indian) promised to supply me; but he has failed to do so, and I doubt that he will, as the Indians are suspicious of all whites regarding their intention toward peyote, and it is impossible to obtain the drug through the regular drug firms, and the Indians send one of their number into Mexico for the drug.

Mr. McCLINTIC, I do hope you won't think me too presumptious in this matter, and I am perfectly well aware that you are able to look out for your own interest; however, I feel that you may not fully understand what particular element it is that is stirring up the war on peyote.

It is the missionaries that are continually writing about the peyote orgies, etc.; it is this element that will fight you if you stand up for the Indians in their use of this drug. Unfortunately, there is no proof that peyote has any real value in disease. We have only the Indians' word for it. Personally, I believe there must be some therapeutic value to the drug; but this is only an opinion, and not being a Murphy, Osler, or Mayo, my poor opinion is of little value. The missionaries can not prove that it has no value; but you know how public sentiment goes, and these missionaries have great influence in some quarters. From what I can learn, their fight is not based upon the actual physical harm done the Indian by the use of peyote—that is an excuse to offer the public—but it is because the peyote church is gaining more converts than the missionaries, and one familiar with the average missionary and his work among the Indians is not surprised. These men are, as a rule, narrow, bigoted, and overbearing in their attitude toward any who do not "think or pretend to think as they do." They sometimes ride roughshod over old Indian tradition, custom, and belief; and I am sorry to say that some of them destroy the "belief" of the Indian in the Gods of his forefathers, yet give him nothing in place of it.

This same thing exists in regard to peyote. Instead of going about quietly and really studying the drug or have it investigated by men qualified to do so, they jump in and begin telling the Indian it is no good, he is a fool to use it, and Uncle Sam is going to stop it, etc., and write letters about the peyote meetings that are as far from the truth (some of them) as we are from the sun.

It is not my intention to bore you with my opinion, etc.; my idea was merely to let you know that in opposing the bill against peyote you will incur the enmity of these missionaries here at least, and they are not such good Christians as to love their enemies.

I can state positively that I have never found any reason to think the Indians worship the peyote cactus itself; all state positively that they worship a Supreme Being, an invisible God, and pray to Him and thank Him for giving them peyote to heal their ills. It might be that Belo Cozard, Apache, Okla., R. F. D., could furnish evidence of the healing qualities of peyote; he is an educated Indian of more than average intelligence and has studied and used peyote for 30 years; is the leading peyote doctor in this locality.

Now, Mr. McCLINTIC, please pardon me for butting in on this matter. I have informed you how matters stand here. These missionaries are determined to wipe out the peyote church and are using the United States Government to do it. I know nothing about peyote, but have been here since September and although I treat from 10 to 18 Indians

every day and have been in many, many Indian homes I have never observed any of the dreadful things supposed to exist among these peyote eaters. I am neither against peyote nor for it; only I believe in fair play for all, and think we should first prove that peyote is what the missionaries claim it is before calling upon Congress to adopt drastic steps to eradicate it; but above all I did not want to see JIM MCCLINTIC get these missionaries on his trail without warning him, even if I had to presume upon his many kindnesses to me to do it. You know the pulpit wields a dreadful power, second only to the press.

Once more asking you to pardon me for butting in, and assuring you that it is only my regard for you that encourages me to write this letter and trusting that you will not hesitate, if I can obtain any desired information, to call upon me, but keep my name from the missionary board unless you need to use this information for your own benefit. I beg to remain, with many thanks for past favors,

Gratefully and respectfully yours,

———— ————.

Mr. McCLINTIC. Mr. Speaker, I have a telegram authorizing me to use the letter.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4030. An act for the relief of Capt. Murray A. Cobb.

The message also announced that the Senate had passed with amendments the bill H. R. 13559, the Interior Department appropriation bill, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed joint resolution (S. J. Res. 259) authorizing the President to abrogate the international agreements embodied in certain Executive orders relating to the Panama Canal, in which the concurrence of the House of Representatives was requested.

INTERIOR DEPARTMENT APPROPRIATIONS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that the Interior Department appropriation bill be taken from the table, all amendments be disagreed to, and the bill sent to conference, and that the Chair appoint the conferees.

The SPEAKER. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the Interior Department appropriation bill (H. R. 13559) and disagree to the Senate amendments and ask for a conference. Is there objection?

Mr. CRAMTON. I will say that the gentleman from Oklahoma [Mr. CARTER] has no objection.

Mr. CARTER. May I ask the gentleman if he knows of any changes that have been made in the House bill?

Mr. CRAMTON. I noted by the press that the bill as reported to the Senate carried an increase of only $363,000. I have not had an opportunity to check up the changes by the committee or on the floor of the Senate.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I should like to ask the gentleman, after hearing that two or three page letter from a doctor who did not know anything about peyote, if he is going to permit the paragraph for the suppression of peyote to go out of the bill without giving the House a chance to pass on it?

Mr. CRAMTON. I will say to the gentleman that he realizes that when going into conference one does not like to commit himself, particularly when he has not had an opportunity to consult his colleagues.

Mr. BLANTON. The gentleman knows that the House has passed on that matter several times by a very decided vote.

Mr. CRAMTON. My own personal desire under existing conditions would be to retain the House provision.

Mr. BLANTON. Will the gentleman give us a chance to pass on that before he lets it go out?

Mr. CRAMTON. I hardly want to pledge myself on that.

Mr. BLANTON. I object, Mr. Speaker.

The SPEAKER. The gentleman from Texas objects.

DISTRICT OF COLUMBIA APPROPRIATIONS.

On motion of Mr. CRAMTON the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill (H. R. 13660), with Mr. HICKS in the chair.

The CHAIRMAN. When the committee rose on yesterday there was pending a point of order made by the gentleman from Texas [Mr. BLANTON] against a paragraph in the bill. In order that the Members may be informed as to what the paragraph is, the Chair without objection will ask the Clerk to read the paragraph again.

The Clerk read as follows:

To carry out the provisions contained in the District of Columbia appropriation act for the fiscal year 1914, which authorize the commissioners to open, extend, or widen any street, avenue, road, or highway to conform with the plan of the permanent system of highways in that portion of the District of Columbia outside of the cities of Washington and Georgetown there is appropriated such sum as is necessary for said purpose during the fiscal year 1924, to be paid wholly out of the revenues of the District of Columbia.

Mr. CRAMTON. Mr. Chairman, in connection with that point of order, verifying my suggestion to the Chair last night to the effect that the provision has been treated for several years by the courts as law, I have here a letter from President Rudolph, of the Board of Commissioners of the District, responding to my inquiry, which letter is as follows:

COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
EXECUTIVE OFFICE,
Washington, January 6, 1923.

Hon. LOUIS C. CRAMTON,
Chairman of Subcommittee on Appropriations,
District of Columbia, House of Representatives.

MY DEAR MR. CRAMTON: Referring to your inquiry as to whether any question has been raised in the courts whether certain legislation contained in the District appropriation act for the fiscal year 1914 (U. S. Stats., vol. 37, p. 950), is permanent law, I beg to advise you that this provision has always been considered by the commissioners and by the courts as permanent law. The corporation counsel advises that in no case which has been instituted under this law has the question of its permanency been raised. A great deal of District legislation, such as the public utilities law, the law regarding policemen and firemen's pensions, and other similar enactments, have been carried in District appropriation acts.

Since the enactment of this law, annual appropriations have been made in the District appropriation act from year to year to carry out its provisions.

In the annual report of the Commissioners of the District of Columbia for the fiscal year 1922 (p. 45), you will see that 46 condemnation cases were before the courts during the year, of which a considerable number were instituted under the provisions of this law.

Some of the more important cases now pending in court which were instituted under the provisions of this law are the opening of all streets in Barry farm, a subdivision in the vicinity of St. Elizabeths Hospital; the opening of Webster, Allison, and Buchanan Streets and Arkansas Avenue; the opening of Western Avenue between Massachusetts and Wisconsin Avenues; and the widening of Southern Avenue between Bonini Road and Livingston Road. Other larger condemnation cases in contemplation are the widening of Canal Road from Thirty-sixth and M Streets to the Conduit Road, and the widening of Broad Branch Road from the District line to Rock Creek Park.

Very respectfully,

CUNO H. RUDOLPH,
President Board of Commissioners of the District of Columbia.

It will be seen from this letter that many of the cases brought under this provision are pending in the courts of the District, but no attorney appearing before those courts and opposing the proceedings instituted under this section has seen fit to question its validity as law. Not only can Congress very well afford to follow the interpretation of the courts, but I feel that it would be dangerous for the House now to have a holding that this is not law. It might have a disturbing effect upon many proceedings pending in the courts.

Mr. COOPER of Wisconsin. Mr. Chairman, I rise to ask the chairman of the subcommittee as to a question of fact. I notice that in lines 17 and 18 it speaks of "that portion of the District of Columbia outside of the cities of Washington and Georgetown." What are the boundary districts of the city of Washington?

Mr. CRAMTON. As my colleague from Kentucky [Mr. JOHNSON] has pointed out so well, there is at the present time no such entity as the city of Washington. There was at one time, however.

Mr. COOPER of Wisconsin. That is what I understood.

Mr. CRAMTON. There is now a District of Columbia.

Mr. COOPER of Wisconsin. There is no city of Washington, there are no boundary limits to the city of Washington. If you put into the statute that the territory in question shall be the territory between the limits of the city of Washington and the boundary of the District of Columbia, just what do you mean, and over what specific territory would the commission's authority extend under this law?

Mr. CRAMTON. Mr. Chairman, the question the gentleman raises as to the language in the appropriation affected is, of course, not material to the determination of the validity of the act of 1914 on which the point of order is based. There may be some desirable change in this language, but it would not affect the validity of the act of 1914.

Mr. JOHNSON of Kentucky. Mr. Chairman, if the gentleman will permit, I would state in connection with the remarks made by the gentleman from Wisconsin [Mr. COOPER] that the original city was first chartered in 1902, and that charter gave to the city of Washington no boundary whatever. It was as broad as the face of the earth. The charter never even said that it was in the District of Columbia.

Mr. DOWELL. Mr. Chairman, on the point of order, in respect to the letter read by the chairman of the subcommittee, it seems to me that this sheds no light whatever upon this question. The opinion of the Commissioner of the District

of Columbia has nothing whatever to do with the question of whether or not the law authorizes this. The question as to whether or not some attorney has failed to raise the question has no bearing upon the matter. The Chair is here called upon to pass on this with reference to the language and spirit of the law authorizing these appropriations, and upon nothing else. I have no objection whatever to the gentleman from Michigan [Mr. CRAMTON] submitting a letter from the commissioners, but I certainly would feel that a parliamentary ruling based upon a letter of this character would be out of keeping with the parliamentary practices of the House. The Chair must go back to the original legislation to determine the nature of that authority, and pass upon this question in the light of the permanent law.

The CHAIRMAN. The Chair would like to ask the gentleman from Michigan or the gentleman from Kentucky a question. Since the passage of this act of 1914, with that proviso in it, have any streets in the District of Columbia been opened up without a special act of Congress, or have they all been opened up without special acts of Congress?

Mr. STAFFORD. No.

Mr. BLANTON. No; not one.

Mr. CRAMTON. Since the act of 1914 proceedings have been instituted and streets have been opened under that act of 1914, but whether there has been any special act that did open some special street I can not tell. I think not.

Mr. MADDEN. The streets were opened as the result of court decrees.

Mr. CRAMTON. Decrees based on the act of 1914.

The CHAIRMAN. Then the Chair will assume that all streets opened up since 1914 have been opened up under the authorization of the act of 1914?

Mr. STAFFORD. Mr. Chairman, after yesterday's proceedings, I spoke to the clerk of our committee and he told me that all proceedings for opening streets, damage suits, and the like, condemnation proceedings, have been under this general authorization act of 1914, and to my knowledge no special act has passed the House since 1914 providing for the opening of streets, whereas prior to that time on District days we frequently had special bills for that purpose.

Mr. BLANTON. Mr. Chairman, the gentleman from Iowa [Mr. DOWELL] is eminently correct. The Indian appropriation bill for years carried two-thirds of its provisions not authorized by substantive law. They were treated as permanent law until the gentleman from New York [Mr. SNYDER] resorted to his rights when he became a little peeved about his authority being taken away from his committee by the Committee on Appropriations, and made points of order, and section after section went out of that bill, until, under special rule, the bill had to be brought in here and revamped in a legislative way. The Chair will remember that. Because provisions in an appropriation bill have long been considered as permanent law is no reason why they are permanent law. Here is the crux of the whole business. If the Chair will read in yesterday's Star and yesterday's Times he will find out the purpose of this provision. He will see that there is a new plan entirely for the city here in the widening of numerous streets and the opening of several streets. The main plan is to widen a number of streets in the city of Washington, and they want to do it without any supervision of Congress whatever. This indefinite provision for the appropriation here could amount to forty or fifty million dollars before we get through with it.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COOPER of Wisconsin. This law, if interpreted as it is now claimed it ought to be interpreted and always has been interpreted, would be similar to a law—I never heard of one—which would authorize a city council to give to a committee of that council the authority, in the discretion of such committee, to open, extend, or widen any street in that city.

Mr. BLANTON. Exactly. If they wanted to extend a street through Rock Creek Park they could do it under the provisions of this bill.

Mr. COOPER of Wisconsin. Congress, under the Constitution, takes the place of a city council for Washington and has exclusive authority to enact laws to govern it.

Mr. BLANTON. Yes; and we ought not to delegate that authority.

Mr. COOPER of Wisconsin. And yet we have, as a common council, turned over to a commission the right to open, extend, or widen any street—a commission not chosen by Congress nor by the people of Washington.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. The argument the gentleman is making now and the reinforcement of the gentleman from Wisconsin [Mr. COOPER] are both as to the desirability of lodging that judgment in the commissioners.

Mr. BLANTON. That is exactly what this provision does.

Mr. CRAMTON. That has nothing whatever to do with the question of the validity of the act of 1914. That is the question that is before the Chair. It is not a question as to whether it is a wise law, but as to whether it is law.

Mr. BLANTON. It was never contemplated in 1914 by the committee that put in that provision that they should have blanket authority to widen any street they saw fit in the city of Washington. Quite a number of streets that are in the program were mentioned in yesterday evening's paper. They took it for granted that this provision was going to get by, and they let the cat out of the bag and showed how many different streets they expected to widen right away. I know something about widening streets and the cost of such a thing. Write to the city of San Antonio or ask our colleague [Mr. WURZBACH] how much it has cost the city of San Antonio to widen two streets in that city, and he will tell you something about the expense of it.

It could run up into fifty, sixty, seventy, or one hundred million dollars in a very short time.

Mr. CRAMTON. Mr. Chairman, if I may take one more minute to suggest to the Chair the question before the committee is not the wisdom of the act of 1914. And it is not the question of the wisdom of the appropriation proposed in the pending bill. It is as to whether the act of 1914 is to-day valid law. If it is not valid, any proceedings to widen streets and to open new streets brought under that law of 1914 would be knocked out by the courts; they would not sustain any proceedings whatever. It is immaterial whether this section is in the appropriation act or not. If the act of 1914 is not law to-day, this section does not make it law. It only gives the money to carry into effect proceedings under it. If it is law, proceedings will be sustained under it; if it is not law, they will not, whether we give this item or not. So the question of the wisdom of the act is not before the committee. The question of wisdom of making appropriations to carry on proceedings under the act will come before the House when the point of order is disposed of.

Mr. ZIHLMAN. Will the gentleman yield for a question?

Mr. CRAMTON. I will.

Mr. ZIHLMAN. So that we may get the record straight, does not the act of 1914 provide that the courts must assess benefits equal to the damages, and so the statement of the gentleman from Texas is entirely erroneous.

Mr. CRAMTON. Yes; of course that affects the question of the wisdom of the law but not its permanency.

Mr. ZIHLMAN. The gentleman referred to the enormous cost of opening streets. My understanding is that the act of 1914 provides that the benefits must be assessed equal to the damages.

Mr. CRAMTON. Certainly. And these expenses to carry out proceedings contained in this section referred to are paid wholly out of the revenues of the District.

Mr. LITTLE. Mr. Chairman, if my memory serves me, the original authority under which the commissioners will act is found in the twentieth volume of the Statutes at Large. What relation to that subsequent legislation has had I can not say, but there is only one amendment to that law that I know of. Whether the 1914 law applies I can not say, but if any of you are at a loss with regard to what the authority is you had better begin to study the twentieth volume. I just make that suggestion because my memory is pretty certain that that is where it is.

Mr. JOHNSON of Kentucky. Mr. Chairman, it occurs to me that the provision in the bill which is now under consideration is not at all a bad one. However, the question is not on its merits or demerits, and instead of that the question comes directly upon the point of order. The act of 1914 has been much discussed, but it has not been read for the benefit of the House, so I will read it:

That the Commissioners of the District of Columbia are hereby authorized to open, extend, or widen any street, avenue, road, or highway to conform with the plan of the permanent system of highways in that portion of the District of Columbia outside of the cities of Washington and Georgetown, adopted under the act of Congress approved March 2, 1893, as amended by the act of Congress approved June 28, 1898, by condemnation under the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia: *Provided*, That the entire amount found to be due and awarded by the jury under such proceedings as damages for and in respect of the land condemned, plus the cost and expenses of said proceedings, shall be assessed by the jury as benefits: *And provided further*, That the costs and expenses of the condemnation proceedings taken under the provisions hereof and the amounts awarded as damages for and in respect of the land condemned shall be paid entirely from the revenues of the District of Columbia, and shall be repaid to the said District of Columbia from the assessments for benefits and covered into the

Treasury of the United States to the credit of the revenues of the District of Columbia, and such sum as is necessary for said purpose during the fiscal year to end June 30, 1914, is hereby appropriated, payable entirely from the revenues of the District of Columbia.

Mr. DOWELL. Will the gentleman reread the first line? I did not get that.

Mr. JOHNSON of Kentucky. "That the Commissioners of the District of Columbia are hereby authorized to open, extend, or widen any street, avenue, road, or highway to conform with the plan of the permanent system of highways," and so forth.

The question now arises, Mr. Chairman, whether that makes permanent or only temporary law. That provision is in the appropriation bill for 1914, and therefore made law for that year only. Because since that time a point of order has not been made against it in different appropriation bills does not make it permanent law. The commissioners themselves have not regarded it as permanent law. They from time to time have prepared and sent bills to the District Committee asking for authority to condemn land for streets. As has been well said by the gentleman from Wisconsin [Mr. COOPER], because the question has not been raised in the courts does not make permanent a temporary law. The same reason applies because the question has not been raised in the House. It may drift along from year to year as a temporary law, but it can not be made permanent merely because no Member of the House ever chose to make a point of order against it. As I said at the outset, I am not undertaking to question the merits of the proposition. As a member of the subcommittee I let it go by, believing it just as well to let the commissioners have that authority, but I believed all the while, and I believe now, that there is no question that it is subject to the point of order. Again, I wish to say I am not opposing the item on its merits, but I do think, for the purpose of having the rules of the House followed, that the point of order should be sustained.

Mr. TILSON. If the Chair will indulge me just a moment, it seems to me, Mr. Chairman, that the question for the Chair to decide is a simple one, and one that has no relation whatever to the merits or demerits of this alleged law. The language of the paragraph of the bill is simply sufficient to make the appropriation to be used to carry out the provisions contained in a certain act referred to. If there is no law now, certainly there is no attempt here to create law. It simply attempts to make an appropriation to carry out the provisions of a law which is cited here in this paragraph. There can be no harm done, it seems to me, if there is an appropriation made for carrying out the provisions of a law that does not in fact exist. This does not make law; therefore, if there be no law, its provisions can not be carried out even though we make an appropriation.

Mr. DOWELL. It occurs to me that that is no reason for ruling upon the point of order on the ground that it may or may not do irreparable injury. The question is whether there is law to sustain this appropriation. If not, the Chair should sustain this point of order and not overrule it because it will not do harm.

Mr. TILSON. The Chair can not determine that.

Mr. DOWELL. I want to suggest another thing: In the appropriation bills where there is legislation intended to be permanent you will recall that the Committee on Appropriations places the word "hereafter" in the legislation; it then applies to other appropriations outside of the bill pending and then is subject to a point of order. In this provision there is nothing to indicate that it is permanent law.

Mr. TILSON. This paragraph would certainly not make it permanent law. There is no attempt to legislate in this paragraph. It simply attempts to make an appropriation to carry out the provisions of a law supposed to be already in existence. If it is already in existence, this appropriation can be used for that purpose, and so far as the Chair is concerned, he is not called upon to determine whether that law is wise, whether it is permanent, whether it is temporary, or what the nature of the law is.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. BLANTON. If the legislative provision is passed only for one fiscal year and at the termination of that fiscal year ceases to be law, how could it be the basis for an appropriation?

Mr. TILSON. The gentleman is assuming that that is so. It does not appear to be so.

Mr. BLANTON. That is my contention.

Mr. TILSON. But this paragraph attempts to appropriate funds to carry out the provisions of a certain law. If there is no such law the money can not be expended. So far as the Chair is concerned, this paragraph states that there is such a law, and cites the year in which it was passed, and appropriates a sum of money to carry out its provisions.

Mr. JOHNSON of Kentucky. Does the gentleman mean to say that there is such a law or there was such a law?

Mr. TILSON. I say that, so far as this bill is concerned, there is such an act as that referred to in this paragraph.

Mr. JOHNSON of Kentucky. There was such an act, and that act has died.

Mr. BLANTON. It is dead.

Mr. DOWELL. The mere statement in this paragraph as to legislation heretofore enacted is of no value to the Chair in ruling upon this question. The parliamentary proposition is that there must be legislation to sustain this appropriation.

Mr. TILSON. The gentleman from Kentucky has just read a portion of that legislation.

Mr. DOWELL. It is purely for the purpose of construing the language of that legislation. Does the gentleman construe the paragraph read by the gentleman from Kentucky to be permanent law upon which this appropriation can be based?

Mr. TILSON. I do not think the Chair is called upon to determine whether that is permanent law or not.

Mr. DOWELL. That is the law referred to in this specific paragraph, and it is the only provision that the Chair apparently has to pass upon; and unless that is construed to be permanent law, it seems to me there is no question before the Chair, because no permanent law has been pointed out, unless the gentleman construes the language in the paragraph read by the gentleman from Kentucky to be permanent law.

Mr. TILSON. I do not think it is necessary for the Chair to go back and pass upon the previous act referred to in this paragraph.

Mr. DOWELL. Is it not a well-known principle that before an appropriation will stand the one who offers it must show the law upon which the appropriation is made?

Mr. TILSON. The Members supporting this paragraph have cited that law and read it into the RECORD.

Mr. DOWELL. But the gentleman himself will not say to the Chair that it is permanent law.

Mr. TILSON. So far as the Chair is called upon to rule, it is permanent law, in my judgment.

Mr. JOHNSON of Kentucky. Mr. Chairman, the position that I take is that the act of 1914, which is a part of an appropriation act of that year, made law for that year only. The Code of Law for the District of Columbia, section 491a, makes the permanent law. That permanent law reads as follows:

Whenever land is needed for the opening, extension, widening, or straightening of any street, avenue, road, or highway in the District of Columbia authorized by Congress, the Commissioners of the District of Columbia may institute in the Supreme Court of the District of Columbia sitting as a district court by petition a proceeding in rem for the condemnation of the land needed.

Now, the act of 1914, I can only repeat, made law only for the year 1914, and in other years the permanent law set out in the Code of the District of Columbia, which I have just read, must prevail.

Mr. BLANTON. And that requires an act of Congress.

Mr. JOHNSON of Kentucky. That gives the commissioners no power to open or condemn any street unless the authorization first be made by Congress.

Mr. CRAMTON. Mr. Chairman, if the gentleman will yield, the provision he has just read was enacted in 1907, and the act of 1914 was passed seven years later.

Mr. JOHNSON of Kentucky. But the act of 1907 was permanent law, and the act of 1914 is law for that year only.

Mr. CRAMTON. That is just what we are arguing about. Now, whether the act of 1914 was permanent law or not can not be determined by an act passed in 1907. It has nothing to do with the situation. My contention is that the act of 1914 is just as much law as any law we ever passed.

Mr. JOHNSON of Kentucky. It was only for that year. It only set aside the permanent law for that year.

Mr. CRAMTON. The act of 1914 was not tied to or related to any other item in any way. It was put in as permanent law.

The CHAIRMAN (Mr. HICKS). The Chair realizes that the determination of this question is of considerable importance. The gentleman from Kentucky referred to the act of April 30, 1906. In the opinion of the Chair this law, the permanency of which is not questioned, authorizes the institutions of condemnation proceedings for the purpose of opening, extending, and widening streets. It would seem to the Chair that in the appropriation act of 1914 the provision "that the Commissioners of the District of Columbia are authorized whenever in their judgment the public interest requires it to prepare a new highway plan," is a supplementary authority giving to the commissioners the right under the act of 1906 to extend the highway system in accordance with a definite plan; therefore the question that presents itself to the Chair is this: Is the provision in the act of 1914 permanent law, or was it only temporary? The

Chair has taken the time to consider this question rather thoroughly, for he is alive to the fact that it has far-reaching consequences.

The Chair admits that this point of order is a rather close one, and so far as the Chair has been able to ascertain there are no precedents covering the exact situation presented. The present occupant of the chair has frequently been called upon to render decisions involving the placing of legislative provisions on appropriation bills and has uniformly held that unless it was clearly evident that such legislative authorization incorporated in appropriation bills was of a permanent character the authorization thus created would terminate at the end of the fiscal year for which the appropriations were made.

It has been suggested that the test of permanency of legislation on an appropriation bill should rest upon the use or nonuse of the word "hereafter," and while this is the usual and more positive method of making legislation permanent, the Chair dissents from the view that this is the only test, for the Chair feels that other words might easily and frequently are employed to accomplish the same purpose. By reference to the appropriation act of 1914, the Chair finds that the legislative authority for the extension of the highway system—the permanency of which authority is now disputed—is clothed in this phraseology, "That the Commissioners of the District of Columbia are authorized whenever in their judgment the public interest requires it," and so forth. It seems to the Chair that the word "whenever," as used in this act, is for all intents and purposes synonymous with the word "hereafter."

From a practical standpoint it is hardly conceivable that a comprehensive plan for streets in a great, rapidly growing city could be matured in any fiscal year or that future needs could be accurately anticipated in any 12-month period. Any plan devised by any board of engineers would undoubtedly have to be modified with the growth and development of the city. From the parliamentary standpoint the Chair is cognizant of the fact that under the act of 1914 streets have been opened and extended without additional legislation and that the courts have sustained condemnation proceedings under that act. By the use of the word "whenever" and interpreting the purpose of Congress by the scope of the authority granted in 1914 it seems to the Chair that it was the evident intention to make it an authorization permanent in character, and the Chair therefore overrules the point of order.

The Clerk read as follows:

Georgetown Bridge across Potomac River: For miscellaneous supplies and expenses of every kind necessarily incident to the maintenance of the bridge and approaches, $2,000: *Provided*, That upon its completion the jurisdiction and control of the said bridge and approaches shall be under the Commissioners of the District of Columbia.

Mr. HILL. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL: Page 30, line 10, after the word "bridge," insert a comma and the words "which shall hereafter be known as the Francis Scott Key Bridge."

Mr. HILL. Mr. Chairman, the Washington Board of Trade, the National Society of the Daughters of the American Revolution, and various other organizations have asked for the permanent naming of this bridge as a memorial to Francis Scott Key, whose house was at one of the abutments of the bridge. I offered last June a resolution for this purpose.

This proposition was indorsed by the Washington Board of Trade as noted recently in the Star.

The House Joint Resolution 350, changing the name of the new Georgetown Bridge to the Key Bridge, was unanimously indorsed by the bridges committee of the Washington Board of Trade, meeting yesterday afternoon in the board rooms in the Star Building. The committee believes that the Key Bridge would be a more appropriate name for the new structure.

The joint resolution referred to is as follows:

Joint resolution (H. J. Res. 350) naming the new bridge over the Potomac River at Georgetown the Francis Scott Key Bridge.

Whereas the new bridge over the Potomac River at Georgetown abuts the District of Columbia side of the river at or near the site of the home of Francis Scott Key at the time he wrote the national anthem, and because of this is popularly known as the Key Bridge; and

Whereas there is no monument or other memorial to Francis Scott Key in the National Capital: Therefore be it

Resolved, etc., That the official designation of said bridge be, and it is hereby declared to be, the Francis Scott Key Bridge.

And that such designation be appropriately inscribed on each end thereof, the expense of which inscription to be defrayed from existing appropriations made for the construction of said bridge, and the Secretary of War is hereby authorized and directed to see that this joint resolution is carried into effect.

SEC. 2. That this joint resolution shall take effect immediately upon its passage.

The National Society, Daughters of the American Revolution, have taken the same position, as follows:

MAY 16, 1922.

Hon. JOHN PHILIP HILL,
United States House of Representatives,
Washington, D. C.

MY DEAR MR. HILL: I have the honor to inform you that the National Society, Daughters of the American Revolution, at their thirty-first continental congress, held April, 1922, adopted a resolution approving the effort to have the name of the new bridge crossing the Potomac River, which starts from the site of the old home of Francis Scott Key, author of the Star-Spangled Banner, changed to Francis Scott Key Bridge.

Very sincerely yours,

RITA A. SAWYER,
Recording Secretary General.

The Maryland State Society, Daughters of the Revolution, passed the following resolutions:

DAUGHTERS OF THE REVOLUTION,
Maryland.

Hon. JOHN PHILIP HILL,
Keyser Building, City.

MY DEAR SIR: The Maryland State Society, Daughters of the Revolution, wish to express their hearty approval of the name "Francis Scott Key" for the new bridge at Georgetown.

Hoping you will use your influence to accomplish this, we beg to remain,

Very sincerely yours,

MARYLAND DAUGHTERS OF THE REVOLUTION,
MISS FRANCES STUART,
Corresponding Secretary,
The Boulevard, St. Paul and Thirty-second Streets.

JUNE 17, 1922.

President Harding, on June 14, 1922, at Fort McHenry, Baltimore, said in reference to Francis Scott Key:

Francis Scott Key, though he produced some splendid lines, was not a great poet. He was less, but he was also more, than a great poet. He was possessor of a patriotism which in a supreme moment could make words and meters its creatures and servitors; and so a modest genius was raised in one flaming hour to place among the immortals.

* * * * * * *

To give ringing voice to such a conviction, to such an inspiration, was one of the greatest services which any man could do for the young Republic. That was the service of Francis Scott Key. It was not in the production of soul-stirring lines, thrilling with martial appeal; it was in the contribution of his great hymn toward creating that sense of national pride and that realization of responsibility for a great adventure in behalf of humanity which became at last the inspiration of Union preserved and of nationalism established.

* * * * * * *

I think it fair to say that we have come here to-day, not so much to pay tribute to the genius which caught the inspiration of a vital moment and wrote that inspiration into one of the songs of the ages, but rather more to memorialize the patriotic service of the author in his everlasting contribution to the soul uplift and exaltation of his countrymen who live after him.

Finally, the history of the old bridge is contained in the following letter in the Star of November 23, 1922, from the regent of the local chapter of the Daughters of the American Revolution:

[From The Star, Thursday, November 23, 1922.]

D. A. R. PROTESTS NAME PROPOSED FOR NEW BRIDGE.

To the Editor of The Star:

The new bridge spanning the Potomac from the grounds of the old home of Francis Scott Key to the shores of Virginia is about completed. It will soon be dedicated and given a name to stand for all time. Shall the Nation honor King George of England or the American poet-patriot, Francis Scott Key? Unless patriotic citizens voice a demand that the United States Congress can not disregard, the opportunity will be forever lost of naming this bridge in honor of Francis Scott Key. Secretary Weeks has informed us that the power rests in Congress alone. All plans and specifications used in the bridge construction bear the words "Francis Scott Key bridge." Unfortunately, a rider to an appropriation bill presented to Congress and passed by that body gave the name "Georgetown bridge" to the structure. An argument was made from the floor of the Congress to the effect that by so changing the name the memory of George Washington would be honored. This was an unfortunate mistake, for history shows us that the old port of Georgetown was named in honor of King George of England. The Father of His Country was not born until five years after George ascended the throne. Protests from patriotic societies and others crystallized in a resolution offered in the House in the last session of Congress asking that the original name be selected, that of Francis Scott Key, be given the bridge. This resolution has not been acted upon.

Ruth Brewster Chapter, D. A. R., passed, at its meeting Wednesday last, a resolution urging that Congress act favorably at this session upon the resolution to change the name of the new structure to the Francis Scott Key bridge, and copies of this resolution were ordered sent to the President, Secretary of War, and the chairman of the District Committee, House of Representatives.

Georgetown is incorporated in the city of Washington, and is therefore no longer a township; consequently the name Georgetown for the bridge, while perpetuating a sentimental memory of an old town, would convey no definite information in future years as to the location of the bridge. The old Key home has been completely changed, remodeled into a modern store, and is not recognizable as the old colonial home of the poet-patriot. Several years ago an attempt was made to save it—Admiral Dewey, president of the Francis Scott Key Memorial Association, working for this purpose; but the patriotic work failed, and the home was lost to the American people. Here

at the Nation's Capital and at this time occurs the golden opportunity for the Nation to dedicate a memorial of gratitude to the author of our national anthem—a fitting memorial, located practically upon the historic spot which was his home; to which portals he brought his young bride; within whose walls all of his 11 children were born, and where he lived at the time of the writing of "The Star Spangled Banner."

MAUD LIPSCOMB GREENAWALT,
Regent, Ruth Brewster Chapter, D. A. R.

The name of "Georgetown" was given this bridge in the sundry civil appropriation bill of 1920, and it is appropriate that in this bill we give the more fitting name. [Applause.]

Mr. BLANTON. Mr. Chairman, I rise for the purpose of getting some information. I am not opposed to the gentleman's amendment. I notice as to the item for highway bridge across the Potomac River and the Georgetown bridge across the Potomac River that the opposite ends of those bridges are in the State of Virginia. Does the State of Virginia pay any part of the cost of maintenance? It paid none of the cost of construction.

Mr. JOHNSON of Kentucky. If the gentleman will permit me to answer, I will do so by controverting the statement that the far end of the bridge is in Virginia. It has been determined by the Supreme Court of the United States that the line between Maryland and Virginia is at high water mark on the Virginia side of the river. Therefore the bridge in its entirety is in the District of Columbia.

Mr. BLANTON. But the approaches, at least, maintained by Congress, come from the State of Virginia onto the bridge.

Mr. JOHNSON of Kentucky. That depends on what may be called approaches. But there is no provision in this bill for the maintenance of anything except the bridge.

Mr. BLANTON. The State of Virginia is very fortunate in having the services of the distinguished gentleman from Virginia [Mr. MOORE], because elsewhere wherever a river is the dividing line between two States a bridge going across the river is maintained jointly by the two States. It is built by the two States jointly at their expense. Where a stream is the line between two counties in a State, a bridge across that stream is built jointly by the two counties and maintained at joint expense by the two counties. But all of our splendid bridges crossing the Potomac, leading out of the District of Columbia into Virginia, have been paid for by the people of the United States and maintained by the people of the United States. Virginia does not have to pay any part of the expense at all.

Mr. TILSON. Does not the gentleman think that at the time this arrangement was made Virginia must have had some Representative equal in ability to the present very able Representative from that Virginia district [Mr. MOORE]?

Mr. BLANTON. Oh, yes.

Mr. TILSON. And it was so arranged that Virginia would not have to pay for the maintenance of those bridges.

Mr. BLANTON. Yes. But the continuation of the exemption is, I presume, largely because of the activities on the floor of the distinguished gentleman from Virginia [Mr. MOORE] whenever District matters are under consideration.

Mr. JOHNSON of Kentucky. If the gentleman from Texas will further permit, he has just stated that where a river is the dividing line between two States a bridge across the river is constructed and maintained at the expense of the two States. That is not always the case. As I have just said, the high-water mark on the Virginia side is the line between the District of Columbia and Virginia, and so the normal low-water mark of the Ohio River on the Indiana side is the line between Kentucky and Indiana. The jurisdiction of Kentucky extends to the Indiana banks.

Mr. MOORES of Indiana. It extends to low-water mark.

Mr. JOHNSON of Kentucky. We do not use the terms "high" and "low" in the same sense there as here, because there is no tide in the Ohio.

Mr. MOORES of Indiana. The Supreme Court of the United States decided in a case which I argued myself that the boundary line is low-water mark on the Indiana side.

Mr. BLANTON. The Potomac River is a navigable stream.

Mr. JOHNSON of Kentucky. So is the Ohio.

Mr. BLANTON. The Federal law usually applicable to navigable streams is that the dividing line is the center of the stream, but of course in these particular cases, in order that Virginia may not have to pay any part of the cost of maintenance, we have other provisions with regard to the Potomac.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maryland [Mr. HILL].

The amendment was agreed to.

The Clerk read as follows:

TREES AND PARKINGS.

For contingent expenses, including laborers, trimmers, nurserymen, repair men, teamsters, hire of carts, wagons, or motor trucks, trees, tree boxes, tree stakes, tree straps, tree labels, planting and care of trees on city and suburban streets, care of trees, tree spaces, maintenance of two motor trucks, and miscellaneous items, $50,000.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. This item does not include appropriation for the purchase of trees. Does the Government nursery raise all the trees required for planting in the streets of the District of Columbia? And what is the total cost for raising, planting, and taking care of the trees in the highways of the District of Columbia?

Mr. CRAMTON. The Government has a nursery out northeast and raises a great many trees. My assumption is that they raise all the trees that are needed and that there is no purchase of trees.

Mr. CHINDBLOM. The appropriation would be available for the purchase of trees, would it not?

Mr. CRAMTON. I think so.

Mr. WATSON. Under this appropriation?

Mr. CRAMTON. I think so.

Mr. WATSON. It does not thus provide.

Mr. CHINDBLOM. It says "contingent expenses"; among those things included is the word "trees."

Mr. WATSON. But not the purchase of trees, simply the planting of trees.

Mr. CHINDBLOM. Why limit it to anything outside of purchasing?

Mr. WATSON. This clause does not provide for purchasing trees, only for planting and the taking care of them.

Mr. CHINDBLOM. Those words are not in the item.

Mr. WATSON. There is no item here giving power to buy trees.

Mr. CRAMTON. Colonel Sherrill stated before the committee that only a small portion of it is devoted to the setting out of new trees. The care of all of the trees on the streets in the District is upon the city, rather than upon the property owners. They state, however, they expect to plant a few new trees from year to year, and he says they have not enough money to set out the number required to keep up with the loss of trees from decay. They have nurseries, of course.

Mr. WATSON. Is it the purpose to continue planting trees in the streets?

Mr. CRAMTON. Yes; to continue to replace the trees lost through decay.

Mr. WATSON. Are they not taking away the trees in some of the commercial streets?

Mr. CRAMTON. There is only a limited amount of that. There may be circumstances where that is done.

Mr. WATSON. Then it is practical to plant trees and to continue so to do in the streets of Washington?

Mr. CRAMTON. It appears to be, and I think that is one of the beauties of the city.

The Clerk read as follows:

To enable the commissioners to carry out the provisions of existing law governing the collection and disposal of garbage, dead animals, night soil, and miscellaneous refuse and ashes in the District of Columbia (no contract shall be let for the collection of dead animals), including inspection and allowance to inspectors for maintenance of horses and vehicles used in the performance of official duties, not to exceed for each inspector $20 per month for a horse and vehicle; fencing of public and private property designated by the commissioners as public dumps; and incidental expenses, $825,000: *Provided*, That any proceeds received from the disposal of city refuse or garbage shall be paid into the Treasury of the United States to the credit of the United States and the District of Columbia in the same proportions as the appropriations for such purposes are paid from the Treasury of the United States and the revenues of the District of Columbia: *Provided further*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels, places of business, and apartment houses and large boarding houses having a central heating plant.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 33, line 20, after the word "further," strike out the remainder of the paragraph and insert in lieu thereof the following: "That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business, or from apartment houses of four or more apartments in which the owner furnishes heat to tenants."

Mr. CRAMTON. Mr. Chairman, that is merely a redrafting of the proviso carried in the bill. It is drawn after having the advantage of language submitted by the engineer commissioner, and, I think, puts it in more workable form.

Mr. SANDERS of Indiana. It changes the substance of it.

Mr. CRAMTON. Not materially.

Mr. SANDERS of Indiana. What is the change?

Mr. CRAMTON. It is a more workable definition as to the class of buildings that would be exempted.

Mr. SANDERS of Indiana. It says apartment houses.

Mr. CRAMTON. Yes.

Mr. SANDERS of Indiana. You have changed it to designate certain apartment houses and to leave out others.

Mr. CRAMTON. Yes.

Mr. SANDERS of Indiana. What is the reason for that?

Mr. CRAMTON. That is, those apartment houses with four or more apartments, where they get their heat from a central plant, where it is furnished to them by the owners.

Mr. SANDERS of Indiana. And you except them?

Mr. CRAMTON. Yes. They can collect ashes from the small apartments.

Mr. SANDERS of Indiana. But they can not collect them from apartments having more than four apartments?

Mr. CRAMTON. No. The present law is more stringent than this. This is somewhat of a relaxation.

Mr. SANDERS of Indiana. The way it is drawn, it provides that the appropriation shall not be used——

Mr. CRAMTON. If the gentleman desires to know what the current law is, it provides that ashes, and so forth, shall not be collected "from hotels, places of business, apartment houses, and large boarding houses." An apartment may have perhaps two or three apartments in it, and each apartment may have its own heating plant, coal stove, and so forth; but they can not collect ashes from that little place, and it is not really big enough for anyone in it to handle a wagon. The result is that it works a hardship that is not desirable.

Mr. SANDERS of Indiana. And the gentleman's amendment liberalizes that?

Mr. CRAMTON. Yes; and still does not go so far as to take care of large apartment houses. It was suggested that "large" is an uncertain term.

Mr. SANDERS of Indiana. And the word "large" in the bill now would apply only to boarding houses, and apartment houses are cut out altogether?

Mr. CRAMTON. Yes.

Mr. SANDERS of Indiana. You liberalize it by including certain apartment houses.

Mr. CRAMTON. Yes.

Mr. JOHNSON of Kentucky. Mr. Chairman, if the gentleman will permit, I invite the attention of the gentleman from Michigan to the word "owner" in the amendment. I suggest that that word be stricken out and in its stead some such word as "proprietor" be used.

Mr. CRAMTON. Or lessor?

Mr. JOHNSON of Kentucky. Because it is frequently the case that the owner of the house is not the landlord of the tenants who occupy it.

Mr. CRAMTON. What would the gentleman think of using the word "lessor"?

Mr. JOHNSON of Kentucky. Would it not be better to use the word "landlord"?

Mr. CHINDBLOM. Why not omit all reference to the character of the proprietor or owner of it and simply say "where heat is furnished for a central heating plant"?

Mr. CRAMTON. There are some complications connected with that. Mr. Chairman, I ask unanimous consent to modify the amendment by striking out the word "owner" and inserting in lieu thereof the word "landlord."

The CHAIRMAN. Is there objection to the modification?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Page 33, line 20, after the word "further" strike out the remainder of the paragraph and insert in lieu thereof the following:

"That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels, places of business, or from apartment houses of four or more apartments in which the landlord furnishes heat to tenants."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

For the purchase of a site now occupied by Hoover Playground, located in square 546, containing 65,000 square feet, at 25 cents per square foot, $17,000.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph as being legislation unauthorized on an appropriation bill.

Mr. CRAMTON. Mr. Chairman, will the gentleman withhold his point of order for a moment?

Mr. BLANTON. I reserve the point of order.

Mr. CRAMTON. This item proposes the purchase of a site for playground purposes.

Mr. BLANTON. If the gentleman is going to continue to take up all legislative matters and consider them in the Appropriations Committee, we might just as well do away with the District of Columbia Committee entirely. While under the rules the District is permitted to have a District day, the chairman has not claimed it here for months.

Mr. CRAMTON. Well, he has made some expressions he wanted it.

Mr. BLANTON. Expressions do not amount to anything.

Mr. CRAMTON. If the gentleman will permit me, I understand it is the Hoover item to which the gentleman refers. The Hoover item has been used as a playground since 1916 under a lease, and it is now proposed to buy it at a price that seems very reasonable to insure its continuance. Now, as to the point, the item is subject to a point of order, and if the gentleman insists upon the point of order it will go out.

Mr. BLANTON. I want to reserve some little work for the District of Columbia to do.

Mr. CRAMTON. If the gentleman will permit, and he has been very kind to yield to me, let me complete this statement. This is subject to a point of order if the gentleman insists upon it. I hope very much that the point of order will not be insisted upon, because there is an opportunity to buy this land at a reasonable price. It is being used, and we want to continue to use it for the same purpose. Now, as to the matter of this committee encroaching on the prerogatives of the legislative committee, we have not done so except in very few cases. We have been very careful to avoid encroaching upon the preserves of the legislative committee. We have only done so where it is closely connected with an expenditure. There are no purely legislative provisions, but we have some appropriations which are not supported by existing law where it was for the purpose of extending work in progress. There is no basis for it, and I can not make an argument as to the parliamentary situation, but, in effect, we have these playgrounds and they are being used, and this is simply a part of that operation which is legitimately before us——

Mr. BLANTON. Not only this item but the next one, and item after item in this bill are legislative matters that should be presided over by the distinguished gentleman from Pennsylvania, who has a reputation of being liberal. He is not hidebound on this proposition.

Mr. CRAMTON. Let me make a connected statement here. I know there are several items, one went out yesterday, and that was the extension of the existing library system, but this is an extension of the existing playground system and the purchase of land now being used for playground purposes, and which will be used until somebody throws them out bodily, because we do not buy it. Now, there are some school items of which perhaps the same thing can be said. We have not gone beyond that in a purely legislative provision. Yesterday on the floor, the gentleman will remember, a distinguished Member of this House, one of the most active members of this committee, the gentleman from Texas [Mr. BLANTON], from the floor criticized this committee very strongly because we had not gone further and put in certain legislative propositions that are within the jurisdiction of the District of Columbia Committee. There was a question of changing the law as to days of service for firemen and policemen and various other——

Mr. BLANTON. That is just as important as this.

Mr. CRAMTON. That was purely legislation, and this is simply acquiring land we are now using.

Mr. BLANTON. It is all right to make the policemen and firemen work seven days out of seven days.

Mr. CRAMTON. I want to point out to the gentleman that the gentleman from Texas criticized us severely yesterday for not going further and encroaching on the prerogatives of that committee, and we now are criticized because we went as far as we did.

Mr. BLANTON. I make the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is made against the paragraph. The Chair feels he has ample precedent to support the ruling of the Chair, which is that the point of order is well made.

The Clerk read as follows:

For the purchase of a site at Twenty-seventh and O Streets NW., in square 1238 (lot 803), containing 10,000 square feet, at an estimated cost of $5,000; and for the purchase of lot 804, square 1238, containing 3,840 square feet, at $3,000; in all, $8,000.

Mr. BLANTON. Mr. Chairman, I make the point of order that this is legislation on an appropriation bill, unauthorized by law.

Mr. CRAMTON. As to the point of order, Mr. Chairman, I will only express my great regret that the little children of the District are to be endangered as to their use of the play-

grounds. As to the parliamentary situation, I admit it is subject to the point of order.

Mr. BLANTON. The District Committee will take care of them.

Mr. STEPHENS. Will the gentleman yield for a question?

Mr. CRAMTON. I will.

Mr. STEPHENS. Has this been acted upon and recommended to the gentleman's committee by the District of Columbia Legislative Committee?

Mr. BLANTON. They ignore the District Committee and come and appropriate——

Mr. CRAMTON. If the gentleman will permit——

Mr. STEPHENS. I ask for information.

Mr. CRAMTON. In none of these instances where we have put an appropriation in is there any controversy about the policy. There is no one urging that we should not have playgrounds, there is no one urging that we should not have libraries, and so we are trying to carry out what we know is the adopted policy. When it comes to a controversial question, where there is a difference of opinion as to the policies and it lies within the domain of Mr. FOCHT's committee, we keep away from it.

Mr. STEPHENS. But has this committee recommended this particular item?

Mr. CRAMTON. They have not.

Mr. STEPHENS. Would it not be advisable for them to do that in order that the position you take might be secure?

Mr. CRAMTON. I want the children to have the playgrounds, and I repeat that where there is any controversy about it or where the District Committee wants a chance on it we will keep off it. But as to matters on which there is no controversy we think they want us to go ahead and get action.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. SANDERS of Indiana. Who is it that asks for this?

The CHAIRMAN. The gentleman from Texas made a point of order.

Mr. CRAMTON. Will the gentleman reserve it for a moment?

Mr. BLANTON. If the gentleman will discuss the point of order without going into the merits I will.

Mr. CRAMTON. This came to us from the District Commissioners and from the Budget office.

Mr. SANDERS of Indiana. There does not seem to be any understanding on the part of the people who are asking for this in the District as to where they should go for relief. I think the gentleman from Texas [Mr. BLANTON] is perfectly within his rights in making these points of order or any points of order against legislative matters carried in an appropriation bill, looking at it purely from a legislative standpoint. It seems to me, Mr. Chairman, that when these requests are made to the Committee on Appropriations for matters involving new legislation, matters of great importance to the children who want the playgrounds, in case of playgrounds and other matters of importance to other people in other District affairs, it is the duty of the Committee on Appropriations to inform the people who ask for that relief that their committee has no power to give relief, and it is their duty to suggest that they go to the District Committee for relief. Those people desiring relief ought not to be compelled to wait until the last moment and——

Mr. CRAMTON. Let me suggest this: In this bill there was an item proposed by the Budget, an item to establish a white branch of the Industrial School for Girls. That was a proposition as to which there might be controversy, concerning the need of the institution or the location of it, and so forth. That the Committee on Appropriations did not allow. It was a legislative proposition of a character which we felt we ought not to fool with, and it will be interesting to see how long it will be before there is legislation that will authorize something of that kind.

Mr. SANDERS of Indiana. Mr. Chairman, I ask unanimous consent, pending the reservation of a point of order by the gentleman from Texas [Mr. BLANTON], to proceed for three minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. DENISON. Will my friend from Indiana yield for a moment?

Mr. SANDERS of Indiana. Yes.

Mr. DENISON. I will ask the gentleman from Indiana whether he does not think the situation has grown out of the fact that, notwithstanding each committee is urged to legislate, they do not do so even when some one like the gentleman from Texas, who evidently is making a record here by taking things out of bills on points of order, insists on points of order? They know they can go right over to the Senate and get them all put in.

Mr. BLANTON. Then why does not the whole District Committee let the gentleman from Pennsylvania [Mr. FOCHT] go back home? [Laughter.]

Mr. FOCHT. He is going.

Mr. DENISON. They know that these items will be put in over in the Senate, so that this process of knocking out paragraphs on points of order is not accomplishing anything in the end.

Mr. SANDERS of Indiana. I do not know. I think the gentleman who makes these points of order against legislative matters is entirely within his rights and may be ultimately serving a good purpose, although he may not be in the particular case.

Of course, the gentleman in talking while the reservation of the point of order was made did not explain just when these pupils are to be permitted to use the playgrounds. We ought not to take away the playgrounds from the pupils when they have been used since 1916. But when a situation has arisen where they are going to be driven off the playgrounds unless they get legislation, then the people who ask for this relief ought to be sent to the Committee on the District of Columbia, and they ought to be sent to the Committee on the District of Columbia by the Committee on Appropriations.

The gentleman from Michigan [Mr. CRAMTON] says they are very discriminating, and if it is a matter involving controversial legislation they do send such people to the Committee on the District of Columbia. I say, Mr. Chairman, that it is not up to the Committee on Appropriations to determine what is controversial legislation. They have no authority over any legislative matters, and these legislative matters ought to go to the Committee on the District of Columbia; and if those people were urged to go to that committee, and if pressure were brought to bear on that committee, that committee would get action on the floor of the House.

The trouble is we go along here and the Committee on Appropriations determines that they are going to reach out and encroach on another committee's jurisdiction, and then if a gentleman gets on the floor of the House and asserts his rights and makes points of order against legislative provisions he is criticized.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. CHINDBLOM. What assurance is there that the Committee on the District of Columbia will bring up these matters in preference to other matters about which there is a hot controversy?

Mr. SANDERS of Indiana. This House under its rules has declared that legislative matters shall be referred to the Committee on the District of Columbia and that the District of Columbia Committee shall act upon them.

Mr. BLANTON. The children are not being run off this property. They will continue to stay on these playgrounds. This is simply a proposition of selling this property to the Government without any legislation whatever.

Mr. SANDERS of Indiana. Then the gentleman does not agree that this is one of the propositions that are not controversial?

Mr. BLANTON. The children are playing on this land now. It ought to be passed upon by the District of Columbia Committee.

Mr. SANDERS of Indiana. The point I make is that the Committee on Appropriations has no right or authority or jurisdiction under the rules of this House to determine when it is going to reach out and take jurisdiction.

Mr. FOCHT. Mr. Chairman, I ask unanimous consent to proceed for five minutes, notwithstanding the reservation of the point of order.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. FOCHT. Mr. Chairman and gentlemen, in regard to these matters the difficulty arises primarily from the fact that they proceed without proper consideration of the desires of the people of the District of Columbia, that desire being expressed through the various agencies appointed for such purposes. The Board of Education have made various investigations. You say you are going to make appropriations without authorization of law. You do it simply because the Committee on the District of Columbia has not had an opportunity to present these measures on the floor of the House and obtain that authorization.

The bills are there, 125 of them; but they have been forestalled, interfered with, hamstrung, I might say, until we have to come here supplicating before the majesty of this great Committee on Rules, appealing to them to give an opportunity to the people of this town, who do not have representation, who must hang on in this haphazard way to secure legislation. Now, the orderly and proper way to do this thing is to consider these District of Columbia bills that we bring here and put on the calendar. Why, think of it! This great question of increased salaries for school-teachers, we bring it on the floor, and if we pass it the only way they can get the money is under a deficiency bill. The appropriation bill for the District of Columbia will have passed and gone its way, and the only chance we have is to authorize it and then appropriate the money as a deficiency. That is not the orderly way. There should be no controversy here this morning, and this question of playgrounds is not a controversial one. Everybody knows we ought to have playgrounds for the children of the District of Columbia; in fact, must, and are going to have them, but the Committee on the District of Columbia should have a chance to send a subcommittee there to determine the location and desirability, and whether these playgrounds are worth the money that is asked for them, and if they are not to condemn them. But as to the necessity of them there is no controversy. But there will be a controversy and there will be a break somewhere with the manner in which this thing has been conducted. I know the power is with these gentlemen. I can do nothing more than come here and appeal to you and wait until they are through with everything else, until every other chairman is through with all his bills. Yet here is a great city that ought to be the pride of every man's heart, that must walk on a crutch and limp behind the procession until we get through with everything else from Wyoming to Nova Scotia.

Mr. SNELL. I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. SNELL. The gentleman from Pennsylvania [Mr. FOCHT] made the same senseless tirade against the Rules Committee yesterday, and I did not say anything in reply. I do not know that the Rules Committee has anything to do with keeping him or his committee off the floor. I do know this, however, that on two separate Mondays this year we were looking for something to take up the time of the House and no member of the District of Columbia Committee was here ready to present its business on the floor of the House.

Mr. BLANTON. The gentleman ought not to say that, because one member of the committee has always been here. The chairman of the committee may not have been here.

Mr. SNELL. Was any member of the committee here ready to present the business of the Committee on the District of Columbia?

Mr. BLANTON. Only the chairman does that. I will state that I have been here every Monday, but I have no authority to call up bills from that committee.

Mr. SNELL. I do not yield to the gentleman.

Mr. FOCHT. The gentleman will yield to me, will he not?

Mr. SNELL. When I finish my statement. I say the Rules Committee are not to blame because the Committee on the District of Columbia have not presented their business on the floor of the House. They had two opportunities this session, that I know of, that they did not take advantage of.

Mr. FOCHT. As far as I am concerned as chairman of the committee, there was but one opportunity that we had when I was not here to avail myself of it.

Mr. SNELL. There were two Mondays that we were looking for business, and the gentleman was not here and did not attend to it.

Mr. FOCHT. This is the first time I ever heard anyone connected with the Rules Committee say they were looking for the Committee on the District of Columbia to present any business. We have been here 20 times asking for an opportunity, compared to the one time when I was not here.

Mr. SNELL. Is there any resolution before the Rules Committee at the present time providing for consideration of District of Columbia business?

Mr. FOCHT. No; everybody in the House knows the power of the Committee on Rules. We submit to it. We can do nothing else. We understand the reason.

Mr. BLANTON. I make the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas makes the point of order against the provision beginning on line 14.

Mr. BLANTON. Against the paragraph.

The CHAIRMAN. Against the paragraph. The Chair sustains the point of order, and in doing so refers to the several precedents in Volume IV of Hinds' Precedents, section 3790, section 3791, and section 3792, and also to many decisions rendered by the Chairmen when presiding over the Committee of the Whole House on the state of the Union considering the District of Columbia appropriation bill. The Clerk will read.

The Clerk read as follows:

So much of any balance remaining after the purchase of sites for playgrounds authorized by this act as is necessary to clean up, grade, drain, fence in, and place such sites in safe and suitable condition for the purpose intended, may be used for such purposes.

Mr. BLANTON. I make a point of order against that paragraph. Of course that will go out, too, because that is legislation.

The CHAIRMAN. The gentleman makes the point of order against the paragraph beginning with line 20.

Mr. CRAMTON. We might as well let that go out anyway because the other has gone out.

Mr. CHINDBLOM. Will the gentleman reserve his point of order for one minute?

Mr. BLANTON. I reserve it.

Mr. CHINDBLOM. I should like to ask the chairman of the subcommittee whether he knows of any legislation that has been proposed so far by the Committee on the District of Columbia relating to the purchase of sites for these playgrounds? Is there any legislation on that subject on the calendar, reported from the Committee on the District of Columbia?

Mr. CRAMTON. Each year we have been buying playgrounds just in the way that we proposed to buy these playgrounds, and neither the gentleman from Indiana, nor the gentleman from Pennsylvania, nor the gentleman from Texas, any one of them raised any question about it. We started the consideration of this bill with a panning by the gentleman from Texas [Mr. BLANTON] because we did not put all his pet hobbies into the bill, although they were admittedly legislation. Now here are some items that are not hobbies of anybody, that everybody wants, and we simply have passed along what the Budget recommended. My judgment is that you can have two Mondays a month for the Committee on the District of Columbia and you will not get any more playgrounds for the District unless they are carried in an appropriation bill. It is perfect nonsense to say that every time we want to buy $40 worth of land the Committee on the District of Columbia must go out and see whether it is worth the price or not. That is a ridiculous proposition. What the District of Columbia Committee ought to have done 20 or 30 years ago, before there was any Budget, was to have brought legislation into the House providing for a system of playgrounds, and then let the appropriations be made from time to time as they are necessary for the development of that system of playgrounds.

That is a function of the District of Columbia Committee that for half a century they have neglected. They should provide authorization for a system of playgrounds, and the Committee on Appropriations should not be citicized because, in the absence of any such authorization, it endeavors to take care of a very pressing need to which nobody objects.

Mr. CHINDBLOM. I have looked through the calendar and I do not see a single bill reported by the Committee on the District of Columbia relating to playgrounds now pending before the House.

Mr. JONES of Texas. I would suggest that the District Committee was perhaps too busy trying to pass a law licensing pawnbrokers, permitting them to charge 36 per cent interest, to have time to consider playgrounds for the children.

Mr. BLANTON. But some of them have been rather busy keeping that law from being passed.

Mr. SANDERS of Indiana. The reason the Committee on the District of Columbia does not do that is because the Appropriations Committee is seeking to come in and take it out of their hands.

Mr. BLANTON. And get mad when you try to stop them.

Mr. SANDERS of Indiana. And get mad when you try to stop them, and then go over to the Senate and see that it is put in.

Mr. BLANTON. Mr. Chairman, I insist upon the point of order.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

In all, for playgrounds, $136,032, to be paid wholly out of the revenues of the District of Columbia.

Mr. BLANTON. Mr. Chairman, I suggest that lines 5 and 6, on page 36, should be corrected, in so far as the totals are concerned, to correspond with the bill.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the Clerk be authorized to correct all totals in the bill to conform to the amendments that have and will be adopted.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the Clerk be authorized to correct all totals in the bill to conform with adopted amendments. Is there objection?

There was no objection.

The Clerk read as follows:

ELECTRICAL DEPARTMENT.

Salaries: Electrical engineer, $2,750; assistant electrical engineer, $2,000; inspectors—one $1,000, four at $900 each; electrician, $1,200; two draftsmen, at $1,000 each; four telegraph operators, at $1,000 each; repairmen—expert $1,200, three at $900 each, one $840; telephone operators—chief $900, four at $840 each, one $720, ten at $600 each, one $540; electrical inspectors—one $2,000, one $1,800, one $1,350, four at $1,360 each; assistant electrician, $1,200; clerks—one $1,400, one $1,200, two at $1,125 each, one $1,050, one $750; assistant repairman, $620; laborers—two at $600 each, two at $540 each; messenger, $630; storekeeper, $875; in all, $55,655.

Mr. CRAMTON. Mr. Chairman, in line 10, after the word "electrician," I move to strike out "$1,200" and insert "$1,560."

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 36, line 10, after the word "electrician," strike out the figures "$1,200" and insert in lieu thereof the figures "$1,560."

Mr. CRAMTON. Mr. Chairman, this is to correct an inequality that has happened through accident in the previous drafting of the law. This electrician is in charge of certain work and under him are four inspectors who are drawing in this bill $1,360. They are drawing more pay than the man who has charge generally of their work. The man who has charge is getting $1,200 and is doing work of a more specialized character, involving the handling of special and more difficult matters, requiring more thorough and painstaking examination and frequently the working of more exact testing and measuring instruments, and it appealed to the committee that this change should be made.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

Lighting: For purchase, installation, and maintenance of public lamps, lamp-posts, street designations, lanterns, and fixtures of all kinds on streets, avenues, roads, alleys, and public spaces, and for all necessary expenses in connection therewith, including rental of stables and storerooms, livery and extra labor, this sum to be expended in accordance with the provisions of sections 7 and 8 of the District of Columbia appropriation act for the fiscal year 1912 and with the provisions of the District of Columbia appropriation act for the fiscal year 1913, and other laws applicable thereto, $450,000.

Mr. SNELL. Mr. Chairman, I move to strike out the last word for the purpose of getting some information. Does this include the street lighting?

Mr. CRAMTON. Yes.

Mr. SNELL. I have inquired several times and have tried to get some information as to under what kind of a contract we are operating in respect to furnishing electricity to the city, and what price is paid for it.

Mr. CRAMTON. The Potomac Electric Power Co. furnishes the electricity.

Mr. SNELL. I notice that for a small part of the supplies you have competitive bids. I wondered if there were any competitive bidders for lighting the streets, and what price is paid in the District of Columbia for the average street lamp.

Mr. FOCHT. The street lamps are gas mostly, and the price paid for electricity is 10 cents per kilowatt hour. It is a price arbitrarily fixed by the Public Utilities Commission. They have allowed 7 cents to the company and are retaining 3 cents pending a decision of certain matters by the Supreme Court.

Mr. SNELL. Then there is no competitive bidding or a chance for it? Is it governed by the Public Utilities Commission?

Mr. FOCHT. I think they fixed the price arbitrarily, somewhat in relation to the charges in other cities.

Mr. SNELL. And what is the price per kilowatt hour?

Mr. FOCHT. Ten cents per kilowatt hour. They are allowing the company only 7 cents. Three cents have been set aside under order of the court until a decision is rendered, and then it will be determined whether or not the company can retain that amount, which is held in escrow, amounting now to more than two and a half million dollars.

Mr. SNELL. The gentleman means that we are paying 7 cents per kilowatt hour for the electricity that the District is using?

Mr. ZIHLMAN. Oh, the gentleman from Pennsylvania is referring to what private consumers pay.

Mr. SNELL. I had reference to the price that the District of Columbia pays.

Mr. FOCHT. A large part of the street lighting is by gas.

Mr. SNELL. There must be a very large consumption by the District of electric light.

Mr. CRAMTON. The relative expenditure for gas this year is $188,500, and for electricity, both incandescent and arc lights, $227,500, but I have not at hand the information as to what the rates are.

Mr. SNELL. Did the committee take that up at all?

Mr. CRAMTON. No; we did not.

Mr. SNELL. Does not the gentleman think it is a very important matter? That is one of the large expenses of the District, and there is opportunity for some careful work in connection with it. I feel that the time has come when we should know definitely what we are paying and under what kind of a contract we are operating. I do not know that there are competitive bidders.

Mr. CRAMTON. Oh, there is no one in the position to furnish the light except the people who are furnishing it, unless you erect a new plant, and there would not be any economy in that.

Mr. SNELL. I would not be in favor of that, but I feel that is a matter that the committee should go into.

Mr. CRAMTON. Of course the Public Utilities Commission passes upon the rate to be charged to private users, and my judgment would be that the Public Utilities Commission probably have authority to fix all of the rates.

Mr. SNELL. Well, I suggest that when the committee have hearings next year that they get more definite information.

Mr. CRAMTON. I appreciate it, and I will say to the gentleman from New York that he knows it is a little hard to learn everything there is about every item in the bill. Last year, with regard to the Interior Department bill, the gentleman from New York asked a lot of questions I could not answer; so this year in the hearings we took pains to get all of that information for him, and yet we read page after page of those items without a question from the gentleman from New York.

Mr. SNELL. The Chairman informed me that he could answer them, so I saw no need to ask. I really think it is important that we know the prices we are paying.

Mr. CRAMTON. I will get the information and put it in the RECORD, if I may have unanimous consent.

Section 6 of the District of Columbia appropriation act for the fiscal year 1913 prescribed the maximum rates to be paid during that fiscal year for lighting the streets, roads, and so forth, of the District of Columbia. It is my information that the rates prescribed in that act are being paid to-day, wherever applicable. I quote them from that act:

For mantle gas lamps of 60 candlepower, $18.40 per lamp per annum.

For mantle gas lamps of not less than 120 candlepower, $27 per lamp per annum.

For street designation lamps, using flat-flame burners, consuming not more than 2½ cubic feet of gas per hour, or 8 candlepower incandescent electric lamps, with posts and lanterns furnished by the District of Columbia, $10 per lamp per annum.

For 40 candlepower, 50 watt, incandescent electric lamps on overhead wires, $15 per lamp per annum.

For 40 candlepower, 50 watt, incandescent electric lamps on underground wires, $19.50 per lamp per annum.

For 60 candlepower, 75 watt, incandescent electric lamps on overhead wires, $17.50 per lamp per annum.

For 60 candlepower, 75 watt, incandescent electric lamps on underground wires, $23 per lamp per annum.

For 80 candlepower, 100 watt, incandescent electric lamps on underground wires, $26 per lamp per annum.

For 100 candlepower, 125 watt, incandescent electric lamps on underground wires, $27.50 per lamp per annum.

For 150 candlepower, 187 watt, incandescent electric lamps on underground wires, $36.50 per lamp per annum.

For 200 candlepower, 250 watt, incandescent electric lamps on underground wires, $46.50 per lamp per annum.

For 4-glower Nernst lamps on underground wires, $52.50 per lamp per annum.

For 6.6 ampere, 528 watt, direct-current, series-inclosed arc lamps, $80 per lamp per annum.

For 5 ampere, 550 watt, direct-current, multiple-inclosed arc lamps, $80 per lamp per annum.

For 4 ampere, 320 watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on overhead wires, $59 per lamp per annum.

For 4 ampere, 320 watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on underground wires, $72.50 per lamp per annum.

For 6.6 ampere, 500 watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on overhead wires, $84 per lamp per annum.

For 6.6 ampere, 500 watt magnetite, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, on underground wires, $97.50 per lamp per annum.

For flame arc lamps, 500 watt, General Electric type, or other arc lamps of equal illuminating value acceptable to the Commissioners of the District of Columbia, $150 per lamp per annum.

The Clerk read as follows:

PUBLIC SCHOOLS.

Salaries: Superintendent, $6,000; 2 assistant superintendents, at $3,750 each; director of intermediate instruction, 13 supervising principals, supervisor of manual training, and director of primary instruction, 16 in all, at a minimum salary of $2,400 each; secretary, $2,000; financial clerk, $2,000; clerks—1 $1,600, 2 at $1,500 each, 2 at $1,400 each, 3 at $1,200 each, 4 at $1,000 each (one of whom to carry out the provisions of the child labor law); 2 stenographers, at $1,000 each; messenger, $720; in all, $73,620.

Mr. BEGG. Mr. Chairman, I offer an amendment; in line 2 strike out "$6,000" and insert "$10,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 39, line 2, strike out the figures "$6,000" and insert in lieu thereof the figures "$10,000."

Mr. CRAMTON. Mr. Chairman, I make the point of order that the amendment is not authorized by existing law.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. BEGG. All I have to say is this, that there is no law that prohibits the change of a salary. There is no law prohibiting the House itself from raising the salary of any official. The fact that a law established a position and fixes the salary does not certainly take away the right of the committee to increase that salary if it sees fit to do so.

Mr. CARTER. The Appropriations Committee?

Mr. BEGG. And I will cite the Chair's attention to the ruling the Chair made the other day with reference to the Department of Agriculture bill when the amendment was identically the same.

Mr. BLANTON. This is a statutory salary.

Mr. BEGG. It does not make any difference if it is.

Mr. SNELL. Does the gentleman maintain that we could increase a statutory salary in the committee by any Member offering an amendment?

Mr. BEGG. I maintain that if we want to spend $10,000 for the salary of the superintendent of schools, we have the same right to do it as we did the other day under the ruling of the Chair.

Mr. SNELL. But that is not the question I asked.

Mr. BEGG. That is an answer to the question.

The CHAIRMAN. Does the gentleman desire to continue the discussion of the point of order?

Mr. BEGG. The only proposition I make is this, that there is nothing in the law that prohibits our appropriating $10,000 for the office of superintendent of schools.

Mr. CARTER. It is only under Rule XXI.

Mr. BEGG. Rule XXI does not——

Mr. CARTER. It provides in reference to changing existing law if we have a statutory law.

Mr. BEGG. Rule XXI has been so badly lacerated and mutilated by the decisions of the present occupant of the chair I want to see what he will do this time.

Mr. SNELL. I would like very much for him to get it, for he is a constituent of mine and a very worthy one.

The CHAIRMAN. The Chair thinks the gentleman from New York stated the crux of the matter when he referred to the statutory provision in reference to salaries. The Chair assumes from the remarks of the gentleman in charge of the bill that the law fixes the salary at $6,000, and, as the amendment presented proposes an increase of that salary, it therefore proposes a change of existing law, and is contrary to the rule. The Chair sustains the point of order.

Mr. FOCHT. Suppose there is no statutory law provision for $6,000; there is no statutory law and there has been no statutory law since 1906 and there have been increases since then done in this very way.

The CHAIRMAN. Were there no statutory law the Chair would hold differently. The Clerk will read.

The Clerk read as follows:

Contingent expenses: For contingent and other necessary expenses, including equipment and purchase of all necessary articles and supplies for classes in industrial, commercial, and trade instruction, $4,500: *Provided*, That no part of the appropriations for night schools shall be available for teaching any person over 21 years of age without payment of tuition.

Mr. TOWNER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. TOWNER: Page 45, line 19, after the word "tuition." strike out the period, insert a comma, and add the following: "This proviso shall not apply to those receiving instruction under the Americanization work and instruction of foreigners as hereinafter provided in this act."

Mr. TOWNER. Mr. Chairman, the object of this amendment, which I understand is not objected to by the committee, is to make it really in harmony with the purpose of the Americanization provision which is on the next page. That provision is that "the Americanization work and instruction of foreigners of all ages in both day and night classes, including the principal, who, for 10 months, shall give his full time to this work." And so forth.

If this proviso is adopted without the amendment which I suggest, then all foreigners who desire to take night-school work will have to pay tuition. It is difficult, Mr. Chairman, sometimes to induce these men, whom we are very anxious, indeed, shall take this night-school work, to enter those classes, and the Americanization work is carried on with the expectation that it will be largely carried on by this night-school work because of the fact that these adults are engaged in work during the day and can only attend the night schools. For that reason I think the amendment is perfectly justified and makes the provisions harmonize with each other.

Mr. BLACK. Will the gentleman yield?

Mr. TOWNER. Certainly.

Mr. BLACK. I want to state at the outset that I have no objection to the provision to which the gentleman refers, but it occurs to me it will be a very poor precedent for Congress to set to charge our own American citizens tuition and to permit the foreigners to come in free. Now, personally I do not favor any proposition of that kind. I think probably this Americanization work is all right and justified, but I suggest that the gentleman move to strike out the whole provision if he is going to do the thing he asks.

Mr. TOWNER. Of course, if this provision is adopted—and the gentleman thinks the whole provision ought to go out, and I agree with him that perhaps it would be better—let me call the attention of the gentleman to the provision over on the other page. There are two things: The Americanization work is one thing, although they are joined together, and the instruction of foreigners of all ages at day and night schools is another. The provision is not an exclusion of Americans from the provisions of the act. It will allow Americans who are trying to Americanize themselves to receive this instruction; for instance, those preparing for becoming intelligent enough to read and write, so as to become good citizens of the United States.

That is all I desire to say, Mr. Chairman, unless some one asks another question.

Mr. BLACK. Mr. Chairman, will the chairman of the subcommittee give heed for a moment? I have not had time or opportunity to read the hearings in the case, but I would like to get some information from the chairman as to the reason for the following proviso on page 45, line 16:

Provided, That no part of the appropriation for night schools shall be available for teaching any person over 21 years of age without payment of tuition.

Now, has there been any abuse of that privilege that would justify the provision in the item?

Mr. CRAMTON. I have not myself made the investigation that would enable me to give the gentleman that definite information which perhaps he would like, but I know it has been alleged that there has been abuse and that schools were being conducted which were patronized very largely by adults, rather than by children. I am not sure whether my colleague from Kentucky [Mr. JOHNSON] is better informed than I on that point. But it was because it was brought to the attention of the committee that there was some abuse that this limitation was put on.

Mr. BLACK. The reason I ask the question is on account of the pending amendment offered by the gentleman from Iowa [Mr. TOWNER], that will permit foreigners who are over 21 years of age to attend these night schools without the payment of tuition. I have no objection to that, but I would not like to go on record as favoring it. It does not appear to me to be a sound thing to do to permit foreigners over 21 years of age to get free attendance at these night schools and close them to our own citizens.

Mr. CRAMTON. The amendment offered by the gentleman from Iowa, as I understand it, proposes a proviso in the section concerning night schools that the limitation shall not operate to interfere with the attendance of foreigners who are adults in the Americanization work that comes later in the bill. I under-

stand that as to night schools, outside of the Americanization courses, there is to be no distinction made, even if the amendment of the gentleman from Iowa is agreed to, between foreigners and our own people.

Mr. BLACK. Will the gentleman from Iowa give us information as to whether his amendment would be restricted to that extent—to the extent that the gentleman from Michigan suggested?

Mr. CRAMTON. I ventured to suggest that the gentleman's amendment would not have any effect as to the night schools except to protect adults in the Americanization courses.

Mr. TOWNER. That is expressly stated in the amendment.

Mr. BLACK. I probably did not hear the language clearly.

Mr. TOWNER. It is made not to apply in so far as the Americanization work is carried on, as hereafter stated in the act.

Mr. BLACK. I have no objection to that.

Mr. LOWREY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Mississippi moves to strike out the last word.

Mr. LOWREY. I am not sure that there is justification for a law anywhere forbidding people over 21 years old to enter the public schools. With all the effort that is being made throughout this country now to remove illiteracy and all the money we are spending for education, I should welcome the repeal of the laws everywhere fixing the public-school age at 21. I should rather see an amendment prevail to strike out that proviso entirely and at least put this Congress on record in regard to that law as to the 21-year limit for public-school age.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. LOWREY. Yes.

Mr. DENISON. Does not the gentleman think that the general rule prevailing all over the country is a wise one, that we limit the public-school benefits to the children of the country, and when they get to be adults and are supposed to be earning money to pay their own way they should be allowed to pay their own way? We ought not to treat grown people as children.

Mr. LOWREY. You know there has been a great deal done to remove illiteracy in the various States in dealing with people beyond 21 years of age.

Mr. DENISON. I believe the way to remove illiteracy at public expense is to confine ourselves to children and not reach beyond the age of 21. Let those others educate themselves at their own expense.

Mr. LOWREY. Is there not the same reason for forbidding foreigners over 21 from entering public schools? I believe we permit them.

Mr. DENISON. We do that for the purpose of giving them an education in order to Americanize them.

Mr. CRAMTON. They are admitted to the Americanization courses, which are especially open to foreigners.

Mr. TILSON. Mr. Chairman, I wish to agree in principle with the remarks of the gentleman from Mississippi [Mr. LOWREY]. I believe that the best possible way to carry on Americanization work is to give these people an education, and it seems to me that right here in the city of Washington we ought to set an example to the rest of the country by furnishing instruction in our night schools to those men and women who have been so unfortunate as not to have had an opportunity before to acquire an education of any sort whatever.

Mr. LOWREY. Mr. Chairman, will the gentleman yield?

Mr. TILSON. I yield to the gentleman from Mississippi.

Mr. LOWREY. Would it not be a good principle also of American citizenship in making American citizens to remove the ignorance of those that are American born as well as those who are alien born?

Mr. TILSON. I believe that everybody should be admitted to this privilege. If we can, by furnishing night schools, give these people an opportunity to learn something, thereby removing as far as possible their handicap, I believe that we should do so. Of course, attending the day schools is an entirely different matter. These people are supposed to work and earn their living after they arrive at that age; but if, after they have done their day's work, they are willing to attend an evening school, it seems to me every opportunity for doing so should be given them. I know that in most of our cities in the North and East with which I am acquainted we give liberal opportunity of this kind by furnishing free night schools, and there is no limit of 21 years.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman from Minnesota.

Mr. NEWTON of Minnesota. Does not the gentleman think that in a democracy there is a peculiar responsibility resting upon the Government, where we have practically universal suffrage, to provide means for education and place at the disposal of any person who by reason of citizenship or prospective citizenship will have the responsibility of taking part in the affairs of the Government?

Mr. TILSON. I think so; and I think that where we have the buildings and equipment already available, and the only expense involved is the comparatively small expense of hiring teachers, it is our duty to give these people an opportunity to remove to some extent the handicap under which they labor.

Mr. STEPHENS. In the city of Cincinnati they have night schools in the lower grades, in the high schools, and in the university, open to all citizens regardless of age, and the night-school system there gives an opportunity for all to get an education. I do not see why the great city of Washington can not provide the same.

Mr. DENISON. What does the gentleman think of applying the provision of compulsory education to grown people, and making them go to school and get an education?

Mr. TILSON. That is an entirely different matter, to compel anyone; but where a person is willing to go it seems to me that it is as little as we can do to furnish an opportunity for them to do so without regard to age.

The CHAIRMAN. The question is on the amendment.

Mr. BLACK. Let the amendment be reported again.

The amendment was again read.

Mr. TILSON. Mr. Chairman, I offer an amendment to strike out the proviso.

Mr. TOWNER. I make the point of order that that motion is not in order at the present time. I am in favor of it, but perfecting amendments must be disposed of first. I will be glad to vote for the gentleman's proposition when it is in order.

Mr. TILSON. Of course, the gentleman's amendment takes precedence, as perfecting amendments come first.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. TILSON. Mr. Chairman, I now move to strike out the proviso.

The CHAIRMAN. The gentleman from Connecticut moves to strike out the proviso. Does the gentleman desire to be heard on his amendment?

Mr. TILSON. I yield to the gentleman from California [Mr. MACLAFFERTY].

Mr. MACLAFFERTY. Mr. Chairman, I am in favor of this last motion to strike out the proviso. It is a wonderful thing to Americanize the foreigner. It is our duty to do so as far as we can; but there is a vastly wider field than that, and it is to Americanize the Americans. There are hundreds of thousands of Americans who are not Americanized. In the city in which I live you will find people 60 years old attending night schools, and it is almost pitiful to see the eagerness and earnestness with which some of them try either to make up for the opportunities that were squandered by them in the past or the opportunities that they never had. I hope this Congress—because it is the Congress acting now and not the city of Washington—will see to it that this city, which belongs to the whole American Nation, is not left away back at the end of the procession when it comes to the advancement of educational facilities for all the people.

Mr. DENISON. Mr. Chairman, I rise to oppose the amendment to strike out the proviso. It seems to me we are going pretty far in paternalism when at the Government expense we furnish schools free for grown men and women. It is entirely a different idea from the public-school system. We try to educate the youths of the country at the public expense because they are children and ought to be educated at the public expense; but after people become grown men and women, why should you and I and the rest of the public be taxed in order that they may have some instruction free at public expense? It seems to me that is going far along the road to paternalism for us to enter upon a policy of that kind. Every time any proposition comes up here for an expenditure of money in the District of Columbia we are met with this same argument, that we want to make this city a model for the rest of the world. That argument is being worn threadbare. If we ought to furnish this education to men and women 60 years old or less free, suppose they are not able to buy text-books? Are you going to carry out your public-school idea and furnish them text-books free? If you are going to apply the public-school theory, why not apply the whole thing and make their education compulsory? If education is justified, then you are justified in making them go to school. We are getting too sentimental here in these matters, and I think we are going

too far when the United States and the District of Columbia furnish schools at night free to grown men and women.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. MACLAFFERTY. I will simply say this in answer to the gentleman's question, that the reason for doing this is not one of sentiment but for the public safety.

Mr. DENISON. I am not afraid of the old men and women who do not happen to have an education, and I do not think we have to give it to them free in order to be safe. Let them pay for an education if they want it.

Mr. HUSTED. Mr. Chairman, I am very far from being a believer in the soviet form of government. Personally, I think it is a relapse toward barbarism; but I had a very interesting talk a night or two ago with Miss Mason, a prominent woman educator who lives in my district and maintains a large and very successful school at Tarrytown. She has recently returned from abroad, and she told me something about what the Russian commissar of education had done to remove illiteracy in the city of Petrograd. He devised the plan of compelling those who knew how to read and write to teach those who did not know how to read and write. He put that plan in operation, with the result that within a comparatively few weeks, Miss Mason said, every citizen of Petrograd, man, woman, and child above the age of five or six years, was able to read and write. If they can remove illiteracy in the city of Petrograd under the soviet form of government. I think we at least in the enlightened city of Washington can go so far as to admit adults to night schools for the purpose of removing illiteracy without making a charge for their attendance. [Applause.]

Mr. SANDERS of Indiana. Mr. Chairman, I want to answer the suggestion of my distinguished friend from Illinois [Mr. DENISON] to the effect that when we permit persons over 21 years of age to attend schools which are free schools we are entering upon a field of paternalism. The gentleman seems to forget that in most of our State universities the States furnish the necessary funds for free schools without charge, except sometimes a little library fee or something of that kind, to persons of all ages entering the school. It seems to me that the amendment to strike out the proviso ought by all means to be adopted.

Mr. TOWNER. Mr. Chairman, I want to make some explanation of the status of this matter, so that the committee will not misunderstand it. This provision of the act is for night schools within the District of Columbia, and there is an appropriation made for carrying on night schools which is not limited except as it may be limited by general law. It includes janitors for the night schools, teachers of industrial, commercial, and trade instruction, and teachers and janitors of night schools may also be teachers and janitors of day schools. There is a proviso attached to that stating that no part of the appropriation for night schools shall be available for teaching any person over 21 years of age without payment of tuition. Of course, I would like to see that go out, but there is a great deal of difficulty in getting a matter of that kind out of the bill. I was particularly anxious that it should not interfere with the Americanization work which is very interestingly and successfully carried on in the city of Washington. Therefore I limited my amendment to that. This motion, however, will carry not only the proviso but will carry my amendment with it if it be adopted. I am perfectly willing that that shall be done, because if the proviso goes out my amendment goes out, and there is no such restriction, which I favor. I would be very glad, not only in the city of Washington but throughout the United States, to do everything that can be done to see that there is no illiterate person in the United States. I think that the work to wipe out illiteracy in the United States is one of the most necessary and essential things before the American people. As you all know, I have been interested in that work for some time.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. STAFFORD. As I recall, and I want the gentleman to correct me if I am in error, this amendment was debated in committee a year ago, when it was proposed by the commissioners to educate these rather superannuated inhabitants of the District—persons 50, 60, or more years of age. It was not with the thought to interfere with the proper function of the night schools in giving free education to those of educational age; but, as I recall the discussion, there was strong opposition to the attempt to educate very aged people, people much beyond middle age of life.

Mr. TOWNER. I do not remember as to that.

Mr. STAFFORD. I think that is the origin of a proviso of a year ago.

Mr. TOWNER. I have no knowledge regarding that, Mr. Chairman, but I am quite clear upon the general proposition. I favor everything that can be reasonably done in removing illiteracy, whether it is in a child or a middle-aged person, or an octogenarian.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. DENISON. If we are going to turn the public schools over to people of all ages without regard to whether they are grown men and women——

Mr. TOWNER. The night schools only.

Mr. DENISON. Why limit it to night schools?

Mr. TOWNER. The gentleman now asks a question which, it seems to me, he is intelligent enough to answer for himself.

Mr. DENISON. I want the gentleman from Iowa to give me his idea about it.

Mr. TOWNER. It would take more than the time I have to answer completely. But this is the condition: There are a great many adults that through misfortune have never had opportunity of attending any schools, and yet they are desirous of becoming Americanized to the extent of becoming intelligent American citizens. Every facility to enable them to do that is just as binding upon us as it is to educate children.

Mr. DENISON. Why not let them go to the day schools?

Mr. TOWNER. I would not object to that; but the gentleman knows that that is an impracticable proposition. These men are at work during the daytime, and that is the reason that the night schools are established.

Mr. DENISON. If they are not at work, or if they are working at night—and a lot of these men work at night—why not let these men go to school in the daytime?

Mr. BEGG. Mr. Chairman and gentlemen of the committee, I am in entire sympathy with anything that will eliminate all or any portion of the illiteracy that exists in this country, but I want to call attention to what happens when you strike out this proviso. You absolutely open up the doors of the night schools to whom? Not only to the illiterates, but you open them up to the men who are already trained in the fundamentals of education and who are seeking an occupational training. There is no one on the floor of the House who wants to advocate any such doctrine as that. I have had a little experience myself in public-school work, in city superintending. I know who will come to these night schools if you throw the doors open like that. I know that 90 per cent of the time of the teachers will be occupied in training people in vocations they ought to pay for.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. BEGG. I am in entire sympathy with throwing the doors open to a foreigner who can not read and write, but I think we should safeguard it in the name of all that is reasonable.

Mr. TILSON. This has not been a part of the law heretofore. Has the gentleman any figures to show how large a percentage of the people who attended these schools are over the age of 21?

Mr. BEGG. I can not give the figures in this city.

Mr. TILSON. Does the gentleman think there will be any large number?

Mr. BEGG. Suppose there were two young men, the gentleman and myself. We have just finished our elementary education. The gentleman wants to study dentistry, and I want to become an expert accountant. If I can go to night school and get my expert-accountancy education for nothing, while the gentleman can not get his education in dentistry for nothing, yet he is just as much entitled to get it as I am my expert accountancy. Your expert accountancy can be taught in the high schools, and the boys and girls are qualified from the commercial work being given in the night schools and the day schools of the country; but if we are to do that, why not give your dentistry for nothing? If you strike this out, you ought to limit the basis of training to be offered in these night schools to the fundamentals of reading, writing, English, and mathematics.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

The CHAIRMAN. Before the Clerk proceeds with the reading of the bill, the Chairman desires to make a statement. The Chair rendered a decision a few moments ago upon a point of order on an amendment offered by the gentleman from Ohio [Mr. BEGG] which proposed to increase the salary of the superintendent of public schools. The Chair made his ruling based upon what he though was a statutory provision that the salary was fixed at $6,000 per year. To fortify his opinion the Chair has sent for the law and finds, somewhat to his surprise, that

the statutory provision is for $5,000 a year, not $6,000, which completely alters the proposition.

Does the gentleman from Michigan know of any law which makes the salary $6,000 as set forth in this bill?

Mr. CRAMTON. Mr. Chairman, it is an office which has a fixed statutory salary. Now, I take it that the Chair is correct that the amount carried in the bill was not identical with the statutory salary, but it is an office that has a statutory limitation fixed. The gentleman from Ohio proposes to go $4,000 beyond the bill and $5,000 beyond the limitation.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BEGG. Does the gentleman contend that the $6,000 was in order?

Mr. BLANTON. No; it was not.

Mr. CRAMTON. No; it was not. It would have been subject to the point of order.

Mr. BEGG. The very fact——

The CHAIRMAN. If the gentleman will permit, the Chair will state his position. The Chair wants to be entirely fair in his ruling. The Chair made his ruling based upon what he thought was a statutory provision, namely, a salary of $6,000. The amount put in the bill was $1,000 above the law, and it would seem to the Chair that that provision of the bill would have been subject to a point of order if it had been made.

Mr. BLANTON. But nobody made it.

The CHAIRMAN. If the gentleman will kindly permit the Chair to proceed. It seems to the Chair that that provision of the bill was clearly subject to a point of order if it had been made, but it was not made. In accordance with the procedure, when any provision which is subject to a point of order is allowed to remain, then any germane amendment is in order, which, standing by itself, would have violated the rule. Therefore, if the Chair's position is correct, the amendment of the gentleman from Ohio would have been in order and should not have been ruled out a moment ago, as no point of order was made against the provision in the text of the bill.

Mr. DOWELL. A point of order should have been sustained against the original paragraph at $6,000, but it was not made, and when that was passed that became the statutory amount.

Mr. BLANTON. For this year?

Mr. DOWELL. For this year; and the amendment suggested by the gentleman from Ohio raised a distinct question, and it was subject to the point of order.

Mr. BEGG. Will the gentleman yield?

Mr. DOWELL. Certainly.

Mr. BEGG. How could that become a statutory amount until this Congress had approved of it?

Mr. DOWELL. Because it was approved when it was passed and not subject to the point of order so far as the question of order was concerned.

Mr. CRAMTON. I take it that the Chair has stated the position——

Mr. DOWELL. Now, I do not want——

The CHAIRMAN. Does the gentleman from Iowa yield?

Mr. DOWELL. I will yield, as the gentleman from Michigan has taken the floor from me.

Mr. CRAMTON. I thought the gentleman from Iowa had finished. The committee does not want any Member to be cut off from his rights; and while I am opposed to the amendment of the gentleman from Ohio, I ask unanimous consent that we may return to the paragraph in question in order that a vote may be had upon the gentleman's amendment, and for no other purpose.

Mr. BEGG. The gentleman need not do that as far as I am concerned.

Mr. DOWELL. The question of order is an important matter here; and I would have to object to going back, because I am very confident that the amendment the gentleman from Ohio offered is subject to a point of order. I do not believe it would be in order if we returned, and therefore I would respectfully object to returning to the paragraph.

Mr. BLANTON. Regular order!

Mr. CRAMTON. Mr. Chairman, the gentleman from Ohio stated it is agreeable to him to continue the bill without returning, and therefore I withdraw the request.

The CHAIRMAN. The Chair, of course, is pleased that the matter has terminated as it has, and the Chair does not criticize the gentleman from Michigan or intimate that in any manner whatsoever he intended to deceive the Chair in regard to the statute; but the Chair wants, in all fairness to himself, to state that he was not fully informed at the time and in error ruled out of order the amendment of the gentleman from Ohio, which, in the light of the law and the procedure, the Chair feels was a proper amendment.

Mr. CRAMTON. As a matter of fact, the point of order made by the gentleman from Michigan was based upon the impression that there was a statutory salary, and it later developed the statutory salary was even less than carried in the bill.

Mr. DOWELL. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DOWELL. I do not understand the Chair is now attempting to base a parliamentary ruling upon the point of order proposed some time ago, and it is that now before the Chair?

The CHAIRMAN. The Chair will state that if he had possessed the knowledge he now has, he would have held the amendment in order, and would have felt that the committee should have returned to the paragraph to consider the amendment.

Mr. DOWELL. Fortunately for the House the Chair has not the opportunity.

Mr. SANDERS of Indiana. The Chair merely stated it was a statutory salary which could not be raised in the amount, so the ruling was correct from the facts upon which the Chair made the statement.

The Clerk read as follows:

THE DEAF, DUMB, AND BLIND.

For expenses attending the instruction of deaf and dumb persons admitted to the Columbia Institution for the Deaf from the District of Columbia, under section 4864 of the Revised Statutes, and as provided for in the act approved March 1, 1901, and under a contract to be entered into with the said institution by the commissioners, $20,250.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. I am not familiar with the statute mentioned here, but it seems to me $20,000 is a very large appropriation merely to instruct the deaf and dumb from the District of Columbia, unless there are quite a number there. Has the chairman that at hand?

Mr. CRAMTON. This is an appropriation to pay their expenses.

Mr. WATSON. It is only an instruction.

Mr. CRAMTON. Maintenance and instruction.

Mr. WATSON. Not maintenance, merely instruction.

Mr. CRAMTON. Well, I think they are maintained in the institution. In any event——

Mr. WATSON. It does not state here, but simply says instruction.

Mr. CRAMTON. There may be both classes. This institution happens to be maintained in the District, and there is a per capita charge, so much per capita for each child in the institution.

Mr. WATSON. Are colored people admitted?

Mr. CRAMTON. I think not.

Mr. FITZGERALD. That is in the next paragraph.

Mr. WATSON. I did not know whether this paragraph carried colored or not. Are the deaf and dumb children of foreigners also permitted to enter this institution under the statute?

Mr. CRAMTON. I suppose if they are residents of the District of Columbia they are. The gentleman means those not citizens of the United States but residents of the District of Columbia?

Mr. WATSON. Yes.

Mr. CRAMTON. I think they would be admitted. I will say that the law is that "hereafter all deaf-mutes of teachable age of good mental capacity and properly belonging to the District of Columbia shall be received and instructed in such institution."

Mr. WATSON. But there is no maintenance mentioned in that statute?

Mr. CRAMTON. They are received. That is an institution, I will say to the gentleman, that the Federal Government maintains here, and it is a college for deaf-mutes. There are schools for the deaf and dumb throughout the country, but this is a college, and from various parts of the country children can be brought into that institution, and this provides for the instruction of those from the District. I assume that the maintenance is also provided for.

Mr. WATSON. Then this appropriation is movable? It depends on the number of students?

Mr. CRAMTON. Yes. There is a per capita charge, and this is anticipated to be sufficient to take care of the number.

Mr. WATSON. What is the per capita cost?

Mr. CRAMTON. The per capita cost is $500 a year.

Mr. WATSON. Is there any difference in the case of deaf-mutes in the next paragraph and those in the other?

Mr. CRAMTON. One is white and the other is colored. I presume the sections were drawn at different times by different people.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

For instruction of blind children of the District of Columbia, in Maryland, or some other State, under a contract to be entered into by the commissioners, $10,000: *Provided*, That all expenditures under this appropriation shall be made under the supervision of the board of education.

Mr. DENISON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. DENISON. Mr. Chairman, I would like to ask the chairman of the subcommittee to explain what that provision means, for the instruction of blind children in other States. Does it mean those from the District of Columbia in other States?

Mr. CRAMTON. No. We have no institution for the instruction of blind children in the District of Columbia, and this permits the blind children in the District of Columbia, both white and colored, to be taken to some institution outside for such instruction. The present contract is with the Maryland Institution for the Blind, and we are maintaining there 17 for that purpose.

While I am on my feet, if the gentleman does not mind, I will state that as to the preceding item, in which the gentleman from Pennsylvania [Mr. WATSON] will be interested, there are 8 deaf-mutes cared for at that same Maryland Institution for the Blind, and in the Columbia Institution for the Deaf there are 44 whites.

Mr. DENISON. Is there no institution for the blind in the District of Columbia?

Mr. CRAMTON. There is not.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

COMMUNITY CENTER DEPARTMENT.

For salaries of directors, supervisors, teachers, clerks, and other employees for civic, educational, recreational, and social activities under the direction of the Board of Education; for payment of janitor service; for equipment and supplies; for lighting fixtures; for maintenance of automobiles (employees of the day schools may also be employees of the community center department); in all, $35,000, to be paid wholly out of the revenues of the District of Columbia: *Provided*, That not more than 60 per cent of this sum shall be expended for salaries of directors, supervisors, teachers, clerks, and janitors.

Mr. BLANTON. Mr. Chairman, I reserve a point of order in order to get some information.

The CHAIRMAN. The gentleman from Texas reserves a point of order on the paragraph.

Mr. BLANTON. I would like to ask the gentleman from Kentucky [Mr. JOHNSON] a question with regard to the complaints that are being heard now with reference to this enterprise. I do not know whether his committee or other members of the committee have any knowledge of it, but I have heard that entertainments are provided for and advertised and when the adults and children go there they are either charged an admission fee or a collection is taken up to which they are supposed to make contributions; and they are placed in bad standing if they do not contribute. And then I have heard that after the collection is over there is a fight between some officials as to which one shall take charge of the money. Has the gentleman any knowledge of that?

Mr. JOHNSON of Kentucky. I will say to the gentleman that I have no knowledge of what he has just stated, neither has any testimony of that character been produced before the committee.

Mr. BLANTON. Has the gentleman heard of any such thing?

Mr. JOHNSON of Kentucky. Yes; I have heard of it.

Mr. BLANTON. The committee did not investigate it to find out how this $35,000 was being spent?

Mr. JOHNSON of Kentucky. The gentleman can refer to the hearings. The Director of this Community Center Department appeared before the committee and made a statement, and it was the only testimony offered.

Mr. BLANTON. Did this paragraph meet with the entire approval of the gentleman from Kentucky?

Mr. JOHNSON of Kentucky. As a member of the subcommittee I did approve it.

Mr. BLANTON. May I ask the chairman of the subcommittee a question? I have heard many complaints that contracts are made by the year for music with certain parties, and——

Mr. CRAMTON. May I ask the gentleman whether he has heard the complaints, or read them?

Mr. BLANTON. I have heard them. I have not read them, but I have heard them; and I will say that a very distinguished Member of this Congress brought some of the complaints to my attention this morning. If it had not been from such an authentic source as that I would probably not have paid any attention to it. But if we are providing $35,000 for an entertainment fund for the school children and their parents in the District of Columbia, they ought to get the benefit of that money absolutely free, without any admission charges and without any collection being taken up.

Mr. MACLAFFERTY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MACLAFFERTY. I would suggest that if it were not for this collection you would have to put up more than $35,000.

Mr. BLANTON. Well, I can imagine how a child, or its mother or father, would feel as a recipient of an entertainment when the collection was taken up and others were contributing, and they were not in a position financially to make a contribution. I can imagine how they would feel and of the kind of treatment that would be accorded them. It is not right. In a public matter of this kind there ought to be no charge or collection taken up. There ought not to be any admission charge. It ought to be for the ones who are not able to pay as well as for the ones who are able to pay the admission charge.

Mr. CRAMTON. I take it the gentleman wishes to get an answer to his question.

Mr. BLANTON. Yes. I should like to get some information. The matter is subject to a point of order. I do not want to make a point of order against it if the people really are getting the benefit of this $35,000. But if just a certain class of them are getting the benefit, then it ought to go out of this bill on a point of order.

Mr. CRAMTON. Two or three years ago while we were considering one of these bills I made quite an investigation of the subject of these community centers and visited some of them and went into the matter in the hearings at length. The gentleman will find a very full statement of it in the hearings on the District bill about two years ago. My impression then gained was such that we did not need to go into it very extensively this year. The report of the Board of Education on pages 38 and 39 this year carries the rule for the conduct of these community centers, approved by the Board of Education January 10, 1922, which I will be very glad to furnish to the gentleman.

Mr. BLANTON. I have a copy of that.

Mr. CRAMTON. I will only call the gentleman's attention to the provision on page 39 that "admission fees and club dues and donations to cover expenses not met through public appropriations may be authorized by the general director. The community or executive secretary under the direction of the general director shall be responsible for the supervision and control of receipts and expenditures of the private funds of the community center. The general director shall specify a uniform method of records and accounting for all funds." So that there is an authorization under certain conditions for making charges.

In connection with that I only want to submit this to the gentleman for his consideration. I was rather actively opposed to this appropriation at that time, and I think, perhaps, I am as much responsible as anyone for its never having gone beyond $35,000. Previous to that time it had been doubling up about every year, but for the past two or three years it has been held at this amount. There is back of this community-center work the idea that we have a large investment in public buildings and that the community in the neighborhood of the buildings should have the use of them. Now, in getting the fullest use some of the activities that are carried on are free of any expense to those who attend, but there are some other things that the community wants to put on. Instead of having all the expense of it carried in this appropriation, which would not be enough to permit of all the desired activities, the community says: "Well, we will take care of some of this ourselves, and we will charge an admission fee that will cover the expense of these gatherings, and those who go and get the benefits of them can pay that fee." The gentleman can understand that there might be abuses sometimes, but I do not think the principle is objectionable.

Mr. BLANTON. This matter having passed the close scrutiny of the gentleman from Kentucky [Mr. JOHNSON] as well as the chairman [Mr. CRAMTON], I will withdraw the reservation.

Mr. SISSON. I desire to offer an amendment to the paragraph to strike out the figures "60" in line 7 and insert "70."

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. SISSON: Page 47, line 7, strike out the figures "60" and insert in lieu thereof "70."

Mr. SISSON. Mr. Chairman, my reason for offering this amendment has been explained to the members of the subcommittee having charge of this bill, and they have no objection to the change. The most of the money carried in this item is paid in salaries. There has been considerable embarrassment in paying the salaries necessary properly to supervise these buildings. If an entertainment is given in one of the school buildings it is proper that somebody should be there to see that it is conducted in an orderly and proper manner, and in all the cities of any size throughout the United States having similar activities I think that is done. I believe there will be better supervision if we can have more money spent in salaries. The other expenses do not amount to very much.

Mr. CRAMTON. Mr. Chairman, I will only say that this limitation was put in at the time we were trying to put the lid on this proposition.

Mr. SISSON. To put the brakes on.

Mr. CRAMTON. Yes. In 1918 they spent $5,000, in 1919 $21,000, in 1920 $25,000, in 1921 $35,000. That was when we commenced to give some attention to this item, and it seemed that everybody in a community who wanted to turn a hand toward this sort of thing wanted to be paid liberally for it. So we wanted to put a stop to that and we inserted the limitation. I want to say that it is very possible that the limitation now in the section is too rigid. So I have yielded to my splendid friend from Mississippi [Mr. SISSON] to permit this relaxation; but it is not with the idea that they will hotfoot over to the Senate to get a further relaxation there.

Mr. SISSON. I agree very heartily with the gentleman in that. There ought to be a limitation, because unless it is put on by Congress there is no limit to the amount that might be expended in this sort of work.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. SISSON].

The amendment was agreed to.

Mr. KELLY of Pennsylvania. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the subcommittee regarding the matter as it now stands. With the amendment of the gentleman from Mississippi and the original phrasing it makes it mandatory that 30 per cent of this sum be expended for equipment, and so forth. Now what is included in that term "equipment"?

Mr. CRAMTON. Supplies and equipment.

Mr. KELLY of Pennsylvania. In one of the schools it might be advisable to expend some of this money for what might be known as a permanent improvement to the school; for example, leveling the floor of the auditorium for the use of the school and the community center. The Comptroller General has ruled that that could not be done. Under his ruling it must be only temporary equipment. I think he stretched the interpretation by ruling that such an improvement could not be made in case the money were available. What does the gentleman think about it?

Mr. CRAMTON. The Comptroller General is the authority to decide that, but I can see a justification for his decision. Schools and their repairs are cared for in certain items in this bill. Now, here is an item to carry on a special work, not to build or repair schoolhouses, not to attach to them permanent equipment, but to carry on work of a temporary character. I can see the justification for his ruling that out of this appropriation money should not be taken for school repairs.

Mr. KELLY of Pennsylvania. I should think it would be much better if the ruling were exactly the other way, that this equipment should have some permanent value to the school. He might well make such a ruling as that but I can not understand his ruling for temporary improvements only.

Mr. CRAMTON. As a matter of fact under the present situation they will not have available a very large amount of money for school repairs. I do not think it will prevent their buying school equipment, perhaps some athletic equipment or some supplies that are practically of permanent use to the school.

I do not think those should be eliminated, and so much is taken up with salaries that I do not think they would have much available for the things the gentleman suggests. As a matter of fact, I indorse the idea that the community service should not have the privilege, and I do not think the board of education ought to let them rebuild our schoolhouses for some such temporary purpose. They had a program outlined in this community service matter two or three years ago involving two or three hundred thousand dollars for the rebuilding of schoolhouses to accommodate this community center work. I do not think that is necessary.

Mr. KELLY of Pennsylvania. The question I brought up was a specific one, and I think the Comptroller General has taken a position which is not justified by the phrasing of the law, although very little rebuilding could be done on the entire amount involved, of course. I am in favor of this community center program. I believe it is a splendid thing to give the adults of the community a chance to get together in their own building. Where there is an opportunity, it seems to me an expenditure might well be made for the adapting of an auditorium to community uses where it does not injure but rather improves it for school purposes.

The Clerk read as follows:

For the maintenance of free dental clinics in the public schools: Eight dental operators, at $700 each; 4 dental prophylactic operators, at $900 each; equipment and supplies, $1,000; in all, $10,200.

Mr. WILLIAMSON. Mr. Chairman, I move to strike out the last word. My attention has been called to the appropriation provided for in this paragraph, and it has been asserted that it is not doing the children of the public schools any particular good, for the reason that no provision is made for the examination of the children's teeth or for taking care of them in any way. I should like information from the committee just as to what is being done in the way of providing free clinics and free treatment for the children in the way of caring for their teeth. The information that I have obtained may not be correct, but I know there has been considerable complaint made.

Mr. CRAMTON. Mr. Chairman, I can only say to the gentleman that I have not attended the clinics or made any personal investigations, but while this item is not a large amount and perhaps is not enough to do everything that should be done along this line, still, on the other hand, you will find some who urge that nothing should be expended by the Government upon this.

The expenditure for that includes a small amount of equipment and replacement, it is for the salaries of dental operators mentioned in this section, and I suppose these dental operators have their offices in some one or more of the buildings, and the children go there for that attention, or they may go to the schoolrooms and consult the children there; that is, make the preliminary examinations.

Mr. WILLIAMSON. In some States dentists are provided who visit the schools and actually examine the teeth of the children in attendance. I am wondering whether anything of that kind takes place in the city of Washington, or whether these dentists provided for simply sit in their down-town offices and expect the children to come to them.

Mr. CRAMTON. Oh, no. I have the impression, although I do not speak with certainty, that they go to the rooms and make a preliminary examination at any rate, and that they have their quarters at some one or more of the buildings, where the children can go and have attention.

Mr. WILLIAMSON. I wanted to get at the facts for my own information, as well as for others who are interested.

The Clerk read as follows:

For furniture, including pianos and window shades, for additions to buildings, equipment for kindergartens, and tools and furnishings for manual training, cooking, and sewing schools, as follows: Eight-room school at Ingleside, $5,156; eight-room addition to the Lovejoy School, $5,156; eight-room addition to the Garrison School, $5,156; new Chain Bridge Road School (two rooms, $1,514; three kindergartens, $3,000; two sewing schools, $1,200; two housekeeping and cooking schools, $3,000; two cooking schools, $2,000; two manual-training shops, $3,000; in all, $29,182.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word, for the purpose of getting some information upon something that has escaped my mind on several occasions before. I am sorry that I have overlooked it until this time. In the item just read there is an appropriation of $1,514 for furniture in the new Chain Bridge School. Am I correct in the understanding that that school will not be ready for a couple of years yet.

Mr. CRAMTON. The gentleman is correct in his recollection that when the school authorities were before us, the municipal architect, the superintendent of schools, and the commissioners, it developed that the expectation at that time was that that building, authorized by the act of June, 1922, would not be available for school use until September, 1924.

Mr. JOHNSON of Kentucky. 1924 or 1925?

Mr. CRAMTON. 1924. That would be two years and three months after the law became effective. It developed in that discussion we had in the hearings, on that general subject, that there were two schools, I think junior high schools, that the officers at that time expected would not be ready for use until two weeks after the school opens in September, 1923. The contract was not to be let until January, but a few days later I noted by the press that the contracts for those two schools, instead of being deferred until January, were let about

the 10th or 12th of December, so that that will make possible, we hope, the opening of those two schools when school opens with the other schools in the fall of 1923. If the discussion which we had in the committee will have the same effect as to the Chain Bridge School, it seems that that will be ready for opening in the fall of 1923. There is no reason why it should not.

The Clerk read as follows:

The children of officers and men of the United States Army and Navy shall be admitted to the public schools without payment of tuition.

Mr. REED of West Virginia. Mr. Chairman, I move to strike out the last word. I desire some information about a provision which has been passed, for maintaining dental clinics. Is there any provision anywhere for maintaining eye clinics for the children of the District?

Mr. CRAMTON. There is not.

Mr. REED of West Virginia. Is there not some agency of the District of Columbia to look after defective vision in the children?

Mr. CRAMTON. The only thing that there could be would be under the chief medical and sanitary inspector, who makes a medical inspection of these conditions in the public schools, and with him are certain graduate nurses, but outside of any attention that the medical inspection would give, there is no eye clinic.

Mr. REED of West Virginia. Is not that being recognized as essential in most of the up-to-date schools of this country now?

Mr. CRAMTON. The gentleman probably is a better authority on that than I am.

Mr. DENISON. Mr. Chairman, I would like to ask the chairman of the subcommittee a question. I notice on page 50 that we made quite an appropriation for textbooks and school supplies for the use of pupils of the first eight grades. In view of the amendment that was adopted by the committee a while ago in which we open up the schools, the night schools particularly, to pupils of all ages and all grades, why limit these free textbooks to pupils of the first eight grades? Why not let the old people get the benefit of these books as well as the young? Does not the chairman think that ought to be amended in conformity with the idea prevailing in the amendment adopted a few moments ago?

Mr. CRAMTON. I do not think that that amendment stipulated the grades that must be attended by these adults. The language of the bill is such that any pupil in the first eight grades, regardless of age, would have the advantage of this. The minors who are in the high schools do not get free textbooks.

Mr. DENISON. Why not?

Mr. CRAMTON. That has not been the practice. The furnishing of free textbooks has only been for the first eight grades. For the first eight grades I assume that they are furnished regardless of the age of the pupil.

Mr. DENISON. There would not be very many of those old people who go to school at night who would be in the first eight grades. Most of them would be over that, it seems to me.

Mr. CRAMTON. Well, it is so limited——

Mr. DENISON. Is there any similar provision in the night schools?

Mr. CRAMTON. The night school provision is cared for independently. It has a contingent fund including equipment and purchase of all necessary articles, supplies, and so forth, for classes.

Mr. DENISON. Does that include textbooks?

Mr. CRAMTON. It may in some cases; I am not advised, but I will say this, that the item in question does not carry anything for textbooks for night schools. Everything the night schools get comes out of their appropriation.

The CHAIRMAN. The pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

BUILDINGS AND GROUNDS.

Continuing the construction of an addition to the Armstrong Manual Training School, $200,000.

Mr. BLANTON. Mr. Chairman, I reserve the point of order. I want to say, if I may be permitted to do so, that the gentleman from New York [Mr. SNELL], who is almost in charge of the great Rules Committee, is usually accurate in all his statements. But when he insisted that the District Committee had had two days and had not called up any bills here on the floor and there was no Member who had made any attempt to call them up, he ought to have gone further and stated that there was but one member of the committee authorized to call up any of those bills, and that was the chairman. No other member of the committee can call up a bill from the District Committee except the chairman. He is the only one authorized.

Mr. SNELL. When it was called to my attention, I made the correction.

Mr. BLANTON. I wanted to be sure in regard to the correction. He ought to have been fair to the chairman and to the committee.

Mr. JOHNSON of Kentucky. If the gentleman will permit, is not the gentleman mistaken in his assertion that only the chairman can call up a bill? Whenever the Committee on the District of Columbia, for instance, has authorized any Member to report a bill, can not he call it up?

Mr. BLANTON. Certainly; but no Member was thus authorized. I was going to state, in every instance where a bill has been reported out by the District of Columbia Committee, the chairman only is the one who was authorized to call it up; and it was not fair to the chairman [Mr. FOCHT], who has been in the hospital for some time. As a matter of fact, the District Committee has had no day. The gentleman from New York stated that the District Committee had two District days, but they have not had any. The two days these bills could have been called up were on unanimous consent day each time, and not on District day. Those bills appeared on the Unanimous Consent Calendar, and upon objection were taken off, one after another, and each time I would get up and ask that they be permitted to retain their places on the Unanimous Consent Calendar, and Member after Member would object, and so they went off the Unanimous Consent Calendar. The gentleman ought to have been fair.

Mr. SNELL. The gentleman is getting down to facts. My statement was we were looking to the chairman of the District Committee to present some bills on two different Mondays I knew about. I did not say——

Mr. BLANTON. If the gentleman will look up the record——

Mr. SNELL. There is no record——

Mr. BLANTON. There is a record. When the gentleman from Pennsylvania was turned down by the steering committee and told he could not have a day, I got up here and stated to the Speaker that I wanted to know whether there was a District day and whether the District Committee could come in and claim it, and the Speaker said they could not unless the Chair saw fit to recognize the chairman of the committee.

Mr. SNELL. I do not speak for the steering committee, as I am not a member; I was speaking individually.

Mr. BLANTON. I was speaking of one of the most powerful Members of this House who is going to be chairman of the great Committee on Rules. Mr. Chairman, I made these observations at the beginning of these new construction projects, because there are a number of legislative propositions in this bill that ought to come out on points of order, not because they may not be meritorious, but because they are in bills now pending before the legislative Committee of the District of Columbia, many of which are reported and others under investigation, and unless we are going to disband this District Committee that legislation ought to be considered by the District Committee. I offer this in explanation of the points of order that I am going to make against these new provisions. I do not know whether the Chair is going to sustain me or not, but I know they are matters of new legislation, uninvestigated, that ought to come out of this bill.

I make the point of order against the paragraph containing the $200,000, same being new construction and legislation unauthorized. I make the point of order that it is legislation on an appropriation bill, unauthorized by law; that it is for new construction unauthorized by law, and regardless of the verbiage of the paragraph seeking to make it a continuing addition, I submit to the Chair it is nothing in the world but new construction entirely and it is subject to the point of order.

Mr. CRAMTON. Mr. Chairman, the particular item, I take it, which the gentleman makes the point of order against——

Mr. BLANTON. Is the $200,000 item.

Mr. CRAMTON. Is for continuing the construction of an addition to the Armstrong Manual Training School.

Mr. BLANTON. Yes; it is to build a new school building.

Mr. CRAMTON. I will say that in the District of Columbia appropriation act for the current year there is this language which I will read to the Chair:

For beginning the erection of an addition to the Armstrong Manual Training School and alterations thereto, to include an assembly hall, additional classrooms, shops, and laboratories, within a limit of cost of $500,000.

Mr. BLANTON. That is what act?

Mr. CRAMTON. That is the current appropriation act for 1923, the District of Columbia appropriation act.

Mr. BLANTON. That is the appropriation act?

Mr. CRAMTON. Yes; the appropriation act. I will complete the reading:

Within the limit of cost of $500,000, of which there is hereby appropriated $100,000, and the commissioners are authorized to enter into a contract not to exceed $500,000.

There is a work, then, in progress for this school, within a total limit of cost of $500,000, of which $100,000 was appropriated in the 1923 act, and this present bill proposes to appropriate $200,000 more. It is therefore, Mr. Chairman, an appropriation to continue a work in progress, and is within the limit of cost fixed for that project. Clearly it is not subject to a point of order.

The CHAIRMAN. The Chair feels very clear in regard to this point. He looked it up before the point was raised and after it was raised. There are precedents for it, and the Chair overrules the point of order. Precedents are found for it in Hinds' Precedents, volume 5. The Clerk will read.

The Clerk read as follows:

For beginning the remodeling of and the construction of an addition to the Western High School, to provide a new assembly hall, a gymnasium for boys, a gymnasium for girls, and additional classrooms, $100,000, and the commissioners are hereby authorized to enter into a contract or contracts for said remodeling and extension at a cost not to exceed $550,000.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the words in line 2, "or contracts."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kentucky.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: Page 52, line 2, after the word "contract," strike out "or contracts."

Mr. JOHNSON of Kentucky. Mr. Chairman, it was the desire and intention of the committee to strike out those words wherever they appeared in the bill which came to the Committee on Appropriations, for the reason that it had been deemed wise, and it appears in this bill that a contract for any one of these schoolhouses shall be let in one contract in its entirety. The necessity of that limitation was brought about by the way the Eastern High School was managed. It is not worth while to rehash that now, because it has been gone over many times here, and the House is familiar with the facts. But if those two words are left in, then they will be in conflict with the limitation which appears in another place in this bill, and beyond all sort of question those two words ought to go out.

The CHAIRMAN. Does the gentleman from Michigan [Mr. CRAMTON] desire to be heard on the amendment?

Mr. CRAMTON. No.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kentucky.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the purchase of a site on which to locate a 16-room building between Georgia Avenue and Sixteenth Street NW., north of Park Road, $60,000.

Mr. BLANTON. Mr. Chairman, I make the point of order on that paragraph that it is legislation unauthorized on an appropriation bill.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order made by the gentleman from Texas on the item beginning on line 5?

Mr. CRAMTON. Well, Mr. Chairman, I will ask the gentleman to reserve his point of order for a moment.

Mr. BLANTON. The gentleman got me to do that a little while ago in order to give me a spanking. [Laughter.]

Mr. CRAMTON. If I did a good job, I will not repeat it. [Laughter.]

Mr. BLANTON. Mr. Chairman, I make the point of order.

The CHAIRMAN. The Chair would ask the gentleman from Michigan, Does this site adjoin another site?

Mr. CRAMTON. It is my understanding that it does not.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For the purchase of a new site on which to locate a 16-room building in the vicinity of and to relieve the Tenley School, $25,000.

Mr. BLANTON. Mr. Chairman, I make a point of order that it is legislation unauthorized by law.

The CHAIRMAN. Will the gentleman from Michigan permit the Chair to ask him whether or not this proposed site adjoins another site?

Mr. CRAMTON. It is my information that the land adjoins the present site. I went out with the gentleman from Kentucky [Mr. JOHNSON] and looked at the land. It is my information that it does. Doctor Ballou, the superintendent of schools, states in the hearings that "the main building is an antiquated structure," and so forth. It is not expressly stated, but it is my understanding that the land is immediately adjacent to the present site, and the plans contemplate that the present site will continue to be used.

Now, Mr. Chairman, if it is agreeable to the gentleman from Texas to pass over this item for a moment I will get definite information as to that. I do not want to mislead the Chair.

Mr. BLANTON. I will agree to that if it is understood that the point of order is pending.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the paragraph be passed over for the moment. Is there objection?

There was no objection.

The CHAIRMAN. Without objection, that will be done, with the understanding that the point of order is pending. The Clerk will read.

The Clerk read as follows:

For the purchase of a new site for the McKinley Manual Training School, $215,000.

Mr. BLANTON. Mr. Chairman, I make the point of order that it is new legislation unauthorized on an appropriation bill.

The CHAIRMAN. Is this adjacent to the present site?

Mr. CRAMTON. Mr. Chairman, this is an area of land that is immediately adjacent to Government-owned land which is now used for school purposes.

Mr. BLANTON. But it is separate and distinct from this school, and the gentleman knows that.

Mr. CRAMTON. It is the Langley Junior High.

Mr. BLANTON. It is not connected with the McKinley Manual Training School in any way.

Mr. CRAMTON. It is adjacent to Government-owned property devoted to school purposes in the District.

Mr. BLANTON. Oh, well, that is a different proposition. That does not make it in order. It has got to be a part of the particular plant to come within the ruling that the Chair intimated he would follow.

Mr. CRAMTON. The school system of the District of Columbia is a unit. One building will house a number of different activities. One building might include everything from the kindergarten to the twelfth grade. Other buildings might include simply a junior high school—that is, from the seventh to the ninth grades—or a building might be limited in its use, but all these schools are parts of one public-school system. There is a piece of land owned by the Government and devoted to school uses, and now they propose to extend that land, to put upon it a new building for other school uses. Those school uses are a part of the same plan for which the existing site is used.

The CHAIRMAN. Will the gentleman permit the Chair to ask him a question?

Mr. CRAMTON. Certainly.

The CHAIRMAN. Is there a public street or any other land intervening between the present site and the proposed site?

Mr. CRAMTON. It is immediately adjoining. There is no street intervening.

Mr. BLANTON. I want to call the attention of the Chair to page 239 of the hearings, where under a new subhead, "New construction," it takes in the Armstrong Manual Training School, a site farther north, and it also takes in this identical school. On page 244, under the heading of "New construction," is the McKinley Manual Training High School. That shows that it is to be absolutely new construction and that it comes within the rule that it is legislation on an appropriation bill.

The CHAIRMAN. Has the gentleman from Texas concluded?

Mr. BLANTON. Let me call the attention of the Chair to this paragraph, showing the testimony of the superintendent:

There is no opportunity to extend this building—

Speaking of the present building—

since it occupies the whole plot of ground at the present time.

It shows that you could not extend that building at all; that this is absolutely new construction on different grounds.

The CHAIRMAN. If this site were purchased, then would it be possible for them to extend it?

Mr. DENISON. That is what they are getting it for.

The CHAIRMAN. If they got the site, it would then be possible to make the extension, would it not?

Mr. BLANTON. That would apply to any school. It is entirely new construction, as shown by the hearings and by everyone who testified concerning it.

Mr. CRAMTON. The McKinley Manual Training School, referred to by the gentleman in what he has read, is the

school now located on a site where there is no opportunity for extension. It is proposed to buy a new site and to use the present McKinley Manual Training School for other school purposes and to erect on this new site a new building for a new McKinley Manual Training School. The land on which that new building is to be erected is immediately adjacent to other land now occupied for school purposes in the District.

Mr. BLANTON. The reason I make the point of order, Mr. Chairman, is that instead of coming to the Appropriations Committee, that has no time to go out and make these investigations, these matters ought to come before the proper legislative committee that does have the time to carefully consider them.

When they were claiming that they did not have room in a great many of these schools—that they did not have seats and desks to accommodate the children—I spent a whole week and went to many different schools, visiting them in person, and checking up the vacant chairs and desks in each room, and I found that there was available desk room and that there were available chairs for pupils in practically nine-tenths of the rooms I visited. These new projects that call for large expenditures call for investigation, and it is the District Legislative Committee that ought to make that investigation. The Appropriations Committee has made none at all.

Mr. CRAMTON. Mr. Chairman, to be perfectly frank with the Chair, I visited this tract of land. The superintendent said that the proposal is to locate the McKinley Manual Training High School on the site adjacent to the Langley Junior High School, on T Street NE., near Lincoln Road. There is a large area of land—some 13 acres—involved in this. A portion of it is already occupied with buildings which will have to be removed. It is on the south side and adjacent to the Langley School. Now, it is very possible that there is an alley between the Langley School ground and the grounds that are proposed to be purchased here. I shall have to admit further that there are some streets that intersect the land that is to be bought and which it is proposed to close hereafter, but the land is adjacent to land already used for school purposes. It is quite a large area and a very desirable site.

Mr. SNELL. Will the gentleman yield?

Mr. CRAMTON. I yield to the gentleman from New York.

Mr. SNELL. As I understand the statement of the gentleman, it is the intention to buy a new plot of land and build a new McKinley School?

Mr. CRAMTON. Of course, the Chair realizes that the street is in the ownership of the United States.

Mr. SNELL. Granting that that is so, is not that carrying the proposition of the continuation of a public work a little further than it is generally understood that it is to be carried in an appropriation bill?

Mr. CRAMTON. Here is what was done the other day: When the Interior Department bill was up it contained an appropriation for continuing the topographic survey. The topographic survey of the whole United States apparently was treated by the Chair as one project, for which there had been appropriations before.

There is no authorization of law for the topographic survey; but, on the basis of its being a continuing work, the appropriation was sustained as being in order.

Mr. SNELL. I think that is a little different.

Mr. CRAMTON. Here we have a school system that is one connected project, the schools all being under one management and serving one purpose. Here is a piece of land devoted to those purposes, and we propose to buy adjacent land, quite an area, to be devoted to the same purposes.

Mr. SNELL. Even according to the gentleman's argument, there will have to be an authorization to build a new building there, will there not?

Mr. CRAMTON. Yes; I think that would need an authorization, certainly a new appropriation.

Mr. SNELL. If you need an authorization to build a new building there, I believe you need an authorization to buy the adjacent piece of land for an entirely new purpose. I appreciate that you can go a long way under this continuation of a public work; but I think we are stretching the point in this case, while I am in favor of the project.

Mr. CRAMTON. If the language read "for purchase, etc."——

Mr. SNELL. But it says for a new site.

Mr. CRAMTON. If the language read "purchase of additional land adjacent to the Langley Junior High School," the gentleman would admit that it is in order.

Mr. SNELL. I think that might be held to be in order; but this states distinctly here, and the gentleman says, that it is for a new proposition.

Mr. CRAMTON. I do not say that it is for an entirely new proposition.

Mr. SNELL. I understood the gentleman to say that.

Mr. CRAMTON. The distinction the gentleman makes, I do not agree to. I am emphasizing that while the existing school plant is a junior high school, and this land is to be used for a high school, different buildings, they are all part of one connected, unified school system for the District of Columbia; so that the way that I endeavor to justify this item is not that the land we seek now for high-school purposes is adjacent to a junior high school, but that the land we seek for school purposes, if the Chair will permit, is immediately adjacent to land now used and owned for school purposes. Therefore, we are acquiring land adjacent to land we now own, to be used for the same purpose.

Mr. SNELL. The gentleman also admits that this is an entirely new project; it is not an addition to something that you have now.

Mr. CRAMTON. We are going to use it for school purposes.

Mr. SNELL. And if the gentleman is talking about a general system, why could you not put a school down in any part of the city, because it is a part of that system?

Mr. CRAMTON. It is just the same as a topographic survey. They can survey an area a mile square, and that will make it a basis for a continuing work throughout the United States.

Mr. SNELL. If you wanted to, you could buy a school lot or site and build a school building in any part of the city.

Mr. CRAMTON. No; but adjacent to land already owned for a similar purpose.

Mr. SNELL. Then we could buy up the whole city without any authorization of law and put it to school purposes.

Mr. CRAMTON. If Congress would provide the money, it would be in order on an appropriation bill.

Mr. SNELL. In my judgment, that is stretching the original intent and purpose of that rule, and it is going further than we usually go in construing it.

The CHAIRMAN. The Chair is ready to rule. Gentlemen will appreciate the fact that there are several conflicting precedents. In one precedent it states that the purchase of adjacent land is held to be in continuation of a public work, and in section 3774 of Hinds' Precedents the purchase of additional ground and the erection of an addition to an existing building was held to be in continuation of a public work. The rulings have been very liberal in the matter of the continuation of a public work. In the opinion of the Chair, if this proviso were to include the purchase of land adjoining the Langley School the Chair would have no hesitancy in saying that it is in order; but it seems to the Chair that this is practically a new work being undertaken. Perhaps that is a narrow interpretation for the Chair to take, but the Chair does feel that this is a new work, and therefore it is a new site. In the opinion of the Chair it is in violation of the rule, and the Chair sustains the point of order.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 52, after line 10, insert a new paragraph, as follows:

"For the purchase of additional land for school purposes adjacent to the Langley Junior High School, $215,000."

Mr. BLANTON. Mr. Chairman, I make the point of order that it is legislation on an appropriation bill, not authorized by law. The Chair is already cognizant of the fact that the purpose of this appropriation is not to continue the use of the Langley School; it is not to build an addition to the Langley School or to repair the Langley School; but if the Chair will ask the gentleman in charge of the bill, he will admit that it is for the purpose of buying the new site on which to build a school known as the McKinley High School.

Mr. CRAMTON. Mr. Chairman, I have just made inquiry of Colonel Keller, the engineer commissioner of the District, and I am advised that this item, and also the Tenleytown item, is immediately adjacent to land now owned for school purposes by the Government.

As to the point of order, I would like the Chair's attention to this proposition. One section has been ruled out by the Chair on a point of order and that is out of the bill. The Chair is not now ruling upon that other proposition. The proposition that I offer now provides an appropriation to buy land adjacent to land now occupied for school purposes by the Langley school. It is a very desirable piece of land. It can be used to advantage for many purposes. We do not authorize, in the amendment that I have offered, the erection of a McKinley high school on that site. We do not provide

for the erection of any high school on that site. We simply buy the land that is adjacent to the Langley high school. Whether there can be an argument as to the desirability of buying that land adjacent to the Langley school will be determined by the committee after the point of order is decided, but as to the legislative authority to entertain an amendment to purchase additional land immediately adjacent to the site that we already have, I do not see how there can be any question. All reference to a new high school is eliminated. I submit that it comes within the obiter dicta of the Chair a few minutes ago and is in order.

Mr. SNELL. Is this additional land you want to buy absolutely essential to the proposition that is there at the present time? It seems to me that that is the vital question.

Mr. CRAMTON. That goes to the merits of the question. It is desirable.

Mr. SNELL. Is it absolutely necessary? Would it be, if you were not going to build a new building?

Mr. CRAMTON. That has nothing to do with the point of order. It is land that is immediately adjacent, and no building can be put up until Congress authorizes it.

Mr. SNELL. I think when the gentleman admits that he can not put up a building until Congress authorizes it, that he admits away his proposition.

Mr. CRAMTON. It may be used as an athletic field, or as a drill field, or as a playground. Until Congress authorizes the money no high school could be erected, unless the building is also contiguous to the adjacent building.

I am simply asking authority to buy land that is immediately adjacent to land we have now without any reference to any new educational proposition.

Mr. SNYDER. There is no emergency demanding it.

Mr. CRAMTON. That is for the committee to decide.

Mr. SNYDER. What committee?

Mr. CRAMTON. The Committee of the Whole.

Mr. SNYDER. It seems to me that is for the District of Columbia to decide as to the necessity.

Mr. CRAMTON. We are talking about the parliamentary situation.

Mr. TOWNER. Mr. Chairman, is it not true that it has been ruled already that adjacent land can be purchased for the building of an entirely new building?

Mr. SNELL. I think that is the point, whether the adjacent land be for an entirely new building or an addition.

Mr. TOWNER. There is authority to that effect, I am quite sure.

Mr. CRAMTON. As applied to the same plan?

Mr. TOWNER. The proposition is this, Can new land be purchased for the building of a new building for school purposes? It has been ruled that it can. Now, whether it can be extended to a case of this kind is the question——

Mr. SNELL. That is the point.

Mr. TOWNER. It does not seem to me how the Chair can view this without taking into consideration what preceded it, not merely on the merits of this proposition that is now placed before the committee, and I do not see how the amendment can be overruled.

Mr. BLANTON. Mr. Chairman, just one word. If the position of the gentleman from Michigan is correct, then there will be no end to the proposition. Under any appropriation bill that could be brought in here every other day you could keep on buying land for school purposes, and you could finally buy up every acre of land in the District of Columbia, because it would be adjacent. But the rule is this, that in order to buy new land it must be shown that it is needed for that particular school project. In other words, that that school needs additional land, that it can not continue carrying on its business without additional land. That is one of the first things the gentleman must do to make his appropriation in order. It is true he could build an entirely new school if the present one needs remodeling. We could tear down and bring in an appropriation to construct an entirely new school, but it must be for that particular school which has been already authorized by act of Congress, but when he goes to construct an entirely new project it will come under the old ruling, which provides that in order to buy land you have to have authorization from Congress.

Mr. CRAMTON. Mr. Chairman, let me suggest this: The rule is clearly expressed that the purchase of adjoining land for a work already established is in order.

Mr. BLANTON. Work "already established."

Mr. CRAMTON. There is the work already established, the Langley High School, buildings and grounds, and I am proposing to acquire certain land immediately adjacent to that established work. Now, as to the wisdom of the policy, that is for the committee to consider when it comes up. The Appropriations Committee can not buy it without the assent of Congress. Just now the question is whether the amendment is in order, and that is all. Whether some time in the future Congress might determine to put a new high school on a part of that land, that is not within my knowledge now or that of the Chair. I am asking the insertion of language to buy land immediately adjacent to the Langley High School, an established project. I do not see how there can be any question about it being in order. As a matter of fact, this site will be used; a part of it would be used for playground purposes for the existing institution. It would be all one project together.

Mr. SNELL. Mr. Chairman, I understood the gentleman to say a few minutes ago he could not tell definitely what this ground would be used for; he did not know whether it would be for school construction or not. I want to call the attention of the Chair to a definite rule, page 365. In discussing an amendment not admissible under this general proposition of continuing a public work, it says:

> And not for the continuation of a work indefinite as to completion and intangible in nature.

If this, according to the statement of the gentleman from Michigan, is not indefinite as to completion and intangible as to nature, I would like to have somebody tell me what it is. He stated he did not know whether there would be a building erected or not and does not know what it would be used for, but that it was adjacent. From that statement and the indefiniteness of the completion and the intangibility of the nature it should be ruled out by the Chair.

Mr. CRAMTON. It is not indefinite; the land is definite, the sum is definite, and part of the use of it would be for playgrounds.

Mr. SNELL. Or the building of a school?

Mr. CRAMTON. The land will be there, but what Congress at some time in the future will order I can not say.

Mr. SNELL. There is no definite building program to state definitely to Congress that this is a continuation of a public work, and for that reason, according to the statement and ruling of the Chair, I call the attention of the Chair to the fact that I do not think he could rule this is in order.

Mr. DEMPSEY. Mr. Chairman, it seems to me that the question presented here is this: An item is presented which the Chair has ruled is not in order because it is legislation. Now, we are not talking as though there had not been a ruling; that is, a ruling that had not been appealed from; so it is the law on this question. To avoid that ruling, the chairman of the committee suggests an amendment.

Let us concede for a moment that the language of that amendment would take it beyond the ruling and permit the new language to stand. The question is this: Is the Chair obliged to shut his ears and close his eyes to all that has occurred so far in this matter? Is this, in other words, as though the bill had been presented in the amended form, conceding that in the amended form it would not be subject to a point of order?

I say that that is not so; that the Chair is not bound by any such narrow rule as that; that it is the duty of the Chair to enforce not merely the naked rule in its words and in its verbiage but to enforce the spirit of the rule; and so the Chair is obliged to take into account the whole situation that exists.

And what is that situation? Is it a fact that the intention back of this provision of the bill is to buy a site which is adjacent to and will aid that existing school enterprise? That is not the fact at all. That is not the claim. The Chairman is obliged to be in good faith with the committee, and the committee is obliged to be in good faith with the Chairman, and we have to bear those two things in view in ruling. The real fact is that this site is to be purchased not at all for the purpose of adding to this property but for a new, independent, and separate purpose; and that being the fact, the matter presented before the Chair, or the question presented before the Chair, is precisely the same question as was presented before. In other words, the Chair can not shut his ears and close his eyes and forget what has occurred in five minutes and rule as though nothing had occurred in relation to this matter and as though this printed bill itself does not show that it is a new and independent purpose. On the contrary, the Chair has to recognize the fact that it is a new and independent purpose and that the amendment, while on its face and in its language, if the bill had been framed in its original form, appears to be for a corollary purpose, an additional purpose, to supplement something already existing, yet in point of fact that is not the real situation. He has to rule on all that is before him and not rule simply on the narrow basis of the new language only which is presented.

The CHAIRMAN. The Chair recognizes the great force of the argument of the two gentlemen from New York, and perhaps

if this came before the Chair for the first time this afternoon he would agree to that contention, because the Chair thinks that some of these precedents are entirely too broad. But there they are as a part of the proceedings of this House, and it is the custom of the Chair to comply as nearly as he can with the precedents. In the opinion of the Chair there are one or two cases absolutely parallel with this case where it was held that it is in order to purchase land adjacent to an existing public work. It does require it to be stated that there is an emergency existing, or that the work to be done is to be exactly similar to the work that is already going forward. In view of these precedents the Chair is going to hold this amendment in order and overrule the point of order. The question is on agreeing to the amendment offered by the gentleman from Michigan [Mr. CRAMTON].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. CRAMTON. Mr. Chairman, if the Chair please, I suggest that we return to the Tenley item. The land, as I understand, is adjacent to the Tenley School, and this is a remodeling of the Tenley School.

The CHAIRMAN. On that statement of the gentleman from Michigan the Chair will overrule the point of order.

Mr. JOHNSON of Kentucky. Mr. Chairman, I wish to suggest to the gentleman from Michigan [Mr. CRAMTON] that under the language to which he has last referred any land can be purchased anywhere in the District.

Mr. REED of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. REED of West Virginia. Why is not this entire project an educational system for the District of Columbia, under one superintendent, all of it, under one board of education, in a growing city? As Congress knows, we have been legislating for years for that one project—an educational system. And why would it be unreasonable to presume that we could do that?

Mr. JOHNSON of Kentucky. May I suggest to the gentleman from Michigan that he designate the land to be purchased, so that this item will not be subject to a point of order? It does not propose to purchase this land, but land in the vicinity. If that were changed, then clearly it would not be subject to a point of order. As it is now it may be.

Mr. CRAMTON. The land in contemplation is immediately adjacent, but if we limit it——

Mr. JOHNSON of Kentucky. But there is nothing to indicate the land that is to be purchased.

Mr. CRAMTON. I admit that. I was saying to the gentleman that if necessary we could make the language more restrictive, but that puts the commissioners right up against one owner of land, to deal with that one alone. This language is a little broader. If necessary, we could restrict it, but I think it is much better to leave it as it is.

Mr. JOHNSON of Kentucky. The Chair will be compelled to rule on the language, not on any explanation of it. This speaks not of adjacent land but of land in the vicinity. I offer this suggestion for no other purpose than to facilitate the passage of the item.

Mr. ABERNETHY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ABERNETHY. I would like to know just what is being cut out and what is not cut out from these buildings and grounds.

The CHAIRMAN. The Clerk will indicate the portions that have been adopted and the portions eliminated.

Mr. BLANTON. I object to that, Mr. Chairman; it will take up a lot of time.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. ABERNETHY. Mr. Chairman and gentlemen of the committee, I have been sitting here watching this proceeding, and it strikes me that we, as a deliberative body, have gotten ourselves into a very peculiar situation. There has been a controversy going on between members of three great committees—the Appropriations Committee, the Rules Committee, and the District of Columbia Committee—during the consideration of this bill, and as a result of it the District of Columbia is going to suffer in its school facilities. As an American citizen and as a Member of Congress, I for one think we should give the District of Columbia all that is asked for in this bill for facilities for school purposes. That is the way I feel about it. I think this body ought to get together and give the District of Columbia what it asks for in this bill, and put the matter in such shape that it will not be subject to points of order. The distinguished chairman of the Committee on the District of Columbia has spoken several times during the consideration of this bill in rather loving(?) terms of the gentlemen on the Rules Committee, and the net result of this conflict between these gentlemen on these great committees is that the District of Columbia suffers. This is the first time I have had anything to say in this House, but I have seen this controversy going on here during the consideration of this bill between the members of these great committees, and it has not met with my approval. It seems to me we ought to be able to get together here and get what we want. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For the erection of an eight-room extensible building on the site to be purchased in the vicinity of Georgia Avenue and Sixteenth Street NW., north of Park Road, $130,000.

Mr. BLANTON. I make the point of order that this is unauthorized on an appropriation bill.

Mr. CRAMTON. If the gentleman will withhold his point for one minute, I only want to say that there is a great need for a school in this section, which has been built up perhaps as much as any new section of Washington. If the gentleman makes the point of order, I must admit that the paragraph is subject to the point of order.

Mr. BLANTON. I make the point of order.

The CHAIRMAN. It is very clear to the Chair that the words "in the vicinity of" make this amendment subject to a point of order. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For the erection of an eight-room extensible building, including a combination assembly hall and gymnasium, on the site to be purchased in the vicinity of, and to relieve the Tenley School, $160,000.

Mr. BLANTON. I make the point of order that this is legislation unauthorized on an appropriation bill.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For beginning the erection of a 16-room building, including a combination assembly hall and gymnasium, to replace the old John F. Cook School, $100,000, and the commissioners are hereby authorized to enter into contract or contracts for such building at a cost not to exceed $250,000.

Mr. BLANTON. I make a point of order that this is unauthorized on an appropriation bill.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For the purchase of additional land in the vicinity of the Slater-Langston (Cook) Schools, $50,000.

Mr. BLANTON. I make the point of order, Mr. Chairman, that this is legislation unauthorized on an appropriation bill.

The CHAIRMAN. The Chair sustains the point of order.

Mr. CRAMTON. Mr. Chairman, I offer an amendment to follow line 4, on page 53, for the purchase of additional land adjacent to the Slater-Langston (Cook) Schools, $50,000. That is the same as the existing language, except to make it "adjacent to" instead of "in the vicinity of." It is for the use of those schools.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 53, after line 4, insert "For the purchase of additional land adjacent to the Slater-Langston (Cook) Schools, $50,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

For the purchase of a new site on which to locate a Junior High School between Twentieth Street and Rock Creek and K and O Streets NW., or vicinity, $50,000.

Mr. BLANTON. I make the point of order, Mr. Chairman, that this is legislation unauthorized on an appropriation bill.

Mr. CRAMTON. Mr. Chairman, I am very sorry to see this item go out. It is very desirable, but it is a new site.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

In all, $1,200,000, to be disbursed and accounted for as "Buildings and grounds, public schools," and for that purpose shall constitute one fund: *Provided*, That none of the money appropriated by this act shall be paid or obligated toward the construction of or addition to any building the whole and entire construction of which shall not have been awarded in one or a single contract, separate and apart from any other contract, project, or undertaking, to the lowest bidder complying with all the legal requirements as to a deposit of money or

the execution of a bond, or both, for the faithful performance of the contract: *Provided further*, That this limitation shall in no wise apply to contracts already awarded, nor shall it be construed to impair the legal rights or status of any unsuccessful bidder on a contract already awarded: *Provided further*, That no architect's fee shall be paid or obligated for plans, specifications, or any professional services whatever, unless they are such as will enable the Commissioners of the District of Columbia, or those letting a contract, to secure a legal bid within the amount authorized by Congress for the building or other project: *Provided further*, That nothing herein shall be construed as repealing existing law giving the commissioners the right to reject all bids.

Mr. JOHNSON of Kentucky. Mr. Chairman, I wish to invite the attention of the gentleman from Michigan [Mr. CRAMTON] to the language which begins with the proviso at the end of line 24 on page 23. I am quite sure that it was the intention of the committee to strike out that proviso, including the first half of line 3 on page 54. That language was in last year's bill, when the contracts had been let that might have been disturbed by the limitation. But now no contracts of that character have been let, and that language should go out.

Mr. CRAMTON. I will say to the gentleman that the effort was to modify it as the committee had agreed and in accordance with the gentleman's suggestion, and the change that was indicated to the clerk has been carried in the bill. If the gentleman thinks that proviso should come out, I have no objection.

Mr. JOHNSON of Kentucky. I am quite sure that the second proviso, beginning with line 24, should go out.

Mr. CRAMTON. I will not oppose an amendment to that effect.

Mr. JOHNSON of Kentucky. I move to strike out the proviso beginning in line 24, page 53, and ending in line 3 on page 54.

The CHAIRMAN. The gentleman from Kentucky offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: On page 53, line 24, after the word "contract," strike out the proviso down to and including the word "awarded," on page 54, line 3.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

The amendment was agreed to.

The Clerk read as follows:

METROPOLITAN POLICE.

SALARIES.

Major and superintendent, $4,500; 2 assistant superintendents, at $3,000 each; 3 inspectors, at $2,400 each; 13 captains, at $2,400 each; chief clerk, who shall also be property clerk, $2,400; clerk (who shall be a stenographer), $1,800; 2 clerks (who shall be stenographers), at $1,500 each; clerk—1 (who shall be assistant property clerk), $1,200, 1 $1,200, 3 at $1,000 each, 1 $700; 4 surgeons of the police and fire departments, at $1,600 each, additional compensation for 35 privates detailed for special service in the detection and prevention of crime, $16,800; additional compensation for 14 privates detailed for special service in the various precincts for the prevention and detection of crime, at the rate of $120 per annum, $1,680; additional compensation for 1 inspector or captain and 1 lieutenant detailed for special service in the detection and prevention of crime, at $400 each; 21 lieutenants, one of whom shall be harbor master, at $2,000 each; 56 sergeants, one of whom may be detailed for duty in the harbor patrol, at $1,800 each; privates—582 of class 3 at $1,660 each, 222 of class 2 at $1,560 each, 30 of class 1 at $1,460 each; amount required to pay salaries of privates of class 2 who will be promoted to class 3 and privates of class 1 who will be promoted to class 2 during the fiscal year 1924, $7,960; 9 telephone clerks, at $900 each; 19 janitors, at $600 each; laborer, $720; messenger, $600; motor vehicle allowance for 2 inspectors at $480 each; 20 captains, lieutenants, sergeants, and privates, mounted on horses, at $540 each; 32 lieutenants, sergeants, and privates, mounted on bicycles, at $70 each; driver-privates—35 of class 2, at $1,560 each, 3 of class 1, at $1,460 each; 6 police matrons, at $720 each; in all, $1,693,000.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, in line 12, page 57, after the figures, strike out the period and insert a colon, and the following:

Provided, That all members of the police force shall be granted one day off each week in lieu of Sunday and be furnished with their uniforms and all required equipment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 57, line 12, after the figures, strike out the period and insert a colon and the following: "*Provided*, That all members of the police force shall be granted one day off each week in lieu of Sunday, and be furnished with their uniforms and all required equipment."

Mr. CRAMTON. Mr. Chairman, I make a point of order against the amendment.

Mr. BLANTON. Will the gentleman reserve his point of order for a moment?

Mr. CRAMTON. I make the point of order that the amendment is very clearly legislation within the jurisdiction of the Committee on the District of Columbia, of which the gentleman himself is a member.

Mr. BLANTON. Will the gentleman reserve his point of order for a moment?

Mr. CRAMTON. I will reserve it for a moment.

Mr. BLANTON. Mr. Chairman, if it is right to put other matters of legislation in this bill, there can be none more urgent or needed than that covered in this amendment. We furnish every single employee of this Government one day off each week in lieu of Sunday except the police and firemen. We furnish every single employee of this Government every necessary equipment.

Mr. SNYDER. Mr. Chairman, I do not think the gentleman is speaking to the point of order.

Mr. BLANTON. Mr. Chairman, I am speaking to the merits of my amendment. The gentleman from Michigan reserves the point of order.

Mr. SNYDER. Mr. Chairman, I make the point of order without any reservation.

Mr. BLANTON. I assure the gentleman from New York that he is not a friend of the police or the firemen.

The CHAIRMAN. It is clear that this is legislation in violation of the rule, and the Chair sustains the point of order.

Mr. REED of West Virginia. Mr. Chairman, before the Clerk reads I want to ask the chairman a question about the language beginning after the word "each," on line 6, page 57, of the bill:

Twenty captains, lieutenants, sergeants, and privates, mounted on horses, at $540 each.

What does that mean?

Mr. CRAMTON. That is the allowance to them for the maintenance of horses.

Mr. REED of West Virginia. Ought it not to be stated in different language?

Mr. CRAMTON. We are continuing the language used heretofore, which has seemed to be effective.

Mr. SNELL. Does the gentleman mean by that that these men are allowed $540 each for sustaining and keeping the horse one year?

Mr. CRAMTON. That is their extra compensation for that purpose. The law provides:

Members of the police force who may be mounted on horses furnished and maintained by themselves shall each receive an extra compensation of $540 per annum.

Mr. SNELL. That includes furnishing the horse and the keep of it?

Mr. CRAMTON. Yes.

Mr. REED of West Virginia. Ought not the language to state that this is an extra allowance? It is very indefinite, it occurs to me.

Mr. CRAMTON. I think there is merit in the gentleman's suggestion, but they are getting the money all right.

The Clerk read as follows:

For miscellaneous and contingent expenses, including rewards for fugitives, purchase of modern revolvers and other firearms, maintenance of card system, stationery, city directories, books of reference, periodicals, telegraphing, telephoning, photographs, printing, binding, gas, ice, washing, meals for prisoners, not to exceed $200 for car tickets, furniture and repairs thereto, beds and bed clothing, insignia of office, motor cycles, police equipments and repairs to same, repairs to vehicles, van, patrol wagons, and saddles, mounted equipments, and expenses incurred in prevention and detection of crime, and other necessary expense, $60,000; of which amount a sum not exceeding $500 may be expended by the major and superintendent of police for prevention and detection of crime, under his certificate, approved by the commissioners, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided*, That the War Department may, in its discretion, furnish the commissioners, for use of the police, upon requisition, such worn mounted equipment as may be required.

Mr. BLANTON. Mr. Chairman, I offer an amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 58, line 23, after the word "required" strike out the period, insert a colon, and add the following: "*Provided*, That all members of the police force shall be granted one day off each week in lieu of Sunday, and be furnished with their uniforms and all required equipment."

Mr. CRAMTON. Mr. Chairman, I make the point of order that it is legislation not in order on an appropriation bill.

Mr. BLANTON. Mr. Chairman, I ask to be heard for a moment on this point of order. The Chair will note that the last proviso, beginning on line 20 and ending on line 23, is legislation unauthorized on an appropriation bill. The amendment that I offer is an amendment to that proviso. In other words, while my amendment contains legislation, it is an amendment to a proviso containing legislation, placed in the bill by the committee, and I cite as a precedent the ruling which the Chair made about an hour ago in discussing the Begg proposition, wherein he said that where there appears in the bill language which is legislation unauthorized, an amendment to that legislation is not out of order.

The CHAIRMAN. The Chair will correct the gentleman. The Chair said any germane amendment.

Mr. BLANTON. I maintain that this is germane to this paragraph. This paragraph has to do with the equipment of the police. This has to do with the equipment for the use of the police.

Mr. SNYDER. But it has to do with something else besides that.

The CHAIRMAN. Will the gentleman permit the Chair to ask him how one day off each week in the police department has anything to do with the police equipment?

Mr. BLANTON. That is something that they ought to have without legislation. It ought to be given to them without authority of Congress.

The CHAIRMAN. The Chair is not disputing the justness of that provision. He agrees with it, but he asks the question in order to view the matter from a parliamentary standpoint.

Mr. BLANTON. I submit the matter to the Chair.

Mr. CRAMTON. There is a further consideration, but if the Chair is prepared to rule——

The CHAIRMAN. The Chair is prepared to rule. This amendment, in the opinion of the Chair, is not germane, and on that point the Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, I offer the amendment, with the one day in lieu of Sunday left out, and in that form I think it is germane to the paragraph in the bill.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 58, line 23, after the word "required," strike out the period, insert a colon, and add the following: "*Provided*, That all members of the police force shall be furnished with their uniforms and all required equipment."

Mr. CRAMTON. Mr. Chairman, I make the point of order to the amendment; and, in connection with that, I make it upon two grounds. First, the section in the bill to which it is offered does not contain matter subject to a point of order. I dispute the argument of the gentleman from Texas that the proviso in the section would have been subject to a point of order. It is a retrenchment, which results in a saving to the Government, to issue to the police for their use such worn-out mounted equipment as may be required instead of appropriating money to buy new equipment. That is apparent upon the face of the paragraph. If the section in the bill has in it nothing subject to the point of order, the gentleman's amendment is new legislation and would not be in order upon the paragraph.

Furthermore, if the Chair should chance to disagree with me on that, the new language which the gentleman offers—to issue clothing to the policemen, purchased at the cost of the Federal Government—is not germane to a proposal to buy revolvers, or a card system, or stationery, or books of reference, and so forth, or anything else in the paragraph. It amounts to an increase of salary above the statutory allowance and is not germane to the paragraph in the bill.

Mr. SNELL. Mr. Chairman, I desire to be heard for a moment on the point of order. While it is permissible under our rules to amend a general provision of law by a specific amendment providing for a special purpose, it is not permissible to amend one specific provision of law by another specific provision of law. And that is exactly what the gentleman from Texas is trying to do here now, and it is clearly not in order at this time.

The CHAIRMAN. The Chair feels that when the amendment was originally offered there was no question of its being subject to the point of order because of the wording which the Chair pointed out to the gentleman from Texas, a provision, by the way, with which the Chair sympathizes. Now the amendment is nearer the line, but the Chair still feels that it is open to objection; first, because it is repugnant to the rule to endeavor to amend one specific subject by another specific subject; second, because, as the subject matter sought to be amended deals with equipment supplied by the War Department and the amendment provides for equipment to be furnished free of expense, the amendment lacks the necessary relationship to make it germane.

A similar proposition was presented when it was sought to amend the war risk insurance act by a free-policy amendment. If the Chair recalls correctly the incident, Chairman TILSON ruled the amendment out of order. The Chair in this instance sustains the point of order.

The Clerk read as follows:

For one aerial hook and ladder truck, motor driven, $15,500.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the subcommittee what is being done toward equipping the fire apparatus with acetylene torches or something of that kind, so they can operate at fires in connection with such disasters as occurred at the Knickerbocker Theater, when they could not cut through the walls and release the people who were suffering and dying there?

Mr. CRAMTON. I can not say to the gentleman what they have done. I presume they have since that time been properly equipped in that respect through the War Department or otherwise. There was certainly no mention of it before our committee.

Mr. BRIGGS. I understood some time since that there was a statement that the fire department was to be so equipped and I have not heard anything further about it and I was wondering if there had been any steps taken to meet an emergency and a situation which, in my opinion, ought to be met.

Mr. CRAMTON. My information is that they got their equipment through the surplus property in the War Department; in any event there was no request made and I assume if it was needed they would have come to our committee.

Mr. BRIGGS. If the gentleman will permit another question, and that is in regard to the number of these building inspectors. Has a sufficient number been allowed in this bill upon the request of the commissioners to meet the demand for proper inspection of buildings under erection in this city?

Mr. CRAMTON. We granted all the Budget recommended, and it is my understanding that the Budget granted all that were estimated for by the commissioners. The gentleman will remember in the deficiency act of last spring it gave them an increased amount of $20,000 and we are continuing that force.

Mr. BRIGGS. That is all I wanted to know. I thank the gentleman.

The Clerk read as follows:

HEALTH DEPARTMENT.

SALARIES.

Health officer, $4,000; assistant health officer, $2,500; chief clerk and deputy health officer, $2,500; chief, bureau of vital statistics, $1,800; clerks—1 $1,600, 5 at $1,200 each, 4 at $1,000 each, 2 at $900 each, 1 $720; sanitary inspectors—chief $1,800, assistant chief $1,400, 12 at $1,200 each, 2 at $1,000 each, 3 at $900 each; food inspectors—chief $1,800, assistant chief $1,400, 6 at $1,400 each, 5 at $1,200 each, 6 at $1,000 each, 5 at $900 each; chemist, $2,000; assistant chemist, $1,500; chief of bureau of preventable diseases and director of bacteriological laboratory, $2,750; serologist, $2,500; 2 assistant bacteriologists at $1,200 each; laboratory assistant, $840; skilled laborers—1 $720, 1 $600; 2 messengers, at $600 each; 2 chauffeurs, at $720 each; poundmaster, $1,400; watchman, $600; laborers, at not exceeding $65 per month each, $3,120; in all, $96,390.

Mr. BLANTON. Mr. Chairman, I reserve a point of order. I want to ask the chairman the reason for increasing the salary of the health officer?

Mr. CRAMTON. There is no increase above the current year.

Mr. BLANTON. But there is an increase above the authorized statutory salary, which is the only salary authorized by law.

Mr. CRAMTON. I have not examined that, but I will say we continued it.

Mr. BLANTON. Does not the gentleman examine these statutory salaries when fixing a new bill?

Mr. CRAMTON. No.

Mr. BLANTON. He takes whatever they ask?

Mr. CRAMTON. I have generally done that, being careful not to increase the salary above the current law.

Mr. BLANTON. But the gentleman has increased this salary $500 more than the statutory salary. That is legislation, and I could make a point of order against it, but, of course, I will not do it; but the gentleman gave as his reasons for not granting justice to the police and firemen—who are absolutely unprotected and who have had all of their powers of offense taken away when they took away the power of strikes—he said he would not give them relief because it was legislation; but when it comes to the health officer the salary is increased $500 beyond the statutory salary.

Mr. CRAMTON. Our committee continued the salary as heretofore. As to the police, in that case we did not check back to see just what was authorized by law, but we continued the same amount they are getting at the present time. It may be that to some of the police we have given more than authorized, but I think not.

Mr. BLANTON. I do not think it is far out of line, and I will not make the point of order.

The Clerk read as follows:

For establishing and maintaining a child hygiene service, including the establishment and maintenance of child-welfare stations for the clinical examination, advice, care, and maintenance of children under 6 years of age, payment for personal services, rent, fuel, periodicals, and supplies, $15,000: *Provided*, That the commissioners may accept such volunteer services as they may deem expedient in connection with the establishment and maintenance of the service herein authorized: *Provided further*, That this shall not be construed to authorize the expenditure or the payment of any money on account of any such volunteer service.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word. I wish to ask the gentleman from Michigan if he does not think that, on account of the importance of the items which we are reaching, we had better have a quorum present?

Mr. CRAMTON. Mr. Chairman, I had in mind—as we are getting along so rapidly—that we would run until 5 o'clock, and, if agreeable, stop at 5 o'clock.

The Clerk read as follows:

JUVENILE COURT.

Salaries: Judge, $3,600; clerk, $2,000; deputy clerk, who is authorized to act as clerk in the absence of that officer, $1,480; financial clerk, who is authorized to act as deputy clerk, $1,200; stenographer and typewriter, who is authorized to act as a deputy clerk, $1,080; stenographer and typewriter for judge's work, and to aid in keeping records in clerk's office, $1,080; probation officers—chief, $2,000, assistant chief (who shall also be investigating officer for children's cases), $1,500, two at $1,200 each, one for adult cases, $1,200, five at $1,000 each; investigating officer for juvenile work, $1,400; investigating officer for adult cases, $1,200; record and information clerk for probation office, $1,200; clerk for probation office, $900; two bailiffs, at $900 each; telephone operator, $600; messenger, $600; janitor, $600; charwoman, $240; in all, $31,080.

Mr. BLANTON. Mr. Chairman, I reserve a point of order. How much has the salary of the juvenile judge been raised over the statutory salary?

Mr. CRAMTON. So far as I know, none. We are continuing the salary contained in the 1923 bill, and, as far as I know, that is the statutory salary.

Mr. BLANTON. I am not speaking of what was carried in the last appropriation bill. Is not the salary $3,000?

Mr. CRAMTON. I have no information as to that. I can only state what salary the lady is getting at the present time, and we have continued the same salary she is getting now.

Mr. BLANTON. Mr. Chairman, a quite amusing incident happened in connection with this particular juvenile court. An attorney was appointed by the court to defend a certain case, and after the case was decided he was asked about the facts of the case on the outside, and he gave his opinion—just merely recited what had transpired in the court—and in the next few days he was cited to appear before the court and show cause why he should not be held in contempt for reflecting upon the action of the court, after the case had been finally disposed of and when he was merely acting under the appointment of the court. If the judge of the juvenile court is exercising such jurisdiction, threatening attorneys and threatening to take away their licenses, maybe her salary ought to be raised above the statutory allowance. [Laughter.]

Mr. SNELL. That will do; that is all right. [Laughter.]

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For compensation of jurors, $10,000: *Provided*, That none of the money appropriated by this act for the payment of jurors' fees in any of the courts shall be available or used for that purpose unless the actual cost of the trial jury in each case first be ascertained and fixed by the court and taxed as part of the costs and judgment rendered therefor against the defendant in a criminal case against whom a verdict of guilty has been rendered; nor shall any such money be available or used for that purpose until execution has been issued and a return of nulla bona thereon has been made by the proper officer. Neither shall any of the money appropriated by this act for the payment of jurors' fees be disbursed or used to pay any juror's fees whatsoever unless the actual cost of the trial jury be ascertained and fixed by the court and taxed as costs and judgment rendered therefor against the defendant where either the United States or the District of Columbia is plaintiff, and the defendant is unsuccessful in the suit. However, no person shall be imprisoned because of the nonpayment of the aforementioned costs.

Mr. HILL. Mr. Chairman, I make a point of order against all of that paragraph, beginning on line 14, with the word "Provided," down to the end of the paragraph on page 71, line 8, on the ground that it is new legislation.

Mr. JOHNSON of Kentucky. Mr. Chairman, I think it is unnecessary to argue the point of order, for the reason that it is strictly and unqualifiedly a limitation upon the expenditure which, under the rule, is unquestionably permissible. It is so plainly a limitation that I feel it is unnecessary to argue it before the Chair.

Mr. HILL. Mr. Chairman, I invite the attention of the Chair to page 458 of the hearings on the District of Columbia appropriation bill, in which Mr. Justice McCoy states as follows:

Now, in conclusion, might it not be better to have the whole subject investigated and to have some legislation on it from the District Committee?

That is referring to this provision. He goes on then to say:

I would have been perfectly willing, Mr. EVANS, to go before the District Committee on some such proposition as that. As I say, I do not know what the policy of Congress will be, or what policy Congress wants to adopt as to making the costs heavy or light. If they want to throw the costs upon the litigant in the civil case, then we can make some suggestion about costs in there. As I say, I know nothing about it in criminal cases, but the policy of the code is that the United States shall not be at any expense in criminal cases.

Now, I also invite the attention of the Chair to page 457, in which Mr. JOHNSON of Kentucky makes a statement to show that this is entirely new legislation. He says:

Here is the situation: The bootleggers and whisky runners are demanding jury trials with the hope they can get a fellow bootlegger or a fellow whisky runner on the jury and hang it, and they are clogging the courts by their demands for juries.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. HILL. Yes.

Mr. SNELL. What has that got to do with the rules and regulations of the House—a statement showing what this man says before the committee?

Mr. HILL. It shows what the situation is. This is an attempt at legislation.

Mr. SNELL. This is a pure limitation on an appropriation bill which is always admitted.

Mr. HILL. Even if this is a limitation on an appropriation bill, this is not a limitation on the expenditure, but on the action of the person. I submit that it is not in order.

The CHAIRMAN. Has the chairman of the committee any recollection of whether or not this item has been carried in previous bills in this form?

Mr. CRAMTON. It was carried in the current year, but in a different form. This is carried as a limitation, and in the bill for the current year there was a similar limitation.

Mr. JOHNSON of Kentucky. Ten thousand dollars is carried for the payment of jury fees. The limitation is that none of that money shall be paid unless the jury fees shall be assessed as costs. It is clearly a limitation.

Mr. BLANTON. Mr. Chairman, may I ask the gentleman from Kentucky a question?

Mr. JOHNSON of Kentucky. Yes.

Mr. BLANTON. I do not know how it is in Kentucky, but in the State of Texas, both in civil and criminal cases, a nominal jury fee of $5 is assessed against the losing party. Say 12 men are drawing jury fees, and on a case of two or three weeks their expense is never assessed, either in civil or criminal cases. Is not that the same rule that applies in Kentucky?

Mr. JOHNSON of Kentucky. Much the same rule. But, Mr. Chairman, a new condition has arisen here. The courts, particularly the police court, are being clogged by men who are not willing to be tried by the judge, but who demand a jury. I am informed that most of those demands for jury trials come from alleged bootleggers, who find their way so successfully and so easily from adjacent cities to the District of Columbia, and they demand a jury with the hope of getting somebody engaged in the same business on the jury with a view of hanging the jury.

But that is no reason why the point of order should either be sustained or not sustained. If this is not a limitation on the expenditure, then I do not believe it possible for one to be written.

Mr. HILL. Mr. Chairman, I think the gentleman's own remarks show that this is an attempt at legislation.

Mr. JOHNSON of Kentucky. I admit that it is an attempt and that it is legislation by limitation, for the purpose of reducing the expenses of the Government.

Mr. HILL. I invite the Chairman's attention to the words of the concluding part of the paragraph on page 71:

However, no person shall be imprisoned because of the nonpayment of the aforementioned costs.

That certainly is no limitation. It has nothing to do with the application of the money. It is a change of the substantive law.

Mr. JOHNSON of Kentucky. It is not a change of the substantive law, if the gentleman will pardon me, because it is already a law.

Mr. HILL. The sixth amendment to the Constitution guarantees even to bootleggers a fair and impartial trial by jury, and this is to limit the right of trial by jury.

The CHAIRMAN. This is an important question. The Chair will ask the chairman of the committee if he will allow this to go over until Monday, so as to permit him to finish the reading of the bill to-night?

Mr. CRAMTON. Yes. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. TILSON as Speaker pro tempore having assumed the chair, Mr. HICKS, chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, had come to no resolution thereon.

SENATE BILL AND JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate bill and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4030. An act for the relief of Capt. Murray A. Cobb; to the Committee on War Claims.

S. J. Res. 259. Joint resolution authorizing the President to abrogate the international agreement embodied in certain Executive orders relating to the Panama Canal; to the Committee on Interstate and Foreign Commerce.

INDEPENDENT OFFICES.

Mr. MADDEN, from the Committee on Appropriations, reported the bill (H. R. 13696, Rept. 1349) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, which was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and, with the accompanying report, ordered to be printed.

Mr. GARRETT of Tennessee. Mr. Speaker, I reserve all points of order on the bill.

The SPEAKER pro tempore. The gentleman from Tennessee reserves all points of order on the bill.

DISPENSING WITH CALENDAR WEDNESDAY.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to dispense with Calendar Wednesday next week.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the business of Calendar Wednesday next week be dispensed with. Is there objection?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATIONS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that the Interior Department appropriation bill (H. R. 13559) may be taken from the Speaker's table, the amendments of the Senate disagreed to and a conference asked for, and that the Chair appoint the conferees.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the Interior Department appropriation bill, disagree to the amendments of the Senate, and ask for a conference. Is there objection?

Mr. CRAMTON. Mr. Speaker, I will say that this request is made after conference with the gentleman from Oklahoma [Mr. CARTER].

Mr. GARRETT of Tennessee. And it is satisfactory to him?

Mr. CRAMTON. It is satisfactory to him.

Mr. BLANTON. I objected this morning when this request was made, but I have had a conference with the gentleman from Michigan, and I shall not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER pro tempore. Without objection, the Chair will appoint the conferees.

There was no objection, and the Speaker pro tempore appointed as conferees on the part of the House Mr. CRAMTON, Mr. FRENCH, and Mr. CARTER.

ADJOURNMENT.

Mr. CRAMTON. I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock p. m.) the House, under the order heretofore made, adjourned until Sunday, January 7, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

897. A letter from the president of the Chesapeake & Potomac Telephone Co., transmitting the annual report of the Chesapeake & Potomac Telephone Co. for the year 1922; to the Committee on the District of Columbia.

898. A letter from the Acting Secretary of the Interior, transmitting a list of useless executive papers which have no permanent value and which should be disposed of; to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WINSLOW: Committee on Interstate and Foreign Commerce. H. R. 13135. A bill to grant the consent of Congress for the special commission constituted by an act of the Legislature of Massachusetts to construct a bridge across the Merrimack River; with amendments (Rept. No. 1339). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 13493. A bill to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River near Ferry Pass, Fla.; with an amendment (Rept. No. 1340). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. S. 4172. An act to authorize the building of a bridge across the Great Pee Dee River in South Carolina; without amendment (Rept. No. 1341). Referred to the House Calendar.

Mr. HOCH: Committee on Interstate and Foreign Commerce. S. 4122. An act granting the consent of Congress to the Interstate Toll Bridge Co. for construction of a bridge across Red River between Montague County, Tex., and Jefferson County, Okla.; without amendment (Rept. No. 1342). Referred to the House Calendar.

Mr. SNYDER: Committee on Indian Affairs. H. R. 9405. A bill authorizing the collection of a reasonable fee from Indian lessors from moneys collected by the Indian Service as royalties and rentals from mining leases; with an amendment (Rept. No. 1343). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. H. R. 9406. A bill to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont.; without amendment (Rept. No. 1344). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. H. R. 9018. A bill to fix the time when patents in fee for Indian allotments shall become effective; without amendment (Rept. No. 1345). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. S. 249. An act for the relief of certain tribes and nations of Indians in the State of Montana; with amendment (Rept. No. 1346). Referred to the Committee of the Whole House on the state of the Union.

Mr. WOOD of Indiana: Committee on Appropriations. H. R. 13696. A bill making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes; without amendment (Rept. No. 1349). Referred to the Committee of the Whole House on the state of the Union.

Mr. NEWTON of Minnesota: Committee on Interstate and Foreign Commerce. H. R. 13511. A bill granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River; without amendment (Rept. No. 1350). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 1758. A bill for the relief of the owners of the steamship *Mohican;* with an amendment (Rept. No. 1333). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 1759. A bill for the relief of the owners of the steam lighter *Comport;* with an amendment (Rept. No. 1334). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 12315. A bill for the relief of the owners of the schooner *T. K. Bentley;* without amendment (Rept. No. 1335). Referred to the Committee of the Whole House.

Mr. IRELAND: Committee on Claims. H. R. 12159. A bill for the relief of D. H. MacAdam; without amendment (Rept. No. 1336). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 13205. A bill for the relief of the American Trust Co.; with an amendment (Rept. No. 1337). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 13250. A bill for the relief of Helene M. Layton; without amendment (Rept. No. 1338). Referred to the Committee of the Whole House.

Mr. SNYDER: Committee on Indian Affairs. H. R. 13208. A bill for the relief of Charles F. Peirce; without amendment (Rept. No. 1347). Referred to the Committee of the Whole House.

Mr. SNYDER: Committee on Indian Affairs. H. R. 11353. A bill to provide for reopening the accounts of Harry Caden and charging of certain expenses therein to different appropriation from the one used in payment; without amendment (Rept. No. 1348). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. UPSHAW: A bill (H. R. 13692) declaring the purchaser of intoxicating liquor equally guilty with the person who unlawfully sells or offers for sale intoxicating liquor; to the Committee on the Judiciary.

By Mr. APPLEBY: A bill (H. R. 13693) to enlarge and extend the post-office building at Perth Amboy, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. FOCHT: A bill (H. R. 13694) to authorize the Commissioners of the District of Columbia to require operators of motor vehicles in the District of Columbia to secure a permit, and for other purposes; to the Committee on the District of Columbia.

By Mr. HADLEY: A bill (H. R. 13695) to provide a site and erect a public building at Mount Vernon, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. WOOD of Indiana: A bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWNE of Wisconsin: A bill (H. R. 13697) granting a pension to Martha Eberlein; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13698) granting a pension to Cordelia S. Milliken; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13699) granting a pension to Anna Withers; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 13700) granting an increase of pension to Martha A. Demaris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13701) granting a pension to Lewvina Hoffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13702) granting an increase of pension to Martha A. Pitzer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13703) granting an increase of pension to Elizabeth Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13704) granting a pension to Ida Stout; to the Committee on Invalid Pensions.

By Mr. KRAUS: A bill (H. R. 13705) granting a pension to Nellie Quimby; to the Committee on Invalid Pensions.

By Mr. MOTT: A bill (H. R. 13706) granting an increase of pension to John Noel Cox; to the Committee on Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 13707) granting a pension to Victoria M. Ray; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 13708) granting an increase of pension to James Mitchell; to the Committee on Pensions.

By Mr. WOODYARD: A bill (H. R. 13709) granting a pension to Charlotte Buck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13710) granting an increase of pension to Sarah J. McCulloh; to the Committee on Invalid Pensions.

By Mr. YOUNG: A bill (H. R. 13711) for the relief of Maj. Frayne Baker; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6768. By Mr. DARROW: Petition of the Philadelphia Board of Trade, concerning proposed banking legislation; to the Committee on Banking and Currency.

6769. By Mr. KISSEL: Petition of International Peace Jubilee and Waterways Exposition, Detroit, Mich., asking for proper congressional recognition and Government support to enable them to hold an international peace jubilee and waterways exposition during 1925; to the Committee on Industrial Arts and Expositions.

6770. By Mr. SANDERS of New York: Petition of 42 residents of Dale, N. Y., and vicinity, to repeal the tax on ammunition and firearms contained in paragraph 7, section 900, internal revenue law; to the Committee on Ways and Means.

6771. Also, petition of 49 residents of Cowlesville, Strykersville, Johnsonburg, N. Y., and vicinity, favoring an appropriation to extend relief to the famine-stricken people of the German and Austrian Republics; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES.

SUNDAY, *January 7, 1923.*

The House met at 12 o'clock noon and was called to order by Mr. WILLIAM A. RODENBERG, a Representative from the State of Illinois, who caused to be read by the clerk the following communication:

THE SPEAKER'S ROOMS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 7, 1923.

I hereby designate Hon. WILLIAM A. RODENBERG to act as Speaker pro tempore to-day.

F. H. GILLETT.

Rev. Page Milburn, of Washington, D. C., offered the following prayer:

O God, our help in ages in past, our hope for years to come, we worship Thee, we dedicate unto Thee our life, our love, our service, our faith, our hope. We thank Thee that in this day of Christian civilization we know somewhat of representative citizenship, of men dedicating their lives unto the service of mankind and of the world. And as we remember this day the life, character, and service of one who has passed away, may our hearts be inspired to do more and more valiant service for our fellow men, for our Nation, and for the world. In Thee we live and move and have our being. We are dependent upon Thee. We look to Thee in hope this day, and ask that Thou wilt forgive us our sins and use us to Thy glory. Through Jesus Christ, our Lord. Amen.

The SPEAKER pro tempore. Without objection, the reading of the Journal will be deferred.

There was no objection.

THE LATE JONAH KUHIO KALANIANAOLE, OF HAWAII.

The SPEAKER pro tempore. The clerk will report the special order for the day.

The clerk read as follows:

On motion of Mr. BALDWIN, by unanimous consent—
Ordered, That Sunday, January 7, 1923, at 12 o'clock noon, be set apart for addresses on the life, character, and public services of Hon. J. KUHIO KALANIANAOLE, late a Delegate from the Territory of Hawaii.

Mr. BALDWIN. Mr. Speaker, I offer the following resolution.

The SPEAKER pro tempore. The gentleman from Hawaii offers a resolution which the clerk will report.

The clerk read as follows:

House Resolution 478.

Resolved, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. JONAH KUHIO KALANIANAOLE, late a Delegate to Congress from the Territory of Hawaii.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. BALDWIN. Mr. Speaker, there are several Members who wished to pay tribute to the late Mr. KALANIANAOLE to-day who are unavoidably absent, and I ask unanimous consent that they may extend their remarks in the RECORD.

Mr. RANKIN. Mr. Speaker, will the gentleman include all Members who desire to extend their remarks?

Mr. BALDWIN. Certainly; all Members.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. BALDWIN. Mr. Speaker, we are here to pay tribute to the late Delegate to Congress from Hawaii, Prince JONAH KUHIO KALANIANAOLE, and I feel highly honored in that the privilege falls to me of briefly outlining incidents and achievements in his career.

He was born on the island of Kauai, Hawaiian Islands, on March 26, 1871. His father, Kahalepouli, was a high chief and the son of the last King of Kauai; his mother was Princess Kinoiki Kekaulike, sister of Queen Kapiolani, consort of King Kalakaua. His boyhood was very different from that usual to an American. As a member of the royal family he was brought up in the court of his uncle, the King, and took part in all official functions and receptions at the palace. At the age of 13 he was created a prince by royal proclamation. His early education was in Honolulu at the Royal School and Punahou College. He then spent four years at St. Mathews College of California. Later he was a student at the Royal Agricultural College in England, winding up his education in a business college there. At the conclusion of his college days he spent a year as the guest of the Japanese Government, his uncle, King Kalakaua, hoping that he would marry a princess of the royal house of Japan.

Although he grew up to early manhood as one of the royal family, with the probability ever before him that he would some day be the King of the Hawaiian Islands, he was democratic by nature, taking part in all athletic sports and excelling in football and rowing. He was an expert horseman and there was nothing he enjoyed more keenly than going with the cowboys after wild cattle and horses on the rugged slopes of Mauna Kea, or spearing wild boars from the back of a horse. He was a polo player of no mean ability. He also was fond of yachting and game fishing—sports which he enjoyed almost to the day of his death.

An excellent marksman with either rifle or shotgun, he was a welcome member of shooting parties. Golf was also a favorite pastime—in fact he was an all-around sportsman.

After his return to Hawaii from Japan he took a position in the Department of the Interior of the Hawaiian Government in order to obtain practical experience. In this position he made a good record for industry and efficiency.

Of royal lineage and a probable future king, his outlook on life and his prospects were brought to an abrupt change by the overthrow of the Hawaiian monarchy in 1893, when the Republic of Hawaii was established.

The young prince was then 21 years of age. Two years later there was a revolution of the Hawaiians, with the object of reinstating the ex-Queen, and Prince Kuhio, true to his beliefs, took part in this revolution. For this he and other leaders were arrested as political prisoners and sentenced to a year's imprisonment. While he was in prison he became engaged to a young chiefess whom many of you know as his gracious princess wife. They were married soon after his release and left shortly for a tour of the world, among other places visiting Africa, where he hunted big game. He was there during the Boer War and took part on the side of the British.

He returned to his island home in the fall of 1901, and in 1902, after urgent persuasion, became the Republican candidate for delegate to Congress and was in that year elected for his first term. I was a member of the convention which nominated him and can bear witness to his great reluctance to enter the field, for he believed he could do more for his people at home than he could 5,000 miles away here in Washington.

Characteristically, after having made up his mind as to his path of duty, he never swerved, and was elected to Congress for 10 consecutive terms notwithstanding that he continued at the head of his party's ticket at great personal sacrifice. In all of these elections he was loyally supported by the great majority of the white residents of Hawaii, as well as his own people. During the 19 years of his membership of this body, always uppermost in his mind was the welfare and prosperity of his constituency and especially that of his own people. I do not wish to convey the idea by this that he was not in every sense of the word an American, for he was, unqualifiedly. He lost no opportunity to preach the doctrines of Americanism to his people and to impress upon them their great good fortune in being citizens of the United States, the greatest country in the world. To illustrate his loyalty to the stars and stripes, I quote from a speech he made on the floor of this House June 23, 1917, when he spoke of the death of several Hawaiian boys drowned when the steamer *Aztec* was torpedoed by a German submarine. He said: "Two thousand and odd miles out in the Pacific are the islands that constitute the Territory of Hawaii. Our fame for a beautiful, wonderful country is world wide; but Hawaii is more than a playground, a retreat for tourists; it is the western frontier of our Republic. We Hawaiians guard the western doorway. While Hawaii stands, our coast line from Alaska down the long stretch to the Panama Canal Zone is safe from successful invasion or attack." This shows the man—a loyal 100 per cent American.

A pure-blooded Hawaiian, a member of a diminishing race, it was natural and greatly to his credit that he devoted much serious thought and energy to their rehabilitation—it was a work of love on his part. He saw the tendency of his people to flock to the larger cities where their life in crowded tenements, learning the vices of the white man, was leading to racial extinction, and he devoted himself to getting them back to the land. His efforts in this line culminated in the passage in 1921 by this Congress of the Hawaiian Homes Commission act, a measure to provide homesteads for native Hawaiians for an indefinite term at a nominal rental and for government loans to the settlers. The Prince was made one of the commissioners and took great interest in the practical carrying out of his dream. At his death his wife, the Princess, was appointed to his place on the commission. The project is in good hands; Mr. George Cooke, a close friend of the Prince, is the executive head and the prospects are that it will work out successfully and the hopes of the Prince will be realized. A few days before his death, when he knew that he could not live long, he remarked to one of his most intimate friends, a Hawaiian:

> John, I hope you boys will stick together and try to agree to the best of your ability to meet this most important problem—the rehabilitation of our race.

Although it was known that Prince Cupid, as we loved to call him, was seriously ill, his death came a year ago to-day as a grievous shock to his host of friends in Hawaii.

His death was as he wished it to be—in his beautiful home at Waikiki and among his home friends. To quote from a Honolulu newspaper the day after he breathed his last:

> At Pualeilani through the night of vigil, while the Prince was sitting in his armchair, himself knowing that death could not long be barred from entrance to his chamber, he sat with his face toward the open door facing Kalakaua Avenue, his lessening vision drinking in deeply of the green verdure across the way in what was formerly the great acres of his aunt the Queen Dowager Kaplolani, in whose home he had spent so many happy days of his boyhood and young manhood. Sitting by his side was Princess Kalanianaole. She held his hand closely. The Prince smiled often as his eyes met those of his sweetheart Princess and he appeared to be hoping that her last view of him would be a memory of him still smiling.

He was the last titular prince of his line and his funeral was the last royal funeral that will be held in Hawaii. He was buried with all the pomp and pageantry of ancient Hawaiian royalty in the royal mausoleum. Officials of our own and foreign Governments were present in their official capacities and throngs of friends of all nationalities came to pay the last tribute to the departed.

The beautiful silver mounted koa casket was placed in a catafalque and drawn by 200 stalwart Hawaiians from the former palace to his last resting place, a distance of over a mile. In the funeral procession the Army was represented by a considerable section, departments of Government, organizations of various kinds, schools, and thousands of friends and admirers all marched in the procession. The services at the palace and at the mausoleum were indeed impressive and will dwell in the memory of those who witnessed it until death shall have claimed them also.

Prince KALANIANAOLE was a prince indeed—a prince of good fellows and a man among men; a man of sterling sincerity and strong convictions—he always stood for what he deemed right—yielding to no weakness, and manly always.

He will long be mourned in his native land where a plan is now under way to build a monument as a memorial to him that will go down to the ages—a great and beautiful stadium, crowned by a statue of the Prince to be known as the "Kuhio Stadium."

Mr. CAMPBELL of Kansas. Mr. Speaker, Prince Cupid, as his friends loved to call him, was a prince by nature as well as by royal proclamation. He entered this House as the Representative of the Territory of Hawaii in the Fifty-eighth Congress. It was my good fortune to become acquainted with him at that time. Early in my service here I visited Hawaii. At that time I became better acquainted with the Prince and with the people whom he loved and so well represented here. The Representative of Hawaii [Mr. BALDWIN], who has just spoken so eloquently of the life and character of JONAH KUHIO KALANIANAOLE, has referred somewhat to the chief ambition of KALANIANAOLE

as the representative of his people. While in Hawaii visiting the different islands making up that Territory the Prince never failed of an opportunity to impress upon his native people the importance of maintaining their race and of establishing and maintaining homes of their own. His ambition was the passage of the bill to which the gentleman from Hawaii [Mr. BALDWIN] has referred.

The passage of that bill was a realization of his great ambition in entering this House. His purpose was to perpetuate as long as possible the vanishing race of the Hawaiians. They were a great people. When Napoleon was thundering across the continent of Europe, Kamehameha I, the first king of the Hawaiians, a soldier and a statesman, was organizing the kingdom of Hawaii. He united all the islands of that splendid group and created a monarchy that was known and recognized throughout the world and had representatives in and diplomatic representatives from the Governments of the world. No monarchy in Europe failed of having a representative at the court of Honolulu. Honolulu and the monarchy of Hawaii had representatives in every kingdom and country of the world. The decisions of the admiralty court of Hawaii were recognized and commented upon and quoted by the admiralty courts of every other country. The Hawaiians were not, as they have sometimes been represented to be, a meager and inferior people. They were a great people, great in statesmanship, great in war, and great in their social life. It is doubtful if any man of that time made a greater impression than Kamehameha I. He typified the Hawaiians. Some time during the early part of his reign some French soldiers visited the islands and taught Hawaiians how to distil liquor. Up to that time distilled intoxicating liquors had never been introduced into the islands or known to the island people. Upon one convocation of the chiefs of Hawaii Kamehameha himself partook too freely of the beverage that had been distilled. He did not appear at that convocation of the chiefs whom he had assembled as the dignified and imposing chieftain that he was by nature. Soon after that he ordered the construction of a new building in which he assembled all the chiefs of Hawaii and all the officials in authority, and there made proclamation that from that day and forever in the Kingdom of Hawaii there should not be a still or distilled liquor; and during his entire reign as the monarch of Hawaii that proclamation was enforced.

That was characteristic of Kamehameha, and is an exemplification of the characteristics of the Hawaiian people. They have always had high purpose and they lived up to that purpose. One of the sad things to-day is that this race is diminishing. The diminution of the race gave Prince Cupid many hours of anxiety. They are a splendid people, who love music and flowers, who live in a land of unusual beauty and of incomparable climate; a people who are hospitable to a fault, and who have made themselves known to every traveler who has crossed the Pacific, and made a favorable impression upon every one who has visited that splendid territory. They have a fault, they give while they have anything to give. The desire to possess anything that belongs to a Hawaiian is a command to the Hawaiian that he give it, and he does so. It is in this way that they have given up their lands, that they have given up their territory, that they have given up that which was theirs, while those who have come to their islands are possessing the most delightful spot in the Pacific and one of the most cherished parts of our great of all beloved country.

Prince Cupid, in his address in 1917 on this floor, declared the truth that Hawaii is an outpost in the Pacific that stands guard of this great Republic and its western coast. Those who have known Prince Cupid love his memory and his people—Hawaiians. He was a true and a noble son of a splendid race.

Mr. CURRY. Mr. Speaker, we are met to-day to commemorate the life and public services of the late Delegate from the Territory of Hawaii, the Hon. JONAH KUHIO KALANIANAOLE.

Often we meet thus to memorialize the passing of a friend and colleague, and at no time so much as on these occasions do we feel the utter futility of words, the paucity of speech that makes it impossible to speak adequately of the departed. Particularly do I feel so on this occasion.

The departed held a place in the heart of the Congress that was peculiarly his own and it can never again be filled by another. And he holds a place in the history of Hawaii that no other man has ever held and very likely no one will ever share it with him.

A Royal Prince of Hawaii, a Delegate to the American Congress, a patriotic Christian gentleman, a kindly, generous, patient friend is gone. He was the only prince of royal blood who ever served in the American Congress. Had the Territory of Hawaii remained a kingdom he would at the time of his death have been king. Yet there was no one more intensely American, and his greatest and oft expressed pride was his American citizenship. He sincerely believed in the American system of government. He would not have permitted the return to monarchial government under any circumstances, and I firmly believe were a monarchy reestablished he would have gone forth among his own people as a knight in his vigil at arms and led them forth to overthrow the monarchy and reestablish Hawaii as an American Territory in order that he and they might regain the knighthood of American citizenship.

In the early days following the American annexation and administration of the islands there was bitter feeling among the native Hawaiian people. Their lands had been confiscated even before annexation and they had been badly treated in many ways. Prince Kuhio was thrown in jail, where he remained a year.

The first delegate was Hon. Robert Wilcox. He was elected by the Home Rule party, a party peculiar to the Territory itself.

The Prince went forth among his people in all of the islands upon his release from prison, argued, pleaded with them, and persuaded them that the proper course for them to pursue was to accept American annexation, become good and loyal American citizens, and make the Territory of Hawaii an American Territory in the highest sense and a respected and favored part of the American Nation. No other person would have succeeded in this effort as he did. He was a polished orator, beloved by his people, and one of the reasons that so many of the native Hawaiians at that time objected to their new situation was because they wanted him for their future king. He preached the gospel of American citizenship and Republicanism and taught them the precepts of our form of government. His mission was wholly successful.

The following year he was drafted, against his will, and elected Delegate to Congress on the National Republican ticket. He served continuously until his death. Had he lived to complete his term of office he would have rounded out 20 years' service, and that was his ambition. He had built a beautiful home in the Territory to which he had planned to retire and devote the remainder of his days to the promotion of the happiness, welfare, and advancement of his own people.

I shall not dwell on the intimate features of his life and history. Others here are better qualified than I to touch on that. I want primarily to speak of his service as a Delegate. I have been a member of the Committee on Territories during my entire career in the Congress, and for the past four years I have been the chairman of that committee. Accordingly I have been closely associated with the Delegate from the Territory of Hawaii, for it is this Committee that deals with legislation affecting the Territory.

From a military outpost of the Pacific in the early days of American occupation, the Territory of Hawaii has become in a brief span of years the Paradise of the Pacific, the mecca of the tourist, the playground of the Nation, where the hospitality of the people is so much a part of their nature that the very mention of the Territory makes the heart of the continental American who has been so fortunate as to visit there glow with pleasure. But above and beyond this it has become one of the great commercial assets of the Nation, richer by far than many of our States.

This phenomenal development has been due in very great measure to Prince Kuhio, for it was he who persuaded the people to accept gladly their American citizenship and to work whole-heartedly and enthusiasticaly for the development of the Territory as an integral part of the American Union. And it was he who sponsored the legislation that made this development possible and certain.

The greatest single thing that he did for his own people, aside from inducing them to willingly accept American citizenship, was in sponsoring and passing through the Congress the act creating the Hawaiian Homes Commission. The Hawaiian race is a dying race, because they had been driven from their lands by settlers from overseas and were of necessity compelled to adjust themselves to unaccustomed occupations and habits of life. The Hawaiian Homes Commission act returned in part these lands to their rightful owners and provided the machinery to finance the Hawaiian people in settling on them. It is hoped and believed this will make possible the rehabilitation of the race.

I recall the day in my office when Delegate KALANIANAOLE first broached this subject how delighted he was when I told him I would favor the legislation. I recall the committee meeting

when this legislation was under consideration, when, past midnight, the project had been under attack, he left his place at the committee table, and standing by my side, his voice aquiver with emotion, his head held high, proudly, he spoke of his race, of their valor and their high honor, of their almost child-like faith in their fellow men, of their kindliness and their generosity, of their intense Americanism.

He pleaded that the act be passed in order that a grave injustice might be rectified even at that late date. I never heard a man speak more sincerely or with greater feeling. When he had concluded his plea the committee was unanimously in favor of the project. When the commission was created he was named a member by the governor, and he had planned to retire from Congress at the end of this Congress and devote the remainder of his days to this great work.

Upon his death his widow was appointed to fill the vacancy on the commission. It is her purpose to carry out his well conceived and carefully outlined plans of this great work, with the details of which she is very familiar.

It is futile in the brief time alloted to go into the details of his legislative record. It was a record filled with high achievement over a long period. Suffice to mention what I believe to be his stellar achievements. First the Americanization of the Hawaiian people, his great services in developing the magnificent resources of the Territory, and his efforts to rehabilitate his race and correct the grave injustice that had been done the Hawaiian people in the early days following annexation.

On account of his lovable nature he was given the sobriquet of Prince Cupid by his first teacher. It was a term of affection they applied to him all through his childhood, and he came to be known by all of his intimates by that name. It was well applied to him, for he was, indeed, the Cupid who similingly pierced the hearts of America and Hawaii with his arrow and welded them together so firmly that they can now never be separated, and this is for the mutual welfare and happiness of both.

Mr. RANKIN. Mr. Speaker, as a member of the Committee on Territories I had the privilege of serving for a short time with the deceased Delegate, and to me nothing has occurred since I have been in the House that has appealed to me as more pathetic than the passing of KALANIANAOLE, as has been said, the last representative of a royal family, and a dying race.

The present city of Tupelo, Miss., where I live, is situated almost on the identical site of the ancient capital of the Chickasaw Nation, the most enlightened, the most highly civilized, and the most friendly, so far as the English speaking race is concerned, of all the Indian tribes of America. They maintained their territorial integrity and the respect of their neighbors to such an extent that adjoining tribes would refuse to go to war without the consent of the Chickasaws. In their fight with the Spaniards about 1540, they overwhelmingly defeated De Soto and his men, in one of the first, if not the first, pitched battles between the white people and the Indians on American soil. They did not provoke the battle, which was forced upon them by the Spaniards, but when hostilities began, they defended their homes with a valor and determination that would have done justice to the legions of ancient Rome.

Two hundred years later they resisted and disastrously defeated the French under Bienville and again saved themselves from subjugation at the hands of a ruthless enemy. But they were never known to draw the blood of an English speaking white man. In the War of 1812, they were instrumental in preventing all the tribes of that country, including the powerful Choctaws, from yielding to the persuasions of Tecumseh and going to war on the side of the British Empire, and in that way possiby saved to the United States the lower Mississippi Valley.

Andrew Jackson and his army marched through hundreds of miles of their territory, and passed right through the Chickasaw capital, on their way to New Orleans, where they were warmly welcomed by all the Indians of the Chickasaw Tribe.

But when the time came for the white man to migrate to the beautiful country of the Chickasaws—a country rich in resources, as Grady once said, with "a gentle climate above a fertile soil that yielded to the husbandman every product of the temperate zone," a land traversed by beautiful streams, with rolling plains and vast fertile prairies, the cupidity of the white man overcame his better attributes, and he could not resist the temptation to take that which belonged to another, and deprive the Chickasaws of their lands. As a result, a great people practically disappeared. Unable to resist the white man, whom they had befriended, in his insatiable greed for territory, the Chickasaws at last gave way before the pressure, extinguished their camp fires, and moved away toward the glow of the setting sun, to become a memory, to live thereafter in the traditions of their destroyers.

Sinister annihilation of a primitive civilization! Implacable destruction of a human race!

I have often thought that there is a striking analogy between the history of the Chickasaws, and that of the Hawaiians. Of all the people discovered in the New World, none were more friendly, none more free from immorality, none further from oppression and all of the evil traits that characterized a great many primitive tribes than were the people of Hawaii. They were brave and generous, especially in their treatment of the white man.

Unfortunately we have not been as generous toward them as they were toward us. When the white man first invaded Hawaii the population of those islands amounted to possibly a half million of people. To-day they have dwindled to a population of less than 44,000, including all those who have in their veins a trace of Hawaiian blood.

As I say, I served on the committee with Prince KALANIANAOLE, and I witnessed his fight; I participated in it, and supported him in his efforts to stay the hand of destruction that is threatening the last remnant of his race by the passage of that bill which has been referred to to-day in the interest of the homes of Hawaiians. He was the last of his royal blood, and possibly one of the last, if not the last, representative of his race who will ever occupy a seat in this Chamber. I was bound to admire the fight that he made, and I thought when I learned of his death that he had set an example which ought to be a beacon light to the Hawaiian people in what I sometimes fear to be the dark night that stretches out before them. Certainly the American people, the white people of America, could not do better than to take a lesson from and heed the examples set by the services here of this man KALANIANAOLE.

Mr. BLAND of Indiana. Mr. Speaker and Colleagues: My services in the House of Representatives will afford no dearer memories than those connected with my friendship and association with Prince J. KUHIO KALANIANAOLE. While my acquaintance with the Prince was confined to the last five years of his life, there were many pleasant meetings and conversations between us during that period of time.

I visited the Hawaiian Islands in 1917, with the congressional party, and there learned to know the Prince at his best, where he was among his own people and on the soil that he loved so dearly. Prince KALANIANAOLE was a member of the royal family of Hawaii, and had the monarchy continued would have worn the crown. Notwithstanding his high position among his people, he was never anything but democratic and cordial with everyone he liked. An analysis of the character of our lamented friend and colleague necessarily leads us to inquire into the history and characteristics of the people to whom he belonged and whom he represented so faithfully and conscientiously in this body for 20 years.

It was estimated that at the time Captain Cook discovered the Hawaiian Islands, then known as the Sandwich Islands, there were 400,000 pure-blooded Hawaiians on the eight islands. The most vicious habits of civilization were then introduced to the good natured, friendly, tropical natives. Intoxicating liquors and diseases were introduced with deadly effect upon a healthy race who had little power of resistance.

When the missionaries went to the Hawaiian Islands in 1818 the ravages of these scourges brought by the Europeans were alarming. Since that date the encroachment of hardier races of people has slowly driven the Hawaiian from his natural way of living and he has not been able to adapt himself to his new surroundings. The Japanese and other races, more inured to hardship and strife have gradually taken the places of the Hawaiians in almost every field of endeavor and to-day there are but a few thousand pure-blooded Hawaiians on the islands and a surprising small number of mixed Hawaiian blood.

When annexation took place the Crown lands became a part of the public domain of the United States, and much of it was leased for sugar and pineapple growing. Much of the best land was already in private hands. Hawaiians who really were fitted for agriculture and who desired to engage in it found it difficult to find a suitable site. The life efforts of our deceased colleague were spent in trying to secure allotments of land in small plots for the use of his people. It became the passion of his life, and he unselfishly devoted the better part of his years to this task. How well he would have succeeded in actually getting his people in possession of the land if his life had been spared we can not say, but we do know that the Hawaiian people have had no more faithful or devoted contender for their rights and for better opportunities for them than our beloved friend, who for so many years urged upon Congress the necessity and duty of better providing for the protection of this race of splendid people who are fast passing away.

The Hawaiian, from our first knowledge of him, possessed the sunny-hearted languor and indifference of the tropics. The blue skies, the colorful waters, gorgeous vegetation, and unequaled scenic beauty had impressed themselves upon his character to the extent that he was a dreamer, filled with a sense of real appreciation of the beauties and bountifulness of nature. He was of a peaceful and deeply religious character. The overshadowing and overwhelming influence of the volcanic disturbances of the islands had also left their deep impressions. The Prince possessed the highest and noblest traits of the character of this wonderful race of people. He was loyal to a friend with the same degree of loyalty and devotion that he showed for his people. There was no guile in his heart. His friendship once given, there were no mental reservations; generous to a fault, he was often imposed upon by the unworthy. Grateful himself for the blessings of life, which he enjoyed so much, he loved to see gratitude show in the faces of those who shared his generosity. No one who has ever associated with him could but be impressed with his devotion and faithfulness to his wife, who survives him, and I have often heard his friends pay glowing tribute to his singlehearted and intense devotion, loyalty, and love to the princess, who was truly a fitting companion for our beloved friend.

My memories of Waikiki will always include as its brightest spot the beautiful home of love and joy amidst the palms and tropical verdure which our Prince loved with all the intensity of his loving disposition. The Pacific with its wonderful panorama of changing colors, Diamond Head, The Punch Bowl and The Needle with their majesty and beauty of form and verdure, the clouds unexcelled in form and color, all may still charm and enthrall the admirer, but without the cheerful greeting and the warm handclasp of our genial friend that Little Paradise on the Pacific, to me, can never be the same. Mr. Speaker, with the passing of Prince KALANIANAOLE has gone forever one of the most splendid men of a splendid race. Shorn of the power and prestige that was his by birth, he uncomplainingly made the most of his life for himself and those he loved. His efforts were not in vain, because those who knew him and knew how he personified the best characteristics of his race hold everlasting regard and respect for the Hawaiian people. After annexation the Prince was a loyal and true American. He had respect and reverence for our Government and its people, and tried at all times to make his people feel that American ideals were worthy of emulation. Let us hope, my colleagues, as his remains rest to-day in the royal sarcophagus in the beautiful Nuuanu valley that his spirit has been gathered into the arms of the God of his people and that there he enjoys eternal bliss with the immortal ones of his race who have with him lived up to the highest standards of Hawaiian traditions.

Mr. DOWELL. Mr. Speaker: I can not permit this occasion to pass without offering a few words in commemoration of the life and character of our departed friend and colleague, J. KUHIO KALANIANAOLE.

It was my good fortune, soon after entering Congress, to meet and become well acquainted with him. He had represented the Territory of Hawaii here for a number of years, in fact, almost from the time the Hawaiian Territory became a part of the United States of America. He belonged to the Hawaiian race, and was created Prince in 1884, and would have succeeded to the throne of that Government had the Territory not become a part of the United States. He was a Delegate from the Territory for nearly 20 years, and during this time was ever interested and alert in everything which pertained to the prosperity and development of the Hawaiian Islands.

He was exceedingly modest, quiet, unassuming, and gentle in his work and in his relations with all men; but he was ever watchful and persistent in his efforts for his Territory and for his people.

As a Delegate from the Territory he was not permitted to cast a vote on any question in the House of Representatives, yet he wielded a wonderful influence here in obtaining needed legislation for his people.

While the Territory he represented is separated by many miles from the mainland of the United States, and while the Territory has but recently become a part of the United States, our departed friend, by his devotion to and deep interest in his people, through his long service here, was enabled to create a deep interest in the Congress in this Territory and in its development.

It was largely through his influence that high officials of the Government and Members of both branches of Congress visited these beautiful islands, and no one has returned from visiting this Territory without loud and enthusiastic praise of these islands and of this people.

We have read and heard all manner of things and reports about the beauties and wonders of these islands, but no one has ever yet been able to properly describe or portray the sublime beauty and grandeur to be found there. One can only know by visiting and seeing, and when one has visited and seen this delightful country he is overcome not only by the beauty and grandeur of the surroundings but by the wonderful reception of this wonderful people.

Prince KALANIANAOLE was a real and true representative of his race. He lived, labored and died, earnestly striving in every way within his power to educate, elevate, and perpetuate his race. One of the last acts of his public career, in fact one of the last acts of his life, was to secure the passage through Congress of what is known as the "Rehabilitation and Colonization of the Hawaiians in the Hawaiian Territory."

Just before he returned to his home the last time, in a talk with him on this floor, he told me of his plans to quit his work as Representative of his people in the Congress of the United States. He told me he hoped to devote his entire energies during the remainder of his life in the upbuilding of his race. He soon returned to the islands, but his work had been done, and he has left to others the high responsibility to carry on the great work he had so well begun.

Prince KALANIANAOLE had the esteem, respect and confidence of every Member of the House. To know him was to love him, and I believe no man ever more fully earned or more fully received the complete confidence of his people.

After nearly 20 years of faithful service as representative of his Territory in the Congress of the United States, and after devoting his life in the interest and for the benefit of his people, he returned to the beautiful Islands of the Sea, where he had spent so many happy days; and there he will forever rest among his people he loved so well.

His life was so gentle, so honest and pure; his character so good, so generous and true; his deeds, so kindly, so honorable and just; that the whole world can truly say of him, "This was a man."

Mr. KNUTSON. Mr. Speaker, in our journey through this life we form friendships that remain unbroken until severed by the ruthless hand of death. Soon after coming to Washington to take my seat in the Sixty-fifth Congress it was my good fortune to meet the late J. KUHIO KALANIANAOLE, the Delegate from Hawaii, whose untimely death we are commemorating to-day, and we then formed a friendship that continued until he set out on his journey of exploration into "that undiscovered country from whose bourne no traveler returns." I was particularly attracted by his innate courtesy, affability, and good nature. He was truly a gentleman in every sense of the word. Never have I seen him ruffled or perturbed. Passing tempests interested him not at all, and he was oblivious to the wrangles and quarrels that sometimes attend the sittings of this body. His was a lofty and noble nature that was all the more charming by reason of his modesty and diffidence. That the people of Hawaii understood and appreciated his good qualities is best attested by the fact that he was for 10 consecutive terms elected to Congress as Delegate from that Territory, and we, who were his colleagues, know with what fidelity and sincerity he served them. He loved his people in a way that only a noble character such as his is capable of. Had the old Hawaiian monarchy been maintained he would have become king of the islands upon the death of his cousin, Queen Liliuokalani, but never once have I heard him express regret over the turn of the wheel of fortune which took from him his royal inheritance. He was not given to speaking of the days when his family ruled over the fortunes of the Hawaiian people. To him it was a closed chapter, and he had but the kindliest feelings toward the great American people. In fact he was one of us in spirit and in deed, and in his passing we lost a friend and colleague who was as gentle and constant as the limpid waters of the mighty ocean that playfully kisses the shores of the land which he loved and venerated—Hawaii. Farewell, friend and colleague, until we meet again.

Mr. RUCKER. Mr. Speaker, I would be untrue to myself if I failed to take advantage of this occasion to pay tribute to one whom I was proud to call my friend.

I became acquainted with Prince KALANIANAOLE soon after his election to the Fifty-eighth Congress, and that acquaintance fast ripened into lasting friendship. I knew him well and esteemed him highly. On all occasions and under all conditions he was a courteous, affable, genial gentleman—a gentleman of very high character.

He was devoted to his island home and never for a moment neglected to serve the best interest of his constituents. I can

not express my appreciation of the splendid qualities of Prince KALANIANAOLE better than to incorporate in my remarks, with hearty approval, an address delivered in this city on March 27, 1922, by my colleague and friend, Hon. WILLIAM A. RODENBERG, in which he said:

Through the thoughtful courtesy of Mr. Walter F. Dillingham, of Honolulu, we are to be accorded the rare privilege to-night of having reproduced on the screen the picturesque ceremonies incident to the funeral of the late Prince JONAH KUHIO KALANIANAOLE, who for almost twenty years was the Delegate in Congress from the Territory of Hawaii. I have been requested by Mr. Dillingham to make a few remarks regarding the life and character of the Prince before the picture is thrown upon the screen.

Prince Kuhio, or Prince "Cupid," as he was familiarly known to his legion of friends, was born on the Island of Kauai on March 26, 1871. He was educated in Honolulu, the United States, and England. He was a cousin of the late King Kalakaua and Queen Liliuokalani and was a nephew of Queen Kapiolani, who was the consort of Kalakaua. At the age of 13 he was created a prince by royal proclamation, and in the absence of annexation he would have succeeded to the throne and would have become King of Hawaii upon the death of Queen Liliuokalani.

On the 7th of January of this year, at his home on beautiful Waikiki, whose shores are forever kissed by the murmuring waters of the mighty Pacific, his kind and gentle soul took its flight to God.

The funeral ceremonies lasted an entire week. When he realized that the end was approaching the prince, who was the very soul of modesty and simplicity and who desired to spare his wife a most trying ordeal, requested that his funeral be simple and free of all pomp and ostentation and in this he was joined by his beloved and devoted wife. But the native Hawaiians who are among the most affectionate and sentimental of peoples and who fairly idolized the prince insisted that full regal honors conforming to the ancient historical customs of Hawaii be paid to the last and by far the most popular member of the royal family. Owing to their insistence the princess finally consented with much reluctance and in accordance with the custom that is always invoked at the burial of Hawaiian monarchs, the body of the prince was removed at midnight from his home to the principal native church. There it lay in state for one week constantly attended by a guard which was changed every 30 minutes. At midnight, on January 14, one week after his death the body was removed to the old throne room of the palace, where it lay in state on the very spot where he had knelt as a boy when he was created a royal prince of the realm.

At high noon on the following day, January 15, he was removed to the mausoleum of the Kalakauas, where he now sleeps the sleep of eternity awaiting the dawn of resurrection's morn.

No death in all the annals of Hawaii's touching and pathetic history caused more profound sorrow or called forth more expressions of deep and genuine regret than did that of Prince KALANIANAOLE. The entire population without regard to creed, color, or nationality united in doing honor to the memory of a brave and manly man who unselfishly consecrated his life to the upbuilding of his beloved and devoted people.

The Army furnished a military escort appropriate to a general and the Navy furnished an escort similar to that at the burial of an admiral. Guns were fired from Punchbowl at intervals of one minute during the time that the body was being transferred from the palace to the cemetery. Every member of the Government, Territorial, county, and municipal, executive, legislative, and judicial, voiced his grief by taking an active personal part in the ceremonies. And well they might.

I was perhaps as intimately acquainted with the Prince as any man who served with him in Congress. I have visited Hawaii on three different occasions and I first met him while on a visit to Hawaii 22 years ago. That acquaintance was renewed when the Prince became a Member of the Fifty-eighth Congress. Instinctively attracted by a personality that radiated sincerity and good fellowship, I soon formed an attachment for him that ripened into one of the warmest friendships of my entire congressional career. To-night, as I recall that intimacy of two full decades unmarred by a single unpleasant incident, I feel myself again under the spell of that kindly, genial smile; I feel again the hearty, sincere handclasp; I hear again the cheery word of greeting, "Aloha." Methinks I can see him now, erect, courteous, chivalrous, unaffected—one of God's noblemen.

My friends, it is not given to mortal man to comprehend the mysteries of life and death. We can not quite understand a dispensation that removes from the activities of life one who was in the very prime of vigorous manhood and at the zenith of his intellectual powers, with years of usefulness still stretching out before him. With a faith that has its foundation in our belief in the immortality of the soul we bow to the Divine Will and accept the decree. It is this sublime and sustaining faith, a faith that "rises triumphant o'er our fears," that dispels the mists of gloom and unfolds to our enraptured gaze the glories of the coming dawn. For him the great mystery has been solved and the future stands revealed.

"After life's fitful fever he sleeps well."

Knowing him as I knew him, I know that death had no terrors for him. I know that he approached the end calmly, unflinchingly, majestically. He lived and died a prince and a gentleman, and in the memory of his many noble deeds nobly done he has reared for himself a monument that will endure so long as sentiment abides in the hearts of men.

At this point the Delegate from Hawaii [Mr. BALDWIN] took the chair.

Mr. RODENBERG. Mr Speaker, the news of the death of Prince KALANIANAOLE in his beloved island home, which occurred one year ago to-day, was a distinct shock to official Washington, where he commanded the full confidence and respect of all with whom he came in contact during his distinguished service of almost twenty years as the Delegate from Hawaii. It is fitting and proper that on this anniversary of his untimely passing we should pay tribute to his many noble qualities of head and heart.

Almost twenty-two years have passed since my first visit to the Hawaiian Islands, and it was on the occasion of that visit that I became acquainted with our departed friend and that acquaintance later on developed into one of the most pleasant friendships of my congressional career.

Prince KALANIANAOLE was an unusual man. There was much of the magnetic about him. He possessed a kindliness and a courtliness that instinctively attracted people to him and made him a most welcome guest at every gathering. While his was the philosophy of optimism and he always looked with confidence toward the future, still it seemed to me that there was ever present the element of pathos in his fine character.

The tragic story of his beloved Hawaii had left its impress upon him and there were times when he appeared to me as the last surviving hope of the gentle race that is now so rapidly vanishing. He seemed to be the living embodiment of all their aspirations and desires. Earnestly and passionately he pleaded the cause of the Hawaiians and pressed for the recognition of their just demands. When finally he succeeded in securing the passage of an act having for its purpose the rehabilitation of Hawaii and giving to his people the opportunity to acquire small parcels of land in order to make themselves self-supporting, he felt that the one great mission of his public career had been accomplished. I recall a conversation I had with him shortly thereafter in which he informed me that it was his purpose to retire from Congress and to devote the remainder of his life to putting into force and effect the provisions of the rehabilitation act for which he had labored so diligently and which he felt meant so much for the future happiness of his people. No man ever served a constituency with more zeal or greater fidelity than did PRINCE KALANIANAOLE. His affection for Hawaii and the Hawaiians was pathetic in its intensity and that affection was returned in kind by the people whom he served. The Prince was the idol of his race. He lived and had his being in the hearts of his constituents. They looked upon him as their one never-failing friend, the protector of their rights, the beacon light of their hopes and expectations. I remember making a tour of the islands some twelve years ago in company with our departed friend, and I recall vividly the joyful demonstrations of genuine affection which greeted him on every hand. I remember, too, the kindly, cordial sympathy of his attitude toward his people.

The humblest Hawaiian living in an obscure, weather-beaten hut was given a fervent aloha! by the Prince, and the sincerity of his greeting brought tears of joy to the eyes of his devoted followers. It was a scene that I shall never forget, but having witnessed it, I could readily understand the secret of their deep and abiding faith in him.

Prince KALANIANAOLE was a gentleman of culture and education. As a young man he enjoyed the advantages of a thorough collegiate training, which was later on supplemented by extensive travels. He had visited every civilized country on the globe and had even penetrated into the wilds of Africa in search of big game. His experiences were varied and interesting but, because of his innate modesty, it was always a most difficult matter to persuade him to discuss any incident in which he figured with any degree of prominence. As an instance of this, I remember asking him on one occasion, while being entertained in his hospitable home on beautiful Waikiki, which was decorated with many trophies of the chase, if there were a story connected with a magnificently mounted head of a gigantic animal of the buffalo species which adorned the wall. After considerable persuasion the Prince told me the story. While hunting in the interior of Africa in company with a Scotch nobleman, his companion slightly wounded the animal. Enraged, it charged the Scotchman and gored him savagely. Just as it was about to renew the attack, the Prince, who was an expert marksman, came to the rescue and killed the infuriated beast. The nobleman sent the head to Scotland, had it properly mounted, and presented it to his protector with grateful acknowledgments.

The Prince was the very soul of generosity. His philanthropies were many and sincere because they sprang from his boundless love for humanity. He was never known to turn a deaf ear to an appeal for aid and he was never quite so happy as when performing some kindly, humane act. In all the walks of life he practiced faith, hope, and charity which are the divine attributes of every manly heart. His tender solicitude for his beloved wife was in every way ideal and their devotion to each other presented a perfect picture of domestic happiness. With her hand lovingly and confidingly clasped in his, "calmly, as to a night's repose, like flowers at set of sun," his gentle soul left its tenement of clay to dwell amid the glories of the life everlasting. In beautiful Nuuanu valley amid the ferns and the flowers, beneath the stately palms, under the serene and shining stars of the "Paradise of the

Pacific" he now sleeps the sleep of eternity. Peace to his ashes! Friend, colleague, and companion, Hail and farewell! Aloha! Aloha oe!

At this point Mr. RODENBERG resumed the chair.

Mr. CANNON. Mr. Speaker, in youth created a prince of the royal house by the King of the Sandwich Islands; in young manhood elected a Delegate to the House of Representatives, where he served for twenty years, it was a romantic transformation, and one that speaks for the influence of this Republic, and also for the man.

Here in the House we called him "Prince," not because of his former title, but because he was a prince of good fellows, and one of the most democratic members of the House. He also carried his democratic principles back to the old island kingdom, and spread that influence among his people. I have several times visited Hawaii, and I have seen this influence grow and develop, and I know of no representative who had a more loyal and affectionate constituency than had KALANIANAOLE.

I believe that the Prince of a former kingdom had a considerable part in holding the natives of Hawaii loyal to the jurisdiction of the United States and educating them in the ways of a government of the people by the people. He became a typical American, and as such we mourn his loss to the House. On my last visit to Hawaii I was entertained at the beautiful home of KALANIANAOLE, and it was a combination of the old and the new hospitality, of native simplicity and American culture, and as I saw the affectionate regard of the Hawaiians, not only for the host, but for his American guests, I felt assured that we had been wise and successful in gathering those beautiful islands and their peoples under the American flag. Peace to the "Prince."

Mr. JOHNSON of South Dakota. Mr. Speaker, when Divine Providence removed from this world Prince KALANIANAOLE, He took a great and lovable man and one whose place can not be filled. Like all good and great men he made and retained the friendship of others of that type. One of them, former Representative Frank Reavis, of Nebraska, has paid to him a beautiful tribute, a tribute from his heart—not empty words, but an expression of future faith, containing the philosophy of the ages. Each one of us who reads it will be made a better man. He said:

Life is not its own justification. If all we do is just to live, so far as the ultimate scheme of things is concerned, we might as well not have lived at all. The accomplishments of life are the test, and the accomplishments which have an enduring value are those which add something to the sum total of human happiness and, in some measure, aid the race in its struggle onward toward its destiny. Life's justification lies in contribution, not acquirement. As between Christ and Croesus, I choose Christ.

Measured by this test, a successful life passed into the shadows when the prince died. Concerned always with the welfare of his gentle people whom he loved with a love that passeth understanding, he labored without tiring that they might obtain every legitimate benefit that legislation could afford. In the several years of my congressional service I recall no Member more zealous for those whom he represented than this democratic prince of the royal blood.

He became a Member of this body actuated by a desire to contribute to the high office and not because of any thought that the office would contribute to him. He consented to serve his people as Delegate because the position granted him an opportunity for such service, and was superemely indifferent to the thought that either in honor or emolument the office would serve him. He was representative of the highest character within the House in that his constant desire was to give something to the country, rather than to take something from it. His position on all Territorial legislation was the product of an earnest desire to do his part toward securing meritorious bills, and was never influenced nor persuaded by consulting the personal consequences of his official acts. In short, he labored always for his country and never, save in the higher and finer sense, for himself.

It had been recounted that the great ambition of his life met its fulfillment in the passage of the Hawaiian rehabilitation bill; and, feeling that his larger work in Congress was ended, he contemplated retiring to his beautiful island home to devote the remainder of his life to his fast vanishing race. But the fates which guard the destinies of men had decreed otherwise. Death and the prince had made a rendezvous, and death was punctual. We shall encounter this cultured gentleman upon this earth no more forever. Far out in the midst of a lonely waste of waters he sleeps in the arms of the land he loved and served so well.

There are those of us who knew him most intimately who are grateful that a merciful Providence has given to man the faculty of memory which robs the grave of its tenant and permits us to people the present with those whom we have loved and lost awhile.

Ah, Memory, the world would be lonely without you. When the road seems at an end, when the future is dark and foreboding, when grief and anguish and despair are our familiars, how stealthily you come creeping to us with the shadow of dreams in your eyes. How you speak to us in the loved tones of a voice that has long been silent. How you walk with us in the measured tread of familiar steps that have long been still. How you look upon us with the dear eyes from which the light has long since faded. How you create forms from shadows and illumine a dead past with a light that makes it a vivid and enduring present. Without you, O Memory, there would be no history, for there would be no past. Without you, children would look into the faces of parents and call them strangers, love would die from the hearts of the race, and the sons of men would walk a lonely earth without one familiar face in the universe of God.

I do not know what waits at the end of the road; but faith begins where knowledge ends, and I have faith. I do not know that empty arms will hold again the forms that have been lost in the shadows, but I hope and I believe. I do know that when I enter the little green gate I shall seek and shall be disconsolate until I find some men, some women, and many children.

And I think I shall search for you, my friend.

Mr. KAHN. Mr. Speaker, I regret exceedingly that the condition of my health did not permit my attending the session of the House of January 7, 1923, so that I could say a few words regarding our deceased colleague, Delegate JONAH K. KALANIANAOLE, of Hawaii.

Everyone who knew the "Prince," as he was popularly called, respected and honored him in his position. The people whom he represented in the Congress of the United States by electing him repeatedly as their Delegate showed the whole country in what esteem Mr. KALANIANAOLE was held by the citizens of Hawaii.

I visited the islands in the year 1911. At that time the Delegate felt that he did not care to continue in Congress. The statement was frequently made in Honolulu and other communities in the islands to the effect that the Delegate would not again be a candidate for reelection. Just about that time Mr. KALANIANAOLE had honored me by inviting me to attend a "luau," as they called their native feasts. About 50 of the leading citizens of the islands had been invited to be present. It was during this feast that I was called upon to make a few remarks regarding the Delegate. I told the guests very frankly that, in my opinion, they would do their Territory more good by the reelection of Mr. KALANIANAOLE than by the election of any new Delegate in his place. The proposition was immediately taken up by all those present, including some of the leading Democrats of Honolulu. Everybody voiced an opinion favorable to Mr. KALANIANAOLE. The consequence was that he decided to again become a candidate, to the delight of all his friends in the islands.

I did not always agree with the Delegate regarding legislation for the Territory of Hawaii. That was especially true regarding the matter of American shipping and the exclusion, under existing laws, of ships flying the flags of other countries. Happily, that legislation was never put into effect. The American ships running to the islands gradually increased in number and to-day represent a very efficient and effective force under the American flag.

I am happy to say that I was able repeatedly to help the Prince to get through legislation that his people really wanted. It was always a delight to talk over matters with him regarding various situations affecting the welfare of the islands.

He was, indeed, a very earnest and able advocate of those who had honored him by electing him as their Delegate to Congress.

At the announcement of his death the many Members who had become thoroughly acquainted with him during the 20 years of his service here expressed profound sorrow on the occasion of his passing.

We say in this place and at this time as a further mark of affection and respect, "Aloha!"

The SPEAKER pro tempore. Is there any other gentleman present who desires to make remarks? If not, in accordance with the resolution heretofore adopted, the House stands adjourned until 12 o'clock noon to-morrow.

Accordingly (at 1 o'clock and 7 minutes p. m.) the House adjourned until to-morrow, Monday, January 8, 1923, at 12 o'clock noon.

SENATE.

MONDAY, *January 8, 1923.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, Thou art indeed good and gracious in all Thy dealings, and Thou art always ready to help us when crucial hours come and when anxiety presses. We ask that this day all shadows may be lifted and in the consciousness of Thine aid service may be rendered for the good of the country and to the glory of Thy name. In Jesus Christ we ask it. Amen.

The reading clerk proceeded to read the Journal of the proceedings of Saturday last, when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

PROPOSED CESSION OF CERTAIN WEST INDIA ISLANDS.

Mr. REED of Missouri. Mr. President, I gave notice that I would address the Senate on Wednesday next on the resolution which I offered regarding the West Indies. I ask unanimous consent that I may at the time of making the address display and place in front of the Vice President's desk certain maps where they may be seen by the Senate. I think the proceeding is a little out of the usual order and I thought I should ask permission of the Senate. The maps will be in the nature of an obstruction temporarily and I do not want to undertake to set them up without the permisssion of the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House disagreed to the amendments of the Senate to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CRAMTON, Mr. FRENCH, and Mr. CARTER were appointed managers on the part of the House at the conference.

PROPOSED SUMMER WHITE HOUSE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary to the President of the United States, transmitting, at the direction of the President, a letter from the Safe Deposit & Trust Co., of Baltimore, Md., executors of the estate of J. Wilson Leakin, deceased, relating to his bequest of $200,000 to buy land and erect a summer White House for the use of the President within automobiling distance of Washington, such legacy being contingent upon acceptance by Congress within 18 months from the death of the testator, which was referred to the Committee on Public Buildings and Grounds.

PETITIONS.

Mr. SHORTRIDGE presented a resolution adopted by the Fifty-fifth State Convention of Fruit Growers and Farmers of California, favoring the enactment of legislation to increase water-transportation facilities and for the encouragement of American shipping interests, which was ordered to lie on the table.

He also presented a resolution adopted by the board of directors of the San Diego (Calif.) Chamber of Commerce, favoring the passage of legislation providing for establishment of a minimum Regular Army of 150,000 enlisted men, which was referred to the Committee on Military Affairs.

REPORTS OF COMMITTEE ON CLAIMS.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3328) for the relief of Almeda Lucas (Rept. No. 995); and

A bill (S. 3988) for the relief of the estate of Thomas N. Avery (Rept. No. 996).

Mr. FRELINGHUYSEN (for Mr. ERNST), from the Committee on Claims, to which was referred the bill (S. 4114) for the relief of Bertha N. Rich, reported it with an amendment and submitted a report (No. 997) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 4288) to grant the consent of Congress for the special commission constituted by an act of the Legislature of Massachusetts to construct a bridge across the Merrimack River; to the Committee on Commerce.

By Mr. BALL:

A bill (S. 4289) granting a pension to Ellen T. Coughlin; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 4290) granting a pension to Mary F. Spurling; and

A bill (S. 4291) granting a pension to Thomas Hopkins (with an accompanying paper); to the Committee on Pensions.

By Mr. KENDRICK:

A bill (S. 4292) granting a pension to Mary Jordan (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH of Massachusetts:

A bill (S. 4293) granting a pension to John A. McNeil; to the Committee on Pensions.

A bill (S. 4294) for the relief of William F. Conlin; to the Committee on Military Affairs.

A bill (S. 4295) for the relief of A. T. Marix; to the Committee on Claims.

By Mr. JONES of New Mexico:

A bill (S. 4296) for the relief of the estate of P. F. McCanna; to the Committee on Indian Affairs.

By Mr. CAPPER:

A bill (S. 4297) granting an increase of pension to Emma G. Walker (with accompanying papers); to the Committee on Pensions.

FRANCIS E. BARNEY—WITHDRAWAL OF PAPERS.

Mr. MOSES. I ask unanimous consent for the withdrawal of the papers filed with the Committee on Military Affairs on the bill (S. 1692) to correct the military record of Francis E. Barney, no adverse report having been made thereon.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

DIESEL ENGINES ON SHIPPING BOARD VESSELS.

Mr. POMERENE. I send to the desk a resolution, and ask that it may be read for the information of the Senate.

The resolution (S. Res. 400) was read, as follows:

Resolved, That the United States Shipping Board be, and it is hereby, directed to send to the Senate the following information:

First. How many ships belonging to the United States Shipping Board are now equipped with Diesel engines, and how many of said ships can be thus equipped.

Second. Give best estimate as to the reasonable cost of equipping said ships per ship and as a whole with the best type of Diesel engine, and the reasonable increase in the value and salability of said ships when thus equipped.

Third. Give the best estimate as to the reasonable increase in speed of said ships when thus equipped, and state the number of trips per year between United States Atlantic ports and European ports which can be made by said ships under present equipment and when equipped with Diesel engines.

Fourth. State the saving of fuel capacity and the cost of fuel in the operation of said ships thus equipped as compared with the fuel capacity and the cost of coal or oil used as fuel under the present type of equipment.

Fifth. State what would be the increase in the cargo capacity per ship caused by said change in equipment.

Sixth. What, if any, saving in crew or wage cost of operation would be occasioned by said change?

Mr. POMERENE. I ask unanimous consent for the present consideration of the resolution.

Mr. JONES of Washington. May I ask the Senator a question? As I heard the resolution, I think the Shipping Board would probably be justified in concluding that the Senator desires to have the facts stated with reference to each individual ship. If that is the case, it would take a great deal of time.

Mr. POMERENE. No; that is not the purpose of it. I have understood that the information can readily be presented. I do not expect exact information, as if we were entering into a contract, but I want the Senate to have the information in connection with the consideration of the pending bill.

Mr. JONES of Washington. General information as to the advantages of the Diesel engine equipment, and so on?

Mr. POMERENE. That is it exactly.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

RETIRED RANK OF MARINE CORPS STAFF HEADS.

Mr. LODGE submitted an amendment intended to be proposed by him to the bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, which was referred to the Committee on Naval Affairs and ordered to be printed.

TRUTH IN FABRIC.

Mr. LODGE submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 799) to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven fabrics purporting to contain wool and in garments or articles of apparel made therefrom, manufactured in any Territory of the United States or the District of Columbia or transported or intended to be transported in interstate or foreign commerce, and providing penalties for the violation of the provisions of this act, and for other purposes, which was referred to the Committee on Interstate Commerce and ordered to be printed.

THE MERCHANT MARINE.

Mr. LADD submitted an amendment intended to be proposed by him to the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF AGRICULTURAL APPROPRIATION BILL.

Mr. KELLOGG submitted an amendment intended to be proposed by him to House bill 13481, the Agricultural appropriation bill, which was ordered to lie on the table and to be printed, as follows:

Strike out all after line 9, page 29, and insert the following:

"For the investigation and improvement of cereals, including corn, and methods of cereal production, and for the study and control of cereal diseases, including barberry eradication, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, $772,505: *Provided*, That $500,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate and $350,000 of said sum shall be allotted for expenditure in the States affected, and that no additional sum shall be expended in any State until it has, through State or local appropriations or through contributions of organizations or individuals, provided an equal amount: *Provided further*, That $10,000 of the said sum of $500,000 may be expended for investigations concerning dust-resistant wheat."

REPORT OF INTERCHURCH WORLD MOVEMENT ON STEEL STRIKE.

Mr. CALDER. Mr. President, I ask unanimous consent to have printed in the RECORD in 8-point type an article from today's New York Tribune, by Gilman Parker, which reviews a book just published by Marshall Olds on the report of the Interchurch World Movement on the steel strike. This book, I understand, entirely substantiates the Senate investigation of the steel strike and explains and exposes a new type of radical propaganda in the United States.

There being no objection, the article was ordered to be printed in the RECORD in 8-point type, as follows:

[From the New York Tribune, January 8, 1923.]

CHURCH STEEL STRIKE REPORT DECLARED OF RADICAL BIAS—FINDINGS OF 1920 QUERY FALSE, DISTORTED, SAYS ANALYST—FOSTER'S ASSOCIATE REVEALED AS AUTHOR—INVESTIGATION VEHICLE OF EXTREMIST PROPAGANDA, LEADERS NOW BELIEVE; COMMUNIST HAND SEEN.

(By Gilman Parker.)

The report of the Interchurch World Movement on the steel strike, which created a furore when made public in 1920, which since has been widely used in radical propaganda and which was a prominent cause of the ending of the movement itself, has been repudiated by leading former officials of the organization as a false, misleading, and prejudiced product of radicalism.

This disclosure was made in New York City yesterday by the release to the newspapers of the first copies of a book bearing the title "Analysis of the Interchurch World Movement Report on the Steel Strike," an exhaustive study of nearly 500 pages delving into every detail of the report, and purporting to expose, step by step, the baselessness of the charges, statistics, and other data contained in the document. Marshall Olds, a writer on economic subjects, is the author of the analysis. He was led to undertake the work about two years ago, when, in examining material for a series of articles for the New York Tribune on "The high cost of strikes," he discovered certain discrepancies in the interchurch report. From that time Mr. Olds devoted his entire attention to preparing the analysis.

SPONSORS OF REPORT BACK EXPOSÉ.

One point upon which Mr. Olds lays emphasis is that in preparing the analysis he was given the wholehearted cooperation of many of the interchurch movement's former officials, who, having the true facts as to the report brought to their attention, appeared eager to aid in undoing the harm it has caused.

A brief summary of the book's principal charges, all of them backed, according to the author, by voluminous evidence, follows:

1. That a very considerable number of the statistics and other data presented by the report, upon which its leading radical conclusions were founded, were distorted and erroneous.

2. That practically all evidence favorable to the steel companies, and easily available at the time the report was formulated, was deliberately omitted from the document.

3. That numerous of the statements made in the report's "rock-bottom affidavits," and similar material held up as of the greatest importance, were previously repudiated under oath by their makers in Senate committee hearings and elsewhere, and that a number of the affidavits themselves were supplied by James R. Maurer, president of the Pennsylvania State Federation of Labor and a well-known radical.

4. That many of the report's conclusions are, for all practical purposes, parallel with the leading declarations of a manifesto issued by the New York branch of the communist party—now outlawed—to the longshoremen on the occasion of their strike three years ago.

WRITTEN BY RADICAL.

5. That the report was written by Heber Blankenhorn, a Greenwich villager, according to the analysis, who was associated with numerous radicals and radical organizations, including William Z. Foster, supreme leader of the steel strike. Blankenhorn and Foster are associated in The Federated Press, recently investigated and condemned by the American Federation of Labor for revolutionary radicalism, and stated in communist reports to Moscow, seized at Bridgeman, Mich., by Government officials, to be supported by the communists.

6. That associated with Mr. Blankenhorn in preparing or supporting the report, directly or indirectly, were such well-known New York radicals and "liberals" as Robert W. Bruere, of the Bureau of Industrial Research; George Soule, of the Labor Bureau (Inc.); Roger Baldwin, of the American Civil Liberties Union; David J. Saposs, who was associated with L. A. K. Martens, the soviet emissary to the United States; and Mrs. D. Willard Straight. [Mrs. Straight, according to three gentlemen intimately associated with the movement, donated $50,000 to the movement, with the express provision that the money was to be used in the industrial department only. They stated that it was generally believed in the inner circles of the movement that the report was completed and published with this money.]

7. That in addition to the staff of field investigators who gathered material for the report, all termed radicals, some of the members of the commission of inquiry appointed to direct the work, most of them ministers, are strongly inclined toward radicalism. Bishop Francis J. McConnell, Methodist, the commission's chairman, is quoted as having said: "Whatever we do, we must keep alive in the church the spirit of prophetic radicalism; * * * a man had better say 1,000 wild things and get some good truth uttered." Bishop Charles D. Williams, Episcopal, is also criticized.

CHARGE "BORING FROM WITHIN."

8. That the report in its entirety represents a new type of radical propaganda, aiming to "bore from within" among religious and social organizations—in addition to utilizing such tactics in the first-line objective of the trade-unions—whether cloaked as "liberalism" or using some other guise.

The analysis begins with a foreword, with the opening statement from the pen of Dr. Jeremiah W. Jenks, research professor of government and public administration of New York University, who was a leading associate in the interchurch movement. This is in effect an apology for the fact that the report was produced, and even that the investigation which produced it was undertaken.

"From the very nature of their business," wrote Professor Jenks, "ministers of the Christian religion have not the training or the experience to make such an investigation, or even to plan and guide such an investigation. * * * Very many of us felt that for the Interchurch World Movement to attempt to intervene in this great strike was probably ill-advised."

There follows one of the most important features of the analysis, the leading statement of repudiation of the report by former officials connected with the movement. This is made by the Rev. William Hiram Foulkes, chairman of the executive committee, the movement's supreme body, which finally approved the report for publication.

CALLS EVIDENCE BIASED.

"I fear from what I have heard after the investigation had been made," reads the statement, "that some of the actual investigators were not as unprejudiced as they should have been and that, personally representing one side of the controversy, their testimony was, therefore, liable to be discounted."

Next is a statement from Stanley Went, a member of the interchurch movement's publicity department, quoting a letter written by him to Tyler Dennett, the department head, accompanying the original draft of the report, which had been given to Mr. Went to edit. Incidentally, Mr. Dennett is quoted later on in the book as declaring the report was "substantially as Mr. Blankenhorn wrote it." Mr. Went's letter follows:

"In accordance with your wishes, I have edited the accompanying steel report as lightly as seemed compatible with the end in view. That end, as I understand it, was to present the report in a form which should give the least possible impression of bias on the part of the investigating committee.

"I would a great deal rather the report was published in its original than its present form, for the bias of the original seems to me so patent that it would make it a comparatively easy matter to discredit the entire report. My feeling, after editing the report, is that even now I have used the pencil too lightly; but I have rather leaned over backward in a desire to

present the case of the commission (the commission of inquiry into the steel strike, mostly ministers, appointed by the interchurch movement for the investigation) as much as possible in the way the original writer thought that it should be presented."

FIRST EDITOR SUPPLANTED.

To this Mr. Went adds the following explanation:

"The activities of the Interchurch World Movement came to an end very soon after I had completed that first editing and my connection with the movement ceased. Subsequent editing was done by other hands."

[The "subsequent editing," it is shown further on in the book, was performed under the direction of Robert W. Bruere and his "liberal" Bureau of Industrial Research.]

The first chapters of the analysis deal with wages paid in the steel industry, with many tables of official Government statistics produced to shatter the contention of the interchurch report that "steel common labor has the lowest rate of pay of the trades for which there are separate statistics for laborers."

Example after example of the alleged distortion in the report's figures and arguments are given by Mr. Olds. For instance, the report makes it appear that the United States Steel Corporation had a one year's surplus in 1918 of $466,888,421, and again, in 1919, another one year's surplus of $493,048,201, whereas it is shown in the analysis that the 1918 surplus "represented the cumulative savings of 18 years," and that the 1919 figures were actually those savings plus $26,000,000, the total surplus for 1919.

AFFIDAVITS DECLARED FALSE.

Similarly, the analysis, by the presentation of sworn testimony given in the hearings of the Senate committee which investigated the steel strike, riddles the "rock-bottom affidavits" on which the report's charges of police brutality and abrogation of constitutional rights were based. A good example is in connection with the following excerpt from the interchurch report:

"At the very beginning of the strike charges of brutal assault and attacks were made by the strikers and their leaders against the State constabulary, the deputy sheriffs, and the company guards. The first audible protest against these violations from an outside person came from Father A. Kazinci, of Braddock, when he wrote to Governor Sproul and described in detail the assault of State troopers upon his people as they were coming out of church, and the driving of horses by the same State police upon little children as they were assembled in the school yard. Numerous charges of assaults and attacks were also brought out before the Senate committee."

The testimony of Father Kazinci before the committee, given months before and easily available to the compilers of the report, is cited by Mr. Olds, as follows:

"Senator McKELLAR. Have you seen any persons clubbed by the State constabulary?

"Father KAZINCI. No, sir; I have not.

"Mr. RUBIN (strikers' attorney). Have you seen them after they have been clubbed?

"Father KAZINCI. I have seen one.

"Mr. RUBIN. Describe the wounds.

"Father KAZINCI. He did not show me any of the wounds, but he told me about the incident."

As to the "driving of horses upon little children," Father Kazinci told the committee he "had it from the sisters," and went on to explain that he couldn't bring any of the latter to testify, because "they are under the jurisdiction of the authorities and not allowed to leave their convent without their permission."

In one instance, the analysis points out, the report changed the name of the man making an affidavit so that neither from its own index nor that of the Senate hearings could it be discovered that the "evidence" on which the affidavit was based had been repudiated months before.

The main conclusion of the analysis that the report was written and is now being used as a leading asset of radicalism in an extension to religious and social organizations of "boring from within" tactics is contained in an "afterword."

The VICE PRESIDENT. Morning business is closed.

CALL OF THE ROLL.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Broussard	Caraway	Curtis
Ball	Bursum	Colt	Dial
Bayard	Calder	Couzens	Dillingham
Borah	Cameron	Culberson	Ernst
Brandegee	Capper	Cummins	Fletcher
France	Ladd	Oddie	Spencer
Frelinghuysen	La Follette	Pepper	Stanley
George	Lenroot	Phipps	Sterling
Gerry	Lodge	Pomerene	Townsend
Glass	McCormick	Ransdell	Trammell
Hale	McCumber	Reed, Mo.	Underwood
Harris	McKellar	Reed, Pa.	Wadsworth
Heflin	McNary	Robinson	Walsh, Mass.
Johnson	Moses	Sheppard	Walsh, Mont.
Jones, Wash.	Nelson	Shields	Warren
Kellogg	New	Shortridge	Weller
Kendrick	Nicholson	Simmons	
Keyes	Norbeck	Smith	

Mr. CURTIS. I wish to announce that the junior Senator from Ohio [Mr. WILLIS] is necessarily detained on account of serious illness in his family.

Mr. LA FOLLETTE. I wish to announce that the Senator from Nebraska [Mr. NORRIS] is absent by reason of a death in his family. I will let this announcement stand for the day.

The VICE PRESIDENT. Seventy Senators having answered to their names, a quorum is present. The calendar under Rule VIII is in order.

MYSTIC SHRINE CONVENTION.

Mr. BALL. Mr. President, I ask unanimous consent for the immediate consideration of Order of Business No. 923, being Senate Joint Resolution 247.

Mr. WARREN. Mr. President, I inquire of the Senator from Delaware if that is a measure of an urgent character?

Mr. BALL. The joint resolution is of an urgent character. It is designed to provide increased police protection, and so forth, during the occasion of the convention of the Mystic Shrine to be held in Washington in the early part of June. The joint resolution authorizes an appropriation of $25,000. It is estimated that during the two weeks of the convention there will be at least 350,000 visitors in Washington and certainly 10,000 additional automobiles. The commissioners claim that they can not with their present force protect the citizenship of the District and the visitors who will be in attendance upon the convention.

Mr. WARREN. I shall not object to the consideration of the joint resolution if it will not lead to any extended debate.

Mr. FLETCHER. Is there any need for the joint resolution being considered at this particular time?

Mr. BALL. Mr. President, it is necessary that the joint resolution should be acted upon by the Senate at the earliest possible moment, for the reason that there will be but two or three more District days in the House of Representatives; and unless the joint resolution shall be passed soon, no opportunity will be afforded of considering it in the other body.

Mr. FLETCHER. I have no objection.

The VICE PRESIDENT. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 247) providing funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments in section 1, page 1, line 3, after the word "That," to strike out "$50,000" and insert "the sum of $25,000"; in line 4, after the word "hereby," to insert the word "authorized"; on page 2, line 6, after the word "commissioners," to strike out "There is hereby further appropriated the sum of $4,000, or so much thereof," and to insert "and authority is hereby given to use so much of said sum"; and in line 9, after the word "necessary," to strike out "payable as aforesaid," so as to make the section read:

That the sum of $25,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, payable in the same proportion as other expenses of the government of the District of Columbia are now paid from the revenues of the District of Columbia and the revenues of the United States, to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in the District of Columbia from the 25th day of May, 1923, to the 10th day of June, 1923, both inclusive, including the employment of personal services; the payment of allowances; traveling expenses; hire of means of transportation; and other incidental expenses in the discretion of the said commissioners; and authority is hereby given to use so much of said sum as may be necessary for the construction, rent, maintenance, and for incidental expenses in connection with the operation of temporary public convenience stations, first-aid stations, and information booths, including the employment of personal services in connection therewith, during said period.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

SECOND DEFICIENCY APPROPRIATION BILL.

Mr. WARREN. Mr. President, I ask unanimous consent for the present consideration of House bill 13615, being the second deficiency appropriation bill. It is a small bill in number of pages, and very few amendments have been reported by the committee. It will take, I think, but a short time to consider it.

The VICE PRESIDENT. Is there objection?

Mr. FLETCHER. Mr. President, there is so much confusion in the Chamber that I could not catch the request of the Senator from Wyoming, and I wish to ask, Do I understand that the Senator asks unanimous consent that the calendar may be laid aside and that the appropriation bill named by him may be now taken up?

Mr. WARREN. The appropriation bill for which I now ask consideration is one which may be called up at any time, as it has precedence.

Mr. LODGE. A motion to take up an appropriation bill is always in order.

Mr. WARREN. I wished to have the appropriation bill taken up and disposed of, if I could, because it will take, I think, only a short time, and then we may go to the calendar.

Mr. FLETCHER. Under the rule, this being Monday, it will require unanimous consent to lay aside the calendar, I take it. I am not disposed to raise an objection, but I do not know the attitude of other Senators in regard to the request. There is, however, one bill on the calendar in which I am very much interested, but it is pretty far down on the calendar, and I am not disposed to raise an objection in order to reach the bill. I think it will be reached at some time during the session. I am merely calling attention to the fact which I have stated, that I do not know the attitude of other Senators with reference to the consideration of the calendar; but, so far as I am concerned, I shall not enter any objection to the request of the Senator from Wyoming.

Mr. SMITH. May I ask the Senator from Wyoming for what appropriation bill he now asks consideration?

Mr. WARREN. It is the second deficiency appropriation bill. It involves some rather urgent matters. As stated, it is a short bill, and I hope there may be no objection to its consideration.

The VICE PRESIDENT. Is there objection?

Mr. KELLOGG. I do not wish to enter objection to the Senator's request, but could there be some arrangement whereby the calendar may be taken up later? There is a bill, though it is rather late on the calendar, and might not be considered even though the calendar were taken up this morning, as Senators might object to it, which is of vital importance, because it provides a new rule for the taxation of national banks, and unless it be passed at this session, at least to a considerable extent, the tax laws and tax systems of the States are going to be disrupted. If we may have an understanding as to when the calendar shall be taken up, I shall not object to the request of the Senator from Wyoming.

Mr. WARREN. Let me say to the Senator from Minnesota that I shall do everything I can to assist him in having the calendar taken up; but as the appropriation bill, as I have stated, is a rather short bill and will have to go to conference for consideration in order to clear the way for the consideration and passage of other appropriation bills, I hope there may be no objection to its consideration.

Mr. KELLOGG. I shall not object to the consideration of the bill.

Mr. SMITH. May I ask the Senator from Wyoming if it is his intention as soon as the bill is disposed of that we may revert to the calendar?

Mr. WARREN. So far as I am concerned, I hope that may be done.

Mr. SMITH. The Senator from Wyoming, as I understand, does not anticipate any difficulty in passing the bill, there being no controversial matters involved?

Mr. WARREN. I hope not. I do not know of any controversial items, because they are all House items with the exception of additions which have been made for the payment of judgments and audited accounts, and a few Senate items added by the Senate committee, aggregating only $234,835.08 altogether, $7,500 of which amount is for the payment of the widow of a deceased Senator.

Mr. SMITH. If it is understood that as soon as the appropriation bill is disposed of we shall have an opportunity to go to the calendar and consider certain important measures, so far as I am concerned, I shall not object.

Mr. JONES of Washington. I wish to say that, so far as I am concerned, having charge of the shipping bill, if the appropriation bill be now taken up and disposed of promptly, I shall be disposed to allow the unfinished business when 2 o'clock comes to be laid aside temporarily, so as to give some additional time for the consideration of bills on the calendar, so that nothing will be lost at any rate out of the two hours.

Mr. SMITH. That is all right.

The VICE PRESIDENT. Without objection, it is so ordered; and the Chair lays before the Senate the appropriation bill the consideration of which is asked for by the Senator from Wyoming.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. WARREN. Mr. President, the pending bill is not a long one, and I hope it may not be necessary to read it twice. So I now ask that the formal reading of the bill may be dispensed with, and that the bill may be read for amendment, committee amendments to be first acted on.

The VICE PRESIDENT. Without objection, it is so ordered.

The Secretary proceeded to read the bill.

Mr. LODGE. Mr. President, I ask the chairman of the Committee on Appropriations, as I am obliged to leave the Senate in a few moments, if he will permit me at this time to offer an amendment which is purely verbal, and which, if adopted, will not affect any appropriation or change the law, but which is intended to make the present language of the bill more clear?

Mr. WARREN. I yield to the Senator from Massachusetts for that purpose.

Mr. LODGE. On page 17, line 15, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment proposed by the Senator from Massachusetts will be stated.

The READING CLERK. On page 17, line 15, it is proposed to strike out the words "prior year claims, fiscal year 1922" and to insert in lieu thereof "fiscal year 1922 claims and prior year claims," so that the clause as amended will read:

For refunding taxes illegally collected under the provisions of sections 3220 and 3689, Revised Statutes, as amended by the act of February 24, 1919, including the payment of fiscal year 1922 claims and prior year claims, $42,430,000.

Mr. FLETCHER. Mr. President, do I understand that the Senator from Massachusetts is offering what has just been read at the desk as an amendment?

Mr. LODGE. I have asked unanimous consent to do so. The amendment merely makes a verbal change; it proposes no alteration in the amount and no alteration of the law. As the bill now stands, it seems to me that the language is very blind and does not express what it is undoubtedly intended to mean.

Mr. WARREN. The clause proposes to refund internal revenue taxes which may have been illegally collected. That is its entire object.

Mr. FLETCHER. Do I understand that the amendment now proposed by the Senator from Massachusetts is acceptable to the Senator from Wyoming, representing the committee?

Mr. WARREN. It is entirely agreeable to the committee.

Mr. LODGE. My amendment merely proposes a verbal change.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

The VICE PRESIDENT. The Secretary will proceed to read the bill.

The reading clerk proceeded to read the bill.

The first amendment of the committee was on page 2——

Mr. FLETCHER. I ask that the bill may be read. We have dispensed with the formal reading of the bill, but it ought to be read now for amendment.

The VICE PRESIDENT. The Secretary is reading the bill for amendment and was reading the first committee amendment.

Mr. FLETCHER. I have not heard the Secretary read the bill at all. Has the Secretary read the bill from the beginning?

The VICE PRESIDENT. He has read it.

Mr. WARREN. Does the Senator from Florida ask that the bill may be read before any of the amendments are acted upon?

Mr. FLETCHER. We have not dispensed with the reading of the bill.

Mr. WARREN. I am not disposed to object, if the Senator wishes it read, but I think it would expedite business if the bill is read only once.

Mr. FLETCHER. I have no objection to that procedure, but I do not think that we ought to skip to the committee amendments without reading the bill; that is all.

The READING CLERK. At the top of page 2, after line 1, under the head "Legislative," it is proposed to insert the following:

SENATE.

To pay Georgia Durham Watson, widow of Hon. Thomas E. Watson, late a Senator from the State of Georgia, $7,500.

The amendment was agreed to.

The next amendment was, on page 2, after line 5, to insert:

To enable the Secretary of the Senate to pay from the appropriation for 1923 for compensation of officers, clerks, messengers and others, to Anna Dawson for services as clerk rendered the Hon. SMITH W. BROOKHART, a Senator from the State of Iowa, from November 10, 1922, to December 1, 1922, at the rate of $2,500 per annum and additional compensation at the rate of $240 per annum.

The amendment was agreed to.

Mr. HEFLIN. Mr. President, a few days ago I called to the attention of the Senate and the country the fact that the Debt Funding Commission provided for by Congress was composed of five partisan Republicans; that the Democrats were not represented at all upon that commission; and that this was unfair not only to the Democratic Party but to the whole people of the United States. It is a violation of a custom that has long obtained with both parties in Congress. I see in the Washington Post this morning that the debt envoys of Great Britain are in the city and that the United States commission is to hold its first session with these envoys to-day.

Mr. President, the Senator from Georgia [Mr. HARRIS] has a bill pending which provides for the appointment of Democratic members upon this commission. When I raised this question before, the Senator from Georgia, who is urging action upon his bill, stated that he thought some of the members of the Finance Committee were favorable to his bill, but that the chairman of that committee, the Senator from North Dakota [Mr. MCCUMBER], was absent at the time. I observe that he has returned to the city, he has been in the Chamber this morning, and I want to know of the chairman of that committee what is being done with regard to taking favorable action upon the bill of my friend the Senator from Georgia. I am going to discuss it briefly now, and on to-morrow morning I will discuss it again. I urged the appointment of Democratic representation upon that commission at the time the commission was created, and I am now heartily in favor of the bill of the Senator from Georgia. The Senator from Georgia is entitled to know, I am entitled to know, and other Democrats here and elsewhere are entitled to know, and the whole people are entitled to know whether five partisans of any party are going to be permitted to sit behind closed doors and carry on negotiations regarding the $12,000,000,000 debt owed to the American people.

Mr. President, on the Committee on Appropriations—one of the standing committees of the Senate—which appropriates the money of the people for various purposes, there are 10 Republicans and 6 Democrats. Even on the Committee to Audit and Control the Contingent Expenses of the Senate there are three Republicans and two Democrats. On the Committee on Expenditures in the Executive Departments there are four Republicans and three Democrats. On the Committee on Finance, which has the consideration of measures that tax the American people and impose a tax upon consumption, there are 10 Republicans and 6 Democrats. I submit to the Senate and to the country, if the Senate recognizes the importance of appointing Democrats on the committee that looks after the contingent expenses of the Senate and if it appoints Democrats on the committee that appropriates the money of the people for various purposes and if it appoints Democrats upon the committee that has to do with taxing the American people, why should we not have representation upon a commission that is to consider what shall be done with an indebtedness of $12,000,000,000 owed to the American people?

Mr. President, this money came from the body of the people generally. As I said before, Democrats and Republicans contributed to this fund. That money has been loaned to foreign countries; and when the Republican Congress came to consider a commission to handle this matter it appointed five Republicans and not a single Democrat. I protested against that action at the time. I submit that it is unfair, it is unjust to deny the Democrats representation upon that commission. The Republican Party has already suffered for its conduct in that matter. It suffered for it in the last election. I never discussed anything upon the stump in the States in which I spoke that seemed to me to arouse the people more than the unfairness and the partisanship displayed by the Republican Party in appointing this debt commission. I asked the people who heard me, as I am going to ask the Senate and the country to-day, what right has any political party in control of this Government to arrogate to itself the authority to handle an indebtedness of billions of dollars owed to the whole American people, to have its partisans sit behind closed doors and carry on whispered conversations as to propaganda that may be carried on in order to educate the people of the United States into a frame of mind favorable to debt cancellation? I think the desire to cancel the debt is at the bottom of this one-sided commission provided for by this Republican Congress. I think things are going on behind the screen that they do not want the Democrats to know.

If that is not true, why should we not have representation upon that commission? What reason is there for not appointing some Democrats on that commission? We are part and parcel of this great country. I want to repeat that if President Wilson had been in the White House and the Democrats had been in control of Congress, and we had appointed five Democrats to handle that debt of $12,000,000,000, we never would have heard the last of it from the other side of this Chamber. They are not going to hear the last of it soon in this Chamber unless they right the wrong they have done in this matter.

Mr. President, the people of the United States are tax burdened and debt ridden. They are entitled to have this money that is owed to us by foreign countries collected, or certain parts of it, as soon as possible, so as to reduce taxes here and relieve our own people. These people are vitally concerned. This is their Government. This money belongs to them, and they ought to be heard in the matter as to who shall sit in judgment upon these negotiations; but they are not heard. Nobody but Republicans sit on that commission. The Secretary of the Treasury, the Secretary of State, the Secretary of Commerce, and the ranking member of the Finance Committee of the Senate—the man who will be the next head of the tariff committee, who supported the most obnoxious and oppressive tariff bill ever passed through this body—are sitting behind closed doors upon this commission, and an ex-Senator, Representative BURTON, a very clever gentleman, is the member of the House—five in all, and not a single Democrat upon the commission!

I rose this morning to protest against such partisan conduct. I am going to continue to protest against it, and I serve notice on the other side now that I am going to continue to inquire what is the purpose of that side with regard to this matter. We are entitled to have representation upon that commission. I insist that we have it, and, in hearty cooperation with the Senator from Georgia, I call upon the Committee on Finance to report out his bill, and if that is not done we will on to-morrow take steps to discharge it from the further consideration of the bill that is now before it and ask to have it brought before the Senate for immediate consideration.

The VICE PRESIDENT. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the head "Executive Departments," in the items for the Forest Service, Department of Agriculture, on page 5, line 11, before the word "motor," to strike out "gasoline"; so as to read:

FOREST SERVICE.

To enable the Secretary of Agriculture to purchase a motor boat in the administration of the Alaskan forests to replace boat sunk by striking rocks in Sumner Strait, $8,500.

The amendment was agreed to.

The reading was continued to line 18, page 10, the last paragraph read being as follows:

Salaries and expenses of clerks, United States district courts: For salaries of clerks of United States district courts, their deputies, and other assistants, expenses of travel and subsistence, and other expenses of conducting their respective offices, in accordance with the provisions of the act approved February 26, 1919, fiscal year 1922, $10,177.49.

Mr. TRAMMELL. While we are considering this paragraph of the bill, I would like to ask the chairman of the committee if he has considered the question of making an increase in the per diem allowance of deputy clerks and deputy marshals of the courts. Considerable complaint has been made to me in regard to that. It is complained that under the present high cost of living, and with the excessive hotel expenses, these men have not sufficient with which to meet their necessary expenses when they are away from their headquarters. Has that question been brought to the attention of the committee?

Mr. WARREN. Whatever could be done with that has been taken care of in the State and Justice appropriation bill, which passed very lately. It would not belong in this bill at all, because the appropriations for the future are in that bill.

Mr. TRAMMELL. I desired to bring it to the attention of the chairman of the committee, because I have had considerable complaint brought to my attention in regard to it.

Mr. CURTIS rose.

Mr. WARREN. The Senator from Kansas [Mr. CURTIS] had charge of the State and Justice appropriation bill.

Mr. CURTIS. That matter was reported upon by the Department of Justice, and was taken care of in the Department of Justice appropriation bill, which was passed recently. It will take effect July 1 next.

Mr. TRAMMELL. I thank the Senator.

The reading of the bill was continued.

The next amendment was, under the subhead "Postal Service, Office of the Postmaster General," on page 14, line 20, to increase the appropriation for payment of rewards for the detection, arrest, and conviction of post-office burglars, robbers, and highway mail robbers, fiscal year 1921, from "$7,750" to "$17,500."

The amendment was agreed to.

The next amendment was, at the top of page 17, to insert:

INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND MEXICO.

To enable the President to perform the obligations of the United States under the treaties of 1884, 1889, 1905, and 1906, between the United States and Mexico, including not to exceed $900 for rent, in addition to the amount appropriated under this head in the act making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1923, $3,985.

The amendment was agreed to.

The reading was continued to line 18, page 17, the last paragraph read being as follows:

TREASURY DEPARTMENT.

BUREAU OF INTERNAL REVENUE.

For refunding taxes illegally collected under the provisions of sections 3220 and 3689, Revised Statutes, as amended by the act of February 24, 1919, including the payment of prior year claims, fiscal year 1922, $42,430,000: *Provided*, That a report shall be made to Congress of the disbursements hereunder as required by the act of February 24, 1919.

Mr. WARREN. The amendment offered by the Senator from Massachusetts [Mr. LODGE] in the early part of the consideration of the bill, and agreed to, comes in at this place.

Mr. TRAMMELL. Mr. President, I desire to ask what constitutes the major portion, at least, of this appropriation made for refunding forty-two million and odd dollars on account of illegal income-tax collections. Will the Senator give a little information on the subject?

Mr. WARREN. That is an accumulation of claims against the department which are constantly arising and which under the law must be paid. We are also constantly collecting taxes in cases where the returns were incorrectly given. For instance, we are collecting from $20,000,000 to $25,000,000 a month additional on prior years' levies. On the other hand, there is the matter of refunds, and this is for an accumulation of illegally paid taxes, largely those paid before the Supreme Court had held unconstitutional the regulation of the department in regard to stock dividends.

Mr. TRAMMELL. That probably constitutes a considerable part of this $42,000,000.

Mr. WARREN. It does, although this covers a matter of some years. This is simply to carry out a law already in existence.

Mr. TRAMMELL. Mr. President, I was apprehensive that this refund of $42,000,000 embraced very largely payments made under the stock-dividend provision of the law, whereby the large corporate interests of this country have evaded payment to the Government, in my opinion, of their just proportionate part of the expenditures of the Government. As far as the committee's action is concerned, of course it is in keeping with the decision of the Supreme Court.

This brings to mind something that has been going on in this country during the last six or eight weeks. We have noticed corporation after corporation converting their incomes into stock dividends, and of course there have been all kinds of reasons given as to why they did so, but one reason stands out paramount—that is, that they are evading the payment of income taxes. While everybody else in this country is required to contribute to the support of the Government on the basis of his income, the big corporate interests of the country are evading the payment of their just proportion of the income taxes. Most of these stock dividends constitute bold, brazen cases of tax dodging.

I read some figures yesterday in regard to this in the Literary Digest, and I regret that I have not the copy with me to present to the Senate. Those figures show the enormous dividends declared by a great many of the corporations of the country, which have been distributed in the way of stock dividends. Regardless of the decision of the Supreme Court, and in justice and in equity, Congress should enact laws which would reach that form of income, and make the interests which are carrying on business that is prosperous, the percentages running into the thousands of per cent of income, contribute their part of the taxes upon their incomes.

To me it is indefensible that we have a system of taxation which permits such evasion of the law on the part of those who in this way are dodging the income tax law. An individual may own a mercantile establishment, for instance, and have $50,000 invested in that establishment. He enjoys a prosperous year and accumulates $25,000 in the business. There is no way by which he can evade paying an income tax upon his net proceeds of $25,000, a return upon his investment. If he decides to enlarge or extend his business and will invest $25,000 in a building, so that he may have enlarged facilities for the purpose of maintaining that business, there is no way by which he can distribute to himself that $25,000 for betterments or for improvements without paying his income tax upon that amount.

A man who maintains his farm or his grove may have had a prosperous year. Upon an investment of $50,000 he accumulates $10,000 net. He says, "I believe I will add a few acres to my farm. I will extend and enlarge my farming operations. I am going to put this money back in the business. It is true it will contribute a little to my increased holdings. I am going to plant a little additional growth and add a few acres to my present holdings." There is no way in which he can distribute that to himself without paying an income tax upon it. Why the discrimination? The system that permits it is all wrong.

If we are hedged about by constitutional provisions so that there is an avenue of escape for the most prosperous concerns in the country by declaring stock dividends, then we need a constitutional amendment so that such procedure may be rendered impossible and that there can not be an evasion of the income tax law or the intent of it as written by the Congress. I am a little afraid that we are not quite as zealous, at least some are not, to make those who are best able to pay and who are most prosperous in the country pay their part of the tax burden as we are to reach those who are less able to pay and who are less prosperous. It seems to me there is a drift and tendency along that line, regrettable as it is and destructive as it is to the advancement and fostering of a prosperous and happy people and a just government. Here we have a bill appropriating $42,000,000 to be refunded for taxes illegally collected. I do not know the exact proportion, but I dare say a very large proportion of it is to be used for the purpose of refunding to those who have dodged the payment of their income taxes under the guise of stock dividends or some other nefarious scheme of that character. I think if we have not a law that will reach them then we should enact one or, if necessary, we should have a constitutional amendment.

Mr. SMITH. Mr. President, I wish to ask the chairman of the committee if he has any information from the Treasury Department as to the probable losses in revenue to the Treasury Department by virtue of the action of the Supreme Court on the stock-dividend proposition?

Mr. WARREN. I recall that it was stated at the time that it would amount to many millions—$40,000,000 or $50,000,000, or more—but I have not inquired. I think it would be rather difficult for the Treasury to give the exact amount. A great many of the smaller items have not been paid, and of course small corporations as well as large corporations were swept into it. It affected small corporations with their small capitalization, or where they were undercapitalized, as well as the larger corporations.

Mr. SMITH. The reason why I asked the question was that I have seen it stated several times that the Secretary of the Treasury had estimated that the loss in revenue to the Government would be up in the hundreds of millions of dollars, and I wanted to find out from the chairman of the committee if there had been any statement made to the committee or to him as to the probable reduction in revenue caused by the decision of the Supreme Court.

Mr. WARREN. Judging from the amounts we have appropriated to pay the adjusted claims, and I understand they have been working on them continuously, there would not be the amount the Senator has named. We have not believed that we could get the exact figures, and I do not think we could now; hence we have not asked for them, and have simply taken notice of such claims as have been adjudicated and appropriated therefor.

Mr. SMITH. Are all the claims up to date under that decision of the Supreme Court included in this deficiency bill?

Mr. WARREN. It includes only those that it would cover because of the manner in which those additions to capital

were made. There have been recently a very great many stock dividends declared, but those are not taxed, and consequently we have nothing to do with them.

Mr. SMITH. This is the point I was getting at: In the years previous to the decision of the Supreme Court the dividends and surpluses were taxed. Does the $42,000,000 or a percentage of it include all? I understood the chairman to say the larger per cent was to meet the rebate that had to be made under the decision of the Supreme Court. Or has the Treasury Department settled any of the claims outside of those covered by the deficiency bill now before us?

Mr. WARREN. They had the privilege of settling some of the older ones; that is, to allow the use of the overpayment as an offset against new taxes. For instance, when the decision of the Supreme Court was rendered, there probably were individuals who owed for a year's taxes then due, and they were allowed, by virtue of certain legislation which we enacted, to take that amount out of the current taxes due, but these present items of course are sweeping up those which occurred perhaps 10 or 12 years ago and before the decision of the court.

Mr. SMITH. Whatever per cent of this sum represents the rebate required by the decision of the Supreme Court does not nearly represent the total amount that had to be refunded, as the Senator has just indicated, by the process of taking it from the current taxes that the corporation might owe. They just deducted whatever had been collected adversely to the decision of the court.

Mr. WARREN. Yes; for that short time.

Mr. SMITH. So the $42,000,000 does not represent the total loss?

Mr. WARREN. No; the $42,000,000 must not be understood as in correction of the stock-dividend proposition entirely. I said "a large part." The Senator said "the larger part." I think he would better adopt my language, "a large part," as I intended to state it. There have been some appropriations heretofore, one of $12,000,000 or $15,000,000, and we shall probably have some more of them. The Senator is a good lawyer and he keeps posted, and knows when the decision of the Supreme Court came. There has been time enough since, with a large force of inspectors, to cover nearly all of the claims, unless there was some lack of industry on the part of the claimants.

Mr. SMITH. I think it would be very interesting to find out, if it is possible, and I think at some time in the future I shall officially——

Mr. WARREN. I think if the Senator himself would apply to the Secretary of the Treasury for the information, he would get it as nearly accurate as any of us could, and I think he has the same right.

Mr. SMITH. As I was about to remark, I shall, for the benefit of the Senate and the public, ask the Secretary of the Treasury to furnish us as nearly as he can the data as to the amount lost in the form of revenue by the action of the court in that decision.

The Assistant Secretary resumed the reading of the bill.

The next amendment of the Committee on Appropriations was, under the heading, "Judgments, United States courts," on page 19, after line 18, to insert:

For payment of the judgment rendered against the United States by the District Court of the United States for the Eastern District of Virginia, sitting in admiralty, and certified to Congress in House Document No. 527 of the present session, under the Navy Department, $20,000.

The amendment was agreed to.

The next amendment was, under the heading "Judgments, Court of Claims," on page 20, line 4, after the word "House," to strike out "Document No. 502" and insert "Documents Nos. 502 and 526," so as to read:

For payment of the judgments rendered by the Court of Claims and reported to Congress during the present session in House Documents Nos. 502 and 526, namely.

The amendment was agreed to.

The next amendment was, on page 20, line 8, to increase the appropriation for payment of the judgments rendered by the Court of Claims under the Navy Department from "$37,996.44" to "$40,283.78."

The amendment was agreed to.

The next amendment was, on page 20, line 11, to increase the appropriation for payment of the judgments rendered by the Court of Claims under the War Department from "$136,899.60" to "$217,872.73."

The amendment was agreed to.

The next amendment was, on page 20, line 12, to increase the total appropriation for payment of judgments rendered by the Court of Claims from "$612,033.95" to "$695,294.42."

The amendment was agreed to.

The next amendment was, at the top of page 35, to insert the following additional section:

AUDITED CLAIMS.

SEC. 3. That for the payment of the following claims, certified to be due by the General Accounting Office, under appropriations the balances of which have been exhausted or carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874, and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1920 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884, as fully set forth in House Document No. 528, reported to Congress at its present session, there is appropriated as follows:

INDEPENDENT OFFICES.

For salaries and expenses, United States Food Administration, $11.36.
For housing for war needs, $975.
For Interstate Commerce Commission, $3.50.
For fuel, lights, etc., State, War, and Navy Department buildings, $2.59.
For vocational rehabilitation, Veterans' Bureau, $45.

DEPARTMENT OF AGRICULTURE.

For general expenses, Bureau of Plant Industry, $1.23.
For general expenses, Bureau of Chemistry, $13.11.
For suppressing spread of pink bollworm of cotton, $20.

DEPARTMENT OF COMMERCE.

For general expenses, Lighthouse Service, $9.
For salaries, keepers of lighthouses, $40.45.

DEPARTMENT OF THE INTERIOR.

For maintenance, House Office Building, $3.25.
For irrigation, Indian reservations (reimbursable), $15.
For Indian school and agency buildings, $30.50.
For purchase and transportation of Indian supplies, $42.61.
For pumping plant, Colorado River Reservation, Ariz. (reimbursable), $129.
For support of Sioux of different tribes, subsistence and civilization, South Dakota, $2.13.

DEPARTMENT OF JUSTICE.

For fees of jurors, United States courts, $33.

DEPARTMENT OF LABOR.

For war emergency employment service, $2.20.

DEPARTMENT OF STATE.

For transportation of diplomatic and consular officers, $457.36.
For clerks at embassies and legations, $148.13.
For contingent expenses, foreign missions, $273.18.
For allowance for clerks at consulates, $93.86.
For contingent expenses, United States consulates, $23.92.
For relief and protection of American seamen, $1,036.21.
For national security and defense, Department of State, $189.62.

TREASURY DEPARTMENT.

For contingent expenses, Treasury Department: Fuel, etc., $80.04.
For expenses of loans, act September 24, 1917, as amended, $1.14.
For refunding internal-revenue collections, $1,000.
For salaries and expenses of collections, etc., of internal revenue, $6.40.
For restricting the sale of opium, etc., $9.95.
For allowance or drawback (internal revenue), $341.40.
For Coast Guard, $45.90.
For freight, transportation, etc., Public Health Service, $3.40.
For maintenance, marine hospitals, Public Health Service, 24 cents.
For mechanical equipment for public buildings, $7.90.
For operating supplies for public buildings, $133.81.
For repairs and preservation of public buildings, 15 cents.

WAR DEPARTMENT.

For increase of compensation, Military Establishment, $1,769.08.
For registration and selection for military service, $89.10.
For Signal Service of the Army, $1,031.35.
For Air Service, Army, $84.62.
For pay, etc., of the Army, $718.93.
For mileage to officers and contract surgeons, $54.18.
For general appropriations, Quartermaster Corps, $79,640.63.
For barracks and quarters, $972.44.
For vocational training of soldiers, $216.05.
For supplies, services, and transportation, Quartermaster Corps, $15,025.87.
For medical and hospital department, $474.
For engineer operations in the field, $400.02.
For ordnance stores, ammunition, $13.73.
For ordnance stores and supplies, 29 cents.
For arming, equipping, and training the National Guard, $425.86.
For fortifications in insular possessions, $7.50.
For armament of fortifications, $1,420.36.
For proving-ground facilities, $23.10.
For increase of compensation, rivers and harbors, $202.97.

POST OFFICE DEPARTMENT—POSTAL SERVICE.

For city-delivery carriers, $168.28.
For clerks, first and second class post offices, $15.73.
For compensation to postmasters, $127.45.
For railroad transportation, $1,734.07.
For rent, light, and fuel, $33.
For Rural Delivery Service, $237.76.
For shipment of supplies, $34.50.
For temporary clerk hire, $68.40.
For temporary City Delivery Service, $118.80.
Total, audited claims, section 3, $110,339.61.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. LADD in the chair). This completes the committee amendments as printed in the bill.

Mr. WARREN. I ask for the adoption of the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 2, after line 5, insert the following paragraph:

For an assistant clerk to the Committee on Appropriations at the rate of $3,000 per annum, from January 1, 1923, to June 30, 1924, both dates inclusive, $4,500.

The amendment was agreed to.

Mr. WARREN. I send to the desk another amendment which I ask may be adopted.

The PRESIDING OFFICER. The amendment will be read.

The ASSISTANT SECRETARY. On page 19, after line 4, insert the following separate paragraph:

For payment of claims for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army that have accrued, $85,692.17: *Provided*, That settlement of such claims shall have been made by the General Accounting Office upon the approval and recommendation of the Secretary of War where the amount of damages has been ascertained by the War Department and payment thereof will be accepted by the owners of the property in full satisfaction of such damages: *Provided further*, That this amount shall be available exclusively for the payment of claims in excess of $500 which have been approved and recommended by the Secretary of War.

The amendment was agreed to.

Mr. WARREN. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be read.

The ASSISTANT SECRETARY. On page 15, after line 2, insert the following paragraph:

For Pauline G. Swaim, widow of Albert W. Swaim, late consul to Hamilton, Bermuda, one year's salary of her deceased husband, who died while at his post of duty from illness incurred in the Consular Service, $4,500.

The amendment was agreed to.

Mr. WARREN. Mr. President, the amendment which I now intend to offer does not involve an appropriation but merely the correction of an account. I offer the amendment, knowing that it constitutes legislation, but I ask unanimous consent that it may be inserted in the bill because the account has been left in an unsettled condition, and the department desires that the legislation may be enacted.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wyoming will be stated.

The ASSISTANT SECRETARY. On page 15, to follow the first amendment after line 2, it is proposed to insert:

CONTINGENT EXPENSES, FOREIGN MISSIONS.

The general accounting officers are authorized to credit Boaz W. Long, in the settlement of his accounts as American minister to Salvador, with the sum of $2,819.50 or such amount as they may find due on account of furniture and equipment purchased from him in Salvador for the legation building erected by the United States Government at San Salvador, for which an account in the above-mentioned sum has been approved by the Department of State under "Contingent expenses, foreign missions, 1920."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. WARREN. I have, as a Senator, an amendment to offer which involves legislation but is in the direction of economy and efficiency. I send the amendment to the desk and ask unanimous consent for its consideration and for its adoption.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wyoming will be stated.

The ASSISTANT SECRETARY. On page 15, after the second amendment after line 2, it is proposed to insert:

The compensation of an ambassador to Cuba when hereafter appointed shall be in the sum of $17,500 per annum, and the salary appropriated for the fiscal years 1923 and 1924 for an envoy extraordinary and minister plenipotentiary to Cuba is hereby made available for the salary of an ambassador, and there is hereby appropriated for that purpose for the fiscal year 1924 the additional sum of $5,500: *Provided*, That the restrictions contained in section 1223, Revised Statutes, shall not apply in filling the existing vacancy at Habana, Cuba: *And provided further*, That the restrictions contained in the annual appropriation acts for the State and Justice Departments, fiscal years 1923 and 1924, pertaining to salaries of ambassadors and ministers, shall not apply in filling the vacancy at Habana, Cuba.

The PRESIDING OFFICER. The question is on the adoption of the amendment proposed by the Senator from Wyoming.

The amendment was agreed to.

Mr. WARREN. The amendment just adopted is the last one I desire to propose. The bill is now with the Senate, so far as the committee is concerned.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no further amendment, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CALL OF THE ROLL.

Mr. WARREN. Mr. President, I suggest the absence of a quorum in order that Senators who wish to be present when the calendar is considered may come into the Chamber.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Bayard	George	La Follette	Shields
Borah	Gerry	McCormick	Simmons
Brandegee	Glass	McCumber	Smith
Calder	Hale	McKellar	Spencer
Cameron	Harreld	McLean	Sterling
Capper	Harris	McNary	Sutherland
Colt	Heflin	Nelson	Townsend
Couzens	Johnson	New	Trammell
Culberson	Jones, N. Mex.	Norbeck	Wadsworth
Curtis	Jones, Wash.	Oddie	Walsh, Mont.
Dial	Kellogg	Phipps	Warren
Ernst	Kendrick	Reed, Pa.	Weller
Fernald	Keyes	Robinson	Williams
Fletcher	Ladd	Sheppard	

The PRESIDING OFFICER. Fifty-five Senators having answered to their names, a quorum of the Senate is present.

THE CALENDAR.

Mr. JONES of Washington. Mr. President, I suggest that we proceed with the consideration of bills on the calendar.

The PRESIDING OFFICER. The calendar under Rule VIII is in order. The Secretary will state the first bill on the calendar.

SERVICE CLAIMS IN NAVY AND MARINE CORPS.

The bill (S. 1016) to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the act entitled "An act to repeal section 3480 of the Revised Statutes of the United States," approved July 6, 1914, be amended by adding after the word "Army" the words "Navy, and Marine Corps."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 491) to provide, without expenditure of Federal funds, the opportunities of the people to acquire rural homes, and for other purposes, was announced as next in order.

Mr. WADSWORTH. I ask that that bill may be passed over.

The PRESIDING OFFICER. Under objection, the bill will be passed over.

The bill (S. 7) to amend the act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers in the District of Columbia," approved February 4, 1913, was announced as next in order.

Mr. NEW. Mr. President, in the absence of the Senator who introduced the bill and the Senator who reported it from the committee, I suggest that the bill should go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2228) to amend certain sections of the Judicial Code relating to the Court of Claims was announced as next in order.

Mr. NELSON. Mr. President, the Senator from Tennessee [Mr. SHIELDS] desires to offer an amendment to this bill, and he has it over at his office. I therefore ask that the bill be temporarily laid aside, and that it may be taken up afterwards, at the convenience of the Senator from Tennessee.

The PRESIDING OFFICER. Without objection, the bill will be temporarily passed over.

The bill (H. R. 8331) to amend the transportation act, 1920, and for other purposes, was announced as next in order.

Mr. WALSH of Montana. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

TRANSPORTATION OF DEPENDENTS OF ARMY FIELD CLERKS, ETC.

The joint resolution (S. J. Res. 41) authorizing transportation for dependents of Army field clerks and field clerks, Quartermaster Corps, was considered as in Committee of the Whole.

The PRESIDING OFFICER. This joint resolution has been previously read and considered. It is before the Senate as in Committee of the Whole and open to amendment.

The joint resolution was reported to the Senate without amendment.

Mr. FLETCHER. Mr. President, may I ask the Senator from New York if he feels that this measure is important now?

Mr. WADSWORTH. It has been pending on the calendar for a long time. It was reported unanimously by the Military Affairs Committee.

Mr. FLETCHER. I know that at one time it was considered important.

Mr. WADSWORTH. It puts the field clerks on the same basis as officers and enlisted men as to travel allowances.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

LEASE OF FLOATING DRY DOCK.

The bill (S. 2718) to provide for leasing of the floating dry dock at the naval station, New Orleans, La., was announced as next in order.

Mr. CALDER. I ask that that go over.

The PRESIDING OFFICER. The bill will be passed over.

RETIREMENT OF PUBLIC-SCHOOL TEACHERS.

The bill (S. 2589) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia, approved January 15, 1920," be, and it hereby is, amended to read as follows:

"SEC. 11. That the provisions of this act shall apply to all teachers who were on the rolls of the public schools of the District of Columbia for the month of June, 1919, if otherwise eligible, and to any teachers who, having reached the age of 45, or who, having taught continuously for 15 years in the public schools of the District of Columbia, and by reason of accident or illness, not due to vicious habits, having become physically or mentally disabled and incapable of satisfactorily performing the duties of teacher, resigned from service or was placed upon an inactive list by the board of education on or before June 1, 1919, if otherwise eligible."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 67) for the relief of the heirs of Adam and Noah Brown was announced as next in order.

Mr. DIAL. Let that go over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1539) for the relief of Watson B. Dickerman, administrator of the estate of Charles Backman, deceased, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

CAPT. DAVID M'D. SHEARER.

The bill (S. 1861) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the claim of Capt. David McD. Shearer for compensation for the adoption and use by the Government of the United States of certain inventions relating to reinforced concrete revetment and construction and laying of same, made by said David McD. Shearer, and for which letters patent of the United States Nos. 1173879, 1173880, and 1229152 were issued to him, be, and the same is hereby, referred to the Court of Claims, which court is hereby vested with jurisdiction in the premises, and whose duty it shall be to hear and determine, first, whether the said David McD. Shearer was the first and original inventor of the inventions described in said letters patent or any of them; and if said court shall find that he was such first and original inventor of any of the same, then to determine, second, what amount of compensation, if any, he is justly entitled to receive from the United States for the use of his said inventions, or any of them, either before or since the date of said letters patent, up to the time of adjudication, and for a full and entire transfer of said several patents to the United States; and in determining the amount of compensation, if any, for the use of said inventions and transfer of said patents, the court shall take into consideration, as bearing on the question of reducing or increasing such compensation if and so far as the facts may warrant, the facts if proved that while the said David McD. Shearer was engaged in perfecting the inventions he was in the service of the United States as a junior engineer superintendent in charge of willow-bank revetment construction under the Mississippi River Commission, and whether and, if at all, to what extent said inventions, or any of them, were discovered or developed during the working hours of his Government service, and to what extent his said inventions for protection of river channels and banks differ from the methods previously used in material, method of laying, permanency, and value, and whether and, if at all, to what extent the expense of making experiments, trials, and tests for the purpose of perfecting said inventions was paid by the United States, and if any such expense was incurred by the United States whether and, if at all, to what extent the United States received compensation for such expense.

Either party may appeal to the Supreme Court of the United States upon any such question where appeals now lie in other cases arising during the progress of the hearing of said claim, and from any judgment in said case at any time within 90 days after the rendition thereof; and any judgment rendered in favor of the claimant shall be paid in the same manner as other judgments of the said Court of Claims; and the payment of such judgment shall vest the full and absolute right to said patents, and each of them, in the United States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION PASSED OVER.

The joint resolution (S. J. Res. 133) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. JONES of Washington. Mr. President, this joint resolution and the bill that follows it on the calendar could not be disposed of under this rule, so I ask that they may be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 14) providing for the election of a Delegate to the House of Representatives from the District of Columbia, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. At the request of the Senator from Washington, this bill will be passed over.

The bill (S. 2992) authorizing the Secretary of War to furnish certain information for historical purposes to the adjutant generals of the several States and the District of Columbia, and making an appropriation therefor, was announced as next in order.

The PRESIDING OFFICER. This bill has passed the Senate; and a motion to reconsider, entered by the Senator from Iowa [Mr. CUMMINS], is now pending.

Mr. JONES of Washington. As the Senator from Iowa is not here, I suggest that the bill go over without prejudice until the Senator from Iowa comes in. Possibly it may then be taken up.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3254) to encourage the development of the agricultural resources of the United States through Federal and State cooperation, giving preference in the matter of employment and the establishment of rural homes to those who have served with the military and naval forces of the United States, was announced as next in order.

Mr. FLETCHER. I think that bill will take more time than we will have in which to consider it.

Mr. McCUMBER. I ask that it may go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1343) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1345) to amend an act entitled "Interstate Commerce Act," approved February 28, 1920, was announced as next in order.

Mr. NEW. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1346) to amend an act entitled "An act to regulate commerce," approved February 4, 1887, and all acts amendatory thereof, including the safety appliance acts and the act providing for the valuation of the several classes of property of carriers subject to the Interstate Commerce Commission, approved March 1, 1913, was announced as next in order.

Mr. NEW. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF BANKRUPTCY ACT.

The bill (S. 2921) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. JONES of Washington. Mr. President, an amendment has been proposed to this bill by the Senator from Pennsylvania relating to one feature of the bill in which some people in my State are interested. I have sent a copy of the amendment to them, asking them if it is satisfactory, and I have not yet heard from them.

Mr. WALSH of Montana. Mr. President, I have on my desk a copy of the amendment offered by the Senator from Pennsylvania, and I shall ask that it be adopted, so far as I am concerned.

Mr. JONES of Washington. I will say to the Senator that I have sent this amendment to the parties who are interested, to get their views as to whether or not it meets the ideas that they have, and I think I shall hear from them in a very few days. If it is satisfactory, I shall have no objection whatever to the bill; but I shall have to ask the Senator to allow the bill to go over until I can hear from them.

The PRESIDING OFFICER. The bill will be passed over.

COOPERATIVE ORGANIZATIONS.

The joint resolution (S. J. Res. 188) creating a committee to investigate existing conditions of industry and commerce in the United States for the purpose of recommending to Congress legislation defining the rights and limitations of cooperative organizations as distinguished from illicit combinations in restraint of trade was announced as next in order.

Mr. FLETCHER and Mr. CALDER. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

PAIUTE INDIAN LANDS IN NEVADA.

The bill (S. 3384) authorizing an appropriation to meet proportionate expenses of providing a drainage system for Paiute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service was announced as next in order, and the Senate resumed its consideration.

The PRESIDING OFFICER. This bill has been heretofore considered as in Committee of the Whole, and reported to the Senate with certain amendments. The question is on concurring in the amendments made as in Committee of the Whole.

The amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER.

The bill (S. 171) to extend the provisions of the act of May 11, 1912, was announced as next in order.

Mr. WADSWORTH. Let the bill be read. I would like to have an explanation of it.

The bill was read.

Mr. DIAL and Mr. WADSWORTH. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over on objection.

The joint resolution (S. J. Res. 227) rejecting bids for the acquisition of Muscle Shoals was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (H. R. 13) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

TRADING IN COTTON FUTURES.

The bill (S. 3146) to amend section 5 of the United States cotton futures act was announced as next in order.

Mr. WADSWORTH. Mr. President, I think it would be quite impossible to dispose of that bill to-day. I do not rise in hostility to it, but I think the Senator from South Carolina [Mr. DIAL] will admit that it can not be disposed of to-day on the call of the calendar. There is an adverse report on the bill from the Committee on Agriculture and Forestry.

Mr. DIAL. The adverse report does not amount to much, and I would like to wipe it out; it is based on a false premise. However, the consideration of the bill may take a little time, and I am willing that it should be passed over to-day, but I give notice that I shall make a motion very soon to take it up, and I hope to get sufficient help to have the bill taken up in place of some other bill and passed.

Mr. WADSWORTH. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER.

The bill (S. 2388) for the relief of Augusta Reiter was announced as next in order.

Mr. NEW. In the absence of the junior Senator from California [Mr. SHORTRIDGE], I ask that that bill may go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3858) to define butter, and to provide a standard therefor, was announced as next in order.

Mr. WADSWORTH. Let the bill be read.

The Assistant Secretary read the bill.

Mr. McCUMBER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 211) to extend the provisions of the pension act of May 11, 1912, and May 1, 1920, to the officers and enlisted men of all State militia and other State organizations that rendered service to the Union cause during the Civil War for a period of 90 days or more, and providing pensions for their widows, minor children, and dependent parents, and for other purposes, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3995) to authorize the Secretary of Agriculture to exterminate bean beetles in the State of New Mexico, and authorizing expenditures therefor, was announced as next in order.

Mr. WADSWORTH. In the absence of the Senator from Oregon [Mr. McNARY], who undoubtedly has all the information about bean beetles, I think the bill had better go over.

The PRESIDING OFFICER. The bill will be passed over.

NEW JERSEY SHIPBUILDING & DREDGING CO.

The bill (S. 3515) for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J., was considered as in Committee of the Whole.

Mr. DIAL. Mr. President, there is a very large amount involved in this bill, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Bayard	Fletcher	Ladd	Shields
Borah	France	Lenroot	Simmons
Brandegee	Frelinghuysen	McCumber	Smith
Broussard	George	McKellar	Spencer
Calder	Gerry	McLean	Stanley
Cameron	Glass	McNary	Sterling
Capper	Harreld	Nelson	Sutherland
Caraway	Harris	New	Townsend
Colt	Heflin	Norbeck	Trammell
Couzens	Johnson	Oddie	Underwood
Cummins	Jones, N. Mex.	Overman	Wadsworth
Curtis	Jones, Wash.	Pepper	Walsh, Mont.
Dial	Kellogg	Ransdell	Warren
Ernst	Kendrick	Reed, Pa.	Weller
Fernald	Keyes	Sheppard	

The PRESIDING OFFICER. Fifty-nine Senators having answered to their names, a quorum is present.

Mr. CALDER. Mr. President, the bill which has just been reached on the calendar is for the benefit of the New Jersey Shipbuilding & Dredging Co. That company had a contract with the War Department for the removal of some rock at Hell Gate, East River. It appears that one day a naval vessel leaving the Brooklyn Navy Yard for New London, passing through the East River at Hell Gate, collided with this dredge, and the dredge sank within 20 minutes and, as the report indicates, was completely destroyed.

The vessel having been destroyed through no fault of his, the contractor very properly filed a claim with the Navy Department for the value of his dredge and for what the dredge would have earned. After the most careful inquiry the Navy Department reported to the Committee on Claims that there was no doubt of the value of the vessel and the fault of the department, but it raised a question about the profits of this company while the vessel was out of commission. The Committee on Claims recommends that the bill be reduced by something like fifty-odd thousand dollars, which is the profit the ship would have earned, and recommends unanimously that the Government pay $52,278.28, the value of the vessel at the time she was destroyed. There is not the slightest question about the Navy Department being responsible, and the board of inquiry of the Navy Department so certifies.

Mr. BRANDEGEE. Mr. President, was the dredge at anchor at the time of the collision?

Mr. CALDER. Yes; it was moored there, engaged in dredging for the Government.

Mr. DIAL. I would like to ask the Senator what was done about the insurance. I see the vessel was insured for $100,000.

Mr. CALDER. I have no doubt the insurance would be paid over to the Government.

Mr. DIAL. I notice from the report that the boat was 30 years old. Since the Government has so many vessels that we can not sell at any appreciable price at all, I thought perhaps this was a pretty good sum to pay for a boat 30 years ago. According to our Shipping Board we can hardly dispose of ships at all now, and it occurred to me that possibly if the Government was liable at all it could give this concern a boat that would be younger in place of the one that was lost.

Indeed, Mr. President, I confess that I am confused somewhat as to the course the Senate ought to take about many claims. It seems to me to be a very loose way to settle claims to come in here on some report or other, necessarily not very thorough. We ought to refer these matters to some court, and let the people go into court and establish their rights. That is what we have the courts for.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated:

The READING CLERK. A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. JONES of Washington. There are several Senators who would like to reach certain bills on the calendar; and as they gave way for the second deficiency appropriation bill for an hour or such a matter, I am perfectly willing to lay aside the unfinished business for at least an hour that we may proceed with the calendar. I ask unanimous consent that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the unfinished business will be temporarily laid aside. The Senator from South Carolina will proceed.

Mr. DIAL. Mr. President, it seems to me we ought to decide on some definite line of action, some businesslike line of action. I confess that if the Government was wrong and injured some one it ought to compensate the party; but it is a very loose way to come in here, as I said, by sort of an ex parte statement, and attempt to ascertain the damages in that way. I certainly hope we will change the method, because it is unpleasant to oppose such claims when they come before the Senate in this way. It does seem to me this is a very excessive amount for a boat as old as the one involved. Of course, I am not an expert along that line.

Mr. CALDER. If the Senator will pardon me, the report indicates that two inspections were conducted by the Navy Department, and one of these experts reported the vessel worth $150,000——

Mr. DIAL. Yes; and the other that it was worth $250,000.

Mr. CALDER. We are taking the smallest amount. If the Senator will note the report, he will see that it says the Navy Department assumes entire responsibility for the accident. There is no doubt about that.

Mr. DIAL. Then somebody in the Navy Department ought to be kicked out if they are going about sinking people's ships this way. That verifies the very point I am making. There is a difference of opinion as to the value of the boat. One expert places a value of $150,000 on the boat and another a value of $250,000.

Mr. CALDER. We took the lowest estimate.

Mr. DIAL. The lowest estimate might be several times too large.

Mr. CALDER. The owner of the boat submitted affidavits showing its value. Surely he is not responsible and ought to have his boat back or his money.

Mr. DIAL. I think we ought to give him a new boat, or a practically new boat.

Mr. CALDER. A boat of this character is specially built for the purpose. We can not take any kind of boat and give it to him in place of the one he lost.

Mr. DIAL. Oh, no; and I would not want to do that. I want to do my duty to the taxpayers of the country. I think we should investigate all these claims very carefully. I have had opportunity merely to scan the report, and I notice that one of the experts fixes the value of the boat in the sum of $150,000 and another in the sum of $250,000. I confess that I am not very well prepared to pass on the value of the boat under circumstances of that kind. The matter ought to be referred now to some court.

Mr. SMITH. Mr. President, may I ask the Senator from New York what difference in time elapsed between the estimate of $150,000 and the estimate of $250,000?

Mr. CALDER. The report of the Secretary of the Navy to the Committee on Claims states:

> Two inspectors representing the engineers' office in New York, who are constantly employed on the work, fixed the value of the drill boat, one at $150,000 and the other at $250,000. The engineer in charge of the work expressed the opinion that the fair value of the drill boat is $150,000.

That is the value which the Committee on Claims put on it.

Mr. NEW. Mr. President, I think I may be able to clear up a little doubt as to the justice of the claim involved in the bill. The matter was referred to me as a subcommittee of the Committee on Claims and I made investigation of it and made the report. The facts were that the boat which was destroyed was at a certain point at Hell Gate doing some work under contract for the Government. It was run into by a Government boat and sunk, totally destroyed, while it was at anchor. The whole matter was taken up by the Navy Department when claim was made by the owners for compensation for their losses. It was investigated by the Navy Department. Their engineers were asked to arrive at the value of the boat, which they did. I have forgotten just what the amount was that they fixed, but something over $200,000. That amount they fixed as the value of the boat.

That valuation corresponded with the valuation that could be fairly arrived at by the cost to the owners of the boat. The Navy Department after a thorough investigation decided that the navigating officer of the United States ship *Lykens* was wholly at fault, that the accident was due entirely to his delinquency, and that the owners were entitled to compensation. They fixed the return to the company at $205,000, I think. The figures are not exactly clear in my mind at this moment. The $205,000 included an item of something over $50,000 for demurrage. That was the amount, in other words, that the boat would have earned on the contract if it had not been destroyed. In making the report I struck out the item of demurrage and reported the bill for the amount of actual damages sustained as found by the Navy board and as shown by the cost figures submitted by the company owning the boat. That is the whole story.

Mr. McCUMBER. Mr. President, can the Senator explain why, where there is such a difference of opinion as to the value of the boat, the matter is not submitted to the Court of Claims for investigation and finding rather than to come here with a direct appropriation of the amount of damages to be determined according to the judgment of the several Senators who may be connected with the matter?

Mr. NEW. That is a matter for the Senate to determine.

Mr. McCUMBER. I appreciate that it is a matter for the Senate to determine, but where we have two estimates from a department, even admitting that the damages resulted from the acts of Government officials, why should not the question, as has been done in the past in nearly every case, be referred to the Court of Claims for findings of fact in the case and the amount of loss involved?

Mr. CALDER. If the Senator will permit me, it is a fact that there is a difference of opinion between the experts, but the Navy Department recommended to the Claims Committee the amount fixed by the lowest estimate, and that is recommended to the Senate. The Senator from Indiana has pointed out that the committee cut out of the bill all charges for profits on the part of the vessel during the time she would have been engaged in working.

I will say to the Senator from North Dakota that it has been the usual practice of the Senate to pass such measures when the case seemed perfectly clear. Such cases have only been referred to the Court of Claims when there was some doubt in the mind of the Senate as to whether or not the claim was a fair one.

Mr. McCUMBER. Let me ask the Senator a further question. Does he desire us to understand that the matter of damages is perfectly clear? Does the department admit that its one expert giving the lowest value was correct, while the other expert giving twice the value was incorrect?

Mr. CALDER. We settle our private affairs on exactly the same basis. We submit such things in business to men who are supposed to understand and then we adjust the differences, but in this case the lower amount is substantiated by the cost sheets submitted by the owner of the vessel and by affidavits accompanying the same, proving the value of the ship from his standpoint.

Mr. McCUMBER. I am not going to make objection, but I desire to suggest again that I think cases of this kind should be submitted to a court to find the facts rather than to take the mere statement of a department as to what the lowest sum may be.

Mr. NEW. I am not objecting to the criticism of the Senator from North Dakota. I attempted to do my duty as I saw it when the matter was referred to me as a subcommittee of the Committee on Claims. I went through the matter very carefully and reached the conclusion in my own mind that the claim of the company was absolutely just, and I based that on the official findings of the Navy Department as much as upon anything else, which, as the Senator from New York said, was sustained by the cost sheets that were submitted by the owners of the vessel. There is no question in the world that the boat was destroyed as the result of negligence or incompetency of somebody operating a vessel belonging to the United States Government. That is the whole question.

Mr. HARRIS. Mr. President, may I ask the Senator from Indiana a question? As I understand it, the Navy Department, after having two experts investigate and give their judgment as to the value of the boat, recommended that Congress pay the lowest estimate made. Then the Committee on Claims, of which the Senator from Indiana [Mr. NEW] is a member, investigated and unanimously recommended the payment of the claim.

Mr. NEW. The only further comment I care to make as to the suggestion made by the Senator from North Dakota [Mr. McCUMBER] is that I feel that since the facts seemed to me to be so clearly established and the loss was inflicted by the negligence of the commander of the Government boat, it was hardly

fair to expect the company to go without its money for the very long time that would undoubtedly be required in adjusting the matter through the Court of Claims.

Mr. SPENCER. Mr. President, I want to say to the Senator from North Dakota that there are only two parties to a claim of this kind. One is the party committing the injury, the Government of the United States in this case, and the other the party who suffered the injury. It has been usual in connection with these claims, where the aggressive party admits carelessness and liability and on investigation admits the amount of the liability, never to send the cases to the Court of Claims but to send to the Court of Claims only those cases where there is a doubt as to the liability or where there is a doubt as to the amount of the compensation.

Mr. NELSON. Mr. President——

Mr. SPENCER. If I may finish this sentence, I shall then yield to the Senator from Minnesota.

In this case there is no doubt about the liability. While the boat of the company was at anchor early in the morning a Government steamer came crashing into it and sunk it. There is no doubt about the liability, so far as the Government is concerned, because a double inspection was made and the Committee on Claims adopted the lowest amount which the inspectors found. Then they eliminated from that amount an item of $50,000, which had to do with possible profits. It strikes me that it is not fair to a claimant who has a perfectly just claim to say to him, "Yes; the one who did the injury admits the liability; admits that the money is due; the Government admits it; but we will send you to the Court of Claims"—to decide what? To decide a liability that is admitted and to fix an amount about which there is no question.

Mr. NELSON. Mr. President, I think the Senator from Missouri [Mr. SPENCER] and the Senator from North Dakota [Mr. MCCUMBER] are misinformed in one respect in reference to this matter. Actions of this kind can not go to the Court of Claims, for they are actions sounding in tort. Only actions arising out of contracts or judgments can be referred to the Court of Claims. There are only two ways in which relief may be obtained in such a case as this; one is by authorizing a suit to be brought either in the Court of Claims or in a court of admiralty. Since I have been a Member of the Senate we have passed a number of bills authorizing parties to go into a court of admiralty in order to have their claims adjudicated. The other method is to afford relief by a direct appropriation, as is proposed in this case. The Court of Claims, however, without legislation, would have no jurisdiction in this case, because, as I have stated, it is an action sounding in tort.

Mr. BRANDEGEE. Let me ask the Senator from Indiana a question. Did the testimony in this case show that there was any insurance on the boat? What was the fact in reference to that matter? Has any insurance been collected?

Mr. NEW. No; my recollection is that there was no insurance. It has been some time since I prepared the report, but I do not think I am in error as to that.

Mr. BRANDEGEE. In view of the statement which was made by the Senator from South Carolina [Mr. DIAL], I gathered a different impression.

Mr. DIAL. Will the Senator from Connecticut permit me to interrupt him?

Mr. BRANDEGEE. I yield to the Senator.

Mr. DIAL. On page 3 of the report on this bill it is stated:

> The record shows that she was built about 30 years ago, was necessarily kept in first-class condition by the character of the work in which she was engaged, and was insured for the sum of $100,000.

Mr. BRANDEGEE. In view of that statement, if the record so shows, I, with some hesitation and with much deference, wish to submit to the Senator from Indiana [Mr. NEW] if he does not think that he could prepare and propose while some other bill shall be considered an amendment which would provide that any sums which have been collected or which may be collected upon any insurance carried upon the vessel shall be deducted from the amount to be paid by the Government? Certainly the owner of the vessel does not wish to be paid twice over; all he is entitled to is reimbursement for the value of his vessel.

Mr. NEW. I certainly do not desire that he shall be paid twice. I desire to remind the Senator from Connecticut, however, that this is not my bill, but is the bill of the Senator from New York [Mr. CALDER].

Mr. BRANDEGEE. I understand that, but the Senator from Indiana said that he was the subcommittee which considered the bill.

Mr. NEW. I was; but, so far as I am concerned, I should think that the kind of amendment suggested by the Senator from Connecticut would be entirely proper and I should be prepared to accept it.

Mr. CALDER. Such an amendment would be perfectly agreeable to me.

Mr. BRANDEGEE. I ask that the bill may be passed over temporarily.

Mr. DIAL. I desire to move to amend the bill by referring the claim to some court of proper jurisdiction. Perhaps my amendment is in the nature of a substitute. I move to amend the bill by striking out all after the enacting clause and inserting:

> That the New Jersey Shipbuilding & Dredging Co. of Bayonne, N. J., is hereby authorized to bring suit in any court of competent jurisdiction to reimburse them for the loss sustained as a result of the total destruction of drill boat *No. 3* through collision with the U. S. S. *Lykens* in Hell Gate, off Halletts Point, New York Harbor, on September 1, 1921.

I wish to call attention to the statement on page 3 of the report that—

> Two inspectors representing the engineers' office in New York, who are constantly employed on the work, fixed the value of the drill boat—one at $150,000 and the other at $250,000. The engineer in charge of the work expresses the opinion that the fair value of the drill boat is $150,000.

It appears, therefore, that one engineer employed on the work states that $150,000 is a fair valuation of the boat, while another states that it was worth $250,000. There was no opportunity for cross-examining them, nor was there any test of the accuracy of the statements; but $150,000 is the maximum amount which is fixed by the representative of the owners of the boat. In view of that fact and in view of the fact also that the boat was insured, I think the matter ought to be referred to a court in order to allow justice to be done.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Carolina.

Mr. CALDER. Just a word in reference to that. If the amendment proposed by the Senator from South Carolina shall prevail, and the matter is referred to a court, the probability is that the claimant will receive all of the money which he insists is due him for the loss of the boat and also for the loss of profits.

Mr. DIAL. If he is entitled to it, he ought to recover it.

Mr. CALDER. And in the end the Government will probably be out some $50,000 to $75,000.

Mr. DIAL. I have faith in our courts, and if the owner is entitled to the sum claimed he ought to recover it.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Carolina. [Putting the question.] The Chair is in doubt.

Mr. DIAL. I ask for a division, Mr. President.

The question being put, on a division the amendment was rejected.

The PRESIDING OFFICER. Is there further amendment as in Committee of the Whole?

Mr. DIAL. On page 1, line 6, I move to strike out "$205,028.28" and to insert in lieu thereof "$100,000."

Mr. CALDER. I hope that motion will not prevail. The Committee on Claims has recommended the payment of $152,000 in this case, which is the amount of the cost of the vessel.

The PRESIDING OFFICER. The amendment of the committee having been agreed to December 5 as in Committee of the Whole, the amendment proposed by the Senator from South Carolina will have to be withheld until the bill reaches the Senate or the vote whereby the committee amendment was agreed to will have to be reconsidered. Are there further amendments as in Committee of the Whole? If not, the bill will be reported to the Senate as amended.

The bill was reported to the Senate as amended.

The PRESIDING OFFICER. The bill is in the Senate and now open to amendment. The amendment proposed by the Senator from South Carolina is in order.

Mr. DIAL. I renew my amendment.

The PRESIDING OFFICER. The amendment proposed by the Senator from South Carolina will be stated.

The ASSISTANT SECRETARY. On page 1, at the beginning of line 6, it is proposed to strike out "$205,028.28" and in lieu thereof to insert "$100,000."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Carolina.

Mr. CALDER. As I understand, the Senator from South Carolina moves that the Government allow $100,000 for the damages to this vessel. I wish again to inform the Senate that the Navy Department has recommended the payment of $205,000, which includes the demurrage, while the Committee on Claims of the Senate recommends the payment of $152,000, which would be the actual replacement cost. If we are going to allow anything, we ought to allow that; otherwise it would

be better to defeat the bill. It would be very unjust to a man who is doing work for the Government and has his vessel sunk through no fault of his own to take any such action as is proposed by the amendment now offered by the Senator from South Carolina.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Carolina.

The amendment was rejected.

The amendments made as in Committee of the Whole were concurred in.

Mr. CALDER. At the end of the bill I offer the amendment which was suggested by the Senator from Connecticut [Mr. BRANDEGEE].

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. At the end of the bill it is proposed to add the following proviso:

Provided, That there shall be deducted from the amount herein set out the amount, if any, received by the claimant from insurance on said boat.

Mr. BRANDEGEE. Mr. President, instead of the words "herein set out," would the Senator object to saying "the amount hereby appropriated"?

Mr. CALDER. I will modify the amendment by changing the words to "the amount hereby appropriated."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York.

Mr. WALSH of Montana. Let me inquire of the Senator from Connecticut whether there should not be a further provision subrogating the Government to any further claims arising under the insurance policy?

Mr. BRANDEGEE. Does the Senator mean under any further insurance or other insurance?

Mr. WALSH of Montana. Yes.

Mr. BRANDEGEE. I think that would be a proper precaution. I had not thought of that.

Mr. WALSH of Montana. It is possible, of course, that payments have been made on the $100,000 of insurance, but that not all of the amount has been paid, so that there may be something still due upon that policy.

Mr. BRANDEGEE. Perhaps I did not fully gather the force of the amendment. I thought it provided for any sums that had been or might be received under the insurance policy.

Mr. CALDER. I thought the language made it clear that it covered that amount.

Mr. BRANDEGEE. I ask that the Secretary again state the amendment.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The READING CLERK. At the end of the bill it is proposed to add the following:

Provided, That there shall be deducted from the amount hereby appropriated the amount, if any, received by the claimant from insurance on said boat.

Mr. BRANDEGEE. I do not see how we could deduct from the amount appropriated moneys that might be received after payment under the appropriation had been made.

Mr. WALSH of Montana. The point I make is as to subrogating the Government to the right under the insurance policy to any moneys not yet collected.

Mr. BRANDEGEE. Will the Senator indicate in what language such a provision should be couched?

Mr. WALSH of Montana. I should add a further proviso that the claimant shall assign to the Government of the United States any right he may have to any unpaid insurance upon the boat.

Mr. BRANDEGEE. That would cover it.

Mr. NEW. That would safeguard it.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. It is proposed to amend the amendment submitted by the Senator from New York by adding a further proviso, as follows:

Provided further, That the claimant shall assign to the United States any right he may have to any unpaid insurance on the boat.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana to the amendment offered by the Senator from New York.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. OVERMAN subsequently said: Mr. President, I move to reconsider the vote by which Order of Business No. 914, being the bill (S. 3515) for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J., was passed. I make the motion in behalf of the Senator from Utah [Mr. SMOOT], who requested me to do so.

The VICE PRESIDENT. The Senator from North Carolina moves to reconsider the vote by which the Senate bill 3515 was passed, and that motion will be duly entered.

THE COURT OF CLAIMS.

Mr. NELSON. Mr. President, I now ask that the Senate recur to Order of Business No. 271, being the bill (S. 2228) to amend certain sections of the Judicial Code relating to the Court of Claims.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. NELSON. Mr. President, that bill has been read at length.

The PRESIDING OFFICER. But the amendments reported by the committee have not as yet been agreed to.

Mr. NELSON. Mr. President, I will make a brief statement in regard to the bill. Its purpose is to afford the Court of Claims better machinery with which to transact its business. As an aftermath of the war, claims are pouring into the Court of Claims at a very rapid rate, and the court needs more help in order to assist in the conduct of its business. The testimony in that court is taken in the form of depositions before examiners, and then the cases are tried by the court. In order to enable the court to expedite the consideration of cases pending, it is necessary to grant authority to appoint more examiners to take testimony.

The other changes proposed by the bill are mainly verbal changes, except in one particular, namely, in the matter of appeals from the Court of Claims. Under existing law a decision can not be appealed by a private litigant unless the amount of the claim exceeds $3,000, while the Government can institute an appeal in any case, no matter what may be the amount involved. This proposed amendment to the law gives both parties—the Government and the claimant—an equal right to appeal in cases involving $3,000 or more, but it provides that the Government may by certiorari bring up cases for a less amount than $3,000. The object of that is this: The Court of Claims frequently has what might be termed a group of cases where the decision of one case will govern in a lot of other cases of which the first case is typical, and this leaves to the Government the right in such cases, where the amount involved is less than $3,000, to take them up by certiorari. Otherwise, the right of appeal is equal on both sides. Under existing law the Government only could appeal in claims as low as $3,000. Now both parties can appeal, the Government and the claimant; and the Government, as I have said, can only take up by certiorari small cases involving less than $3,000.

I do not care to go into any further discussion of the bill, because it does not change the main features of the law in any respect. It is simply to aid in the work of the court. No radical changes are made in the law. Some of the phraseology of the antiquated Court of Claims law is changed. For instance, we substitute the term "marshal" for "bailiff"; we strike out the words "chief clerk" and say "clerk"; and then a slight change is made in the term of court, so as to make it more precise and clear. A little change is made in the time of holding the Court of Claims. Otherwise, there are no changes.

In the bill that we reported we provided a salary of $4,500 for the clerk of the court. The Appropriations Committee has since provided a salary of $5,000, so that that is the law; and, accordingly, I ask to have the bill amended on page 2, line 12, section 140, by striking out "$4,500" and inserting "$5,000." That harmonizes with existing law.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Minnesota.

The amendment was agreed to.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The amendments were, on page 2, line 4, after the word "master," to strike out "or"; in the same line, after the word "commissioner," to insert "or examiner"; on page 3, line 6, after the word "solicitor," to strike out the comma and the words "the comptroller and the auditors"; on page 5, line 17, after the words "taking of," to strike out "proof" and insert "evidence"; on page 6, line 6, after the word "court," to strike out "along"; on the same page, line 9, after the word "hearing," to strike out "thereof" and insert "thereon"; on the same page, line 10, after the word "prescribe," to

strike out "nothing in this section shall be so construed as to prevent the court from passing upon all questions and findings without regard to whether exceptions were or were not taken at the hearings before the examiner"; on page 8, line 3, after the words "of the," to strike out "said court" and insert "Court of Claims"; on the same page, line 5, after the word "section," to strike out "169" and insert "172"; on the same page, line 6, after the word "section," to strike out "146" and insert "147"; and on the same page, after line 17, to insert:

SEC. 12. That section 164 of said Judicial Code is hereby amended to read as follows:

"SEC. 164. The said court shall have power to call upon any of the departments and upon the General Accounting Office for any information or papers it may deem necessary, and shall have the use of all recorded and printed reports made by the committees of each House of Congress, when deemed necessary to the prosecution of its business. But the head of any department, or of said General Accounting Office, may refuse and omit to comply with any call for information or papers when, in his opinion, such compliance would be injurious to the public interest."

So as to make the bill read:

Be it enacted, etc., That section 138 of the Judicial Code is hereby amended to read as follows:

"SEC. 138. The Court of Claims shall hold one annual term at the city of Washington, beginning on the first Monday in October and continuing as long as may be necessary for the prompt disposition of the business of the court. Any three of the judges of said court shall constitute a quorum and may hold a court for the transaction of business: *Provided*, That the concurrence of three judges shall be necessary to the decision of any case."

SEC. 2. That section 139 of said Judicial Code is amended to read as follows:

"SEC. 139. The court shall appoint a clerk, who, ex officio, may be a master, commissioner, or examiner; a deputy clerk, if deemed necessary; a marshal; and a chief messenger; and such other employees as are now or may hereafter be authorized by law. The clerks shall take an oath for the faithful discharge of their duties and shall be under the direction of the court in the performance thereof."

SEC. 3. That section 140 of said Judicial Code is amended to read as follows:

"SEC. 140. The salary of the clerk shall be $5,000 a year; of the deputy clerk, $2,500 a year; of the marshal, $1,500 a year; and of the chief messenger, $1,000 a year, payable monthly from the Treasury."

SEC. 4. That section 141 of said Judicial Code is hereby amended to read as follows:

"SEC. 141. The clerk shall give bond to the United States in such amount, in such form, and with such security as shall be approved by the Secretary of the Treasury."

SEC. 5. That section 143 of said Judicial Code is hereby amended to read as follows:

"SEC. 143. On the first day of every regular session of Congress the clerk of the Court of Claims shall transmit to Congress a full and complete statement of all the judgments rendered by the court during the previous term, stating the amounts thereof and the parties in whose favor they were rendered, together with a brief synopsis of the nature of the claims upon which they were rendered. At the end of every term of the court he shall transmit a copy of its decisions to the heads of departments; to the Solicitor of the Treasury; to the Commissioners of the General Land Office and of Indian Affairs; to the chiefs of bureaus, and to other officers charged with the adjustment of claims against the United States."

SEC. 6. That sections 148, 149, and 150 of said Judicial Code are hereby repealed.

SEC. 7. That section 151 of said Judicial Code is hereby amended to read as follows:

"SEC. 151. Whenever any bill, except for a pension, is pending in either House of Congress providing for the payment of a claim against the United States, legal or equitable, or for a grant, gift, or bounty to any person, the House in which such bill is pending may, for the investigation and determination of facts, refer the same to the Court of Claims, which shall proceed with the same in accordance with such rules as it may adopt and report to such House the facts in the case and the amount, where the same can be liquidated, including any facts bearing upon the question whether there has been delay or laches in presenting such claim or applying for such grant, gift or bounty, and any facts bearing upon the question whether the bar of any statute of limitation should be removed or which shall be claimed to excuse the claimant for not having resorted to any established legal remedy, together with such conclusions as shall be sufficient to inform Congress of the nature and character of the demand, either as a claim, legal or equitable, or as a gratuity against the United States, and the amount, if any, legally or equitably due from the United States to the claimant: *Provided, however*, That if it shall appear to the satisfaction of the court upon the facts established that under existing laws or the provisions of this chapter the subject matter of the bill is such that it has jurisdiction to render judgment or decree thereon, it shall proceed to do so, giving to either party such further opportunity for hearing as in its judgment justice shall require, and it shall report its proceedings therein to the House of Congress by which the same was referred to said court: *Provided further*, That when any such claim shall have been once referred by one House and reported upon by the court or by it dismissed for want of prosecution or other cause, it shall not again be referred by one House to said court. And all claims or bills now pending in said court heretofore referred by either House of Congress shall be proceeded with in accordance with the provisions of this chapter: *And provided further*, That the jurisdiction of the Court of Claims shall not extend to or include any claim which is now barred by the provisions of any law of the United States."

SEC. 8. That section 157 of said Judicial Code is hereby amended to read as follows:

"SEC. 157. The said court shall have power to establish rules for its government and for the regulation of practice therein, and to fix the time within which motions for new trial shall be made, and it may punish for contempt in the manner prescribed by the common law, may appoint commissioners, and may exercise such powers as are necessary to carry into effect the powers granted to it by law. In any suit now or hereafter pending on the general jurisdiction docket of the said court the said court shall have power and authority to appoint, upon the motion of either party to the suit or upon its own motion, a competent person as an examiner to attend the taking of evidence and to make report of the facts in the case. Any examiner shall proceed under such rules and regulations as may be promulgated by the court and such orders as the court may make in the particular suit and may have and perform the general duties that pertain to special masters in suits in equity. He may fix the times for hearings, administer oaths, examine witnesses, and receive evidence. Parties to the suit may appear before the examiner in person or by attorney, produce evidence, and examine witnesses. Subpœnas for witnesses or for the production of testimony before the examiner may issue out of the court by the clerk thereof, which shall be served by the United States marshal in any judicial district to whom they are directed. The rules of the court shall provide for a finding and report of facts by the examiner, to be filed in court with the testimony upon which the same is based, and for exceptions thereto, in whole or in part, by the parties to the suit, and a hearing thereon within such reasonable time as the court's rules may prescribe. Nothing in this section shall be so construed as to prevent the court from passing upon all questions and findings without regard to whether exceptions were or were not taken at the hearings before the examiner. The compensation of the examiner and his traveling and other necessary expenses shall be payable out of any amount appropriated for such purpose."

SEC. 9. That section 166 of the Judicial Code is hereby amended to read as follows:

"SEC. 166. The court may, at the instance of the attorney or solicitor of the United States, or upon its own motion, make an order in any case pending therein, directing the claimant in such case to appear, upon reasonable notice, before the court or any commissioner of the court and be examined on oath touching any or all matters pertaining to said claim. Such examination shall be reduced to writing by the said commissioner and be returned to and filed in the court, and may, at the discretion of the attorney or solicitor of the United States appearing in the case, be read and used as evidence on the trial thereof. And if the claimant, after such order is made and due and reasonable notice thereof is given to him, fails to appear or refuses to testify or answer fully as to all matters within his knowledge material to the issue, the court may, in its discretion, order that the said cause shall not be brought forward for trial until he shall have fully complied with the order of the court in the premises."

SEC. 10. That section 175 of said Judicial Code is herbey amended to read as follows:

"SEC. 175. The Court of Claims, at any time while any claim is pending before it or on appeal from it or within two years next after the final disposition of such claim, may, on motion on behalf of the United States, grant a new trial and stay the payment of any judgment therein, upon such evidence, cumulative or otherwise, as shall satisfy the court that any fraud in the premises has been practiced against the United States, but until an order is made staying the payment of a judgment the same shall be payable and paid as now provided by law."

SEC. 11. That section 242 of said Judicial Code is hereby amended to read as follows:

"SEC. 242. An appeal to the Supreme Court shall be allowed on behalf of either party from any judgment of the Court of Claims where the amount in controversy exceeds $3,000 or where the plaintiff's claim is forfeited to the United States, as provided in section 172, except judgments rendered under the operation of section 147: *Provided*, That in any case in which there is a final judgment or decree of the said court it shall be competent for the Supreme Court of the United States, upon the application of the Attorney General, to require by certiorari or otherwise that any such case be certified to it for its review and determination, with the same power and authority in the case as if it had been carried by writ of error or appeal to said court: *Provided further*, That when a certiorari is awarded by the Supreme Court the said court shall make and certify to the Supreme Court its findings of fact in the case in which the certiorari is awarded."

SEC. 12. That section 164 of said Judicial Code is hereby amended to read as follows:

"SEC. 164. The said court shall have power to call upon any of the departments and upon the General Accounting Office for any information or papers it may deem necessary, and shall have the use of all recorded and printed reports made by the committees of each House of Congress, when deemed necessary to the prosecution of its business. But the head of any department, or of said General Accounting Office, may refuse and omit to comply with any call for information or papers when, in his opinion, such compliance would be injurious to the public interest."

The amendments were agreed to.

Mr. SHIELDS obtained the floor.

Mr. DIAL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Gerry	McKellar	Smith
Bayard	Glass	McNary	Spencer
Broussard	Hale	Myers	Stanley
Bursum	Harris	Nelson	Sterling
Cameron	Heflin	New	Sutherland
Capper	Johnson	Nicholson	Townsend
Culberson	Jones, N. Mex.	Norbeck	Trammell
Cummins	Jones, Wash.	Oddie	Underwood
Curtis	Kellogg	Overman	Wadsworth
Dial	Kendrick	Pepper	Walsh, Mass.
Dillingham	Keyes	Phipps	Walsh, Mont.
Ernst	Ladd	Reed, Pa.	Warren
Fernald	Lenroot	Sheppard	Weller
Fletcher	McCormick	Shields	
George	McCumber	Simmons	

Mr. JONES of Washington. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained on official business at a committee meeting.

The PRESIDING OFFICER. Fifty-eight Senators having answered to their names, a quorum is present.

The bill was reported to the Senate as amended.

Mr. SHIELDS. Mr. President, I move to strike out all of the proviso beginning on page 4 of the bill, line 25, in these words:

And provided further, That the jurisdiction of the Court of Claims shall not extend to or include any claim which is now barred by the provisions of any law of the United States.

Mr. President, it has been some time since I examined this matter, this bill having been reported to the Senate more than a year ago, and this amendment then prepared; and as it involves some former acts in regard to the claims which the amendment is intended to affect, I shall try to be accurate in my statement of that legislation.

The proviso that I move to strike out is in direct antagonism to another provision of the same section of the bill, and the two are irreconcilably in conflict. In fact, the proviso would utterly defeat the object of that section of the bill. A careful examination of section 7, a portion of which it is proposed to strike out, will show that the concluding provision of the section practically nullifies the earlier portion of the section. The concluding provision, which it is proposed to strike from the bill, is that reading as follows. I am going to reread it:

And provided further, That the jurisdiction of the Court of Claims shall not extend to or include any claim which is now barred by the provisions of any law of the United States.

It will be noted that the first part of section 151 of the Judicial Code, proposed to be here reenacted and which is left intact in this bill on this point, authorizes either House of Congress to refer to the Court of Claims any bill, except for a pension, providing payment of a claim, legal or equitable, or for a grant, gift, or bounty, the court upon such reference to proceed to report the facts; and yet the concluding provision would prohibit the court from taking any action on the matter so referred if the claim is one which is barred by any statute of the United States.

It would seem obvious that if a claimant has such a claim as is not barred by any law, then he will present his claim directly to the Court of Claims in the first instance and will waste no time by presenting his claim to Congress. If his claim is not barred by any law, then he already has a right to take it to the Court of Claims and needs no reference of the matter to the court by either House of Congress.

The claimant who must appeal to Congress for relief in the first instance is one whose claim, for some reason, has become barred by some law, either the statute of limitations or otherwise, or whose claim is not one which would constitute the basis of a legal demand upon the Government, although it may possess such attributes as would appeal to the sense of fairness of Congress as a moral claim upon the Government.

Section 151 of the Judicial Code which, as I have stated, is reenacted in this bill, with the proviso which I move to strike out, was substantially a reenactment of section 14 of what was called the Tucker Act (24 Stat. 505), the principal function of which was to empower either House of Congress to refer to the Court of Claims for judicial ascertainment of facts bills providing payment for any claim save a pension or for a gift, grant, or bounty.

Section 14 of the Tucker Act had been preceded by what was called the Bowman Act of March 3, 1883 (22 Stat. 485), but the Bowman Act had been found ineffective to relieve Congress of consideration of the facts of many claims, because section 3 of that act contained this same provision, namely:

Nor shall the said court have jurisdiction of any claim against the United States which is now barred by virtue of the provisions of any law of the United States.

It was to enlarge the jurisdiction of the Court of Claims to consider cases or bills sent to it by congressional reference that the Tucker Act—section 14—was later enacted, and which was carried into section 151 of the Judicial Code. By the Tucker Act and by section 151 of the Judicial Code Congress could relieve itself of the necessity for determining the facts of claims presented by bill.

Under the Bowman and Tucker Acts many claims were reported by the Court of Claims. By the omnibus claims act of 1899 numerous such claims were paid. In 1902 and in 1905 other appropriation acts were enacted for payment of such claims. Then ensued a period of 10 years during which no appropriations were made. Then came the claims act of March 4, 1915 (38 Stat. 962-996), covering only Civil War claims. The Senate also passed a companion bill for payment of similarly reported claims, other than war claims, but this was done on March 3, 1915, too late for that bill to receive consideration in the House of Representatives.

During consideration of the war claims bill in the Senate, late in the day, March 3, 1915, an amendment was offered on the floor, not being a committee amendment, which was adopted practically without discussion or explanation, the chairman of the Committee on Claims accepting it in order that it might go to conference. The bill reached the House of Representatives only a few hours before the expiration of that Congress, however, and the bill never went to conference, so that said amendment was never really given serious consideration at any time.

That amendment is known as the Crawford amendment, having been offered by Senator Crawford. It reads as follows:

SEC. 5. That from and after the passage and approval of this act the jurisdiction of the Court of Claims shall not extend to or include any claim against the United States based upon or growing out of the destruction of any property or damage done to any property by the military or naval forces of the United States during the war for the suppression of the rebellion, nor to any claim for stores and supplies taken by or furnished to or for the use of the military or naval forces of the United States, nor to any claim for the value of any use and occupation of any real estate by the military or naval forces of the United States during said war, nor shall said Court of Claims have jurisdiction of any claim which is now barred by the provisions of any law of the United States.

Said Crawford amendment was considered by the Court of Claims in case of Chase, reported in Fiftieth Court of Claims, page 293, and it was held that said enactment not only had the effect of precluding the court from entertaining claims thereafter referred to it which were barred by any law, but also divested the court of its power to consider such claims already pending before it and awaiting decision or findings of fact.

In short, as the law now stands and as it would stand if this pending bill were enacted as reported, neither House of Congress can give the Court of Claims jurisdiction to entertain any claim already barred by any law, and, as above pointed out, that provision renders ineffective the earlier part of section 151 of the Judicial Code.

The concluding clause of section 7 of the bill, amendatory of section 151 of the Judicial Code, being inconsistent with the other provisions of the same section, should be omitted. If retained in the bill, then for all practical purposes section 151 of the Judicial Code might as well be repealed outright, instead of being permitted to stand with a proviso which renders it useless for any practical purpose.

Mr. President, I do not know whether or not I have clearly presented the inconsistency of this bill, and I want to read the two provisions which I say are inconsistent, the latter nullifying the first, so that it may more clearly appear. Section 7 of the bill is in these words:

SEC. 7. That section 151 of said Judicial Code is hereby amended to read as follows:

"SEC. 151. Whenever any bill, except for a pension, is pending in either House of Congress providing for the payment of a claim against the United States, legal or equitable, or for a grant, gift, or bounty to any person, the House in which such bill is pending may, for the investigation and determination of facts, refer the same to the Court of Claims, which shall proceed with the same in accordance with such rules as it may adopt and report to such House the facts in the case and the amount, where the same can be liquidated."

This is the part to which I call special attention—

including any facts bearing upon the question whether there has been delay or laches in presenting such claim or applying for such grant, gift, or bounty, and any facts bearing upon the question whether the bar of any statute of limitation should be removed or which shall be claimed to excuse the claimant for not having resorted to any established legal remedy, together with such conclusions as shall be sufficient to inform Congress of the nature and character of the demand—

And so forth. That clearly confers jurisdiction upon the Court of Claims of any and all claims which either House of Congress may refer to it for a finding of the facts, regardless of whether the claim is barred by the statute of limitations, directing the court to report such facts as might appeal to the conscience of Congress in allowing the claim, regardless of the fact that it may be barred by existing law. That question, upon the facts so reported, is one for the Congress then to pass upon.

Section 151 of the Judicial Code is now the law of the land. It is reenacted here. Yet, at the end of the section of this bill reenacting section 151 comes the proviso:

Provided further, That the jurisdiction of the Court of Claims shall not extend to or include any claim which is now barred by the provisions of any law of the United States—

Directly offsetting the previous direction to that court to report the facts in regard to such claims. I think the Senator in charge of the bill ought to agree to the striking out of this clause, as the necessity for that is so obvious, and really striking it out would not interfere with the purposes of the bill. I have gone at some length in debating the matter because it bears upon the next amendment which I shall offer. That is all I wish to say about this amendment.

Mr. NELSON. Mr. President, I object to the amendment. This section, in the first instance, refers to cases which may be referred to the Court of Claims by either House of Congress

for a finding of facts and report to Congress, without authorizing it to render judgment. My recollection is that that was one of the provisions of the Bowman Act. Beginning in line 10, page 4, after providing that the court shall make an investigation, the bill reads:

Provided, however, That if it shall appear to the satisfaction of the court upon the facts established that under existing laws or the provisions of this chapter the subject matter of the bill is such that it has jurisdiction to render judgment or decree thereon, it shall proceed to do so, giving to either party such further opportunity for hearing as in its judgment justice shall require, and it shall report its proceedings therein to the House of Congress by which the same was referred to said court.

The proviso I have just quoted gives the court jurisdiction to render a final judgment. The first part of the section relates simply to a reference of claims by either House of Congress to the Court of Claims for a finding of facts and its opinion thereon, but this goes a step further, and authorizes the court to render a final money judgment in those cases. Hence the necessity for the last proviso, to which the Senator referred, and which he criticizes. It is necessary to maintain that provision in the bill.

March 4, 1915, in an omnibus claims bill, by adopting the Crawford amendment, as it is called, Congress took away all the jurisdiction of the Court of Claims in a number of war-claims cases:

That from and after the passage and approval of this act the jurisdiction of the Court of Claims shall not extend to or include any claim against the United States based upon or growing out of the destruction of any property or damage done to any property by the military or naval forces of the United States during the war for the suppression of the rebellion; nor to any claim for stores or supplies taken by or furnished to or for the use of the military or naval forces of the United States, nor to any claim for the value of any use or occupation of any real estate by the military or naval forces of the United States during said war, nor shall said Court of Claims have jurisdiction of any claim which is now barred by the provisions of any law of the United States.

That is now a part of the law adopted in the Crawford amendment, and we are simply repeating it here:

Nor shall said Court of Claims have jurisdiction of any claim which is now barred by the provisions of any law of the United States.

We are carrying that language into the provision.

Mr. SHIELDS. I will say to the Senator that I am going to offer an amendment to repeal the Crawford amendment when the pending amendment is disposed of.

Mr. NELSON. By striking out the proviso to which the Senator refers the door would be opened wide. All we would have to do in that event would be to refer one of the claims for a finding of facts in the first instance.

Mr. SHIELDS. I am offering to repeal it only to the extent of cases which would then already have been referred to and were pending in the court. I would not offer an amendment to open the door wide. But in discussing the amendment which we have before us and which is now under consideration is it not a fact that the proviso is antagonistic to the law which I read in the first part of the act of 1915, giving the Court of Claims jurisdiction of cases that may be referred by Congress?

Mr. NELSON. That relates to cases which are not outlawed, but if the court has no right to render final judgment why should cases be referred there by either House of Congress?

Mr. SHIELDS. It would be for the purpose of finding the facts and allowing them to be reported to Congress, and then the Congress could determine whether in good conscience there were such equities involved as would justify payment of the claim.

Mr. NELSON. But the Senator overlooks the fact that when the case is referred to a court of this kind the court can go on and render final money judgment.

Mr. SHIELDS. Then the proviso ought to be limited so as not to be antagonistic to the previous part of it, withholding from the court jurisdiction to enter judgment, but leaving it with jurisdiction as provided in the first part to consider barred claims and report the facts to the Congress. I am willing that an amendment shall be made to that effect. I am not asking that the door be opened wide as to barred claims.

Mr. WALSH of Montana. Mr. President, I believe that the views of Senators with reference to this particular matter may be reconciled by a slight amendment of the proviso which the Senator from Tennessee proposes to eliminate. The main purpose of the bill is to authorize the reference by either House of Congress to the Court of Claims of any claim—that is, any claim, whether it is barred or not—to find the facts and report the same to the house in which it originated. But there is also incorporated the proviso to which the Senator from Minnesota refers, to the effect that if the claim is of such character as that the Court of Claims has jurisdiction to render judgment it may go on and render judgment.

Now no one can find any fault whatever with a statute which would authorize Congress to refer any claim whatever to the Court of Claims to find the facts, whether it is barred or whether it is not barred, the facts to be reported back to Congress for further action by it. But in order to make the statute consistent, of course, with the Crawford Act, we must not give that court jurisdiction to render judgment in a case that is barred by the statute of limitations, because that is excluded by the Crawford Act, being a portion of the act of 1915. The matter would be made entirely clear, it seems to me, if we inserted after the word "claims," at the top of page 5, in line 1, the words "to render judgment as herein provided," so the proviso would read:

And provided further, That the jurisdiction of the Court of Claims to render judgment as herein provided shall not extend to or include any claim which is now barred by the provision of any law of the United States.

That would leave the matter in the shape that either House of Congress may refer to the Court of Claims any bill, whether it is for a claim barred or a claim not barred, to find the facts and report to the Congress, but the Court of Claims would not have jurisdiction to render judgment on any claim that was barred by the statute of limitations, whatever facts it may find otherwise. With that language incorporated, the statute would be consistent. Then, of course, if the view prevailed that we ought to repeal the Crawford amendment, as the Senator from Tennessee seems to think, of course we should also consider that; but the two would be made entirely consistent by the incorporation of the words which I suggest. Accordingly, it being parliamentary, I move to amend by inserting after the word "claims," on page 5, in line 1, the words "to render judgment as herein provided."

Mr. JONES of Washington. Mr. President——

Mr. SHIELDS. May I have just one moment on that point?

Mr. JONES of Washington. I merely want to suggest that it looks like the pending bill may take considerable time. I had hoped we might go through the calendar and dispose of bills to which there is no serious objection. It would not take very much time to dispose of them. That is one reason why I was perfectly willing to go on with the calendar. If the pending bill is going to take considerable further time, I would appeal to the Senator from Minnesota [Mr. NELSON] and ask him if he will not let it go over so that it can be taken up on some future day.

Mr. SHIELDS. Before any action is taken, I wish to say in regard to the suggestion made by the Senator from Montana [Mr. WALSH] that I had just suggested that course to the Senator in charge of the bill, the Senator from Minnesota [Mr. NELSON]. If he wishes to deprive the Court of Claims of jurisdiction of claims that were barred by the statute of limitations, the proviso should be so amended as to withhold jurisdiction—not jurisdiction to entertain the claim but simply to enter final judgment upon the reports made. That is what I think, under a proper construction of the whole act, it would mean.

But it is clearly doubtful because, broad as it is, it would repeal the clause in the beginning of section 151 of the act or section 7 of the pending bill, allowing a reference of claims which may for some cause be barred. I have an impression, as I see it now, that the amendment of the proviso as suggested by the Senator from Montana, and as I likewise suggested to the Senator from Minnesota, would relieve the difficulty.

Mr. FLETCHER. The Senator would have no objection to the amendment in any event?

Mr. SHIELDS. I would have no objection to the proviso if so amended that it merely applied to the court rendering final judgment.

Mr. FLETCHER. The Senator would favor the amendment proposed by the Senator from Montana?

Mr. SHIELDS. Yes; I had just suggested it to the Senator from Minnesota. I ask the Senator from Florida, who I understand is interested in the measure, if he does not think that would meet the equities and the demands of the situation?

Mr. FLETCHER. I am inclined to think so.

Mr. NELSON. I understood that the Senator from Montana had an amendment which he suggested.

Mr. WALSH of Montana. I have suggested to insert after the word "claims," in the first line on page 5, the words "to render judgment as herein provided," so that it shall read:

And provided further, That jurisdiction of the Court of Claims to render judgment as herein provided shall not extend to or include—

And so forth. We would then be entitled to refer any claim from either House of Congress to the Court of Claims, whether it be barred or not barred, to find the facts and report those facts to Congress; but it should have no jurisdiction under any circumstances to render judgment in the case of a claim that was barred by the statute.

Mr. SHIELDS. I think that would remove the antagonism which now exists to the bill.

Mr. NELSON. I do not believe we ought to change it. It is the existing law. It is a part of the Crawford amendment.

Mr. WALSH of Montana. If the Senator will pardon me for a moment, I think I can make the matter clear to him. The Crawford amendment did not deal with that section of the statute which provided for referring to the Court of Claims claims upon which a reference was to be made back to the House of Congress in which it originated. The Crawford amendment related only to those claims upon which the court had the power to render judgment. It is perfectly plain from the language of the act.

Mr. SHIELDS. I will call the attention of the Senator to another phase of the Crawford amendment. It was drawn up in a hurry on the floor and presented about 10 o'clock at night. It only applies to claims growing out of property taken during the Civil War, but it is being construed to apply to all claims against the Government, especially where they are barred by the statute of limitations.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Montana [Mr. WALSH].

Mr. WALSH of Montana. Mr. President, the jurisdiction of the Court of Claims under which it is authorized to render a judgment is set forth in what is designated as section 1136 of the United States Compiled Statutes. Under that section there is not any reference back to Congress or any finding of fact or anything of that kind, but judgment is rendered against the United States.

In 1915 we passed what is known as an omnibus claims bill; that is to say, judgment having been rendered by the Court of Claims in a large number of claims—bear in mind, judgment having been rendered—appropriations were made to meet those judgments. As a part of that act the Crawford amendment was tacked on which provides—

That from and after the passage and approval of this act the jurisdiction of the Court of Claims shall not extend to or include any claim against the United States based upon or growing out of the destruction of any property or damage done to any property by the military or naval forces of the United States during the war for the suppression of the rebellion; nor to any claim for stores and supplies taken by or furnished to or for the use of the military or naval forces of the United States; nor to any claim for the value of any use and occupation of any real estate by the military or naval forces of the United States during said war; nor shall said Court of Claims have jurisdiction of any claim which is now barred by the provisions of any law of the United States.

That is designated as 1136a in the compilation to which I have referred, and it refers back to section 1136, which confers upon the Court of Claims jurisdiction to render judgment against the United States.

Mr. President, section 1142 of the Compiled Statutes refers to the reference of claims to the Court of Claims, not to rendering judgment upon them, but merely to find the facts and report back to Congress; and there is no limitation to that section. Touching the statute of limitations, it reads as follows:

Whenever any bill, except for a pension, is pending in either House of Congress providing for the payment of a claim against the United States, legal or equitable, or for a grant, gift, or bounty to any person—

which is exactly the language of the provision that is before us, section 1142 concludes with this proviso:

Provided, however, That if it shall appear to the satisfaction of the court upon the facts established that, under existing laws or the provisions of this chapter, the subject matter of the bill is such that it has jurisdiction to render judgment or decree thereon, it shall proceed to do so, giving to either pary such further opportunity for hearing as in its judgment justice shall require, and it shall report its proceedings therein to the House of Congress by which the same was referred to said court.

I have no doubt that when it undertakes to do that it is controlled by the provisions of the preceding section, to the effect that it shall not have jurisdiction over claims barred by the statute of limitations. So we ought not to pass a statute here, as it seems to me, providing for the reference to the Court of Claims of any claim, barred or unbarred, to be reported back to the House submitting it, and then provide that the Court of Claims shall have no jurisdiction—which means no jurisdiction at all—in case of a claim barred by the statute of limitations, but that provision should be made to apply only to jurisdiction so far as it extends to the rendition of a judgment. If the claim is barred by the statute, the court will report that fact to Congress, and Congress will take whatever action in the premises may seem appropriate. So I think the language which I have suggested will make the pending bill entirely consistent with the purpose of Congress as heretofore expressed in the statutes to which I have referred.

Mr. FLETCHER. Mr. President, may I ask the Senator from Montana if all the court could do would be to ascertain that the claim is barred by the statute or would the court find the facts? Would it have jurisdiction to find the facts or would it be estopped when it found the claim barred by the statute?

Mr. WALSH of Montana. It would have jurisdiction to find the facts by virtue of the first part of the section which authorizes Congress to refer any claim there, but it would be deprived of jurisdiction to render judgment in the matter of the claim.

Mr. SHIELDS. That was the existing law.

Mr. NELSON. As I understand, the Senator from Montana has an amendment to the last proviso.

Mr. WALSH of Montana. I have.

Mr. NELSON. Will the Senator be good enough to have it stated?

Mr. WALSH of Montana. I ask that my amendment may be stated.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 5, line 1, after the words "Court of Claims," it is proposed to insert the words "to render judgment as herein provided," so that the additional proviso will read:

And provided further, That the jurisdiction of the Court of Claims to render judgment as herein provided shall not extend or include any claim which is now barred by the provisions of any law of the United States.

Mr. NELSON. I shall make no objection to the amendment in that form.

Mr. SHIELDS. I understood it would be out of order to present an amendment while another amendment is pending, but I will accept that as a substitute for the amendment which I offered to strike out the whole section.

Mr. WALSH of Montana. I understood that the Senator had moved to strike out the proviso, and I thought the proviso should be perfected before the motion should be put.

The VICE PRESIDENT. The Senator from Montana is correct.

Mr. SHIELDS. I was merely trying to straighten the matter out.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Montana.

The amendment was agreed to.

Mr. SHIELDS. Mr. President, I offer another amendment.

The VICE PRESIDENT. Does the Senator from Tennessee withdraw his previous amendment?

Mr. SHIELDS. I do.

Mr. JONES of Washington. Mr. President, I should like to ask the Senator from Tennessee about how long he thinks it may take to dispose of the pending bill?

Mr. SHIELDS. I presume it will take half an hour. The main contention on which I shall insist is yet to come.

Mr. JONES of Washington. I wish to make an appeal to the Senator from Minnesota. The Senator from Tennessee states that the main point in which he is interested in regard to this bill is still to come. I wish to ask the Senator from Minnesota whether or not he would be willing to let the pending bill go over? As the Senator knows, we took up the calendar in the hope that we would dispose of bills to which there was no serious objection, but not with the idea of taking all the afternoon on any one particular bill. There are several Senators who are interested in bills on the calendar who think they will not take very much time, and I had hoped we might accommodate them.

Mr. NELSON. If the Senator from Tennessee has no objection I am willing to have the bill temporarily laid aside.

Mr. SHIELDS. I did not hear the statement of the Senator.

Mr. JONES of Washington. The Senator from Minnesota states that if the Senator from Tennessee has no objection he will allow the pending bill to be passed over. Of course, I could ask that the unfinished business be laid before the Senate at any time and thus shut off every other measure, but I do not desire to do that.

Mr. SHIELDS. I will offer no objection to any disposition of the measure that the Senator from Minnesota desires to make.

Mr. NELSON. Very well.

The VICE PRESIDENT. The bill will be passed over.

Mr. JONES of Washington. Now, I ask that we may proceed with the calendar where we left off awhile ago.

INTERIOR DEPARTMENT APPROPRIATIONS.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes, and requesting

a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMOOT. I move that the Senate insist upon its amendments, accede to the request of the House for a conference, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to, and the Vice President appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS conferees on the part of the Senate.

RECONSIDERATION OF BILLS.

Mr. SMOOT. Mr. President, I have been attending a meeting of the Foreign Debt Commission and for that reason was absent from the Chamber this afternoon. I understand that during my absence the Senate passed the joint resolution (S. J. Res. 41) authorizing transportation for dependents of Army field clerks and field clerks, Quartermaster Corps; the bill (S. 2589) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, was passed; and the bill (S. 1861) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions.

I ask that the vote by which those measures were passed may be reconsidered, for I think that when they are fully explained on the floor of the Senate, Senators would not be in favor of their passage.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah?

Mr. NEW. I dislike to object to the request, but I wish the Senator from New York [Mr. WADSWORTH] might be present.

Mr. SMOOT. I am willing to let the one in which the Senator from New York is interested go over until he is here, or until to-morrow, but I want to have my motion pending.

Mr. NEW. If the motion is pending, that is all right.

Mr. SMOOT. Yes; and the other two I want to have reconsidered or the motion pending as to all three.

Mr. NEW. I suggest to the Senator that he merely have his motion pending.

The VICE PRESIDENT. The Chair is not quite certain what the Senator from Utah is now requesting.

Mr. SMOOT. I do not know whether I have a right to submit one motion and have it pending or not. It would stop the bills going to the House if it were pending. I am perfectly willing that the motion shall be pending.

The VICE PRESIDENT. The Senator may make a motion to reconsider.

Mr. SMOOT. Then, Mr. President, I move that the votes whereby Senate Joint Resolution 41, Senate bill 2589, and Senate bill 1861 were passed may be reconsidered.

Mr. NEW. And the motion will be pending until to-morrow?

Mr. SMOOT. Yes.

The VICE PRESIDENT. The motion of the Senator from Utah will be entered.

RURAL-CREDIT FACILITIES.

Mr. McLEAN, from the Committee on Banking and Currency, to which was referred the bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States; and for other purposes, reported it with amendments and submitted a report (No. 998) thereon.

JOINT RESOLUTION AND BILLS PASSED OVER.

The VICE PRESIDENT. The Secretary will state the next bill on the calendar.

The joint resolution (S. J. Res. 253) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of the President and Vice President and Members of Congress and providing for the election of President and Vice President by direct vote was announced as next in order.

Mr. FLETCHER. I ask that the joint resolution be passed over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2792) for the relief of John L. Livingston was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

RELIEF OF PUBLIC-BUILDING CONTRACTORS.

The bill (H. R. 7658) to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and works under the supervision of the Treasury Department, and for other purposes," was announced as next in order.

Mr. DIAL. Mr. President, I ask that that bill go over.

Mr. FERNALD. Mr. President, if the Senator will permit me, I should like to make a very brief statement in regard to this bill. If its purpose is understood, I think there can be no objection to it, for certainly it is a very meritorious measure.

There was an act passed in 1919 permitting contractors who had taken contracts for the erection of public buildings prior to the outbreak of the war where they were interfered with in their work by the Government because of the activities of the Army and Navy to submit their claims to the Treasury Department for settlement. Hundreds of claims have been thus submitted, and I have never as yet heard the criticism regarding those claims that they are unjust. There was one claim, however, of a contractor—and it was a very small claim—that was not submitted sufficiently early to come within the time limit, which expired 60 days after the passage of the act to which I have referred. That contractor was mentally disabled and was taken to a sanitarium for treatment, remaining there for a year. Meanwhile his business was left unsettled, and nobody knew anything at all about any claim he might have had. This bill simply gives to that contractor, or any others, if there be any, permission to appear before the Treasury Department and submit their claims. I know of only the one contractor, but if there be others they certainly ought to come within the purview of the proposed legislation. I think with that explanation there can be no objection to the measure.

Mr. DIAL. Mr. President, I do not believe in opening the door in such cases. If the bill applied only to one man, I should not object, but I shall have to ask that the bill go over.

Mr. FERNALD. It would seem to me if there were other like cases where men were mentally disabled and were taken to sanitariums they certainly ought to have an opportunity to present their claims, as they would have in most of the States where the statute of limitations in such cases is waived. I trust there will be no objection to the consideration of the bill.

Mr. DIAL. I will have to ask that the bill go over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

Mr. POMERENE. Mr. President, I appeal to my friend from South Carolina to allow this bill to pass. I realize that this is giving a short time within which to permit this claimant to file his claim, but the record shows conclusively that this man was mentally incapacitated during the time within which the claim should have been presented. In many of the States where there are statutes of limitation limiting the time within which an action shall be brought there is also a provision that in case of mental disability or similar disability the statute shall be suspended, and that is practically what this is. It is simply suspending, for a short period, the limitation of the enabling act which was passed by the Congress, in order to enable this man to file his claim, and it is because of that disability.

Mr. DIAL. If it is limited to this one man I have no objection, but I do not want to open the door here to a flood of claims.

Mr. POMERENE. It is limited to this one claim, is it not?

Mr. FERNALD. It is not specifically limited to it, but I know of no other.

Mr. DIAL. I have no objection to this one claim, but I do not want to open the door so as to enable numerous other people to come in and file claims.

Mr. POMERENE. I have no objection to its being limited to this one claim. It is the only one I know about.

Mr. FERNALD. It is the only one that has been presented. I suggest limiting it to the claim of William Dall, of Cleveland, Ohio.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The VICE PRESIDENT. The amendments offered by the Senator from Maine will be stated.

The ASSISTANT SECRETARY. On page 1, line 8, after the word "upon," it is proposed to strike out "any" and insert "the."

The amendment was agreed to.

The ASSISTANT SECRETARY. In the same line, after the word "claim," it is proposed to insert the words "of William Dall, of Cleveland, Ohio."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 2, line 1, after the words "of the," it is proposed to strike out the word "person" and insert "said William Dall."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

DONATION OF CERTAIN WAR TROPHIES.

The joint resolution (S. J. Res. 250) to donate to the Veterans of Foreign Wars of the United States certain war trophies captured by or surrendered to the armed forces of the United States in the World War was considered as in Committee of the Whole and was read, as follows:

Resolved, etc., That the Secretary of War be, and is hereby, authorized to donate to the national museum of the Veterans of Foreign Wars of the United States at their national headquarters at New York, N. Y., such of the war devices and trophies captured or surrendered to the armed forces of the United States from the armed forces of Germany and allied nations as may be requested by the official in charge of that institution: *Provided*, That not to exceed one of each caliber of cannon and carriage or one each of the more general types of machine guns, minenwerfers, mortars, bomb throwers, flame throwers, and gas projectors may be included in this donation.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 3247) to transfer to the classified service agents and inspectors in the field service, including general prohibition agents and field supervisors appointed and employed pursuant to the national prohibition act, and for other purposes, was announced as next in order.

Mr. CALDER. I ask that that go over.

The VICE PRESIDENT. The bill will be passed over.

PRACTICE OF OPTOMETRY IN THE DISTRICT OF COLUMBIA.

The bill (S. 2822) to regulate the practice of optometry in the District of Columbia was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments.

The amendments were, on page 1, line 6, after the word "of," to strike out "ascertaining departures from the normal, measuring their functional powers," and insert "determining visual defects"; on page 2, line 18, after "$500," to strike out "at the discretion of the court"; on the same page, line 21, after the word "imprisoned," to insert "in the District jail"; on line 22, after the word "both," to strike out "at" and insert "in"; on page 3, line 2, after the word "ten," to insert "optometrists"; on line 3, after the words "submitted by," to insert "a majority vote at some regular meeting of"; on line 6, after the words "age of," to strike out "25" and insert "21"; on line 11, after the word "board," to insert "of optometry"; on line 18, after the word "years," to strike out "vacancies on the said board shall be filled by the said commissioners for the unexpired term only," and insert "and in case of death, resignation, or removal of any member the vacancy for the unexpired term shall be filled by the said commissioners in the same manner as other appointments"; on page 4, line 13, after the word "improper," to strike out "or unprofessional"; on page 5, line 22, after the word "give," to insert "such"; on the same line, after the word "bond," to strike out "to the Board of Optometry" and insert "for the performance of his duties as the commissioners"; on line 24, after the word "Columbia," to strike out "with surety to be approved by the board in the sum of $2,000, conditioned for the faithful discharge of the duties of his office" and insert "shall require"; on page 6, after line 2, to strike out "Such bond with the approval of the board shall be placed in the custody of the president of the board"; on line 7, after the word "board," to strike out "and the" and insert "which salary and all"; on line 12, after the word "board," to insert "and"; on line 13, after the word "year," to insert "if any surplus remains"; on line 16, after the word "determine," to strike out the comma and the words "and the balance then remaining, if any, shall be retained by the board as a fund in the custody of the secretary-treasurer to meet additional needful and necessary expenses for conducting the affairs of the board"; on page 7, line 4, after the word "of," to strike out "90 days" and insert "one year"; on line 25, after the word "good," to insert "moral"; on page 8, line 23, after the word "by," to strike out "acceptable certificate" and insert "certificate acceptable to the board"; on page 9, after line 10, to strike out "Any student entering upon the study of optometry in a registered optometrist's office may file with the Board of Optometry an application for, and upon payment of a fee of $5 for the same shall receive a certificate of fact; only candidates so registering and having served as such not less than three years, and shall have the preliminary educational qualifications as required by the board and be more than 21 years of age, shall thereupon be entitled to take the standard examination, without the previous attendance at a school of optometry as in this paragraph hereinbefore set forth"; on page 9, line 22, after the word "board," to insert "with the approval of the Commissioners of the District of Columbia"; on line 23, after the word "is," to strike out "vested with authority on its part" and insert "authorized and empowered"; on page 10, line 17, after the word "shall," to strike out "have the privilege of continuing the practice of optometry for a period of six months and of," and insert "after the expiration of six months and within two years, have the privilege of"; on line 21, after the word "fee," to strike out "But in the event of his failure to pass a second examination he shall thereafter, at the discretion of the board, cease to practice optometry in the District of Columbia"; on page 12, line 6, after the word "exceed," to strike out "$15" and insert "$10"; on line 18, after the word "required," to strike out "After five years' retirement the privilege of renewal shall be discretionary with the board"; and on page 13, line 3, after the word "habitual," to strike out "intemperance, the use of spirits, stimulants" and insert "use of," so as to make the bill read:

Be it enacted, etc., That the practice of optometry is defined to be the application of optical principles through technical methods and devices in the examination of the human eye for the purposes of ascertaining departures from the normal, measuring their functional powers, and the adaptation of lenses for the aid and relief thereof.

SEC. 2. That on and after six months from the passage of this act it shall be unlawful for any person in the District of Columbia to engage in the practice of optometry or to hold himself out as a practitioner of optometry, or attempt to determine by an examination of the eyes the kind of eyeglasses required by any person, or hold himself out as a licensed optometrist when not so licensed, or to represent himself as capable of examining the eyes of any person for the purpose of fitting glasses, excepting those hereinafter exempted, unless he shall have fulfilled the requirements and complied with the conditions of this act and shall have obtained a license from the District of Columbia Board of Optometry, created by this act; nor shall it be lawful for any person in the District of Columbia to represent that he is a lawful holder of a license as provided by this act when in fact he is not such lawful holder, or to impersonate any licensed practitioner of optometry, or shall fail to register the certificate as provided in section 13 of this act.

Any person violating any of the provisions of this act shall be guilty of a misdemeanor, and upon conviction for the first offense shall be fined not more than $500, at the discretion of the court, and upon conviction for any subsequent offense shall be fined not less than $500 nor more than $1,000, or be imprisoned not less than three months nor more than one year, or both, at the discretion of the court.

SEC. 3. That the Commissioners of the District of Columbia shall appoint a board of optometry consisting of five persons, such persons and those thereafter appointed as hereinafter provided for to be selected from a list of 10 submitted by the District of Columbia Optometric Society, each of whom shall be a citizen of the United States, over the age of 25 years, actually engaged in the practice of optometry as defined in section 1 of this act, and who shall have been engaged in the actual and continuous practice of the same in the District of Columbia for at least three years next preceding his appointment. The said board shall be so appointed within 30 days after the approval of this act, and of the first appointees the said commissioners shall designate two who shall serve for a term of one year, two for a term of two years, and one for a term of three years from the date of said appointment, and each year thereafter the commissioners shall appoint successors to those whose terms expire as members of said board to serve for a term of three years; vacancies on the said board shall be filled by the said commissioners for the unexpired term only.

Each appointee to the board of optometry as hereinbefore provided for shall, within 15 days from the date of his appointment, qualify by subscribing to the following oath of office before any officer authorized to administer oaths in the District of Columbia: "I do solemnly swear that I will faithfully, impartially, with fidelity and according to law, perform the duties of a member of the board of optometry of the District of Columbia, to the best of my ability, so help me God."

Upon such oath being filed with the commissioners, they shall issue to said member a certificate of his appointment.

The commissioners are herewith vested with authority to remove from office at any time any member of said board for neglect of duty, incompetency, improper or unprofessional conduct, or when the license to practice optometry of any member of said board shall have been suspended or revoked.

SEC. 4. That the first meeting of the board of optometry created under the provisions of this act shall be held within 30 days from the date of appointment, at which meeting and at each annual meeting thereafter the members shall organize by electing a president, vice president, and a secretary-treasurer, who shall hold office for one year or until their respective successors have been appointed and have qualified. Said board shall hold its meetings at the end of every six months thereafter at such hour and place as it may designate for the examination of applicants for license to practice optometry in the District of Columbia, and for the transaction of such other business as may legally come before it; and may hold such additional meetings upon the call of the president of the said board or upon a call of a majority of the members of the board as the same become necessary for the examination of applicants for licenses or for carrying into effect the provisions of this act. If the date of any of said meetings shall fall upon a Sunday or a legal holiday, said meeting shall be held on the first business day thereafter.

Three members of the board shall constitute a quorum for the transaction of business, and should a quorum not be present on the day appointed for any meeting those present may adjourn from day to day until a quorum be present.

SEC. 5. That the board shall have authority and it shall be its duty to make all by-laws and necessary regulations for the proper discharge of its duties, and submit same to the Commissioners of the District of Columbia for approval.

SEC. 6. That before entering upon the discharge of the duties of his office the secretary-treasurer of the board shall give bond to the Board of Optometry of the District of Columbia, with surety to be approved by the board, in the sum of $2,000, conditioned for the faithful discharge of the duties of his office, the premium of such bond to be paid from the funds in the possession of the board. Such bond with the approval of the board shall be placed in the custody of the president of the board.

SEC. 7. That the secretary-treasurer shall receive as compensation for his services an annual salary to be determined by the board, and the other expenses of the board necessary in carrying out the provisions of this act shall be paid from the funds in the custody of the secretary-treasurer for the use of the board upon requisition signed by the secretary-treasurer and countersigned by the president of the board; on the 30th day of June of each year the members of the board shall be paid such reasonable compensation out of the funds in the custody of the board as the Commissioners of the District of Columbia may determine, and the balance then remaining, if any, shall be retained by the board as a fund in the custody of the secretary-treasurer to meet additional needful and necessary expenses for conducting the affairs of the board: *Provided, however,* That said compensation and expenses shall not exceed the amount received by the board under the provisions of this act.

SEC. 8. That the District Board of Optometry shall have an official seal and shall keep a record of its proceedings, a record of registered optometrists and of licenses by it revoked. Its records shall be open to public inspection between the hours of 9 and 3 o'clock of any business day, and it shall keep on file all examination papers for a period of 90 days after each examination. A transcript of an entry in such records, certified by the secretary-treasurer, under the seal of the board, shall be prima facie evidence of the facts therein stated. The board shall on or before the 10th day of July in each year make a report to the Commissioners of the District of Columbia of its official acts during the preceding 12 months ending June 30, and of its receipts and disbursements, and a full and complete report of the conditions pertaining to optometry in the District of Columbia.

SEC. 9. That on and after six months from the passage of this act, as set forth in section 2 hereof, every person desiring to practice optometry, or, if now in practice, to continue the practice thereof, except as herein otherwise provided, shall take an examination as provided in this act and shall fulfill the other requirements as in this act provided.

SEC. 10. That any person who has been engaged in the practice of optometry for at least two full years (one of which must have been in the District of Columbia), immediately prior to the passage of this act, who is more than 21 years of age and of good character, shall be entitled to take the limited examination covering the following only:

(a) The limitations of the sphere of optometry.
(b) The essential scientific instruments used in optometry.
(c) The form and power of lenses used in optometry.
(d) A correct method of measuring hypermetropia, myopia, astigmatism, and presbyopia.
(e) The writing of formulas or prescriptions for the adaptation of lenses in aid of vision.

Any person who has previously taken the limited examination and received certificate of the same as herein provided may also, if he so desires, take the standard examination at any time, any provisions in section 11 hereof to the contrary notwithstanding: *Provided, however,* That failure to pass the standard examination after having qualified under the limited examination as in this paragraph set forth shall not disqualify him as a lawful practitioner.

SEC. 11. That any person over the age of 21 years, of good moral character, who has had a preliminary education equivalent to a two years' course in a first-grade high school (which shall be determined either by examination or by acceptable certificate as to work done in such approved institution), and who is a graduate of a school of optometry in good standing (as determined by the board and which maintains a course in optometry of not less than 1,000 hours), shall be entitled to take the standard examination. Such standard examination shall consist of tests in—

(a) Practical optics.
(b) Theoretic optometry.
(c) Anatomy and physiology and such pathology as may be applied to optometry.
(d) Practical optometry.
(e) Theoretic and physiologic optics.

Any student entering upon the study of optometry in a registered optometrist's office may file with the board of optometry an application for, and upon payment of a fee of $5 for the same shall receive a certificate of fact; only candidates so registering and having served as such not less than three years, and shall have the preliminary educational qualifications as required by the board and be more than 21 years of age, shall thereupon be entitled to take the standard examination without the previous attendance at a school of optometry as in this paragraph hereinbefore set forth.

SEC. 12. That the board is vested with authority on its part to alter, amend, and otherwise change the educational standards at any time, but in altering, amending, or changing said standards the board shall not be permitted to lower the same below the standards herein set forth.

SEC. 13. That every person desiring to be licensed as in this act provided shall file with the secretary-treasurer of the board upon appropriate blank to be furnished by said secretary-treasurer an application accompanied by the recommendation of two reputable citizens, verified by oath, setting forth the facts which entitle the applicant to examination and license under the provisions of this act. The said board shall hold at least two examinations each year. In case of failure at any standard examination the applicant, after the expiration of six months and within two years, shall have the privilege of taking a second examination by the board without the payment of an additional fee. In case of failure at the limited examination hereinbefore provided for the applicant shall have the privilege of continuing the practice of optometry for a period of six months and of taking a second examination without the payment of an additional fee. But in the event of his failure to pass a second examination he shall thereafter, at the discretion of the board, cease to practice optometry in the District of Columbia.

Every applicant who shall pass the standard examination, or the limited examination, as the case may be, and who shall otherwise comply with the provisions of this act, shall receive from the said board under its seal a license entitling him to practice optometry in the District of Columbia, which license shall be duly registered in a record book to be properly kept by the secretary-treasurer of the board for that purpose which shall be open to public inspection; and a duly certified copy of said record shall be recorded in the clerk's office of the Supreme Court of the District of Columbia, and shall be admitted as prima facie evidence in all courts of the District of Columbia in the trial of any cause, and it shall be the duty of the clerk of the Supreme Court of the District of Columbia to keep a special book for the purpose of recording said license, and shall, upon application and by the payment of a fee of 50 cents, deliver to any person applying therefor a certificate that the license has been recorded in compliance with the provisions of this act. Each person to whom a certificate of license shall be issued by said board shall keep same displayed in a conspicuous place in his principal office or place of business wherein said person shall practice optometry, and shall, whenever required, exhibit the said certificate to any member or agent of the board.

SEC. 14. That the said board shall charge the following fees for examination, registrations, and renewals of certificates: The sum of $25 for a standard or a limited examination. Every registered optometrist who desires to continue the practice of optometry shall annually, on or before the 10th day of January of each year, pay to the secretary-treasurer of the board a renewal registration fee to be fixed annually by the board, not to exceed $15, for which he shall receive a renewal of his certificate. In case of neglect to pay the renewal registration fee as herein provided the board shall have authority to revoke such license and the holder thereof may be reinstated by complying with the conditions specified in this section, but no license or permit may be revoked without giving 60 days' notice to the delinquent, but the board shall only have the right to renew such license on the payment of the renewal fee with penalty of $5: *Provided,* That retirement from practice for a period of not exceeding five years shall not deprive the holder of said license the right to renew the same upon the payment of the fee herein required. After five years' retirement the privilege of renewal shall be discretionary with the board.

SEC. 15. That the board shall adopt a seal and license of suitable design and shall have an office in the District of Columbia where examinations shall be held and where all of the permanent records shall be kept.

SEC. 16. That the board may in its discretion refuse to grant a license to any applicant and may cancel, revoke, or suspend the operation of any license by it granted for any of the following reasons: The conviction of crime involving moral turpitude, habitual intemperance, the use of spirits, stimulants, narcotics, or any other substance which impairs the intellect and judgment to such an extent as to incapacitate anyone for the duties of optometry, or for a conviction as provided in section 2 of this act.

SEC. 17. That any person who is the holder of a license or who is an applicant for a license against whom any charges are preferred shall be furnished by the board with a copy of the complaint and shall have a hearing before the board, at which hearing he may be represented by counsel. At such hearing witnesses may be examined for and against the accused respecting such charges; the board shall thereupon pass upon said charges.

SEC. 18. That any applicant for a license who has been examined by the board of optometry in any of the States of the United States which through reciprocity similarly accredits the holder of a license issued by the board of optometry of the District of Columbia to the full privileges of practice within such State may on the payment of a fee of $25 to the said board and on filing in the office of the board a true and attested copy of said license, certified by the president and secretary-treasurer of the said board, showing the same and also showing that the standard of requirements adopted and enforced by said board is equal to that provided by this act, shall without further examination receive the license: *Provided,* That such applicant has not previously failed at any examination held by the board of optometry of the District of Columbia.

SEC. 19. That nothing in this act shall be construed as conferring on the holder of any license issued by said board the right to use any title or any word or abbreviation indicating that he is engaged in the practice of medicine, surgery, or the treatment of the eye, of the diagnosis of diseases of or injuries to the human eye, or the writing or issuing of prescriptions for the obtaining of drugs or medicine in any form for the treatment or examination of the human eye.

SEC. 20. That the provisions of this act shall not apply—

(a) To physicians and surgeons practicing under authority or license issued under the laws of the District of Columbia for the practice of medicine and surgery.
(b) To persons selling spectacles and (or) eyeglasses and who do not attempt either directly or indirectly to adapt them to the eye, and who do not practice or profess the practice of optometry.

SEC. 21. That wherever in this act the singular number is used it shall be interpreted as meaning either singular or plural if compatible with the sense of the language used, and when in this act the masculine gender is used it shall be construed as meaning also the feminine gender if not inconsistent with such use.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

W. O. WHIPPS.

The bill (S. 3364) for the relief of W. O. Whipps was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the President be, and he hereby is, authorized to appoint W. O. Whipps, formerly a major in the Quartermaster Corps, United States Army, a captain in the Quartermaster Corps, United States Army, to date from July 1, 1920, and to be placed upon the promotion list in such place as is provided by section 24a of the act of June 4, 1920, for persons appointed officers under the provisions of section 24 of said act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 4050) to provide for the purchase and sale of farm products was announced as next in order.

Mr. WADSWORTH and Mr. JONES of Washington. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4012) to control the possession, sale, and use of pistols and revolvers in the District of Columbia, to provide penalties, and for other purposes, was announced as next in order.

Mr. STANLEY. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3252) to amend paragraph 8 of the act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901, as amended, was announced as next in order.

Mr. McKELLAR. Let that go over.

Mr. JONES of Washington. Mr. President, I have not had time to examine this bill, but I think it is the bill with reference to patrol drivers in the District of Columbia. It makes them regular policemen, which I think the Senator will agree should be done.

Mr. McKELLAR. The bill has some other things in it that I want to look into.

Mr. JONES of Washington. Very well, then.

Mr. McKELLAR. I notice the last proviso, and I call the attention of the Senator from Washington to it, where apparently a considerable sum of difference in salaries from August 1, 1919, to date is to be paid to every officer or member of the Metropolitan police force.

Mr. JONES of Washington. It is all right for it to go over, then. I did not know that there was anything else in it.

Mr. McKELLAR. I should like to look into it further.

Mr. JONES of Washington. I have not examined it.

The VICE PRESIDENT. The bill will be passed over.

TRANSFER OF SURPLUS BOOKS.

The bill (S. 3244) to authorize the transfer of surplus books from the Navy Department to the Interior Department was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized and directed to transfer such books as may not be required for the uses of the Navy Department to the Interior Department as the Secretary of the Interior may consider useful for educational purposes at the Indian school at Santa Fe, N. Mex., and other Indian schools throughout the United States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

TRANSFER OF VESSELS FROM NAVY TO COAST GUARD.

The bill (S. 4137) to authorize the transfer of certain vessels from the Navy to the Coast Guard was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to transfer to the Treasury Department, for the use of the Coast Guard, such vessel or vessels of the Navy, with their outfits and armaments, as can be spared by the Navy and as are adapted to the use of the Coast Guard.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

TEXAS PACIFIC RAILROAD CO.

The bill (S. 4029) to amend an act entitled "An act to incorporate the Texas Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and to insert:

That in addition to the powers conferred by the act entitled "An act supplementary to an act entitled 'An act to incorporate the Texas Pacific Railroad Co. and to aid in the construction of its road, and for other purposes,' approved March 3, 1871," approved May 2, 1872, the Texas & Pacific Railway Co. shall have power and authority at any time, or from time to time, by resolution of its board of directors, duly adopted at a meeting thereof held in accordance with its by-laws, and with the consent of the holders of a majority in amount of the then outstanding capital stock, expressed by vote in person or by proxy at a special meeting of said stockholders called for the purpose upon such notice as its by-laws require for the calling of such special meeting, to authorize an issue or issues of its bonds for the completion, equipment, maintenance, or repair of its lines of railroads, the funding of any debt, the making of any additions, extensions, or betterments to its property, or for any other lawful corporate purpose, without limitation in amount to $40,000 per mile of its lines of railroad as prescribed by said act of Congress approved May 2, 1872, and to secure said bonds, or any of them, by mortgage or other lien upon all or any portion of its franchises and property.

SEC. 2. That the capital stock of the Texas & Pacific Railway Co., heretofore fixed by its board of directors pursuant to the provisions of said act of Congress approved March 3, 1871, at $50,000,000, may be increased at any time, or from time to time, by resolution of its board of directors duly adopted at a meeting thereof held in accordance with its by-laws and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a meeting of said stockholders called for the purpose upon such notice as its by-laws require for the calling of such special meeting.

Any additional share of capital stock so authorized shall be entitled to such rights, privileges, and priorities and preferences and be subject to such limitations and restrictions as may be determined by resolution of the board of directors with like consent of the holders of majority in amount of the then outstanding capital stock of the Texas & Pacific Railway Co.: *Provided*, That each share of outstanding capital stock, preferred or common, shall be entitled to one vote at every stockholders' meeting, which may be voted in person or by written proxy.

SEC. 3. That all power and authority granted by this act, or by any of the aforesaid acts, shall be subject in its exercise to the provisions of the interstate commerce act, or any act amendatory thereof or supplemental thereto from time to time in force, as far as applicable.

SEC. 4. That a copy of the resolution of the board of directors and of the stockholders, or of the proceedings at a stockholders' meeting, authorizing any such increase in capital stock, or the issuance of any such bonds, and of the order of the Interstate Commerce Commission or other governmental agency authorizing the same, certified by the secretary of the Texas & Pacific Railway Co., shall be filed and recorded in the Department of the Interior, and when so filed shall be sufficient evidence of the power and authority of the Texas & Pacific Railway Co. to issue such additional stock or bonds.

SEC. 5. That the Texas & Pacific Railway Co., for the purposes of all actions at law by or against it, real, personal, or mixed, and all suits in equity, shall be deemed a citizen of the State of Texas and an inhabitant of the county of Dallas, in said State.

Mr. McKELLAR. Mr. President, this seems to be an important bill, and I should like to have an explanation of it from the Senator introducing it.

Mr. SHEPPARD. Mr. President, this bill gives the Texas Pacific Railroad Co. the same right that is now possessed by all other railroad companies of the United States not organized under Federal charter to go before the Interstate Commerce Commission and secure permission to increase its capital stock or issue certificates for improvement purposes; that is all.

Mr. McKELLAR. It does not have that power now?

Mr. SHEPPARD. It does not, because the road was organized under a Federal charter and the charter limited capital stock and security issues to certain figures. It can not at present issue additional improvement bonds, even with the approval of the Interstate Commerce Commission.

Mr. McKELLAR. Does it put all other railroads on the same basis?

Mr. SHEPPARD. It puts this railroad on the same basis that the other railroads are on now. Under the present transportation act all other railroads may increase their capital stock or secure the right to issue bonds for needed improvements if the Interstate Commerce Commission approves. This bill gives the Texas Pacific Railroad Co. the same status.

Mr. McKELLAR. I notice that the House passed one bill and the Senate committee has recommended the passage of another. What are the differences between the two bills?

Mr. SHEPPARD. The House committee has voted to report the bill as originally introduced, giving the road power to build or acquire extensions. The Senate committee has not gone that far. The Senate committee struck out the first two sections of the bill, which authorized the road to build extensions, and confined the added authority to the issuance of additional capital stock and additional improvement bonds.

Mr. McKELLAR. Is it unanimously reported by the committee?

Mr. SHEPPARD. It has been unanimously reported by the Senate Judiciary Committee, and the Interstate Commerce Commission has approved it.

Mr. McKELLAR. Hastily glancing over it, not having had time to read it, it seems to be a bill of a good deal of importance, giving considerable additional power.

Mr. SHEPPARD. It gives them the same power other roads have.

Mr. WALSH of Montana. I recall that the Judiciary Committee directed that a report be made favoring the enactment of the bill with the first two sections stricken out.

Mr. SHEPPARD. So it did; and that has been done.

Mr. WALSH of Montana. Why was it entirely reprinted?

Mr. OVERMAN. Let the bill be read, and let us see whether it struck them out or not.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Secretary read the bill. We can follow the reading and see what the bill provides. I have no doubt the Senator from Texas is accurate about it, but it seems such an important matter that we all had better look over it.

Mr. WALSH of Montana. Perhaps I might say something in advance that would be enlightening.

The Texas Pacific Railroad Co. was incorporated by act of Congress in 1871, authorized to construct a road from Marshall, Tex., to the Pacific coast. It never did construct a line outside of the State of Texas to the west, its western terminus being at the Rio Grande River, some distance east of El Paso. It runs into El Paso over the tracks of the Southern Pacific Railroad.

Afterwards, however, it was authorized to construct a line eastward to Shreveport, and that is all it has ever constructed—a road from the Rio Grande across the State of Texas to Shreveport, in the State of Louisiana. However, it acquired various lines in the State of Louisiana, giving it connection with New Orleans.

Sections 1 and 2 of the bill as reported to the House extended the Federal incorporation act and the charter of the Texas Pacific Railroad over these lines acquired by it, running from Shreveport, La., to New Orleans, La. The Judiciary Committee concluded that they would not extend the charter of the Texas Pacific Railroad Co. It was incorporated only with the idea that it would construct a transcontinental line of railroad, and it never did. Even the reason why it ever got a Federal charter has failed, and the committee believed it ought not extend Federal authority over any roads it has since acquired, the existence of which depend upon State laws.

It is limited to the act of its incorporation, the act of Congress, both in the amount of stock it may issue and in the amount of bonds it may issue. If it had been incorporated under a State charter, it would go to the State of its creation to get power to issue a greater amount of stock and a greater amount of bonds, but it could not issue those stocks and bonds without the approval of the Interstate Commerce Commission. It is obliged, accordingly, to come to the Congress of the United States, which created it, in order to get authority to make further issuance of stock and bonds. But the bill provides that it can issue such additional stock and bonds only upon the approval of the Interstate Commerce Commission, which puts it upon the same footing with railroads incorporated under State acts, as the Senator from Texas has said.

Mr. McKELLAR. Have all other railroads the right to issue unlimited amounts of stock and bonds?

Mr. WALSH of Montana. No; they have the right to issue stock and bonds to such an extent as the State from which they derive their charter permits. None of them, I apprehend, have unlimited power; but whatever right is given to them by the charters of the States incorporating them, they can not issue, even though the State authorizes them to issue, without the approval of the Interstate Commerce Commission.

Mr. McKELLAR. Then, as I understand, this is a Federal corporation, and under this bill it would have the right to issue stock and bonds in an unlimited manner, except so far as it is prevented by the Interstate Commerce Commission?

Mr. WALSH of Montana. Exactly.

Mr. SHEPPARD. I think the Senator states that erroneously.

Mr. McKELLAR. Let me see what it says here.

Mr. SHEPPARD. It must make application first. The proper statement is that it may create additional issues, provided the commission permits.

Mr. McKELLAR. The bill provides:

That the capital stock of the Texas & Pacific Railway Co., heretofore fixed by its board of directors pursuant to the provisions of said act of Congress approved March 3, 1871, at $50,000,000, may be increased at any time, or from time to time, by resolution of its board of directors duly adopted at a meeting thereof held in accordance with its by-laws and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a meeting of said stockholders called for the purpose upon such notice as its by-laws require for the calling of such special meeting.

Apparently that gives them an unlimited right.

Mr. SHEPPARD. I call the Senator's attention to section 3 and ask him to read it.

Mr. McKELLAR. Apparently that merely limits it to the discretion of the Interstate Commerce Commission, and, as I understand it, it will then have an advantage over other railroads. If this bill passes, that railroad company will have the right to issue unlimited stock and bonds, if it can get the approval of the Interstate Commerce Commission to do it, while other railroads, organized in various States, are limited by the provisions of the State laws. I see in section 5 that it is to all intents and purposes to be made a citizen of the State of Texas. Why should it not be limited in its issuance of stock by the laws of the State of Texas? It will not be under this bill. I just call the Senator's attention to it. It seems to me under this bill the railroad would be given very broad powers.

Mr. SMITH. I would like to state to the Senator from Tennessee that the comparatively new limitation, or new statute, requiring every railroad, before it issues any additional stock or enters into any additional bond issue, to carry its case before the Interstate Commerce Commission was passed in order to avoid any excessive issue of stock over and above the real investment for public use. There has been such a cry over the country of watered stock and inflated values that we passed an act some time ago requiring all railroads, before any future issue of stock or bonds, to apply to the Interstate Commerce Commission, and under the terms of that law, in their permission to these railroads they can not authorize the issuance of bonds and stock in excess of the amount actually invested for public use.

Mr. McKELLAR. Can the Senator say whether there are any limitations or restrictions upon the Interstate Commerce Commission, other than the exercise of their good judgment in the matter?

Mr. SMITH. I do not recall just the verbiage of the law, but the law clearly sets forth that the issue of stocks and bonds shall not exceed the actual investment for public service.

Mr. McKELLAR. The Senator recalls that the Esch-Cummins law made a good deal of watered stock good.

Mr. SMITH. That is different.

Mr. McKELLAR. It seems to me we ought to be very careful about the issuance of stocks and bonds in the future.

Mr. SMITH. That was the reason we passed the act to which I referred, in order that public carriers shall hereafter go to the Interstate Commerce Commission for permission to issue certain debentures against their property, and that they shall not exceed the amount actually invested.

Mr. McKELLAR. Can the Senator tell us whether or not that is largely a formality; or does the Interstate Commerce Commission make a real examination?

Mr. WALSH of Montana. The Senator will understand, of course, that that would not authorize the issuance of stocks and bonds greater than the value of the property. That is not to be imagined.

Mr. McKELLAR. We have been trying to get a valuation of the railroads for a long time, and that has not been accomplished yet, as I am informed. I am not going to object to the passage of this bill, but I have very grave doubts about whether we ought to give this unlimited right to any railroad to issue stock, and I doubt if we ought to give it the right to issue bonds.

Mr. SMITH. If the Senator from Tennessee will allow me, the Senator from Montana was exactly right in stating that it makes practically no difference what the source of the charter is, whether it is the Federal Government or a State, when it comes to the limitations on stock and bond issues; and I do not know whether the language of that statute would effect it. They say you might have carte blanche, but under the statute, whether it was a Federal charter or a State charter, the Interstate Commerce Commission would have to limit the issue to the valuation of the property.

Mr. McKELLAR. I can understand that. I have no knowledge about this except from a hasty reading of the bill. I hope it has been hedged around so that there can be no doubt about it, and I am glad to hear what the Senator from Montana and the Senator from South Carolina and the Senator from Texas have said about it.

Mr. WALSH of Montana. If it were not for the provisions of the existing law no one could controvert the Senator's argument that there should be a limitation, but in the estimation of the commission there is now a limitation; that is to say, the limitation is in the discretion of the Interstate Commerce Commission, which, as the committee thought, was very much better equipped to say what the limitation should be than we are in this hasty way and without the information. We thought very seriously about fixing a limit, and the chairman of the committee [Mr. NELSON] thought it would be wise to fix a limit upon the amount of stock and the amount of bonds; but it seemed reasonable to imagine that in 15 or 20 years from now they would have to come back to Congress to get an extension again, because, as the Senator knows, it is becoming more and more expensive; the equipment is of a higher class, the roadbed is better, and all that kind of thing. They would be obliged to double-track the road, and all that sort of thing.

Mr. McKELLAR. Mr. President, I would be very much better pleased to have them come back to get an extension of the limitation as to the amount of stock they could issue in the future than for them to improvidently issue stocks and bonds now and then come back some years afterwards and ask us to pass another bill like the Esch-Cummins bill to make the improvident stock and partially valueless stocks and bonds good. That is my opinion about it.

Mr. ROBINSON. I think it fair to state that there is no such provision in the Esch-Cummins law.

Mr. McKELLAR. We have a difference of opinion about that. I think there is.

Mr. ROBINSON. The Esch-Cummins law does not deal with the stocks and bonds of railroad companies in that connection. There is no provision in the Esch-Cummins Act that validates stocks and bonds.

Mr. McKELLAR. While there is no express provision, there is a provision in the Esch-Cummins law that requires the rates to be made so as to bring 6 per cent to the railroad companies.

Mr. ROBINSON. No; that is not correct either.

Mr. McKELLAR. Substantially so. It requires rates to be raised so as to produce a reasonable return on the capital, and that reasonable return has added very much to the value of the stocks and bonds of the railroads.

Mr. ROBINSON. That statement is totally inaccurate. There is not a word in the Esch-Cummins law that provides for a return on the capital of the railroads. In the provision of the Esch-Cummins law to which the Senator refers, the provision which I think he must have in mind, is that for a period of two years after the passage of the Esch-Cummins Act, a period expiring, as I remember, about March 1, 1922, thus having already expired, it was provided that as a rule of rate making, considering the roads as a whole or in groups, the rate of 5½ per cent on the actual aggregate value of the railroad property held and used for transportation should be considered a fair return. After that time the Interstate Commerce Commission was authorized to fix what should constitute a fair return but it has no relation whatever to stocks and bonds, it does not deal with the stocks and bonds, and does not take them into consideration. It takes into consideration the value of the property held and used for transportation.

Mr. McKELLAR. The valuation fixed under the terms of the Esch-Cummins law by the Interstate Commerce Commission is considerably more, perhaps several billion dollars more, than all the stock and all the bonds of the railroads, and therefore a provision requiring 6 per cent or providing for a 6 per cent return on the valuation fixed by the Interstate Commerce Commission would undoubtedly be very much better for the railroads than if it were to require a similar return on all the stocks and bonds of the railroads because the valuation is greater than the amount of the stocks and bonds.

Mr. ROBINSON. With the further indulgence of the Senator from South Carolina [Mr. DIAL], of course, under the Constitution of the United States a railroad engaged in interstate commerce is entitled to a fair return on the value of its property held in use for transportation. The effect of the provision of the Esch-Cummins Act to which the Senator has referred was to define what constituted a fair return. For a period which has already expired, it was defined at 5½ per cent, and, under some conditions, one-half of 1 per cent additional, making a total of 6 per cent that might be allowed. But in no case is the commission authorized, in determining the question of rates or in determining the amount of securities that may hereafter be issued, to take into consideration anything else than the value of the investment itself, the value of the property held and used for transportation, and the public interest as well as the needs of the roads. That is as stated by the Senator from South Carolina.

Mr. DIAL. Mr. President, I merely desire to add that I have every reason to believe the Interstate Commerce Commission thoroughly scrutinizes the amounts of the stocks and bonds which the railroads are authorized to issue, and furthermore they even look into the application of the funds arising from those stocks and bonds or the purpose for which they are issued. They give it most careful attention, I am sure.

Mr. McKELLAR. I am delighted to hear that is correct. I hope the Interstate Commerce Commission will scrutinize all applications for an increased issue of stocks and bonds by any of the railroad companies. Railroad stocks and bonds have been improvidently issued in the past, as we all know, but I hope it will not be done in the future. I am not going to object to the Senator's bill.

Mr. SHEPPARD. I have listened with great interest to the suggestions of the Senator from Tennessee, and I am perfectly willing to place in the bill an absolute limitation on the maximum amount of the capital stock and the maximum amount of bonds, any increase in either, however, to be subject to the approval of the Interstate Commerce Commission.

Mr. McKELLAR. I would feel very much easier about it if the Senator would offer such an amendment.

Mr. SHEPPARD. I am willing to have a limitation both as to the capital and the bonds. I move, therefore, to insert in line 17, page 7, after the numerals "$40,000" the words "but not in excess of $65,000."

The PRESIDING OFFICER (Mr. REED of Pennsylvania in the chair). The amendment to the committee amendment will be stated.

The ASSISTANT SECRETARY. The amendment proposed to the amendment of the committee is on page 7, line 17, after the numerals "$40,000," to insert "but not in excess of $65,000."

Mr. McKELLAR. Is not the Senator putting a very liberal limitation on that? If it were thought worth while to limit it to $40,000 a mile when the first law was enacted, is not the extension of it to $65,000 a mile now a very large extension?

Mr. SHEPPARD. The $40,000 limit was fixed more than a generation ago, and the Senator knows how costs have increased since then. At any rate, no increase whatever may be made without the approval of the Interstate Commerce Commission.

Mr. McKELLAR. But I doubt if they have increased to that extent. While it was perhaps temporarily so during the war, it is not so now. Would not the Senator be willing to accept a modification of his amendment fixing the amount at $50,000 a mile?

Mr. WALSH of Montana. It is not only a question of costs having increased but equipment has vastly increased. We now have rails weighing 100 pounds to the yard, and at that time they weighed 30 or 40 pounds. At that time we used to lay the rails practically upon the open prairie. Now we have to have a ballasted roadbed. At that time trains consisted of perhaps 10 cars, while now we have trains consisting of 75 or 80 cars. The Senator will see that a limitation which was liberal in 1871 would not have any application now at all.

Mr. SMITH. May I also call the Senator's attention to the fact that the ties upon which the rails were laid were generally delivered at that time for 25 cents each, while now they bring $1.25 to $1.50 each?

Mr. McKELLAR. I am not a member of the Committee on Interstate Commerce, while the Senators are, and they have unquestionably looked into the matter very fully. I have great confidence in them. I say again I am not going to object to the passage of the bill.

Mr. SHEPPARD. I ask for a vote on the amendment which I have offered to the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. SHEPPARD. On page 8, in line 1, after the word "time" where it appears the third time, I move to amend the committee amendment by inserting the words "but not to exceed in the aggregate $75,000,000."

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 8, line 1, after the word "time" where it appears the third time, the Senator from Texas moves to amend by inserting the words "but not to exceed in the aggregate $75,000,000," so as to read:

> That the capital stock of the Texas & Pacific Railway Co., heretofore fixed by its board of directors pursuant to the provisions of said act of Congress approved March 3, 1871, at $50,000,000, may be increased at any time, or from time to time, but not to exceed in the aggregate $75,000,000.

And so forth.

Mr. McKELLAR. Mr. President, what is proposed to be done now? Here is a railroad running from El Paso to New Orleans, with many branch lines——

Mr. SHEPPARD. Oh, no; not at all.

Mr. McKELLAR. I thought it had bought many branch lines.

Mr. WALSH of Montana. Connecting lines.

Mr. McKELLAR. They do not belong to the same company?

Mr. WALSH of Montana. Yes. They own the line from Shreveport to New Orleans.

Mr. McKELLAR. All under a capitalization of $50,000,000?

Mr. SHEPPARD. Yes.

Mr. McKELLAR. What lines are they going to acquire or build that would justify such an enormous increase in the capital stock?

Mr. SHEPPARD. They have no power under the bill to acquire additional lines at all.

Mr. McKELLAR. I know, but they want to increase their capital stock. What is the necessity for it? Can the Senator enlighten me about it?

Mr. SHEPPARD. It is essential, as I understand it, to enable the company to issue preferred stock. Under the present charter it can issue only common stock. The road has arranged to exchange an outstanding issue of $25,000,000 income bonds for preferred stock as a part of its plans to secure additional funds for development and improvement. This exchange, however, will be subject to the approval of the Interstate Commerce Commission. The commission examined the bill before it was introduced and expressed approval.

Mr. McKELLAR. I am glad to know it was submitted to the commission.

Mr. SHEPPARD. Not a dollar of securities or stock authorized in the bill can be issued without the approval of the Interstate Commerce Commission.

Mr. McKELLAR. As I said before, I am going to yield to the judgment of the Senators who are members of the Interstate Commerce Committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill amendatory of and supplementary to an act entitled 'An act to incorporate the Texas Pacific Railroad Co. and to aid in the construction of its road, and for other purposes,' approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874."

CALL OF THE ROLL.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Bayard	George	Lenroot	Robinson
Borah	Gerry	Lodge	Sheppard
Brandegee	Glass	McCormick	Smith
Calder	Hale	McKellar	Sterling
Cameron	Harris	McNary	Sutherland
Capper	Heflin	Nelson	Townsend
Colt	Johnson	New	Trammell
Couzens	Jones, N. Mex.	Nicholson	Underwood
Curtis	Jones, Wash.	Norbeck	Wadsworth
Dial	Kellogg	Oddie	Walsh, Mont.
Ernst	Kendrick	Overman	Warren
Fernald	Keyes	Pepper	
Fletcher	King	Phipps	
Frelinghuysen	Ladd	Reed, Pa.	

Mr. CURTIS. I was requested to announce the absence of the Senator from Wisconsin [Mr. LA FOLLETTE] on official business.

The PRESIDING OFFICER. Fifty-three Senators have answered to their names. There is a quorum present.

SALARIES UNDER DEPARTMENT OF AGRICULTURE.

Mr. McNARY. Mr. President, under the order of procedure as outlined for to-morrow, the annual agricultural appropriation bill is to be called at 12 o'clock. I desire at this time to give notice in writing of a motion to suspend the rule in order that I may propose an amendment to that bill. I ask that the notice may now be read.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will read as requested.

The ASSISTANT SECRETARY. The Senator from Oregon gives notice that under Rule XL he will move to suspend paragraph 3 of Rule XVI, in order that he may propose the following amendment to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, to wit:

On page 82, after line 14, to insert the following:

"That hereafter the maximum salary of any scientific investigator or other employee engaged in scientific work and paid from the general appropriations of the Department of Agriculture shall not exceed the rate of $6,500 per annum: *Provided*, That for the fiscal year 1924 no salary shall be paid under this paragraph at a rate per annum in excess of $5,000 except the following: Not more than 12 in excess of $5,000 but not in excess of $5,500 each, and not more than 5 in excess of $5,500 each."

The PRESIDING OFFICER. The notice will lie on the table and be printed.

BILLS PASSED OVER.

The next bill on the calendar was the bill (S. 799) to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven fabrics purporting to contain wool and in garments or articles of apparel made therefrom, manufactured in any Territory of the United States or the District of Columbia or transported or intended to be transported in interstate or foreign commerce, and providing penalties for the violation of the provisions of this act, and for other purposes.

Mr. DIAL. Let that bill go over.

Mr. WADSWORTH. I ask that the bill may go over.

The PRESIDING OFFICER. Being objected to, the bill will be passed over.

The bill (S. 425) fixing the salaries of certain United States attorneys and United States marshals was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. Being objected to, the bill will go over.

OWNERS OF THE STEAMSHIP "ESPERANZA."

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 419) for the relief of the owners of the steamship *Esperanza*, which had been reported from the Committee on Claims with amendment to strike out all after the enacting clause and to insert:

That the claim of the New York & Cuba Mail Steamship Co., owner of the American steamship *Esperanza*, against the United States for damages alleged to have been caused by collision between said vessel and the United States destroyer *Connor* on the 15th day of February, 1918, off Barnegat Light, N. J., may be sued for by the owner of the said American steamship *Esperanza* in the United States District Court for the Southern District of New York, sitting as a court of admiralty, and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the owner of the said American steamship *Esperanza*, or against the owner of the said American steamship *Esperanza* in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties, and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The PRESIDING OFFICER. The question is on the adoption of the committee amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LONG ISLAND RAILROAD CO.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 420) for the relief of the Long Island Railroad Co., which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the claim of the Long Island Railroad Co. against the United States for damages alleged to have been sustained by said railroad company's dock, vessels, and marine equipment at Whitestone Landing, N. Y., on the 11th day of December, 1919, as a result of swells caused by the negligent operation of the United States destroyer *Broome* at an excessive rate of speed, may be sued for by said company in the United States District Court for the Southern District of New York, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the Long Island Railroad Co., or against the Long Island Railroad Co. in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OWNERS OF THE STEAMSHIP "LEXINGTON."

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 421) for the relief of the owners of the steamship *Lexington*, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the claim of Colonial Navigation Co., owner of the American steamship *Lexington*, against the United States for damages alleged to have been caused by collision between said vessel and the United States submarine *O-7* on the 6th day of October, 1919, in the East River, N. Y., near Horns Hook, may be sued for by the owner of the said American steamship *Lexington* in the United States District Court for the Southern District of New York, sitting as a court of admiralty, and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the owner of the said American steamship *Lexington*, or against the owner of the said American steamship *Lexington* in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties, and with the same rights of appeal: *Provided*, That such notice of the

suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months from the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMMERCIAL PACIFIC CABLE CO.

The Senate, as in committee of the Whole, proceeded to consider the bill (S. 3503) to carry out the findings of the Court of Claims in the case of the Commercial Pacific Cable Co., which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of," to strike out "$35,838.22" and to insert in lieu thereof "$30,490.38," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Commercial Pacific Cable Co., out of any money in the Treasury not otherwise appropriated, the sum of $30,490.38, to reimburse said company for the cost of repairing certain damages done by the United States naval authorities to one of said company's cables in the harbor of San Luis d'Pra, Island of Guam, in September, 1907, as reported to Congress in Senate Document No. 88, Sixty-fourth Congress, first session.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GERTRUDE LUSTIG.

The bill (S. 3668) for the relief of Gertrude Lustig was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. WADSWORTH. Mr. President, will the Senator from South Carolina withhold his objection for a moment and allow me to make a statement in connection with this bill?

Mr. DIAL. Certainly.

Mr. WADSWORTH. Mr. President, this bill for the relief of Gertrude Lustig passed the Senate on a former occasion. I will make just a brief statement of the matter. I shall not go into detail.

Gertrude Lustig for 20 years was a member of the Army Nurse Corps. Shortly after our entrance into the war she was found on duty at the base hospital at the great concentration camp built near Fort Worth, Tex., at which the Thirty-sixth Division was trained. Gertrude Lustig was born in Germany. She was brought to this country as a little baby, I think not more than 1 year old. Some people, for whose motives or judgment I have no admiration, began spreading the story that she was a German spy. She had been in our Nurse Corps for 20 years.

To make a long story short, she was arrested while on duty at the base hospital at Fort Worth, incarcerated in Fort Worth for a considerable period of time without ever being brought to trial, her case was paraded in the headlines of the Fort Worth newspapers, and her name was flashed all over the Southwest as being a traitor to the country which she had served so faithfully for 20 years. After being held in confinement for some time in Fort Worth with the whole community talking about her, and her name and reputation being well-nigh ruined, she was then sent to a detention camp for dangerous enemy aliens. She was kept there for several months, according to my recollection. In the meantime, of course, she was discharged from the Army Nurse Corps. Finally, when the Department of Justice got down to examining into her case, they found that there was no ground whatsoever for the charges against her, and, at the instance of the Attorney General of the United States, she was ordered released from the detention camp. Of course, at that time she found herself discharged, practically dishonorably, from the Army Nurse Corps. The War Department, with the entire approval of General Ireland, the Surgeon General of the Army, took her on again and reestablished her as an Army nurse. I think she is still an Army nurse. This bill is to pay to her the salary which she would have earned had she not been arrested and discharged and detained as a spy. It is a bill in the interest of common justice. The Senate has passed it upon a former occasion, and I hope the Senate will do it again.

Mr. ROBINSON. Mr. President, the bill was approved by the War Department; was it?

Mr. WADSWORTH. It was; yes. She is in the service now.

Mr. DIAL. Mr. President, all I know about this matter is what I have read in the report. It occurs to me that we are setting a very dangerous precedent here. If we are going to undertake to pay people their salaries for the time they were out of employment during the war, there is no telling when we will ever get through with it. To try these cases ex parte seems to me to be a very loose practice, and if we enter upon it I do not see how we will ever get through trying claims in Congress.

Of course, if the lady was innocent, it is very unfortunate that she was arrested; but it seems to me that there should have been some way to get her released. To come here now and pass a bill to pay her salary to her for the time she was out of the service, which is a pretty long time, is contrary to my ideas.

If the Senate wants to vote on the bill, I shall not ask that it go over; I will leave it to the Senate to say what it shall do; but I imagine that if we pass the bill we will have a great many similar claims here. We will be sitting here the same as a trial court, hearing these matters, for a long time to come.

Mr. McKELLAR. Mr. President, can the Senator from New York tell us whether this lady has ever made any claim for false arrest against the Government, or has she just contented herself with making a claim for the salary? I want to say to the Senator that it seems to me the case is a most meritorious one, and the claim ought to be paid. I am glad to know that the Senator from South Carolina is going to permit a vote on it, because I expect to vote for it, unless the lady has made claim for damages for false arrest or any other claim against the Government.

Mr. WADSWORTH. No; the poor woman is quite helpless in the matter. She can not sue the Government of the United States for false arrest.

Mr. McKELLAR. I know; but she can make a claim for it, and I was wondering whether or not she had ever made any claim for that. I take it she has not, if she is in the service of the United States now.

Mr. WADSWORTH. She protested her innocence, and protested it again and again for months, and was finally released and taken back into the Army.

Mr. McKELLAR. I think the claim is a very meritorious one, and I expect to vote for it.

Mr. JONES of New Mexico. Mr. President, may I ask the Senator from New York in what respect the principle of this case differs from any other case where a person is wrongfully arrested? In the ordinary case where an individual is arrested unjustly he loses the compensation for whatever employment he may have been engaged in during that time, and, so far as I know, no attempt ever has been made to reimburse any other citizen of the United States for a wrongful arrest. The only difference between this case and the ordinary case is that the individual happens to lose the compensation which she would have received from the Government of the United States during the time of the arrest; that is all. There are, however, hundreds and thousands of people who are wrongfully arrested day after day. They doubtless lose salaries or other compensation for their services which they would have received had they not been arrested, and no attempt is made to reimburse or compensate them for the loss. I do not see how we can differentiate this claim from the claim of any other citizen of the country who was improperly arrested.

Mr. WADSWORTH. Mr. President, I do not intend to contradict the observations of the Senator from New Mexico in whole; I do in part. At least the average citizen, when arrested, has an opportunity to give bail and go back to his employment pending the trial of his case. This poor person had no chance whatsoever.

She was branded as a dangerous enemy alien engaged in spy work, and she was shut up in a detention camp as an enemy dangerous to this country.

Mr. JONES of New Mexico. May I ask the Senator from New York if there were not a number of people who were likewise treated during the war?

Mr. WADSWORTH. I do not know of anyone who was treated in exactly the way that this person was. It is true that there were a large number that were detained as dangerous enemy aliens. In each one of those cases, however, as I understand, the Department of Justice took final jurisdiction after a careful investigation and made up its mind that they were dangerous enemy aliens; and there were quite a number of them confined in the camp, I think, in the State of Georgia. This women, however, it was found, was not a dangerous enemy alien. It was found that she was completely innocent, and her release was promptly ordered; and the War Department took her back into the service, where she has served ever since as a faithful nurse to wounded and injured soldiers.

It may be that other injustices have occurred; but I do not think the fact that other injustices have occurred is an argument to use against this bill, which attempts at least to do justice in this case.

Mr. FLETCHER. Mr. President, may I ask the Senator whether there was actually any evidence at all of this lady's disloyalty, either from expressions or conduct or anything of that sort? Is there is any proof of it?

Mr. WADSWORTH. No, Mr. President; the evidence was a "frame up," and was finally so regarded. The people who presented the evidence have disappeared. The authorities have never been able to find them since.

Mr. DIAL. Mr. President, this claimant, according to the report, was out of employment from September 28, 1918, to May 22, 1919, so it seems to have taken her a good long while to prove her innocence.

Mr. FLETCHER. She seems to have been in prison most of the time, however.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Gertrude Lustig, the sum of $1,286.53, being the amount she would have received as pay and allowances as chief nurse, Army Nurse Corps, from September 28, 1918, the date of her unjustifiable dismissal from that position, to May 22, 1919, the date of her restoration to the service.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

TACOMA TUG & BARGE CO.

The bill (H. R. 966) for the relief of the Tacoma Tug & Barge Co. was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Tacoma Tug & Barge Co., of Tacoma, Wash., out of any money in the Treasury not otherwise appropriated, the sum of $674.22, to reimburse said company as owners of scow *No. 8* for damages suffered by their boat as a result of a collision with the U. S. S. *Goldsborough* at Tacoma, Wash., December 17, 1914.

Mr. KING. Mr. President, without some explanation, I shall object to the passage of that bill. It seems to me that the matter ought to be remitted to the courts for determination.

Mr. JONES of Washington. Mr. President, I have examined the reports hurriedly, and I find this state of facts: This scow was tied up. It was run into by the Government boat because a wrong signal was sent to the pilot on the *Goldsborough*. The damage was done, the actual repairs were made, and a very correct statement shown, and the report shows that this amount of money is the actual expense incurred in repairing the scow. Under those circumstances it seems to me that the Government ought to pay it.

Mr. KING. Let me ask the Senator whether he believes it wise for us to direct the payment of these claims that have not been passed upon by some judicial tribunal, some court or some agency that has been set up for the purpose of making inquiry into them?

Mr. JONES of Washington. Mr. President, it probably would be well for us to set up some such agency, but we have not done it; and if we do not see fit to set up any agency, it seems to me we ought not to delay the payment of just claims on that account. Furthermore, it seems to me that where claims are small, like this, it would be far better if we should authorize the department, for that matter, to adjust the claims and settle them. It would save money to the Government and it would save money to the individual. If he had to go to court, he would have to hire an attorney and we would have to employ attorneys for the Government, and the expenses would be more than the amount of the claim. It seems to me that in a case like this, where the actual damage has been ascertained and the actual cost of repairing that damage—and that is all, according to my understanding of the report, that they ask to be paid—we ought not to hesitate to make the payment. The House has passed upon it.

Mr. KING. I was just going to suggest to the Senator that the Court of Claims was created, in part, to take care of such matters as this. It seems to me that if the present law is not broad enough to refer this case to the Court of Claims, that ought to be done by this bill.

Mr. JONES of Washington. I do not know very much about the jurisdiction of the Court of Claims, but if we were to send to that court all cases like this we would have the Court of Claims overwhelmed.

Mr. ROBINSON. Mr. President, the proposal of the Senator from Utah that claims of doubtful validity should be investigated by the Court of Claims, and a finding of fact made, is unquestionably correct; but an examination of the record as it is presented here discloses that no controversy exists either as to the moral liability of the Government or as to the amount of the liability. Since the amount is small, it probably would cost the Government half as much as the entire claim to make a defense; and, as a matter of fact, the Government has no defense. So I think in this case we are justified in passing this bill.

The bill was reported to the Senate without amendment.

Mr. FLETCHER. I understand the department recommends the passage of the bill, and admits negligence on the part of the officers of the Government?

Mr. JONES of Washington. It admits liability.

Mr. FLETCHER. That seems to be the substance of the report, and I think the bill ought to be passed.

The bill was ordered to a third reading, read the third time, and passed.

DELAWARE RIVER LIGHTERING CO.

The bill (H. R. 2049) for the relief of the Delaware River Lightering Co. was announced as next in order, and was read.

Mr. KING. Let the report be read.

Mr. ROBINSON. I notice that the bill contains a somewhat unusual provision, to the effect that the payment shall be made under such conditions as the Secretary of the Navy may direct. Some one who is familiar with the bill ought to explain why that provision is inserted.

Mr. OVERMAN. I object to the consideration of the bill.

The VICE PRESIDENT. The bill will be passed over.

BILLS PASSED OVER.

The bill (H. R. 3461) for the relief of Eugene Fazzi was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4619) for the relief of the Link-Belt Co., of Philadelphia, was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4620) for the relief of Th. Brovig was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4622) for the relief of the Lloyd Mediterraneo Societa Italiana di Navigazione, owners of the Italian steamer *Titania*, was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 5249) for the relief of Ephraim Lederer, collector of internal revenue for the first district of Pennsylvania, was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 5648) for the relief of Ike T. Boyles was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 6177) for the relief of the fishing smack *Mary S. Dolbow* was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. CAPPER. I would like to state to the Senator from South Carolina that the bills now being passed over have all been carefully considered by the Committee on Claims, and I think all of them are meritorious measures, and ought to be passed. They are all bills which have passed the House, and have had the best consideration of the Committee on Claims. If there is some special reason why they should not be passed, I would like to have the Senator state it.

Mr. DIAL. It is getting late in the day, and there are some Senators who are interested in some of these bills who can not be here. So I am going to object to their consideration.

The bill (H. R. 8214) to compensate the owners of the American steamship *Vindal* for damages and expenses in repairing the said steamship, and to make an appropriation therefor, was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 9887) for the relief of the Pennsylvania Railroad Co. was announced as next in order.

Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. DIAL. I object to all the bills down to calendar No. 964.

Mr. KELLOGG. Does the Senator object to the consideration of calendar No. 961, House bill 11939? That is not a claims bill. It is a bill for the authorization of the taxation of national banks. It has been considered by the Banking and Currency Committee for about a year.

Mr. DIAL. I did not notice that number. I thought it was a claims bill. I object to all down to House bill 11939.

The VICE PRESIDENT. The bill (H. R. 10287) for the relief of John Calvin Starr is next on the calendar and will be passed over on objection by the Senator from South Carolina.

TAXATION OF NATIONAL BANKS.

The bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States was announced as next in order.

Mr. McKELLAR. Let the bill be read.

Mr. KING. I would like to ask the Senator from Minnesota if he designs to have the bill taken up and passed this afternoon?

Mr. KELLOGG. Yes.

Mr. KING. I think we will have to have a quorum, because a good many Senators are very much interested in the bill.

Mr. KELLOGG. The Senator can call for a quorum if he desires.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Bayard	Fletcher	Lodge	Robinson
Brandegee	George	McCormick	Sheppard
Bursum	Gerry	McKellar	Smith
Calder	Harris	McNary	Sutherland
Cameron	Heflin	Nelson	Townsend
Capper	Johnson	New	Underwood
Colt	Jones, N. Mex.	Nicholson	Wadsworth
Couzens	Jones, Wash.	Oddie	Williams
Curtis	Kellogg	Overman	
Dial	King	Pepper	
Ernst	Ladd	Reed, Pa.	

Mr. JONES of Washington. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on official business.

Mr. GERRY. I wish to announce that the Senator from Wyoming [Mr. KENDRICK], the Senator from New Hampshire [Mr. KEYES], and the Senator from North Dakota [Mr. NORBECK], are absent on official business.

The VICE PRESIDENT. Forty-one Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absentees.

The Assistant Secretary called the names of the absent Senators, and Mr. FERNALD, Mr. SIMMONS, Mr. TRAMMELL, and Mr. WARREN answered to their names when called.

The VICE PRESIDENT. Forty-five Senators have answered to their names. A quorum is not present.

Mr. JONES of Washington. As an executive session is desired, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

Mr. PHIPPS, Mr. SMOOT, Mr. LENROOT, Mr. BROUSSARD, and Mr. STERLING entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty Senators having answered to their names, a quorum is present.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 7 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, January 9, 1923, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 8, 1923.

POSTMASTERS.

GEORGIA.

Willie A. Sheats, Monroe.

MARYLAND.

George M. Evans, Elkton.

MONTANA.

Harly J. Stephenson, Belgrade.
Hermon Y. Gard, Brady.
Robert H. Michaels, Miles City.

NORTH DAKOTA.

J. Dexter Pierce, Larimore.
David L. Rourke, Osnabrock.

PENNSYLVANIA.

Ida M. Mingle, Birmingham.
Harvey A. McKillip, Bloomsburg.
William T. Cruse, Derry.
Charles O. Wescoe, Fullerton.
Samuel H. Bubb, McClure.
George W. Correy, Milton.
John S. Steinmetz, Richland.
Frank H. Keth, Summerville.
Frederick M. Adam, Temple.
Horace W. Wickersham, Thompsontown.

VIRGINIA.

Haynie S. Robertson, Blackstone.
Edwin L. Toone, Boydton.
Charles R. Whitmore, Broadway.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 8, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, with whom there is neither morning nor evening, Thy face is upon us; in many ways we have heard Thy voice; we are Thine and we thank Thee for this relationship; we would be worthier of the Father's care and ask Thee to make us so. Keep alive the sacred flames of our breasts that generate the moral and spiritual powers of our natures. Encourage us in the realization that we are a little part in the great designs of an infinite God. With counsels of wisdom, prudence, and discretion, direct us all this day and unto Thee be the praise. Amen.

The Journal of the proceedings of Saturday, January 6, 1923, and of the proceedings of Sunday, January 7, 1923, was read and approved.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. HICKS in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. When the committee rose on Saturday a point of order was pending against the paragraph in the bill beginning on line 124, page 70. The Chair will now hear further argument upon the point of order.

Mr. HILL. Mr. Chairman, that point of order that I made was against the proviso, not against the paragraph.

The CHAIRMAN. The gentleman made the point of order only against the proviso?

Mr. HILL. That is correct.

Mr. TILSON. Mr. Chairman, I profess to know nothing about the merits of this paragraph. I have purposely refrained from a consideration of the merits of the paragraph because I wish to discuss it entirely from the parliamentary standpoint,

and hope that it may be decided upon this alone and without reference to the merits of the proposition. It is perfectly clear to my mind, and I believe it will be to the Chair, that the latter part of the paragraph in question is legislation and clearly subject to a point of order; but in deciding the point of order I think that the whole paragraph should be considered, so that the ruling may be made broadly upon the whole paragraph and not upon the last clause only. Therefore I shall address my remarks entirely to the first part of the paragraph.

It is one of those cases where the Chair may decide either way and find himself in distinguished company, because there is a very long line of decisions, many of them not very well considered but some of them extremely well considered, and they are not all on one side by any means. I believe that by discerning and distinguishing clearly between those cases in which the ruling was necessary in order to decide the question before the House and those upon which the ruling was merely obiter the Chair will come to the conclusion, as I have, that this is not strictly a limitation but is legislation couched in the form of a limitation. I believe that legislating upon an appropriation bill is a bad way to legislate and that it ought to be discouraged in every proper way. I believe further that legislation under the guise of a limitation is distinctly bad, and therefore that there should always be strict construction of a limitation in order to be sure that it is only a limitation and not legislation, though couched in the form of a limitation. The decisions are quite uniform that where it is simply a limitation, where it simply refers to qualifications that must be possessed by the recipient or beneficiary of the appropriation, the point of order will not lie. It is also clear on the other side that where the language requires additional duties on the part of an official it is legislation and is subject to a point of order. Between these two there is a rather broad twilight zone, a sort of "no man's land," in which there is room for considerable latitude in decisions. I think that this "no man's land" ought to be captured and organized, as far as possible, on the side of strict construction, so far as limitations are concerned, and I think that in this case the Chair will find ground for deciding it on this side.

I refer the Chair in the first place to volume 4, Hinds' Precedents, section 3973. The syllabus of that section is as follows:

While a limitation may provide that no part of an appropriation shall be used except in a certain way, yet the restriction of Executive discretion may not go to the extent of an imposition of new duties.

The bill on which this ruling was made brought about two very important decisions. The first one was upon an amendment offered by Mr. John A. Sullivan, of Massachusetts, to the paragraph in the sundry civil bill relating to the Panama Canal. This is the proviso:

Provided, That no part of this appropriation shall be expended for materials and supplies to be used in the construction of the canal or in connection therewith except as the result of bids advertised in the manner now established by the Isthmian Canal Commission under existing law.

Mr. Tawney, of Minnesota, made the point of order against the amendment, and after the debate the Chairman, who was JAMES E. WATSON, now Senator WATSON, held as follows:

The Chair is of opinion that the amendment is only a limitation on the appropriation and not a change of existing law. Every limitation is, in effect, finally a limitation on the discretion of an officer. It is not permitted that this be affirmatively done, but it may be negatively done, and this amendment, while not drawn in the usual form, and therefore because of its language making it a somewhat closer question, is yet in substance but a limitation, in the opinion of the Chair, on the appropriation, and, therefore, the Chair overrules the point of order.

On the following day, after the Committee of the Whole had ordered the bill reported back to the House, it was under consideration in the House when again Mr. Sullivan, of Massachusetts, offered a motion to recommit with instructions containing this proviso, which is to be found in section 3935 of Hinds' Precedents, volume 4:

Provided, That no part of this appropriation shall be expended for materials and supplies which are manufactured or produced in the United States unless said articles are sold to the Isthmian Canal Commission at export prices whenever such export prices are lower than the price charged consumers in the United States.

Mr. Tawney again made the point of order that the proposed instructions constituted legislation. Debate arising, Mr. Marlin E. Olmstead, of Pennsylvania, well known to the older Members of this House as one of the best parliamentarians we have ever had, readily distinguished these instructions, as they appeared in the motion to recommit in the form of instructions to the committee, from the amendment proposed the day before in the Committee of the Whole. Mr. Olmstead distinguishes the two in the following language:

While the amendment which he offered yesterday was merely a limitation upon the appropriation itself, this amendment, if I correctly heard it as read by the Clerk, imposes upon the Isthmian Canal Commission, or those who purchased these supplies, an additional duty. The amendment yesterday which the gentleman offered provided that no part of the appropriation should be expended except as the result of bids advertised in the manner now established by the Isthmian Canal Commission under existing law—that is to say, it imposed upon them no duties except those already existing under present law.

At the conclusion of the debate Mr. Speaker CANNON, then in the chair, made a ruling. I shall read only a part of Mr. CANNON'S ruling:

It is conceded that under the law as it is at this time these supplies may be bought anywhere, without regard to where they may be produced, whether in the United States or elsewhere in the world. Now, this is an appropriation for supplies and equipment for construction and engineering and administration departments of the Isthmus of Panama, $9,000,000.

* * * * * * *

The merits of the proposition are not involved in the point of order. What is the object of the motion and of the instruction? If it does not change the existing law, then it is not necessary. If it does change the existing law, then it is subject to the point of order. Much has been said about limitation, and the doctrine of limitation is sustained upon the proposition under the rule that, as Congress has the power to withhold every appropriation, it may withhold the appropriation upon limitations. Now, that is correct. But there is another rule, another phase of that question. If the limitation, whether it be affirmative or negative, operates to change the law or to enact new law in effect, then it is subject to the rule that prohibits legislation upon a general appropriation bill; and the Chair, in view of the fact that the amendment would impose upon the officials new duties as to purchasing canal supplies, has no difficulty in arriving at the conclusion that the instructions are subject to the point of order for the reasons stated.

Mr. JOHN SHARP WILLIAMS, of Mississippi, having appealed from the decision of the Chair, the appeal was, on motion of Mr. Tawney, laid on the table—yeas 156, nays 69.

It seems to me, Mr. Chairman, that the reasoning of Mr. Speaker CANNON applies with full force to the question now before the Chair. So far as the principle involved is concerned the case then under consideration was more nearly on all fours with the present case than is usually to be found in precedents.

What are the provisions of this proposed paragraph? First:

That none of the money appropriated by this act for the payment of jurors' fees in any of the courts shall be available or used for that purpose unless the actual cost of the trial jury in each case first be ascertained and fixed by the court, and taxed as part of the costs and judgment rendered therefor against the defendant in a criminal case against whom a verdict of guilty has been rendered.

This is the first part of the paragraph only. Mr. Chairman, I believe that the Chair can not find otherwise than that in the form of a limitation this language imposes new duties upon the court. It certainly makes it impossible for this sum to be disbursed, or any part of it, until the court has performed certain new duties. It would be safe to assume that these duties are new because the court is here required to perform them. If it be otherwise, this paragraph would be futile and the committee would not bring it in here, because I am sure this great committee would not propose to do a futile thing. Reading further in the paragraph:

Nor shall any money be available or used for that purpose until execution has been issued and a return of nulla bona thereon has been made by the proper officer. Neither shall any of the money appropriated by this act for the payment of jurors' fees be disbursed or used to pay any jurors' fees whatsoever unless the actual cost of the trial jury be ascertained and fixed by the court and taxed as costs and judgment rendered therefor against the defendant where either the United States or the District of Columbia is plaintiff and the defendant is unsuccessful in the suit.

Mr. Chairman, what is the effect of this language and of the entire proposed paragraph? It is very clear that the House has a perfect right to limit an appropriation to any particular class. Also that it may require any qualifications on the part of the beneficiary as a prerequisite to receiving it. If the paragraph provided that each person who receives any portion of this appropriation shall be able to turn a back handspring and to read the Koran backward and forward we have, if we so desire, the right to make such a foolish requirement. This paragraph, however, does not confine itself to the qualifications of jurors or to limiting the payment of money to only those jurors having such qualifications. In effect the court is here required to do a considerable number of important things that at the present time it is not required to do. It is evident that it is not now required to do them, because if it were there would be no excuse for bringing in this provision. Therefore, it seems to me, Mr. Chairman, that in construing this matter the Chair should take into consideration, as Mr. Speaker CANNON says, "what is the effect" of the proposed language. Considering it from this standpoint, it seems to me that the Chair will be constrained to come to the conclusion that the effect of this language, and the inevitable effect, will be to impose additional duties upon officials, and therefore "in effect" it changes existing law.

Mr. HILL. Will the gentleman permit a question?

Mr. TILSON. I will yield to the gentleman from Maryland.

Mr. HILL. I would like, following out what the gentleman stated, to call the attention of the Chair to page 457 of the hearings, in which Mr. Justice McCoy says:

It may be depriving him of his right to a jury trial in the Supreme Court of the District, where criminal cases must be tried by a jury.

Mr. TILSON. My contention is that it imposes additional duties not now required by law. I now yield to the gentleman from Indiana.

Mr. SANDERS of Indiana. I should like to ask the gentleman what is the present law in reference to imprisonment for failure to pay costs?

Mr. TILSON. I assume that there is no such law, but the last clause of the paragraph would clearly create law. As I stated in my opening remarks, I did not intend to discuss the last clause in the paragraph, because it seems to me perfectly clear that this clause is legislation and subjects the entire paragraph to a point of order.

Mr. SANDERS of Indiana. The point of order is directed to the whole paragraph?

Mr. TILSON. Certainly.

Mr. SANDERS of Indiana. If that goes out on a point of order the whole goes out?

Mr. TILSON. Yes. The entire proviso must go out anyway on the point of order as the matter now stands. However, it seems to me to be a matter of such far-reaching importance that it should be considered as a whole, and that the ruling ought to be made on the paragraph as a whole, rather than on the last portion only. Otherwise the question can be again raised by the introduction of an amendment leaving off the clause which is so clearly offensive to the rule.

Mr. Chairman, just one additional statement which will sum up what I have said and which I believe will be helpful to the Chair, and possibly to future Chairmen, in deciding questions of limitation upon an appropriation bill. The crux of the question is whether the proposed language is legislation. In determining this question the statu quo, or existing law, is the starting point. What are the powers conferred or the duties imposed by existing law? This being determined, does the proposed language curtail, extend, modify, or change in any respect these powers or duties? Are new duties created or imposed by it? Are additional powers conferred by it? Are powers already granted by existing law taken away? If any one of these questions must be answered in the affirmative, it follows that the proposed language is legislation, for it is only by legislation that any of these results can be accomplished. Properly applying this standard to the case now pending, the Chair can not, in my judgment, come to any other conclusion than that the effect of the proviso in the bill is to legislate, and therefore is subject to a point of order.

Mr. SNELL. Mr. Chairman, I will say that the gentleman from Connecticut [Mr. TILSON] has discussed this point of order from the same point of view that I intended to take it up, and has done it more ably than I could. I entirely agree with him that there is no doubt but that this is subject to a point of order. The third sentence at least is subject to a point of order, and that would throw out the whole proviso. I am sure the whole proposition is subject to a point of order.

Mr. BLANTON. Mr. Chairman, the only limitation to the rule as then laid down by Mr. Speaker CANNON is that which would bring it within the Holman rule in that it retrenched expenses, and there is no such contention here as to this paragraph. The design of this paragraph, Mr. Chairman, is to keep a bootlegger from asking for a jury. If it were limited to bootleggers I would have no objection to it on its merits.

The CHAIRMAN. The Chair does not think the Holman rule was in operation at the time of this decision by Mr. Speaker CANNON.

Mr. BLANTON. That is true. The only restriction we have now on the rule then laid down by Mr. Speaker CANNON is there must be a retrenchment in expenses, clearly evident from the language of the paragraph itself, in order to come within the Holman rule. But there is no attempt to bring this within the Holman rule.

I repeat that if this amendment took in only bootleggers I would have no objection to it.

Mr. TILSON. That remark applies only to the merits of it.

Mr. BLANTON. Yes. But the Chair must look to the question of whether or not this is changing existing law. Under existing law anyone charged with crime has the right to a trial by jury. That is one of the fundamental, inherent rights in the country, and I would be the last man on earth to take that right away from anyone. I am just as strong a prohibitionist as our friend the gentleman from Maryland [Mr. HILL] is an anti. I want to see all bootleggers put behind the bars, just as much as our friend from Maryland would like to see them given a chromo.

Mr. SANDERS of Indiana. Most of the bootleggers used to be behind the bars. [Laughter.]

Mr. BLANTON. Yes; but a different kind of bar. But I am not in favor of passing any legislation that denies the fundamental right of a trial by jury. I say this does change existing law to that extent, because many people would be deterred from asking for this sacred right of a trial by jury.

Mr. TILSON. The gentleman will certainly agree with me that the requiring of additional duties of an official not heretofore required of him means to him a change of existing law, does it not?

Mr. BLANTON. I agree with the gentleman from Connecticut. This paragraph does change existing law, and is therefore out of order, and it does not come within the Holman rule.

The CHAIRMAN. The Chair, realizing the importance of this ruling due to the precedent it may establish, has given no little thought to it. The Chair at the outset thanks the gentleman from Connecticut [Mr. TILSON], an authority on parliamentary procedure, for his able argument and clear presentation of the case, both of which fortify the conclusions reached by the Chair. The Chair is cognizant of confusion in the rulings in cases somewhat akin to this one, and realizes that in considering questions of limitations as in determining questions of germaneness there is considerable latitude between what is clearly permissible and what is as clearly repugnant to the rule. The Chair feels that in traversing this twilight zone he is justified in leaning toward the side of conservatism in regard to admission of legislation on appropriation bills. In the last few years there has been a very perceptible increase in the amount of legislative provisions incorporated in bills reported by the Appropriations Committee. The growth of this practice, in the opinion of the Chair, is unwise and is not warranted by the rules or procedure of the House. It is probably due to the fact that, as formerly many of the standing committees had jurisdiction over both appropriations and legislation, a clear distinction between these separate functions was not made in the bills reported, which left the Appropriations Committee in the position of finding that many of the items for which it desired to appropriate were unauthorized. This made it incumbent upon the Appropriations Committee, in order to carry on its work, to devise these legislative limitations.

Under our rules the Committee on Appropriations can consider only questions of appropriations, the subjects of legislation and authorization being confined to the jurisdiction of standing committees constituted for that very purpose and equipped with facilities to conduct investigations. Feeling that each committee should be held strictly to the consideration of its own particular work, the Chair is of the opinion that too much latitude has been given in the employment of limitations, and that the practice of resorting to this method of securing, in an indirect way, legislation on appropriation bills has been abused and extended beyond the intention of the rule. The Chair is therefore constrained to take the view that we should restrict rather than enlarge, limit rather than expand, the power of the Appropriations Committee in placing legislation upon appropriation bills. [Applause.]

The Chair asks the indulgence of the committee in making some observations on this mooted subject of limitations, and in doing so desires to thank the able parliamentarian for his assistance and suggestions.

Since Congress has the right to appropriate, Congress has the right to refuse to appropriate, even though the appropriation is authorized, and this may be done in two ways: First, by not appropriating for a certain purpose at all, and second, by denying the use of a part of an appropriation for a certain purpose. This is the principle on which the theory of limitations is grounded and should always be kept in mind in construing a limitation.

To use the illustration of the late James R. Mann, of honored memory, Congress having the right to appropriate for red-headed men, may specifically deny the use of an appropriation for the payment of red-headed men. Therefore, while it is not in order to require the employment of red-headed men or even the payment of red-headed men, it is in order to deny the use of an appropriation for the payment of red-headed men, even though existing law permits the employment and payment of red-headed men.

But the misapplication and the difficulty in construing the rule has occurred when a limitation is accompanied by some-

thing additional in the nature of a further limitation or restriction.

For example, there is no difficulty in the following provision: "No part of this appropriation may be expended in the payment of red-headed men."

But take the following proposition: "No part of this appropriation may be used for the payment of any persons except red-headed men."

In construing the last example it is necessary for the Chair to look to the effect rather than to the form. Does the language merely deny the use of the appropriation or does it go further and require the employment of red-headed men? If existing law does not authorize the employment of red-headed men, or expressly prohibits the employment of red-headed men, the language clearly becomes not a limitation but becomes legislation making an appropriation for an unauthorized purpose and in addition proposes legislation permitting the employment of red-headed men contrary to existing law. But if the law authorizes the employment of red-headed men the language merely becomes explanatory of the recipient of the appropriation, and is in fact merely an appropriation for a certain purpose. Therefore, as a test in determining the legality of such language, the Chair may properly ask himself this question: "Would it be in order to make a direct appropriation for this purpose instead of denying the use of this appropriation except for the specified purpose? If the question could be answered in the affirmative this particular class of limitations would be in order.

Approaching the point of order now before us, in the consideration of which the merits of the proposition are not under review, the Chair will cite a number of rulings that bear on the subject of limitations, quoting from volume 4 of Hinds' Precedents:

No. 3931. Legislation may not be proposed under the form of a limitation.

No. 3976. The language of limitation prescribing the conditions under which the appropriation may be used may not be such as, when fairly construed, would change existing law.

No. 3812. The enactment of positive law where none exists is construed as a "provision changing existing law," such as is forbidden in an appropriation bill.

No. 3967. A limitation is negative in its nature and may not include positive enactments establishing rules for executive officers.

No. 3854. A proposition to establish affirmative directions for an executive officer constitutes legislation and is not in order on a general appropriation bill. Also a ruling of Chairman TOWNER, April 15, 1920.

Chairman CRISP, March 11, 1916: Limitations must not impose new duties upon an executive officer.

No. 3984. Where a proposition might be construed by the executive officer as a modification of a statute, it may not be held as such a limitation of appropriation as is permissible on a general appropriation bill.

No. 3927. A limitation may be attached only to the money of the appropriation under consideration and may not be made applicable to moneys appropriated in other acts.

No. 3957. The limitation must be upon the appropriation and not an affirmative limitation of official functions.

No. 3966. Limitations which directly, or indirectly, vest in any executive officer any discretion, or imposes any duty upon the officer, directly or indirectly, in the expenditure of money, would be obnoxious. But (No. 3968) the House may provide that no part of an appropriation shall be used in a certain way even though executive discretion be thereby negatively restricted.

No. 3936. A provision proposing to construe existing law is in itself a proposition of legislation and, therefore, not in order on an appropriation bill as a limitation.

No. 3936. The fact that a paragraph on an appropriation bill would constitute legislation for only a year does not make it admissible as a limitation.

No. 3936. As an appropriation bill may deny an appropriation for a purpose authorized by law, so it may by limitation prohibit the use of money for part of the purpose while appropriating for the remainder of it.

No. 3929. A limitation must apply solely to the present appropriation and may not be made as a permanent provision of law.

No. 3942. While it is not in order to legislate as to qualifications of the recipients of an appropriation, the House may specify that no part of the appropriation shall go to recipients lacking certain qualifications.

In section 3935, page 629, of Hinds' Precedents, volume 4, is a ruling by Speaker CANNON, which has been referred to and which the Chair feels covers the point under consideration. The language is clear and specific, and in view of Mr. CANNON'S approaching retirement from Congress after a long and distinguished career, the Chair is glad to refer to it in this instance:

The merits of the proposition are not involved in the point of order. What is the object of the motion and of the instruction? If it does not change existing law, then it is not necessary. If it does change existing law, then it is subject to the point of order. Much has been said about limitation; and the doctrine of limitation is sustained upon the proposition under the rule that, as Congress has the power to withhold every appropriation, it may withhold the appropriation upon limitation. Now, that is correct. But there is another rule, another phase of that question. If the limitation, whether it be affirmative or negative, operates to change the law or to enact new law in effect, then it is subject to the rule that prohibits legislation upon a general appropriation bill; and the Chair, in view of the fact that the amendment would impose upon officials new duties as to purchasing canal supplies, has no difficulty in arriving at the conclusion that the instructions are subject to the point of order for the reasons stated.

In viewing propositions of a legislative character the Chair feels we should look to the substance and not to the form in which it is presented. In the case before us what does the proviso propose? Does it impose a simple restriction on the expenditure of funds? No. Does it stipulate that the use of the funds are conditional upon the possession by the recipients of certain qualifications or distinctions? No. It goes much further, for by the use of the words "until" and "unless" in connection with certain things to be done, it implies—yes, asserts—that these activities must be undertaken before the appropriation becomes available. This is a direction to officers and imposes new duties upon them which is repugnant to our practice. By requiring the court to perform functions which are not now required, it clearly implies a change of law, otherwise it would be futile to suggest it. This is legislation under the guise of a limitation which is contrary to our procedure.

As a general proposition the Chair feels that whenever a limitation is accompanied by the words "unless," "except," "until," "if," "however," there is ground to view the so-called limitation with suspicion, and in case of doubt as to its ultimate effect the doubt should be resolved on the conservative side. By doing so appropriation bills will be relieved of much of the legislation which is being constantly grafted upon them and a check given a practice which seems to the Chair both unwise and in violation of the spirit, as well as the substance, of our rules. Without endeavoring to lay down any hard and fast rule, the Chair feels that the following tests may be helpful in deciding a question of order directed against a limitation, first having determined the powers granted or the duties imposed by existing law:

Does the limitation apply solely to the appropriation under consideration?

Does it operate beyond the fiscal year for which the appropriation is made?

Is the limitation accompanied or coupled with a phrase applying to official functions, and if so, does the phrase give affirmative directions in fact or in effect, although not in form?

Is it accompanied by a phrase which might be construed to impose additional duties or permit an official to assume an intent to change existing law?

Does the limitation curtail or extend, modify, or alter existing powers or duties, or terminate old or confer new ones? If it does, then it must be conceded that legislation is involved, for without legislation these results could not be accomplished.

If the limitation will not fairly stand these tests then in my opinion the point of order should be sustained. Applying in the present instance the standards set forth, the judgment of the Chair is that the point of order is well taken and the Chair sustains it.

The Clerk read as follows:

NATIONAL TRAINING SCHOOL FOR BOYS.

For care and maintenance of boys committed to the National Training School for Boys by the courts of the District of Columbia under a contract to be made by the Board of Charities with the authorities of said National Training School for Boys, $60,000.

Mr. BLANTON. Mr. Chairman, I reserve a point of order for the purpose of asking a question relative to the paragraph for the National Training School for Boys on page 79, line 14. Why is this let out by contract?

Mr. CRAMTON. Because the District of Columbia has no institution for this purpose. The National Training School for Boys is operated by the Federal Government.

Mr. BLANTON. But there is a Federal institution of that kind?

Mr. CRAMTON. Yes; and there is a contract by which the District government pays so much per capita for the inmates that it sends to this institution.

Mr. BLANTON. No part of this $60,000 goes to any private enterprise?

Mr. CRAMTON. Oh, no.

Mr. BLANTON. It is a Government institution?

Mr. CRAMTON. The Federal Government conducts the institution.

Mr. BLANTON. I withdraw the reservation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For groceries, provisions, light, fuel, soap, oil, lamps, candles, clothing, shoes, forage, horseshoeing, medicines, medical attendance, transportation, labor, sewing machines, fixtures, books, stationery, horses, vehicles, harness, cows, pigs, fowls, sheds, fences, repairs, typewriting, stenography, and other necessary items, including compensation not exceeding $500 for additional labor or services, for identifying and pursuing escaped inmates and for rewards for their capture, for transportation and other necessary expenses incident to securing suitable homes for paroled or discharged girls, not exceeding $150, and for maintenance of motor vehicles, $26,000.

Mr. ZIHLMAN. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the subcommittee a question in reference to this paragraph.

The CHAIRMAN. The gentleman from Maryland is recognized.

Mr. ZIHLMAN. Mr. Chairman, I note from the report of the committee that the appropriation for the National Training School for Girls has been cut from the estimates of the Budget $67,800. I am advised that this institution is conducted by a board composed of some of the most prominent men and women in the District of Columbia, including the superintendent of public prisons, the wife of the Secretary of Agriculture, and others of like standing in the community. I am further advised that white and colored children committed to this institution by the courts are kept in the same classes, or are working side by side, and that in order to remedy this condition the Commissioners of the District of Columbia and the Director of the Budget have recommended an appropriation for a separate building for the housing of the white girls.

I should like to ask the chairman of the subcommittee [Mr. CRAMTON] if he is familiar with conditions in that institution, and if he does not feel that this committee and the House should take steps to remedy existing conditions in that institution?

Mr. CRAMTON. Of the $67,000, to which the gentleman refers, $62,000 was estimated for the acquiring of a site and the erection of buildings somewhere outside the District of Columbia. It is my understanding that that item is not authorized by existing law. It is a subject which the District of Columbia legislative committee, of which the gentleman from Maryland is a member, should take up. Possibly the gentleman from Maryland has already introduced a bill to authorize the acquirement of that land and the building of that institution. I do not know as to that. Certainly our committee have not the jurisdiction, and such jurisdiction as we have assumed has been criticized by the District Committee as going outside of our authority. I am sure that the gentleman, as a member of the Committee on the District of Columbia, would not want us to violate the jurisdiction of that committee by appropriating this $62,000.

As to the remainder of that item, we gave them the same amount that they received for the current fiscal year. I do not wish to say anything that would embarrass any of the good people of whom the gentleman speaks, but an appropriating committee has to be guided by the evidence that comes before it, and it is necessary that those asking an increased appropriation should make a clear showing of the use being made of their money before they can expect to receive an increased amount. I will only say that the showing made before the Committee on Appropriations was not sufficiently clear, in the judgment of the committee, to warrant an increase above the amount appropriated for the current year. No cut was made. The same amount was given them as at the present time. I understand there has been a change of management, and from what I am told as to that it is going to be very helpful and very desirable; but your committee feel that at the present time a continuance of the amount that they have had heretofore is sufficient. From what I have heard also I hope that the District of Columbia Committee will take up this matter, which is within their jurisdiction, for the establishment of a new branch. As soon as they do I am sure the Committee on Appropriations will be glad to appropriate what money may be necessary.

Mr. ZIHLMAN. The gentleman's committee has reported many items which are legislation and subject to a point of order. Of course, it is useless for any Member to offer an amendment subject to a point of order unless the subcommittee having the bill in charge are in sympathy with the purpose of the amendment. The gentleman from Michigan says that he has looked into this institution, and I am sure he knows that white and black girls are put together, and the committee are cognizant of the fact that a lady who has had a great deal of experience in reformatory work has been brought here and is attempting to bring order out of the chaotic conditions existing in the institution, and to give delinquent girls, both black and white, the proper training that will fit them to take up the responsibilities and work of life with at least a fair chance of success.

The CHAIRMAN. Has the gentleman from Maryland concluded?

Mr. ZIHLMAN. I simply want to get an expression from the chairman of the subcommittee as to the conditions in this institution, and as to whether or not, in his opinion, some action by Congress is essential to remedy existing conditions, if not in this bill, then in a legislative bill.

Mr. CRAMTON. I have not visited the institution. The gentleman's district is so near to Washington, and he is in such close touch with the people here and with the members of this board, that I assume he has visited the institution. I will ask him whether since his visit he has introduced a bill or sought a hearing from the District of Columbia Committee in order to secure the authorization necessary for the expansion of this institution?

Mr. ZIHLMAN. No; I have not.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 80, line 6, after the word "books," insert "magazines and other supplies which represent greater educational advantages"; and, in line 11, after the word "capture," strike out the language down to and including the figures "$160," in line 13, and insert in lieu thereof the following: "And for transportation and other necessary expenses incident to securing suitable homes for paroled or discharged girls"; and, on line 14, strike out "$26,000" and insert in lieu thereof "$30,000."

Mr. CRAMTON. Mr. Chairman, will the gentleman from Minnesota consent to a division of these amendments so that we can handle them separately? There are really three amendments.

Mr. NEWTON of Minnesota. If the gentleman from Michigan prefers that, it is entirely agreeable to me.

Mr. CRAMTON. It will simplify the procedure.

Mr. NEWTON of Minnesota. My only purpose in putting them together was on account of the lump-sum appropriation at the end.

Mr. CRAMTON. The committee have no objection to the amendment proposed in line 6.

The CHAIRMAN. Does the gentleman from Minnesota ask that his amendment be divided?

Mr. NEWTON of Minnesota. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota to divide his amendment into three parts?

There was no objection.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Page 80, line 6, after the word "books," insert "magazines and other supplies which represent greater educational advantages."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the second amendment.

The Clerk read as follows:

Page 80, line 11, after the word "capture," strike out the language down to and including "$150" in line 13 and insert in lieu thereof the following: "and for transportation and other necessary expenses incident to securing suitable homes for paroled or discharged girls."

Mr. CRAMTON. Mr. Chairman, I do not see that the gentleman's amendment makes any change excepting to strike out "not exceeding $150."

Mr. NEWTON of Minnesota. Yes; it is only the limitation.

Mr. CRAMTON. I have no objection to that.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the third amendment.

The Clerk read as follows:

Page 80, line 14, strike out "$26,000" and insert in lieu thereof "$30,000."

Mr. NEWTON of Minnesota. I was very glad to hear from the gentleman from Michigan upon this. I would like to have him say that he acquiesces in the amendment.

Mr. CRAMTON. Oh, having accepted two of the amendments, I had hoped the gentleman would withdraw the third.

Mr. NEWTON of Minnesota. Mr. Chairman, knowing the gentleman from Michigan [Mr. CRAMTON] and knowing his interest in work of this kind, having the benefit of his company two-thirds of the way, I felt that he would go the remaining one-third.

Mr. Chairman, we can not possibly take sufficient time to interest ourselves in detail in many of the different institutions in the District of Columbia. By reason of that fact I think that not only are we often unfamiliar with work in the District and its problems but by reason of that fact condi-

tions in the District suffer, and I fear that this Government of ours has often set a very bad example for other governments, State and local, to follow throughout the country.

I happen to be familiar in a general way in work pertaining to the training of girls. I was thrown in contact with it some years ago when I was a prosecuting officer in Minneapolis. My work gave me an opportunity to look into the work and the necessity for work of this kind. I found out that wayward girls could be reclaimed and come back into the community to become the very finest citizens. I know of my own knowledge of girls who have gone to properly conducted institutions, who have come out therefrom improved in every way, and who are to-day married and the mothers of future American citizens. I am interested in this work, and I know that every Member of Congress, if he knew of the work, would be interested in it. We have an institution here in the District—the National Training School for Girls. This amendment proposes to increase the appropriation for this work from $26,000 to $30,000.

The Bureau of the Budget has gone into this and has recommended to the Appropriations Committee that $30,000 be given instead of the appropriation for the present year—$26,000. Yesterday I went out to the place to see it in person. It has been said here that there has been a change in the management. That is true. The place has been in existence for years. What I have to say I do not want to have taken as critical of preceding managements. I am not so much interested in what went on before, but I am vitally interested, and we are all interested in what we hope will go on from this time on. There has been a change in the management. Heretofore it has been the practice to consider the place as a penal institution. I used the term advisedly. There are something like four or five buildings there, and the girls committed there have been treated and handled not as in the general run of correctional institutions, but more largely as if they were in a penal institution. The result has not been to the credit of the District, and it has not done the girls any great amount of good. Now, there has been this change in the management. It happens that the new superintendent—Mrs. Fannie F. Morse—was for years the superintendent of a girls' training school in Massachusetts. After having completed her work there, so that it was known throughout the country, this woman came out to Minnesota. We had no institution of that kind at all worthy of the name. She built up an institution at Sauk Center, Minn., in the district represented by the gentleman from Minnesota [Mr. KNUTSON], that is second to none in the country. We have something like 800 girls there. The cottage plan prevails. The girls are under mothers with 16 to 20 in a cottage. I was familiar with the work there at first hand. Mrs. Newton and myself have visited the institution and have remained there several days. I have gone over every foot of the ground. I knew many of the girls that were there. When I was familiar with the work there were some 600 or 700 girls there. The work carried on there is without parallel in the history of the country. It was in such good hands that this good woman some time last spring was induced by some of the best women of the District of Columbia to come to Washington.

She came here on the 10th of July, and on the 12th of July the estimate for the work of this institution was handed to her. It then had to go from there to the Board of Charities and Corrections, and from there to the District Commissioners, and from there to the Bureau of the Budget, and from the Bureau of the Budget to the Committee on Appropriations. She requested changes in order to carry on work somewhat in accordance with the work that she had been carrying on in Minnesota. The superintendent wants to do something effective in an educational way. When I went out there yesterday the windows of the place were painted so that the girls could not see the outside from the lower sash at all. Bars were upon the windows. The organic law authorizes the courts of the District to commit to the institution dependent children, yet it is fitted more for penal purposes. There are great possibilities there, providing Congress does its duty and permits the superintendent and members of the board of trustees to go to work and do something with it.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for five more minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. NEWTON of Minnesota. This good woman came here and made her appearance before the committee. She did not even know that she was to be called upon; she was told that in all probability she would not be called upon; that it would be somebody else who would appear before the committee. The committee did not get a good idea of the work that has been going on there or of the work expected to be done. I am not criticizing the committee for not following the recommendation of the Bureau of the Budget. They have done what they thought was right. However, when we adopted the Budget system we did not give a quitclaim to our responsibility on appropriations or our responsibility for the care of the people of this District or of our general duties throughout the country.

And I for one know that when this good woman was handling these matters in Minnesota she had regard for the taxpayer's dollar. I never heard, in the 10 or 12 years, a criticism of her because she had no regard for the taxpayer or the Public Treasury. She has asked for this additional money for what purpose? First, that she might have some magazines and books to build up a little library. The auditor of this District has refused to honor her claim to buy one single magazine for this institution. She asked a little leeway in connection with the buying of books in the education of these girls. Men, if the girls are put there to be trained and educated, how are we going to do it if we do not provide adequate facilities? If we do not act, we may send them away worse than when they came. The food has been abominable. The new superintendent wants that corrected. It is Mrs. Morse's idea that after a certain period and upon good conduct that the girls should be eligible to parole. To carry out this idea there must be an adequate parole system, properly administered. This requires some additional money. For these three reasons she has requested this additional sum of $4,000.

They need a new building. I would like to see them get it. That is a matter I fear is subject to a point of order, but they vitally need this $4,000, and this House of Representatives ought not to start this woman upon this work and deny her at least that much. I hope that any objection will be waived here and that the amendment will prevail. [Applause.]

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. BLANTON. Not on the whole paragraph but on the gentleman's amendment. There are some other matters in connection with it.

Mr. CRAMTON. I will ask that it close in 15 minutes.

Mr. BLANTON. I want five minutes.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that debate on this paragraph and all amendments thereto close in 15 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. KNUTSON. Mr. Chairman, I want to indorse every word that has been said by my colleague from Minnesota [Mr. NEWTON] with reference to the work of the National Girls' Training School, and more particularly the work of Mrs. Fannie French Morse, superintendent of that institution. As Mr. NEWTON has said, Mrs. Morse, after having built up an institution of a similar character in Massachusetts that attracted the attention of all the uplift workers in the country, she was asked to come to Minnesota and take charge of our girls' training school when it was founded at Sauk Center some 14 years ago. I will say, Mr. Chairman, that the call was made to Mrs. Morse by our State through the board of control, which is nonpolitical in its character, there being members of both political parties on that board. She took the school at Sauk Center and made it one of the greatest institutions of its kind in the country. Her work there was so successful that the board having charge of the National Girls' Training School in the District called upon her to come to take charge of this institution, which she did at a great sacrifice in salary. I find that Mrs. Morse is drawing the munificent sum of $1,200 a year as superintendent of this institution, and she was getting approximately $4,000 in Minnesota; so you see she has made a great sacrifice to come down here to do a work that is absolutely necessary. She is making a big sacrifice, and I say it is unfair to her—it is unfair to the girls of this District—to handicap her in her work. The amendment of the gentleman from Minnesota [Mr. NEWTON] increases the amount of the appropriation from $26,000 to $30,000, and should be carried without a dissenting vote. Now, I have stood by the Appropriations Committee against every attempt that has been made to raid the Public Treasury, but this is not a raid. It is vitally necessary to increase this amount to $30,000. As a matter of fact, Mrs. Morse should have $75,000 or $100,000 in order to carry on the work successfully. Does my colleague remember how much our legislature appropriated for this institution at Sauk Center?

Mr. NEWTON of Minnesota. One hundred and sixty-seven thousand dollars.

Mr. KNUTSON. One hundred and sixty-seven thousand dollars for carrying on this kind of work and here we are

allowing a measly $26,000 for an institution that should be a model for every State training school for girls in the country.

Mr. SNELL. Will the gentleman yield for a question?

Mr. KNUTSON. I will.

Mr. SNELL. What is the population of the gentleman's State?

Mr. KNUTSON. Two and a half million.

Mr. SNELL. How does it compare with the population of the District? Six times as much? The District proportionately appropriates as much as the whole State?

Mr. KNUTSON. No; you are not appropriating nearly as much, when everything is taken into consideration.

Mr. SNELL. Proportionately to the number of people living here and considering the number of people living in the State of Minnesota, we are appropriating just as much as the State.

Mr. KNUTSON. How many girls are there in this institution and how many are there at Sauk Center?

Mr. NEWTON of Minnesota. About 106 here when Mrs. Morse came here, and in the Minnesota school for the last year my recollection of the number was about 700. Of course, my friend will understand that a good many dependency cases go to the Minnesota institution, and up to the present time very few have ever gone to the District institution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. Mr. Chairman, for 106 inmates you will appropriate in this bill $40,000. Up in the great State of Minnesota they appropriate for 700, seven times as many, and they appropriate four times as much. The comparison is not so bad.

I want to make a frank statement to the committee in regard to this item. It is the business of the Committee on Appropriations in handling appropriations to do it on a business basis, and not as a matter of sentiment or because somebody is a nice lady. Now, as to this institution, the lady who has become the head of it made a good record in Massachusetts, as I am advised, and then made a good record in Minnesota, and then subsequently moved down here in order to rejuvenate this institution. She took charge of it in July, and the hearings were held in December. They had $26,000 under this item last year, and we asked her what they did with the money, how much was spent for this purpose and how much for that, and what the increase from $26,000 to $30,000 was to be used for. The superintendent of this institution is in effect its business head, as well as its educational head, and if she has the capacity which we are told she has—and I accept the statement of my friend—she ought to be able to know how much of that $26,000 is for food and how much of it is for clothing and how much of it is school books, and so forth.

She had been there five months when she appeared before our committee, and the hearings will demonstrate that she could give to this committee no information as to the business affairs of that institution. I think it was unfortunate, perhaps; I think it was not a fair test of her capacity; but that was the situation. As a result our committee did what I think any committee ought to do, when those asking for an increased amount of money are unable to show what they were doing with the money they already had; we thought they had enough money, and we declined to increase the amount.

Mr. NEWTON of Minnesota. I know the gentleman wants to be fair?

Mr. CRAMTON. Yes.

Mr. NEWTON of Minnesota. After her appearance before the committee the gentleman asked Mrs. Morse to prepare a statement for the committee, which she did, and then, I think, the gentleman got some information.

Mr. CRAMTON. She furnished this statement of a dozen lines, containing information which she ought to have known when she appeared before the committee the first time. Our committee must not be criticized if those who seek increased amounts can not show what they are doing with the money they have already and do not make a good impression on the committee. The committee is not responsible for that. I think the lady referred to is a capable woman, and I think that after a time, when she gets acquainted with her situation, she will become even more efficient. But I do not think Congress ought to turn over an indefinite or unlimited sum of money to her or increase the appropriation.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. KNUTSON. Does the gentleman consider this estimate an unlimited amount?

Mr. CRAMTON. If the institution had been getting $50,000 and she had asked for $60,000, the gentleman would have made the same speech; or if the institution had been getting $50,000 and had asked for $100,000, he would have made the same speech.

Mr. NEWTON of Minnesota. I hope the gentleman will not call this "a raid on the Treasury." We tried to present this matter on its merits, and I object to its being called "a raid on the Treasury."

Mr. CRAMTON. I will modify that, and I am free to admit that it is not a big "raid," anyway.

Mr. BLANTON. Mr. Chairman, in this National Training School for Girls there are at the present time 108 inmates. There are about 70 colored girls, and the balance are white girls. They are required to live together, to eat together, to sleep in the same dormitories, study together in the same schoolroom, and so forth, and work together on such work as they do. The Budget Committee recommended, in order to separate them, that a new building be constructed. That Budget estimate and recommendation came to the three members of the Committee on Appropriations who actually drew this bill and are now attempting to pass it.

Our distinguished friend from Maryland [Mr. ZIHLMAN] asked why they did not adopt the recommendation to erect this building in order to separate these girls, the white from the black. The chairman says in reply it was legislation, and he did not want to put any legislation in the bill; it was beyond their power to put any legislation in the bill.

When you look at this bill, page after page, and see the legislation that the triumvirate saw fit to put in—the legislation that the triumvirate saw fit to violate the legislative rule by putting in—the gentleman's reason falls short. Oh, this triumvirate should quit passing the buck. They should quit camouflaging on this question of legislation. They should quit throwing up these smoke screens, because we see after all, whenever they want to put legislation in these bills, that they put it in. It is only such legislation, however, as appeals to them, the great triumvirate, that goes into the bill.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment.

Mr. Chairman, I am saying this in all good faith, because I like the gentleman from Michigan [Mr. CRAMTON], and I am going to help him hold down appropriations. But this Congress is composed of 435 men, while the men who drew this bill number only 3.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. In a moment. They did not have time to look into the reasons and the whys and wherefores of these propositions. The District Committee has 21 members. Those 21 Members work. They investigate District propositions on their merits. They find out the reasons, the whys and wherefores, such as can not be found out by the three men who usually draw these appropriation bills.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. In just a moment. Now, when the distinguished gentleman from Maryland [Mr. ZIHLMAN] wants to put a proposition into this bill that has merit—and I dare say there would not be an objecting vote to it on this floor if the chairman would allow it by refraining from making his point of order—when one single Member out of the 435 Members of Congress offers a suggestion as an amendment to go into this bill, no matter how much it is wanted, the chairman objects and will not let it go in because it is legislation. Yet he has filled the bill with legislation.

But you just let any of the 432 other Members of the House offer a proposition from this floor to go into that bill, no matter how much it is needed, the chairman makes a point of order against it. He will not let it go in. But when any of the small fry see fit to object to the legislation that he puts in, then he gets mad and loses his temper. Now I yield to the gentleman. [Laughter.]

Mr. CRAMTON. The gentleman criticizes the committee for not putting in an appropriation for an additional building for the teaching and care of these wayward girls——

Mr. BLANTON. I would separate the white girls from the black, no matter how much money it costs.

Mr. CRAMTON. While the gentleman on Saturday by a point of order struck out appropriations proposed in this bill for school buildings for boys and girls who are not wayward but who are attending our public schools.

Mr. BLANTON. Yes; because we have a legislative District Committee to look after those questions, and the District Committee has been studying those questions, and members of that committee have been going out to the schools of this Dis-

trict and finding out conditions there, something that the gentleman's triumvirate have not done.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment of the gentleman from Minnesota [Mr. NEWTON].

The amendment was agreed to.

The Clerk read as follows:

Salaries: Agent, $1,800; supervisor and placing officer, $1,740; investigator and placing officer, $1,500; clerks—1 $1,200, 1 $900; stenographer, $900; placing and investigating officers—6 at $1,200 each, 2 at $1,000 each, 10 at $900 each; record clerk, $900; messenger, $500; laborer, $500; in all, $28,140.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last word. I notice here a provision regarding the Board of Children's Guardians. I want to make simply this comment: It seems that under the scheme of government here and the caring for dependent or delinquent children they are generally committed in the first instance to the Board of Children's Guardians, and this board in many cases farms them out either to homes or to institutions.

While they are in these homes or institutions the District pays the family or the institution $5 a week for the care of each child. Now, among the children committed to the Board of Children's Guardians are some coming from what are known as destitute homes, where conditions are such that officers have reported it to be to the interest of the child and to his future welfare as a citizen to commit the child to the Board of Children's Guardians. Later, when home conditions improve, the child may get back. Now, the judge of the juvenile court here in this District made a recommendation this year that if the juvenile court were given additional money for parole officers, money sufficient to get tactful people to go into the homes, not in a snooping way but in a helpful way, she could really save money to the District of Columbia. In other words, the children could be left in their own homes; and with a sufficient number of parole officers to look after home conditions, the children could be kept at home, properly cared for there, and the District be saved the expense of the $5 per week now going to the institution or to the family caring for the children. The judge has asked, as I recall it, several thousand dollars for these parole officers and the supervising of destitute home cases. She demonstrated to my satisfaction in a trial of it during the past four months that it would work satisfactorily and that it would save money to the District. This recommendation was made to the District Commissioners in due form with a request to appear before them. The District Commissioners would not hear her. She then made her appeal to the committee. I merely call the attention of the House at this time to a situation that we are getting into here in this District and one that we ought to guard against. Here is a matter pertaining to the welfare of the children.

Mr. ZIHLMAN. What situation is the gentleman referring to? This method of caring for children has been in force in the District for more than 30 years.

Mr. NEWTON of Minnesota. Simply this, that where a responsible authority like the judge of the juvenile court wants to make recommendations which will eventually reach Congress, and tries to get to the District Commissioners to make them so as to have their approval or disapproval, and they can not or will not take the time to listen, that kind of a situation ought not to prevail. It means that they do not pass upon a matter that eventually reaches Congress, but it did reach the Appropriations Committee through the recommendation of the judge of the juvenile court. Now, the committee can not take the time to go into these matters; and if they had the opinion of the District Commissioners, they would certainly have more to go by.

I am convinced from a reading of the hearings and from a personal talk with the judge of the juvenile court that a system of this kind ought to be tried and that there ought to be funds enough furnished in order to prevent the commitment of these children to institutions when they can be cared for just as well, in some cases at least, in their own homes.

Mr. WILLIAMSON. Why does not the judge of the juvenile court bring this matter before the District committee and let the District Committee take some action in regard to it?

Mr. ZIHLMAN. She has done that.

Mr. NEWTON of Minnesota. This is a recent idea that has just been tried out. This is a short session of Congress and there is going to be very little time to get new legislation through if presented by a legislative committee. That is the reason why it was submitted in regular form to the District Commissioners, and when they took no action the recommendation was made to the subcommittee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment. There are 38 agencies in the District of Columbia for caring for children. It may be of interest to the membership to have the names of them in the RECORD. A list of these agencies is as follows:

THIRTY-EIGHT CHILD-CARING AGENCIES IN THE DISTRICT OF COLUMBIA.

1. Child's Welfare Society, 2100 G Street NW.
2. Juvenile Protective Association, 203 I Street NW.
3. Children's Home, Grant Road.
4. Foundling Hospital, 1715 Fifteenth Street NW.
5. Children's Hospital, Thirteenth and W Streets NW.
6. Associated Charities, 926 H Street NW.
7. Board of Charities, District Building.
8. Florence Crittenden Home, 213 Third Street NW.
9. Home for National Association (Colored).
10. National Training School for Girls.
11. National Training School for Boys.
12. Bethesda Home, Maryland (District children sent there).
13. Baptist Home for Children, 904 Newton Street NW.
14. Episcopal Home for Children, Anacostia.
15. Methodist Orphans' Home, 601 M Street NW.
16. Presbyterian Orphans' Home, 1818 Newton Street.
17. Washington City Orphans' Home, 1739 Fourteenth Street NW.
18. St. Joseph's Orphans Home.
19. St. Vincent's Orphans Home.
20. St. John's Orphans Home.
21. St. Ann's Infant Asylum, 2300 K Street NW.
22. St. Rose's Asylum.
23. House of Good Shepherd.
24. Good Hope Orphan Home.
27. Industrial Home School.
28. Child's Emergency Home, G Street.
29. American Children's Aid Society, 329 C Street NW.
30. Cook's Home for Colored Children, Anacostia.
31. Boys' Club, Third and C Streets NW.
32. Industrial Home School (Colored).
33. Humane Society for Cruelty to Children.
34. Board of Children's Guardians, has 1,900 wards.
35. Christ Child Society, for aiding needy children.
36. Day Nursery, 472 I Street SW.
37. Children's Home, 1207 First Street NW.
38. Miss McCoy Andrews, day nursery.

Mr. COLE of Iowa. How many of these are supported by the Government?

Mr. BLANTON. Only a few of them. Most of them are private institutions, but there are 38 different agencies here in the District of Columbia and adjacent to it that look after the welfare of the children of this District.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WILLIAMSON. How many institutions are there that are operated under the supervision of the Government that have to do with children?

Mr. BLANTON. I think only 7 or 8 have any connection with the Government, but there are altogether 38 private and public here, so that after all the children ought to be well cared for in the District of Columbia. The only reason I mention them all is because I hope there will be a cooperation, especially in so far as wayward children are concerned, between all of these agencies. If there were a friendly cooperation between all of them for the benefit of the children there would be much more done for the children.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had further insisted upon the amendments to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes, disagreed to by the House of Representatives, had agreed to the further conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. NORBECK and Mr. MYERS members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of the Interior.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

The committee resumed its session.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read:

The Clerk read as follows:

For board and care of all children committed to the guardianship of said board by the courts of the District, and for temporary care of children pending investigation or while being transferred from place to place, with authority to pay not more than $1,500 each to institutions under sectarian control and not more than $400 for burial of children

dying while under charge of the board, $120,000: *Provided*, That no portion of this appropriation shall be used by said board for the board and care of any child in a boarding home unless the Industrial Home School, to which it is eligible for admission, is unable to receive it.

Mr. ZIHLMAN. Mr. Chairman, I make the point of order against the proviso on page 84, beginning with line 6, down to and including all of the language in line 9. I call to the attention of the Chair the act to provide for the care of dependent children in the District of Columbia and to create a Board of Children's Guardians, which is chapter 250 of the act of 1892. This act provides, first, for the appointment of a body of nine members, who shall serve without compensation, who shall be appointed by the judges of the police court and the judge holding criminal court in the District of Columbia; that the said board shall have charge of the care and supervision of the following classes of children:

First. Of children committed under section 2 of the act approved February 13, 1885; of children who are destitute of suitable homes and adequate means of earning an honest living; of children abandoned by their parents or guardians; of children of habitually drunk, vicious, or unfit parents; of children kept in vicious or immoral associations, and of incorrigible children. It further provides that the board shall be the legal guardian of all children and shall have full power to board them in private families, to board them in institutions willing to receive them, to bind them out or apprentice them, or give them in adoption to foster parents.

This proviso attempts by indirection to take from this board, vested with authority of law, a certain number of children, to wit, the full capacity of this institution, and place them in the Industrial Home School, which is conducted by an entirely separate board, instituted under an entirely separate act of Congress, and thus take from the Board of Children's Guardians the supervision and care of these children as provided by the act of 1892.

I cite, first, the decision of the Chair of a few moments ago upon the point of order raised by the gentleman from Maryland [Mr. HILL] that a limitation could not change existing law. I cite to the Chair in the manual, section 825, on page 364:

The fact that a provision would constitute legislation for only a year does not make it a limitation in order under the rule.

Care should also be taken that the language of limitation be not such as, when fairly construed, would change existing law or justify an executive officer in assuming an intent to change existing law.

In volume 4, Hinds' Precedents, sections 3854, 3859, and 3975, it is held that a limitation must not impose duties upon an executive officer.

This proviso takes from the Board of Children's Guardians the care of a certain number of children, to wit, the full capacity of this institution, takes them from the board authorized by the law to supervise and care for them, and places them under the jurisdiction of the board of trustees of the Industrial Home School, so that it does change existing law; it does direct an executive officer, to wit, the executive officer of the Board of Children's Guardians, to take these children from that board and place them in the Industrial Home School. Surely this limitation is legislation on an appropriation bill. It does change existing law, and it should be held not in order.

The CHAIRMAN. The Chair will ask the gentleman to again cite the existing law which the gentleman claims is changed.

Mr. ZIHLMAN. Mr. Chairman, the existing law is the act of 1892, which provides for the care of dependent children in the District of Columbia and places them under the supervision of a board known as the Board of Children's Guardians, appointed by the judge of the police court and the judge sitting in the criminal term of the other court. The powers of the board shall be the supervision and care of all children who are destitute of suitable homes and adequate means of earning an honest living, of children abandoned by their parents or guardians, or children of habitually drunken, vicious, or unfit parents, or children kept in vicious and immoral association, and of incorrigible children. It also provides that the board shall be the legal guardian of all children, and shall have full power to board them in private families, to board them in institutions willing to receive them, to bind them out or apprentice them, or give them in adoption to foster parents.

This proviso attempts by limitation to take a certain number of these children from the board authorized by law to receive them, and to supervise them, and place them under the supervision of an entirely different board, namely, the board of trustees of the Industrial Home School, and it does change existing law, it does direct an executive officer to do something, and it has no place on an appropriation bill.

Mr. CRAMTON. Mr. Chairman, the general rule as to limitations is expressed in the manual:

It being established that the House under its rules may decline to appropriate for a purpose authorized by law, so it may by limitation prohibit the use of the money for part of the purpose while appropriating for the remainder of it.

The Board of Children's Guardians, by the law of 1892, is given jurisdiction over the care and maintenance of certain children in the District. About 1,500 or 1,600 I think generally are under their supervision. There are two institutions in the District maintained by the District government for the care of that class of children, one the Industrial Home School where only white children are sent, and the other is the Industrial Home School for colored children, where only colored children are sent. There was a time when the court could send to the Industrial Home School certain children. At the present time and for a number of years past the only authority that can place a child in the Industrial Home School is the Board of Children's Guardians. These two industrial homes are established and maintained under authority of law as places in which the Board of Children's Guardians may place some of their wards. The authority of the Board of Children's Guardians is, under the law, broader than that. They may put them in these homes and are expressly authorized by law to do so. In addition to that, as the gentleman from Maryland has said, they may put them in other places, and they may send them to the reform school for boys or the reform school for girls, or they may put them in private homes or adopt them to foster parents, as the gentleman has correctly stated.

Now, here are a number of things the Board of Children's Guardians may do authorized by law. Some of them require money, some of them do not. This provision now before the committee does not change any law, does not require or direct the Board of Children's Guardians to put a child anywhere except where it has full authority of law now to put that child. It does say, however, that up to a certain extent the Board of Children's Guardians shall not put a child in certain places authorized by law. I have not stated that quite accurately—they shall not use any money here appropriated for that. We do not change the law, we do not change the authorization of law, we do not prevent them putting a child in a boarding home if they have money in other places, except out of this section, with which to do it. We only offer as a limitation upon the pending appropriation a provision that limits their use of the money to certain specified authorized uses. For instance, the Board of Children's Guardians does, as a fact, and as they are authorized to do, when one of these wards comes into its care, they may put that ward in a private home where the people want a child and they are willing to take care of it without any compensation. That does not require any appropriation. Or they may put a child in a home where it is boarded, cared for for pay. That requires money. That is what is known as a boarding home. Or they may put them in these regular organized District institutions, and, of course, that will require money under appropriations for those institutions. Now, this proviso—

That no portion of this appropriation—

we do not assume to say any other appropriation, if the Chair pleases—

no portion of this appropriation shall be used by said board for the board and care of any child in a boarding home—

Now, they have a right under the law to put them in a boarding home. We have a right to appropriate for boarding homes. We have also a right not to appropriate for boarding homes, and that is all this section proposes up to a certain extent—

unless the Industrial Home School, to which it is eligible for admission—

We do not broaden the law as to admission to the Industrial Home School. These children that are eligible for admission there, that the Board of Children's Guardians will put them there—

unless the Industrial Home School, to which it is eligible for admission, is unable to receive it.

That is to say, the Board of Children's Guardians having authority under the law to put these children in a private home with pay or private boarding home or in these public institutions. Now, we appropriate money for these purposes. We say that no part of the money here appropriated shall be expended to put any in boarding homes so long as there is any room in the Industrial Home School, to which they are already authorized to send them. I can not understand how, Mr. Chairman, there could be a clearer case of a limitation by which Con-

gress refuses to appropriate for an authorized purpose. That is all this is—that we refuse to appropriate money to be used for these boarding homes, except after the recognized institutions are filled. We have nothing to say in reference to their putting them in homes where it will not cost anything or putting them in boarding homes after the institutions are filled. There is no change of law. There is simply a limitation within the language of the manual—

it may decline to appropriate for a purpose authorized by law while appropriating for the remainder of it.

Certainly it comes clearly within the limits of the rule in the manual.

Mr. TILSON. Mr. Chairman, I thoroughly agree with the gentleman from Michigan [Mr. CRAMTON] that Congress may appropriate for one purpose authorized by law and refuse to appropriate for another purpose authorized by law. If this were all that this proviso accomplished the gentleman would have made his case completely, but it goes much further. It materially changes powers which have been heretofore granted by law. The gentleman from Maryland [Mr. ZIHLMAN] has read the law granting these broad powers to the Board of Children's Guardians. Among these powers is the power to place a child in an industrial home, a private home, or in a private boarding place. It was doubtless the intent of Congress to authorize the board in cases thought by them to be best to place a child in this family or in that home regardless of whether the Industrial Home School was filled or not. A case might arise in which, in the judgment of the board, it would be unwise to send a child to the Industrial Home School, but that it would be best to place the child in a private home and pay for it. In such cases the board had the power, under the law, to exercise its discretion to this extent.

Mr. CRAMTON. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. CRAMTON. The only thing the proviso does is that it does not make any requirement except we refuse to appropriate money in a certain class of cases.

Mr. TILSON. I do not agree with the gentleman as to that. It goes much further. It says that the board, which now has the power to put these children at other places, can not do so hereafter until some contingency arises, until it shall be determined that the Industrial Home School is filled. Is not that a change of the powers of this board? It certainly is. They now have the power to board the children in other homes, when and as the members of the board may decide to be best. They will not have this power in case this proviso remains in the bill and can not do it at all until they have determined that there is no more room in the Industrial Home School.

Mr. CRAMTON. Will the gentleman yield again?

Mr. TILSON. I will yield.

Mr. CRAMTON. They have the authority, but they will not have the money with which to carry it out, and we have clearly the right to refuse to appropriate any money for them to put them anywhere.

Mr. TILSON. Yes; the gentleman's committee undoubtedly has that right, but when confronted with a point of order, it has not the right to change the powers conferred by law upon this board, and that is the effect of this proviso, because the board has the power, as the law stands to-day, to place children in families and homes without restriction as to whether the Industrial Home School is or is not filled. If this proviso becomes a law the powers of the board will have been changed and thereafter the board can not send a child to a private home and pay for its board until it has been determined that the Industrial Home School is full.

It seems to me that if the Chair will consider the effect of the proviso—and that is what the Chair did in the ruling this morning—he will have to hold that the proviso in controversy here does change the powers conferred upon the board by law and therefore does, in a parliamentary sense, change existing law.

Mr. ZIHLMAN. Mr. Chairman, just another word. I will cite to you the argument of the gentleman from Michigan [Mr. CRAMTON] himself, who read to you the law that the board may do certain things. Now, by indirection, this committee proposes to withdraw from them all the funds they have for the boarding of children in private homes, an authority given them by law; proposes to withhold from the board every dollar of that appropriation, any part of it, unless the board first ascertains that this home, conducted by an entirely different board, is full to its capacity.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. I yield.

Mr. CRAMTON. Does the gentleman question but that the bill or the paragraph would have been in order if we had provided an itemization of the funds? If we had provided $75,000 for the Board of Children's Guardians for this purpose, of which $10 might have been used for the care of children in boarding homes and $50 might be used in these two institutions, thus approximately providing that the entire $75,000 could be used for their care in other institutions—would that have been in order? The gentleman does not question but that that would have been entirely in order. That is to say, Congress may say how much money may be spent for each purpose authorized by law, a large amount or a small amount. Congress may give or may withhold.

Mr. ZIHLMAN. If the gentleman had drawn the language of a provision of that kind in such a way as to take away from this board the guardianship of all children by law vested in them, I would say that that would be contrary to the spirit of the rules of the House with reference to limitations or in reference to legislation on an appropriation bill.

The CHAIRMAN. This is an extremely close case, but the Chair in deciding it is going to adhere to the general proposition laid down this morning, that when doubt arises as to the effect of a limitation that doubt should be resolved on the conservative side in the interpretation of the rules. The Chair will agree with the gentleman from Michigan [Mr. CRAMTON] that this committee can make appropriations for any of these homes or deny them in whole or in part, but the Chair does not feel that the Committee on Appropriations has the right to say that the appropriation will not be available until certain things transpire; this would restrict action of the authorities and limit their functions. The Chair also feels that the provision alters the powers conferred by law upon the board and that therefore it changes existing law, which is contrary to our rules. Without taking the time of the committee to recite precedents, the Chair refers to the ruling rendered a few minutes ago, which the Chair feels embraces the principles involved here. For these reasons the Chair sustains the point of order.

Mr. CRAMTON. Mr. Chairman, I move to amend the section by inserting after line 5, page 84, the language "of which not more than $20,000 shall be used for board and care of children in boarding homes."

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 84, after line 5, insert: "of which not more than $20,000 shall be used for board and care of children in boarding homes."

Mr. ZIHLMAN. Mr. Chairman, I make the same point of order against that amendment, and I call the attention of the Chair again, first, to section 4 of the act of 1892, which gives the care and supervision of all children—and I call attention particularly to the broad language of this act—"the care and supervision of all children"; and at the top of section 5 of the act of 1892 it says: "The board shall be the legal guardian of all children committed to it by the courts and shall have full power to board them in private families, to board them in institutions willing to receive them, to bind them out or apprentice them, or give them in adoption to foster parents."

This amendment changes that law, which is the existing law, giving discretionary power to this board, and makes it mandatory for this board that the larger number of these children shall be put in institutions, and not in private homes, the power to place them in homes being clearly given to the board.

I think the same point of order would lie against this amendment as lay against the proviso.

Mr. CRAMTON. Mr. Chairman, if there can be a limitation in a parliamentary way, the one that I have just offered is valid. The Board of Children's Guardians, we will say, is authorized to do two things under the law, and we provide that the money we give shall not beyond a certain figure be used for a certain purpose. We do not change their authority if they get their money in another place; we do not stop them from putting children in homes. The gentleman's argument, if carried to the logical conclusion, would be that this Board of Children's Guardians is independent of appropriations by Congress; that they could go out and put children into homes galore regardless of the appropriation; and that they are entitled to the money in the Treasury regardless of the appropriations recommended by the committee in the bill. I submit that the Chair can not sustain that proposition.

The CHAIRMAN. The Chair feels that this amendment is a very proper limitation, and therefore overrules the point of order.

Mr. ZIHLMAN. Mr. Chairman, I wish to oppose the amendment. May I ask unanimous consent that it be read again?

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that the amendment be again read. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The amendment was again read.

Mr. ZIHLMAN. Now, Mr. Chairman, I would like to ask the chairman of the committee, inasmuch as he proposes to provide $20,000 for the next fiscal year, what was the amount spent for boarding children in private homes during this fiscal year?

Mr. CRAMTON. I will say to the gentleman that the amendment was very hurriedly prepared. It was intended to take care of about 80 in boarding homes—not over 80.

The gentleman realizes that the purpose of my amendment was to accomplish the same object as that sought to be accomplished by the language of the bill, but not in quite as good a way from an administrative point of view. Possibly the gentleman would like to offer a substitute that would be more nearly along the lines of the bill but give a little more flexibility to it.

Mr. ZIHLMAN. Mr. Chairman, I think that the limitation proposed by the committee is certainly more desirable than this amendment, and I am very hopeful that the committee will vote down the amendment of the gentleman from Michigan, because it is inconceivable to me that they would adopt an amendment which would take 370 children from homes, from the care of foster parents, and put them in an institution. I am advised that 450 children in this city are in private homes on a paying basis, and that approximately 1,000 children are in free homes without any cost to the District government. This amendment proposes to take 370 of these children out of the homes where they now are and put them in an institution, allowing only 80 to remain in homes where their maintenance is paid for, and the gentleman from Minnesota [Mr. NEWTON] and the gentleman from Minnesota [Mr. KNUTSON] and the gentleman from Texas [Mr. BLANTON] have pointed out the conditions in one of the institutions in the District of Columbia where children are sent. I want to call attention further to this fact: My information is that the institution where it is proposed to send these children is closed at the present time, and the superintendent who was in charge is no longer employed, so that if this amendment carries it will be necessary to open up this home, engage a new superintendent, and give somebody else a job and place those children in that institution. That is what they propose to do. The modern thought on this subject is home care for children. In 1909 that great American, that great patriot, student, and scholar, Theodore Roosevelt, called a conference here in Washington of the leading educators, of the leading humanitarians, and of the leading child-welfare workers, not only in this country but in England, France, and Belgium, and they met here in this city and adopted resolutions stating that in their judgment the very best way that a child could be cared for was in a home; preferably in a home of is own, or if that were not possible, then in the home of foster parents.

Mr. BLANTON. Will the gentleman yield right there?

Mr. ZIHLMAN. I yield to the gentleman from Texas.

Mr. BLANTON. What does the gentleman mean by "on a paying basis"?

Mr. ZIHLMAN. There are about 450 children in homes where their maintenance is paid for. The board has approximately 2,383 children under its jurisdiction. Of this number 1,736, including 129 feeble-minded children, are permanent wards of the board. Of this number approximately 1,000 are in free homes, either in their own homes under the supervision of the Board of Children's Guardians or in the homes of foster parents, friends, or people who desire to care for them free.

Mr. BLANTON. Are they working their way?

Mr. ZIHLMAN. Many of them are helping to do household work and attending public school in the District of Columbia.

Mr. BLANTON. Doing the manual chores around the house?

Mr. ZIHLMAN. In a great many instances.

Mr. McKENZIE. Will the gentleman yield for a question?

Mr. ZIHLMAN. Certainly.

Mr. McKENZIE. Is it the understanding of the gentleman from Maryland that this board has the absolute power to say that all of these children may be placed in individual homes or that all of them shall be placed in homes built for that particular purpose? In other words, is it the gentleman's contention that each child is absolutely under the control of this board?

Mr. ZIHLMAN. No; only such children as are committed to the board by the courts of the District.

Mr. McKENZIE. I understand that; but after a child is once committed to the care of the Board of Children's Guardians, then it has the absolute power under the law which the gentleman read a minute ago to allocate all these children to private homes. Is that the gentleman's understanding?

Mr. ZIHLMAN. It is within the power of the board if they deem it advisable and for the welfare of the children and if they could find that number of homes. It would be within their power to do it, but it would not be sound to assume that they were going to do it, although about 1,400 of the children are in homes—about 1,000 of them in free homes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. I ask for five minutes more.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. McKENZIE. Then it is the gentleman's understanding that this board has the power to take children, for instance, of Protestant families and put them in Protestant institutions and children from Catholic families and put them in Catholic institutions? In other words, the board has unlimited jurisdiction over the children. Is not that true?

Mr. ZIHLMAN. It has jurisdiction over the children. The gentleman is citing an extreme example, I should say. There is nothing in the law to say that they shall put a Protestant child in a Protestant home. There is no limitation of that kind.

Mr. McKENZIE. The point I am trying to get at is that any legislation attempted to be put on an appropriation bill limiting the powers of the board would clearly be legislation, and therefore, as the gentleman has contended, would be subject to a point of order.

Mr. ZIHLMAN. It is subject to a point of order.

Mr. COLTON. Will the gentleman yield further?

Mr. ZIHLMAN. I yield to the gentleman from Utah.

Mr. COLTON. This amendment would not in any way affect the power of this board one way or the other, would it?

Mr. ZIHLMAN. It would not affect the power of the board, but by limiting their appropriation it would compel them to put all of these 450 children except 80 in some institution, probably the institution that has been spoken of here this morning. Now, answering the gentleman from Texas [Mr. BLANTON], the average cost of the boarding of children in private institutions is $275 per capita per annum. The average cost of the children in this home that has been referred to, and that was in the limitation of last year, was $600 and some odd. I have the figures here.

Mr. FESS. Will the gentleman yield?

Mr. ZIHLMAN. I yield to the gentleman from Ohio.

Mr. FESS. The gentleman made a statement awhile ago that is very suggestive. I want to see whether I understand it or not. Is it proposed by the amendment that the children that have been lodged in homes shall be taken out of the homes and placed in an institution?

Mr. ZIHLMAN. Three hundred and seventy of these children who are now in private homes, most of them in homes where there is only one child in each home, will be taken from those private homes, taken from those foster parents, taken from the public schools which they now attend and placed in institutions. That is what the amendment means.

Mr. FESS. When children are placed in homes are they still followed up to know whether they are properly cared for?

Mr. ZIHLMAN. There are inspectors or paid workers who supervise, who go around and check up and ascertain if the child is getting proper treatment. I am told that some of the people of the District who have visited the homes in which these children are kept have been gratified with the treatment they are receiving.

Mr. FESS. So far as I know, one of the chief concerns of any home charged with the care of children, from whatever reason is to find a place in time in a private home somewhere away from the institution, and if that is the purpose of the amendment, it is contrary to all modern thought on the care of children.

Mr. ZIHLMAN. Mr. Chairman, I am very glad that the distinguished gentleman from Ohio makes that point. The situation is this: The subcommittee of the Appropriations Committee on the District of Columbia has by this limitation and now by this amendment shown that they are not in accord with the modern practice and thought upon this subject. They are attempting first, by limitation, and now reducing the appropriation for the Board of Children's Guardians to force these children into institutions, when for 20 years the leading thought on this subject has been that the child is best cared for

in a home. In New York the famous educator, Dr. Louis Bernstein, made an investigation of 3,000 children, 1,000 in their own homes on the East Side of New York, 1,000 in the homes of foster parents, and 1,000 in institutions. He reached the conclusion that the children who were in their own homes were best cared for, best developed mentally and physically, and those in the homes of foster parents came next, and that the children in the institutions were the lowest in mentality and the lowest physically. This committee wants to change the policy that has been in vogue here for the District of Columbia for 30 years by this limitation, and force 270 children out of homes in which they are properly cared for and place them in an institution after the statement has been made on this floor that children in one of the child-caring institutions here in the District are taught together without regard to color or race.

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the last word. I want to take only a moment or two for the purpose of asking the gentleman from Maryland [Mr. ZIHLMAN] a question. As has been suggested by the gentleman from Ohio [Mr. FESS] and by the gentleman from Maryland [Mr. ZIHLMAN] this amendment proposes a very radical change in the policy that has obtained heretofore.

Mr. ZIHLMAN. Very radical.

Mr. MOORE of Virginia. I fail to find in the hearings any adequate evidence on which to found such a change. The matter is very casually brought within the hearings, and does it not occur to the gentleman that we ought to go slow when we have no evidence to warrant us in taking such extreme action as the amendment contemplates?

Mr. ZIHLMAN. I think the gentleman is justified in that conclusion, most certainly.

Mr. MOORE of Virginia. Furthermore, is it not a fact that this institution that we are talking about is capable of taking care of only about from 130 to 150 children?

Mr. ZIHLMAN. Not that many. My information is that about 125 is the maximum.

Mr. MOORE of Virginia. If that be true, then to enforce the requirement embodied in this amendment might lead to great confusion. It might lead to the inability of the authorities of the District to do anything at all in the way of taking care of all the children.

Mr. ZIHLMAN. It would lead to confusion, and it would lead first to the opening of this Industrial Home School, and next to the building of a new home. By no other method could they take care of 370 children.

Mr. BLANTON. Mr. Chairman, if this amendment would do what the gentleman from Maryland [Mr. ZIHLMAN] thinks it would, I would be with him heartily, but I do not think it will do anything of the kind. If it costs $600 to keep a child in the institution as against $170 in a home, then with the limited appropriation we have you certainly could not put them in the higher priced institutions. I believe this Board of Children's Guardians are doing the best they know how, but I want to warn them right now that they are not putting as much care as they should into the proposition. I have over in my office on my desk a stack of affidavits probably an inch and a half or 2 inches high that have come to me from apparently credible people in this District. Ladies from various parts of the District have brought them to me. I expect to put them before the Committee on the District of Columbia at the first opportunity.

These are affidavits from some of these very children in these homes about which the gentleman from Maryland speaks alleging mistreatment. For instance, one little girl is supposed to receive so much a week for her services for washing the dishes and sweeping and scrubbing the floor, for looking after the domestic duties an ordinary household servant looks after, but a rule has been inaugurated in her house under which she is fined for certain acts that she is commanded not to do, and at the end of the week the fines amount to more than the remuneration, and she has never yet received a single cent from the people with whom she lives.

Mr. COLTON. Does the gentleman know whether this case has been brought to the attention of the board?

Mr. BLANTON. Oh, yes. I mentioned some of the cases in a District Committee hearing on another matter a short time ago, and the board has promised to look into the matter very carefully. It was at a hearing before the Committee on the District which did not involve this question, but incidentally I raised it, and expect to bring it to their attention in a more concrete form as soon as we can have a hearing.

I want to say to my friend from Maryland that it behooves us and it behooves this board to look into this proposition, because if 5 per cent of the contents of these affidavits is correct then lots of these little children are mistreated, not alone mistreatment in an ordinary way but they are mistreated in a serious way. But I do not believe that this amendment will hamstring this board. As I said before, I believe that the board is doing the best that it knows how, but that is not enough. It wants to put a little more care and attention and checking up into this matter, and I am with the gentleman from Michigan [Mr. CRAMTON] on his amendment. I do not believe it is going to hurt the proposition. If they have not sufficient money they will come back to us. We have already had six deficiency bills passed in this Sixty-seventh Congress and I expect that we shall have some more deficiency bills before March 4.

Mr. WILLIAMSON. Mr. Chairman, I believe this last amendment offered by the chairman of the subcommittee is utterly vicious in that it is going to take a lot of these children out of the homes where they now are without any adequate provision for taking care of them anywhere. I have had some experience in helping look after delinquent children and orphans in one way and another. This is the first time in a good many years that I have heard it proposed by anybody that an institution is superior to a private home in which to rear children. Conditions will have to be decidedly bad in a private home if they are any worse than they are in the ordinary institution. I have three orphans in my own home and I have helped place orphans in other homes. I do not know one of them that is not being well cared for and well educated at this time. True, none of these orphans are being cared for and educated with any hope or desire of reward except to see them develop into good and useful citizens. The suggestion of sending any one of them to a public institution would be shocking.

I say the amendment proposed by the chairman of the subcommittee [Mr. CRAMTON] is a distinct step backward. It is a step this Congress can not afford to take. The law of 1882 was presumably passed with careful consideration. The members of the board of guardians presumably are an intelligent board. They have made a study of child life and child conditions and of home life and institutional life. I dare say that they are infinitely better prepared to take care of these children in a proper way than any Member who has helped draft this bill and know more about taking care of them. Nor can it be doubted that the board is now giving them better care and more consideration than it can possibly hope to give them if this amendment becomes law. The amendment ought not to be adopted. It ought to be rejected by this House without a dissenting vote.

Mr. CRAMTON. Mr. Chairman and gentlemen of the committee, I want to say frankly to the committee that the subcommittee, and particularly myself, have given more thought and attention to this paragraph probably than anything else in the bill. I want to express to the committee my intense interest in the subject, my feeling that what we are trying to do is the right thing to do and the most desirable thing to do, and I know the committee realizes that I have no interest in the matter except to attempt to discharge my duty as a Member of Congress and as a member of this committee. The gentleman from Virginia [Mr. MOORE] is correct that there is not very much in the hearings on this subject. I had heard of the rows in the District involving the Board of Children's Guardians. I knew something of the general controversy but did not take it up in the hearings. But further information came to me in regard to this matter, and after the hearings were closed and printed I took up the matter. I have had at least a dozen conferences with all the interests involved. If you read the newspapers, you know there has been a bitter controversy involving the Board of Children's Guardians. There have been other controversies, but I am not concerned about those controversies. I am not concerned about personalities. The gentleman who is chairman of the Board of Children's Guardians is one of the men I most highly esteem in the District of Columbia—a personal friend. There are one or two others on that board that I know, and I hope I enjoy their friendship. This matter I have had up with Commissioner Rudolph, who is in charge of these matters in the District; Mr. McReynolds, president of the board of the Industrial Home; Mr. Millan, president of the Board of Children's Guardians; Mr. Wilson, secretary of the Board of Charities. Now, the situation is this: The Board of Children's Guardians is created as a sort of independent institution that no one has any control over. Its members are selected by certain courts in the District, and there is no supervision over them. They have the care of about 2,000 children in the District. The law, as developed in the previous debate, gives to the Board of Children's Guardians a wide authority—complete authority, you might say—over those children, where they shall be placed, how they shall be maintained—they have very complete authority. Their first duty, their highest duty, and one I think they seek to

carry out, is to put the children in homes. Now, what do you understand by that? What I mean is to put the child in a home, a home that wants a child for the child's sake and not for the sake of $20 a month. That is the kind of a home where the child does the best—a home that wants the child and is going to care for it and give it an opportunity. I am sure the Board of Children's Guardians make it their duty and trust to put in such homes as many as they can, and I have no quarrel with them about that. Let us leave out of the question in the discussion of the amendment as to putting children in homes, homes that want children for the sake of children and not homes that want children for the sake of so many dollars a month. Now, after they have taken care of as many as they can by putting them in homes, they can put the others in the two institutions here—the gentleman from Maryland, I think, inadvertently closed his speech with an appeal not to mix up indiscriminately white and black in these homes; why, I am sure he knows better. He was simply talking hurriedly and inadvertently.

There are two industrial homes where this board may send these children, one for whites and one for colored. The one for colored is filled to its capacity; there is no argument there. The one for white, appropriated for by this Congress last year, was closed in the middle of the year. Why? Because the only way a child can be sent to that industrial home is by action of the Board of Children's Guardians, and the Board of Children's Guardians reversed its policy of many years and proceeded to starve to death the industrial home out on Wisconsin Avenue by taking away its children and not sending any others, until there were so few there it was not possible to operate it and the commissioners ordered the institution closed.

Mr. BUTLER. Will the gentleman yield?

Mr. CRAMTON. In just a minute. Now, the alternative that the Board of Children's Guardians followed was they took these children out of that home maintained by the Government and put them in homes where they are only cared for for pay—boarding homes—and the issue before this committee is whether to maintain these children in boarding homes, without public supervision, or to put them in a public institution. Now I will yield to the gentleman.

Mr. BUTLER. Again expressing my confidence in the gentleman's good judgment, how does he arrive at the limitation of $20,000? Is it based largely upon the judgment of those gentlemen with whom he has talked as being a sum sufficient to provide for the care and maintenance during the next year?

Mr. CRAMTON. I think I will reach that in a moment.

Mr. BUTLER. If the gentleman will.

Mr. CRAMTON. At the present time we will not discuss colored children, which are not involved, because the colored institution is all filled. The white institution is the one they starved out, and it was closed, and we seek to have it reopened. We own the investment, we have a splendid plant out there, and all we need is to put in the management and put in the children.

Mr. FROTHINGHAM. If the gentleman will permit, is the white institution the one out on Wisconsin Avenue?

Mr. CRAMTON. Yes; near the Naval Observatory.

Mr. FROTHINGHAM. That is exclusively for white children?

Mr. CRAMTON. Exclusively. There is a colored institution elsewhere.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. CRAMTON. Now, the situation is this as to these white children in boarding homes: I find that there are now 205 of these white children in boarding homes. Those homes in the main are homes of poor people, homes of people who can not give any great advantages to the children, although if they are the right kind of people, although poor, if they want a child for the sake of the child, it is an opportunity. But these are homes where the chief interest is the money appeal. We find that there are 46 such homes where each home took one of these children at a cost of from $20 to $40 per month. There were three homes where two children were put in each home. There were 20 homes where three children were put in each home for pay. There were 11 homes where four children were put in for pay in each home, and there was one home where nine children were crowded in for pay.

Now, I do not care what is the modern thought about the care of children, my common sense tells me that a child is condemned to a lack of opportunity if he is put in such places, and the Government ceases to perform its function when it takes children from any kind of an established home, any kind of an established institution, and sticks nine of them into one household for the sake of pay, without any public supervision.

Mr. NORTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. NORTON. Can the gentleman tell us how much they were paid for each of the nine children?

Mr. CRAMTON. Twenty or thirty dollars per month.

Now, when we came to look into it, I thought I would not be doing my duty to the children of the District if I did not try to correct this situation. There are more of these children in the boarding homes than there are in the institution out there. We tried to handle this, not in an arbitrary way but in a practical way, and so we put in the bill the provision that none of the money should be used to put the children in homes as long as there was room for them in the institution. So they put from 100 to 150 into that institution, and then the rest were placed in boarding homes, and if the Board of Children's Guardians use the judgment I think they will they would select the best among the boarding homes to be continued.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BUTLER. Is sufficient money proposed?

Mr. CRAMTON. Yes; we propose to provide sufficient money.

Mr. ZIHLMAN. Will the gentleman please tell the committee, for the information of the committee, the relative cost of caring for these children in private homes and in this institution, which is closed?

Mr. CRAMTON. Yes; I will say this: Here is an institution that we own, a good institution, with a little land. We have a schoolhouse. If we reopen it, it is not going to be anything terrible. Teachers of the public-school system in Washington will go in and teach in that school, and to that extent other schools may be relieved. There may be $50 or $100 difference in the cost of putting these children in private homes or in this institution. In the private homes they wash dishes and run errands; no one looks after them in the evening; there is no one to supervise them. They do not dare to let the parents and relatives know where they are, so that they can visit them. I say even if it should cost $50 or $100 more per capita, we should put the children back into this institution, where their relatives and parents can come to them at least on Sunday afternoons and see them, where they can have supervision in the evening as well as in the daytime, and be properly cared for and not farmed out for profit.

Mr. BUTLER. So as to have them looked after?

Mr. CRAMTON. Yes. Some people say this situation has resulted in consequence of a conflict between the people running the home and the Board of Children's Guardians. I think it is not entirely due to that. I think that was a contributing cause. The amendment pending before the committee is not exactly what I would like to have. I would prefer to have what is in the bill. It provides that they should not put those children in boarding homes unless there was lack of room in the institution. That went out on a point of order made by the gentleman from Maryland [Mr. ZIHLMAN]. It is now provided in the amendment that not more than $20,000 shall be used for the board and care of children in private homes. Fifty thousand dollars were used for that purpose, and we have in this bill about $40,000 for their care in this home. Roughly speaking, I think $20,000 would do it. Now that we have got into the parliamentary position we are in, I wish the gentleman from Maryland [Mr. ZIHLMAN] would offer as an amendment the language which is in the bill, which is better.

Mr. ZIHLMAN. I will say to the gentleman that I am not in accord with his ideas in regard to this matter. I do not think the House will adopt an amendment to put some of these children out on the street, with no adequate provision to care for the 270. You provide only for 205. How about the colored children?

Mr. CRAMTON. They are all cared for in their institution, and that institution is fully cared for in this bill.

Mr. ZIHLMAN. A great many of them are in boarding homes.

Mr. CRAMTON. The institution is filled to its capacity. If the committee will sustain us in this proposition and we serve notice on the Board of Children's Guardians that we do not want these poor little waifs to be put into those private homes almost before they are out of the cradle; if we serve notice on the Board of Children's Guardians that we do not like that sort of thing, they will have enough money to see that none of them run out on the street.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. MADDEN. Mr. Chairman, I am very much in sympathy with the proposition designed for the best care of these children. There seems to be a good deal of difference between the board of managers of the Industrial School for Children and the Board of Children's Guardians. There is not any reason why they should not be able to harmonize their differences. On the one hand, the people in the Industrial School have a great institution. It has been closed because they have taken all the children away from it. There is a certain expense required for the conduct of that institution regardless of whether you have any children there or not. We have a lot of land there. It is beautifully located. They are doing a great work. Now the Board of Children's Guardians are also doing a great work. They are wonderful people. I am very sympathetic with the work that both of these boards are doing, but there ought not to be any difficulty in getting them together. Manifestly we can not get them together. We have not the time, and we ought not to be required to sit and listen to the arguments of one against the other. Both works are good. But there is a great field for the school, and it ought to be filled; I mean the field ought to be filled. The work should be done, and the school should be utilized to its fullest extent as a receiving home for a period, after which the children can be taken away systematically and properly placed. But when we take the children and place them, say, as many as 12 in a home, that can not be said to be good home finding.

It is true that there are only nine now in the home where they have the greatest number, but there have been 12. Now, my conception of the work is that there never should be more than one child in a private home, if we are going to find private homes for them; but if we have a public institution capable of taking care of them, why not take care of them there during all the preliminary stages of their care? Why take them away from that and send them to a private home where some private individual, not under anybody's legal supervision, may have complete jurisdiction over the child?

Mr. BUTLER. What is the occasion for taking them away?

Mr. MADDEN. As I say, I think Mrs. West, who has done some of this work, is a wonderful woman. She has been doing a great work. I have been very glad to try to help her in every way I could. But, in my judgment, the time has come when this House must for the time being put its foot down and say to both the Board of Children's Guardians and the board of the Industrial Home that there must be some superior authority over both somewhere; and we suggest the Commissioners of the District, who are all good men and who have very sympathetic hearts, and who will conduct this affair as it ought to be conducted. So there is no great principle at stake here. We are trying to fill the gap with a proposal that will carry us over until an agreement can be reached. We hope that the House will accept our suggestion, because we are not trying to embarrass anybody. We are not trying to do any injury to the children. We are as sympathetic for them as anybody can be; and, if you will accept the suggestion made by the committee, you will enable us to enable somebody else to do the thing which in the long run will be best for all, and the children themselves will not suffer in the meantime, and in the end they will be much better off.

Mr. BUTLER. The condition here grows out of a dispute as to the best method of taking care of these children, does it not?

Mr. MADDEN. That is it.

Mr. BUTLER. Some of these gentlemen in official positions are of the opinion that the children can be better taken care of in the home than they can be in these private residences; and we are not taking part in that.

Mr. MADDEN. No; we are not taking any part in that. What we want to do is to fill the gap, to get a breathing spell until we can compel an amicable adjustment of the case along lines that will be best calculated to provide properly for the children.

Mr. CRAMTON. Mr. Chairman, I want to make it clear that the action of the committee has nothing to do with putting the children in homes where they will be received without pay or for adoption. We are not interfering with that at all.

Mr. BUCHANAN. Mr. Chairman and gentlemen of the House, this is a matter that I think should be viewed from the standpoint of the welfare of the children alone; but it may be pertinent to state to the membership of this House that it costs about $600 per capita to maintain a child in the Government institution in the District, and it costs from $200 to $300 per capita to board each child out in private families. So if this amendment carries, it will be added expense to the Government instead of a lessened expense. However, as I stated, we should not regard finances when trying to reclaim human beings. I believe the reclamation of human souls is one of the greatest objects that can be accomplished by any body of men or any person or individual in the world. So that I approach this subject merely from the interest of the children.

All progressive thought, all experience, has arrived at the conclusion—all of the institutions that are doing humanitarian work with children, and others who have gone astray, have arrived at the conclusion—that they should be separated into classes and segregated from one another, that the most incorrigible should be kept together and that those who are not quite so bad should be put into another class, and so on, so that those who are not completely lost will not be contaminated by association with the worst. Therefore it is to the interest of these children not to compel them to be put together in one institution, where the extremely bad child tells its experience to those who are not so bad.

I think the best place for them is in private homes. The chairman of the subcommittee condemns private homes that charge for boarding these children. Perhaps they are not all able to support them without charge. All the virtue and all the refinement are not confined to the homes of the rich. There are poor people in this country who are just as noble and honorable and elevating in their conduct and instruction to others as are the rich. There may be such families in the District of Columbia who are childless, who want one, two, three, or even four children, in order that they may have a family to look after and take care of and take an interest in. I say this amendment will be the most detrimental to these children of any act that Congress ever passed.

Let me call your attention to another thing. The members of the Board of Children's Guardians receive absolutely no pay for their work. They are prompted alone by humanitarian impulses. They have alone the interest of these children at heart. They study these children, they classify them, and when they put them into these private homes they have them regularly inspected, to see that they are treated right and that the right influences surround them. Yet the gentleman from Michigan [Mr. CRAMTON] and others claim that they know more about the raising of these children than do these noble men and women who constitute the Board of Children's Guardians for the District of Columbia. I am on this subcommittee, but I can never find myself in accord with placing such restrictions upon the activities of the Board of Children's Guardians when nothing wrong, no bad conduct, and no mismanagement has been brought home to that board. I would encourage them, I would uphold their hands, instead of condemning them by such restrictive legislation.

This Industrial Home was closed last year because they placed all of the children out in private homes, either for board paid or for nothing, and they closed this institution. It should remain closed as long as we can take care of these children in private families, surrounded by good influences. All advanced thought of every humanitarian organization advises and commends that method of caring for dependent children. [Applause.]

Mr. MERRITT. Mr. Chairman, I think there is no doubt that all those who are concerned in the care of dependent children believe it is much better for the children to be put out in families than to be cared for in institutions. It is well known that when the institutional child gets out into life he meets conditions quite different from institutional conditions. I do not go so far as some who say that the worst family is better than the best institution, but I do say that the practice of getting children out of institutions and into families under proper supervision is unquestionably the right method of treatment. I gather from what some gentlemen have said that there may have been some abuses in the District in cases where children have been put into private homes where their board has been paid, and where a number of children are boarded in that way together where possibly the money is the principal consideration. I agree that that is not generally a good thing. But I think it is a very erroneous argument to say that you have an institution which is vacant and that therefore you must fill it.

Mr. MADDEN. But the Board of Children's Guardians themselves think that they ought to have a receiving home. If they want a receiving home independent from the one that we have, why not use the one that we have? They have said that to me.

Mr. MERRITT. If they need a receiving home, then I should think you ought to let the Board of Children's Guard-

ians themselves judge to what extent they want to use it, and not limit them artificially by a certain part of the appropriation. There is no question that the way this legislation ought to point is toward putting children in carefully selected homes. The gentleman says that they still may go in homes where no board is required—free homes. The difficulty with that situation is, or has been in cases that I know about, that the people take these children for what they can get out of them.

They say they do not pay any board, and that they must work. That is wrong. They ought to be put in selected homes and then very carefully supervised, so that they shall not be abused, and they shall get home surroundings, and when their time comes to go out into the world, meet the same conditions to which they have been accustomed in their life. They ought to be brought up as nearly as possible under normal family conditions, and anything that arbitrarily forces the Board of Guardians to put them into an institution should be avoided. I think the right thing is to defeat this amendment and have the legislation proposed improved if it is necessary, but to leave the Board of Guardians free to do what they in their judgment think is best, with the emphasis on placing them in homes under proper supervision.

Mr. TOWNER. Mr. Chairman, I think that to do as is suggested here—that is, to continue the policy that sometimes seems to have been adopted of placing children in boarding homes—would be manifestly a step backward, and a most unfortunate one. There is no chapter in the early history of this country that is more appealing than the action that used to be taken in the New England States first, and afterwards in some of the Western States, by which these unfortunate children were placed in boarding homes. The bad effects, the tyranny, the cruelty, the injustice with which these children were treated in so many instances have found their place in fiction and in poetry. The practice has been abandoned in so far as I know everywhere in the United States. There is no possible question in my mind but that these children ought to be kept in institutional homes until they can be placed in homes under the expectation and with a view that they will be adopted and become the adopted children in the homes where they are placed.

Mr. MERRITT. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. In a moment. But, Mr. Chairman, to place these children, 5 or 6 or 8 or 9 or 10, or even 1, in homes where the only incentive that actuates the persons who receive them is the pay that they receive, and when it is then understood that these children are to be left free practically from any responsibility of the State or of the District where they live during that time, is certainly a most unfortunate condition. In the whole history of this country that policy has been abandoned, and should the Congress of the United States now deliberately adopt it as a policy for the District of Columbia it would be a very backward step, to my mind. That would be most unfortunate. I yield to the gentleman from Connecticut.

Mr. MERRITT. Does the gentleman claim that the policy of placing a single child in a home and paying board for it has been abandoned?

Mr. TOWNER. I think so; very generally.

Mr. MERRITT. Not at all. On the contrary it is being extended all throughout New England now.

Mr. TOWNER. Does the gentleman mean to say that the policy of taking children from these institutions and placing them in private families for board is being adopted?

Mr. MERRITT. Not for board, but they find the family first. They do not let the family find them. They have agents to go about and find a good family where they can induce the mother or whoever runs the house to take the child. The mother may say that she would like to take the child, but that she can not afford it. The answer then is that the State will pay her so much a month. The child is then placed there and visited every month by an agent of the State to see that the child is properly taken care of, goes to school, and is properly clad. They find as a matter of fact that these children have much better treatment and are much less exploited than in homes where they are placed without pay. Of course I agree that there have been homes in New England and elsewhere where people take young babies—they call them baby farms—and other children where there have been abuses, but that is a practice that has been abandoned.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. CRAMTON. I do not imagine that the gentleman thinks that any family that takes nine children does so except for the money there is in it, and further I am quite reliably advised that little babies have been taken out of the Foundlings Home here in the District and put into boarding homes, and have finally been brought back in wretched condition, and those are the things that we want to stop.

Mr. MERRITT. What I should say about that is that the matter of placing the child and of supervision are not properly done, but the practice is correct if it is properly done.

Mr. TOWNER. Mr. Chairman, I still think that it can not be possible that in this country the proposition of putting these children into boarding homes is a policy that is either approved or in fact adopted and carried out. The proposition involved here is this; and it only needs to be considered, as it seems to me, to appeal to the judgment of any man when he comes to think about it: As soon as you take the child away and put it in a place to board, where the responsibility is only with whom it is boarding, where the care is only with them, where the nurture is only with them, where the influence that surrounds the child is only with them, then to that extent those who are in authority relieve themselves from responsibility as to that child. If they can place the child in a home with a prospect of adoption, with the expectation of adoption where a mercenary motive is not controlling, and a different condition exists, everybody will approve it, but under conditions shown here where four or five or six or eight or ten or more children are placed in a single family to board, it seems to me the practice can not under any circumstances be approved.

Mr. FROTHINGHAM. Mr. Chairman, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. FROTHINGHAM. There is no question, I suppose, but that in the old days—and Dickens brings it out in his writings—in England, the insane and different people were put in private homes before institutions grew up, and there was a great deal of abuse under those conditions; but the gentleman from Connecticut [Mr. MERRITT], in what he says, states the case with respect to Massachusetts also, because there the system has grown up under careful supervision of putting these children in homes, and the people who take care of them are paid for it. Of course, like anything else, that is subject to abuse, but as I understand it in this case, this is merely a stop gap while this matter is in a transition stage, and merely because you vote for the committee amendment it does not mean that you are against that principle.

Mr. TOWNER. It seems to me that we ought all to appreciate the situation.

We are not establishing a home; it is there. It was built for that particular purpose. Now, it has been pointed out that these children have been put out to people who will take them for money. Those are the influences now that control the care and nurture of these children. Are we going to approve of that, Mr. Chairman? Can it be that the Congress of the United States can approve it? It certainly seems to me we can not. If we vote down this amendment we approve the boarding out of children to the extent of nine in a family. Are we ready to do that? It certainly seems to me, Mr. Chairman, that we can not in the interest of humanity, of justice, of the fulfillment of the responsibility resting upon us—we can not approve of such a practice as that.

Mr. BUTLER. Will the gentleman yield?

Mr. TOWNER. I will.

Mr. BUTLER. The gentleman is uttering such a fine sentiment, why does he call them "homes"; they are only stopping places.

Mr. TOWNER. I agree with the gentleman.

Mr. BUTLER. Is it not a fact that the children, whether placed in these private homes or whether they are kept in these institutions, are raised merely mechanically, are they not?

Mr. TOWNER. To a certain extent they are.

Mr. BUTLER. The best you can do is to put them in a home, in my judgment, and that has been my observation in Pennsylvania.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COLTON. Mr. Chairman and gentlemen, it seems to me that, swept of all verbiage, the arguments of the proponents asking for this amendment are indictments of the board. If there have been nine children that have been put in a private home, that is a question of management on the part of the board. Surely there is a way of reaching that without adopting this amendment. But the policy and principle that the best place for the child is in a home remains unchanged, and I think even those who are advocating this amendment do not dispute that. Therefore it is a step backward if we adopt this amendment. This institutional school has been run in

days past. It has been closed because they found homes for those children. Now, there is one other question: If this amendment is adopted, who is to say as to which children shall go into the institution or which shall remain in these private homes? What assurance have we that the nine children are the ones to be changed? The same board that has directed it in the past will direct it in the future.

Mr. CRAMTON. Will the gentleman yield?

Mr. COLTON. I will.

Mr. CRAMTON. I give the board more credit than does the gentleman. I assume discretion being left with the board they will leave those where the conditions in the private home are the best and take those where they are most undesirable.

Mr. COLTON. In answer to that, let me say I give the board full credit. Let them use their discretion. There may be one case where there are nine children in a home. That of itself does not necessarily prove that a policy is wrong. I know of splendid men who have been reared in homes where there were nine children. I know of good men and women also who were reared in homes where there were 10 children. The number in the home is not an argument against a failure of the principle. It is only in cases where abuse is shown that would have any influence, and even that does not affect the policy, or, at least, does not prove it wrong. It is a question of the personnel of the board entirely, and not an argument against the principle. I hope that this Congress will not go back but will go forward. As has been said here a progressive plan has been worked out by some of the best men and women in order that children may be subject to home environment and conditions. It is accepted by the best minds of the day as the best way to handle the situation. Why then force this institution open as long as these men and women can find homes for these children? I am willing to leave it to them to use their best judgment.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. COLTON. I will yield.

Mr. FAIRFIELD. I have wondered where the nine children were—if that was the condition that grew out of the fact that the Board of Children's Guardians had no receiving home. Does anybody know how long these children have remained in that home? Can the chairman inform me?

Mr. COLTON. I am not informed as to that.

Mr. MADDEN. Quite a while.

Mr. COLTON. I am only contending for the principle. We have appropriated for this board, it has done excellent work, and we ought not to tie its hands by an amendment of this kind. I feel sure that under the law supervision will follow these children even after they are placed in homes. I do not believe any institution can ever take the place of a good home.

Mr. NORTON. Mr. Chairman, I must admit it is a new principle to me that children are being placed in homes where they receive pay for keeping them there. It happens that I have drawn charters for some of these homes, and every New Year's morning for the last 30 years I, together with others, have visited these homes. And I might add that I have had to do, as attorney for the homes, with placing many children, and never was there a child put out by which the institution or anybody else paid one cent, never. It was taken by some person who wanted it to raise, and I want to say that the history of these children is the history of men and women who have accomplished something in this world. One gentleman said that there had not been anything accomplished by those, that there was a blight on them. I do not agree with him. Everyone knows that in every institution of any standing the first things the children are taught are the principles of the American Government, the principles underlying the American flag. The first song that is sung in each one of these institutions that I speak of, that I have visited on New Year's morning for 35 years, is the Star-Spangled Banner, and the first thing they are taught is to reverence the American Constitution.

That is the kind of a place in which to raise a child. That is the place where the child gets the right training, instead of no training, or such training as has been described here to-day. They are started right, and then good-hearted people come there and select the children and bring them up, not because they are going to be paid, but as a member of their own family, when they adopt them, because they are required to adopt them after keeping them a year, or else to return them; and nine out of ten are adopted.

That makes a real home, and I am really surprised to see that the city of Washington has no home for these children. The State of Ohio looks after its children. Why should not the great United States, represented here in its capital at Washington, have proper institutions in which to put these children, where they can receive the right kind of training, and where they can be looked after until they reach such an age as will enable them to look after themselves? I am very strongly in favor of this amendment. [Applause.]

Mr. SNYDER. Mr. Chairman, I find myself considerably in sympathy with the idea of distributing these children in families. I have heard no evidence here that even those children who are housed in a family of nine have been mistreated or mismanaged in any way. I can easily understand why it might be better for the managers here and there to find a place where six or seven or even eight children might be taken care of in a group. I can easily get into my mind the thought that a good woman can take care of five or six children if she had nothing else to do and would do it better than one who had a great deal to do and was taking care of only one or two. I am fully of the belief that if children can be put into proper families they are much better off than they are in institutions, leaving out of consideration entirely the cost of the transaction.

I know that is the practice up in my country. Of course, in the beginning they are all taken into an institution. I do not know that in our institutions we place them out for pay, but I can readily understand how many people of ordinary means would be glad to take one or two or three children and bring them up not only for the benefit of the children themselves but later perhaps for the purpose of having the children help take care of their foster parents themselves. I have not heard of any case here, as I say, where a child has been mistreated. I have heard it stated where some have been brought back into the institution. But that is an ordinary occurrence, and it could occur anywhere. Therefore it seems to me that if it is contemplated that all the children shall be kept for all time in an institution, I would be opposed to that.

I do not understand now what is going to be done with these three or four hundred children who are farmed out when you open up this institution about which you are talking. I would like to know if it is the intention to bring back any considerable number of these children who are out now into the institution and then put them out somewhere else. That seems to me a wrong principle. If you want to open up this institution as an entrance place for children with a view of finding a home for them eventually and putting them out into such a home, I think that would be proper. But I think it would be advisable to take them away from families as soon as and whenever it is shown that those families are not the proper ones to be intrusted with the care of the children. I do not know much about this amendment, but I would be opposed to it if I thought it would have the effect of discontinuing the practice of putting children out into families either for pay or without pay.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. CRAMTON. It will not interfere in any way with putting them out. It will entirely do away with putting them out for pay, because the institution would take care of them. But it would stop the worst feature that exists now in regard to it.

Mr. SNYDER. I am glad of that, because I think the policy should be continued of placing the children out. I think a wrong impression may have gone out, and it may have a bad effect on the children—an impression to the effect that this Congress believes that the families who are caring for these children now for pay are doing it merely from a mercenary motive.

Mr. BUTLER. We are going to get rid of that part of it.

Mr. BUCHANAN. It was the desire of the subcommittee to dispense with putting them out into homes for pay. The bill as brought into the House did prevent putting them out for pay, and this amendment went as far as it could to stop it, and this is the first step in order to stop paying people for the board of children put into any private home.

Mr. CRAMTON. The gentleman from Texas does not want to misstate the bill. The bill did not prevent putting out any children for pay.

Mr. BUCHANAN. It prevented putting out any children for pay until the institution was filled. Then there is a well-defined propaganda on foot to sell this institution and buy a thousand acres out in the country in order to make the institution bigger.

Mr. CRAMTON. So far as I know, I have not heard of any thousand-acre proposition.

Mr. BLANTON. One hundred and fifteen acres.

Mr. SNYDER. Mr. Chairman, up in my country we have what we call "summer excursions" from the city of New York up into the section in which I live. Hundreds of children are brought up there for two weeks' vacation. There is never one

of those excursions that several of those children are not kept up in the country, where they find good homes and are well brought up—of course, not for pay. But I see no difference in it. As the gentleman from Texas well said in his remarks, many families in meager circumstances might easily find that it would be a great help to them as well as to the children to have one or two or three children in the family, and my suggestion was that we limit it so that not more than two could be placed in one family. That might correct this whole situation here.

Mr. ZIHLMAN. Was the gentleman in the Chamber when the chairman of the subcommittee stated that this would only take care of 80 children in private families out of 450?

Mr. SNYDER. I think I heard him make that statement.

Mr. ZIHLMAN. And allow 370 to be put into an institution, and there is no institution to receive them.

Mr. CRAMTON. I do not know where anyone got that statement. There are 205 white children in boarding families. This institution will take care of 125 to 150. That leaves about 80 to be affected by the amendment.

Mr. ZIHLMAN. But there is not sufficient money to take care of them.

Mr. CRAMTON. Certainly there is.

Mr. ZIHLMAN. $20,000?

Mr. CRAMTON. According to the gentleman's own statement it takes from $200 to $250 for each child.

Mr. SNYDER. Then, it is the intention to open up this institution under the amendment to take care of the receiving of other children, and it has no bearing at all upon those who are out. If that is so, what is going to happen to those who are out in the families we are complaining about, where there are more than two or three or four in a family? Are we going to disturb the family which has nine children, whose board is being paid, or are we not? Can the gentleman give me any information with regard to that? What is going to be the disposition of those children who are out in homes, numbers greater than one, two, or three?

Mr. CRAMTON. What the committee wants to do is to stop their putting as many as nine in a family, farming them out in a baby home. That is what we are trying to get at.

Mr. SNYDER. What would you limit the number to?

Mr. CRAMTON. Instead of putting them in homes where they are only taken for pay I would put them into an institution that the Government already has.

Mr. SNYDER. The statement of the gentleman from Michigan about not putting them in a home for pay is all right, but the way he makes it does not please me. He is so emphatic about it that it looks as though it meant that he thinks no child would receive decent treatment in a home where the care of that child was being paid for. I do not believe he means that, but it sounds that way. I believe that in ninety cases out of a hundred where children are put into homes for pay they are getting proper treatment and proper care.

Mr. ABERNETHY. Will the gentleman yield for a question?

Mr. CRAMTON. Yes.

Mr. ABERNETHY. I understand from the gentleman's last statement that what he is opposed to is the putting as many as nine children in one home?

Mr. CRAMTON. I am opposed to boarding homes.

Mr. ABERNETHY. Why can you not adopt an amendment providing that only one or two shall be put in any one home for pay?

Mr. CRAMTON. That reaches only a part of the situation. Of course, the more there are in one home the worse it is.

Mr. BLANTON. I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON: At the end of the amendment add the following: "*Provided*, That the white and colored children be segregated."

Mr. CRAMTON. As far as I know, they are segregated.

Mr. BLANTON. I want to show the gentleman that they are not. I want to show that in a similar institution they are not. The distinguished lady from Minnesota who has charge of that home testified before the committee as follows:

Mrs. MORSE. * * * The most unfortunate part of the present situation is that there are two groups, both white and black, confined there.

Mr. CRAMTON. How many of each, approximately?

Mrs. MORSE. They average about 33 per cent of white as against 66 of black.

Mr. CRAMTON. That is, about 30 or 40 white and the balance black?

Mrs. MORSE. Yes; that per cent.

Mr. JOHNSON. How many blacks?

Mrs MORSE. About 66 per cent will run black.

Mr. CRAMTON. About 60 or 70, because there are 106 or 108 in the institution.

Mr. JOHNSON. About two-thirds of one and one-third of the other?

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. In just one minute. This distinguished woman, who has had much to do with such institutions, said that her big problem is in having these white and black girls there together, living together, eating together, studying together.

Mr. SNYDER. Where is that?

Mr. BLANTON. In the National Home for Girls.

Mr. SNYDER. That is a prison, is it not?

Mr. BLANTON. No; it is not. It is one of the institutions to which this Board of Children's Guardians could send some of their children if they wanted to. They are mixing them up, 66 black and 35 white. The gentleman from Michigan [Mr. CRAMTON] might say that his great University of Michigan does that; that the white and the black all go there and sit together in classroom and play football together and baseball and basket ball, and all that. It is true; but when the white children go to the University of Michigan they go of their own volition; they do not have to go there. They could pick Princeton, which segregates them. They could pick the Howard University, a great institution for the colored people in Washington, which segregates them, which does not let a white person go there. They could pick Columbia, if they wanted to. But these particular white girls are forced by governmental law into an institution where they have to eat together and sleep together and work together and study together with blacks, and it is not right and it ought to be stopped. It appeals to my friend from Maryland, and it should appeal to my friend from Michigan, where it is a national institution, because there are States in this Nation that do not believe in that practice. There are white girls in this District of Columbia, however wayward they may be, who do not believe in it, and they ought not to be forced to do it; and even if the gentleman's amendment is to be voted down in order to have a proper amendment to vote upon, we ought to adopt this proviso before we vote upon it. Then it will be a proper amendment that we could vote upon as men who believe in protecting the rights of white girls in the District of Columbia as well as elsewhere in the United States.

Mr. CRAMTON. Mr. Chairman, there is no mixing of the races in any boarding home or institution where children are sent by the Board of Children's Guardians. The institution to which the gentleman refers was the Industrial School for Girls, and even if the gentleman's amendment should be adopted it would not reach that situation.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 21, noes 49.

So the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. CRAMTON) there were—ayes 37, noes 40.

So the amendment was rejected.

Mr. ZIHLMAN. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ZIHLMAN: Page 84, at the end of line 5, insert:

"*Provided*, That the board of trustees of the Industrial Home School of the District of Columbia is abolished on and after the date of the approval of this act, and thereafter the powers and duties of such board as specified and restricted by law shall be transferred to and vested in the Board of Children's Guardians: *Provided further*, That on and after the date of the approval of this act the authority to appoint and remove members of the Board of Children's Guardians is transferred from the judges of the police court and the judge holding the criminal court in the District of Columbia to the Commissioners of the District of Columbia, and shall be exercised by them in accordance with section 2 of the act of July 26, 1892 (27 Stat., p. 268), and the powers and duties of the Board of Children's Guardians as prescribed by or pursuant to law shall thereafter be performed under such regulations as may be made by said board and approved by the commissioners."

Mr. CRAMTON. Mr. Chairman, the amendment proposed by the gentleman from Maryland [Mr. ZIHLMAN] I think is a desirable one and should be adopted, notwithstanding the fact that I am very much disappointed that the other portion of our program of readjustment has been defeated. The institution in question has been managed heretofore by the industrial home board, but no one could be placed in it or taken out of it except by action of the Board of Children's Guardians, which necessarily brought about a controversy. At the same time, the Board of Children's Guardians is a sort of independent body, with no supervision. This amendment proposes that they shall be brought under the supervision of the commis-

sioners and become a part of the general system of the District, and that appointments to fill vacancies upon the board shall be made by the commissioners. I am in hopes that it will do much to improve the situation, and eventually work out the reforms that I am satisfied are very greatly needed under the Board of Children's Guardians. This does not wipe out the institution. It transfers the institution to the Board of Children's Guardians.

I may say, and I think it should be said, that in my conferences with these different officials—and I have had conferences with the board of management of the home—I have never encountered any officials who have looked at a proposition in a more generous fashion than have they. They have put what they thought was the interest of the children above all personal considerations, and have gone so far as to agree to this proposition which does legislate them out of office. Their agreement as to that, I think, was based upon the hope that the other legislation would carry, that would provide for the opening of the institution, and they cared more about the opening of the institution than they did about their own jobs; but whether the institution is opened or not, it ought to be under the only board that can put children into the institution, and I want to commend the generous attitude of the members of that board in the industrial home.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The amendment was agreed to.

The Clerk read as follows:

BURIAL OF INDIGENT EX-SERVICE MEN.

For expenses of burying in the Arlington National Cemetery, or in the cemeteries of the District of Columbia, indigent ex-Union soldiers, ex-sailors, or ex-marines, of the United Service, either Regular or Volunteer, who have been honorably discharged or retired, and who die in the District of Columbia, to be disbursed by the Secretary of War, at a cost not exceeding $45 for such burial expenses in each case, exclusive of cost of grave, $500.

The CHAIRMAN. The Chair respectfully calls the attention of the gentleman from Michigan to the language on page 89, line 24, "United Service." Ought not the word "States" be inserted after the word "United"?

Mr. CRAMTON. I think the language is the same as used in the current law.

Mr. TILSON. Mr. Chairman, that is a phrase that is used to express the different military services, taking in the Army, the Navy, and the Marine Corps. They are sometimes spoken of as the United Service. That is, if there is a club maintained by the various services, it may be called the United Service Club. I suppose that is what is done in this case.

The Clerk read as follows:

ANACOSTIA RIVER AND FLATS.

For continuing the reclamation and development of Anacostia Park, to be expended in accordance with the plans specified in the item for the reclamation of the Anacostia River and Flats, contained in the District of Columbia appropriation act for the fiscal year 1919, $150,000, to be expended below Benning Bridge.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph as being legislation unauthorized on an appropriation bill.

Mr. TILSON. Mr. Chairman, will the gentleman reserve the point of order for a moment?

Mr. BLANTON. Certainly.

Mr. TILSON. Mr. Chairman, it is possible that the gentleman from Michigan [Mr. CRAMTON] and myself have misapprehended the paragraph to which the Chair called attention a moment ago. Upon reference to the prior law, it seems that the word "States" was used after the word "United," and the phrase "United Service" would not be applicable here.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to return to page 89 for the purpose of inserting in line 24, after the word "United," the word "States" and to spell the word "service" with a small "s."

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to return to the paragraph mentioned for the purpose indicated. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to insert after the word "United," in line 24, page 89, the word "States" and to spell the word "service" with a small "s." Is there objection?

There was no objection.

Mr. BLANTON. I make the point of order that it is legislation unauthorized on an appropriation bill. It is one of these projects where an attempt has been made from time to time to unload certain property on the Government.

Mr. CRAMTON. Mr. Chairman, the item in question is an appropriation for the continuation of the reclamation and development of the Anacostia Park, and clearly it is an appropriation to continue an existing project. The work is under way, and this is simply to continue that work.

Mr. BLANTON. The Chair will note that the only appropriation that has ever been made was merely provisions in an appropriation bill. Members might not have objected to carrying on certain provisions for parks then, but this is to buy land below Benning Bridge, and the Chair will note the legislation to which the Chair refers is legislation on an appropriation bill which expired at the termination of that year—the 1919 appropriation. There is nothing in there that made it permanent nor language that intimated it should be permanent.

Mr. CRAMTON. Mr. Chairman, the act of 1919 provided for this project, and provided for the levying of assessments, and so forth. Of course, the Chair is familiar with the fact that permanent law can be carried just as effectively in an appropriation act as in any other place. There may be some question as to the jurisdiction of the committee in reporting it which would make it subject to a point of order in the House, but if the point of order is not made and the bill passes and carries that language it is just as much permanent law as otherwise. This project began in 1915 or prior thereto.

Mr. BLANTON. That is, on an appropriation bill.

Mr. CRAMTON. On an appropriation bill. I have not at hand the initial legislation.

Mr. BLANTON. And the gentleman will note there was a skipping in appropriation from 1915 to 1919. It was just what Congress saw fit to do in a certain appropriation year.

The CHAIRMAN. The Chair would like to ask the gentleman from Michigan where was authority given to start work on this project?

Mr. CRAMTON. Apparently it was first authorized in the District of Columbia appropriation act of 1915, which, unfortunately, I have not at hand. In 1919 the work was again undertaken, and the appropriation was made in 1919 of $75,000, and each year from 1919 on there has been an annual appropriation for this work. There has never been any limit of cost fixed, and the work is a work in progress and is sustained under that rule, which makes in order an appropriation for continuing existing work now in progress.

Mr. BLANTON. I want to ask the gentleman if it is not a fact that since 1919 this particular item has been held back because of points of order and kept out of his bill ever since 1919?

Mr. CRAMTON. I do not know that to be the fact, but I do know that we have carried appropriations each year for it.

The CHAIRMAN. Will the gentleman from Michigan allow the Chair to ask another question? As far as the gentleman from Michigan knows, has there been any limit placed upon this improvement?

Mr. CRAMTON. There has been no limit placed, according to the best of my recollection; but the act of 1915, as I have hastily consulted it, provided an appropriation "for continuing the reclamation and development of the Anacostia River and flats from Anacostia Bridge northeast to the District line, to be expended under the supervision of the Chief of Engineers of the United States Army upon plans heretofore authorized to be prepared; said sum to be available for the preparation of plans, the prosecution of the work, the employment of personal service, and for such other purposes as, in the judgment of the Chief of Engineers, may be necessary to carry out the purposes of this appropriation, $100,000." Then it goes on and provides for an assessment of special benefits, and so forth. So from year to year they have continued this same work. It is an existing project without any limit of cost.

The CHAIRMAN. The Chair takes it from the gentleman's remarks that he is clear in his own mind that the authorization was duly made.

Mr. BLANTON. That must be shown to the Chair. It must not be taken for granted. I controvert that proposition and challenge the gentleman now to show that there was any such authorization of Congress except a provision in an appropriation bill. That must be clearly shown to the Chair to make it good against the point of order.

The CHAIRMAN. The Chair will judge for himself.

Mr. BLANTON. I was speaking of the general rule; I was not speaking of how the present Chairman might rule.

Mr. CRAMTON. I do not want to be understood as saying there has ever been a separate legislative authorization for this project. I have not had opportunity to make a full examination. I do say it is a project that has been appropriated for from year to year, is now under way, and the appropriation we are offering is simply to continue that Government project, a work that is now under way. In the act of 1915 I

found a reference to plans heretofore authorized to be prepared. Now, I have not at hand that authorization, but that act of 1915 provides for the assessment of special benefits, and so forth, and provides for a jury and the acquiring of land and the levying of an assessment and the collection of money thereon, and the full necessary legislation for the carrying on of this project. I do not find that any limit of cost was fixed; hence the appropriation before us is within the limit of cost.

The CHAIRMAN. The Chair finds in a different volume that he has consulted a reference to the previous plan, but the Chair has not found where the plan itself is authorized, or the nature of it.

Mr. CRAMTON. Has the Chair the 1915 act before him?

The CHAIRMAN. He has the act of 1914 and that of 1918 and that of 1919. The Chair has not the act of 1915.

Mr. CRAMTON The act of 1914 carried the appropriation.

The CHAIRMAN. The act of 1914 speaks of carrying out the work in accordance with a plan previously adopted.

Mr. CRAMTON. The Chair is referring to the act approved in 1914, but it is for the fiscal year 1915.

The CHAIRMAN. Yes.

Mr. CRAMTON. So far as I can find that is the first appropriation. Then on page 149 the Chair will find the legislation then adopted for the levying of the assessments and awarding the benefits. In that appropriation act for the fiscal year 1915, in the first paragraph, the appropriation is $100,000, and then it provides:

In connection with said reclamation and development of the river and flats from the Anacostia Bridge to the District line, the Secretary of War is authorized to acquire by purchase or by condemnation, for highway and park purposes, the fee simple and absolute title to the land along the Anacostia River on both sides thereof between the high-water lines of said river, as determined by the United States Coast and Geodetic Survey, and lines following approximately the contour of 10 feet elevation on each side of said river above mean low water at the United States Navy Yard from the Anacostia Bridge to the northeast boundary line between the District of Columbia and Maryland; and also all land below the high-water lines on each side of said Anacostia River between the limits named that is not now owned by the United States; and the appropriation herein made for the reclamation and development of Anacostia River and Flats from the Anacostia Bridge northeast to the District line, and all appropriations heretofore made for said purpose are hereby made available for the purchase or condemnation of said land and for the payment of amounts awarded as damages for said land and the costs and expenses of the condemnation proceedings in the event that it is necessary to institute such condemnation proceedings.

Then it provides, as I stated, for the assessments of benefits.

Mr. BLANTON. Mr. Chairman, the Chair will find that the Secretary of War exhausted his authorization given in that act.

These are all contining matters based upon subsequent acts of Congress, and the Chair probably was present at the time when I called attention to this very matter in 1921. I called the attention of my colleagues to the fact that there was a scheme on foot then to unload new land out there in that vicinity on the Government. The Chair can look at the hearings and look at the Budget estimates, or if he will wait one moment I think I can give him a citation.

Mr. CRAMTON. While the gentleman is looking for the citation I may say that no portion of the appropriation is for the acquisition of new land. It is only to continue the project now under way of developing those lands in question.

The CHAIRMAN. The Chair will rule unless the gentleman from Texas has something further to add.

Mr. BLANTON. On page 967, if the Chair will permit me, in the message of the President of the United States, transmitting the Budget, he will find this language: "For condemnation of small park areas," and so forth, "in the District of Columbia." That is under the head of "Anacostia River Flats."

Mr. CRAMTON. That land is to be acquired. Those intersections, and so forth, have nothing to do with these Anacostia Flats.

The CHAIRMAN. The Chair will rule. The Chair is in sympathy with the propositions that we pass upon very frequently in regard to the continuation of a public work already in progress, but it seems to the Chair that there is a degree of unwarranted legislation involved in this paragraph, and on that ground the Chair sustains the point of order.

Mr. CRAMTON. Does not the Chair recognize that it is a continuing work? The Chair evidently has an impression that there is to be a broadening of the project under this item, but the situation is simply this: They are dredging the land and $30,000 of this $150,000 will complete the dredging, and $120,000 of it is to start work on the sea wall. There is no more land to be acquired. It is simply a continuing Government work. It is very difficult to understand why——

Mr. BLANTON. What is the difference between buying land and making new land by spending $150,000 for dredging? It is the acquisition of land and spending money.

Mr. CRAMTON. They have had under way the development and reclamation of that Anacostia Flat for seven years. The work is under way, in progress. It is simply asking money to continue that progress, but to buy no new land whatever.

The CHAIRMAN. The Chair feels that there is legislation involved in this item which is clearly against the rule, and on that ground the Chair sustained the point of order.

Mr. CRAMTON. Then, Mr. Chairman, I offer this amendment: Page 91, following line 11, insert: "For continuing the reclamation and development of Anacostia Park, $150,000, to be expended below Benning Bridge."

Mr. BLANTON. Mr. Chairman, I make a point of order that it is legislation unauthorized. It is merely a subterfuge. You can not do indirectly what you can not do directly on an appropriation bill brought in by the Committee on Appropriations. The Chair has held that this is a project which is subject to a point of order, and I am sure that the Chair will take into consideration what has gone before.

The CHAIRMAN. The main objection to the item ruled upon before was the legislation in it, although the Chair did have some objection to the other feature of it; but on the broad-gauge plan that has been in practice in reference to public works the Chair will hold this amendment in order, because the amendment is relieved of the objectionable feature of the legislation.

Mr. BLANTON. Then the eloquence of the gentleman from Michigan seems almost to have persuaded the Chair.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAMTON], which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 91, after line 11, insert: "For continuing the reclamation and development of Anacostia Park, $150,000, to be expended below Benning Bridge."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

For foremen, gardeners, mechanics, and laborers employed in the public grounds, $31,200.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee a question. Will it interfere with the consideration of this bill to give me 10 minutes to speak out of order?

Mr. CRAMTON. I wish the gentleman would defer that until we get a little further along with the bill. I think before the committee rises we can accommodate the gentleman.

Mr. O'CONNOR. This is January 8, the anniversary of the Battle of New Orleans. I was born and raised in that district. Other people may not deem it important, but we of that district do.

Mr. CRAMTON. Before the committee rises I think the gentleman can get the time.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

To provide for the increased cost in park maintenance, $50,000.

Mr. BLANTON. I reserve a point of order on lines 17 and 18. May I ask the chairman why it is necessary this year to provide an additional $50,000 for increased cost of maintenance of our parks? We made a tremendous increase last year.

Mr. CRAMTON. There are a great number of parks here, and several years ago an item like this was put in to provide for the increased cost of park maintenance.

Mr. BLANTON. Did the committee go into this matter?

Mr. CRAMTON. We are continuing the appropriations of the current year.

Mr. BLANTON. Is any new project involved?

Mr. CRAMTON. No; it is for park maintenance generally and continuing what they have this year.

Mr. BLANTON. The only thing in which I was interested was to find out whether there is any new project. I understand the gentleman to state that there is none.

Mr. CRAMTON. Not under this item.

Mr. BLANTON. Then I withdraw the reservation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The appropriation of $25,000 contained in the District of Columbia appropriation act for the fiscal year 1923 for the construction of a bathing beach and bathhouse for the colored population of the city is continued and made available for such construction and for maintenance during the fiscal year 1924.

Mr. BLANTON. Mr. Chairman, I make a point of order against this paragraph as being legislation unauthorized on an appropriation bill. There is no substantive legislation authorizing this $25,000 appropriation.

Mr. CRAMTON. I call the attention of the Chair to the fact that this is not a new appropriation. It is a reappropriation

of a similar item carried in the bill for this year. As I understand it, the appropriation carried for the current year, $25,000, was for the construction of the bathing beach, and the request was that we reappropriate it for next year, as I understand the construction has not been completed. Possibly it can be completed if necessary by the 1st of July, but the desire was to make it available for next year and to make it available for maintenance as well as construction, making really for greater economy.

Mr. BLANTON. There was a provision in the last appropriation bill authorizing this expenditure, but that did not become permanent law. I am sure the gentleman will admit that the construction has not begun. The gentleman knows that a reappropriation is a new appropriation, and the mere fact that it would have been subject to a point of order last year but did not go out on a point of order would not make the appropriation in order now. I submit that it is just as much subject to a point of order now as it was last year.

The CHAIRMAN. The Chair would like to ask the gentleman from Michigan whether or not work has commenced yet on any part of this project?

Mr. BLANTON. The gentleman can not show that.

Mr. CRAMTON. I can not say. Of course, it can be begun before the 1st of July, and I suppose it is their purpose to begin it before the 1st of July. The principal desire behind the item—and I hope to urge that on the gentleman from Texas—is to make the money available not only for construction, but for maintenance; that is to say, to save something out of the appropriation already authorized for construction to make it available for maintenance. It is a matter of economy. If the gentleman insists on his point of order, and it is sustained, there is nothing to prevent the authorities going ahead and using the $25,000 for construction.

Mr. BLANTON. I do not know how the gentleman's people in Michigan feel about it, but the people in my district are getting tired of building skating ponds and bathing beaches for the use of people here in Washington. As their Representative, I am going to fight every such item that appears in these bills from now on.

The CHAIRMAN. The Chair feels that unless it can be clearly shown that work has been commenced on this project it is not a continuance of work in progress. Not having been shown that the work is under way, the Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For improvement and maintenance as a recreation park of section D, Anacostia Park, between Pennsylvania Avenue and the Anacostia Bridge, $50,000.

Mr. BLANTON. I make a point of order against the paragraph embracing lines 12 to 14 on page 96 as being legislation on an appropriation bill unauthorized by law.

Mr. CRAMTON. We have just discussed the reclamation and development of Anacostia Park. This item means a further development of one portion of that park, making it available for recreation purposes, and it is really a continuance of work on an existing Government project.

The CHAIRMAN. The Chair overrules the point of order. The Clerk will read.

The Clerk read as follows:

ROCK CREEK AND POTOMAC PARKWAY COMMISSION.

To enable the commission created by section 22 of the public buildings act approved March 4, 1913 (37 Stat. L., p. 883), to continue proceedings toward the acquisition of lands required for a connecting parkway between Potomac Park, the Zoological Park, and Rock Creek Park, $75,000: *Provided*, That the following areas and parcels described and delineated on map No. 2, contained in House Document No. 1114, Sixty-fourth Congress, first session, as a part of total area to be acquired for said parkway shall be excluded from the total area finally to be acquired, to wit, 315 square feet of lot 801 in square 2541, 349 square feet of lot 836, 1,303 square feet of lot 74 in square 2543, 549 square feet of lot 58, 2,106 square feet of lot 800 in square 1262, 3,600 square feet of lot 20 in square 23, 199 square feet of lot 80 in square 1238, and 50 square feet of lot 3 in square No. 1: *Provided further*, That the following described lots and parcels that are without the taking line shall be included in the area finally to be acquired, namely, 4,483 square feet of lot No. 1, 2,919 square feet of lot 2, 3,259 square feet of lot 3 in square 2510, 6,879 square feet of lot 1 in square 47, and about 902 square feet of lot 803 in square 2543: *Provided further*, That in order to protect Rock Creek and its tributaries, none of the moneys herein or heretofore appropriated for the opening, widening, or extending of any street, avenue, or highway in the District of Columbia shall be expended for the opening, widening, or extension of any street, avenue, or highway which shall or may, in the judgment of the District Commissioners, permanently injure or diminish the existing flow of Rock Creek or any of its tributaries, nor shall permission so to do at private expense be granted to any private person or corporation except by the joint consent and approval of the Commissioners of the District of Columbia and the officer in charge of public buildings and grounds.

Mr. BLANTON. Mr. Chairman, I make the point of order against the entire paragraph because it contains legislation unauthorized on an appropriation bill. I call the attention of the Chair to the fact that the whole paragraph is full of legislation from beginning to end, not only the three provisos but the paragraph on the preceding page. And I call the attention of the chairman of the subcommittee to the fact that by one of these provisos he is delegating the sacred power of this Congress to the Commissioners of the District of Columbia and the officer in charge of public buildings and grounds to change even Rock Creek and its tributaries and this park system in any manner that they might see fit and agreeable to them. I think that is a very serious proposition, in addition to the enlargement of the scope as shown in this paragraph.

Mr. CRAMTON. Mr. Chairman, as to the two provisos beginning on page 97 at line 3 and continuing in line 2 on page 98, I would not contest the point of order. As to that, however, I would say this, in the hope that the gentleman might not insist on his point of order——

Mr. BLANTON. What about the new proposition of $50,000 that is embraced in the matter as shown on pages 421 and 422 of the hearings?

Mr. CRAMTON. That is the Piney Branch and Klingle Valley proposition. That is not included in the bill. The estimate brought in a further appropriation to acquire the Piney Branch Valley from Sixteenth to Fourteenth Streets and the Klingle Valley to the west of Rock Creek Park. The committee did not approve of those items, and they are not in the bill. The only appropriation carried here is $75,000 for the work of the Rock Creek and Potomac Parkway—that is, the parkway that is destined to connect the Zoological Park with Potomac Park.

Mr. BLANTON. That is a new project.

Mr. CRAMTON. I shall argue about that separately.

Mr. BLANTON. That is the project I speak of, and that is a new project.

Mr. CRAMTON. As to the two provisos I spoke about, I hope the gentleman will not press his point. The boundaries of this parkway have been heretofore fixed, and it is desired in actual acquirement of the property to make some rather unessential changes in that boundary, to take in little fragments of property that are outside, and to exclude some fragments that are now included. That is legislative and if the gentleman objects it would go out, but I hope that if the balance of the section is sustained the gentleman will not object to that part of it.

Mr. JOHNSON of Kentucky. I would remind the gentleman from Michigan that thus far in his statement he has failed to say that the cost will be just the same.

Mr. CRAMTON. Oh, yes; the cost is not affected by this proposition. It is rather administrative, working out the boundaries, with no increased cost. As to the main items carried in lines 23 to 25 on page 96, and down to line 3 on page 97, that is to enable the commission created by section 22 of the public buildings act approved March 4, 1913, to continue proceedings toward the disposition of lands acquired for connecting the parkway between Potomac Park and the Zoological Park and Rock Creek Park, amounting to $75,000. That act referred to reads as follows——

The CHAIRMAN. The Chair has the act before him.

Mr. CRAMTON. Then it is not necessary to read it. That authorized the acquirement of land for this parkway, and it fixed the limit of cost, and authorized them to proceed. They have been proceeding to get it year by year, and this item is for $75,000 to continue that work in progress, and it is still within the limit of cost.

The CHAIRMAN. The gentleman admits, however, that the two provisos are subject to the point of order.

Mr. CRAMTON. Oh, yes; and if that is the objection we will have to eliminate them, though, if the gentleman from Texas insists.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from Texas makes the point of order against the entire paragraph. According to procedure, where a point of order is leveled against an entire paragraph, if there is a taint anywhere in the paragraph because of irregularity, it applies to the whole paragraph, and the Chair, therefore, sustains the point of order, for it is clearly legislation on an appropriation bill.

Mr. CRAMTON. I was in hopes the gentleman was not so much interested in those as in the other.

Mr. BLANTON. I was interested in them, and I am interested more particularly in the $75,000 than anything else.

Mr. CRAMTON. Then, Mr. Chairman, I offer to amend, by inserting after line 20, on page 96, the portion of the paragraph which has been eliminated, excepting the provisos.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Cramton: Page 96, after line 20, insert:

"ROCK CREEK AND POTOMAC PARKWAY COMMISSION.

"To enable the commission created by section 22 of the public buildings act approved March 4, 1913 (37 Stat. L. p. 885), to continue proceedings toward the acquisition of lands required for a connecting parkway between Potomac Park, the Zoological Park, and Rock Creek Park, $75,000."

Mr. BLANTON. Mr. Chairman, I make the point of order as to that.

Mr. CRAMTON. Mr. Chairman, there is a third proviso which I understand the gentleman also objects to, and it is probably subject to the point of order.

The CHAIRMAN. The Chair stated that the gentleman from Texas made the point of order against the entire paragraph, and the ruling of the Chair ruled the whole paragraph out.

Mr. CRAMTON. And I am trying to eliminate the portion subject to the point of order.

The CHAIRMAN. The gentleman from Michigan has offered an amendment including the three lines on page 96 and the three lines on page 97, to which the gentleman from Texas makes the point of order. Upon what ground?

Mr. BLANTON. For the reason that it is legislation on an appropriation bill unauthorized by law. The authorization provided for in the act of March 4, 1913, has already expired. That authorization is not alive at this time, and there is no basis whatever for this appropriation. I submit the matter to the Chair.

The CHAIRMAN. On what ground does the gentleman make the assertion that the authorization has expired?

Mr. BLANTON. It permitted them to acquire certain lands for park purposes. They acquired the land authorized for park purposes. This is an entirely new project to connect up these parks.

Mr. CRAMTON. Mr. Chairman, it is just a continuation of what was authorized in the public buildings act. No appropriation was made in that act. There was an authorization and a limit of cost, and from year to year appropriations have been made within that limit of cost, and this is the continuation of an existing work. Nineteen per cent of the land required under the plan still remains to be acquired, and I will give the Chair in just a moment how much has been expended, so he can be sure. The limit of cost is $1,300,000. The appropriations heretofore made $1,050,000, which does not include the item before us. With the item before us, it would be $1,125,000, or within the limit of cost fixed by the legislative authorization.

Mr. BLANTON. Will the gentleman yield? I want to ask the gentleman if it is not a fact that this act of 1913 authorized them within a specified limit of cost to acquire certain specified lands?

Mr. CRAMTON. Certainly.

Mr. BLANTON. This land does not come within the specification. This land is exclusive of the specified land which could be acquired in that limit of cost, and I submit to the Chairman in all fairness if this Congress authorized the commissioners to acquire block 21 within a certain limit of cost and then some nine years afterwards the Appropriation Committee would seek to authorize the commissioners to acquire block 100, even though they have not expended the full limit of cost, it is without authorization of Congress, because the authorization of Congress limited them to the acquirement of certain specified lands and afterwards the authorization of the appropriation must come within the specifications, and it does not do it.

The CHAIRMAN. The Chair will rule. The Chair feels very clear in regard to this amendment that it is clearly in order. The law of 1913 reads:

That for the purpose of connecting Potomac Park with the Zoological Park and Rock Creek Park, a commission, to be composed of the Secretary of the Treasury and the Secretary of War and the Secretary of Agriculture, is hereby authorized and directed to acquire by purchase, condemnation, or otherwise, such land and premises—

And so forth. Now, it seems to the Chair that that act is still continuing in force, because the connecting link has not yet been perfected. It also appears that this appropriation is well within the authorization of that act, and the amount of money that is appropriated here, plus the amount of money already appropriated, does not exceed the limitation of cost named in this act, namely, $1,300,000. The Chair feels this amendment is clearly in order and overrules the point of order. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

WATER SERVICE.

For continuing work on the project for an increased water supply for the District of Columbia, adopted by Congress in the Army appropriation act for the fiscal year 1922, as modified by the District of Columbia appropriation act for the fiscal year 1923, and for each and every purpose connected therewith, to be immediately available and to remain available until expended, $1,500,000: *Provided*, That the Secretary of War may enter into contracts for materials and work necessary to the construction of said project, to be paid for as appropriations may from time to time be made, not to exceed in the aggregate the sum of $6,150,000, including all appropriations and contract authorizations herein and heretofore made: *Provided further*, That no bid in excess of the estimated cost for that portion of the work or plant covered by the bid shall be accepted, nor shall any contract for any portion of the work, material, or equipment to constitute a part of the plant for which this appropriation is available be valid unless the Chief of Engineers of the United States Army shall have certified thereon that all its terms are within the requirements of the authorization and the revised estimates for the work: *Provided further*, That whenever the Secretary of War causes proceedings to be instituted for the acquirement by condemnation of any lands or interests therein needed for the said work, the United States, upon the filing of the petition in any such proceedings, shall have the right to take immediate possession of said lands, easements, rights of way, or otherwise, to the extent of the interest to be acquired, and to proceed with the work herein authorized: *Provided further*, That certain adequate provisions shall have been made for the payment of just compensation to the party or parties entitled thereto, either by previous appropriation by the United States or by the deposit of moneys or other form of security in such amount and form as shall be approved by the court in which such proceedings shall be instituted. The respondent or respondents may move at any time in the court to increase or change the amounts or securities and the court shall make such order as shall be just in the premises and as shall adequately protect the respondents. In every case the proceedings in condemnation shall be diligently prosecuted on the part of the United States in order that such compensation may be promptly ascertained and paid: *Provided further*, That the Secretary of War shall submit to Congress on the first day of the next and each succeeding regular session of Congress, until the entire project shall have been completed, a report on said water system and increase of water supply showing, among other things, the progress of the work, construction under way and proposed within the District, connections with the present system of distribution, and revised estimates of cost.

Mr. BLANTON. Mr. Chairman, I reserve a point of order on the entire paragraph. I would like to ask the chairman if he knows how much of this $6,150,000 is to be paid to the Potomac Electric Power Co. for its land up the river?

Mr. CRAMTON. The construction of the conduit, which is now under contract, to be completed June 30, 1924, is to cost $2,080,000.

Mr. BLANTON. That is not what I ask.

Mr. CRAMTON. I think I will give the gentleman what he wants, probably more. Superintendence and inspection on above contract, $104,000. Materials furnished by the United States on above contract, maps, temporary buildings, relocating railroad tracks, $2,306,100; that has now been obligated for the construction of the conduit. Of that amount there has been appropriated $1,700,000, so that there is now obligated for the construction of the conduit $600,000 more than appropriated; and, of course, the $1,500,000 which we now propose to appropriate will come in that. Now, that is the amount obligated which I have given for the construction of the conduit. The work required to complete the conduit is $562,000, making a total of $2,868,100, and the balance above the previous appropriations to complete contracts and conduits is $1,168,100. The amount reported by the Budget this year is $1,500,000.

Mr. BLANTON. Without putting in all of these figures, which have no relation to the question I ask, can not the gentleman answer how much the Potomac Electric Power Co. is to get for this land which it seeks to sell to the Government?

Mr. CRAMTON. The gentleman may know much more than I do as to who owns this land and how much they are going to get for it. There is proposed, out of the moneys which will be affected by this appropriation, or the authorization to be affected, $110,000 for land for the first high-service reservoir.

Mr. BLANTON. Yes.

Mr. CRAMTON. There is for the second high-service reservoir $155,000.

Mr. BLANTON. That makes $265,000.

Mr. CRAMTON. Then the right of way for tunnel on second high-service line, $800; right of way for second high-service pipe line, $66,000; making a total of $331,800 that will come out of the contract authorization.

Mr. BLANTON. I want to call the attention of the chairman to the fact that the whole body of land there, out of which this is just merely a part, cost just a short time ago $100,000, and they are making, according to these figures, $165,000 profit on just a part of it. That is one reason why I am objecting, and I have been objecting for the past three years, to the people of the United States paying a substantial part of this new water system, that not merely benefits the Government but more particularly benefits the 437,000 residents of this city and ultimately is going to cost the people of this Government at least twelve or fifteen million dollars before we get through with it. We are just advancing every few years a few millions, and this paragraph authorizes $6,150,000 of it. I want to say, representing my district, that I am one who objects to it, and as a protest against my constituents having to pay a part of this $6,150,000, I make the point of order on the

entire paragraph, Mr. Chairman, as containing legislation unauthorized on an appropriation bill.

The CHAIRMAN. The gentleman from Texas makes the point of order on the paragraph. Does the gentleman from Michigan [Mr. CRAMTON] desire to be heard?

Mr. CRAMTON. Yes. Mr. Chairman, I concede that there is language in the paragraph that is subject to a point of order.

The CHAIRMAN. The Chair feels that the gentleman from Texas is justified in making the point of order on the ground stated, that it is legislation carried on an appropriation bill, and sustains the point of order.

Mr. CRAMTON. Mr. Chairman, I offer an amendment to reinsert the language from line 1, page 99, under the heading "Water service," down to "$1,500,000," on line 8, as follows:

WATER SERVICE.

For continuing work on the project for an increased water supply for the District of Columbia, adopted by Congress in the Army appropriation act for the fiscal year 1922, as modified by the District of Columbia appropriation act for the fiscal year 1923, and for each and every purpose connected therewith, to be immediately available and to remain available until expended, $1,500,000.

Mr. BLANTON. Mr. Chairman, I make a point of order on the amendment embracing the $1,500,000, on the ground that it is legislation on an appropriation bill, unauthorized by law.

The CHAIRMAN. The gentleman from Texas makes the point of order on the amendment on the ground that it is legislation unauthorized on an appropriation bill.

Mr. CRAMTON. Mr. Chairman, I will be glad if the gentleman from Texas would indicate anything in the amendment by way of legislation. It is a Government project under way. This is to continue the work within the limit of cost heretofore fixed.

Mr. BLANTON. What substantive law authorizes it?

Mr. CRAMTON. The law authorizing this work and fixing the limit of cost. The work is under way, and this is an appropriation to continue that work.

Mr. BLANTON. I challenge the gentleman to cite a substantive law authorizing it.

Mr. CRAMTON. Evidently the gentleman from Texas thinks the only place where a substantive law can be found is outside of an appropriation act. The Chair is well aware that an appropriation act can carry substantive law as well as any other act, provided a point of order is not made at the time of the inclusion of the legislation.

The CHAIRMAN. The Chair feels that this amendment is in order. It is in continuation of a public work already in progress, and the Chair has no doubt that it was duly authorized. The Chair overrules the point of order.

Mr. CRAMTON. Mr. Chairman, as to the amendment, I simply want to say this: The gentleman from Texas [Mr. BLANTON] has made some statement as to the value of the land to be acquired. The gentleman may be perfectly accurate; I do not know. This is a matter that was investigated very carefully a year ago, and then this year by the gentleman from Nebraska [Mr. EVANS]. He was present during our hearings on this matter this year, and he was present at the time of the making up of the bill and had it in charge; but, unfortunately, he is not here to-day. In the hearings reference is made to lands claimed by several parties and also lands owned by the Chesapeake & Potomac Canal Co., so that I take it there is more land involved than the particular land to which the gentleman from Texas has referred.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. STAFFORD. Mr. Chairman, I do not know what is the idea that prompted the gentleman from Texas [Mr. BLANTON] to make his point of order to the whole paragraph; whether it was his objection to the part of the paragraph that has been ruled in order and which is now up for adoption by the committee; but I would direct the gentleman's attention to the saving language contained in the proviso following the authorization of the expenditure of $1,500,000. This proviso safeguards the interests of the Government. First, it places a limitation on the whole project in the amount of $6,150,000. Certainly the gentleman would place some limitation on the cost of this project, because otherwise the District Commissioners might go ahead and spend this $1,500,000 without any regard for the total involved in the completed project.

The second proviso is a restriction in a way of service to the Government to protect its interests further. I think, in view of the holding of the Chair that the first item, the appropriation of $1,500,000 in continuation of this public work, is in order, there should be some limitation so as to protect the Government.

I have not made a special study of this project, but I appeal to the reason of the gentleman from Texas, and I know that he wants to safeguard the interests of the public, whether we should not place a limit on the total expenditure when we are authorizing the expenditure of $1,500,000 of money on a big project, concerning which a subcommittee, like that of which the gentleman from Michigan is chairman, where one member of the subcommittee, Mr. EVANS, of Nebraska, who is now absent, made a special study of the subject in the effort to try to safeguard the interests of the Government? We do not want to waste money. Why allow the District Commissioners carte blanche to spend money without a limit of cost? Let us say what the cost is to be and fix as the limit $6,500,000.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BLANTON. It is a very unusual situation to find the gentleman from Wisconsin [Mr. STAFFORD] advocating a provision allowing the Secretary of War to make contracts involving $6,500,000 without some legislative committee giving the matter attention. No legislative committee has considered this matter. It is just merely an authorization here put in by the Appropriations Committee.

Mr. STAFFORD. If the gentleman will permit, we have launched on this program. We have authorized the survey. We have provided for the expenditure of several hundred thousand dollars already for the project. It is now in existence. It is a matter that necessarily comes before the Appropriations Committee, because that committee is better acquainted with all the details of what is necessary for the organization and government of the District than any other committee of the House.

Mr. BLANTON. Everything necessarily goes to the Committee on Appropriations now.

Mr. STAFFORD. I appeal to the gentleman's sense of economy, to the need of restricting the expenditure of money on the part of the District Commissioners. Here we are going to authorize a million and a half. I was not in favor of this project originally. I did not think there was any need of it; but we have launched upon it. The million and a half is going to be voted. Is it not good business policy, is it not good legislative economy to adopt these provisions that have been studied closely by a man who has given special study to the subject, so as to safeguard the interests of the Government?

Mr. BLANTON. Studied by no Member of Congress.

Mr. STAFFORD. The gentleman will not deny that the gentleman from Nebraska [Mr. EVANS] is a Member of Congress.

Mr. BLANTON. No member of any legislative committee.

Mr. STAFFORD. The Appropriation Committee has been legislating in this particular and has been making a special study of it.

Mr. BLANTON. I am not willing to assume that responsibility.

Mr. STAFFORD. I think the gentleman is assuming a tremendous responsibility by allowing an appropriation of a million and a half to go through without any restriction or ties to it at all.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

For maintenance of the water department distribution system, including pumping stations and machinery, water mains, valves, fire and public hydrants, water meters, and all buildings and accessories, and the purchase and maintenance of motor trucks, purchase of fuel, oils, waste, and other materials, and the employment of all labor necessary for the proper execution of this work, and to reimburse three employees for the provision and maintenance by themselves of three motor cycles for use in their official work in the District of Columbia, $13 per month each; and for contingent expenses, including books, blanks, stationery, printing, postage, damages, purchase of technical reference books, and periodicals, not to exceed $75, and other necessary items, $10,000; in all, for maintenance, $450,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I have been engaged in the preparation of another appropriation bill, and therefore have been out of the Chamber most of the time during the consideration of this bill, but I believe that in the earlier consideration of this bill the committee decided to reduce the amount to be allowed for the maintenance of motor cycles to $10 per month. Does that reduction to $10 apply also in this paragraph where $13 is provided?

Mr. CRAMTON. I suppose it should, in order to be consistent.

Mr. STAFFORD. I am merely asking the question. I am not acquainted with the merits of the proposition.

Mr. JOHNSON of Kentucky. It ought to be changed.

Mr. STAFFORD. I withdraw the pro forma amendment.

Mr. JOHNSON of Kentucky. It was understood that these charges of $13 a month wherever they appear would be changed to $10 a month, and therefore I offer an amendment to strike out "$13" and insert in lieu thereof "$10," on page 103, line 7.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: Page 103, line 7, strike out "$13" and insert in lieu thereof "$10."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

The amendment was agreed to.

The Clerk resumed and completed the reading of the bill.

Mr. O'CONNOR. Mr. Chairman and gentlemen of the House, of course you all know that to-day, the 8th of January, is the anniversary of the battle of New Orleans, which was fought on January 8, 1815. That was 108 years ago. It was fought on the plains of Chalmette, below the city of New Orleans. It is of special interest, as the battlefield is in the first Louisiana congressional district, to the constituency that I represent, and is one of the red-letter days in American history.

Of course, it is not flattering to ourselves nor agreeable at times to recall the vicissitudes, calamities, and catastrophes of the War of 1812, but I think we should do so, lest we forget the terrible lessons they convey. We should recount that which is ancient in our history for the purpose of gathering a light by which to guide our footsteps in the future, even at the risk of irritating those sensitive souls that recoil at the thought of looking backward to our nights of despair.

Of course, you know that the War of 1812 was disastrous to American arms, and the treaty consummated at Ghent was consummated by England only on the theory that disintegration had already set in and that the States calling themselves the United States would soon be seeking the protection of the mother country and would be Colonies once more, not later than five years after the signing of the treaty, which would carry it to about 1820.

Canadian, English, and continental newspapers were convinced that the collapse of the young Republic of the West was impending; that it was staggering to its destruction; that its fall was at hand. Monarchists the world over were confident that the United States had run its brief course, and that its hour was about to strike.

If England had thought otherwise she would have insisted upon the harsh terms which she had laid down at the beginning of the discussion of the treaty we sought, so desperate was our situation. She thought we were incapable or did not care to fight. Had not her soldiers burned our Capitol; had they not been almost uniformly successful on land and sea in their encounters with our soldiers and sailors? Did not the apathy of a large section of the country show it was an extremely unpopular war? That is one great reason why our victory on the plains of Chalmette was transcendent in its importance, because it obliterated the catastrophies of that war, which had made school children cry out in the streets of their villages and hamlets and towns, at the degradation into which their country had fallen. That condition was deplorable, so deplorable that Lord Castlereagh and others who were in power and in the control of the British Government at the time said that "every port and city in America is in our hands, and the Americans are little better than prisoners in their own land," and gloatingly and boastfully declared that they were in a position to dictate any terms that they might feel inclined to dictate.

But, gentlemen of the House, in order to thoroughly understand the gravity of the situation, not only as our national honor was concerned but the menacing attitude of England and Spain with respect to the vast empire of territory known as the Louisiana Purchase, let us swing backwards; let us turn back the hand of time; let us roll up the curtain on the mighty drama played out on a solemn, brooding, but at times terrible sea stage, the Gulf of Mexico and her titanic daughter, the Mississippi River; let us peer into the days of romance and adventure, the days of the conquistadores, the buccaneers, the pirates, the days that ran through a century and gave to Spain, France, and England their greatest discoverers and sea captains. The history and tradition of that time are so interwoven and blended that it is utterly impossible to separate them if we would—and would we, if we could? For is not history what the great Napoleon said it is—"a fable agreed upon"? And were there not nobler souls than those whose exploits are recorded, if a sacred bard had but sung them into immortality? Someone has written: "God conceived the earth—that was poetry; He formed it—that was sculpture; He colored it—that was painting; He peopled it—that was the divine drama." One thing is certain, every generation has had an opportunity to play out on a grand stage the part allotted to it in the drama of the world and mankind, but in no generation or generations has tradition given to the field of adventure so much poetry, sculpture, painting, song, and romance as to the age of Columbus, Cabot, Hudson, Pineda, Cortez, Pizarro, De Soto, La Salle, without reference to their chronological order, and a score of others such as Drake, Magellan, Morgan, who were not only possessed of the passion of the sea wild life but for booty and spoils also.

But let it not be supposed that these sea marauders were not the heroes of their native lands. They gave a glory to their countries which the regular armies and navies could never win.

But back to our story.

Guided by history's pages, we see Narvaez going from Mexico to Florida and touching at the mouth of the Mississippi River. He was a Spanish conquistador, a nobleman and explorer. That was in 1528. Fourteen years later we see Hernando de Soto viewing the Mississippi River at some place near where the Arkansas joins her. He was a splendid Spanish conquistador, a striking figure in that romantic period, and was buried darkly at night, as was said of Sir John More, and left alone with his glory. But he had a magnificent tomb, and the tide of the Father of Waters rolling all the way to the Gulf of Mexico and on to the Atlantic Ocean probably furnished to him a funeral train such as was never the lot of any other man in history or romance. Out in the rotunda of the Capitol, under the dome, you will see eight great pictures portraying the life of America from the romantic and historical standpoint; one picture by William H. Powell portrays the wonder and amazement of De Soto and his followers when they beheld the Father of Waters gliding southward in its solemn, majestic sweep to the Mexican sea. Years and years elapsed, and in 1673 we find Joliet and Marquette descending the Mississippi River, under the direction of the French governor of Canada, in search of the mighty river that was supposed to run from east to west and connect the two great oceans. Then they returned, having gone as far south as the Arkansas River.

Strange as it may appear, my fellow Members, the idea that a great river ran from east to west and connected the eastern and western oceans remained even among educated people for over a century after these great explorers had gone to that undiscovered country from whose bourne no traveler has ever returned, and I understand that in South America there is still a disposition to believe that there is such a waterway.

Only lately down in Panama it was thought that the Chagres River at one time did make a connection between the two great bodies of water. It is said that Balboa, when he viewed from the hill that bears his name the mighty Pacific, looked for the river that he thought joined it to the Atlantic.

In 1682 La Salle completed the discovery of the Mississippi River and claimed the whole country for France, naming it Louisiana, in honor of Louis XIV.

It is clear to you gentlemen of the Committee of the Whole House from this recital that there must have been an issue between France and Spain in regard to the immense territory involved and flowing from the right of discovery. This is made clear by the fact that in 1762 France, by treaty of Fontainebleau, ceded to Spain all that part of the Louisiana territory lying west of the Mississippi River and the island of Orleans, which is to-day New Orleans, and in the following year, 1763, by the treaty of Paris, surrendered all of that part of the territory lying on the right bank, and Florida, to England. The desire of Napoleon to create a colonial empire in America led to the secret treaty of St. Ildefonse, in 1800, by which France acquired that part of Louisiana formerly ceded to Spain. This acquisition by the great Corsican and the treaty by which France secured it was denounced as fraudulent by Spain and England, and Napoleon transferred it to the United States for $15,000,000, as he feared an invasion of the Louisiana territory by England and wished to make us its defenders. Matters drifted, as Napoleon was then at the zenith of his power and the terror of Europe. Then came that terrible day for him and joy for Europe whence he had to abdicate and fled to Elba, in the early summer of 1814.

England was now in control of the world. Up to this time she was successful in the War of 1812, her chief triumph being the capture and burning of our Capitol. London newspapers teemed with accounts of her easy victory and triumphs and ridiculed a people that could not offer a soldier's resistance to the invaders of their country. Our President and Army—in fact, the population—were mercilessly lampooned upon the stage and derided and sneered and scoffed at in the English journals of the time. Flushed with success on the Continent, England now determined

to settle with the infant Republic and give her a military lesson that would break her spirit completely. Therefore one of the conditions to be imposed upon France was the return of Louisiana to Spain and which England would take from us if her ally should not be strong enough to do so for herself.

It was indeed a day of appalling danger for our country. The entire valley was to be trampled under military heel. An immensely large force for that time was to embark from Plymouth for the conquest of the Gulf States, the control of the Mississippi Valley, and the occupancy of the Louisiana Purchase. This army was composed of men who had been under Wellington in the Peninsular wars. General Ross was to have commanded this invading army after Wellington declined its command; but Ross was killed on the banks of the Patapsco and Sir Edward Pakenham was placed in charge, the Duke of Wellington having again declined the command.

It was a dark period for our country. The old martial spirit of the Revolution seemed to be dead. The war was far from arousing any patriotic enthusiasm. Even the school children of America were depressed, downhearted, and saddened at the overwhelming calamities that had befallen their country.

It is clear that if another disaster had befallen our arms instead of the triumph that we won, if another defeat had been our fate, we would have been crushed and overwhelmed by such a catastrophe, England would have occupied New Orleans and taken possession of the Louisiana Territory without another blow, as we would have been at her mercy.

We had sent James Bayard, John Quincy Adams, Henry Clay, Jonathan Russell, and Albert Gallatin to secure a treaty of peace.

But even while the treaty was being discussed the London Sun, as well as the Canadian newspapers, looked forward to and predicted the annihilation of what they scornfully refused to recognize as a military force.

Our peace commissioners were subject to mortification. Michigan, Wisconsin, Ohio, and Indiana were demanded as an evidence of our defeat. This was on September 8, 1814. It is needless to say that these demands were promptly refused by our commissioners.

Keep this fact in mind, my countrymen, for the seeming friend of to-day may be the enemy of to-morrow, and eternal vigilance and watchfulness are necessary to safeguard the interest and unity of the Nation. For on October 24, six weeks later, Lord Bathurst gave Pakenham his commission and orders to proceed to Plymouth and embark there for Louisiana to assume command of the forces operating for the reduction of that Province. All of these warlike preparations were being made while the peace conference was in session at Ghent.

Yes, my countrymen, eternal vigilance is the price, or a part of the price, we must pay to preserve our liberties, our freedom, our institutions. Self-reliance, preparedness, training, resolution, and fortitude should be the cloud by day and the pillar of fire by night to guide us along the road to the goal of our country. Alliances, except for the purpose of trade, do not appeal to a bold and militant people. Courage and that discipline which comes as a result of training from the cradle until the patriot steps on the battle field or the deck of his country's war vessel are what makes for a nation's perpetuation and its glory.

It is true a treaty of peace was signed, but let us not forget that it was not a spirit of generosity on the part of England that led to the abandonment of her extraordinary claims and proposed indemnities as an evidence of our humiliation, but because she was assured just at this time and believed that we were so torn and worn by dissension, so near exhaustion that dissolution was inevitable, and that the dismembered States would seek a new and closer alliance with her as separate and distinct dependencies. In other words, she hoped to secure more by what she considered the inevitable process of dissolution that her informants thought they saw in operation than by force of arms or a too exacting treaty and the harsh terms she had intended to impose. She had not relinquished her rights in the Louisiana Purchase on behalf of Spain, nor had she abandoned her plans to control the Mississippi, for the Pakenham expedition had been hurried across the Atlantic and assembled at Negril, Jamaica, with a full civil government for the Crown Province of Louisiana, as it was referred to by England, and no effort was made to recall it.

As a matter of fact all plans for the invasion and occupancy of the Louisiana Territory were being actively pushed while the peace conference was in session. Do not ever forget this, my countrymen; keep it in mind, lest on some tremendous day we have to pay for our carelessness in blood and tears.

Just at this critical time in the history of our country there loomed on its horizon one who became a great figure in the affairs of this world, one who came out of the woods, like Hosea of old. Tried by obscurity, poverty, pain, danger, and the malevolence that always assails merit, he had overcome disappointment, surmounted every obstacle, subdued and triumphed over every disaster. The perils of the wilderness, the hostility of the savage, the silent antagonism of the trackless swamps and the unbroken forest, melted into thin air before the dauntless courage and martial fire of this hero, warrior, statesman, patriot, and American, Andrew Jackson, whose fiery heart never quailed before any foe, whose crest was never lowered to any enemy.

His fame as an Indian fighter, his wonderful march against Pensacola, his defense of Fort Bower had reached Europe, and Wellington saw flashing across the military skies, not a meteor, dazzling in its brightness for a moment only to plunge into everlasting gloom and darkness, but a rising star of the first magnitude.

I will not dwell upon Pakenham's advance up the Gulf of Mexico and through Lake Borgne, nor upon the skirmish by lake and land, by river and bayou, that preceded the memorable conflict on the 8th of January, 1815. From this Spartan message vision the glory of our victory—the tragedy of their defeat.

American loss: 7 killed and 6 wounded.

English loss: 700 killed, 1,400 wounded, and 500 prisoners.

Among the slain being Pakenham, the gallant leader of the invading force. As are Leonidas and Thermopylae Pass to Greece are Jackson and New Orleans to Americans.

Pakenham was killed. His army, or what was left of it, was withdrawn and afterwards took part in the battle of Waterloo, earning for themselves the sobriquet of "The Invincibles."

The compensations of life—a Chalmette and a Waterloo—for them a disaster and then a triumph.

On what slight things does destiny hang her judgments. In 1762 England had her choice of American territory from France and she demanded and received the right bank or the Floridas. Had she requested and received the west bank, or the Louisiana Purchase as it was later known, how different might have been the results—for she would certainly have held, even as she holds Canada, where she was willing to acquire by invasion and conquest—or had she been successful and destroyed Jackson's army and occupied the city of New Orleans from which to rule the conquered territory. But as a result of her choice in 1762 and the battle of New Orleans in 1815 the heart of the continent became American soil for all time.

That is the biggest of the big reasons for celebrating an immortal American victory, for that battle, fought on one side by raw and undisciplined but brave and heroic hearts from the wilds of America, and on the other side by tried, disciplined, and courageous troops who had won glory on many a European battle field, determined that this Republic should extend from ocean to ocean, and not have the Mississippi River as its western boundary line, with a western Canada paralleling the frontier, menacing it from the present northern boundary line to the Gulf of Mexico and the Republic of Mexico on the south and rolling over prairie and mountain westward from the Mississippi to the shores of the Pacific, with the flag of Britain floating proudly over that which we are pleased to call the great West and Southwest, a different government, different institutions, and with a stranger's life at our doors. One can see from this account what mighty and momentous changes might have taken place if the fortunes of war had gone against us on that memorable day of January 8, 1815. Nations as well as individuals seem at times to have a curious perspective—the great appears small and the insignificant looms large on the horizon of history. As the years move onward into eternity, however, we know that the Battle of New Orleans will take its place with the decisive battles of the world. There are some men who are unbeatable in the larger sense and significance of that word. There have always been and always will be in this world men and women whose deathless purpose must and shall prevail. When men are willing to endure any disaster, suffer any defeat, undergo privation and starvation, meet gloom and catastrophe dauntlessly, knowing, feeling, that they must and shall win, triumph is inevitable. The sheer force of longing to achieve, of desire to attain the goal, of purpose to toil and strain and fight for the end in view culminates irresistible in reaching the end of the trail gloriously and triumphantly.

Fate determined, apparently, that Pakenham could not win. He was up against the crack shots of the world and men who

were as wild and as brave as pioneer life in forest and an unbroken country could make them. Fate apparently ordered it so. Jackson and his army could not be defeated. He may have been driven from Chalmette, but what of that, in view of a determination that could come only to the boldest hearts and to characters selected by fate to carry out inexorably judgments of the highest degree and lead mankind from the lowlands to the peaks of human existence? Had Jackson been forced to retreat from the plains below New Orleans, consequences as spectacular as any in the history of the world would have resulted. For Old Hickory had intended in the event of such a contingency to burn the city, move up the river with all the inhabitants, and as soon as he reached the point where the land begins its incline or upward slope, cut the banks, overflow the city, and annihilate the hopes of the British Army, which could have had one and only one escape, and that would have been by means of rafts with which to make their ships if the swirling tide would permit such an escape. The burning of Moscow, which made its occupancy by Napoleon untenable, would have been nothing compared with the epic that might be written of a city that was destroyed by its people, overwhelmed by the Father of Waters before they would let it be the prize of an invading foe.

That blood, that spirit, that heroic unconquerable purpose is still here—no invader could ever remain for any length of time in our country. Other Jacksons would come out of the wilderness to lead their countrymen in death-defying assaults that would, step by step, drive the foe from our native land. What Jackson did and what he would have done will always remain with the American people to inspire them to do noble things, not dream them all the day long, whenever the hour arrives for us to strike for our altars and our fires. That battle was fought 108 years ago; and its memories, though with us, are inscribed without bitterness upon the long and splendid scroll of the United States of America. On January 8, 1915, we celebrated the centennial of that great event—American and English dead are sleeping side by side down there where the bearded oaks rustle their leaves softly as if whispering and murmuring a requiem for the gallant souls that are at rest and forever. Annually that victory is celebrated by banquets and speech making, where men assemble to recount the heroic exploits of Jackson and his magnificent attitude toward life and the courageous manner in which he approached and solved the problems that sprung into existence in his time and had to be met or block the road over which his country was traveling to attain the splendid destiny that is and will be hers. Year after year the greatness and the glory of his followers have been extolled and sung all over our land by fervent, patriotic Americans who have conveyed to listening multitudes the thrill of a victory that will always stand out among America's greatest achievements on land or sea. History can not forget this magnificent record of a momentous event without lessening its appeal to the imaginations of our people.

To-day we stretch from ocean to ocean, and then some, and our sway there is none to dispute. Out into the Pacific, up into the Arctic, and down in southern seas our flag flies to the breeze—

Sun kissed and wind tossed,
The flag for me and you,
That glorifies all else beside
The red, white, and blue.

Old Glory reflects back the "lights" of northern skies in Alaska and the Southern Cross in the southern ocean, because we maintained the Louisiana Purchase on the field of battle January 8, 1815. Let us hear from the hero of Chalmette. Let him speak to us through one-time Congressman William Allen and in a later time a Governor of Ohio. He, too, has gone to join the patriarchs of the infant world, but he still speaks to us from and through this writing:

General Jackson greeted me on the portico of the White House, just as he would have greeted a welcome guest at his own home in the country. Together we walked to the dining room, where the table was already prepared. Following the universal custom of the world of those days, General Jackson invited me to take a drink, and proposed as a toast: "The new star in our flag—Arkansas."

That ceremony having been observed, General Jackson looked at me very earnestly and said, inquiringly:

"Do you know, Mr. Allen, that this new State which has just become a part of our vast Republic is one of the first substantially large fruits of my victory at New Orleans?"

I was surprised, very much surprised, and I said so. I could see no political nor historical connection between the admission of a new State to the Union and a battle which had been fought about 20 years before that admission. I knew, and everybody knew, that General Jackson was extravagantly proud of his victory at New Orleans, and I supposed that he was giving me a bit of pardonable braggadocio. I reminded him that the treaty of Ghent had been signed 15 days before the Battle of New Orleans, and I said:

"General, I am familiar with that treaty, and it provided for the restoration of all territory, places, and possession taken by either nation during the war, with certain unimportant exceptions."

"Technically you are quite correct," replied General Jackson, and his smile was more triumphant and proud than before. "But, my dear Allen," said the old hero, "those very words would have been used to defeat the purpose of the American commissioners at Ghent, because the Battle of New Orleans was fought after the war; 15 days after the war technically ceased by treaty."

Now I began to be more than ever interested. I begged the national military hero to tell me the whole story; and he did. He said:

"If General Pakenham with his 10,000 veterans could have annihilated my little army and captured New Orleans and all of the contiguous territory, technically after the war, Great Britain would have held that territory, abrogated that treaty, and utterly ignored Thomas Jefferson's great deal in real estate with Napoleon. Moreover," he continued, "Great Britain had other cards up her sleeve."

Venerable, but as vigorous and swift of action as ever in his life, General Jackson arose, went to a small desk, opened a drawer, took out a bundle of parchment manuscript, brought it to the luncheon table, spread it out, and said:

"Here are the transcripts from the Department of State concerning the famous treaty of Ghent. Here are the minutes of the conference which were kept by Mr. Gallatin, who records:

"The British commissioners emphatically declared: 'We do not admit Bonaparte's construction of the laws of nations. We can not accept it in relation to any matter before us.'"

Still unenlightened, I asked what that statement could have to do with the international situation and General Jackson explained:

"At that moment not one of our American commissioners comprehended the awfully deep significance of those few words. But every one of the commissioners of Great Britain knew that General Pakenham was on the way to New Orleans with upward of 10,000 veteran soldiers.

"In their judgment—and it was a wise judgment, too—10,000 British soldiers should, and would, clean up and wipe out any army which America could muster, for the Pakenham invasion was to be a triumphant military coup and surprise.

"Now, I can tell you, Mr. Allen, that I did not know, and my boys behind those bales did not know, what a prize the British were after nor what a service we were rendering our country. We were simply typical American soldiers, fighting for our country as American soldiers always do; ready and willing to dare, do, and die.

"But since I have been President I have ascertained from diplomatic sources of unquestionable authority that the British ministry did not intend to permit the treaty of Ghent to apply to the Louisiana Purchase at all. The whole body, Lord Liverpool, the Duke of Portland, Greenville, Percival, and Castlereagh, all of them, utterly and emphatically denied the right of Napoleon to sell Louisiana. Therefore, their commissioners declared, 'We can not accept Napoleon's interpretations of international law in relation to any matter before us.'

"Now, you see, Mr. Allen," said the proud old hero, "the British ministry in London held most vehemently that this country had no right to that immense territory—no right at all. They intended to hold that it was entirely extraneous to the terms of the treaty of Ghent. And, if General Pakenham had been successful at New Orleans—as, under all of the ordinary rules of war he ought to have been, with his tremendously overwhelming force of veterans—if he had defeated my little, thin line of riflemen, if he had killed or captured me, if he had won that battle as Great Britain had every reason to expect of him, he would have held his ground. Moreover, he would have fortified his positions, and Great Britain would have sent other veterans enough to forever hold that great prize, the Louisiana Purchase."

Palpably noting the surprise which my features undoubtedly expressed, General Jackson continued:

"Now, you must see, Mr. Allen, that the words which Mr. Goulborn pronounced for the commissioners of Great Britain and which I have quoted from the minutes of Mr. Gallatin, had an immensely deeper significance than the commissioners for the United States could penetrate. Those words were meant to base the British claim for possession of the whole Louisiana Purchase. This was to be entirely external to the provisions of the treaty of Ghent. Moreover, they fully believed that General Pakenham would strengthen their position by capturing all of the salient military parts of the Louisiana Purchase after the war.

"Thus, you see clearly, my friend Allen," continued the proud defender of his country, "that the British Government, always skilled in diplomacy, as well as in war, was signing that treaty with one hand in front; but, with the other behind its back, it was dispatching Pakenham and a magnificent army to seize and hold our greatest and most precious acquired possession, including, of course, Arkansas and an empire beyond.

"Thus you can also see, my dear William"—having several times toasted the new star in our flag—"you can also see what an awful mess such a situation would have caused if the British Government had been able to carry out its military purposes as well and as completely as it did its diplomatic program at Ghent."

After showing me ample proofs of the facts set forth—and you may be sure I was wonderfully interested and patriotically more proud of Andrew Jackson and his boys behind the bales than I had ever been before—the tall, vigorous, gray-haired, proud old hero said:

"But, my dear sir, British diplomacy and British military power combined knew nothing of my Tennessee and Kentucky riflemen. The will of the enemy was strong and intelligent; but the will of God was far above it all. Providence willed that this Nation should live, grow, and be the cradle of the liberty of the world." Then General Jackson quoted a well-known hymn: "God moves in a mysterious way, His wonders to perform."

Reverting to his first statement, General Jackson then said: "Now, you see, my dear Mr. Allen, how Arkansas was saved at New Orleans; and how a thin line of American raw recruits, facing upward of 6,000 brave and fearless veterans, made it possible for us to have the State of Arkansas in our Union to-day."

The luncheon having long been finished, when I arose to leave, my host, whom I then revered as America's grandest living hero, arose, proposed another toast to the new star in our flag—Arkansas—and concluded his narration substantially in these words:

"The astute diplomats, the trained commissioners of Great Britain, cheerfully found it easy to throw sand into the eyes of our honest commissioners at Ghent; but, Allen, they could not ward off the cold lead which my rough and ready riflemen sprinkled into the faces of their red-coated veterans at New Orleans. All of the tangled web that British diplomacy and English cunning could weave about our inexperienced commissioners was torn to pieces and soaked in blood in half an hour by the never-missing rifles of my squirrel-shooting pioneers of the mountains as they carefully took their aim from behind those invulnerable bales of cotton."

Then, hastily flinging from his proudly smiling cheek the trace of a tear, the grand old commander earnestly said: "I wish that those brave boys behind the bales might be here now, Allen, to join us in this final toast of the day to that splendid new star in our flag—the State of Arkansas."

Why should we not celebrate this great day? It was a memorable victory, Mr. Chairman, one that students of American history should never forget, one that our boys and girls should be taught to mention, not only on this day but on all other days.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Louisiana be extended five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Chairman, originally Jackson Day was not treated from a political standpoint. It was nonpartisan, nonpolitical in the method in which it was celebrated—by banquets and ceremonies all over the country. Jackson was a Democrat, and the followers of his party appropriated the day to themselves in a great many cases, and I am not objecting to it, for "I, too, was born in Acadie." I am a Democrat and have no desire to criticize Democrats keeping alive Jackson's political views; but I would always prefer to treat the 8th of January, Jackson Day, as an American day, a day on which all Americans, regardless of party attachments, could gladly assemble and celebrate the great, magnificent, inspiring, and durable victory. Of course, at times it is tedious to talk about Leonidas and Thermopylae. It does not seem quite right to the practical and modern up-to-date fellow, who is thinking of his country in points of industrialism, to talk about the dim and misty and vague past, but our past is not so far distant that we ought to forget it, and we should always keep in mind that the seeming friend of to-day may be the enemy of to-morrow; and we ought always to cogitate upon that Chalmette victory and remember its importance and the treacheries that surrounded it and "what might have been."

It teaches us that eternal vigilance is the price of liberty and we should always be mindful of invasion.

I said once before recently on this floor that I never like to discuss Great Britain's attitude, because even in the minds of the most generous there is in all probability something akin to the thought that there may be acrimony behind my attitude. Of course, there is nothing of the sort. I am an American first and an English-speaking man in the next place, and I recognize that it is a great common family to-day. English literature is the boast of men who speak that tongue wherever it is spoken, but I can not blind my eyes to the facts of human existence. I know that as a people we fought and tore at each others' throats for four and a half years, and we not only speak the same tongue but we were bound together in fraternal ties. If we fought, why should we gull ourselves, bamboozle ourselves with the idea that we are the same people as our English-speaking cousins across the seas and will never fight with them again? We did fight with them in order to gain our independence. We did fight with them in 1812, and we were ready to fight with them after the Civil War. We were ready to fight with them about the time of the Venezuelan affair, and if her alliances constitute a menace and a danger to us, we will be ready to fight with them again. I repeat and shall repeat as long as I live that the lesson of January 8, 1815, should convey to every American mind that eternal vigilance is the price of liberty and freedom, and that we should at all times on land and sea be ready to meet any foe that might question our rights, challenge our privileges and our desires to be in the vanguard of human civilization. It is a great day. I know there are some who laugh and snicker and have an inclination to sneer at such celebrations. I do not know that it adds anything to their stature, neither does it diminish the importance of the day nor lessen the tremendous victory that was secured on the plains of Chalmette. I know that it is not as important to some minds as the discussion of money, but it is important, nevertheless, to a great many people who do not always think in terms of dollars.

It is well, my countrymen, to recall great historical events and outstanding commanding figures in the arena of peace and warfare, because we can not ignore the historical facts that it is by warfare that we have grown great and rich and powerful and opulent and strong. We have not grown to the magnificent proportions so aptly described by the phrase "from ocean to ocean" as a result of pious reflections and beautifully phrased expressions of peace on earth, good will to men, which may come in time, and which I will not obstruct. I will pray with the most religious for the millennium, but frankly confess that I would not rely implicitly on prayer in the midst of a warlike world. We have grown great and powerful and strong as the result of courage and bravery and a determination to do and dare and never give up, because apparently even when we were beaten, phœnixlike we rose from the ashes of defeat and disaster and gave to freedom and liberty over the earth, and particularly to our country, one of the greatest victories ever obtained by a small and militant band of men struggling against overwhelming odds and the greatest soldiers of Europe.

Let us teach our children to know the history of their country—its trials, its defeats, its disasters, its triumphs, its victories—for, knowing why they should love their country, they will love it with heart and soul. They will love it for the dangers through which it has passed if they are taught to study and understand what these dangers were; and then they will be on guard against the dangers of the future. Chalmette, America shall never forget. A prayer and a tear for those who won and lost that day. They are in the bosom of their Father and their God.

The muffled drum's sad roll has beat
The soldier's last tattoo;
No more on life's parade shall meet
That brave and daring few.
On Fame's eternal camping ground
Their silent tents are spread,
And glory guards with solemn round
The bivouac of the dead.

Rest on, embalmed and sainted dead,
Dear as the blood you gave,
No impious footsteps here shall tread
The herbage of your grave;
Nor shall your glory be forgot
While Fame her record keeps,
Or Honor points the hallowed spot
Where Valor proudly sleeps.

Mr. CRAMTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13660, the District of Columbia appropriation bill, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. CRAMTON. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. CRAMTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE OF ABSENCE.

By unanimous consent—

Mr. BLAKENEY was granted leave of absence for two weeks on account of illness.

ENROLLED BILLS SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 12170. An act to revive and reenact the act entitled "An act to authorize the commissioners of Lycoming County, Pa., and their successors in office, to construct a bridge across the West Branch of the Susquehanna River from the foot of Arch Street, in the city of Williamsport, to the borough of Duboistown, Lycoming County, Pa.," approved August 11, 1916; and

H. R. 10531. An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes.

EXTENSION OF REMARKS.

Mr. LINEBERGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing in 8-point type a letter from John Thomas Taylor, vice chairman national legislative committee, the American Legion, on the so-called emergency officers' bill, the Bursum bill.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD in 8-point type by printing a letter from an officer of the American Legion relative to the so-called Bursum bill. Is there objection? [After a pause.] The Chair hears none.

The letter is as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., January 7, 1923.

MY DEAR CONGRESSMAN: The present session of Congress will pass out of existence on March 4, so there is left only eight weeks for the enactment of legislation. Unless an extra session is called, Congress will not convene again until December, 1923.

It has been repeatedly stated on various occasions that the present Congress unanimously favors the enactment of legislation for the benefit of the disabled of the World War. I desire to call to your attention that there is now, and has been pending before the Congress for more than three years, legislation to this end. But unless this receives the immediate consideration of the present Congress it will fail of enactment through the deliberate inactivity of the committee having it in charge, because of the personal opposition of a few members of that committee.

I refer to S. 1565, the Bursum bill, designed to extend to the emergency Army officers who were disabled during the World War the privileges of retirement now enjoyed by all other officers.

These disabled emergency Army officers were from the National Guard, were graduates of training camps, and able soldiers commissioned from the ranks because of their exceptional ability or bravery.

On June 1, 1920, the retirement privileges accorded the Regulars were extended to the disabled emergency marine officers and disabled emergency naval officers. The disabled emergency Army officer alone has been left in the cold, and it is this neglect that the Bursum bill seeks to rectify.

There are less than 1,000 disabled officers who come within the provisions of this bill, according to figures submitted to the Military Affairs Committee by the Director of the United States Vetereans' Bureau. Based on this number, the added cost would be less than $600,000 a year.

During the past year 30 of these disabled officers have died, and since the hearings before the committee, June 22, 18 have died, who had been patiently awaiting the passage of this long-delayed bill.

Their condition and situation is well known to the public to-day, and this legislation was considered and taken up as far back as October, 1919. For your information I desire to set out an exact history of the progress of this legislation in the Congress.

Mason bill, H. R. 4987, and Stevenson bill, H. R. 6688.

These bills were introduced the latter part of 1919, and no real results were obtained on either of them.

[Sixty-sixth Congress, second session.]

Stevenson bill, H. R. 10835—compensation measure. (H. R. 6688, which was introduced prior to this bill, provided for straight retirement.)

Introduced December 3, 1919.

Referred to House Military Affairs Committee.

Rereferred to Committee on Interstate and Foreign Commerce.

Rereferred to Committee on Ways and Means.

Rereferred to subcommittee on compensation and war-risk insurance of Committee on Interstate and Foreign Commerce.

Hearings before above subcommittee March 15, 16, and 17, 1920.

Congress adjourned (second session) June 5, 1920.

NOTE.—This bill was introduced in an amended form in the third session of the Sixty-sixth Congress as H. R. 15904.

Poindexter bill, S. 4211 (identical with Stevenson bill, H. R. 10835).

Introduced April 13, 1920.

Referred to Senate Military Affairs Committee.

No action; died in committee.

[Sixty-sixth Congress, third session.]

Stevenson bill, H. R. 15904—compensation measure.

Introduced January 26, 1921.

Referred to Interstate and Foreign Commerce Committee.

Reported favorably to House February 2, 1921. (Hearings on H. R. 10835 were used in making this report.)

Sixty-sixth Congress adjourned March 4, 1921, and bill died with session.

[Sixty-seventh Congress, first session.]

Johnson bill, H. R. 285—retirement measure.

Introduced April 27, 1921.

Referred to Committee on Military Affairs of the House.

Attempt made by Representative LINEBERGER to have substance of this bill attached to Army appropriation bill; ruled out on parliamentary point of order May 6, 1921.

Bursum bill, S. 1565, retirement measure.

Introduced May 4, 1921.

Referred to Military Affairs Committee of the Senate.

Hearings before above committee, May 27, 1921.

Reported to Senate favorably, with amendments, July 11, 1921. (Report No. 217, Senate Calendar No. 228.)

Congress adjourned November 23, 1921.

(Sixty-seventh Congress, second session.)

Bursum bill, S. 1565, retirement measure.

Debated on floor of Senate February 16, 17, 20, 21, 1922.

Bill passed Senate by vote of 50 to 14, February 21, 1922.

Bill received in House of Representatives February 22, 1922.

Referred to House Military Affairs Committee February 22, 1922.

Hearings before Military Affairs Committee on June 16, 19, 22, and August 29, 1922.

September 20. Representative Johnson obtained signatures of 125 Members of House to a petition calling upon Military Affairs Committee to report the bill.

No result.

December 7. Military Affairs Committee met in executive session and discussed bill. The chairman was instructed to obtain a decision from the Comptroller General on the working of the measure.

December 21. Comptroller General rendered a decision to committee, instructing it how to change wording of bill to make payments under it legal.

December 30. Chairman of committee wrote the Legion, saying he was going out of Washington for a "few weeks" because of his health.

January 3. The Legion informed that no meetings of the committee have been scheduled during chairman's indefinite absence from Washington.

The foregoing is a shameful example of the inability of Congress to function when the desires of a few leaders in a committee can defeat, for this long period of time, this meritorious legislation, backed by the wishes of the entire Nation.

Fifteen members of the Military Affairs Committee have expressed to us their approval of the legislation, and 334 Members of the House have assured us that they favor it. Under these circumstances you can appreciate that the American Legion and the disabled officers themselves do not understand the reasons for its delay in passage. Since it has been before the Military Affairs Committee of the House, a great number of bills have been considered by that committee, reported, and enacted into law. Full and complete hearings have been had upon this bill. Every soldier organization of any importance has appeared and testified before the committee, and we have supplied it with every possible bit of information which they might require for its consideration.

My dear Congressman, the American Legion and every ex-service men's organization in this country wants to see this bill enacted into law and justice done the emergency Army officer. They believe that it is the intention of the committee to so delay action that the passage of the bill will be impossible during the closing days of the present session.

We therefore urge that you give this matter your personal attention and consideration in order that this long-delayed and just measure may be immediately enacted into law.

Very respectfully yours,

JOHN THOS. TAYLOR,
Vice Chairman National Legislative Committee,
The American Legion.

ADJOURNMENT.

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p. m.) the House adjourned until to-morrow, Tuesday, January 9, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

899. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, submitting abstracts of proposals received during the fiscal year ended June 30, 1922, for material and labor in connection with works under the Engineer Department; to the Committee on Expenditures in the War Department.

900. A communication from the President of the United States, transmitting a letter from the Safe Deposit & Trust Co. of Baltimore, executors of the estate of J. Wilson Leakin, deceased; to the Committee on Public Buildings and Grounds.

901. A communication from the President of the United States, transmitting estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1924, amounting in all to $959,935 (H. Doc. No. 529); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. COLE of Ohio: Committee on Indian Affairs. H. R. 11474. A bill providing for notice to the Secretary of the Interior in cases involving the condemnation for public purposes of land included in any Indian allotment; with an amendment (Rept. No. 1351). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 9049. A bill abandoning and declaring nonnavigable a portion of the west arm of the south fork of the South Branch of the Chicago River; with an amendment (Rept. No. 1352). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 13474. A bill granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River; without amendment (Rept. No. 1353). Referred to the House Calendar.

Mr. ROACH: Committee on Indian Affairs. H. R. 11475. A bill to authorize the setting aside of certain tribal lands within the Quinault Indian Reservation in Washington for lighthouse purposes; with an amendment (Rept. No. 1354). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SCOTT of Tennessee: Committee on War Claims. S. 3048. An act for the relief of L. D. Riddell and George W. Hardin, trustees of Milligan College, Tennessee; without amendment (Rept. No. 1355). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 1593. A bill for the relief of the Post Publishing Co.; without amendment (Rept. No. 1356). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 12039. A bill for the relief of Howard R. Gurney; with an amendment (Rept. No. 1357). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 3350. An act for the relief of Alice M. Gorman; with an amendment (Rept. No. 1358). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1281. An act for the relief of Capt. Edward T. Hartmann, United States Army, and others; without amendment (Rept. No. 1359). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 107. An act for the relief of Robert Edgar Zeigler; with amendments (Rept. No. 1360). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 2853. An act for the relief of persons suffering damage by reason of proceedings for the condemnation of land for Camp Benning, Ga.; without amendment (Rept. No. 1361). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 3351. An act for the relief of G. Dare Hopkins; with an amendment (Rept. No. 1362). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1599. An act for the relief of the estate of David B. Landis, deceased, and the estate of Jacob F. Sheaffer, deceased; with an amendment. (Rept. No. 1363). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 937. An act to reimburse Isaiah Stephens, postmaster of McMechen, Marshall County, W. Va., for money and postage stamps stolen; without amendment (Rept. No. 1364). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 163. An act for the relief of Francis L. Flanders; without amendment (Rept. No. 1365). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 13176) granting a pension to Henry Dyer; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 13261) granting a pension to Robert McAfee; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 13436) granting a pension to Luella M. Myers; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LYON: A bill (H. R. 13712) for the erection of a Federal building at Lumberton, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. SANDERS of Texas: A bill (H. R. 13713) to prohibit immigration to the United States; to the Committee on Immigration and Naturalization.

By Mr. STEENERSON: A bill (H. R. 13714) to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. WINSLOW: A bill (H. R. 13715) to create a bureau of civil aeronautics in the Department of Commerce, encourage and regulate the navigation of civil aircraft, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LYON: A bill (H. R. 13716) for the improvement of the post-office building at Wilmington, N. C.; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURROUGHS: A bill (H. R. 13717) granting an increase of pension to Augusta A. Fiske; to the Committee on Invalid Pensions.

By Mr. COLE of Ohio: A bill (H. R. 13718) granting a pension to Joseph A. Lapont; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 13719) granting a pension to John Carroll; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 13720) granting a pension to Maggie A. Farrill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13721) granting an increase of pension to Leander W. Springer; to the Committee on Pensions.

By Mr. HICKEY: A bill (H. R. 13722) providing for an examination and survey of the Michigan City Harbor, Michigan City, Ind.; to the Committee on Rivers and Harbors.

By Mr. HICKS: A bill (H. R. 13723) providing for the examination and survey of Shinnecock Bay, Quantuck Bay, and Moriches Bay, Long Island, N. Y., and connecting canals; to the Committee on Rivers and Harbors.

By Mr. HUMPHREYS of Mississippi: A bill (H. R. 13724) for the relief of Hugh Marshall Montgomery; to the Committee on the Public Lands.

By Mr. KENNEDY: A bill (H. R. 13725) granting an increase of pension to Sarah Adams; to the Committee on Invalid Pensions.

By Mr. McCLINTIC: A bill (H. R. 13726) for the relief of the heirs of Charles E. Grant; to the Committee on Claims.

By Mr. MacGREGOR: A bill (H. R. 13727) authorizing the payment of an amount equal to six months' pay to Joseph J. Martin; to the Committee on Naval Affairs.

By Mr. MURPHY: A bill (H. R. 13728) granting a pension to Mary Sutton; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 13729) granting an increase of pension to Sarah M. Hopkins; to the Committee on Invalid Pensions.

By Mr. NORTON: A bill (H. R. 13730) granting a pension to Emily Kolb; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 13731) granting a pension to Samuel E. Blades; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13732) granting an increase of pension to Augusta Lambert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13733) granting an increase of pension to James C. Woodward; to the Committee on Pensions.

By Mr. RUCKER: A bill (H. R. 13734) granting a pension to Sarah Irene Brown; to the Committee on Invalid Pensions.

By Mr. WHITE of Maine: A bill (H. R. 13735) granting a pension to Timothy F. Buckley; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6772. By Mr. FULLER: Petitions of the National Association of Casualty Companies; the National Leather and Shoe

Finders' Association; the Wholesale Grocers' Exchange, of Chicago; the United Commercial Travelers, of Freeport, Ill.; the National Shoe Wholesalers' Association; and the Laundry Owners' National Association, for legislation to provide for 1-cent drop letter postage; to the Committee on the Post Office and Post Roads.

6773. By Mr. KISSEL: Petition of Empire State Forest Products Association, Albany, N. Y., urging that the Director of the Budget and the Congress should give favorable consideration to the request for funds for the establishment of a northeastern forest experiment station; to the Committee on Agriculture.

6774. By Mr. MAPES: Resolutions of John Nies Sons and 21 others, of Holland, Mich., for the repeal of the tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6775. By Mr. RADCLIFFE: Petition of 124 citizens of Paterson, N. J., favoring a joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6776. By Mr. SINCLAIR: Petition of Louis Endres and 31 others, of Fort Yates, N. Dak., urging that aid be given the famine-stricken peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6777. Also, petition of C. V. Ferguson and 11 others, of Glenburn, N. Dak., to abolish a discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6778. Also, petition of Rev. J. Fontana and 103 others, of New Salem, Judson, and Almont, N. Dak., for the purchase of food supplies in the United States to be sent to the famine-stricken peoples of Germany and Austria; to the Committee on Foreign Affairs.

6779. Also, petition of Leslie A. Gibbs and 20 others, of Marmarth, N. Dak., to abolish a discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6780. Also, petition of Rev. G. Wullschleger and 33 others, of Judson, N. Dak., urging that aid be extended to the famine-stricken peoples of Germany and Austria; to the Committee on Foreign Affairs.

6781. By Mr. SNYDER: Petition of H. Krebs and other residents of the thirty-third congressional district of New York, for the abolishment of the discriminatory duty on small arms; to the Committee on Ways and Means.

SENATE.

TUESDAY, *January 9, 1923.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, grant that we do not come before Thee with mere lip service, but may the thought in our hearts and the longing of our souls be in perfect harmony with the desire of Thine own heart toward us, that we may render acceptable service unto Thee. Keep us from formalities, but help us to reach after realities and find our lives becoming more and more sacred with the things that are best and are worth while. Hear and help us constantly. Through Jesus Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

OPERATION OF CIVIL SERVICE RETIREMENT ACT.

The PRESIDENT pro tempore laid before the Senate a communication from the First Assistant Secretary of the Interior, transmitting, pursuant to law, a letter from the Commissioner of Pensions, together with a report of the board of actuaries on the operation of the civil service retirement act, which was referred to the Committee on Civil Service.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

A bill (H. R. 10531) to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes; and

A bill (H. R. 12170) to revive and reenact the act entitled "An act to authorize the commissioners of Lycoming County, Pa., and their successors in office to construct a bridge across the West Branch of the Susquehanna River from the foot of Arch Street, in the city of Williamsport, to the borough of Duboistown, Lycoming County, Pa.," approved August 11, 1916.

PETITIONS AND MEMORIALS.

Mr. LADD presented petitions of Ada Endres and 54 other citizens of Fort Yates, and of 114 citizens of Ellendale, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

Mr. ROBINSON presented a petition of sundry citizens of Murfreesboro, Tenn., praying an amendment of the so-called ship subsidy bill providing for safety at sea of passengers, crews, ships, and cargoes, which was ordered to lie on the table.

Mr. SHORTRIDGE presented resolutions adopted by the Los Angeles (Calif.) Chamber of Commerce, favoring very careful scrutiny of the so-called Bursum bill relating to Pueblo Indian lands in New Mexico, to the end that it may not adversely affect the rights of such Indians, which were referred to the Committee on Public Lands and Surveys.

He also presented a letter in the nature of a petition from Edward J. Sullivan, of Carmel, Calif., praying for the passage of the so-called Denison "blue sky" bill, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the San Francisco Post, Society of American Military Engineers, of San Francisco, Calif., protesting against reduction of appropriations for training of the citizen soldiery, provided for in the national defense act as amended June 4, 1920, which were referred to the Committee on Military Affairs.

REPORTS OF THE COMMITTEE ON CLAIMS.

Mr. BAYARD, from the Committee on Claims, to which was referred the bill (S. 3226) for the relief of William J. Ewing, reported it with an amendment and submitted a report (No. 999) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 3849) for the relief of Robert J. Kirk, reported it without amendment and submitted a report (No. 1000) thereon.

ADMISSION OF ARMENIAN REFUGEES.

Mr. WILLIAMS. Mr. President, I send to the desk a bill to be read and referred, and I ask unanimous consent to address the Senate for four or five minutes concerning it.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent to speak for five minutes upon a bill which he introduces. Is there objection? The Chair hears none, and the Senator will proceed.

Mr. WILLIAMS. Mr. President, the bill which I have sent to the Secretary's desk is a bill to permit our immigration authorities to exceed the number of Turkish Armenians who are coming into the country beyond the present quota permitted them by law to the extent of 75,000 during the year 1923. I have tried to guard the bill so that it shall meet with no objections from labor unions or from any other legitimate interest.

It is provided that these Armenians shall go upon the land as farmers or as farm laborers or as tenants or share hands. It is further provided that a preference shall be given to such of them as have relatives in the United States who are willing to pay their way and to give bond that they shall not become public charges. There is a secondary preference given to such of them as can procure benevolent associations in the United States to give bond that they shall not become public charges. It is further required that proper assurance must be given to our consuls abroad or to our immigration authorities here that they have some reasonable assurance of finding places upon the farms in the country.

Mr. President, I do not want to help to increase the scarcity, if any there be, of manufacturing labor for the benefit of those who wish to reduce the wages of labor, but the farmers in many parts of the country neither have, nor can they procure, suf-

ficient labor to carry on their operations in a manner most conducive to their own prosperity and to the welfare of the American people.

Of course, if there had been no crisis abroad I would not introduce the bill, but, Mr. President, at one American institution I have been informed are 3,000 homeless Turkish Armenian children. At one time in one place there were 18,000 of them gathered together. There were at one time 300,000 Christian refugees—many, if not most of them, however, being Greeks—waiting at and near Smyrna for some method of getting out of Turkish territory, like "dumb driven cattle," frightened and running.

Mr. President, I have added another clause to the bill providing that Armenian children, orphans or homeless, shall be permitted to enter during the year 1923 to the number of 25,000, provided that some orphans' home—religious, governmental, or secular—shall assure the immigration agents that they have places for them, and will give proper security that they shall be taken care of, clothed, and fed, and educated to the age where they can take care of themselves; and that amongst those Armenian homeless and orphan children there shall be permitted to enter others where American or Armenian families in the United States consent to adopt them and to take care of them, and make satisfactory showing to the immigration authorities that they can and will do so.

In brief that is all there is to the bill. I am as much opposed as anybody to unrestricted immigration. I have, therefore, put a provision in the bill that the adult Armenians who are to be permitted to come here in excess of their 3 per cent quota shall be those who shall comply otherwise with all of our present immigration requirements. They shall be literates, shall be in good physical health, shall be neither anarchists nor government-destroying communists. I have tried to hedge the bill about so that we can do a great humanitarian work without hurting anybody in the United States. We surely, it seems to me, can do that much for the world, the Asia Minor part of it, in the day of its suffering, its deportations, its ravishments, its suppression, and its persecution.

Those people are either political or religious refugees, the subjects of political or religious persecution. I admit that they have aroused my sympathy. The Armenians are not an Asiatic race. There are many who do not know that, but I made occasion to examine the literature upon the subject several years ago. They are a European race who must have gone into Asia Minor like the Gauls went into Galatia from Europe around the Black Sea to their present homelands in Russia and Turkey. They possess the attributes and the excellencies, the industry and the intelligence and the energy of the European race. When immigration to this country was unrestricted there were fewer illiterates than among almost any, or, as I remember, any populations coming to us for homes. They are members of the oldest now-existing Christian church in the habitat where they first became Christian. They are at home predominantly agriculturists. They would add a desirable element to our farm population. The whole number to be admitted, adults and children, is only 100,000. That is only about one-tenth of 1 per cent of our existing population and their assimilation can not seriously affect us in our physical, mental, moral, political, or industrial make-up. All of them who could get with us fought with us during the World War, and the British military commanders estimated their service and mentioned them commendingly.

The bill (S. 4298) for the extension of the number of Turkish Armenians admissible as immigrants to the United States, and for the admission of orphaned and homeless Armenian children to American orphan institutions and to adoption in American private families, was read twice by its title and referred to the Committee on Immigration.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KING:

A bill (S. 4299) for the relief of the widow and minor children of Raymond C. Hanford; to the Committee on Claims.

A bill (S. 4300) providing for the sale and disposition of lands within the former Uncompahgre Indian Reservation, in the State of Utah, containing gilsonite or other like substances; to the Committee on Public Lands and Surveys.

By Mr. POINDEXTER:

A bill (S. 4301) granting a pension to P. G. Hobbs; to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 4302) granting an increase of pension to Patrick H. Guhin (with accompanying papers); to the Committee on Pensions.

By Mr. COLT:

A bill (S. 4303) to amend the joint resolution extending the operation of the immigration act of May 19, 1921, as amended by the resolution of May 11, 1922; to the Committee on Immigration.

By Mr. NICHOLSON:

A bill (S. 4304) authorizing the acquirement of a site and the construction of a building for a post office at Longmont, Colo.; to the Committee on Public Buildings and Grounds.

By Mr. BURSUM:

A bill (S. 4305) granting increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes; to the Committee on Pensions.

By Mr. DIAL:

A bill (S. 4306) to further regulate the trading in future contracts of agricultural products; to the Committee on the Judiciary.

By Mr. CALDER:

A bill (S. 4307) for the relief of John I. Conroy; to the Committee on Naval Affairs.

By Mr. PHIPPS:

A bill (S. 4308) to authorize the general accounting officers of the United States to allow credit to certain disbursing officers for payments of salary made on properly certified and approved vouchers; to the Committee on Claims.

By Mr. NEW:

A bill (S. 4309) to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921; to the Committee on Territories and Insular Possessions.

By Mr. McNARY:

A joint resolution (S. J. Res. 264) for the relief of the city of Astoria, Oreg.; to the Committee on Appropriations.

AMENDMENT OF AGRICULTURAL APPROPRIATION BILL.

Mr. STERLING submitted an amendment proposing to increase the appropriation for the location and destruction of the barberry bushes and other vegetation from which rust spores originate, etc., from $350,000 to $500,000, intended to be proposed by him to House bill 13481, the Agricultural Department appropriation bill, which was ordered to lie on the table and to be printed.

AMENDMENT OF INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. POMERENE submitted an amendment proposing to authorize an appropriation of $99,185 for the Perry's Victory Memorial, for improvement of the grounds and approaches to the memorial, parking, retaining walls, facing the upper and lower plazas with tile or other suitable material, etc., intended to be proposed by him to House bill 13696, the independent offices appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

HOUSE BILL REFERRED.

The bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

READING OF WASHINGTON'S FAREWELL ADDRESS.

The VICE PRESIDENT. The Chair designates the Senator from the State of Virginia [Mr. GLASS] to read Washington's Farewell Address February 22 next, which is to be read pursuant to an order of the Senate of January 24, 1901.

SENATOR FROM NEBRASKA.

The VICE PRESIDENT laid before the Senate the credentials of R. B. HOWELL, chosen a Senator from the State of Nebraska for the term of six years beginning March 4, 1923, which were ordered to be placed on file and to be printed in the RECORD, as follows:

EXECUTIVE OFFICE.
State of Nebraska, Lincoln.

To the President of the United States Senate:

This is to certify that on the 7th day of November, in the year 1922, at a general election held throughout the State of Nebraska, R. B. HOWELL, Esq., was duly chosen by the qualified electors of the State

of Nebraska a Senator from said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1923.

Witness his excellency our governor, Samuel R. McKelvie, and our seal hereto affixed, this the 3d day of January, in the year of our Lord 1923.

[SEAL.] SAMUEL R. MCKELVIE.

By the governor:

DARIUS M. AMSBERRY,
Secretary of State.

NAVAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. POINDEXTER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 8, 15, 17, 20, 29, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 9, 10, 13, 14, 21, 22, 23, 24, 26, 27, 28, 30, and 31, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,400,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,594,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,475,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$180,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert the following: "$9,903,000, of which sum an amount not exceeding $903,000 shall be available for the purchase, manufacture, and installation of antiaircraft guns for the United States ship *Maryland*, and ammunition and fire-control instruments required for such guns"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$135,340"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "No part of any appropriation made for the Navy shall be expended for any of the purposes herein provided for on account of the Navy Department in the District of Columbia, including personal services of civilians and of enlisted men of the Navy, except as herein expressly authorized: *Provided*, That there may be detailed to the Bureau of Navigation not to exceed at any one time 34 enlisted men of the Navy: *Provided further*, That enlisted men detailed to the Naval Dispensary and the Radio Communication Service shall not be regarded as detailed to the Navy Department in the District of Columbia"; and the Senate agree to the same.

MILES POINDEXTER,
CARTER GLASS,
FREDERICK HALE,
Managers on the part of the Senate.

PATRICK H. KELLEY,
BURTON L. FRENCH,
MARTIN B. MADDEN,
JAMES F. BYRNES,
WM. B. OLIVER,
Managers on the part of the House.

Mr. POINDEXTER. I move the adoption of the conference report.

Mr. ROBINSON. Mr. President, may we have a statement from the Senator respecting the agreements contained in the report before we proceed to its consideration?

Mr. POINDEXTER. It is a complete agreement on the differences of the two Houses. There were very few substantial changes made by the Senate in the bill. There was a compromise between the two Houses on those.

There was an increase by the Senate of $1,000,000 to the Naval Reserve. The conferees agreed upon an increase of $600,000. Another one was $550,000 for the manufacture of torpedoes. The Senate conferees receded from that amendment. Most of the other amendments were largely of a formal character, I will say to the Senator from Arkansas.

Mr. ROBINSON. May I ask the Senator from Washington if the conference report was unanimously agreed to by the members of the conference on the part of the Senate?

Mr. POINDEXTER. It was.

Mr. ROBINSON. I have no objection to the adoption of the report.

Mr. GERRY. Mr. President, reserving the right to object, I would like to ask the Senator from Washington what the conferees did in regard to the torpedo appropriation?

Mr. POINDEXTER. The Senator from Rhode Island is familiar with the provisions in the bill. He will remember that there was an item of $903,000 added to the appropriation for ordnance, relating to antiaircraft guns and fire control of antiaircraft guns on the battleship *Maryland*. That was taken out of the appropriation for increase of the Navy. But in taking that amount from the appropriation for increase of the Navy, the allotment of $10,000,000 allowed to ordnance was not changed. So the conferees took the view that that left a margin of $903,000 for ordnance, a large portion of which could be used for the manufacture of torpedoes. Therefore the special item of $550,000 was dropped.

Mr. GERRY. I shall not object to agreeing to the conference report, but I wish we might have kept that item in the bill.

Mr. POINDEXTER. We tried to keep it in, but were unable to do so.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

PRICE OF RUBBER.

Mr. McCORMICK. Mr. President, I have a report prepared by the Department of Commerce with reference to the British colonial restriction of the production of rubber and the increase in price to the American consumer, which is so grave and of such general importance that I ask unanimous consent to present it for incorporation in the RECORD, and in eight-point type.

The VICE PRESIDENT. Without objection it is so ordered.

The report is as follows:

EFFECT OF BRITISH COLONIAL RUBBER RESTRICTION LAWS.

INTRODUCTION.

Until 1900 wild rubber was the sole source of supply. The increased demand, largely on account of the development of motor cars, has resulted in 95 per cent of the world's supply of rubber being produced on plantations located in the Federated Malay States and Ceylon and in the Dutch East Indies. More than 72 per cent of this plantation rubber is grown in the British colonial possessions. An additional 8 per cent is controlled by British capital. The relative importance of wild and plantation rubber is shown by the estimated production for 1922 of 340,000 tons of plantation rubber as against 23,000 tons of wild rubber.

The plantation industry was enormously prosperous from 1910 until 1920. Following the business depression of 1920 and 1921, demand fell off, stocks accumulated, and prices went down. For a time cost of production exceeded the market price.

ENACTMENT OF RESTRICTION LAWS.

The British Government in October, 1920, appointed a committee to investigate the condition of the plantation industry, now known as the Stevenson committee. This committee was composed of British Government officials, plantation company directors, and rubber growers. There was no real representation of the manufacturing side. Despite the committee's failure to secure like action by the Dutch Government, it recommended in October, 1922, the adoption of colonial laws restricting exportation of rubber. These were approved by the British colonial secretary and adopted by the British colonies, effective November 1, 1922. The announced purpose of the laws was twofold: First, to restrict production to absorb what they thought was an excessive surplus of crude rubber stocks; and, second, to restore the market price so that plantations could produce at a profit.

BRIEF OF THE LAWS.

An export tax is the means used to restrict production. "Standard production" is fixed as 1920 production—335,000 tons—as found by the Stevenson committee. Exportations up to 60 per cent of standard production bear a nominal duty—1½ cents gold per pound, exchange at par. Hereafter our figures will be in gold based on exchange at par. If exports exceed 60 per cent of 1920 production, each and every pound from the first to the last exported in the year thereupon is subject to the prohibitive duty as shown by the following table:

Exportation over 60 per cent of standard production.

DUTY PER POUND.	Cents.
Over 60 per cent but not exceeding 65 per cent	7.94
Over 65 per cent but not exceeding 70 per cent	9.94
Over 70 per cent but not exceeding 75 per cent	11.92
Over 75 per cent but not exceeding 80 per cent	13.91
Over 80 per cent but not exceeding 85 per cent	15.90
Over 85 per cent but not exceeding 90 per cent	17.89
Over 90 per cent but not exceeding 95 per cent	19.87
Over 95 per cent but not exceeding 100 per cent	21.86
Over 100 per cent	23.85

The governor in council is charged with the administration of the act, and the law provides that he may increase the percentage of standard production that may be exported at the minimum duty. The governors have announced that they will follow the recommendation of the Stevenson committee in this respect, which was that if a market price of 30 cents gold was continuously maintained for any quarter—November, 1922, to January, 1923; February–April, 1923, and so forth—the minimum would be raised for the ensuing quarter from 60 to 65 per cent; if a price of 36 cents gold was continuously maintained for any quarter, the minimum would be raised for the ensuing quarter from 60 to 70 per cent. Likewise, the percentage may be reduced 5 per cent if a price is not so maintained at more than 24 cents gold.

RUBBER PRODUCTION.

No rubber is transshipped through the Dutch East Indies, owing to an import tax. The figures used for the Dutch East Indies are, therefore, export figures. For the Malay Peninsula actual export figures can not be obtained, but we use the estimate below as being very nearly correct. For Ceylon the figure of domestic exports is used. For the smaller areas estimates of the Statist are used to show 1920 production. Figures of rubber are shown in long tons:

	Tons.
Malay Peninsula (minus transshipments)	187,500
Ceylon (minus transshipments)	39,500
Dutch East Indies	88,800
ndia	6,400
Borneo	4,100
Sarawak	1,600
Indo-China	3,100
Total	331,000

EFFECT OF RESTRICTION SCHEME IN PRODUCING SHORTAGE IN WORLD STOCKS OF RUBBER.

According to the Stevenson committee, production of plantation rubber during 1920 totaled 335,000 tons. According to the detailed figures shown above, 68.6 per cent of the 1920 plantation production was in British Malaya and Ceylon. On the basis of the Stevenson committee's estimate this gives 230,500 tons as the amount subject to restriction in the British colonies. Allowing, say, 24,500 tons—Statist, 29,700 tons—additional for rubber produced from new areas, we have a total of 255,000 tons subject to restriction.

In 1923 we could expect 90,000 tons of rubber from the Dutch East Indies, unrestricted. It is estimated that 30 per cent of the plantations there are British controlled, and it is claimed that 84 per cent of that 30 per cent have agreed, with conditions, to voluntarily participate in the scheme. This adds 22,680 tons subject to restriction, making a total of approximately 277,500 tons.

Stocks available January 1, 1922.

		Tons.
Stevenson committee		[1] 310,000
Production first nine months 1922—Rickinson		273,600
		583,600
Consumption first nine months of 1922—rubber division:		
Retained in United States	210,000	
Estimated consumption, other countries	93,000	
		303,000
Available stocks Sept. 30, 1922		280,600

[1] Note that stocks were reduced by 30,000 tons, unless stocks were increased in consuming countries. This is not likely for any countries except the United States, Japan, and France.

STOCKS AVAILABLE NOVEMBER 1, 1922.

It may be assumed that during October, 1922, there was little change in the position of stocks. The position on November 1, 1922, then, was:

	Tons.
Stocks, Nov. 1, 1922	280,000
1923 world requirements from plantations (conservatively estimated)	359,000
Unrestricted plantation production (restricted areas, 277,500; unrestricted areas, 77,500)	355,000

Since prices have not been maintained in the first quarter—November 1, 1922, to January 31, 1923—at 30 cents gold per pound, there can be no further increase of the minimum percentage of production before the end of the second quarter, viz, May 1, 1923. Therefore, production, November 1, 1922, to May 1, 1923, will remain at 60 per cent of standard.

Stocks available May 1, 1923.

		Tons.
Nov. 1, 1922, to May 1, 1923, world's requirements of plantation rubber		178,500
Six months' production, restricted areas, 60 per cent of one-half of 277,500	83,250	
Six months' production, free areas, one-half of 77,500	38,750	
		122,000
		56,500
Reduction of stocks, November, 1922, to May 1, 1923:		
Stocks, Nov. 1, 1922	280,000	
Reduction of stocks by May 1, 1923	56,500	
Stocks May 1, 1923		223,500

The Stevenson committee used eight months' stocks as the necessary surplus. The Rubber Association of America estimates that six months' supply is sufficient. If the Stevenson committee's figures are used, we have the following position:

Eight months' necessary stocks	239,333
Shortage May 1, 1923	15,833

If we assume that the price after May 1, 1923, rules at 36 cents or above, 10 per cent additional releases will occur at regular quarterly periods. The world quarterly requirements of rubber from the plantations will be 89,750 tons. The position of stocks at ends of various quarters will then be as follows:

	Tons.
Stocks May 1, 1923: A 10 per cent release, making 70 per cent (67,937 tons), 21,813 tons less than needed during the quarter	223,500
Stocks Aug. 1, 1923 (deduct 21,813), a 10 per cent release making 80 per cent (74,875)	201,687
Stocks Nov. 1, 1923 (deduct 14,875)	186,812

Thus, November 1, 1923, the available stocks will have been reduced to but six months' supply, whereas eight months is taken by the Stevenson committee as a necessary supply to do business. This is on the assumption of maximum releases under the Stevenson plan. There is no allowance for increased demand to meet an estimate of 2,000,000 additional automobiles in 1923, nor for new uses for paper manufacture and other purposes now being experimented with.

The price of crude rubber was at its high point in 1910, when it exceeded $3 per pound. In 1913 the average price for plantation crêpe was 72 cents; in 1914, 55 cents; 1915, 60 cents; 1916, 68 cents; 1917, 67 cents; 1918, 55 cents; 1919, 50 cents; 1920, 46 cents; 1921, 20 cents; and for the first 10 months of 1922 it averaged about 15 cents in the London market.

The reasons for the passage of the law seemed to be disappearing at the time of its enactment, as the surplus stocks of rubber had apparently been decreased by about 30,000 tons in the preceding nine months. The resumption of manufacturing is absorbing the surplus feared by the Stevenson committee. Published reports of investigators who visited the estates this year and financial statements of the plantation companies indicate the cost of production has been adjusted to lower price levels, permitting adequate profit with prices at 24 cents. Reliable information available warrants the belief that rubber is now being produced at a cost of 11 cents seaboard in the Far East on some of the plantations. No capital charges are included in these costs, however, and such charges would frequently be fairly heavy as the plantations were capitalized during the boom period, and there has in many cases been a considerable watering of stock. An American company which owns a plantation of 45,000 acres in the island of Sumatra ceased tapping operations in June, 1921, when the price of rubber was 16½ cents, and stated that it would leave the trees on its own plantation untapped as long as rubber could be purchased in the open market cheaper than it could be produced. The company has not resumed tapping as yet.

An economic price for rubber has a great influence upon the development of highway transportation. In this field rubber is a necessity, and if the cost is not prohibitive, the volume required will be greatly increased.

WORLD WAR DEBT FUNDING COMMISSION.

Mr. HEFLIN. Mr. President, I note in the Washington Post of this morning an article the headlines of which read as follows:

Would repay debt by trade balances.
British chancellor outlines his country's program to meet obligations to America.

There is another article in the Washington Post regarding the appointment of a Justice of the Supreme Court of the United States. The closing paragraph of that article reads:

President Harding spent some time yesterday afternoon in conference with Secretary of the Treasury Mellon and Senator SMOOT discussing the funding of the British war debt to the United States.

I promised on yesterday again to bring this matter to the attention of the Senate and the country to-day.

Mr. President, actual negotiations have begun for the funding of the British debt to the United States. The envoys of Great Britain are in the Capital; the members of the debt commission who were appointed by the President are meeting with them day after day. They are solemnly discussing the question of settling the terms of the payment of the debt between the Government of Great Britain and the Government of the United States. The people of the United States are represented in Congress by two great political parties. Those two parties are supposed to speak for the whole American people. The present minority party and the people represented by it, however, are not represented on the debt commission. I submit that that is a denial of common justice to the Democratic Party and a rank outrage upon the American people.

Mr. President, to our utter surprise the President failed to appoint a single Democrat on the debt commission. I protested against that action. My friend, the Senator from Georgia [Mr. HARRIS], introduced a bill looking to giving us representation, and that bill was referred to the Committee on Finance some three weeks ago. The Senator from Georgia has worked persistently to have that bill favorably acted upon, and I have been cooperating with him to the end that we might have the bill reported out, brought before this body, and speedily passed and sent to the other House for early action.

Who can deny that it is right and just that the Democrats should be represented upon the debt commission.

What does the article to which I have referred state? It states that the President was in conference with the Republican Secretary of the Treasury and with a Republican Senator, who is a member of the debt commission, quietly discussing the matter among themselves, with no Democrat present to participate in the discussion and to know what was the nature of the negotiations. I do not care what party should undertake to do such a thing; if my own party should do it, I would condemn it. No party has a right to take over negotiations in reference to a debt which is due to the whole American people, and handle the matter as it would a private campaign fund which was contributed to that party for the purpose of attaining party success. The American people are entitled to know what is being said in the sessions of the debt commission; everything in reference to the matter ought to be in the open; there is no occasion for secrecy. The debt is owed to the American people, and they are entitled to know what is being done day after day looking to its collection.

I do not know what are the best methods to employ in the collection of the debt. I wish to do that which is the very best that can be done; I do not want to be hard on our allies; I want us to be fair to them and at the same time I want us to be entirely fair and square with the American people. I do know, as I said on yesterday, that the American people are tax burdened and debt ridden, and that if we can speed up the collection of the debt which is due us and secure the payment of some of it we can reduce taxes on our own people and accomplish great good in the affairs of our own people here at home. Charity should begin at home. That doctrine is sound politically as well as good religiously. I think we ought to be just to our own people before we undertake to be generous to other peoples.

On yesterday, Mr. President, after I had discussed this matter, I suggested to the Senate that on to-day I should feel it my duty to take some steps toward discharging the committee from the further consideration of the bill of the Senator from Georgia, to which I have referred. I made that statement because my friend from Georgia, who is the author of the bill and has been working so enthusiastically and persistently to have it favorably reported by the committee, had been temporarily called from the Chamber. I see the Senator from Georgia is now on the floor. I do not want to take any steps in the matter without conferring with him, for I am trying to cooperate with him and to help him to secure the object he desires to attain by the passage of the bill.

Mr. HARRIS. Mr. President, I am very glad to have the help of the Senator from Alabama and of other Senators in the effort to secure the passage of the measure which I have introduced providing for Democratic representation on the World War Debt Funding Commission. While I am anxious for this bill to be passed as early as possible, I have no complaint, Mr. President, on account of the delay which has ensued in connection with the measure. The chairman of the committee to which the bill was referred has twice called the committee together to consider it, but during the Christmas holidays the chairman and so many Senators, both Democrats and Republicans, were absent that he was unable to obtain a quorum, and on Saturday last had a similar experience. The chairman of the committee has again called a meeting for to-morrow morning at 10.30 o'clock to consider the bill. I have seen a majority of the members of the committee, who promise to be present and pass on the measure, and I feel sure they will make a favorable report.

I should like to say further that every member of the committee on the other side of the Chamber with whom I have discussed the question and a number of Republican Senators not members of the committee have assured me that they would support the bill. I have no complaint whatever of the chairman of the committee or members of the committee.

I introduced it on December 18, and Congress was not in session several days afterwards on account of Christmas holidays; to-day is the 9th of January. The chairman and other members of the committee, both Republicans and Democrats, were absent for a few days. I have been doing my very best to secure consideration of the bill; the chairman of the committee has likewise done his best; and I imagine that there are very few bills which have been considered so promptly as this bill will have been by to-morrow morning when the committee will pass upon it. So far as I know, this is the only bill of its kind that has been introduced. I regret that the President ignored the Democrats in making his appointments on this commission. My measure was not introduced in a partisan spirit; it was intended to prevent anything of the kind. I realize that the solution of this financial question—the greatest that will perhaps come before Congress within a century—may not be a popular one; the country may be disappointed in our efforts to collect these debts, and it might be better from a partisan Democratic standpoint to let the commission remain a partisan one, composed entirely of Republicans, but this is too important a matter to our country to let politics enter into its discussions. I believe that if Democratic Members of the Senate and House were named by the President as members of the Debt Funding Commission, to serve with the Republican members already appointed, making it a nonpartisan commission, their recommendations to Congress would be considered without partisan discussion.

Mr. HEFLIN. Mr. President, I shall not make the motion which I suggested yesterday, in view of the statement of my friend from Georgia; but I submit that there is ground for complaint against the committee, and I lodge that complaint myself. I am interested in the bill of the Senator from Georgia the same as if I were its author. I could offer an amendment myself to the proposal; but I am supporting the measure introduced by my friend from Georgia, and I submit that the committee ought to have acted before the Debt Funding Commission commenced negotiations with the representatives of Great Britain. The Democratic Party ought to have had representation on the commission before any meeting was ever held. That is the point I am making. I do not want to wait until the administration has quietly made known its position on this matter to the foreign envoys. Negotiations are already under way in this very important matter. It is no small affair, for it involves $12,000,000,000 owed to the whole American people.

If the Republican Party, which formerly declined outright to put any Democrat upon the Debt Funding Commission, now has agreed to take action upon the measure to-morrow, that is better than no action at all; but the attitude of the Republican Party has been that the Democratic Party was not to have any representation upon that commission. The Republican Party flatly declined to give us representation upon that commission. We are entitled to such representation; and I am going to continue to demand it till we get it. I want action upon the measure of the Senator from Georgia, and I am entitled to have it; the Democratic Party and the country are entitled to have it; the whole American people are entitled to have it. I do not intend so long as I am a Member of this body that any party shall treat a debt owed to the whole American people as a debt due to the campaign committee of that party. I do not intend that any party shall conduct negotiations regarding that indebtedness, amounting to $12,000,000,000, behind

closed doors and discuss it in a way that nobody but the leaders of that party shall know what is going on. That is my position in short. There is not anything so powerful in this country as public opinion in action, and the way to reach that public opinion is to give it the truth, and then it can be formed and action will be obtained.

I say again in conclusion that it is an outrage that the Democratic Party of the United States has not already secured representation upon the Debt Funding Commission, and we are going to have representation upon that commission or know the reason why. This matter is not a matter to be handled singly and solely by the representatives of the Republican Party; it is a United States matter and the two parties charged with the operation of the Government are entitled to be present through their representatives when negotiations are had.

It may be that some Democrat might be appointed a member of the commission to whom I would not agree, but the Democratic Party is entitled to have representation on it, and I reserve the right to fight the confirmation of anyone whose name may be suggested that I do not believe would be wholeheartedly in favor of doing what the American people want done toward collecting the debt of $12,000,000,000 owed to them and not to the leaders of the Republican Party.

Mr. BURSUM. Mr. President——

Mr. HEFLIN. I yield to the Senator from New Mexico.

Mr. BURSUM. Is it not true that the Congress has definitely defined the powers of the Debt Funding Commission and that their duties are purely administrative, and that there is no power within the scope of the authority given the commission to do other than follow the direction which has already been given by the Congress?

Mr. HEFLIN. Mr. President, the Congress did say that they could defer payment for no longer a period than 25 years, I believe, and that they would not permit them to fix an interest rate less than 4½ per cent, I believe; but I do not know what is being cooked up to be served in another Congress. I do not know what sort of a propaganda is going on behind closed doors. Another effort may be made later on to unloose these restrictions that we have got around it, and this secret debt commission may come in with a report and advocate the cancellation of the debt and submit it to another Congress and say: "These are our findings." I want some Democrat on that commission, so that he will know whether those findings are correct. I repeat, it is right and just and just common honesty that the Democratic Party should be represented on that debt commission.

Already they are saying that they have not power enough. Already they are saying that Congress must untie their hands. Untie them? If you are going to keep this a partisan commission, I am in favor of hamstringing them—not only tying their hands, but I would hog tie them. I do not propose to have five partisans of any party sit down and say what shall be done with a $12,000,000,000 debt.

There are a lot of people in this country who think now that some of these international bankers, if they can force the cancellation of this debt, will get two and a half billion dollars in commissions for persuading the American people to cancel it. What an outrage upon common decency to appeal to the sympathy of the American people to forgive this debt, to cancel it, and then turn around to those interests and say, "We got it canceled; where are our commissions?" Why, there will be a scandal in this thing that will smell to high heaven before it is over.

Put some Democrats on that commission—real Democrats, Democrats who represent the people—and let them work together, and if the Republicans submit a proposition that is right and just, let them agree to it. If they do not submit such a proposition, let them antagonize it. Let the American people know their viewpoint as contrasted with the viewpoint of the Republicans.

Mr. BURSUM. Mr. President, is the Senator from Alabama entertaining some fear that he may be converted to the proposition of passing a bill canceling this debt?

Mr. HEFLIN. No, sir; not the Senator from Alabama.

Mr. BURSUM. It can not be done without legislation.

Mr. HEFLIN. Plans can be discussed and ways and means suggested without legislation.

Mr. BURSUM. Why does the Senator think some other people might be converted, then?

Mr. HEFLIN. I am like the old Quaker's wife who said, "I am satisfied so far as I am concerned, but I am not so sure of John." [Laughter.] So, Mr. President, I am sure about myself in this matter, but I do not know what my friend from New Mexico would do under partisan pressure and partisan exigencies. I simply want my party represented on this commission. It is simply a matter of right. I pointed out yesterday that we had a committee of five in this Chamber to look after the contingent expenses of the Senate, and they even put two Democrats on it to safeguard that situation.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from North Dakota?

Mr. HEFLIN. I yield to the Senator.

Mr. McCUMBER. Mr. President, I simply desire to say that the Senator from Georgia [Mr. HARRIS] correctly stated the status of the bill. In all cases these matters are first referred to the department for any suggestions that the department may make. In the case of this particular bill, as I explained to the Senator from Georgia, I will admit that through inadvertence there was a little delay in sending down the letter of inquiry. As soon as I ascertained that fact I sent it down by special messenger, asking for a speedy report, and I called a meeting of the commmittee for last Saturday. I was unable to secure the attendance of more than two or three Senators at that meeting. Therefore I called a meeting for to-morrow morning. At to-morrow morning's meeting I hope not only that we shall have a quorum, but that we shall be able to dispose of the bill and report it back to the Senate.

Personally I agree with the Senator from Georgia that the personnel of the commission should be increased—not that I think it would do any good to increase it under the present law, because the commission is so tied hand and foot by the law itself that there is little it can do in the settlement of any matter. Personally I think we should give the commission more leeway, and especially with reference to the rate of interest and the time within which payments may be made; but that would have to be done by another bill. I agree with the Senator from Alabama, however; I think there should be an increase in the personnel. The Members of the House and the Senate who are on that body have their work to do here, and I should like to see on that commission some good, strong men outside of Congress and outside of those who are at present holding political offices; and if we increase the number I should not object if all of them were good Democrats. I do not think it is a partisan question at all. I think it is purely an American question and that we should select the best and most capable men for the positions.

I can only say in reply to the Senator that we hope to report the matter out at a meeting to-morrow if I can possibly get one together.

Mr. HEFLIN. Mr. President, I am very glad to have that statement from the chairman of the committee; but I call the attention of Senators who are present to the changed attitude upon this matter of some Senators. When I discussed this matter some days ago I called upon the Senator from Utah [Mr. SMOOT], himself a member of the commission, to know if he favored our having representation upon that commission, and the profound answer made by the Senator from Utah was that he did not propose to contribute to a filibuster. Now the chairman of the committee, the Senator from North Dakota [Mr. McCUMBER], very frankly states that he is favorable to this proposition. It looks now as though we are going to get favorable action upon it. That is all I want. I want action. I do not want any postponement. I do not care to discuss it, except to get the facts about it in the RECORD, so that the people of the country may know.

I repeat, this is no small concern. The Senator from North Dakota suggests that they should have more power. Well, there you are. We thought it was best to put certain restrictions around that commission. I still think it is right to restrict their activities. I want to know what is being said up there. Suppose some fellow there says, "Well, I would favor cancellation, but the Democrats are not in favor of it," do you suppose they would work very hard to start paying this debt? Not a bit of it. What would they hope to do? To get it deferred; to let them dally with it, play with it, with nobody but the Republicans in conference with them knowing what the plans and purposes are, and they could give to the public one idea as to what ought to be done and be talking another way behind the screen. That is not going to happen if I can prevent it.

So I have no more to say, after the statement of the Senator from North Dakota, the chairman of the committee. I await the action of the Committee on Finance.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House disagreed to the amendments of the Senate to the bill (H. R.

13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MADDEN, Mr. KELLEY of Michigan, and Mr. BYRNS of Tennessee, were appointed managers on the part of the House at the conference.

SECOND DEFICIENCY APPROPRIATION BILL.

The PRESIDING OFFICER (Mr. ROBINSON in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist on its amendments disagreed to by the House of Representatives, agree to the conference asked for by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. WARREN, Mr. CURTIS, and Mr. OVERMAN conferees on the part of the Senate.

TAXATION OF NATIONAL BANKS.

Mr. KELLOGG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 11939. It is a bill just reached yesterday on the Calendar, and provides a rule for the taxation of national banks. It is very important, because many of the tax systems of the States will be invalidated unless this bill is passed very soon, and the legislatures of the States are now in session.

Mr. ROBINSON. Mr. President, may I ask the Senator from Minnesota if this bill is unanimously reported from the Committee on Banking and Currency?

Mr. KELLOGG. The bill was, I believe, unanimously reported from the committee. I do not think there was any objection to it by the committee. It was discussed a long time before the subcommittee, and then discussed before the full committee, and hearings have been had upon it which have lasted for months; and I think the bill, when reported, was unanimously reported. The chairman of the committee can correct me if I am wrong.

Mr. KING. Mr. President, will the Senator yield?

Mr. ROBINSON. Yes.

Mr. KING. As I understand there is some disagreement among the members of the committee, if not with respect to the bill itself, certainly with respect to an amendment which the Senator from Minnesota has offered, or expects to offer.

Mr. KELLOGG. I understand that the committee this morning reported a provision for ratification of past taxes which have been declared illegal under the act of Congress, and has authorized the Senator from Pennsylvania [Mr. PEPPER] to offer it as an amendment to this bill; so I do not think there is any disagreement in the committee on that subject. At least I should like to have the matter brought up and considered a while during the morning hour, and then, if any Senator wants it to go over, it can go over. I should like to have the Senator from Pennsylvania make a statement on it. He is in charge of the bill for the committee.

Mr. ROBINSON. Mr. President, I was just about to suggest that the Senator who sponsors the bill, the Senator from Minnesota himself, should also make a statement in explanation of its provisions and purposes. Then the Senate in all probability will be in a position to know whether it desires to proceed at once with its consideration or to defer it.

Mr. KELLOGG. I should be very glad to do it, only I thought I should yield to the Senator from Pennsylvania, who is present, to present it first, and I shall be very glad to supplement anything he has to say if the unanimous consent is granted.

Mr. KING. Mr. President, with the understanding that the request of the Senator goes no further than what he has just stated, namely, that the bill be discussed, and if any Senator later shall feel that he would like further time for consideration——

Mr. KELLOGG. If Senators wish further time, I certainly would not insist on its being disposed of this morning.

Mr. KING. I should be very glad to have it discussed for a while.

Mr. KELLOGG. I would not ask to go beyond the morning hour anyhow, on account of the appropriation bills.

Mr. SMOOT. Mr. President, I should not like to have it disposed of to-day. I have a great many letters at my office in relation to this bill, some of them criticizing it most severely, and I should not want to have it passed upon to-day. I have no objection to discussing it, but I do not want it passed upon.

Mr. KELLOGG. It will have to be discussed at some time, and I should like to have the discussion started this morning.

The VICE PRESIDENT. Is there objection to proceeding with the consideration of the bill?

Mr. SMOOT. With the understanding that it is not to be acted upon this morning, I have no objection.

The VICE PRESIDENT. The rules provide that an objection may be made at any time.

Mr. SIMMONS. Mr. President, do I understand that we are simply to take it up for the purpose of having an explanation, and then it is to be laid aside?

The VICE PRESIDENT. It can be taken up by unanimous consent, and then, after taking it up, any Senator can object to its further consideration.

Mr. SIMMONS. Very well.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, which had been reported from the Committee on Banking and Currency with an amendment in the nature of a substitute.

Mr. PEPPER. Mr. President, this measure is an attempt to deal with a serious difficulty which at present exists in connection with the taxation by the several States of shares in national banking associations. These bodies, being agencies of the Federal Government, may not be taxed by the States excepting in accordance with such legislation as the Congress may from time to time enact. In section 5219 of the Revised Statutes Congress undertook to state the conditions upon which the States might tax the shares in national banks.

The language of section 5219, as it now stands, is far from clear. It is susceptible of either one of two different constructions. One construction is that the States may tax shares in national banks, provided the rate applied to those shares is no higher than the rate which the State applies to shares in its own banks and trust companies. The other construction is that the rate applied to the shares of national banks must be no higher than the rate which the State applies to any moneyed capital in the hands of individuals which, in fact, comes into competition with banks, National and State, even if it is not specifically embarked in banking business. Those are the two possible interpretations of section 5219 as it stands.

The former of those interpretations, namely, that the State will be within its power if its rate of taxation applied to national-bank shares is no higher than its rate applied to State banks and trust companies, is the one which, through a series of years, has been accepted by the legislatures of the several States, and taxes have been levied and assessed and collected in accordance with the theory that those taxes are valid, because in the instances to which I refer the rate of taxation was no higher than the taxing States were applying to their own banking institutions.

The Supreme Court of the United States not long ago, in 1921, to wit, decided that this conventional interpretation which had been acted upon by the States, and in accordance with which legislation had been passed, and under which many millions of dollars of taxes had been collected, was not the true interpretation of section 5219, and in a case coming up from the State of Virginia declared the true intent and meaning of section 5219 to be that the tax rate applied to national-bank shares shall not be higher than the rate applied to any moneyed capital in the hands of citizens of the State, even if not specifically embarked in banking business, if it should appear that in any way that capital came into competition with the national banks. It was admitted on the record in that case that the moneyed capital in the hands of individuals did come into competition with the banking business, and since the rate in the State of Virginia applicable to such moneyed capital in the hands of private people was lower than the rate applied alike to the State trust companies, banks, and national banks, it followed that the tax had been improvidently collected, and it was so decided.

Thereupon a serious situation was precipitated. Two questions arose for consideration; first, whether that interpretation placed by the Supreme Court upon section 5219 was an interpretation disclosing a condition of legislation satisfactory to the Congress and to the States, or whether it should be in some particular amended, either to conform to the old conventional interpretation, now set aside, or in some better way; and, in the second place, with regard to the large amount of tax money which had been collected by various taxing agencies or States throughout the Union, whether that money should be sued

for and recovered by the taxpayers on the theory that it was money paid under an invalid tax and therefore repayable to the taxpayer on suit or whether the National Government could take some steps by legislation to authorize the several States to validate the collections theretofore made, and to justify the retention of those collections in the face of demands for their return.

Those two questions were faced and dealt with by the draftsmen of several measures introduced into the House and introduced into the Senate. One measure, the bill which is now before the Senate for consideration, a House measure in its origin, dealt with both the problems, the problem, to wit, of a restatement of section 5219 to meet the difficulty created by the decision of the Supreme Court, and to fix the terms upon which taxation for the future should proceed; and also, with the validating provision, which undertook to authorize the States to pass legislation justifying the retention of moneys collected. A Senate bill was introduced by the Senator from Minnesota [Mr. KELLOGG] which likewise dealt both with the problem of revising section 5219 for permanent use, and also with the validating emergency.

These measures having been referred to the Committee on Banking and Currency, and adequately considered by that committee, it seemed to the committee that the two problems were diverse in their nature, one of them having to do with the permanent amendment to the legislation of the United States for all time to come in the field of State taxation of national banks, and the other of them being purely an emergency measure, to deal with the particular situation created by a single decision and the consequences that followed from it. It seemed therefore that it was desirable that these two different questions should come before the Senate in two different measures and should receive separate consideration.

Accordingly, it was determined by the Committee on Banking and Currency that the House bill should be amended by striking out all after its enacting clause, and that there should be substituted a provision which, in the judgment of the committee, satisfactorily deals with the subject of future taxation; and that the bill introduced by the Senator from Minnesota should be amended by striking out all after its enacting clause and inserting provisions converting it into a measure which would squarely bring before the Senate the question whether or not validating legislation was to be enacted. The House bill, with the amendment recommended by the committee, was accordingly reported out, and that is the measure now before the Senate for consideration.

It differs from section 5219 in the following particulars: Section 5219 provides that the taxation of national-bank shares by the several States shall not be at a higher rate than the rate applied by those States to moneyed capital in the hands of individual citizens, and that, as I have explained, has been interpreted by the Supreme Court to mean any moneyed capital, even if not engaged in the banking business, which comes in competition with the banks. That is section 5219.

The bill introduced by the Senator from Minnesota proposed to amend section 5219 by substituting the following test, that the rate of taxation applied by the State to national-bank shares should not be higher than the rate applied by the State to shares in its own State banks and trust companies.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. PEPPER. I yield.

Mr. KELLOGG. My bill provided that the rate applied by the State to national-bank shares should not be greater than the rate applied to all moneyed capital engaged in banking, whether it was in State banks, trust companies, or private banks—all capital engaged in banking.

Mr. PEPPER. The Senator is correct; I misstated the provision of his bill.

The proposal which the committee had under consideration when the House bill came before it was the one I had in mind, namely, that the test should be whether the tax imposed by the State was higher than the rate applied to its own banks and trust companies, and the Senator from Minnesota proposed to revise or amend that test by substituting the one which he has correctly stated, namely, the test of the rate applied by the State to any moneyed capital engaged in the business of banking, so that there should be no discrimination against national banks and in favor of State banks and trust companies or private bankers, even if not incorporated.

Objection was made to that test on the ground that the effect of it was to segregate banking capital, as such, as a possible target for discriminatory taxation; and in order to safeguard the test suggested by the Senator from Minnesota the committee has reported the following qualification to the test proposed, namely, not merely that the rate of taxation applied to national-bank shares shall not be higher than the rate applied by the State to capital engaged in the banking business in the State, but that it shall not be higher than the average of the rates applied by the State to shares in business, manufacturing, and commercial corporations. In other words, the danger apprehended from the test suggested by the Senator from Minnesota was that legislatures might be hostile to banking business as such, irrespective of whether it were banking business conducted under a national banking association or by a State bank or trust company or by a private banker, in which event there might be discriminatory legislation against the banks; and it was therefore thought that some further safeguard should be imposed which would protect banks of all sorts from that discrimination. The suggestion made by the committee is that that safeguard will be found by averaging the State tax rate on the shares of these other classes of corporations to which I have referred—business corporations, manufacturing corporations, and commercial corporations—and that the average of their rates shall be the limit beyond which the State can not go in taxing shares in national banks.

Mr. McCORMICK. Mr. President——

The PRESIDING OFFICER (Mr. MCLEAN in the chair). Does the Senator from Pennsylvania yield to the Senator from Illinois?

Mr. PEPPER. I yield to the Senator.

Mr. McCORMICK. Would it inconvenience the Senator at this point to explain, perhaps very briefly, how the average rate on corporations or capital other than banking capital would be determined?

Mr. PEPPER. It is extremely difficult to answer the question of the Senator, for the reason that the several States have divergent practices in regard to the taxation of the other forms of corporate activities. In some States no tax at all is imposed on capital invested in manufacturing. It is, therefore, provided in the measure reported by the committee that in case a State does not tax any or all of the corporations other than banks the average of the rates ceases to be the limit, and the only limit that is left is the one suggested by the Senator from Minnesota.

Mr. KELLOGG. Mr. President——

Mr. PEPPER. I yield to the Senator from Minnesota.

Mr. KELLOGG. If the Senator will allow me, the Supreme Court has already held that States may exempt real estate or manufacturing or other corporations, and that does not in any way invalidate the bank tax.

I might further add, in answer to the Senator from Illinois, that where a rate is proposed it is not difficult to find the average rate imposed in the State. It is done every day by tax commissions.

Mr. PEPPER. Mr. President, it is perfectly true, as the Senator from Minnesota has stated, that it is not at all difficult in the case of any particular State to find the average. I understood the question of the Senator from Illinois to be a general question as to what the States as a whole have done in the matter, and my answer to that was that I could not make a statement applicable to all the States because they have dealt with the problem differently. But I quite agree that in any one State it is quite easy to state the average rate and apply it as a test under the terms of the bill.

Mr. KELLOGG. I might add that the limitation applies to each separate State.

Mr. PEPPER. This is a measure, as the Senator has explained, which will have a particular application to each of the several States, and it is adjustable to the policy of each State in respect of its various types of corporations.

Mr. President, summing up briefly, we have now on the statute books a section of the law susceptible of two interpretations. The interpretation placed upon it by the Supreme Court is out of harmony with the interpretation which in the past has been accepted and acted upon. It is deemed by the committee to be an unfortunate interpretation, not in the sense that it may not be the right interpretation of the language as drawn, but that it furnishes a poor basis upon which to build up the tax laws of the States in the future. Therefore, the question is, What shall we substitute for section 5219? As between the various tests which have been suggested, it has seemed to the committee that the best one is to limit the rate of tax which a State may impose upon national-bank shares by adopting the safeguard that it shall not be greater than the rate applied by the State to any money engaged in the banking business, whether in the hands of incorporated banks, trust companies, or private banks, superseding a further safeguard by providing that if a State taxes manufacturing, business, or com-

mercial corporations at a rate or at a series of rates of which the average is lower than the rate applied to bank capital, that then, so far as national banks are concerned, that lower average rate applied by the State to the other corporations shall be the limit of the exercise of its taxing power.

The report of the committee deals with two or three other matters which may be mentioned merely to dispose of them. Section 5219, the present section, seems to contemplate primarily the form of taxation——

Mr. SIMMONS. Mr. President——

Mr. PEPPER. I yield to the Senator from North Carolina.

Mr. SIMMONS. Before the Senator leaves the matter I would like to ask him a question. Suppose the rate imposed by the State upon the capital of State banks were higher than the rate imposed by the State upon its corporations engaged in other than the banking business, would the bill in the form in which it is presented mean that the State could only tax the shares of national banks to the amount of the lower tax, assuming that the tax on corporations be lower than the tax on State banks? In other words, to make myself clear, suppose the tax imposed by the State on money invested in corporations was lower than the tax imposed by the State on money invested in its State banks; would the power of the State to tax national-bank stock be limited to the lower rate?

Mr. PEPPER. Yes; that is to say, the object of the provision in the measure before the Senate for ascertaining the average rate applied by a State to corporations other than banking corporations of the classes enumerated is to afford a safeguard against what by many is apprehended as a real danger, that if we leave no other check on the State's power to tax national-bank shares than the limit of what it does in the case of State banks and trust companies, we would be segregating banking capital, as such, as an object of hostile taxation. This is an attempt to guard against that danger by providing that if in any State legislation discriminatory against banking capital and in favor of the other classes of corporations shall be resorted to, then, so far as national-bank shares are concerned, the rate applicable to the other classes of shares shall be the applicable rate and not the rate applied by the State to other banking capital.

Have I made my answer clear to the Senator from North Carolina?

Mr. SIMMONS. It is entirely clear; but it seems to me that very method might possibly bring about discrimination, and a very glaring discrimination, in the tax imposed upon money invested in national banks and the tax imposed upon money invested in State banks.

Mr. LENROOT. Mr. President——

Mr. PEPPER. I yield to the Senator from Wisconsin.

Mr. LENROOT. I would like to ask the Senator with reference to his construction of the proviso (b). Assuming that shares of a mercantile corporation under the laws of a State are left to be valued by local taxing officers and that they take the local taxing rate, how would that average value be determined under the provisions of the bill?

Mr. PEPPER. The language of the section is so drawn, if the Senator will notice, as not to be applicable only to direct action by the State but to any taxation of those classes within the taxing State, thus covering the cases in which the taxing shall actually be done by a taxing subdivision of the State.

Mr. LENROOT. But my point was how was the average value to be determined without valuing every share of stock in the State?

Mr. PEPPER. It is a mere mathematical calculation to ascertain in any given State what is the average of the rates of tax in force within that State applicable to corporations of the classes specified.

Mr. LENROOT. That is, irrespective of the value of the property?

Mr. PEPPER. Yes; irrespective of the value of the property.

Mr. FLETCHER. May I suggest to the Senator that the language is not "the average rate," but "the average of the rates."

Mr. PEPPER. Yes; the average of the rates.

Mr. LENROOT. How would that average be arrived at? If there were 70 counties in the State, would it be necessary to take all the municipalities and add together the different rates and then divide by the number?

Mr. PEPPER. If it were to be imagined that there was in any State a varying number of rates in different parts of the State applicable to the shares—let us say, of manufacturing corporations—then it would be necessary.

Mr. LENROOT. There would be such necessity in every case where they were valued by a local taxing agency to take the local tax rate, would there not?

Mr. PEPPER. In every case where the taxing is done by a local body and not merely the local appraisement for the purposes of taxation. In every such instance we would establish a factor which would have to be taken into consideration in striking the average.

Mr. LENROOT. Now, may I ask one other question? Does the Senator think that rate would be for the current year in which the bank rate is to be applied or would it be for a preceding year? The language seems to be silent upon that subject. It could not be the current year, of course.

Mr. PEPPER. That is to say, whether the average, if there was a difference, should be the preceding year or the year in which the tax is made?

Mr. LENROOT. It would have to be the preceding year to make it workable at all.

Mr. PEPPER. I should think it would be the last average ascertainable under the last preexisting State legislation.

Mr. LENROOT. I think so. Does not the Senator think that should be cleared up?

Mr. PEPPER. I think if it needs clarification it certainly ought to be.

Mr. POMERENE. Mr. President, may I ask the Senator a question?

Mr. PEPPER. Certainly.

Mr. POMERENE. Has the bill been reported yet which looks to the validating of the taxes which have been imposed?

Mr. PEPPER. The validating part of the program has not been entered upon yet; but I am credibly informed that at the proper time the Senator from Minnesota [Mr. KELLOGG] will move, as an amendment to the pending measure, the validating provision which has been under consideration by the committee; and if and when that is done I am authorized by the committee to make no objection to the addition of the amendment in order that it may be considered by the Senate at the same time the principal question is considered.

Mr. POMERENE. If the Senator from Pennsylvania does not object, I would like to ask two or three questions along that line.

Mr. PEPPER. May I ask the Senator whether he is going to deal with the validating feature?

Mr. POMERENE. Yes.

Mr. PEPPER. Would it be agreeable to the Senator to allow me in a sentence or two to conclude what I have to say about the other part of the measure?

Mr. POMERENE. Certainly.

Mr. PEPPER. I suggest that because the proposed revision of section 5219 now before the Senate deals not merely with the point which we have so far discussed, namely, the limitation upon the power of the State in taxing shares, but it makes clear what in the judgment of the committee needed to be made clear, namely, that provision should be made for the case in which a State desires to tax, not the shares as shares, but the income of the banks under some form of corporate income tax or, in the alternative, to include dividends received from the shares in the taxable quota of the property of a citizen taxable as his income under a State income tax law. So the measure before the Senate deals not only with the taxing of shares as shares but it comprehends also the case in which the State may desire to tax the income of a national bank and the case in which the State may desire to include dividends upon shares in national banks in the taxable income of the citizen, the provision being that any one of those forms of taxation of national-bank shares shall be in lieu of the others.

This, Mr. President, completes the summary statement of so much of the problem as has to do with the permanent basis of State taxation of national-bank shares.

Mr. POMERENE. Mr. President——

Mr. PEPPER. I yield to the Senator from Ohio with regard to the validating proposition.

Mr. POMERENE. Mr. President, I wish to ask these questions now in order to obtain an expression from the Senator from Pennsylvania, who has given a great deal of thought to this subject. Before asking the questions I desire, however, to make a preliminary statement.

Of course, those who sponsor the validating provision which will be offered do it on the theory that under the recent decision of the Supreme Court taxes which have been levied against national banks by the State or local subdivisions of the State are illegal, and it is proposed by the Congress of the United States to permit, so far as it can, the State legislatures to pass laws which will validate those illegal taxes.

Now, I wish to submit to the Senator from Pennsylvania two questions. First I wish to say that for a number of years the Congress of the United States has been passing appropriation bills authorizing the refunding to taxpayers of taxes which

have been illegally exacted and collected; in fact, on yesterday, in the deficiency appropriation bill which was passed by the Senate we provided for the refunding of $43,000,000 of taxes which had been illegally exacted by the Treasury Department. Now, query: If the Congress feels that it can not in good conscience keep the money which has been illegally exacted by the executive department of the Federal Government, how can the Congress of the United States in good conscience say to a State, "So far as the Congress of the United States is concerned we are quite willing that you shall retain your illegal exactions from the taxpayers in the State"? That is the first question.

The second question on which I should like to hear the Senator from Pennsylvania is this: Assuming that it is good policy thus to say to the State, "You may keep these taxes so illegally collected," has the Congress the constitutional power to say to a State, "You may validate these illegal exactions"; or, to put it in another way, has the Congress of the United States any authority under the Constitution to legislate upon the subject looking to the validation of the tax?

Mr. PEPPER. Mr. President, I shall answer those two questions in this way: Reminding the Senator from Ohio that the question of validating legislation is not really before the Senate at the moment and that his questions are anticipatory of an amendment which I believe the Senator from Minnesota [Mr. KELLOGG] intends to propose on this subject, speaking for myself, I have very grave doubt about the propriety of so-called validating legislation. The limit to which I should be willing to go, if I should be willing to go even so far, is to recognize that the question whether or not such taxes should be retained or refunded is a local question in each State, to be settled by the legislatures and the courts thereof.

As to the second question, I desire to say that I can think of no ground upon which validating legislation by a State could possibly be constitutional, if it be the true view that the States have no power to lay taxes upon national bank shares unless Congress delegates such power. Upon that view, when the State acted it was without power to tax and the so-called tax was an illegal exaction and should be recoverable. I think it would be unconstitutional to take away the right of recovery.

But there is another theory, applicable in the judgment of some authorities, namely, that the State has the original power to impose such taxation, and that the only reason that the taxing law was invalid was not on account of a defect of power but because presumably any such tax laid by a State is hostile to an agency of the Government of the United States. It is a fair question upon which lawyers may disagree as to whether upon such a view a State may act under the declaration of the Federal Government that no such hostility of purpose is involved and proceed to declare that the passage by the State of a so-called validating act, justifying the retention of the tax by the State, will not be deemed an act hostile to, or inimical to the interest of, either the United States or any agency thereof.

I wish to make it perfectly clear, Mr. President, that in answering these questions as I have done I am not in any way committing myself to approving the proposed validating legislation, and I again call the attention of the Senate to the fact that that matter is not before the Senate at the moment and will not be until the Senator from Minnesota offers his amendment. He is more competent than anybody else that I know to state the reasons in support of it.

Mr. POMERENE. Mr. President, I simply desire to say that I think I agree entirely with the Senator from Pennsylvania as to both propositions—first, that it would be bad policy for us to try to validate those illegal taxes, and, in the second place, I very seriously doubt whether we have any constitutional authority so to act even if we thought it good policy to act in that way. I have an open mind on the subject, and I shall listen with very great care to the arguments which may be made on both sides.

Mr. FLETCHER. Mr. President, may I ask the Senator from Pennsylvania a question?

Mr. PEPPER. I yield to the Senator from Florida.

Mr. FLETCHER. I should like to ask the Senator if what is proposed is not merely saying on the part of Congress that if the States proceed in their own way under their own constitutions and laws to validate what has taken place, Congress will not consider it and the Federal Government will not consider such action as inimical to the interests of any agency in the Federal Government? That is about as far as the so-called validating provision goes, is it not? It seems to me that we can at least go that far and simply say that, so far as the Federal Government is concerned, we will not consider such action as each State may take in attempting to validate the collections as inimical to the interests of the Federal Government.

Mr. PEPPER. I so understand.

Mr. President, I have now stated in as colorless a way as possible the problem with which the committee has attempted to deal. I have set forth the principles which we think should apply to such taxation by the States in the future. I have answered questions regarding the validating provision because they were asked me, though that matter at the moment is not before the Senate. Having made the statement in support of the measure as reported by the committee, I leave it in the hands of the Senate for such disposition as the Senate may desire to make of it.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Pennsylvania yield to his colleague?

Mr. PEPPER. I have finished my remarks, but I shall be glad to answer my colleague's question.

Mr. REED of Pennsylvania. I should like to ask one question of my colleague. I notice that in reply to the Senator from North Carolina as to the possibility of prejudice against State banks in the contrasting taxation whereby the national-bank taxation might be limited by the proviso in clause (b) whereas the State-bank taxation would not be so limited, the Senator gave it as the judgment of the committee that there was more danger of abuse of the power if the proviso were not put in. I should like to ask the Senator his judgment, for I know that he has given this subject deep consideration, as to the propriety of establishing by this proposed statute the same rule that the States have believed to be the law for many years passed? Has the Senator considered the propriety of amending section 5219 so as to establish what we all thought it meant until the decision of the Supreme Court? Would not that be fairer, and would it not put the State banks and national banks on the same level?

Mr. PEPPER. That was carefully considered by the committee, and the proposition of the Senator from Minnesota amounted to just that thing, enlarged to include private bankers; but the objection that has been made to that—whether it be based on imaginary apprehensions or upon a real danger—is that the effect of that legislation would be to segregate all the banking capital in a State as a target for hostile or discriminatory legislation by that State, not against national banks but against anybody engaged in the business of banking; and therefore the effort of the committee was to find some way in which to guard against the possibility of such hostility or discrimination.

Mr. SMITH. Mr. President, may I ask the Senator whether there was any evidence before the committee to show that in any of the States, to any extent, there was any discriminatory legislation for or against capital engaged in banking as distinguished from capital engaged in other industries?

Mr. PEPPER. Mr. President, I can not say that there was evidence before the committee, because no witnesses were examined in the ordinary way, although representatives of a great many points of view were given hearings by the committee and by the subcommittee in charge; but it was alleged that, for instance, in North Dakota there was legislation of such a sort as to give pause on the question of whether or not there might be such hostile legislation as I have referred to.

Mr. SMITH. The reason why I ask the question is that in legislating here from a national standpoint for banks, of course we are trying to put the treatment of national banks in a State on the same plane with the treatment of any other banking institution in the State. This, however, goes further than that, and seems to attempt to take care of the private banking industry as well as national banking, in that under this we do not allow any discrimination against the national banks either in favor of the private banks or, in the following section, in favor of any form of money engaged in industrial or productive enterprises.

Mr. PEPPER. Mr. President, I need not say to the Senator that it is not the thought of the committee to influence the action of the State in taxing its own State banking institutions, except to the extent of providing that it shall not tax the national banks at a higher or a greater rate, and then to provide that if there is any evidence that banking capital as such is being discriminated against, the rate to be applied shall be the average of the rates applied to shares in certain other corporations. I can not say whether this danger is imaginary or real; but it seemed to the committee that since, in the apprehension of many, it is a real danger, it was best to safeguard it rather than to ignore it.

Mr. REED of Pennsylvania. It was the explanation of that point that I think many of us would be interested in hearing from the Senator, particularly with regard to his own views on it, because we know that he has studied this question, and I am interested to know whether he shares that apprehension.

Mr. PEPPER. Mr. President, I have not the experience of actual legislative conditions, present or prospective, in the different States which would enable me to answer that question. All I can say is that many of those who have canvassed and reviewed the situation have made impressive statements to our committee indicating the existence on their part of such an apprehension, and we were not able to say that it was not well founded.

Mr. GLASS. Mr. President, adverting to the question which the junior Senator from Pennsylvania asked his colleague, it seemed to some of us on the committee that the provision in the House bill met the requirement suggested by the junior Senator from Pennsylvania, in these words:

> That the tax imposed shall not be at a greater rate than is assessed upon other moneyed capital in the hands of the individual citizens of such State coming into competition with the business of national banks.

The reference there being specifically, of course, to capital employed in the State banking business, or trust companies, or capital employed by private bankers under State laws, and presumptively to capital empoyed by individuals whose primary and real business it is to lend money in competition with banks.

It might give the Senator a clearer comprehension of the situation to state to him, as the senior Senator from Pennsylvania did state, that the accepted theory of the banking community of the United States up to the time of the recent Supreme Court decision was that the law was designed to protect stockholders in national banks against discrimination in favor of stockholders in State kanks; in other words, to provide that the shares of national banks should not be taxed at a higher rate than the shares of State banks. In the course of events States found it impossible to derive any revenue from taxation of moneyed capital in the hands of individuals upon the basis of like taxation of real property. On the first day of each taxable year it happened that nobody had any balance in bank. The balances were all checked out for 24 hours and redeposited on the next day. Therefore the States derived no revenue whatsoever, or only inappreciable revenue, from that sort of taxation of moneyed capital in the hands of the individual.

The State of Virginia, more as a matter of experiment than anything else, undertook to place a tax of 2 mills on moneyed capital in the hands of the individual. The result of that was that the State pretty soon derived a revenue of approximately $350,000 a year from this source of taxation, the tax being so inappreciable upon each individual account that taxpayers gave in this moneyed capital in their returns; so that the State, from collecting some $10,000 or $12,000 from this source, now collects approximately $350,000 from this source. We proceeded in contentment with that until very recently a national bank in the city of Richmond, reverting to the existing statute, conceived the idea that this tax of 2 mills on moneyed capital in the hands of the individual was a discrimination against shares in national banks, contending that money in the hands of the individual came into competition with the business of national banks. Of course, it did nothing of the kind, because to contend that would be to contend that deposits in a national bank, instead of being in cooperation with and helpful to the national bank, was in competition with the business of the national bank.

A suit was brought by this Richmond bank, and the State made, I think, the grave blunder of admitting certain alleged facts, instead of contesting the allegations of the bill. I am a layman, and in talking before lawyers I do not know whether I am stating the case properly or not. At all events, the State admitted the allegations of the bill, which I think were not true, because this moneyed capital in the hands of individuals, such as bank balances, does not come into competition with the business of national banks.

I may interject here that a different condition arose in the State of New York. There, when banks brought suit under this decision of the Supreme Court to recover taxes illegally collected by the State, it developed that the State did not tax moneyed capital coming into competition with the national banks. Such great private bankers as Kuhn, Loeb & Co. and J. Pierpont Morgan & Co. escaped this taxation; so that national banks there had a real grievance, whereas they had not in my State. The effort, I repeat, has been to provide against discrimination in favor of State banks, or of private bankers, or of moneyed capital actually coming into competition with the business of national banking.

Mr. POMERENE. Mr. President, will the Senator yield for a question?

Mr. GLASS. I yield.

Mr. POMERENE. Was the discrimination in New York by virtue of the provisions of the State statute, or was the discrimination due simply to the administration of that law?

Mr. GLASS. That I can not specifically answer, but I assume that it was due to the discrimination of the State statute——

Mr. KELLOGG. It was.

Mr. GLASS. Hence, in New York the national banks had a real grievance; but in Virginia they had no grievance; and, as a matter of fact, the national banks are under agreement with the State authorities to submit to a just rate of taxation.

What the Senate bill purports to do, and what I think the House bill actually does, is to put all banking capital on an equal basis of taxation. Other members of the committee who are lawyers, trained in the refinements of definitions, do not agree with me as to that; and hence we have stricken out all after the enacting clause in the House bill and substituted the Senate bill. My confidence in the legal accomplishments and acumen of the distinguished senior Senator from Pennsylvania [Mr. PEPPER] has led me to acquiesce in this view of the matter, though I do not understand it.

Mr. KELLOGG obtained the floor.

Mr. CALDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from New York suggests the absence of a quorum. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Hale	McLean	Shields
Bayard	Harreld	McNary	Shortridge
Borah	Harris	Moses	Simmons
Broussard	Harrison	Nelson	Smith
Bursum	Heflin	New	Smoot
Calder	Jones, N. Mex.	Nicholson	Spencer
Cameron	Jones, Wash.	Norbeck	Sterling
Capper	Kellogg	Oddie	Sutherland
Couzens	Kendrick	Overman	Townsend
Culberson	Keyes	Pepper	Trammell
Curtis	King	Phipps	Wadsworth
Dial	Ladd	Poindexter	Walsh, Mass.
Dillingham	Lenroot	Pomerene	Walsh, Mont.
Fletcher	Lodge	Ransdell	Warren
George	McCormick	Reed, Pa.	Watson
Gerry	McCumber	Robinson	Williams
Glass	McKellar	Sheppard	Willis

The PRESIDING OFFICER. Sixty-eight Senators having answered to their names, a quorum is present.

Mr. KELLOGG. Mr. President, I desire to discuss the original bill reported by the Senate Committee on Banking and Currency and the proposed amendment authorizing the States to ratify taxes which have been heretofore levied on the stock of national banks.

The Senator from Pennsylvania [Mr. PEPPER] has explained the bill at considerable length, and on this branch I will be very brief. It is sufficient to say that when the national bank act was passed, in 1864, the banking capital of the country was in the hands of State banks and individuals or firms. The Federal Government, in order to prevent the States from discriminating against capital engaged in national banks, provided, in substance, by the act of 1864, which was amended in 1868, and as to the details of which I will not speak, that the States might tax the shares of national banks, but that the rate should not be greater than the rate imposed on other moneyed capital in the hands of the individual citizens.

That law has remained from 1868 down to the present time as the law of the country. As a matter of fact, the money or intangible credits of individuals, such as notes, bills receivable, money in banks, and so forth, has ceased to be much of a factor in competition with national banks. No one can say that there is not a degree of competition, and it should not be left open to be proved in every single case where a bank undertakes to escape taxation that individual credits or intangible assets are not in competition with banks; but it is perfectly evident that it has ceased to be the basis upon which national banks should be taxed.

Mr. President, there have grown up in the various States systems of taxation other than direct taxes on property; I mean ad valorem levies. It has been found that it was impossible to collect direct taxes on intangible assets, so the States have adopted various substituted systems of taxing intangible assets or different rates of taxing intangible assets. To give an illustration, in the State of Minnesota when we had the direct tax on intangible assets and money of individuals we collected about $350,000 a year under rates varying from 2 to 3

per cent. We changed the rate to 3 mills on the dollar and collected $1,350,000. The State of New York has had a more remarkable experience than that. Where they used to collect a little over a million dollars they collect twenty or thirty million to-day, because you can get people to list for taxations moneys and credits in the hands of the individual citizen if the rate is not such as to practically take all the interest.

The Supreme Court of the United States passed on this question a great many times, as the Senator from Pennsylvania clearly explained, and it came to be the general understanding among State legislatures and State authorities that the rule was that the rate on bank stock should not be greater than on other moneyed capital of State banks and trust companies, the principal agencies competing with national banks; and there are a great many more State banks and trust companies than there are national banks. So for years the States went on passing laws for income taxes in lieu of direct taxes on individuals, for a smaller rate upon individuals' intangible assets than was imposed on the stock of the banks. Whereupon, after many years of such practice, I think from 14 to 18 States having adopted the system of levying a smaller tax on individuals' intangible assets than on bank stock, or a substituted system of income taxes instead of direct taxes on such intangible assets, the Supreme Court of the United States decided the case of the City of Richmond against the Merchants' National Bank. I will not deny that that decision is correct. I do not criticize it at all, because, as was correctly said by the Senator from Virginia [Mr. GLASS], it was conceded in that case that the money and credits of individuals taxed in the city of Richmond did come in competition with the national banks.

I am unable to conceive that the bank deposits of all the depositors in the country come in competition with the banks themselves. I do not believe that to any great extent individual loaners of money for investment come in competition with national banks. But if the law is left as it is now, it must be proven in every case, and if it is true that the rate of taxation on individual credits is the basis for taxation of the stock of national banks, I think the basis is wrong. I do not believe that individual investors in low-rate bonds, such as bonds bearing 4 per cent, or in farm mortgages bearing 5 or 6 per cent, should be taxed on their credits, or that individuals who have deposits in banks drawing 2 per cent should be taxed on their credits at the same rate as a bank, with its charter and the right to do a banking business. On the other hand, I do not believe that the Congress should open the door to a substantial discrimination against banking capital. Now, that being the state of the law, the City of Richmond case was decided.

The PRESIDING OFFICER. The Senator will suspend for a moment. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 12817.

Mr. KELLOGG. In the City of Richmond case it was found that the value of national bank stock was $8,000,000,000; that of the trust companies, $6,000,000,000; and intangible assets and the money of individuals, $6,500,000,000. It did not appear how much was money in the banks or how much was not in competition with the banks. The rate the city of Richmond imposed on banks was $1.75, while the rate imposed on private individuals was 95 cents. After the decision in the Richmond case the banks and the legislature got together and agreed that the rate should be 55 cents upon individuals and $1.10 upon the banks, making the discrimination just as great as before, but it was a taxation by consent of the banks which I do not think should exist. I think Congress should lay down the rule.

With that in view, the House passed a bill which provided that the basis should be that the States might assess the banks, provided that the tax imposed should "not be at a greater rate than is assessed upon other moneyed capital in the hands of the individual citizens of such State coming into competition with the business of national banks." That is exactly what the law was before, because the Supreme Court has held that it is only money in the hands of individuals which comes in competition with national banks that forms the basis of taxation of national bank stock.

Mr. GLASS. Mr. President——

Mr. KELLOGG. I yield to the Senator from Virginia.

Mr. GLASS. May I inquire of the Senator if the Supreme Court itself has defined "money in the hands of individuals coming into competition with national banks" as money on deposit in the banks, for example?

Mr. KELLOGG. No; the Supreme Court has said several times—in fact, it is practically admitted in all cases—that it is the money in the hands of individuals coming in competition with national banks that forms the basis of taxation. It has never decided that if the money does not come in competition with national banks it is a basis for taxation of national-bank stock.

Mr. GLASS. What I want to arrive at is this: Is it at all probable that the Supreme Court would decide that the bank balances of individuals, which really furnish the capital upon which banks conduct their business, may be construed as capital in the hands of individuals coming in competition with the national-banking business?

Mr. KELLOGG. I do not think that would be held by the court. For instance, individuals in a city like New York, where there are a great many individual bankers who have large deposits, might use their money to compete with national banks. They might keep their money on deposit in their own banks or might keep part of it on deposit with trust companies or other companies. I do not think the court would hold that money simply on deposit with the bank was in competition with banks, but there are some cities where private banks or private individuals undoubtedly compete to some extent with banks.

Mr. GLASS. I am in favor, and I think all of us are in favor, of taxing private bankers on just the same basis and to the same extent that we may tax State or National banks. But what I am trying to do is to reach a definition of what is "moneyed capital in the hands of the individual coming in competition with the business of national banks."

Mr. KELLOGG. I will tell the Senator. The bill which passed the House did not change the law as it existed before.

Mr. GLASS. Then why did the House pass the bill?

Mr. KELLOGG. Under the bill as it passed the House we could tax State banks and trust companies one-half what we tax national banks, and it would not be void under the law——

Mr. GLASS. I am surprised to hear a statement of that sort.

Mr. KELLOGG. Because it provides that it is only money and credit in the hands of the individual citizens. That is the answer to the Senator. I sought in the bill which I introduced to broaden it and to provide, as I did—and as the committee have reported and the bill is now before the Senate—as follows:

(b) In the case of a State tax on said shares the rate of taxation shall not be higher than the rate applicable to other moneyed capital employed in the business of banking within the taxing State.

In other words, State banks, trust companies, and private individuals like J. P. Morgan & Co. and Kuhn, Loeb & Co., who receive deposits and who do a banking business, and others in the large cities were in contemplation. Some States do not allow private banking. We sought by this provision to make it so broad that the States could not tax the stock of national banks at a greater rate than any moneyed capital engaged in banking, whether it was represented by a State corporation in the nature of a trust company, a State bank, a private individual, or a copartnership.

I think that includes everything that the House bill included and more, but it eliminates the credits in the hands of the individual citizen not engaged in banking, and that, I think, should be eliminated for a practical reason. The States have been unable to collect direct taxes on individuals. They can do it with reference to corporations because they are subject to visitation by the officials. Another reason is that I do not believe the individual should be taxed as much as the corporation enjoying a franchise and engaged in that sort of business.

Now, coming to the clause proposed by the committee, I am quite in accord with it. I do not believe that national banks or State banks or banking capital should be put up as a target for particular taxation in excess of the general rate of taxation. I think they should be treated the same as other business concerns. The difficulty was in finding a basis to compare the rates on national bank stock with other property, and the committee gave to that matter a great deal of study and I think received suggestions from a great many sources. It was impossible to make the rate the same as the rate on all other properties because railroads in many States are taxed on the gross-earning basis, as are many public utilities. Certain classes of property in some States are exempt from taxation. Some property is taxed on an income basis.

But it was found that a great many States tax the stock of all corporations, whether foreign or domestic; and it was thought that if the tax could not be greater than the average rate applied to other business corporations where they were taxed, it would be a sufficient safeguard to all banking capital. So far as I am concerned, I have no objection. I am inclined

to the opinion that in view of the fact that there are more State banks and trust companies than there are National banks, that "all moneyed capital engaged in other banking" is a pretty fair protection, but I have no objection to the clause proposed by the committee, which I think prevents any attempt at discrimination against banking capital generally.

Now, one other feature of the bill authorizes the State to tax the net income of an association, but provides that—

The rate shall not be higher than the highest of the rates imposed by the taxing State upon the net income of mercantile manufacturing and/or financial corporations doing business within its limits.

The object of that is that some States have found it more scientific, or, at least, they believe they have, to tax the income of corporations than to tax the physical property, and if they desire to tax the income of banks they ought not to be prohibited from doing it. Certainly it can not be unfair to other companies if the limitation is that the income tax shall not be higher than the highest imposed upon the other corporations.

Now, so much for the Senate committee bill. The objection, as I said, to the bill as passed by the House is that it still makes the rate of taxation on intangible credits in the hands of the individual citizen the basis for taxation of national banks, whether he is engaged in banking or whether he is not. If he is engaged in banking, to be sure, his capital should pay the same rate as the national banks. If he is not engaged in banking, I do not think it is wise. Unless the Congress shall pass some law on the subject, the taxing systems of New York, Massachusetts, Minnesota, and 18 or 20 other States are going to be destroyed. In fact, it would have been destroyed in Virginia if the banks had not come to an understanding with the legislature and agreed to a discrimination as between individuals and corporations. I shall not take the time of the Senate now to say anything more on that question.

I would like to answer the question asked by the Senator from Ohio [Mr. POMERENE] as to the constitutional power of the Congress and the States to ratify any tax which has heretofore been levied. On that question let me state what the condition is in New York and in Massachusetts, but especially in New York.

In the State of New York, the State taxes the stock of national banks. First, it taxes real estate substantially as it is done in every State. Second, it taxes the stock of the national banks at 1 per cent of the value of the stocks—book value, we will call it. Third, there is a tax to the individual stockholder, an income tax on his income from stock in national banks. Other capital in the hands of the individual system is taxed on an income basis. The court found that that rate thus imposed on national banks was higher than the rate imposed on other moneyed capital in the hands of the individual citizen. Feeling bound by the decision of the Supreme Court in the Richmond case, it held the tax void as in violation of the Federal statute.

Mr. GLASS. Mr. President——

Mr. KELLOGG. I yield to the Senator from Virginia.

Mr. GLASS. May I ask what the Senator conjectures, if he pleases, would have been the decision of the Supreme Court had the State authorities of Virginia contested the allegation of the bill saying that the capital in the hands of individuals, in the nature of bank deposits and otherwise, was in competition with the business of national banks?

Mr. KELLOGG. I am inclined to think that it would have been difficult for the bank to prove that the capital in the hands of the individual competed with that of the bank to any considerable extent.

Mr. GLASS. Would it not have been literally impossible to have proved any such absurdity?

Mr. KELLOGG. I think so; but at the same time that question was always left open.

Mr. GLASS. The Senator states that unless we pass this bill or some similar bill the taxation laws of some 18 or more States will be disrupted, and that the taxing laws of Virginia would be disrupted but for the agreement between the bankers and the State authorities. Would that be true of any State where the taxation of capital engaged in banking business was made uniform?

Mr. KELLOGG. Yes; it would under the present law if the intangible assets of private individuals are considered to be in competition with banks.

Mr. GLASS. But what I am trying to arrive at is how a sane person can say that they are in competition with the business of national banks?

Mr. KELLOGG. That is a mooted question, and there will be lawsuits in every State of the Union over the matter.

Now let me state what occurred in New York: In 1920, 1921, and 1922 the State of New York levied the 1 per cent tax. Everybody admits that it was not excessive; everybody in New York will tell you that a tax of 1 per cent on their capital is not an excessive tax; but it is more than was levied on the intangible assets in the hands of the individual. What has occurred? Suits have been brought in New York.

Mr. GLASS. Is it not more than was levied upon capital engaged in private banking business?

Mr. KELLOGG. I will explain that. It is more than was levied on capital engaged in private banking business, because such capital is in the hands of the individual citizen, but the law also included all other individual citizens whether they were engaged in banking or not. That is the trouble.

Suits have been brought against the city of New York, and I am informed by the corporation counsel of New York that those bringing such suits have recovered about $20,000,000 or will recover that amount; in other words, the banks of New York have recovered back all the taxes for 1920, 1921, and 1922, not merely that part of the tax which equals the rate imposed on individuals, but the entire tax will be recovered back unless Congress authorizes the State to ratify it. Just think of the situation! It will almost bankrupt the city of New York; and in the State I am informed the recoveries will amount to somewhere between $20,000,000 and $30,000,000 altogether. The State of Massachusetts is in the same condition.

I do not think one can find a banker in the State of New York who will say that the rate of taxation on banks is excessive, and yet, if there is not something done to permit the States to ratify the taxes, not only will the banks escape the old rate of taxation, which was equal to the taxation on moneyed capital in the hands of individual citizens, but will escape all taxation. The question is, Can Congress consent to the States ratifying those taxes? Personally I have no doubt about it whatever, and I will state very briefly the principles on which such legislation is valid.

In the first place, it is a conceded principle of taxation that all property owes its proportion to the support of the Government unless by constitutional provision certain classes of property are taken out. It may not be taxed by the legislature, but there is an implied obligation on every owner of property to pay his share of taxes. Of course, he does not have to do it unless he is taxed by the law. The legislature of any State may ratify any taxation which it could originally have imposed. I do not think there is any principle better recognized by American jurisprudence than is that principle; and it is also established by the authorities of the States and by the Supreme Court of the United States.

In this case the only reason the State could not impose this tax was because Congress had provided a limitation that the States should not tax the stock of a national bank at a greater rate than that imposed on other moneyed capital in the hands of the individual citizen. Had Congress simply consented to the State taxing national banks or national-bank stock, the power of the State to impose a tax would have been plenary, but Congress provided a limitation. Therefore, before a State can ratify a tax such State must have the consent of the Federal Government. I say, however, that what the State and the Federal Government together could do originally, they may now ratify; and the Supreme Court has so held.

Is it possible, simply because of a misunderstanding of the meaning of an act of Congress as to the rate of taxation which should be imposed upon a national bank, that those banks may go back six years and recover all their taxes, and that there is no power whatever to reimpose them or any part of them? Such a doctrine shocks the sense of equity and justice in view of the obligation which all men owe to support the Government, and it is not the law, in my opinion. I am simply giving my opinion.

Now let me, for the benefit of those Senators who may not have investigated this particular subject——

Mr. KING. Mr. President, will the Senator yield?

Mr. KELLOGG. Yes.

Mr. KING. I have just returned to the Chamber, and perhaps I am about to ask a question which the Senator has covered. I understand, however, the Senator has been discussing the power of Congress and of the States to validate these illegal taxes?

Mr. KELLOGG. Yes.

Mr. KING. Has the Senator discussed the propriety and justice of it, in view of the fact, as I have heard it asserted, that in New York particularly large institutions such as J. Pierpont Morgan & Co. and Kuhn, Loeb & Co. have been exempted from taxation, so that there has been discrimination? Now it is proposed to lay the foundation, if this amendment shall be adopted, of perpetuating that discrimination.

Mr. KELLOGG. Not at all; we are proposing by this bill in the future to make the basis of taxation of national-bank stock the same as all moneyed capital engaged in banking, so that in the future the State of New York, for instance, may tax all private companies or partnerships or individuals at the same rate, and must tax them at the same rate, as they tax the national banks. Does the Senator think the State of New York should go without any taxes? Does he think that the national banks of New York should recover from $25,000,000 to $30,000,000 merely because a few private bankers may have been taxed at a different rate than that imposed on the national banks, when it is admitted that the rate of taxation on the banks in New York is not excessive, being only 1 per cent? That rate is nowhere near the rate that is imposed in my State, which is 2 or 3 per cent, and nowhere near the rate imposed in many other States.

This bill will require the State of New York in the future to tax all capital engaged in banking, whether in the hands of individuals, of J. P. Morgan & Co., or Kuhn, Loeb & Co., or anybody else, at the same rate; but because in the last three years they may have been taxed on income instead of by a direct tax is it fair that the State of New York should lose from $25,000,000 to $30,000,000 and that the city of New York should be practically bankrupted? I do not think so.

Mr. TRAMMELL. Mr. President, I should like to ask the Senator a question.

Mr. KELLOGG. I will answer it if I can.

Mr. TRAMMELL. Does this measure act retroactively?

Mr. KELLOGG. The bill itself is not retroactive. The clause which the Senator from New York intends to offer, and which has been reported by the committee, proposing to ratify the tax which has heretofore been levied, of course, is retroactive.

Mr. TRAMMELL. I did not know about that; I have not seen that provision.

Mr. KELLOGG. It has been reported by the Senator from Pennsylvania. I do not think it will be voted on to-day, so that the Senator will have an opportunity to examine it.

Mr. TRAMMELL. I have been wondering in regard to the first paragraph, which, after specifying the character of taxes which may be levied, contains this provision in paragraph 1 (a):

> The imposition by said State of any one of the above three forms of taxation shall be in lieu of the others.

It is the purpose of the measure, as I understand from that provision, to restrict the State to only one of those methods of taxation.

Mr. KELLOGG. To only one of them at the same time. The State ought not to tax the real estate and then tax all the stock at full value and then tax all the income from the stock. Of course, the idea is the State may select at any time any one of the three methods; it may tax the real estate and the stock separately, or it may tax the income, but it may not impose all three forms of taxation at once. I think that is a fair provision. I can not imagine any State doing otherwise in any event.

Mr. TRAMMELL. That would necessitate the States conforming all of their tax laws to the standard prescribed by this measure, would it not?

Mr. KELLOGG. I will say to the Senator nearly all of the States have conformed to that standard. The only State which does not to which I can now point is the State of New York, and all they have got to do is to raise their rate of 1 per cent to make up the difference.

In most of the States the value of the real estate is deducted in arriving at the value of the bank stock. They tax the real estate the same as all other real estate in the State or in the local community is taxed, and then they tax the bank stock for all of the balance of the assets. That is the rule in most of the States, but they ought not to be allowed to tax the real estate separately and then include the real estate in the value of the stock and tax it again and then tax income from all three over again. That would hardly be fair, and that is what this bill prohibits.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. KELLOGG. Yes.

Mr. PEPPER. Is it not also true that under the decision of the Supreme Court as it now stands all the States which have not legislation conforming to that interpretation of the section will have to legislate anew, anyway?

Mr. KELLOGG. That is quite true.

Mr. PEPPER. It is a mere question of what the legislatures of the States shall in the future enact. They will have to change their laws to conform to the decision or to something better, if we can find something better.

Mr. KELLOGG. Mr. President, I wish to discuss the power of Congress and the States together to ratify any act which the States and the Congress together could originally impose. I am not going to take the time of the Senate to read all the authorities; but I am going to put some of them in the RECORD so that Senators may read them if they so desire. I should like, however, to state the facts in one case which is familiar to many Senators on this floor, because they were Members of the Senate when the original legislation was passed. I think the Senator from North Carolina is familiar with it. When the Philippine Islands were taken over the military authorities in charge imposed a tariff on all goods shipped from and to the Philippine Islands. It was a military order. Suit was brought against the Government to recover the taxes thus paid, because it was alleged the military authorities had no power to levy tariff duties but that such duties could only be levied by Congress.

The court held that that was not a correct interpretation, and that the duty was void for want of authority in the military authorities. After the judgment declaring the tariff duties void, and providing for a recovery of them, the Congress by an act imposed a tariff duty, and retroactively ratified the tariff duties imposed by the military authorities; and the Supreme Court announced the rule, citing many cases of taxation, that a tax or tariff which could be originally imposed by Congress could be ratified by Congress. In other words, the tariff duty was void when it was imposed, because the military authorities had not the power to impose it, but Congress had the power of ratification; and I said in the opening of my remarks on this question that as to taxation I believed it to be a universal rule that a tax which a State could originally impose it can ratify.

Mr. KING. Mr. President, will the Senator yield?

Mr. KELLOGG. Yes.

Mr. KING. Of course, the Senator will perceive the very great distinction between the case to which he has just referred—namely, the Philippine Islands—and that of a sovereign State. The Congress of the United States, under the Constitution, has full power to deal with the territory of the United States. The Philippine Islands, under the decision of the Supreme Court, come within that category.

Mr. KELLOGG. There was not any doubt about the power of Congress to deal with this tax question. Nobody denies the power of Congress to consent that the States may tax national banks and not tax any other property at all. There is no doubt about the power of Congress.

Mr. KING. Congress may do with a Territory that which it may not do with a State.

Mr. KELLOGG. Quite so.

Mr. KING. And it may validate an illegal tax levied by a territorial legislature when it may not validate an illegal tax which has been imposed by a State.

Mr. KELLOGG. But Congress is not validating this tax. Congress is simply consenting that the States may validate it if the States see fit.

Mr. KING. Oh, well, I am expressing no opinion as to the effect of the measure which is now before Congress.

Mr. KELLOGG. I will apply the principle to tax cases if the Senator desires. That was the case of United States *v.* Heinzsen; and I think, if I may be permitted, I will introduce in the RECORD, without reading, pages 10, 11, 12, 13, 14, and 15, as marked, of the brief on this subject.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

III.

THE PROVISION OF THE BILL RATIFYING TAXES HERETOFORE IMPOSED IN ACCORD WITH THE PROVISIONS OF THIS BILL IS LEGAL, PROPER, AND ESSENTIAL.

The bill at lines 20–25, page 2, and lines 1–3, page 3, provides as follows:

"That the provisions of section 5219 of the Revised Statutes of the United States as heretofore in force shall not prevent the legalizing, ratifying, or confirming by the States of any tax heretofore paid, levied, or assessed upon shares of national banks or the collecting thereof, provided such taxation is not greater than the taxation imposed for the same period upon banks, banking associations, or trust companies doing a banking business incorporated by or under the laws of such State or upon the moneyed capital or shares thereof."

By this provision Congress would now give the permission which heretofore it might have given to assessment of national banks upon the same basis of banks, banking associations, and trust companies doing a banking business as they have in fact been assessed in the various States.

In effect the provision, so far as Congress is concerned, simply authorizes the States by appropriate legislation to legalize, ratify, and confirm such assessments as of the date when imposed. By the provision Congress would be saying now what it could previously have said, that such assessments were proper and valid.

The provision is thus clearly within the power of Congress since it attempts to do no more than precisely the same thing that Congress could previously have done, namely, permit the taxation of national banks as other banks, banking associations, and trust companies doing a banking business. That which Congress could have granted or permitted it may surely authorize the States to legalize, ratify, and confirm so far as its grant or permission is essential. This principle has been universally recognized by the courts with respect to legislative power both of Congress and of States.

It was clearly stated and upheld as to congressional power in the case of United States *v.* Heinzsen & Co., 206 U. S. 370, which was followed in the more recent case of Rufferty *v.* Smith Bell Co., United States Supreme Court, December 6, 1921.

In the Heinzsen case action was brought to recover the amount of tariff duties exacted in the Philippine Islands on merchandise, the duties having been collected under authority of an order of the President before Congress on March 8, 1902, had enacted tariff duties for the Philippines. The court had held that the duties complained of were illegal, and the question presented was whether an act of Congress in 1906 (34 Stat. 636, June 30, 1906), legalizing and ratifying the imposition and collection of the duties prior to March 8, 1902, was within the power of Congress.

It was held that Congress had such power and that the legalizing and ratifying act of 1906 was effective, citing Hamilton *v.* Dillon (21 Wall. 73) and Mattingly *v.* District of Columbia (97 U. S. 687).

In so holding the court quoted (p. 384) from the decision in the Mattingly case which concerned the validity of an act of Congress ratifying certain void assessments for street improvements in the District of Columbia, wherein it was said:

"If Congress or the legislative assembly had power to commit to the board the duty of making the improvements and the power to prescribe that the assessments should be made in the manner in which they were made, it had power to ratify the acts which it might have authorized * * *. Under the Constitution, Congress had power to exercise exclusive legislation in all cases whatsoever over the District, and this includes the power of taxation * * *. It may therefore cure irregularities and confirm proceedings which without the confirmation would be void *because unauthorized*, provided such confirmation does not interfere with intervening rights."

The court then states (p. 384):

"It is then evident, speaking generally, both on principle and authority, that Congress had the power to pass the ratifying act of June 30, 1908."

In discussing the question whether money paid to discharge the illegally exacted tariff duties justly and equitably belonged to the claimants and that the title thereto continued in them as a vested right of property, and hence the right to recover the money could not be taken away, the court said (p. 386):

"But here again the argument disregards the fact that when the duties were illegally exacted in the name of the United States Congress possessed the power to have authorized their imposition in the mode in which they were enforced, and hence from the very moment of collection a right in Congress to ratify the transaction, if it saw fit to do so, was engendered. In other words, as a necessary result of the power to ratify, it followed that the right to recover the duties in question was subject to the exercise by Congress of its undoubted power to ratify."

The court also quoted (p. 387) from Cooley Constitutional Limitations (7 ed. p. 543):

"Nor is it important in any of the cases in which we have referred that the legislative act which cures the irregularity, defect, or want of original authority was passed after suit brought in which such irregularity or defect became matter of importance. The bringing of suits vests in a party no right to a particular decision * * * and his case must be determined on the law as it stands, not when the suit was brought but when the judgment is rendered."

It is thus apparent that while the Heinzsen case did not present identical facts to those herein appearing, inasmuch as therein the subject of the validating act related to tariff duties which are imposed in a manner to be authorized by Congress and are actually imposed either by Congress or by its agent, whereas here the subject of the validating act relates to assessments on national banks which are imposed in a manner to be authorized by Congress but are actually imposed by States or municipalities, there is no distinction in the principle applicable. In each case Congress, having the power to prescribe the manner in which the charges may be imposed, may authorize the States to ratify and confirm charges imposed in a particular manner.

In other words, it was within the power and authority of Congress to prescribe for taxing national banks, as stated in the bill, just as it was within the power and authority of Congress to prescribe for imposing the tariff duties which were collected. Accordingly, in both cases it has the power to authorize the States by appropriate legislation to ratify and confirm that which was done so far as its permission and authority is concerned.

As stated in Cooley on Taxation (3d ed. p. 517):

"The general rule has often been declared that the legislature may validate retrospectively the proceedings which they might have authorized in advance."

The same rule is stated in Exchange Bank tax cases, 21 Fed. Rep. 99 (affirmed, 122 U. S. 154), at page 101; the Court further stated:

"And it is immaterial that such legislation may operate to divest an individual of a right of action existing in his favor or subject him to a liability which did not exist originally. In a large class of cases this is the paramount object of such legislation."

Upon affirmance by the United States Supreme Court it was said (122 U. S. p. 163):

"The plaintiff and the other shareholders were bound as owners of property to bear their just proportion of the public burdens * * * and it would seem but just that the defect should be cured if practicable and the shareholders not be allowed to escape taxation and thus entail the burden they should bear upon other taxpayers of the community."

And in the case of Mattingly *v.* District of Columbia (97 U. S. 687), cited and discussed in the Heinzsen case, the Court quotes (p. 690) as "accurately stated" the rule asserted by Judge Cooley in view of the authorities, as follows:

"If the thing wanting or which failed to be done and which constitutes the defect in the proceeding is something the necessity for which the legislature might have dispensed with by prior statute, then it is not beyond the power of the legislature to dispense with it by subsequent statute. And if the irregularity consists in doing some act or in the mode or manner of doing some act which the legislature might have made immaterial by prior law, it is equally competent to make the same immaterial by a subsequent law. (Cooley Const. Lim. 371)."

Thus in Shuttock *v.* Smith (6 N. D. 56), where the State board of supervisors levied without authority a State tax which the legislature might have levied or ordered the board to levy, it was held that the legislature could validate a defective levy which it might have authorized to be made in the manner in which it was laid.

In Marion County *v.* Louisville & N. R. Co. (91 Ky. 388), where a county had authority to levy a head tax for county purposes and levied an ad valorem tax, it was held that the legislature by subsequent enactment may validate the levy.

In Kettelle *v.* Warwick & Co. Water Co. (R. I.) (49 Atl. Rep. 492), where a township tax was void as exceeding the statutory town tax limit, it was held that the legislature had power to pass an act validating the assessment so erroneously levied and such an act is constitutional.

As said, however, in Exchange Bank Tax cases (21 Fed. Rep. 99, p. 100):

"Undoubtedly the legislature could not validate a tax which was prohibited by the laws of the United States, but it was competent for them to sanction retroactively such proceedings in the assessment of the tax as they could have legitimately sanctioned in advance."

Thus only by permission of Congress may the States by retrospective legislation validate taxes not authorized under permission previously given. The necessity for the validating-permission provision of the bill thus appears.

Unless this permissive provision of the bill is retained the States will be powerless to validate taxes imposed on national banks which are in accord with the proposed amendment, and there can be no relief to the States with respect to taxes heretofore imposed, and undoubtedly there will be increasing litigation as to the taxes imposed and recoveries of taxes paid and nonpayment of taxes, seriously jeopardizing State and municipal revenues.

For many years taxes have been imposed and paid without complaint by national banks where the tax compared with that paid by State banks and trust companies but differed from that imposed as to individuals. Thus the situation is critical and calls not only for authority to levy such taxes in the future but for the retroactive permission of Congress authorizing the States to validate taxes heretofore levied or collected.

As stated in the authorities above cited, no vested right exists to recover such taxes where no judgment has been rendered, and the legal effect of the provision would be not to disturb judgments entered but to remove any cause for similar judgments.

Such validating permission, therefore, being within the power of Congress and essential to the States and municipalities and fair and equitable as to the banks themselves, should be enacted.

Mr. KELLOGG. I should like, however, to mention one or two cases in passing.

Cooley, in his work on Constitutional Limitation, says:

The general rule has often been declared that the legislature may validate retrospectively the proceedings which they might have authorized in advance.

Speaking of taxation.

Again, in the Mattingly case, cited here—a case which went up from the District of Columbia—the District of Columbia had made an assessment for street improvements which was void for want of authority. Congress ratified it, and thereby ratified the tax to pay the assessment; and the Supreme Court said:

If Congress or the legislative assembly had power to commit to the board the duty of making the improvements and the power to prescribe that the assessments should be made in the manner in which they were made, it had power to ratify the acts which it might have authorized. * * * Under the Constitution Congress had power to exercise exclusive legislation in all cases whatsoever over the District, and this includes the power of taxation. * * * It may therefore cure irregularities and confirm proceedings which without the confirmation would be void—

Not voidable, but void—

because unauthorized.

Congress has plenary power over the subject of taxation of national banks. It may consent to any tax, or it may deny any power in the States to tax any stock or any property of national banks; and what Congress could originally do it can authorize the States to ratify. If the Senators will look at the proceedings in New York and Massachusetts, especially, they will find that the banks there have not been excessively taxed, and that it would be a calamity to let them recover back their taxes for three years and pay nothing whatever to the State of New York—nothing whatever; not a dollar.

Again:

Nor is it important in any of the cases to which we have referred that the legislative act which cures the irregularity, defect, or want of original authority was passed after suit brought in which such irregularity or defect became matter of importance. The bringing of suits vests in a party no right to a particular decision * * * and his case must be determined on the law as it stands, not when the suit was brought but when the judgment is rendered.

Mr. WALSH of Montana. Mr. President, I am interested in the statement made by the Senator to the effect that it would be a calamity not to have Congress intervene so that these taxes could be collected in New York. I suppose the foundation of the right to collect is that the State of New York has exempted other moneyed institutions from the payment of the tax?

Mr. KELLOGG. No; it did as a great many States have done; in fact, 18 or 20 States.

Mr. WALSH of Montana. What other basis is there for it?

Mr. KELLOGG. Why, it taxed bank stock a direct tax of 1 per cent. It taxed other moneyed capital in the hands of individual citizens on an income basis, which was less than the tax that had been imposed on the banks; and the Supreme Court held that the entire tax was therefore void.

Mr. WALSH of Montana. Exactly. The State of New York favored some moneyed institutions of that State as against national banks in their tax laws.

Mr. KELLOGG. Yes. Now, I will say to the Senator from Montana that what we propose in this bill is in the future to provide that banks shall not be taxed more than the rate imposed on all moneyed capital engaged in banking, so that they can not exempt private individuals engaged in banking.

Mr. WALSH of Montana. I understand what the bill purposes to do.

Mr. KELLOGG. Does the Senator think that because, in the State of New York, banks may have been taxed during the last three years at a less rate than private individuals engaged in banking, that is a reason why the State of New York should collect no tax whatever, although the tax is a reasonable tax?

Mr. WALSH of Montana. No; I do not think so at all; but the proposition is that the State of New York, apparently, for some reason satisfactory to itself, gave a decided advantage to private moneyed institutions as against national banks, and it now finds itself in a hole in consequence.

Mr. KELLOGG. It did what 18 or 20 States have done. It provided that the taxation of stocks of national banks should be at a greater rate than the taxation of moneyed capital in the hands of individual citizens, and I think it should be.

Mr. CALDER. Mr. President, it levied the same tax upon its trust companies and State banks that it levied upon national banks.

Mr. KELLOGG. Exactly.

Mr. GLASS. Yes; but it did not levy the same tax upon private banks.

Mr. CALDER. I will say to the Senator that I am not in sympathy with what was done.

Mr. KELLOGG. I think that is true, but I think that was very largely an oversight. I do not think the State of New York intended that private bankers should pay one rate of tax and other bankers another; but, under the decision of the Supreme Court of the United States, a copartnership is an individual, and it pays as an individual instead of as a corporation or a banking institution. That is what we propose to correct in this bill in the future. Whether they are private individuals, copartnerships, State banks, or trust companies, they must all be taxed at the same rate as stocks of national banks.

Now, a word more.

Mr. WALSH of Montana. Mr. President, let me inquire further of the Senator what is wrong with the present law if the State of New York does, as a matter of fact, impose exactly the same tax on all moneyed capital?

Mr. KELLOGG. The State of New York does not impose the same tax——

Mr. WALSH of Montana. Well, that is their affair, not ours.

Mr. KELLOGG. The State of New York does not impose the same tax on all moneyed capital in the hands of the individual, and 18 or 20 other States do not, and can not, and should not. That is my answer to it.

Mr. WALSH of Montana. Should not?

Mr. KELLOGG. Yes; should not. Does the Senator believe that an individual who loans $1,000 on a farm mortgage at 5 or 6 per cent should pay the same rate of taxation on it that a national bank pays, with its business, receiving deposits, and so forth?

Mr. WALSH of Montana. I do not see any reason why the same amount of capital should not pay exactly the same tax.

Mr. KELLOGG. I see a great reason why.

Mr. WALSH of Montana. I supposed that uniformity of taxation was the general rule, without any exception.

Mr. KELLOGG. What is the general rule? Will the Senator say?

Mr. WALSH of Montana. The general rule is uniformity.

Mr. KELLOGG. No; that is not the general rule to-day in the United States, and it has been found to be impossible. Why, railroads are assessed on a gross-earnings basis. Individuals are assessed on a direct ad valorem basis. Many public utilities are assessed on a gross-earnings basis.

Mr. WALSH of Montana. The Senator understands perfectly well that that does not offend against the rule of uniformity, does he not? There is an opportunity for classification, and, of course, the Supreme Court must have determined that there was no basis for classification in this instance.

Mr. KELLOGG. Would the Senator, if he had the power, require all property in the United States to be taxed at the same rate, and by a uniform system?

Mr. WALSH of Montana. Certainly not; not all property, but all property of the same class.

Mr. KELLOGG. Very well. That is what I am providing for in this system; but such has not been the rule.

Mr. WALSH of Montana. What is the trouble with the present law?

Mr. KELLOGG. Because the present law applies only to moneyed capital in the hands of the individual citizen. It does not make any difference whether it is engaged in banking or whether it is not; and I propose by this amendment to make the rule all capital engaged in banking, whether it is in the hands of private individuals, corporations, private or State banks, or trust companies. Therefore you will get all the capital employed in the same business in the same class.

Mr. GLASS. That is already the law under the decision of the Supreme Court——

Mr. KELLOGG. It is not the law under the decision of the Supreme Court.

Mr. GLASS. That all moneyed capital in the hands of individuals that comes into competition with banking capital must be taxed at the same rate.

Mr. KELLOGG. Ah! That is another proposition. There is not a word here about State trust companies, State banks, or capital of individuals which does not come into competition with banking capital.

Mr. PEPPER. Mr. President——

Mr. KELLOGG. I yield to the Senator from Pennsylvania.

Mr. PEPPER. With the permission of the Senator from Minnesota, I was going to suggest a further answer to the question asked by the Senator from Montana.

Mr. KELLOGG. I shall be glad to have the Senator do it.

Mr. PEPPER. Is it not true that under the law as it now stands, as interpreted by the Supreme Court, a State tax law in order to be valid must be one which imposes a rate no higher than the rate applied by the State to moneyed capital in the hands of the individual coming into competition with the bank; that while in the decision of the Supreme Court in the Richmond case the court was relieved of the difficulty of determining what such competition was, because the fact of competition was admitted upon the record, if the legislation stands unmodified it will be necessary for the court hereafter to decide what is and what is not competitive capital in the hands of individual citizens, and there is no known rule for determining what is and what is not?

There will be no certain way of applying the test which the Supreme Court says is the test of section 5219. It was in order to provide a test that would be definite and workable that the committee has ventured to suggest a change in the language of the statute.

Mr. KELLOGG. I think I read the statement from Cooley on Taxation. If not, as it is very short, I will read it:

> The general rule has often been declared that the legislature may validate retrospectively the proceedings which they may have authorized in advance.

That is supported by the Federal and State authorities which I quote in this article.

Mr. KING. Will the Senator permit an inquiry before he leaves that subject?

Mr. KELLOGG. Certainly.

Mr. KING. Does not the Senator think the bill which is now before us is calculated to drive the legislatures of the States to adopt a system of taxation within the State which perhaps, aside from this legislation, they would not prefer to adopt? It seems to me that all that Congress ought to do in dealing with this subject is to provide that in the method of taxation there shall be no discrimination against the national banks and that if States seek to discriminate the national banks may adopt the lower rate of taxation that is applied in any State with respect to capital that comes in competition with the national banks.

Mr. KELLOGG. That is exactly what I have provided. All moneyed capital engaged in banking must be taxed at the same rate at which bank stock is taxed, and at which bank capital is taxed. That is exactly what we attempt to do. At present that is not the rule. At present the rule is that the individual investor pays a different rate. As I stated in opening my remarks, the States have found that a uniform system of direct ad valorem taxation is unscientific, unworkable, and does not produce the revenue and result which it should. So in some States they have taxed public utilities on a gross earnings basis, they have taxed individuals by income taxes, they have taxed corporations by direct taxes, and

when a man buys a mortgage he pays a tax for 20 or 25 years. Would the Senator say that all those rates must be equal? In the first place, that would disrupt the taxing systems which have grown up, and which experience has shown are wise, and which produce more revenue. I think I stated that in my own State, with a direct tax on intangible assets, varying in the communities from 2 to 3 per cent, $350,000 was produced, and our State provided a 3 mill per dollar tax on all intangibles and collected $1,350,000, because the capital was not sent out of the State, was not driven away. It is better for the State, because you can not tax a farm mortgage, or a 4 per cent bond as security, at the same rate at which you can tax a growing business. If you do the business of loaning money to farmers at cheap rates will go out of existence.

Mr. McKELLAR. Mr. President, in Tennessee we have a constitutional provision that all taxation shall be equal and uniform. I think those are the exact words. How would this amendment affect that provision of the constitution of Tennessee?

Mr. KELLOGG. It would not affect that in the slightest degree, because banks can only be taxed by the consent of the Federal Government anyhow. It would not affect the Senator's State in the least in that particular.

I have taken too much of the time of the Senate, and I shall not insist on going on further with this, as I understand other Senators want to speak.

Mr. BURSUM obtained the floor.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from New Mexico yield to the Senator from Washington?

Mr. BURSUM. I yield.

Mr. JONES of Washington. The Senator from Oregon [Mr. McNARY] desires to have the Agricultural appropriation bill taken up. Does the Senator from New Mexico object to yielding while I ask unanimous consent that the unfinished business may be temporarily laid aside?

Mr. BURSUM. I yield, with the understanding that I do not lose the floor.

Mr. JONES of Washington. The Senator will have the floor. I ask unanimous consent that the unfinished business may be temporarily laid aside.

Mr. KING. Has the tax bill been withdrawn?

Mr. JONES of Washington. It was to be withdrawn at 2 o'clock, but the Senator from Minnesota proceeded by unanimous consent.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington that the unfinished business, House bill 12817, be temporarily laid aside? The Chair hears none, and it is so ordered.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

Mr. McNARY. Mr. President, I ask unanimous consent that the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, be laid before the Senate for consideration.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. McNARY. I ask unanimous consent that the formal reading of the bill be dispensed with.

Mr. KING. I will have no objection if on the second reading the bill be read in full.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. I did not understand the remark of the Senator from Utah.

Mr. KING. I stated that I have no objection to the formal reading being dispensed with, if on the second reading all the text of the bill be read.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. NICHOLSON. Will the Senator from New Mexico yield for a moment?

Mr. BURSUM. I yield.

Mr. NICHOLSON. I desire to offer an amendment to the pending bill relating to free seeds, my amendment to be inserted on page 33, following line 6. I send the amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The amendment was read as follows:

On page 33, after line 6, insert:

"Purchase and distribution of valuable seeds: For purchase, propagation, testing, and congressional distribution of valuable seeds, bulbs, trees, shrubs, vines, cuttings, and plants; all necessary office fixtures and supplies, fuel, transportation, paper, twine, gum, postal cards, gas, electric current, rent outside of the District of Columbia, official traveling expenses, and all necessary material and repairs for putting up and distributing the same; for repairs and the employment of local and special agents, clerks, assistants, and other labor required in the city of Washington and elsewhere, $360,000. And the Secretary of Agriculture is hereby directed to expend the said sum, as nearly as practicable, in the purchase, testing, and distribution of such valuable seeds, bulbs, shrubs, vines, cuttings, and plants, the best he can obtain at public or private sale, and such as shall be suitable for the respective localities to which the same are to be apportioned, and in which same are to be distributed as hereinafter stated; and such seeds so purchased shall include a variety of vegetable and flower seeds suitable for planting and culture in the various sections of the United States: *Provided*, That the Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes and the packing, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States. An equal proportion of five-sixths of all seeds, bulbs, shrubs, vines, cuttings, and plants shall, upon their request, after due notification by the Secretary of Agriculture that the allotment to their respective districts is ready for distribution, be supplied to Senators, Representatives, and Delegates in Congress for distribution among their constituents, or mailed by the department upon the receipt of their addressed franks, in packages of such weight as the Secretary of Agriculture and the Postmaster General may jointly determine: *Provided, however*, That upon each envelope or wrapper containing packages of seeds the contents thereof shall be plainly indicated, and the Secretary shall not distribute to any Senator, Representative, or Delegate seeds entirely unfit for the climate and locality he represents, but shall distribute the same so that each Member may have seeds of equal value, as near as may be, and the best adapted to the locality he represents: *Provided also*, That the seeds allotted to Senators and Representatives for distribution in the districts embraced within the twenty-fifth and thirty-fourth parallels of latitude shall be ready for delivery not later than the 10th day of January: *Provided also*, That any portion of the allotments to Senators, Representatives, and Delegates in Congress remaining uncalled for on the 1st day of April shall be distributed by the Secretary of Agriculture, giving preference to those persons whose names and addresses have been furnished by Senators and Representatives in Congress and who have not before during the same season been supplied by the department: *And provided also*, That the Secretary shall report, as provided in this act, the place, quantity, and price of seeds purchased, and the date of purchase; but nothing in this paragraph shall be construed to prevent the Secretary of Agriculture from sending seeds to those who apply for the same. And the amount herein appropriated shall not be diverted or used for any other purpose but for the purchase, testing, propagation, and distribution of valuable seeds, bulbs, mulberry and other rare and valuable trees, shrubs, vines, cuttings, and plants."

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

CIVIL WAR PENSIONS—VETO MESSAGE.

Mr. BURSUM. Mr. President, On January 3 the Senate received a message from the President returning Senate bill 3275, an act granting pensions to certain soldiers, sailors, and marines of the Civil War, and so forth, without his approval and accompanied by a message.

I can not help but feel that this is a harsh message, a cruel message, when we consider the physical conditions, the suffering endured, sacrifice made, the service to the Nation, the results from that service which has come to the country, the age of the veterans, the aged widows who are eking out a miserable existence, who are suffering from infirmity and a shortage of sufficient nourishment and care on account of inability to provide financial means for obtaining the same—of those who are affected thereby.

Mr. President, I have read and reread the message of the President. I read; I seek to analyze, but I am unable to make myself believe that a patriotic, appreciative, kindly character like Mr. Harding, big hearted, generous in his sympathy for suffering humanity, if in possession of all of the facts and circumstances surrounding perhaps 75 per cent of the beneficiaries under the proposed bill, would have given expression to such a sweeping condemnation of every item that the bill stands for.

This message portrays a gloomy picture; not a word of comfort, no expression of appreciation for those who so gallantly and effectively gave up everything under the leadership of Lincoln and Grant in order that this country might live and become a reunited people and Nation.

Let us analyze the contents of the message. First it says:

> If the act were limited to its provision in behalf of the surviving participants in the Mexican and Civil Wars and widows of the War of 1812, it would still be without ample justification. The Commissioner of Pensions estimates its additional cost to the Treasury to be about $108,000,000 annually, and I venture the prediction that with such a precedent established the ultimate pension outlay in the half century before us will exceed $50,000,000,000. The act makes no pretense of new consideration for the needy or dependent, no new generosity for the veteran wards of the Nation; it is an outright bestowal upon the Government's pension roll, with a heedlessness for the Government's financial problems which is a discouragement to every effort to reduce expenditure and thereby relieve the Federal burdens of taxation.

Under the present law now in force a Civil War veteran requiring an attendant may make application to the Pension Bureau and, upon proof, investigation, and approval by the bureau, may be given a pension of $72 a month. Of the number

of Civil War veterans now on the pension roll, approximately 20 per cent—or, to be exact, 34,759—are drawing $72 per month; the remainder, 148,292, are drawing $50 per month. The reason for suggesting a uniform flat rate of $72 per month is that it is generally recognized that at least 80 per cent of the Civil War veterans are now practically totally disabled and incapacitated, and the number of totally disabled veterans is increasing daily. In this connection I quote an extract from the report of Commissioner Gardner, of the Pension Bureau, for the fiscal year ending 1922, on pages 2 and 3, which reads as follows:

> Of those now on the roll, 34,537 are in receipt of $72 per month because their condition of helplessness or blindness requires the regular personal aid and attendance of another person. When the advanced age of the Civil War veterans is considered, it can readily be seen that a large per cent of the 159,254 now drawing less than $72 per month will lapse into that condition of helplessness warranting allowance of said rate. In fact, claims for the $72 rate are coming into the bureau at the rate of over 3,000 per month.

Last fall I had the pleasure of attending the national encampment of the Civil War veterans held at Des Moines. There were several thousand veterans who attended the annual reunion, also several thousand widows and auxiliary organizations, such as the Woman's Relief Corps and the Ladies of the Grand Army of the Republic. I said to the national commander:

> You have only about 10 per cent of your membership here; where are the rest of your boys?

The reply was:

> Ninety per cent of them are at home either bedridden or incapacitated to make the journey.

It is a notorious fact that if there is anything on earth that a Civil War veteran will make a sacrifice to attend, it is the annual reunion of his organization, where he can meet his comrades who shared his sorrows, privations, and glories three score years ago, when they were all boys, talk over old times, relate and hear interesting incidents and stories about the things which happened between 1861 and 1865. Veterans came to that encampment who only had sufficient money to get there—no funds to purchase food or shelter. Be it said to the credit of the generous citizens of Des Moines, not a single veteran suffered for the want of either food or shelter or a return ticket home. The gates of the city were, in fact and in spirit, opened wide, and the welcome extended by Des Moines to this organization was one of generous welcome and hospitality. The testimony which I heard as to conditions generally with the membership and the widows throughout this country convinced me that the statement of the commander was true.

Many applications for increases have been filed; necessarily, delay is unavoidable in order to enable the Pension Bureau to obtain proofs and conduct its investigations in each individual case to justify approval. Hundreds of veterans have died during the interim between the time that application was made and before it was physically possible to obtain proofs, make the necessary investigation, secure approval, and place the veterans name on the roll at $72. These proceedings, as a rule, take up about three months.

For these reasons we believed that we were wholly justified in increasing the general roll of the veterans who are now alive and who served during the Civil War.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. BURSUM. I will yield later, if the Senator please.

To my mind, the increase of $22 is a new recognition and consideration of a rapidly increasing need and dependency, and to that extent it is a new generosity to the wards of the Nation.

I hardly think we can legitimately justify the word "generosity." Generosity and love of country may, in a measure, characterize the services which these veterans rendered the Nation, but what we propose to do now for the aged veterans, to my mind, is but a partial recognition of the national obligation which never can be fully discharged.

Now, as to the $108,000,000 increase. The message would have the country understand that if this bill becomes a law that it would take annually for 50 years out of the Treasury an additional sum equal to $108,000,000 or fifty billions ultimate outlay in 50 years. I quote the exact language of the message in this regard, which says:

> The Commissioner of Pensions estimates its additional cost to the Treasury to be about $108,000,000 annually.

This seems to be a one-sided picture and an argument by opposing counsel, so to speak, showing all of the objections which could, by opposing genius, be devised, and none of the circumstances favoring the other side of this question.

I do not agree that $108,000,000 even for the first year is a conservative estimate; secondly, net losses on the rolls through deaths have occurred at the rate of more than 40,000 annually—the last six months showing the following: 10,993 veterans and 10,386 widows. This death rate will increase as time goes on with its merciless claims of death upon the aged veterans and widows, and every time a veteran dies the Treasury outlay is reduced to the extent of $72 monthly, or $864 a year, and every time a widow dies the Treasury outlay is reduced by $50 per month, or $600 a year.

The total additional expense for the present calendar year on account of the Civil War veterans and Civil War widows now on the rolls, a monthly increase of $22 to the veteran and $20 to the widow, would in the aggregate amount to $88,386,958. From this sum may be deducted $15,778,290 on account of deaths during the year, leaving a net increase for the first year ending December, 1923, of $72,608,668.

Thus, for the succeeding year 1924, to begin with, there will be dropped from the roll during the calendar year 1923, 21,986 veterans who had been receiving $864 each per annum, making in the aggregate $22,975,904, and 20,772 widows receiving $600 each per annum, or in the aggregate $12,463,200, making a total of $35,439,104. Therefore, within two years the total increased demands over the present outlay upon the Treasury on account of increased pensions will have vanished, and within 10 years—and I am sure I am conservative when I say 10 years—the matter of Civil War veterans and widows' pensions, with the exception of a very limited number, may be compared to existing conditions relating to Mexican War pensions.

The prediction of a $50,000,000,000 outlay within the next 50 years, so far as it may be influenced by the enactment into law of this bill, would seem shooting far from the mark of reason. Indeed, if the proposed legislation was to be considered as a precedent for future policy it would mean, if it meant anything, that veterans and widows of veterans of other wars would be accorded similar treatment under like conditions. Until 1890 the pension of the Civil War veteran was $8 per month; the service pension of the Civil War veteran was fixed at $12 per month by the act of 1890. This was increased by several subsequent acts as the age of the veteran or widow of the veteran increased and their ability to earn decreased; the last increase, being under the act of 1920, increasing the pension of the veteran to $50 and the widow of the veteran to $30 per month.

Fifty-eight years have now elapsed since the Civil War ended. If the veterans and widows of veterans of other wars are required to wait 58 years before obtaining similar rates of pensions provided in the bill, there can be no justification to expect a $50,000,000,000 outlay unless we unfortunately become involved in other wars which are not now foreseen.

The chances are that the veterans of the World War will not demand service pensions until they have arrived at an age similar to those who have received service pensions subsequent to other wars. Whenever the time comes for the granting of a service pension to the World War veteran those who are now sitting in the legislative halls of the Government, and including those who now hold the reins of Government, will probably have little say in directing the policy of the country. Veterans will occupy senatorial and congressional seats, and very likely some veteran may be presiding at the While House. There is no reason to expect any greater extravagance from future generations than from the present or the past. There were 2,475,000 veterans at the end of the Civil War who if living to-day would have a pensionable status. All of the veterans of the World War, including the Army, Navy, and marines, number approximately 4,700,000, or less than twice the number of soldiers in the Civil War. Thus it may be reasonably expected that whenever service pensions are provided for the World War veterans we may expect a Budget of approximately double the amount which we have under the Civil War, and it will be increased proportionately with the age of the veteran and his ability to earn a livelihood.

The message further states:

> The more important objection to this act, however, lies in its loose provision for pensioning widows. The existing law makes the widow of a Civil War veteran eligible to a pension if she married him prior to June 27, 1905. In other words, marriage within 40 years of the end of the Civil War gives a veteran's widow a good title to a pension. The act returned herewith extends the marriage period specifically to June 27, 1915, and provides that after that date any marriage *or cohabitation for two years prior to a veteran's death shall make the widow the beneficiary of a pension at $50 per month for the remainder of her life.*

This portion of the message taken in connection with the statement "loose provision for pensioning widows"—and we all recognize what the word "loose" generally pertains to and its inferential meaning especially in this regard—in effect means that Congress has sought to legalize concubines. In other

words, that a woman who has cohabitated for two years with a veteran prior to the veteran's death shall make the widow the beneficiary of a pension at $50 per month. This is a serious charge and unfortunate. If it were true, certainly the Congress would merit a severe censure for attempting to encourage loosening the morals of the country. *No such provisions as quoted in the message is found in the bill.*

I read the provision of section 3, which is as follows:

That the rate of pension for the former widow of an officer or enlisted man who served in the Army, Navy, or Marine Corps of the United States for 90 days or more during the Civil War and was honorably discharged from such service, or who having so served for less than 90 days was discharged for a disability incurred in the service and in line of duty, or who died in the service of a disability incurred in the service and in line of duty, such widow having married the officer or enlisted man prior to June 27, 1915, *or if legally married after such date shall have subsequent to such marriage lived and cohabited with such soldier, sailor, or marine for a period of at least two years and continuing until his death.* * * *

Thus it will be seen that the purpose of this provision was in behalf of preventing fraud, the very opposite of what the message would seem to convey. The provision which I have just read requires an absolute compliance with the marriage vows. Under this provision a woman might marry a veteran and live with him faithfully as his wife for 20 years; if she left him prior to his death, she would not be eligible to receive a pension, even though such separation be no fault of hers. In view of the error contained in the message purporting to quote from the bill, it seems to me that some one has been "loose" outside of Congress.

In my opinion the President should correct this erroneous impression given the public, which has been broadcasted to the country on account of the erroneous quotation contained in the message. As evidence of this erroneous impression I received one letter from a poor old lady from New Jersey, in which, among other things, she says:

Do you think that clause, "woman living in open lewdness to be treated as a married woman," made him do that?

That is a sample of one letter. I have received a number of others which go to verify my statement as to the false impression which has been created and spread broadcast throughout the country by reason of an erroneous statement of fact contained in the message sent to this body by the President. I am sure that erroneous impression was not intentional nor intended to reflect upon Congress or the widows of veterans and the veterans of the Civil War. Somebody made a slip; somebody made a mistake; but nevertheless that mistake contained in the message is stated as a fact over the signature of the President and has gone to the country in that way.

Now, as to the proposed bill extending the time of marriage from 1905 to 1915, the only reason that may be assumed for extending the time is the very good one that nearly all such widows are now on the pension roll, having been granted pensions by special acts which passed both Houses. If there are widows who were married prior to 1915 and subsequent to 1905 who are not on the pension roll, it is because no Member of the House and no Member of the Senate has introduced bills to extend such pensions to them. I know that many thousands of bills have been passed since 1920, and that, as a practical proposition, nearly all of the widows who were married up to and including 1915 are now on the pension roll, and therefore no harm could come from extending the time until 1915 and no additional expense of any consequence would be involved.

The change with reference to the policy of pensioning widows was made by the House; the Senate bill provided for a limitation, applying the increase only to widows 62 years of age and over, and, as I recall, the remarried widows were left at $30. So far as the actual expense to the country is concerned, I do not consider it of any great moment; it is purely a question of policy upon which there may be honest differences of opinion. The salient fact, however, remains that, according to the report of the Pension Bureau, the average age of the widows on the pension roll in the month of February of last year was 73 years, and therefore it is fair to say that the average age of the widows of the Civil War veterans now on the pension roll is 74 years.

Reference is made in the message to a comparison of the Civil War widow with the widow of the World War. To my mind, the measure of relief should be in accordance with the established policy, namely, the ability of the beneficiary to earn and provide a livelihood. Outside of sickness, this ability is generally measured by the age of the beneficiary. The average age of the Civil War widow being 74 and that of the World War widow being nearer 24, it is manifest that a difference in rate may be justifiable.

Mr. President, I regret the fact that this bill has been disapproved, because it will disappoint so many aged veterans and widows who are undoubtedly in distress and in great need of the increase which this bill would have given them.

It may be true that the bill in its entirety is not all that it should be; of course it is not perfect; it is the product of compromise, which is usual with most legislation. I do not intend to attempt to secure its passage over the veto of the President; such course would not result in any accomplishment; but I do sincerely wish and hope there may be some legislation enacted at the present session which will grant an increase to the older veterans and the older widows who are now in distress, who are in great need, and whose allowance from the Government will not provide fuel, shelter, food, and medicine. I also hope that legislation may be enacted to make a more liberal and uniform allowance to minor children. It seems to me that the allowance for minor children should be uniform and equal as to all wars.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. BURSUM. I do not yield at this time, but will yield later.

The PRESIDING OFFICER. The Senator from New Mexico declines to yield.

Mr. BURSUM. Mr. President, we have appropriated $20,000,000 for the starving people of Russia; I agree we did right; it was a humane thing to do. Those unfortunate people were starving, and this country was in possession of a surplus of the resources which would save millions of women and children in Russia from starvation, and under the same identical humane policy it seems to me that we will be derelict in our duty if we fail to adequately provide, during the present Congress, for the aged veteran, and especially the aged widow, to the end that fuel, food, shelter, and medicine may be available to this class of our citizenship to whom the Government is obligated.

There is one thing we may count on, Mr. President, that the general who fails to feed and care for his troops will not win much of a victory when the battle is on. The successful functioning of a government depends upon patriotism; patriotism itself depends upon willingness to sacrifice. If you would have the people at all times stand four square for the Government, the Government in turn must show its appreciation of service and sacrifice by standing four square in return.

I now yield to the Senator from South Carolina.

Mr. DIAL. I should like to ask the Senator what pension the old soldier draws who lives in one of the Government soldiers' homes?

Mr. BURSUM. There is no distinction on that account. Not a very large number of the men live in the homes—only about 15,000 of them—and some of them have families to take care of.

Mr. DIAL. How much pension do they receive a month?

Mr. BURSUM. I think they receive the same as the other ex-soldiers; I do not know that there is any difference.

Mr. President, I should like to call attention to a few cases to show the conditions that exist. I might present as evidence 5,000 letters which I have received from all over the country. Here is a typical one from which I will read:

It is with a saddened heart I am writing to you in regard to the vetoing of your bill. My mother, who is 89 years of age and blind and also an invalid in bed, was praying for the passage of this bill and that it might be signed by the President. To be obliged to provide the necessities on $35 per month, with coal at $16 per ton, wood $22 per cord, and then no money to buy either.

That is merely one of the letters I have received; I have hundreds more, showing beyond any question that the majority of the aged widows are in dire need and suffering from the lack of means with which to procure shelter, food, fuel, and medicine. I submit, Mr. President, to permit such conditions to exist beyond the term of the present Congress will be a disgrace to the Congress and to the American people.

Mr. President, I am going to introduce another pension bill, which will be much more restricted than the former one. I am doing it for the reason that I conceive that an emergency, a great necessity, exists, and in order that there may be no reason for any delay in the passage of the legislation, the bill which I propose to introduce I will send to the desk in a few moments. I can not find it just now. It provides that the increase of pension shall be given to the veteran who has attained the age of 78 years or more and to the widow who has attained the age of 68 years or more, and also makes a slight increase as to minor children. The portion as to minor children, of course, would not affect the aged widows, but it would affect the younger widows who are charged with taking care of minor children of veterans of the war.

The bill (S. 4305) granting increase of pension to certain soldiers of the Mexican War and Civil War and their widows

and minor children, widows of the War of 1812, Army nurses, and for other purposes, was read twice by its title and referred to the Committee on Pensions.

Mr. BURSUM. I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement as to early pension legislation, and some statistical matter bearing on the subject which I have discussed.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

EARLY PENSION LEGISLATION.

It will be of interest to know that the foundation of our present pension system is older than the Declaration of Independence.

The first national pension law was passed August 26, 1776, before our independence was established. But prior to this, early in the history of colonial legislation, many of the English colonies in America had provided for the relief of wounded and maimed soldiers.

In 1636 the Pilgrims at Plymouth enacted in their courts that any man who should be sent forth as a soldier and return maimed should be maintained competently by the colony during his life. This was probably the first pension law passed in America. In 1676 a standing committee of the general court of Massachusetts Bay held regular meetings in "Boston toune house" to hear the applications of wounded soldiers for relief. After the union of Massachusetts Bay and Plymouth colonies under the charter of 1691 the Province continued to make provision for the relief of disabled soldiers out of the public treasury.

In 1644 the Virginia Assembly passed a disability pension law, and later provision for the relief of the indigent families of soldiers who should be slain. Similar acts are found in the colonial statutes of Maryland and New York in the latter part of the seventeenth century. In 1718 Rhode Island enacted a pension law which provided that every officer, soldier, or sailor employed in the colony's service who should be disabled by loss of limb or otherwise from getting a livelihood for himself and family or other dependent relatives should have his wounds carefully looked after and healed at the colony's charge, and should have an annual pension for the maintenance of himself and family or other dependent relatives. The law further provided that if any person who had the charge of maintaining a wife, children, parents, or other relatives should be slain in the colony's military service these relatives should be maintained while unable to provide for themselves.

The above shows that the custom of pensioning soldiers is as old as the English settlement.

The first national pension law, that of August 26, 1776, promised half pay for life or during disability to every officer, soldier, or sailor losing a limb in any engagement, or being so disabled in the service of the United States as to render him incapable of earning a livelihood.

On August 24, 1780, a resolution was adopted extending the above half-pay provision to the widows or orphan children of such officers as had died or should die in the service. This was the first national pension law in behalf of widows and orphans.

On April 23, 1782, Congress provided that soldiers who were sick or wounded or unfit for duty should receive a discharge and be pensioned at the rate of $5 per month. It is further shown that history is repeating itself, as Congress was as unable at that time as at the present to enact pension laws that were in all respects satisfactory to the masses. The money was not always in the Treasury to pay the pensions after the same had been granted, much being promised but little realized. Many were paid in commutation certificates payable to them or bearer and drawing interest at 6 per cent, but no provision was made for paying either. Many of these were compelled to part with their certificates as low as 12½ cents on the dollar.

TABLE OF RATES.

TABLE I.—*For simple total (a disability equivalent to the ankylosis of a wrist) provided by section 4695, Revised Statutes, United States.*

	Per month.
ARMY.	
Lieutenant colonel and all officers of higher rank	$30.00
Major, surgeon, and paymaster	25.00
Captain, provost marshal, and chaplain	20.00
First lieutenant, assistant surgeon, deputy provost marshal, and quartermaster	17.00
Second lieutenant and enrolling officer	15.00
All enlisted men	8.00
NAVY AND MARINE CORPS.	
Captain and all officers of higher rank, commander, lieutenant commanding, and master commanding, surgeon, paymaster, and chief engineer ranking with commander by law, lieutenant colonel, and all of higher rank in Marine Corps	30.00
Lieutenant, passed assistant surgeon, surgeon, paymaster, and chief engineer ranking with lieutenant by law, and major in Marine Corps	25.00
Master (now lieutenant, junior grade), professor of mathematics, assistant surgeon, assistant paymaster, and chaplain, and captain in Marine Corps	20.00
First lieutenant in Marine Corps	17.00
First assistant engineer, ensign, and pilot, and second lieutenant in Marine Corps	15.00
Cadet midshipmen, passed midshipmen, midshipmen clerks of admirals, of paymasters, and of officers commanding vessels, second and third assistant engineers, master's mate, and warrant officers	10.00
All enlisted men, except warrant officers	8.00
INVALID.	
Indian wars:	
Acts July 27, 1892, June 27, 1902, and May 30, 1908	8.00
Act of Feb. 19, 1913	20.00
Mexican War:	
Act Jan. 29, 1887	8.00
Acts Jan. 5, 1893, and Apr. 23, 1900, certain survivors	12.00
Act Mar. 3, 1903, all survivors	12.00
Act Feb. 6, 1907—	
At 62 years	12.00
At 70 years	15.00
At 75 years or over	20.00
Act of May 11, 1912	30.00
Civil War:	
Act June 27, 1890, in its original form, and also as amended by the act of May 9, 1900	$6.00–12.00
Act Feb. 6, 1907—	
At 62 years	12.00
At 70 years	15.00
At 75 years or over	20.00
Act of May 11, 1912. (See sec. 445, p. 136.)	
Army nurses:	
Act Aug. 5, 1892	12.00
Navy service pensions:	
Section 4756, Revised Statutes, for 20 years' service, one-half the pay of rating at discharge.	
Section 4757, Revised Statutes, for 10 years' service, not to exceed the rate for total disability.	
(See sec. 451, p. 137.)	
WIDOWS AND MINORS.	
Revolutionary War:	
Act Mar. 9, 1878, widows only	8.00
Act Mar. 19, 1886, widows only	12.00
War of 1812:	
Act Mar. 9, 1878, widows only	8.00
Act Mar. 19, 1886, widows only	12.00
Indian wars:	
Acts July 27, 1892, June 27, 1902, and May 30, 1908, widows only	8.00
Act Apr. 19, 1908, sec. 1, widows only	12.00
Mexican War:	
Act Jan. 29, 1887, widows only	8.00
Act Apr. 19, 1908, sec. 1, widows only	12.00
Civil War:	
Section 4702, Revised Statutes, widows and minors, same rates as in Table 1.	
Act Mar. 19, 1886, widows and minors	12.00
Act June 27, 1890, in its original form, and as amended by the act of May 9, 1900	8.00
Act Apr. 19, 1908	12.00

From and after July 25, 1866, a widow is entitled, under the provisions of section 4703, Revised Statutes, to the sum of $2 per month additional on account of each legitimate minor child of the deceased soldier or sailor (in her care and custody, if by his former marriage) until such child reaches the age of 16 years. Where the widow has died, remarried, or has no title, the minor children under 16 years of age succeed to the widow's rights.

In claims under the act of June 27, 1890, both in its original and amended forms, the additional pension of $2 per month is granted. In addition, provision is made in said act for the continuance of pension granted to an insane, idiotic, or otherwise physically or mentally helpless minor child, during its life or during the period of disability. This proviso is applicable to minors' claims under any statute.

DEPENDENT RELATIVES.

Section 4707, Revised Statutes, in its original form, and as amended by sec. 1, act June 27, 1890, same rates as in Table 1.	
Act Mar. 19, 1886	$12.00

RATES FOR OFFICERS, SECTIONS 4692 AND 4693, REVISED STATUTES.

Rates for officers in claims under sections 4692 and 4693, Revised Statutes, shall be one-quarter, one-half, three-quarters, and total. Officers below the rank of first lieutenant may receive rates in fractions of 18 in excess of their total.

Section 4699, Revised Statutes, provides that the rate of $18 per month may be proportionately divided for any degree of disability established for which section 4695 makes no provision, thus fixing the highest rating provided by existing laws which can be allowed by considering disabilities separately and compounding so as to allow the full amount which the disabilities so considered would aggregate.

The act of March 2, 1895, provides that all pensioners now on the rolls who are pensioned at less than $6 per month for any degree of pensionable disability shall have their pensions increased to $6 per month; and that, hereafter, whenever any applicant for pension would, under existing rates, be entitled to less than $6 for any single disability or several combined disabilities, such pensioner shall be rated at not less than $6 per month: *Provided also*, That the provisions hereof shall not be held to cover any pensionable period prior to the passage of this act, nor authorize a rerating of any claim for any part of such period, nor prevent the allowance of lower rates than $6 per month, according to the existing practice in the penion office in pending cases covering any pensionable period prior to the passage of this act.

WIDOWS.

The widow of a soldier or sailor who died of a disability incurred while in the service and in line of duty is, under the provisions of section 4702, Revised Statutes, entitled to the rating to which he would have been entitled for a simple total disability, as shown in Table I; and under the provisions of section 4696, Revised Statutes, the rank of the soldier is determined by the rank held by him when death cause was incurred, without regard to subsequent promotions.

From and after March 19, 1886, by the act approved on that date, the widow of a private or noncommissioned officer is entitled to $12 per month, provided that she married deceased soldier or sailor prior to March 19, 1886, or thereafter married him prior to or during his term of service.

WIDOW'S INCREASE.

From and after July 25, 1886, a widow is entitled to $2 per month increase for each legitimate minor child of the soldier or sailor in her care and custody.

MINOR'S PENSION.

Same rates and increase as in widows' claims, except that in cases of children of fathers below the rank of a commissioned officer the rate is increased to $12 per month from March 19, 1886, without regard to date of soldier's or sailor's marriage.

MOTHERS, FATHERS, BROTHERS, AND SISTERS.

Same rates as provided in minors' and widows' claims in cases of commissioned officers, and $8 per month to March 19, 1886, and $12 thereafter in other cases.

Pensions based upon service performed since March 4, 1861 (act of June 27, 1890, as amended by the act of May 9, 1900):

	Per month.
Survivors	$6 to $12
Widows and minors	8

To widows' and minors' rate add $2 per month increase for each legitimate minor child of soldier under the age of 16.

(Act of August 5, 1892.)

Female nurses	$12

(Act of March 2, 1867 (Navy only).)

For 20 years' naval service, entitled to one-half the pay he was receiving at date of discharge.

Ten years' service, whatever rate may be allowed by a board of officers appointed by the Secretary of the Navy, not to exceed rate for total disability.

If in addition to service pension sailor is pensioned for disability, the service pension covering the same time shall not exceed one-fourth the rate allowed for disability.

NOTE.—Claims under this act should be filed with the Secretary of the Navy.

Pensions based upon service performed prior to March 4, 1861:

REVOLUTIONARY WAR.

There are no survivors of this war.

Widows, from Mar. 9, 1878, $8, and from Mar. 19, 1886	$12

WAR OF 1812.

(Sections 4736 and 4740, Revised Statutes, and acts of March 9, 1878, and March 19, 1886.)

Survivors	$8
Widows, from Mar. 9, 1878, $8, and from Mar. 19, 1886	12

Indian wars, from 1832 to 1842 (act of July 27, 1892).

Survivors	$8
Widows	8

MEXICAN WAR.

(Act of January 29, 1887.)

Survivors	$8
Act of Jan. 5, 1893, provides, under certain conditions, for increase of survivor's pension only to	12
Widows	8

Acts of February 6, 1907, and March 4, 1907.—By the terms of these acts any person who served 90 days or more in the military or naval service of the United States during the late Civil War, and who has been honorably discharged therefrom, is entitled to a pension at the following rates, irrespective of rank: At 62 years of age, $12 per month; 70 years of age, $15 per month; 75 years or over, $20 per month. Pension commences from the date of filing claim in the Bureau of Pensions, subsequent to February 6, 1907, after attaining the specified age.

The bases of title under these acts, except as herein otherwise stated, are the same as under the act of June 27, 1890, as amended by the act of May 9, 1900.

Act of May 11, 1912.—By the terms of this act any person who served 90 days or more in the military or naval service of the United States during the late Civil War, and who has been honorably discharged therefrom, is entitled to a pension at various rates, irrespective of rank, based upon age and length of service, as follows:

Age.	90 days.	6 months.	1 year.	1½ years.	2 years.	2½ years.	3 years.
62	$13	$13.50	$14	$14.50	$15	$15.50	$16
66	15	15.50	16	16.50	17	18.00	19
70	18	19.00	20	21.50	23	24.00	25
75	21	22.50	24	27.00	30	30.00	30

INCREASED RATINGS TO CERTAIN SURVIVORS OF THE CIVIL WAR; AMENDING ACT OF MAY 11, 1912.

(Act of June 10, 1918 (40 Stat. L. 603).)

That the general pension act of May 11, 1912, is hereby amended by adding a new section, to read as follows:

"SEC. 6. That from and after the passage of this act the rate of pension for any person who served 90 days or more in the military or naval service of the United States during the Civil War, now on the roll or hereafter to be placed on the pension roll and entitled to receive a less rate than hereinafter provided, shall be $30 per month. In case such person has reached the age of 72 years and served six months, the rate shall be $32 per month; one year, $35 per month; one and a half years, $38 per month; two years or over, $40 per month."

(Act of September 8, 1916.)

This act increased the pensions of Civil War and Mexican War widows and widows of the War of 1812 to $20.

(Act of October 6, 1917 (40 Stat. L. 408).)

That from and after the passage of this act the rate of pension for a widow of an officer or enlisted man of the Army, Navy, or Marine Corps of the United States who served in the Civil War, the war with Spain, or the Philippine insurrection, now on the pension roll or hereafter to be placed on the pension roll, and entitled to receive a less rate than hereinafter provided, shall be $25 per month.

(Act of May 1, 1920.)

This act increased the rate of pension of Civil War soldiers who served 90 days and were honorably discharged to $50 a month, and if helpless to $72. The widows of such soldiers were given $30 a month.

ORDER FOR RECESS.

Mr. JONES of Washington. I ask unanimous consent that when the Senate closes its business to-day it recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

PROPOSED INTERNATIONAL ECONOMIC CONFERENCE.

Mr. CAPPER. Mr. President, I desire to present to the Senate a resolution adopted a few days ago by the Ford County Farm Bureau of Kansas. It is very much the same as many others I have received from farm organizations in the West which want our Government to call an economic conference.

The resolution reads:

The Ford County Farm Bureau members, assembled in annual meeting, believe that everything necessary should be done to restore the farmers' market. For our surplus production this market is overseas.

We can not recover those markets till Europe recovers stability. We therefore urge that the President of the United States at an early date summon a financial and economic conference at Washington, especially inviting those nations of Europe that are natural customers of the American farmer.

We realize that the question of the German reparations to France, Belgium, Italy, and England and the allied indebtedness to the United States are inextricably interwoven. We can not hope for a return of financial and political stability to Europe and a return of prosperity to the farmer until these questions are adjusted. We therefore urge a review of those questions and the submission of such concessions as will promote tranquillity and stability in Europe, and thereby restore those markets to our farmers.

We demand the repeal of the foreign debt funding law or such amendment as will give the President liberty of action to make necessary concessions to our customers.

We direct the president of the Ford County Farm Bureau to send a copy of these resolutions to President Harding and Secretary Hughes, to Senators CURTIS and CAPPER, and to Congressman TINCHER.

Then I have a letter from the American National Live Stock Association, signed by the secretary of the association, as follows:

AMERICAN NATIONAL LIVE STOCK ASSOCIATION,
OFFICE OF THE SECRETARY,
Denver, Colo., January 6, 1923.

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

MY DEAR SENATOR CAPPER:

* * * I am firmly convinced that to-day the live-stock and agricultural producer of the West does realize the importance of an export business and is firmly of the opinion that the most speedy approach to the solution of the surplus agricultural production question in the United States is through an economic conference, held in the United States, at which the United States should be represented by its ablest statesmen, financiers, and business men. If, in connection with such a conference or growing out of it, a solution of the reparations problem in Europe could be found, I believe there is no doubt in the minds of those of us in the West that a very great and immediate change would come in agricultural prices.

We must all face the fact that America is a surplus agricultural producer; and the sooner Europe can be put in a position to buy our agricultural products, which she so sorely needs, so much sooner will the proper equilibrium between agricultural and manufactured goods be reached here. On the establishment of such an equilibrium must any permanent prosperity rest.

With kindest regards, believe me, yours very sincerely,

T. W. TOMLINSON, *Secretary.*

Then I have a letter from the American Cotton Association, signed by its president, J. S. Wannamaker, of St. Matthews, S. C., as follows:

AMERICAN COTTON ASSOCIATION,
St. Matthews, S. C., December 29, 1922.

Hon ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER:

* * * I learn that Senator BORAH'S amendment has been withdrawn, with the understanding that similar steps are being taken through official circles. Longer delay of this matter is dangerous; and should the efforts which it is stated the administration is making fail to promptly bring about a restoration of peace and the opening of these markets, I sincerely hope that you will use your very best efforts to have Senator BORAH'S amendment for an economic conference reintroduced, or some similar measure for the same purpose. We can not hope for relief of these distressed conditions now existing throughout the Nation until these markets can be opened. Neither agriculture nor business can proceed with any degree of intelligence or safety. The farmer fears that there will be a repetition of his experience of past years and that there will be no market for his product except at a price far below the cost of production. Various divisions of industry extending credits on these uncertainties fear to extend same, as they are already loaded with a vast amount of unpaid obligations as a result of the fearful losses for the last several years.

There is nothing so important to American agriculture and commerce to-day, in fact, to our civilization and the commerce and civilization of the entire world, than a full reestablishment of our foreign markets, which can only come about through a reestablishment of a world's economic peace. There is nothing to which the Senators can give their attention that is of greater moment to the American people in a practical way than the creation of international relations that is precedent to the reestablishment of foreign markets. There is nothing in the world that affects our credits so much as the shrinking of foreign markets for our products.

* * * * * * *

It seems to be the consensus of judgment of those who have given thought and study to this problem that the only possibility of restoring peace and opening the markets and bringing about these conditions will be by America taking an active part in a world's economic conference; and aside from this, the absolute failure to bring about restoration of peace on the part of the other nations plainly shows that it would only be possible to bring about such conditions by America taking an active part in a world conference for this purpose.

The entire world has already paid a fearful penalty as a result of the failure to bring about these conditions. While our entire Nation, with the world at large, has been made to suffer, no section of our

entire Nation has been made to pay a more fearful penalty than the agricultural sections, and the appalling conditions existing to-day should impress everyone with the fact that this problem is nonpolitical and nonsectional. The restoration of peace and the opening of foreign markets is a world-wide necessity.

I sincerely hope that you can take an active part in supporting the movement started by Senator BORAH for this purpose.

* * * * * * *

Very sincerely, J. S. WANNAMAKER,
President American Cotton Association.

Then I have a letter from Clarence Poe, an agricultural leader in the South, head of one of the leading farm organizations and president and editor of the Progressive Farmer, in which he says:

THE PROGRESSIVE FARMER,
Raleigh, N. C., January 5, 1923.

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR CAPPER: I believe the people of North Carolina, farmers and all, want to see the United States Government participate in the proposed economic conference and do everything else in its power to get Europe on a sound industrial basis.

It looks to me that France, if let alone and permitted to adopt the most extreme measures in dealing with Germany, will bring virtual ruin on herself and involve all the rest of the world besides. She is likely to kill the goose that lays her golden eggs by forcing Germany into virtual anarchy, with consequent industrial disaster for a long time. This will hold back the prosperity of the world. Moreover, if she takes over the richest portion of Germany she will create another Alsace-Lorraine, and sooner or later this is likely to bring another World War, and the United States may be called on to lose more, both in blood and treasure, than in the last war.

I am extremely gratified, Senator CAPPER, to find you giving serious thought to this entire situation. I am also gratified to see that President Harding and Secretary Hughes seem to be getting ready to do something.

As I see it, delay means economic disaster and not unlikely the seed sowing of another war.

Yours sincerely, CLARENCE POE,
President and Editor.

Mr. President, at the beginning of another year, four years after the Great War, we find Europe sinking deeper and deeper in the pit dug by her war lords, while it becomes increasingly compulsory that all nations rededicate themselves to thrift and industry.

The big question forcing itself upon our attention at this moment is, Shall we try to help Europe settle her economic troubles; shall we do all we reasonably and properly can to save Europe from financial and commercial smash, and ourselves from the consequences of such a disaster; shall we see what further may be done through conference, through further reduction of armaments, and through other means to deliver Europe from the quicksands of inflation and our farm industry from a crushing depression; or shall we let the situation grow steadily worse, while we look about us unavailingly for some means to protect ourselves from serious injury when the grand smash comes?

With two facts made unmistakably plain, I think we can and should do something. The first is that Europe's war loans shall on no account be canceled; the other is that we shall make no political alliances nor assume any obligations of the treaty of Versailles protecting Europe's territorial boundaries. It should be well understood from the beginning that the United States will not consent to be made the burden bearer of European indebtedness, nor will we sponsor European obligations. If this country is to have any part in the financing of Europe, it must be done through American business men and not through the United States Treasury.

On a firm basis of such an understanding American good will and American common sense might well go the limit to uphold America's traditional policy of peace on earth, good will toward men and nations. I believe we have everything to gain and nothing to lose by such a course.

Mr. President, we have been trying to do something here to place American agriculture on a firmer basis than before, and among these things to help the farmer in his greatest problem of all, which is not production but marketing his products. We have done something and we can do more, but we recognize that farm marketing is not entirely a domestic problem. For important American farm products a foreign market which is dependable is vital to the farmer's prosperity. We do not need to say that where the farmer produces a surplus over the consumption of the United States it is this surplus that determines what he receives even for the portion consumed in the United States and so for the whole; and American farms during the entire history of the country have produced the main part of our export goods and have given us our favorable balance of trade. This has always been the case and is to-day. The farmer's foreign market is not in the new parts of the world. These newer countries are his competitors. We do not ship farm products to Australia, but to those countries that are becoming more and more industrial and relatively less and less agricultural.

The industrial countries of northern and western Europe are in large measure dependent upon us for food. These are the countries that to-day, after three years of repeated efforts, have not been able to reach a settlement of the terrible problems left by war. Their people can not pay for the food supplies which they required prior to the war. They can not become the dependable market that we were accustomed to before the war until these problems are settled, so that they may return to something like a normal industrial life.

The nation-wide interest in the amendment of the Senator from Idaho [Mr. BORAH] proposing a world economic conference, indicates a number of things. In the first place, it indicates a growing realization that our material prosperity, particularly that of the farmer of the Middle West, depends to a large degree on the economic health of Europe. As long as the reparations question is unsettled, and as long as budgets are unbalanced and currencies are depreciated, the rehabilitation of Europe is impossible and our prosperity will lag. We have come to recognize that economic distress in Europe means the absence of prosperity in many quarters of the United States. The economic life of the world is interrelated, and what happens in one country affects in a greater or less degree conditions in another. There are undoubtedly certain things which European nations must do toward putting their own houses in order before the United States can be helpful in a fundamental way, but there are certain things which can be done now to contribute to the solution of the perplexing European problem.

The second thing indicated by the public interest in the proposal of the Senator from Idaho is that the American people have a deep-seated interest in cooperation with other nations in the settlement of essential international questions. The American people are interested in a program which will contribute to world stability and peace. Their support of the work of the arms conference is adequate proof of this statement. They rejected the League of Nations chiefly because it was associated with a dictated and unjust peace, and their position has been amply justified by the experiences of Europe during the years which have intervened. Their rejection of the League of Nations, however, does not mean that they are opposed to the principle of cooperation in the settlement of international issues which contribute to war. They are willing to play a part in any program which looks toward the establishment of peaceful and just relations among the peoples of the earth.

Mr. President, I do not say that we have any specific solution for Europe's economic difficulties. Unlike the armament conference, we may have no definite program to offer at the outset. We have our good will and our disinterestedness. These are recognized. We have no selfish interest to serve. Our interest is the recovery of Europe. We look for no advantage that is not primarily dependent upon Europe's economic stability and prosperity. The fundamental problem of the amount and period of payment of German reparations is one in which we are only indirectly interested. We are not asking payments out of German reparations, and are concerned in this question only to the extent that it is an underlying factor of Europe's prostration. If the President calls a conference it will be as the friend of Europe and it will be so recognized.

Mr. President, any plan looking toward the solution of the European economic tangle would probably benefit the farmer sooner than any other American producer. His markets are demoralized most by existing situations. For more than two years Europe's disturbed state has been increasingly felt on this side of the Atlantic in our persistently demoralized markets. Something must be done to restore Europe's purchasing power. Something must be done to make a market for American products. Fifteen per cent of our farm output must find a market outside of the United States if we are to save our farm industry and properly maintain our own food supply. There can be no permanent solution of our own production and marketing problems until something approaching our normal trade relationships with foreign nations is restored. Our "trade circle" is at present deadlocked. A revival of export demand would be of immense and immediate benefit to the agricultural West. Now Europe starves, our surplus products rot, and without an adequate outlet for them no other practicable means can be devised to reestablish the one industry upon which our national well-being so certainly depends. It is as necessary to take care of and to dispose of this 15 per cent surplus as it is to market the 85 per cent which makes our existence possible. We must keep in mind at all times that the price of the surplus sets the price of all.

Mr. President, seemingly, at the beginning of the new year we have arrived at another one of those epochal moments in history when a wavering, uncertain world either chooses to do what is right with a prescience and unity almost God given, or fails to grasp the golden opportunity and afterwards atones for that failure by long years of hardship and suffering.

"Be sure you're right, then go ahead," is a time-proved American axiom; an American policy which came out of our experience in dealing with the warring red man. Paul Jones and Farragut proved it on the seas; Washington and Jackson and Scott and Sherman and Sheridan and Grant on the battle field; Monroe and Webster and Hay and Roosevelt and Hughes in shirt-sleeve diplomacy—the strictly American kind. This sort of American boldness has won peace greater victories than any ever won by war.

Secretary Hughes's speech and immediate announcement of the American program at the opening of the disarmament conference is a recent example of this traditional straightforward boldness, which, being sure that it is right, dares to go straight ahead. Europe's diplomats gasped when the American Secretary of State proposed out of hand to scrap more than a score of this country's warships; then they accepted the terms he laid down.

What took these veteran and seasoned diplomats off their feet was the straightforward sincerity of these proposals and their own knowledge that this program was not inspired by either purpose or desire to gain an advantage. The arms limitation conference of last year convinces me that the nations can get together here at Washington and actually agree on major economic questions. As I ardently welcomed the first proposal of the disarmament conference called by the President a year ago to consider the reduction of navies and naval programs, also to discuss the problems of the Far East and of the Pacific, I now welcome this further step for the reconstruction of Europe and the betterment of our own and world conditions, believing the time is ripe for such foresighted action and the need of it most pressing.

Mr. President, we have seen at the disarmament conference how this frank courage and common sense again got results. As a direct consequence of that conference we have good reason to hope there will be no war in the Pacific such as was previously declared inevitable between this country and Japan. In good faith Japan seems to be making all her pledges. And while Japan goes right ahead carrying out the Washington disarmament pact, the Japanese representative at the Lausanne conference rises to his feet to second the American ambassador's demand for the "open door" in all settlements between Turkey and Europe.

Mr. Hughes's New Haven address on December 29 contains suggestions which, if followed, will prepare the way for a world economic conference. The address also is important in that it indicates the willingness of our Government to be helpful in the solution of the perplexing problems of Europe.

It is idle to say—

Mr. Hughes remarks—

that we are not interested in these problems, for we are deeply interested from an economic standpoint, as our credits and markets are involved, and from a humanitarian standpoint, as the heart of the American people goes out to those who are in distress. We can not dispose of these problems by calling them European, for they are world problems, and we can not escape the injurious consequences of a failure to settle them.

Referring to the problem of the debts of the allied countries to the United States Government, Mr. Hughes has this to say:

There has been a persistent attempt ever since the armistice to link up the debts owing to our Government with reparations or with projects of cancellation. This attempt was resisted in a determined manner under the former administration and under the present administration.

Referring to the present situation in Europe, Mr. Hughes's words are these:

We have no desire to see Germany relieved of her responsibility for the war or of her just obligations to make reparation for the injuries due to her aggression. On the other hand, we do not wish to see a prostrate Germany. There can be no economic recuperation in Europe unless Germany recuperates. We should view with disfavor measures which instead of producing reparations would threaten disaster.

But the situation does call for a settlement upon its merits. The first condition of a satisfactory settlement is that the question should be taken out of politics.

The fundamental condition is that in this critical moment the merits of the question as an economic one must alone be regarded.

Why should they not invite men of the highest authority in finance in their respective countries—men of prestige, experience, and honor—that their agreement upon the amount to be paid and upon a financial plan for working out the payments would be accepted throughout the world as the most authoritative expression obtainable? I have no doubt that distinguished Americans would be willing to serve in such a commission.

Mr. President, these words of Mr. Hughes embody a first step in a program which will be constructively helpful to Europe. They show a sympathetic attitude.

The United States in a world-wide economic conference should be the most powerful influence for world-wide, and especially European disarmament. With disarmament would come a tremendous reduction in governmental expenditures and a corresponding increase of ability among European nations to pay the debts they owe the United States.

It may be said that if the nations of Europe can not see that it would be to their advantage to disarm, they would heed no suggestions from the United States. Such reasoning is not sound. These nations are obsessed with the hate which is born of fear. They profoundly distrust each other, but they instinctively trust the United States, because they know that we have no part or lot in their feuds, nor are we concerned in their boundary disputes or selfishly affected by the righting of their wrongs, real or imaginary.

Armaments exist because economic and political problems are unsettled. Peace will not come until security is established, and security will not be established until just means are found for the settlement not only of the problems of Europe but of the greater economic problems of the world. Sooner or later the nations of the world will have to sit around a table and discuss, just as they did in the arms conference, the great underlying economic issues which, if allowed to remain unsettled, become political issues and lead to conflict and war.

All of the best minds of Europe know that real prosperity is contingent upon peace and good will, but none dare to offer the hands of friendship for fear their neighbor will take advantage of the fact that the hand is not the gun; so prosperity waits, while fear rules, with hate and suspicion as her handmaidens.

A world economic and armament-limiting conference to be called at an early date seems to be the only practicable means to be invoked for preventing war-wrecked Europe from going on the rocks and plunging us all into economic chaos. No country, however well circumstanced, could hope to escape with much more than its life from the tidal wave of such a catastrophe.

The world over, the problem is the reduction of tax burdens, the restoration of fiscal sanity to Europe, the settlement of the German reparations, the further reduction of armament and of military personnel—a complete return to the settling conditions of peace, industry, economy, and thrift. Europe knows this as well as we know it. Another international conference at this time would do much to bring this about through helpful understanding.

It is said that all these questions are for Europe's statesmen and not for America, and if conference after conference of European premiers has failed to find a solution of German reparations, which are said to be the underlying difficulty, it is for Europe's statesmen to reach agreement, and if they fail at home they will fail at Washington.

Mr. President, I have a hope that the atmosphere of Washington of American disinterestedness will prove helpful. I am willing at least that we should invite such a conference in the hope that with America present there will be a new and needed element that with no self-interest to serve, timely suggestions will come out during the conference that will help to compromise rival interests and bring about a basis of settlement. I do not know that the presence of Ambassador Child at the Lausanne conference has prevented disagreement or been a great factor in holding that conference together and preventing its breakup in failure, but I believe it has been helpful, and that a conference called by the President and held in Washington will in some way, but to a much greater extent, enable American wisdom, the best we have, to promote agreement where there is disagreement growing apparently more intractable rather than less as time goes by.

Mr. President, we can not imitate the ostrich and maintain either that there is no grave crisis to ourselves and the world growing out of European unsettlement, or that Europe is making slow but steady progress in working out her own salvation. We can not close our ears to the reports we hear on every hand that Europe is slipping down into an abyss, that a final crisis may at any time occur, when such an effort as we are now debating may be too late. I say nothing of a duty of idealism to come to Europe's rescue for its own sake alone. A policy of prudence, if nothing more, commends this proposal to me. But as an American I would welcome action on the part of our Government which in the outcome might, as I believe it has more than a fair prospect of doing, prove the turning point of the recovery of Europe, and so of the world, and again enable our country to fulfill its destiny of disinterested service to all countries and all peoples.

Mr. STERLING. Mr. President, I send to the desk an amendment intended to be proposed to the Agricultural appropriation bill. I ask that it may be printed and lie on the table.

The VICE PRESIDENT. It will be printed and lie on the table.

Mr. JOHNSON. Mr. President, I have listened with great interest to the very able address of the distinguished Senator from Kansas [Mr. CAPPER]. I am reminded of an occasion when I was Governor of the State of California, and an application was made by an individual for appointment in that State, an individual whom I did not know. I wrote to a mutual acquaintance and asked him concerning the individual who was making the application, and asked whether or not he possessed the requisite qualifications for the position to which he aspired. The reply came that, aside from the fact that he was dishonest, untruthful, and disreputable, he was a very excellent gentleman.

I have listened to the reasons which were given by the Senator from Kansas for favoring an economic conference and what he said would not under any circumstances do or permit to be done. As I recall his remarks, he said that he would not tolerate any cancellation of the debt, no alliances would he permit, no foreign commitments of any sort, nor would he tolerate incurring any obligations of any kind or of any character. But he would hold a conference.

What remains? There remains only that of which we are always prolific—there remains good advice—that and that alone; for if we hold a conference wherein we forbade cancellation of indebtedness; wherein he forbade, as the Senator said, any further obligations of any kind or character; wherein we would permit no alliances of any sort, and wherein we would tolerate no foreign commitments at all, nothing would remain for us to do except that which we are at liberty to do to-day. I will unite with the Senator from Kansas in utilizing the cables across the Atlantic to convey his advice, or that of any other Member of the Senate, or of any other American, to any court in Europe. That is the suggestion, I think, of the address of the Senator from Kansas.

Mr. ROBINSON. Mr. President, with the controversy between the Senator from Kansas [Mr. CAPPER] and the Senator from California [Mr. JOHNSON] I am not intimately concerned. The Senator from California, it seems, charges that the Senator from Kansas is willing to hold an economic conference; indeed, that he is anxious to do so, provided it be stipulated in advance that no economic questions shall be discussed and no action taken respecting any subject at issue. The Senator from California says that he is heartily in favor of Senators and others, representative of the Government of the United States, communicating their advice to European courts, provided it be understood that the advice be rejected, and that if rejected we take no action and make no further recommendation, and in that respect both propositions, of course, must fail of any useful purpose.

It may be significant to remark at this time that a proposal for an economic conference was pending in the Senate a few days ago, submitted by the Senator from Idaho [Mr. BORAH]. Upon assurance from the Senator from Indiana [Mr. WATSON] and the Senator from Massachusetts [Mr. LODGE] and perhaps other Senators that the adoption of the amendment providing for an economic conference would embarrass the administration and interfere with its plans for dealing with foreign problems the proposal was withdrawn, and no question of that nature is pending.

The press of the country reported this morning that it is the policy of the State Department and of the President to ignore the resolution recently adopted by the Senate advising or requesting the President to withdraw from German territory American troops now stationed there. The policy of maintaining an American Army on the Rhine, while avowing the purpose not to interpose in threatened ruptures between European nations, is incomprehensible to the finite mind. It must be that unpublished circumstances and facts unknown to the Senate and the rest of mankind generally underlie the course in which Secretary Hughes is drifting. Not only to the general public but, apparently, to the best-informed citizens who are not in the Secretary's confidence, aimlessly marching up the hill and down again is far more hazardous and likely to bring trouble than the announcement and pursuit of a definite and frank policy.

I call now upon the champions of the policy of nonparticipation in European problems, I call upon those who advocate that the United States shall stand aloof while with measured tread the armies of Europe again advance to conflict, to explain why the United States should maintain in the storm center a small military force, and thus invite conditions and actions which will render it difficult if not impossible for this Government and our people to escape involvement in threatened European war.

Manifestly, if we were not to take part in the settlement of acute European disputes which grew out of the war, we ought to have withdrawn our troops when we refused to ratify the treaty of Versailles and adopted the policy of nonparticipation in European affairs. It is not sufficient to answer that either France or Germany, or both of them, were gratified at the presence of American troops on the Rhine, for these nations preferred that our Government become a party to the Versailles treaty and take membership on its commissions created to settle reparations and other disputes.

The policy pursued, if it can be defined as a policy, has been anomalous in the extreme. After refusing for two years to go in we decline to come out. Having declined to interfere, or even to intercede, in threatened clashes between European governments, we have kept an Army in the storm center, and now, as the French advance into the Ruhr, the "best mind" in American diplomacy declares we must hold our little Army on the Rhine in the position where it will most likely become involved in hostilities. The President in his letter to the Senator from Massachusetts, Mr. LODGE, impliedly requested permission to appoint an official representative on the Reparation Commission. That request has not been acceded to, for the reason that Secretary Hughes has announced in the public press that the proposed action by Congress comes too late to afford relief, if, indeed, at any time heretofore it would have been advisable. No longer than three days ago, Saturday, the 6th of January, the Senate, by almost a unanimous vote, adopted a resolution requesting the President to withdraw American troops from Germany, which action manifestly should have been taken long ago, in view of our pretended desire not to take any part in European controversies. In this morning's press it is announced, upon the alleged authority of the State Department, that the resolution requesting the President to bring home from Germany American troops now stationed there will be ignored to avoid antagonizing France before that Government ratifies the five-power naval treaty and the four-power pact negotiated through the Washington conference. France has refused the only plan proposed by Secretary Hughes for averting pending conflict between France and Germany—that is, the creation of an international commission of high financial authority to adjust reparations.

The Borah amendment proposing an economic conference was withdrawn from the Senate. The bill granting the President authority to appoint official representatives of the Government to serve on the Reparation Commission has not yet been disposed of. The President impliedly requested the Congress to grant him that authority. The press reports indicate that the Secretary of State does not want the President of the United States authorized to take that course even should the President find it necessary or advisable now or in the future to appoint an official representative of the Government on the Reparation Commission.

Here let me say, passing over the question as to whether this Government should have representation on the Reparation Commission, as necessarily answered in the affirmative, because both the present and the former administration have taken that view, that if we are to have any representation it ought to be official. The personal agents of the Government or the President should not receive compensation from Germany through the Reparation Commission, and our Government stands unwilling to take any responsibility either to approve or to repudiate the course which those representatives may find it wise to pursue. Moreover, everyone should desire if the Government has representation on the commission that representation should be effective, and this can not be if our delegates are denied official status.

With no definite plan of action in mind, we seem to be pursuing what is at once the most dangerous and least promising course possible. The ship of state is drifting without chart or compass, the helmsman apparently asleep at his post.

Mr. FLETCHER. Mr. President, may I ask the Senator a question before he takes his seat?

Mr. ROBINSON. Certainly.

Mr. FLETCHER. The proposal of our State Department, I believe, is that there should be a commission of experts to consider the reparation question, and I believe France declines to accept that plan?

Mr. ROBINSON. Yes; I made that statement.

Mr. FLETCHER. In those circumstances where are we?

Mr. ROBINSON. We are adrift.

Mr. FLETCHER. We are practically where we were at the beginning?

Mr. ROBINSON. The situation is constantly becoming more critical. The Executive insists upon maintaining upon the

Rhine a small army, and at the same time announces a policy of nonaction out of respect to France. Of course, Mr. President, if we recognize these difficulties as no part of the responsibilities of this Government, then we have no right to dictate or suggest to the European Governments what course they shall pursue. It is said that we have informed France we are not pleased at her advance in the Ruhr; that notwithstanding the fact that it is none of our business and wrong for the United States to take part in solving the problems which threaten disaster in Europe, we have notified France that we do not like the attitude she has assumed; and it is also stated that France pays no attention to that notification; and yet, out of respect for France and fear of giving offense, we insist upon keeping our flag and our troops in the area where the storm must break when it comes.

Mr. President, as a part of my remarks I ask permission to have printed in the RECORD an article published in the Washington Star of Monday, December 8, 1922, by Frederic William Wile, on the subject "Three big American agencies to sift international affairs."

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the Washington Star, Monday, December 8, 1922.]

THREE BIG AMERICAN AGENCIES TO SIFT INTERNATIONAL AFFAIRS—FOREIGN PROBLEMS WILL BE CONSIDERED BY CHAMBER OF COMMERCE, CIVIC FEDERATION, AND FOREIGN RELATIONS COMMITTEE.

(By Frederic William Wile.)

While the Harding administration, Micawber-like, is waiting for something to turn up, no fewer than three great private American agencies are at work on the problem of constructive American cooperation in European rehabilitation. They are:

1. The United States Chamber of Commerce.
2. The National Civic Federation.
3. The Council of Foreign Relations.

By the end of January the activities of each of these organizations in the direction of concrete action will be in full swing. They constitute an amalgamated volume of public sentiment that can hardly be without influence upon the administration's foreign policy. They are nonpartisan and bipartisan in their personnel and programs. The president of the chamber of commerce is Julius H. Barnes, a Progressive Republican. The president of the Civic Federation is Alton B. Parker, one-time Democratic candidate for President of the United States, and the chairman of its executive committee is Elihu Root, perhaps the most distinguished Republican in the country. The chairman of the Council of Foreign Relations is John W. Davis, Democrat, formerly American ambassador to Great Britain.

ALL THREE TO ACT.

All three of the above-mentioned bodies are about to launch activities designated to bring order out of European chaos. The chamber of commerce's foreign affairs committee will meet in Washington on January 12 to deal with the reparations question. The chamber is not discouraged by the courteous rebuff it has suffered at the hands of the administration in respect to its proposal of a "business men's inquiry" into the reparations tangle. The chairman of the chamber's foreign affairs committee is A. C. Bedford, one of the Standard Oil Co.'s foremost executives. He is an avowed advocate of the "right" of the world's business men to take a hand in adjusting the international economic situation.

During its meeting in Washington the chamber of commerce committeemen will entertain M. Albert Thomas, former French minister of munitions and now in charge of the labor office of the League of Nations at Geneva. M. Thomas will detail the reparations position from the French standpoint, and doubtless reiterate his expressed view that France is ready to consider sympathetically any definite plan America has to offer for unraveling the reparations puzzle. The United States Chamber of Commerce will send a strong delegation to the Rome conclave of international chambers in March. The delegation will advocate there the scheme recently put forth by the American chamber in favor of a world business commission on reparations.

NOTED MEN TO SPEAK.

On January 16 and 17 the initial meeting of the National Civic Federation's committee on foreign relations and national defense will be held in Washington. Elihu Root is chairman of the committee, which includes 100 of the most distinguished men and women in the country. The Washington meeting has been called to consider the questions of "How far, and in what manner should the United States participate in international affairs?" and "How far is it wise at this time to reduce our Army and Navy?" Alton B. Parker will preside at the meeting and Mr. Root will deliver the opening address. Other speakers will be: Robert Lansing, John Hays Hammond, Oscar S. Straus, Samuel Gompers, Mrs. George Maynard Minor, Prof. Jeremiah W. Jenks (who has recently returned from four months' study of conditions in Europe), James Brown Scott, Mrs. Horace Mann Towner, and Col. Alvin M. Owsley, national commander of the American Legion.

Within a week or 10 days the Council of Foreign Relations, whose headquarters is in New York, will open a series of important "round tables" designed to elicit public opinion and direct popular sentiment on the outstanding foreign problems of the hour. The council's first "round table" will appropriately deal with reparations. It will be presided over by Norman H. Davis, former Undersecretary of State.

WOULD ENTER LEAGUE.

Mr. Davis is a firm believer in the doctrine that reparations are essentially a political rather than a purely economic question, taking issue on that score with the views of the Harding administration. The financial adviser of the American peace mission at Paris is understood to feel that the surest path leading to European rehabilitation is by way of the League of Nations. An initial step in that direction, according to the Davis view, is America's entry into the league on her own terms, but under conditions that will at least signal to Europe the readiness of the United States to be of actual, tangible help. Mr. Davis is spokesman of a body of opinion that sees the prime need of the hour in some form of American action that will soothe Europe's shattered nerves, encourage her to practice common sense and induce her to quit playing international politics.

The three national agencies herein under discussion, while probably not at one with respect to the form of American cooperation in Europe, are undoubtedly in agreement on the general principles that action, and not inaction, is incumbent upon the United States. When White House spokesmen on December 15 announced that America could no longer hold itself aloof from the distressed concerns of Europe, "cooperationists" of all parties in the country took heart.

In the further statement emanating from the White House that even "the most irreconcilable" of Americans could hardly affirm the disinterestedness of the United States, "cooperationists" thought they detected a healthy, if tardy, decision upon the part of the administration to fight the JOHNSON-REED-LA FOLLETTE "nonentanglers" to the death.

WAITING ATTITUDE ADOPTED.

During the intervening three weeks the apparent December ardor of the administration anent Europe's chaos has evidently undergone a January chill. At the White House and the State Department the attitude immortalized by Herbert H. Asquith in British politics—the policy of "wait and see"—has been adopted. The Cabinet assembled last Friday, but held no meeting, for the stated reason that there was nothing urgently requiring discussion.

The three national organizations which are moving this week and this month toward a mobilization of public sentiment regarding world affairs are obviously of different opinion. It is not unlikely they will find ways and means of bringing their views effectively to competent attention in Washington.

On January 26 a prominent Republican, former Gov. Frank O. Lowden, of Illinois, will address the Council of Foreign Relations' dinner in New York. The strong contender for the 1920 Republican presidential nomination is a League of Nations man. He has recently returned from Europe a devout believer in the necessity of America's distinterested participation in Old World affairs.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Mr. McNARY. I ask unanimous consent that the bill be read for amendment only and that the committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was, in the items for printing and binding, on page 6, line 9, after the word "direct," to insert "but not including work done at field printing plants of the Weather Bureau and the Forest Service authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919, or emergency field printing and binding authorized by said joint committee," so as to make the paragraph read:

For all printing and binding for the Department of Agriculture, including all of its bureaus, offices, institutions, and services, located in Washington, D. C., and elsewhere, $760,000, including the Annual Report of the Secretary of Agriculture, as required by the act approved January 12, 1895, and in pursuance of the Joint Resolution No. 13, approved March 30, 1906, and also including not to exceed $250,000 for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct, but not including work done at field printing plants of the Weather Bureau and the Forest Service, authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919, or emergency field printing and binding authorized by said joint committee.

The amendment was agreed to.

The next amendment was, in the item for "General expenses, Extension Service," on page 11, after line 4, to strike out "There is hereby appropriated the sum of $30,000, or so much thereof as may be necessary, for paying for the interpretation, translation, and transcription of discussion and the printing, binding, and distribution of the proceedings of the World's Dairy Congress, including the payment of postage, to foreign countries and the employment of such persons and means in the city of Washington and elsewhere as may be necessary to accomplish these purposes," and in lieu thereof to insert:

For the interpretation, translation, and transcription of discussions and the printing, binding, and distribution of the proceedings of the World's Dairy Congress, including the payment of postage to foreign countries and the employment of such persons and means in the city of Washington and elsewhere as may be necessary to accomplish these purposes, to be immediately available, $30,000.

Mr. FLETCHER. Mr. President, I desire to ask the Senator in charge of the bill why there should be a change of the House language in that clause of the bill and an insertion of new language?

Mr. McNARY. Will the Senator indicate more exactly to what he refers?

Mr. FLETCHER. As to the committee amendment on page 11, I desire to inquire the reason for striking out the House language and inserting that amendment?

Mr. McNARY. I will say to the Senator from Florida the provision in question was adopted on the floor of the House. The only change recommended by the Senate committee is the insertion of the words "to be immediately available." That is the only difference between the Senate committee amendment and the provision as it came from the other House. The clause concerns the publications to be issued at the coming World's Dairy Congress.

Mr. FLETCHER. When is that congress to be held?

Mr. McNARY. It is to be held at a time cotemporaneous with the National Dairy Exposition; but the time and place have not as yet been determined. In order that the money may be available during the present fiscal year, if necessary, it was thought best by the committee, at the suggestion of the Secretary of Agriculture, to insert the words "to be immediately available." That is the only change which is proposed.

Mr. FLETCHER. I understand that the amount of the appropriation is the same?

Mr. McNARY. It is exactly the same.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, in the items for general expenses, Bureau of Plant Industry, on page 27, at the end of line 13, to increase the appropriation for applying the methods of eradication or control of the white-pine blister rust, etc., from "$200,000" to "$250,000."

The amendment was agreed to.

The next amendment was, on page 29, line 18, after the word "originate," to insert "and $200,000 of said sum shall be allotted for expenditure in the States affected, and that no additional sum shall be expended in any State until it has, by proper authority, provided an equal amount: *Provided further*, That $10,000 of the said sum of $350,000 may be expended for investigations concerning rust resistant wheat," so as to make the paragraph read:

For the investigation and improvement of cereals, including corn, and methods of cereal production, and for the study and control of cereal diseases, including barberry eradication, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, $622,505: *Provided*, That $350,000 shall be set aside for the location of and destruction of the barberry bushes and other vegetation from which rust spores originate and $200,000 of said sum shall be allotted for expenditure in the States affected, and that no additional sum shall be expended in any State until it has, by proper authority, provided an equal amount: *Provided further*, That $10,000 of the said sum of $350,000 may be expended for investigations concerning rust-resistant wheat.

Mr. McNARY. Mr. President, a number of Senators have expressed the desire to be present when this item was reached. I did not expect that we should reach it this afternoon, and therefore I ask unanimous consent that it may be passed over at this time.

Mr. TRAMMELL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McNary	Smith
Bayard	Gerry	Moses	Smoot
Borah	Hale	Nelson	Sterling
Brandegee	Harris	New	Sutherland
Broussard	Harrison	Nicholson	Townsend
Bursum	Heflin	Oddie	Trammell
Calder	Jones, Wash.	Overman	Wadsworth
Cameron	Kellogg	Phipps	Warren
Capper	King	Poindexter	Watson
Caraway	Ladd	Pomerene	Williams
Couzens	La Follette	Ransdell	Willis
Curtis	Lenroot	Reed, Pa.	
Dillingham	Lodge	Sheppard	
Fletcher	McCormick	Simmons	

Mr. LA FOLLETTE. I desire to announce that the Senator from Nebraska [Mr. NORRIS] is absent from the Senate because of a death in his family. I ask that this announcement may stand for the day.

Mr. CURTIS. I am requested to announce that the Senator from South Dakota [Mr. NORBECK], the Senator from New Hampshire [Mr. KEYES], and the Senator from Wyoming [Mr. KENDRICK] are detained in the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Fifty-three Senators have answered to their names. A quorum of the Senate is present.

Mr. KELLOGG. Mr. President, is an amendment in order now to the provision on page 29 appropriating money for the extermination of the barberry bush?

The VICE PRESIDENT. The committee amendments are first to be considered.

Mr. KELLOGG. The amendment I desire to offer is to the committee amendment.

The VICE PRESIDENT. The committee amendment on page 29 was passed over.

Mr. McNARY. Mr. President, I suggested a few moments ago that, perhaps, the committee amendment should go over on account of the absence of a number of Senators who are interested in the item. I had in mind particularly the author of the amendment, the Senator from Minnesota, the Senator from Michigan, and the Senator from North Dakota, who had spoken to me about this item. They are now all present, and, therefore, I desire to proceed with the consideration of the amendment at this time and ask a recision of the order by which the amendment was passed over.

The VICE PRESIDENT. Without objection, it is so ordered. The question is on agreeing to the amendment reported by the committee on page 29, line 18.

Mr. KELLOGG. Mr. President, I offer an amendment to the committee amendment.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. On page 29, it is proposed to strike out all after line 8 on that page, down to and including line 24, and in lieu thereof to insert the following words:

For the investigation and improvement of cereals, including corn, and methods of cereal production, and for the study and control of cereal diseases, including barberry eradication, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, $772,505: *Provided*, That $500,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate and $350,000 of said sum shall be allotted for expenditure in the States affected, and that no additional sum shall be expended in any State until it has, through State or local appropriations or through contributions of organizations or individuals, provided an equal amount: *Provided further*, That $10,000 of the said sum of $500,000 may be expended for investigations concerning rust-resistant wheat.

Mr. KELLOGG. Mr. President, the only change from the committee amendment is to increase the total amount from $350,000 to $500,000, leaving $150,000 to be expended only in the event the States or municipalities or private individuals by subscription equal the amount so appropriated, $150,000. In other words, $350,000 would be subject to be expended in the various States, and the other $150,000 added to the appropriation by this amendment could be expended only upon the States, municipalities, or private individuals putting up an equal amount.

Mr. President, I think the committee are fully familiar with the fact that a great deal of good has resulted and really great work has been done in the States in exterminating the barberry bush. It is stated to me—and I believe all of this appears before the committee, although I have not had an opportunity to read all of the hearings—that in some 475 counties the survey has been completed; that is, they have been over those counties, surveyed them, and exterminated the barberry. In 391 counties the work still remains to be done. That is, these are the counties where the barberry bush is most prevalent, and where wheat raising is one of the principal industries of the farmers.

I take it, from an estimate made by the head of one of the organizations having to do with this work, that it will be cheaper to appropriate this money now than to appropriate a smaller sum for a longer term of years. It is estimated by the gentlemen having to do with this work that if $500,000 is appropriated in 1924 and $300,000 in 1925 the work can be completed in one and six-tenths years; while if only $350,000 is appropriated in 1924, $350,000 in 1925, and $260,000 in 1926, it will require more money, and will take two and seven-tenths years to do the same work as though a larger appropriation were made this year. In other words, it would require $960,000 in three years to do the work which could be done with $800,000 in two years.

There is another reason why this work should be done as rapidly as possible. There is no question that in exterminating the barberry bush a resurvey has to be made. It is found impossible to eradicate the barberry entirely by going over it once. Sprouts from roots or seedlings will come up, and the territory has to be gone over again, so that the quicker the work can be done the more economical and the more beneficial to the country.

A great deal of testimony has been given to me, and I suppose to the committee, of practical experiments in the various States as to the extent of the spreading of the rust by the barberry bush. It has been demonstrated that not only have the spores been found in the air at several thousand feet height but in the neighborhood of the barberry within a few miles the rust has been much worse than farther distant; so it seems to me that it would be a matter of economy, and not only economy so far as the money expenditures are concerned but tremendous economy in the protection of the growth of wheat, to have this

survey carried on as rapidly as possible, and completed at the earliest date consistent with reasonable appropriations.

I hope the Senate will adopt the amendment.

Mr. FLETCHER. Mr. President, it seems to me the proposition would be somewhat confused and ambiguous if we should adopt it in the form proposed by the Senator. He proposes to appropriate for the investigation and improvement of cereals, and other things mentioned in the bill down to line 16, $772,505, instead of $622,505, provided, he says in this amendment, that $500,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate, and $350,000 of said sum shall be allotted for expenditure in the States affected, and that no additional sums shall be expended in any State until local cooperation contributes an equal amount. He sets aside $500,000, and then he says that $350,000 only shall be spent unless local cooperation contributes $75,000 more, the Government contributing $150,000.

Mr. KELLOGG. One hundred and fifty thousand dollars more.

Mr. FLETCHER. It provides an equal amount. The language is:

Three hundred and fifty thousand dollars of said sum shall be allotted for expenditure in the States affected, and that no additional sum shall be expended in any State until it has, by proper authority—

The language is changed by the Senator to read "through State or local appropriations," and so forth—

provided an equal amount.

That is, an equal amount of $150,000.

Mr. KELLOGG. One hundred and fifty thousand dollars.

Mr. FLETCHER. It would be $75,000 by the Government and $75,000 by local subscription.

Mr. KELLOGG. No; $150,000 by the Government and $150,000 by local subscription or State authority.

Mr. FLETCHER. That would make $650,000, then.

Mr. KELLOGG. No; that would make $500,000 altogether.

Mr. LENROOT. No; $650,000.

Mr. HEFLIN. Six hundred and fifty thousand dollars altogether.

Mr. FLETCHER. It would make $650,000 altogether.

Mr. KELLOGG. Oh, yes; including the contributions by the States; certainly.

Mr. FLETCHER. That is not what was contemplated, as I understand. As I understand, the Senator contemplates that $500,000 shall be devoted to barberry investigation.

Mr. KELLOGG. By the Government.

Mr. FLETCHER. But only $350,000 by the Government, and beyond that there must be equal contribution to make up the other $150,000.

Mr. KELLOGG. Yes.

Mr. FLETCHER. That would be $75,000 for the local organizations and $75,000 for the Government.

Mr. KELLOGG. No; I think the Senator is wrong—$150,000 by the Government and $150,000 by private subscription or State authority.

Mr. HEFLIN. Making $500,000 in all, as I understand.

Mr. KELLOGG. Making $650,000 in all.

Mr. HEFLIN. Five hundred thousand dollars by the Federal Government.

Mr. KELLOGG. Five hundred thousand dollars by the Federal Government and $150,000 by the States.

Mr. HEFLIN. Making $650,000 in all.

Mr. KELLOGG. Yes.

Mr. FLETCHER. Why would not the Senator have it read in this way:

Provided, That $500,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate, and in addition to said sum $150,000 shall be set aside for expenditure in the States affected, provided local organizations contribute one-half thereof.

Mr. KELLOGG. That would be entirely satisfactory to me, but that would appropriate $150,000 more than we have asked for.

Mr. SMITH. That would make the total, then, $800,000.

Mr. FLETCHER. No; $350,000, and then $150,000 more, provided local organizations contribute one-half of that.

Mr. KELLOGG. No; provided they contribute an equal amount.

Mr. FLETCHER. An equal amount.

Mr. KELLOGG. That is, $150,000 more.

Mr. HEFLIN. That would make $650,000.

Mr. KELLOGG. I think the amendment is perfectly plain.

Mr. FLETCHER. It seems to me it is a little confusing as it is.

Mr. LENROOT. Mr. President, I will suggest to the Senator that the subcommittee did have it at one time as the Senator now suggests; but the difficulty was that if the whole $150,000 additional should not be appropriated by the States, none of the $150,000 of Federal appropriation could be used. Therefore we have put the language as we have so that as to any sum appropriated by the States—whether it be $150,000 or $75,000—there will be at least that much additional money allotted by the Federal Government to meet it.

Mr. FLETCHER. In other words, the local interests will not be obliged to contribute $150,000.

Mr. LENROOT. No.

Mr. FLETCHER. Whatever they contribute, the Government will appropriate an equal amount.

Mr. LENROOT. The Government will match it.

Mr. FLETCHER. Is that the purpose?

Mr. LENROOT. Yes.

Mr. FLETCHER. Perhaps that language will cover it then. I had in mind the possibility that the local interests might not contribute anything.

Mr. SMITH. I suggest to the Senator from Minnesota, if he wants to increase the appropriation, that he leave as it is the language of the present amendment as to the mutual contribution between the States and the Government, and increase the amount of the straight appropriation that he desires the Government to make.

Mr. KELLOGG. I do not think that more than the amount asked for in this amendment ought to be appropriated. I think that is a fair amount.

Mr. McNARY. Mr. President, the committee gave this item careful consideration this year, as it has done for the last three years. The committee realize that splendid work is being done in the eradication of the barberry and its destructive force. The amount allowed last year was $200,000. The House increased that by $150,000, making a total appropriation of $350,000, which we thought a very generous increase over the estimate and over the amount appropriated last year. The committee felt it could not go much further and treat that item more liberally, because there is not sufficient cooperation by the States in which the infestation occurs.

A number of the States are doing fairly well in this matter, aiding the Government in this good work, but some of the States are not contributing in accordance with the extent of the infestation, and the committee thought the proper way to start would be to require that the amount appropriated by the Government be met by an equal portion from the States or the communities. Consequently we have changed the House provision, devoting $200,000, what might be called "free" money, to be expended in the various States, 13 in number. The $150,000 remaining must be matched by a like amount from these communities and these States, which, if done, would give a grand total of the $500,000 which they are asking to do this work. The committee thought if they would appropriate the amount proposed by the House and require this excess sum to be paid by these States, they would have the amount which is required to be expended, namely, $500,000, with which they will bring about the eradication of the barberry bushes in 1.7 years, or, if $350,000 is appropriated as suggested by the House, it would be 2.7 years.

So it is now up to these States and communities to meet the Government only a portion of the way, and if they do they will have all the money they can properly expend. The committee thought they were dealing very generously with them, and it is the desire of the whole committee that the item stand as presented to the Senate in the bill.

Mr. FLETCHER. Do I understand the Senator to object to the amendment proposed by the Senator from Minnesota?

Mr. McNARY. Of course, the Senator in charge of the bill, so far as he can speak as such, prefers the provision embodied in the bill as reported to the Senate.

Mr. FLETCHER. Do the estimates permit of this increase of $150,000?

Mr. McNARY. I stated to the Senator from Florida that the estimate was $200,000. The House increased it by $150,000, thereby arriving at the sum of $350,000.

Mr. FLETCHER. The estimate was for only $200,000?

Mr. McNARY. Yes.

Mr. FLETCHER. Was the Budget allowance $200,000?

Mr. McNARY. Two hundred thousand dollars.

Mr. OVERMAN. What is the difference between the amendment of the committee and the amendment of the Senator from Minnesota?

Mr. McNARY. One hundred and fifty thousand dollars.

Mr. OVERMAN. The amendment of the Senator from Minnesota would carry $150,000 more than the committee allowed?

Mr. KELLOGG. It is true that all the States have not made appropriations equal to those of Minnesota. I am informed

by the gentleman in charge in Minnesota that in 1921 Minnesota spent more money for this purpose than the Federal Government spent in Minnesota, and in 1922 almost as much as the Federal Government spent. I am informed that in North Dakota they appropriated $25,000 for two years. The Senator from North Dakota can correct me if that is wrong. They report that this sum has been requested by the legislature and by the governor, with the support of the commissioner of agriculture of North Dakota, the farm bureau, and the State experiment station. Other States have not appropriated as much, but Wisconsin appropriated $15,000 a year, Illinois $10,000, and Michigan, I think, $11,000. In the State of Minnesota, however, the northern part of which is a large wheat-raising section, we have spent almost as much as the Federal Government has spent. This money has been raised very largely by private subscriptions. In 1921 we spent more than the Federal Government spent. So far as Minnesota is concerned, the work is nearly completed, but in other States it is not; and, of course, there is no use having the work completed in one State when in the States surrounding it the barberry bush still exists, because it will spread again.

It does seem to me as though an additional $150,000 ought to be allowed if an equal amount is put up by the States, because the importance of this matter is the time in which it shall be done. The shortest time possible is not only the cheapest for the Federal Government but far the best in protecting the grain crop. It is a question, in my judgment, whether Congress will make a reasonable appropriation now or two years from now. Why not make it now and finish this work? There are estimates of the damage done to the wheat crops. I will not stop to read them, but the loss in many States is appalling, directly attributable to the barberry bush in the immediate neighborhood where it is discovered. The losses in the wheat crop of this country are tremendous.

Mr. LENROOT. I think that is true; but can the Senator explain why in those States where it is of such tremendous importance the States do not make larger appropriations?

Mr. KELLOGG. No, I can not. In Minnesota we have raised the money by private subscription and equaled the Government appropriation. I suppose the difficulty is in getting the people to realize that the barberry is the cause of the rust. The Federal Government knows it. The Federal Government is experimenting, and it has demonstrated that fact beyond question. I have no doubt the reason the States have not taken it up and made greater appropriations is on account of the fact that there is a good deal of skepticism about the cause of the pest. The Senator from North Dakota is present, and he knows what is being done in his State and the necessity for the continuance of the work.

Mr. LADD. Mr. President, the most destructive agent for our wheat crop in North Dakota has been the rust which has come from the barberry bush. In 1916 it was predicted that North Dakota would have the largest crop of wheat it had ever grown, the largest crop before that being 156,000,000 bushels; but in four days in July the rust struck the crop of North Dakota, and as a result they had only 39,000,000 bushels.

North Dakota has become deeply interested in this question of the barberry eradication. I think it has made its fair share of appropriations, and the bush is largely eradicated from that State. The experiment station of the agricultural college and the extension division of North Dakota have led in the State in carrying on the work of the eradication of the barberry bush. I think it is money well expended. European experiments indicate that the barberry bush can be eradicated and through that the rust held in control.

Some of the States may not have sessions of the legislature this year, and other States may fail to make appropriations; and if we appropriate only $200,000 and, for example, eradicate the barberry bush only from my own State, it is not going to protect North Dakota, with the States south or east or west of it having barberry bushes within their borders failing to make appropriations to help to eradicate it, because it is well known that the spores are carried for long distances, probably thousands of miles, and can do their work of infecting a region where there are no barberry bushes.

Personally, I feel that it is a wise move to make an appropriation of $350,000, so that the work can go on in the same order in which it has been going on, so that we can destroy the barberry bush as rapidly as possible. Then we should add the $150,000 for the benefit of those States which desire to take advantage of this and secure additional appropriations, either through the interest of the people of the State or through direct appropriation. I hope, therefore, that the amendment offered by the Senator from Minnesota will prevail.

The VICE PRESIDENT. The question is on the amendment offered by the committee. After that has been voted on the question will be on the amendment offered by the Senator from Minnesota.

Mr. LENROOT. May I suggest that the amendment offered by the Senator from Minnesota in part amends the committee amendment?

The VICE PRESIDENT. That is correct; but in part it does not.

Mr. LENROOT. I suggest that, by consent, the vote be taken first on the amendment offered by the Senator from Minnesota, which is partly in the nature of a substitute.

Mr. FLETCHER. And if the amendment offered by the Senator from Minnesota is adopted, that will close the whole case.

Mr. KELLOGG. I ask unanimous consent that my amendment be voted on first.

The VICE PRESIDENT. The amendment of the Senator from Minnesota is to strike out something that is not in the bill.

Mr. LENROOT. It could be done by unanimous consent, could it not?

Mr. KELLOGG. I ask unanimous consent for a vote on my amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. WALSH of Montana. I should like to have the amendment of the Senator from Minnesota stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. The Senator proposes to strike out all after line 8 on page 29 of the bill as reported from the committee and to insert:

For the investigation and improvement of cereals, including corn, and methods of cereal production, and for the study and control of cereal diseases, including barberry eradication, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, $772,505: *Provided*, That $500,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate and $350,000 of said sum shall be allotted for expenditure in the States affected, and that no additional sum shall be expended in any State until it has, through State or local appropriations or through contributions of organizations or individuals, provided an equal amount: *Provided further*, That $10,000 of the said sum of $500,000 may be expended for investigations concerning rust-resistant wheat.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Minnesota.

Mr. KELLOGG. I ask for a division.

On a division, the amendment was agreed to.

Mr. McNARY. Mr. President, I give notice at this time that I shall ask for a separate vote on this item when the bill reaches the Senate.

The next amendment of the Committee on Appropriations was, on page 33, line 13, at the end of the items for general expenses, Bureau of Plant Industry, to strike out "$2,756,450" and insert in lieu thereof "$2,806,450," so as to read:

In all, general expenses, $2,806,450.

The amendment was agreed to.

Mr. McNARY. At this time I ask unanimous consent that the clerk of the committee may make such alterations as may be necessary in the totals throughout the bill.

The VICE PRESIDENT. Without objection, it is so ordered.

The next amendment was, on page 33, line 14, to strike out "$3,241,470" and to insert in lieu thereof "$3,291,470," so as to read:

Total, Bureau of Plant Industry, $3,291,470.

The amendment was agreed to.

The next amendment was, in the items for general expenses, Forest Service, on page 38, line 13, before the name "Tennessee," to insert "Pennsylvania," so as to read:

In national forest district 7, Arkansas, Alabama, Florida, Oklahoma, Georgia, South Carolina, North Carolina, Pennsylvania, Tennessee, Virginia, West Virginia, New Hampshire, Maine, Porto Pico, $146,073.

The amendment was agreed to.

The reading was continued to line 14, page 48, the last items read being for general expenses, Bureau of Soils.

Mr. WILLIS. Mr. President, may I ask the Senator in charge of the bill what is the total appropriation carried in the bill with reference to the investigation of soils?

Mr. McNARY. It is the same as was allowed last year, $168,200.

Mr. WILLIS. I ask unanimous consent to have printed in the RECORD at this point a statement from the Ohio experiment station relative to the matter.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OHIO AGRICULTURAL EXPERIMENT STATION,
Wooster, Ohio, January 3, 1923.

Hon. FRANK B. WILLIS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I wish to call your attention to a cut of $48.000 in the appropriation for soil-survey work of the Department of Agriculture, as reported by the Budget Bureau, which vitally concerns the soil-survey work in Ohio. The Bureau of Soils, which has charge of the Federal end of this work, has been cooperating with Ohio and 34 other States that are engaged in soil-survey work on a 50–50 basis. It will be absolutely impossible for the bureau to continue this cooperation unless the appropriation is set back to $168,000, where it was for the current year.

If Ohio can not have the usual Federal assistance the coming year its soil-survey work will have to be considerably curtailed. As a matter of fact, we had hoped to expand it. This soil survey will do for agriculture what the Geological Survey has done, to furnish reliable information regarding our mineral resources. Ohio's greatest mineral asset is its soil. The value of the products of Ohio's farms and orchards is many times the value of all its mines of coal, oil, gas, stone, and clay products.

The work of the Ohio experiment station is showing the possibility and the economic practicability of greatly increasing the crop yields of the State. It is also showing that different soils require different treatments, and before the farmers of the State can receive the full benefit of the station's work on its 14 different experimental fields scattered over the State there must be accurate knowledge of their soil conditions, which can only be obtained through a detailed soil survey. In 1912 this station made a reconnaissance survey of the entire State, dealing in a broad way with the general soil features. We are now conducting careful detailed surveys of the individual counties, visiting every farm in a county. If the Federal appropriation is cut as proposed our Ohio work can not help but suffer. I hope that you can get this cut restored.

Sincerely yours, C. G. WILLIAMS, *Director.*

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 64, line 19, to strike out "$426,400" and insert "$700,000," so as to make the paragraph read:

For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of live stock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, $700,000.

Mr. FLETCHER. It is now five minutes after 5. How long does the Senator in charge of the bill propose to continue to-night? I have an amendment to offer to the amendment which has just been stated, and it would take a little time to present it. I would like to have the committee amendment passed over.

Mr. McNARY. We are working on committee amendments only at this time.

Mr. FLETCHER. I know. I propose to offer an amendment to the committee amendment.

Mr. McNARY. Let the committee amendment be passed over for the present.

The VICE PRESIDENT. The committee amendment will be passed over, together with the amendment on page 64, line 20, in the total.

The next amendment was, under the subhead "Enforcement of the United States grain standards act," on page 65, at the end of line 19, to strike out "$536,223" and insert "$546,223"; so as to make the paragraph read:

To enable the Secretary of Agriculture to carry into effect the provisions of the United States grain standards act, including rent outside of the District of Columbia and the employment of such persons and means as the Secretary of Agriculture may deem necessary, in the city of Washington and elsewhere, $546,223.

The amendment was agreed to.

The next amendment was, on page 67, at the end of line 1, to increase the total appropriation for the Bureau of Agricultural Economics from "$3,727,253" to "$4, 010,853."

The amendment was agreed to.

The next amendment was, on page 76, line 23, after the word "travel," to insert a comma and the words "including travel at official stations"; so as to make the paragraph read:

MILEAGE RATES FOR MOTOR VEHICLES.

Whenever, during the fiscal year ending June 30, 1924, the Secretary of Agriculture shall find that the expenses of travel, including travel at official stations, can be reduced thereby, he may, in lieu of actual traveling expenses, under such regulations as he may prescribe, authorize the payment of not to exceed 3 cents per mile for motor cycle or 7 cents per mile for an automobile, used for necessary travel on official business.

The amendment was agreed to.

The next amendment was, in the items for the Center Market, District of Columbia, on page 79, line 7, after the word "claims," to insert "for damage to goods while in storage in Center Market that have accrued or may accrue at any time during the operation thereof by the Secretary of Agriculture in accordance with such regulations as he may prescribe," so as to make the proviso read:

Provided, That not more than $500 may be used for the payment of claims for damage to goods while in storage in Center Market that have accrued or may accrue at any time during the operation thereof by the Secretary of Agriculture in accordance with such regulations as he may prescribe.

The amendment was agreed to.

The next amendment was, under the subhead "Special items," on page 80, after line 14, to strike out "Forest roads and trails: For carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, $3,000,000, to be available until expended, being part of the sum of $6,500,000 authorized to be appropriated for the fiscal year ending June 30, 1924, by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture is hereby authorized, immediately upon the passage of this act, to apportion and prorate among the several States, Alaska, and Porto Rico, as provided in section 23 of said Federal highway act, the sum of $6,500,000 authorized to be appropriated by said paragraph 2 of section 4 of the act approved June 19, 1922: *Provided further*, That the Secretary of Agriculture shall act upon projects submitted to him under his apportionment and prorating of this authorization and his approval of any such project shall be deemed a contractual obligation of the Federal Government for the payment of the cost of such project"; and in lieu thereof to insert:

Forest roads and trails: For carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, and as authorized by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922, to be available until expended, $6,500,000.

The amendment was agreed to.

The next amendment was, on page 82, at the end of line 15, to increase the total appropriation for the Department of Agriculture from "$69,068,053" to "$72,901,653."

The amendment was agreed to.

The reading of the bill was concluded.

The VICE PRESIDENT. The Secretary will state the first amendment passed over.

The READING CLERK. The first amendment passed over is, on page 64, line 19, to strike out "$426,400" and insert "$700,000," so as to make the paragraph read:

For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of live stock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, $700,000.

Mr. FLETCHER. This is the amendment to which I had reference a moment ago. It relates to a very important service. I proposed an amendment a few days ago to the effect that the appropriation be increased to $1,100,000. The committee increased the House provision from $426,400 to $700,000, which, of course, is a very great improvement over the House provision. At the same time I think it is inadequate.

Mr. McNARY. Has the Senator from Florida read the Senate committee hearings on the item?

Mr. FLETCHER. I have.

Mr. McNARY. If I may say to the Senator, I think perhaps he is misinformed. The service did not extend to the Pacific coast. The farthest western point was Lincoln, Nebr. It did not go into the Southeastern States, including Florida and adjoining States. The Bureau of the Budget estimated the cost of nationalizing the service at the time of the hearings would be $152,000 to carry it to the Pacific coast and $118,000 down to the Southeastern States, including Florida. The total sum has been increased from $426,000 to $700,000, to include all the States of the Union and make the service national in its character. I think this sum of money covers just what the Senator would have done respecting the enlargement of the service.

Mr. FLETCHER. I understand the situation pretty well. I put in the RECORD the other day, on January 5, a letter to me from the Secretary of Agriculture which explains the whole situation, and in which the Secretary said:

With the appropriation provided for the current fiscal year it is possible to maintain news service over leased wire at the following points: Washington; Boston; New York; Baltimore; Philadelphia; Pittsburgh; Cincinnati; Columbus; Chicago; Waupaca and Fond du Lac, Wis.; Minneapolis; St. Paul; St. Louis; East St. Louis; Kansas City; Omaha; Fort Worth and Austin, Tex.

Those are the points where it is possible to maintain the service on leased wires with the appropriation provided in the House bill. Of course, that leaves the whole region of the country south of Washington and east of St. Louis without any service of this kind at all.

The Secretary went on to say:

Under cooperative agreements with various States, whereby such States pay the cost of the leased-wire extensions from the Federal circuit, offices are being maintained at Trenton, N. J.; Harrisburg and Lancaster, Pa.; Columbus, Ohio; Madison, Wis.; Jefferson City and St. Joseph, Mo.; and Lincoln, Nebr.

The Secretary then went on to describe when this work was instituted, as follows:

During the period from August 10, 1917, to June 30, 1919, a very complete market-news service was built up in the department, financed largely from the war-emergency funds provided under the food production act. The service in operation at that time included a leased-wire circuit which covered the Pacific coast region and another circuit which included the important market centers of the South and East. It was necessary to discontinue both the western circuit and the southern circuit on June 30, 1919, however, on account of the great reduction in available funds. Since that time it has been possible to maintain only a "skeleton" organization, which, of course, must include the large eastern markets and the points of heavy shipment in the Middle West.

As you are doubtless aware, a bill has been introduced in the Senate which provides for the appropriation of $500,000 for the extension of the present leased-wire service to Denver, Salt Lake City, San Francisco, and other cities upon the Pacific coast.

Many requests have been received by the department also for an extension of the leased-wire service into the important producing sections of the Southeastern States. We have made a careful estimate of the cost of this extension, and have found that with an additional appropriation of $200,000 a leased-wire circuit could be arranged to include Atlanta, Ga.; Jacksonville and Orlando, Fla.; Birmingham, Ala.; Memphis, Tenn.; and New Orleans, La.; and probably a few other points for short periods during the year.

The accompanying map (No. 2) shows the principal leased-wire circuits which were in operation while funds were available under the war-emergency appropriations.

Map No. 3 shows in general the leased-wire circuits which would be necessary in order to extend this service to the principal producing sections of the West and the South. In order to conduct the news services on this basis an appropriation of approximately $1,100,000 would be necessary.

That is what the Secretary said in his letter to me and that is what I am governed by in offering the amendment.

Mr. LENROOT. Mr. President——

Mr. FLETCHER. I think it is a very important service and ought to be kept up and kept up properly. I yield to the Senator from Wisconsin.

Mr. LENROOT. I will say to the Senator that it was testified before the committee that it would not require the sum of which the Senator speaks to restore the service, but it was estimated that if the service was restored or extended there would follow a demand for the gathering of additional information that is not now being gathered, and that is what makes the difference between the amount the committee recommends and the amount requested.

Mr. FLETCHER. Am I to understand the Senator to say that the service could be put into operation carrying the same information that is obtained now?

Mr. LENROOT. Yes; giving the same information that is given now.

Mr. FLETCHER. And that could be done with the increased amount proposed by the committee?

Mr. LENROOT. Yes.

Mr. FLETCHER. The $1,100,000 was intended to cover additional information.

Mr. LENROOT. Yes; for instance, information concerning grapes in California, which information they are not gathering at all now, and matters of that kind.

Mr. FLETCHER. I, of course, was controlled entirely by the letter showing that $1,100,000 is required to put this service in operation as it should be, and I was governed largely by testimony before the committee. I obtained a copy of the hearings. On page 75 Mr. Marquis testified—and I read from the printed hearings—as follows:

Senator McNARY. That is a very, very important service and there is a very great demand for it that seems to be national in its character. I have a letter here from Prof. C. A. Lewis, of Chicago. He is known to me personally as being one of the most reliable of editors, having the best knowledge of the subject of anyone I know. He is urging it. There is no amount given. He just discusses the value of the service wherever it has been inaugurated. He believes it should be general if it is to be done at all. I have numerous letters from along the coast, and from the Chamber of Commerce of Portland, Oreg.; and then Senator JONES has a bill urging its extension to Washington, and Senator KING, of Utah, has a bill asking that it be extended into Utah. Of course, I want it in Oregon, and every other fellow I know wants it in his part of the country.

I believe you know that it has been through the Atlantic States as far as Boston, and it goes into Chicago and Cincinnati, and all through that country. It goes up to St. Paul in the Northwest, and then runs to Omaha, and then to San Francisco.

Last year we extended it into Texas. It went to Fort Worth and on to Austin. There is no leased-wire service to any other points than those I have named. There is no connection to the Southeastern States or farther west than Lincoln, Nebr.

Now, this service is one that I think has greater value than any other service that the Agricultural Department gives with regard to market conditions. There is nothing more helpful to the farmer, particularly as the products raised in the West are so diversified and so perishable in character. There is no other place where they suffer as much now. It seems as though, if we have the service at all, it ought to go into every part of the country rather than a few localized districts; and what I want to know is the cost. I feel deeply in this matter.

What would it cost to extend this, to give the same service to the southeastern section, and the far Western States, as the other States in the country get?

Mr. MARQUIS. I might say that this question was asked of the department, and in reply to a letter from Senator NORRIS the Secretary of Agriculture presented a tentative estimate on the cost of restoring what we would regard as a fairly satisfactory national service. Since this letter has been approved by the Bureau of the Budget as not in conflict with the financial program of the President, I think I am at liberty to use it as the basis for a reply to that question.

Senator JONES. You said he made an estimate. What was it?

Mr. MARQUIS. The estimate involved for restoring an entire national service is $1,100,000, which would, of course, include the present amount of $405,000, which is in the estimates.

That was his statement before the committee. Mr. Marquis further said, at page 77:

Senator JONES. Supposing that we raised this to $500,000, what could you do toward extension to the Pacific coast?

Mr. MARQUIS. We could do comparatively little, for the reason that that amount would provide only for the leased wire. This plan is laid out in order to make a reasonably national service. One problem involved is the question of a long leased wire. In this case it would be from Kansas City westward to either San Francisco or the Northwest.

Following the inquiry made by your chairman, we separated out from this estimate of $1,100,000 the estimate of what it would cost to extend the service direct to San Francisco and thence to Portland, or direct from Kansas City to Portland, going through Salt Lake City and then northward. This involves more than merely the cost of the wire station, because when you go, for instance, into the apple region of the Northwest you must serve those people with the kind of information they want. In many instances we are not collecting the specific kind of information they want; consequently it puts a greater load on our eastern bases for the collection of that information and involves additional cost for the collection of that information that will be wanted in that area—

And so on through the hearing.

Mr. LENROOT. Will the Senator from Florida yield to me?

Mr. FLETCHER. I yield to the Senator from Wisconsin.

Mr. LENROOT. If the Senator will turn to page 77 of the hearings, which he has before him, he will see that Mr. Marquis testifies as follows:

This involves more than merely the cost of the wire station, because when you go, for instance, into the apple region of the Northwest you must serve those people with the kind of information they want. In many instances we are not collecting the specific kind of information they want—

And so forth. The statement goes on to show that $1,100,000 in addition to furnishing the present service involves furnishing and securing many kinds of information which is not now being secured at all.

Mr. FLETCHER. I think, possibly, the Senator from Wisconsin is correct in that statement, but at the same time I am a little bit doubtful that the amount proposed will cover the service that is desired. Mr. Marquis also testifies at page 80. The Senator from Georgia [Mr. HARRIS] asked him:

What would it cost to put the service into the Southeast? You have not included that?

Mr. MARQUIS. No; I have not put in any estimate for the South. The southern branch which we would suggest restoring would be a wire from Washington to Atlanta, with a leg to Jacksonville and Orlando, Fla. That would be the main line to the citrus region, and that is estimated to cost $69,000; another branch to Birmingham and Memphis would cost $27,600, and the extension direct from Atlanta to New Orleans would cost $21,432. That is merely for the wire and the offices.

Mr. JONES of Washington. That, I think, foots up about $117,000 or $118,000.

Mr. FLETCHER. Yes; it foots up $118,032.

Mr. JONES of Washington. The committee took that amount and the $152,000 to extend the service to the Pacific coast and then added some $30,000 or $40,000, making a $274,000 increase. We came to the conclusion that that amount would give pretty good service to the West and South, at least for the first year. Then, next year, we can expand it. We felt that we were making quite a liberal increase in the appropriation, and that it was a reasonable provision to take care of the needs of those two sections of the country.

Mr. FLETCHER. The question in my mind is whether that will properly provide for the service, for in his statement Mr. Marquis says:

That is merely for the wire and the offices.

I am afraid we are simply going to provide some facilities, but that we shall not get the full service.

Mr. LENROOT. If I may make a suggestion, this appropriation will provide for the dissemination to these new points the information which is now being collected by the depart-

ment, but, of course, it will not provide for any additional information.

Mr. HARRIS. That is what I was going to state. The department assured us that we would get the same service in the South and the extreme West that is now being supplied to the Middle West and other sections.

Mr. SMITH. I should like to state to the Senator that I introduced a bill in the Senate to extend the service into the Southeast. The information I had was that the additional sum carried in the bill would give us the wire service and disseminate identically the same news that was now being carried in the other sections.

Mr. HARRIS. Exactly.

Mr. SMITH. As a member of the subcommittee, I accepted this appropriation upon the statement that we should have the same service in the South and in the West that was afforded in the other sections.

Mr. FLETCHER. I am hopeful that that interpretation is correct, and I hope we shall get that service. I have in my hand here map No. 1, which was furnished me by the department, showing the service extending from Washington east and north and west down as far as Austin and Fort Worth and Kansas City and St. Louis, but east of those points to the Atlantic and south of Washington there is no service at all—not a wire.

Think of the great region in the South that is sending products to the market all the time. From Florida alone 84,000 carloads of citrus fruits and vegetables move every year; one carload every six minutes the year around. The cost of the transportation of the products of Florida alone amounts to $24,000,000 a year. Are we not entitled to some facilities with regard to market reports? Are we not entitled to this service? It has been taken entirely away from us. Now, I understand that the appropriation now proposed is, perhaps, sufficient to give it back.

Mr. OVERMAN. Yes; it gives it back.

Mr. FLETCHER. But it has been canceled; it has been taken away; and I am showing Senators that even as the provision stands it will afford rather a meager service. I am very glad, however, to get what I can. A line will be run from Washington to Atlanta, and from Atlanta to New Orleans, with branches to Birmingham and Memphis and Jacksonville and Orlando. Florida will be reached by way of Atlanta, and in that manner the service will be very helpful and very important. I can not conceive of any sort of a system that would deny this service to that section of the country, and particularly the region where we are producing and shipping and supplying the whole country with perishable products.

I ask to have printed in the RECORD, Mr. President, a letter from the acting chief of the bureau, dated January 8, giving a statement as to the additional market news service, and also a further statement furnished me a few days ago with reference to the market news service. The latter statement, together with the one from the department, will give a comprehensive view of the whole situation. I think the statement underestimates the production and the extent of the shipments from this region. I know it does as to Florida. For instance, it gives the number of cars at 38,200, whereas the shipments out of Florida are 84,000 carloads a year, or one carload every six minutes.

There being no objection, the statements referred to were ordered printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF AGRICULTURAL ECONOMICS,
Washington, January 8, 1923.

Hon. D. U. FLETCHER,
Senate Office Building, Washington, D. C.

DEAR SENATOR FLETCHER: In response to a telephone request from your secretary this morning, I am inclosing a statement which gives a detailed estimate of the cost of additions to the market news service to cover the Southern and far Western States as are outlined in a general way by the Secretary of Agriculture in a letter to you.

I desire to call particular attention to the fact that the extension of the leased wire into the Southeast or into the far West will increase the load upon our present wire and offices in the Central and Western States and make necessary some additions to these offices if we are to be able to render a complete service. Estimates of the costs of these additions are given in the attached statement.

Very sincerely yours, LLOYD S. TENNY,
Acting Chief of Bureau.

Additions to Market News Service.

SOUTHERN CIRCUIT.

(a) Washington, Atlanta, Jacksonville, Orlando:		
Leased wire and eight telegraphers		$40,000
Atlanta fruit and vegetables	$9,000	
Atlanta live stock	5,000	
Jacksonville live stock	5,000	
Orlando fruit and vegetables	10,000	
		29,000
Total		69,000
(b) Atlanta, Birmingham, Memphis:		
Leased wire and two telegraphers		$11,600
Birmingham fruit and vegetables	$8,000	
Memphis fruit and vegetables	8,000	
		16,000
Total		27,600
(c) Atlanta, New Orleans:		
Leased wire and two telegraphers		13,432
New Orleans fruit and vegetables		8,000
Total		21,432

WESTERN CIRCUIT.

(a) Kansas City, Denver, Salt Lake City, San Francisco:		
Leased wire and seven telegraphers		66,000
Denver fruit and vegetables	$9,460	
Denver live stock	10,600	
Salt Lake City fruit and vegetables	7,860	
San Francisco fruit and vegetables	9,060	
San Francisco live stock	3,190	
San Francisco dairy products	5,000	
		45,170
Total		111,170
(b) San Francisco, Los Angeles:		
Leased wire and two telegraphers		5,496
Los Angeles fruit and vegetables	$2,500	
Los Angeles live stock	3,190	
Los Angeles dairy products	5,000	
		10,690
Total		16,186
(c) San Francisco, Portland, Spokane:		
Leased wire and three telegraphers		31,008
Portland fruit and vegetables	$9,260	
Portland live stock	10,700	
Spokane fruit and vegetables	3,220	
		23,180
Total		54,188

Additional central-circuit costs.

Additional wire between Washington and Kansas City via additional markets:		
Leased wire, six telegraphers		$93,600
Cleveland fruit and vegetables	$7,860	
Detroit fruit and vegetables	8,260	
Columbus fruit and vegetables	3,140	
Indianapolis fruit and vegetables	3,740	
Indianapolis live stock	10,500	
Omaha, Nebr., fruit and vegetables	7,860	
		41,360
Total		134,960
Addition to eastern circuit:		
Washington-Buffalo-Rochester (eight months) leased wire and two telegraphers		10,760
Buffalo fruits and vegetables	7,460	
Buffalo live stock	10,400	
		17,860
Total		28,620

Additional costs in present branch offices in eastern markets, etc.

Fruit and vegetable markets' station and Washington	$30,500
Fruit and vegetables' field station	30,000
Live-stock markets and Washington	75,000
Dairy-products markets and Washington	25,000
Hay, feed, and seed market reporting	40,000
Grain-market reporting	20,000
Additional wires to field stations	11,350
Total	231,850

Additions to market news—Summary.

Southern circuit:		
(a)	$69,000	
(b)	27,600	
(c)	21,432	
		$118,032
Western circuit:		
(a)	111,170	
(b)	16,186	
(c)	54,188	
		181,544
Central circuit		134,960
Eastern circuit		28,620
Additional in eastern markets		160,500
Hay, feed and seed, and grain		60,000
Extra temporary wires to field station		11,344
Total		695,000
Present appropriation		405,000
Grand total		1,100,000

TABLE 1.—*Market News Service, Southeastern States, January 5, 1923.*

(Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Lousiana, Kentucky, Tennessee.)

Crops now partially covered:	Total shipments 1921 (cars).
Cantaloupes	1,826
Celery	4,173
Onions	586
Peaches	11,527
Strawberries	5,180

Crops now partially covered—Continued.	Total shipments 1921 (cars).
Tomatoes	8,626
Watermelons	29,949
White potatoes	31,105
Total	92,972
Aditional crops formerly covered (1917–18):	
Apples	2,377
Bunched vegetables	1,533
Citrus fruits	30,709
String beans, Egg plants, Peppers	1,500
Spinach	2,770
Sweet potatoes	10,243
Asparagus	102
Cabbage	10,791
Lettuce	3,496
Total	63,521

TABLE 2.—*Field station program—Southeastern States—fruits and vegetables.*

	Commodity.	Approximate yearly shipment (cars).
FLORIDA.		
Present program:		
Sanford	Celery	4,000
Hastings	White potatoes	2,500
Ocala	Watermelons	5,500
Total		12,000
Former program:		
Starke, Plant City	Strawberries	100
Palmetto, Miami	Tomatoes	3,300
Sanford	Lettuce and cabbage	3,800
Orlando	Citrus fruits and mixed vegetables.	31,000
Total		38,200
GEORGIA.		
Present program:		
Fort Valley, Cornelia	Peaches	10,600
Macon, Thomasville	Watermelons	16,000
Do	Cantaloupes	650
Total		27,250
SOUTH CAROLINA.		
Present program: Charleston	White potatoes	2,500
Former program:		
Charleston	Cucumbers	500
Meggetts	Cabbage	3,300
Williston	Asparagus	100
Blackville	Cantaloupes	300
Do	Watermelons	4,400
Total		8,600
NORTH CAROLINA.		
Present program:		
Chadbourn	Strawberries	480
Elizabeth City	White potatoes	1,500
Aberdeen	Peaches	1,500
Total		3,480
Former program:		
Elizabeth City	Sweet potatoes	1,000
Washington	White potatoes	1,000
Waynesville	Apples	500
Do	White potatoes	1,000
Laurinburg	Cantaloupes	800
Do	Watermelons	1,500
Total		5,800
VIRGINIA.		
Former program:		
Onley	White potatoes	13,000
Do	Sweet potatoes	3,500
Norfolk	White potatoes	6,000
Do	Sweet potatoes	1,500
Total		24,000
MISSISSIPPI.		
Present program: Crystal Springs	Tomatoes	2,000
Former program: Crystal Springs	Cabbage	600
ALABAMA.		
Former program: Mobile	Cabbage	1,000

TABLE 2.—*Field station program—Southeastern States—fruits and vegetables*—Continued.

	Commodity.	Approximate yearly shipment (cars).
LOUISIANA.		
Present program: Hammond	Strawberries	1,500
Former program: Alexandria	White potatoes	1,200
TENNESSEE.		
Former program:		
Humboldt	Strawberries	700
Do	Tomatoes	400
Dayton	Strawberries	750
Total		1,850
KENTUCKY.		
Present program: Bowling Green	Strawberries	400
Former program:		
Louisville	White potatoes	850
Do	Onions	400
Total		1,250

TABLE 3.—*Market news service—Fruits and vegetables.*

FEDERAL OFFICES NOW ON LEASED WIRE.

Baltimore, Boston, Chicago, Cincinnati, Fort Worth, Kansas City, Minneapolis, New York, Philadelphia, Pittsburgh, St. Louis, and Washington.

ADDITIONAL FEDERAL OFFICES FORMERLY ON LEASED WIRE.

Atlanta, Birmingham, Buffalo, Butte, Cleveland, Columbus, Denver, Des Moines, San Francisco, Detroit, Indianapolis, Jacksonville, Los Angeles, New Orleans, Oklahoma City, Omaha, Portland, and Spokane.

Mr. FLETCHER. Mr. President, I am very much afraid we will not secure the service to which we are entitled under the committee amendment. I am glad the committee saw fit to increase the amount carried in the House bill; but I still feel like asking for a vote on my amendment to make the amount $1,100,000. I offer that amendment—to substitute "$1,100,000" in lieu of "$700,000," as proposed by the committee.

Mr. SMITH. Mr. President, I should like to say to the chairman of the committee that there are some facts which I have in reference to this matter which I obtained in connection with the bill which I introduced and which formed the basis of my activity in the subcommittee in agreeing to the proposal. I should like to present those facts. If the chairman contemplates taking a recess at this time, I can do so tomorrow.

Mr. McNARY. Mr. President, I will say to the Senator that we desire to conclude the committee amendments this evening, and then the bill will be open for individual amendments tomorrow.

Mr. SMITH. Mr. President, I can make whatever statement is necessary. As I said a moment ago, I think that the amount proposed by the committee is essential to carry out the object that we have in view in gathering and disseminating the news as it has been gathered and disseminated under two legs of the service which have been in operation.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Florida to the amendment of the committee.

The amendment to the amendment was rejected.

Mr. PHIPPS. Mr. President, in support of the increase reported by the committee I ask to have printed in the RECORD a letter from Representative TIMBERLAKE and also an extract from a telegram received from the Colorado Agricultural Association. I shall not take the time to read them.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 8, 1923.

Hon. LAWRENCE C. PHIPPS.
United States Senate, Washington, D. C.

MY DEAR SENATOR PHIPPS: I am inclosing herewith a telegram received from Mr. A. A. Edward, president of the Colorado State Board of Agriculture, Fort Collins, calling attention to the fact that Representative LANHAM, of Texas, secured an amendment to the Agricultural appropriation bill providing $25,000 additional for market news and service in Texas, and expressing a very great desire to have the appropriation increased so as to provide this beneficial service for Colorado.

This wire was not received until the bill had passed the amendment stage in the House. I advised Mr. Edward that I would take the matter up with yourself, as a member of the Appropriations Committee of the Senate, so that you might determine whether or not it would be possible to secure an additional appropriation for this purpose for Colorado, as was done in the House for Texas. In discussing the matter with the chairman of the subcommittee having charge of the measure, I

was advised that this amendment was agreed to for Texas for the reason that there was already a line there and no additional expense on that account would be required. In view of this he was unwilling to oppose the appropriation asked for by Mr. LANHAM, but he doubted very much the advisability of increasing the appropriation which would permit this service as suggested in the wire from Mr. Edward.

I am submitting the wire to you, however, that you may use your judgment as a member of the committee regarding the same. I know Mr. Edward personally and well, and know that he is deeply anxious to secure this additional service for Colorado.

Very sincerely yours, CHAS. B. TIMBERLAKE.

FORT COLLINS, COLO., *December 30, 1922.*

* * * Dealers in many States not now served urgently need this market information. Our Colorado farmers and shippers have repeatedly urged Federal department to establish such service, which they replied could not be done on account of lack of funds. * * * Suggest you act in cooperation with other interested States to secure additional amount necessary for complete service. Colorado and States west last season shipped over 250,000 cars of fruits and vegetables, being about 40 per cent of total production of country, and located farthest from consuming areas, in addition to important grain, hay, live-stock, and other industries to be served. * * *

COLORADO STATE BOARD OF AGRICULTURE,
A. A. EDWARD, *President.*

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment passed over was, on page 64, line 20, to increase the total appropriation for general expenses, Bureau of Agricultural Economics, from "$1,916,660" to "$2,190,260."

The amendment was agreed to.

The VICE PRESIDENT. The Chair understands that the committee amendments have now been disposed of.

THE MERCHANT MARINE.

Mr. LODGE obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me?

Mr. LODGE. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I present a memorial of the seamen of the United States bearing upon the pending unfinished business. I ask that it may be printed in the RECORD in 8-point type and referred to the Committee on Commerce.

There being no objection, the memorial was referred to the Committee on Commerce and ordered to be printed in the RECORD in 8-point type, as follows:

MEMORIAL.

To the honorable Members of the Senate of the United States.

GENTLEMEN: We, the representatives of the seamen of the United States, now in convention in New York City, respectfully submit this our memorial to you, praying that you read and consider it before you vote upon the bill known to us as the subsidy bill. It is a short review of the merchant-marine history of the United States. It is taken from statutes, hearings in congressional committees, court records, and from recorded proceedings of conferences held. It is easily verified. It is written to show why the United States has no merchant marine in the foreign trade and nothing but the shadow of the real sea power in any sense.

The United States has all the elements of real sea power. It has all the elements and conditions that should make real sea power not only possible but natural. We have the seacoasts, the harbors, the natural resources and the wealth in the country back of those harbors, and the great bulk of our population belongs to that race which, through nearly the entire historical period, has furnished the world's seamen.

If it be true that sea power is the seamen—and this fact is not questioned by historians, nor has it been questioned by statesmen of the past—then it must be admitted that we have but the shadow of sea power. It is notorious that prior to the war we had such a small percentage of Americans at sea that they were negligible. Even among the officers the number of native-born Americans was in the minority, though our laws made citizenship of the officers compulsory.

That no nation ever obtained even a fair share of sea power unless such nation furnished the seamen, and that no nation was able to keep sea power long after its men had quit sea life, is another fact so well attested by history that it can not be questioned. In the colonial times and in its early history this country produced daring seamen and skilled shipbuilders in abundance. Why did this cease? Some there are who answer this question by pointing to the opening up of the West, the building of railroads, and so forth. To some extent this is of course true, but it does not explain why we did not furnish the men needed in the coastwise trade, the Lakes trade, and in the very extensive whaling operations. When we speak of the coastwise trade we must bear in mind that our coastwise trade is in fact ocean trade. With reference to the personnel, the coastwise trade includes the harbors and islands on the North American Continent, north of the southern boundary of Mexico on the Atlantic and the Pacific, together with the trade from the Hawaiian Islands and the trade from one coast to the other. It employs more than 60,000 officers and men. It is, so far as the trade between American ports is concerned, absolutely protected from all foreign competition. Why did the American youth refuse to enter this trade? Why did the American man leave it? Somebody was at fault. Who was it? The answer is: The American shipowner. In total disregard of modern human experience he insists that the basis of good service is "force and fear."

The American shipowner has always had the ear of Congress. Since the meeting of the first Congress the shipowners have been listened to with the greatest respect, and the recommendations submitted by them have in all but two questions been adopted. The two instances are their effort to prevent the adoption of the La Follette Seamen's Act and the effort to induce Congress to readopt ship subsidy after it was repealed because obtained by corrupt practices.

Notwithstanding the fact that this Nation was founded upon individual liberty, the Constitution permitted bondage—the ownership of men by other men. The shipowners asked the First Congress to make the seamen the property of the vessel during the period of the contract and Congress consented. Neither the shipowners nor Congress can be blamed very much for this. It had been the system all over Europe for some six centuries, and in southern Europe nothing else except slavery had existed prior to the adoption of the periodical bondage based upon contract. In the slave States the seaman felt himself as free, because he compared himself to those less free; but in the northern free States he felt his bondage with increasing force. He resented it. He felt that it stood in his way and prevented him from following the upward trend of society. His wages, equal to those of a skilled mechanic in the colonial times and in the early years of the Republic, remained stationary, while the wages of workingmen on shore doubled, tripled, and quadrupled. Rents and commodities rose in price until the seaman was unable to provide for a family, and this destroyed his social status. When at last all other bondage ceased, through the adoption of the thirteenth amendment to the Constitution, the shipowners took care that the seaman was not liberated. When the laws were revised to correspond with the thirteenth amendment, the seaman's status was not changed. It followed as a matter of course that he was ill-treated, and the literature and the court records furnish a terrible account of such ill-treatment from the earliest days of the Republic, and such ill-treatment is not altogether ended even at this day.

In the meantime the laws were, at the shipowners' request, sharpened and made more drastic. When the shipowner wanted the mutiny laws so extended as to be applicable in harbor, they were in 1835 so extended. When he wanted to reduce the number of citizens which at one time he was compelled to carry, his wish was, in 1864, complied with. When the shipowner wanted to be free to hire men from any race or any nation, with or without previous training, his request was granted.

When it occurred to the shipowner that the laws dealing with seamen ought to be brought together, systematized, and extended, Congress took some of the laws, which Great Britain had adopted as a protection to the seamen, added them to the shipowners' request, and in 1872 passed the so-called shipping commissioners' act. Within two years the shipowners found that they did not like the regulations and supervision provided for and so informed Congress, with the request that they be repealed in the coastwise trade, and in 1874 all the provisions of the shipping commissioners' act were repealed in the coastwise trade and in the trade to near-by foreign countries. When the shipowner thought that it would be better for him to prohibit the payment of wages in advance, such payments were prohibited in 1884. When the shipowner changed his mind about this matter Congress in 1886 so amended the law that advance wages could again be paid.

When the shipowner found that he could not hold the wages paid at American ports down to the figure paid by his competitor in foreign countries he requested permission to hire his seamen in foreign ports, to bring them to American ports, to hold them on the vessel through the imprisonment and compulsory labor clauses of the law, and to take them back to some foreign country without reshipping them in the United States, and Congress readily consented and made this part of the law of 1886. The shipowner thought that in this way it would be possible for him to get and keep men at the same rate of wages as the competitor—be such wages the rate in Japan or Europe. When the shipowners discovered that in 1874 they had obtained more than they expected or desired and that the sea-

man in the coastwise trade was able to quit work and could neither be imprisoned nor brought back on the vessel against his will, in 1890 they went to Congress to have the imprisonment restored, and again Congress consented to change the law in the manner requested.

When they sought freedom from responsibility to the traveler or shipper, they did not seek in vain. Congress in 1851, 1884, and 1886 perfected a limitation of liability, which left nothing but the freight money pending and the proceeds from the sale of the wreck. The *Titanic*, which under British law would have been compelled to pay more than $3,000,000, under American law escaped with the payment of less than $100,000.

When the shipowner desired to shed the risk arising from the dangers of the sea and from "acts of God," he was permitted to organize an insurance, under which all such risks have been transferred to the public. When such insurance did not cover all possible kinds of losses, he arranged another kind of insurance—the protection and indemnity insurance—to protect himself against the losses arising from smuggling and other illegal practices, which came into vogue through the kind of men carried. When he then came to the conclusion that he had nothing to lose by the loss of the vessel, he cut the crews both in number and skill until it became unbearable for the men employed. In short, the policy of force and fear originated and followed by the shipowner has driven the American from the sea. It has destroyed our sea power, and it is now preventing the growth of a personnel, which is the very soul of power on the seas.

The American was leaving the sea, and his place was taken, first, by the North European, then by the negro, then by the South European, then by the Chinese, the Japanese, and the Malays, or the Croman and the Hawaiian Islander. The only question asked was and is: "Will you sail at wages set by me and under conditions determined by me?" When the white seamen in desperation tried to organize and sought to get the benefit of such laws as Congress had passed for seamen's protection, they were persecuted in every way. The men had to learn to lie—to deny their membership—and when they, as individuals, undertook to bring their grievances before the courts every trick was used to so delay the trials that the witnesses were by hunger driven to abandon their cause. When these methods failed through the power of the mutual aid practiced by the men, the appeal was made to public opinion in order to so influence it that juries would fail to agree or find the accused not guilty. (See Red Record.) Such was the shipowners' policy up to the beginning of our participation in the World War.

The seaman's act was passed over their protest and they determined to cause its repeal. When the representatives of the Seamen's Union appealed to them, asking for permission to cooperate in building up a personnel, that manifestly soon would be needed, they cynically answered that they were going to have the act repealed. They did their best to accomplish that purpose by beginning, in cooperation with foreign shipowners, such a publicity campaign as seldom has been seen; it did not stop even during the war. Although it failed to repeal the law, it so poisoned public opinion that the statute has never been enforced.

When the United States entered the war and the Shipping Board was created, the shipowners were, for the period of the actual war, compelled to pretend to cooperate; but in very many cases it was pure pretense. When the seamen voluntarily surrendered advantages obtained prior to the war in order to help in building a personnel, the concessions were used in an endeavor to hurt the organization much more than was at all necessary.

When the war was ended and the shipowners could manage their vessels in their own way, they promptly returned to their old policy, and finding the union grown strong enough to hire first-class lawyers to fight the seamen's cases and to defend the law, they became more determined than ever to destroy the possibility of mutual aid, using for their purpose not only their own power, but also seeking legislative aid to accomplish their purposes. We find them appealing to Congress to pass laws that would assist them in driving skilled men from the merchant marine in total disregard of the harm that inevitably must flow from such policy. This appeal was by Mr. A. F. Haines, vice president and general manager, Pacific Steamship Co., Seattle. He was at that time an influential officer in the Steamship Owners' Association, and there is no doubt that he voiced their ideas before the Senate Committee on Commerce in the hearings on the Jones bill. Among the propositions which he brought before the Senate Committee on Commerce were, that the Government should establish a large naval reserve, and that the Shipping Board should continue the recruiting service and the schools for training of men (p. 435). The real purpose of these proposals appeared under cross-examination. On pages 481–482 of the hearings he complained that the men were unionized and specified that as a handicap. On page 484 he insisted on a reduction in the training time for able seamen to six months in order to get the American who, he stated, learns very quickly. And on page 485 he affirmed that these new men are better than the old-line sailors; and again he brought forward the necessity for continuing the training ships, the establishment of the large naval reserve, and a number of cadets. But on page 487 he insisted that the shipowners must have the privilege of employing Chinese, Malays, Filipinos, or Lascars in the fireroom to the Tropics. (English experience shows that the orientals can not stand the heat as well as white men.) He went on to state that the Americans cause trouble in the Tropics, meaning the foreign trade (same page).

On page 488 he again complained about the unions, and when asked by the chairman, "How would legislation help you out?" Mr. Haines answered, "You can legislate in favor of American citizens, and you can legislate in favor of the Shipping Board recruiting service, and in favor of carrying cadets, and in favor of the naval training ships, and in time we will work out our own salvation." On page 489, Senator NELSON asked, "How would a law compel you to run an open-shop ship?" Mr. Haines answered, "I would be in favor of that." On page 490, Mr. Haines stated, "If you give us the kind of men we will get—if you will legislate in favor of the naval training ship and the Shipping Board recruiting service and the cadets, we will get that kind of men; we will change their habits." The chairman asked, "That is, you will largely get men whose habits do not need correcting?" Mr. Haines answered "Yes."

The foregoing testimony—and nearly all his testimony is in this vein—ought to satisfy anybody that the shipowners were at that time, just after the war, eager to substitute another personnel—one that would tolerate their policy of "force and fear." The committee, however, did not recommend any legislation such as was asked for by Mr. Haines. It is quoted here to show that the shipowners wanted to get rid of the men who had some skill and, therefore, some self-respect, and who had faced the submarine; that Congress refused it, but that the Shipping Board, as shall be shown later, assisted the owners to accomplish their purpose. We do not pretend to know all the purposes of the shipowners. We know their policy and we know the result, which we are here trying to convey to you. We now ask, Is it safe to follow the advice of men who have proven themselves wrong for a period of more than 100 years? The answer may, of course, be that the recommendations now come from the Shipping Board; but if it is proven that the Shipping Board is just another name for the shipowners, that the Shipping Board takes the shipowners' policy not only with reference to the personnel but also in other important items, would it not then be well to stop, look, and seriously think before you make up your mind? If it be true that the seamen are the merchant marine—the sea power—would it not be well to look into these facts before acting? Is it not true that the congressional mind has come to question not only the wisdom, the real knowledge, the disinterestedness, but even the perfect frankness and honesty of some of the shipowners who appear before committees to give evidence about maritime affairs? Was it not some such feeling that caused the repeal in 1895 of the imprisonment adopted in 1890, that caused the amendments to the law governing seamen in 1898, that caused the enactment of the La Follette Seamen's Act in 1915, and then caused the creation of the United States Shipping Board, with its duties and powers, materially increased from time to time since? Be that as it may, the Shipping Board was created and Congress ought to be able to rely upon its reports, and any recommendations from such board ought to be treated with great respect. Decidedly true; but if the board has adopted and if it is following the policy of the shipowners, should not its recommendations be considered with the same care that would be bestowed upon recommendations coming from owners as such?

In its earlier existence, and more especially during the war, the board disagreed with the advice brought to it by the shipowners, and under the actions then taken and the rules then established with reference to the personnel a large number of skilled men who had quit the sea came back and the purely American element of the personnel, exclusive of licensed officers, increased in less than four years from between 5 and 10 per cent to more than 51 per cent. The policy of "force and fear" had for a time been abandoned.

When President Wilson was about to go to Paris, the board, thinking it likely that the seamen's act might be a question

raised, and wishing to furnish the President with reliable information as to whether the law did or did not equalize the wages of seamen on foreign and American vessels, sent a representative to some of the eastern seaports to investigate and report. The investigator was, when entering on his duties, hostile to the act. He did not believe that it did equalize. He came back and made a report that it did. The report was taken to France by the President. That is, it was recognized as reliable, and yet the present board repudiates that report.

When, in 1919, the seamen asked that the preference which had been given to the members of the union in shipping be continued and that the working rules be recast, in the interest of all parties, the shipowners refused, and the board followed their example to the extent of laying up the vessels. When the shipowners offered an increase in wages in lieu of recasting the rules and of recognition, the board followed suit. When the shipowners finally agreed to the eight-hour day for sailors and adopted sundry other amendments in the working rules—some of which were bad for the service—the board did the same. And the board again followed the shipowners in permitting the officers of the union to visit the men on the vessels. When, in 1920, there was a question about whether the agreement of 1919 was to be continued for one more year, the board again followed the shipowners. Some members of the board wanted to restore the preference to union men, and when that could not be obtained these members of the board were willing to give preference to American citizens, but the shipowners refused, and the board accepted the shipowners' decision.

When, in 1921, the slump in shipping came, the board had the chance to build a first-class personnel. Somebody had to be dismissed, and the board could have selected and kept the best among the Americans and among the foreigners who had declared their intentions to become citizens. It could have adopted examinations in seamanship for deck officers, in practical operation of marine engines for marine engineers, and could have made use of the law to disrate such members of the crew as were unskilled and showed no willingness to learn. Thus by selection based upon skill it could have sloughed off the inefficient and unsuitable. The chairman of the board was advised to do this, but he did not. Instead, the board followed the policy urged by Mr. Haines, already referred to.

On January 25, 1921, the shipowners and the board wrote to the seamen's union on the Atlantic suggesting and insisting, notwithstanding that the agreement had three months to run, upon an immediate reduction in wages and abolition of all overtime pay.

On the 31st they were answered that the union was willing to meet and confer, with the purpose of complying with the request, but that such agreement as might be arrived at ought, by agreement, to be continued until April 30, 1922. There was no answer until late in April, when a conference was called. The conference met in New York and the shipowners proposed a decrease of 25 per cent in wages and the abolition of all overtime pay. The union was willing to confer on the lines laid down, provided that the following was tentatively accepted:

1. Abolish the sea-service bureau.
2. Enforce section 13 of the seamen's act, especially the language clause.
3. Enforce section 14 on foreign ships strictly.
4. Enforce section 2 on American vessels.
5. Preference in employment to union men, for the purpose of developing efficiency.
6. The union to examine the men and not to admit to membership anybody for ratings for which they are not reasonably qualified; this for the purpose of assisting that efficiency.

This counter proposal was rejected by the shipowners, who stated that they were opposed to the enforcement of the seamen's act.

The seamen then rejected the proposals of the shipowners and the conference ended, but was called by the chairman of the Shipping Board to meet in Washington on the 27th. At this meeting the chairman of the board, Admiral Benson, stated that the board had determined that there should be a reduction of 15 per cent in wages, and that overtime pay should cease. With reference to the seamen's proposals he made the following statement:

"Taking up first the six points above noted, I would say that the Shipping Board can not consent to the abolition of the sea-service bureau for reasons which have been expressed in recent press statements, nor can it assent as a Government institution to points 5 and 6 involving union preference. The Shipping Board, as a Government institution, must stand for that equality in its relations to the Government which is guaranteed to every citizen by the Constitution of the United States. So far as points 2, 3, and 4 are concerned, it is my opinion that any act of Congress, until definitely repealed or modified, so long as it stands upon the statute books, should be enforced by the department charged with such enforcement."

The shipowners were opposed to the law being enforced and the board was of the opinion that laws should be enforced by the department charged with such enforcement. The fact that both the shipowners and the Shipping Board were living in the United States, that each were responsible for the operation of vessels under the American flag, and that, as good Americans, they were expected to obey the law without compulsion, did not seem to occur to either. That the shipowners and the board had come to some agreement about what was to be done with the seamen was too plain for doubt. The representatives of the seamen did, however, ask whether the sailors would be permitted to keep the three-watch system at sea. The prompt and united answer was "No." When the seamen asked whether the right of the seamen to be visited by officers of the union on the vessels and whether the officers of the union would be permitted to represent the men in the owners' offices in cases of dispute, the answer was again "No." (This answer was the more astonishing, because the right of ships' crews to be visited by the union officials had obtained in the United States practically since the adoption of the seamen's act, and was in operation in nearly all countries.)

Since preference of any kind had been refused to the members of the union, the officials of which were then in conference with the representatives of the shipowners and the board, and since the refusal was "because that would be discriminating against American citizens," the union representatives suggested that, subject only to the skill and experience, the American should have the first chance of employment, and that the foreigner, who had declared his intention to become an American citizen, should, subject to skill and seniority of papers, have the second chance of employment, and that the question of unionism should be completely waived. There was some hesitation on the part of the admiral; but from the owners came the response "No," in which the admiral then joined. The union representatives then offered to refer the whole question at issue to the President of the United States, with a guaranty to work for one year at such wages and conditions as the President might determine. Again the answer was "No," whereupon the representatives of the unions left, stating that they would appeal to the President, which they did in the following letter:

"WASHINGTON, D. C., *April 29, 1921.*

"MR. PRESIDENT: This is a report and a prayer. All the agreements and arrangements between shipowners organized in the American Steamship Owners' Association, the United States Shipping Board, the organized marine engineers, sailors, firemen, marine cooks, and stewards, these last three constituting the International Seamen's Union of America, will cease with to-morrow night.

"The shipowners offered us a reduction amounting to 25 per cent on wages and subsistence and the abolition of all pay for overtime work. This took place in the month of January. We wrote them a letter offering to meet them to do the utmost possible to come to an understanding, to take effect immediately, and to run until April last, 1922. There was no meeting until the 19th of this month. Then they offered us conditions that were utterly impossible for us to accept. We countered with certain propositions which we deemed of absolute necessity for the upbuilding and preservation of the personnel of the merchant marine of America. They refused. We met them again on the 25th and they refused to consider our proposals. This ended the meetings in New York.

"Admiral Benson, chairman of the Shipping Board, called everybody interested to meet here in Washington on Wednesday the 27th. There was a 10 per cent reduction in the cut proposed to us here, making it 15 per cent of the actual wages signed for on the articles, but the total cut would, under the rules proposed, be from 40 to 60 per cent in the actual income of the men employed; but no other change in the other things, except that in so far as the carrying out of the law was concerned, the admiral declared himself entirely in favor of the carrying out of the law, and that he would do what he could to have the law enforced.

"We submitted as a proposition that in the matter of employment the American citizen would have the preference for any rating which we would be qualified to fill, and that men with intention papers should have the next chance of employment, basing their preference amongst them upon the length of time that such intention papers had been held. This was refused. There were several other propositions made and refused.

Whereupon we made the offer to submit the entire question to you, declaring ourselves willing to accept whatever you should deem most advantageous to the building up of a merchant marine for the United States, and that in order to prevent any stoppage at all the present condition should remain until you had an opportunity to act upon the situation. This was first refused by Admiral Benson, stating that he would not burden you with this matter. It was then peremptorily refused by the shipowners. We renewed our offer and again were refused. Whereupon it was stated by us that we felt that we did not burden you by submitting our judgment to yours. We felt that we were doing our duty to you and to the merchant marine.

"We now respectfully submit the matter to you in the firm faith that you will act for the development and maintenance of the merchant marine.

"Most respectfully,

"W. S. BROWN,
"*President Marine Engineers' Beneficial Association.*
"ANDREW FURUSETH,
"*President International Seamen's Union of America.*

"To the PRESIDENT OF THE UNITED STATES,
"*The White House, Washington, D. C.*"

On May 1, 1921, the seamen all over the country were given the choice of signing shipping articles at the wages and on the terms laid down by the board and indorsed by the shipowners or to quit their employment. They quit. Some may call this a strike; but if there ever was a lockout, it must have looked something like this.

The vessels had some difficulty in finding men with which they could go to sea, even though no respect was paid to any laws about efficiency, and some of the shipowners entered into agreements to continue to pay the wages and to observe previous conditions; but upon threats from Admiral Benson, the chairman of the Shipping Board, that the vessels would be taken from them, those who operated Shipping Board vessels canceled the agreements at once and those who had agreed for their own vessels canceled theirs after the struggle was over and the men defeated. Defeat, of course, could not be avoided when the shipowners had the power and the resources of the Government to draw upon.

The shipowners having, under the circumstances, no need of risking their own ships, tied up their good vessels and induced the Shipping Board to run the vessels belonging to the people. The Shipping Board took the risk both of sabotage and inefficient men and, by a low estimate, wasted more than $10,000,000 in winning for the shipowners a struggle that had no excuse at all for existence and the real cost of which can not be measured in dollars. The men fit for and accustomed to the sea do not take kindly to any policy based upon "force and fear," and the American least of all. The real American in spirit and blood began at once to leave the sea, and he left with curses on his lips and hatred in his mind. Coming home he freely distributed both. This will surely not assist in making the American ship minded and ready to invest money in shipping, the necessity for which was so persistently urged during the hearings on the Jones bill. The worth-while foreign born, who had taken out intention papers, are leaving in the same way, except that many of them left to sail in the vessels of their own or other European countries. And the exodus is yet on. If in the coastwise and foreign trade together there be at this time 15 per cent of native American and 10 per cent of foreigners worth while left, the United States is fortunate indeed. The representatives of the seamen who attended the Washington conference on the 27th and 29th of April, 1921, knew what was to be the result. They gave expression to their knowledge when they proposed the reference to the President of the United States and offered, on behalf of the seamen, to sail one year for such wages and under such conditions as the President might determine. The chairman of the Shipping Board and some of the shipowners evidently could not understand, but we believe that others did and adopted the policy as a means to the end which they sought. Men worth while left the sea; men worth while are still leaving. Nothing short of an absolute change in policy will stop the exodus or bring back any considerable number of those who left or bring others worth while in their places.

There are no indications of any such change. Rather the indications all point the other way. The Shipping Board has reduced the crews in numbers and efficiency until the work that can not be postponed has become unendurable. The board has again reduced wages, so that they are now in purchasing power about what they were prior to the war.

The shipowners have officially reduced wages until they are equal to the English, but less than the Danish or Swedish. Unofficially they are now paying less than the English, and they are compelling the men to carry a shipowner's black list in form of a continuous discharge book and exhibiting it before they can get employment. The shipowners are getting men accordingly. Some men are sailing in order to smuggle—anything from lewd, prohibited pictures to narcotics and prohibited immigrants, Chinese and others—others because they lack the energy to quit, or because they are made to move by the police. Of course, there are some men yet left who refuse both to quit and to take the book, because they have not quite given up the hope that a change is coming. A change certainly must come if the United States are to have any share in the world's sea power.

Sea power is not for sale by shipowners at any given price. In a sense it is a flower, but it can not be grown in a hothouse. It grows in freedom and in soil made up of courage, skill, and honor, watered by sacrifice and death.

We respectfully submit the foregoing to your kind consideration. We beg that you defeat the subsidy bill and that in lieu thereof you repeal the shipbuilders' monopoly; that you take the departmental supervision over seamen from the Shipping Board and the Department of Commerce, and give it under proper regulations to the Department of Labor; and that you so amend the laws passed to promote safety and human decency at sea that they will be enforced. It is by such legislation that a merchant marine and sea power can be built for America.

On behalf of the International Seamen's Union of America.

Most sincerely and respectfully yours,

ANDREW FURUSETH, *President*,
K. B. NOLAN, *Secretary*.

CONTINENTAL HOTEL,
New York City, N. Y., January 8, 1923.

ACTIVITIES OF FEDERAL TRADE COMMISSION.

Mr. CAPPER. Mr. President, a few days ago there was published in a trade journal an editorial making charges against the Federal Trade Commission. I asked the chairman of the commission for the facts and I have a letter from him, which I ask unanimous consent to have printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The letter referred to is as follows:

FEDERAL TRADE COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, December 28, 1922.

MY DEAR SENATOR: I have your memorandum transmitting editorial from the December 20, 1922, issue of the Tobacco Record. This editorial is an attack on the Federal Trade Commission entitled, "How long are the people going to permit the gigantic waste of public funds to support the spies and sleuths of the Federal Trade Commission?" The editorial professes to deal with the activities of the Federal Trade Commission and the commission's expenditures since its date of organization in 1915. The statements in the editorial are as obviously wide of the facts as the whole animus of the attack itself is upon its face unfair.

It has been recently the duty of the commission, under its organic act, to issue 11 formal complaints charging unfair methods of competition in the tobacco industry.

Among other things, the editorial says: "The Federal Trade Commission is constantly clamoring for larger and larger appropriations." I am indicating below the annual appropriations available and the amount expended by fiscal years since the commission was organized in 1915, together with unexpended appropriation balances for each of the fiscal years, which shows that in most of the years of its history the commission has returned money to the Treasury, and that its present annual expenditure is far below that of former years.

Fiscal year.	Appropriation available.	Amount expended.	Unexpended balance.
1915	$108,052.15	$90,442.05	$17,610.10
1916	355,000.00	351,999.73	3,000.27
1917	519,080.00	456,950.96	62,129.04
1918	1,572,920.00	1,505,163.90	67,756.10
1919	[1] 1,477,540.00	1,477,540.00	.....
1920	1,055,000.00	1,040,424.35	15,575.65
1920	150,000.00	.....	150,000.00
1921	955,000.00	882,943.91	72,056.09
1922	955,000.00	890,213.36	64,786.64

[1] There was actually available to the commission for this fiscal year $1,677,540, reduced $200,000 during the fiscal year by act of Congress, which following cessation of war covered many war-year appropriations back into the general fund of the Treasury.

In addition to the appropriations and expenditures enumerated above the commission has expended the amount of $75,964.08, which represented the unexpended balance of the appropriation of the Bureau of Corporations for the fiscal year 1914, which became available under a decision by the Comptroller of the Treasury. These expenditures were incurred during the fiscal years 1916 to 1923, inclusive, the final unexpended balance being used during the month of July of the current fiscal year.

In connection with the appropriation of $150,000 for the fiscal year 1920, which, you will note, was not used, you are advised that this amount was provided for in the deficiency act approved November 4, 1919, to cover the expense of the commission's investigation in connection with the high cost of living. This work was stopped by a

court injunction which made it impossible to continue with the same, and the small amount expended in connection therewith before action was taken by the court was charged to the commission's regular appropriation for the fiscal year 1920.

The increase in expenditures for the fiscal years 1918, 1919, and 1920 arose from the fact that during these years the commission was engaged in special war work, or work that developed as result of the war, and a larger force, also appropriation, was necessary. During the fiscal years 1921 and 1922 it will be noted that the expenditures for each year amounted to less than $900,000, while for the current year the expenditures will not exceed $868,000, the total appropriation available.

The editorial says: "By the end of the fiscal year 1920 the number of employees on the pay roll had practically doubled to 418, and it is still growing." The commission had 638 employees during the war; it had 418 employees on June 30, 1920, but by December 31, 1920, this number had been reduced to 316, practically the same number now employed. On June 30, 1922, the commission had 100 less employees than it had on June 30, 1920, and 320 less employees than during the war year 1918. Here is a table showing the number of employees carried on the roll at the end of each fiscal year, a casual glance at which will show how ill-founded the ill-tempered editorial charges are:

	Number of employees.		Number of employees.
1916	224	1920	418
1917	210	1921	315
1918	638	1922	318
1919	364		

As you well know, the commission does not maintain a secret service or send sleuths and spies out to harass the business men of the country but restricts its efforts to the work it is called upon to do by law or as a result of congressional resolution. During the fiscal years 1915 to 1918, inclusive, the commission did not investigate any phase of the tobacco industry. In 1919 the commission expended $3,759.59 and in 1920 $4,887.47 in doing work requested by the War Industries Board in connection with war contracts on tobacco and cigarettes, information being necessary upon which to make contract claim adjustments. During the fiscal year 1921 the commission expended $11,094.10. The work involving this expenditure was done in connection with the determining of the prices paid growers for various types of leaf tobacco and the cost and selling prices of manufactured tobaccos, as required of the commission by House Resolution 533, Sixty-sixth Congress. During the fiscal year 1922 the commission expended $24,950.81. This covered the expense of the commission's investigation to determine the prices, profits, and competitive conditions in the tobacco industry, as required by Senate Resolution 129, Sixty-seventh Congress, adopted August 9, 1921.

These figures indicate that the commission has expended comparatively little in connection with its investigation of the tobacco industry, and most of the amount involved expenses connected with work directed by Congress.

I note that copies of the editorial were sent to all of the Senators, and if it should be used as a basis for an attack upon the commission I will appreciate it very much if you will use the facts contained herein to show up the inaccuracies contained in the editorial.

Yours truly,

VICTOR MURDOCK, *Chairman.*

HON. ARTHUR CAPPER,
United States Senate, Washington, D. C.

EXECUTIVE SESSION.

Mr. LODGE. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 30 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Wednesday, January 10, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 9, 1923.

PROMOTIONS IN THE NAVY.

The following-named captains to be rear admirals in the Navy from the 6th day of January, 1923:

Charles B. McVay, jr.

John H. Dayton.

Commander Kenneth G. Castleman, an additional number in grade, to be a captain in the Navy from the 3d day of June, 1922.

Lieut. Commander Grafton A. Beall, jr., to be a commander in the Navy from the 21st day of May, 1922.

The following-named lieutenant commanders to be commanders in the Navy from the 3d day of June, 1922:

William H. Lee.

Ralph C. Needham.

George W. Kenyon.

Lieut. Commander Bruce R. Ware, jr., to be a commander in the Navy from the 7th day of July, 1922.

Lieut. Commander Arie A. Corwin to be a commander in the Navy from the 12th day of November, 1922.

Lieut. Commander George M. Courts to be a commander in the Navy from the 26th day of December, 1922.

The following-named lieutenants to be lieutenant commanders in the Navy from the 3d day of June, 1922:

Robert B. Simons.	Harold B. Grow.
Ellis M. Zacharias.	Beriah M. Thompson.
Louis P. Wenzell.	

Lieut. Horatio J. Peirce to be a lieutenant commander in the Navy from the 23d day of August, 1922.

Lieut. Hugh C. Frazer to be a lieutenant commander in the Navy from the 19th day of September, 1922.

Lieut. Thales S. Boyd to be a lieutenant commander in the Navy from the 1st day of October, 1922.

Lieut. James A. Crutchfield to be a lieutenant commander in the Navy from the 1st day of October, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 31st day of December, 1921:

Otto H. H. Strack.

Carl H. Forth.

Lieut. (junior grade) Duane L. Taylor to be a lieutenant in the Navy from the 26th day of April, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 3d day of June, 1922:

Hubert H. Anderson.	Alfred P. Moran, jr.
Paul F. Lee.	Ralph E. Jennings.
Frank N. Sayre.	Earle H. Kincaid.
George W. Brashears, jr.	Fred A. Hardesty.

Lieut. (junior grade) William Hartenstein to be a lieutenant in the Navy from the 27th day of June, 1922.

Lieut. (junior grade) Merritt P. Higgins to be a lieutenant in the Navy from the 1st day of July, 1922.

Lieut. (junior grade) Carl A. Scott to be a lieutenant in the Navy from the 2d day of July, 1922.

Lieut. (junior grade) William L. Peterson to be a lieutenant in the Navy from the 4th day of July, 1922.

Lieut. (junior grade) Paul C. Warner to be a lieutenant in the Navy from the 7th day of July, 1922.

Lieut. (junior grade) Raymond F. Tyler to be a lieutenant in the Navy from the 8th day of July, 1922.

Lieut. (junior grade) Troy N. Thweatt to be a lieutenant in the Navy from the 16th day of July, 1922.

Lieut. (junior grade) Harry F. Carlson to be a lieutenant in the Navy from the 16th day of August, 1922.

Lieut. (junior grade) Frederick O. Goldsmith to be a lieutenant in the Navy from the 16th day of August, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 2d day of September, 1922:

Daniel H. Kane.

Russell V. Pollard.

Lieut. (junior grade) Thomas D. Guinn to be a lieutenant in the Navy from the 19th day of September, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 31st day of December, 1921:

Harry E. Stevens.	Alva Henderson.
Clyde Keene.	Elmer J. Tiernan.
David McWhorter, jr.	Benjamin S. Brown.
Clarence E. Williams.	Charles R. Hoffecker.
Grover C. Watkins.	Harley E. Barrows.
Walter M. Shipley.	Donald B. McClary.
Daniel F. Mulvihill.	Eli B. Parsons.
Samuel E. Lee.	Julius C. Kinsky.
Alvin Henderson.	Francis E. Matthews.
Thomas P. Kane.	Henry L. Burmann.
Wiley B. Jones.	Eugene Bastian.
Philip D. Butler.	

Ensign Howard L. Clark to be a lieutenant (junior grade) in the Navy, from the 31st day of January, 1922.

Ensign Frederick A. Smith to be a lieutenant (junior grade) in the Navy, from the 15th day of March, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy, from the 22d day of April, 1922:

Charles H. Miller.	Ralph L. Lovejoy.
Myron T. Richardson.	John A. Sedgwick.
Jackson R. Tate.	Lawrence F. Blodgett.
James S. Haughey.	Merritt A. Bittinger.
Cyril E. Taylor.	William L. Hickey.

Ensign Bernard J. Loughman to be a lieutenant (junior grade) in the Navy, from the 1st day of June, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy, from the 7th day of June, 1922:

Raymond C. Ferris.	William H. Galbraith.
Robert D. Threshie.	Ernest E. Stevens.
Frank W. Schmidt.	Maurice Van Cleave.
Edward H. McMenemy.	Royal A. Houghton.
Darrough S. Gurney.	Carroll T. Bonney.
John B. Mallard.	George D. Morrison.
William E. Miller.	William P. Hepburn.
Jim T. Acree.	Charles L. Surren.
Edward H. Doolin.	Marvin H. Grove.

Surg. Eugene A. Vickery to be a medical inspector in the Navy with the rank of commander from the 16th day of July, 1922.

Passed Asst. Surg. Frederic L. Conklin to be a surgeon in the Navy with the rank of lieutenant commander from the 3d day of June, 1922.

The following-named assistant surgeons to be passed assistant surgeons in the Navy with the rank of lieutenant from the 2d day of October, 1922:

Charles F. Behrens.
Charles E. Clark.
Loyd L. Edmisten.
Frank M. Moxon.
Duncan D. Bullock.
Navy F. X. Banvard.
Fred M. Rohow.
Lyle J. Millan.
Robert E. Duncan.

Passed Assistant Dental Surgeon Alexander G. Lyle to be a dental surgeon in the Navy with the rank of lieutenant commander from the 3d day of June, 1922.

Assistant Dental Surgeon Ray Endell Farnsworth to be a passed assistant dental surgeon in the Navy with the rank of lieutenant from the 9th day of August, 1922.

The following-named assistant dental surgeons to be passed assistant dental surgeons in the Navy with the rank of lieutenant from the 2d day of October, 1922:

Walter I. Minowitz.
Leonard M. Desmond.
Harold J. Hill.

Chaplain George E. T. Stevenson to be a chaplain in the Navy with the rank of captain from the 30th day of June, 1919.

Naval Constructor Robert Stocker to be a naval constructor in the Navy with the rank of rear admiral from the 17th day of January, 1923.

Naval Constructor William McEntee to be a naval constructor in the Navy with the rank of captain from the 11th day of July, 1922.

Naval Constructor Richard D. Gatewood to be a naval constructor in the Navy with the rank of captain from the 18th day of September, 1922.

Naval Constructor George C. Westervelt to be a naval constructor in the Navy with the rank of captain from the 19th day of October, 1922.

Naval Constructor Emory S. Land to be a naval constructor in the Navy with the rank of captain from the 17th day of January, 1923.

Naval Constructor Walter W. Webster to be a naval constructor in the Navy with the rank of commander from the 18th day of September, 1922.

Assistant Naval Constructor Harold E. Saunders to be a naval constructor in the Navy with the rank of commander from the 19th day of October, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 9, 1923.

UNITED STATES JUDGES.

Frank H. Rudkin to be circuit judge, ninth circuit.

William H. Atwell to be district judge, northern district of Texas.

COAST AND GEODETIC SURVEY.

Charles Mitchell Thomas to be aid with rank of ensign in Navy.

PROMOTIONS IN THE ARMY.

Ralph Henry Lewis to be first lieutenant, Veterinary Corps.

Emil William Weber to be chaplain with rank of captain.

John Oscar Lindquist to be chaplain with rank of captain.

Alexander Wayman Thomas to be chaplain with rank of captain.

Frank Connors Rideout to be chaplain with rank of captain.

Alfred Cookman Oliver, jr., to be chaplain with rank of captain.

Pierre Hector Levesque to be chaplain with rank of captain.

John Hall to be chaplain with rank of captain.

Edward Lewis Trett to be chaplain with rank of captain.

Charles Coburn Merrill to be chaplain with rank of captain.

Elbert Kelly to be second lieutenant, Infantry arm.

Orestes Cleveland to be second lieutenant, Infantry arm.

James Harrison Dickie to be second lieutenant, Field Artillery arm.

Richard André Peterson to be second lieutenant, Air Service.

POSTMASTERS.

ALABAMA.

Alison B. Alford, Ashford.
Marion F. Boatwright, Ashville.
Ed P. Johnson, Samson.
Albert N. Holland, Scottsboro.

COLORADO.

Charles E. Leibold, Manitou.
Orion W. Daggett, Redcliff.

IDAHO.

Louis W. Thrailkill, Boise.
Guy I. Towle, Jerome.

ILLINOIS.

James H. Truesdale, Bunker Hill.
John J. Stowe, Girard.
Burr H. Swan, Pittsfield.

INDIANA.

Arthur E. Dill, Fort Branch.
Thomas J. Jackson, New Albany.
John A. Austermiller, Terre Haute.
David E. Purviance, Wabash.

KANSAS.

James E. Miller, Walnut.

MARYLAND.

Jacob C. Hemmons, Ridgely.

MICHIGAN.

Bert A. Dickerson, Constantine.

MINNESOTA.

Ethel V. Engstrom, Grandy.
Fred G. Fratzke, Janesville.
John P. Grothe, Roseau.
Henry C. Megrund, Shelly.
Olaf E. Reiersgood, Ulen.

NEW HAMPSHIRE.

Lena K. Smith, Lancaster.
Cora H. Eaton, Littleton.

NORTH DAKOTA.

Jacob A. Phillips, Cleveland.

SOUTH CAROLINA.

Mortimer R. Sams, Jonesville.

SOUTH DAKOTA.

Benjamin R. Stone, Lead.
Matt Flavin, Sturgis.
Clarence I. Hougen, Wilmot.

TENNESSEE.

Conley Collins, Morristown.

TEXAS.

Arthur G. Gilbert, Abernathy.
Charles A. Ziegenhals, Bastrop.
Otis A. Gildon, Daisetta.
Sidney O. Hyer, Frost.
Oliver S. York, Galveston.
Fannie H. Miller, Newton.
Ralph E. Hollingsworth, Sunset.

UTAH.

Arza C. Page, Payson.
Aroet L. Harris, Richmond.

VIRGIN ISLANDS.

Albert L. Lockwood, St. Thomas.

WEST VIRGINIA.

Curtis K. Stem, Weirton.

HOUSE OF REPRESENTATIVES.

TUESDAY, *January 9, 1923.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We thank Thee, our Heavenly Father, that behind the whole of life, with its experiences of sunshine and shade, there is a divine hand marking and shaping our destiny. Let the consciousness of Thy sympathy, love, and care make cheerfulness abound with industry. In quiet and in confidence may we live the good life and in loyal obedience to Thy precepts follow the paths that lead to peace and rest. Ever bring us toward the full understanding that he who is learning each day to do better and to be better is abiding under the shadow of the Almighty. In the blessed name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 7658. An act to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the Post Office and other buildings and work under the supervision of the Treasury Department, and for other purposes."

The message also announced that the Senate had passed without amendment the bill (H. R. 966) for the relief of the Tacoma Tug & Barge Co.

The message also announced that the Senate had passed with amendments the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed joint resolution and bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 250. Joint resolution to donate to the Veterans of Foreign Wars of the United States certain war trophies captured by or surrendered to the armed forces of the United States in the World War;

S. 2822. An act to regulate the practice of optometry in the District of Columbia;

S. 3364. An act for the relief of W. O. Whipps;

S. 3244. An act to authorize the transfer of surplus books from the Navy Department to the Interior Department;

S. 4137. An act to authorize the transfer of certain vessels from the Navy to the Coast Guard;

S. 4029. An act to amend an act entitled "An act to incorporate the Texas Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto;

S. 419. An act for the relief of the owners of the steamship *Esperanza;*

S. 420. An act for the relief of the Long Island Railroad Co.;

S. 421. An act for the relief of the owners of the steamship *Lexington;*

S. 3503. An act to carry out the findings of the Court of Claims in the case of the Commercial Pacific Cable Co.;

S. 3668. An act for the relief of Gertrude Lustig;

S. 1016. An act to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States"; and

S. 3384. An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Paiute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service.

SECOND DEFICIENCY APPROPRIATION BILL.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the second deficiency appropriation bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table, disagree to the Senate amendments, and ask for a conference on the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

Mr. GARNER. Mr. Speaker, is that satisfactory to the Democratic conferee [Mr. BYRNS of Tennessee]?

Mr. MADDEN. The gentleman is right there. He can speak for himself.

The SPEAKER. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. MADDEN, Mr. KELLEY of Michigan, and Mr. BYRNS of Tennessee.

ADJOURNMENT OVER FROM FRIDAY UNTIL SUNDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday it adjourn to meet on Sunday next.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns on Friday next it adjourn to meet on Sunday next. Is there objection?

There was no objection.

THE FOREIGN DEBT.

Mr. GARNER. Mr. Speaker, I would like to ask unanimous consent to address the House for 10 minutes. I could take the time, perhaps, in general debate on the next appropriation bill, but I would like to get through with my remarks now, so as to take up some other work.

The SPEAKER. The gentleman from Texas asks unanimous consent to address the House for 10 minutes. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Speaker, I ask for 10 minutes following the gentleman from Texas.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. GARNER. Mr. Speaker and gentlemen of the House, my attention was called on yesterday to a statement purporting to come from the gentleman from Ohio [Mr. FESS] with reference to a very important matter now being considered by the executive branch of the Government, or rather by a commission created by this body, pertaining to the $11,000,000,000 owed to us by foreign countries.

If Doctor FESS is correctly quoted, I think it is a matter that the House is entitled to have some information on. I read from the Washington Post's Sunday issue, January 7, and I presume it is as great an authority as we can get as to what the policy of the administration is likely to be on any particular subject. Among other things, in speaking before the Republican Club in the city of New York, Mr. FESS said this, alluding to the limitation placed on the Debt Refunding Commission:

Congress made a very serious blunder when we tied down the commission to a time limit within which the debts were to be paid and withholding from that body the right to modify the rate of interest on those debts.

"We must give that body some freedom," he added. "That must be done, and I am not telling tales out of school when I say it will be done."

Now, Mr. Speaker and gentlemen of the House, if any deduction at all can be drawn from that statement, it is that Congress is to be called upon, if, indeed, arrangements have not already been made by the leader of the majority and the steering committee—because Mr. FESS says it will be done—for Congress to yield its power, or rather its control, over $11,000,000,000 of the people's money. I do not believe that the commission that has been created by Congress will ask for that power. Three of those gentlemen have had occasion to know what it means to appeal to the electorate of this country and to have their confidence and responsibility given by the votes of the people.

I refer, of course, to the gentleman from Ohio [Mr. BURTON], formerly Senator, and to the Senator from Utah [Mr. SMOOT], and the present Secretary of State, Mr. Hughes. I can not believe that it is possible that you could induce those gentlemen to attempt to take from the hands of the legislative body the entire control and direction of $11,000,000,000 of the people's funds. I would undertake to deny—and I am glad the gentleman from Wyoming [Mr. MONDELL] has 10 minutes to correct it if it is not correct—I undertake to deny that the Congress has made arrangements by which it will take its hands off the control and direction of this $11,000,000,000, although Mr. FESS says he is not telling tales out of school when he makes that assertion. There is no other place where he can come for that relief except to Congress, and I ask the gentleman from Wyoming to tell the House of Representatives whether Doctor FESS was speaking by the card—even if he is telling tales out of school—if you propose that the commission shall relieve the House of Representatives and the Senate of the responsibility of remitting $11,000,000,000 owed by foreign governments, or, if necessary, to remit the payment for 50 years, or 100 years, or a thousand years, then I am against you——

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. GARNER. In just one moment.

Because, gentlemen, if you take off the limitation of interest and the limitation of time, you can extend this debt for a thousand years without the payment of a single dollar of interest during those thousand years. So that it is tantamount to giving power to this commission to remit the debt owed us by foreign countries.

Mr. MADDEN. I want to say to the gentleman from Texas that nobody can commit me, and I am opposed to remitting the debt. [Applause.]

Mr. GARNER. I am glad to hear that, because I could not believe that the gentleman from Ohio [Mr. FESS] could speak authoritatively, although he did undertake to speak it, and told it in a manner to indicate that he was on the inside, and, being

on the inside, a Senator elect from Ohio, he imparted the information to the country that we are going to take our hands off, run away from our responsibility, and that we are going to give this commission a free rein to do as they please.

I repeat that I do not believe the commission would ask it, and I say nothing but a cowardly Congress—yes; almost a criminal Congress—would surrender the trust placed in their hands to the extent of $11,000,000,000 without having gone before the electorate and received authority to that effect. I can understand why certain so-called statesmen in this country are clamoring for the initiative and referendum even for the Supreme Court when you have men of the standing of Doctor FESS in the Republican Party on the Rules Committee in this House who go to New York and tell a Republican organization of that State "We propose to commit to five men the destiny of $11,000,000,000 of the people's assets." Now I yield to the gentleman from New York [Mr. MILLS].

Mr. MILLS. I should like to ask my friend from Texas whether he takes the position that under no circumstances would he be willing to extend the time of payment now fixed at 25 years.

Mr. GARNER. Oh, no, Mr. Speaker, nobody but a foolish man would say that. Why, I made the calculation this morning as I ran over here after the Ways and Means Committee had stayed in session until 12 o'clock, and I had to hasten, and I made the calculation in my mind as to what the difference would be in changing the rate of interest with reference to England alone, based upon $5,000,000,000, from 4½ per cent to 3½ per cent, and it made a difference of $37,500,000 a year.

Mr. MILLS. Will my friend yield there?

Mr. GARNER. In just a moment. It is possible that Congress ought to take that discretion, though I am not so certain about it, because the contract made with England and other countries by this Congress was that they should pay the exact rate of interest that we pay on the bonds which the American people bought, thereby raising the money that we loaned to those countries. Now I yield to the gentleman from New York.

Mr. MILLS. In view of the negotiations that are going on, I think it is important that the gentleman who speaks here as the representative of his great party should make his position clear. Do I understand from the gentleman from Texas that if it could be demonstrated that this great debt of $11,000,000,000 could not be paid within 25 years, and the facts were laid before Congress, he then would be willing to grant the authority to extend the time of payment?

Mr. GARNER. Mr. Speaker, let me correct the gentleman from New York. I do not speak for any great party. I only speak for myself. I have no more right to speak for the Democratic Party than the gentleman from New York has a right to speak for his district when he undertakes to take the people's property and transfer the control of it to some commission like these five men that we have created. I have no authority to speak for this side of the House any more than I have authority to speak for my constituents without having referred the matter to them and having discussed it with them.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARNER. Let me answer the question first. I was preparing to say when the gentleman asked me the question that the only difference between 4½ per cent for 25 years and 3½ per cent for 50 years is the $37,500,000 a year. As I told a gentleman yesterday who made the same inquiry in private, I am not certain that Congress would not look with some sympathy upon a suggestion by the commission stating the fact that it was impossible to make this arrangement with the limitations that are upon them. But, Mr. MILLS, you will not and I believe not 10 per cent or 5 per cent of the membership of this House will dare go so far as to take off all limitations. Would you dare do that?

Mr. MILLS. It has not been suggested, has it?

Mr. GARNER. Would you?

Mr. MILLS. No.

Mr. GARNER. I did not think the gentleman would; but Mr. FESS, speaking to the Republican Club in New York, says:

> I am on the inside. I can tell it. It is not telling tales out of school, either. It is right on the verge of being done. Therefore I impart the information to you that we are going to do that identical thing.

Mr. FESS. Will the gentleman yield?

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. LONGWORTH. I ask unanimous consent that the time of the gentleman from Texas be extended five minutes. I wish to ask him a question.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the time of the gentleman from Texas [Mr. GARNER] be extended five minutes. Is there objection?

There was no objection.

Mr. LONGWORTH. I ask this in an entirely friendly spirit. Would not this whole problem have been vastly simpler if the law had been followed when these loans were made?

Mr. GARNER. I agree with the gentleman; but the gentleman from Ohio undertakes to indict the Democratic administration for the reason that the arrangement was not made based upon the statute at the time the loan was made. Now, the gentleman from Ohio knows, and every intelligent man knows, and he will not deny it, that in the various legislative bodies when the loans were made it was impossible to get anything other than their I. O. U's. Is not that so?

Mr. LONGWORTH. I do not know that.

Mr. GARNER. Does not the gentleman think it is so?

Mr. LONGWORTH. I doubt it very much.

Mr. GARNER. Oh, the gentleman from Ohio——

Mr. LONGWORTH. I do know, however, that the law was not followed.

Mr. GARNER. I understand that. Our administration took their I. O. U's at that time; and if the Democratic administration was derelict in administering that law, is that any reason why you and I should surrender the power of this Congress to control $11,000,000,000 of assets of the people?

Mr. LONGWORTH. I stand absolutely with the gentleman on that point.

Mr. GARNER. I am very glad to hear it; and the only object I had in taking the floor this morning was, if I could, to bring out the very statements that have been brought out from the gentleman from Ohio [Mr. LONGWORTH], the gentleman from New York [Mr. MILLS], and the gentleman from Illinois [Mr. MADDEN]; and I imagine that even Mr. FESS and the gentleman from Wyoming [Mr. MONDELL] and a few other leaders on that side could hardly overcome the strength that has been developed so far on that side in opposition to this proposed policy.

Why, gentlemen, I do not know how you feel about it, but I feel so intensely on this subject of surrendering the power of the legislative body to commissions and executive branches of the Government that perhaps I am not entirely sane on the subject.

Mr. MANSFIELD. I think you are.

Mr. LAYTON. You are sane all right.

Mr. GARNER. I know that we have a wonderfully big, cumbersome Government. It is very difficult to administer it as the fathers intended—that is, to have each branch of the Government keep within the bounds of its power.

As a result of that, you see almost hundreds of reports being made to Congress by commissions and various branches and departments of the Government, because Congress gave them power that it was not contemplated would be given and that would not be given if it were not for the cumbersomeness of the Government; so that we have required them to make reports to Congress in order that Congress may keep a check on them.

It has got so great in that particular that in the transaction of the business of the committees of the House they can not look over their own reference documents. I had occasion to look at the docket of the Ways and Means Committee, and I was surprised at the number of documents referred to that committee under various laws of Congress. I have not had a chance to look them over, and it is impossible to do it. So I want, as far as I can, to retain the control of the Government in the legislative branch of the Government, as the Constitution contemplates. I am willing to go as far as it is possible in giving this debt commission power. I was glad that the President appointed a man from the House and a man from the Senate. I had hoped long before this that the country might be informed as to the progress of this commission; but I thought it might be embarrassing, and so I never raised the question upon the floor of the House. I do not intend to do it now, although I see the distinguished gentleman from Ohio [Mr. BURTON] here. But I again repeat that that commission, in my opinion, will never unanimously ask this House to carry out the policy suggested by the gentleman from Ohio [Mr. FESS] to the Republican Club of New York. [Applause.]

Mr. MONDELL. Mr. Speaker, I did not read the statement made by the distinguished gentleman from Ohio [Mr. FESS] very carefully, but my recollection of what he said differs quite widely from the recollection of the gentleman from Texas [Mr. GARNER]. My interpretation of what the gentleman from Ohio said is quite different from the interpretation of the gentleman from Texas. As I understand it, the gentleman from Ohio did suggest that it might be necessary—of course, the action would

have to be taken by Congress—to somewhat modify our legislation relative to the foreign debts, both as to the matter of time and of interest. I understand that the gentleman from Texas admits that it might be wise on a proper showing to do that. So I do not think that the gentleman from Texas and the gentleman from Ohio are in fact very far apart. The gentleman from Ohio, as I recollect it, very definitely said that he was not in favor of relieving our creditors from their obligations either as a whole or in part.

Mr. GARNER. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GARNER. I know nothing about what the gentleman from Ohio [Mr. FESS] said to the Republican Club of New York, except as I quoted it from the Washington Post.

Mr. MONDELL. I think what the gentleman quoted from the Washington Post will not justify his interpretation of it. Of course, if one wants to make an argument, there must be something to fire at; and so the gentleman, following the time-honored custom, erected a straw man, and then shot at it. [Laughter.] My position in this matter has been clearly stated at various times, and I have not changed my opinion. I do not believe that in justice either to the American people or to the people who owe us that we ought to consider wiping out the debts or reducing the totals. I think we should look forward to a full and complete payment of the sums due, and that should be our attitude.

I am of the opinion, and I so stated when the legislation was before the House on two occasions at least, that we did unduly and improperly restrict the commission. I said then that I thought it was unwise to fix a hard and fast rule of 4½ per cent interest. My opinion has not changed, and my view of the matter has been strengthened by the developments since that time. These people owe us; they should pay; but we realize that it will be very difficult for some of them to pay, and that they must, at least some of them, have a liberal adjustment as to time and interest under which it will be possible for them to meet their obligations. I do not think that anyone contemplates removing all restrictions as to time and interest by amendment of the act under which we created the commission. I think it is quite possible that the gentlemen of the commission may find it necessary to report to the Congress as to the difficulties they find in the way, and to make recommendations as to some modification of the period of the loan and of the interest rates. I think the gentleman from Texas and other gentlemen will agree that we must give to such a suggestion, if made, careful and thoughtful consideration. As I said a moment ago, I have believed, and very clearly stated when the matter was before the House, that the interest rate fixed as a minimum was too high. We certainly will never be justified in asking these people to pay us a greater interest rate than we are likely to be called upon to pay in the running of the years. I think it will be agreed that when the world gets back to anything like normal conditions and international finances become reasonably adjusted the interest rate on first-class international obligations is likely to be considerably below 4½ per cent, and, as to the period of the loan, I know of no reason why it should not be extended beyond the length of time heretofore fixed.

I think it must be apparent to all that it would be impossible for some of our European creditors, at least, to pay what they owe us within the period of time fixed by the Congress. It might well be a hardship for any of them to do so, and in such a case I know of no good reason why the period should not be lengthened.

I have very serious doubt whether any of the nations indebted to us will find it possible without serious difficulty to meet their obligations within the time fixed. All these are matters for adjustment. The commission, as I understand it, has had its first meetings. I am quite certain that the members of the commission could not themselves at this time give the House any clear idea of what their difficulties are likely to be, but in due time I should not be at all surprised if the commission should feel called upon to make a statement to the Congress in proper form as to the difficulties in the way, with suggestions as to what in their opinion might properly be done to clear the situation. That would not be an extraordinary happening, and I am very glad to find that the gentleman from Texas [Mr. GARNER] takes the view that such suggestions and recommendations would be entitled to serious and respectful and in all probability favorable consideration. I have very great confidence in the commission. I am satisfied they will protect our interests, that they will endeavor to carry out the expressed will of Congress. I am very sure of that; but if it should develop—and I shall not be at all surprised if it should develop; I anticipated such a development—that the commission finds it impossible to come to a fair adjustment and settlement under the law, we shall be here to receive any suggestions they may have to make and to render an opinion on them after due consideration. We shall have in mind all of the time—and I do not think there is any difference of opinion on that subject—that we expect the payment of these obligations in due time, taking into consideration the financial condition of the peoples who owe us and the fact that it will probably be necessary to be very liberal in our treatment of them as to time of payment and interest. Our attitude as to the payment of these obligations is not born of the spirit of a Shylock demanding the pound of flesh but because it is the best policy in the long run from the standpoint of all the interested parties. Some of those who are indebted to us may not take that view of it now, but I think ultimately they will. We shall all of us get along together best if we look forward to the final extinction of the debt through payment on terms under which the nations indebted to us may find it possible to meet their obligations without undue hardship. [Applause.]

Mr. FESS. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. FESS. Mr. Speaker and Members of the House, unfortunately I was not in the Chamber when my friend from Texas [Mr. GARNER] began his address. It was my fault, because he stated to me yesterday that he was going to make some remarks and he would be glad to have me present. I regret that I was not here when he first began. I have asked Members of the House what was said to which such serious opposition was taken by my friend. The report from them is that I had taken a position in New York that would lead to a complete surrender of the powers of Congress over the foreign debt to the authority of the commission. If that is the statement, of course it is entirely without foundation. Fortunately, I handed to the press of New York the manuscript which I now have in my hand, and I am going to ask unanimous consent, in the interest of every Member here, that I be permitted to extend this address in the RECORD so that every Member may know where the newspapers got their authority for whatever they said. My cursory examination of the report of the speech did not reveal anything of the character referred to. The manuscript was handed in six different copies to the New York newspapers. Anything that they printed from the manuscript, of course, could not be subject to the charge that it is not true.

Mr. GARNER. Mr. Speaker, would the gentleman from Ohio be willing to take off the limitation as to either interest or time and give that authority to the commission?

Mr. FESS. No; I would not.

Mr. GARNER. The gentleman would still retain the power in Congress to fix the rate of interest and to limit the time within which the debt might be paid?

Mr. FESS. I stated my position in respect to that in answer to a question asked me by ex-Ambassador White, who sat to my right, when I was discussing the impossibility of our canceling this debt and why it would not be canceled. He asked whether there should be any latitude given to the commission on the funding of the debt, and I answered immediately there should be latitude given to the commission on both the question of interest and the time of payment.

Mr. GARNER. What does the gentleman mean by latitude?

Mr. FESS. That instead of our binding the commission to a minimum rate and to a maximum time of payment, the commission should have some latitude to make the best terms possible, from the viewpoint of the interest of the people of the United States rather than that of Europe.

Mr. GARNER. That is the exact point. What limitations, if any, what freedom would the gentleman give, that he speaks of?

Mr. FESS. I would not do the foolish thing that we did do of binding them to 4½ per cent and 25 years. I opposed that proposition at the time, and it was unwise, and I stated in New York that we are going to modify it without a doubt.

Mr. GARNER. If the gentleman would not fix a rate——

Mr. FESS. Oh, I do not yield to the gentleman any longer. Let me state to the membership of the House what this organization is which I addressed. It is a Republican club that conducts nonpartisan discussions three months in the year. At all of these discussions, which begin on the first Saturday of January and continue three months, both parties were invited to address the members. This is the fifth time that I have addressed this club on its opening day. I have never addressed it when there was not present some Democrat to speak on the same program. The subject selected this time was our foreign relations, our relation to the foreign problems. I was asked to

speak and Mr. Morgenthau, the former ambassador to Turkey, was asked to speak for the Democratic side. I repeat that these discussions are all always upon the basis not of partisanship but from the standpoint of both sides of the question presented, always. It was upon this occasion that I delivered the address the manuscript of which I have in hand, which was very carefully prepared and which was handed to the press in New York. I was discussing the question of the obligations of Europe to the United States, stating that we could neither extend further loans nor consider under any circumstances the cancellation of the loans, nor could we consider the proposition of exempting American capital from taxation that would go to Europe, all of which has been proposed in various circles.

While I was speaking on that subject—and I might say that at the table sat the consul general to France as well as former Ambassador White to France—I was interrupted by being asked whether the Government should give to the commission now funding the debt any latitude and my reply at once was that it was a mistake for the Congress to handicap the commission by fixing a minimum rate of interest and a maximum time of payment, and that that should be modified.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. FESS. I decline to yield.

Mr. GARNER. For a question?

Mr. FESS. I yield for a short question.

Mr. GARNER. If the Congress does not fix a minimum rate of interest and the maximum time of payment, are we not taking off the bridle?

Mr. FESS. It was argued here when we were discussing this question before, just by such argument as the gentleman uses now, that, if we did not bind this commission, they might remit the whole debt, which was perfectly silly, because when you appoint a commission to fund a debt that does not mean that the commission can cancel the debt.

And yet that is the sort of demagogy which was practiced here on the floor of this House, when we authorized a commission to do a piece of work and then made conditions which made it impossible for them to do the work we authorized them to do. Now, that I insist must be modified, and so far as the question goes as to whether I have ever suggested that the Congress should not have any authority over the collection of the debt, certainly I never did anything of the sort. But on the other hand my colleagues here in Ohio, and I know there are a number sitting here who heard my addresses in Ohio in which I have always taken the position that we could not under any circumstances consider with any favor the suggestion of the remission of the foreign debt. So far as my friend is concerned in his reference to my speaking for the Republican Party, and the administration that is purely gratuitous. I am somewhat surprised that my friend from Texas [Mr. GARNER] should with a peculiar insinuation that almost approached innuendo, refer to me as being on the inside, and that I even spoke as if I wanted the public to know that I was on the inside. That is not quite in keeping with the genial character of my friend.

I happen to be a Republican, an administration Republican, and I happen to be from the State of the President, and if newspapers decide to use that feature and say that I am close to the administration when they have no authority whatever other than the usual liberty employed by a newspaper, I am not inclined to pay any attention to it. Frequently such statement is interesting to print, no matter how embarrassing it might be to the one about whom it is said. It is not necessary for me to get up here and try to reply to my friend. I think the whole thing is a matter of play with him. The real fact is, I expressly stated that I spoke for myself alone.

Mr. MOORE of Virginia. Will the gentleman yield for a question simply for information?

Mr. FESS. I will yield to the gentleman from Virginia.

Mr. MOORE of Virginia. I have very great respect for the gentleman's opinion. Now, assuming that the statute of February, 1922, may be amended so as to give much greater latitude to the commission in the way indicated by the gentleman, would he favor allowing that discretion to be exercised without requiring the commission to make any report to the Congress?

Mr. FESS. No, indeed; I would not. The Congress should keep its hands upon whatever the commission does, but the commission ought not to be told that they can not make a deal short of a certain rate or of a certain time at least, and the commission ought to be permitted to report back here the situation.

Mr. MOORE of Virginia. I understand the idea of the gentleman would be to give this further latitude and require the commission in exercising its discretion to make its report to the Congress, and that report be subject to ratification or approval by the Congress?

Mr. FESS. If my friend from Texas takes the interpretation from what has been reported in the newspapers, it will not be found in the manuscript, because I did not deal with that question at all in the manuscript. It was the result of a question asked me by the ex-ambassador, and if the gentleman takes the view that I want to surrender all the power of the Congress to a group of men to the extent of making it 100 years or otherwise, certainly I would not agree to it.

The SPEAKER. The time of the gentleman has expired.

Mr. FESS. I ask unanimous consent to insert in the RECORD in 8-point type the address delivered by me in New York.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD by printing in 8-point type the address he delivered in New York. Is there objection? [After a pause.] The Chair hears none.

The address is as follows:

THE OLD WORLD AND OUR RELATIONS TO IT.

[Address delivered by Hon. S. D. FESS, January 6, National Republican Club, New York City.]

"Each year has a paramount issue. Just now it is our duty to Europe. Europe's problem and the remedy are the chief topics of conversation among the public men and press of the world.

"So far as it is affected by national, racial, or religious rivalries our country's attitude against participation is well known. That attitude will not be modified and little effort will be put forward to change it.

"In the degree that the problem is economic it is held by many that our own welfare is involved. That phase of the problem involves trade—exports and imports—tariff legislation, European debts to the United States, reparations, general European rehabilitation, and immigration. All of these problems are viewed by this country in the light of what is best for the people of the United States. Our trade is still spasmodic, but is steadily growing toward what will be normal for the country. Exports are now more than double what they were before the war. Our tariff has been revised and our revenues from customs duties under present indications will increase fully one-third over what they were before the war.

"Europe's chief concern to-day is fiscal.

"The Washington conference set at rest the naval rivalry which removes many serious economic and political problems. It also adjusted the Far East problems and set up the machinery to insure against complications in that section.

"In addition we set Europe the example of sane recovery by immediately dismantling the war machine and reduced our armies to a pre-war basis, the only solid foundation for economic recovery.

"The acute situation of the Near East problem led to the Lausanne conference, to which we were invited. Our Nation, vitally interested in peaceful adjustment and yet determined not to become umpire of the world's age-old controversies, made known its willingness to be helpful where it could properly do so, agreed to advise with the delegates; the wisdom of this decision is demonstrated by results thus far achieved. The influence of this country in reaching definite decisions is widely known, and is suggestive of the proper channel of our influence on world matters. We will enter where vital American interests are to be discussed and final decisions to be reached. We will not refuse urgent invitations to attend as observers where European interests are discussed, if our presence can be made helpful to the nations involved. We only decline where our presence may not be of value to the world but might be of jeopardy to the best interests of our people.

"The most important phase of the European problem is economic. Important because its solution is not a matter of good wishes or even diplomacy. The inevitable results of economic law point the way of national destiny. The rise and fall of nations can be traced by these signposts throughout history.

"It is interesting to trace the course of nations on the sea to the present time. In 1492 the Portuguese were the world's greatest seafaring people, and that nation led the world in discovery and colonization. In due time she gave way to Spain. In turn Holland took an important position, and then France became the world's greatest overseas nation. In 1688 the duel between France and England began, which continued until 1815, a period of 127 years, during which 64 years were spent in actual warfare in at least seven great wars between the two countries. England took the sea and has held it. Now, for over 100 years England has been growing to her present dimensions upon the sea.

"The British merchant marine doubles the next largest. Her coaling stations are conveniently located throughout the civilized sea. Her flag of commerce is admitted in almost every port of the world. Her control over cables gives her control of ocean communication. Her navigation laws and marine-insurance system are designed to give her superior position as a carrier. All this, up to the arms conference meeting, is backed by a navy double the size of the next largest navy. For the past century this great sea power gradually sought and secured the complete domination of the overseas commerce, while other nations, including our own, permitted the trade to seek the British flag. Other countries devoted themselves to activities domestic rather than overseas. To-day Britain stands economically in sharp contrast with all others—France, for example.

"Eighty per cent of the activity of the French people is agricultural. France has become a people of domestic rather than overseas national interest. Her chief concern is absorbed with her home people engaged in work that does not look across the seas. She is not greatly dependent upon either selling to or buying from her neighbors. The prosperity or adversity of her neighbors is not so poignant to her own welfare as in the case of Britain.

"This latter country is 80 per cent overseas trade. Not over one-fifth of her activity is domestic. Her concern is foreign markets in which to sell her products of industry and from which to buy her needs which she can not produce. Germany during the war often boasted of her ability to starve Britain in three months if she could employ the submarine unhindered. This is but an observation of the dependence of the United Kingdom upon the outside world.

"The period of the war saw an almost complete overturn of industry, and when it closed markets did not revive. The Central Powers prior to the war active in industry, whose markets were largely supplied by British trade, at least trade carried in British bottoms, have not revived since the war. No country feels this failure of buying power more than Britain. Because of it, Britain's overseas commerce does not return to normal, and as a result her unemployed in 1923 reach at least one and a half millions, who must be partially supported by Government doles. No nation can be prosperous on such a basis. England's remedy is a revival of markets; hence her concern in the revival of German industry and Russian prosperity. This concern has led her to take steps both for relief of Germany from the impending danger of collapse from too heavy indemnity and the recognition of the present régime in Russia. Her request for a reduction of the burden of Germany is not an excuse for Germany's guilt nor a lack of appreciation of France's just claims. It is not a desire to relieve Germany for her own sake nor to deprive France of needed reparation, but rather a selfish demand to assure relief to British commerce and the employment of her unemployed. The economic necessity of Britain calls for a rejuvenation of the industrial world, including the Central Powers and Russia. Hence Lloyd-George's insistence of an agreement to revise the reparations; hence the first economic conference at Cannes. Britain's willingness to recognize the Russian régime is not a commendation of the soviet system of government nor an excuse of the crimes committed under its administration, but rather a possible condition of revival of Russian trade.

"Germany's fiscal situation baffles the world. Her fatal policy of financing her needs by aid of the printing press has driven from her borders all her gold. Her payments are made in gold marks, which continue to decline until our dollar, which would originally buy 4 marks, will now buy over 8,000. German workmen, who receive from 8,000 to 10,000 marks per month, can realize not over 50 cents to $1.50 per month. At such values a pound of meat would cost 400 marks and coffee at least 600 marks. A suit of clothes will cost close to 50,000 marks. This derangement is rapidly insuring total destruction of business. It will in time not only drain the nation of its wealth, but it will destroy its labor as it has already driven out its capital.

"Germany seems to face not only an inability to meet the reparations requirements but is rapidly reaching a position of inability to sustain herself in the needs of her own consumption. England believes that in case Germany is not given an opportunity to revive, her collapse is inevitable, in which case no indemnity will be forthcoming to any nation and there will be set loose a spirit of Bolshevism that may overrun all of western Europe with the fate of Russia; hence Britain's concern about an unwise policy looking to preventing Germany's industrial revival.

"France, on the other hand, sees only the work of devastation, of war's hideous destruction, of the terrorism of German militarism, and demands that Germany be made to make good what the treaty of Versailles specifically gives her the power to collect, by aid of her army if necessary. France, acting upon the good faith of Germany to pay, confident of her ability to pay, proceeded to repair her ruins by advancing the costs of reparation, depending upon using the indemnity to reimburse the treasury, has seen her public debt increase from $33,000,000,000 in 1919 to more than her total wealth in 1922. She can not contemplate the alternative of German failure to pay. France sees financial bankruptcy in case of German default, and, worse than financial collapse, she fears inevitable revolution in case she agrees to the default when the treaty gives her the authority to collect it by military force. Such is the case when stated by France.

"England, on the other hand, fears business and industrial prostration not only for herself but for Germany, and in that case all of Europe, in the event that the claims against Germany are pushed to the point of collapse, which may not be improbable. This would mean that no nation would receive any indemnity. Plainly stated, France sees financial bankruptcy and national revolution should she forfeit her indemnity rights secured to her by the treaty of Versailles. England fears general wreck of all Europe if ability to pay is not regarded. The abstract rights in the case are not in dispute. The controversy turns not on the law, but, rather, the facts in the case. What is best to be done is the issue that Europe must decide.

"Quite naturally Europe seeks American assistance. Our financial ability makes this assistance an inviting topic for Europe. The important question with us is, What can we effectively and safely do? It has been suggested in some quarters that we should take steps to supply Europe with the needed funds by further loans. This is impossible. Europe already owes this country $12,000,000,000, on which all the nations except Britain are pleading their inability even to pay the interest. And Britain fears her ability to continue payments.

"Here is an interest-bearing debt which Europe owes and upon which she is not paying interest, and because of which our own Government is paying an annual interest charge of nearly one-half billion dollars, while the actual debtor protests her inability to pay, and at the same time even asks us to cancel the principal. Many Americans are asking, Was it not enough for us to supply her the armies with which to win the war? Are we to be asked to pay for it in addition? Nations which gathered up the spoils of war from all corners of the earth, after having borrowed billions from this Government under the solemn obligation to repay it, now not only ask us to cancel it but her press shamefully allude to us as Shylock, because this Government, which sought no spoils, no territory, no indemnity, but intends that the money collected from the American taxpayers to be loaned to Europe, under the most solemn promise to repay it, must be paid. In the face of such a situation the talk of further European loans is nonsense. This proposed remedy must therefore be dismissed at once. A Nation that asked nothing from Europe and is to receive even less than it asked will listen to no such proposals.

"The suggestion of exempting American capital from taxation as an inducement to enter European investments for the rebuilding of industry is properly a European rather than an American problem. This Government can not exempt American capital that goes to Europe to rehabilitate those countries, because such policy is not workable, since capital can not be segregated so as to confine its investment in Europe to such industries as do not come into competition with our own industries here. If this could be done the suggestion might be favorably considered. We would not protect American industry from European competition and then persuade American capital by tax exemption to enter Europe to compete with us.

"The hopeless fiscal situation in Germany demands drastic remedies. Her debased mark drives from the borders of the nation all specie, not to return until a better system is adopted. The suggestion of an international bank with power of currency issue is good if the governments can agree on a basis of operation. Capital will avoid European channels until a sound basis of investment is reached.

"What must be done in Europe, as I see it, is a reorganization so as again to capitalize the energy of the people—make capital investment safe to employ the labor of the nations in productive industry. Europe has her basic elements of production, her resources, her labor, and her management. What she needs is capital which has been excluded by the pressure of war. Germany's obligations to pay and her attempt to pay in marks run off by the printing press which has driven all the gold from her limits has permanently blocked all return of the precious metals to her borders. So long as this situa-

tion obtains her one great need, that of capital, will not flow to that country and her industries will inevitably become prostrate.

"The countries of Europe must take steps to adjust their claims upon terms mutually helpful, and such as can be met by sound business methods, when capital, both European and American, will at once respond to the demands of European industry. Capital seeks profitable investment as readily as it avoids channels of too great risks.

"The question immediately arises whether this adjustment between Europe's leading powers should not be undertaken by and under the direct leadership of the United States. We think not. The adjustment must be made. There is no relief without it. It is best that it be made by mutual agreement of the powers in dispute rather than pressure from America. If Europe's needs are not sufficient to compel it, surely our recommendations will not be willingly accepted if at all. No further comment need be made than that daily heard in European circles.

"It has been suggested in many and important circles that an economic conference be called by this country for the purpose of reaching European adjustments. The history of the various conferences at Cannes, Genoa, and The Hague is fresh in mind. The sharp issues between the nations which prevented decision in either conference is still the sharp issue. If these nations can not agree on matters so vital to their well-being, what can be accomplished in a conference called by this Nation? What can be done by an economic conference called by us that could not be done by one called by them? Thus far every economic conference has failed of agreement on several points of dispute. Reparations were the most acute point of difference.

"The proper attitude toward Russia was another point of difference. The manifestation of seriousness growing out of these disputes gave small promise of adjustment, and would not invite this country to enter the controversy which, while economic in character, was always treated as political. Another issue discussed by the conferences was the cancellation of the interallied debt. It was not agreed upon as was announced because the United States was not represented, and no one to speak for her on the cancellation of the debt Europe owes her. If, in the light of this situation, we lead in calling an economic conference, we can not plead ignorance of the purpose of Europe. Are we prepared to meet Europe's proposal to cancel the debt? Cancellation of the interallied debt is the one proposal of easy agreement if our consent can be secured, since the European creditor countries are also debtors, while we owe no nation. It will be the one specific item Europe will expect us to agree to if we sponsor such a conference. This Nation should not even consider such a proposal. If we lead in a revision of the reparation question, France will remind us that she is ready to excuse a portion of what Germany owes her, the moment we are ready to excuse France for what she owes us. This is logical, and Europe will embrace the opportunity to request it, as all Americans must see before it is done. If we umpire the dispute and fix upon the figure, of course it will be expected in Europe that we will see that it is made good. No thoughtful American can overlook the inevitable result to us of our intrusion on the European economic situation. The world will know that we would not call a fourth economic conference after the failure of three preceding ones unless we were ready to consider the proposals discussed in former conferences but not agreed upon, because they involved American relations which can not be adjusted in her absence, viz, cancellation of her foreign loans. Many of the advocates of American intrusion are committed to the cancellation of these loans. Some of them openly, others covertly, but with an "open mind" which can have but one meaning. Men can not wade into the pool and still keep their feet dry.

"The international banking group absorbed in international obligations are and have been from the beginning attempting European commitments for the United States. No proposition has been too international to invite any objection from this group of our people. I fear that these people are sowing to the wind, and the harvest is in the future.

"The altruistic element, who are not concerned with taxes principally because they do not feel their burdens, see no reason why this country can not become Europe's perpetual Santa Claus. The professional propagandist, never at ease unless he is 'progressing,' and who thrives in new ventures, is eloquent over our duty to the Old World, not only to win the war but to pay for it as well. The latest phase of propaganda is cultivating the farmers' support for cancellation. He is assured that it will enable Europe to buy his surplus product, and thus increase the price of his crops, which will more than make up for the amount of the European loans.

"Then comes the selfish economist, the theorist, who pleads for the sake of America to step in and take direction of the Old World's troubles in order to save our country from Bolshevism. These are some of the voices Americans are compelled to hear coming out of Europe and reechoed here among our own people.

"The real question is whether we are ready to reverse our decision of two years ago to leave to Europe the settlement of her political disputes, not of our making nor of our concern, save the peace of the world where it can be secured. The immediate question, however, is whether we are ready to consider the cancellation of the debt. If not, we then have no choice of decision on the proposed intrusion. If we are ready to cancel it, then there still arises the all-important question, How do we propose to handle the collateral problems of European quarrels growing out of age-old differences, economic as well as political and racial, never more apparent than to-day?

"The trend in Europe is not toward unity of decision. France and Britain are tending in opposite directions. The real difference is economic, while the failure to reach agreement is political. Thus an economic verdict is delayed if not defeated from political fear. Britain contends the policy of France leads to industrial collapse and universal dislocation, while France contends the British policy leads to French bankruptcy and inevitable revolution. The immediate problem is reparations. It is European, and must be adjusted by the parties of immediate interest. The United States can not safely or effectually umpire the dispute.

"Europe's remedy is found in a mutual agreement of what can be done. When this point is reached, made definite, and certain, the first step to stability is assured. That opens the way for the flow of capital into Europe as a most profitable field of investment. This would enable the industries to revive in due time and would put all Europe to work again.

"In case the present political effort at Paris fails, as it now appears it has, steps may be taken by the United States to ascertain whether the countries in interest will consider the proposal to make a survey of the ability of Germany to pay, said survey to be made by an international commission of business men to be selected by leading nations, including the United States. The purpose would be to employ the most capable body to represent upon Germany's productive ability which would serve as a basis for fixing the amount of reparations. Of course, such report could not be binding upon any country, but serve only as a guide in attempting to arrive at a decision of the nations justified by the facts. Here would appear to be an open field for the United States in case the countries would welcome it. Otherwise this country will be closed out from offering any remedy for the Old World's woes, too much due to Old World rivalries, never more acute nor prominent than at the present time. The United States could render Europe no greater service, in my judgment, than to notify those countries once for all that so long as they refuse or delay to put their houses in order no assistance from us can be expected. This seemed an open way up to the recent break at Paris.

"The premiers' conference has bowed the United States out of Europe. France rather abruptly has closed the door in our face. She makes it known that she wants no advice, but guaranties and money and the sine qua non. To our announcement of our willingness to assist in a survey to establish Germany's ability to pay, she answers that she has the facts and intends to use her treaty rights to enforce her claims. Warnings against the certain prevention of economic stability of Europe to follow a policy of military occupation of Germany do not convince political France that concessions should be made. The outside world fears the consequences of the collapse of Germany, while France appears to fear the revival of Germany. Views so divergent have broken up the entente of Europe. The United States, sensing the points of divergence, suggested a possible adjustment. This suggestion has been spurned by public opinion in France. If this attitude is the course of the French Government, we will have our course made clear, and our next step should be to bring our troops home."

Mr. WOOD of Indiana rose.

Mr. BURTON. Mr. Speaker, may I ask the gentleman to yield for a moment that I may ask leave to proceed out of order for five minutes?

The SPEAKER. The gentleman from Ohio asks unanimous consent to address the House for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTON. Mr. Speaker and gentlemen, delicate negotiations have been and are now in progress in regard to the foreign debt, and I ask the House not to request of me to state at length what they are. I may say, however, that in the forefront is the question of the settlement of the debt of Great Britain to the United States. That debt assumes almost supreme importance. In the first place it is two-fifths of the whole foreign indebtedness, about $4,166,000,000 of principal out of a total of $10,150,000,000. Again, Great Britain is the only country in Europe which has balanced its budget, which has imposed taxation sufficient to meet its current expenses, and the people of that country are entitled to the greatest credit because they have stood, as it were, with their backs against the wall and with a desire to maintain their credit and meet expenses. It is entirely probable that in a short time some proposition will come before this House with reference to the settlement of that debt. I have always maintained, first, that the debt should be paid. I so expressed myself in a prominent foreign capital in the month of September last where the audience was made up mostly of those who were interested in the cancellation of the debt, and having so spoken there I certainly feel free to say here that it is not for us to cancel those debts. [Applause.] But with a full appreciation of international cooperation which should exist, with the remembrance of the frightful suffering through which those countries passed, we should make the terms as moderate as we can consistent with national interests. And I may call attention to the fact that it is not merely for the interest of our foreign debtors that leniency should be shown to them but even appealing to the selfish element here, it is of interest to us because our trade, our prosperity is very seriously hampered by financial conditions in Europe which I am afraid are going from bad to worse. I remarked in an address a few days since that when the financial history of this late collossal struggle and its aftermath is written by a master hand the most startling feature of that history will be that the worst inflation, the worst fiscal policies, the greatest blunders were perpetrated, not while the armies were in the field, but since the armistice of November 11, 1918.

Now, I do not pretend to speak for the commission; but I will say that if the proposition in regard to this English debt is to be made, it will not be made in the form of a request for a general revision of the statute. We do not wish to take the responsibility of making a decision which will be final in regard to this $4,000,000,000. [Applause.] I do not regard that as quite fair to the Congress and the legislative power. If there is a change in the terms fixed by the general statute, that change will be made here in the Congress of the United States. [Applause.]

Mr. OLDFIELD. Mr. Speaker, will the gentleman yield?

Mr. BURTON. Yes.

Mr. OLDFIELD. I know personally of the statement the gentleman made in Europe in regard to the cancellation of these debts. He was very frank about it, and there was some criticism on account of his boldness over there. But this is the question, and I think it is pertinent to the issue here: If a modification of the refunding proposition is made, I would like to know if the gentleman and his colleagues would agree to placing upon this commission, if such modification be made, Democrats, and make it a bipartisan instead of a partisan commission, as it exists today?

Mr. BURTON. Of course the commission would be glad, as a social matter, to have Democrats as part of it. This is an executive function. Three members of the Cabinet are on that commission, and the natural appointments are Republicans from the Senate and the House. I do not know that Republicans had any representation when the more than $10,000,000,000 was loaned to these foreign countries. [Applause.]

Mr. OLDFIELD. The Government service was filled with Republicans all during that period.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. GARNER. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended three minutes. I have a question to ask him.

The SPEAKER. The gentleman from Texas asks unanimous consent that the gentleman from Ohio may proceed for three minutes more. Is there objection?

There was no objection.

Mr. GARNER. If I understood the purport of the gentleman's statement, that this commission did not desire to take the responsibility with reference to the settlement of this debt, does the gentleman go to the extent of saying that he prefers that Congress should indicate its wish as to the rate of interest and the maximum time the debt shall run?

Mr. BURTON. No. Naturally, the commission would make a recommendation, and that recommendation would be presented to the President, and the President would present it here for the approval or disapproval of Congress. The questions involved are of such complication that it naturally belongs to an executive body in the first instance to make its proposition here, and then Congress can either approve or disapprove.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. BURTON. Yes.

Mr. BANKHEAD. The gentleman referred to a speech that he made a few evenings ago in the city of Washington.

Mr. BURTON. I made reference to one that I made in the city of London.

Mr. BANKHEAD. I understood the gentleman to say that he had made an address a few evenings ago in Washington. If so, I would suggest that if he would commit it to writing we will be glad to have it in the RECORD.

Mr. BURTON. I am rather opposed to padding the RECORD with speeches made outside. Otherwsie I should be glad to comply with the gentleman's friendly request.

Mr. FESS. Mr. Speaker, will the gentleman yield?

Mr. BURTON. Yes.

Mr. FESS. I would like to have the gentleman's opinion as to whether there should not be some leeway given to the commission.

Mr. BURTON. I think so. This is the view I take of it: On this very important question of the settlement with Great Britain the members are not asking for further leeway, but there is a great variety of countries besides, of an unequal degree of solvency, where details would have to be worked out, and in those cases it would seem best that larger latitude be given to the commission as to terms and rates of interest.

Mr. FESS. That is precisely what I thought.

Mr. BURTON. But this matter as to Great Britain is of such supreme importance that while we might make a recommendation, I think it should be considered here. [Applause.]

DESIGNATION OF SPEAKER PRO TEMPORE.

The SPEAKER. The Chair would like to announce that he is going to go away to-morrow for a few days and will designate the gentleman from Kansas [Mr. CAMPBELL] to act as Speaker in his absence.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13696) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. The gentleman from Indiana moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the appropriation bill for the executive office and independent bureaus. Does the gentleman desire to make any arrangement as to time?

Mr. WOOD of Indiana. I have had a number of requests for time. In considering the appropriation bills heretofore, little time has been given to general debate. Members seem to have been putting it off until this bill. I have two hours of requests. I will state to the gentleman from Tennessee [Mr. BYRNS] that I would like to present my ideas about this bill. I think it would be a saving of time to touch upon some of the permanent features of it. I do not know how long it will take to do it. I will be just as brief as I can. I suggest to the gentleman the propriety of allowing me to present my ideas on this measure before we take up the question of the division of time.

Mr. BYRNS of Tennessee. I have a number of requests from this side, and I will be glad to accommodate all of them. I have no objection to what the gentleman suggests.

The SPEAKER. The gentleman from Indiana moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the Executive Office appropriation bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Oregon [Mr. MCARTHUR] will please take the chair.

Thereupon the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13696, the Executive Office appropriation bill, with Mr. MCARTHUR in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the Executive Office bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, and for other purposes.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. The gentleman from Indiana is recognized for one hour.

Mr. WOOD of Indiana. Mr. Chairman and gentleman of the committee, in the preparation of this bill we have considered the appropriations for some 27 of the different independent offices and bureaus of this Government. In fact, this appropriation bill contains the appropriations for all the activities of the Government aside from the Cabinet officers and the legislative bill. The report presents very fully the details of what the bill contains and of its accomplishments. The appropriation for the year 1924 amounts to quite a material reduction below the current law. The total appropriations for the independent offices provided for the year 1923 amounted to $538,510,922.45. The amount recommended in this bill is $496,235,771. This sum, compared with the regular annual appropriation for 1923 and the estimates for 1924, is as follows: It is $42,275,151.45 less than the total appropriation for 1923. It is $12,105,242 less than the amount recommended by the Budget in the estimates submitted to this committee.

In opening my remarks I wish to say that the work of this committee has been largely lessened by reason of the previous work of the Budget and the estimates submitted by them, being a testimony in favor of the establishment and the conduct of the Budget.

I do not subscribe to the idea that in every instance we should be controlled by the recommendations made by the Budget, and there is a very important reason why that is true. The estimates submitted by these various departments are submitted many months before the hearings are had before the several subcommittees. The budgetry make their estimates upon the information that they have at hand at the time of their submission. Many things may occur after that submission and before the hearings before the committees which may necessitate alterations. It has been the purpose of this committee and its policy as nearly as possible to follow the suggestion and advice of the Budget in their recommendations. In some three or four instances, however, by reason of changed conditions since these estimates were submitted and the recommendations made by the Budget we have found it necessary, in our judgment, to vary from the recommendations made by the Budget.

In some cases we have lowered the amount recommended by them. In some cases we have increased the amount recommended by them. In order that you may have some idea of the work of this committee and the recommendations made, I think perhaps it will be a saving of time for me to give some little explanation of this bill as we have presented it. I will confine myself as nearly as possible to the changes that we have made—to the recommendations above or reductions below the amounts recommended by the Budget.

The first item to which I wish to call your attention is the appropriation asked for the maintenance of the Executive Mansion. We have recommended an increase of $25,000 in that appropriation above the current year's appropriation—$20,000 in one item and $5,000 in another item.

Of the $20,000 item that we have recommended $10,000 is to install a heating plant whereby the Executive Mansion, instead of being heated by an independent plant, as it is now heated, will be heated from the plant established for the heating of the State, War, and Navy and other buildings. This, according to the estimate made, will result in a saving of $2,100 per year in the heating of the Executive Mansion. So you will see that this is a pretty good investment, for it will not take more than four and three-quarter years to pay back all that we have expended in this investment. Besides it will relieve the necessity of hauling coal and the litter and dirt incident thereto in depositing coal into the Executive Mansion.

Four thousand dollars of this sum of $20,000 is for the purpose of establishing a refrigerating plant in the Executive Mansion. There never has been a refrigeration plant in the Executive Mansion, and in consequence all the ice necessary for the use of the White House has to be hauled along the walk leading from the White House to the Executive Offices. In the opinion of those who have this matter in charge, this change will result in a saving in a very short time that will fully warrant the appropriation.

Six thousand dollars is for remodeling the basement in the Executive Offices, for the purpose of making more room for the clerks who are now in such congested places that they can not work to advantage, and for the purpose of providing more filing space. Your committee is thoroughly of the opinion that this should be granted.

The other $5,000 is for the purpose of preparing and providing plans and the building of a fireproof roof over the White House. It is now a tinder box, and inspection has demonstrated the fact that the rafters have slipped from their moorings and away from their beams and are now resting upon the heavy walls that support them. The space beneath the roof is the garret, in which there are thousands and thousands of volumes of records pertaining to this Government and a great many relics that are of rare value that have been contributed to the various Presidents from time to time and that have been stored there. The place is now so inflammable that it would burst into flame if a spark should happen to light there and not be discovered. To me the amazing thing is that in the improvement of the White House which was made a few years ago nothing was done with reference to making the roof fireproof. The White House was burned at one time, not by the fault of anybody in this country, but it would be our fault now if it should burn again. It would be an everlasting shame if we did not insure its protection against such a catastrophe, and we can insure it by making this appropriation.

Mr. FESS. Will the gentleman yield there?

Mr. WOOD of Indiana. I yield to the gentleman from Ohio.

Mr. FESS. The very thing the gentleman is presenting argues to me the necessity of an archives building. Is there any prospect of having a permanent housing of the records that the gentleman speaks of?

Mr. WOOD of Indiana. The only thing I know of that points in that direction is a report submitted to the Senate a few days ago with reference to the necessity of it. There is no question of the necessity. It is an amazing proposition when we take into consideration the fact that the records of the Treasury Department of the United States are lodged in the basements and upper stories of 27 different buildings in this city. What we should have is an archives building.

In addition to that, inasmuch as we have combined all of the auditing into one office, is a general auditing building somewhere near the Capitol, so that all of these records that are very often called for by Congress may be in a general auditing building, so that the general accounting office which is responsible to the Congress could produce the desired papers on short notice.

Mr. FESS. The buildings where these records are stored are not fireproof, are they?

Mr. WOOD of Indiana. No; and some of them are in cellars.

Mr. FESS. That ought to be corrected.

Mr. WOOD of Indiana. The next item to which I call your attention is the appropriation for the Alien Property Custodian. The request of this department was for $370,000. The recommendation of the Budget was $281,200, and your committee have recommended that appropriation. Two hundred and sixty-one thousand dollars of this sum is for the pay of the personnel and the rest is for traveling and sundry expenses. I wish to call the attention of the committee in passing to the fact that nothing has been done to wind up the affairs of the Alien Property Custodian's office. It is not the fault of the present administrator of this office; he has repeatedly requested that something be done, and before the proper committee of this House he appeared and made recommendation of what he thought should be done. There are 32,000 active trusts in the possession of this trustee; 93 per cent of that 32,000 represent trusts of $10,000 or less. We have in this country a great majority of those who are interested in the disposition of these trusts. All that they have in the world is tied up there, and some of the most pitiful examples and evidences of suffering in consequence have come not only before this committee but before the Alien Property Custodian. There is no reason why something should not be done to relieve that situation.

Mr. FESS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. FESS. I understand that a bill is now being considered and hearings are being had upon it before the Interstate Commerce Commission in which it is proposed to take care of 93 per cent of those trusts.

Mr. WOOD of Indiana. The trouble is that the bill has been pending for two years and no action has been had upon it. What we need is action. These people who are interested seem to find small consolation in the fact that there is a bill pending before the committee. Numerous petitions have been filed and numerous applications by individual Members have

been made trying to get action from the committee, but it does not come.

Mr. LEA of California. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LEA of California. Is the gentleman aware that the committee is holding hearings now and will take some action on the bill in the near future?

Mr. WOOD of Indiana. I am glad to know it.

Mr. FESS. I agree with the gentleman that it is little short of an outrage that we do not get some action on this measure, considering the time since the war ended.

Mr. WOOD of Indiana. We have long since determined that we are not going to do what we had a right to do—to confiscate the property because it belonged to alien enemies. If that is the policy we are to adopt, and I agree with it, we are derelict in withholding it from those to whom it is due.

Mr. HICKS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. HICKS. This is a little bit off from the subject, but I want to ask the gentleman if the hearings which are had before the various committees of Congress, in which there are many items of great importance, containing valuable information for the country hereafter—are those hearings kept in fireproof buildings, or are they simply kept in committee rooms?

Mr. WOOD of Indiana. As far as the hearings before our committee are concerned, they could be had at any time.

Mr. HICKS. That is not what I am asking. I am asking what means or methods are taken to preserve them.

Mr. WOOD of Indiana. Oh, there was a picture the other morning in which it showed how the papers were thrust and pushed into shelves and pigeonholes where the shelves were broken down with the weight, and that they had no protection at all. It is a crime and a shame the way most of those papers are kept.

Mr. HICKS. Then, in the future if some one wanted a copy of this bill or the hearings upon it they might not be able to get them, and yet the hearings contain facts of great importance.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. WOOD of Indiana. Certainly.

Mr. CHINDBLOM. Does not the Congressional Library retain full and complete files of these documents?

Mr. WOOD of Indiana. No; there would not be room enough in the whole Congressional Library building to keep them.

Mr. CHINDBLOM. I have found old reports and documents in the Library of Congress.

Mr. WOOD of Indiana. Yes; there are records a hundred years old which were deposited in moldy places long before the Library was dreamed of.

Mr. FESS. Will the gentleman yield again?

Mr. WOOD of Indiana. Yes.

Mr. FESS. Before the gentleman leaves the subject of the Alien Property Custodian, I understand that under our resolution ending the war we provided for an adjustment agency to adjust disputes; and to pass a general law turning back all the property would be a revocation of that act which we have already taken and would somewhat embarrass the State Department.

Mr. WOOD of Indiana. Yes; and that is the reason that was left open.

Now, as I have said before, 93 per cent of the 32,000 trusts represent $10,000 and under. Only 7 per cent are $10,000 and over. After liquidation of all the expenses incident to the trust there will be in the hands of the trustee $350,000,000. Fifty million dollars is sufficient to settle every one of these 93 per cent of trusts, giving to each one his trust that did not exceed $10,000, and all that is coming to him is an allowance of $10,000 to each trust above $10,000. So there is left no excuse and no apology that can be made for this delay.

Mr. THORPE. Will the gentleman yield?

Mr. WOOD of Indiana. Certainly.

Mr. THORPE. Is there any hope of this being settled soon? I myself have some claims by constituents and I do not know just what to reply to them.

Mr. WOOD of Indiana. The information has been given that they are now holding hearings on a bill and that action will be taken soon.

Now, as to the Bureau of Efficiency. The appropriation is $145,000, the same as recommended by the Budget. For the Civil Service Commission we appropriate $305,420 for administration expenses, the same as the current year. I wish to call the attention of the committee with reference to what has been done as to civil-service employees, both in and outside of Washington.

The number of employees in the District of Columbia June 30, or at the end of the last fiscal year, was 69,980, which is 30,000 more than was employed in 1916. The number of employees on June 30, 1921, however, was 77,865. So that the employees on the 30th of June last shows a decrease of 8,000. The employees outside of the District of Columbia on June 30, 1921, was 597,482. On June 30, 1922, there were 560,863, a reduction of 37,000.

Mr. GARNER. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GARNER. Has the gentleman ever given any thought as to the reason why these employees increase proportionately so much faster than the population?

Mr. WOOD of Indiana. Yes; I have given a great deal of thought and study to that. Take the history of the increase of the civil-service employees in this country, and it will be found that there is an increase out of all proportion to the population occurrent and recurrent every time that we have a war. War seems to open up necessities incident to itself, and those necessities are kept up to some considerable extent after the war is over. While I had charge of the legislative appropriation bill I gave very much thought to this matter. At one time we had 117,000 of these civil-service employees in the District of Columbia. It is a mighty hard matter to release a person from the pay roll after he has been once attached to it, and during the war it was a mighty easy thing to get a person on the pay roll.

Mr. GARNER. Is not that probably the principal reason why there is this increase? The war brings on employees, and it is hard to separate them; hard to jar them loose from their positions.

Mr. WOOD of Indiana. That is absolutely true.

Mr. GARNER. Did not the gentleman have some hope that the appointment of the reclassification committee and the adoption of the Budget system, combined, might eliminate some of these unnecessary employees, both in the District and outside of it?

Mr. WOOD of Indiana. I have some faith in the Budget system doing that thing. In fact, it has resulted in a very large measure in making the decrease that we have here, to which I have called attention. I have very little faith in the reclassification relieving one of them. The reason that I am pessimistic upon that score is because of the fact that we were promised that under the retirement act, by reason of getting rid of the old employees who were not much good any longer, we would not only increase efficiency but that we would also reduce the number of employees. The fact is that it simply increased them by the number of those on the retirement list.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. I notice the special increase in this whole Civil Service Commission appropriation is for a field force. Just what new activity have we undertaken there?

Mr. WOOD of Indiana. I am coming to that now. Heretofore there have been details in the various other departments of a great number of their officials who have rendered their service entirely to the Civil Service Commission, and heretofore they have been paid out of the appropriations for their respective departments. It was an awkward situation, and it divided control and responsibility. It has been a moot question for many years whether it would not be advisable to transfer these details to the Civil Service Commission. We do that under this bill. In consequence a reduction has been made in dollars amounting to $54,000 by reason of this combination. It will result in better efficiency; and I want to say in passing that in one of the instances where we exceeded the recommendation made by the Budget it is with reference to this item, where we have given $12,000 more than the amount recommended by the Budget, and we did so upon the evidence had that it would cripple them to a very great extent not to permit it and in view of the fact that they were saving $54,000 by reason of this reorganization plan.

Mr. SNELL. Then I understand that the gentleman's statement is that we are saving $54,000, taking enough out of some other appropriation for some other department to make up for the amount of the increase.

Mr. WOOD of Indiana. Yes; that has been done.

Mr. SNELL. Just what are the most of these people doing around the country? That is one part of the civil service that I never could understand. As far as I have known, I have not approved it. Perhaps I lack information.

Mr. WOOD of Indiana. I do not know that I can explain to the satisfaction of the gentleman all that these people do. They have a field force that is keeping in constant touch with the civil-service employees, these half million outside of the District of Columbia. They make reports with reference to

their efficiency. They are supposed to keep tab upon them. They have nothing to do with the examinations that are made, but they are inquiring constantly into the wants of the various localities and activities for which the Government has to supply civil-service employees. I expect they are rendering a very good service.

Mr. SNELL. Is it not a fact that inquiring into their wants usually gets us into trouble? I wish the gentleman would explain just what definite work they do that renders any good to the Government. What good could a man do by going around and spending three or four days to find out about their efficiency?

Mr. WOOD of Indiana. He goes, say, into the post office in the great city of New York, where there is an army of civil-service employees, and if he makes a proper investigation he can do invaluable service.

Mr. SNELL. Is not that the work of the post-office inspectors, people from the Post Office Department itself?

Mr. WOOD of Indiana. No; it is not.

Mr. SNELL. Do not those people do the same thing?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. Is not that duplication?

Mr. WOOD of Indiana. There may be overlapping to some extent, and that is one of the reasons I hope there will be a reorganization of the activities of this Government, in order that this overlapping may cease, and that one department will be charged with entire responsibility for its particular work.

Mr. STAFFORD. Mr. Chairman, has the gentleman any figures showing the amount of the appropriation we voted some years back for this field service as compared with the amount that is voted now?

Mr. WOOD of Indiana. I have not.

Mr. STAFFORD. As I recall back four or five years ago, the appropriation amounted to $40,000 or $50,000, and I am now informed by the clerk of the committee that it amounted to $45,680. The total carried in this bill is $272,000. That is going some, even for the Civil Service, to multiply the appropriation sixfold in four or five years.

Mr. WOOD of Indiana. It is only in keeping with our increased cost of government.

Mr. SNELL. Is not this one of the places where we could cut down?

Mr. WOOD of Indiana. While the Civil Service Commission is no exception to the general rule in regard to increases, I think they have been very moderate, and that they are making the best of their appropriations. I do not know what may be the attitude of the Members here with reference to the Civil Service Commission. I have some very definite ideas about it myself. If I were instituting a Civil Service Commission I would not do it upon the basis that we now have it. I believe and have always contended that those who are at the head of a bureau, those who are at the head of a division, those who have to do with the administration of affairs, should be in sympathy with the administration at the time in power.

Instead of their tearing down that administration, they ought to be building up that administration. I believe in reference to the disposition of detailed work, clerical in its character, up to the bureau and division superintendents, that the civil service is all right. This Government could not last long if we discharged those and put in new men opposed to our political faith.

Mr. SNELL. I have no fault to find with the Civil Service Commission proper; they are probably doing very good work, but I think there is work there that could be cut down without in any way affecting the general efficiency of the Government.

Mr. WOOD of Indiana. On the other hand, it is the contention of the Civil Service Commission that greater appropriations ought to be made, although they do the very thing the gentleman from New York says he thinks they ought to be curtailed in doing, and they say that if they had a greater force it would result in a greater saving and greater efficiency. There is a difference of opinion.

Mr. SNELL. It seems to me we are going to an excess on this civil-service proposition.

Mr. WOOD of Indiana. Now, the transfer of the detailed civil-service men results in a saving of $54,000 annually. We allow $12,000 additional, an excess above the recommendation by the Budget. The Employees' Compensation Commission, $123,940 for 1923, $116,740 for 1924.

Mr. FESS. Before the gentleman enters on that, will he yield?

Mr. WOOD of Indiana. Yes.

Mr. FESS. The country thinks we are derelict in not keeping this force here in the District below what it is now. It is nearly double what it was before the war, and it seems to me it ought to be made pretty clear. Look at the War Insurance Bureau and the Shipping Board and the increase for the Treasury Department, especially the enforcement of prohibition; there is a very large increase that never can be cut.

Mr. WOOD of Indiana. Yes; and I am glad the gentleman called attention to it. If you take all the employees who were necessitated by reason of the war and which would not exist now but for the war and deduct that number from the present civil-service list in the District of Columbia, the increase would not be above the proportion of the natural increase by reason of the increased business. There are practically some 5,000 in the War Risk Bureau that did not exist and no occasion for their existence before the war. There is practically the same number in the Shipping Board within the District of Columbia, and there are several other activities created by reason of the war, and if you deduct those from the list that existed before the war the increase is about 10 per cent.

Mr. MILLER. The gentleman spoke of the War Risk Bureau. Does he mean the Veterans' Bureau?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. Do I understand the gentleman that there is no immediate prospect of the present force being materially reduced?

Mr. WOOD of Indiana. It will be reduced somewhat, because there is a reduction now going on in the Shipping Board, because of the fact they are winding up some of the divisions there, some of the settlement divisions, and there is a material reduction being made there. I never expected to see the number of employees reduced anywhere near what it was before the war.

Mr. SNELL. Suppose we pass the ship subsidy bill, that will reduce it somewhat?

Mr. WOOD of Indiana. Yes; that might.

Mr. MADDEN. The number of employees in the Shipping Board is not large. It is in the Emergency Fleet Corporation where the large number are employed.

Mr. WOOD of Indiana. The trouble is that those terms are used interchangeably with reference to the Emergency Fleet Corporation and Shipping Board.

Mr. SNELL. Half the Members do not understand which is which.

Mr. WOOD of Indiana. The Federal Power Commission—the Budget recommended $50,000 for this activity. It is supposed to be operated, and at the time it was created it was supposed to be operated without any additional expense to the Government except the salary of the secretary, which was $5,000 a year.

The gentleman representing this activity came before your committee and asked for an appropriation of $50,000, the sum recommended by the Budget. It is his opinion that this should be another independent establishment. It is like all these other establishments. It is like a certain plant I have seen here in the Botanic Garden that puts out an upshoot from the root that does not look like the parent at all, but it is an independent entity. Nine-tenths of all these bureaus and divisions which are now independent establishments of the United States have sprung up just like this. They have been created within some Cabinet activity and have grown to such proportions that they have become an independent entity. This Power Commission was supposed to be a bureau under the direction of the Interior Department and the War Department and the Agricultural Department, and perhaps some other department, and that all of the details in reference to the conduct of the business were to come in equal proportions from those departments. It has been doing that, but now the gentleman comes before us and asks for an appropriation of $50,000 for the purpose of arranging a nucleus whereby an independent department may be established.

Mr. SNELL. When we grant that appropriation they ask are not we doing the very thing we do not want to do?

Mr. WOOD of Indiana. We always do it. We do not see beyond the end of our noses. We passed a bill for the control of the packing industry under the Agricultural Department, and before that session of Congress ended a deficiency committee appropriated more than $50,000 for the purpose of establishing an independent concern.

Mr. SNELL. I remember very well on the passage of the bill it was to be taken care of in the department. I think they ought to be pretty careful in this work they are doing and going to do.

Mr. WOOD of Indiana. And you will find in the next Congress that this will develop into a bureau.

Mr. SNELL. Why is not the time to stop it before it starts?

Mr. WOOD of Indiana. We have cut the appropriation from $50,000 to $40,000. We thought we would cut it a little, at any rate.

Mr. SNELL. I know; but when you make a special heading, as is done in this bill, it gives it a foothold. It seems to me the only way you can stop it is to stop it in this appropriation.

Mr. WOOD of Indiana. Yes. We thought we would call attention to it, and we did that by the manner in which we cut it.

Now, as to the Federal Trade Commission, the gentlemen representing the Federal Trade Commission appeared before your committee and made a wonderful representation with reference to the necessity of an increase in the appropriation. They said they felt that they ought to have $1,000,000. We listened to them for very nearly a day, and it occurs to your committee that instead of their expanding, they can better conserve the best interests of this country by contracting their activities. It has long since been a mooted question in the United States whether this trade commission is a liability or an asset. I had the good fortune of knowing one of the members of this commission a number of years ago under the Democratic régime, and he told me that he had discovered that instead of its being an activity for promoting legitimate business in this country, it was being conducted for the purpose of retarding it, and that their activities were in that direction, and if the policy was not changed he would get out; and he did get out. They have a great number of attorneys allocated to the different activities, to the different courts, and assigned to different lawsuits. It occurred to your committee that they were too generous in their allocation of attorneys, and that they should get along with the recommendation made by the Budget, and we did not see fit to increase it at this time.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. I have read carefully the reports of the Federal Trade Commission, and personally I think we would be doing a benefit to this country if we cut that appropriation down to $500,000 and insisted on their keeping within the limit. Then we would get better results, so far as legitimate business is concerned.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BRIGGS. What was the appropriation last year?

Mr. WOOD of Indiana. The appropriation last year was $850,000.

Mr. BRIGGS. And this appropriation is what?

Mr. WOOD of Indiana. $880,000.

Mr. BRIGGS. A little more?

Mr. WOOD of Indiana. Yes.

Here is another institution that I wish to call attention to, although it is not of great importance so far as amounts are concerned. But it simply shows how the United States is imposed upon. The Budget recommended an appropriation of $99,000 for the Perry Memorial Commission. A number of years ago there was built at Put in Bay a monument commemorating the Battle of Lake Erie and the victory won by Commodore Perry. It cost something like $850,000; $250,000 of that sum was contributed by the United States. The remainder was contributed by nine States—the States of Ohio, Michigan, Pennsylvania, New York, Illinois, Vermont, Rhode Island, Kentucky, and Massachusetts. After this monument was completed it was turned over to the United States with the understanding, as we were informed, that it should be self-sustaining. They charge admission to this monument. There seems to be a diversity of opinion with reference to what the surroundings of this institution should be.

In passing, I wish to say that this monument was located, with the assistance of the head of the Fine Arts Commission, Mr. Moore, in a swamp. He seems to have a penchant for locating monuments in swamps. It has been suggested by some that it was the original intention that it should be surrounded by water, and that it should rise up out of the water as a testimonial to the gallantry and the splendid victory won by Commodore Perry. But since that time there seems to have been a change in the dreams of these gentlemen, and they are now appealing to the United States Government and asking for an appropriation of $99,000 to take and fill up this swamp and to make it so that the land adjacent thereto may be of some real value. How much of a real estate scheme there is in it I do not know. But I did not feel, and the committee did not feel, that it was a project that should be shifted on the United States, especially when we were assured by these gentlemen that it should be self-sustaining. So we struck out the estimate.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. Does the gentleman say this was located by the Fine Arts Commission?

Mr. WOOD of Indiana. The gentleman I referred to, representing the Fine Arts Commission, assisted in locating it.

Mr. BYRNS of Tennessee. How far does the jurisdiction of that commission extend? All over the United States?

Mr. WOOD of Indiana. Yes; all over the United States and over our island possessions. I think it is a power supreme in itself, as I will show you before I get through with this discussion.

The Superintendent of Public Buildings and Grounds since our last appearance before you has taken control over the Patent Office, the Interior Department Building, the Land Office Building, and the Pension Office Building.

This was a splendid piece of business. By reason of his taking over the Interior Department Building alone it has resulted in a saving of $90,000 in one year, and a saving in all the buildings, including the Interior Department, has amounted to $118,787. The estimate for the care and control of all the buildings under the Interior Department is $88,900 below the Budget recommendation, and the gentleman who is responsible for this is entitled to the commendation of this Congress for the splendid work he has done in this direction. This has been done very largely by reducing the overhead expense. One of the principal items in this reduction is the getting rid of a whole lot of unnecessary watchmen. For example, in the War, State, and Navy Building before the war we had 38 watchmen. They got so thick down there during the war that you could hardly get into the building, and could hardly get out of it after you got into it.

Under the present arrangement these have been reduced to 22 and a corresponding reduction has been made with reference to all these buildings.

The Superintendent of Public Buildings and Grounds asked that he might have a superintendent at a salary of $4,500 a year; and in view of the fact that he has made a saving of $118,000 in the conduct of these buildings in this one year by pressing into the service those whom it was possible to employ in this way we felt that he was entitled to that consideration.

Under a ruling of the comptroller all of those employed in these buildings must after the 1st of next July be paid in cash. Heretofore they have been paid in checks. There are some one thousand five hundred and more employees in the various public buildings under the control of the Superintendent of Public Buildings and Grounds. The pay roll amounts to a little over $2,000,000 a year, and as you know they are paid at different times. The ruling of the Comptroller General is necessitated because of forgeries and frauds that have been practiced through the issuance of these checks. In order to protect the Treasury from that the Comptroller General has required that these payments be made in cash. In order to do that there must be somebody of responsibility to handle the disbursement, and we gave him a disbursing clerk at $2,000 a year. Also we gave him an additional clerk of class 4 at a salary of $1,800 a year to act as appointment clerk to superintend the appointment of these 1,500 clerks.

Mr. SPROUL. Why did you change from payments by check to payments in cash?

Mr. WOOD of Indiana. I just tried to explain that it was because of forgeries and frauds practiced among these people, resulting heretofore in a loss to the Government, which would be obviated by paying these people in cash.

In passing I want to call the attention of the committee to the fact that last year we appropriated $1,500,000 for the purpose of purchasing seven blocks of real estate down opposite the War and Navy Buildings, occupied by temporary structures built for the Government during the war for war purposes. That real estate has all been purchased, and it was purchased at a saving of between $180,000 and $200,000, so that there will be that amount of money to be turned back into the Treasury.

I wish to call the attention of the committee next to the item in which the Interstate Commerce Commission is interested. The appropriation for the operating expense of that commission allowed by your committee is $2,100,000, as against $2,250,000 for 1923 and as against a request for $2,300,000 estimated by the commission. The gentlemen representing this commission were very earnest in their request that this appropriation be increased by $200,000. They stressed the fact, which we know to be true, that duties are constantly being imposed upon this commission by resolutions asking for various investigations

without any appropriation whatever to provide for the payment of the expense of these investigations. Within the last year an investigation was ordered of the Transcontinental Traffic Bureau and its transactions, which involved much time and the employment of a great number of investigators, without a dollar being provided for the expense. Also, an investigation was ordered by a resolution, not of this body, but of another body, from which most of these demands come, into the financial transactions of the Denver & Rio Grande Railroad, and there was a like resolution with reference to the Western Pacific Railroad.

I felt, and your committee feels, that we were not warranted in granting the increase requested, but that it was our duty to call the attention of this body to the fact, hoping that gentlemen at the other end of the Capitol will be cognizant of the fact that they should be slow in passing these resolutions imposing extraordinary duties upon the Interstate Commerce Commission without making some provision for the payment for these additional duties. We did not increase the item. We did, however, increase the item for policing the accounts of the various railroads. The recommendation of the Budgetry was $500,000 for this purpose, and we increased it to $550,000. The request was for $100,000 additional. I wish to call the attention of the committee to what this service is. Under the transportation act which we passed some years ago—and it was also their duty to some extent under the Hepburn Act—we required the Interstate Commerce Commission to police the accounts of the various railroads and common carriers of the country. We have in this country to-day 1,598 railroads, 312 electric roads, 1,059 telephone companies, 15 telegraph companies, 2 express companies, 32 pipe-line companies, and 114 carriers by water, making in all 3,133 common carriers; and it is made the duty of the Interstate Commerce Commission under the law to police the accounts of all of these carriers. Up to date they have been able to police only the accounts of railroads of class 1, 198 in number, and a very few second-class railroads.

Mr. SMITH of Idaho. What does the gentleman mean by policing these accounts?

Mr. WOOD of Indiana. I suppose it is another term for auditing the accounts. They are supposed to keep in touch with the accounts of these railroads concerning their duties and relations to the United States Government and to the Treasury of the United States, and I may say in passing that by virtue of the policing of these accounts or auditing them or whatever term may be applied, there has resulted a saving to the United States Government of $9,000,000 within the last two or three years.

How much of a saving might result if all the accounts of all the different carriers were policed of course is problematic. But in order that the commission may have a greater latitude in this regard, and show a greater efficiency in the policing of these accounts, we felt that we were authorized in granting this additional appropriation of $50,000. That is the only increase that we granted to the Interstate Commerce Commission.

A request was made for an increase of $280,000 for the valuation of the railroads of the United States. To me this valuation business presents a very dubious aspect. I believe that under the present arrangement it will soon terminate so far as it is possible for it to terminate. But in passing it is worth while to have a little résumé of what this thing has cost the United States Government. It was started in 1913 when it was estimated by those who were appearing in favor of the proposition that at the outside it would cost the United States Government not to exceed $5,000,000. A little more than nine years have passed since the commencement of this valuation and it is not yet complete, but it has cost the Government $23,675,000. The appropriation made this year for the completion of this work is $1,000,000. The gentlemen who are immediately connected with it claim that it can not be accomplished for that amount, and they asked for an additional appropriation of $280,000 with a promise of completion by July 1, 1924.

Mr. FESS. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Ohio.

Mr. FESS. The authorization of this valuation was one of the first things done by Congress after I came here. I have not yet been able to be convinced that this work is going to be of any material value after it is done. I wish to ask the gentleman what is going to be the real substantial value when it is all done? How can we use it, and of what importance will it be to the Government?

Mr. WOOD of Indiana. It would be of this importance and there would be some benefit derived from it. The objection is to my mind that all the work done before the war will practically amount to nothing, and what is valuable is that which has occurred since the war. Of course, gentlemen may differ with me. But it will be of value in fixing the rates. It will be of value hereafter in the distribution of all the allowances which should be made by the Government, and in discrimination of rates it is not possible in a thickly congested and well-settled section of the country to require as great a freight rate or as great a passenger rate as the railroad ought to have in the more sparsely settled sections of the country. In fixing the value of their investment the valuation on their property must control. It is also of great importance with reference to taxation, and that is one of the things that it will be used for more than anything else, and not so much by the United States Government as by the several State governments. We had before our committee during the hearings a gentleman representing railroad commissions in independent States asking that there be a segregation of the appraisements so that each State may know what the valuation of a particular railroad property is within that State, and that that valuation be maintained on its returns through the future.

Mr. FESS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. FESS. I admit that on the basis of taxation it will be of some substantial importance, but will the valuation have anything to do with fixing the rates?

Mr. WOOD of Indiana. It will, and for this reason: If they equalize the rates as compared with the valuation and the amount of investment and cost of operation and a proper return that they should have for a business transaction, the valuation would be a thing entering into it.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. COOPER of Ohio. Would it not be important for the Interstate Commerce Commission in fixing rates to have the actual valuation, and must they not know what the actual valuation is? That is the only way they have to get at it.

Mr. FESS. The only objection to that statement is that they have already fixed the rates without having the valuation, because it is not yet completed.

Mr. WOOD of Indiana. Yes; but that was arbitrarily done. One of the duties imposed on the commission now is with reference to the policy of combining the railroads of this country into different systems. If that is adopted, then the valuation of the railroads would be a very important consideration with reference to the fixing of rates, and it occurs to me that any scientific fixing of rates and returns for investment made must be based upon the valuation of these roads.

Mr. FESS. If there is some value to be got out of it, I have no concern about the amount we are paying for it. Does the gentleman think we will ever reach a place where the roads that cost less to operate, and therefore make a greater profit, will be called upon to assist the roads that are not profitable? Will that ever be in the general system where the strong road will be called on to support the smaller roads financially?

Mr. WOOD of Indiana. Well, if I had a policy to carry out, I would combine the small roads with the larger roads—put them into different units for the very purpose of making strong roads help support the smaller roads.

Mr. FESS. That could be done under Government ownership, but can it be done under private ownship?

Mr. WOOD of Indiana. It can be done; yes. The railroads of the country are common carriers, quasi public corporations. We have adopted a policy that they are under the control of the United States Government. Now, for best serving their purposes and serving the people of the United States, I think it is clearly within the decisions of the United States courts and the policy of the commissioners that they may be combined.

Mr. MADDEN. If the gentleman will pardon me, the existing law governing the railroads provides that where the earnings of a road are over 6 per cent the excess must be divided between the Government and the railroad, and that part of the money which goes to the Government shall be used by the Interstate Commerce Commission to buy equipment and rent it to the weaker roads so that they will have such equipment as will enable them to function successfully.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that the gentleman from Indiana have one hour more.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. FESS. Now will the gentleman yield that I may ask a question of the gentleman from Illinois?

Mr. WOOD of Indiana. Yes.

Mr. FESS. I would like to ask the gentleman from Illinois whether under the transportation act any strong road will be

called upon to assist the smaller road until the 6 per cent limit has been realized?

Mr. MADDEN. After they have gone beyond the 6 per cent. Many roads are now earning more than 6 per cent, and the law requires them to divide the amount in excess of 6 per cent with the Government in equal proportions, and the amount turned over to the Government is presumed under the law to be under the control of the Interstate Commerce Commission, which it is to use to buy equipment which may be rented on reasonable terms to roads that are not able to buy it themselves in sections of the country where there is no heavy traffic and conditions are not such as to enable the roads to be prosperous and to serve the people who live in that territory.

Mr. GARNER. If the gentleman from Indiana will pardon me, I would like to ask the gentleman from Illinois, chairman of the Appropriations Committee, if they put this money that is paid over by the railroads in a vault by itself. [Laughter.]

Mr. MADDEN. I did not suppose they put it in a vault.

Mr. GARNER. Has the Government of the United States received one single 5-cent piece on that account?

Mr. MADDEN. I do not think it has.

Mr. GARNER. Does the gentleman think that they will ever receive it?

Mr. MADDEN. Yes; I do.

Mr. GARNER. The Government will never receive one single dollar as the result of that law. The report of the Capper resolution in the Senate stated that there were 41 railroads that had earned more than 6 per cent, and not one dollar has been turned into the Treasury of the United States.

Mr. MADDEN. Then it is the business of the Government to see that they do receive the division, and I am in favor of urging in every way possible the administrative officials seeing to it that the law is carried out in its entirety.

Mr. GARNER. I would ask the gentleman from Illinois [Mr. MADDEN] or the gentleman from Indiana [Mr. WOOD] what methods, if they know, are being pursued by the administration to recover this money that the law says belongs to the people, and ought to be placed in the Treasury with which to buy additional equipment for the weaker roads. What efforts are being made to recover that money?

Mr. WOOD of Indiana. I have already more troubles than I can take care of, and I am not inviting any more. I do not know anything about it. Mr. Chairman, it is interesting to understand that this work, which we were promised would be done in a very short space of time, has dragged its weary way along for nine years. At one time there were 1,573 people engaged in this valuation work. This number has been reduced to 583, and we are told that the field work is done, that it is a matter of computation now, and that is being done within the District of Columbia. But this work will never be done, because the valuation of a railroad to-day is one thing and the valuation of a railroad a year from now is quite another thing. There will ever be the necessity, if there ever was any necessity originally for fixing the valuation of these railroads and machinery, to keep that valuation up to date, and in accordance with that idea a gentleman appeared before our committee representing the various independent railroad commissions of the United States asking that that thing be done, and that the various States be apprised constantly of what the valuation was of the different railroads in the respective States. However, we did not allow the $280,000 asked. We thought that we would see if they could get along with $1,000,000.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. STAFFORD. What is the present value of a valuation of a railroad property taken 10 years ago?

Mr. WOOD of Indiana. To me it would be very little.

Mr. STAFFORD. Then of what value would it be in computing rates? Of course it might give a very vague idea.

Mr. WOOD of Indiana. We entered into that feature of it in the hearings and it was contended then that by taking the property used and useful and taking the wear and tear upon it, they could form a reasonable idea of the present valuation. I am not an expert on that, however.

I wish to call attention now to the Government housing activity that comes within the jurisdiction of this committee. The situation with reference to the Government Housing Corporation is practically the same as it was when the committee appeared before you last year. During last year they sold about $900,000 worth of improved property. Many of these contracts were canceled by reason of the coal strike where these properties are owned, and by reason of the railroad strike. We reduced their appropriation $125,000 in the hope and under the promise that they might curtail their overhead expense so as to come within the recommendation of the Budget.

I wish to speak now at some length with reference to the Government hotels. I mean by the Government hotels these buildings occupied by the women employees of the Government, situated this side of the Union Station. That property cost originally, with the equipment, about $3,000,000. The appropriation for the maintenance of these Government hotels last year was $925,000. The Budget recommended for this year $750,000. We allowed an addition of $50,000, or $800,000 in all. We did that for this reason: Last year the management paid into the Treasury $86,000 more than it cost to run those Government hotels. They are providing to-day meals and rooms for 1,800 girls.

I know there is quite a disposition on the part of some to raze those institutions to the ground and destroy them and turn the 1,800 girls loose in this town to go where they may to find rooming accommodations. I am opposed to that; and I think that until some satisfactory arrangement may be made whereby they can be accommodated these buildings should be maintained, even though they may mar for the time being the esthetic taste of the Fine Arts Commission.

Mr. STAFFORD. What is the gentleman's idea of providing permanent dormitories for the women clerical help in the District, when these building are no longer available for that purpose, just as colleges do when the girls are housed for the period of time that they are at the college?

Mr. WOOD of Indiana. I would be in favor of that.

Mr. STAFFORD. I am strongly in favor of it.

Mr. WOOD of Indiana. And I will state another thing. I would be in favor of building a dormitory or something for the accommodation of the Members of this House and the Senate, in order that the Members of Congress might be protected from the insatiable maw of the real estate profiteers in the city of Washington. [Applause.]

Mr. STAFFORD. But the Volstead Act would interfere with that.

Mr. WOOD of Indiana. Yes; that might interfere with it.

With reference to the Government hotels, we were wonderfully impressed by the attitude of the management. They were willing to try as best they could to meet the cut of $175,000 in their appropriation and proposed to do it by cutting out $59,000 in wages and $79,000 in provisions. If these buildings are to be maintained, they ought to be maintained properly, in a cleanly, respectable, sanitary condition for the accommodation of these girls. Taking into consideration the profit they made last year, with a probability of a reduction in cost, together with a proposition made by the superintendent in answer to a demand, a certain per cent, though small, that some of those occupying rooms be permitted to keep the rooms without board, thinking the experiment worth while, we felt that this appropriation of $800,000 might carry them through. Therefore we allowed the addition of $50,000 to the estimate of the Budget for that purpose.

Mr. SMITH of Idaho. Has the director of the Housing Corporation ever made a report which has been printed as a Government document?

Mr. WOOD of Indiana. Yes.

Mr. SMITH of Idaho. Well, I am told it is not available.

Mr. WOOD of Indiana. I do not know why it is not available; it has been published. I have seen it myself.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. The gentleman is advocating, at least temporarily, occupancy of these dormitories by these lady Government clerks. Does the gentleman advocate that as a permanent policy of the Government, in time of peace, that we should undertake to furnish domiciles for Government employees?

Mr. WOOD of Indiana. I do not say I would do that unless it became a necessity for self-protection. I do not think the gentleman from Alabama or any other gentleman here can commend the attitude of the real estate owners of this town and apartment owners in reference to their conduct and treatment of those who must of necessity be here in connection with their service with the Government.

Mr. BANKHEAD. I agree with the gentleman about that; but there is only a very small proportion, of course, of the female employees of the Government who are taken care of in this manner; and it seems to me the proposition in peace times—in normal times—of advocating the provision at Government expense of domiciles for just a small proportion of Government employees is a rather dangerous proposition as a matter of policy.

Mr. WOOD of Indiana. The gentleman may be right about that, but it was a most fortunate expedient. This provision was made as a reservoir whereby this excess could be taken care of during the emergency which is not yet passed.

Mr. BANKHEAD. I have no quarrel. I think it was entirely proper; but we are not on that status now.

Mr. WOOD of Indiana. We have not gotten very far away from it.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. SANDERS of Indiana. The gentleman from Alabama spoke of a peace-time policy. As a matter of fact, while the war is actually ended, the great emergency created by the war may extend for a period of years beyond the war.

Mr. STAFFORD. Will the gentleman yield, particularly as to the query propounded by the gentleman from Alabama on the matter of providing domiciles?

Mr. WOOD of Indiana. I will.

Mr. STAFFORD. We provide dormitories for cadets at the Naval Academy and for cadets at the Military Academy—a permanent force—and why should we not provide proper accommodations for the clerical help of this District where they can not get accommodations in private homes?

Mr. BANKHEAD. Do we do that as a matter of duty or Government policy?

Mr. STAFFORD. I should place it on humanitarian grounds, because there are not adequate quarters. Civilians do not provide quarters which are sufficient to accommodate these people at a reasonable price.

Mr. BANKHEAD. If that is true for a fraction of Government employees, we should make adequate provision for housing all employees.

Mr. STAFFORD. I would not go to the extent the gentleman suggests, but we should not compel young girls to come into the District to do the necessary clerical work of the Government and not provide them with proper housing accommodations, which are not provided by private capital.

Mr. LONDON. If the gentleman will yield, I want to say the gentleman from Wisconsin has evidently been affected by the socialistic philosophy so prevalent in the State of Wisconsin. [Laughter.]

Mr. STAFFORD. I have not been infected, I will say, by the socialistic philosophy of the gentleman from New York with whom I have served so long. I have advocated this proposal years back. I remember when I advocated Sunday concerts out in Rock Creek Park and had the gibes of the gentleman from Texas, Mr. Burleson, later Postmaster General, that it was socialistic.

Mr. WOOD of Indiana. So we discovered where we can save a little money for the Government. They have got a very complete laundry established in this Government hotel, and it was discovered they were charging all the way from $2 to $1.40 a dozen for laundering towels in the various departments. This one will launder at 57 cents a dozen and make a profit, so we will make an arrangement where we can get something out of the laundry business.

Mr. BANKHEAD. But if we are going to be consistent I think we ought to do all the Government laundry.

Mr. WOOD of Indiana. Well, we do at least protect ourselves from the profiteer, and that is just what he is when he is charging $2 a dozen for laundering towels when it can be done at 57 cents a dozen at a profit.

Mr. LONDON. Does the maintenance of the hotel involve much of a loss to the Government?

Mr. WOOD of Indiana. Of course, we are counting nothing upon the investment—nothing for a return upon the original amount appropriated—but it returned last year into the Treasury $86,000 as a profit.

Mr. BURTNESS. Is that amount above the necessary repairs?

Mr. WOOD of Indiana. Yes.

Mr. COOPER of Wisconsin. I would like to ask the gentleman from Indiana this question: I notice this bill carries an appropriation of $340,000 for the Railway Labor Board. Is the gentleman going to say anything about the work they have been doing?

Mr. WOOD of Indiana. Yes. The next item to which I wish to direct attention is the Aeronautic Advisory Commission. The amount appropriated is $270,000 for this activity, as against an estimate of the Budget for $247,000. To my mind this advisory commission is doing a wonderful work, not only for the United States but to the world, toward the development of flying machines and safety appliances. When I first had my attention called to this activity I thought it was one of those theoretical propositions that could not be of much practical use, but I have changed my opinion entirely. There is a prejudice against the board existing in those gentlemen who were engaged in the flying business of the Army and also the Navy. But they are now appealing to them in every instance for their advice and for their counsel. We are building at this time one of these lighter-than-air machines or balloons, at a cost of $2,000,000, that is entirely under the superintendence of this Aeronautic Advisory Commission. They have done much toward strengthening the machines to resist the peculiar conditions that they find in sailing through the air, air pockets, different currents, and so forth, and with reference to the different materials that may be used in order to keep these machines from breaking up. They are developing and have under practical operation at this time an engine that is going to use fuel oil instead of gas, not only as a matter of economy but also of safety. That has all been developed, if you please, by this commission. We therefore felt that we were well justified in increasing the appropriation in view of all that they have accomplished and the promise of what they may do in the immediate future.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. STAFFORD. Has the gentleman made any investigation as to whether their work duplicates in any way the experimental work carried on by the Army and the Navy?

Mr. WOOD of Indiana. No. It does not duplicate the work. The fact is that both the Army and the Navy are appealing to them now and trusting to them to do this experimental work.

Mr. STAFFORD. In the War Department appropriation bill we appropriated for the current year $3,500,000 for experimental purposes in connection with aircraft.

Mr. WOOD of Indiana. Yes.

Mr. STAFFORD. The War Department is engaged in work very similar to that described by the gentleman. The Navy spends something like $5,000,000 for that purpose. To our subcommittee it seems like more or less duplication of the activities of the Army and the Navy. I rise to ascertain what special character of investigation or experimentation does this Aeronautical Board do. They are building a lighter-than-air craft at a cost of $2,000,000. The Army and the Navy are building several such craft.

Mr. WOOD of Indiana. I will state to the gentleman that the gentlemen who appeared before us were specific in drawing the line of demarkation between their experimentation and that of the Army and the Navy. It is a matter too technical for me. Perhaps the gentleman from New Hampshire [Mr. WASON] can give you some idea with reference to that.

Mr. WASON. He was a representative of the Army and Navy Advisory Board.

Mr. WOOD of Indiana. Yes. They told us they did not duplicate or conflict at all.

Mr. STAFFORD. From my study I believe that instead of having 10 or 12 activities, each engaged in its special way, they should be consolidated, which would result in a saving of many millions of dollars.

Mr. WOOD of Indiana. I expect that is true.

The next item is the Railroad Labor Board. The Budget's recommendation is $235,000, and your committee allowed the amount recommended by the Budget. They wanted a very largely increased sum for their personnel, investigators, and so forth, and also a very large increased amount for printing. But we felt that under the present conditions and until there was some more definite policy than that which seems to have been established by the law creating this labor board they could get along with the $235,000 which we have recommended.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. NEWTON of Minnesota. What did they propose to use this additional money for printing for? To print what?

Mr. WOOD of Indiana. They claimed that under the law they are required to print all the hearings and findings, and give circulation to them, and so forth.

Mr. NEWTON of Minnesota. Then, in other words, in order to print the hearings and findings and conclusions on all of these little appeal cases that they seem to think they ought to sit and pass upon?

Mr. WOOD of Indiana. Yes. We recommended that they curtail that, and I think they will be able to do it.

For the Smithsonian Institution, for printing and binding, we allowed $77,400, an increase of $17,400, and $44,000 for the ethnological investigation, an increase of $4,000 over the Budget estimate. In my opinion, there is not an institution under this Government that makes a dollar go further than does the Smithsonian Institution. They have got more high-class men,

high-class investigators, working for less money in that institution than in any other institution in this country. We granted the $4,000 additional for the purpose of completing the development in unearthing the mounds that have been discovered in Colorado—the Mesa Verde.

Four of those have already been unearthed, and they have attracted the attention of the world and have increased visitations to that place from 25 in one year to more than 4,000. It is one of the most remarkable discoveries in this country, and the gentleman who is in charge says he will complete it with this $4,000, and so we granted it. The only way they have to disseminate information gathered by the Smithsonian Institution is through their printing item. The historical association connected with this institution gets out a report that would be entirely forbidden unless this increase were had. It contributes each year something of great historical value to the United States. We felt that we were justified in making these increases.

Now, the Tariff Commission for the current year has $375,000. In 1924 they are given by the Budgetry $680,000, and we adopted their recommendation. This is a very great increase over 1923, but it is made necessary, if you please, by reason of the tariff act that we passed a short time ago, requiring investigations not only throughout this country but throughout the world, especially for carrying out the flexibility clause of that act, whereby the tariff may be raised or lowered upon the recommendation of the President after investigation has been made and advice has been given by this commission, requiring, if you please, expert investigators to go here and there and yonder. They wanted a largely increased appropriation, bur we felt they could operate under this sum, and I am informed that the deficiency appropriation act appropriated a similar proportionate sum to carry out their activities until this appropriation bill becomes effective.

The Narcotic Control Board comes within the jurisdiction of this commission. This was another new creation under the operation of the State Department, the Treasury Department, and the Commerce Department, the purpose of which was to investigate the importation of narcotics into this country.

It is, under the law, placed under the direction of the Treasury Department. Under another subcommittee we have made an appropriation of $300,000 for additional service for the Treasury Department, in which should be included whatever of extra service may be required by this investigation. This is another attempt to establish a new, independent bureau within a bureau or outside of a bureau. The gentlemen who appeared before us felt that there should be $1,000 appropriated for additional services to the man having charge of it in the Treasury Department, and $500 for et ceteras. We came to the conclusion that it was another attempt to fasten upon the Government an independent establishment without warrant of authority, and that the only excuse for it was the authorization made for the operation of this narcotic board through the Treasury Department, and we refused the appropriation.

I wish to call the attention of the committee to the General Accounting Office. Since our last appearance here all the auditing machinery of the Post Office Department has been transferred to the General Accounting Office. By reason of that combination it was found possible to reduce the number of employees by 40 and to save the Government $45,000 a year.

In examining this bill, you will find that there is a lump-sum appropriation of $345,000 that was not carried in the last bill, but it is the same amount that was carried in the Post Office appropriation bill. It is made necessary for this reason, that the employees under this appropriation are not full-time employees. They operate machines under the card system and are paid for the exact amount of time that they are occupied in the performance of the service. It would be a very great expense to put them upon a stated annual salary.

Under the original act creating this accounting office it was made a part of the duty of the general accounting officers to investigate and provide means for investigating the transportation companies of this country, the customhouse officers of this country, and the internal-revenue branch. It may be strange to you, but it is true that up to this time there has been no check upon either the receipts or the expenditures of any one of these three activities. It is a part of the contemplation of the law creating the General Accounting Office that they should be under the supervision of some responsible head. It is a herculean task. Heretofore the transportation companies of this country have received their pay and the audit has been made afterwards. Within the last year the Government has recovered nearly a half million dollars paid out within three or four years that never should have been paid out at all, and that would not have been paid out had there been a proper auditing of these bills before payment was made. It is a part of the policy of the General Accounting Office under the authority granted by the act to require that these audits shall be made in the first instance, thus saving the United States Government large sums of money each year, and in the instance I have referred to half a million dollars and the interest thereon during this period of time.

It is also the duty of the General Accounting Office to provide some means of auditing the receipts and disbursements of the customhouses of this country. That has never been done heretofore. It would require a very great additional force to do it if all the documents and certifications necessary to make this audit were sent here to Washington. In order to expedite matters and to save expense, a force is being organized to go to the places where these customhouses are.

In order to get men who are big enough and who have judgment and discretion enough to perform this duty properly it is necessary to pay them better salaries than those afforded under the former act. The general accounting officer has very generously given up nine of his men whom he was paying $2 000 a year in order to get the few more expert men required to do this extraordinary work devolving upon his office by reason of this law. So, in compliance with this request, being fully convinced of the necessity of it, we have rearranged his employees so as to allow him one officer at $3,600, one at $3,000, two at $2,750 each, three at $2,500 each, three at $2,250 each, and we have taken away from him nine at $2,000 each, so that the total additional cost of these experts amounts to a little more than $5,000 a year.

Mr. BOX. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BOX. How many employees are there in the service of the General Accounting Office?

Mr. WOOD of Indiana. About 1,500.

I wish now to call attention to the Fine Arts Commission. This is a small item. Not much significance could be attached to the amount of money involved, but a great deal of significance can be attached to it in its far-reaching effect upon the Treasury of the United States. Last year we reduced this appropriation from $10,000 to $6,000, because we were convinced from the testimony that the money was being wasted. The Budget has recommended $6,000 this year and we have allowed it, and we are glad to say that we have curtailed at least one expense that existed before—the traveling expense of the man who is the real Fine Arts Commission.

I wish to call your attention to something that this Fine Arts Commission has done, which some of the Members here present should remember. Perhaps by reason of the excitement of the war and other important matters it has escaped your memory. As a result the Treasury of the United States has been mulcted to the amount of $750,000.

In 1913 there was conceived the idea of a central power and heating plant for the Government buildings. That came from the Committee on Appropriations and from the splendid gentleman who at that time was the head of it, Mr. Fitzgerald.

We had and have now about 27 or 30 different buildings with 27 or 30 separate heating and power establishments. It was thought that this overhead might be combined into one general power plant. So in 1913 an appropriation was made for establishing a general central heating and power plant. It was to be located on Water Street at the foot of Fourteenth Street, down where the Southern Railroad bridge crosses the river. At that time there was an appropriation made of more than $1,000,000. This was supplemented in 1916 and 1917 until the aggregate appropriation for that purpose was $1,737,104. Immediately after it was determined to build this plant a propaganda was started all over this country by this man Moore and his then confederate, Colonel Hart, who was the secretary of the Fine Arts Commission, and who by virtue of his office was Superintendent of Public Buildings and Grounds. This propaganda protested against the building of that power plant down there on Water Street at the foot of Fourteenth Street on the ground that it would mar the beauty of the city of Washington; that it would be an eyesore to those in the Capital, and especially an eyesore to those who would look upon it from the White House.

For the purpose of refuting this position they sent up a balloon 10 feet in diameter at a point where the smokestacks would come, against which they inveighed, and it was found that it was hardly discernible from the White House or the Treasury Building. But that did not suffice. They secured the cooperation by reason of form letters sent out to different societies, or to anybody who would send them in, who knew nothing about the situation, protesting against the building of this power plant.

Mr. McAdoo was Secretary of the Treasury at that time. The contract had been let to some substantial contractor in the city of New York, and while they delayed the work a considerable length of time, it was concluded that, notwithstanding the objections of Mr. Moore and Mr. Hart, to go on and build the plant so much needed. The purpose of building it was because it would make a great saving to the United States Government. It was to be built on the bank of the river adjacent to where the Baltimore & Ohio, Chesapeake & Ohio, and the Southern Railroad come across the river, where they would have the advantage of the cheapest freight rates not only by rail but by water, where they would have access to the river to supply their demands for water instead of taking it from the city mains.

The work went on; it was commenced in 1916 and it progressed until they built a tunnel that you could drive a horse and wagon through from the site of that heating plant to the extremity of the Treasury Building. All the time protests were coming in by Moore and his cohort against the establishment of this thing. The war broke out in 1917, after the completion of the tunnel from the plant to the Treasury Building, and directly after they had commenced building a lateral tunnel to the White House grounds, when Hart issued an edict by his autocratic authority that they should not enter the White House grounds because it might be the means whereby an enemy of the country could get in and blow up the White House.

The Treasurer of the United States, without authority except that assumed by him, suspended operations for a time, and after the suspension, thinking that, perhaps, those who were interested in the progress of the war had better combine their energies in other directions, made a proposal to the contractors to make a settlement, and they quit the job. They did that thing and we paid to them $736,556.12. They abandoned the job.

We have more than $60,000 of pipe laid in the tunnel. We have an expense of excavation of more than $350,000 and a total outlay amounting to $736,000, plus. There is to-day unexpended in the Treasury of the United States the balance of that appropriation amounting to more than $800,000, lying there for the benefit of nobody. Who did it? Moore? Moore, who is the Fine Arts Commission, through the cooperation of Hart. That is one thing that we have to pay for because of the aesthetic tastes of the Fine Arts Commission.

They located the monument to Lincoln in a swamp that has sunk and is sinking to-day and is requiring constant outlay of money. The trouble with the Fine Arts Commission is that there is not a man on it of any practical business sense. They think all they have to do is to comply with their own taste, no matter whether it is practical or impractical, and if impractical the responsibility falls on somebody else. I think it is pretty near time that this Congress should revise the organic law creating the Fine Arts Commission and, if there is to be one, put on somebody that has some practical sense. It has been the purpose of the Fine Arts Commission to destroy the suggestion of the Father of His Country with reference to the Botanic Garden. It was the purpose of Washington and L'Enfant that the Botanic Garden should be adjacent to this building. It was first established by the Columbian Institute near this building at the foot of the Capitol. It ran down to First Street, but it was afterwards established where it is now and it has been the labor of this man to destroy it, not to comply with the design of L'Enfant or with the original suggestion of Washington, but to please his fancy, and the amazing thing to me is that the Members of the Congress submit to that thing.

Congress passed a bill providing that the Meade Monument should be located at or near the corner of the intersection of Pennsylvania Avenue at Third Street. Did he locate it there? No. He located it just as near as possible in the center of the Botanic Garden in order to destroy it. He would have placed it in the center, except for the fact that it would come in contact with the sewer built over the Tiber River. The Tiber River runs down through there, and they are stopping the work because they have encroached on Tiber River. He located it there because it was in accord with the axis laid out for beautiful Washington. It would not be perceptible to a passing flying plane in the air had he located it where the law said that he should locate it. He has spread all over the country his propaganda by reason of societies which he has joined himself, by reason of magazine articles he has written, by reason of interviews published in every character of paper, and he proposes to buy Mount Hamilton at an outlay of $345,000. It would take ten times as much as that to blast the rock away to get place enough to stand erect. [Laughter.]

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BRIGGS. Is there carried in this bill any appropriation for the salary of this gentleman who is disseminating such propaganda?

Mr. WOOD of Indiana. No; we do not, and last year we put a provision in the bill that not one cent of it was to be paid for that gentleman to gallivant around the country on. He did not gallivant last year. He is here by reason of a subterfuge, and the only excuse he has for being here is by reason of a place provided for him in the Congressional Library where he is supposed to be a judge of ancient manuscripts. He does not know any more about ancient manuscripts than the devil does about Sunday. He professes to be all wise. He is an architect; he is an engineer; he is an archæologist; he is an ethnologist; and, I suspect, he is a hypnotist.

Mr. BRIGGS. Did not the gentleman describe him last year as a world traveler?

Mr. WOOD of Indiana. I do not know how I described him last year. I know what I think about him this year. I now wish to call attention to something that is perhaps more important than this Fine Arts Commission man, but first I want to say another thing about this Fine Arts Commission. In the last Congress we appropriated $20,000 for the purpose of finding out where to locate a memorial bridge. Everyone, so far as I have been able to determine, except Mr. Moore, was in favor of the New York Avenue Bridge. Everybody connected with the commission, outside of the Fine Arts Commission, was in favor of it—the President of the United States, the Vice President of the United States, the Speaker of this House, and the engineer, the man who ought to know something about the cost and the practicability of locating it—but somehow this gentleman took a trip around with them, and they located it according to the plans of Mr. Moore, and they are going to end it, like a pig in a poke, against a stone wall over at Arlington.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. I take it from the gentleman's discourse that he does not approve of the gentleman who occupies this position or of the policy that he follows in the conduct of his office.

Mr. WOOD of Indiana. If he had any respect for himself he would not stay where he is a minute. That is the reason I do not like him.

Mr. BRIGGS. Why is it that his services are not dispensed with if he is so hopelessly inefficient?

Mr. WOOD of Indiana. Well, toads and snakes have been found in the most seeming inaccessible and indefinable places.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. KINCHELOE. Who appoints this man?

Mr. WOOD of Indiana. The President.

Mr. KINCHELOE. Can he not remove him?

Mr. WOOD of Indiana. Yes.

Mr. KINCHELOE. Will the gentleman give the committee some information why the President does not remove him?

Mr. WOOD of Indiana. No; I wish I knew why he does not.

Mr. KINCHELOE. Was he not reappointed recently?

Mr. WOOD of Indiana. I understand he was reappointed because of the fact that he wormed himself into the good graces of Elihu Root, of Chief Justice Taft, of Secretary of State Hughes, and 40 or 50 more. They did not know anything about him. If they had read the hearings had in the last Congress with reference to his peculations, and his malfeasance, they never would have recommended him, but they did, and he was appointed, and he has violated every confidence of the President of the United States.

I am breaking no confidence here when I say that some time ago they asked for a report from this man with reference to the location of the proposed memorial bridge, and instead of his giving it confidentially as he was expected to do, the very day that he sent it to those who should have it in confidence he published it in every newspaper in the city of Washington and sent copies of it to a number of Members of this Congress.

Mr. KINCHELOE. Was there any protest filed with the President about the gentleman by anybody against his reappointment?

Mr. WOOD of Indiana. Yes.

Mr. KINCHELOE. Then he was in possession of these facts? I understood the gentleman to say that if he had read the hearings he would not have been reappointed.

Mr. WOOD of Indiana. Oh, I did not say that the President was not in possession of the facts. I said that these people who recommended him were not in possession of them.

Mr. BANKHEAD. He seems to be a rather influential toad.

Mr. WOOD of Indiana. Yes; that is right. I want now to call attention to the Veterans' Bureau. The appropriation for that bureau is $62,000,000 less than was appropriated in 1922.

It is $82,000,000 less than was asked for in 1923. The appropriation for 1923 was $510,000,000, and for this year it is $428,150,723. In this reduction there will be found $5,078,937 in the personnel salaries. In the hospital service the reduction is $3,316,290, in vocational rehabilitation $3,757,000. The number of vocational employees are reduced from 6,000 to 3,500. The reduction of the other employees amounts to about 10 per cent.

The number of employees in the Arlington Building to-day is 4,684 against a peak of 17,000 during the war. The current operating expenses in 1922 amounted to $48,661,000 and in 1923, $58,891,000. In 1924 they amount to $49,984,000. There were authorized 140 suboffices under the Sweet bill. One hundred and twenty-six of these were established, and 14 regional offices. The appropriation for compensation claims in 1923 amounted to $163,000,000 and in 1924 we recommend $118,000,000. Vocational training has increased, compensation has decreased. During last year the number of vocational students was 90,000, and now it is 97,000. Sixty-five per cent of the vocational trainees are under their first engagement. One of the troubles about the vocational training was this: An ex-service man would apply for vocational training along a certain line. He would work at it for a while and then come to the conclusion that he was not fitted for it, or become dissatisfied with it. He would then apply for other vocational training and get it. There have been cases where they have gone even as far as three years and then changed. That can not happen any more because a man now must determine within a month or two months after he has made his choice whether he is going to stick to it or change to something else.

Number of hospitals under contract: One at Tupper Lake, N. Y.; one at Knoxville, Iowa; one at Gulfport, Miss.; one at Livermore, Calif. One more is to be built at Chelsea, N. Y. When these hospitals are completed they will furnish 21,400 additional beds. We have now 2,600 beds. When these are completed it will accommodate the peak, which is supposed to be 32,000, with 15 per cent vacancies recommended. We have tubercular patients to-day in the number of 10,500. The maximum estimate of those patients is 12,000. We have nervous disease patients amounting to 9,000. These 10 new hospitals, now under course of construction, when completed will require an additional 2,500 employees besides the additional doctors. We have now 117 dispensaries, and these are going to be increased to 126. The estimated cost per day per patient for our hospital patients is $5.41. Now, I wish to say a word with reference to Chillicothe. There are 4,800 acres of land in that tract. Ninety-eight per cent of that land is tillable and the rest of it is a kind of ground adapted to farm animals. The property is valued by the Government at from $15,000,000 to $20,000,000. The cost, so far as the Veterans' Bureau is concerned, to the Government is but $50,000. We did this thing. These boys who are working on the farm and who are working in these various vocational establishments make things which are sold. They sometimes raise in excess of what is required from the farm, and whatever that excess is it is sold. Now, in order to have the psychological benefit it was thought best to place this surplus in this revolving fund. I am not in favor of the revolving fund as a rule, but there is no case where this would apply so far as the Veterans' Bureau is concerned except at Chillicothe, so we have made a provision permitting this profit to be turned back into the funds of the Treasury that properly apply, and at the end of the year that a detailed account be made to the Speaker of this House in order that hereafter, if it is continued, that whatever the amount may be it may be deducted from their general appropriations.

Mr. SNELL. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. SNELL. Has it been definitely decided that the Chelsea hospital will be completed?

Mr. WOOD of Indiana. That is the information we have from the superintendent.

Mr. SNELL. Is that late information? I tried to get the information myself from the department several times in regard to the hospital, and at one time it was thought it would be completed and another time it was thought that it would not.

Mr. WOOD of Indiana. That is the information within the last week.

Mr. SNELL. I would like to ask the gentleman this question: It has been my experience that a good deal of the arrogance that the gentleman attributes to the Fine Arts Commission is present in connection with the Veterans' Bureau at the present time, and I think there is chance for improvement along that line right there. I want to know of the gentleman what he thinks about it?

Mr. WOOD of Indiana. I will state that we put a limitation—under the act creating the Veterans' Bureau in the Sweet bill it was the contention of those in authority there they might use any money appropriated for any purpose and divert it to the purchase of sites and the building of buildings. We felt that was not the intention of Congress and thought that latitude should not be allowed, and in order that the Treasury might be protected and in order that the Veterans' Bureau itself might be protected against this possibility we put a limitation on this bill providing that no additional sites could be bought and no additional buildings bought without the authorization of Congress.

Mr. McKENZIE. Will the gentleman yield for a question?

Mr. WOOD of Indiana. I will yield.

Mr. McKENZIE. I desire to ask the gentleman from Indiana whether or not he knows if the title to this Chilicothe camp has been transferred from the War Department to the Veterans' Bureau?

Mr. WOOD of Indiana. No; I do not know.

Mr. McKENZIE. Of course we all understand that in a very few years the use of such a plant as this, so far as the war veterans are concerned, will be obsolete. Now, can the gentleman tell us whether there is any plan on foot to know if any of these will be turned back for the purpose of agriculture and farming when they are through with them as vocational training sites?

Mr. WOOD of Indiana. This property belongs to the Government, except a few buildings which have been handed over by the citizens themselves interested there. What the future purpose will be I do not know.

Mr. BRIGGS. Will the gentleman tell us in this connection what the hospital program is; whether or not any of the hospitals under this appropriation made by Congress, out of the $35,000,000 fund, have been completed, and where?

Mr. WOOD of Indiana. We have a very complete list of all that. Some are partially completed and others are completed. Here is another trouble. A lot of these hospital buildings, under what was called the White committee, were under the supervision of the Treasury Department, and they seemed to have had some desire rather to provide beds than equipment or care, and we have had to make available of this appropriation a thousand six hundred and more dollars for the purpose of completing what was supposed to be completed by the White commission. That is another situation that confronted us.

Mr. BRIGGS. Will the gentleman put in the RECORD in his remarks the data that he says he has there in regard to the condition of the hospital program?

Mr. WOOD of Indiana. The best place to get it is from the hearings, which are very brief, and the gentleman can see it in greater detail than I could give it to him.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WOOD of Indiana. Now, I want to call attention to the Shipping Board.

Mr. BYRNS of Tennessee. I ask unanimous consent that the gentleman's time be extended half an hour.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the time of the gentleman from Indiana be extended half an hour. Is there objection? [After a pause.] The Chair hears none.

Mr. WOOD of Indiana. I wish to call the attention of the committee to the operation of the Shipping Board. We had some trouble here in considering this appropriation bill last year because of the appropriation provided for the Shipping Board. I am happy to say that our judgment at that time has been corroborated by action, and what was recommended at that time has resulted in a very great saving to the United States, and I think for the betterment of the operation of this great institution. You will remember that the loss entailed on the Shipping Board under the old régime was from $11,000,000 to $16,000,000 a month for operating expenses. That has been reduced to a little less than $4,000,000 a month, with the possibility of a still further reduction. There are some things, however, to which I wish to call attention. I wish especially to call attention of those who are taking any interest either in the establishment or the policy of the establishment of a merchant marine.

The Shipping Board or the Emergency Fleet Corporation has under its direction and control 23 of the 550-foot ships. Every time one of these ships comes in now it requires an outlay of all the way from $25,000 to $30,000 for repairs, when it should cost not to exceed from $2,000 to $3,000. This is made possible by reason of the fact that they are not equipped for present-day duty. They have been converted and transformed three or four

different times. They were made into troopships; then they were made into freight ships; then they were made into cattle ships; and then an attempt was made to reconvert them back into passenger ships. It will require, if these ships are to be operated and if we are to invite the patronage they deserve, at least $4,800,000 to reequip some five or six of them. The other ships, it is estimated, will require $6,000,000 to equip and to keep them in condition.

But here is the prediction that we gather from the testimony of those who are supposed to be familiar with the operation of ships: That unless we adopt and establish a policy for the American merchant marine, within six years it will cost the United States Government between $50,000,000 and $100,000,000 for reconstruction of the passenger-carrying ships. We have to-day steel ships of all kinds, amounting in number to 1,399, with a dead-weight tonnage of 9,813,146 tons. We have wood and concrete ships in number 26, with a tonnage of 74,921 tons.

I am happy to state that they have made settlements with all the shipyards excepting Hog Island, the Skinner & Eddy plant, and the Alameda plant, the valuation of our interest in which amounts to $5,000,000. They have adjusted the street railway settlements except in one case and have received in such settlements $1,750,000. The housing properties are all disposed of except at Bath, Me.; Portsmouth, N. H.; and Gloucester, N. J., and in these settlements they have acquired a million dollars. The claims commission expired on December 31 because their work was completed. They established the principles upon which the settlements should be made, and the remainder of these settlements were merely a matter of accountancy where it was possible to make a settlement at all.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. Where does all this money go to, as proceeds from the sales of these properties?

Mr. WOOD of Indiana. It goes into the Treasury.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield there?

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. The gentleman just made a statement there, as I understood him, to the effect that the purposes for which the Claims Commission were authorized have been fulfilled.

Mr. WOOD of Indiana. No; what I meant to say was——

Mr. BANKHEAD. Their labors are ended. I believe the gentleman put it that way.

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. Their labors are ended, and the evidence shows that something like $7,000,000 still remains unsettled against the Fleet Corporation?

Mr. WOOD of Indiana. Yes. I will come to that in a moment.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ROACH. Will the gentleman tell us what the amount of these claims is? It would be more enlightening to give us the amount of the claims in order to know whether it was a good settlement or a bad one.

Mr. WOOD of Indiana. I was coming to that. On July 1, 1922, the claims pending were 1,246 in number, amounting to $135,653,000. On December 9, 1922, the claims unsettled were 274 in number, as against 1,246 on July 1.

The amount of the claims settled is $55,531,550. Seventy-eight per cent of all the claims, with an amount involved of $79,479,979, were settled for $18 019,742 in cash and kind, and of this $18,019,742 but $8,805,121 in cash was used. The other $9,214,060 was property that these people had in their hands, concerning which an adjustment was made, and they kept the property instead of receiving the cash; so that with $9,214,060 in property and $8,805,121 in cash they settled $79,479,979 worth of claims, and it is expected that the remaining claims may be settled for $12,000,000. So that practically out of the $50,000,000 that we appropriated a year ago for the purpose of settling these claims but $20,000,000 plus will actually be used, with this possible exception: There are claims involving the Pacific Mail carrying the mails involving $4,000,000 or $5,000,000. If they come out of this money it will be in addition to this $20,000,000; but on the last day of June, or on the first day of July of this year, there will be paid into the Treasury of the United States either $30,000,000 or $25,000,000, depending upon whether or not the Pacific Mail claims will be settled; and this additional $55,000,000 of claims will be settled for $12,000,000.

This demonstrates, if you please, the wisdom of the appropriation that we made. Now, I ask if there is a man here who can cite a single instance in all these claims that have been settled where he has heard or has reason to believe that too much money was paid? Not one.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. If the gentleman will allow me, I want to say that that is a very strong reason why your Claims Commission should have been kept functioning until all these claims were wound up, because of the splendid work they have accomplished for the Government of the United States.

Mr. WOOD of Indiana. I will tell you why we could not keep them longer. This Claims Commission was composed of very high-class men, and it was splendid in them to come down here and give their time to this work and discharge these duties. Their purpose in coming here and the work they accomplished was to establish the principles and policies upon which the claims were to be settled, and after that was done it became merely a matter of accountancy. They have got that thing fixed so that there is no longer any reason for these men giving up their time or for the expenditure of money. Those claimants who are willing to settle can settle under the policy and principles adopted by this commission. They can furnish their own accountants as against the accountants upon the other side. There are a certain number of claimants who will not settle at all unless they can get what they want. All they would do would be to argue. Now, with that minimum number of claimants, who are very small, the Court of Claims is open to them; and I think one of the best things in this bill is the provision that upon the last day of June the unexpended balance of this $50,000,000 that we appropriated to settle these claims shall be covered back into the Treasury, because of the effect that it will have upon those claimants who are holding out trying to get something to which they are not entitled, who will come in and settle. If they do not, if they still are of the opinion that they are entitled to more than they would be entitled to under the principles adopted by the Claims Commission, then they can go into the Court of Claims, which, of course, is open to them.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Tennessee.

Mr. DAVIS of Tennessee. Will the gentleman state whether, in his opinion, it would be in order to offer an amendment to the portion of the bill dealing with these matters, limiting the time within which claims against the Shipping Board or the Emergency Fleet Corporation may be filed?

Mr. WOOD of Indiana. I think it would be useless, for the reason that they must come in and have their claims settled before the last day of next June.

Mr. DAVIS of Tennessee. That is true so far as this particular appropriation is concerned.

Mr. WOOD of Indiana. Yes.

Mr. DAVIS of Tennessee. But it would not bar claims from being filed subsequently, or bar them from seeking subsequent appropriations for their settlement and insisting upon the Shipping Board or some commission acting upon them.

Mr. WOOD of Indiana. The only amendment I can conceive of that would be in order would be a limitation upon this appropriation. It could not apply to anything else.

Mr. DAVIS of Tennessee. I wondered whether it could be considered as a general limitation.

Mr. WOOD of Indiana. I do not believe that would be germane.

Mr. DAVIS of Tennessee. There is a bill pending to that effect, but it may not pass this session, and it is over four years now since the war closed.

Mr. WOOD of Indiana. The provision which we have made in this bill, that this appropriation shall revert to the Treasury on the last day of June, is, in my judgment, a very wise one, and I believe that these claims will practically all be settled before the last day of June.

Mr. SNELL. Will the gentleman yield for a further question?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. I notice that in this bill you make the usual appropriation for loss in operating expenses. During the discussion of the ship subsidy bill I understood that we were running behind at the present time $36 000,000 per year. Is it anticipated that next year the loss will be greater than that?

Mr. WOOD of Indiana. No; that was for six months. We are running behind a little less than $4,000,000 per month. It may run over or it may run under that. The best part of this year, though, is gone.

Mr. SNELL. Then that was a misunderstanding, was it, that we were running behind on a basis of $36,000,000 per year?

Mr. WOOD of Indiana. Yes. The fact of the business is that the deficiency last year was a little over $50,000,000.

Mr. DAVIS of Tennessee. It has been stated by the chairman of the Shipping Board that their deficiency would be less than $35,000 000, and their total loss for the first 11 months of the year 1922 was less than $31,000,000, which would be at the rate of less than $34,000,000 a year.

Mr. SNELL. That is what I had understood.

Mr. DAVIS of Tennessee. That is the fact.

Mr. WOOD of Indiana. You are simply considering one item of expense; that is with reference to the carrying of freight and passengers. If you will take the entire shortage you will find that it amounts to about $4,000,000 a month.

Mr. SNELL. I think $36 000,000 covers the entire loss.

Mr. DAVIS of Tennessee. I am discussing the entire expense. The gentleman is right. It was stated by gentlemen on both sides during the debate on the ship subsidy bill.

Mr. SNELL. I so understood that it was stated several times that that was the amount.

Mr. WOOD of Indiana. I call your attention to the hearings, which will give in detail this whole matter.

Mr. BYRNS of Tennessee. Will the gentleman yield for a statement?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. The hearings show that for the first four months of this fiscal year—July, August, September, and October—the total losses, including losses of operation as well as administrative expenses, and so forth, amounted to $13,058,593.37, or just a little over $3,000,000 a month.

Mr. WOOD of Indiana. That is correct, but that was during the best earning months.

Mr. BYRNS of Tennessee. That would be somewhere in the neighborhood of the amount suggested by the gentleman from New York [Mr. SNELL].

Mr. SNELL. That was announced time and again before the House in the debate on the ship subsidy bill, that we are sustaining a loss of between $35,000,000 and $40,000,000 a year.

Mr. WOOD of Indiana. During the five-minute debate we will get at the exact facts.

Mr. SNELL. Is there any prospect that in the future, if we continue operating as we are at present, that loss will be cut down to less than approximately $36,00,000 a year?

Mr. WOOD of Indiana. No; there is every indication that it will increase, because these ships are growing older and it is going to take more to recondition them.

Mr. SNELL. And that the loss on account of operating will be still increasing?

Mr. WOOD of Indiana. We made 252 fewer voyages this year than we did last year, but the cost of operation was about the same. The reduction is due to the reduced amount of freight this year as compared to last year and the reduction in the amount received for carrying freight. Of course, the reduction in freight rates is because of the more active competition. While we made 252 less voyages this year than we did last year the loss is practically the same.

Mr. DAVIS of Tennessee. In this connection I want to ask the gentleman from Indiana if he agrees with the proposition of the chairman of the Shipping Board that the overhead expense with regard to operating 100 ships is as much as the overhead expense for operating 800 ships?

Mr. WOOD of Indiana. So far as office expenses are concerned, that is true. And this is the fact, that you can not take a ship and tie it up to a dock and abandon the ship. You must keep your quota of men there; and the cost of operating a ship while it is running as compared with the cost of operating the ship while lying still is practically the same, except the additional cost of the coal.

Now, it does not make much difference whether you are operating the ships or the ships are remaining idle as long as you have to have a certain number of ships that have to be manned and kept in service to sell or not to sell. That is the trouble. Here is the Government operating ships, and the Government must maintain certain courses. It has courses in all the seven seas. They are covered by lines of the Emergency Fleet Corporation; and whether they make a loss or not, in order that they may maintain the best interests of the country in the carrying trade they must make their accustomed trips. If the ship belonged to a private corporation they could regulate the trips in accordance with whether it would pay or not pay, but as long as the Government operates the ships it must keep the trips up with the expectancy of making the best they can for the interest of the Government. Suppose the Government stopped running the ships and abandoned all the lines, it would be the greatest calamity in the world, for when you tried to sell the ships you could not sell them because the good will is gone—the carrying trade has been diverted to some other line and lost to the Government. So in order that they may conserve and preserve the carrying trade that has been established for these Government-owned ships until such time as we can determine upon the policy of having a merchant marine or its abandonment there is only one thing to do, and that is to keep them going.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. WOOD of Indiana. Certainly.

Mr. DAVIS of Tennessee. As a matter of fact, the voyage losses constitute a small percentage of the loss. The estimate was only $5,400,000 for voyage losses, and as a matter of fact they have not run that much.

Mr. WOOD of Indiana. They are enough, God knows. Now, I wish to say this in closing with reference to the Shipping Board: On June 30 it is estimated that there will be $100,000,000 in the Treasury from the Shipping Board. Twenty-five millions from the claims appropriations that we asked to be covered back and possibly it may be $30,000,000. Twenty-five millions for miscellaneous receipts and $50,000,000 for construction and loan funds. The Shipping Board shows a saving of $147,500 in overhead expenses last year. Of this item $10,000 is saved by dispensing with general counsel. Ten thousand dollars is saved in dispensing with the services of some experts, and $10,000 from the reduction of other employees.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. DAVIS of Tennessee. In view of the fact that it is expected that all these claims will be adjusted and disposed of by June 30, does that estimate for next year constitute any reduction in the auditing force and attorneys?

Mr. WOOD of Indiana. Yes; we have the word of those in control that on the 30th day of June, when these moneys are covered back into the Treasury of the United States, the whole accounting shebang will be discharged, and that that expense will be curtailed.

Mr. BLANTON. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. BLANTON. Is the gentleman going to require them to cover the whole hundred million dollars back into the Treasury?

Mr. WOOD of Indiana. It will be in the Treasury.

Mr. BLANTON. And it will not be in any revolving fund?

Mr. WOOD of Indiana. No. The only thing they have is $25,000,000 in claims.

Mr. BLANTON. Will the gentleman state whether they have a revolving fund and how much it amounts to?

Mr. WOOD of Indiana. They have; yes. The United States Emergency Fleet Corporation is a private business being conducted by the Government. They must conduct it as a business concern would conduct it. They can not pay out every dollar they get into the United States Treasury and then ask for a warrant. Anybody can see that that is impracticable. If a ship puts into port for repairs which amounts to $3,000 or $4,000, they could not get the repairs done if they had to wait to go to the Treasury of the United States. They have to have a revolving fund on hand.

Mr. BLANTON. They should have an operating fund from Congress. But I want to call attention to the policy outlined by the gentleman from Iowa, Mr. Good, when he was chairman of the Committee on Appropriations, when he said that they ought to come to Congress for every dollar they expend.

Mr. WOOD of Indiana. They do as far as the contracts are concerned, or major improvements are concerned.

Mr. CURRY. Before the gentleman leaves the floor will he yield to me for a question?

Mr. WOOD of Indiana. Yes.

Mr. CURRY. In going back to the tariff appropriation I notice that in the appropriation for the Tariff Commission the amount has been more than doubled. Six hundred and eighty thousand dollars for the ensuing year. Is the reason for that increase the provisions in the tariff law of sections 315, 316, 317, and 318, passed September 21, 1922; and does not the gentleman think that that is rather a large increase without the Tariff Commission intending to immediately settle business by their investigations?

Mr. WOOD of Indiana. In order that they may do the thing required by Congress they must begin to provide themselves with machinery and experts. This thing has happened: There has been filed with the commission more than 100 requests for lowering the tariff rates and in some few instances for increasing the tariff rates. It is problematical, but in the opinion of those in charge of the Tariff Commission we have not appropriated enough.

Mr. CURRY. The gentleman's answer gives me the information that I desire. The chairman of the commission told me there had been no formal protests filed. I do not know how they could file an informal protest.

I have known that what may be called informal protests have been filed against the tariff on lumber, on wheat, on potatoes, on onions, on beans, on citrus fruits, on citrate of lime, on grapes, on raisins, on walnuts and on almonds, on wool, and on a number of manufactured articles. I am willing to give the commission money to start organizing, but I do not think that commission should indirectly undo the work of Congress on the tariff bill. They ought to give that bill a chance to function for a year or a year and a half and have conditions in Europe settle and become normal before investigating and trying to act on information that is not as accurate and will not be as accurate as the information that Congress receives, because their information will be biased by the people appointed by them, who do not believe in a protective tariff. Does the gentleman not think that this increase is too much?

Mr. WASON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. WASON. Do I understand the gentleman from California to say that he thinks these investigators appointed by the Tariff Commission will not be in sympathy with a protective tariff?

Mr. CURRY. The Tariff Commission itself does not appoint these investigators. They come from the Civil Service Commission, and it is almost impossible for a man to pass a Civil Service Commission who believes in a protective tariff. They have to believe in a different policy of economics. The Tariff Commission is not responsible. They have to take the list that the Civil Service Commission sends them.

Mr. WASON. But they have a choice among the applicants.

Mr. CURRY. No choice at all.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman from Indiana [Mr. Wood], with his usual thoroughness, has explained very fully all of the various provisions of this bill, and it is not my purpose to discuss its many appropriations. The report shows that this bill carries $42,275,151.45 less than the appropriations which were made for the current fiscal year, but I think it proper to call the attention of the House to the fact that this bill does not carry $50,000,000 which was appropriated for the current year for the payment of claims, probably half of which, according to the gentleman from Indiana, will be turned back at the end of this fiscal year. The fact is that the appropriation bill for the current year carries $50,000,000 for the payment of claims against the Shipping Board which it was unnecessary, of course, to appropriate for the next fiscal year, because it is expected that all of those claims will be settled by the end of the fiscal year. So, as a matter of fact, eliminating the $50,000,000 for the payment of claims for the present fiscal year, this bill will carry more than $7,000,000 more than was appropriated for the present year, all of which shows that there is not that effort upon the part of the administrative branch of this Government to cut down expenses that the public has been led to believe.

We have been told that expenditures were being reduced, but I dare say that every appropriation bill which has been passed at this session of Congress, if you will analyze it, will be found to carry more money for next year for the ordinary current operations of the Government than a similar bill carries for the present fiscal year.

In other words, credit is being taken in all of these bills because expenses are less solely because we are further removed from the war, and many appropriations have been eliminated, because the operations have been closed. As a matter of course, appropriations for ordinary operations of the Government are larger. This in spite of the fact that we are driving into a big deficit every day. Gentlemen will remember that the President of the United States, in a statement issued the first of this fiscal year, stated that the deficit at the end of this fiscal year would be something like $657,000,000. Later on it was stated that it would be $273,000,000, in round numbers. It is now stated that we are going to possibly avoid a deficit. But how are we going to do it? Not by economies, as the country has been told, but by the sale of the capital assets of the Government. The Secretary of the Treasury says that he will avoid the deficit by the sale of $400,000,000 worth of railroad securities and $100,000,000 of Federal farm-loan bonds, reducing the capital assets of the Government to that extent, of course. Gentlemen know what always happens to a man in private business when he uses his capital assets to pay his current expenses. Reductions are not being made as the country has been told. Assets left over from the war are being sacrificed to meet current expenses. This can not go on always. The cupboard will soon be bare and then taxes must be resorted to unless there is more practice and less preaching of economy.

We hear a great deal about the hang-over expenses of the war, we are told that we have to make big appropriations in order to take care of them, but we never hear anything about the hang-over assets that came from the war, assets amounting to billions of dollars in the way of surplus material, excess lands, securities, and other assets which are being sold for the purpose of meeting the current expenses of the Government.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. DAVIS of Tennessee. Is it not a fact that last October the Government issued $500,000,000 of 30-year 4¼ per cent bonds for the purpose of taking up current indebtedness, the first bonds that had been issued since the armistice was signed?

Mr. BYRNS of Tennessee. That is my recollection. Of course, it is very easy to avoid a deficit when you issue bonds for that purpose or when you sell your capital assets to take care of your current expenditures; but the complaint I make is that the statement is being made constantly to the country that this deficit is being avoided by economy and reduction of expenditures in the various departments of this Government, when, I repeat, if you take every appropriation bill that has been passed at this session of Congress you will find that when it comes to making appropriations for the ordinary operations of the Government they exceed for the year 1924 the appropriations made for the year 1923 for the same purposes. That is clearly evident here. Of course, as I have already explained, we do not have to make an appropriation of $50,000,000 next year to take care of claims, because those claims will have been settled at the end of this fiscal year. Yet this bill carries only $42,275,151.45 less than the appropriations for this year, which included the $50,000,000.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield to the gentleman.

Mr. BLANTON. In making these claims we are merely following the precedent of a very distinguished circus man named Barnum.

Mr. BYRNS of Tennessee. I think the statement of the gentleman is well put and very timely. Now, gentlemen, there are only one or two of these appropriations to which I wish to refer briefly.

Mr. GARNER. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. GARNER. In connection with the deficit, I believe the gentleman was one of the committee who framed the Budget law, and if he will recall the obligation was placed upon the President not only to tell the Congress the amount of the contemplated expenditures and how much the contemplated income would be under the present law when the Budget estimates were sent in, but it was his duty in case there was a deficit shown by the Budget to recommend to the Congress how it should be met. As I understand it, the Budget estimates showed a deficit of $273,000,000. I have that from the Treasury official, Mr. Gilbert, in a hearing before the Ways and Means Committee. I can not find anywhere in the Budget message a recommendation as to how this shall be met except the mere statement it will be met by economy. Well, if the President is going to avoid the obligation in reference to the $273,000,000 he could do so with the $600,000,000 just as easily and not comply with the law.

Mr. BYRNS of Tennessee. The gentleman will find no explanation of how he will take care of the deficit in his message to Congress. In so far as I know the President never has complied in any message submitted to the Congress in reference to a deficit with the provision of the Budget law which requires him to tell the Congress how the needed money shall be raised, except to say that it will be taken care of by some indefinite and unexplained economies to be effected.

Mr. GARNER. And in the difference of 62 days, when he vetoed the bonus bill and when he sent in the Budget estimate, there seems to have been a difference of nearly $400,000,000 in the contemplated deficit.

Mr. BYRNS of Tennessee. Yes.

Mr. GARNER. And certainly that was not made up by economy during those 62 days.

Mr. BYRNS of Tennessee. No. The Secretary of the Treasury, who I think it is proper to say is always frank and discusses these financial matters without reference to politics, tells the country and the Congress just how he is going to take care of that deficit; and it is not, as has been stated sometimes by Members——

Mr. GARNER. To issue emergency certificates.

Mr. BYRNS of Tennessee. It is by selling railroad securities, Federal farm-loan bonds, part of the capital assets of the Government.

This bill carries an appropriation for the Housing Corporation of $125,000, in round numbers, less than the appropriations made for the current year. I do not hesitate to say I agree with much the gentleman from Indiana [Mr. WOOD] has said in reference to the maintenance of the Government hotel, at least for the time being, but I also agree with the gentleman from Alabama [Mr. BANKHEAD] that the hotel ought to accommodate as far as possible the civil-service employees of this Government. I understand there is a great waiting list down there. It is a most desirable place to live. It is about the cheapest place to live, considering the accommodations afforded, that can be found in the city of Washington. I think they furnish lodging, consisting of a separate room, and two meals per day at about $45 per month; and civil-service employees are very anxious to obtain accommodations there, but it is impossible to take them all in because of the want of rooms. With this appropriation as it has been cut, Mrs. Summers, who is the head of that hotel, says she will necessarily have to restrict the number of meals per day and she will not be able to furnish meals to all of those who are able to secure lodging in the hotel. Now, it is said that there are some who do not want their meals but who only desire lodging. I take it they are clerks to Members of the House and Senate rather than civil-service employees, because certainly those under the civil service can be regular and be there at meal time.

I am opposed so long as they have accommodations for only about 1,800 to the opening of that hotel to clerks of Members of the House and Senate so long as civil-service employees desire accommodations there, and I am opposed to the reduction of this appropriation by $125,000, which, it seems to me, is actuated largely by a desire to give clerks of the Senate and House Members an opportunity to go there and get their lodging. That hotel was erected for civil-service employees, not for clerks of Members of Congress, and I am in favor of giving the civil-service employees the preference. Now, if it were costing money to furnish those meals, if it appeared it was an expense, I would readily approve the action of the committee; but Mrs. Summers says the Government is making a profit from the meals furnished, therefore I am unable to understand why this appropriation should be cut $125,000, necessarily resulting in depriving 400 or 500 lodgers in the hotel from receiving meals in the hotel dining room. It seems to me if we are going to maintain that hotel dining room for the benefit of the employees of the Government we ought to make a sufficient appropriation to enable all of the roomers to receive their meals there, especially since the Government is making a profit upon the meals as well as upon the rooms. For that reason I think the committee should have allowed the $125,000.

I want to discuss for a little while the appropriation which is recommended for the Veterans' Bureau. The appropriation which is made for the Veterans' Bureau for next year amounts to $428,160,773, as compared with $418,063,843.45 last year. There is a reduction in some items, but it is significant that the personnel expenses, the salaries of the bureau, have increased. There has been no such economy as we have been led to believe in the Veterans' Bureau so far as salaries and administrative expenses are concerned. The report shows that the sum recommended by the bureau for the next year's salaries and expenses amounts to $49,984,063, whereas the appropriations for similar purposes in 1923 were only $34,970,974.65, or a difference of more than $15,000,000. Now, it is only fair to say that for 1923 a part of the salaries and expenses were paid out of a lump-sum appropriation for hospital expenses.

But the reports submitted by the bureau for the total of personal services in the Veterans' Bureau for the years 1922, 1923, and 1924 are as follows: In 1922 the total for personal salaries was $37,890,954.81, while in 1923 the total of personal salaries had climbed to $42,976,759.80, whereas in 1924 it is proposed to pay in total personal salaries $49,374,800, or an increase of nearly $7,000,000 over the current year.

There is not a Member of Congress who objects to appropriating every dollar that is necessary for the disabled soldiers. We are anxious to give them vocational training to the fullest extent possible. We want to give them all the hospitalization needed. We want to give them and their families the full compensation provided by law. But we do not wish to see the money appropriated for the disabled soldier unnecessarily consumed in the payment of salaries and in administrative expense.

I submit that there has not been that reduction and that economy in the administrative expenses of the bureau that there ought to have been, and I can see no justification for personal salaries for next year amounting to $7,000,000 in excess of the personal salaries for this year. And that is another evidence or another refutation of the claim that is being made over the country that economy is being practiced in the expenditures by the different bureaus of the Government.

Now, a question was asked of the gentleman from Indiana [Mr. WOOD] a few moments ago as to the hospitals recommended by the bureau. I do not recall now just when the appropriation of $18,500,000 was first made. That was placed under the Treasury Department. But I do recall that last April an appropriation of $17,000,000 was made, making the total appropriations for hospital construction granted since 1919 something like $54,000,000.

I think it was the gentleman from Texas [Mr. BRIGGS] who asked the gentleman from Indiana how many hospitals had been completed under these appropriations. There have been several completed, but probably the greater number are uncompleted and some have not yet been started. Some of them, it is stated, have been 60 per cent completed; others more and others less. And so far as this $17,000,000 appropriated in April, 1922, is concerned, there are some contracts which have not yet been let, and the Director of the Veterans' Bureau states that it will be from a year to a year and a half before a number of those hospitals now under construction are completed and ready for occupancy.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield there?

Mr. BYRNS of Tennessee. Yes.

Mr. BRIGGS. The hearings, on page 343, show the progress of construction under the $17,000,000 appropriation. I read:

Mr. WOOD. How many hospitals have you in course of construction?

Colonel FORBES. Under the appropriation of $17,000,000 carried in the last Langley bill we have one at Northampton, one at Tupper Lake, one at Knoxville, Iowa, one at Gulfport, Miss., one at Livermore, Calif., and one at Excelsior Springs, Mo. Under Public Act 84, which is a Treasury Department bill carrying $18,600,000, there is one more hospital that they have to build, which is at Chelsea, N. Y., and that will complete their program.

Mr. WOOD. Those are all that are in contemplation?

Colonel FORBES. They are all under construction.

Mr. WOOD. Is it expected after these are completed to build any more out of that appropriation?

Colonel FORBES. No; the appropriation is exhausted.

Mr. WOOD. With the completion of these hospitals, will you have sufficient hospital accommodations for all the requirements of your department?

Colonel FORBES. With the completion of the new structures under Public Act 84, which provides $18,600,000, and the last Langley bill, providing $17,000,000, we will have approximately 21,400 beds as the result of these combined appropriations.

Mr. BYRNS of Tennessee. That is true, so far as the completion program is concerned. But the gentleman well knows that many of these hospitals under way, under the $17,000,000 appropriation, are not yet completed, and the Director of the Veterans' Bureau very frankly states that it will be 14 months before some of them are ready for occupancy.

We have heard a great deal about the necessity for hospitals. The necessity was great, and we were told when this appropriation was made in April, 1922, that the hospitals would be ready in nine months. Yet the nine months have passed, and some of the contracts have not yet been let, and others have been let only in the last two or three weeks. Somebody is deserving of criticism for the failure to get these hospitals under way and provide proper hospital accommodations for the disabled soldiers at the earliest date possible.

There is a limitation in this bill which will prohibit the Director of the Veterans' Bureau from using general funds for the purchase of hospitals, and I want to call your attention to the manner in which it was proposed to use these funds. I want to call your attention to the hearings as a justification to the committee for placing this limitation in the bill. I am going to read from the hearings on page 385. The chairman, who was examining the director, asked this question:

Then you must be contemplating the erection of other hospitals if you have recommendations to make. Tell us what the recommendations are.

The director had previously stated that under the broad authority of the general law he had the right to take funds appropriated for medical and hospital services and purchase hospitals without authority of Congress.

I read:

The CHAIRMAN. Then you must be contemplating the erection of other hospitals if you have recommendations to make. Tell us what the recommendations are.

Colonel FORBES. Dwight, Ill.

The CHAIRMAN. Where else?

Colonel FORBES. And probably one at Portland, Oreg.

The CHAIRMAN. Are there any other places?

Colonel FORBES. No, sir.

The CHAIRMAN. For what purpose do you need Dwight, Ill.?

Colonel FORBES. For general medical and surgical cases.

The CHAIRMAN. How many beds are there?
Colonel FORBES. Two hundred.
The CHAIRMAN. What do you contemplate paying for that hospital?
Colonel FORBES. Three hundred thousand dollars; that is the price.
The CHAIRMAN. What would it cost you to erect a building of that type?
Colonel FORBES. I have never seen this building, Mr. Chairman.
The CHAIRMAN. Are you going to recommend it?
Colonel FORBES. I am.
The CHAIRMAN. Who has seen it?
Colonel FORBES. Our inspectors.
The CHAIRMAN. Do they recommend it?
Colonel FORBES. They do not.
The CHAIRMAN. Then why do you recommend it?
Colonel FORBES. I believe it to be a good thing to do, and we may be able to close another leased property in Chicago.
The CHAIRMAN. You mean you will be able to close up a place?
Colonel FORBES. Yes, sir.
The CHAIRMAN. Tell us about this other building that you contemplate recommending.
Colonel FORBES. It is a hospital in Portland, Oreg., now leased by the Public Health Service and turned over to us, for which we pay a nominal rental of $3,000 a year. There are 150 beds there, and they offer to build a tuberculosis wing. At the present time, outside of the city of Portland, Oreg., there is a little wooden colony called the Pierce Sanitarium, where we have had some tuberculosis cases. The ordinances of the city do not permit of the treatment of tuberculosis within the city limits, but the council at one of its sessions passed an ordinance permitting the Government to treat tuberculosis. This is a brand new hospital, and the Government, I believe, spent $120,000 in completing it; this, however, long before my time, and the hospital owners agreed to build a tuberculosis unit and to turn the thing over to the Government for $675,000, which will give approximately 300 beds, completely equipped.
The CHAIRMAN. For how much?
Colonel FORBES. $675,000.
The CHAIRMAN. Is that a fireproof building?
Colonel FORBES. Yes, sir.
The CHAIRMAN. Who has recommended that place?
Colonel FORBES. I have.
The CHAIRMAN. What about the medical board?
Colonel FORBES. They have not.
The CHAIRMAN. What do they say about it?
Colonel FORBES. They do not want it.
The CHAIRMAN. Have you seen it?
Colonel FORBES. Yes, sir.
The CHAIRMAN. If they do not want it, why do you want it?
Colonel FORBES. Because I know more about the requirements than they do.
The CHAIRMAN. Is the medical board the instrumentality through which the President gets the information upon which he bases his approval?
Colonel FORBES. Most of the time; yes, sir.
The CHAIRMAN. But not always?
Colonel FORBES. No, sir.
The CHAIRMAN. He appoints the medical board, does he not?
Colonel FORBES. Yes, sir.
The CHAIRMAN. Why does he appoint them if it is not to approve or disapprove?
Colonel FORBES. They are to be advisers to the Director of the Veterans' Bureau, as I understand.
The CHAIRMAN. And not to the President?
Colonel FORBES. I guess to the President as well.
The CHAIRMAN. Is there any other place that you have in mind where you want to erect a hospital?
Colonel FORBES. No, sir.
The CHAIRMAN. You have not anything in contemplation at any other place?
Colonel FORBES. No, sir.
The CHAIRMAN. Except those two?

COLFAX, IOWA, HOSPITAL.

Colonel FORBES. I would like to correct my statement. We are making an examination of the property at Colfax, Iowa.
The CHAIRMAN. That is where a building already stands?
Colonel FORBES. Yes, sir.
The CHAIRMAN. What kind of a building is it?
Colonel FORBES. It is only a semifireproof building.
The CHAIRMAN. How many patients are you taking care of there?
Colonel FORBES. Two hundred.
The CHAIRMAN. You propose to buy these buildings or to erect them out of moneys that are set apart for other purposes, do you not?
Colonel FORBES. Set apart for medical and hospital services.
Mr. WOOD. Before any purchase could be made under the language of the act to which you have referred, it would have to be approved by the President?
Colonel FORBES. Yes, sir; before we can do any construction work the President has to approve it. I discuss all these problems with the President and get his approval before I go ahead with any of them.
The CHAIRMAN. Then, according to that, there is no limit on the appropriations that may be used for hospital construction?
Colonel FORBES. There is no limit, Mr. Chairman, but we have exercised care and diligence in handling that appropriation.
The CHAIRMAN. That is pretty large authority to place in the hands of one person.
Mr. WOOD. Is the approval of the President given in writing or simply by direction?
Colonel FORBES. Sometimes in writing; usually in writing.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. SUMMERS of Washington. Did the director explain why they were keeping tuberculous patients in this small wooden hospital adjacent to Portland, Oreg., and paying for the support and treatment of those patients so much per day, when there are vacant beds in a regularly constructed veterans' hospital at Walla Walla, which was supposed to serve that territory?

Mr. BYRNS of Tennessee. I am not criticizing or discussing the necessity of a hospital at Portland, Oreg., but what I am criticizing is the director, who says that he is going to spend $300,000 on a hospital at Dwight, Ill., that he never saw and which his inspectors decline to recommend. He is undertaking to buy, at Portland, Oreg., a hospital that the board of medical advisers, by his own admission, told him and the President that they did not want and did not need.

Now, I think, under those circumstances there ought to be some limitation placed upon the director, and that when we appropriate over $48,000,000 for medical and hospital services to the soldiers it ought to be used for the best interest of the soldiers and not for the purpose of buying hospitals when the board of medical advisers appointed and constituted for that purpose advise against it. I think it is necessary to put a limitation of that kind in the bill. It is difficult to understand why the director proposes to buy an expensive hospital which he has not seen, when his inspectors, who have seen it, refuse to recommend it, or why he should propose to buy a much larger hospital in another locality which the board of medical advisers do not want and when there is a Government hospital near by which is ample and splendidly equipped for the soldier patients of that territory, unless it be that he is unable to resist the senatorial and congressional influence which he says is being constantly brought to bear on him. The money appropriated should be used for the soldiers and not for the purchase of useless and unnecessary hospitals.

Mr. SUMMERS of Washington. If the gentleman will yield further, I am trying to find out why they do not occupy the hospital that has already been provided in that same territory.

Mr. BYRNS of Tennessee. I misunderstood the gentleman.

Mr. SUMMERS of Washington. I thought the gentleman misunderstood me.

Mr. BYRNS of Tennessee. I do not know why they do not do that.

Mr. SUMMERS of Washington. I am told by medical officers that there are vacant beds in as beautifully located and well equipped a hospital as there is to be found anywhere in the service in the United States. I am told that these wards are not fully occupied, whereas they pay for the care of tubercular veterans in a small, wooden hospital shack, as I understand, at Portland, in the same territory. That is what I am trying to find out.

Mr. BYRNS of Tennessee. The hearings do not give any information in regard to that; but I take it from what the gentleman says that that was what caused the board of medical advisers to refuse to recommend the purchase of a hospital at Portland, and to state, as the director admits, that they did not need it for hospital purposes. Yet notwithstanding that the director tells the committee that he proposes to purchase a hospital at Portland, Oreg., for $675,000.

Mr. SMITH of Idaho. Mr. Chairman, is it not within the province of the Committee on Appropriations to state where these hospitals shall be erected?

Mr. BYRNS of Tennessee. The director claims that under the broad provisions of the act he has the authority to take the entire amount appropriated for medical and hospital purposes and use it for the purchase of hospitals.

Mr. SMITH of Idaho. Is there no appeal from his decision?

Mr. BYRNS of Tennessee. He does it subject to the approval of the President, but, as a matter of fact, it is really left with the Director of the Veterans' Bureau. The limitation placed on this bill proposes to limit him in that respect. I think he ought to be limited, especially in view of his statement with reference to these hospitals.

Mr. ROACH. Do the hearings disclose where hospitals have been purchased and what has been paid for them up to the present time?

Mr. BYRNS of Tennessee. Yes. The gentleman will find all that information in the hearings.

Mr. MADDEN. Fifty-four million dollars has been appropriated.

Mr. BYRNS of Tennessee. Yes. I stated a while ago that the total amount that had been appropriated since 1919 was something over $54,000,000.

Mr. JONES of Texas. Will the gentleman yield for a question?

Mr. BYRNS of Tennessee. I will yield to the gentleman from Texas.

Mr. JONES of Texas. I should like to ask if adequate provision is made in this bill to take care of the salaries of the 78 lawyers of the Shipping Board who were arranged for at the beginning of the previous year?

Mr. BYRNS of Tennessee. I am satisfied that ample provision will be made out of the appropriation of $50,000,000. No one need worry about these high-priced attorneys not being taken care of. I am sorry to say to the gentleman that the hearings do not disclose or give any information with reference to the salaries of the attorneys.

Mr. JONES of Texas. I was just looking through the hearings and was unable to find anything with reference to them, and I wondered if they were being paid their salaries, and what they were doing, and how they were getting along.

Mr. BYRNS of Tennessee. I have an idea that the chairman of the Shipping Board is seeing to it that they are being properly cared for.

Mr. JONES of Texas. The gentleman is sure that they are drawing their salaries, is he not?

Mr. BYRNS of Tennessee. I do not think there is much doubt about it. There is a general statement in here that there has been a reduction in the number of attorneys.

Mr. BLANTON. They have been reduced to 76.

Mr. BYRNS of Tennessee. I am glad to have that information, because the hearings do not show what number has been cut off from the pay rolls.

Mr. MOORE of Virginia. How many were let out?

Mr. BLANTON. Two.

Mr. BRIGGS. Will the gentleman include in his remarks the statement to be found in the hearings showing the state of completion of the various hospitals and when they may be expected to be available?

Mr. BYRNS of Tennessee. I shall be glad to do that, and I ask unanimous consent that I may be permitted to extend my remarks in the RECORD for that purpose.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The statement is as follows, and, by way of explanation, it should be stated that the first Langley bill carrying $18,500,000 was passed in March, 1921, and the second carrying $17,000,000 was passed in April, 1922:

New hospitals and additions to existing hospitals made available or to be made available under construction authorized by the first and second Langley bills.

FIRST LANGLEY BILL.

Hospital location.	Number of beds.	Type.	Date of completion.
Rutland, Mass.	220	T. B..	September, 1922, but not opened for reception of patients pending completion of additional necessary facilities.
Bronx, N. Y. (U. S. V. H. No. 81).	1,011	N. P..	Opened for reception of patients Apr. 17, 1922, in part; present capacity 455; balance of beds shortly to become available.
Aspinwall, Pa.	250	T. B..	Undetermined. Site purchased from first bill, construction to be done from second bill; plans now being drawn.
Perryville, Md. (U. S. V. H. No. 42).	300	N. P..	Completed July 11, 1922, now being utilized; extension to existing hospital.
Chelsea, N. Y.	[1] 425	T. B..	March, 1924.
Lake City, Fla (U. S. V. H. No. 63).	100	...do...	Completed Aug. 25, 1922; now in use; extension to existing hospital.
Augusta, Ga. (U. S. V. H. No. 62).	265	N. P..	Completed October, 1922; now being opened for reception of patients; new construction at existing hospital.
Oteen, N. C. (U. S. V. H. No. 60).	200	T. B..	February, 1923; new construction at existing hospital.
Tuskegee, Ala. (Negro hospital).	302 294	...do... N. P..	March, 1923.
Dayton, Ohio (soldiers' home).	306	T. B..	January, 1923; addition to existing facilities.
Marion, Ind. (soldiers' home).	80	N. P..	Do.
Milwaukee, Wis. (soldiers' home).	612	T. B..	Do.
St. Louis, Mo. (Jefferson Barracks).	250	Gen...	April, 1923.
Sheridan, Wyo. (U. S. V. H. No. 86).	245	N. P..	Opened for the reception of patients May 12, 1922.
Fort Bayard, N. Mex. (U. S. V. H. No. 55).	250	T. B..	Completed July 11, 1922, and now in use; addition to existing facilities.
Prescott, Ariz. (U. S. V. H. No. 50).	422	...do..	Completed July 12, 1922, and now in use; addition to existing facilities.
Palo Alto, Calif.	515	N. P..	January, 1923.
Walla Walla, Wash. (U. S. V. H. No. 85).	165	T. B..	Opened for reception of patients May 10, 1922.
North Little Rock, Ark. (U. S. V. H. No. 78).	270	N. P..	Completed June 6, 1922; opened in part for reception of patients Dec. 1, 1921, and now completely in use.

[1] Approximate.

New hospitals and additions to existing hospitals made available or to be made available under construction authorized by the first and second Langley bills—Continued.

SECOND LANGLEY BILL.

Hospital location.	Number of beds.	Type.	Date of completion.
Northampton, Mass.	436	N. P..	January, 1924.
Tupper Lake, N. Y.	450	T. B..	February, 1924.
Memphis, Tenn. (U. S. V. H. No. 88).	200	Gen...	Opened for reception of patients Aug. 14, 1922; complete hospital purchased.
Gulfport, Miss. (U. S. V. H. No. 74).	250	N. P..	Undetermined. Purchase of existing hospital and site and reconstruction.
Chillicothe, Ohio.	436	...do..	February, 1924.
Camp Custer, Mich.	500	...do..	Do.
Knoxville, Iowa (U. S. V. H. No. 57).	440	...do..	August, 1923; purchase of existing hospital and extension.
St. Cloud, Minn.	250	...do..	February, 1924.
Livermore, Calif.	425	T. B..	January, 1924.
American Lake, Wash.	250	N. P..	February, 1924.

NOTE.—Future dates of opening where stated are in all instances approximate.

Mr. BYRNS of Tennessee. In conclusion, I want to say that I had expected to discuss the appropriation made for the Shipping Board. I may do that when the bill is taken up for amendment. This bill carries an appropriation of $50,000,000, which the chairman of the Shipping Board estimated to be the amount of losses that would be incurred next year. The gentleman from New York [Mr. SNELL] and my colleague from Tennessee [Mr. DAVIS] made the statement a few moments ago that it was stated before their committee that the losses for last year were only about $35,000,000. That is borne out by the statement filed by the chairman of the Shipping Board himself, who states that for the four months of July, August, September, and October of this fiscal year the loss on operations was $10,861,080.13, and the total loss, which includes administration and all other expenses for those four months, amounted to $13,058,593.37, or something over $3,000,000 a month, rather than $4,000,000, the amount claimed by the chairman of the Shipping Board in support of his proposition to have $50,000,000 appropriated. So if you are going to take his own statement and make an appropriation necessary to take care of the losses of the Shipping Board for the next fiscal year, assuming his figures to be correct, $36,000,000 or $38,000,000, at the outside, would be sufficient.

I do not think I do the chairman of the Shipping Board an injustice when I say that he was interested in showing great losses, because in the hearings, over and over again, there is scarcely a page in which he does not present an argument in favor of the ship subsidy bill, and, of course, he was interested in showing as great a loss as possible, because the greater the loss the stronger the argument in favor of getting rid of these ships and passing the ship subsidy bill in the Senate; but his own figures do not bear him out in his statement that the losses of the Shipping Board during the last year were from $11,000,000 to $16,000,000 per month. I recall that Admiral Benson stated that the losses in 1921 had been cut down to something over $3,000,000 a month. The chairman of the Shipping Board repeatedly states that the losses were $11,000,000 to $16,000,000 a month.

Now, what are the facts shown by the figures filed and presented by him and printed in the hearings? In 1922 the receipts from the operation of the vessels amounted to $93,889,836.35. While the disbursements on account of the operation of vessels amounted to $114,271,576.20, the difference or loss growing out of direct operation of vessels was $20,790,339.94 for the entire fiscal year of 1922. That I may say includes $18,000,000 for repairs and alterations. Of course, the total expenses to the Government amounted to more, if you consider the cost of tying up the excess vessels, cost of disposing and taking care of the plants, the cost of maintaining the wooden vessels, which, in all fairness, should not be charged up to operations. But when you consider the actual loss on account of operations the figures show that for 1922 they were something over $20,000,000. The total losses, including all outside expenses which are not incident to the operation of the vessels on the high seas, amount to something over $78,000,000 for the entire year, or $6,500,000 a month, according to the table presented and printed in the hearings.

I submit that that does not square up with the statement of the chairman of the Shipping Board that we lost money up to this year at the rate of eleven to sixteen million dollars per month.

What do the hearings further show? For the first four months of the present year the receipts for the operation of vessels July to November 30 of this year amounted to $48,-

494,189.24, whereas the disbursements on account of operation of vessels were $44,760,909.53, or a profit, so far as these figures go, of nearly $4,000,000. Of course, I want to say again that I am aware that the administration of the Shipping Board is a loss to the Government, but I submit that it is not fair in the argument in favor of the ship subsidy bill to put the entire losses on the operation of the vessels. Because we all know that we have got one thousand three hundred and odd steel vessels now—I do not remember how many are in operation, but there are immense losses entailed in tying up vessels and maintaining them at various wharves and in other expenses not properly chargeable to operations, and yet those who have favored the ship subsidy have been quick to use these entire losses as showing that we are losing $50,000,000 and more per annum in the operation of vessels, whereas the facts do not justify any such contention. [Applause.]

Mr. Chairman, I reserve the balance of my time, and I yield 15 minutes to the gentleman from North Carolina [Mr. STEDMAN].

Mr. STEDMAN. Mr. Chairman and gentlemen of the committee, I am very grateful to the gentleman from Tennessee [Mr. BYRNS] for his kindness and for the honor bestowed upon me by the privilege of diverting for a brief interval the attention of the House from the measure now being considered to one which has been referred to the Committee on the Library, and for which I am expecting favorable consideration. I call it to your attention at the present time in behalf of those who earnestly desire its passage at an early date on account of its merits. I have reference to House bill 13672.

The erection of monuments is a custom which dates back to remote ages. It is not transmitted from one generation to another but is the offspring of exalted sentiment and high ideals. They mark the resting place of those who have brought renown to their country upon the field of battle or have contributed to its prosperity and happiness in times of peace. But you will search the history of all ages in vain for the record of any people who have erected a monument to another race or to any class of that race dwelling among them to perpetuate the memory of qualities which entitle them to remembrance and gratitude.

The bill introduced in the House should find a responsive echo in the hearts of citizens of this great Republic. They are all Americans, whether they dwell in New England, in the far South, or on our Western plains.

The measure provides that the Chief of Engineers, United States Army, be, and he is hereby, authorized and directed to select a suitable site and to grant permission to the Jefferson Davis Chapter, No. 1650, United Daughters of the Confederacy, for the erection, as a gift to the people of the United States, on public grounds of the United States in the city of Washington, D. C., other than those of the Capitol, the Library of Congress, Potomac Park, and the White House, of a monument in memory of the faithful colored mammies of the South [applause]:

Provided, That the site chosen and the design of the memorial shall be approved by the Joint Library Committee of Congress, with the advice of the Commission of Fine Arts; that the monument shall be erected under the supervision of the Chief of Engineers; and that the United States shall be put to no expense in or by the erection of the said monument.

Aside from its merits, its approval and indorsement by the United Daughters of the Confederacy demands its careful and favorable consideration. It was introduced at the request of the Jefferson Davis Chapter, No. 1650, United Daughters of the Confederacy.

The history of the United Daughters of the Confederacy is one resplendent with great deeds, many of them gilded with romantic luster which has cast its radiance throughout the world. This organization owes its origin and life to an association of Southern women beginning in the days of the War between the States for the purpose of caring for the wounded and, after the war was over, in providing cemeteries for the Confederate dead, many of whom slept upon the battle fields where they fell. When it was not possible to bring them home, they buried many of them at the same spot and erected a monument that the stranger might know he was treading on hallowed ground.

After the formation of the Confederate Veterans' Association many of these associations became known as Daughters of the Confederacy and later were organized as the United Daughters of the Confederacy. I have thought it not amiss to refer briefly to an organization, a chapter of which requests the passage of the bill.

During the days preceding the unfortunate War between the States was the era of Southern civilization, so often misrepresented and misunderstood. Whilst a period of many trials, it was an era of glory. It gave to the world such names as Washington, Jefferson, Madison, and Monroe as models for the emulation and example of the young men of the land. Later on the names of Robert E. Lee—by common consent one of the foremost commanders of the English-speaking race—Stonewall Jackson, whose achievements have lighted up with historic interest the beauties of the Shenandoah Valley, and others; it sent an army to the battle field which suffered the greatest percentage of loss known in modern warfare with a fortitude which challenged the admiration of brave men in every land from the rising to the setting sun; it furnished statesmen, scholars, and orators whose names have illumined the brightest pages of history.

The colored mammies of the South lived in and were a part of this civilization. No one, except the youth of that generation, can realize the mutual devotion of the colored mammies of the South and those whom they served. They were educated by their young mistresses, and their characters molded by them. The fidelity of these colored mammies has scarcely a parallel in history. The safety and comfort of "their children," as they called the boys and girls whom they nursed, gave them contentment and happiness. They watched them with tenderness and care, and sang them to sleep with their plantation songs. They could not be seduced from their love and loyalty by either promise of reward or threats of violence. Numerous instances of their fidelity are recorded in the traditions of the South.

Many a boy who followed the banners of Robert E. Lee and Stonewall Jackson dreamed happily as he rested at night upon the fields of northern Virginia, his face turned toward the stars, as the voice of his colored mammy came to him again with its lullaby, bringing happy visions of his home. When these boys enlisted in the War between the States their colored mammies accompanied them to the trains on which they departed and there gave them their blessings, and upon their return, many of them wounded and mangled, these faithful colored mammies remained with them to the end and assisted in the last rites of their burial. Their devotion was returned with genuine affection and love. No one in the homes where they dwelt treated them with disrespect, nor was anyone allowed to do so. The children when aggrieved by any wrong or fancied wrong, ran to them for redress. They had the confidence of all, and it was rarely betrayed. They desired no change in their condition of life. No class of any race of people in bondage could be found anywhere who lived more free from care and distress. The very few who are left look back to those days as the happy and golden hours of their lives.

The request contained in the bill should be granted and the monument be erected. Upon it let there be no inscription save these words:

In commemoration of the faithful colored mammies of the South.
By the Jefferson Davis Chapter, No. 1650,
United Daughters of the Confederacy.

The traveler, as he passes by, will recall that epoch of southern civilization, when men were brave and women gentle and true, whose history has ever been and ever will be an inspiration to the people of every land who honor fidelity and loyalty, whether an attribute of the great and mighty or the low and humble. [Applause.]

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. HICKS, having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes.

The message also announced that the Senate had further insisted upon its amendments to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, disagreed to by the House of Representatives, had agreed to the further conference asked by the House on the disagreeing votes of the two Houses thereon and had appointed Mr. WARREN, Mr. CURTIS, and Mr. OVERMAN as the conferees on the part of the Senate.

INDEPENDENT OFFICES APPROPRIATION BILL.

The committee resumed its session.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one minute to the gentleman from Mississippi [Mr. LOWREY].

Mr. LOWREY. Mr. Chairman, I have in my hand a clipping from the Memphis Commercial-Appeal, which contains the re-

marks of ex-Governor Patterson, of Tennessee, on the question which has just been so ably discussed by the gentleman from North Carolina [Mr. STEDMAN]. Governor Patterson was once a member of this House, as was his father. I ask unanimous consent to extend my remarks in the RECORD by printing in 8-point type the remarks of Governor Patterson on the same subject.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The remarks referred to are as follows:

DAY BY DAY WITH GOVERNOR PATTERSON.

"It is reported that a Washington chapter of the United Daughters of the Confederacy will erect a monument in the Capital City to the memory of the old-time southern mammy as soon as a proper site has been found.

"The idea seems to have been sponsored by the Hon. JOHN SHARP WILLIAMS, of Mississippi, and it reflects credit upon all who have this in charge as showing that sentiment still abides somewhere in the land.

"There has never been anything in our history more worthy of preservation in song or story or in marble than the relationship between master and slave in the old South, that glorious land of romance and chivalry, as it existed before it was swept by the fires of war, and since then by the no less devastating plague of negro suffrage, which was fastened upon the South as an act of reprisal by the victorious North.

"Suffrage in time would have come to the Negro as a matter of justice, and I am not one to deny him that at any time, or for any reason, for justice is the right of all men. But at the time and under the circumstances infinite harm was done the Negro in causing useless antagonism and a blight fell upon the South, withering her hopes and blasting her great renown as the home of leaders and statesmen.

"From this she has never yet recovered, and is even yet almost a political exile, for no man living south of Mason and Dixon's line has been elected to the Presidency or Vice Presidency in more than 60 years of American history.

"One day this will be changed, and it will be when the South herself has the spirit and determination to do so.

"It is rather difficult for people in the North and even those of the present generation in the South to understand the tender feeling between the whites and blacks of another day. I will relate one instance in my own life, and there are many others which other southern men have experienced. My father was a Confederate soldier, the colonel of the Fifth Alabama Cavalry Regiment. He was 24 years of age when the Civil War began in 1861, and when he went from home to the service there accompanied him a slave, the property of my grandfather. His name was Reuben Patterson, and he was just six months younger than my father. For all the four years of the conflict Reuben was with my father, faithful as a star, sharing all the dangers of battle and meeting without a murmur every task or privation.

"After the surrender he returned with what was once his master, but then only his friend. For this friend Reuben worked with or without money as the case might be, and he never tired or faltered.

"A thousand times I have ridden on his broad back and laughed in childish glee.

"He was never out of humor with me; he told me marvelous tales and listened to all my childish complaints.

"No matter what I did it was all right with Reuben, and this was his attitude toward all the children, but I always thought he loved me just a little the best, for I was the only boy. My father has, several years ago, gone to his reward, but Reuben still survives.

"He lives in the old town of Florence, Ala., where our family lived for a time after the war.

"The light of Reuben's life is flickering low. He can not last much longer, and when he dies there is only one place he can go, and that is to heaven.

"I never heard Reuben say an unkind word or knew of his doing one mean thing.

"We children often taxed his patience, but his patience never failed. Our troubles and joys were his, and we trusted and loved him.

"When his spirit passes to the beyond I believe, and he believes, my father's spirit will meet his somewhere in the ghostly land and they will be happy together there.

"No purer heart or whiter soul than Reuben's has ever gone or will ever go to give the last account to God.

"There were other slaves and other black friends just as dear to others as Reuben was and is to me. They were faithful unto death.

"Can not we all be a little kinder and a little more just to a race that gave us our Reubens and mammies? Can not we help it a little more to right living and thinking, make the way a little smoother and a little easier for the black feet to tread in the long and toilsome road on which they are journeying?"

Mr. BYRNS of Tennessee. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. Eight minutes.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that my time be extended for 35 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 40 minutes to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Chairman and gentlemen of the House—

'Twas the week before Christmas, and all through this Hall,
The spirit of Santa Claus spoke to us all;
We listened with patience to speeches and facts,
And builded the Nation by congressional acts.
Then "the gentleman from Georgia" in innocence spoke
Of the perils of drinking—and the whole House awoke!
He plead for sobriety, the law, and the flag,
And called on officials no longer to "jag."
His plea? It was earnest and honest and true—
It just called for preaching—and practicing, too!
But the folks got excited—some papers went wild,
And called it the notion of dreamer and child!
And the "gentleman from Maryland"—Col. JOHN PHILIP HILL,
Had nervous prostration—'twas a "scream" and a thrill!
He thinks it is "a-w-f-u-l" to say that men drink—
Just what do you reckon, and what do you think?
He fights for the honor of his colleagues so grand,
Yet argues for liquor all over the land!
Alas and alack! JOHN PHILIP "sees red"—
The word "prohibition" has gone to his head.

[Laughter.]

Gentlemen of the House, when I made that innocent and well-intentioned little speech, only 13 minutes long, I did not dream that it would carry its honest message in flaming headlines on the front page of nearly every great daily and country weekly in America, and that its reaction would be found even on every representative editorial page in the land. I find myself amazed, even yet, as I try to compass the real reason for this excitement. My mail from every section of the Union, in all its varying comment, is as fascinating as a novel [laughter], while the spirit of the press would nominate the maker of that "bone dry officials" speech all the way from "The Mad Mullah of Georgia Politics" and "Vice President of Russia," to the dispenser of common sense and old-fashioned honesty in ethics and morals, in politics and patriotism. While a few of these letters and editorials have been abusive—some of them laying their authors liable for sending profanity and obscene matter through the mails—I rejoice to record that the overwhelming sentiment has been not only favorable but enthusiastic in approval of my appeal to officials to "practice what they preach." [Applause.]

This reminds me of the experience of William J. Bryan, who said he was determined to make at least one speech in New York at which nobody could take offense, so he chose for his text: "Thou shalt not steal," and lo and behold, he woke up the next morning and found that nearly everybody in that gay old town was as "mad as fire" at what they termed his "impudent and meddlesome impersonal personalities." [Laughter.]

Sam Jones used to declare that he never liked to deal in personalities, he just "shot in the hole" and "the fellows who were hit came limping out declaring that they never had been in there." [Laughter.]

Very sure am I that no editor, no official, and no social or civic leader who has a "dry" reputation has come limping out of the hole into which I shot on that peaceful December afternoon. I have been especially pleased with the approving attitude of the vast majority of my colleagues. The truth is, there seems to have been only about one discordant note, and that has come from the gentleman from Maryland [Mr. HILL]. Frequently, on the floor, while I was away with a sick family, and more frequently in the newspapers, he has been quoted as referring to my speech as a reflection on the honor and character of Senators and Congressmen, and has introduced a resolution calling me before the bar of this House to specify and amplify my charges. In all good humor, allow me to request the gentleman from Maryland to visualize the "dry" expanse of my tranquil physiognomy and my corporeal being—for I am here, without the action of committee or of Congress. But

the thing that bothers me, may it please the court and gentlemen of the jury, is this: Why should Mr. HILL grow so strangely excited and so solicitous for the reputation of his colleagues?

First of all, I call this House to witness that I did not come here brandishing a tomahawk. I did not call for a wholesale scalping of my honored colleagues. The heart of what I did say was this:

Some of these governors—most of them, let us hope—are men of personal sobriety and positive character and patriotism, and most Congressmen and Senators, I am glad to believe, practice the prohibition which their votes profess; but there are enough who do not, to cast an ominous cloud on the official sky.

Everybody knows that this statement is absolutely true, and I refuse to back one inch from this declaration. [Applause.] But why should the tender-hearted and chivalric Mr. HILL take up the gauntlet in defense of the honor of this House when 434 other Members are tranquil and silent? Every man who has sense enough to be a Member of Congress has sense enough to know his own number; and his constituents likewise have his number. Practically every Member of this House has made a reputation which identifies him in the eyes of his constituents and his colleagues as belonging inside or outside the pale of my indictment. I am very sure that the people of the fifth district of Georgia—friend and foe alike, in the imperial city of Atlanta, which I have the honor to represent—did not think that their Congressman was included in that indictment. The truth is, gentlemen, the gentleman from Maryland is evidently anxious that his own constituents in "wet" Baltimore should never suspect him of being "dry." [Laughter and applause.]

AN AMAZING PARADOX.

But the amazing paradox of the position of the gentleman from Maryland is this: Why should he contend in his resolution and his statement to the press that my speech reflected upon the honor of the House in the premises? Why should he think that it hurts the good name of a Congressman to be under the influence of the liquor whose cause he so persistently, consistently, and insistently champions? Why on earth does he, in season and out of season, advocate the legalized sale of a poisoned stuff that has such a devilish influence on the character and reputation of his friends? Why, then, oh, why, has he constituted himself the "wet nurse" of this great legislative body? [Tumultuous laughter and applause.] I hope that even now he will repent, and before it is everlastingly too late. [Applause.] For I remind him and his "wet" comrades that their dreams of legalized national "wetness" are as futile and as fragile as the "baseless fabric of a vision." President Harding truly prophesies what everybody knows—that the eighteenth amendment will never be repealed. The very processes of constitutional repeal must stagger the dreams and stifle the hopes of every honest liquor man in America. [Applause.]

THE MOUNTAINEER AND HIS CLOCK.

Down in our Southern mountains there lived a quaint old pioneer of whom I heard a converted moonshiner tell. He carried to market an old-fashioned schooner wagon, full of mountain apples, and drove up in front of a furniture store. His attention was attracted to an old-time eight-day clock, about 8 feet high. Told by the merchant that one winding would last eight days, he grinned and said, "By granny, I'll just buy this clock if it don't cost too much, fer I'm always fergettin' to wind my little old clock at home. It sho' would be fine to have to wind a clock just once in eight days." The apples were swapped for the clock, and the neighbors came for miles around over the mountains to see the wonderful timepiece. But one night something got wrong with the insides of that pesky old clock, and it waked the old man up between midnight and day, striking to "beat the band." After he rubbed his eyes and began to count, the blooming thing struck one hundred and five times. In wild-eyed consternation Uncle Joshua shook his wife by the shoulder and said, "Malindy, old woman, wake up—git up! It's the latest I have ever known!" [Laughter.] And I declare to the gentleman from Maryland, the Governor of New York, the new Senator from New Jersey, and all who sympathize with their "wet" proclivities that it will be the latest that they have ever known—the latest that the world has ever known—when the eighteenth amendment to the Constitution is repealed by legislative process. [Applause.]

The clock in the far-away tower of eternity will strike more than a hundred and five times—each time representing a full thousand years—before the eighteenth amendment is repealed. This sure prophecy is submitted not only to the gentleman from Maryland but to the genial Governor of New York, who took the oath to defend the Constitution of the United States at his recent inauguration and then in his next breath joined the nullifiers of the Constitution by calling on Congress to allow "beer and wine" under the Constitution that outlawed intoxicants of every kind. He led his legislature during his first term as governor to pass a 2.75 per cent beer act when our national law allows only one-half of 1 per cent. He knows Congress can not pass a law which the Constitution forbids. He knows, or ought to know, that beer would mean breweries and that breweries would mean saloons, and that breweries and saloons together would mean the revival and the reign of that political corruption and legalized debauchery which good citizens will not desire and brave citizens will not allow. [Applause.]

NEW YORK GOVERNOR SHUTS DOOR OF THE WHITE HOUSE.

And in the fullest fellowship with a sober Constitution and "a stainless flag," I serve notice now on the Governor of New York and all who train with him that he can not roll into the White House on a beer keg and a wine barrel, for the militant manhood and the emancipated womanhood of America will rise in the majesty of their might and smash every jug and break every bottle and roll every beer keg and every champagne barrel into the Atlantic Ocean. [Applause.] "If that be treason, make the most of it"—but the inauguration defiance of our national prohibition law shut the door of the White House forever in the face of the Governor of New York, or any other "wet" presidential aspirant. How much more like a governor and like a President it would have been if he had said in his inaugural speech, like the eloquent CANTRILL, of Kentucky, said here in this House when the Volstead law was in the making:

Gentlemen, I used to be on the other side, but this eighteenth amendment was passed by due governmental process, and as "a good sport," a good Democrat, and a good American I take my stand on the side of the good people who have put this law on the books, and pray God with them that the law will accomplish what they have hoped and prayed.

That is the spirit of every loyal American now who believes in common fairness and the triumph of our constitutional processes—"government of the people, by the people, and for the people." [Applause.]

RUNNING TO COVER—SIDE-STEPPING THE ISSUE.

It would be amusing if the question were not so serious to see men who are afraid to face the real issue run away and hide behind utterly irrelevant questions. Answering my demand that officials high and low take a new oath of allegiance to the whole Constitution with special emphasis on the eighteenth amendment, newspapers, individuals, and organizations have demanded that I "remove the beam from my own eye before trying to take the mote out of my brother's eye"; in other words, that I obey the fourteenth and fifteenth amendments before urging obedience to the eighteenth amendment.

First of all, as much as in me lies, I am obeying these amendments; but that was not the "question before the House." Evidence is wanting that there is a disturbing breach of these amendments. Thousands of negroes in Georgia—2,000 in my home city—registered in peace and voted without hindrance in the last presidential election. In practically all States the requirements for white and negro voters are the same; but even if there is a violation of these amendments here and there, that violation does not make a man shoot up the town or go home and beat his wife. That violation does not cause the shattering of homes and the physical debauchery of manhood and womanhood. The worst thing that can be said of that violation is the fact that it means, and only means, that the political affairs of that section are in the hands of the intelligent white people there, and will remain in their hands from now till the Judgment Day. [Applause.] And, then, I remind the Congress and the country that the President had not called a conference of governors to plan for a better enforcement of the fourteenth and fifteenth amendments—he had called that conference to talk about the violation of the eighteenth amendment; and so I remind the New York World, the Springfield Union, the Chicago Tribune, and all other papers and organizations and individuals who are hiding behind irrelevant issues, that I was simply speaking on the subject before the House—"the Whole House," if you please, "on the state of the Union," and the whole house this time is composed of the American people. And I refuse to be sidetracked from the main issue, and that issue is a plea, yes, a citizen's demand that the officials who swear allegiance to the Constitution as a part of their oath of office, and the "higher ups" who write editorials and deliver pleasing platitudes about "the majesty of the law" shall begin at home and practice what they preach. [Applause.]

LET NEWSPAPERS "REPENT AND BE CONVERTED."

I have a debate—a sorrowful debate—and the Constitution of the United States has a righteous quarrel, with the leading newspapers of the land. Chiefly "wet" from the beginning, but seized with a temporary spasm of decent loyalty to the new-made law, they have rarely gone further than to say:

"Now that prohibition is the law, it ought to be enforced; but if it can not be enforced better than it is now, it ought to be repealed." Then they joke with pun and fun and try to bring the law into disrepute. What fatal folly in editorial leadership! What a falling down before a measureless responsibility! They know that Chief Justice Taft was right when he said that this law has not had a proper opportunity to function.

After America's long national debauch, three years is not time enough to sober up in face of the enormous stocks of liquor on hand when prohibition was enacted. These short-sighted opponents of prohibition want to repeal our law after three years because it has not been an ideal success, when they know that this law has been attacked by foreign influences without and betrayed by vicious enemies within—bombarded, submarined, and torpedoed every hour of every day and night by criminals who have neither conscience nor character—criminals who are seeking to fill their hellish purses by the defiance of every law of God and man and the insidious damnation of your children and mine. On which side will the newspapers and magazines stand—these supposed constructive builders of our social, economic, and governmental life? Will they continue to encourage the lawbreakers and liars who are despoiling our civilization? Or will they run up the black flag toward these devilish pirates against humanity and take their place beside the door of the home, the church, and the school as the real defenders of American youth—"the to-morrow of the Republic"? Talk about repeal—they might as well talk about repealing the Ten Commandments of God because, after thousands of years, they are broken every day. [Applause.]

Because of my plea that all public officials shall stop drinking liquor, the Baltimore Sun not only calls me "the Mad Mullah of Georgia politics" but mockingly suggests that I introduce the twentieth amendment to the Constitution, requiring all officials to take an oath of allegiance to the Anti-Saloon League." Citizens of America, it comes with poor grace for a paper like the Baltimore Sun, that threw its guardian arms around the dirty saloon, fighting for its legal retention and now praying—if it ever prays—for its legal return; the paper that opposed a concurrent prohibition law for Maryland, while standing unblushingly for race-track gambling and other forms of protected vice; I say, it comes with poor grace for such a "wet" sheet to attack a sober demand for sober officials by a sober Member of Congress, and then try to ridicule a great, unselfish, effective organization like the Anti-Saloon League, that came into being for the express purpose of putting the legalized saloon out of business, and that continues its activities to see to it that the legalized saloon and brewery shall stay out of business.

And the Washington Post—let us all smile—makes the editorial declaration that my proposition is "an absurdity." Let us see about that: The purpose of our Constitution and the laws to enforce it, is to prevent the use of beverage intoxicants. Is there anything absurd in carrying out the purpose of the Constitution of the United States? And, inasmuch as it is the high duty of the editor of a great paper to lead the community in its truest patriotism and its loftiest ideals, I ask, without apology, how any editor can call my plea for sober loyalty to the Constitution an absurdity who does not keep liquor on his own premises for bacchanalian purposes? When President Harding recently declared before this House that the lack of law enforcement on this question "is the most demoralizing factor in our public life," and when he further indicted the "destructive forces engaged in widespread violation, official corruption, and individual demoralization," he called for the personal obedience and the newspaper influence of the owner of the Washington Post, the Washington Herald, the Washington Times, the Washington Star, the Washington News, and every representative of every newspaper in the National Capital, just as much as he called for the obedience and the influence of the Billville Banner and the Podunk Paddle. If any of these editors take umbrage at my calling their names, let them come to me and apologize and I will gladly forgive them. If they will declare that they have done their personal and their editorial best in behalf of prohibition, I will crown them as heroic builders of our sober, Christian civilization; but if they have not, then I indict them as dangerous slackers in the mightiest moral battle our country has ever seen. [Applause.]

The newspapers of the country and all the friends of sobriety and good government have great reason to hold up the hands of the prohibition enforcement leaders. Commissioner Haynes, bringing to his stupendous task a reputation for unsullied integrity, has shown an amazing genius and energy in organization that has impressed business men and patriots everywhere, that he and his comrades in arms are going to put the thing over—grandly over! The story of his victories reads like a revised edition of the acts of the Apostles, with "Scottish Chiefs" and "Abrabian Nights" thrown in.

Hats off to the leaders for a sober citizenship! They are fighting to victory every day.

Let all newspapers join the march!

BLIND LEADERSHIP OF THE PRESS.

The estimate of the thoughtful public concerning the obligations of the press is found in the following letter from a prominent minister in Kansas:

HUMBOLDT, KANS., *December 22, 1922.*

Hon. WM. D. UPSHAW,
Washington, D. C.

MY DEAR SIR: Your fine, straightforward utterances before the House yesterday will be greatly appreciated by the friends of righteousness all over the land. Probably few will write to tell you so, but where one writes there will be thousands who will say with me, "Strength be to your arm, courage be to your heart, and power to your message."

You have hit the nail on the head. Now go after the great newspapers and magazines of the country which are continually making a joke of law violation. These two forces have had more to do with bringing reproach upon the country than any other two—the violation of the law in high places and the making of it a laughingstock by the press. The best of the country is with you.

Cordially,

ELBERT E. SATTERLEE.

The Columbia Sentinel, the paper of the late Senator Thomas E. Watson, enjoying a national circulation, and now edited by the brilliant former secretary of Senator Watson, Grover C. Edmonson, says:

UPSHAW'S advice to the men "higher up" is good sense, sound law, and wholesome honesty. If public officials themselves violate one of our laws, what right have they to jail the average man for committing the same sin?

DON MARQUIS SAYS REQUEST IS NOT IMPUDENT.

Of the many editorial comments concerning my proposition, none have been more striking than the unique one-column treatment given by the popular author and playwright, Don Marquis, in the New York Tribune. He declares that "there is nothing at all impudent in UPSHAW'S call for a show-down among Government officials." He says it is so well known that many high officials do drink that it is perfectly natural and proper for the fellows down in the ranks who are made to obey the law to ask the "higher ups," "Where did you get your liquor?" [Applause.]

It would be manifestly immodest for me to fill page after page of the CONGRESSIONAL RECORD with the enthusiastic indorsements coming from all over America, but here is one from a great Texas lawyer now in New York that sounds a clarion note too forceful to be omitted:

THE TEXAS CO.,
New York, December 21, 1922.

MY DEAR MR. UPSHAW: I want you to know that I, in common with many thousands of other American citizens who believe in law enforcement, and especially members of the legal profession, whole-heartedly and unqualifiedly approve the statement which you gave to the public through the press yesterday. On November 26 Senator DAVID A. REED of Pennsylvania gave out a ringing statement to the press, depricating the disposition of many citizens, otherwise law-abiding, to lightly and with impunity disregard the prohibition statutes. The following day I wrote him in effect that I strongly believed that every good American citizen should insist on the strict enforcement of the prohibition statutes and decline to countenance their violation by drinking with their friends, and added:

"If a few thousand representative professional and business men of the Nation would adopt, and let it be known that they have adopted, this acid test, I am persuaded that their example would rapidly spread and give an impetus to the wholesome public sentiment demanding the enforcement of the law."

I am glad that you—a Member of the Congress—have appealed to the President, the Vice President, the members of the Cabinet, the governors of States, judges and others in high office, to set the example of reform by each beginning on himself. Most of my life I have been an antiprohibitionist. While never a heavy drinker, I was not, prior to the adoption of the eighteenth amendment and the passage of the Volstead Act, a teetotaler, but I believe it is the duty of every law-abiding and self-respecting citizen to set the example to others of respecting the law, and hence I decline liquors in any form.

Is it not feasible to follow up your interview with a nation-wide movement to secure individual pledges from prominent men not to drink strong liquor, socially or otherwise?

Of course, the principle for which you and I are contending applies equally to all law, including statutes affecting industry. I have in several papers which I have prepared sought to give emphasis to these views, and I take the liberty of inviting your particular attention to the marked passages on pages 11 and 12 of the inclosed copy of an address delivered by me last December before the second annual meeting of the American Petroleum Institute, dealing with "legitimate functions of trade associations." The greatest security for the protection of the rights of life and property is to instill in the minds of the masses of the people a wholesome respect for the law, and men possessing property should, as a measure of self-protection, if for no higher or better reason, set to the world an example of observing and supporting the law as long as it is the law, whether they believe in it or not.

Yours very truly, EDWIN B. PARKER.

Hon. W. D. UPSHAW,
Member of Congress, Washington, D. C.

TROUBLE WITH FOREIGN SENTIMENT.

One letter from a good woman in the foreign section of a great city carries a tone of despair concerning the attitude of our foreign-born population. Inimical to the spirit of our

institutions and opposed to all of our restrictive laws, they are constituting the greatest barrier to prohibition enforcement, especially in our great cities. One of the chiefest and sanest tasks of the Anti-Saloon League publications is to carry in their own language the message of sober Americanism to the foreign peoples among us.

This I know—that every alien who defies the flag that protects him just one time ought to be deported by the first ship that sails. [Applause.]

Down yonder in that beautiful and loyal "city of the plains," Abilene, Tex., where our vigilant colleague, THOMAS L. BLANTON, lives, I saw hanging still upon the door of the patriotic city clerk this warning of recent war times:

This is an American town. Don't criticize our President or our Government. If you don't like our country, go back to your own country; if you have no country, go to hell.

[Laughter and applause.]

Of course, we do not want anybody to go to hell, but if they are determined to go there anyhow by selling and drinking bootleg liquor, refusing to repent, and defying the laws of God and man, they would better go before they do any more to enlarge their own patch of hell in this country that ought to be the aggressive friend of sobriety and righteousness.

One of the worst indictments against liquor is the fact that it destroys all patriotism and all sense of personal and party loyalty. It will make a German, a Frenchman, an Italian, an Englishman, or an Irishman out of an American in three minutes if there is a barrel of booze or the boodle of booze just across the line. [Laughter.] It will turn a Republican into a Democrat—or, worse than that, it will turn a Democrat into a Republican [laughter] overnight if liquor can win thereby. [Applause.] One of the breeziest reactions from my recent bone-dry speech, which came from Plattsburg, N. Y., illustrates this very indictment. He says:

DEAR SIR: You have the right theory on prohibition. Here is an addition for you:

"Four and twenty Yankees,
Feeling mighty dry,
Took a trip to Canada
And bought a case of rye.
When the case was opened
The Yanks began to sing—
'To hell with the President!
God save the King!'"

Yours truly, B. L.

[Great laughter and applause.]

A MESSAGE TO FOREIGN EMBASSIES.

This is the spirit of countless men who want liquor and get it. They shift their allegiance from Uncle Sam to John Barleycorn and say, "To hell with all law that interferes with my personal liberty!" One problem that calls for delicate but firm treatment is the use and abuse of liquor shipments to some of our foreign embassies. An able man who was an attaché of our State Department for more than 30 years has written me in desperate seriousness on this question. He has seen the prohibition ideals of this prohibition country suffer terribly right here in the Nation's Capital because of the social exchange of intoxicants that "lead to bewilder and dazzle to blind." This prominent diplomatic observer believes that a polite, forceful note, such as our brilliant Secretary of State knows so well how to write, would cause a ready and universal response from all foreign embassies and legations, who would really rejoice, once they saw our position, to help the United States of America, the first great nation that has launched upon the greatest moral experiment of all time, to work out here at the heart of national and international influences that great plan for the redemption of humanity which is contemplated in the passage and ratification of the eighteenth amendment to our Constitution.

IS IT WRONG FOR THE CITIZEN TO DRINK?

Since honest men differ on this point, let me urge that one of the fundamental questions in this controversy is, "What legal right has any law-abiding citizen to drink intoxicating liquors as a beverage intoxicant under our national prohibtion policy?"

In the first place, in reaching a conclusion about this, it is well to keep in mind what is the purpose of these prohibition laws. It is not simply to prohibit the manufacture and sale of intoxicating liquor. There is no great harm, except the waste of good food material, in manufacturing intoxicating liquors. No one gets drunk simply because he transports or sells intoxicating liquors. The purpose of all of this prohibition legislation is to prevent the use of beverage intoxicants. The courts with practical unanimity have so held, and that long before the national prohibition amendment was adopted. In State *v.* Maine (20 L. R. A. 496) the court said:

It is common knowledge that it is the use of intoxicating liquor as a beverage that is deemed hurtful and is the mischief sought to be prevented by the legislation.

Marks *v.* State (159 Ala. 71), at page 84:

The main object and purpose of all is the same * * * to promote temperance and prevent drunkenness. * * * The evil to be remedied is the use of intoxicating liquors as a beverage * * * and the object of the law in this particular must not be lost sight of in its interpretation.

State *v.* Phillips, 67 So. 651:

The ultimate purpose and end of prohibition is to prevent the use of liquors as a beverage. This ultimate end is approached step by step, and when the preponderant and prevailing morality of the Nation believes that the public welfare demands the final step the way will be found to accomplish the end.

The United States Circuit Court of Appeals, 219 Fed. Rep. 794:

In trying to comprehend the legislative purpose in prohibition statutes it is important to remember that the ultimate end sought in prohibition legislation is not the prevention or restriction of the mere sale of intoxicants, but the prevention of their consumption as a beverage.

It is clear from these decisions, which might be multiplied from nearly every State in the Union, that when national prohibition was adopted as our policy of Government it was intended to prevent the use of intoxicating liquors for beverage purposes. The only legal right that anyone has to use intoxicating liquor as a beverage must be set forth in the law, if such use is legal. The Constitution itself prohibits the manufacture, the sale, the transportation, the importation, and the exportation of beverage intoxicants. The national prohibition act prohibits these same acts and the possession of all beverage intoxicants in his bona fide residence at the time the law went into effect. This provision was inserted in the law largely for the reason that the Supreme Court at the time this legislation was pending had left in doubt the power of Congress to prohibit that which was lawfully in the possession of the holder when the legislation went into effect. Since that time the Supreme Court has made it clear that Congress has that power. The court has also held that such intoxicants in the possession of the home owner, in a private locker in a warehouse, could be transferred to his home for his own individual use.

In other words, the only person who can legally possess any beverage intoxicants is the one who had purchased it and possessed it actually or constructively in his home before the law went into effect. There is probably not one in a thousand homes in the United States that has any beverage intoxicants left in it that were lawfully purchased and possessed before the law went into effect. In the limited number of homes where they do have such intoxicants the amount is rapidly reaching the zero point.

MOST DRINKERS VIOLATE THE LAW.

It follows, therefore, that every person who drinks intoxicating liquor to-day except in his home or as a bona fide guest in a home of another is violating the law. No one can drink liquor without first possessing it; no one can possess beverage intoxicants without first buying them from either a bootlegger or a moonshiner except as above stated. In other words, every person who carries beverage intoxicants to his club, to his office, or transports such beverage intoxicants anywhere except under a permit from the Government is violating the law. So far as I am concerned personally I would gladly vote for a measure to prohibit the possession of intoxicating beverages, even though they were purchased and possessed in the home of the owner before the law went into effect. I can not believe that a good citizen, who puts the public welfare above his private thirst, will find it any great sacrifice to abolish from his own cellar that which the Constitution of the United States denounces as a menace to society.

My appeal, therefore, to that limited class that still have the legal right to possess the liquors which they purchased before the law went into effect is to be patriotic enough to refuse to use such liquors even though the law has not as yet prohibited their possession. My main point, however, is simply this—that no public official or private citizen has any legal right to transport beverage intoxicants anywhere or possess them except in his bona fide residence. The public official has a greater obligation resting upon him, if that is possible, than the private citizen. He takes his oath of office to support the Constitution "without reservation or purpose of evasion." He can not fulfill that oath of office and carry with him intoxicating beverages or possess them except under conditions which I have already named.

BAD EXAMPLE TO THE ANARCHIST.

There is another phase of this issue which ought to have its weight with us: How can any public official or private citizen insist upon others obeying laws relating to personal and property rights if they insist on disobeying a constitutional provision of the United States relating to beverage intoxicants? That official sets a bad example to the potential anarchist when he violates the prohibition law because of his thirst, and then

expects the Bolshevist and anarchist to have a higher regard for property laws and other statutes relating to personal rights.

My appeal, therefore, to those few who have a limited amount of liquor in their possession legally, is to give it up for the public good. To that larger class who are using beverage intoxicants and possessing them in violation of law, I appeal to your loyalty to the Constitution and to the laws enacted pursuant thereto, to never purchase or possess one drop of intoxicating beverages as long as the eighteenth amendment remains in the Constitution.

This question is fundamental to the perpetuity of the Nation. If this law is to be broken because it interferes with our morbid thirst, then every other law on the statute books will be in jeopardy. I do not know how you may feel about it, but, as for me, I believe with William Tyler Page that "it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it from all enemies," and the greatest, most insidious enemy of our country is the conscienceless despoiler of our citizenship.

FURNISHING THE EVIDENCE.

I have naturally kept for the last that feature of my address which many were anxious to hear first—the evidence concerning official drinking. Let us keep the record straight. Those who heard my last speech will testify what the official record will show—that I made no threat that I would publish in Congress the names of known offenders. I did not draw a sword; I made an appeal. I tried to bring a Christmas evangel. Enterprising newspaper men naturally put in the same news story with my general charges the simultaneous arrest of a certain gilded bootlegger. They naturally imagined I would go after his list of customers. I did not have to go; I knew enough already to well-nigh break the heart of any man who loves to see public men walk in sobriety and righteousness before the youth of our land. I do not surrender one jot or one tittle of the melancholy facts in that Christmas appeal. While I have gloried in the high personnel of this Congress, and while I have rejoiced to pay tribute on countless platforms to the regnant manhood of the vast majority of my colleagues, I declare now what most of you know—what the gentleman from Maryland knows, if he has not been deaf and blind—that bootleggers ply their devilish trade among too many public men in Washington. These bright newspaper men in the press gallery laughed out loud when they grabbed my recent speech and sent it flashing over the wires, and they said to me, "Everybody knows you have told the truth. That is what gives value to your declaration."

I have seen with my own eyes some of the highest officials in Washington, not Members of either branch of Congress, lifting the devilish bottle to their lips. No "dry" official will stand up and declare an alibi, because his reputation does not make it necessary; and the drinking ones will not dare deny, for other eyes than mine were witnesses with me. And as for Members of this House, God knows I find no pleasure in this disclosure, but the bright daughter of one of the best men in Congress said to me: "We are with you. I wish you could stop liquor selling and drinking in this House Office Building." And here is a signed letter that says:

———, a professional bootlegger, told me a year ago "the House Office Building furnishes my best customers, and as long as those 'blankety-blanks' keep buying I am going to keep on selling." I have reported him several times, but they let him pay a fine, and he goes right back to bootlegging. He does nothing else.

I want to say, gentlemen, that any judge who will continue to license such a conscienceless vampire to suck the heart blood of any community is not fit to be judge of a coop of chickens. [Applause.] And the man, Congressman or other high official, who sneakingly helps that scoundrel to damn the youth of any country is unworthy to hold any office beneath the flag. [Applause.]

CONGRESS NOT A JUSTICE COURT.

Why do I not furnish their names to this House to-day? This House of Representatives is not a justice court—this Congress is not a police matinee. This is not the tribunal to act on these names and offenses. But I declare to you, here and now, that all the evidence that is put into my hands from this day will be promptly turned over to Federal and local officers; and with this evidence I will turn in the name of a high official—not a diplomat—who returned from abroad some time ago with more than a score of cases of foreign liquor marked "Diplomatic." God knows I do this with no desire to wound any living man.

The Supreme Court fortifies your supreme conscience and mine on this ethical, judicial, and patriotic point when Mr. Justice Gray declares:

It is the duty and the right not only of every peace officer of the United States but of every citizen to assist in prosecuting and in securing the punishment of any breach of the peace of the United States. It is the right as well as the duty of every citizen, when called upon by the proper officer, to act as part of the posse comitatus in upholding the laws of his country. It is likewise his right and his duty to communicate to the executive officers any information which he has of the commission of an offense against those laws; and such information given by a private citizen is a privileged and confidential communication, for which no action of libel or slander will lie, and the disclosure of which can not be compelled without the assent of the Government.

But my colleagues, friends and comrades of a sacred fellowship, and fathers, most of you, of sons and daughters who are to be your crown and joy or your voiceless despair, I summon you to the vigilant comradeship of helping to make Washington safe for our homes here and the homes of the Nation everywhere. I do this for the sake of making the most beautiful flag in all the world "a stainless flag" before the eyes of all the world. I do this for the sake of the Constitution which every one of us has sworn to obey and defend, remember, "without mental reservation or purpose of evasion." I do it for the sake of the ideals that must control your own children, who are dearer to you than the ruddy drops that gather in your hearts. I do this for the sake of my own little daughters and the homes they are to make some day, perhaps for some of your misguided sons. The mother of the Gracchi sounded a filial tribute that has inspired parents for all time when she said of her sturdy sons, "These are my jewels." I hold aloft this picture dream of my own girlies and declare "These are my jewels." And these are my reasons, my radiant, priceless reasons, for making no compromise before the angels of heaven or the demons of hell with the poisoned enemies of our homes, our churches, our schools, and our threatened civilization. And I speak the truth—I lie not; I would rather see these darlings of mine laid away together in one white coffin while their mother to-day prays from her sick bed for the message of their father to the leaders of America than to see them grow up to wed the weak and staggering sons from some Godless home that has been wrecked by the leadership of gilded, drinking officials.

God give us men—
Sober, sun-crowned men—
Who will inspire America's plastic youth
And lead toward heights sublime!

Finally, my colleagues, I preach no doctrine that I do not practice. Put a sleuthhound after my tracks from the birthday of my citizenship until this day, and if you find I have not practiced the thing for which I now plead, I will resign from Congress.

This proposition is not extreme—it is just straight. A man who is "tolerably" honest is not honest at all. He must simply be honest—that is all.

My position is sane; it is safe; it is unequivocal; it is incontestable! An official who takes an oath to stand by the Constitution ought to obey the law supporting that Constitution.

And the man who helps a bootlegger to trample the Constitution beneath his feet and defy the flag above his head ought to resign from Congress and every other position of official leadership beneath the Stars and Stripes. [Applause.]

God give us leadership everywhere that will inspire our children toward noble, God-fearing, sober lives! [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, and had come to no resolution thereon.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED.

Under clause 2 of Rule XXIV, Senate bills and joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 419. An act for the relief of the owners of the steamship *Esperanza;* to the Committee on Claims.

S. 420. An act for the relief of the Long Island Railroad Co.; to the Committee on Claims.

S. 421. An act for the relief of the owners of the steamship *Lexington;* to the Committee on Claims.

S. 2822. An act to regulate the practice of optometry in the District of Columbia; to the Committee on the District of Columbia.

S. 3244. An act to authorize the transfer of surplus books from the Navy Department to the Interior Department; to the Committee on Naval Affairs.

S. 3364. An act for the relief of W. O. Whipps; to the Committee on Military Affairs.

S. 4137. An act to authorize the transfer of certain vessels from the Navy to the Coast Guard; to the Committee on Naval Affairs.

S. J. Res. 250. Joint resolution to donate to the Veterans of Foreign Wars of the United States certain war trophies captured by or surrendered to the armed forces of the United States in the World War; to the Committee on Military Affairs.

S. J. Res. 247. Joint resolution providing funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes; to the Committee on the District of Columbia.

S. 1016. An act to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States"; to the Committee on the Judiciary.

S. 3668. An act for the relief of Gertrude Lustig; to the Committee on War Claims.

ENROLLED BILL SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 966. An act for the relief of the Tacoma Tug & Barge Co.

NAVAL APPROPRIATION BILL—CONFERENCE REPORT.

Mr. KELLEY of Michigan. Mr. Speaker, I present a conference report upon the bill (H. 13374) making appropriations for the Navy Department and the naval service, for printing under the rule.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 10, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

902. A letter from the First Assistant Secretary of the Interior, transmitting a copy of a letter from the Commissioner of Pensions, together with a copy of the report of the board of actuaries upon the operation of the act for the retirement of employees in the classified civil service (H. Doc. No. 531); to the Committee on Reform in the Civil Service and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GRAHAM of Illinois: Committee on Interstate and Foreign Commerce. S. 3177. An act declaring a portion of the West Fork of the South Branch of the Chicago River, Cook County, Ill., to be nonnavigable; without amendment (Rept. No. 1366). Referred to the House Calendar.

Mr. LEATHERWOOD: Committee on Indian Affairs. H. R. 11869. A bill to authorize the sale of lands and plants not longer needed for Indian administrative or allotment purposes; with amendments (Rept. No. 1367). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on Indian Affairs. H. R. 13655. A bill to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin; without amendment (Rept. No. 1368). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 13467) granting a pension to Richard A. Miller, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FULLER: A bill (H. R. 13736) to increase pensions of persons who served in the Army, Navy, or Marine Corps of the United States during the Civil War and of widows and former widows of such persons; to the Committee on Invalid Pensions.

By Mr. MacLAFFERTY: A bill (H. R. 13737) authorizing the Secretary of the Navy to accept as part of the naval base of the United States on the San Francisco Bay a site at Alameda, Calif., for naval-base purposes; to the Committee on Naval Affairs.

By Mr. ANTHONY: A bill (H. R. 13738) to increase the efficiency of the Army of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. HAWLEY: A bill (H. R. 13739) for the relief of the city of Astoria, Oreg.; to the Committee on Military Affairs.

By Mr. TINCHER: A bill (H. R. 13740) to amend the revenue act of 1921; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENHAM: A bill (H. R. 13741) granting a pension to Kate Caldwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13742) granting an increase of pension to James A. G. Cox; to the Committee on Pensions.

Also, a bill (H. R. 13743) granting a pension to Agnes Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13744) granting an increase of pension to Mary A. Harmon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13745) granting a pension to Lottie B. Reid; to the Committee on Invalid Pensions.

By Mr. FISH: A bill (H. R. 13746) for the relief of Nicholas Amoroso; to the Committee on Claims.

By Mr. HADLEY: A bill (H. R. 13747) granting a pension to Alice Luth; to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 13748) for the relief of the Fireman's Fund Insurance Co.; to the Committee on Claims.

By Mr. MERRITT: A bill (H. R. 13749) for the relief of Ida M. Almstaedt; to the Committee on Claims.

By Mr. ROBSION: A bill (H. R. 13750) granting a pension to Joe Woods; to the Committee on Pensions.

By Mr. SANDLIN: A bill (H. R. 13751) authorizing the Secretary of the Interior to sell and patent certain lands to Robert E. Wyche, a resident of Caddo Parish, La.; to the Committee on the Public Lands.

By Mr. VESTAL: A bill (H. R. 13752) granting a pension to Sarah E. Ford; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6782. By the SPEAKER (by request): Petition of New York County Lawyers' Association, urging the prompt exchange of sites by the commission and the city government as provided by a joint resolution of Congress; to the Committee on Public Buildings and Grounds.

6783. By Mr. GRAHAM of Pennsylvania: Memorial from the Philadelphia Board of Trade, protesting against the passage of House bills 11763 and 13196; to the Committee on Banking and Currency.

6784. By Mr. KISSEL: Petition of Interstate Conference for the Investigation of Vivisection, New York City, N. Y., approving House bill 12605 and protesting against the poison-gas experiments upon living animals undertaken by the Government; to the Committee on Military Affairs.

6785. By Mr. LAYTON: Petition of 63 citizens of Pennsylvania, protesting against the discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6786. By Mr. LEA of California: Petition of 40 residents of California, protesting against the discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6787. By Mr. SMITH of Michigan: Petition signed by Mr. Newton Root and 26 others, residents of Kalamazoo, Mich., for the abolishment of discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6788. By Mr. YOUNG: Petition of Messrs. Geiser and Miller, Fredonia, N. Dak., and others, urging the passage of joint resolution now pending in Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6789. Also, petition of J. H. Jenner and 35 others, residents of McIntosh and Logan Counties, N. Dak., requesting that emergency legislation be passed during the special session of Congress to stabilize the price of farm products, etc.; to the Committee on Agriculture.

6790. Also, petition of Mr. Aug. Noess and others, of Ellendale, N. Dak., urging the passage of joint resolution now pending in Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

SENATE.

WEDNESDAY, *January 10, 1923.*

(Legislative day of Tuesday, January 9, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Mr. McNARY. Mr. President, on behalf of the Committee on Appropriations I propose the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 36——

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Gerry	McKellar	Smith
Bayard	Hale	McLean	Smoot
Borah	Harreld	McNary	Spencer
Broussard	Harris	Moses	Stanley
Bursum	Harrison	Nelson	Sterling
Calder	Heflin	New	Sutherland
Cameron	Johnson	Nicholson	Townsend
Capper	Jones, N. Mex.	Oddie	Trammell
Caraway	Jones, Wash.	Overman	Underwood
Couzens	Kellogg	Pepper	Wadsworth
Culberson	Kendrick	Phipps	Walsh, Mass.
Cummins	Keyes	Poindexter	Walsh, Mont.
Curtis	Ladd	Ransdell	Warren
Dial	La Follette	Reed, Mo.	Watson
Dillingham	Lenroot	Reed, Pa.	Weller
Fernald	Lodge	Sheppard	Willis
Fletcher	McCormick	Shortridge	
George	McCumber	Simmons	

Mr. LA FOLLETTE. I wish to state for the record that the Senator from Nebraska [Mr. NORRIS] is detained from attendance upon the Senate owing to a death in his family. I ask that this statement may stand for the day.

The VICE PRESIDENT. Seventy Senators have answered to their names. A quorum is present.

Mr. McCUMBER obtained the floor.

Mr. McNARY. Will the Senator from North Dakota yield for the purpose of getting before the Senate the amendment which I sent to the desk a moment ago?

Mr. McCUMBER. I yield for that purpose.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 36, line 7, after the word "forests," insert:

> And the Secretary of Agriculture may hereafter, in his discretion, permit timber and other forest products cut or removed from the national forests to be exported from the State or Territory in which said forests are respectively situated.

RURAL MARKETING AND CREDIT FACILITIES.

Mr. McCUMBER. Mr. President, I desire very briefly to address the Senate generally upon the pending bill, and in connection therewith to refer also to certain other bills, all of which have to do with agriculture and agricultural products.

The Agricultural Department appropriation bill contains very many provisions which are intended for the benefit of the agricultural situation. There has been reported into the Senate a few days ago the Capper bill. That, for the most part, related, as it was introduced—and I have not read it since it was reported back to the Senate—to the stock-raising industry. Then the Lenroot bill, I am informed, which has to do with agricultural credits, will soon be brought before the Senate. Then the Norris amendment to the shipping bill is before us under a unanimous-consent agreement at all times whenever the shipping bill is brought forward. Then we have the Bursum bill, which proposes to loan to Germany not to exceed $1,000,000,000, the proceeds of which are to be used in the purchase of American farm products.

And so, Mr. President, with ever-increasing gravity the agricultural problem is forced upon the attention of Congress. Even prior to the World War there had grown up such a disparity of earning power between the rural and urban populations of the country that Congress had begun to give special assistance to the farming public. The principal complaint at that time was the high rate of interest imposed on both farm and chattel mortgage loans. Our first effort, therefore, was to assure to the farmer a lower rate of interest. To that end we organized the rural credits banks, a system somewhat bulky and top-heavy, but which has been of considerable advantage to the few who could borrow through this agency. These banks, unable to meet the demands upon them, the Government came to their assistance and appropriated money by the hundreds of millions to increase their ability to meet the situation.

During the war and for a year thereafter the Government guaranteed a minimum price for wheat. Following this the Government, through the War Finance Board, buoyed up prices by furnishing funds to market the farmer's product abroad, to cash the I. O. U. of the foreign governments for the farmer's benefit; and we are still waiting for the cash to be returned by such foreign governments.

So the farmer has no right to complain of any lack of governmental activity or interest in his behalf. Outside of actually purchasing the farmer's crop at a fair profit to the farmer, the Government has done all it could do along the line indicated to assist agriculture. Still the demand persists for further aid. And so to-day we have before us divers bills, some dangerously paternalistic, to assist agriculture.

Mr. President, we are met at the outset with this situation: Either the Government must go into the business of price fixing of the farmer's products all along the line, creating a precedent for the price fixing of every commodity in the country, or it must find some other way to assist the farmer in securing a just reward for his labors. There is no use of our attempting to evade or side-step the real question that confronts us. The farmers generally, and especially in those States where they raise only cereals, are not asking for further credits. They freely admit that they have borrowed again and again until their borrowings are as much as their property can possibly support. So almost with one voice they are saying: "We do not want to increase our indebtedness. Borrowing from one kind of bank to pay another is not reducing our debts one cent. Our creditors are willing to give us any extension if we can give any reasonable assurance of our ability to pay in the future." In my State they say: "This year we raised a good crop after three years of almost total failures in some sections. But after putting in our own year's labor and that of our whole family without compensation, and after paying for the extra help needed in harvesting and threshing, there is not sufficient left from the proceeds of our crop to pay the taxes for the year 1922 on the lands on which such crops were raised. What we do want is a price for our product that will enable us to pay for raising it and have something to apply upon our debts. We, therefore, want the Government to purchase what crop we have on hand this year, paying $2 per bushel for wheat, and to guarantee $2 per bushel for what we can raise next year."

And, strange as it may seem, some of the banks of the State which have so lustily damned the farmers for their paternalistic and socialistic government operation theories, when they begin to feel the pinch as the farmers feel it, are shouting louder than are the farmers themselves for Federal fixing of grain prices.

In my humble opinion, none of the bills reported will of themselves bring about what the farmer, the cereal raiser, is demanding. If we are to give the relief which is actually needed we will necessarily have to comply with the demand for price fixing in time of peace. When I look down the vista of the future and contemplate the result of such a paternalistic step, I confess I stand appalled. Once establish the precedent, I can see no limit to its application. First paternalism, then socialism, and well may we thereafter write Byron's doleful tale—

> * * * barbarism at last,
> And History, with all her volumes vast,
> Hath but one page.

Have we exhausted every means to promote the welfare of the grain producer of the country without responding to this demand for price fixing? I repeat, the bills before Congress are but makeshifts. They do not meet the demand of the grain raiser.

Congress naturally balks at the proposition of taxing all of the people to bolster up the price of a commodity produced by one class. The argument is made, and it is a very strong one, that when the Government starts guaranteeing the price of one commodity for one class there is no stopping place. The system will gradually but surely be extended to cover other classes until all industries, including those in process of hatching, must come under governmental wings.

For instance, our farmers raise wheat, oats, rye, barley, and flax. One farmer may raise only rye. We should not be helping him by guaranteeing the price of wheat or oats. In many instances he has already seeded for next year's crop of rye. All of these cereals are now selling at desperately low prices. We must, therefore, fix the price for rye, barley, and oats as well as wheat. When we have done this then many lines of

industry whose mills have been idle since the war will want a living price fixed that will start their wheels moving. Then will come the coal miners and they will say, "Only one-third of our men are at work and we want the Government to support the other two-thirds who are idle." Where is the stopping place if we once enter upon a program of price fixing in time of peace? It is not strange that statesmen stand appalled at the consequences of embarking upon such a policy.

Great Britain has entered on the suicidal policy of supporting the unemployed. What has happened? Labor unions have made the wage scale so high that they have killed many of the industries of that Empire. The Britisher can not produce at a cost that will allow him an opportunity to compete with other countries. The first result of this policy is closed mills and idle labor. The second result is that $500,000,000 a year is paid by the taxpayers of Great Britain to support the unemployed. The third result is that taxes have become so heavy that the very source of taxation itself is being undermined or entirely destroyed. If the policy is continued, it can easily be guessed what the end will be—national bankruptcy.

For my part, I would deem it a safer policy for the Government to give directly than to embark upon an indirect charity giving. We have given mighty sums of money to Russia, which is responsible for its own demoralization and consequent starvation. Can we not do likewise for the people of this country who are not responsible for the depressed price of their cereals? And, above all, can we not do so when we know that Congress itself, the Government itself, is to a very great extent, by its policy of interference in private business, responsible for the great disparity between what the farmer receives for his product and what he has to pay for the products of others? The Congress is responsible for the excessive freight rates the farmers must pay. Through a policy which it has followed for the last quarter of a century it is responsible for the high cost of living throughout the country.

When you answer the farmers' request that you guarantee the price of his wheat you say that it is not a function of Government to fix the price of any commodity. But he can immediately and most truthfully reply, "You have done that very thing. You have fixed and guaranteed a minimum wage scale on every railroad in the country. Not only that but you have saddled on me the main cost of fixing the minimum price for the commodity of this other class. You by a direct law fixed the wage of everyone connected with the handling and transportation of my grain. You then permitted freight rates on my grain to be doubled to meet that cost. You not only encouraged this but you absolutely brought about this result by direct class legislation. Then you created boards to fix wages in transportation and coal mining and other great industries, and those boards have increased the wages and the profits, or at least the charges, until the price for coal has doubled, and our people are freezing for want of it. Having brought our discomfiture by your policy of price fixing for all other classes, having by your boards for the settlement of disputes advanced wages and then prices without any consideration for the public, which must pay the bills, you have doubled and trebled the price of everything which we must purchase, and now you force us in self-defense to ask you that you fix a living price for our commodity that we may be able to purchase the ordinary necessities of life which have been so greatly enhanced by your own price-fixing activities."

Mr. President, there is no legitimate answer to these accusations. The Adamson law was iniquitous, both in relation to the political purposes which begot it and in its dire consequences. There is a far greater moral duty to fix a living wage for these farmers who are bankrupt than there was to step in and fix a wage for railway employees who were then receiving fair wages.

I admit that we have the power under the interstate commerce clause of the Constitution to control the wage scale of those employed in interstate commerce. But the framers of our Constitution never dreamed of such a reckless and unprecedented use of the power given. From time immemorial Governments have exercised a control over quasi public utilities and corporations but for the one single purpose, that of protecting the public against unjust and exorbitant rates. Who, therefore, ever dreamed in 1783 that this power would be invoked, not to prevent excessive charges, but to increase the charges to the public—to force excessive charges? Therefore, so far as the farmer is concerned, he has precedent on his side for price fixing, and he has justice on his side because he has been made the victim of previous price fixing.

I come now to the consideration of two bills. One is to fix the farmers' borrowing capacity. That may help him slightly. It will not help him any in my State, because he has gone to the limit of his credit.

The other is to induct the Government into the business of buying and selling the products of the country. That is socialistic, pure and simple. But assuming that the very critical situation of the farmers in North Dakota and eastern Montana would justify the adoption of this most dangerous precedent, we are met with the question: How is the farmer to be benefited? You create a corporation; you take the taxpayers' money and put a hundred million dollars of it into the hands of this corporation, and you say, "Go ahead, buy and build and operate elevators and warehouses. There is no limit to the price you may pay." And, of course, the commission will feel it must go ahead, no matter to what extent it is being held up, no matter though it must pay $24 per day for bricklayers and plasterers, and build or buy elevators and warehouses.

Mr. President, you would better, a thousand times better, purchase the farmer's product outright, selecting those products whose prices are the lowest or their purchasing power the lowest, and give the farmer a living price for them; then sell the same goods for what they may bring in the open markets and charge the difference to loss; for, as surely as the sun shall rise to-morrow, if we start the Government into the business of buying or building elevators and warehouses and buying and selling the farmer's products, we will lose in a very few years many times this difference.

But let us follow the bill. Suppose you have bought sufficient storage capacity. What are you then to do? You are to buy the farmer's product. You are not limited to wheat, oats, barley, and other cereals which are excessively low in price, but you are to buy anything the farmer produces, and then you are to sell it. To whom are you to sell it? To the same people that the private elevators are selling it to. At what price are you to sell it? There may be two answers to this question. One is, for what the product will bring in the open market. The other is that you propose that this commission will buy enough of the grain to corner the market. Now, if that is your purpose, why not say so honestly and fairly? I think even the author of the bill would probably deny that. We have passed many laws to prevent combinations to fix prices, and the author has always voted for them and for the most stringent of them. Does he propose now that the Government shall on its part practice what is declared to be criminal if practiced by an individual or any set of individuals? If that is the purpose of the bill, then it ought to be amended, and either a definite price fixed for the grain to be sold, or the cotton, or the cattle, the milk or dairy products, or eggs, or else it ought to fix some standard of value, such, for instance, as will allow the producer to reap a reasonable profit.

The only excuse on earth, in my opinion, for putting the Government into the business of buying and selling is to increase the price. I know it is stated in the bill that there is an unjust spread between what the farmer receives and what the public pays. I know of nothing, however, that is sold upon so close a margin as grain to the miller; nor do I know of any commodity that is sold on so close a margin as flour to the wholesale trade. The excessive charges paid by the consumer are mostly attached after the product has left the miller's hands and up to the time that it is served on the American table.

But the bill itself negatives the idea of paying a price for the products above the price fixed by the law of supply and demand. It presumes that a profit will be made by the Government, because it provides for the application of those profits toward the wiping out of the original stock issued to the Government. Now, if that is all it is to do, this result will follow: Grain will have to be purchased at such price as the law of supply and demand justifies; it will have to be sold on the same basis; and you know and I know that the cost of operation by the Government will be probably at least twice what the cost of operation would be by private individuals. Therefore the Government, if it follows this rule, not only will not raise to any material extent the price of the farmer's grain above what the law of supply and demand will assure him, but in addition to that the taxpayers of the country will pay hundreds of millions of dollars annually to meet the excessive expense of this gigantic governmental agency.

We have seen the Government operate railroads; we have seen the cost of transportation doubled; and yet the Government was unable to operate at anything but an enormous loss, even with these doubled rates. We have seen the same result in the operation of the telegraph and telephones. We have had some experience with the Government buying and selling wheat; but that experience was certainly most detrimental

to the farmer, who under the law of supply and demand would have received about twice as much for his wheat as the Government paid.

Mr. President, my own stricken State has had some experience in State operation of business, in attempting to conduct industries which since the beginning of the world's history have been conducted by private individuals, by men who had no taxing power behind them to meet losses incurred through extravagance or inefficiency, by men whose very livelihood and whose success depended upon their putting into the equation the greatest possible energy and industry, the greatest possible degree of intelligence, study, and perseverance. Our experience is but a repetition of the experience of every previous governmental attempt at conducting business or industry, those fields of opportunity which I maintain belong of right and exclusively to the people, to the end that individuality and human progress, which is dependent upon it, shall not be halted in their onward march. An industrial world, with its human possibilities, where the star of individuality, hope, and aspiration never sets, and where the penalty of sloth, indifference, or inefficiency is never remanded, is just as necessary for the growth of intellectuality and genius as the free air of heaven to life itself.

It may be, Mr. President, that in a small or unimportant municipality or where the microbes of graft, extravagance, and political influence have not yet stricken the body corporate, government operation may not have resulted in any great evil further than that of driving the citizen from one employment into another which may already be overcrowded. Still, it would be far better that the Government should restrict itself to its function of making and enforcing laws to govern the transactions in all kinds of business than to attempt to operate those businesses itself.

I shall not, Mr. President, attempt either to condemn or to excuse anyone connected with our State affairs—our operation of private enterprises by the State itself. I can only speak of the result. The main, the important, result of State operation is that while the taxes on farm lands have increased from 300 to 400 per cent above normal the product with which the farmers must pay those taxes is far below normal.

So in this bill I see every danger of Government operation—inefficiency, extravagance, and enormous ultimate losses to be met by heavy additional taxes—and at the same time I can see no material benefit to the farmer himself.

With a bankrupt and devastated Europe unable to purchase our surplus, that surplus drives all buoyancy out of the heart of trade. I, however, look forward to much better prices this year, because I know that the present depressed price will result in diminished acreage sown to wheat, at least, and a probable diminution of our surplus. I look forward also to the settlement of the German reparations, to the repudiation of her paper marks, and the reinstatement of a stable currency. This settlement will increase her ability to purchase, will help other countries in their trade with her, and thereby increase the ability of all to purchase our food products.

In the meantime, Mr. President—and here I come to a crucial point in this discussion—what can we do to increase and maintain better prices in this, our own, country for farm products?

Let us first diagnose the farmer's case. It is a simple one. Without any organization to fix the prices of his own products, he is the victim of organizations which have boosted the cost of everything which he must purchase. The remedy, therefore, while involving a most radical departure from old methods of marketing farm products, is equally simple. This remedy is counterorganization—an organization which will hold every bushel of wheat from the market until a living price therefor is secured; that will hold every bushel of rye and barley and other cereal until a price is received which will give the producer something to live on—an organization that will hold on the farm every steer and hog, every bale of cotton, until a just and living price is realized. In that manner, and in that manner alone, can the farmer match the price of his product with that of everything he trades that product for.

A bill for such an organization under general Federal supervision sleeps quietly in the Committee on Agriculture and Forestry, while other bills that but scratch the surface of the difficulties are being pressed upon the attention of the Senate. This bill may well be described as "An act for a comprehensive system of cooperation in the marketing of all farm products." It provides for an association of farmers in each State for the cooperative selling of the products raised by such association, these associations to be organized under a general plan that will comprehend all important farm products. The several State organizations are to appoint not more than three agents whose duty it is to represent, advise, and assist the State associations in the marketing of their products, whether within their own States or at any place of consumption.

All of these State associations and their agents would be brought under the general direction of a board consisting of five members appointed by the President. This board would provide for a system of terminal marketing, having in view the purpose of bringing the producer and the ultimate consumer of products into as nearly direct relation as possible, to render advice at all times concerning the state of the market, to seek new markets, to secure a steady flow of farm products into those consuming centers, to prevent glutting the market at any time, to stabilize prices, to check the flow of any commodity entirely when the markets are glutted and until the congestion is relieved.

Not only this, Mr. President, but under such an organization we would rid ourselves of this constant agitation over what we denominate "liquid assets" in the conduct of our Federal reserve banks.

Mr. POINDEXTER. I would like to ask the Senator why it is that legislation is necessary to bring about that result. I understood that we enacted a law not so long ago, a permissive statute, to relieve farmers of any embarrassment that might grow out of the anti-trust laws.

Mr. McCUMBER. The reason is that there would be considerable objection and a great outcry made against an organization the purpose of which was to check and hold the farm commodities upon the farm until we received a price that would justify our raising the crops. Farmers themselves, feeling that the Government would be back of them and would oversee the conduct of the business, just as it supervises the business of the banking institutions of the country, would encourage and facilitate the very organizations which I desire to see formed. I am willing to admit that the farmers could organize without the law.

Mr. POINDEXTER. Personally I fail to see why there would be any greater outcry against an organization of farmers than there is against an organization of steel men or an organization of men producing farm machinery.

Mr. McCUMBER. The question is whether we would have the organization at all. There was nothing in the law to prevent regional banks loaning upon farm securities and selling their bonds. They could have done that without any special law of Congress, but they never did it until Congress authorized it and set a certain character of control over it. Then they organized, and much benefit has accrued from that organization. But it can not meet the situation which we have to-day.

Mr. FLETCHER. Mr. President, may I ask the Senator whether he is referring to some bill now before the Committee on Agriculture and Forestry?

Mr. McCUMBER. I am.

Mr. FLETCHER. Will the Senator give the number of that bill?

Mr. McCUMBER. I can not give it now, but I will give the Senator the number later. It was reintroduced at the beginning of the last session, as I remember, and was with the committee when the Congress adjourned.

Mr. FLETCHER. Does the bill call for the Government furnishing any of the capital?

Mr. McCUMBER. No; it does not call for the Government furnishing one penny of capital. I am speaking now of the Federal reserve banks and the discussion of liquid assets.

With such regional associations as this bill provides, the banks could secure the credit of each organization as a whole, and with such a credit paper could be sold at any time. It is the certainty that the paper will be met when it is due that makes it liquid, rather than the very short time which it may have to run.

In many cases of bank failures in my own State I have found that what bankers generally denominate "liquid assets" are the least liquid of any that come into the hands of the receiver, namely, the short-time notes. A liquid asset is that which can be most readily transferred and converted into money. Whenever one of these banks failed there were many investors who investigated to ascertain whether among the assets could be found good real estate secured paper. It mattered little whether that paper was due in one year or five years, it found a ready purchaser for cash. So, Mr. President, these associations could give to the bank paper having back of it the guaranty of a hundred or a thousand members of the organization, which would be far more safe than most of the paper taken by the banks to-day, and I am not criticizing them for not extending their credits further than they do.

Thus, Mr. President, by this bill, if enacted into law, the farmers themselves could fix a living price for their products,

and through their cooperation they could furnish the security to borrow money to hold those products until they receive such price. That bill will answer to a great extent, and in the end will answer fully, the demand of the farmer for a living price for his product, without plunging the country into the infinitely evil pathway of purchasing the product of the labors of its people to maintain a living price. All other schemes for the stabilizing of prices of farm products have failed, and all will fail until a means has been found whereby farm organizations may pit their powers against those other organizations which are to-day squeezing the very lifeblood out of more than one-third of the population of this country.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 966) for the relief of the Tacoma Tug & Barge Co., and it was thereupon signed by the Vice President.

PETITION.

Mr. NICHOLSON presented a petition of sundry citizens of Montrose and vicinity, in the State of Colorado, praying for the passage of legislation extending immediate aid to the peoples of the German and Austrian Republics, now famine stricken owing to scant crops and money depreciation, and the purchase in the United States of sufficient food supplies to tide over the winter the suffering millions, which was referred to the Committee on Foreign Relations.

REPORT OF COMMITTEE ON CLAIMS.

Mr. NEW, from the Committee on Claims, to which was referred the bill (S. 2002) for the relief of Charles D. Shay, reported it with an amendment and submitted a report (No. 1001) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WADSWORTH:

A bill (S. 4310) for the relief of the owners of the steamship *Mohican;* and

A bill (S. 4311) for the relief of the owners of the steam lighter *Comport;* to the Committee on Claims.

By Mr. CALDER:

A bill (S. 4312) to amend subdivision (a) of section 206 of the transportation act, 1920, as amended; to the Committee on Interstate Commerce.

By Mr. CUMMINS:

A bill (S. 4314) to amend sections 102, 211, 245, and 312 of the Criminal Code; and section 305, paragraphs (a) and (b), of the tariff act of 1922; to the Committee on the Judiciary.

By Mr. WADSWORTH:

A bill (S. 4315) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894; to the Committee on Military Affairs.

By Mr. CALDER:

A bill (S. 4316) granting an increase of pension to Fanny W. Arnold; to the Committee on Pensions.

By Mr. LENROOT:

A bill (S. 4317) granting a pension to Bertha Bassett; to the Committee on Pensions.

By Mr. SMITH:

A joint resolution (S. J. Res. 265) to stimulate crop production in the United States; to the Committee on Agriculture and Forestry.

By Mr. BALL:

A joint resolution (S. J. Res. 266) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by the Almas Temple, Washington, D. C., 1923 Shrine Committee (Inc.), and for other purposes; to the Committee on the District of Columbia.

AMENDMENT OF DISTRICT APPROPRIATION BILL.

Mr. MOSES submitted an amendment proposing to appropriate $13,600 for grading Linnean Avenue from Military Road to the grade point south of Albemarle Street; $1,650 for grading Albemarle Street between Twenty-ninth Street and Linnean Avenue, and widening the fill on Albemarle Street near Connecticut Avenue for the purpose of providing for sidewalks; and $1,250 for grading Brandywine Street between Twenty-ninth Street and Linnean Avenue, intended to be proposed by him to House bill 13660, the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENTS OF AGRICULTURAL APPROPRIATION BILL.

Mr. POINDEXTER submitted an amendment proposing to appropriate $500,000 and authorizing the Secretary of Agriculture to make advances or loans therefrom to farmers in the drought-stricken areas in the State of Washington (for the crop of 1923) where he finds that special need for such assistance exists, for the purchase of wheat for seed purposes, and so forth, intended to be proposed by him to House bill 13481, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. LODGE submitted an amendment proposing to increase the appropriation for silvicultural, dendrological, and other experiments and investigations, independently or in cooperation with other branches of the Federal Government, with States and with individuals, to determine the best methods for the conservative management of forests and forest lands, from $110,000 to $135,000, intended to be proposed by him to House bill 13481, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. WILLIS submitted an amendment proposing to increase the appropriation for the control and prevention of spread of the European corn borer from $200,000 to $225,000 and to increase the amount that the Secretary of Agriculture may expend only when an equal amount shall have been appropriated, subscribed, or contributed by States, counties, or local authorities, or by individuals or organizations, for the accomplishment of such purposes, from $75,000 to $100,000, intended to be proposed by him to House bill 13481, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. OVERMAN submitted an amendment proposing to appropriate $50,000 for the eradication of and supplying of serum for the eradication of the disease of blackleg, intended to be proposed by him to House bill 13481, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. DIAL submitted an amendment proposing to increase the appropriation for cooperative fire protection of forested watersheds of navigable streams from $400,000 to $2,000,000, intended to be proposed by him to House bill 13481, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. BROUSSARD submitted an amendment proposing to increase the appropriation for sugar-plant investigations, including studies of diseases and the improvement of sugar beets and sugar-beet seed, from $94,115 to $104,115, intended to be proposed by him to House bill 13481, the Agricultural Department appropriation bill, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

ASSISTANT CLERK TO THE VICE PRESIDENT.

Mr. LODGE submitted the following resolution (S. Res. 401), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution 57, agreed to May 2, 1921, authorizing the Vice President to employ an assistant clerk, payable out of the contingent fund, during the Sixty-seventh Congress, be, and the same is hereby, extended in full force and effect until the end of the Sixty-eighth Congress.

ASSISTANT CLERK TO COMMITTEE ON FOREIGN RELATIONS.

Mr. LODGE submitted the following resolution (S. Res. 402), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution 448, agreed to March 8, 1921, authorizing the Committee on Foreign Relations to continue the employment of an assistant clerk, payable out of the contingent fund, until the end of the present Congress, be, and the same hereby is, further continued in full force and effect until the end of the Sixty-eighth Congress.

MEMORIAL ADDRESSES ON THE LATE SENATORS KNOX, PENROSE, AND CROW.

Mr. PEPPER. I ask unanimous consent that the Senate convene on Sunday, January 28, at 11 o'clock a. m., to pay tribute to the life, character, and public service of the late Senators KNOX, PENROSE, and CROW.

The VICE PRESIDENT. Without objection, it is so ordered.

SECOND DEFICIENCY APPROPRIATION BILL.

Mr. WARREN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 10, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 13, 14, 15, 16, 17, 18, and 19, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "for the fiscal year 1922 and prior fiscal years."; and, on page 16 of the bill, in lines 16 and 17, strike out the words "including the payment of"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 7, 8, and 9.

F. E. WARREN,
CHARLES CURTIS,
LEE S. OVERMAN,
Managers on the part of the Senate.
MARTIN B. MADDEN,
PATRICK H. KELLEY,
JOSEPH W. BYRNS,
Managers on the part of the House.

Mr. SIMMONS. Mr. President, I would be very glad to have the Senator from Wyoming make a statement to the Senate indicating the changes which have been made by the conferees.

Mr. WARREN. Only three items have been given up by the Senate conferees, and three other items are in disagreement. One of the recessions covered the items in a document containing a list of War Department claims. These claims have been twice passed by the Senate in deficiency bills, and both times we have been compelled to surrender them in conference. And so I have prepared a bill, which I shall introduce presently, requesting its reference to the Committee on Claims; and I shall try to have it approved by that committee. The War Department item consisted of smaller items grouped together, amounting to $83,000.

One other recession on the part of the Senate conferees was a Post Office Department item of nine or ten thousand dollars.

The third item was a matter of something over $3,000 which related to the international boundary line between the United States and Mexico.

Mr. SIMMONS. They are substantially the only changes made?

Mr. WARREN. Those are the only changes.

Mr. TOWNSEND. What was the change made in the post-office matter?

Mr. WARREN. Simply in the matter of awards. The House allowed a little less than $8,000, and the Senate had allowed an additional $9,000.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

Mr. WARREN. I desire now to introduce a bill covering the matter in the deficiency bill to which the House did not agree because of one or two items which were not satisfactory, and I ask that the bill go to the Committee on Claims. I further beg to suggest to the Committee on Claims that early consideration be given it.

The bill (S. 4313) for the payment of claims for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army was read twice by its title and, with the accompanying paper, referred to the Committee on Claims.

INTERNATIONAL CONGRESS FOR CATTLE BREEDING (S. DOC. NO. 287).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Agriculture and Forestry and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith a report by the Secretary of State concerning a request made by the Secretary of Agriculture that specific authorization be obtained from Congress that will enable the Department of Agriculture to be represented by a delegate in the International Congress for Cattle Breeding, to be held at The Hague in August, 1923, by the payment of the expenses of such delegate (estimated at $1,500) out of the regular funds provided in the Agricultural appropriation act for animal husbandry investigations (general expenses, Bureau of Animal Industry) for the fiscal year 1924.

I commend the request of the Secretary of Agriculture to the favorable consideration of Congress as in the interest of an important industry of the United States.

WARREN G. HARDING.

THE WHITE HOUSE, *January 10, 1923.*

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, submitting, pursuant to law, a list of papers and documents in the files of his office not needed in the transaction of public business and having no permanent value or historic interest, and requesting action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The Vice President appointed Mr. SUTHERLAND and Mr. GERRY members of the committee on the part of the Senate, and ordered that the Secretary notify the House of Representatives thereof.

CALL OF THE ROLL.

Mr. REED of Missouri obtained the floor.

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Hale	McLean	Simmons
Bayard	Harreld	McNary	Smith
Borah	Harris	Moses	Smoot
Brandegee	Heflin	Nelson	Spencer
Calder	Johnson	New	Stanley
Cameron	Jones, N. Mex.	Norbeck	Sterling
Capper	Jones, Wash.	Oddie	Sutherland
Colt	Kellogg	Overman	Townsend
Couzens	Kendrick	Pepper	Underwood
Culberson	Keyes	Phipps	Wadsworth
Cummins	Ladd	Poindexter	Walsh, Mass.
Curtis	La Follette	Pomerene	Walsh, Mont.
Dial	Lenroot	Ransdell	Warren
Dillingham	Lodge	Reed, Mo.	Watson
France	McCormick	Robinson	Weller
George	McCumber	Sheppard	Willis
Glass	McKellar	Shields	

The PRESIDING OFFICER (Mr. LADD in the chair). Sixty-seven Senators having answered to their names, a quorum is present. The Senator from Missouri will proceed.

PROPOSED CESSION OF CERTAIN WEST INDIAN ISLANDS.

[Mr. REED of Missouri addressed the Senate. Before concluding he yielded the floor for the day. The entire speech will appear hereafter.]

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER (Mr. REED of Pennsylvania in the chair). The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MCNARY] on behalf of the committee.

Mr. REED of Missouri. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Lodge	Reed, Pa.
Bayard	France	McCormick	Robinson
Borah	George	McCumber	Sheppard
Brandegee	Hale	McKellar	Simmons
Broussard	Harris	McNary	Smith
Bursum	Harrison	Moses	Spencer
Calder	Heflin	New	Stanley
Cameron	Johnson	Norbeck	Sutherland
Capper	Jones, N. Mex.	Oddie	Underwood
Caraway	Jones, Wash.	Overman	Walsh, Mont.
Couzens	Kellogg	Pepper	Warren
Culberson	Kendrick	Phipps	Watson
Curtis	Keyes	Poindexter	Willis
Dial	King	Pomerene	
Dillingham	Ladd	Ransdell	
Fernald	Lenroot	Reed, Mo.	

Mr. JONES of Washington. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent in attendance on a committee meeting.

The PRESIDING OFFICER (Mr. ODDIE in the chair). Sixty-one Senators having answered to their names, there is a quorum present. The question is on agreeing to the amendment offered

by the Senator from Oregon [Mr. McNARY] on behalf of the committee.

Mr. FLETCHER. Let the amendment be stated again.

The PRESIDING OFFICER. The Secretary will read the amendment.

The ASSISTANT SECRETARY. On page 36, line 7, after the word "forests," insert:

And the Secretary of Agriculture may hereafter in his discretion permit timber and other forest products cut or removed from the national forests to be exported from the State or Territory in which said forests are respectively situated.

Mr. FLETCHER. May I inquire of the Senator having the bill in charge what is the purpose of the amendment?

Mr. McNARY. I will state to the Senator from Florida that in the present law there is a prohibition against shipping lumber grown and cut in the forest reserves in one State into another State. This permits the shipment in interstate commerce of timber from any State in the Union to another State.

Mr. FLETCHER. I gathered that that would be the effect of it, but I can not quite see the reason for it. It seems to me that the present law is a very good one. Why should not these resources in the forest reserves be available for the people of the States in which they are situated?

Mr. McNARY. This does not appertain to the income derived from the sales of timber but to the distribution of the converted timber itself. For instance, in the State of Oregon, where the national forests are very large and the consumption of timber is very small, would the Senator be in favor of a law prohibiting the sale of that Government timber in other States? That is the effect of the present law. We want to change the law so that the timber cut in those States where the local consumption is not great may be shipped into other States of the Union for the benefit of all the people.

Mr. FLETCHER. That is just what I am getting at. Of course, where the forest reserves are very large and extensive there might be a reason for it. In Florida the forest reserves are comparatively small; the material coming from them is not very great; and I take it there would be no demand for this sort of legislation there. But in States where the reserves are large, perhaps conditions call for such a provision. That is just what I wanted to know.

If the Senator feels that in those States where these reserves are extensive and the material is not required in the State it is all right, I have no objection to the amendment.

Mr. McNARY. The law covers the situation which we are trying to correct. I present a brief letter covering the point from the acting forester, and inasmuch as the Senator from Florida has withdrawn his objection, I will ask merely to have the letter printed in the RECORD.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, January 9, 1923.

FINANCE, AGRICULTURAL APPROPRIATION, 1924.

Memorandum for Senator McNARY.

I inclose herewith a memorandum regarding the timber-sale limitation for your use should you find any need for the information contained therein.

Our actual cut of timber from the national forests now amounts to nearly a billion feet annually. As a matter of fact, probably over half of this actually enters into interstate trade. The language which was stricken out on point of order, and which should be restored, allows foreign shipments. It is our feeling that this is almost as essential as interstate shipments, for the reason that, although no sales are made primarily for foreign export, except in Alaska, lumber from the national forests now enters into the general trade, and practically any cargo shipped from most of the Pacific coast points is likely to contain some such material. It would interject needlessly an embarrassing and troublesome item in the export trade generally. The only direct shipments from national forests to foreign countries that have ever been made to my knowledge were made from the forests of Alaska last summer, about 5,000,000 feet of box and merchantable spruce being shipped from the Territory to Australia. This represents less than one-half of 1 per cent of the estimated annual growth of our forests there. It brought Australian money to the Territory, furnished labor for our own people, and contributed to Australian development timber which would otherwise have gone to waste. It did not deprive our people of a single foot of lumber that they are prepared to use at this time. Until such time as our own market is prepared to take the equivalent of the annual growth from the Alaskan forests I would regret exceedingly to see this growing foreign trade stifled, as it would be if export is restricted.

E. A. SHERMAN, *Acting Forester.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, January 9, 1923.

FINANCE—AGRICULTURAL APPROPRIATION, 1924.

Memorandum for Senator McNARY.

In the Agricultural appropriation bill, page 36, line 7, after "forests," insert:

"and hereafter the Secretary of Agriculture may, in his discretion, permit timber and other forest products cut or removed from the national forests to be exported from the State or Territory in which said forests are respectively situated."

The foregoing language, with the exception of the word "hereafter," has been carried in the appropriation acts for the Department of Agriculture in this or similar form since March 3, 1905. Without this language forest products could not be sent from one State to another, nor could it enter into foreign trade, for the reason that the act of June 4, 1897 (30 Stat. 11), says that sales may be made of timber "to be used in the State or Territory in which such timber reservation may be situated, respectively, but not for export therefrom." Restriction against export from the State would largely destroy the value of the national forests as Federal property. Receipts from timber sales now amount to about $2,000,000 annually. Over $40,000,000 has been invested in logging and manufacturing plants which depend on the availability of national-forest timber for their use, and additional investments are constantly being made as the sales of timber increase. These investments are made by citizens who trust the good faith of the Government. If the bill is not changed, their investments will be lost and no more will be made.

Unless this language is restored an export business which is being built up in Alaska and which uses only a small part of the annual crop from the forests there will be totally destroyed. Furthermore, our plans for the development of the print-paper industry in the Territory would be completely hamstrung by such a restriction. We now have several large and responsible concerns negotiating for the establishment of paper plants in the Territory. Each one involves the investment of millions of dollars. Their product should be placed upon the same basis as the product of any other paper mill.

Inability to export national-forest timber from the State in which it is grown would, for example, make impossible the sale now being advertised on the Malheur Forest, with all the attendant advantages to the local community, since no lumber company would be willing to make the necessary investment in railroad, mill, and logging equipment if its market were restricted to the State of Oregon. And this, in turn, would postpone indefinitely all the advantages to the local community attendant upon this proposed development. Sales of timber, now aggregating about 13,000 in number annually, would be reduced to insignificant numbers if all purchasers were confined to strictly local markets within their respective States. Upon the other hand, nobody could possibly benefit if the private owner of stumpage whose property is intermingled with national-forest timber would be unable to satisfactorily combine his own operations with the removal of the timber from the Government's intermingled holdings.

The act of February 1, 1905, authorized the export of pulp wood and wood pulp from Alaska without mentioning national forests specifically. This probably applies to the national forests, but it does not cover lumber, timber, or paper, and is not sufficient to secure the continuance of the industrial development now under way.

The restriction of the use of national forest timber to the State in which the timber grew would result in a waste of timber rather than its conservation. National forest timber is sold from any given economic unit, such as a large watershed, only in such quantities as represent the harvesting of the crop as it matures, with the aim of having the output of timber continuous and perpetual. To restrict the use of this crop would in many cases result in failure to secure its harvesting at the time it needs it and would leave it to rot within the barrier of the State line, although the people of other States in the Union were in sore need of that very timber. It is also impracticable to organize the business of lumbering on any large scale if the market is restricted, since, for example, many lumbermen fail to find within their own State a market for certain grades of lumber for which there is strong demand in other States.

If any restriction whatever is placed upon the free movement of our timber into the market it will be exceedingly difficult to enforce such restriction. After the logs are sawed and the lumber enters into trade it would be a practical impossibility to distinguish between lumber cut from the national forests and any other lumber. The restriction would be a handicap to an honest operator, but might be safely ignored by a dishonest one. If any attempt were made to enforce it it would result in endless investigations, controversy, and litigation, all to no good purpose.

Such a restriction instead of being in the interest of conservation would actually be an anticonservation measure, since it would prevent these forests from contributing in a maximum degree to the needs of our people. If any limitation is ever placed upon lumber entering into interstate or foreign commerce, the limitation should be a general one and should not be limited merely to the products of national forests.

E. A. SHERMAN, *Acting Forester.*

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HARRISON. Mr. President, may I offer an amendment at this time?

Mr. McNARY. I have one further amendment which I desire to offer in behalf of the committee, but in view of the necessity of the Senator from Mississippi to be absent from the Chamber for the remainder of the afternoon, I told him I would yield for the purpose only of offering his amendment at this time.

Mr. HARRISON. I offer the following amendment.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. Insert the following as a new paragraph on page 82, following line 16:

That the first paragraph of the section of an act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922, is hereby amended so as to read as follows:

"That persons engaged in the production of agricultural products, as farmers, planters, ranchmen, dairymen, nut or fruit growers, or producers of naval stores, may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of persons so engaged. Such associations may have marketing agencies in common; and such associations and their members may make the necessary contracts and agreements to effect such purpose: *Provided, however,* That such associations are operated for the mutual benefit of the members thereof as such producers and conform to one or both of the following requirements."

Mr. HARRISON. The only change in the present law that I propose by the amendment is the insertion of the words "or producers of naval stores." In other words, it would place the producers of rosin and turpentine upon the same basis as to the organization of market associations as the producers of fruits, nuts, and vegetables.

May I say in this connection that the naval-stores industry, the name of the turpentine and rosin industry, has always been identified with the Department of Agriculture of the Government? The appropriations carried for it are always carried in the Agricultural Department appropriation bill. It is under the supervision of the Department of Agriculture. The crop, so to speak, from which the rosin or the turpentine is extracted from the pine is called the orchard. For the past 15 years no industry has been quite so much affected and depressed as has the naval-stores industry. Out of the 15 years last past they have had but one good year, which I think was 1920. The amendment which I have proposed will greatly aid them in the matter, and I hope no point of order will be made against it, so the provision may at least go to conference.

Mr. McNARY. May I ask the Senator from Mississippi whether it more properly should not come in connection with the measure known as the Capper cooperative marketing association act? As the amendment was read from the desk, it would appear that it is in the nature of legislation affecting that act more primarily than it does the pending bill.

Mr. HARRISON. That is true. It is merely an amendment of the first section of that act, but it only seeks to add the producers of naval stores. While I know that a point of order could be made and would be sustained, I hope the amendment may be adopted and at least go to conference.

Mr. McNARY. I will state to the Senator that I did not have the conception that it was in the nature of an amendment to the cooperative organization act. I thought it was coming within the purview of the pending bill rather than legislation apart from it. That being so, it would not stand in conference. I would have to make the point of order here. It would properly come as an amendment to the existing law.

Mr. HARRISON. It would. It would come as an amendment to the other act, but I realize that the calendar is in such condition that it would be very difficult to amend the law in the way we would like to have it amended, and I was hopeful we could get the relief in this manner.

Mr. LODGE. Does the proposed amendment provide for combinations which could be directed against the Government in its purchase of naval stores?

Mr. HARRISON. I think the Senator from Massachusetts will recall that we recently passed what is known as the cooperative marketing act.

Mr. LODGE. I understand that.

Mr. HARRISON. That act permits the producers of nuts, vegetables, fruits, and so forth, to associate themselves together to market their products. The amendment which I have offered merely includes the producers of rosin and turpentine, which are known as naval stores.

Mr. LODGE. It seems to me the difficulty with it is that it is legislating in favor of a combination against the Government's stores necessary for the defense of the country, specifically naval stores.

Mr. HARRISON. Turpentine and rosin are not used in the defense of the Government particularly, may I say to the Senator. The term "naval stores" may be all wrong, but it has come to the point that the term "naval stores" includes turpentine and rosin, and those alone. That is what I am trying to get at. I would just as soon term it "turpentine and rosin" as "naval stores," but it is clearly understood that the producers of naval stores are producers of rosin and turpentine, which have nothing to do with the defense of the country.

Mr. SMITH. Will the Senator allow me to say that the term "naval stores" is a trade name that applies entirely to the products of the pine?

Mr. LODGE. I am aware of that, but they are naval stores just the same.

Mr. SMITH. It is quoted as naval stores. It is known technically around the world as naval stores. It has nothing to do with naval affairs, only I believe they did use some tar once to tar the rope on ships. That might have been where the term originated. "Naval stores" is a technical trade name that applies to the products.

Mr. LODGE. Yes; it is rosin and turpentine.

Mr. HARRISON. I ask permission to modify my amendment by inserting the words "rosin and turpentine," so it will read "or producers of rosin and turpentine" instead of "producers of naval stores." That will remove any ambiguity of the language. I ask to have that modification made, that where it now reads "or producers of naval stores" it shall be modified so as to read "or producers of rosin and turpentine."

The VICE PRESIDENT. The question is on the amendment as modified.

Mr. McNARY. I regret exceedingly the necessity under the circumstances of again calling the attention of the Senator from Mississippi to the existing rule with respect to legislative matters on appropriation bills. I believe that the cooperative marketing act should be amended so as to include naval stores. I am thoroughly in sympathy with the effort of the Senator from Mississippi and would gladly join him in an effort before the Agricultural Committee to amend the other act. But if the point of order is not made by the Senator in charge of the bill it would be made by others, in view of the rule, and therefore I must invoke the rule.

The VICE PRESIDENT. The point of order is well taken.

Mr. MOSES. Mr. President, are committee amendments now disposed of?

The VICE PRESIDENT. Committee amendments are still in order.

Mr. McNARY. I propose the amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will report the amendment.

The ASSISTANT SECRETARY. On page 80, after line 8, insert the following under the subhead "Maximum salaries":

Hereafter the maximum salary of any scientific investigator or other employee engaged in scientific work and paid from the general appropriation of the Department of Agriculture shall not exceed at the rate of $6,500 per annum: *Provided*, That for the fiscal year 1924 no salary shall be paid under this paragraph at a rate per annum in excess of $5,000, except the following: Not more than 12 in excess of $5,000 but not in excess of $5,500 each and not more than 5 in excess of $5,500 each.

The amendment was agreed to.

Mr. LENROOT. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 71, at the end of line 3, insert the following proviso:

Provided, That said publications shall be deposited one-third in the folding room of the Senate and two-thirds in the folding room of the House of Representatives, and said documents shall be distributed by Members of the Senate and House of Representatives.

The amendment was agreed to.

Mr. BROUSSARD. Mr. President, has the Senator in charge of the bill anything further to propose?

Mr. McNARY. I have one rather informal amendment, but I am very happy to yield to the Senator from Louisiana.

Mr. BROUSSARD. I thank the Senator. On page 30, line 7, I move to strike out the numeral "$94,115" and insert in lieu thereof the numeral "$104,115."

The amount proposed of $94,115 is for the purpose of taking care of certain diseases affecting the sugar-plant industry of the country. Only $10,000 of that is to be devoted to the sugar-cane industry of this country. The entire paragraph reads:

For sugar-plant investigation, including studies of diseases and the improvement of sugar beets and sugar-beet seed, $94,115.

Mr. President, as my colleague and I have had occasion to ascertain from the Secretary of Agriculture, the department recommended to the Budget Bureau $10,000 in excess of the amount carried in the bill. The Secretary of Agriculture is thoroughly familiar with the investigations having to do with the mosaic disease in sugar-cane plants. Aside from that, there are other diseases which have materially interfered with the successful growing of sugar cane in this country. The Secretary of Agriculture, as I am informed, desired the appropriation to be sufficient to investigate those other diseases and also to provide for the importation of sugar-cane plants which would mature before the time when the mosaic disease attacks the sugar cane. The other diseases which it is desired to study include red rot, root rot, field leaf, and other diseases which are rapidly spreading in that particular district.

Mr. President, we in Louisiana are the largest sugar manufacturers, but the State of Georgia is the leading sugar-cane sirup State in the United States. The industry is also very important in the States of Mississippi, Florida, Texas, Arkansas, Alabama, and North and South Carolina, and Texas.

We feel, Mr. President, in view of the fact that the recommendation was made without solicitation from any of the sugar interests in this country that this amount be made $104,115, which represents an increase of $10,000 over the appropriation of last year, that it is well worthy of consideration in this body. There has been no effort made on the part of any of the sugar interests to have this amount increased; but the Secretary of Agriculture, realizing the necessity for increasing the amount, voluntarily made the recommendation.

I have been informed that the Budget Bureau reduced it to the amount that was carried last year.

I wish to state to those Senators who are present that our product, like that of growers of wheat and other agricultural interests in this country, is being attacked by diseases which have been imported. The department is perfectly willing to make, and realizes the necessity of making, the fight to eradicate them. The amount involved is only $10,000. I think it would be very unwise for us to yield, I might say, to the arbitrary power vested in the Budget Bureau and strike out an item recommended by an expert in this line. In view of the fact that the Budget Bureau do not know anything of the character or extent of these diseases and what they mean to the industry, I think we are safe in following the recommendation of the Secretary of Agriculture.

I wish to assure the Members of the Senate that none of us tried to get him to increase the amount, but quite to the contrary. I know that applies to me, although I hail from the sugar district of Louisiana. After the appropriation failed to be included my attention was called to it by men engaged in trying to eradicate these diseases, and I was requested, as my colleague was requested, to ask for this increase in order to enable the department intelligently to fight the diseases.

Mr. LENROOT. Will the Senator from Louisiana yield to me?

Mr. BROUSSARD. I yield.

Mr. LENROOT. What is the department now doing under the existing appropriation in reference to this particular matter?

Mr. BROUSSARD. The department is not doing anything at this time except as to the mosaic disease, which was introduced into this country two or three years ago. The Secretary of Agriculture has asked the Congress to appropriate $10,000 for the purpose of investigating other diseases of the sugar plant.

Mr. LENROOT. Why can not the department use a part of the $94,000 for that purpose?

Mr. BROUSSARD. I wish to inquire of the Senator from Wisconsin if he is a member of the Committee on Agriculture?

Mr. LENROOT. I am a member of the Appropriations Committee.

Mr. BROUSSARD. I wish to say to the Senator that it has taken me about three days to ascertain exactly what amount was intended to be used in the investigation of the sugar-cane diseases. Under the new method of permitting the Appropriations Committee to handle all appropriation bills it is very difficult to ascertain facts, and I have devoted three days of my time in order to find out just exactly whether there was any amount intended for the investigation of the mosaic disease. Only late yesterday afternoon Doctor Ball, after having informed me that it was cared for under another item, stated that it was intended to be taken care of under the item which we are now discussing.

Mr. LENROOT. The item of $94,115?

Mr. BROUSSARD. Yes. In addition to that, I wish to call the attention of the Senator from Wisconsin to the following letter, which is dated January 9, from the Acting Director of the Bureau of the Budget. It states:

> MY DEAR SENATOR: Pursuant to your request of this date, I have the honor to advise you that the estimate submitted to the Bureau of the Budget by the Secretary of Agriculture for "sugar-plant investigations, including studies of diseases and improvement of sugar beets and sugar-beet seed," for the fiscal year ending June 30, 1924, was $104,115. The estimate for this appropriation as contained in the Budget is $94,115, which is the same amount as the appropriation for the fiscal year 1923.

I may not be direct in my answer to the Senator from Wisconsin, but the information that I gather is that the Department of Agriculture wishes to investigate red rot, root rot, and field leaf diseases of sugar cane, as well as to experiment in the importation of varieties of sugar cane which would mature before the mosaic disease begins to spread in the plant.

I think if the Senator will get the estimates from the Secretary of Agriculture he will find that every dollar of the $94,115 proposed to be appropriated is dedicated, as it were, to certain purposes, and that the $10,000 additional is necessary to take care of the matter to which I have referred.

Mr. LENROOT. I hope that it is not a permanent "dedication."

Mr. BROUSSARD. I do not know as to that.

Mr. LENROOT. I am afraid that is the case sometimes in connection with some of these items.

Mr. BROUSSARD. The Senator may be right about that; I do not know; but if the Senate should provide the $10,000 which I am now proposing to add to the amount carried by the bill, I would hope that it might be used for the purposes I have indicated. The only thing that we have to be guided by is the recommendation of the Secretary of Agriculture, and, upon investigation of the recommendation of the Secretary of Agriculture, I think the Senator will find that every cent of what may be called his budget for the expenditure of the $94,115 has been apportioned, and that none of it will be available for the item which I am now proposing to take care of.

Mr. LENROOT. Of course, the Senator understands that if the Congress is to accept as final and conclusive the recommendations of the head of a department as to the amount that is necessary, we might as well repeal the Budget law.

Mr. BROUSSARD. I quite agree with the Senator; but, on the other hand, it appeals to me very strongly that it is beyond human capability for the Budget Bureau to comprehend exactly every item that is proposed by the various departments; and so the Budget Bureau may frequently allow an appropriation which should be eliminated and may deny other appropriations which are very meritorious.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BROUSSARD. I yield to the Senator from Oregon.

Mr. McNARY. As the item presently stands, does it leave any money for the control or eradication of the mosaic disease?

Mr. BROUSSARD. It does not leave one cent for the purposes I have indicated.

Mr. LENROOT. The department may use a part of the appropriation for those purposes, so far as the bill is concerned, if it sees fit to do so.

Mr. BROUSSARD. I will state to the Senator from Wisconsin that my very limited experience here has taught me, I think, that the chiefs of bureaus are supreme, and that they may apportion the funds as they see fit; but when we are appropriating the money we must assume that they will expend the money according to their own recommendations.

Mr. LENROOT. But the clause in the bill appropriating $94,115 includes the item in which the Senator is interested.

Mr. BROUSSARD. No; it does not.

Mr. LENROOT. Is not the language of the provision broad enough to cover investigations of the diseases which the Senator has mentioned?

Mr. BROUSSARD. No; it is not. I will say to the Senator from Wisconsin that there are certain investigations being made looking to the eradication of the mosaic disease, and there have been several men——

Mr. LENROOT. But is not the item "for sugar-plant investigations, including studies of diseases"?

Mr. BROUSSARD. Yes.

Mr. LENROOT. That is the point.

Mr. BROUSSARD. But if only the $94,115 appropriation is provided by the bill, it will provide merely for a continuation of the experiments and the investigations for the eradication of the mosaic disease affecting the native sugar cane in Louisiana and the other cane-growing States of the South. It will not permit the importation of early maturing varieties, nor would it permit investigations as to the root and leaf diseases and other diseases which have become prevalent.

Since the Department of Agriculture has found it necessary to have experts investigate with a view to the eradication of the mosaic disease——

Mr. McNARY. Let me ask the Senator what amount of money was expended by the department last year in the prosecution of this work?

Mr. BROUSSARD. Last year, I understand, there was $10,000 expended, and that is provided for now so far as the eradication of the mosaic disease is concerned; but the Department of Agriculture in its investigation of the mosaic disease has come to the conclusion that it ought to import earlier maturing varieties into this country, and they have further discovered while investigating this particular disease that there are certain other diseases affecting the roots and the leaves of the sugar cane, just as there are diseases affecting wheat, and they would like to have an additional $10,000 in order to permit them to prosecute this work and assist in the eradication of all diseases affecting sugar cane.

Mr. McNARY. Then it is true, is it not, that under this item, as presently carried, the same work may be done this year as was done last year?

Mr. BROUSSARD. Yes.

Mr. McNARY. What the Senator wants, then, is to extend the work by adding a new experiment?

Mr. BROUSSARD. I am merely backing the Department of Agriculture, which has requested that an addition of $10,000 be provided.

Mr. McNARY. So the Senator's idea is not only to have the $10,000 used last year for a similar purpose provided this year but also an additional $10,000 for extending the work?

Mr. BROUSSARD. Yes, sir; that is exactly the idea.

Mr. JONES of Washington. Mr. President, I understood the Senator from Louisiana to say a moment ago that those interested in the production of sugar have not been urging the inclusion in the bill of this item.

Mr. BROUSSARD. I said that so far as my colleague and I were concerned we had not urged it; but I may say to the Senator from Washington that the State of Louisiana has been appropriating funds out of its treasury for the purpose of prosecuting investigations along this line and that the Agricultural Department in its investigations found it necessary to recommend the appropriation of the additional amount.

Mr. JONES of Washington. That is what I want to bring out. The Budget law absolutely prohibits the department officials from coming to Congress and asking for anything that is not estimated by the Budget. We may just as well do away with the Budget law if we are going to encourage bureau chiefs to come to Members of Congress and urge appropriations of amounts not estimated by the Budget.

Mr. BROUSSARD. I wish to say to the Senator from Washington that if anything I have said conveyed to him the idea that the Department of Agriculture came to us and asked us to present this matter he obtained a wrong impression, or I made an erroneous statement. It was not my intention to convey any such idea. In its recommendations to the Budget Bureau, however, the Department of Agriculture included this amount, which was eliminated.

Mr. JONES of Washington. Oh, yes; they included a whole lot of amounts that the Bureau of the Budget did not recommend.

Mr. BROUSSARD. We were then called upon by our constituency after this had been done and our attention was called to it, and we asked for the recommendations of the Department of Agriculture, which verified the statements made to us by the people who called our attention to it.

Mr. JONES of Washington. Of course, that is all right.

Mr. BROUSSARD. The Department of Agriculture is not appearing now, nor do I wish to represent it as appearing now, and wanting to override the Budget. I want to make that very plain. I wish to say this: The thought that I wished to convey was that the Department of Agriculture, before it knew the views of the Budget Bureau—and the views of the Budget Bureau, to my mind, can not cover every subject which we are dealing with in legislation—did conceive it to be its duty to recommend this to the Budget Bureau.

Mr. JONES of Washington. That is all right.

Mr. BROUSSARD. But the Budget Bureau eliminated it; and we have taken it up because of the fact that outsiders have called our attention to the fact that the Budget Bureau eliminated a thing that was very material to the sugar-cane industry of this country. I do not wish to misrepresent the Department of Agriculture.

Mr. JONES of Washington. That makes it perfectly plain.

Mr. BROUSSARD. I want to exonerate them entirely, because, as the Senator will recall, as I read this letter, they say, "Pursuant to your request of this date." We made a special request; and I wish to say, in addition, that this request was made by one of the employees in my office, and they refused to give the information until I made a personal call for it. They would not give it to an employee in the office.

Mr. President, I think this amount is very material to the development of the sugar-cane industry in this country, and should be allowed. It is a very small amount—$10,000—and I hope the Senate may allow it to us.

Mr. RANSDELL. Mr. President, my colleague has stated this case so well that really there is nothing left for me to say. I wish to make just a brief additional reply to the question of the Senator from Washington [Mr. JONES].

I tried to find out from the Agricultural Department something about this matter, and it seemed to me they leaned over backward in refusing to give me any information. They said they could not do it. They absolutely refused to tell me anything. I had learned it entirely from outside sources, and they said I would have to get any information I desired from the Budget Bureau; that the Budget Bureau had authority to give out information on it, but the Agricultural Department, under the rules, had no authority. So they would not give me any information. Then I went to the Budget Bureau, and my colleague did, and we got this information about it; but I did find out from other sources that the Secretary of Agriculture recommended this additional sum of $10,000, and he did it certainly without any solicitation on my part, and I believe without any solicitation on the part of my colleague or any solicitation on the part of the Senators from Arkansas, Mississippi, Alabama, Florida, Georgia, North Carolina, and South Carolina, all of whom are intensely interested in this item, just as are the Senators from Louisiana, because while the sugar industry, let me say, does not prevail in these other States, the sirup-producing industry does prevail to a very great extent in all the States of the South. It is an important industry, and this is intended to help the production of sugar-cane sirup. It is important in all of those States.

Now I wish to call the attention of the committee to sundry increases which were recommended by the Department of Agriculture, so I am informed. I have not verified this. I am informed by reliable outside sources that the Department of Agriculture recommended to the Budget, and the Budget approved, for the pathological laboratory an increase of $5,000; for fruit diseases, net, $11,000; for cotton and truck diseases, $10,000; for crop physiology, $10,000; for crop acclimatization, $20,000; for crop technology, $10,000; for cereal investigations, net, $15,000; for economic and systematic botany, $3,600; for dry-land agriculture, $11,000; for nut culture, $3,000; for pomology, $10,000; for horticulture, $7,500; and for forage crops, $5,000. My information is that these increases are recommended by the Secretary of Agriculture and approved by the Bureau of the Budget. Mr. President and Senators, the same Secretary of Agriculture, with the same information before him, I assume, on which he recommended these other increases, recommended a $10,000 increase for investigating the diseases of cane; and I appeal to the Senate to stand by him in this sugar-cane increase, just as the Budget Bureau stood by him in the others. It is a very important matter for the South, and I trust we are going to keep it in this bill.

Mr. LENROOT. Mr. President, I have no doubt that this $10,000 could be well expended; and the same can be said of perhaps 100 other items in this bill where either the Budget Bureau or the House did not allow as large a sum as was recommended by the Secretary of Agriculture. Every Senator knows the necessity for the most rigid economy under existing conditions, and the impossibility of doing all that we would like to do for these various activities; but, Mr. President, I do not believe it would be fair, because two Senators are most praiseworthily zealous in behalf of an activity in their own State, to discriminate by permitting one amendment to come in that is subject to a point of order, and not letting perhaps 20 others, equally meritorious, also come in. The result would be very soon that our Budget system would be of very little value indeed.

Therefore, Mr. President, I feel constrained to make the point of order against the amendment that it is not estimated for, and is, therefore, subject to a point of order.

Mr. FLETCHER. Mr. President, on that point it is a question whether the amendment is subject to a point of order, because it has been recommended by the department. The fact that it was recommended by the department is very clear and is not questioned here. The identical item covered by the amendment was in the recommendation of the department submitted to the Budget Bureau.

I sincerely hope, however, that the Senator will not make that point of order. We had here yesterday the question of taking care of the barberry bush, where the estimate of the department was only $200,000 and the report of the Budget Committee was $200,000. The House raised that $150,000, and the Senate raised it $150,000 more.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. FLETCHER. Yes.

Mr. LENROOT. That is true, and that is a matter that affects very seriously my own State; and because I thought I ought to be consistent I voted against the increase.

Mr. FLETCHER. But the Senator did not make the point of order.

Mr. LENROOT. It was not subject to a point of order, because the House had acted upon the matter. It was not subject to a point of order at all.

Mr. FLETCHER. The House increased it to the extent of $150,000, and then the Senate proceeded to increase it to the extent of $150,000 more.

Mr. BROUSSARD. Mr. President——

Mr. FLETCHER. Does the Senator want to interrupt me?

Mr. BROUSSARD. I do not want to interrupt the Senator but, if he will permit me, I wish to ask the Senator from Wisconsin whether or not the House has acted upon the $94,000, and whether or not the department has recommended this increase? So far as I am concerned, I do not see where the point of order lies.

Mr. LENROOT. As I inquired of the chairman, the estimate is $94,000, and this $10,000 is an increase.

Mr. BROUSSARD. No; that is not the estimate. The Secretary of Agriculture has recommended $104,000.

Mr. LENROOT. But the estimate is not the estimate of the Secretary of Agriculture. The estimate is the estimate of the Budget Bureau.

Mr. BROUSSARD. If the Senator from Florida will permit me just one more question, what is the point of order—that it has not been estimated by the department?

Mr. LENROOT. And not reported by a standing committee.

Mr. BROUSSARD. I do not know that the rules have been amended so far as that is concerned. I understand the rule to be that unless it is recommended by a department, it is subject to a point of order; but this was recommended by the department.

Mr. LENROOT. Oh, no; this is by the Budget. The estimate comes no longer from the department. The department never sends any estimate now.

Mr. BROUSSARD. What is the rule of the Senate with reference to it?

Mr. LENROOT. The estimate must come from the Budget Bureau.

Mr. BROUSSARD. But what is the rule? Will the Senator refer to the rule?

Mr. LENROOT. Oh, yes; I shall be glad to.

Or unless the same be moved by direction of a standing or select committee of the Senate or proposed in pursuance of an estimate of the head of some one of the departments.

Mr. BROUSSARD. That is the point I wish to make, Mr. President—that the Budget Bureau is not mentioned.

The VICE PRESIDENT. The Senator has not read the rule correctly. The Secretary will read it as amended.

The ASSISTANT SECRETARY. The rule, as amended, reads:

Or proposed in pursuance of an estimate submitted in accordance with law.

Mr. LENROOT. That is right. I beg the Chair's pardon. The rule has been amended to conform to the Budget system.

Mr. BROUSSARD. I do not care to take up any more time.

Mr. FLETCHER. Mr. President, on the question of the estimate, the senior Senator from Louisiana has here a letter of January 9, saying:

Pursuant to your request of this date, I have the honor to advise you that the estimate submitted to the Bureau of the Budget by the Secretary of Agriculture for sugar-plant investigations, including studies of diseases and improvement of sugar beets and sugar-beet seed, for the fiscal year ending June 30, 1924, was $104,115. The estimate for this appropriation as contained in the Budget is $94,115, which is the same amount as the appropriation for the fiscal year 1923.

That is the statement in regard to it.

Mr. LENROOT. Mr. President, will the Senator yield? The Senator does not consider that an estimate under the law, does he?

Mr. FLETCHER. It is an estimate by the head of the department, of course. Whether or not we provided under the Budget law in such form that that is the controlling estimate is the question. If that is the controlling estimate, then the point of order would be well taken; but I want to appeal to the Senator again not to insist upon the point of order at this time, and I want to call attention to the importance of this matter.

The whole sugar-cane growing area of the South, comprising eight States, whether used for the production of sirup or sugar, is now infected with this mosaic disease. That area includes not only the sugar-producing States—Louisiana is the principal one, of course, in that industry, but Florida is now producing sugar cane to a very large extent; three or four new mills have recently gone up in the region of the Everglades, and they are producing sugar there—but, in addition to that, the sirup-producing industry is at stake, because this sugar cane is used to produce sirup. The production in Florida last year was 6,300,000 gallons of sirup, and that whole area is infected with this mosaic disease. The disease is a very serious one. I have here a statement to this effect:

This disease in Porto Rico in some instances has reduced the tonnage of cane, and the consequent sirup production therefrom, as much as 75 per cent from the normal of what it would have been in the absence of this disease.

Mr. POMERENE. Mr. President——

Mr. FLETCHER. We ought to take steps to put an end to this thing, if possible; and this amount is needed by the department, as they have stated in their estimate, for the purpose of continuing the study and investigation looking to the eradication or elimination of this very serious disease in the whole sugar-producing and cane-producing industry in the States of South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, and Arkansas.

Mr. POMERENE. Mr. President——

Mr. FLETCHER. I yield to the Senator.

Mr. POMERENE. Do I understand from the statement made by the Senator from Florida that there is no fund available for this purpose unless this appropriation is made?

Mr. FLETCHER. It is proposed that they may use some $10,000 of this fund.

Mr. HEFLIN. But $10,000 is not sufficient for the investigation and study of this subject in these eight States.

Mr. POMERENE. How long has this disease prevailed in that section?

Mr. FLETCHER. It is a comparatively new development.

Mr. POMERENE. It is spreading very rapidly, is it?

Mr. FLETCHER. It is spreading rapidly, and they are conducting studies in Louisiana and in Florida and in Georgia. They have some work going on there where they are investigating and studying the subject, and they need this appropriation to continue the work.

The VICE PRESIDENT. The Chair is ready to rule on the point of order.

Mr. FLETCHER. I just want to complete the statement. Florida has 30,000 acres in cultivation producing cane; Alabama, 60,000; Georgia, 45,000; South Carolina, 8,200; Mississippi, 33,700; Louisiana, 21,500; Texas, 12,000; Arkansas, 2,400; total, 213,000 acres in these States devoted to the production of sugar cane for the sirup and cane. I ask to have that statement put in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Area of sugar cane and production of cane sirup, 1920–21.

State.	Area harvested for sirup.		Sirup made.	
	1921	1920	1921	1920
	Acres.	*Acres.*	*Gallons.*	*Gallons.*
South Carolina	8,200	7,800	820,000	858,000
Georgia	45,000	44,100	7,322,000	9,697,000
Florida	30,000	24,000	5,300,000	6,100,000
Alabama	60,000	42,000	8,760,000	7,665,000
Mississippi	33,700	28,300	7,583,000	7,358,000
Louisiana	21,500	18,300	7,053,000	4,640,000
Texas	12,000	7,100	3,192,000	2,215,000
Arkansas	2,400	2,500	437,000	437,000
Total	212,800	174,100	41,467,000	38,980,000

Mr. FLETCHER. I say that the experiments being carried on in one locality are for use elsewhere. Whatever is being done in one State is communicated and used throughout the other States in order to conquer this very serious pest. I appeal to the Senator not to insist on the point of order. If the Chair is ready to rule, I will not consume further time.

Mr. HEFLIN. Mr. President, before the Chair rules on the point of order——

The VICE PRESIDENT. The Chair is ready to rule.

Mr. HEFLIN. I shall be in favor of appealing from the decision of the Chair if he shall hold we can not go behind the edict of the Budget committee. I am a member of the Committee on Agriculture and Forestry. This Budget Bureau is reducing the authority of that committee to an infinitesimal proposition in the Senate; in fact, it is depriving it of its authority to represent the agricultural interests of the country. We have practically no power left. I represent an agricultural State, and the other members of that committee represent agricultural States, and we can advocate any apprpriation we choose; but if this Budget Bureau does not see fit to grant what we ask, we can not go behind the judgment expressed by that bureau. If the American people knew how the American Congress had been stripped of its power under this Budget arrangement, they would rise at the polling places and let the country hear from them.

I am in favor of looking carefully into appropriations, but this is a proposition in which the whole sugar-cane industry of the United States is involved. A new disease is spreading rapidly in the cane-producing areas. Senators coming from the biggest cane-growing State in the Union have asked for $10,000 additional to carry on work of investigating the ravages of that insect; and a point of order is going to be made when both Senators say they need that $10,000 additional in the State of Louisiana, and in my State, and in the other States of the South.

It is said we can not get it because the Budget Bureau will not permit us to have it. Are Senators to be deprived of their rights on this floor as representatives of sovereign States, because the Budget Bureau wants to be able to say that it has cut down the amount and saved a little money? The Budget Bureau was intended to prevent the useless appropriation of money. The Nation derives its strength from the people of the States; but some man in Washington, who probably never saw a field of growing cane in his life, appears and takes his pencil and runs through these suggested appropriations, striking them out.

On yesterday or the day before the Senate voted $152,000 to pay some man for a little boat sunk through a collision with a Government ship up around New York; and we have ships which the chairman of the Shipping Board tells us we can not get anything for, which we can not sell for sixteen or eighteen hundred dollars. They sold some of them some time ago, I believe, for $2,100 each; but when the Government strikes one of these little yachts and sinks it, they come here and put through the claim quickly for an amount fifteen times as large as the sum for which they sold some of our Government ships that cost from $600,000 to $800,000.

I voted against it, and the Senator from South Carolina [Mr. DIAL] made a speech against it, but you passed a bill in that case appropriating $152,000 to pay for that one ship.

The whole sugar-cane industry of 110,000,000 people is here asking for $10,000 additional to fight a disease gnawing at the very vitals of the industry, and a Senator rises and tells us that the Budget Bureau does not think we ought to have it, and therefore it is to be stricken out. If our rule permits such a ruling, we ought to change the rule.

Mr. President, the House of Representatives was not permitted to vote on the proposition of whether the distribution of choice seeds to the people of the United States should continue. Under this Budget arrangement the House, with 435 Members, was tied hand and foot and could not even vote their convictions on this question. What are we coming to? Are the American people going to tamely submit to what is going on here?

Mr. LENROOT. Mr. President, the House did vote upon the proposition of which the Senator speaks.

Mr. HEFLIN. No; they voted on it in Committee of the Whole, but when the bill got into the House, a point of order was made against the item, and the proposition went out on an appeal from the decision of the Chair, and for the first time in the history of the House that I know anything about the Speaker of the House made from the Chair an appeal to the House to sustain his decision.

Mr. President, when the people get on to this there is going to be a revolution politically in this country. You have made a reduction in the Agricultural appropriation bill since last year of about $6,000,000. You are striking down an industry that is already paralyzed. It is pillaged and plundered as no other industry in this country has been. You are picking on it, gnawing on that industry—the industry of the farmers of America. You voted $20,000,000 to buy grain and seeds and other agricultural products for Russia. You are cutting $6,000,000 out of this bill, making the agricultural classes at home suffer for $6,000,000 of the amount you sent to Russia.

If I understood him correctly, the senior Senator from Louisiana [Mr. RANSDELL] said that when he sought information from the Secretary of Agriculture and others in the Department of Agriculture as to what they really recommended, trying to get at the truth, trying to get at the necessity for this amount, they said, "We can not tell you anyhing. You will have to get it from the Budget Bureau."

My God! What are we coming to in this Chamber? We see the great Secretary of Agriculture, a member of the President's Cabinet, supposed to represent the agricultural interests of the Union, with lips sealed and hands tied, behind a little Budget Bureau. He can not give out any information unless the Budget Bureau consents to it.

Suppose you go to the Budget Bureau and the Budget Bureau says, "We do not care to go into that. We have made this estimate, and you can take it or let it alone." Then what are you going to do? I look for that to happen next, if the Senate continues to surrender its rights to a budget bureau. It is legislation by bureaucracies in a Nation supposed to have a Congress to reflect the will of the people whose Government this is.

Mr. SMITH. Mr. President, I would like to ask the Senator, if he is informed, who constitutes the Budget Bureau?

Mr. HEFLIN. It is not going to be constituted very long if it keeps up things like this. The American people are not going to stand for a few highbrows, who never saw a cabbage or an open cotton boll or a cornstalk, "budgeting" and telling the people what they can have.

Mr. OVERMAN. Mr. President, I would like to say to the Senator that in some testimony taken before our committee it was said by an official of the Agricultural Department that the Budget Bureau sent a hotel proprietor of Chicago down there, who looked over the estimates and cut them down a million dollars. What does he know about raising cabbage or anything else?

Mr. HEFLIN. There you are, a hotel proprietor from Chicago coming down to see what we shall have for the southern section and in the great western section of the country in agriculture; a hotel proprietor from Chicago being sent down to look over the list and say "Strike that out." The thing gets worse and worse. He sees the word "mosaic." He says, "That is something in the Bible. Strike it out." He would not know a mosaic parasite from a humming bird. [Laughter.] He says, "Strike it out." That is the sort of situation we are treated to. It is not going to sail very smoothly in this Chamber.

Just think what we are up against here. Both Senators from Louisiana have shown to the Senate the necessity for getting this $10,000 addition. They convinced me of the necessity of it. My own State is involved in it, but they have a larger part of the industry in their State. I am convinced that they need it. I think they ought to have it; but we are about to lose it, we are told, because a point of order is going to be made, and the Budget Bureau says we must not have it.

Mr. OVERMAN. Will the Senator yield further?

Mr. HEFLIN. I yield.

Mr. OVERMAN. The Secretary of Agriculture was present at the committee meeting, but the man who made the statement to which I have referred was a chief in the department. He said a hotel proprietor was sent down there who told them they had to cut the appropriation a million dollars, and then they sent an Army officer down there who said, "You have to cut it $2,000,000."

Mr. HEFLIN. It is even worse than I thought it was.

Mr. OVERMAN. That was the testimony taken before our committee.

Mr. SMITH. A man was sent down to cut what bill?

Mr. OVERMAN. To cut the Agricultural appropriation bill.

Mr. SMITH. An Army officer and a hotel keeper?

Mr. OVERMAN. Yes.

Mr. CARAWAY. May I interrupt the Senator?

Mr. HEFLIN. I gladly yield to my friend from Arkansas.

Mr. CARAWAY. It strikes me that if all we have heard about the hotels be true, they ought to be an authority on—what is this, corn?

Mr. HEFLIN. Yes; corn is involved in the bill. These hotels were selling corn flakes for 15 cents a saucer, while the farmers were getting 20 cents a bushel for corn. They sold oatmeal for 15 cents a saucer, while the farmers were getting 14 cents a bushel for oats. They ought to be good authority on what the farmer needs. [Laughter.]

Mr. CALDER. Will the Senator tell the Senate where he can buy corn flakes for 15 cents a saucer here in Washington?

Mr. HEFLIN. You can get them over at the Congress Hall Hotel for 15 cents a saucer.

Mr. CALDER. I am glad to know it.

Mr. HEFLIN. What do they charge in New York for them?

Mr. CALDER. They charge half a dollar at the New Willard.

Mr. HEFLIN. That is just about where this Bureau Budget hotel proprietor came from. [Laughter.]

Mr. CARAWAY. Mr. President, I intended to say that I did not think the specialty of the hotel is corn flakes; it is corn, but not in flakes. I think it is in jugs.

Mr. HEFLIN. In liquid form?

Mr. CARAWAY. So I have understood.

Mr. HEFLIN. Mr. President, what is the situation, in a nutshell? The Secretary of Agriculture, sitting in the Cabinet of the President and supposed to know what is best for the agricultural interests, after going over the facts before him, and hearing the testimony of those under him who represent his department and agriculture generally, said, "I recommend this as just and right," and he put it in his recommendation. The Budget Bureau strikes it out. The Senator from one of these States rises here and asks to have it put back, and the fact is disclosed that the Secretary of Agriculture is so hedged about by this Budget, and intimidated, I suppose, that he says, "I can not give you any information as to the facts about it. You will have to get the information from the Budget Bureau." Then the Budget Bureau says, "We recommend striking it out." Then we find that a hotel man from Chicago came down and

looked over the list, and said, "You must reduce this $1,000,000," and then an Army officer came down and said, "You must reduce it $2,000,000." I am glad they did not send a third man; I do not know what he would have recommended.

This money is being taken from worthy projects in the field of agriculture for the purpose of satisfying the greed of certain special interests in other appropriations later on.

What are we going to do about it? We need this $10,000 in the sugar-cane growing States. Here is an industry that ought to be encouraged. The boll weevil is playing havoc all through that country, and our farmers have to diversify. A great many of them will plant sugar cane who are not now planting it, and this $10,000 would go a long way toward helping along this work. But we are told we must not have it because the Budget says we must not have it. Nobody says we are not entitled to it. Nobody says we do not need it; but because, forsooth, the Budget says we can not have it, we can not. Let us see whether we will or not.

Mr. SMITH. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. HEFLIN. I yield.

Mr. SMITH. Referring to the farmers of the South stopping planting cotton on account of the ravages of the weevil, in this bill, at this time, when that pest is affecting the international trade balance as against this country, reducing our average annual yield of cotton one-third, entailing a loss of something over a billion and a quarter dollars, I was astounded to find that the total amount appropriated for the purpose of investigating the ravages of insects in southern field crops, including cotton, is $165,000, against a loss of a billion and a quarter dollars.

A representative of the Agricultural Department came to see me in response to a telephone request to the Secretary of Agriculture, and I asked him why it was that there was no more than $165,000 appropriated. I had not even found the item. He turned to the page and showed it to me. I said, "Why no more than this?" He said, "Because we were limited to a certain sum for agricultural purposes and had no more, under the Budget order, to use for this purpose"—a purpose involving the very life of the exchange in favor of this Nation as against foreign nations, and perhaps the clothing in part of the entire civilized world. And yet because certain men, a list of whom has been sent me by the clerk, whose names I have never known to be identified with the great agricultural industry of the country, arbitrarily say that "So much money, in our estimation, should be appropriated for the purpose of combating the diseases that are incident to the agricultural products of the country," we must be restricted, those of us who have studied the question and who know what is economy, even in the expenditure of money, and must arbitrarily be controlled by a body of men who would not know a cotton stalk from a sugar beet.

The VICE PRESIDENT. The Chair is ready to rule on the question of the point of order at any time. The Chair rules that the point of order is well taken.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. HEFLIN. I yield.

Mr. SIMMONS. I wish to ask a question with reference to a statement the Senator from South Carolina has made. Does the Senator from South Carolina understand that a motion to increase the appropriation for the purpose of investigating the boll weevil would be subject to a point of order?

Mr. SMITH. As a matter of course it would be subject to a point of order if the point made by the Senator from Wisconsin is sustained by the Chair, because, as the Secretary has read the rule, when the Budget was substituted for a standing committee then it would have to be estimated according to law, and the law is the Budget. Therefore, if we attempt to increase the amount of the appropriation we find that the Budget has taken the place of the standing committee, and the law is the Budget, and therefore we are up against the proposition that when the Budget has made its statement then we are estopped unless it comes in pursuance of some act of one of the committees in the committee. The committee has not acted on this matter.

Mr. LENROOT. Of course the committee could have increased this particular item.

Mr. SMITH. That is the point I am making, that the committee could have increased it, but the committee did not increase it.

Mr. BROUSSARD. Has the Agricultural Committee passed upon the appropriation bill?

Mr. RANSDELL. Mr. President, I would like to answer the question propounded by my colleague. I wanted to go before the Committee on Agriculture and Forestry myself, but I did not know about it until the matter was reported here, and I am a member of that committee, and so is the Senator from Alabama [Mr. HEFLIN] a member of the committee, I believe.

Mr. HEFLIN. Yes; I am.

Mr. RANSDELL. May I ask the Senator if he ever heard of this matter until it was reported in the Senate?

Mr. HEFLIN. No; I did not.

Mr. BROUSSARD. It took me three days to find out whether or not the amount was incorporated in the appropriation bill.

Mr. SMITH. Mr. President, if the Senator from Alabama will allow me——

Mr. HEFLIN. I yield to my friend from South Carolina.

Mr. SMITH. This is tantamount to an abolishment of all the committees save one, namely, the Appropriations Committee. The Appropriations Committee, under the rules and policy we have now adopted, sees fit to specify that certain representatives from the different standing committees may meet with certain representatives from their committee to go over a matter that heretofore has been considered by one of the other committees. In other words, the Agricultural Department appropriation bill goes to the Appropriations Committee. The Appropriations Committee, through its own sweet will, intimates that it will have a subcommittee from the Committee on Agriculture and Forestry to confer with a subcommittee from the Committee on Appropriations touching the matters involved in the Agricultural Department appropriation bill. When we have gone over that, through the charity of the Appropriations Committee, then the subcommittee of the Appropriations Committee calls the full committee together and reports what has been accomplished by representatives of the Appropriations Committee and representatives of the Agricultural Committee. So that the Committee on Agriculture and Forestry, when it comes to getting the sinews of war for the purpose of carrying on the agricultural business of the country, have no voice at all except as subsidiary to the Appropriations Committee.

Mr. DIAL. I would like to ask my colleague what we should have done to get the amount increased?

Mr. SMITH. The only way we could have done would have been for the subcommittee to recommend it, and then for the subcommittee to report to the Committee on Appropriations, and if they accepted it, then we could have gotten it, because it would have come from one of the standing committees of the Senate, and thus complied with the rule.

Mr. FLETCHER. Mr. President——

Mr. HEFLIN. I yield to the Senator from Florida.

Mr. FLETCHER. The Senator from South Carolina is a member of the Committee on Agriculture and Forestry, and he is likewise a member of the Subcommittee on Appropriations dealing with the Agricultural Department appropriation bill. I would like to ask the Senator if he knew of the situation regarding this item and the boll-weevil item?

Mr. SMITH. I see the chairman of the subcommittee [Mr. MCNARY] rises in his place, and I am glad he does, because I want him to hear what I have to say. I acknowledge the fact that we, as a subcommittee, went in and knew when we went in that we were restricted to a certain amount, and that the work we were doing was largely perfunctory.

The speed with which we went through the bill was either a reflection on our intelligence or proof of the fact that we were intelligent enough to know that we could not help ourselves and had to do just the best we knew how. This particular matter was not called to our attention. I believe had it been called to our attention that we might have remedied it. But has it come to pass that matters which escape us as a subcommittee and escape the attention of the Appropriations Committee can not be remedied here when the Senate knows and is convinced that it is a matter that ought to be attended to and that the appropriation ought to be made?

Mr. SIMMONS. Mr. President, I wish to ask the Senator from South Carolina another question.

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from North Carolina for that purpose?

Mr. HEFLIN. I yield to the Senator.

Mr. SIMMONS. In the light of the facts that have been revealed here by the Senator from South Carolina and other Senators, does he not think we might accomplish the result we all have in view by recommitting the bill to the Appropriations Committee for further consideration? It would be a travesty upon legislation if our hands were so tied here that we can not legislate as our judgment dictates to relieve the agricultural situation.

Mr. SMITH. I had not intended to have anything to say about this particular matter, believing that when it was brought to the attention of the Senate it would be agreed to. I had no other idea, because I myself am from a State that does not produce nearly so much of this very necessary ingredient. It is one of the prime foodstuffs. Sirup in certain localities takes the place of meat with certain people. It is used very largely in certain parts of our coastal regions. Anything that menaces that supply very seriously jeopardizes the comfort and lives of a great many people who are not as advantageously situated as you and I may be.

Knowing from what the department said that this insidious disease with others was possibly threatening the development and life of the industry, I had no idea in the world but what the $10,000 asked for would be granted as soon as those who represent the States in which this thing has grown up had made their statements.

Mr. SIMMONS. I wish to ask the Senator if the bill is recommitted to the Appropriations Committee could it not remedy the omissions?

Mr. SMITH. I can answer the Senator by saying that the attitude of those who have it in charge on the floor of the Senate does not give me very much hope, but I think I would about as soon risk my chances there as here.

Mr. SIMMONS. I am not speaking about what the committee would do. I am addressing myself to the question of power. If the bill is recommitted to the committee, would not the committee then have the power under reconsideration to adjust there the appropriation in such way as to meet the situation?

Mr. SMITH. Oh, yes; it would have the power, but whether or not it would do it is another question.

Mr. SIMMONS. The point I am making is this: If the committee has the power, Senators who represent the cotton-growing States of the Union and the sugar-cane-growing States of the Union would be derelict in their duty to their constituents, I believe, if they did not take advantage of every possible means of preventing the miscarriage of legislation through the instrumentality of a point of order.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Alabama yield to the Senator from Oregon?

Mr. HEFLIN. I yield.

Mr. McNARY. On the very point discussed by the Senator from South Carolina I want to observe that I am not enamored of the rule. In fact, I opposed it with a few others on the floor of the Senate. I thought I saw evil and wickedness in the rule. The particular item about which the Senator complains is not carried under the head of the boll weevil, but "Insects affecting southern crops."

Mr. SMITH. Yes; I made that statement.

Mr. McNARY. The Senator was a member of the subcommittee last year and again this year. The item was the same last year as this year.

Mr. SMITH. That is true.

Mr. McNARY. It conforms to the Budget, and no one has appeared before the committee in either of the two years asking for an increase or decrease of the item. Consequently it is useless to stir up a row here over something that could have been remedied at the proper time by proper action taken in proper form.

Mr. SMITH. The point I wanted to make was that it is to be supposed that the wonderful omnipotent Budget would not seriously jeopardize anything that we ought to do by the lack of a proper appropriation to do that thing. I was informed last year that there was, under the head of southern field crops, an adequate appropriation. A member of the Agricultural Department, not a member of the Cabinet, said to me today, "We could use more money, especially in view of the fact that a new line of investigation is now being developed in the South Atlantic States, where the conditions for the propagation and increase in the number and the destructiveness of this pest are fivefold what they are in the Western States." Then I asked why the amount was not estimated for. I am not quoting him exactly, but in effect he said, "The amount was all within the sum allotted to agriculture by the Budget." I asked what the amount had been. He said, "They said it must be cut $2,000,000."

Now the monstrous proposition comes before us, gentlemen of the Senate, in the face of the fact that the Secretary of Agriculture issued a statement to the press that never before in the history of agriculture in America had the pests been as destructive as in 1922.

There is a peculiar pest known as the corn borer, and unless it is eradicated—not checked, but eradicated—it threatens to destroy the entire Indian corn crop of America. The only way in the world we can deal with that pest is by eradicating it. It is as insidious in its effect as the boll weevil, in that it does not appear on the surface and is not amenable to the application of poison. Those are questions that you and I know, and that we come in contact with, and of which we see the menace and the danger.

There were not half a dozen men east of the Mississippi who believed other than that it was a fairy tale about the destructive power of the boll weevil until he struck and bankrupted great sovereign States. Yet we are pottering along with the corn borer. He has entered the New England States. He is threatening the entire Corn Belt. What are we doing to eradicate him? What does this lot of Army officers and hotel keepers know about the menace that confronts the men attempting to raise the billions of bushels of corn that have added to the great wealth of the country? And yet, if representatives from the corn States were to come here to-day and say, "These are the facts, backed by the judgment of the Agricultural Department, and we need a million dollars to destroy the cornstalks and destroy the corn growing in the infested area," we would have to go and ask Mr. Budget whether we could do it if perchance it had not been called to the attention of the committee.

I submit, gentlemen of the Senate, that when this $10,000 appropriation, which was so reasonable and which was supported by the Secretary of Agriculture, was called to the attention of the Senate we should have granted it.

If the Senator from Alabama will allow me, I wish to make a further statement, and then I am through. I do not believe that we ought on the floor of the Senate to accept amendments proposing to increase appropriations which have not been passed upon by the department having the matter in charge.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Massachusetts?

Mr. HEFLIN. I yield.

Mr. LODGE. I only wish to say to the Senator from South Carolina [Mr. SMITH] that I am very much interested in the eradication of the corn borer. It has become quite a pest in New England, it is spreading through New York and Ohio, and will spread all over the country. It seems to me that the appropriation in that instance of $200,000 is very inadequate; but it was recommended not only by the Budget Bureau, which I think is a very useful body, but it was all that was asked by the department itself.

Mr. SMITH. Yes.

Mr. LODGE. The Senator from South Carolina had an opportunity to do something about the matter, for he is on the subcommittee.

Mr. SMITH. Exactly.

Mr. LODGE. And he could have had the amount increased. Why did he not make an effort to get the appropriation for the eradication of the boll weevil—which I think it inadequate—increased in the committee, where he could have done it, and not on the floor of the Senate, where the opportunity is cut off?

Mr. SMITH. I wish to call the attention of the Senator from Massachusetts to the fact that the appropriation in this instance was recommended by the Agricultural Department.

Mr. LODGE. I am not discussing the amendment in reference to the sugar-cane product of Louisiana. I am asking the Senator from South Carolina why he did not on the subcommittee try to get the appropriation for the extermination of the boll weevil and the corn borer increased?

Mr. SMITH. It was simply because my attention had not been called to the matter until we had gone over all of the items; but had the Agricultural Department——

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield; and if so, to whom?

Mr. HEFLIN. I yield first to the Senator from South Carolina and then I will yield briefly to other Senators.

Mr. SMITH. I wish to answer the Senator from Massachusetts [Mr. LODGE]. The point I was making was that if the Agricultural Department, which is on the watchtower, had come to us and said, "We need $500,000 for the extermination of the corn borer," and the Budget Bureau had recommended $200,000, my attention would have been at once arrested.

Mr. LODGE. I went before the subcommittee of which the Senator from South Carolina is a member and I called attention to the corn-borer appropriation.

Mr. SMITH. The Senator did.

Mr. LODGE. But the subcommittee of which the Senator from South Carolina is a member—and he was then present—voted me down.

Mr. SMITH. Yes; but before we voted the Senator down we turned to the estimates of the Agricultural Department.

Mr. LODGE. I know the committee did, but the Senator's attention was called to the matter.

Mr. SMITH. Exactly; but the Agricultural Department had not estimated the item, while the Agricultural Department has estimated for the appropriation in the particular matter now under consideration. My whole argument has been, as I stated just a few moments ago, that I did not believe we ought to adopt amendments to appropriation bills unless they were recommended by those who were charged with the responsibility.

The Agricultural Department did not increase the estimate for the item referred to by the Senator, because the Budget Bureau had said the money was not available; but as to the particular appropriation under discussion they had said it was necessary that an increase be provided. They should have said that an additional amount for the eradication of the boll weevil was necessary, and that an additional amount was also necessary for the extermination of the corn borer.

What I am complaining of, however, is that the Agricultural Department itself is made subservient to the Budget Bureau. What we ought to do is either to curtail the power of the Budget Bureau or absolutely repeal the statute providing for its creation.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Ohio?

Mr. HEFLIN. I yield to the Senator from Ohio.

Mr. WILLIS. Merely in conformity with what the Senator from Massachusetts [Mr. LODGE] has stated, I wish to call the attention of the Senator from South Carolina to the fact that in the hearing the official statement that was filed with the Senate committee called attention to the inadequacy of the appropriation referred to by the Senator from Massachusetts, and yet the committee did nothing toward enlarging the appropriation.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield further to the Senator from South Carolina?

Mr. HEFLIN. I yield.

Mr. SMITH. When we turned to the estimates of the Agricultural Department we were not supposed to know just how much money they had remaining on hand of the old appropriation. They had not estimated a dollar of increase. Therefore, relying upon the Agricultural Department, when they stated that there had been an adequate amount estimated for the boll weevil I took it for granted they meant an adequate amount in order to meet its ravages; but when I called on the department to give me the real reason for not recommending the appropriation they said that it was because the amount that was available was limited by the Budget. My entire argument this afternoon has been based upon the ground that the Agricultural Department has estimated that an increase is necessary, and that, finding the facts to be true, we should provide such increased appropriation.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. HEFLIN. I yield to my friend from South Carolina.

Mr. DIAL. Mr. President, I desire to suggest to the Senator from Alabama that these appropriations are not granted as a bonus to the farmer, but are merely to aid him to produce more and thereby decrease the cost of living for the benefit of the consumer.

Mr. HEFLIN. Certainly.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Florida?

Mr. HEFLIN. Certainly; I am glad to yield to my friend from Florida.

Mr. FLETCHER. In reference to the observation made by the Senator from North Carolina [Mr. SIMMONS] that if the standing committee reported an amendment increasing the appropriation above that recommended by the Budget Bureau it would be in order, and that, therefore, his thought was to recommit the bill in order to give them that opportunity, I wish to suggest that it would not be necessary even to recommit the bill; that the committee could meet while the bill is under consideration and report an amendment proposing a change in the bill. If the amendment is reported from the committee, it may be offered here on the floor. The committee may consider such items as they see fit while this discussion is proceeding and report an amendment which will be in order without necessitating the recommittal of the bill.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. HEFLIN. I yield.

Mr. SIMMONS. It seems to me that there is a great deal of force in the suggestion made by the Senator from Florida [Mr. FLETCHER]. What he suggests would afford a very easy way out of this difficulty. As I understand the Senator from South Carolina, the Department of Agriculture did not make its estimates for these purposes upon its own judgment, but made its estimates to conform to the limitations imposed upon it by the Budget Bureau. If that be true, then, of course, we ought not to be bound by the estimates made by the Agricultural Department, because they do not reflect the judgment of the Agricultural Department as to the requirements and the needs of agriculture, but are merely a submission by the Agricultural Department to the higher will of the Budget Bureau.

Mr. President, the situation which has developed here this evening is a very extraordinary one. If we are bound by the Budget findings, and if the Department of Agriculture is bound by the Budget findings, then when the judgment of the Budget does not meet the judgment of the Agricultural Department and the judgment of Congress there is no relief for the people whatever may be their grievances and whatever may be their needs. If this amendment is declared to be out of order—and probably it is out of order under the rules which now obtain—it seems to me that it is the duty of the Agricultural Committee, pending the consideration of the bill, to have a meeting and reconsider this question; and if it be found that the Agricultural Department and the Budget Bureau have made an estimate which is below the needs and requirements of these great agricultural interests, to bring in an amendment which would meet the situation and remove the difficulty created by the point of order.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Massachusetts?

Mr. HEFLIN. I yield to the Senator from Massachusetts.

Mr. LODGE. The Senator from North Carolina is an old and experienced Senator, and he knows that the committee at this moment can bring in an amendment proposing to increase every one of these appropriations, if they choose so to do.

Mr. SIMMONS. That is exactly what I have stated.

Mr. LODGE. And it is not necessary to recommit the bill in order that that may be done.

Mr. SIMMONS. That is exactly what I have stated. The Senator from Florida [Mr. FLETCHER] made the suggestion that this situation could be met by a meeting of the Agricultural Committee and the bringing in of an amendment by them; but I have suggested that in the situation which has developed here it is the duty of the Agricultural Committee to hold a meeting to reconsider this question.

Mr. LODGE. The Appropriations Committee.

Mr. SIMMONS. Very well; the Appropriations Committee, whichever it is.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield further to the Senator from Massachusetts?

Mr. HEFLIN. I do.

Mr. LODGE. It is not necessary that there should be a recommittal of the bill.

Mr. SIMMONS. I have not said that it would be necessary to recommit the bill.

Mr. LODGE. I beg the Senator's pardon. I thought he had so stated.

Mr. SIMMONS. I did make that suggestion a little earlier, but the Senator from Florida suggested that the difficulty which I sought to meet by a motion to recommit could be accomplished by a meeting of the committee to reconsider this matter.

Mr. LODGE. The committee can report any amendment that they want to report.

Mr. SIMMONS. That is exactly what I suggested; and I further said that it is their duty, under the circumstances which have been developed and disclosed here this afternoon, to have such a meeting and bring in an amendment.

Mr. HEFLIN. Mr. President, if that should take place——

The PRESIDING OFFICER. The Chair recognizes the Senator from Alabama.

Mr. HEFLIN. I do not want to take the Senator from North Carolina off his feet.

The PRESIDING OFFICER. The Chair understands the Senator from Alabama has the floor.

Mr. HEFLIN. I have, but I do not want to take the Senator from North Carolina off the floor.

Mr. SIMMONS. I have finished what I had to say.

Mr. HEFLIN. I wish to suggest in connection with what has been said that if the Committee on Agriculture should now assemble in one of the committee rooms near the Chamber and undertake to recommend anything, the Appropriations Committee would say, "This matter is closed; we are not going to go into it again; it is all over." So I say the place to act is on the floor. Let the Agricultural Committee recommend, if it chooses to make a recommendation, and then have its recommendation rejected; but what I have suggested is what would happen if the Agricultural Committee should undertake to act. I wish to call the attention of the Senate and the country to the fact that the Agricultural Committee has been shorn of its power. It has been stripped of its power by a Budget Bureau, influenced, we are told, by Chicago hotel keepers and ex-Army officers.

Mr. LODGE. The Agricultural Committee has taken jurisdiction of a proposed constitutional amendment.

Mr. SIMMONS. Mr. President, let me ask the Senator from Alabama a question.

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. HEFLIN. I do.

Mr. SIMMONS. If the Committee on Agriculture has lost its jurisdiction over this measure because it has gone into the hands of the Committee on Appropriations, why can not the Committee on Appropriations meet and bring in an amendment?

Mr. HEFLIN. I think that could be done; but will it be done? If the Budget Bureau tells it not to do so, it would probably be opposed to taking action, because the Budget Bureau is becoming all powerful with this Republican Congress.

Mr. President, I want to say in conclusion that, as the Senator from South Carolina [Mr. DIAL] has suggested, this is not any bonus to the farmers.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Kansas?

Mr. HEFLIN. I do.

Mr. CURTIS. I do not want to interfere, but it does seem to me that Senators ought not to state that the rules are what they are not. The rule has not taken away from the standing committees of the Senate their power; and under the first paragraph of Rule XVI amendments may be recommended by the standing committees of the Senate.

Mr. HEFLIN. They may be recommended, very properly.

Mr. CURTIS. Then they are in order, if recommended.

Mr. HEFLIN. They may be recommended. Now, here is one that is recommended. I am indorsing it. I am a member of the Committee on Agriculture and Forestry; but let us see what fate overtakes it in a moment.

Mr. WADSWORTH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. I do.

Mr. WADSWORTH. Is the Senator a quorum of the committee?

Mr. HEFLIN. No. The Budget is the quorum. [Laughter in the galleries and on the floor.]

The PRESIDING OFFICER. The Chair must remind the occupants of the galleries that under the rules demonstrations in the galleries are not in order.

Mr. HEFLIN. Mr. President, as I was about to say, this is not any bonus to the farmer. We hear frequently here of late from certain papers in the East urging that we should be very careful about what sort of a farm credit bill we pass; that the farmer is receiving a bonus of this kind and that. This is not any bonus to him. This is an effort to destroy a parasite that is seeking to destroy the cane industry of the United States. I have seen the Congress, since I have been a Member of it, appropriate money to kill wolves in the West that committed depredations upon the sheep that graze on the plains—men hired, ammunition furnished, guns bought to shoot wolves, to protect sheep grazing with their offspring upon the broad plains of the West.

The Government was putting up the money to destroy wolves that were seeking to destroy the sheep industry of the United States. Here we are undertaking to have a little money, $10,000, appropriated to destroy a pest, a parasite, in the South, in the sugar-cane fields of all the Southern States—$10,000! The Secretary of Agriculture says we ought to have it; the Senators from the agricultural States down there say we ought to have it; and a Budget Bureau, composed and influenced by hotel proprietors and Army officers, is the only thing that stands between us and the much-needed $10,000.

The Senator from Wisconsin [Mr. LENROOT] says that if we permit this amendment to come in there are other Senators that would like to have their amendments come in. Mr. President, I submit that that is not the way to legislate. What are we coming to? If any amendment is right, it ought to be passed, I do not care how many more are pending. Are you going to turn down an honest, meritorious amendment, when it is right, because somebody else has an amendment that he would like to have adopted? Let us try out each amendment on its merits, and let us serve notice on this Budget Bureau now that it is not quite as big as it thinks it is. It is not bigger than Congress, according to my judgment. It is not bigger than the Cabinet or the President. I think it is high time that we get some common sense into those who are undertaking to tell Congress what we shall appropriate for this purpose and that to serve the needs of a struggling people like the agricultural classes of the United States.

I remarked here a few days ago, and it can not be repeated too often, to those who think the farmers are again becoming prosperous, that four-fifths of their farms are under mortgage, and if they were sold to-day under the hammer they could not pay the debts for which they are mortgaged. Their crops are mortgaged. Their live stock are mortgaged. Here we are asking for $10,000 additional to aid the cane industry in all the Southern States, and we are up against a point of order and a Budget Bureau composed of Army officers and hotel proprietors! It is up to us to repudiate the unreasonable and arbitrary action of this arrogant Budget Bureau.

Mr. SIMMONS. Mr. President——

Mr. HEFLIN. I yield to the Senator.

Mr. SIMMONS. I should like to have the attention for just a minute of the acting chairman of the Agricultural Committee. I know the acting chairman of that committee is a friend of agriculture. I know that he does not wish to pursue a course which would be unjust and unfair to that great interest.

Mr. HEFLIN. We all feel that way about it.

Mr. SIMMONS. I submit to the Senator, the acting chairman of the Agricultural Committee—and I am going to ask him to consider this—that he ought either to withdraw his point of order and let us deal with this question upon its merits or he ought to allow the matter to go over until he can call his committee together and make an investigation into the merits of these suggested increases. I do not mean that the Senator should act upon that immediately; but I hope that he will let this matter go over, not insisting upon his point of order at this time, and give consideration to the suggestion I am making, that he either ultimately withdraw it or have his committee meet and make another investigation of this matter.

Mr. McNARY. Mr. President——

Mr. HEFLIN. I yield to the Senator.

Mr. McNARY. With reference to the request of the Senator from North Carolina as to the policy I would pursue in this matter, I desire to say that the point of order was made, and properly so, by a member of the subcommittee, with the chairman's full consent. The point of order has been sustained by the Chair. Therefore there is no remedy at this time so far as the parliamentary situation goes.

Mr. SIMMONS. I did not know that the Chair had sustained the point of order.

Mr. HEFLIN. There has been no ruling upon this particular matter.

The VICE PRESIDENT. The Chair made a ruling some time ago.

Mr. HEFLIN. Mr. President, I did not understand that. I desire to appeal from the decision of the Chair.

Mr. BROUSSARD. Before the Chair rules, I should like to be heard on the matter.

The VICE PRESIDENT. The Chair made a ruling some time ago.

Mr. HEFLIN. None of us understood it.

Mr. RANSDELL. May I ask what the ruling of the Chair was? I have been sitting here, listening very intently, and I did not hear it.

Mr. McNARY. I should like to conclude my remarks, Mr. President.

Mr. RANSDELL. What was the ruling of the Chair, please?

The VICE PRESIDENT. The Chair ruled that the point of order was well taken.

Mr. HEFLIN. None of us heard it down this way.

Mr. McNARY. Mr. President, I thought I was recognized.

Mr. HEFLIN. I have not yielded the floor, but I yielded to the Senator. I want to say, though, before the Senator proceeds, that I said I wanted to be heard before the Chair ruled, and I was proceeding, and I thought the Chair was holding his ruling in abeyance. We expected to take some step when the Chair did rule, and until the Senator from Oregon made the statement that he did I never knew that the Chair had ruled.

Mr. SIMMONS. Mr. President, I had not heard the ruling of the Chair. While the Chair suggested several times that he was ready to rule, I thought he did not make a ruling because the debate was going on. If, however, the Chair has made a ruling, and that is final, and can not be changed, then I hope the acting chairman of the committee will call his committee together for the purpose of bringing in an amendment, if he finds it proper to do so, to obviate this difficulty.

Mr. McNARY. Mr. President, I was about to remark to the Senator who has just taken his seat that a few moments ago I stated to some of the Senators that I would call a meeting of the Agricultural Committee for 10.30 to-morrow to consider some of these emergency matters, and those who have any amendments of that kind can present them to the committee at that time. No one wants to impair agriculture or do it a wrong; and I know that I express the views of both the Appropriations Committee and the subcommittee when I say that they want every opportunity given to those who have demands upon the Government to have them met; and if further investigation will do it, I can say to the Senators present that they shall have that opportunity to-morrow at 10.30.

Mr. SIMMONS. That is all right.

Mr. BROUSSARD. Mr. President——

Mr. HEFLIN. I yield to the Senator.

Mr. BROUSSARD. I had intended all the time to offer an amendment and have it referred to the Agricultural Committee, and then to ask the Senate to defer this question until the Agricultural Committee had acted upon the amendment proposed. I am going to offer it now.

Mr. HEFLIN. With that statement, I am willing for the matter to rest until we can have a meeting of the committee and go into the matter.

The VICE PRESIDENT. Does the Senator from Alabama yield the floor?

Mr. HEFLIN. I do.

Mr. BROUSSARD. Mr. President——

The VICE PRESIDENT. The Senator from Louisiana.

Mr. BROUSSARD. I offer the amendment which I send to the desk, and ask its reference to the Agricultural Committee.

The VICE PRESIDENT. It will be received and so referred.

Mr. FERNALD obtained the floor.

Mr. JONES of Washington. Mr. President, will the Senator yield to me?

Mr. FERNALD. I yield.

Mr. JONES of Washington. I ask unanimous consent that when the Senate concludes its business to-day it recess until 12 o'clock to-morrow.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LENROOT. Mr. President, with reference to the amendment proposed by the Senator from Louisiana, may that amendment be read?

Mr. FERNALD. Mr. President, I thought I had the floor.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. The amendment is the same amendment that was offered from the floor—on page 30, line 7, to increase the amount in the bill by striking out "$94,115" and inserting in lieu thereof "$104,115."

Mr. LENROOT. Mr. President, the point I desire to make is that if there is to be a reference it would be the duty of the Chair to refer the amendment to the committee having jurisdiction, which is the Committee on Appropriations, and not the Committee on Agriculture and Forestry.

Mr. UNDERWOOD. Mr. President, on the point that is made——

Mr. FERNALD. Mr. President, I yield to the Senator from Alabama.

Mr. LENROOT. The Senate can control it, of course.

Mr. UNDERWOOD. That is what I wanted to say. The Senator from Louisiana has made a request for the reference of his amendment. In all courtesy to the Senator, both committees having jurisdiction of this matter, it should go to the committee that he desires.

Mr. LENROOT. The Committee on Agriculture and Forestry has not jurisdiction.

Mr. UNDERWOOD. Yes, it has. It can propose amendments to this bill.

Mr. LENROOT. But it has not jurisdiction over appropriations.

Mr. UNDERWOOD. I know; but it can propose amendments to this appropriation bill, and if proposed they will be in order. I am only protesting that if the Senator desires a hearing before a committee having jurisdiction he is entitled to have his request complied with.

Mr. LENROOT. If the Senator will yield, the only point I had to make with regard to the amendment of the Senator from Louisiana was that it was not necessary for him to take this course at all. The committee may bring the matter in to-morrow as an original amendment.

Mr. UNDERWOOD. The Senator is entitled to the credit for his proposal, though, if he wants it.

Mr. LENROOT. I did not mean that; but I can not, by unanimous consent, permit an appropriation measure to be referred to a committee that has not jurisdiction of the appropriation.

Mr. UNDERWOOD. I think the Chair has the right to determine the reference without unanimous consent, unless it is challenged by a motion. Then, of course, in that event the Senate has a right to determine it.

Mr. LENROOT. Yes.

Mr. UNDERWOOD. But the position I take is that either of these committees can bring in an amendment to this bill. It was understood when we sent these bills to the general Appropriations Committee that we were not going entirely to divorce committees like the Committee on Agriculture and Forestry from control of these measures. Of course, the Senate can order the amendment referred; but I am only appealing to the Chair that as the Senator from Louisiana requests that this be done, and it is in order to refer it to either committee, the request should be complied with.

Mr. POINDEXTER. Mr. President, will the Senator from Maine allow me to offer an amendment to be printed?

Mr. FERNALD. I yield; yes.

Mr. POINDEXTER. I offer an amendment to this bill, and ask that it be printed and lie on the table.

The VICE PRESIDENT. Without objection, it will be so ordered.

Mr. WILLIS. Mr. President——

Mr. FERNALD. I yield to the Senator from Ohio.

The VICE PRESIDENT. The Chair desires to state that the Senator from Louisiana offered his amendment and asked that it be referred to the Committee on Agriculture and Forestry. The Chair said that it was so referred. The Chair will entertain a motion, if any Senator desires to make it, to refer it to any other committee.

Mr. WADSWORTH. To which committee was it referred?

The VICE PRESIDENT. The Committee on Agriculture and Forestry.

Mr. FLETCHER. Mr. President, I desire to make a parliamentary inquiry. Do I understand that the Senator from Wisconsin does not question the statement that if the amendment is reported by the standing Committee on Agriculture and Forestry it will be in order if offered to this bill?

Mr. LENROOT. I do not. The only point I desire to make—and I think a very serious precedent is about to be made here—is that amendments to appropriation bills should not be referred to a committee that does not have jurisdiction, although another committee may technically have the right to offer amendments.

Mr. BROUSSARD. Mr. President, if I may be permitted, under the interpretation of the Senator from Wisconsin there is only one committee of the Senate. This is an agricultural bill. This bill is reported to this body by the chairman of the Agricultural Committee.

I wish to offer an amendment to the bill, and it should be referred to the Committee on Agriculture. Then the rules control it, after it is referred to that committee, as I understand it.

Mr. FLETCHER. It is already referred.

Mr. SIMMONS. Yes; it is already referred.

Mr. LENROOT. Of course, if that is true, I want to say that you might have an entire appropriation bill before the Senate, and at the request of a Senator it could be referred to a committee that has not jurisdiction. I do not see how an amendment to an appropriation bill can have a greater right than the bill itself.

Mr. WADSWORTH. Will the Senator from Maine yield?

Mr. FERNALD. I yield.

Mr. WADSWORTH. I am sure the Senate sees the possibilities of this situation. Every Senator knows it is the custom here for Senators to rise in their places, and, with very

little attention paid to us by anyone else, offer amendments intended to be proposed to some bill that is coming out of the Committee on Appropriations. Then, without any other Senator knowing anything about it, we may ask that the amendment be referred to a committee which has not considered the appropriation bill, and that committee, whether it be the Committee on Agriculture, or the Committee on Military Affairs, in the case of the War Department appropriation bill, or the Committee on Naval Affairs, in the case of the naval appropriation bill, may report to the Senate a flood of amendments to be attached, in order, to an appropriation bill, and the appropriation subcommittee, composed in part of members of the Committee on Agriculture, or the other committees, will know nothing about them, will have no opportunity to know anything about them, and we can absolutely destroy the symmetry of any appropriation bill brought in by the Appropriations Committee.

I think the Senator from Wisconsin is absolutely right in this matter. If we are going to proceed in this way, as is now proposed, we might just as well revise our whole procedure and give up the effort toward reform which we made a year ago.

Mr. WILLIS. Mr. President——

Mr. FERNALD. I yield to the Senator from Ohio.

Mr. WILLIS. I offer an amendment to the pending bill and ask that it be printed and referred to the Committee on Agriculture and Forestry.

Mr. WADSWORTH. Mr. President, there is an example of it. The Committee on Appropriations has no idea what that amendment is.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Maine yield to the Senator from Oregon?

Mr. FERNALD. I yield.

Mr. McNARY. I do not think there is nearly as much evil in the situation as the Senator from New York or the Senator from Wisconsin suggests. I asked these Senators, who had an idea that the appropriations were not adequate to meet the situation, to come before the Committee on Agriculture, because of the fact that that committee will have a regular meeting to-morrow.

The VICE PRESIDENT. The Chair may be misinformed about it, but the Chair understands that, whether an amendment is referred to a committee or not, any standing committee can come in and propose an amendment to an appropriation bill. If that is true, what difference does it make whether this amendment goes to the Committee on Agriculture and Forestry or to the Appropriations Committee, or any other committee? If the Committee on Agriculture and Forestry want to propose an amendment, they can do so.

Mr. McNARY. Mr. President, that is precisely what I had in mind. I am not speaking about any particular amendment at all, or any particular provision of this bill, but the Committee on Agriculture can meet, and if it reports and recommends certain amendments which will be in order on the floor, there is no way that situation can be avoided.

Mr. WADSWORTH. Will the Senator from Maine yield?

Mr. FERNALD. I yield.

Mr. McNARY. It is the general situation, rather than a particular aspect, of which I speak.

Mr. WADSWORTH. Does the Senator think it proper, in the handling of the fiscal problems of the Government, involving $3,000,000,000, to proceed in this way? Would the Senator believe it wise, at this point in the procedure in connection with this bill, to refer 50 amendments to the Committee on Agriculture without the knowledge of the Committee on Appropriations? How will you ever have any idea what the total of a bill is to be?

Mr. McNARY. Mr. President, I am not discussing a straw man. If to-morrow the Committee on Agriculture, after listening to the statement of the Senator from Massachusetts, believe that there is a real evil existing in permitting the corn borer to spread into Maine and New York, when it should be confined to one section, and he desires to recommend an amendment, he would be rendering a public service.

Mr. WADSWORTH. Can he not go before the subcommittee of the Committee on Appropriations?

Mr. McNARY. The subcommittee may not be in session. I am not particular which committee has the matter before it.

Mr. WADSWORTH. Can not the Senator call it into session? He is the chairman of the subcommittee.

Mr. McNARY. I made my suggestion because the Committee on Agriculture will have a regular meeting to-morrow—not for this purpose—and I thought those Senators who have grievances could well come there without going before other committees.

Mr. WADSWORTH. The Committee on Military Affairs is not busy. I can have an amendment referred to the Committee on Military Affairs, and if they see fit to report it they can do so.

Mr. JONES of Washington. Mr. President, the new rule we adopted is a substitute for paragraph 1 of rule 16. Paragraph 2 of rule 16 reads as follows:

> All amendments to general appropriation bills moved by direction of a standing or select committee of the Senate, proposing to increase an appropriation already contained in the bill, or to add new items of appropriation, shall, at least one day before they are considered, be referred to the Committee on Appropriations.

Mr. LENROOT. It has to go to the Committee on Appropriations.

Mr. JONES of Washington. So if that is followed, the bill can not be disposed of to-morrow, but these amendments will have to go to the Committee on Appropriations.

Mr. McNARY. It does not matter, in my opinion, whether these are called amendments or not, a Senator can appear there in person to-morrow if he wants to, and the committee can report an amendment. That is the point I make in this particular instance. I am not interested about where the amendments are referred. I say the Committee on Agriculture has jurisdiction to report to-morrow upon these, whether they are called amendments or additions to the bill.

The VICE PRESIDENT. The Chair has made its ruling on the amendment offered by the Senator from Louisiana. The Chair does not think, however, that that is a good policy, and the Chair is going to refer the amendment offered by the Senator from Ohio [Mr. WILLIS] to the Committee on Appropriations, subject to the right of the Senator from Ohio to make a motion to have it referred elsewhere.

Mr. DIAL. Mr. President, I send an amendment to the desk, which I ask to have referred to the Committee on Agriculture.

The VICE PRESIDENT. Is it an amendment to the pending bill?

Mr. DIAL. It is.

The VICE PRESIDENT. The Chair will refer the amendment to the Committee on Appropriations.

Mr. LODGE. Mr. President, if the Senator from Maine will allow me——

Mr. FERNALD. I yield.

Mr. LODGE. I have an amendment which I desire to offer, and I ask that it be referred to the Committee on Appropriations.

The VICE PRESIDENT. It will be so referred.

Mr. LENROOT. Mr. President, if I may have the attention of the Senator from Louisiana for a moment, I desire to state that I certainly would not wish to take any advantage of him, but, under the rule, unless his amendment is referred to the Committee on Appropriations it will be subject to a point of order to-morrow if offered by the Committee on Agriculture, and I suggest that the Senator, for his own protection, recall his request.

Mr. BROUSSARD. Mr. President, I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. BROUSSARD. I want to know whether or not an amendment may be referred to two committees.

The VICE PRESIDENT. The Chair does not know of any such reference.

Mr. UNDERWOOD. Mr. President, if the Senator from Maine will pardon me a moment, as this situation has come up very unfortunately in the Senator's time and is of some importance——

Mr. FERNALD. I am quite willing to yield to the Senator.

Mr. UNDERWOOD. I want to say that I was one of those on the Rules Committee who aided in the consolidation of the appropriation bills, and I think it is very important if we are going to carry out the Budget act at all that they should be consolidated. But you can not take away from the standing committees of the Senate, which have jurisdiction over certain matters and give them their particular study, their control of matters of this kind and say that the Senate itself can not act without having a revolution and destroying your Budget system. That is just as sure as that I am standing here.

I intended, if I had the time, to call to the attention of the Senate to-day—I may do so to-morrow—the fact that there is legislation in this bill in reference to the salaries of officers, coming from the Department of Agriculture, an entire reversal of what was determined on two years ago; and that legislation was put in the bill by the House. I am not reflecting on the Senate committee now, but it was provided in the House, by a rule similar to that of the Senate, that they would put the appropriations in the hands of the Committee

on Appropriations, and that legislation should be confined to the committee having legislative authority to deal with the matter.

This went in in the House, but it is in violation of the spirit of the law. Change of office and change of salary are just as much new legislation as if they wiped out some bureau entirely. The standing rules of the Senate still prevail, providing that an amendment may be offered by a standing committee of the Senate, not the standing committee; that is a protection of the bill, because no one Senator can jump it on the Senate, but it is still the law and always was—it was the law two years ago when any individual Senator could have offered an amendment such as this. The senior Senator from Kansas [Mr. CURTIS] stood right in the center aisle within the hour and called attention to the fact that the rule would authorize the reference of this amendment to the Committee on Agriculture.

Mr. LENROOT. No; that the Committee on Agriculture could recommend the amendment.

Mr. UNDERWOOD. What is the difference?

Mr. LENROOT. Under the rule, the amendment itself must go to the Committee on Appropriations to give that committee jurisdiction.

Mr. UNDERWOOD. What is the difference, if the Committee on Agriculture can offer an amendment, in providing that it can not be offered on the floor? That would be an anomaly in the rules, would it not?

Mr. LENROOT. May I read the rule?

Mr. UNDERWOOD. Certainly.

Mr. LENROOT. It provides that—

All amendments to general appropriation bills moved by direction of a standing or select committee of the Senate, proposing to increase an appropriation already contained in the bill, or to add new items of appropriation, shall, at least one day before they are considered, be referred to the Committee on Appropriations.

Mr. ROBINSON. Will the Senator from Alabama permit me, in that connection, to say that that proviso does not prevent the reference by the Senate of an amendment to any committee the Senate desires to refer that amendment to, and amendments of this nature are properly referred first to the committee which has jurisdiction of the subject matter, to authorize such appropriations. The effect of the action which the Senate has taken in referring the amendment of the Senator from Louisiana to the Committee on Agriculture is this: If the Committee on Agriculture reports the amendment, then before it may be considered by the Senate, if any Senator makes the point of order, the amendment will necessarily be referred also to the Appropriations Committee, under clause 2 of Rule XVI, and it will delay the final action of the Senate on the Agricultural appropriation bill until the Appropriations Committee has had the amendment before it for one day. But the Senate is entitled to have the opinion of the Committee on Agriculture on an appropriation that specifically relates to agriculture, if the Senate desires to have the committee pass upon the matter. Indeed, under Rule XVI the amendment should first go to the Committee on Agriculture.

I apprehend that Senators will not make an objection to the consideration of the amendment after it has been moved by the Committee on Agriculture, assuming that the committee reports the amendment of the Senator from Louisiana. If it should be referred to the Committee on Appropriations, the only effect of it will be to delay the passage of this bill until the Committee on Appropriations has also passed upon the amendment or has had the amendment before it for one day.

Mr. LENROOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Maine yield to the Senator from Wisconsin?

Mr. FERNALD. I yield.

Mr. LENROOT. I would like to ask the Senator from Arkansas whether he does not think a proper construction of the rule is that although the amendment must be referred to the Committee on Appropriations, without a reference to it, the Committee on Agriculture, for instance, to-morrow, these amendments being introduced to-day, could move these particular amendments?

Mr. ROBINSON. Certainly the Committee on Agriculture and Forestry could move the amendment if it desired to move.

Mr. LENROOT. And be within the rules?

Mr. ROBINSON. Yes; and be within the rules.

Mr. LENROOT. And it would not be subject to a point of order?

Mr. UNDERWOOD. I think so; and that is why I say the position of the Senator from Wisconsin is an anomaly, that the Committee on Agriculture and Forestry can come in and move an amendment to the bill, and it will be in order.

Mr. LENROOT. If it has the day before been referred to the Committee on Appropriations.

Mr. ROBINSON. The Committee on Appropriations does not have to act upon it.

Mr. LENROOT. Not at all.

Mr. ROBINSON. If any Senator, after the Committee on Agriculture has reported the amendment or moved it, makes the point that it has not been in the Committee on Appropriations for 24 hours, the amendment would go there and the Senate would suspend action on the Agricultural Department appropriation bill until the expiration of 24 hours.

Mr. POINDEXTER. Mr. President——

The VICE PRESIDENT. Does the Senator from Maine yield to the Senator from Washington?

Mr. FERNALD. I yield.

Mr. POINDEXTER. As bearing on the point the Senator from Arkansas mentions, the question that would arise at that point in the proceedings, in the case of the amendment offered by the Senator from Louisiana [Mr. BROUSSARD], would be whether or not the reference of the amendment that has already been made and was made this afternoon prior to prospective action by the Committee on Agriculture did not comply with the rule. The rule says: "One day before action." Whether it means that it must be referred after it has been recommended by a standing committee or not, the rule is silent.

Mr. ROBINSON. I think, under the language of clause 2, Rule XVI, that if anyone raises the point of order, even though the amendment has been referred to the Committee on Agriculture and Forestry, it perhaps would go also to the Committee on Appropriations. The only effect of the point of order would be to delay its consideration for 24 hours, and of course the Senate would not insist upon acting upon the bill until the Committee on Appropriations had had the amendment for that length of time. If some Members of the Senate did insist upon it, there would probably be enough Members present who would want the matter passed upon by the Senate to defer action until the 24 hours had expired.

Mr. UNDERWOOD. Mr. President, just one further word before I conclude. I want to say that I believe in the interest of economy it is wise to have the appropriation bills considered by one committee. It is wise to have these matters considered where there are new matters by a committee before action. But when we come down to the question that there is nothing involved except the increase or decrease of an appropriation, when there is no new matter, as is the case in this instance, when it is only a question as to whether the appropriation is adequate, and we see under the rules of the Senate that the Senate as a body can not pass on the adequacy of an appropriation, can not increase it or decrease it, then we see that the new rules have wiped out all power in the Senate to attend to the business of the Nation so far as appropriation bills are concerned.

I am sure that it was not the intention of the Senate, when the rule was adopted, to prevent the Senate from passing on the question of how many dollars are needed for any particular project. That is all that is involved in the appropriation covered by the amendment offered by the junior Senator from Louisiana.

Mr. SMITH. Mr. President, may I ask the Senator a question right on that point?

The VICE PRESIDENT. Does the Senator from Maine yield to the Senator from South Carolina?

Mr. FERNALD. I yield.

Mr. SMITH. The construction of the rule by the Senator from Alabama is that the adequacy of the amount, when the subject matter is already in the bill, is a just subject for the Senate; but if new matter comes in with an appropriation, then that falls under the rule that it must go before the committee. But as to an increase or decrease of an appropriation to carry out a project that is already in the bill and established, it is within the province of the Senate.

Mr. UNDERWOOD. I think so, and I think if that is not the construction of the rule, then the Senate has ceased to do business, and undoubtedly that was not the intention.

Mr. JONES of Washington. May I suggest to the Senator from Alabama that in that particular the new rule is no different from the old rule. The old rule reads just exactly the same. The old rule reads as follows:

And no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provision of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate of the head of some one of the departments.

The last phrase is changed to read:

Or proposed in pursuance of an estimate submitted in accordance with law.

Mr. UNDERWOOD. Undoubtedly, but this appropriation is all subject to a point of order or else none of it. The motion of the Senator from Louisiana [Mr. BROUSSARD] is not subject to a point of order on that basis, because there is no limit to the appropriation. It is a new appropriation.

Mr. JONES of Washington. Oh, no; the $94,000 is pursuant to a Budget estimate and recommendation of the Appropriations Committee, while the Senator from Louisiana proposed to increase the item.

Mr. UNDERWOOD. I understand that, but it is nothing that came over from last year or that is fixed in the statutes of the country.

Mr. JONES of Washington. Oh, no; but under the new rule, as well as under the old rule, it would be subject to a point of order.

Mr. UNDERWOOD. Yes; that is true.

Mr. ROBINSON. Will the Senator permit me one word further?

Mr. FERNALD. Certainly.

Mr. ROBINSON. The purpose of the rule as now framed is that an amendment of this nature proposed by a Senator should take the course which the amendment of the Senator from Louisiana has taken. It shall be referred first to a standing committee and then, if moved by a standing committee, it shall also go to the Committee on Appropriations. It was properly referred as an individual amendment to the Committee on Agriculture and Forestry, and it is doubtful whether under the rules, objection having been made, the amendment could have been referred in the first instance to the Committee on Appropriations.

Mr. JONES of Washington. Mr. President, will the Senator from Maine yield to me to move an executive session?

Mr. FERNALD. I yield for that purpose.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 10 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Thursday, January 11, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 10 (legislative day of January 9), 1923.

UNITED STATES PUBLIC HEALTH SERVICE.

Passed Asst. Surg. Sanders L. Christian to be surgeon in the United States Public Health Service, to rank as such from January 8, 1923. This officer has served the required time in his present grade and has passed the necessary examination for promotion.

POSTMASTERS.

ALABAMA.

Henry G. Reiser to be postmaster at Mobile, Ala., in place of J. B. Thornton. Incumbent's commission expired September 5, 1922.

ARKANSAS.

Dennis M. Lee to be postmaster at Flippin, Ark., in place of E. C. McBee. Office became third class July 1, 1922.

Randoph M. Jordan to be postmaster at Fordyce, Ark., in place of Red Thomas, resigned.

Dennis M. Townsend to be postmaster at Mena, Ark., in place of R. S. Allen, removed.

O. John Harkey, jr., to be postmaster at Ola, Ark., in place of E. A. Matthews. Incumbent's commission expired October 24, 1922.

CALIFORNIA.

Henry De Soto to be postmaster at Kentfield, Calif., in place of Henry De Soto. Office became third class October 1, 1922.

COLORADO.

Henry J. Stahl to be postmaster at Central City, Colo., in place of C. I. Parsons. Incumbent's commission expired October 14, 1922.

CONNECTICUT.

Weeden F. Sheldon to be postmaster at Moosup, Conn., in place of W. F. Sheldon. Incumbent's commission expired October 14, 1922.

Herbert H. Cutler to be postmaster at Sandy Hook, Conn., in place of F. A. Rainer, resigned.

FLORIDA.

William H. Turner to be postmaster at Largo, Fla., in place of T. A. Duren, deceased.

Ulysses D. Kirk to be postmaster at Sebring, Fla., in place of U. D. Kirk. Incumbent's commission expired November 21, 1922.

IDAHO.

Myron A. Corner to be postmaster at Wallace, Idaho, in place of J. F. Whelan. Incumbent's commission expired September 5, 1922.

ILLINOIS.

Secondo V. Donna to be postmaster at Braidwood, Ill., in place of M. G. Sullivan. Incumbent's commission expired February 4, 1922.

Henry W. Schwartz to be postmaster at Dupo, Ill., in place of L. J. Dyroff. Incumbent's commission expired October 24, 1922.

Carl F. Miller to be postmaster at Franklin, Ill., in place of William Whalen. Incumbent's commission expired October 24, 1922.

George J. Rohweder to be postmaster at Geneseo, Ill., in place of W. H. J. Hoeft. Incumbent's commission expired October 24, 1922.

Russell Young to be postmaster at Rossville, Ill., in place of L. J. Byrne. Incumbent's commission expired October 24, 1922.

William H. Fahnestock to be postmaster at Rushville, Ill., in place of H. F. Dyson, resigned.

INDIANA.

Howard J. Tooley to be postmaster at Columbus, Ind., in place of I. A. Cox, removed.

Milton E. Spencer to be postmaster at Ossian, Ind., in place of Harry Hunter. Incumbent's commission expired July 21, 1921.

IOWA.

William C. Howell to be postmaster at Keokuk, Iowa, in place of J. F. Elder. Incumbent's commission expired November 21, 1922.

Willis G. Smith to be postmaster at Rock Rapids, Iowa, in place of P. H. McCarty. Incumbent's commission expired September 5, 1922.

Baty K. Bradfield to be postmaster at Spirit Lake, Iowa, in place of M. C. Nelson. Incumbent's commission expired September 5, 1922.

Archie C. Smith to be postmaster at Storm Lake, Iowa, in place of K. E. Morcombe. Incumbent's commission expired September 5, 1922.

MASSACHUSETTS.

Edmund Spencer to be postmaster at Lenox, Mass., in place of J. M. Johnson. Incumbent's commission expired October 1, 1922.

Edgar O. Dewey to be postmaster at Reading, Mass., in place of F. E. Gray. Incumbent's commission expired October 1, 1922.

MICHIGAN.

Frank B. Housel to be postmaster at St. Louis, Mich., in place of John Burns. Incumbent's commission expired September 13, 1922.

MINNESOTA.

William W. Tyndall to be postmaster at Grand Rapids, Minn., in place of E. C. Kiley. Incumbent's commission expired September 13, 1922.

Charles F. Wolfe to be postmaster at Kellogg, Minn., in place of D. B. Lydon. Incumbent's commission expired September 13, 1922.

George L. Chesley to be postmaster at Pipestone, Minn., in place of G. G. Stone. Incumbent's commission expired September 13, 1922.

James W. Featherston to be postmaster at Staples, Minn., in place of Joseph Wolf, removed.

MISSOURI.

Alva C. Boyd to be postmaster at Milan, Mo., in place of T. A. Dodge, resigned.

NEW JERSEY.

Charles W. Bodine to be postmaster at Morristown, N. J., in place of E. S. Burke. Incumbent's commission expired October 24, 1922.

NEW MEXICO.

Timothy B. Baca to be postmaster at Belen, N. Mex., in place of George Hoffman, resigned.

Canuto C. Sanchez to be postmaster at Santa Rosa, N. Mex., in place of Leopoldo Sanchez. Incumbent's commission expired September 5, 1922.

NEW YORK.

Guy M. Lovell to be postmaster at Camillus, N. Y., in place of Thomas Conners. Incumbent's commission expired September 19, 1922.

Wright B. Drumm to be postmaster at Chatham, N. Y., in place of H. W. McClellan. Incumbent's commission expired November 21, 1922.

Herbert R. Foshay to be postmaster at Mamaroneck, N. Y., in place of J. A. McDonald, resigned.

George F. Hendricks to be postmaster at Sodus, N. Y., in place of M. M. Kelly. Incumbent's commission expired September 28, 1922.

Fred D. Jenkins to be postmaster at Webster, N. Y., in place of P. J. Smith, resigned.

NORTH CAROLINA.

Lewis E. Norman to be postmaster at Elk Park, N. C., in place of T. G. Tucker, resigned.

NORTH DAKOTA.

Milo C. Merrill to be postmaster at Flaxton, N. Dak., in place of W. S. Town. Incumbent's commission expired February 11, 1920.

OHIO.

Herbert Newhard, sr., to be postmaster at Carey, Ohio, in place of William Zahn. Incumbent's commission expired September 19, 1922.

William H. Taylor to be postmaster at Cuyahoga Falls, Ohio, in place of C. D. Crumb, resigned.

William H. Harsha to be postmaster at Portsmouth, Ohio, in place of L. V. Harold. Incumbent's commission expired September 19, 1922.

Clifford D. Calkins to be postmaster at Sylvania, Ohio, in place of A. N. Warren. Incumbent's commission expired September 19, 1922.

PENNSYLVANIA.

Ralph B. Kunkle to be postmaster at Homer City, Pa., in place of J. J. Campbell. Incumbent's commission expired September 13, 1922.

Daniel M. Saul to be postmaster at Kutztown, Pa., in place of Llewellyn Angstadt. Incumbent's commission expired September 13, 1922.

Robert H. Stickler to be postmaster at Lansford, Pa., in place of D. P. Johnson. Incumbent's commission expired September 13, 1922.

Stanley M. Wray to be postmaster at Leechburg, Pa., in place of J. B. Parks. Incumbent's commission expired September 13, 1922.

William H. Young to be postmaster at McDonald, Pa., in place of R. M. McCartney. Incumbent's commission expired September 13, 1922.

Thomas E. Rudolph to be postmaster at Morton, Pa., in place of Margaret Pilson, resigned.

Bess L. Thomas to be postmaster at New Bethlehem, Pa., in place of W. H. Keener, resigned.

Eli F. Poet to be postmaster at Red Lion, Pa., in place of Harvey Ziegler, resigned.

TENNESSEE.

Robert O. Greene to be postmaster at Troy, Tenn., in place of Davy Crockett, resigned.

WEST VIRGINIA.

E. Chase Bare to be postmaster at Alderson, W. Va., in place of J. N. Alderson. Incumbent's commission expired November 21, 1922.

Horatio S. Whetsell to be postmaster at Kingwood, W. Va., in place of B. L. Brown. Incumbent's commission expired November 21, 1922.

Thomas C. Scott to be postmaster at Philippi, W. Va., in place of W. G. Keyes. Incumbent's commission expired November 21, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 10 (legislative day of January 9), 1923.

PROMOTIONS IN THE NAVY.

MARINE CORPS.

Rufus H. Lane to be adjutant and inspector.
Henry C. Davis to be colonel.
Henry M. Butler to be major.

To be second lieutenants.

Luther A. Brown.
Evans F. Carlson.
Clifton L. Marshall.
Gregon A. Williams.

POSTMASTERS.

ILLINOIS.

Christy C. Roper, Carriers Mills.
Orville L. Davis, Champaign.
Louis A. Luetgert, Elmhurst.
Roy F. Dusenbury, Kankakee.
Anna M. Tennysen, Manhattan.
Lewis R. Inman, Oswego.
Owen A. Robison, Palmyra.
Robert H. Christen, Pecatonica.
Vernon G. Keplinger, Waverly.

IOWA.

Charles A. Frisbee, Garner.
Jacob E. Rogers, Lenox.
Elsie A. Haskell, Luverne.
Eunice M. Bute, Stanhope.

MARYLAND.

William O. Yates, La Plata.
Perry A. Gibson, Rising Sun.

MICHIGAN.

Harry B. McCain, Alpena.

MISSISSIPPI.

Lizzie D. Oltenburg, Winona.

NEW JERSEY.

Dante Caporale, Fairview.

NORTH CAROLINA.

Ulysses C. Richardson, Asheboro (late Ashboro).
James E. Correll, China Grove.
Russell A. Strickland, Elm City.
Rufus W. Caswell, Forest City.
Samuel S. Weir, Kings Mountain.
Clyde G. Mullen, Lincolnton.
Blanche S. Wilson, Warsaw.

OHIO.

William H. Hunt, Mechanicsburg.
Arthur G. Williams, Perrysburg.

OKLAHOMA.

Henry W. Hoel, Jennings.

WEST VIRGINIA.

J. Lee Heavner, Buckhannon.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *January 10, 1923.*

The House met at 12 o'clock noon, and was called to order by Mr. CAMPBELL of Kansas as Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our hope and trust are in Thee, O God our Heavenly Father. As we live under Thy law, help us to do so lovingly and generously, and we shall find the burden light and the yoke sweet. Protect the sanctities of American home life and the usefulness of all Christian institutions. May the watchwords of our country be righteousness, humanity, the common good, and an intelligent, healthy, happy social order. Preserve our land from a destructive materialism that thrives on selfishness and hypocrisies. Crush the seeds of ill will in the soils of the earth. This day let Thy work appear unto Thy servants and Thy glory unto their children. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CONFERENCE REPORT—DEFICIENCY APPROPRIATION.

Mr. MADDEN. Mr. Speaker, I offer a conference report for printing under the rule.

The SPEAKER pro tempore. The gentleman from Illinois offers a conference report for printing. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

The SPEAKER pro tempore. Ordered printed under the rule.

PENSION BILL.

Mr. FULLER. Mr. Speaker, by direction of the Committee on Invalid Pensions I report a special privileged bill.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. A. 13736) to increase the pensions of persons who served in the Army, Navy, or Marine Corps of the United States during the Civil War, and of widows and former widows of such persons.

The SPEAKER pro tempore. Referred to the Union Calendar.

Mr. GARNER. Mr. Speaker, I reserve all points of order on the so-called privileged bill.

ATTORNEY GENERAL DAUGHERTY.

Mr. VOLSTEAD. Mr. Speaker, I present a privileged report from the Committee on the Judiciary and ask that it may be printed.

The SPEAKER pro tempore. The gentleman from Minnesota submits a privileged report, which the Clerk will report by title.

The Clerk read as follows:

House resolution (H. Res. 425) authorizing and directing the Committee on the Judiciary to inquire into the official conduct of Harry M. Daughtery, Attorney General of the United States, and for other purposes.

The SPEAKER pro tempore. Ordered printed and referred to the House Calendar.

Mr. SUMNERS of Texas. Mr. Speaker, I desire to submit a unanimous-consent request. On behalf of Mr. THOMAS, of Kentucky, a member of the Judiciary Committee, who is ill this morning, I submit the unanimous-consent request that he be given one week within which to file minority views in regard to the report just made.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent that the gentleman from Kentucky [Mr. THOMAS] have one week in which to file minority views on the report just made. Is there objection?

Mr. MONDELL. I have no objection to that, with the understanding that it is not to interfere with the consideration of the report.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

CONFERENCE REPORT—NAVY DEPARTMENT APPROPRIATION BILL.

Mr. KELLEY of Michigan. Mr. Speaker, I call up the conference report on the naval appropriation bill.

The SPEAKER pro tempore. The Clerk will report the conference report.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 8, 15, 17, 20, 29, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 9, 10, 13, 14, 21, 22, 23, 24, 26, 27, 28, 30, and 31, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,400,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and argee to the same with an amendment as follows: In lieu of the sum proposed insert "$3,594,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,475,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$180,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert the following: "$9,903,000, of which sum an amount not exceeding $903,000 shall be available for the purchase, manufacture and installation of antiaircraft guns for the U. S. S. *Maryland*, and ammunition and fire-control instruments required for such guns"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$135,340"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"No part of any appropriation made for the Navy shall be expended for any of the purposes herein provided for on account of the Navy Department in the District of Columbia, including personal services of civilians and of enlisted men of the Navy, except as herein expressly authorized: *Provided*, That there may be detailed to the Bureau of Navigation not to exceed at any one time 34 enlisted men of the Navy: *Provided further*, That enlisted men detailed to the naval dispensary and the radio communication service shall not be regarded as detailed to the Navy Department in the District of Columbia."

And the Senate agree to the same.

PATRICK H. KELLEY,
BURTON L. FRENCH,
MARTIN B. MADDEN,
JAMES F. BYRNES,
WM. B. OLIVER,
Managers on the part of the House.

MILES POINDEXTER,
FREDERICK HALE,
CARTER GLASS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On Nos. 1 and 2: Changes the phraseology of the appropriation "Pay, miscellaneous," with respect to traveling allowances to officers of the Navy and Naval Reserve Force so as to accord with the provisions of section 12 of the act approved June 10, 1922 (Public No. 235, 67th Cong.), as proposed by the Senate.

On No. 3: Clarifies the intent of the provisos on the appropriation for the experimental and research laboratory with respect to the employment of civilians, as proposed by the Senate.

On No. 4: Appropriates $19,000, as proposed by the Senate, for continuing the collection and preparation for publication of the naval records of the recent war.

On No. 5: Appropriates $78,720, as proposed by the Senate, instead of $76,420, as proposed by the House, for salaries, office of the Judge Advocate General.

On No. 6: Appropriates $55,000, as proposed by the House, instead of $57,450, as proposed by the Senate, for salaries, office of Chief of Naval Operations.

On No. 7: Changes the phraseology of the appropriation "Transportation and recruiting," with respect to travel allowance to enlisted men of the Navy, as proposed by the Senate, so as to make the appropriation unquestionably available for expenditure as contemplated by law.

On No. 8: Strikes out the authorization proposed by the Senate for the publication of ships' newspapers on board ships.

On No. 9: Makes the appropriation "Contingent, Bureau of Navigation," available for the transportation of the effects of deceased men of the Naval Reserve Force, both enrolled and transferred, instead of enrolled men only as at present, as proposed by the Senate.

On No. 10: Makes the appropriations for naval training stations available specifically for "heat, light, and water," as proposed by the Senate.

On Nos. 11 and 12, relating to the Naval Reserve Force: Appropriates $3,594,000 instead of $3,994,000, as proposed by the Senate, and $2,994,000, as proposed by the House.

On Nos. 13 and 14, relating to the Nautical Almanac Office: Designates each of the two positions authorized in excess of $1,800 per annum as "assistant," as proposed by the Senate.

On Nos. 15 and 16, relating to the appropriation "Engineering": Appropriates $14,440,000, as proposed by the House, instead of $14,590,000, as proposed by the Senate, and authorizes $1,475,000 for pay of classified employees, instead of $1,350,000, as proposed by the House, and $1,500,000, as proposed by the Senate.

On No. 17: Appropriates $150,000, as proposed by the House, instead of $170,400, as proposed by the Senate, for pay of technical employees in the Bureau of Engineering.

On No. 18: Appropriates $180,000 for pay of technical employees in the Bureau of Construction and Repair, instead of $170,000, as proposed by the House, and $190,000, as proposed by the Senate.

On Nos. 19 and 20, relating to the Bureau of Ordnance: Appropriates $9,903,000 for "Ordnance and ordnance stores," as proposed by the Senate, instead of $9,000,000, as proposed by the House, providing in connection therewith that an amount not exceeding the increase shall be available for purchase, manufacture, and installation of antiaircraft guns for the U. S. S. *Maryland* and for ammunition and fire-control instruments for use with such guns; and strikes out the appropriation of $550,000 proposed by the Senate for the purchase and manufacture of torpedoes and appliances.

On Nos. 21 and 22, relating to the appropriation "Pay of the Navy": Changes the phraseology with respect to extra pay to men reenlisting to conform to the language contained in section 10 of the act approved June 10, 1922 (Public, No. 235, 67th Cong.), as proposed by the Senate, and provides specifically for the payment of allowances authorized by law to members of the Naval Reserve Force class 1 (Fleet Naval Reserve), as proposed by the Senate.

On No. 23: Makes the clothing and small stores fund available specifically for uniform gratuity to enrolled men of the Naval Reserve Force, as proposed by the Senate.

On Nos. 24 and 25, relating to the Bureau of Yards and Docks: Appropriates $53,350 for salaries of nontechnical employees, as proposed by the Senate, instead of $50,000, as proposed by the House, and appropriates $135,340 for salaries of technical employees, instead of $120,000, as proposed by the House, and $150,340, as proposed by the Senate.

On Nos. 26 to 30, both inclusive, relating to the Marine Corps: Supplies an omission in phraseology; provides specifically for the uniform gratuity authorized by law to members of the fleet Marine Corps Reserve; changes the phraseology of the appropriation for mileage so as to provide for traveling allowances in accordance with the act approved June 10, 1922 (Public, No. 235, 67th Cong.), all as proposed by the Senate; strikes out the limitation proposed by the Senate with respect to travel abroad on foreign vessels by officers, and provides for funeral expenses of accepted applicants for enlistment, as proposed by the Senate.

On No. 31: Makes a direct appropriation of $19,097,000 for "Increase of the Navy," as proposed by the Senate, instead of $20,000,000, as proposed by the House.

On No. 32: Restores the limitation proposed by the House with respect to diverting naval appropriations to meet expenses of the Navy Department proper, amended so as specifically to except enlisted men on duty at the naval dispensary and in attendance on the distant-control station of the Arlington radio station.

On No. 33: Restores the matter proposed by the Senate to be stricken out of the limitation concerning the purchase of articles that can be manufactured or produced in a navy yard, so that time and navy yard facilities shall continue to be a factor in the determination by the Navy Department of the course it shall pursue.

PATRICK H. KELLEY,
BURTON L. FRENCH,
MARTIN B. MADDEN,
JAMES F. BYRNES,
WM. B. OLIVER,
Managers on the part of the House.

Mr. KELLEY of Michigan. Mr. Speaker, the conferees on the part of the House and the Senate have reached a complete agreement and have brought back no legislative propositions. The Senate voted 33 amendments to the bill. Nineteen of them were textual changes made in the main to meet suggestions of the Comptroller of the Treasury or to make the language of the appropriations conform to the provisions of the pay bill passed last year. Twelve amendments made changes in the sums carried. The total amount of increase added to the bill by the Senate was $1,797,840. The amount agreed to in conference of that sum was $649,990, or a reduction of $1,147,850 in the amount added by the Senate. The chief items of increase by the Senate were $150,000 for engineering, from which the Senate receded; $550,000 for torpedoes and appliances, from which the Senate receded; and $1,000,000 for the Naval Reserve Force, of which the conferees agreed upon $600,000.

Mr. STAFFORD. If the gentleman will yield on that particular item. During the consideration of the bill in the House and when the bill was sent to conference I directed some inquiry as to this item providing for the pay of the Naval Reserve Force. The conference committee has agreed to an appropriation of $600,000 additional to that carried in the House bill, namely, $3,400,000 instead of $2,800,000. This, I understand, provides for retainer pay of the Naval Reserve Force?

Mr. KELLEY of Michigan. That is right, among other things.

Mr. STAFFORD. I would like to know just how much pay will be apportioned to officers and enlisted men of the Naval Reserve Force and how many officers and men it will provide for?

Mr. KELLEY of Michigan. The total sum proposed will provide for about 1,900 officers and 5,000 men. Of the $600,000 increase, about $416,000 will be used for the pay of officers and $129,000 for the pay of men.

Mr. STAFFORD. How much altogether of this $3,400,000 will be used for pay of officers, and how much for the men, and how many of each class will be allowed out of these respective appropriations?

Mr. KELLEY of Michigan. For the pay of officers it will be about $1,000,000 altogether, and for the pay of men about half a million dollars.

Mr. STAFFORD. How many officers and men in each class?

Mr. KELLEY of Michigan. There is only one class.

Mr. STAFFORD. I mean how many officers is it estimated will be permitted to take this training and how many men in the Reserve Force will be permitted to take this training from this appropriation of $3,400,000?

Mr. KELLEY of Michigan. Approximately 1,992 officers and 5,063 men.

Mr. GARNER. That is the total under the $3,400,000?

Mr. KELLEY of Michigan. Yes.

Mr. STAFFORD. In prior years, after the World War, this appropriation has varied from $18,000,000 down to $600,000. How many officers and men were really receiving training under this appropriation for the last fiscal year and how many for the present fiscal year?

Mr. KELLEY of Michigan. I will say to the gentleman from Wisconsin that no retainer pay had been allowed out of the current appropriation up to the first of the year. The officers and men were all in a nonpay status. On the 1st of January it was anticipated that 1,500 officers and 3,500 men would have fully complied with all the rules and regulations of the department as to drill and cruising, and the department proposed at that time to transfer them to the class where they would be entitled to retainer pay.

Mr. STAFFORD. And from that time on they will receive retainer pay?

Mr. KELLEY of Michigan. From that time on they will receive retainer pay; that is, one month's pay for the balance of this current year. Then at the end of the year the department anticipates that 1,992 officers and 5,000 men will be entitled to retainer pay, and next year those who have properly qualified will receive retainer pay for the full year.

Mr. STAFFORD. What is required under the Navy regulations to entitle them, officers and men, to this retainer pay?

Mr. KELLEY of Michigan. They are required to give at least two months' service during each term of enrollment in addition to their regular drills during each year. A certain number of drills are prescribed during the year. I have forgotten the exact number.

Mr. STAFFORD. Do I understand they must give two months' time each year?

Mr. KELLEY of Michigan. No; during the four-year period. During the four years they must serve on cruises or in other drills of that sort, week-end drills, a time at least aggregating two months out of the four years. Now, they get two months' retainer pay each year in addition to the two months' pay which they receive when cruising during their four-year enrollment. They must drill throughout the year and perform practically the same drills as are required for the National Guard for the compensation which the men receive in that service when they comply with the regulations of the Army.

Mr. STAFFORD. They get the full pay of their rank for the two months' service that they are obliged to perform during the four-year period?

Mr. KELLEY of Michigan. Yes. Then there is no other pay. The retainer pay covers all the other drills required by the Navy Department.

Mr. STAFFORD. Is there any obligation on the part of the members of the reserve enlisted force to attend drills throughout the year?

Mr. KELLEY of Michigan. They can not get the pay unless they do.

Mr. STAFFORD. I understand that; but are they privileged to remain in the Naval Reserve enlisted force without doing any drill work during the year?

Mr. KELLEY of Michigan. Until the end of their enrollment but without pay.

Mr. STAFFORD. I differ with the gentleman that it is comparable with the National Guard service. Under the Army reorganization act the National Guard men are not entitled to pay for their services throughout the year in drills not to exceed five per month unless 60 per cent of the complement of the force is present drilling. Here I understand three or four men or even one man may come around and go through the motions of a drill and receive a dollar a night.

Mr. KELLEY of Michigan. No; they do not receive a dollar a night; only their retainer pay.

Mr. STAFFORD. But there is nothing in the Naval Regulations requiring a certain number of men, as is required in the Army reorganization act, to be present to entitle them to one-thirtieth of a month's pay for the night's service.

Mr. KELLEY of Michigan. I think the gentleman is entirely right in his statement and in the criticism that he has made in that respect.

Mr. STAFFORD. I think it is merely giving away money for gathering around in social concourse. I am not criticizing the matter of pay for the officers and men during their annual cruise in the four-year period, but I am criticizing the statement of Assistant Secretary Roosevelt to the effect that it is comparable to the service of the National Guard, because in the Navy there is no requirement of a certain complement of men to be present at the drills to entitle them to the pay.

Mr. KELLEY of Michigan. The number of hours required in the naval service, I believe, is greater than the number of hours required in the National Guard. But I am not familiar with the details of the National Guard, and I am only giving my impression about that.

Mr. STAFFORD. The hearings show that these men in the Naval Reserve may come around once a week, few or many. In the case of the National Guard a certain complement is required that is essential to company command and company drill.

Mr. KELLEY of Michigan. They must train two months out of the four years in addition to their drills.

Mr. STAFFORD. When the National Guard men go to camp they get the full pay of their rank. In the case of the Naval Reserve it is very nice for young men to go on an Eagle boat—a Ford Eagle boat, with which the gentleman from Michigan is acquainted—to go down the bay for a little cruise on Saturday afternoon and come back Monday. It is very delightful in New York Bay to go down to Sandy Hook and the Jersey coast and receive pay for the time of their outing.

Mr. KELLEY of Michigan. I will say to the gentleman that I would favor legislation if it were brought in covering that subject. The distinguished gentleman from Pennsylvania [Mr. BUTLER] has such legislation in mind. I think he has in mind legislation that would correct some of the abuses to which the gentleman from Wisconsin has called the attention of the House.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. KELLEY of Michigan. Yes.

Mr. BUTLER. I would like to state to the membership of the House that what the gentleman says is exactly true. I have consulted with him and obtained his views, and they are in entire accord with those that I entertain. If put into effect they would greatly improve what is known as the Reserve Force of the Navy and make more definite, along the line suggested by the gentleman from Wisconsin, the training of these men.

The gentleman from Michigan [Mr. KELLEY] and I have talked about it many times, and I repeat that our views are entirely in accord; and I have promised myself that as far as I am able his views shall be impressed upon any bills covering this matter.

Mr. KELLEY of Michigan. Mr. Speaker, I have covered practically all of the important matters embraced by the conference report. I yield five minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. MADDEN. Before the gentleman from South Carolina is recognized I should like to ask the gentleman from Michigan to yield two or three minutes to the gentleman from Pennsylvania [Mr. BUTLER].

Mr. KELLEY of Michigan. I am delighted to yield to the gentleman from Pennsylvania. I did not know he desired time. I yield five minutes to the gentleman from Pennsylvania [Mr. BUTLER].

Mr. BUTLER. Mr. Speaker, I have borrowed this time from the House rather than from my friend, lest some one, thinking much less of him than I do, might be cruel enough to say that he bargained with me for the loan, anticipating the use to which I proposed to put it.

With the agreement of the House to this conference report the work especially assigned to him is done, and, as usual, well done, and soon his face will turn toward the devoted constituency that sent him here to represent it—a great duty which he has at all times and upon all occasions performed sanely.

I am grateful to the people who gave me the opportunity to know PATRICK H. KELLEY, a favorite son of Michigan, an orator who has delighted us with an elegance of speech which but few men possess, with an order of intelligence not commonly found among men, and withal a simplicity of manner and bearing that have placed him high upon the list of gentlemen—a statesman who cares more for the public weal than for his personal gain.

When he came to this House he was at once accepted by the universal comradeship which it is reputed to maintain and which has added to its world-wide fame. Its membership at once recognized his fitness for the great work set before him, and without attempt he soon assumed a natural leadership which many of us were pleased to follow. Indeed, Mr. Speaker, I have never opposed his views that I did not believe then, as I believe now, that I might be wrong, because of my great confidence in both his wisdom and his sincerity. Early I offered him my friendship and received his in return. We spoke to and of each other as friends; but what is a better test for lasting friendship, we treated each other as such.

His work fills a great volume and is impressed with his delightful personality, because he has been in all the things which he has accomplished, and in all the things where he was unsuccessful, temperate in his language and tolerant in his treatment, while he struggled by his earnestness to convince others without an effort to persuade them.

He has been known among us all as a man of resolution whose judgment would surrender to a better argument made by a man of sense, but like the "great oak, he would not break, but sometimes bent for friendship's sake." There is not a Member of this House who does not believe that the breaking of this tie is but temporary and that the call will soon reach his ear and demand his return to the public service for which he is so well fitted by nature and so fully prepared by education.

I speak of my friend in public, as I have spoken of him in private, with the always lingering hope and earnest wish that our association may be renewed as our friendship will continue. Tendering him all that I have, I wish deep down within me that success may attend him wherever he goes and in everything he does, and I do not bid him good-by, as one man usually does another, but as friend parts with his friend. I unite with the whole membership of the House in the use of the simple words, "If it must be so." [Applause.]

Mr. KELLEY of Michigan. I yield five minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Speaker, of course I am in hearty accord with what the gentleman from Pennsylvania [Mr. BUTLER] has said, and on a previous occasion I endeavored to pay tribute to the great public service rendered by the gentleman from Michigan [Mr. KELLEY].

I want now to talk about this Naval Reserve item about which the gentleman from Michigan [Mr. KELLEY] and the gentleman from Pennsylvania [Mr. BUTLER] have been speaking.

Of the increased appropriation carried by this bill $600,000 is due to the Naval Reserve item. The Senate added $1,000,000. Your conferees finally agreed on $600,000. The people who are interested in the Naval Reserve think that even $1,000,000 is less than they should have. I am a firm believer in the maintenance of such an organization; but I am also convinced that unless Congress shall repeal the existing law and enact legislation regulating the units to receive compensation and requiring attendance of a sufficient number of men at a drill to make the drill of any value, instead of making larger appropriations in the future we should appropriate less. In the National Guard 50 per cent of the officers and 60 per cent of the men

must attend in order to constitute a legal drill entitling the officers to receive pay.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. BYRNES of South Carolina. Yes.

Mr. MADDEN. How would it do to restrict the pay in future legislation to such places as New York and other ports where officers and men can actually give service?

Mr. BYRNES of South Carolina. That is just what I am going to say in a minute or two, and show good reasons for it. The National Guard reorganization act very wisely provided that the men should not be penalized if they attended a drill and their officers failed to secure a sufficient attendance to enable them to receive compensation. So that act provides that the men shall receive pay provided that during the year they attend 60 per cent of the drills that are held. Now, when it comes to the Naval Reserve organization, in cities along the coast there are live organizations doing good work, not doing what my friend from Wisconsin [Mr. STAFFORD] says, merely having an outing on Saturday afternoons, but really maintaining an effective organization. That is true of many places on each coast, on the Great Lakes, and on the Gulf. But what do we find throughout the interior of the country? Why, according to the hearings, at Omaha, Nebr., there are 17 officers and 5 men. What kind of a Naval Reserve drill can be held with 17 officers drilling 5 men? Similar conditions exist in Oklahoma and other States. I call them bathtub reservists, because there is no chance for them to be afloat unless they get into a bathtub.

It would be futile, for instance, to attempt to establish an active Naval Reserve organization in an inland county in my district by bringing some men together in a hall in town and having them imagine that they are at sea. That is ridiculous; and I think these expenditures should be restricted to those places where it is possible for the men actually to receive some training which would fit them for service when needed. If the money appropriated here was applied only to those places where there can be actual service on the water, there would be more money than is necessary for the purpose; but if you are going to distribute it all over the country as it is now distributed—to men in Idaho, Kansas, and Nebraska, where there are about five officers to drill two or three men—it will bring the organization into disrepute. I think it is within the province of the Navy Department by regulation to remedy this situation; but if they do not do it, I hope the Naval Affairs Committee before the next appropriation bill is considered in the House will repeal the present law and enact legislation restricting this Naval Reserve compensation to those units which can indulge in training actually preparing them for service.

Mr. KELLEY of Michigan. Mr. Speaker, if there are no other questions, I move the adoption of the conference report.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13696, the independent offices appropriation bill, and pending that I would like to see if we can agree on time for closing general debate.

Mr. BYRNS of Tennessee. How much time does the gentleman suggest?

Mr. WOOD of Indiana. I have requests on this side for 75 minutes. How much time does the gentleman from Tennessee want?

Mr. BYRNS of Tennessee. I will say to the gentleman that he has the advantage of this side by about 50 minutes. But I do not propose to stand on that. I have only three requests remaining on this side, and two of the gentlemen are not now present, and I am not sure whether they will want the time or not. I am willing to agree on 75 minutes on a side and balance the books as to yesterday. I think if we could agree on less time I might be able to give the gentleman some of my time, but I am not sure of that.

Mr. WOOD of Indiana. I will state that I have promised the time I indicated. I appreciate what the gentleman says as to having the advantage of time on this side.

Mr. BYRNS of Tennessee. I have stated that I am willing to balance the books as far as yesterday is concerned. I have requests from the gentleman from Tennessee [Mr. TURNER], the gentleman from Texas [Mr. BLACK], and the gentleman from Alabama [Mr. BANKHEAD]. I do not know whether they will want that time or not.

Mr. WOOD of Indiana. I suggest that the gentleman take the same amount of time that I do; and if he does not want it, all right. Mr. Speaker, I ask unanimous consent that general debate be limited to three hours, to be equally divided, one-half to be controlled by myself and one-half by the gentleman from Tennessee [Mr. BYRNS].

The SPEAKER pro tempore. The gentleman from Indiana asks unanimous consent that the further general debate be limited to three hours, to be equally divided between himself and the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

There was no objection.

The motion of Mr. WOOD of Indiana was then agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. MCARTHUR in the chair.

Mr. WOOD of Indiana. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MILLS].

Mr. MILLS. Mr. Chairman, there exists to-day in 15 or more States, those States that have adopted an income tax or a classified property tax, a situation, so far as the national banks are concerned, that amounts to a crisis and calls for early congressional action. This is my excuse for again calling the matter to the attention of the House.

The crisis arises by reason of the decision of the Supreme Court in the case of Merchants' National Bank of Richmond *v.* the City of Richmond (256 U. S. 635), which changes the interpretation hitherto given to section 5219 of the Revised Statutes. National banks, being instrumentalities of the Federal Government, can not be taxed by the States except by virtue of the authority given by the National Government. The National Government gave that authority in an act passed in 1869, and contained in section 5219, authorizing the States to tax the shares of national banks, subject to two limitations; "that the tax shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State, and that the shares of any national banking association owned by nonresidents of any State shall be taxed in the city or town where the bank is located and not elsewhere."

Up to the time of the Richmond decision it had generally been assumed by the States—and as far as I know that assumption has never been seriously questioned—that the words "other moneyed capital in the hands of individual citizens of such States" referred only to such capital as came into direct competition with the capital of national banks, and did not apply to the securities and investments of an individual citizen. Acting upon this assumption, many of the States grouped national banks with State banks and trust companies for the purposes of taxation and taxed them as a group at a rate and in a manner different from those that applied to other corporations and to individuals. Moreover, in the course of the last 12 or 14 years some 22 States, in the interest of establishing a sound tax system, abandoned their unsuccessful attempt to reach intangible personal property under the general property tax, and either adopted what is known as the classified property tax or an individual income tax. The result was in many cases, as, for instance, in the State of New York, where a personal income tax was adopted, that the capital stock of national banks was taxed at a higher rate than bonds or notes in the hands of individual investors.

Then came the decision of the Supreme Court in 1921 in the Richmond case, holding that intangible credits in the hands of individual citizens, such as deposits, notes, bills receivable, bonds, and so forth, were within the rule, and that national bank stock could not be taxed at a higher rate than these forms of investment. The court said:

> By repeated decisions of this court, dealing with the restrictions here imposed, it has become established that while the words "moneyed capital in the hands of individual citizens" do not include shares of stock in corporations that do not enter into competition with the national banks, they do include something besides shares in banking corporations and others that enter into direct competition with those banks. They include not only moneys invested in private banking, properly so called, but investments of individuals in securities that represent money at interest and other evidences of indebtedness such as normally enter into the business of banking. (Merchants' National Bank of Richmond *v.* City of Richmond, 256 U. S. at p. 639.)

As a result, to-day bank taxes in practically all of those 22 States that have abandoned the general property taxes are invalid, and national banks in those States are not contributing one cent of money to the support either of the general government of the State or the government of the communities in which they do business; and this situation will continue unless

Congress gives relief, for Congress, and Congress alone, can give genuine relief.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. Certainly.

Mr. GARNER. If the States levy a tax in accordance with the provisions of the statute referred to, would not the national banks' stock pay the same as other capital assets of a similar nature?

Mr. MILLS. Let me suggest to my friend from Texas that, of course, New York could tax—and I take New York as an example—at its rate of from 1 to 3 per cent the income derived from the stock of national banks; but, as a matter of fact, national banks are great, strong, prosperous corporations, and such a tax is wholly inadequate, if you compare it with those paid by corporations of a similar character—State banks, for instance, and even manufacturing, industrial, and public-utility corporations, all of which pay a much higher rate of tax.

Mr. GARNER. Does the gentleman contend, that, for instance, the national bank should pay a larger percentage on the income derived from its stock than the money invested by J. Pierpont Morgan & Co.?

Mr. MILLS. No; and I hope the gentleman will not draw that red herring across this trail. I know that the names of Morgan & Co. and Kuhn, Loeb & Co. were used in the Banking and Currency Committee of this House as a means of preventing the House from passing any sound tax measure. As far as I am concerned, I say to the gentleman from Texas that I think all banking institutions that do a strictly banking business, whether incorporated or partnerships, should pay a tax on an equal basis [applause]; but I think it is utterly absurd and worse than absurd that such great and prosperous institutions as the First National Bank of the City of New York and the City National Bank in the city of New York should not be paying to-day a fair tax to the city of New York or the State of New York because some smart people have come down here and have been smart enough to bamboozle Congress by saying that the State of New York has not sufficiently taxed private bankers, and, therefore, Congress ought not let them tax national banks. The situation in New York I do not mind saying, in my judgment, is nothing short of scandalous. For over 20 years national banks and State banks alike in the State of New York have paid 1 per cent tax on the book value of their stock. That tax was adopted with their consent.

For years they paid it, I want to say to the gentleman from Texas, without anyone even suggesting that it was a discrimination, without anyone even suggesting it was burdensome, without anyone even suggesting it was unfair, and then came the Richmond decision, which changed the interpretation of the statute which had been universally accepted, and what did these banks do? Not all of them, I am glad to say, but some of them took advantage of this technical advantage. They not only declined to pay taxes, but they actually brought suit for back taxes running to the year 1920. The lower courts held with the State, but the Court of Appeals was bound by the Richmond decision, and decided in favor of the banks. That means that we will have to refund in the State of New York no less than $18,000,000 of back taxes with interest, and that means that the communities of our State are losing $6,000,000 yearly in taxes from some of the most prosperous corporations in the State. How can anyone justify that situation?

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. In a moment. The comptroller of the city of New York estimates that it is going to mean a 5-point increase in our tax rate, and ultimately a 20-point increase. A higher tax rate means higher rents for every man, woman, and child in the city of New York. This decision may bring a great windfall to the stockholders of the national banks, but this profit is taken out of the pockets of their fellow citizens; of their former fellow taxpayers.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I have only two or three minutes left.

Mr. DICKINSON. In Iowa we tax intangible property five mills on the dollar. Does the gentleman mean to say that under this decision the national banks of Iowa would be taxed only a similar amount?

Mr. MILLS. Exactly. People will say, Why should national banks pay an illegal tax? Perhaps they should not. I for one would have considered it wise public policy on the part of the banks to pay this tax as a voluntary contribution rather than to appear as tax dodgers refusing to bear their fair share of the burden. [Applause.] But they seem to have gone further. Far from giving the assistance which we had every right to expect in remedying the situation, I have not noticed any wholehearted cooperation upon the part of national banks, but quite the contrary. How otherwise can you explain that in two years it has been impossible to pass through either House of this Congress a bill that will clear up this tangle? Why, gentlemen, those men ought to have been down here not asking but demanding that Congress should act so that they once more would be in a position to pay their fair share of the burdens of Government. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOOD of Indiana. I yield three minutes more to the gentleman.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. Yes.

Mr. TOWNER. Is there any legislation pending?

Mr. MILLS. I am coming to that. As soon as the situation was recognized, after the Richmond decision, a number of bills were introduced, both in the Senate and in the House. Last June, I think it was, the House Committee on Banking and Currency reported a bill which passed the House, but which, in so far as these 22 States are concerned, is absolutely useless, because all it does is to reenact section 5219 as interpreted by the Supreme Court. The bill has gone to the Senate, and this week the Senate committee has reported the House bill with amendments. It would be improper, obviously, for me at this time to criticize the Senate bill. It would be improper to urge prompt action by the Senate. My sole purpose in speaking here to-day is, in view of the early adjournment of Congress, to call this serious situation to the attention of the Members of this House and to the people of the 22 States, who are vitally interested.

If Congress does not give relief—and it is the only body that can give relief—it is going to continue for a year at least a situation of hopeless confusion in the finances of the State of New York and many other States, a confusion which can be justly laid at the door of the Congress, and for which we will inevitably be held responsible.

Mr. WINGO. Will the gentleman yield?

Mr. MILLS. Given these circumstances, I, as a Representative of the State of New York, have not felt that I could any longer remain silent. [Applause.]

I desire to put in the RECORD the list of States having a personal income tax and a list of those that have adopted the classified tax on intangibles:

Personal income tax: Massachusetts, New York, Delaware, North Carolina, South Carolina, Wisconsin, North Dakota, Missouri, Virginia, and Oklahoma.

Classified on intangibles: Rhode Island, Connecticut, Pennsylvania, Maryland, Kentucky, Minnesota, South Dakota, Iowa, Nebraska, Montana, Virginia, and Oklahoma.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 15 minutes to my colleague from Tennessee [Mr. TURNER]. [Applause.]

Mr. TURNER. Mr. Chairman, I have the honor to represent an agricultural district in Tennessee which is located near Muscle Shoals, Ala. The people I represent are vitally interested in the early development of this great enterprise and can not understand why this plant, which holds in store such vast financial possibilities for the future, should not now be serving them.

This Muscle Shoals question is not a new one to the Members of this body. It has been frequently discussed from various viewpoints in committees and on the floor of this House; therefore I do not hope to surprise anyone with many new ideas or facts during the few brief moments I shall address you on this subject. I shall not go into details as to the origin of this great enterprise, how much it has cost the Government up to date, nor how much it will cost in the future to complete it. I only hope to say something that will open the eyes of this intelligent body of Representatives that it may behold the needs of the people who have been promised much but given little—I refer to the American farmer. They work harder, longer hours, and receive less for their services and less appreciation than any other class of people. Their Representatives, from whom they expect recognition and support in the passage of beneficial laws in our legislative bodies, are usually long on promises and short on acts.

Biographies of our Congressmen reveal that about one-half or more Members of this House were born and reared away down on the farm, where we learned by experience something about the hardships and poor returns for labor; therefore our constituents often wonder why we so soon forget those who were left behind. The farmers of this entire country are looking to us as they never have before to assist them in bringing about better conditions on the farm. The operation of Muscle Shoals will help to bring about this needed relief.

They need more and cheaper fertilizer than they heretofore have been getting from foreign and domestic corporations. They believe their wants can be supplied in abundance at a living price when the Muscle Shoals plant is put in operation and run at full capacity. Why delay them longer in their hopes and anticipations? Why does not this Congress, which is composed of sensible business men, act in a business way and make some practicable disposition of this Muscle Shoals project before the expiration of this term of Congress? Of course it will take quite a large sum of money to complete the work necessary to make this plant a paying proposition; but money wisely expended, as I believe it will be in this case, will bring large returns in the future.

Many million dollars have been spent in the West during the past few years on irrigation projects to make arid lands more valuable and to give better and more prosperous homes for the people.

Two summers ago while on a western trip I was told that the Roosevelt Dam, constructed by the Government for irrigation purposes, had cost the Government several millions of dollars and would or had reclaimed more than 100,000 acres of the most valuable land in the world. Can anyone say this was a bad investment? I think not. The enhanced value of this land, by reason of irrigation, will in a few years pay back to the Government all the money it expended and in addition will pay the State in which this project is located, and indirectly to the Nation, millions of dollars in taxes by reason of increased values; and, besides, it has provided many happy homes to farmers and their families who were fortunate enough to acquire land on this Nile of the West.

For many years the Government has been making large appropriations, running into the billions, for the purpose of maintaining a large standing Army and Navy, for taking care of and educating the Indians, for constructing magnificent Government buildings, digging canals and dredging rivers, buying and preserving large forest reserves and national parks, paying increased pensions to our war heroes and increased salaries to an increased army of Government employees, and so forth. These expenditures and improvements have brought about a large fixed annual expense, to say nothing of the expense of the recently acquired war debt, which the taxpayers have got to meet. This tax, in connection with increased State and county and municipal taxes, has resulted in a great financial burden to the people, more especially to the farmers of the country.

I know from personal experience that some of the best farmers, to say nothing of the poorest, have not been able during the past few years to pay their taxes and make a decent living. I would like to relieve the situation by joining hands at once with my coworkers to place this our most numerous class of people on a higher level, where they can live decently, pay their taxes, educate their children, and have a pittance for old age.

There are many things we might do to relieve distressed conditions of the farmers, but just now I believe the best thing we can do is to take some action toward the completion and disposition of Muscle Shoals.

I have lived on or near the Tennessee River all my life but had never dreamed that God in His infinite wisdom had given His people the foundation on this stream for such a vast business enterprise until I visited Muscle Shoals last summer. It took a world-wide destructive war to open our eyes to this field of undeveloped wealth and possibilities.

When we united with our allies across the seas to check the cruel hand of our German foe we sought a suitable place to manufacture munitions of war at a minimum cost. Of the many places suggested Muscle Shoals was finally selected and the Congress of the United States by act authorized and directed the construction of a water-power dam at this place to furnish power to manufacture ammunition in time of war and fertilizer for the American farmer in time of peace.

More than $80,000,000 has been spent on this work, but it is not completed, and unless a great deal more work is done the whole expenditure, so far as being beneficial to the people, might as well be discarded. Now, after spending this large sum of money, are we as Representatives of our people going to sit idly by and see it go to waste because it might cost a few more million dollars to complete it? I am not in favor of pursuing such a course. I think we should before the expiration of this session of Congress make some permanent disposition of this property.

After much thought and due consideration on this subject, I am of the opinion it would be to the best interest of the country to accept Henry Ford's offer to lease for a term of years. With the exception of a few large corporations whose business might be affected, the people of the entire country are favorable to the acceptance of the Ford offer. The masses have faith in Henry Ford and believe that should he acquire this property he will in a reasonable time be giving the farmers all the fertilizer they need at one-half the price they have paid heretofore; that he will employ thousands of laborers at remunerative wages; that he will build factories, furnaces, and railroads to develop the latent resources to be found in abundance in northern Alabama, southern Tennessee, and other sections of the South. This plant is local as to location; as to financial benefit it will be nation-wide.

The operations of this plant along contemplated lines will bring about such an increased value in property in the South and other sections of the country that the Government will soon receive back indirectly, in taxes, many times the amount expended. When completed the Muscle Shoals project will be the largest single business enterprise in the whole world. If we were acting as individual business men and had as much money invested in a proposition as the Government has in this plant, would we hesitate in placing it on a paying basis? Would we not bend every energy to make it pay us dividends? I am sure you will agree with me that we would. We have a right to neglect and let go to ruin our individual holdings if we so desire, but as Representatives we have no right to neglect the property whose care and management is intrusted to us by others.

The Members of this Congress have the opportunity of doing the country a real service and their constituents much good by accepting Mr. Ford's proposition before the expiration of the Congress. Immediate action in the matter will reflect more credit on the present administration than anything we could do. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Chairman, some months ago the House passed a bill amending the present existing law permitting taxation by States of the shares of stock of national banks. That bill has been materially amended by the Senate committee and is now under discussion in the Senate. Ordinarily I would have waited until that proposed amendment came back to discuss it, but I came into the room from a committee meeting and I heard the gentleman from New York [Mr. MILLS]. While I did not hear all of his statement, I heard the last part of it in which he seemed to take the position that 32 States of the Union are helpless on this question on account of certain decisions in the Richmond case and the New York-Hanover Bank case. I challenge the accuracy of the gentleman's conclusion. The Supreme Court in the Richmond case and the court in the New York-Hanover Bank case—which some of you will remember I put in the RECORD a day or two after it was rendered, which I think was December 8—I repeat, the Supreme Court in the Richmond case and the New York court in the Hanover case did not change in one single regard the position of the court upon this question ever since Congress first authorized the States to tax the shares of national banks. The apparent difference in the decisions which have been rendered from time to time grows out of a different state of facts; in other words, a different record. I will say to the gentleman from New York that instead of blaming Congress New York is to blame. The New York Legislature, I understand, is either in session now or will be in a few days. To-day under existing law, under the provisions of the bill which the House passed, it can now take care of this if they are willing to make their tax laws uniform and nondiscriminatory. It is not the province of the Congress so to shape its laws that the State of New York can do what the New York court held it was doing, put a heavier burden upon the State and National banks than it puts upon Kuhn, Loeb & Co. and J. P. Morgan & Co. on the same basis of capital and assets. The decision of the New York court specifically mentioned Kuhn, Loeb & Co., and if the State of New York will amend its tax laws, and with which the gentleman from New York had something to do, and make the private bankers in New York bear the same tax burdens that the incorporated banker does, the situation will be remedied. Now, he said something about the amendment of the Senate. I did not hear the discussion of that. I will say that I can not understand the amendment of the Senate, but when it comes to us if it is better than the House we will take it; but from a cursory reading it looks like it is another one of those tax-exempt proposals. Here is a bill in which the members of the Banking and Currency Committee all sat together. There was no partisan difference on that question.

The gentleman from Pennsylvania [Mr. MCFADDEN] and the gentleman from South Carolina [Mr. STEVENSON] and the gentleman from Alabama [Mr. STEAGALL] and myself all wanted

only honest justice and nondiscrimination to national banks. We want the national banks to bear their part of the burden of State taxation, but we do not want them to bear any more; and we do not approve and we do not propose to permit a statute with our consent to be passed that will permit a State like New York to do what has absolutely been done—discriminate against national banks and State banks and in favor of such institutions as Kuhn, Loeb & Co. We have the adjudication of their own courts saying that they have done it. So I say that the gentleman from New York [Mr. MILLS], instead of abusing Congress, should go to his own legislature and tell them to help themselves by passing a nondiscriminatory tax law and making Kuhn, Loeb & Co. respond to the same rule as the national banks are required to respond to, and then no Federal legislation will be necessary. The decisions are uniform, and the position of the conservative, thoughtful members of the Committee on Banking and Currency has been that we will not disturb a rule of taxation that has been in existence for over half a century, and which has been interpreted from time to time by the courts, and which is well settled, by putting on some new scheme that will cause confusion and litigation and inflict damage on the States themselves. So the only change we made was to meet the progressive proposals of the age by permitting those States that desire to do so to adopt something other than a direct property tax, as, for instance, the income-tax system.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WINGO. May I have three minutes more?

Mr. BYRNS of Tennessee. I yield to the gentleman three minutes more.

The CHAIRMAN. The gentleman from Arkansas is recognized for three minutes more.

Mr. WINGO. So, I repeat, that is the only material change that the House bill made. We propose to stand by the existing rule, which has been interpreted for half a century, that is understood by the taxing authorities in every State, and which has back of it simply one theory, and that is equality of treatment of the national banks and State banks, imposing no less and no greater a burden upon them than upon moneyed capital in the same State held by other people or other corporations in substantial competition with them. We are opposed to letting down the bars and imposing these discriminatory tax laws upon some of those States that are willing to allow a private banker to compete with an incorporated State bank or a national bank and enjoy all the conveniences that the incorporated banker enjoys, and yet when he walks up to the tax collector's office pays about one-third as much of the burden of the cost of Government that affords both of them equal protection. That is the position taken by the Committee on Banking and Currency.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. CARTER. What is the theory upon which it is claimed that the private bankers should pay less tax than the national banks or State banks pay?

Mr. WINGO. I do not know, unless it be a question of expediency, which always arises in the matter of an intangible property tax. That is all. In other words, they let these private bankers come in under the intangible property classification, and, of course, everybody knows there is no morality in the intangible property tax favoritism. It is only expediency that has prompted the State to tax at a lower rate elusive intangible property in order to get that property out of hiding, and it is perfectly possible to so draw an intangible tax law as to touch the private banker the same as the incorporated bank. It is perfectly possible to devise a scheme by which a private banker will bear the same burden of taxation that is imposed upon the incorporated bank; in other words, class him as the Supreme Court decisions have classed him—as a banker.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Arkansas is recognized for five minutes more.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. GARNER. If the Government could not prohibit the State from charging more against a national bank than similar property held by private concerns, could not any State in the Union put the national banking system out of business? And if it could put the national banking system out of business, could it not put the Federal reserve system out of business, too?

Mr. WINGO. Yes. I have stated here from time to time the high regard that I have for the Federal reserve system. But I have been afraid that some of the mistakes made in its administration might obscure the real benefits of that system. Its full benefits will not be enjoyed until every eligible bank comes under it. If you discriminate by taxation against the national banks and against the State banks in favor of the private banks, you will eventually drive the national banks and the State banks out of existence. I am not a special pleader for either the national banks or the State banks. I want the national banks and the State banks to bear the same burden. But when you come to private bankers there is no excuse for allowing them to hide behind special favor of intangible classifications. It is just as possible to uncover their assets by an examination of their books as it is in the case of a State bank or a national bank.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. JONES of Texas. But the New York law taxes the national banks in a greater amount than it taxes private banks?

Mr. WINGO. Yes.

Mr. JONES of Texas. I put in the RECORD on December 12 the decision of the New York court in the Hanover Bank tax case. In that decision the court held that it was done, and cited Kuhn, Loeb & Co. If I recall correctly, the facts are that whereas an institution like Kuhn, Loeb & Co. will pay about $80,000, on the same measure of assets a bank like the Hanover Bank would pay $240,000.

Mr. STEVENSON. The exact figures are these: Where J. P. Morgan & Co. paid not exceeding $300 on $100,000 invested capital, the Hanover Bank paid a thousand, and the stockholders of the Hanover Bank had their dividends taxed the same as J. P. Morgan & Co. had on their income tax.

Mr. WINGO. The position of the gentleman from New York [Mr. MILLS] is to blame Congress and hold 22 States of the Union helpless. So far as New York is concerned, she can help herself if she will put on her statute books a fair, square, uniform, nondiscriminatory tax law affecting private bankers, State bankers, and national bankers alike. If she will do that, she will have no complaint of the decisions of the courts. [Applause.]

Mr. GARNER. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. I ask unanimous consent for one minute more, so that I may yield to my friend from Texas.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent that his time be extended one minute. Is there objection?

There was no objection.

Mr. GARNER. I want to say to the gentleman from Arkansas that the gentleman from New York [Mr. MILLS] this morning, when I asked a question and compared the City National Bank with J. P. Morgan & Co., said he did not want that red herring drawn across the trail.

Mr. WINGO. I do not blame him. That is the crux of the whole question and is the very discrimination the New York court condemned.

Mr. GARNER. I understand that the court of last resort of the State of New York used that red herring as an illustration.

Mr. WINGO. They referred to Kuhn, Loeb & Co. and J. P. Morgan & Co. in a decision rendered on December 12. It is not I who am condemning the New York tax laws. Her own courts have shown their unfair and discriminatory character. Let them clean their own house and quit quarreling with Congress. [Applause.]

Mr. WOOD of Indiana. I yield 20 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CROWTHER. Mr. Chairman and gentlemen of the committee, I want to read a short editorial from the Washington Post of a week ago, entitled "New Tariff Prosperity":

NEW TARIFF PROSPERITY.

Reports compiled by the Department of Commerce show an increase of exports and imports under the new tariff. This is an answer of fact to prophecies of ills that, according to the seers of partisan opposition, were to befall the Nation as the price of protection. Instead of registering a decrease, foreign trade is increasing, and the event is proving that the protective tariff is not only stimulating domestic industry, but is doing so in a manner that does not work loss in other directions.

The administration is warranted in its satisfaction over this result. The protective tariff is working out as its champions foresaw and foretold and the increasing export and import figures cut the ground from beneath its opponents, who spend their fears on imaginary evils and close their eyes to real benefits.

Of course, during the recent campaign there was a good deal of moaning and groaning and a great many word pictures of the world disaster that was to happen because of the passage of the Fordney-McCumber tariff bill, and you will recall during the preparation of the bill that the favorite indoor sport in this House and at the other end of the Capitol was the reading into the RECORD of sarcastic criticisms from alleged Republican newspapers, all calculated to discredit the policy of a protective tariff. The alleged Republican papers have put on the soft pedal, so for a moment let us turn our attention to the outpourings of one or two of the Democratic newspapers.

Mr. Chairman, the following headlines appeared in the New York World on December 17:

Business boom is under way. Includes most basic industries. Commerce Department announces October the best month since the post-war prosperity. Distributors active, too.

The article itself is a Washington dispatch in which it is stated that the output of the important industries, which are named, was greater during the month of October than in any month since 1920.

It also states that there was a corresponding increase in sales by department stores, mail order and wholesale houses, as well as increased bank clearings. However, no mention is made in this article of the Fordney-McCumber tariff law, not even a suggestion that possibly some measure of credit is due to the functioning of that act.

And yet you will remember that the World bitterly opposed this legislation, and through its news and editorial columns hurled invective and sarcastic criticism that evidenced by its tone that this great metropolitan daily had allowed prejudice to warp its judgment. Now, in order to report the news accurately the Evening World is obliged to publish reports which absolutely disprove the free-trade propaganda of its editorial columns.

Supporters of the new tariff bill predicted an increase in our export trade in spite of the gloomy forecast by the Democratic free traders. The Journal of Commerce strenuously opposed the Fordney-McCumber tariff because, it alleged, it would ruin our export trade. Foreign nations, it claimed, would not buy our goods if they had to pay an adequate rate of duty to get their goods into our markets. Now they are singing a different song, for in its issue of December 5 appears the following under the caption:

MORE EXPORTS.

The fact appears that here and there our export trade has improved measurably since the low point some months ago and possibly some further increase may occur. No major change has taken place and is not likely to do so under existing circumstances.

At all events it is of importance to bear in mind that large shipments abroad may not constitute a really prospering foreign business. Nothing is to be gained by selling more goods to foreign peoples than they can be reasonably expected to pay for. Every indication seems to point to a considerable reduction in our imports. An unduly top-heavy export business may do us more harm than good.

So this paper that predicted the collapse of our export trade now admits that it has increased, but comforts itself by stating that "it won't last" and that "even if it does, the export trade is not such a good thing after all." This is the sort of claptrap we are supposed to swallow when administered by the Journal of Commerce. [Laughter.]

The actual enactment of the new tariff bill did not have the disastrous effect predicted by the Journal of Commerce and other free-trade propagandists. On the contrary, exports have been steadily increasing and imports have also increased, so that the entire objection to the new tariff based on the claim that it would ruin our foreign trade has fallen flat and has been disproven. [Applause.]

Volumes could be filled with the vociferous outpourings of our Democratic brethren, descriptive of the dire results of protection. What cared they for the records of our periods of prosperity under protective tariffs? They told us that Europe must pay its indebtedness in manufactured goods because they had no gold. The only logical conclusion to be derived, after reading Democratic free-trade arguments against the tariff bill, was that the Democratic Party was quite willing to open the gates to a flood of foreign merchandise and, as a result, strangle industry, close American workshops, and let American toilers swell the ranks of the unemployed.

I am just reminded that the gentleman from Texas [Mr. GARNER], the would-be leader of the minority, who in the last few months has been endeavoring by a marked display of feverish activity to establish his claim to that position in the organization of the next Congress, became unduly disturbed and excited yesterday over the funding of this foreign debt. He was very much alarmed for fear that Congress was going to allow the commission too much leeway. The Democratic spellbinders on the stump this last fall took particular pains to tell the people that that legislation which we passed regarding the funding commission was futile; that it did not amount to anything; and that the debt could not be paid unless it was paid by goods imported into this country; that we were a creditor Nation, and the Democratic argument was that as across the seas they had no gold the only way that we could ever get this debt settled was by bringing in sufficient manufactured products from Europe to cancel it. Very evidently the gentleman from Texas does not agree with some of his Democratic brethren, because he now appears very much concerned about the payment of this debt which, as I say, out on the stump they endeavored to assure their audiences could only be paid by establishing free trade. Very few of the Democratic Members like to be known as or called free traders; they prefer the more euphonious and seductive title of "Tariffers for revenue only."

Curiously enough, those who advocate cancellation of the foreign debt are largely internationalists and free traders who seem anxious to see Great Britain and the other countries placed in a financial position to pay the private debts owing private investors in foreign securities. They have no special interest in the payment of the huge debt owed to this Government, which, in the last analysis, is the people's money.

The principle of protection has nothing to do with the collection or payment of reciprocal debts. The enemies of protective tariff injected this extraneous matter into tariff discussion to delay as long as possible the enactment of the tariff bill.

A Republican tariff bill is a message to the rest of the world that we intend to keep the standard of wages and living conditions high, that American men and women who supply the brain and brawn in industrial production may prosper. A Democratic free-trade measure is a message to the world that they intend to drag the American workman and his family down to the level of his foreign competitors who work long hours for starvation wages.

At this point I desire to read from the Southern Tariff Advocate, published at Fort Worth, Tex. The article on the title page is as follows:

South owes debt of gratitude to Congress for permanent tariff law. The Fordney-McCumber tariff measure, which has been written into law and whose provisions are now in operation, reflects a broad Americanism that recognizes the right of producers to participate in the burdens and benefits of tariff legislation without discrimination against any product, any section, or any class.

For the first time in nearly a century the interests of the great agricultural producers, upon whose toil and energy rests the progress of the Nation, have been given the same measure of consideration that has always been extended to those who manufacture the raw material into articles of commerce, and justice and equality of effort in tariff legislation has been established.

There are, of course, those inequalities in the measure which are manifest in all human documents, but in a broad sense the law lends encouragement and hope to southern producers, and, when it becomes the fixed policy of succeeding Congresses, it will bring contentment and peace to all our people and insure permanent prosperity to the stricken industries of the South.

The Southern Tariff Association, backed by millions of southern producers, offers sincere thanks to Congress for the splendid achievement attained by the passage of this act.

The following article appears on page 8, December issue, of this publication:

GOODING CLUB ORGANIZED.

At a meeting held in New Orleans recently, officers for the Gooding Tariff Club were elected, and 1,100 charter members were reported for the club, according to Charles B. Claiborne, who presided at the meeting. The following officers were elected: E. A. Burguieres, chairman; Burt Henry, secretary; Charles DeB. Claiborne, treasurer. The club was named the Gooding Club as an honor to Senator GOODING, chairman of the tariff bloc, and as a compliment to the bloc for its support of southern schedules in the Fordney-McCumber bill.

An intensified organization campaign throughout the State of Louisiana will be carried on and local clubs organized with a membership pledged to vote for candidates for Congress and Senate who favor a protective tariff. The membership pledge reads: "I pledge my vote and my influence to the support of candidates for Congress and Senators of the United States whom if elected will vote for a national tariff policy that will equalize the cost of production between this country and foreign countries, to the end that American standards of living may be maintained."

Headquarters will be opened up as soon as arrangements can be made, and plans for covering the entire South with tariff clubs will be inaugurated. The State will be divided into congressional districts, parish and precinct clubs, and it is expected that several hundred tariff clubs will be established throughout the State.

I have quoted these news items in order that the people of the Nation may observe the very marked change in sentiment of the South regarding protective tariff. Of course, we realize that this change in attitude will not elect any Republicans from that section of the country, because southern folks just naturally do not like us and, in spite of all the declarations to the contrary, we are on many important questions as far apart as the poles. It may be productive of much good, however, for in the primary contests of the South the choice of candidates is gradually going to swing to the men who have the

courage to espouse the cause of protection, and there can be but one result, and that will be the restoration to private life of the old-fashioned moss-back free traders who have heretofore felt secure in their position because a few long-haired professors of economics have occasionally tossed them a theoretical life preserver. [Laughter and applause.]

The gentleman from Virginia [Mr. SLEMP], in a speech in 1909, gives rein to his imagination as to how the average Democratic Congressman from the South answers his many requests from manufacturers and farmers to support them in seeking decent protective rates for their products. The following is a quotation from his address, and when you have read it you will feel that our benighted brethren on the Democratic side are more to be pitied than laughed at:

> And when our good southern people themselves try the same experiment of building a factory—and many of them have done so—and a revision of the tariff is announced, forthwith they write their Congressman, usually a modern-day Democrat, and ask him for protection. I imagine they get a reply something like this: "You know I am a Democrat and have made speeches all my life against the protective-tariff principle. But I must confess that my views have undergone some change, and I now have protection proclivities for products in my own district. What you demand is contrary to our Democratic platform declaration, but is essential to us locally as a business proposition. Without appearing to be inconsistent, which really I am not, I believe we can get the desired protection by a duty apparently for revenue only or one simply for competitive protection. I have never had opportunity publicly to favor this sort of protection, because during campaigns, in order to preserve the purity of our race, I have given exclusive attention to 'the negro question.'"

Let me call to the attention of my Democratic friends that there were 11 of the distinguished Democratic Senators, representing their various States in the Chamber at the other end of the building—11 of them who during the discussion of the Fordney-McCumber tariff bill supported every rate on products, agricultural and industrial, of their individual States, and in many cases they asked an increase, and received it or a compromise. I believe they showed good judgment in supporting that kind of tariff legislation, but were, to say the least, rather inconsistent when they voted against the bill on final passage. [Laughter and applause.]

I want now to call attention to a speech which was inserted in the RECORD by the Senator from Tennessee, the speech being made by the Hon. Norman H. Davis, who was former Undersecretary of State, before the Democratic Women's Luncheon Club at Philadelphia. In the speech Mr. Davis purported to state the fundamental differences between the Democratic and Republican Parties, but it is in truth a bitter, vitriolic, vicious attack upon the Republican platform, President Harding, and the tariff bill. I have written to Mr. Davis and asked him for a statistical analysis or abstract regarding this statement, which I propose to read; and let me say that this is just about the kind of a statement that the Democrats made on the stump last fall, except that their figures varied anywhere from four to eleven billions, while Mr. Davis has compromised on $6,000,000,000. He says in part as follows:

> On the contrary, they have become so weak and inefficient, according to their own claims, that they have recently induced the Government to pass the hat around and take up, by means of the Fordney-McCumber tariff bill, a forced collection from the tax-burdened masses to the amount of at least $6,000,000,000 per annum for the benefit of these industrial paupers.

I wrote Mr. Davis and said that this and similar statements had been made frequently during the campaign, and I hoped that he might give me the figures or an abstract to see how he arrived at this deduction of $6,000,000,000 per annum. As I say, the statement was made that it was going to cost us anywhere from $4,000,000,000 to $11,000,000,000. In contradistinction to that, under the title "Still lying about the new tariff law," I read the following from the National Republican:

STILL LYING ABOUT THE NEW TARIFF LAW.

> The New York World says Christmas expenditures in the United States increased from $3,000,000,000 in 1921 to $6,000,000,000 in 1922, due to the Fordney-McCumber tariff. Arthur Brisbane writes that the increase was from $5,000,000,000 in 1921 to $8,000,000,000 in 1922, "partly due to the tariff." The truth is that much less than half of the articles sold at Christmas are affected by the tariff at all, and that 95 per cent of the less than 50 per cent of such commodities were, of course, in the hands of the jobbers before the new tariff law went into effect in October. On the imports of all classes, a small part of which were of the Christmas-present variety, the increase in tariff collections under the new tariff has been less than $100,000,000, all of which went into the United States Treasury, to decrease by that much the taxes of the American people. The truth, further, is that the increase in volume of Christmas expenditures was not 100 per cent or 60 per cent but about 50 per cent, and the increase in postal receipts shows that the growth in volume of mailings was nearly as great. The advertising columns of the Hearst papers and of the New York World during the holiday season showed that prices were little increased in 1922 over 1921, and every reader of these papers knows that it is asinine to write that there was any such increase in prices as to justify the claim of these anti-protection propagandists that the tariff caused the bigger volume of sales. If Mr. Brisbane and the New York World had only told the truth about the matter—namely, that the astonishing increase of Christmas trade proved the prosperity of the Amerian people—they might not have done as well in calamity howling but they would have contributed much more to the prosperity of their readers and advertisers during the year 1922. If the metropolitan editorial writers who hate a tariff written in the interests of American producers rather than of New York importers and alien capitalists find it necessary to misrepresent the operations of the new tariff, they ought to at least get together and lie plausibly and in unison.

I have read the foregoing mainly to show that these folks are a good deal like golf players—they do not lie alike but lie differently. [Laughter.] The New York World and the Hearst papers claim that the whole spread of $6,000,000,000 was taken up this Christmas, that it cost $6,000,000,000 more this Christmas than before, but Mr. Davis says that it will take a year for the people to contribute that amount.

Of course, just the minute the tariff is taken off an article, naturally the price goes up. We had a great furore here with the agricultural bloc about potash, and they took potash off the tariff list and put it in the free list, and since then it raised 200 per cent in price at one jump and 145 at another and to-day it is 345 per cent higher in just a little over two months.

England has been quoted as a free trade country. I heard the silver-tongued orator, the gentleman from New York [Mr. COCKRAN], tell us what a wonderful country free-trade England was, and in language that he alone is such a master of he pictured the desolation, despair, and despond that would prevail in this country if we had a protective tariff bill.

He pictured the long rows of men and women out of employment, the wheels of industry stopped, the stars ceasing to shine, and earth herself toppled into primeval chaos, and while this kind of doctrine was being served up to us England was casting the free-trade principles of Cobden to the winds, and enacting more tariff legislation; and have since insisted on its remaining on their statute books, as the following news dispatch will indicate:

> Commons upholds act to protect industries—Liberals' attack on measure fails under vote of 269 to 207 after defense by Government.

An Associated Press dispatch to the Evening Star appeared under the above caption, and reads as follows:

> LONDON, December 5, 1922.—The House of Commons last night, after keen debate, rejected by a vote of 269 to 207 an amendment offered by Sir John Simon, Liberal, to the address in reply to the speech from the throne demanding the repeal of the safeguarding of industries act.
>
> Sir John's attack on the act was based on its protectionist character and the fact that it has been extended far beyond the original intention. As an instance Sir John cited that in the chemical industry the act affected more than 6,000 articles. Sir Alfred Mond, who as minister of health with the Lloyd-George cabinet was one of those responsible for its passage, admitted that the act had gone far beyond the original intentions. He advocated the appointment of a select committee to investigate its administration.
>
> Sir Philip Lloyd Graeme, president of the board of trade, defending the act in behalf of the Government, argued that it would be extremely unwise to repeal it at the present time.

This act, you will remember, was passed in August, 1921, and was known as the safeguarding of industries act, and carried a tariff of 33⅓ per cent ad valorem on some 7,000 industrial products; the duty to be collected on home valuation. Home valuation in this instance is synonymous with the principle of American valuation, which highly desirable provision was stricken from the Fordney-McCumber bill in the Senate.

I regret that the principle of American valuation was not incorporated in the bill. The argument regarding the provision in the appropriation bill yesterday for a foreign investigation of prices would have been made much less necessary. The proper way to figure an ad valorem duty is on the cost of comparable goods made in America; not on what the price is in a foreign country. [Applause.]

Of course, now that the election is over, the Democrats will quit yelling about the robber tariff and will go ahead and share in the prosperity under its beneficent influence.

The Fordney-McCumber tariff bids fair to be the best revenue tariff ever in force in this country. During the month of October the total amount of duties collected are officially given as $40,135,000, while the duties for November—$41,647,000—are over a million and a half more dollars than during the previous month. If the average shall be maintained during the succeeding 10 months the total amount of duties collected will be over $490,000,000, or over $160,000,000 more than ever before collected in the same period of time.

A protective tariff helps the farmers by aiding in providing a market, in the first place, and at vastly higher prices than can be obtained if their products are not protected.

We all know that it stabilized and steadied the situation in this country, so far as farm products were concerned, when we passed the emergency tariff bill, notwithstanding all the arguments of the gentleman from Arkansas [Mr. WINGO], who is the cleverest Member on his side—and I think he will admit it.

Mr. WINGO. I hope I have not aroused the jealousy of my friend.

Mr. CROWTHER. Oh, no; I appreciate the gentleman's ability.

A protective tariff conservatively enacted is practically the only safeguard for the workingman in this country, and such a tariff deserves the consistent support of organized labor. It is nonsense to talk about living wage or saving wage and then batter down the tariff wall that makes decent wages possible in this country.

The tariff law has put the people to work, set the wheels of industry to revolving, and has increased our commerce, both foreign and domestic. People hitherto idle, and hence conserving their meager resources, have now the means with which to buy from their present earnings. That is the unfailing result of adequate protection. Democratic demagogues who preached the doctrine of free trade during the last campaign, who painted word pictures of tremendous disaster to follow the enactment of the tariff law, and who out on the hustings spoke of industrial ruin and starvation following the "robber tariff," have taken to the tall timbers, satisfied for the time being that their false charges have resulted in a temporary political gain of a few seats in Congress.

But you can not fool all the people all the time, and Democratic Congressmen who flatter themselves that any arguments they advanced for free trade as against protection were anything more than incidents in the last campaign are due for a rude awakening when next they apply for support as Representatives in the Sixty-ninth Congress.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, when the national bank act was passed in 1864 the question arose as to whether the States should tax the stock of the banks. It had been determined that a bank created by the National Government, which was the national agency, could not be taxed without the consent of Congress. Congress, therefore, enacted that the States should have the right to tax the bank stock of national banks, but that they should not tax it at a higher rate than they did the bank stock of State banks. What was the result? A good many States taxed not the stock but the assets of the State banks, and where a bank invested all of its capital in tax-free bonds, for instance, United States bonds, it paid no tax.

The result was in those States they could not get any tax from the national banks; and in addition to that other States merely taxed the franchise so much and did not tax the stock of its banks. In those States the national banks went free, because there could be no tax placed on the stock of national banks. Now, the Congress met in 1869, and finding that in a great many States the national banks were escaping taxation, they changed the limit and provided that national-bank stock should be taxed, but it should not be taxed at a greater rate than that assessed upon other moneyed capital in the hands of the individual citizens of such State, and that law went into effect and is in effect to-day, and has been all the time, and worked satisfactorily, and there never has been any abuse of it. Well, we are having trouble now because of certain State regulations. Now, the Supreme Court came along, and over in Pennsylvania the State of Pennsylvania exempted all real estate mortgages from taxation. The national banks set up the plea that real estate mortgages, being of an investment nature and akin to banking, that that being exempt the national-bank stock must be exempt also. The Supreme Court said no; that is not the rule. It must be capital in competition with national banks, and a man who loans money on real estate is not in competition with national banks, because the national banks are not allowed to loan on real estate, and besides the State can exempt one form of capital without relieving the national banks. Then we had another case in which the situation came up where certain other property was not being taxed in the shape of investments. The Supreme Court held it did not relieve the national-bank stock, because the capital that was being exempted was not in competition with national banks and was not of substantial account if it were in competition with it, and consequently they wrote into the law that you could tax the stock of national banks but you could not tax it higher than that in the hands of individuals coming in competition with national banks. Now, that is the state of the law and has been for 50 years, and can not be gainsaid. Now, what trouble brought up this question before the House of Representatives?

The gentleman from New York said awhile ago that the bill we passed did not do any good at all. Well, we added the words of the Supreme Court that it must not be taxed higher than the capital in the hands of individual citizens "coming into competition with the business of national banks." Then we added another provision that where a State desires to tax the income from their capital coming into competition with their national banks it can tax the net income of the national banks, but not higher than it taxed the other capital. Well, that was reported here and we passed it, and the Banking and Currency Committee had only one member opposing it. Now here is a wail that New York is in trouble. Let us see what that trouble is, and let us see whether any justice is found in the case. The State of New York in 1919 passed a tax act in which it provided that the stock of all banks should be taxed at 1 per cent of its book value, not its face value, but its book value, but that the investment of private bankers, and so forth, should be only taxed at a maximum of 3 per cent on their income; that in addition to the tax upon the stock of the bank, that dividends coming from banks should be taxed in the hands of the holder as income. Now, let us see how it works out. How did it work out? In the courts there was found to be in the hands of private bankers, headed by J. P. Morgan & Co.—a whole list is found in this decree of the first court in which the matter passed—that there was $200,000,000 of bank capital in the hands of the following private bankers: J. P. Morgan & Co., Kuhn, Loeb & Co., Speyer & Co., J. & W. Seligman, Hallgarten & Co., Laenburg, Thalman & Co., Goldman, Sachs & Co., and Blair & Co. Well, how are they taxed; not exceeding 3 per cent on the net income. Now, how was it under their bank system were they taxed as stated on the 1st day of January, 1921? If they had losses after that they had no consideration. If Morgan & Co. sustained losses before they were taxed on the net income they were allowed to charge off with their losses. Let us see how it works. You take $100,000 of stock, and that is the evidence before our committee—segregate $100,000 of stock of the Hanover National Bank. It would be taxed $1,000—1 per cent. Segregate $100,000 of J. P. Morgan & Co. capital and 10 per cent would be but a fair net earning for it; if it pays 10 per cent net, it would pay 3 per cent tax, which would be $300. So you have a tax upon the capital of the bank of $1,000 for what is taxed in the hands of J. P. Morgan & Co. $300. And then the stockholder in the Hanover National Bank had to pay the sum of 3 per cent on the dividends he received to the State of New York.

Mr. MILLS. Will the gentleman tell the committee what the private bankers were paying in taxes prior to the passage of the income tax law in the State of New York?

Mr. STEVENSON. I do not know anything about that, but we are here confronted with the record as made in the Supreme Court and Court of Appeals of the State of New York. But we are here not to determine what these private bankers were paying; if they were escaping taxation it is the business of New York to see that they do not.

It is the business of the State of New York to see that they do not. But the question is, Will we allow the great private bankers of this country to drive out the national banks by having the latter pay three and one-half times as much as the private banks, and then tax the income in the hands of the stockholders the same?

Mr. MILLS. Mr. Chairman, will the gentleman yield for a question?

Mr. STEVENSON. No; I beg to be excused. I have but very little time.

The CHAIRMAN. The gentleman declines to yield.

Mr. STEVENSON. Now, what happened? They went into court and the court found as a fact—and it was unexcepted to by the State of New York—that there was a billion dollars of that kind of capital in the State of New York that was not taxed a cent on its value, but was taxed 3 per cent on its income, while the national banks with only $591,000,000 of capital from start to finish were taxed 1 per cent on their capital and then on their dividends. It went through three courts. The circuit court, the appellate division, and the final appellate court, which makes this statement:

> A long line of decisions of the Supreme Court of the United States defines the business of banking and holds that the words "moneyed capital in the hands of individual citizens" includes moneys invested in private banking houses such as J. P. Morgan & Co., Kuhn, Loeb & Co., and others, together with investments of individuals in securities that represent money at interest and other evidences of indebtedness such as normally enter into the business of banking. The National Government permits State taxation only on terms of substantial equality in law and in fact, and entire fairness and friendliness.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from South Carolina is recognized for five minutes.

Mr. STEVENSON. But in New York, as the court says, the shares are taxed by one method and the dividends by another method. Yet they come in here and complain because we do not make provision for New York, to justify and sustain and support that discrimination against the national banks, which are the foundation of the Federal reserve system and which Congress alone can take care of. Then the court of last resort in New York goes on to say:

Dividends from stock in bank corporations owned by resident taxpayers are not included in the list of exemptions. A clear discrimination is made against resident holders of bank shares which are taxed according to their book value, who are also taxed on their income. The shares of bank stock are taxed by one method and the dividends thereon are taxed by another method. Competing moneyed capital in the hands of individuals is exempt from taxation based on valuation and is assessed by one method, according to income only.

Well, they talk about 32 States. I deny that there is any such situation existing except in the States of New York, Massachusetts, and possibly Wisconsin. The matter has been settled practically everywhere else. We have had it before the Committee on Banking and Currency for six months.

What was the situation in Massachusetts? They have a large coterie of private bankers there, occupying the same relative position as J. P. Morgan occupies in New York. Kidder & Co. and Peabody, Cluett & Co. and Lee, Higginson & Co. are the great outstanding firms. National-bank shares are taxed at a high rate. Statements were made before our committee by the gentleman from Massachusetts [Mr. LUCE], one of the best Representatives from the State of Massachusetts, who said that he had to admit that the national banks paid $2,999,000 in Massachusetts in 1921, when, if taxed on the same basis as the private bankers, such as Lee, Higginson & Co., they would have paid only $490,000. Can the Congress of the United States stand for any such discrimination as that, and say to them, "Here, we put these national banks off in a corner by themselves. Go to it and tax them as high as you want."

We have heard that "the power of taxation is the power to destroy." It is the power to destroy, and so surely as you allow the States to build up a discrimination against the national banks you will have trouble with the basis of our currency system. Now, out in North Dakota they created a State bank, to be run by the State, and exempted it entirely from taxation. Then they passed a law that farms should be taxed at 5 mills, but before you taxed a farm at all you excluded the improvements, and then laid off $2,000 worth of land as exempt, and then taxed the balance 5 mills. Then they came along and taxed the national banks 15 mills, and exempted the State bank from any taxation at all, a competitor that was created for them.

This Congress, when it creates a national agency, has to provide against such a discrimination, because these 48 States have 48 kinds of people in them, and every once in awhile people like that will get into control, and when we let down the bars and allow one State to discriminate against national banks we must allow everybody else to discriminate, and the result is that aggregations of capital in the hands of great private international bankers will get the State to discriminate in their favor as against the national banks, as they have done absolutely and openly in New York, and the result will be the destruction of our national-banking system, for which we are not yet prepared. [Applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. WOOD of Indiana. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. LINEBERGER].

The CHAIRMAN. The gentleman from California is recognized for 15 minutes.

Mr. LINEBERGER. Mr. Chairman, there is an old quotation something to the effect that those whom the gods would destroy they first make mad. This should now be changed, so far as prohibition in the United States is concerned, to "Those whom the Association Opposed to the Prohibition Amendment would defeat, it first indorses."

Politicians are sometimes charged with being unethical in conducting campaigns, but in all my experience I have never seen a politician stoop to the methods which the Association Opposed to the Prohibition Amendment resorted to in the recent campaign. Doubtless knowing that in a dry district only a candidate who stood for prohibition and the proper enforcement of the Volstead Act could be elected, this association evidently sought to place the stigma of being wet on the dry candidates and thus through deception encompass their defeat.

The Association Opposed to the Prohibition Amendment has apparently vowed vengeance upon every Member of Congress who has voted for law enforcement legislation.

No Member of the House, I suppose, would find fault with the Association Opposed to the Prohibition Amendment or any other organization or individual opposed to prohibition if it proposed to change or repeal the amendment by the orderly processes of law; but to attempt to legalize what the Constitution prohibits, or to destroy the machinery for the enforcement of that part of the Constitution, is nothing less than blatant nullification.

But even more vicious than this was the attempt of the association to defeat Members of the Senate and House who had always stood for prohibition and its enforcement by giving them its indorsement. Here are only a few of the candidates for Congress which this association indorsed, although it well knew that they all stood for prohibition and for the carrying out of the Volstead Act:

Hon. B. G. HUMPHREYS, of Mississippi; Hon. L. M. GENSMAN, of Oklahoma; and Senator CLAUDE A. SWANSON, of Virginia. I understand there were many others.

Mr. GENSMAN, I am sorry to say, went down to defeat as a result of the association's indorsement of his candidacy. As a general thing, however, the voters saw through this attempt of the wets to defeat dry candidates by deception and rolled up large dry majorities as protest against the action of the wet organization. The reaction was decisive and humiliating to the wet leaders. My own majority was nearly 21,000 despite the handicap which they attempted to inflict upon me. My majority over the same political opponent in my previous campaign for the Sixty-seventh Congress had only been slightly in excess of 11,000.

In my congressional district this organization sent out information which caused some people to label me as a nullification candidate for Congress, and I desire to put into the RECORD the correspondence which I had with it in order to show its duplicity and its vicious methods of campaigning. I give first a letter from Mr. G. C. Hinckley, manager of the wet organization here in Washington, dated September 25, which reads as follows:

Please note tenets of this organization outlined in platform supra. We believe this platform points out the only road to true temperance, better business conditions, and reduced taxation, and the only road leading from excessive taxation and all manner of crime incident to prohibition.

We are receiving inquiries from our members in your State as to your sentiments. In order that we may answer promptly and accurately, we will be pleased to have you answer the following queries:

1. Do you oppose or favor national prohibition and the Volstead Act?
2. Do you oppose or favor the program of this organization?

We feel you will welcome this opportunity to define your attitude and will appreciate an immediate reply. If no reply is received in two weeks the assumption will be that you are not in favor of our movement. The poll being taken by the Literary Digest (two to one in our favor so far) indicates the trend of opinion among thinking people.

Under date of October 5, 1922, I replied as follows:

Your circular letter of September 25 has been received. My attitude on your platform is well known to my constituents, but for your benefit I will repeat it.

1. I favor national prohibition and the Volstead Act.
2. The only portion of the program of your organization in which I can acquiesce is Article III, i. e., "So long as the prohibition amendment and the Volstead Act are the law of the land, they should be obeyed," otherwise I am opposed to your program.

Under date of October 12, 1922, the following reply was received from Mr. Hinckley:

I thank you for your letter of October 5 and note you are not in sympathy with our platform.

On October 30 reports came to me that a letter was being circulated, copy of which is given below, which indicated that the Association Against the Prohibition Amendment was sending out false insinuations as to my attitude on prohibition. I immediately telegraphed Mr. Hinckley as follows:

Your letter, October 18, to G. K. Hubbard, 573 Illinois Avenue, Riverside, Calif., is being circulated in my district in pamphlet form. Statement contained in fourth paragraph of said letter "that LINEBERGER will probably come out openly in favor of our platform" is absolutely unwarranted and libelous in the extreme. My correspondence with you, dated October 5, in answer to your circular form letter, dated September 25, and your acknowledgment, dated October 12, in which you state, "I thank you for your letter of October 5 and note you are not in sympathy with our platform," shows that when you wrote your letter of October 18 to Hubbard you were fully informed of my dry position. If every dry in my district were to support Mr. Randall it would not change my views one whit, as I am for prohibition for moral, sociological, and economic reasons, irrespective of votes or public office, and believe that this reform has proved itself the greatest boon to mankind in the world's history. I demand telegraphic retraction of your unwarranted insinuations and assumptions.

The letter referred to in the foregoing follows:

OUR PLATFORM.

I. Beers and light wines now; but no saloons ever.

II. The liquor traffic should be regulated locally by the States and should have no place in our Federal Constitution, which ought to contain only the framework of government and the great fundamental principles acknowledged of all men and no longer a subject of controversy.

III. So long as the prohibition amendment and the Volstead Act are the law of the land they should be obeyed.

IV. Meantime it is the right and the duty of all who still believe in real temperance, in self-respect, self-restraint, and the force of personal morality to work for the repeal of the Volstead Act and then of the prohibition amendment itself.

OCTOBER 18, 1922.

Mr. G. K. HUBBARD,
573 Illinois Avenue, Riverside, Calif.

MY DEAR MR. HUBBARD: I beg to acknowledge receipt of your letter of September 27 with contribution of 25 cents, and I am inclosing herewith one of our regular applications for membership, which I trust you will fill in and return at your early convenience.

I am also inclosing literature which I feel sure you will find of great interest.

I am sorry to state in reply to your inquiry that there is but one candidate from the eleventh district of California, PHILIP D. SWING. We have written to Mr. SWING asking for a statement of his views with regard to prohibition, but have not been favored with the courtesy of a reply. This, taken in connection with the fact that he voted for the Willis-Campbell antibeer bill, has led us to classify him as dry.

In the ninth district there is rather an interesting situation. LINEBERGER, the incumbent, has consistently voted dry. However, his opponent, Charles H. Randall, is so rabidly dry as to detract from LINEBERGER'S dry support to such an extent that LINEBERGER will probably come out openly in favor of our platform. He has not done so yet, but under present conditions LINEBERGER is the man to vote for in the ninth district. Randall is running on a Democratic prohibition platform.

For your information I am attaching a list of wet candidates which has been released for publication in to-day's papers.

Very truly yours,

G. C. HINCKLEY, *Secretary-Treasurer.*

In reply to this telegram I received one dated October 31, 1922, in which Mr. Hinckley said:

You have never been indorsed by this organization, and if you adhere to position set forth in your telegram never will be.

In spite of this correspondence and recognized facts, the wet organization, so far as I could ascertain, did nothing to correct the situation created by the circularization of its letter, although I openly repudiated it and published the facts broadcast. Partly because of this and possibly for personal and political reasons as well, this propaganda is still being distributed in an attempt to discredit me with the dry voters of my district.

It was used in the campaign by those who were interested in the election of the candidate of the Prohibition Party for Congress in my district. Mr. Clarke, editor of the Riverside Press, sent this telegram to my campaign headquarters:

Understand one G. K. Hubbard, of Riverside, is trying to influence temperance voters against LINEBERGER. Hubbard is extreme third party man and has never cooperated with temperance forces of this county in any practical or effective manner. He is apparently willing to sacrifice anything for election of candidates of Prohibition Party.

I found also that another organization, known as the Flying Squadron, whose leaders are party prohibitionists, have filed a report with the Clerk of this House which indicates that in the closing days of the campaign they spent between $800 and $900 trying to defeat me. I challenge any man or organization to show where I have cast a single vote upon prohibition which is not favorable to it and to its enforcement. In my private as well as my public and official life, both here and elsewhere, my conduct is one of strict observance, giving support to the Constitution and the laws of the United States by example as well as by word and vote. Personally, I am willing to renew the pledge which the gentleman from Georgia [Mr. UPSHAW] challenges Members of Congress and public officials in general, to make. I heartily approve the idea, and consider that it would have a most salutary effect.

As is well known by my colleagues, I have never taken a sanctimonious or "holier than thou" attitude in this or any other matter; but I am willing to hazard the creation of a precedent on the floor of this House in saying that I have never in the slightest degree infringed the eighteenth amendment or Volstead Act since it became the law of the land [applause], and I intend to continue the same attitude in the future. Personally I am convinced that the vast majority of the membership of Congress can truthfully make the same statement. I do not claim to have been a total abstainer before the law went into effect—although, like many others who were not "teetotalers" in a strict sense, I was never what is known as a drinking man. No matter what I or anyone else may have been, it is now our bounden duty to strictly observe the Constitution and the laws enacted under it, which as public officials we have sworn to uphold and defend. This is to be expected of all public officials, no matter how highly or how lowly placed. The welfare and perpetuity of the Republic demand this. No more can be expected of that citizenship which is placed at the helm of its affairs, and this citizenship can do no less if it is to be said of those who compose it, as is the custom among the French, "Ils 'ont bien merité de la patrie," which translated means "They have merited well of their country."

It should be legally and morally just as reprehensible to purchase or consume of the wares of the bootlegger as to be engaged in bootlegging itself. The sooner the public conscience as well as those charged with the enforcement of the law arrive at this practical view of the shameful situation to which the President referred in his recent message, the nearer we will be to the crux and solution of this deplorable and perplexing situation.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LINEBERGER. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LINEBERGER. Organizations which go over the country raising money for prohibition and its enforcement and then spend it to defeat Congressmen who have consistently and persistently worked and voted for every prohibition measure, are getting money under false pretenses and show that they are partisans rather than friends of prohibition. Whenever these unwarranted methods are used and the people understand them, the reaction on the part of fair-minded voters is helpful.

There may be instances like this in other congressional districts and they may come up in the future in still other congressional districts, and I made up my mind to present to the House the facts concerning the situation. Members of this House who have stood loyally for the necessary legislation to enforce the eighteenth amendment are entitled to the good will of its friends. When candidates on the various party tickets all stand for the Constitution and its enforcement, prohibition should not be made an issue in their districts. To attempt to tar a man with the wet stick in order to defeat him is dirty politics, no matter who does it.

Now, one thing more. I have been reliably informed that the Association Opposed to the Prohibition Amendment, in order to cover its tracks, failed to comply with the Federal corrupt practices act and file a report of its receipts and expenditures before the election so that the people could know how much money was being spent to defeat Congressmen who stood for law and enforcement and to elect Congressmen who favored the repeal of the national prohibition act and the beer and wine program. I am further convinced that the association's report to the Clerk of the House shows a direct violation of the law. An organization which would violate the law in this respect would not hesitate to stoop to dirty politics and indorse candidates for the Senate and lower House when everyone knew such an indorsement would be a liability instead of an asset. [Applause.]

Mr. Chairman, I yield back the rest of my time.

The CHAIRMAN. The gentleman from California yields back one minute.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. BLACK].

The CHAIRMAN. The gentleman from Texas is recognized for 20 minutes.

VALUATION OF THE CARRIERS.

Mr. BLACK. Mr. Chairman, I want to discuss for a few minutes the valuation work of railroad carriers which is now being conducted by the Interstate Commerce Commission. Yesterday there was some discussion in the House with reference to this work, and inasmuch as we now have under consideration the appropriation bill which provides for the support of the Interstate Commerce Commission and for the work of these valuation experts, I think it might be well that we discuss the activities briefly.

This work was started in 1913 under an act of Congress and is still in progress. The field work of valuation is complete, but the assembling and compiling of the data and the announcement of the result as to all of the railroads will not be completed until July 1, 1924. Even then the work will not be finished, because if the work is kept down to date it will have to be a continuing work. In other words, if this valuation of the carriers, which is the greatest work of its kind ever undertaken by any Government and by any commission, is not kept reasonably current, of course, it will not be of any very great value.

But after the initial process of valuation is complete it will be a much simpler task and far less expensive to keep the work current. To do so will only involve the keeping of the accounts of the cost of additional mileage, the cost of new equipment, betterments, and other capital investments made by each carrier, less a proper charge for depreciation.

ANSWER TO CRITICISMS.

Some Members of Congress in the debate yesterday criticized this work on two grounds: First, that it had taken entirely too long to complete it, and, second, that the work would have

but little value after it is completed. In other words, the situation was the same as that in the familiar story which we have heard of the man who bought a horse and after he had kept him for a while met the former owner and said, "There are only two thing wrong with the horse that you sold me. One is, it takes entirely too long to catch him, and the other is that he is no account after I do catch him." That seems to be the theory of some of the Members who discussed this matter yesterday, that it has taken the commission entirely too long to make the valuation and that it will be worth but little after it is completed.

But I do not take that view about the work. I want to discuss these two criticisms briefly: First, the claim that the valuation work has taken an unreasonable length of time, and second that it will be of no practical value after it is complete.

TIME TAKEN TO COMPLETE VALUATION.

As to the time which it has taken to complete the work since it first began in 1913, it is probably true that it has dragged along more slowly than it should have done. That is a common criticism, and in most cases a just criticism, of Government activities. There is, for example, too much delay in enforcing justice and obtaining rights in our courts. It takes too long to get a decision from the Interstate Commerce Commission on rate complaints. The Internal Revenue Department is still at work on auditing certain income-tax returns for 1917, five years after they have been made. There is a great deal of red tape throughout the Government service which might well be cut and the work speeded up along more practical business lines. So I have no doubt that some criticism of this valuation work on that ground of delay is just. But it is well that we remember that during the period of the work the war came on, with its complications and unsettlements, and then still more important is it that we remember that the United States is a country of vast distances and wide expanse of territory. In order that the farmers of the West and the great Northwest and the South and Southwest might exchange the products of their farms and ranches and orchards for the products of the mills and factories of the North and East it has been necessary to develop a closely knit and well-coordinated system of national transportation; not transportation confined merely to 48 different States, but a national system of transportation, and that has been done in the United States to an extent equaled nowhere else in the world. We have built 250,000 miles of railroad.

Mr. MOORE of Virginia. Steam railroad?

Mr. BLACK. Steam railroad. I thank my friend for the suggestion. That was the meaning which I intended to convey. That is nearly one-half of the railroad mileage of the world. And when it comes to valuing this vast system of 250,000 miles of railroad, with all its equipment, with all its terminal facilities, its cars and locomotives and all its other properties, it has been a tremendous and complicated task. Certainly it is natural that it should take some considerable time to complete it.

Mr. CARTER. Will the gentleman yield?

Mr. BLACK. Yes; I yield to the gentleman from Oklahoma.

Mr. CARTER. Can the gentleman tell us how much it has cost to make this survey for physical valuation, and what will be the ultimate complete cost of it?

Mr. BLACK. Yes. Up to the present time the cost has been about $24,000,000, and it is the estimate of the Interstate Commerce Commission that the work will be completed and ready for announcement on July 1, 1924, which will be the end of the fiscal year for which we are about to appropriate. With the $1,000,000 carried in the present bill, that will make a total cost of something in excess of $25,000,000.

Mr. CARTER. I am glad to hear the gentleman say that this estimate is finally coming to an end; but I want to remind him that I was here when they started this physical valuation, and ever since about one year after it was started we have been hearing that it was going to be finished by the end of the next fiscal year.

Mr. MACGREGOR. Will the gentleman yield?

Mr. BLACK. Will the gentleman allow me to reply to my friend from Oklahoma? I think my friend from Oklahoma has unintentionally been a little unfair in his statement. The only promise of completion that I recall was that made by Mr. Prouty, who in his lifetime was the director of valuation, and he stated that he thought the work would be completed by July 1, 1921. But, as I say, the war came on, and with it many complications; and while, as I stated awhile ago, I am not here to take the position that there has not been a certain amount of the usual Government delay, I also state that we should bear in mind the tremendous undertaking which the valuation work involved.

Mr. CARTER. If the gentleman will yield just one moment further; of course we all realize that it has been a tremendous task, but if I recall correctly, when this authorization was made by the House the statement was made on the floor of the House that the work could be completed in three years.

Mr. BLACK. That might have been stated; but the important thing is the valuation work, and I want now to discuss the value of having accurate information on this important subject and I will direct the remainder of my remarks along that line.

Mr. LONDON. Will the gentleman yield for a short question?

Mr. BLACK. In just a moment I will. There seems to be an impression—of course, entirely in good faith—on the part of a number of Members that the valuation work will really be of no value when completed. I think I will be able to show—in fact, I am sure I will be able to convince those Members who have expressed their skepticism—that this valuation work is indispensable. Now I yield to the gentleman from New York.

Mr. LONDON. Has the commission found any difficulty in determining the basis of valuation?

Mr. BLACK. Yes; I understand there are probably some undetermined factors in that matter yet. For example, the commission announces a tentative valuation. The carrier has a right to be heard on that decision and to present reasons why it should be changed, and my conviction is that the Supreme Court of the United States will finally have to settle definitely one of these completed valuations in order to lay down a rule that will govern the decision in all the cases.

Mr. LONDON. In other words, it has not yet been ascertained what elements enter into determining the basis of physical valuation?

Mr. BLACK. So far as I know, no completed valuation has been judicially determined. I mean determined by the Supreme Court of the United States. But, of course, there are a great many decisions as to what constitute elements of a fair valuation of public utilities, and I have no doubt the Interstate Commerce Commission has given full consideration to the rule laid down in these cases.

Mr. LONDON. It is a tentative valuation in the sense of having to have an approval of the court.

Mr. BLACK. No. A tentative valuation is first announced and then the commission, after giving the carrier opportunity to be heard, makes a completed valuation. This completed valuation is subject to an appeal by the carriers to the courts.

Mr. MACGREGOR. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. MACGREGOR. With reference to the cost of the valuation, will the gentleman state that the railroads say it has cost them about $60,000,000, so that the total cost is about $85,000,000, enough to build a good-sized railroad.

Mr. BLACK. I was only speaking of the cost to the Federal Government.

Mr. CARTER. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. CARTER. I would like to ask what was this cost to the railroads?

Mr. BLACK. I understand that they claim to the Interstate Commerce Commission that the cost of the bookkeepers, experts, and engineers and other employees that they have detailed to do the work involved an expense of $60,000,000.

Mr. CARTER. That was to furnish the commission with data and evidence of their side of the valuation?

Mr. BLACK. Yes.

Mr. CARTER. The gentleman could not expect the Government to undertake a great work of that kind and then pay for that kind of work?

Mr. BLACK. Oh, no; no one is contending for that.

Mr. MACGREGOR. I was only speaking of that cost to show the amount of cost that the valuation has developed ultimately upon the people.

Mr. BLACK. I understand that the railroads do contend that they have spent $60,000,000 to pay the salaries of employees detailed to this work. Whether their statement is true, I do not pretend to say.

Mr. LONDON. Will the gentleman enumerate the factors which enter into determining the physical valuation of the railroad?

Mr. BLACK. In the time which has been allotted to me in this debate I could hardly go into a discussion of the rules and regulations of valuation used by the Interstate Commerce Commission or the elements of valuation.

Mr. LONDON. That is the whole thing.

Mr. BLACK. It is my purpose to devote the rest of my remarks to showing why this valuation is necessary, and I can not at this time undertake to go into all the elements of valua-

tion which the Interstate Commerce Commission uses in its work.

There are only three ways that the commission can get at a valuation of the carriers: First, by pure guesswork. Second, they can get it by taking the statements of the carriers themselves for it. That would neither be wise nor proper. The third way is by making a careful, intelligent valuation of its own. The latter method has been authorized by Congress, and the only criticism I have to offer is that Congress should have required it long before it did.

WHAT IS THE USE OF VALUATION?

Now, why should the Interstate Commerce Commission have accurate knowledge as to valuation? First, there can be no intelligent rate making without knowledge as to the value of the property actually used in transportation. Of course, valuation should not be the sole test. There are other elements which must be considered—the honesty, economy, and efficiency of the management. That must necessarily come in for important consideration. But when due allowance has been made for these factors, then a rate which will not yield a fair return on the property actually used in transportation would be confiscatory and would be so held by the court. Second, in the transportation act of 1920 we made the requirement that all future issues of bonds and securities of the railway companies should receive the approval of the Interstate Commerce Commission.

In my judgment, it is one of the very best parts of the act. Whatever may have been the abuses by carriers in the past as to the issues of watered stock and overbonding of their properties, there should be no more of these abuses in the future, and there will be none if their issuance is carefully supervised by the commission under the transportation act of 1920. That work can only be properly done by the commission having correct information as to the valuation of railroad property.

Third, the transportation act of 1920 provided that the railroads of the country shall be divided into groups, and that the roads in each group shall be valued, and the rates shall be fixed so as to yield a fair return in each group, taking the carriers as a whole. It was, of course, recognized that there could be no exact uniformity of earnings, that some roads less advantageously situated would earn less than the average, and that other roads more advantageously situated would earn more than the average return for the group. Therefore, it is provided in the act that where a carrier earns more than 6 per cent it should pay one-half of all the excess into a revolving fund to be administered by the Interstate Commerce Commission and loaned at reasonable rates of interest and upon fair terms of payment for the extension and improvement of transportation facilities in any part of the country.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BYRNS of Tennessee. I yield to the gentleman three minutes more.

Mr. BLACK. The commission, I understand, has ascertained that some 43 carriers have earned more than the 6 per cent in 1922 and will, therefore, owe certain sums to the Government under the terms of the act. It seems certain that the commission will have to institute suits against at least some of the carriers to recover the amounts due, and it will be absolutely necessary to have accurate information as to values. Congress should stand squarely behind the commission in its effort to recover this money.

Fourth, the same transportation act of 1920, to which I have referred, provides for the consolidation of carriers into systems under the supervision of the Interstate Commerce Commission.

In order that proper amounts of securities may be authorized upon the consolidated assets of the carriers, it is of course necessary, absolutely essential, for the commission to have some accurate knowledge as to the valuation of the carriers which are to be consolidated.

For the reasons which I have mentioned, which are perfectly obvious, and for others that I might well mention, it is to my mind necessary for this work to proceed to completion at just as early a date as possible. The commission has asked for $1,280,000 to complete this work. The bill under consideration provides only $1,000,000. The members of the commission appearing before the Appropriations Committee say that its work would be seriously impeded and seriously delayed if the whole $1,280,000 is not provided, and, therefore, I believe it is very doubtful economy to curtail the appropriation and thereby run the risk of hindering and delaying the work. The purpose of my remarks at this time is to ask Members to get the hearings and read the statement as to the appropriation required to carry on this valuation work, and at the proper time and place I intend to offer an amendment to increase the amount provided for in this bill to the figures asked for by the commission. If the Members will read the hearings and will consider the importance and necessity of the matter, I believe they will vote to adopt the amendment which I propose to offer. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. CAMPBELL of Kansas having taken the chair as Speaker pro tempore, a message in writing from the President of the United States was presented by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bill of the following title:

On January 5, 1923:

H. R. 13316. An act making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes.

INDEPENDENT OFFICES APPROPRIATION BILL.

The committee resumed its session.

Mr. WOOD of Indiana. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. COOPER].

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio.

Mr. COOPER of Ohio. Mr. Chairman and gentlemen of the committee, I have asked for a few minutes at this time to speak upon the item in the bill which we are now considering, which carries an appropriation of $340,000 for the maintenance and operation of the United States Railroad Labor Board.

During the consideration of the present transportation act when it was before Congress in 1920 I at that time opposed the plan to create the Railroad Labor Board, as I did not believe it would be successful in preventing strikes upon the railroads and in adjusting the wages and working conditions of the railway employees.

FAILED TO FUNCTION.

The Railroad Labor Board has now been in existence for over two years, and no one can deny the fact that it has failed to carry out and accomplish the good results which its advocates predicted for it. It has demonstrated that it has no power to prevent strikes, nor could it stop them when once they started. The board has not prevented the intimidation of workers, the destruction of property, nor the stoppage of transportation. In fact, I believe that the decisions and actions of the board have tended to precipitate many of these troubles.

I want to be fair and say that I do not believe this is the fault of the Railroad Labor Board as it is at present constituted. I believe that it is the fundamental danger which always appears whenever our Government undertakes to make labor contracts for private industries which are not operated by the Government itself. [Applause.] In that respect I want to say that the only basic industries in which strikes have seriously threatened the welfare of our people and cost hundreds of millions of dollars during the last two years are the railroads and the coal-mining industry, and the Government placed its hands upon them during the war period and attempted by law to fix prices, wages, and working conditions.

PRINCIPLE IS WRONG.

I do not believe in the principle involved in the power given to the Railroad Labor Board, as a governmental agency, to establish wages and interfere in the ordinary relations between employers and employees in private industry. When our Government takes this position and undertakes to perform these functions it is drifting near to socialism. Such a policy will take away from the workingman his own individual initiative and at the same time take from the employer the management of his own private business.

I believe that the continuance of a Government board to adjust by authority of law controversies arising between railroad managers and their employees is a step toward Government ownership or the nationalization of the transportation industry. Such a policy is bound to create national organizations of the employees and in a like manner will consolidate the railway executives. This means that the people on each side will stand together regardless of what the conditions may be or the cost to the consuming public. This was demonstrated in the railway shop strike last year.

RESULTS OF NATIONAL WAGE DECISIONS.

The decisions of the Railroad Labor Board which caused this strike were national in scope. With one stroke the board attempted to fix the wages and working conditions of all the railway shopmen in the country. Many railroads would have made agreements with their employees had they been permitted to do so, but they were prevented from doing this by reason

of the fact that the action of the Labor Board was so far-reaching and national in its character.

The workingmen on the individual railroads were not allowed by their organizations to adjust their differences with their own employers until all the railroads would settle on the same basis—until after the strike had continued for some time and the damage had been done. This same condition applied to railway operators and managers.

"ONE BIG UNION" CREATED.

The action and decision and, in fact, the very existence of the Labor Board at the time of the shop strike created the "one big union" in the ranks of the employers and employees alike, while the people of the country stood by helpless and suffered tremendous loss and inconvenience. Railroad men and managers are forced into national organizations whether they wish it or not if they are to attempt to do business with the Labor Board.

The "one big union," whether it be among employers or employees, is dangerous to our Government and the public interest, and that is the chief reason why I oppose such tribunals as the Railroad Labor Board. It encourages the spread of mass action among the workers on the one hand and the formation of gigantic combinations of capitalistic interests on the other hand. It prevents friendly cooperation and the practice of the square deal between the managers and men, and it feeds more and more fuel to the devastating flames of class hatred and prejudice which are such a grave danger to the American life of to-day. It destroys the teachings that all men should be given equal opportunities to advance to higher places according to their integrity, ability, and industry. [Applause.]

HOW TO SETTLE LABOR TROUBLE.

I am of the firm opinion that controversies and grievances arising between railway managers and their employees can best be handled and settled between the officers and employees of each particular railroad company or system. It will be a bright and happy day for our country when we get back to a condition of affairs so that the officials in charge of a railroad can run that railroad and the workingmen on that road are permitted to settle their own grievances without being subjected to the interference and dictation of a Government tribunal and "one big union" officials, no matter whether such officials claim to represent the interest of employer or employee.

I say that it is impossible for the Railroad Labor Board to determine what shall be the wages and working conditions on all the railroads in our country without doing an injustice either to one side or the other, and frequently to both. Railroads are operated as a private institution, and they should remain as far as possible a private enterprise, under the proper Government regulation, for the protection of the public.

LABOR BOARD ONLY MAKES TROUBLE.

The very existence of the Labor Board has been a standing invitation to the railway operators and employees to submit every kind of minor grievance to the board for its consideration. The hearings that were held by the Appropriations Committee on this bill which we are now considering will show that Mr. G. W. W. Hanger, who is a member of the board, stated that it has had to consider thousands of small complaints, many of them involving only one or two persons, which could have been quickly settled by the shop committee or grievance committee on a particular railroad.

I am fully convinced that the Railroad Labor Board is not necessary and that it has done very little except to make trouble since it was created. It has done more than that, for it has been the means through which much of the friendly feeling and spirit of cooperation that once existed between railroad managers and their employees has been destroyed. It is costing the American taxpayers $340,000 a year and bringing no good return for the expense. I believe that the time has come when Congress should take steps at once to abolish the board, because by so doing we would not only be saving our overburdened taxpaying public $340,000 a year but we would also be bringing about the restoration of industrial peace on the railroads of the country. [Applause.]

SHOULD REPLACE LABOR BOARD.

I have introduced a bill, which is now pending before the Interstate and Foreign Commerce Committee of the House of Representatives, to abolish the Railroad Labor Board and reestablish in its place the Board of Mediation and Conciliation and Arbitration, as provided for in the Newlands Act, for the settlement and adjustment of disputes between railroad carriers and their employees.

The Newlands Act provided a sane, fair, and equitable way to adjust disputes that might arise in the transportation service. More than 90 per cent of the cases that came before the Board of Mediation and Conciliation were adjusted and approved by both sides to the dispute. During the hearings on the bill which we are now considering, G. W. W. Hanger, who was a member of the Board of Mediation and Conciliation, but now is a member of the Railroad Labor Board, was requested to state his views on the workings of the Mediation and Conciliation Board. On page 152 of the printed hearings of the Appropriations Committee of the House of Representatives for the independent offices appropriation bill for the coming fiscal year Mr. Hanger is quoted as saying:

HOW NEWLANDS ACT WORKED.

In the Newlands Act adjustment of disputes operated in this way: The act established a board of mediation and conciliation. The board was to operate only when there was a threatened stoppage of traffic. That stoppage of traffic was usually indicated by a strike vote having been taken, in which the men had voted they would leave the service unless their matters were adjusted. We were called upon by one party or the other, or by both, to come and attempt to settle the matter. We immediately got on the ground and in 9 cases out of 10 of the 100 or more cases of threatened strikes that came before us we were able to settle them by mediation and conciliation, sometimes after very long discussions with both sides—not together, but separately. In the tenth case, however, we could not settle. We could not bring them together.

The law then provided that we should endeavor to bring about an arbitration of the matter, and enumerated a number of stipulations which should go into the arbitration agreement. The law did not make arbitration compulsory, but both the carriers and employees always, or nearly always, felt that they could not refuse to arbitrate, and with the exception of the dispute which resulted in the Adamson law did arbitrate. When the arbitration agreement was signed one of the stipulations provided in the law was that both sides should abide by that arbitration. That ended the matter. There was no possibility of a strike after an agreement to arbitrate was reached. That was the theory of that law.

PRESIDENT INTERVENED.

In the dispute that resulted in the enactment of the Adamson law the representatives of the employees refused to arbitrate. In the meantime the Board of Mediation and Conciliation had received a telegram from the President, who knew the situation was very grave, asking us to induce these men, if possible, to see him before they actually called the strike. His request was acceded to by the employees and you gentlemen know the result. That is the only case under the Newlands Act in which arbitration was not accepted.

I do not contend that the Newlands Act or any other man-made law will be an absolute guaranty under all conditions against strikes, but a comparison of the record of the work of the Railroad Labor Board and the Board of Mediation and Conciliation should convince any fair-minded person that the last-named board is far more likely to get favorable results.

SECRETARY DAVIS OPPOSES LABOR BOARD.

On October 14, 1922, Hon. James J. Davis, Secretary of Labor, in a speech delivered at Athens, Ohio, said:

I am confident that every industrial dispute can be settled if both sides will sit down in a spirit of fairness and justice to discuss the matters at issue around the council table. * * * As to disputes in the field of transportation I have very clear and definite views. I am utterly unable to discover the wisdom of any such quasi governmental partisan institution as the Railroad Labor Board.

To my mind the experience of the board has demonstrated that it is incapable of fulfilling the high hopes of those who proposed and supported it as a means of industrial peace on the railroads. It was created by the Esch-Cummins Act, designed to meet an emergency and to return the railroads to private ownership. By reason of the constant tendency of both employers and workers to press their differences to the highest authority for settlement, each seeking to win an ultimate advantage, the board has been swamped with a mass of minor cases which might easily have been adjusted in the localities where they originated by man-to-man negotiations. Every minor controversy between a switchman and a yard foreman has ultimately found its way to the congested docket of the board. Its proceedings have thus been hampered and delayed out of all reason, with the result that parties to all of these disputes have become irritated and disgruntled. The system designed to foster a better feeling between workers and employers has unfortunately worked out with directly opposite result. It has had the effect of making every petty trade disagreement a matter for Federal determination.

TIME TO GET RID OF THE BOARD.

Mr. Chairman, I am in full accord with this statement of the Secretary of Labor, and I repeat that I believe it is high time for Congress to abolish the Railroad Labor Board and permit the railway carriers and their employees to settle their own disputes in an orderly way without having a Government board to pass upon every little trivial question that may arise at any time.

Mr. BLACK. Mr. Chairman, will the gentleman from Ohio yield?

Mr. COOPER of Ohio. I will be glad to yield.

Mr. BLACK. I agree, of course, absolutely with the gentleman from Ohio that it is highly desirable to have employees and railroad managers negotiate their own agreements, but the point that comes to my mind is what will be done when mediation will not mediate and conciliation will not conciliate. In 1916 Congress had to pass the Adamson law because mediators under the Newlands Act had reached the point where they could go no further and the Nation faced a complete tie-up of its transportation facilities, and the Adamson law was

rushed through in two days, without any consideration on the part of the Congress, or I might more properly say without sufficient consideration.

Mr. COOPER of Ohio. Let me answer the gentleman from Texas by saying that the Railroad Labor Board could not settle the shop strike of last summer, and I am of the firm opinion that if there had been no Labor Board we would not have had that strike.

Mr. BLACK. They made a decision as the agency of the Government and that stands as a decision by the Government.

Mr. COOPER of Ohio. Yes; that is true; but it did not settle or prevent the strike. The gentleman from Texas knows that the only way the strike was settled was by individual negotiation between the railroad employees and the railroad managers.

Mr. BLACK. If the gentleman will permit, I agree with him that it is highly desirable to have that done wherever it can be done, and I am not affirming that the Railroad Labor Board is a full solution of the problem, but it does seem to me that we have to give some consideration to the situation which arose in September, 1916.

Mr. COOPER of Ohio. The gentleman from Texas has again referred to the threatened strike of September, 1916. But the fact is that there was no railroad strike at that time while the Board of Mediation and Conciliation was functioning, and there was a nation-wide railroad strike last year while the Railroad Labor Board was functioning; and, as I have already said, I do not believe that strike would have taken place if the Labor Board had not been in existence.

STRIKES INJURE EVERYBODY.

Mr. Chairman, I do not deny the right of the workers to strike. No man should be deprived of the right to cease work if he so chooses, and, on the other hand, no man should be prevented from working if he desires to work. But the strike is a clumsy instrument to be used, because it nearly always injures those who use it as well as those against whom it is used and also the innocent bystanders—the general public. Therefore we should urge the uses of the processes of conciliation, mediation, and arbitration as a means of settling labor disputes.

Strikes will be averted not by the Government passing laws to take away from the workers the right to strike but by the removal of the causes for strikes. The Government alone can not remove these causes, but it can encourage the removal of causes for dissatisfaction among the workers, such as the long workday, inadequate wages, and the taking of an unfair proportion of the profits of industry by capital.

RAILROADS MUST RUN.

One thing I am sure of, and that is that our Government will never permit our transportation systems, through which the industrial lifeblood of the Nation passes, to be tied up or paralyzed by any class or interest very long. [Applause.] I am sure that the public, which is always in the very large majority, would not tolerate any such condition of affairs, and it is with this thought in mind that I express the hope that a policy will be established that will avert railroad strikes in the future. After careful investigation and consideration and talks with representative railroad managers and workers I have come to the conclusion that the best thing that can be done at this time to insure industrial peace on the railroads is to abolish the Railroad Labor Board and permit the railroad operators and their employees to cooperate peacefully and harmoniously in the settlement of whatever differences may arise relative to wages and working conditions. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield the remainder of my time to the gentleman from Alabama [Mr. BANKHEAD].

The CHAIRMAN. The gentleman is recognized for 13 minutes.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, what I propose to say in reference to one item of this bill will probably accomplish no substantial result, but it does seem to me that it is a matter of sufficient importance to call to the attention of the committee and the country. By virtue of my membership upon the Committee on the Merchant Marine and Fisheries I have had a great deal to do, in connection with my colleagues, with this shipping proposition and the activities of the United States Shipping Board. When the war was over and we began to take stock of the liabilities of the Shipping Board and Emergency Fleet Corporation it was found that there was pending against them a great number of claims amounting to a great many hundreds in number, and hundreds of millions of dollars in value. On July 27, 1921, Mr. Lasker, chairman of the Shipping Board, appeared before the Committee on Appropriations of the House with reference to those claims and suggested that in order that there might be a fair and equitable settlement of them, in order that the claims to the Government should receive fair and equitable consideration, the adjustment and settlement of those claims should be taken exclusively out of the hands of the Shipping Board itself and its legal staff and that an entirely independent commission should be established for the purpose of settling those claims. I desire to incorporate in the RECORD the very fine argument, it seems to me, that Mr. Lasker made before the committee at that time in support of that proposition. He said:

(Page 176.)

Mr. BUCHANAN. Mr. Lasker, what do you think, as a general policy for the Government, of turning over to the Attorney General's department all these adjustments?

Mr. LASKER. I do not think that should be done.

Mr. BUCHANAN. As it is now, we have adjustment boards in a half dozen or dozen or more different departments of the Government passing on claims, adjusting claims, and allowing claims; and the real legal department of the Government, which is intended to protect the interests of the Government and is prepared to do so, or ought to be prepared to do so, has practically nothing to do with it until its opinion happens to be asked.

Mr. LASKER. I will answer that and tell you what we are doing in the premises. You said you were going to take it up later. I will take it up now, Mr. Chairman, or later.

The CHAIRMAN. Suppose you take it up now.

(Page 177.)

Mr. LASKER. I think it ought to be separate from the Attorney General. It ought to be a separate and distinct department, because it is a business department. * * * In our own department I will tell you what we have done with these claims. The claimants come before employees of the department. They have no faith, and they can have no faith that they are before judges who are unprejudiced. The men on the claims board, if they are your own employees, want to make a good showing because they think that on that the raise in their salaries is based. It is not fair, and I believe it works against the Government.

I think that the people come in with such padded claims that before we get through most of the people get more than they are entitled to, but that does not do them very much good because of the inefficiency and the delay which very often forces them into an embarrassing position before they get their money.

So I went to the President and I said, "I wish you would permit us to establish a claims commission independent of the Shipping Board, a commission to pass on these claims. We will appear before them by counsel and the claimants will appear before them with counsel. The claimants will not have the nerve to come before such a commission with padded claims, provided the right type of men are on the commission; but they will come before such a commission knowing that there will be dispatch, because the commission has no other business, and that they will get a fair deal. The Government, too, will get a fair deal."

The President permitted that, and we appointed a claims commission. I believe we have on it five very distinguished men, men who must challenge the respect of all who come before them. The chairman of that claims commission is Judge Walter D. Meals, of Cleveland, Ohio. The other members of it are Mr. Homer Ferguson, the president of the Newport News Shipbuilding Yards; Mr. F. W. Wood, who was formerly president of the Maryland Steel Co.; Commander Richard M. Watt, who was formerly chief construction officer of the Navy; and Mr. Arthur W. Teele, who is vice president of the Public Accountants' Association of the United States.

These five men can not be fooled; three of them are practical ship contractors. I anticipate that the claims will be settled expeditiously and fairly, as never before in a Government department.

But I quite agree with you that it ought not to be necessary for us to establish our own commissions. These assets should be taken over by another department and all these claims should be taken over, and we ought to have to appear before that independent tribunal, because look at this: If we are utterly incompetent, if we are cheating a claimant, if we have wasted the money and the claimant can prove it, there is nobody to check it. We can get away with murder under this system. * * *

It is an awful system, but, of course, that is the fault of the Government.

Now, after that terrific arraignment against the system in vogue, Mr. Lasker recommended, and the Appropriations Committee authorized, the establishment of an independent claims commission to do the very things Mr. Lasker had suggested. That board was authorized, it was appointed, and began its functions about a year ago, and if you take the pains to read the report of this committee—if you listened to the remarks of the chairman of the subcommittee [Mr. WOOD of Indiana] in this House yesterday—you will see that this splendid commission, representing as it did an independent method of arbitration, free from Shipping Board alliance, free from any interest or claim, you would see that they have no doubt saved to the Government of the United States scores of millions of dollars in their fair and impartial settlement of those claims. There is still remaining, gentlemen of the committee, pending before the Shipping Board to-day, some $57,000,000 of unadjusted and unpaid claims, yet with this splendid record of this independent board of arbitration, the fine effect of whose work and whose efficiency has been so highly commended by the chairman of the subcommittee, without rhyme or reason, without any satisfactory explanation except that they had already served long enough to lay down certain general principles of procedure, therefore their services were no longer considered necessary,

and they are arbitrarily dismissed from the service of the Government, and we find the Shipping Board going back to its original pernicious and unjustifiable system, which its own chairman so forcefully condemned in July, 1921, and for the settlement of these $57,000,000 worth of claims still pending against the Shipping Board we are reverting to the old system, which he himself says is murder and under which they can get away with anything. I would like to have some real explanation from somebody who knows as to why this splendid agency of the Government, set up for such a splendid purpose, and which has accomplished such fine results for the Government of the United States, by somebody's whim or caprice should be summarily dismissed from the further service of the Government. [Applause.]

I know, gentlemen, that it was not because they were anxious, as has been suggested here, to get back to their private employments, because at the hearings before our Committee on the Merchant Marine and Fisheries the gentleman from Texas [Mr. HARDY] asked Judge Meals, the chairman of the commission, a question as to why they were giving up their labors, and the answer of Judge Meals was such as to show that this suggestion is not correct. Mr. HARDY asked Judge Meals this question:

I am going to ask you a question, and you can answer it or not. I want to know what in the devil is the matter? I want to know why the commission is being dissolved?

Judge Meals said:

Well, you ask me, as I said awhile ago, rather a delicate question.

I would like to have some answer from the committee and from gentlemen interested in all the claims pending against the Treasury of the United States as to why this splendid board was dissolved, and why we are going back to that putrid system of allowing the board's personnel, under their control, to judge of the facts and the law under which these claimants may be denied their day in court and by which there may be no equitable settlement of these claims?

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. GARNER. Who has the power to dissolve the commission?

Mr. BANKHEAD. I would like to have the chairman of the Subcommittee on Appropriations answer that question.

Mr. WOOD of Indiana. What is it?

Mr. GARNER. I say, who has the power to dissolve this commission?

Mr. WOOD of Indiana. The Shipping Board itself. It is a pure matter of administration.

Mr. GARNER. Then, perhaps, the gentleman who appeared before the committee, perhaps Mr. Lasker himself, desired to have action taken on this matter?

Mr. WOOD of Indiana. If the gentleman will read the hearings, he will find all the information he wants as to why this board has been discontinued.

Mr. BANKHEAD. The gentleman from Indiana gave us as one of the reasons why this board was being dissolved that the members of it were anxious to get back to their private employment. That is not the real reason. As the truth comes out, they are being in effect dismissed from the service of the Government without rhyme or without reason.

I ask unanimous consent, Mr. Chairman, to revise and extend my remarks.

Mr. WOOD of Indiana. I will answer the gentleman's question, if he will permit.

Mr. BANKHEAD. How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has three minutes.

Mr. BANKHEAD. I will yield to the gentleman.

Mr. WOOD of Indiana. I will answer the question of the gentleman from Alabama [Mr. BANKHEAD] and the question of the gentleman from Texas [Mr. GARNER]. A year ago we had a hard time to organize this commission. The commission served its purpose and did it well. They have done all that they ever could do; they have established a basis of policy upon which these claims could be settled. That is all that they have ever done or could do, no matter how long continued.

Mr. BANKHEAD. This commission went into the facts of the cases and made representations to the Shipping Board as to the amount any claimant should be allowed, or whether or not his claim should be allowed or denied.

Mr. GARNER. As I understand, the gentleman from Alabama made what purported to be a statement to the effect that the Shipping Board would have influence with its own employees in the settlement of these cases. Now, is the gentleman from Indiana going back to that identical, monstrous system?

Mr. WOOD of Indiana. I will answer the gentleman's question.

Mr. GARNER. Very well.

Mr. WOOD of Indiana. They have got as the basis for the settlement of these claims the principles laid down by the commission, so that it is only a matter of figuring and accountancy. I want to say to the gentleman this, that there are a certain number of claimants who are honestly, perhaps, urging the amount of their claims who are wanting to make an appeal from certain settlements that have been indicated.

Mr. BANKHEAD. I want to say, Mr. Chairman, that this work of the independent claims commission, as I said yesterday in a colloquy with the gentleman from Indiana [Mr. WOOD], has been such splendid work and has saved so much money, no doubt, to the Government of the United States, and has given such universal satisfaction to these claimants who have propounded their claims before the Shipping Board, that in view of the fact that the gentleman says these claims ought to be finished up by the 1st of July this splendid organization, which did such valuable service, should have been continued until all these claims were settled and paid.

Mr. WOOD of Indiana. Mr. Chairman, I wish to commend the change in the attitude of the gentleman from Alabama [Mr. BANKHEAD], and I wish to express my appreciation of the splendid commendation he has made of the judgment of the committee that established this commission a year ago.

Mr. BANKHEAD. I am still commending their good judgment in establishing the claims commission, but not their subsequent action in abolishing it.

Mr. WOOD of Indiana. Mr. Chairman, I promised to give a moment to the gentleman from Tennessee [Mr. REECE].

The CHAIRMAN. The gentleman from Tennessee is recognized.

Mr. REECE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing a statement by Gov. Ben W. Hooper, chairman of the Railroad Labor Board, as to the number of the board's decisions that were violated.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

Mr. REECE. It is simply a statement by the chairman of the Railroad Labor Board concerning the board's decisions.

The CHAIRMAN. Is there objection?

There was no objection.

Following is the document referred to:

STATEMENT OF BEN W. HOOPER, CHAIRMAN OF THE LABOR BOARD, AS TO NUMBER OF BOARD'S DECISIONS VIOLATED.

The Railroad Labor Board has received many inquiries in regard to the number of violations of its decisions. The people are apparently anxious to ascertain the extent to which the decisions of the board, without the sanction of a penalty, have been respected by the parties.

A careful check of our records shows the facts set out below:

From April 15, 1920, to December 15, 1922, the full period of the board's operations, 11,414 disputed questions were referred to it. Of these, 9,244 have been disposed of. Of the total number of disputes, 961 did not reach the status of regularly docketed cases.

The cases regularly docketed, as in a court, numbered 10,453. Of these, 8,534 have been disposed of. Many of these cases, involving the same general questions of wages and rules, were consolidated under one docket and decision number.

There are in the United States 201 Class I railroads and 892 short lines. Of the Class I carriers, 58, and of the short lines and miscellaneous companies, 56, are alleged to have violated decisions of the board.

The violations that have occurred on the short lines affect a comparatively small number of men, but involve the same principles as those on the large railroads.

On the Class I roads there have occurred 61 cases in which the board has formally held that its decisions have been violated. Of these, 46 are comprised in the so-called "contract" cases, in which the carriers let to contractors, independent, or claimed to be independent, the work of certain classes of their employees. These cases can hardly be characterized as direct and unquestioned violations of the board's decisions, inasmuch as the contracts were entered into under a claim of right, and the legal question involved is now before the Federal courts from one road. It must also be noted that, after the board decided that such contracts could not operate to arbitrarily change the established rules and wages of the employees, all but a few of the railroads implicated withdrew from their contracts. If, in view of these facts, these 46 contracting cases be omitted from the 61 cases in which the board has declared violations, there will remain 15 violations on Class I roads. As to this remaining number, a considerable portion of the roads have complied with the board's adverse decision. Just how many roads have not done so, the board is not fully informed. One case from the Pennsylvania Railroad is involved in a lawsuit in which the carrier attacks the board's decision.

In the Atlanta, Birmingham & Atlantic case the violation of the board's decision, consisting of a wage reduction by the receiver, was authorized by a Federal board.

In addition to those cases wherein the board has formally held its decisions to have been violated there are 76 cases pending before the board in which it is charged that Class I carriers have violated de-

cisions, but upon which charges the board has not yet taken action. Many of these are contested by the carriers, and a majority of them have been heard and are ready for decision.

A large percentage of the alleged violations involve unauthorized reductions of wages and unauthorized changes in rules.

In cases complaining of such wage reductions the board has decided seven in favor of the employees and one in favor of the carrier.

In cases complaining of arbitrary changes in rules the board has rendered 10 decisions upholding the employees and 2 sustaining the carriers.

Only two of the board's decisions have been attacked in the courts, in both cases by the carriers.

In only one instance to my knowledge has an employee gone into court to assert his rights under a decision of the board. In that case the Supreme Court of Mississippi gave judgment in favor of the employee and upheld the board's decision.

There have been no violations of the board's decisions by employees, unless the shop strike and the Missouri & North Arkansas strike should be so accounted. In the shop strike, however, it must be remembered that the shopmen did not accept the board's decision, and, consequently, claimed that they did not violate it but exercised their legal right under the transportation act to reject it.

The strike on the Missouri & North Arkansas might be classed as a violation of the board's decision, but the employees claim that the carrier in the first instance violated a decision and that they in the second instance declined to accept one.

There is no way in which the employees can violate a decision and remain in the service, because such violation would mean discharge.

Let me cap these naked facts and figures with two conclusions: First, the board's decisions have been respected by both parties to a degree that is remarkable, in view of the great number of decisions and the trying and unsettled period through which the railroad industry has been passing. Second, the enforceability of the decisions of this board or any tribunal of similar jurisdiction is more desirable for the protection of the rights of the employees than for any other purpose.

BEN W. HOOPER,
Chairman United States Railroad Labor Board.

CHICAGO, ILL., *December 29, 1922.*

Mr. WOOD of Indiana. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The CHAIRMAN. If there is no objection, the Clerk will read the bill for amendment.

The Clerk read as follows:

For improvement and maintenance of Executive Mansion grounds (within iron fence), $5,000.

Mr. STAFFORD. Mr. Chairman, I notice in the report of the Budget Committee the estimate for improvement of the White House grounds is $10,080, and the committee allowed $5,000. What was the occasion for the reduction?

Mr. WOOD of Indiana. Prior to last year this appropriation had been $5,000. We came to understand last year that if the appropriation were made $10,000 all the necessary repairs might be made and that the grounds would be put in condition where they could be maintained thereafter with the usual appropriation. But it is like all these other appropriations—after you get a new figure fixed once they try to stick to that new basis. When we gave them that $10,000 two years ago we thought they would go back to the $5,000, but they did not.

Mr. STAFFORD. What improvements were made then that would not be made under this reduced appropriation?

Mr. WOOD of Indiana. We were told that during the World War something had happened to some of the trees and shrubbery. They put in some sheep there to cure what might have happened, and instead of curing it they seemed to have done some damage by themselves.

Mr. STAFFORD. Was this to cure the damage done by the sheep?

Mr. WOOD of Indiana. I think that had something to do with it.

Mr. STAFFORD. Then, in view of the statement of the gentleman, I think this would be proper to relieve the damage done by the sheep.

The Clerk read as follows:

WHITE HOUSE POLICE.

Salaries: First sergeant, $2,140; 2 sergeants, at $1,800 each; and 30 privates, at $1,660 each; in all, $55,540.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word. I should like to ask the chairman of the subcommittee what became of the police who used to be detailed from the District force to the care of the White House? Were they discharged from the police force or were they kept on the pay rolls of the District just the same, in spite of the fact of this additional appropriation of $55,000?

Mr. WOOD of Indiana. This House passed an act putting the White House police under the direct control of the Superintendent of Public Buildings and Grounds, so that the appropriation formerly carried in the District bill for their support was transferred to this bill.

Mr. BRIGGS. Is the personnel the same as it was?

Mr. WOOD of Indiana. I do not know whether it is the same personnel or not, but it is simply a transfer of authority and supervision.

Mr. BRIGGS. What I am trying to ascertain is whether or not under that transfer of authority a new set of police were obtained for the White House grounds and the other police who used to be there were turned back to the District, to be used in the city, so that there is really an actual increase in the District police force for general purposes amounting to 30 men?

Mr. WOOD of Indiana. I do not know whether there has been a change in the personnel or not.

Mr. BRIGGS. I am speaking about the number of officers.

Mr. STAFFORD. If the gentleman will allow me, the bill which we passed provided that there should be only one change, and that an officer of the national park police was to be transferred to the police force and the existing police force should be continued, and that the present established Metropolitan police force should be increased by the number who had been heretofore assigned for the protection of the White House and grounds.

Mr. BRIGGS. In other words, there was an increase?

Mr. STAFFORD. There has been an increase in the permanent force of the Metropolitan police of the District to the extent of the number who were on duty in the White House and grounds, save one, and that one was transferred from the national park commission.

Mr. BRIGGS. That was what I was asking. In other words, there was an increase of 30 in the Metropolitan police.

Mr. STAFFORD. There was an increase of 30.

Mr. BRIGGS. I notice in the newspapers of the District there seems to be a disposition to clamor for more policemen, as though they had never had any recent increase. It was my recollection that that change had resulted in the increase which has been stated.

Mr. STAFFORD. There are great numbers of men in the District who would like to parade around in the uniform of a policeman.

Mr. GARNER. And draw the salary.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

ALIEN PROPERTY CUSTODIAN.

For expenses of the Alien Property Custodian authorized by the act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; including personal and other services and rental of quarters in the District of Columbia and elsewhere, per diem allowances in lieu of subsistence not exceeding $4, traveling expenses, law books, books of reference and periodicals, supplies and equipment, and maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $280,000: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission.

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the last word. I should like to ask the gentleman from Indiana [Mr. WOOD] if he has any information that will qualify him to make a forecast as to when it may be expected that legislation will be enacted that will bring about a cessation of the work for which this particular appropriation is made? We have been hearing all through two Congresses that there is to be legislation. Nevertheless we are appropriating every year, and so far as I know there is no prospect that we are going to have legislation considered here during the present Congress with a view to bringing to a close the activities of the Alien Property Custodian.

Mr. WOOD of Indiana. The gentleman may or may not have been present yesterday when we discussed this thing. I inveighed against the delay. To my mind there is no reason why something should not be done toward the winding up of this affair. During that discussion the gentleman from California [Mr. LEA] arose and said that they were now having hearings with reference to a bill that had been introduced for the purpose of winding up the affairs of the Alien Property Custodian. I hope it will be done. It ought to be done.

Mr. MOORE of Virginia. Of course, it ought to be done, in view of the history and traditions of our country in respect to the general question of confiscating or not confiscating property that belongs to individuals who were identified with an enemy country. Yet apparently the thing is lagging along so that this time next year we may be engaged in the same performance that we are engaged in now—of appropriating a great sum of money to maintain the operations of the Alien Property Custodian.

Mr. WOOD of Indiana. I stated yesterday, and I wish to reiterate it to-day, that the gentleman who is at the head of the Alien Property Custodian administration has been doing everything in his power to try to get the action of this Congress with reference to winding up the affairs of his trust, and he has suggested what I think is the most practical way of getting rid of at least a portion of it. Ninety-three per cent of all these trusts represent funds aggregating sums of less than $10,000 each, and only 7 per cent consists of trusts of $10,000 or more.

Out of the $350,000,000 in the hands of the Alien Property Custodian, $50,000,000 would pay off all these smaller trusts and make an allocation of $10,000 to each of the larger trusts, which would be a very great relief to those who are interested and a very long step toward the ultimate winding up of this affair. Now, that is the thing that is under consideration, as I understand, before the Committee on Interstate and Foreign Commerce.

Mr. MOORE of Virginia. Is any member of that committee here?

Mr. WOOD of Indiana. The gentleman from California [Mr. LEA] was here yesterday, and during the general debate stated that there was a probability of a measure disposing of this property soon being reported.

Mr. MAPES. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Michigan.

Mr. MAPES. Mr. Chairman, I think it is fair to say that while perhaps the gentleman from Indiana [Mr. WOOD] states the attitude of the Alien Property Custodian in regard to this matter, there are other departments of the Government that are vitally interested in the action taken looking toward the disposition of this property; and at least one reason why legislation has not been reported by the Committee on Interstate and Foreign Commerce, as I understand it, is that these other departments have not been in a position to make a recommendation as to the disposition of this property.

Mr. MOORE of Virginia. Will the gentleman be a little more definite and tell us what the departments are, and the difficulties they are encountering?

Mr. MAPES. That can not be done by me, because I am not familiar enough with the situation.

Mr. WOOD of Indiana. I will relieve the gentleman of responsibility by stating that there is a matter involving our foreign relations, with reference to claims that we may have for the confiscation and destruction of property of American citizens.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. I ask five minutes more.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the time be extended five minutes. Is there objection?

There was no objection.

Mr. WOOD of Indiana. There is a foreign relations matter involved in this question, and it is delicate in its nature, with reference to the amount of claims that some of our citizens may have for the destruction and confiscation of their property. But it is so infinitesimally small as compared with the amount of property that we have in our hands after we have adopted the policy that we are not going to have a general confiscation scheme, that it strikes me there is no reason why the Government could not protect itself with reference to all the claims we may possibly have and yet relieve the great distress that is caused by reason of our keeping this property.

Mr. MAPES. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. MAPES. I do not know whether the gentleman from Indiana knows it or not, but the bill to which he especially refers has only been before the Committee on Interstate Commerce a short time, and there are a multitude of ramifications to this alien-property proposition which I imagine men who have not given it special consideration and study never dreamed of. It is a matter that can not be disposed of without very careful consideration and without a full knowledge of the situation.

Mr. GARNER. Will the gentleman from Indiana yield?

Mr. WOOD of Indiana. Yes.

Mr. GARNER. I wish the gentleman would be a little more specific and elaborate to the House whether he knows of any other important legislation where Congress has been derelict in its duty.

Mr. WOOD of Indiana. Oh, I expect every Congress has been criticized of being derelict in its duty; in fact, that is a criticism that can be made against every Congress that we have had.

Mr. GARNER. I was very glad to hear the gentleman from Indiana agree with some who have criticized Congress in saying that Congress had been derelict in neglecting to pass legislation of this character.

Mr. WOOD of Indiana. It is the easiest thing in the world to criticize. It has been the custom of ages to criticize Congress for not doing the public business. I think this is a splendid time to emphasize the fact that instead of increasing the number of this body we should reduce the number, so that we can have more individual responsibility.

Mr. MOORE of Virginia. Does not the gentleman think that the disease is becoming a little worse all the time?

Mr. WOOD of Indiana. Perhaps, like all other diseases that are progressive, it may be getting a little worse, but we can not help it any by picking the scabs off of the sore; we can better employ ourselves by prescribing a remedy.

Mr. LONDON. Mr. Chairman, I move to strike out the last two words. In connection with the Alien Property Custodian, it has been suggested that there are numerous difficult and complex problems in the situation. It is a well-established principle of international law and of morals among civilized nations that the property of the individual national should not be confiscated or held to pay claims against his government. There should be no difficulty on that score. The Alien Property Custodian has possession of property not only of former Austrian and German subjects, but he has in his possession property of persons who were in no way connected either with the German or the Austrian Governments. Owing to a peculiar construction of the rule adopted during the war, residents of territory temporarily occupied by the German or Austrian Armies were held to be alien enemies. Their property was seized by the Alien Property Custodian. This situation should be relieved immediately. There is no excuse for the nonpayment of these claims.

Mr. BANKHEAD. Will the gentleman yield?

Mr. LONDON. Certainly.

Mr. BANKHEAD. Does not the gentleman think that if we could arrive at some method of adjustment of these trusts amounting to $300,000,000 or $400,000,000, and the German nation could get hold of it, that it might contribute to ease the financial condition of that country?

Mr. LONDON. That is a helpful suggestion. I was speaking of the claimants who owed no allegiance to Germany but who were residents of territory temporarily in control of the German Government.

Mr. GRAHAM of Illinois. Mr. Chairman, I rise in opposition to the amendment. I do not think, gentlemen of the committee, that you ought to jump at conclusions in this matter, in expressing offhand that there has been dereliction on the part of anybody. A great deal of property was seized by the Alien Property Custodian during the war for the purpose of preventing that property being possibly used against the United States in that war. At the end of the war, as you all know, the German Empire was dissolved and a German Republic took its place. By the operation of the treaty of Versailles the German and Austrian Empires were, to a considerable degree, dismembered and their credit reduced to such a point that there is absolutely no hope of any citizen of the United States being able to get his claim satisfied against those governments by ordinary processes. I think for about two weeks the Committee on Interstate and Foreign Commerce have been having hearings every day on a bill upon this subject. This bill proposes to turn back property in value not to exceed $10,000 to these aliens, and one of the matters being debated in that committee is whether we should not go further and turn back everything we can turn back except such amount as will secure the American payment.

Bear in mind this fact, that the treaty we negotiated with the German Republic provides in itself that the German Government shall take care of the claims of its own people that arose from the taking of this property by the Alien Property Custodian, and that so far as our treaty with the German Government is concerned Germany has assumed these obligations. Bear in mind something else also, that there is an amount of claims, approximately $15,000,000, growing out of the sinking of the *Lusitania* that every man here thinks ought to be paid. There are other claims aggregating large sums for the destruction of American property. There is no way on earth to get those claims paid unless some pressure is brought to bear on the German Government by withholding these moneys, or a part of them, until those claims are adjusted.

Everybody here knows that if we turn back what we have now difficulty will arise with the European allied countries if we attempt to get money out of the German or Austrian treasuries aside from this particular fund.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. LONGWORTH. If the limit were placed at $10,000, will the gentleman state how many of these claims could be satisfactorily settled?

Mr. GRAHAM of Illinois. About $50,000,000 worth.

Mr. LONGWORTH. How many claims are there?

Mr. WOOD of Indiana. Ninety-three per cent of the claims are less than $10,000.

Mr. LONGWORTH. That is the only purpose of my question—to get the number.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. BANKHEAD. Did I understand the gentleman to construe the German treaty with us to the effect that the German Government as now constituted have agreed to be responsible for the claims of our nationals against the former German Government?

Mr. GRAHAM of Illinois. No; the claims of German nationals against our Government. The German Government has assumed those claims.

Mr. BANKHEAD. Does the gentleman find any precedent in international law for holding the individual nationals of a foreign Government responsible for the personal claims of our nationals?

Mr. GRAHAM of Illinois. Oh, there are plenty of precedents. This is a controversial question before our committee. We are not in agreement about it. It is being debated. At the proper time when the bill comes to the House those precedents will be cited.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask unanimous consent to continue for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GRAHAM of Illinois. We are going along very carefully. I have no authority to speak for the committee, but speaking for myself I do not want the membership of this committee to get an idea that the matter is being neglected. Every man on that committee is spending all of the time he can in trying to find out what is right about this matter, with the general disposition that we are going as far as we can. As far as I am personally concerned, I will go to any limit to give back this property. I want to bear in mind one thing, and that is that these Americans who have just claims against the German Government ought to have payment of their claims, and until the time comes when we get to a place where we know their claims are secure, I am not in favor of settling them. I am speaking only for myself; I do not know how the committee feels.

Mr. NEWTON of Minnesota. The gentleman will recall that the proposition is to pay American claimants to whom there was owing German marks at the time we entered the war in the present value of the mark.

Mr. GRAHAM of Illinois. Oh, yes.

Mr. NEWTON of Minnesota. There was something like $40,000,000 owing to the American claimants in 1917, and now they propose to pay these American claimants in marks of the present value. There are some of us who feel that with that situation we ought to investigate before taking action.

Mr. RAYBURN. Has not all the property belonging to Americans been returned?

Mr. GRAHAM of Illinois. Practically all of it except the $40,000,000 that we are talking about, which consists of deposits in German banks that were caught there during the war and are now depreciated in value if repaid in marks. Here is something else that is to be considered. There is now pending in the courts a suit to set aside the patents that the Chemical Foundation took over. That is a part of this subject matter, and that suit ought not to be disturbed until it is decided. It is going along as speedily as it can. There are also questions involved in the dealings between the State Department and the Governments of Germany and Austria. The Army and the Navy to-day are in possession of 7,000 of these patents which they are using whenever they find it necessary, and the question of how far we ought to go to give back to alien nationals property which has been found to be somewhat essential in the carrying on of the war, under patents which we ourselves granted as an act of grace to foreign citizens, ought to be very carefully considered. Those things are being considered by our committee, and I think I am safe in saying that that bill will be reported into the House during the present session for some action. We are going as rapidly as possible, and I was told by the chairman to-day that but a few witnesses remained before the conclusion of the hearings.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. LONDON. As the law stands to-day, has the Alien Property Custodian the right to pay any claim at all?

Mr. GRAHAM of Illinois. Yes; he can pay some.

Mr. LONDON. Which can he pay now?

Mr. GRAHAM of Illinois. He settles some from time to time. There have been quite a lot of them settled. I do not know what the character of them is.

Mr. HOCH. I think something like $200,000,000 worth of claims, as I remember the figure, of nationals of those so-called succession States, carved out of Austria-Hungary, have been paid, something like a third of the total value taken over.

Mr. LONDON. The custodian has authority under the law as it exists to do that?

Mr. HOCH. Yes; and he has settled those.

Mr. GRAHAM of Illinois. I hope the House will not be precipitate in its action about this matter.

Mr. GARNER. Has the custodian authority to settle any claims that he desires?

Mr. GRAHAM of Illinois. Oh, no. The claim has to be settled under the rules established and under the law.

Mr. MAPES. If the gentleman will yield, the trading with the enemy act as amended gives the Alien Property Custodian authority to settle with every claimant except alien enemies or allies of alien enemies, and would cover, I think, all of the cases without any additional legislation suggested by the gentleman from New York [Mr. LONDON].

Mr. GRAHAM of Illinois. I think so.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. TILSON. What is the attitude of the gentleman's committee toward claims of this sort——

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. TILSON. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended three minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. TILSON. I was referring to the property of American citizens located in Germany destroyed during the war itself and in the conduct of the war.

Mr. GRAHAM of Illinois. Well, there are some of those cases. Now, I am simply giving my own idea. The committee has not had any determination of these matters, but witnesses have appeared showing, for instance, that American property in Belgium was destroyed by the German Army marching through there, where it has been dissipated and destroyed and where they have no means on earth of getting compensation except through this alien property, and so far as my own personal viewpoint is concerned the first thing I am thinking about is the claims of American citizens, and I do not take much stock in any kind of philosophy that is all the time thinking about some citizen of some other country, in a sort of mushy sentimentality, and forgetting about Americans who have just claims.

Mr. TILSON. I think the gentleman is right; but this is the kind of a claim I had in my own mind, where an American citizen owned a large factory in Germany and during the war this factory was destroyed by a bomb falling from an allied plane which was bombing that place. It happened that the property of an American citizen was destroyed by an English bomb in the conduct of the war.

Mr. GRAHAM of Illinois. Well, in this case I understand if they have any just claim they file it before the Mixed Claims Commission constituted by the State Department, which seems to have jurisdiction of these matters and before whom these claims are to be filed, and when this Mixed Claims Commission reports and finds the total of the just claims of American citizens against these enemy countries then we will have something fixed and certain to work upon and some sort of a yardstick by which we can measure how much of this money can safely be paid back and at the same time secure just American claims.

Mr. WOOD of Indiana. Mr. Chairman, I wish to say in reference to this matter I think it is fair to the committee to say that the Alien Property Custodian has no discretion as far as the settlement is concerned over this property that he has in his hands, and under the act creating the Alien Property Custodian it must remain there until there is some affirmative act of this Congress describing and defining the manner whereby it can be disposed of.

Mr. GARNER. How did it dispose of the $20,000,000 worth?

Mr. WOOD of Indiana. By virtue of the fact it was property that came into his possession of those who were determined not to be alien enemies, many being American citizens who had taken out their first and second papers. I expect I have as many of those in my section of the country on account of its cosmopolitan character as anybody. I know he has no dis-

cretion about settlement until there is some affirmative action of the Congress in so far as he is determined an alien enemy. Here is one trouble: We continued at war 18 months after the war stopped, when the rest of the world was at peace, and, of course, the act creating the Alien Property Custodian provided that after the cessation of the war certain things shall be done. The limitation did not begin to run until the resolution was passed declaring ourselves at peace. Here is another thing that has complicated the matter: Under the so-called Versailles treaty, signed by the then President of the United States, all of these claims of Americans against the German Empire must be settled out of what is in the Alien Property Custodian's hands. But even admitting all of these handicaps, all of those who have claims of $10,000 or less may be settled, still leaving some $300,000,000 in the hands of this trustee. If it is possible to put in one bill a provision whereby the whole thing can be wound up, it should be arranged, and these fellows with $10,000 or less, amounting to 95 per cent of the whole, may be relieved.

Mr. RAYBURN. Mr. Chairman, I merely take the floor at this time in order that there may be no misconception as to what is going on in the Committee on Interstate and Foreign Commerce. We have been in hearings for about two weeks. We found that the Alien Property Custodian holds of German property in value about $400,000,000. We have before us a bill that provides that this property shall be returned to aliens owning $10,000 or less. We had the Alien Property Custodian before us for three days. We had a representative of the War Department and a representative of the Navy Department. We have not yet been able to get anybody from the State Department, although some say there is some spooky reason in the State Department why this property should not be returned, but we have not been able to get anybody up here yet from that department; but of those we have heard, there has not been given one good reason why all of this property should not be returned at an early date. [Applause.] I do not know why. The gentleman from Ohio, of course, asked the most natural question in the world a moment ago as to why $10,000—why not $25,000, why not $100,000, why not all of this property and get out of it? The German Government has returned all the property of the people of the United States had in that country except this money, and they are ready, after negotiations, to return that. Now, the proposition of the gentleman from Illinois [Mr. GRAHAM] about holding this as some sort of a guaranty that our citizens will be paid, there is not a self-respecting nation on the face of the earth to-day that will confiscate private property to pay the debts of another nation. [Applause.] And the only thing, the only reason on this earth that there could be for holding this property of German nationals would be either for the purpose of confiscation or the threat of confiscation.

We are not going to expect in this country any such thing as that. We need not expect that of anybody else. I do not think there could be a more immoral thing ever thought of than to take the property of an individual or national of any government on earth to make good the debt of that government. All the people of the country pay taxes just alike to support the government, and if the German Government owes the citizens of the United States money, the German Government should pay that. We have got the property of those people up to $400,000,000 or $500,000,000, and we are carrying on an expensive bureau down there with many, many questions about the propriety of many acts down there. We should get out of this business, I say, at the earliest date possible.

A young man was before the committee the other morning who told us how we could arrange about patents. He said there are many patents that the Army and Navy desires to use. That is the simplest thing in the world. You do not have to keep men's property and take a part of the money of these aliens. If the War Department or the Navy Department has a patent that belongs to a German that they want, they could condemn the property and keep it for the use of the United States Government and pay for it, as they ought to do. That is an easy matter. But there is nothing that the United States Government can gain by holding this property any longer, except to create questions that the Alien Property Custodian can not answer, questions that the Secretary of State or his representatives will not come down to answer, and to carry on an expensive bureau and put our country in a light that we do not want it to be put in. [Applause.]

Mr. MONDELL. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Wyoming is recognized.

Mr. MONDELL. Mr. Chairman, I did not hear all the statement of the gentleman from Texas [Mr. RAYBURN], who has just spoken. He discussed a very interesting question, and one that we may be called upon to pass upon quite soon.

Personally I have always had a very definite and a very decided notion as to what it is proper to do with the property of alien enemies seized during hostilities. I think we entirely overdid the business of taking over alien enemy property, or so-called alien enemy property, during the war. A great deal of the property seized never should have been taken. I never have believed that any civilized nation was justified in confiscating the property of an alien enemy to pay a claim against his country. If I had my way about it, and everybody had agreed with my view, we should long ago have restored the property held by the Alien Property Custodian—all of it—under conditions that would have insured the return of all the moneys and property taken by Germany from our nationals during the war.

When we adopted the peace resolution it will be recalled that a majority of the Members of the House were of the opinion that for the time being, at least, we should hold these properties; and the peace resolution provided that the property should be held until otherwise provided by law. And then later we negotiated a treaty with Germany. While I do not recall the exact language of that treaty, my recollection is—and I would like to be corrected if my recollection is not accurate—that Germany agreed in substance that we might hold this property until the question of claims between the two Governments was settled. Of course, we must assume that Germany entered into that obligation freely and without coercion or restraint.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GRAHAM of Illinois. What she agreed to do was that she would pay these claims herself—that is, the German Government agreed to pay these claims?

Mr. MONDELL. She also agreed that we might hold this property pending settlement. The situation, then, is not just what it was before these things were done and accomplished.

Now, since the negotiation of the treaty with Germany we have provided for this joint commission that is to settle the questions at issue between the two Governments. That joint commission is at work, and actively at work, at this time. I think that in view of this situation there may be some question as to the wisdom of returning all this property at this time. It is a condition, not a theory, that confronts us. In theory I think we are all agreed that we should not and that we shall not confiscate private property; and, holding that view, we might have left out of the peace resolution any reference to this property and returned it. Holding that view, we might have made no request of Germany for an agreement relative to holding this property. But we did these things, and the mixed commission is at work, and very earnestly at work.

And so we must view this matter not wholly from the standpoint of theory, but from the standpoint of theory as affected by what has actually occurred and in view of the actual condition.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. RAYBURN. The Mixed Claims Commission is not passing upon any of this alien property which our Government has in its hands.

Mr. MONDELL. That is correct, and while we personally hold the view that we should not confiscate private property, nevertheless and notwithstanding we did, in the peace resolution, take action that indicated an inclination to hold this property for a time; and there could have been no other reason for doing that except the thought that possibly our claims would be more speedily settled if this property was not all returned. I think that must have been in somebody's mind when gentlemen voted that way. It must have been in somebody's mind when the treaty was negotiated, because the treaty was quite definite, as I recall, on that subject. Then comes the mixed tribunal. The mixed tribunal ought within the calendar year to be able to make a report.

Mr. RAYBURN. Will the gentleman yield just there?

Mr. MONDELL. Yes.

Mr. RAYBURN. Of course, this peace resolution was simply an act of Congress pending the determination of the course that Congress would take with reference to this property and when.

Mr. MONDELL. Yes; but if, when we adopted the peace resolution, we had been desirous of making effective the view

that under no circumstances shall we confiscate private property we might very well have left all reference to this property out of the peace resolution. We injected it into the peace resolution, however. Then later we negotiated the treaty, and later still arranged for the mixed tribunal, and they are now at work.

Mr. GARNER. May I interrupt the gentleman right there?

Mr. MONDELL. Yes.

Mr. GARNER. I do not remember the exact provisions of the treaty myself, but my recollection is that the German treaty provided that we should retain all of the rights that we had under the Versailles treaty, and the Versailles treaty, if I recollect, had a provision in it providing that these matters should be settled out of the property held by the Alien Property Custodian. Is that correct or not?

Mr. LONDON. If the gentleman will allow me——

Mr. MONDELL. The gentleman from New York [Mr. LONDON] seems to have that provision of the treaty before him.

Mr. LONDON. The preamble of the treaty refers to the resolution adopted by Congress.

Mr. MONTAGUE. What resolution?

Mr. LONDON. The peace resolution of July 2, and the preamble cites two sections of the resolution, although the resolution consists of a larger number of sections. It cites section 2 and section 5, the latter section relating to the question now under consideration. The treaty itself, however, makes no reference to the question of confiscation of the property of individuals.

Mr. MONDELL. Certainly not in direct terms.

Mr. CONNALLY of Texas. Except that it adopts the Versailles treaty.

Mr. MONDELL. The treaty very clearly accepts the action relative to that property in the peace resolution and preserves our rights under the treaty of Versailles.

Mr. HOCH. I think it will be found that the treaty of Berlin elaborated and specifically adopted the clearing-house plan which was put into effect by the Versailles treaty.

Mr. CONNALLY of Texas. It did.

Mr. HOCH. While I agree with the gentleman that we ought to turn this property back, whatever odium there is attached to this matter attached originally to the plan conceived at Versailles.

Mr. GARNER. That is my understanding of it. The Versailles treaty made this arrangement, and the Berlin treaty merely confirmed the rights that this Government obtained by reason of the Versailles treaty.

Mr. MONDELL. And accepted the provisions of the peace resolution relating to it.

Mr. HOCH. And various European nations proceeded to make settlements on the theory set out in the treaty of Versailles, which was this clearing-house arrangement.

Mr. RAYBURN. But that was a question of claims of individuals against the Government. It was not a question of alien property held by the Government.

Mr. MONDELL. The peace resolution refers specifically to such property and the treaty adopts the peace-resolution provision. Now, that does not mean that we shall confiscate private property. I do not think there is anyone here who imagines we will. But since all that occurred we have appointed a commission that is now at work. Now, I have no question but what that commission will work quite as speedily at least as it otherwise would if there are a considerable number of people who are anxious to have large properties restored to them. I have been entirely in harmony with the proposal to restore small properties. I think it is most unfortunate and a reflection on our country that we have not proceeded along that line before this. I think that ought to be done. The gentleman from Texas says the limitation of $10,000 is purely arbitrary and is not logical. Well, any limitation we might make would be arbitrary and not wholly logical. You either return part or you return all. While I agree, of course, that there is nothing sacred about the limit of $10,000 any more than there would be about $5,000 or $25,000, I think it would be well to proceed along the line suggested in the legislation now under consideration. I think we should consider the matter very carefully before we propose or contemplate turning back all this property, just at a time when the commission is considering the claims of American citizens.

Mr. MADDEN. We have claims amounting to $300,000,000 against German nationals and the German Government.

Mr. MONDELL. Those claims will never be paid out of this property. We are all agreed on that, but there is a time for everything. The Good Book reminds us of that. There was a time when I should have liked to see all this property returned. I have not been in sympathy with the view that it is good public morals to hold private property as a hostage; but we have reached a stage in our relations with the German Government when it seems to me it is the part of wisdom to retain at least the large properties in the hope that by so doing we may somewhat expedite the work of the mixed commission. That may not sound generous, but it is very practical.

Mr. RAYBURN. Will the gentleman yield right there?

Mr. MONDELL. Understand when I say this I am expressing my own individual view and that of no one else.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. RAYBURN. I ask unanimous consent that the gentleman may have one additional minute.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the time of the gentleman from Wyoming be extended one minute. Is there objection?

There was no objection.

Mr. RAYBURN. It is very unfortunate, because there can be only one thing—either confiscation or the threat of confiscation.

Mr. MONDELL. No; it is not quite a threat.

Mr. RAYBURN. Then it is no bluff at all. But I want to ask the gentleman if it is his conception of the treaties that we have with Germany—the Berlin treaty taking in whatever part of the Versailles treaty is necessary—does the gentleman think that some properties that we hold of German citizens come under that head, that they are not a claim against the Government?

Mr. MONDELL. I know that when we passed the peace resolution we were thinking of the property held by the Alien Property Custodian, for we specifically referred to it, and that when the treaty was negotiated our representatives had it in mind, as clearly indicated by the treaty. Our negotiations now under way ought to be completed within the year. Right in the midst of those negotiations some gentlemen who have not been hitherto disturbed about this matter think now that we ought to turn all this property back without any regard to the effect it will have on the negotiations. I can not agree with them. I think we should promptly return sums and properties up to $10,000 and go no further for the present. We may be desirous of being generous, but we can not forget that our Government and people have claims pending.

Mr. RAYBURN. That is not the design of the treaty at all.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. TREADWAY having taken the chair as Speaker pro tempore, a message from the Senate by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

INDEPENDENT OFFICES APPROPRIATION BILL.

The committee resumed its session.

Mr. CONNALLY of Texas. Mr. Chairman, I move to strike out the words "Alien Property Custodian."

Mr. Chairman and gentlemen of the committee, when the peace resolution was before the House I gave some little study to this particular question and to the status of alien property that was sequestrated and has been retained by the United States. As the result of the examination, I came to the conclusion that during the existence of the war the United States had the naked right under international law and in the absence of treaty stipulation to confiscate every dollar of that property if it saw fit, whether it belonged to the German Government or to German nationals. However, so far as that view is concerned, we must remember that we had entered into a treaty with Prussia in 1828, providing that we should not do that very thing. However, we did sequestrate the property under the terms of the trading with the enemy act. We did sequestrate it on the theory that any sovereign has the right to sequestrate property of an enemy in order that it may not be employed against that sovereign during a state of war. Had a legal state of peace come into being without our making any stipulations with the German Government about that property, it would have reverted automatically to the German nationals or to the German Government, according to its original ownership. Gentlemen will recall the precedent that arose as an outcome of the American Revolution. In the peace treaty of 1783 it was provided that British nationals should not be impeded in the collection of their debts. Pending the war States had enacted legislation undertaking to confiscate British debts owing

by American citizens. After the war that question went to the Supreme Court of the United States, and in a case brought by Georgia in the Supreme Court to enjoin the payment of a debt by a citizen of South Carolina to a British subject on the ground that Georgia had sequestered it and confiscated it and it had become the property of the State of Georgia, the Supreme Court of the United States held that the State had a right to confiscate the property during a state of war, but it also held that the act of the State of Georgia, which it was claimed had confiscated the property, in fact did not confiscate the property but merely sequestered it, and the court held that the British national was entitled to a return of his property and the collection of his debt. Similar decisions were rendered in other cases arising in other States.

But in the present case when Congress passed the peace resolution, as was suggested a moment ago by the gentleman from Wyoming, it contained the following language:

All property of the Imperial German Government, or its successor or successors, and of all German nationals which was on April 6, 1917, in or has since that date come into the possession or under the control of or has been the subject of a demand by the United States of America * * * shall be retained by the United States of America until otherwise provided by law or until the German Government shall have made suitable provision for the settlement of claims of American citizens.

Now, my idea is that the passage of the peace resolution had no legal effect and did not accomplish the purpose which gentlemen who proposed it had in mind. But while the state of war still existed, while we were still at war with Germany, the Secretary of State and the President negotiated what they called the treaty of Berlin. That treaty incorporates two sections of the peace resolution. One is section 5 which specifically retains the right to hold all German property that had come into possession of the United States Government.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CONNALLY of Texas. I ask for three minutes more.

The CHAIRMAN. Without objection the gentleman's time is extended three minutes.

There was no objection.

Mr. CONNALLY of Texas. In addition to that provision the treaty of Berlin went further and provided that the United States and its nationals should have all the rights that were provided for them in the treaty of Versailles. Now, based on those two treaties, the treaty of Berlin and the treaty of Versailles, both of which gave the Government the right to retain the property, the United States Government and the German Government have appointed a mixed high commission that is now engaged in passing upon and fixing the claims of American nationals against the German Government and the claims of German nationals, if any.

Mr. MADDEN. No; it deals only with the claims by Americans against the German Government.

Mr. CONNALLY of Texas. I do not suppose there are any claims by the Germans——

Mr. MADDEN. The law did not contemplate anything but the American claims.

Mr. RAYBURN. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. RAYBURN. Does the gentleman from Texas agree with the gentleman from Wyoming that this property we already hold and know how much we hold is a part of this mixed commission proposition?

Mr. CONNALLY of Texas. No. The gentleman did not follow me, or he would not have asked that question. I said under the Berlin treaty and the Versailles treaty the United States has the absolute right to retain the property, and if it sees fit to subject it to the claims of American citizens. The mixed commission has no control over the property, except it has the jurisdiction and power to ascertain what the claims should be and the amount of those claims. When the report of the joint commission is made known it will then be the duty of the Congress and the administration to decide the question as to whether or not alien property will be subjected to the payment of those claims.

Mr. MONDELL. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. MONDELL. I assume that the gentleman from Texas would not return this property at this time?

Mr. CONNALLY of Texas. The "gentleman from Texas" is only outlining what the legal rights of the Government are. I am sure the gentleman from Texas will not be permitted by the gentleman from Wyoming and his followers to decide the question. I have just said that Congress and the administration would decide that. But I have no disposition to dodge the question. Frankly, I would not return all of it just now.

Mr. MONDELL. I assume that the gentleman from Texas who goes further than I do as to the right of the Government to confiscate, would not think it wise to return all of the property at this time.

Mr. CONNALLY of Texas. For once I agree to a degree with the gentleman from Wyoming. [Laughter.]

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last four words. I look upon this as an extremely important subject. One of the things that most surprised me when I returned to the House and was reappointed on the Committee on Foreign Affairs, and we took up the consideration of the peace resolution, was a provision in that resolution which read as follows:

And all fines, forfeitures, penalties, seizures, and sales imposed or made by the United States are hereby ratified, confirmed, and maintained.

I violate no secret when I say that at the first meeting of the committee when we took up that resolution I said that I would not support it. I was asked why, and replied: "This is a deliberate attempt to ratify, confirm, and maintain the sales made by A. Mitchell Palmer and Garvan, his assistant and subsequent successor, which resulted in Garvan becoming president of the corporation which bought for a small fraction of what they were worth, and has ever since owned, the very valuable patents for making dyestuffs and other products." My statement was disputed. It was declared that I was not correct in my interpretation of that phraseology. I insisted that that was its only possible purpose. Then the gentlemen who insisted that I was mistaken said that we would have the Alien Property Custodian, Thomas W. Miller, appear before the committee, make plain the purpose of the provision in question, and show that I was in error. The Alien Property Custodian came to the committee, presented a brief in which he acknowledged that the purpose was what I had declared it to be, and before the committee meeting had ended consented to the striking out of the word "sales."

I read from that brief during the debate on this floor on June 30, 1921, when the peace resolution was under consideration:

And all fines, forfeitures, penalties, seizures, and sales imposed or made by the United States are hereby ratified, confirmed, and maintained.

Referring to that language, the brief admitted that it was inserted in the peace resolution—

to avoid any ambiguity and so enable the custodian to complete any program of sale that he has made without the possibility of contest at law.

Mr. LONGWORTH. That was Mr. Garvan?

Mr. COOPER of Wisconsin. No; not Mr. Garvan. That was the present custodian, Mr. Miller, and our American Legion friends here can testify as to what he attempted to get them to do at the national meeting in Kansas City of the American Legion. I was informed that he wanted them to pass a resolution to accomplish virtually the same purpose, and that his attempt was defeated.

Mr. Chairman, when Congress enacted the trading with the enemy law it was never contemplated that the Alien Property Custodian should act otherwise than as a common-law trustee, to keep the property in his possession, care for it, use such of it as might be necessary to pay for the expense of its keep, and then turn it back, expenses deducted, to the owners. In the debate in 1921 I said, and it was and is the truth, that the sales were at a price so grossly inadequate as to constitute what in law is called a badge of fraud.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I ask unanimous consent to have five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. MONTAGUE. Perhaps I may be indulged to refresh the gentleman's memory by a somewhat immodest allusion. The gentleman may recall that I was designated by the Committee on Interstate and Foreign Commerce to manage the bill on the floor of the House.

Mr. COOPER of Wisconsin. I remember it very well.

Mr. MONTAGUE. I did not know that this matter was coming up to-day, and I have not refreshed my recollection, but it is quite distinct in my own mind that the assurance was given by me time and time again in that debate, especially through the interruptions of the gentleman from Connecticut, Mr. Hill, that the Government proposed to do nothing else except to impound this property.

Mr. COOPER of Wisconsin. That is correct.

Mr. MONTAGUE. And hold it so that it might not be available either in principal, in increment, or by credit to carry on the war by our enemy.

Mr. COOPER of Wisconsin. The gentleman is correct.

Mr. MONTAGUE. And that it was the purpose of this Government, as soon as the war was over, not to continue to exercise its lawful powers to hold, and I believe the Government had the power to do so, but to do the clean, ethical thing, and return it in due time.

Mr. COOPER of Wisconsin. The distinguished gentleman from Virginia is entirely accurate in his statement. I disagree, however, with one statement which the gentleman makes, or which at least seems to present his view, and with the direct statement which the gentleman from Texas [Mr. CONNALLY] made. It is true that in a decision of the Supreme Court it was held that a belligerent government has the right to seize the property of belligerent nationals, noncombatants, and use it where necessary for the purpose of such Government in the prosecution of a war.

But after the treaty of 1828 you can not find, Mr. Chairman, during the nineteenth century any treaty to which the United States was a party which would enable the German Government to seize any property in Germany of the distinguished gentleman from Texas and sell it there to recover a debt which might be due a noncombatant citizen of Germany for injuries inflicted during a war by the military forces of the United States. Yet that, in principle, is precisely what is being demanded shall be done here. No one knowing the distinguished gentleman from Virginia, the former governor, would ever believe him capable of advocating a course for our Government that would be so unjust.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. COOPER of Wisconsin. In just a moment, and then I will. When we made the treaty of 1828 with Prussia we, in my judgment, deliberately declared the principle therein set forth to be forever a principle of international law so far as the Government of the United States might be concerned. In no treaty we have since made has there been a provision to combat in principle the provision of 1828, the Berlin treaty, until now when we seem to have done something which perhaps modifies it.

Mr. CONNALLY of Texas. I am sure the gentleman from Wisconsin must have misinterpreted me, or he would not have made the statement he did. I stated in my remarks that where we have the naked right in time of war to confiscate an enemy's property, when peace came that right ceases; and in the case of Germany we had given up that right in the treaty of 1828, so I do not see the point of difference between the gentleman from Wisconsin and myself.

Mr. COOPER of Wisconsin. Perhaps I did not understand the gentleman and was therefore mistaken.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. COOPER of Wisconsin. I would like to have three or four additional minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LONDON. Will the gentleman yield?

Mr. COOPER of Wisconsin. I will.

Mr. LONDON. Is it not true a noncombatant is entitled to protection, both as to person and property, even when the territory is occupied by enemy forces?

Mr. COOPER of Wisconsin. Undoubtedly. That is a principle of international law recognized by this Government more than once, formally recognized. I agree with what the gentleman from Texas [Mr. RAYBURN] says, that there is no good reason why all of the property should not be turned over now. I know the widow, now in Germany, of an American citizen who died in this country. She lived here for many years, went back to Germany before the war, and there has since remained. She left in the United States securities and other property of the value of $32,500. The Alien Property Custodian seized this property, and that widow, 70 years of age, with $32,500 of revenue-producing property, is dependent upon the charity of friends in Burlington, Wis., who know and love her. That is not an isolated case; there are many others like it. This thing is becoming a national scandal. Why did the man who is now Alien Property Custodian want in 1921 to ratify and confirm all sales which had been made by his predecessors in that office and all sales and contracts for sales which he himself might make? Listen to his language. He told us why. I called the attention of the House to it in June, 1921, when the peace resolution was up. He wanted these confirmed—

to avoid any ambiguity, and so enable the custodian to complete any program of sale he has made without possibility of contest at law.

Mark those words—"without possibility of contest at law."

He, having control of the property of owners, some of them thousands of miles away, widows and other helpless persons, wanted the right in his discretion to sell any of the seized millions of property without any possibility of contest at law. Why was he so solicitous? He had in his possession hundreds of millions of dollars of property of owners, some of whom were far away.

Mr. Chairman, here is what I said on June 30, 1921, in that debate, and it exactly confirms the statement of the distinguished gentleman from Virginia [Mr. MONTAGUE] made here a moment ago. I will read from the report of my speech:

And I stop right here in my reading from that record to ask any gentleman here to arise and tell the House if, during the six months' debate, beginning in the spring of 1917 and ending in September, 1917, there was ever a word on this floor or in the Senate said by Senator or Representatives urging that the Alien Property Custodian be given the right to take that property and in his discretion, at public or private sale, dispose of it. The debates were very elaborate and exhaustive. Some of the distinguished participants in that debate are here now before me, and they can rise and say what their understanding was. Every one of them will admit—they will not only have to admit, but they will be glad to say—that their only understanding was that the Alien Property Custodian was to take that property as custodian, and so keep it that it would not go to waste or be seriously injured, and that it should be sold only when a sale should be necessary to prevent waste, and that the proceeds must be retained and turned into the United States Treasury.

That, as I before remarked, confirms what the distinguished gentleman from Virginia just said.

Mr. MONTAGUE. Will the gentleman permit me——

Mr. COOPER of Wisconsin. Pardon me just a moment, and I will.

Mr. Chairman, to show how public opinion is sometimes influenced by propaganda, it is rather interesting to remember that a newspaper in the West said, after that speech, "COOPER attacks the administration." And yet the President of the United States himself, just one year later, in June of 1922, ordered the present Alien Property Custodian to demand back from the purchasers all of the property that had been sold by his predecessors, the exact property the sales of which the custodian himself had one year before sought to have forever ratified, maintained, and confirmed. In June or July, 1922, the President himself directed that suits be brought to set aside the fraudulent sales to which I had directed the attention of the House in June, 1921.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. I will.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MONTAGUE. In order that the RECORD may be entirely clear I wish to suggest, subject to confirmation, that the amendments to the alien property act were not considered by the Committee on Interstate and Foreign Commerce.

Mr. COOPER of Wisconsin. Not at all.

Mr. MONTAGUE. Simply the one the gentleman refers to?

Mr. COOPER of Wisconsin. Yes. They were put on as a rider on an appropriation bill at the request of Mr. Palmer.

Mr. MONTAGUE. I wish that to be made clear. I never was consulted about these amendments.

Mr. COOPER of Wisconsin. They were put on as riders on an appropriation bill, and not one Member in a hundred had the slightest idea of what was really being done.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. LONDON. Does not the gentleman consider himself as rather fortunate in having been vindicated within the short time of one year? [Laughter.]

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

BUREAU OF EFFICIENCY.

Salaries and contingent expenses, including traveling expenses; per diem in lieu of subsistence; supplies; stationery; purchase and exchange of equipment; not to exceed $100 for law books, books of reference, and periodicals; and not to exceed $150 for street car fare; in all, $144,500: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum except the following: One at $7,500, one at $6,000, three at $4,250 each, eight at $4,000 each, three at $3,600 each, one at $3,500, two at $3,250 each, five at $3,000 each, two at $2,750 each, three at $2,400 each, and five at $2,000 each.

Mr. WATSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. WATSON. I do, in order to make an inquiry. According to the hearings, the Bureau of Efficiency has the power to send an investigator to any bureau and make inquiry as to the efficiency of that bureau. The investigator, as I understand, reports back to the Bureau of Efficiency; and after the bureau digests the report, to whom does it make a recommendation?

Mr. WOOD of Indiana. It is supposed, under the organic act, that the Bureau of Efficiency is the agency of Congress—to make recommendations to Congress.

Mr. WATSON. Not to the bureau investigated?

Mr. WOOD of Indiana. No.

Mr. WATSON. How many instances do you know where recommendations have been made to Congress and Congress has taken cognizance of them to improve the bureau concerned?

Mr. WOOD of Indiana. There have been a great many instances where the activities of the bureau have been productive of good results. The Post Office Department, I may say, furnishes a good example of improvements made in consequence of the investigations of the Bureau of Efficiency. I do not know how many reports have been made by the bureau to Congress. I do know that there has been some resistance against the Bureau of Efficiency entering into various departments of the Government to make investigations, because those departments felt that it was an intrusion upon their ancient and long-established practice.

Mr. WATSON. Suppose the bureau makes a recommendation that there should be three less clerks, and that the clerks should be dismissed? Does the chief of the department come before your committee the following year and ask for the reinstatement of the clerks dismissed?

Mr. WOOD of Indiana. I do not know what the experience has been in that regard. I do not know what experience other committees have had.

Mr. WATSON. There seems to be nothing to show what have been the effects of the labors of this Bureau of Efficiency. I know that this money, $144,500, is recommended to be appropriated, but I do not know what good has been derived out of the appropriation.

Mr. WOOD of Indiana. My observation has been that the Bureau of Efficiency has been an efficient agency, and has taken a considerable part in the establishment of efficiency in the Government service. In my opinion it has been the means of saving to the Government many hundreds of thousands of dollars.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. STAFFORD. I know that the Bureau of Efficiency was engaged at one time in reviewing the work of the Treasury Department, and prior to that time, at the request of the then Postmaster General, Mr. Burleson, they investigated the Post Office Department to improve its methods of administration. Shortly after the improved methods recommended by the Efficiency Bureau were adopted by the then Postmaster General, Mr. Burleson. Will the gentleman tell us whether during the last 12 months the Bureau of Efficiency has made any other recommendations and whether their recommendations have been carried out by any other department?

Mr. WOOD of Indiana. Yes; I have one instance in mind, which is spoken of in this report. The recommendation of the Efficiency Bureau to the Chief of Finance in June last as to the bookkeeping methods in his office have been put into effect. I will state that the Bureau of the Budget depends very largely for its information upon the investigations made by the Bureau of Efficiency respecting the work of the respective departments.

Mr. STAFFORD. Have any investigations been made at the request of any particular department?

Mr. WOOD of Indiana. Yes. I think they have gone into the Department of Commerce, particularly into the Bureau of Foreign and Domestic Commerce, and also in the Department of the Interior.

Mr. STAFFORD. Mr. Brown, the head of this bureau—I presume he is still its head—used frequently to appear in the Halls of Congress, and particularly in the rooms of the Committee on Appropriations. I have not seen him lately, and do not know whether he is incapacitated or whether he is digging into the old, antiquated, musty, red-tape methods of doing business in some particular department, so that he has not been able to make his usual rounds of calls at the Capitol.

Mr. WOOD of Indiana. I think he is spending his time in cutting red tape and improving the efficiency of the Government service. I think the Bureau of Efficiency is the greatest agency for saving that the Government has ever established.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BRIGGS. How much does the gentleman think this bureau has saved to the Government in the last 12 months?

Mr. WOOD of Indiana. I could not say in exact figures, but I think I can say without any hesitation—and the evidence will bear me out if investigation is made—that it has resulted in a saving of millions of dollars.

Mr. BRIGGS. Do they submit a report?

Mr. WOOD of Indiana. Yes; they submit a report every year. I wish the gentleman would read some of them.

Mr. BRIGGS. I assume that the chairman of the subcommittee has investigated this matter for the purpose of ascertaining the justification for this appropriation. The gentleman says he thinks they can make a showing. I am asking whether there has been any actual showing as to what they have done.

Mr. WOOD of Indiana. I think one of the greatest compliments ever paid to the Bureau of Efficiency was paid by the gentleman from Texas who was Postmaster General, who stated that there had been a saving of hundreds of thousands of dollars in the Post Office Department alone by reason of the adoption of the methods prescribed by the Bureau of Efficiency; and I want to say this in compliment to General Burleson, that he invited the cooperation of the Bureau of Efficiency for the reformation of the conduct of the business of that office. Some departments have resisted that bureau and that is the trouble now.

Mr. BRIGGS. That is what I wanted to know. Is it not true that even though they have made efforts perhaps to bring about a certain degree of efficiency, at least have suggested programs along that line, that those programs and suggestions have not been accepted, but that really nothing has been accomplished in the last 12 months or 2 years?

Mr. WOOD of Indiana. More has been accomplished in the last 12 months than ever before, because the various departments are beginning to realize the true value of the work of the Bureau of Efficiency.

Mr. BRIGGS. But the gentleman can not name any one of them.

Mr. WOOD of Indiana. Yes; I have just named one—the Post Office Department.

Mr. BRIGGS. That was more than two years ago.

Mr. WOOD of Indiana. I have named the Budgetry Department, which depends very largely on the information it receives from the Bureau of Efficiency.

Mr. CONNALLY of Texas. Mr. Chairman, I was interested in the statement of the gentleman from Indiana about Mr. Burleson's administration of the Post Office Department. Is it not a fact that under his administration, following out some of the recommendations of the Bureau of Efficiency, the Post Office Department during his administration maintained itself?

Mr. WOOD of Indiana. That is absolutely true, at least as to a part of his administration.

Mr. CONNALLY of Texas. But that since that time we have not been quite as fortunate?

Mr. WOOD of Indiana. I will not admit that.

Mr. CONNALLY of Texas. Will the gentleman state just what the deficit in the Post Office Department is this year?

Mr. WOOD of Indiana. I can not state the exact amount.

Mr. CONNALLY of Texas. It is about $80,000,000, is it not?

Mr. WOOD of Indiana. You will find that by reason of extensions, and by reason of the economy of the present administration it will be nearer self-sustaining at the end of the next fiscal year than it has ever been before. Up to this time the Post Office Department has never been self-sustaining.

Mr. CONNALLY of Texas. I hope it will be. I am not trying to criticize the present administration, but I am trying to obtain information.

Mr. WATSON. I should like to ask the gentleman from Indiana how the Bureau of Efficiency gets its opportunity to work in these various departments? Do the officers request the assistance of the Bureau of Efficiency to investigate their work?

Mr. WOOD of Indiana. Unfortunately they do not. I was not a Member of the House at the time the Bureau of Efficiency was established, but it was established for the purpose of doing what its name indicates—trying to get greater efficiency in the different departments and bureaus of the Government.

Mr. WATSON. How does the Bureau of Efficiency know when to make its investigations? Perhaps it gives notice to

some department or bureau and says, "To-morrow we are going to send an investigator to look into the efficiency of your office."

Mr. WOOD of Indiana. No; they have the right to go into any of them at any time. The manner in which they do it is a matter of detail.

Mr. WATSON. I should think the bureaus would object to it, unless the investigators are very wise and tactful.

Mr. WOOD of Indiana. That is one of their great troubles. The different departments have their archaic methods of doing things. That is one of the faults of the Government. There are departments of the Government that overlap one another in their transactions to the extent of millions of dollars per year. There are 27 purchasing agents in the Treasury Department.

Mr. WATSON. And when anyone in the House proposes improved methods it is objected to as new legislation, and you say it is not according to the old law and forms.

Mr. WOOD of Indiana. That is our fault; and I think the criticism is well taken.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HICKS. Mr. Chairman, I ask unanimous consent to revise and extend a ruling that I made when I was Chairman of the Committee of the Whole House on the state of the Union a few days ago.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks on the subject indicated. Is there objection?

There was no objection.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed out of order for five minutes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to proceed out of order for five minutes. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I am going to do the unusual thing of saying a word in commendation of the President. I am going to commend him for his stand on what I consider a very important matter, owing to the fact that he is being attacked elsewhere for what I regard as one of the most righteous acts of his administration, and since no one on his side has so far come to his defense in this House.

Recently the House adopted a conference report on a pension bill that possibly constituted the most radical departure from the principles of economy on which both parties were elected of any measure that has yet been put over. It passed this House by an overwhelming vote and passed the Senate without a roll call. It imposed upon the American people an extra burden—and, in my opinion, an unnecessary burden—of about $100,000,000 a year. The President vetoed that measure and, I understand, is now being attacked and criticized for that veto. I think he did right, and I am going to ask to have read in my time an editorial from the Indianapolis News which was reproduced in the Washington Post a few days ago, which, I believe, reflects the sentiment of the country.

The Clerk read as follows:

A RIGHTEOUS VETO.

[From the Indianapolis News.]

One reading President Harding's veto of the Bursum pension bill finds it hard to believe that Congress could ever have passed such a measure. When it did so it simply gave another proof of its carelessness in regard to the public welfare and the interests of the people. The immediate effect of the bill would be, as the President shows, to add $108,000,000 to the expenditures of the Government, and that at a time when there is an almost strident cry for economy and lower taxes. Mr. Harding is well within the truth when he says that he is willing to "venture the prediction that with such a precedent established the ultimate pension outlay in the half century before us will be $50,000,000,000." It is time to be thinking of other and sounder precedents if we would escape what might amount to bankruptcy—would be bankruptcy in a nation less able to pay taxes.

The following indictment of Congress is none the less severe because framed in mild language:

"The act makes no pretense of new considerations for the needy or dependent, no new generosity for the veteran wards of the Nation; it is an outright bestowal upon the Government's pension rolls, with a heedlessness for the Government's financial problems which is a discouragement to every effort to reduce expenditures and thereby relieve the Federal burdens of taxation."

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Field force: For salaries of the field force of the Civil Service Commission, including employees heretofore detailed to the commission from other departments and offices, $272,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum, except 2 at $3,300 each, 3 at $3,000 each, 7 at $2,500 each, 1 at $2,400, 2 at $2,200 each, and 6 at $2,000 each.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last two words. When this item was being discussed in general debate I made some inquiry as to the increase of the appropriation over that carried in the estimate, which, according to the report, was a quarter of a million dollars or more above the amount recommended by the Budget. As I recall, the gentleman said it was a matter of transfer. I recall some years ago when this appropriation was limited solely to the local district officers, and now I am told by the chairman of the committee [Mr. WOOD of Indiana] that it is purported to have the Civil Service Commission have a nosing, smelling, investigational force to pry into the activities of all the civil-service work of Government employees in the field. This is something entirely new. It was never contemplated that the Civil Service Commission should employ inspectors, supervisors, sleuths, or whatever you may call them, for the purpose of passing on the efficiency of the work of the field force of various departments. I would like to know what is the purpose of this extra appropriation under the jurisdiction of the Civil Service Commission.

Mr. WOOD of Indiana. The gentleman is mistaken in referring to this field force as a "nosing committee" in an obnoxious sense. I do not think I am capable of telling all the things that they do, but it is a part of the national growth of the civil-service business. I can remember myself of the establishment of the civil service. The gentleman who is secretary now was secretary at the time of its inception. He told me that when it first commenced they moved all of their effects in a handcart from one office to another, and there were but very few under its jurisdiction. It is one of these growths that has been constantly gaining with the passing years, and will continue to gain as long as this policy is maintained.

Mr. STAFFORD. I understood the gentleman in his remarks in explanation of the bill to say that the Civil Service Commission is taking on new activities of inspection work among the various departments of the Government in the field.

Mr. WOOD of Indiana. The gentleman misunderstood me. They have had a field force all the while. It has been detailed from the various other departments heretofore, the War Department, the Agricultural Department, the Navy Department, and all the various departments with reference to their particular wants contributing to the same.

Mr. STAFFORD. The War Department never had any clerical force in the field in inspection work.

Mr. WOOD of Indiana. No; but the civil service has had details from the War Department for years. The trouble is that there is a divided responsibility. They were paid heretofore for the details from the War Department out of the war appropriations, yet the services they were rendering were for the Civil Service Commission. So the gentleman himself, being of long experience, knows it would be more efficient to have them directly under the responsible head for whom they are working.

Mr. STAFFORD. I question whether it is a good business policy. There have been field officials connected with the Post Office Department with which I am somewhat familiar, and that is an inspectional force which goes out and makes surveys in the various post offices.

It is far better in running the Post Office Department to have that force under the control directly of the postal officials rather than have it a subsidiary or a sidelight of the Civil Service Commission, with all the red tape that characterizes that commission.

Mr. ABERNETHY. Mr. Chairman, I raise the point of order that there is no quorum present.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore [Mr. CAMPBELL of Kansas] having taken the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13696, the independent offices appropriation bill, and had come to no resolution thereon.

INTERNATIONAL CONGRESS FOR CATTLE BREEDING.

The SPEAKER laid before the House the following message from the President of the United States:

To the Senate and House of Representatives:

I transmit herewith a report by the Secretary of State concerning a request made by the Secretary of Agriculture that specific authorization be obtained from Congress that will enable the Department of Agriculture to be represented by a delegate in the International Congress for Cattle Breeding, to be held at The Hague in August, 1923, by the payment of the ex-

penses of such delegate (estimated at $1,500) out of the regular funds provided in the Agricultural appropriation act for animal husbandry investigations (general expenses, Bureau of Animal Industry) for the fiscal year 1924.

I commend the request of the Secretary of Agriculture to the favorable consideration of Congress as in the interest of an important industry of the United States.

WARREN G. HARDING.

THE WHITE HOUSE, *January 10, 1923.*

The SPEAKER pro tempore. Without objection, the message will be referred to the Committee on Foreign Affairs.

Mr. STAFFORD. Mr. Speaker, I do not want to question the policy, but there have been some of these messages referred to the Committee on Agriculture.

The SPEAKER pro tempore. It is the information of the Chair that formerly that was done, and these matters were reported out of the Committee on Agriculture while that committee made appropriations. But latterly the policy has been to refer them to the Committee on Foreign Affairs.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 4 minutes p. m.) the House adjourned until to-morrow, Thursday, January 11, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

903. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting the claim of Anton Anderson, of Chinook, Wash., for $170 as reimbursement of the cost of repairing his fish trap, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. VAILE: Committee on Public Lands. H. R. 2347. A bill for the relief of certain homestead entrymen; with amendments (Rept. No. 1373). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. S. J. Res. 64. A joint resolution for the relief of delinquent homesteaders on the Fort Peck Indian Reservation, in Montana; without amendment (Rept. No. 1377). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOSTER: Committee on the Judiciary. H. R. 12123. A bill for the establishment of an industrial reformatory at Camp Grant, Ill.; without amendment (Rept. No. 1378). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAYDEN: Committte on Indian Affairs. S. 1926. An act to extend the provisions of the act of February 8, 1887, as amended, to lands purchased for Indians; without amendment (Rept. No. 1379). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAYDEN: Committee on Indian Affairs. H. R. 13128. A bill authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz.; without amendment (Rept. No. 1380). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 9577. A bill relating to the title to land to be acquired as a site for a post-office building at Tamaqua, Pa.; without amendment (Rept. No. 1381). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on the Public Lands. S. Con. Res. 30. A concurrent resolution concerning lands devised to the United States Government by the late Joseph Battell, of Middlebury, Vt.; without amendment (Rept. No. 1383). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 12584. A bill for the relief of Alice Loeber; with an amendment (Rept. No. 1374). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 3256. An act for the relief of A. L. Gramling; without amendment (Rept. No. 1375). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 3171. An act for the relief of the trustee of the estate of Hillsboro Dredging Co., a corporation, bankrupt; without amendment (Rept. No. 1376). Referred to the Committee of the Whole House.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 12007. A bill providing for the conveyance of certain land to the city of Boise, Idaho, and from the city of Boise, Idaho, to the United States; without amendment (Rept. No. 1382). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. TILSON: A bill (H. R. 13753) amending section 308 of an act entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13754) amending section 15 of an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMMER: A bill (H. R. 13755) to increase the limit of cost for the Federal post-office building at Thomasville, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. KISSEL: A bill (H. R. 13756) to amend sections 102, 211, 245, and 312 of the Criminal Code, and section 305, paragraphs (a) and (b), of the tariff act of 1922; to the Committee on the Judiciary.

By Mr. GARRETT of Texas: A bill (H. R. 13757) to enlarge and extend the post-office building at Houston, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. SINNOTT: A bill (H. R. 13758) to amend section 5 of an act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916; to the Committee on the Public Lands.

By Mr. LANGLEY: A bill (H. R. 13759) to increase pensions of persons who served in the Army, Navy, or Marine Corps of the United States during the Civil War, and of widows and former widows of such persons; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 13760) to amend an act entitled "An act to authorize the construction of drawless bridges across a certain portion of the Charles River in the State of Massachusetts," approved November 14, 1921; to the Committee on Interstate and Foreign Commerce.

By Mr. DEMPSEY: A bill (H. R. 13761) to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada; to the Committee on Interstate and Foreign Commerce.

By Mr. ZIHLMAN: A joint resolution (H. J. Res. 418) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances, flags, etc., property of the United States, by the Almas Temple, Washington, D. C., 1923 Shrine Committee (Inc.), and for other purposes; to the Committee on the District of Columbia.

By Mr. APPLEBY: A concurrent resolution (H. Con. Res. 79) requesting the several States to enact appropriate legislation exempting from taxation fuel coal in storage; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Ohio: A bill (H. R. 13762) granting a pension to Angeline Insley; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 13763) granting a pension to Mary E. Galpin; to the Committee on Invalid Pensions.

By Mr. LEE of Georgia: A bill (H. R. 13764) granting a pension to William Smith; to the Committee on Pensions.

By Mr. ROBSION: A bill (H. R. 13765) granting an increase of pension to Alice Parrigin; to the Committee on Invalid Pensions.

By Mr. SPEAKS: A bill (H. R. 13766) granting an increase of pension to James Phelps; to the Committee on Pensions.

By Mr. TILSON: A bill (H. R. 13767) for the relief of F. Joseph Chatterton; to the Committee on Claims.

Also, a bill (H. R. 13768) granting a pension to James McIntyre; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6791. By Mr. DEMPSEY: Petition to abolish discriminatory tax on small-arms ammunition and firearms, signed by 43 citizens of the city of Buffalo, N. Y.; to the Committee on Ways and Means.

6792. By Mr. GREENE of Massachusetts: Petition of sundry citizens of Massachusetts, opposing House bill 4388, which aims to regulate Sunday observance by civil force under penalty for the District of Columbia; to the Committee on the District of Columbia.

6793. By Mr. KISSEL: Petition of Oliver Bros. (Inc.), New York City, N. Y., favoring a 1-cent "drop" letter rate, and opposing any bill providing for a reduction in second-class mail rates; to the Committee on the Post Office and Post Roads.

6794. By Mr. RAKER: Petition of Chamber of Commerce of the State of New York, relative to the immigration policy of the United States; to the Committee on Immigration and Naturalization.

6795. Also, petition of Second Church of Christ, Scientist, of Los Angeles, Calif., relative to Turkish atrocities in Armenia; to the Committee on Foreign Affairs.

6796. Also, petition of Mr. John R. Ruckstell, C. P. A., of San Francisco, Calif., indorsing Senate bill No. 2531, regulating the practice of accountancy in the District of Columbia; also, resolutions adopted by the Insurance Brokers' Exchange of San Francisco, relative to the Fitzgerald bill (H. R. 10034); to the Committee on the District of Columbia.

SENATE.

THURSDAY, *January 11, 1923.*

(*Legislative day of Tuesday, January 9, 1923.*)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

PETITIONS AND MEMORIALS.

Mr. CAPPER presented a petition of sundry citizens of Seneca and Baileyville, both in the State of Kansas, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

Mr. PEPPER presented a memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the enactment of legislation to further class interests at the expense of the United States Treasury and the already overburdened taxpayer, which was referred to the Committee on Banking and Currency.

He also presented a memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the enactment of legislation in any way tending to weaken the financial system of the United States, which has proven a successful bulwark against possible money panics during the stress of war, especially proposed laws to absorb the credit facilities of the Nation for the furthering of private interests, which was referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES.

Mr. McLEAN, from the Committee on Banking and Currency, to which was referred the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, reported it with amendments and submitted a report (No. 1003) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4281) to appropriate $500,000 for the purchase of seed grain to be supplied to farmers in the crop-failure areas of eastern Washington, said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture, reported it without amendment.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 265) to stimulate crop production in the United States, reported it without amendment.

POST OFFICE DEPARTMENT APPROPRIATIONS.

Mr. TOWNSEND. I report back favorably with amendments from the Committee on Appropriations the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, and I submit a report (No. 1004) thereon.

I desire to state that I shall ask to have this bill taken up for consideration as soon as the agricultural appropriation bill has been disposed of.

The VICE PRESIDENT. The bill will be placed on the calendar.

ADMINISTRATION OF OATHS TO SOLDIERS.

Mr. McCUMBER. From the Committee on Finance I report back favorably without amendment the bill (S. 3846) to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921, and I submit a report (No. 1002) thereon. I ask unanimous consent for its present consideration.

I will state that the only purpose of the bill is to allow the officers of the Army to administer oaths, so that in investigations where the testimony of a soldier is required, as he is in the Army, the testimony may be received through the officer administering the oath.

Mr. JONES of Washington. With the understanding that it will take no time, I shall not object.

Mr. McCUMBER. Certainly; I would not ask for its present consideration if I thought it would take any time.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That section 10 of the act approved August 9, 1921, entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," is hereby amended by adding thereto a new paragraph to read as follows:

"*Provided, however*, That all persons authorized to administer oaths under the provision of the one hundred and fourteenth article of war or the Regulations of the Army and Navy be, and the same are hereby, authorized to administer oaths, take affidavits, and certify to the correctness of papers and documents for the purpose of the administration of this act and the war risk insurance act, as amended."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCUMBER:

A bill (S. 4318) authorizing the Secretary of the Treasury to make collections and refunds of taxes out of the proceeds of sales of property held in the Treasury; to the Committee on Finance.

By Mr. PEPPER:

A bill (S. 4319) for the relief of Adam K. Baylor; to the Committee on Claims.

By Mr. KING:

A bill (S. 4320) for the relief of Joseph F. Thorpe; to the Committee on Claims.

By Mr. WATSON:

A bill (S. 4321) granting a pension to Cora Carlin; to the Committee on Pensions.

By Mr. WALSH of Massachusetts:

A bill (S. 4322) for the relief of the owners of the barge *Havana;* and

A bill (S. 4323) for the relief of Philip T. Post; to the Committee on Claims.

By Mr. HARRISON:

A bill (S. 4324) to amend "An act to authorize association of producers of agricultural products"; to the Committee on Agriculture and Forestry.

By Mr. WILLIS:

A bill (S. 4325) to authorize the sale of certain Government property and appropriating the proceeds thereof for the erection of buildings and the purchase and installation of equipment for use of the engineering division of the Air Service of the Army; to the Committee on Military Affairs.

By Mr. SHORTRIDGE:

A bill (S. 4326) for the relief of the Fireman's Fund Insurance Co.; to the Committee on Banking and Currency.

TAXATION OF NATIONAL BANKS.

Mr. CALDER submitted an amendment intended to be proposed by him to the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, which was ordered to lie on the table and to be printed.

ADDRESS BY SENATOR ROBINSON.

Mr. CARAWAY. Mr. President, I ask unanimous consent to have printed in the RECORD, in 8-point type, an address delivered by my colleague, the senior Senator from Arkansas [Mr. ROBINSON], before the University of Arkansas upon the occasion of his having conferred upon him the degree of doctor of laws.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

ADDRESS TO UNIVERSITY OF ARKANSAS ALUMNI ASSEMBLY JUNE 7, 1922, BY HON. JOSEPH T. ROBINSON.

Senator ROBINSON spoke as follows:

STORM SIGNS ON THE HORIZON OF INTERNATIONAL POLITICS.

These ceremonies appropriately celebrate the expiration of a half century since the establishment of the university. Throughout this period it has been an essential part of the educational system of Arkansas.

No more accurate test of a civilization can be found than in its moral and educational institutions. Those States which have become glorious in all that justifies pride and patriotism have been foremost in maintaining centers of learning.

Human wisdom can no more measure the beneficial results to society derived from great schools than it can determine the evil effects of illiteracy on citizenship.

The university effectively coordinates with the common and high schools of the State. Its importance as a necessary factor in Arkansas's educational scheme is constantly growing.

Signalizing appreciation for the relationship which the university bears to the welfare and progress of the State, and the influence which it exerts on the lives and labors of our citizens, we have assembled as former students to revive the memories and renew the associations of bygone days. For many of us this is a time for retrospection. We recall labors long completed and forms that have vanished. By a magical feat of memory we bridge the chasm of the years and live again in the golden glow of life's morning sun. We wander back down the highway of life and stand at the well-spring of inspiration. We scent the incense of lost loves and disappointed hopes, like the fragrance of withered flowers ascending from long-neglected altars. We hear again the half-forgotten melodies and faintly failing rhymes of youth. We remember with mingled sadness and amusement the petty rivalries and jealousies, the successes, and the failures of our student days. We thrill at the recollection of loyal friends and devoted companions from whom we parted long ago. Fancy resurrects visions of loveliness buried beneath the débris of time.

In the charm of this presence and under the spell of these memories we consecrate our talents and resources to the upbuilding of our alma mater.

PRESENT ADMINISTRATION OF UNIVERSITY ABOVE FACTIONAL POLITICS.

Every friend of the university must rejoice in its present administration, free from the influence of selfish factions. Political control of State-fostered systems of education is logical and perhaps inevitable. Whatever the disadvantages of such control, it is attended by the reciprocal influence of the citizen and the school upon each other. There has never been a time when the authorities responsible for the government of the university have displayed more marked regard for its best interests than is exemplified at present.

While notable instances are known of leadership by uneducated men, as a rule chiefly those enjoying the advantages of college instruction have been called to prominence. In industry and in all the professions our colleges and universities have supplied leaders. It is the duty of advocates of education to expose the weakness of the methods and agencies now employed and to strengthen and improve them in every possible way. No permanent benefit will result from this occasion if our activities are confined to the mere sentimental expression of tender recollections. The unity of desire among the students and alumni of the university for higher standards of service and usefulness should communicate itself to all the citizens of our beloved Commonwealth.

American citizenship needs rebaptism in the sacred faith of the fathers who founded this Republic. Civil rights and liberty are menaced by unrestrained propaganda. We became accustomed to organized sinister influences during the war. The United States often resorted to systematic stimulation of public opinion as the most effective means for stamping out sedition and for securing loyal support of its war policies. Enlightened public opinion, when honestly expressed, forms the just basis of political policies in a representative government. Through propagandist methods excessively employed since the war every public issue has become the subject matter of misrepresentation. Wholesome public opinion is thus distorted and perverted. Institutions of higher learning are powerful factors in the formation of ideals and in the direction of economic and political policies. These great agencies of civilization have not been left untouched by propagandists. In notable instances social heresies in conflict with orthodox rules of morality and anarchistic theories violative of all just interpretations of the Constitution have found root and nourishment in American colleges and universities. Nothing is worse needed to cure the sociological neurosis prevalent among the people than well-grounded respect for the institutions underlying our civilization. Concurrently with this revitalization of American citizenship should proceed the reestablishment of respect for our Government among the peoples of the world. The influence abroad of American political institutions has been unnecessarily discredited, both through our own indecision in dealing with other governments and through the failure of foreigners to comprehend the conditions which make imperative a distinctive and independent course by the United States in international politics.

WEAK FOREIGN POLICY.

The United States has no well defined foreign policy. A contest is in progress between those who favor isolation, or nonparticipation in world affairs, and the advocates of sympathetic cooperation with other governments. The American method of dealing with international questions is often characterized by hesitation and indecision. Because of this our people are misunderstood abroad, and our Government has become unpopular throughout the world. The nations associated with the United States in the Great War condemn as selfish the neutral attitude we at first assumed, and they deplore the refusal to participate in arrangements for the peace and the rehabilitation of Europe.

It is not likely that the policy of nonparticipation in the affairs of other nations indefinitely will be continued. World conditions are changing and international relationships are constantly growing more intimate. The forces of progress compel us to deal with other peoples, and to do this intelligently we must first procure accurate information respecting the political and economic problems of other countries which vitally affect commerce and amity among nations, and then share responsibility in their solution. The United States can not enjoy immunity from responsibility incident to a policy of isolation, and at the same time obtain the benefits which can only be derived from sincere cooperation and helpful association with other peoples and governments.

The Senate justified its refusal to admit the United States to the League of Nations chiefly on the ground that membership would involve us in European politics. The 51 nations in the league regard our Government as unduly suspicious of their good faith in efforts peacefully to compose international difficulties.

Washington refused representation on the Reparations Commission created under the Versailles treaty. It seems probable that this attitude will be soon reversed and membership accepted for the necessary protection of American rights and interests. The almost hysterical insistence of the impoverished peoples of Europe that we assist in the complex task of reestablishing European finances by participation in the Genoa conference was denied by the President on the ground that political rather than economic purposes inspired the conference. However wise this action may be deemed, it is apparent that the prosperity of our own industries is intimately related to the reasonable and correct solution of problems which we have refused to help work out.

The Washington conference accomplished some things helpful to mankind in its present distress, and effected other engagements of doubtful value from the dual standpoint of international justice and the interests of the United States.

Through its deliberations a reduction was arranged in the programs for capital ship construction by the four great naval powers, Great Britain, France, Japan, and the United States.

At the same time the practical result of the conference was to give Japan naval supremacy in the Pacific Ocean and to leave the insular possessions of the United States at her mercy. The agreement not to establish naval bases or further fortifications in the Pacific admittedly has that effect. Land armament, which constitutes the chief military burden, was left undisturbed, while preparations for aerial and submarine warfare were not materially restricted.

THE FOUR-POWER TREATY.

The four-power treaty has little value to the United States. It is a distinct triumph for Japanese diplomacy. In the opinion of oriental statesmen it substitutes for the Anglo-Japanese alliance an arrangement by which the Japanese policy of expansion in the Orient, if not insured by them, may be executed free from interference by the United States, Great Britain, and France.

Articles 1 and 2 are the gist of this important document. Article 1 binds the four powers to settle by conference disputes among them respecting their insular rights and dominions and therefore adds little to existing arrangements under arbitration treaties already in force.

Article 2 constitutes a defensive alliance. It provides that if these rights are threatened by the aggressive action of any other power, the parties to the compact will communicate fully and frankly with one another in order to arrive at an under-

standing as to the most efficient measures to be taken jointly or separately to meet the exigencies of the particular situation. This, in practical effect, can only benefit the Japanese Empire. Neither the insular rights of France, Great Britain, nor the United States are in danger of attack from any outside power. Japan, however, is under the necessity of either reversing her policy or of defending against China and Russia when they revive sufficiently to strike.

JAPANESE AGGRESSION.

During the last 30 years the outstanding feature of Japanese history has been the seizure of territory and industrial concessions on the Asiatic mainland. No other nation has made material progress equal to Japan during the last quarter of a century. She justified these aggressions as necessary, to provide for the overflow of her dense population and to obtain the resources essential to development in peace and to defense in war. In nearly every instance the Japanese advance has been characterized by economic penetration supported by military power. The engagements entered into at the Washington conference, particularly the four-power treaty, are likely to encourage rather than to prevent the Japanese advance in both China and Russia, because they leave the United States, heretofore the friend and protector of these nations, in close alliance with Japan and without power to make effective protest in their behalf.

THE OPEN-DOOR POLICY.

The open-door policy, first proclaimed by the United States, theoretically has been accepted by the world as securing the territorial integrity and political independence of China, as well as admitting all nations to her commerce on equal terms. The trend of events since the beginning of the Great War, including the proceedings of the Washington conference, has been to give Japan special or paramount interest in China.

Japan seeks recognition of an oriental policy akin to the Monroe doctrine, through which she will establish and maintain a position of power and influence toward Asia and the regions of the Pacific comparable to the attitude of the United States toward the remainder of the Western Hemisphere. An important distinction exists. The United States maintains the Monroe doctrine solely for the protection of her own territory and the feebler nationalities against Old World aggression. Neither aggrandizement nor selfish benefit in any other form can come to this Government through the Monroe doctrine. In contrast, the chief object of the Japanese policy is the extension and enrichment of the Empire of the Rising Sun. Her design is to remove every obstacle to the dominance of Japanese civilization in the East, a civilization decisively antagonistic in its ideals and institutions to our own.

DENATIONALIZATION OF KOREA.

Korea loyally supported Japan as an ally in the Russo-Japanese War. No sooner was victory achieved than Japan annexed Korea, and with indescribable cruelty suppressed her institutions. The Japanese language was forcibly substituted for the Korean language, and the entire press of the nation was placed under Japanese control.

Religious intolerance, economic pressure, maltreatment of Korean leaders, educational, social, and industrial discrimination, were practiced. The Japanese police were given judicial power. In 1915 approximately 60,000 Koreans were brought to trial under police authority and only 7 were acquitted. In the four years from 1913 to 1916, inclusive, 221,000 persons were tried and only 496 acquitted.

By these oppressive measures and methods the Japanese sought to crush Korean civilization.

There is a reverse side of the picture. Official corruption in Korea was stamped out, new industries were developed, highways were constructed, agricultural and mineral production greatly increased, and the foreign trade of Korea multiplied three to one in the short period of seven years. Extensive public improvements and comprehensive economic and civic reforms were accomplished under the efficient but tyrannical rule of Japan.

A CURIOUS REVOLUTION.

About the close of the Great War and while the denationalization of Korea by Japan was still in progress, one of the most curious and romantic incidents of history occurred. A bloodless revolution, free from every form of violence, Bolshevism, and terrorism, was secretly planned by the Koreans. On the day fixed for the rehearsal of the funeral of a former Emperor more than 200,000 people came pouring into the Korean capital. A declaration of independence was solemnly drafted, in which it was declared that a new era had dawned, that the world of force had passed away, and a new world of righteousness had come. Great throngs of white-clad people in enthusiastic but peaceful demonstration marched through the streets of the capital singing the Korean national anthem and shouting "mansei" (hurrah).

The Japanese troops were called out, the paraders were dispersed, hundreds of them were trampled down, and every Korean prison filled with harmless patriots. A rule of blood and iron was enforced, resulting in the torture and murder of hundreds. Thus was merged Korea, for 2,000 years an independent nationality, into the Empire of the Rising Sun.

Korea had the assurance of Japan in the beginning that the occupation was only temporary. While her denationalization was taking place, she also had the solemn obligations of the United States and Great Britain in treaties that her territory would be respected and her independence preserved. History affords no more glaring instance of treachery. The blood of a murdered nation blots the record of Japanese progress and stains with shameful perfidy the honor of Great Britain and the United States.

THE ROMANCE OF THE FAR EASTERN REPUBLIC.

The effect of secret engagements and public events since the beginning of the war on Japanese domination of the Orient is further illustrated by Japan's attitude toward Shantung, Manchuria, and Mongolia and by her persistent occupation of Siberia.

While there has been no express repudiation of the "open-door policy," but, on the contrary, reaffirmation of it by the Washington conference, Japan unquestionably has been left secure to take whatever course she chooses in the Far East. The results of the conference are construed there as acquiescence in Japan's aggressions. It is not unlikely that the experience of Korea will be repeated in Shantung, Manchuria, and Mongolia, for no power is likely to assert itself against Japan for China's protection. China is distracted by war, and Japan, by fanning the flames of civil conflict, can execute her policy in China with little interference.

While the threat of immediate war in the Far East has been alleviated, the real causes of conflict remain unadjusted.

In Japan is the only colored race of modern times to strike an effective and successful blow at the white race. In Siberia the "yellow peril" is imminent. The four-power treaty does not mitigate, on the contrary, it aggravates, that appalling menace.

When the Russian armies, which for three years had held the long eastern battle line with courage and unequaled sacrifice, gave way before the armies of the Central Empires, the Allies asked the United States and Japan to send troops into Siberia to maintain military communication over the Trans-Siberian Railway, and to support the Czecho-Slovaks. The United States sent her quota. Japan furnished three times the number she was requested to supply. When the war ended the American troops were withdrawn. The Japanese occupation continues without substantial justification.

The only promise Japan would make to the Washington conference respecting the evacuation of Siberia was ambiguous and indefinite, giving justification for the fear that she intends to pursue the same course there which was taken in Korea. No distinction of importance can be made between the Japanese military policy in Siberia and that formerly applied to Korea.

The war produced no more gratifying result than the Far Eastern Republic. So many important things have happened recently that even the best informed have experienced difficulty in keeping abreast with progress throughout the world. Amazing ignorance exists in the United States respecting the origin, constitution, and government of the Far Eastern Republic.

It occupies that portion of Siberia extending from Lake Baikal to the Pacific Ocean. The whole of Siberia equals in area the Continent of North America. That portion which constitutes the Far Eastern Republic is about the size of the United States. The Trans-Siberian Railway bears a relation to Siberia similar to that of the River Nile to Egypt. The Far Eastern Republic comprises the largest and richest undeveloped area in the world. It has more than 60,000,000 acres of arable lands, with less than three and one-half millions in cultivation. The total population is only 2,000,000, of which 65 per cent are farmers. Three hundred million acres of forest reserve, immeasurable deposits of gold, silver, lead, iron, copper, coal, tungsten, and oil make the Far Eastern Republic rich in resources beyond the power of the mind to grasp,. Less than one-fifth of its resources have been investigated.

The Government sprang into existence with the consent of the parent authority in Russia in 1920. It is democratic in form and in fact. Sovietism receives neither support nor sympathy in this model Old World Republic. The constitution, adopted last year, provides universal suffrage and adequately safeguards individual liberty and the right of private property.

No confusion of opinion exists among those familiar with conditions in this new democracy. The elections which established the present Government were fair and free from corruption in any form. The people are law-abiding and devoted to their institutions. Finances are on a gold basis, and revenues are ample to meet expenditures.

The Washington conference left Japan in military possession of this new democracy. In the light of history there is not the slightest likelihood that she will voluntarily retire from this rich and thinly populated land which so readily affords space and opportunity for her expansion throughout the future.

Nothing in the attitude of Great Britain or France affords ground for belief that either will seek to retard the Japanese advance in Siberia. The United States have been rendered powerless effectively to protest against any aggressive course Japan may choose to take, for by the action of the Washington conference the supremacy of Japan in that part of the world is assured.

The "open-door policy" inevitably will be abandoned or rendered nugatory. Japan will retain in China all she desires of the territory already occupied, and she will advance whenever she chooses. She will undermine democracy in the Old World by destroying the Far Eastern Republic and by establishing a government by the yellow race over peoples of the white blood who aspire to the enjoyment of liberty under institutions as liberal and as glorious as Caucasian civilization has created.

MENACES OF RIVAL ALLIANCES.

The great European wars of modern times, without exception, have resulted from rival alliances.

The effect of the exclusion of Russia and Germany from the Washington conference and of the adoption of the four-power treaty was the creation of a Russo-German alliance. In the Senate debates we who opposed the treaty announced the expectation that Germany and Russia would unite. No one, however, anticipated that before the delegates to the Washington conference returned to their homes Germany and Russia would enter into an open treaty—as they did—mutually agreeing to cancel all claims for damages against each other, and to pursue an amicable policy for the promotion of their commerce and industries.

The statesmen who controlled the Genoa conference frantically denounced this arrangement and threatened to penalize Germany and Russia by limiting the authority and privileges of their representatives in the conference. The Reparation Commission, however, decided that the treaty in nowise interferes with its jurisdiction. The formation of the four-power alliance by the Washington conference already has resulted in a rival alliance between the two outcast nations, who have balanced their books, become fast friends, agreed to forget the past and to work together in the future.

This apparently generous and wholesome arrangement effected by open treaty does not tell the whole story. On the 8d of April Germany and Russia entered into a secret military alliance by which the former agrees to supply the red army with weapons and materials necessary to equip the 180 regiments of infantry and 20 infantry divisions of heavy artillery. The German general staff undertakes to reorganize the Baltic and Black Sea Russian fleets and immediately to supply 150 wireless equipments and 500 new airplanes. The Russian Army staff guarantee the establishment of factories in Russia for the manufacture of poison gas, airplanes, and arms, and agrees to maintain not less than 18 infantry and 8 cavalry divisions on the west Russian border.

Russia even now, while her people are suffering from famine and civil war, has a well-trained army of 1,400,000 men. The population of Germany and Russia aggregates 240,000,000. If Japan continues her present course toward China, Germany and Russia inevitably will bring China into their alliance. When this occurs, if it ever does, when China, advised, organized, and trained by German and Russian officers, awakens from her age-long slumber, her people like numberless yellow ants may swarm out in every direction and threaten civilization. The day is not distant when Japan will be held to account for every wrong she has inflicted upon China and Russia. Whether or not China combines with Russia and Germany, Japan can not long prevent efforts of the white race in Siberia to throw off her yoke.

DISCORD BETWEEN THE UNITED STATES AND JAPAN.

At no time during the last 10 years has complete accord subsisted between the United States and Japan. There have been threats and counterthreats, with secret preparations for possible conflict.

Unquestionably this Government should make every concession consistent with national honor and justice to other friendly powers to establish amicable relations with the Japanese Empire. Further than this we need not, should not, go.

No justification exists for a policy toward Japan in conflict with the fixed convictions of our people concerning the differences between the two Governments.

Frankness in defining the American position, even if it annoys Japan, will avoid the breach certain to occur if we mislead her to believe that the United States ever will tolerate, much less approve, the Japanese position touching immigration, land ownership, and race equality. All these are domestic questions which the American public rightfully may determine without intervention by any foreign power.

International law recognizes as indispensable to national autonomy the exclusive right of every nation to determine its domestic questions. The Congress will decide who shall be admitted to the United States. Each State will settle for itself the conditions of land ownership within its limits. The Japanese demand for recognition of race equality raises social issues and antagonisms which originate in the natural instincts of human beings and which, therefore, can not be adjusted by treaties or by statutes. The American people regard the Caucasian as the moral and intellectual superior of the Mongolian race, and they would condemn as contemptible and treacherous any course of dealing with Japan which would involve this well-defined conviction in uncertainty or compromise.

The Washington conference necessarily left these domestic questions unsettled. However, the tension because of them has been relaxed through the gratification of Japah at our acquiescence in her oriental policy.

The controversies of international character which heretofore have disturbed amity between the United States and Japan relate to the Asiatic mainland and were adjusted in the Washington conference to please the Japanese.

Whatever may be the technical construction of the language employed, the effect of the four-power treaty in world politics has been to make the United States an ally of Japan and consequently to attract against the United States the suspicion and mistrust which Japan's aggressions have stimulated everywhere.

How hesitating and difficult has been the moral progress of humanity throughout history! Ignorance, prejudice, and suspicion have prevented the adoption of practicable methods among nations for the prevention of wars. The best, indeed the only comprehensive, plan yet suggested for preserving world peace is the League of Nations, in which are combined 51 powers mutually pledged to respect and preserve the territorial rights and political independence of one another.

The United States rejected membership in this organization and allied themselves with France, England, and Japan, the three nations in the league whose domestic conditions and foreign relations are most likely to occasion war.

When the armistice was signed mankind, wounded, impoverished, grieving, prayed for protection against the foolishness and barbarism of war. American statesmanship signally failed. It proved impotent in the presence of the supreme opportunity to glorify victory by safeguarding against the catastrophe of future world conflict. Through the pitiable failure to grasp that opportunity American statesmen shamed the memory of those who fought and died that wars might end and that peace might abide.

These recent mistakes in our foreign policy occasion disappointment; they do not justify despair. In the clear light of subsequent events it is often less difficult to discover errors than to anticipate them. Great problems do not present clear alternatives of choice and action. They appear clouded with confusion, enveloped in prejudice, and distored by falsehood. Vital issues rarely can be solved by logical process or patent plan; usually they are worked out in devious ways and by manifold forces often difficult to define.

In spite of mistakes and indecision in foreign policy, our Government has emerged from the smoke and thunder of world conflict strengthened and fortified in the patriotism of its citizens. Slowly the storm clouds are disappearing, while rainbows of promise beautify the skies.

Our people advance hopefully, if with faltering leadership, to the fulfillment of destiny; the exemplification of loyalty and devotion to liberty, justice, and enlightenment; the manifestation of sympathy, helpfulness, and candor in our relations with foreign governments.

ADDRESS BY SENATOR BALL.

Mr. McNARY. Mr. President, on January 9, 1923, the able Senator from Delaware [Mr. BALL] delivered a very interesting and thoughtful address at the Bellevue-Stratford Hotel, Philadelphia, before the Veterans of Foreign Wars. I ask unanimous

consent to have it printed in the CONGRESSIONAL RECORD in 8-point type.

There being no objection, the address was ordered to be printed in the RECORD in 8-point type, as follows:

A FEW RAMBLING THOUGHTS.

Senator BALL spoke as follows:

"Just one month ago to-night I attended a banquet at this hotel, given by the Society of the Sons of Delaware, of Philadelphia, celebrating the one hundred thirty-fifth anniversary of the ratification of the Constitution of the United States by my State, Delaware. At that dinner Mr. Irving Bachellor, one of our leading authors, was one of the speakers, his subject being 'What is the matter with America?' Since the recent election I had feared the American people had held, at least to some considerable extent, the United States Congress responsible for our shortcomings. But Mr. Bachellor told us the fault was in our American homes, that the families lacked the strong executive head that they in our earlier day possessed, and that the boys and girls were not given the lessons of obedience nor taught the importance of industry that was ground into us as youngsters. This discourse so impressed me that I have given some study to our general conditions, with the idea of ascertaining how much of this discontent can be traced to the failure of Government agencies to properly function. We are all well aware that things are not normal, that there is a general feeling of discontent—a feeling that certain branches of the Government are not functioning as they should. Our Government is of such a nature that to get the best results it must be a Government by parties, the party in control always being held responsible for the results. If everybody is prosperous and content, that party receives the commendation. If the country is not prosperous, then that party must accept the criticisms and the responsibility. But in my short legislative experience I have learned that it is sometimes very difficult to enact important legislation—legislation that the party in power deems essential for the carrying out of its policies, though they may have a reasonable majority in that body.

"This condition as to the personnel of our legislative bodies would cause us to conclude that the method of selecting the candidates for the various offices by the great political parties is not entirely satisfactory. The last few years there has been a tendency to change from the old convention plan of nominating to what is termed the direct primary. In the old convention plan, by the common primary, the parties elected delegates to a convention, and that convention, after due deliberation, selected the candidates to be voted for at the general election. The charge was made against this method that a few strong men could control that convention and thus nominate the ticket, and that these few men, in making those nominations, made them for their own advancement and not for the general good. In other words, the cry was made of 'boss rule.' The people in their might determined to overthrow this situation; and as a result of this campaign, claiming, as they did, that it was in the interest of the masses against the classes, the convention method of nominating gave way to the popular method of direct primary, where the people themselves make these nominations. If this were strictly a democratic form of government, this would seem to be the proper way to make these nominations; but ours is a republican government, a representative government, where certain power is delegated by the people; and in delegating this power our forefathers no doubt saw the evils of the strictly democratic form.

"I have absolute confidence in the integrity and wisdom of the majority of the American people, and if the direct primary enabled the majority of a party to nominate their candidates, I would be an advocate and loyally support that method of making nominations. But in practice we find the majority of the party is generally defeated, and that a minority make these nominations. If there were but two candidates for any particular office, then one or the other, of course, would receive that majority, but in practice we find there are generally many more than two candidates, and frequently the man receiving the plurality—and thus the nomination—will not receive more than one-third or one-fourth of the total vote. We find further that the loyal party supporters, the people who believe in the principles adopted by that party at its national convention and for which it has stood for the years past, divide their vote among three or four candidates representing the party principles, while probably one candidate, professing to be a Republican or a Democrat but whose principles differ from either party, will receive the solid support of a class which frequently is sufficient to make the nomination over any of the true loyal men. Thus the will of the majority is defeated, and the minority representative becomes the candidate.

"If this were not a government by parties, probably this would not be so serious a matter. I firmly believe that our Government, if its success, certainly if its efficient functioning, depends upon parties, the direct primary, as I have described, destroys the power of parties to legislate, and permits a few by a combination with the minority party to either defeat legislation entirely or to prevent the carrying out of the policies for which that party stands pledged and for which the people at the previous election gave their vote.

"This causes general dissatisfaction, and the party is charged with using platform pledges only to win votes when in reality that party is probably conscientious and loyal to its principles but utterly helpless when it comes to vote those principles in proper legislation. If our Nation is safer in the hands of individuals with no party vouching for their acts—with nobody with a future depending upon the result of its acts—then the direct primary probably may work out the ends that its advocates claim for it; but if we are to depend upon party government, and hold the party in power responsible for its acts, thus making the party's future dependent upon the carrying out of those acts, then, in my judgment, the sooner we get back to the convention form of nomination, the sooner will our Government be as it was intended, a government by parties, and the party in power able to legislate and meet the demands of our Nation.

"In nominating the delegates to attend a convention which names the candidates for the representative offices, the people have, in the naming of these delegates, their choice in this selection.

"The real object of any form of primary is, or should be at least, to select the very best available man of the party who can be obtained to fill that office; for certainly the more patriotic and capable the official, the better will be his administration.

"Thus, my greatest objection to the direct primary is its tendency to destroy parties and party power. I do not claim that when a party outlives its usefulness that there is any excuse for its being continued, but in that event it should be replaced by another party more nearly representing the sentiment of the people at that time, otherwise we can have no permanency in our financial, economic, or industrial conditions.

"It is impossible to conceive of a House of Representatives, composed of more than 400 Members, each elected upon his own platform and fighting for the principles for which he stands, to accomplish any legislation, and should by combination any legislation be passed, would there be an assurance of its permanency?

"There is nothing that affects the prosperity of a nation more than uncertainty as to its important policies. Without parties all would be chaos and our Government could not function.

"Another serious objection to me to the direct primary is that it enables the cities with their dense population to always hold the power in making nominations, and thus the rural districts with their important farming interests find themselves without the representation essential for properly protecting their interests, where the vote is taken by the entire State, and certainly there is no interest of greater importance to general prosperity than is the producer of foodstuffs.

"I believe it is the duty of every American citizen to freely criticize the policies of this Nation when he believes those policies wrong, and he can suggest legislation that will correct these evils, but to always find fault, to always criticize and tear down without suggesting something better seriously interferes with our return to normal conditions. Conditions may not be as satisfactory in this country as we would desire, probably as the majority of the American people think they should be, yet the United States is in infinitely better condition than is any other nation of the world. Congress has enacted much legislation for which the party stood pledged, but where it has failed to fully meet the expectations of the people who voted that party in power, this failure is traceable to the direct primary. The rights of a minority party must always be protected, but for successful legislation the majority party must be able to legislate—must be able to carry out its pledges to the people—if that party is going to bring prosperity and happiness to our American people.

"I realize that by taking this position I shall be termed a reactionary and ultra-conservative. I am sufficiently conservative not to follow those policies which to me seem to be driving our Nation too far into the unknown."

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Mr. FERNALD. Mr. President——

Mr. JONES of Washington. Mr. President, there are Senators absent who want to be present when the Senator from Maine is speaking. Therefore I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fernald	Lodge	Reed, Pa.
Ball	Fletcher	McCormick	Robinson
Bayard	Frelinghuysen	McCumber	Sheppard
Borah	George	McKellar	Simmons
Brandegee	Glass	McKinley	Smith
Broussard	Hale	McLean	Smoot
Bursum	Harreld	McNary	Spencer
Calder	Harris	Moses	Sterling
Cameron	Harrison	Myers	Sutherland
Capper	Heflin	Nelson	Townsend
Caraway	Jones, N. Mex.	New	Underwood
Colt	Jones, Wash.	Norbeck	Wadsworth
Couzens	Kellogg	Oddie	Walsh, Mass.
Culberson	Kendrick	Overman	Walsh, Mont.
Cummins	Keyes	Pepper	Watson
Curtis	King	Phipps	Weller
Dial	Ladd	Poindexter	Willis
Dillingham	La Follette	Pomerene	
Ernst	Lenroot	Ransdell	

Mr. LA FOLLETTE. The Senator from Nebraska [Mr. NORRIS] is absent from attendance upon the Senate because of a death in his family. I wish that this announcement may stand for the day.

Mr. SMOOT. The Senator from Wyoming [Mr. WARREN] is engaged in the work of the Committee on Appropriations.

The VICE PRESIDENT. Seventy-four Senators have answered to their names. A quorum is present. The Senator from Maine will proceed.

Mr. FERNALD. Mr. President, on yesterday afternoon I endeavored to occupy the floor with a few brief remarks, but there were before the Senate matters of such very great importance to the farmers of the country that I was very glad to yield for their consideration. First of all was the matter of a little appropriation of $10,000 asked by the Senators from Louisiana for the eradication of a disease that has struck the sugar-cane section of their State and other States of the South, and which appealed to me as a most worthy object. I was glad, indeed, to yield for that purpose, although a point of order was very properly made and sustained against the amendment in the form in which it was presented. I am very glad that the Senator in charge of the Agricultural appropriation bill [Mr. MCNARY], with his usual courtesy, very willingly offered to take the matter up with his committee, and I understand that this morning a report is to be made recommending the allowances asked for.

The amendment which I am about to offer is of a most unusual character; in fact, so unusual that I think possibly it will interest the people of the entire country, because it is very rare for a Senator to rise in his place and ask that an appropriation be stricken from a bill. While Senators spent the latter part of yesterday afternoon discussing appropriations asked for and needed by the agriculturists of the country the amount of those appropriations did not exceed $250,000. The appropriation which I shall ask to have stricken from the bill is sufficiently large that the whole amount asked for for the Department of Agriculture, even though the appropriations discussed yesterday may be allowed, will be much less than the total recommended by the committee.

As the subject of my text I want to refer back two years, or perhaps a little more, to a matter which was under consideration by the Senate and was very carefully considered at that time. For two sessions of the Senate I was very glad to oppose the measure which was finally enacted into a law by the Senate and the House. In order that it may be well understood, I want to read just what was said by the proponents of the measure as to the reasons given why the bill should be enacted into a law. The Senator from Iowa at that time, Mr. Kenyon, the sponsor of the bill, said in presenting it—and I am reading his exact language—

> The justification for any such measure as this at all is in the report of the Federal Trade Commission showing what has been done in the way of combination among the packers.

He further said if there was no reason for supposing that there had been a combination, the enactment of this law was entirely unnecessary.

President Wilson in 1917 asked the Federal Trade Commission to make a careful investigation of the business of the five big packers of the West. The Federal Trade Commission made such an investigation and reported thereon, and the report was about to be acted upon when the bill referred to was presented to the Senate and the whole proceeding turned from the Federal Trade Commission to the Agricultural Department.

The purpose of that bill, as then stated, was to prevent any great deals or combinations between the five packers, which, it was stated, were likely to be consummated. Up to that time no deal had been made and no combination had been entered into by the large packers of the country. Hardly, however, had that bill been passed before two of the great packing companies of the country began to negotiate for a combination; and since the enactment of the bill the greatest combination of commercial enterprises which was ever conceived in the world's history has been consummated. So, despite the alleged reason and purpose for the enactment of that law, it has proven ineffective and altogether unnecessary. That deal has been consummated and the bonds issued under it have been sold within the past week.

It was further stated that it was necessary to take from the five large packers the control of the stockyards where the cattle were sold, and a commission was formed to bring about that result. After the expiration of two years nothing has been done, and the packing yards are in precisely the same position that they were at the time of the enactment of the law.

Another object of the bill was—and that has been attained—to prevent the large packers from merchandising goods outside of those produced in their packing plants. That purpose of the law has been effectuated at a cost to the farmers of the country of more than $500,000,000 last year. The big packers in the sale and distribution of their meats all over the country, shipping in carloads, can use only 65 per cent of the space in their cars, while the remainder of the cars may be used for other purposes. In dealing in so-called unrelated commodities the packers came in competition with another class of business men. The law prevented their dealing in unrelated products, and in so doing it stopped the sale of those products of the farmers.

Further than that, the sponsor of the bill stated that the execution of the law would be very inexpensive; that it was not going to cost anything; that it could be executed by the Department of Agriculture with the clerical force which they already had in the department. Mr. President, standing right where I now stand, I remember, as Senators on the other side of the Chamber will remember, that I stated that the first appropriation would be at least $200,000, and that, inasmuch as the Republican Party was then in power, it would provide places for 60 deserving Republicans. I do not take any special pride in referring to anything I may have said as enabling me to remind Senators, "I told you so," but, as a matter of fact, I came numerically within five of the number of officials which it has required to enforce that law. It took 55 officials, at salaries on an average of $3,000 per annum, and $30,000 for office expenses.

Last year the appropriation asked for was $200,000. This year, under the pending bill, $410,000 is asked for. That means that in less than five years we shall be building up in the Agricultural Department another great bureau at an expense of more than $5,000,000 to the country, a bureau which will not benefit the farmers of the country a single cent, but which will be distinctly to their disadvantage.

Mr. MOSES. Mr. President——

The VICE PRESIDENT. Does the Senator from Maine yield to the Senator from New Hampshire?

Mr. FERNALD. I yield.

Mr. MOSES. Has the Senator from Maine made reference to the assurances which the Senate received when the bill was passed that its administration would involve no expense to the Treasury?

Mr. FERNALD. I have just referred to that, I will say to the Senator from New Hampshire. It was stated on the floor on this side of the Chamber that the bill, if enacted into law, would be inexpensive; that it could be enforced by the Department of Agriculture through the officials already in the department, and that no extra expense need be involved.

Mr. MOSES. May I ask the Senator further if he has spoken at all of the contemplated combinations that are now in process of formation and which were to be entirely prevented by the mere enactment of that legislation?

Mr. FERNALD. Mr. President, I stated that such a combination was never dreamed of until the passage of that law, and now, as every Senator on this floor knows, the greatest combination of capital which has ever been known in the world's history, with two exceptions, has just been consummated and its bonds have been sold.

Mr. FLETCHER. Mr. President——

Mr. CARAWAY. Will the Senator from Maine yield to me?

Mr. FERNALD. I yield to the Senator from Florida [Mr. FLETCHER], who first rose.

Mr. FLETCHER. I merely desire to ask the Senator from Maine, who has stated that the appropriation of $200,000 came within 5 of giving 60 deserving Republicans good jobs, for how many will this proposed increase provide?

Mr. FERNALD. It will increase the number to at least twice as many, and it will make places for Republicans. I do not assume that the Republicans are any worse than are the members of the party of my friend from Florida. Under this legislation, if our Democratic friends should come into power, I should expect every one of these officials to be turned out and Democrats substituted for them. What I claim, Mr. President, however, is that we have gone far enough with mischievous farm legislation.

Mr. CARAWAY. Mr. President——

Mr. FERNALD. I yield to the Senator from Arkansas.

Mr. CARAWAY. Before the Senator gets away from the combination between the Armour Co. and the Morris Co. let me ask him, Does the Senator think it was a bad thing to bring about such a combination?

Mr. FERNALD. No; I do not.

Mr. CARAWAY. Then, the Senator is not complaining about that?

Mr. FERNALD. Not at all.

Mr. CARAWAY. I was merely going to suggest that the Secretary of Agriculture has assented to it, has he not, and also the Attorney General?

Mr. FERNALD. I do not know; but I do know that the bonds have been sold.

Mr. CARAWAY. The Senator knows it could have been prevented by the administration, if it had seen fit to prevent it, under the law, does he not?

Mr. FERNALD. I presume so. Right in that connection, however, let me say——

Mr. WATSON. Will the Senator allow me to interrupt him a moment?

Mr. FERNALD. Let me answer the question of the Senator from Arkansas first; I desire to carry that idea a little further along. Whenever the Government interferes with any business in this country there always follows an increase in the price of the products of that particular business. I remember back in 1910, when we first began to use automobiles and gasoline engines on our farms in New England, the farmers made a contract with the Standard Oil Co. of New York to deliver gasoline on the farms in Maine for 11 cents a gallon. We undertook to disintegrate and divide up the Standard Oil Co., until to-day there are some 28 or 29 Standard Oil companies, and the price has advanced just about half a cent a gallon every time a new company has been formed, until to-day it is 27 cents a gallon.

Mr. CARAWAY. May I ask the Senator a further question?

Mr. FERNALD. I shall be glad to yield.

Mr. CARAWAY. If regulation upon the part of the Government is responsible for the increase in price, the Standard Oil Co., then, ought to have been for Government regulation, ought it not?

Mr. FERNALD. The units of that company ought to have been held together. Let me say to the Senator along this line that the great packing companies of Chicago had built up an enormous business in other products than meat products which they produced. Why were other men who were interested in lines of business which came in competition with that of the five great packers desirous to have the packers abandon that field? Was it because the packers were selling goods at a higher price to the consumers of the country? Certainly not; it was because they were delivering goods to the consumer at a much less cost than could be done in any other way. They bought goods in large quantities. Everyone who knows anything about the canning business knows that the larger the order the lower the price. An order for 10,000 cases of goods can be packed much cheaper than an order for 1,000 cases. The packers bought their goods not by carload lots but by trainloads from California to Maine.

Mr. KENDRICK. Mr. President——

Mr. FERNALD. I will be glad to yield in just a moment. Because of the exceedingly large quantities which they purchased they bought at a very low price, and they bought on a cash basis, so that a canner in Maine who took an order from one of the large packers knew that the moment the goods were loaded on the car the draft would be sent to him. Now I yield to the Senator.

Mr. KENDRICK. Mr. President, I wish to ask the Senator if he is mindful of the fact that the consent decree under which the packers agreed to abstain from handling groceries and other unrelated commodities was not a part of the so-called packers control act and had nothing whatsoever, so far as I recall, to do with that act? The Senator remembers that the two things were entirely separate; that the consent decree was the act of the court, while the packers control act was the act of the National Legislature.

Mr. FERNALD. Yes; but the unrelated activities of the packers came under the provisions of the bill to which I have referred and those activities were stopped; the packers were prevented from selling groceries and from selling canned goods outside of those produced by them. I remember, as the Senator from Wyoming must remember, and if the Senators from California were present they would recall, that farmers and fruit growers came here from California and begged that the decree might be set aside, for it made a difference of $40,000,000 worth of goods to the State of California alone and affected every other State in the Union. Just so long as we proceed along these lines, placing obstructions in the way of business, just so long will the farmers suffer. From the time a commodity is produced on the farm until it is placed on the table of the consumer every single obstruction that is placed in the way of any intermediate transaction comes home to the farmer; he has to settle and receive a lower price for his goods.

Mr. KENDRICK. Mr. President——

Mr. FERNALD. I yield further to the Senator.

Mr. KENDRICK. I wish to ask the Senator if he has any definite reason to believe or any information to the effect that the great packing houses are now complaining that the present packing law is a detriment to their business?

Mr. FERNALD. Mr. President, the packers got exactly the bill they wanted to get. I remember that the senior Senator from Wisconsin [Mr. LA FOLLETTE], standing where I am now standing, held up that bill and told the Senate that it was the bill which the packers wanted. The Senate, however, had determined to go after somebody; somebody had been successful in business and they were determined to punish somebody. That is what we have been doing for the last four years—trying to punish everybody in business.

I repeat, the packers got exactly the bill they wanted; and the Senator from Wisconsin, standing right here—and sometimes he is a little troublesome to this side of the Chamber, and I do not always agree with him—held that bill up to the Senate and said, "There are 10 provisions which have been written in this bill with a sharpened lead pencil by an agent of the packers themselves. I know the packers want this bill as it is." I told the Senate at the time that they would be entirely satisfied with it. They have made just as much money selling meat as they would have made if they had to do a little more work and handle groceries.

Mr. CARAWAY. Mr. President——

Mr. FERNALD. I yield to the Senator from Arkansas.

Mr. CARAWAY. I should like to ask the Senator a further question. When the packers handled groceries, canned goods, and so forth, they shipped them in their own cars, did they not?

Mr. FERNALD. Yes.

Mr. CARAWAY. And that practically amounted to a rebate; so that they had their goods handled cheaper than any grocer could have his goods handled?

Mr. FERNALD. They did.

Mr. CARAWAY. Is the Senator willing that rebates shall be given to the packers in order that they might destroy all other people engaged in the distribution of groceries?

Mr. FERNALD. I am very glad to answer my friend from Arkansas. I want everybody in this country to have the right to deal in any commodity that is produced here, and especially farm products. I will say to the Senator, however, that in the instance cited it did not amount to a rebate. The packers were merely loading their cars to capacity, and they afforded the best avenue for the distribution of farm products that has ever been conceived. The business had been built up during the course of 50 years, but with one stroke of the pen we destroyed it. If the law shall be repealed to-morrow, as I hope it may be, it will take 10 years for the farmers to begin to get back to where they were when the bill was passed. The law has destroyed the market which had been created.

Mr. CARAWAY. Mr. President——

Mr. FERNALD. I yield further to the Senator from Arkansas.

Mr. CARAWAY. I thought the Senator said in answer to the first question that it was a rebate. Now he denies that it is.

Mr. FERNALD. Oh, well, it is not a rebate; it is simply using the entire capacity of a car.

Mr. CARAWAY. Yes, sir; and by that means they got cheaper transportation for their goods than the wholesale grocer could have gotten for his, did they not? If that is not a rebate, what is it?

Mr. FERNALD. Oh, well, in some instances they were delivering goods to the consumer at a less price than the wholesale grocer—only in some instances—because wherever a wholesale grocer could send a full car of goods he could get just as low a price; but it is not expected that a retail man down here who buys 10 cases of canned goods could buy them at the same price that a man who bought a thousand cases or a carload could buy them.

I yield now to my friend from Minnesota.

Mr. KELLOGG. Mr. President, did I understand the Senator to say that at one stroke of the pen Congress destroyed that business of the packers?

Mr. FERNALD. It destroyed that part of the business. It destroyed the part that was of interest to the farmers of the country.

Mr. KELLOGG. Very well. Then, as I understand also, the Senator says the packers wanted it destroyed?

Mr. FERNALD. They were perfectly willing. The packers are quite satisfied with this bill. They make just the same percentage that they did before. They were obliged to do a little more work before.

Mr. WATSON. Mr. President, why should they not be satisfied, when under its provisions and since its passage they have made the greatest combination among them that was ever known?

Mr. FERNALD. Absolutely; and, Senators, if it is to be the policy of this Government to start out on all these different tangents, legislating for classes, building up bureaus down here, by and by there will not be any farmers. Why, only a few years ago we started two other commissions, with five men. To-day there are 2,200 in one commission and some 1,200 in another, and we have to build buildings here for their accommodation. We have not room enough. The streets of Washington are crowded with people who are in these different bureaus.

What I claim is that everything that is done by this bill could have been done by the Federal Trade Commission. They have all the facts in the case. They have all the law necessary under the Sherman antitrust law and the Clayton antitrust law. No combination of capital of such an enormous amount ever was conceived until this bill was passed, and now every man in the Senate knows what is going on here.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. FERNALD. Very gladly.

Mr. KENDRICK. I want to ask what combination of capital under the packer control act the Senator refers to.

Mr. FERNALD. I am not a lawyer, as the Senator knows; but I simply know that $60,000,000 worth of bonds were offered by one of the large concerns which has just combined with another one of the large packers, cutting down the number to four, and the bonds have been sold. I know that. I do not know what provision there is in the bill, but I know that the packers are quite satisfied with this bill.

Mr. KENDRICK. Will the Senator yield for a statement?

Mr. FERNALD. Yes; certainly.

Mr. KENDRICK. I just want to say that the $60,000,000 referred to was not an increase of capitalization growing out of a combination. It was a refunding plan, and up to this time there has been no merging of any packing-house interest. There has just been discussion of it.

Mr. FERNALD. Yes; I understand that it is now under consideration by the Agricultural Committee; but, long before any investigation by the committee was started, all the details of this deal were known to every business man in the country, and why do they want $60,000,000 in bonds if they are not going to enlarge the business?

Mr. KENDRICK. Mr. President, I can inform the Senator. I think the Senate ought to know. This $60,000,000 is just to refund a debt incurred during the war at a higher rate of interest. I think it might very well be made plain. This great packing company is attempting to reestablish its business under the great difficulties of the times through which we are all passing, and in no sense of the word does it involve an increase growing out of a combination. It just transfers from an obligation that much of capital to capitalization of the business.

Mr. FERNALD. The Senator is a very intelligent man, and a very lovable character——

Mr. KENDRICK. I thank the Senator.

Mr. FERNALD. But I am sure he has been reading the daily papers for the last month and knows what is going on in the business world; and he knows to-day that representatives of the great packing houses are in Chicago, and, if I mistake not, they are in this city on this very purpose, taking it up with several of the committees here; but the consummation has been made.

Mr. KENDRICK. On what purpose?

Mr. FERNALD. To see whether Congress, now that it is all done, will ratify the proceedings, I suppose.

Mr. KENDRICK. If that be true, I have no information to that effect.

Mr. FERNALD. The Senator certainly has been reading the daily papers. All I want is for the farmers of this country to know who their friends are. It is not necessary for a lot of swivel-chair farmers, who would not know corn from beeswax, to come up here and tell the Senate what is needed, and how many bureaus are needed here, and how we must broaden the activities of these bureaus and every year double up, first, one hundred, then two hundred, and now in the second year asking for four hundred and ten thousand dollars; and yet the Senate spent the whole afternoon yesterday trying to determine whether a little appropriation of $10,000 should be given to eradicate some disease that affects the cane-growing belt in the South. Let the farmers of this country know that every dollar of this is absolutely wasted. Let them know who are the real friends of the farmer. Let them know that there are a few of us here who are trying to economize.

Senators, why do we talk about economy all the time and still go on increasing the appropriations? Here is an opportunity to strike from the bill almost half a million dollars that is useless and wasted; and if this bill goes through, in about two years we will have to build another large office building here to accommodate this particular bureau. We increase these things from time to time; and if you on the other side want to make positions for another 125 deserving Republicans, go ahead and pass this bill, and let the farmers know what you are doing.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. FERNALD. Certainly.

Mr. CARAWAY. Judging by the last returns, where would we find the 125 deserving Republicans?

Mr. FERNALD. You will find them in Maine. That is about the only place now.

Mr. CARAWAY. That is the only place where there are any left.

Mr. FERNALD. We have a few left down there. It is fortunate that this comes now, because if it had been two years ago, under the Democratic administration, you could not have found one in any State. But, my friends, what I want the people of this country to know is that we are trying to economize; that we are not going to start out on any new proposition here; that we do not propose to increase these appropriations. If they had come here and asked for a reasonable amount, that might have been another thing; but it is the same old story. They start in with four or five people, and every one of them has to have a stenographer in the first place; then they have to have roll-top desks; then they have to have offices in some building; then they have to have assistants; and then they must have experts. Everything that is contemplated to be done in this bill can be done by the Federal Trade Commission, who have expert attorneys, expert accountants, expert auditors, expert men in every department, that are able to carry out the provisions of this bill. All I ask is that we repeal that law, now that we know that it is an injury.

You say, "How does it affect the farmers?" It affects the farmers very little in regard to the $400,000 that is asked for. I realize that a man here speaking in terms of hundreds of thousands of dollars does not get much attention from the country. A few hundred thousand dollars does not make much difference. In the State of California alone, after this bill was passed, the fruit growers there came down here—representative men, farmers and fruit growers—and begged that a decree be made whereby they might sell their products as they had been selling them, through the regular channels. I want to say, Mr. President, that whenever the Government of the United States undertakes to interfere with any business, blocks in any way the progress of distribution, or undertakes to change the methods of the distribution and sale of products, it always affects the farmers. They are the men who are finally taxed; and not only in California but in Maine farmers cut down their acreage last year because they had no sale for their goods.

It is quite an undertaking to start out and get a market. You would be astonished if you should go down here to the grocers

of this city and undertake to sell them any particular product. First of all, they would want to know what you knew about that product. Then they would want to know if it had been on the market. They would want to know all about it, and it would be the hardest thing in the world. It takes years and years to build up a business of that character, and when this bill was passed it stopped that method of distribution.

I want the farmers of the country to understand that this is an expensive thing; that it is a useless, wasteful piece of legislation. I want them to understand that what we mean to do in this country is not to interfere with business and try to punish everybody who is undertaking to carry on business, but to be helpful. Let us pass some legislation and try to help somebody or something.

Mr. KENDRICK. Mr. President——

Mr. FERNALD. I yield.

Mr. KENDRICK. I call the Senator's attention once again to the fact that the distribution of these products in connection with the unrelated products was stopped by the consent decree months before the other bill became a law.

Mr. FERNALD. I have not the date, but I do not recall that that was the case.

Mr. KENDRICK. I think the Senator will find that to be true; and if the present packer control bill deals with it, it only deals with that question in conformity with the consent decree.

Mr. FERNALD. As I recall, nothing of that kind was presented—in fact, I am certain about that—until after the passage of this bill. Then the whole thing came up, and it was finally turned over to the Department of Agriculture. The Federal Trade Commission were about making and had made an investigation. That investigation stopped entirely after the passage of this bill. What I want to do now is to turn this business right back to the Federal Trade Commission. The Senator knows that under the Sherman antitrust law there is plenty of law whereby the Federal Trade Commission can punish any combinations in restraint of trade.

Mr. KENDRICK. Does the Senator recall the fact that the packers wished to be relieved of the authority of the Federal Trade Commission and have it transferred in this way?

Mr. FERNALD. Yes; I do.

Mr. KENDRICK. That would indicate that nothing in the law has proved damaging to their business.

Mr. FERNALD. I recognize that the packers are very well pleased with this bill.

Mr. WATSON. Mr. President, will the Senator allow me to ask my friend from Wyoming a question?

Mr. FERNALD. I yield.

Mr. WATSON. He is a great cattle grower, and familiar with the practical side of this matter. I want to ask him whether or not, in his opinion, speaking from his experience, the passage of the act that we passed with regard to the regulation of packers a year or two ago has really been helpful in any way?

Mr. KENDRICK. Mr. President, if the Senator will indulge me, I shall have a word to say at the first opportunity on that particular point in connection with this appropriation; but, as a reminder to the Senator from Maine, I want to call his attention to the fact that the consent decree was put into effect by Attorney General Palmer, and that the packer control act was passed after the change of administration.

Mr. FERNALD. I admit that is so.

Mr. KENDRICK. May I not ask the Senator from New York [Mr. WADSWORTH] if his recollection on this point is to that effect?

Mr. WADSWORTH. Of course, it is common knowledge that the act was passed after the consent decree was entered.

Mr. KENDRICK. And the consent decree was in effect before the packer control act became a law?

Mr. WADSWORTH. Oh, yes.

Mr. SIMMONS. The packer control act was passed August 15, 1921.

Mr. FERNALD. Let me ask the Senator from Wyoming a question. What was the objection to the packers handling groceries and other products?

Mr. KENDRICK. The Senator will find in the discussion on this floor, as I recall, no statement of mine opposing that economic distribution. I always insisted, in our committees and in other places, that it was unwise to impose upon the packers any restriction that would interfere with economic action. I had no such plan or purpose in my legislation, and refused, in fact, outside of the Chamber, to include that provision in the bill.

Mr. FERNALD. Does the Senator think it would be a wise thing to stop the drug men from selling cigars? That would be the same class of legislation. Would it be a very wise move to stop grocers selling medicine?

Mr. KENDRICK. I would place no such restrictions on any business.

Mr. FERNALD. The Senator and I agree on that. No restrictions ought to be placed on any kind of business. Now I want to read from a speech of the Senator from Iowa.

Mr. KENDRICK. I insist that the packers control act does not do that, but it was the court's decree that did it.

Mr. FERNALD. The Senator thinks it would be a wise thing to set that decree aside, does he not?

Mr. KENDRICK. That is a matter I have not considered. If the Senator wants a direct answer to that question, I have this to say, that I think the entire packing-house situation should be let alone, let go ahead in a normal way, like any other business.

Mr. FERNALD. The Senator agrees with the packers.

Mr. KENDRICK. I do to that extent.

Mr. FERNALD. I have just said that the Senator from Wisconsin [Mr. LA FOLLETTE] in his place here said that 10 provisions were written in with a sharpened pencil by one of the agents of the packers; that it was exactly the bill they wanted. What I want to say is this: That the farmers of this country have worked under a disadvantage every day since that law was enacted, and not only has it cost this Government this year an appropriation of $410,000—which is an absolutely useless expenditure of money—but it stopped the marketing and distribution of more than $500,000,000 worth of farm products in 1922.

Mr. CARAWAY. In the interest of historic accuracy, may I call the attention of the Senator to the fact that it was not the bill reported by the Committee on Agriculture and Forestry of the Senate——

Mr. FERNALD. No——

Mr. CARAWAY. To which the amendments were suggested by the attorney for the packers. That was a bill which passed the House and which came here, and if I may be permitted to say it, votes on the Senator's side of the Chamber substituted the bill as it passed the House for the Senate committee bill.

Mr. FERNALD. With sufficient help on the Senator's side.

Mr. CARAWAY. I was opposed to it. I will look up the record and see just who did vote for it.

Mr. FERNALD. The Senator will find there were several on both sides of the Chamber who voted for it.

Mr. CARAWAY. I shall be much surprised if that is the fact.

Mr. FERNALD. The farmers themselves know what is to their advantage. Let me read what one of the largest farmers in Iowa said. I am reading from the evidence of Mr. J. S. Blackwell, of Muscatine, Iowa. He said:

> I am sorry that a Senator from a prosperous State like Iowa has to be the father of this bill, in view of the great prosperity that we are now enjoying. I do not think such legislation should originate from a State like ours. * * * Iowa's land values have increased by leaps and bounds within the last few years—from $50 to $500 an acre, and in some places more than that. This is due to the packers more than any single thing.

And Mr. Blackwell knew what he was talking about. He is the largest hog raiser in the State of Iowa.

Mr. FLETCHER. Will the Senator give the date?

Mr. FERNALD. Let me finish reading this.

Mr. FLETCHER. I just want the date of that.

Mr. FERNALD. This was before the Committee on Agriculture and Forestry in 1921, I think.

Mr. CARAWAY. May I suggest that the Senator making that speech was Senator Kenyon, for whose confirmation as a judge the Senator from Maine voted. He was appointed Federal judge by this administration.

Mr. FERNALD. I did not catch the Senator's remark.

Mr. CARAWAY. Senator Kenyon was the Senator being criticized, and he was made a Federal judge by the present administration, and the Senator from Maine voted for his confirmation.

Mr. FERNALD. I did, and he is a very able judge, I have no doubt.

Mr. CARAWAY. A very fair man.

Mr. FERNALD. A very fair man, I have no doubt; but he was mistaken in this matter. I want to finish reading from Mr. Blackwell's testimony. I want Senators to know that this is the evidence of a farmer, the largest hog grower in the State of Iowa, from which State the sponsor of that law came. He went on to say:

> This is due to the packers more than any single thing, and I want to tell you why. Iowa is the greatest hog-producing State in the Union. Besides, it is one of the foremost cattle-producing States, as well as

one of the leading States in the production of poultry, eggs, and butter. Now, all of these products of our farms practically are sold to the packers at the ready cash market every day in the year.

Then he goes on. I am not going to read it all, but he was very sorry that his Senator should sponsor such a bill as that, and the farmers from one end of the country to the other have been injured by the enactment of that law, which placed a block of obstruction in the way of distribution which was the most economical way for distributing farm products from the farm to the consumers' tables.

Mr. CARAWAY. I think the Senator is still confusing the consent decree with the packers act, which were not related.

Mr. FERNALD. I will set that aside and say nothing more about the consent decree.

Mr. CARAWAY. The packer control bill had nothing to do with distribution. It had everything to do with the matter of the packers combining, so that they could get from the farmer his live stock at practically their own prices, having no kind of competition in the buying of farm products.

Mr. FERNALD. That is not true. This man from Iowa says——

Mr. CARAWAY. Oh, Mr. President——

Mr. FERNALD. Let me say to the Senator that more than 80 farmers appeared before that committee, giving the same testimony.

Mr. CARAWAY. I would not be willing to concede that all the wisdom in the world is contained in 80 farmers from the State of Iowa. There is something left outside of that 80.

Mr. FERNALD. They came from all over the country.

Mr. CARAWAY. Any farmer who protested against that legislation because he said it interfered with the distribution of farm products does not need to be answered, because from a reading of the bill it will be found that he did not know what he was talking about. A farmer is no more likely to be right than anybody else, if he does not know what he is complaining about.

Mr. FERNALD. Mr. President, I have yielded to the Senator——

Mr. CARAWAY. I beg the Senator's pardon.

Mr. FERNALD. I will allow him to conclude his speech if he wants to.

Mr. CARAWAY. Oh, no.

Mr. FERNALD. The farmers are the men who understand what the fatted calf is, and they are beginning to realize, just as the Senator from Wisconsin said, that that law was written in the interest of the packers. An agent of the packers appeared before the committee, their ideas were written into the bill, and the bill was passed because the Senate had an idea at that time that they had to punish somebody.

Mr. CARAWAY. I thought the Senator was complaining that they did not punish the packers, that they made them rich.

Mr. FERNALD. The farmers punished themselves, because they stopped distribution. Does the Senator want any further information about that? I have told him what this man said, and I submit that that man who raises hogs knows as much about marketing his hogs as any Senator on this floor.

Mr. CARAWAY. I should like to know whose hogs he raises.

Mr. FERNALD. He raises his own hogs, and he is one of 80 men who appeared from the State of Iowa, or who came from all over the country, and I am sure the farmers know as much about marketing their goods, whether hogs or corn or horses, as any Senator on this floor. They are not swivel-chair farmers, mealy mouthed manipulators of modern business, trying to upset every provision that has been made in the last 50 years. They want to sell as directly as they can from their farms to the consumers' tables, and I want the farmers of this country to know, as they do know, that the Senate is ready now to put an end to the attempt to punish somebody and are going to give a little helpful assistance to the farmers.

Several bills have been introduced which deal with the subject of aid to the farmers, and I am in favor of all of them that will in any way assist the farmers in getting their products to market. What the farmers of this country want more than anything else is a market for their goods. They do not want credit. Most farmers can get credit. There has never been a single farmer in my State, to my knowledge, who has asked any help of any agency in Washington, but they ask for markets, and that is what they are deprived of by this law. I want them to understand that the Senate of the United States here and now is ready to stop enacting that kind of legislation, that they are ready to stop building up great bureaus here, that they are ready to stop bringing men here from partisan motives, giving them positions as clerks and auditors and expert accountants. I want them to know that the Senate of the United States is ready to put a stop to bringing men here to undertake to govern the farmers' business, and that we are going to allow the farmers and business men of this country to carry on their business in their own way, as they have for 50 years. Whenever a man has built up a large business, instead of undertaking to punish him let us give him some helpful aid.

I have had my say about this. I told the Senate two years ago just what would happen. I take some little personal satisfaction in referring to it, because I stated at that time almost precisely what has happened on account of the passage of that bill.

Mr. SIMMONS. Mr. President, I have been very much interested in the speech which the Senator from Maine [Mr. FERNALD] has just made. He has made some statements which have greatly surprised me. The first among them is the statement that the packer act, passed August 15, 1921, is really a law passed by the present Congress in the interest of the packers and not in the interest of the farmers and the stock raisers of the country. That is an alarming statement, and if it be true it ought to receive very serious consideration from this body and from the people of this country as well.

Mr. FERNALD. Will the Senator yield?

Mr. SIMMONS. Certainly.

Mr. FERNALD. I based my statement on the statement of the Senator from Wisconsin [Mr. LA FOLLETTE], who held up the bill—the Senator will find the incident in his remarks—and said that inserted between the lines, written with a finely sharpened pencil, were provisions that were placed there by an agent of one of the large packers; and Senators now present remember that.

Mr. SIMMONS. The Senator made the statement, as I understood him, not upon the secondhand statement of somebody else but upon his own responsibility, for it was a positive and affirmative statement that this was a law in the interest of the packers, and a law with which the packers were content.

I was here when that bill was under consideration. I did not extensively participate in the debates. But it was the general impression in this body, and that impression was corroborated by the attitude of Senators who were supposed to be in sympathy with the position of the packers, that the packers' interests of the country were fighting the measure tooth and nail. Those of us who gave it our support supposed that we were enacting legislation that would restrain the packers from doing certain things which they had been habitually doing, greatly to the injury of the people.

The measure was enacted into law since the present administration came into power. Responsibility for its passage rests upon the shoulders of the present administration. Responsibility for its administration and enforcement rests upon the shoulders of the present administration. If it was a measure in the interest of the packers, the party responsible for its passage ought to have made that fact known when we were discussing the bill and when they were insisting upon its passage.

Mr. WATSON. Mr. President, will the Senator yield?

Mr. SIMMONS. Not at this moment. If the act is in the interest of the packers, then the Senate of the United States, in my judgment, has been deceived. I have read some of the main provisions of it, especially the provisions which restrain the packers from doing certain things that they had heretofore been in the habit of doing, and I undertake to say that the act was not a measure in the interest of the packers. I undertake to say if the provisions of the law have been enforced, it has not operated in the interest of the packers; and, if it has operated against the people and in the interest of the packers, it is because of defective and faulty administration.

So far as I have examined this act, there is not a line, in my judgment, which is in the special interest of the packers and which is against the interest of the country. But it does no good to write a law in the interest of the people and against the manipulations and exploitations of the packers unless those in authority shall effectively execute and administer that law. I am not here to say that the law has or has not been executed in a way to make it effective, but I am here to say that if the act has failed of its purpose of restraining the packers in the robbery of the people of the country, it is because either the Attorney General of the United States or the Secretary of Agriculture of the United States, since its enactment into law in 1921, have failed in their duty to the people of the country in its proper enforcement and not because of inadequacy of the law.

The Senator from Maine made another very significant statement.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from North Carolina yield to the Senator from Indiana?

Mr. SIMMONS. I yield.

Mr. WATSON. The Senator has been here for a long time; he is a very able Senator, and is familiar with all the bills that come before us. He was very familiar with the packers bill——

Mr. SIMMONS. No; I am not very familiar with it.

Mr. WATSON. I rather think the Senator made a speech on the measure.

Mr. SIMMONS. I do not think I did. I think I made some brief observations, but no general speech.

Mr. WATSON. The Senator certainly heard what the Senator from Wisconsin said about the bill.

Mr. SIMMONS. No; I do not recall anything he said. Does the Senator mean the senior Senator from Wisconsin [Mr. LA FOLLETTE]?

Mr. WATSON. Yes.

Mr. SIMMONS. I do not recall anything he said about it. I do not think I heard him speak on it.

Mr. WATSON. He said two or three times on the floor that the measure was passed in the interest of the packers, and that many of its main provisions were written into it by the attorney for the packers. He made that statement repeatedly.

Mr. SIMMONS. I do not know what the Senator from Wisconsin said about it. I know the Senator from Wisconsin has some views about things sometimes characterized by the other side as radical. I want to ask the Senator from Indiana if he thought when he voted for the measure that it was in the interest of the packers? Does the Senator think that any Senator who voted for it thought it was a measure in the interest of the packers?

Mr. WATSON. The Senator wrongly accuses me. I voted against it.

Mr. SIMMONS. The Senator voted against it?

Mr. WATSON. I certainly did.

Mr. SIMMONS. Did the Senator vote against it because it was in the interest of the packers?

Mr. WATSON. I voted against it, first, because I am against legislation of that character altogether; and I voted against it, secondly, because of what the Senator from Wisconsin [Mr. LA FOLLETTE] said about it, and he was familiar with it.

Mr. SIMMONS. That is the first time the Senator from Indiana has ever allowed his vote in this body to be controlled by the views of the Senator from Wisconsin.

Mr. WATSON. That is quite true, and I may never again do so; but, nevertheless, the Senator from Wisconsin, more than anybody else, knew about the legislation. He was familiar with the character of it; he had followed it from the beginning to the end; and he stood upon the floor of the Senate and made positive statements. I believed what he said about it, and I believe it now.

Mr. SIMMONS. Was not that speech made on the conference report?

Mr. WATSON. It was made both before and after the conference report was presented. It was made on the conference report, too. Let me ask my friend a question, if he will permit me. The Senator from North Carolina said he was deceived about the character of the bill.

Mr. SIMMONS. Oh, no; I did not say that.

Mr. WATSON. I understood the Senator to say he was so deceived.

Mr. SIMMONS. I said if the act was in the interest of the packers. I did not think then and I do not think now it was or is in the interest of the packers.

Mr. WATSON. I think the Senator from Wisconsin did make the same statement on the conference report as on the bill just before it was passed.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Wisconsin?

Mr. SIMMONS. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I just this moment came on the floor, and learn that my part in the debate upon the legislation of another session is under discussion.

Mr. SIMMONS. Will the Senator from Wisconsin allow me to say that I am yielding to him because the Senator from Indiana [Mr. WATSON] has just indicated that something the Senator from Wisconsin said very largely controlled his vote.

Mr. LA FOLLETTE. I can not conceive of my ever having had any influence upon any vote the Senator from Indiana cast upon legislation.

Mr. WATSON. I made the statement, I will say to the Senator from Wisconsin, that it was the first time it had ever occurred, and probably would be the last. Of course, the remark was jocular.

Mr. CARAWAY. May I suggest that the Senator ought to be congratulated for being right one time?

Mr. WATSON. I voted right.

Mr. LA FOLLETTE. I have been in attendance upon an investigation ordered by the Senate which is now being conducted by the Committee on Manufactures, and I have had no opportunity to hear any of the discussion that has been taking place in the Senate since it convened this morning. I knew in advance that the Senator from Maine [Mr. FERNALD] was going to offer some amendment with regard to the packers' legislation. He said to me that he would be glad if I could be present. I replied that it would not be possible for me to attend upon the session this morning. He now informs me that in the course of his remarks he said something in commendation of my position with regard to the packer legislation.

I would like to say, if I am not trenching upon the kindness and patience of the Senator from North Carolina——

Mr. SIMMONS. Not at all. The Senator may take all the time he wants.

Mr. LA FOLLETTE. I opposed many of the provisions of the so-called packer-control measure at some stage of the proceedings while the bill was before the Senate. The exact parliamentary situation with respect to the measure is not at this moment very clear in my mind. If my memory serves me, the Senate Committee on Agriculture and Forestry reported the Senate committee bill, which was the Norris bill.

Mr. WATSON. It did.

Mr. LA FOLLETTE. I was in favor of the Norris bill, and I was not in favor of the House bill. I believe that during the consideration of the measure the Senate finally substituted the House bill for the Norris bill.

Mr. FERNALD. That is right.

Mr. WATSON. Yes; the Senate did that.

Mr. LA FOLLETTE. And the provisions of the House bill were attacked, my recollection is, by the then Senator from Iowa, Mr. Kenyon. I know they were attacked by the Senator from Nebraska [Mr. NORRIS], and I made such opposition as I was able to make to certain provisions of the bill. I recall very distinctly that in the course of the debate I denounced certain provisions of the bill as having been written into the bill before it passed the House at the dictation of the packers. During the debate I produced the bill here in which appeared the interlineations in the handwriting of the packers' attorney. I had all the facts upon such high authority that I challenged contradiction. The interlined provisions of that bill and their authorship was made very plain to the Senate in the course of that debate and had been incorporated in the House bill before it was passed.

Mr. WATSON. If the Senator will pardon me, I can read the exact language of the Senator, if he will allow me to do so.

Mr. LA FOLLETTE. Pardon me, that perhaps is not so material. If the packer bill which finally became a law had been passed by the Senate in the form in which it came from the House and was substituted for the Norris bill, I never would have voted for it, because it seemed to me to be at that stage of the proceeding a bill very much more in the interest of the packers than in the interest of the public.

Mr. CARAWAY. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I will yield presently. But in the latter stages of the consideration of the bill certain amendments proposed by the then Senator from Iowa, Mr. Kenyon, were incorporated in the bill, and with those amendments, which greatly improved the bill, though it was far from being a satisfactory measure, I voted for the bill.

I remember one of the amendments which the then Senator from Iowa [Mr. Kenyon] offered in the last stages of the consideration of the bill was an amendment which gave the Secretary of Agriculture control over the bookkeeping of the packers so as to enforce uniformity in bookkeeping. That was a very essential thing as a part of a regulatory measure. The interstate commerce law was very greatly improved in the public interest when the Hepburn-Dolliver Act was under consideration and section 20 of that bill was adopted, clothing the Interstate Commerce Commission with authority to impose a uniform system of bookkeeping on the railroads, thus enabling the commission to supervise in some degree the railroad accounting system.

Now, Mr. President, I shall not attempt offhand to recall the various provisions of the packers' control legislation and the modifications made by the Senate to the House bill, but I voted for it, although with some misgivings. One of the provisions of the measure which I believed then and which I now believe was very detrimental to the public interest was that provision which deprived the Federal Trade Commission from the exercise of any authority over the packers and deprived the commission of any right to investigate them, no matter how unfair their trade methods might become.

I believe that we should have continued the authority of the Federal Trade Commission over the packers in conjunction with the Department of Agriculture. The Federal Trade Commission is the best investigating body that the Federal Government ever established. It has rendered incalculable service to the people of this country in many lines of business. I believe the law should be changed; that the packers' control act should be amended in that particular; and that where the Federal Trade Commission finds that some trade or practice of the packers is against the interests of the public they should have the power and authority to prosecute investigations. That commission is far better equipped to do that work than is the Department of Agriculture.

Mr. FERNALD. Will the Senator yield to me?

Mr. LA FOLLETTE. I will yield presently, if the Senator from Maine will excuse me just for the moment.

It is true that the packers' control act, according to my recollection, provides that the Secretary of Agriculture may call upon the Federal Trade Commission to conduct such investigations, but the law imposes too great an obligation and too great a labor upon the Secretary of Agriculture, and it is vesting too much power in the hands of one man. The Secretary of Agriculture is an exceedingly busy man. He has a great department of Government to administer. His appointment is essentially a political one, and for many years and under both parties there has been more than a vague suspicion that the packers have exercised a large influence in the Department of Agriculture.

I believe, therefore, that the most important thing that the Senate can do with respect to the packers' control act is to amend it, leaving the packers' control act in existence as it is to-day, but modifying it by restoring to the Federal Trade Commission authority to investigate not only when they are called upon by the Secretary of Agriculture so to do but when upon their own motion they believe a condition to exist which, in the interest of the public, requires investigation. I have introduced such a bill as that.

I wish to also say that while I voted for the packers' control act with grave misgivings I believe that, in a measure, that act has been helpful to the public, and I believe it should be continued in existence. I think, however, that it ought to have the amendment made to it to which I have referred.

Mr. HARRIS. Mr. President——

Mr. LA FOLLETTE. I merely wish to make a parliamentary inquiry, and then I will yield the floor, or if permitted to retain the floor I shall answer any of the questions the Senators have sought to propound to me while I have had the floor.

Mr. SIMMONS. Mr. President, I have the floor. I yielded to the Senator from Wisconsin.

Mr. LA FOLLETTE. I beg the Senator's pardon.

Mr. SIMMONS. I yield to the Senator.

Mr. HARRIS. Will the Senator from North Carolina yield to me for merely a moment in order that I may make a suggestion to the Senator from Wisconsin?

Mr. SIMMONS. I yield.

Mr. HARRIS. I wish to remind the Senator from Wisconsin that the former Senator from Iowa, Mr. Kenyon, and many other Senators who voted for the compromise measure of the House of Representatives stated that it was not what we wanted, but there were sufficient Senators on the other side who opposed giving the Federal Trade Commission the power to which the Senator from Wisconsin refers to force the consideration of the compromise bill. I remember, however, that many of the Senators who opposed the Federal Trade Commission having those powers also voted against the compromise bill and opposed all legislation designed to curb the meat packers' trust. That shows whether the packers desired the legislation or not.

Mr. LA FOLLETTE. If I have the floor, I will yield to the Senator from Indiana or the Senator from Maine, both of whom sought to interrupt me.

The PRESIDING OFFICER. The Senator from North Carolina [Mr. SIMMONS] has the floor.

Mr. SIMMONS. I yielded to the Senator from Wisconsin.

Mr. LA FOLLETTE. I shall not assume to take the floor away from the Senator; but if the Senator will yield to me a little further, I will endeavor, if possible, to answer the questions which Senators on my right desire to ask.

Mr. SIMMONS. I will yield first to the Senator from Maine.

Mr. FERNALD. I have no question to propound to the Senator from Wisconsin, as he has confirmed exactly the statement which I made; but I shall be glad to read exactly what the Senator said, as I have referred to it, in order to make the quotation exact. I stated as nearly as I could remember what the Senator said. This was his exact language:

> First, the selection of a committee of three; and I was told by a member of the House committee the other day on this floor that that committee was pretty carefully selected. This committee takes the Haugen bill and writes into it seven important suggestions made by the attorney for the packers—

That is precisely what I stated—

> Radical suggestions, suggestions that completely changed the character of the bill as it was first introduced.

That is the main part of what I said.

Mr. LA FOLLETTE. Mr. President——

Mr. FERNALD. Just a moment. I stated that the Senator from Wisconsin—with whom I do not always agree, and who had been somewhat troublesome to our side of the Chamber at times—held up that bill and said there had been from 7 to 10 provisions written in it by an agent of the packers. What I have read clears that situation, and the Senator has confirmed my statement.

I merely want now to ask the Senator, as he has already expressed himself that the law ought to be repealed, does he not think that the Federal Trade Commission, under the Sherman antitrust law and other provisions of law, has ample power to prevent combinations in restraint of trade? Even though we strike out the appropriation of $410,000 to build up a great bureau down here to be filled with deserving Republicans, has not the Federal Trade Commission, with its attorneys and auditors and bookkeepers and experts to the number of more than 400, under the law already on the statute books in regard to combinations in restraint of trade, ample power and sufficient office force to enforce the antitrust laws? What does the Senator from Wisconsin think about the Federal Trade Commission in that respect?

Mr. LA FOLLETTE. If the Senator from North Carolina will give me an opportunity to answer the question, I shall be most delighted to answer it.

Mr. CARAWAY. Will the Senator from North Carolina permit me——

Mr. LA FOLLETTE. I should first like to answer the question of the Senator from Maine.

Mr. SIMMONS. I yield to the Senator from Arkansas.

Mr. CARAWAY. May I answer the question?

Mr. LA FOLLETTE. Let me answer, as the question was asked of me.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. The Chair thinks that the Senator from North Carolina [Mr. SIMMONS] has lost the floor. The Chair does not think that the Senator may farm out the time of the Senate after he has taken his seat.

Mr. SIMMONS. Mr. President, I think that is technically true, but we have not observed that rule all the time; and I am sorry that my courtesy to my colleagues has deprived me of the floor. I did not understand, however, that any Senator had made the point of order that I had lost the floor, and I trust that the Chair himself will not insist upon making it.

The PRESIDING OFFICER. In the interest of orderly procedure, the Chair made the suggestion. The Senator from Wisconsin [Mr. LA FOLLETTE] was occupying the floor, the Senator from North Carolina having taken his seat. The Chair will ask the Senator from North Carolina now whether or not he desires to retain the floor?

Mr. SIMMONS. I do desire to retain the floor.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. The Chair has recognized the Senator from North Carolina.

Mr. CARAWAY. Then, may I ask the Senator from North Carolina a question?

Mr. HEFLIN. Should there not be an exception as to farming out the time when the Agricultural bill is under consideration?

Mr. SIMMONS. I am not complaining of the Chair, although it is usual for the objection to come from the floor instead of from the Chair. However, I now have the floor, and if the Senator from Wisconsin will pardon me, I should like first to yield for a moment to the Senator from Arkansas.

Mr. CARAWAY. Mr. President, I am sorry the Senator from Indiana [Mr. WATSON], who said he was influenced by the speech made by the Senator from Wisconsin, has left the Chamber, because the speech of the Senator from Wisconsin was made in support of the Norris motion to substitute the bill reported by the Committee on Agriculture and Forestry of the Senate for the House bill, and the Senator from Wisconsin had called attention to the fact that the House bill had been written by the attorney for the packers. I should like to show how the Senator from Indiana was influenced by that speech. On page 2712 of the RECORD of June 17, 1921, the vote on that motion appears. The Senator from Wisconsin had been urging that the Norris substitute be adopted for the House bill, which he said had been written by the attorney for the packers, and it appears that the Senator from Indiana [Mr. WATSON] voted

"nay." He says that he was convinced that the House bill was written by the packers' attorney. Therefore he voted for it.

I should like also to call attention to the fact that the Senator from Maine, who insisted on reading into the RECORD the very statement made by the Senator from Wisconsin, also voted "nay." So both Senators voted for the very legislation which they said they condemned, and their votes appear on page 2712 of the RECORD of June 17, 1921. Both Senators voted on two separate roll calls exactly contrary to the vote of the Senator from Wisconsin, and yet both of them say the Senator from Wisconsin controlled their vote in that particular matter.

Mr. FERNALD. Mr. President——

Mr. CARAWAY. Here [exhibiting] is the RECORD.

Mr. FERNALD. I have the RECORD, too, right here, and will read from it.

Mr. SIMMONS. I yield to the Senator from Maine.

Mr. FERNALD. The Presiding Officer said:

The question is on the amendment proposed by the Senator from Iowa, on which the yeas and nays have been ordered.

Of course we both voted "nay" on that amendment.

Mr. CARAWAY. I beg the Senator's pardon; the Norris amendment was rejected as shown on page 2712. That was the substitute amendment for which the Senator from Wisconsin had been speaking and the Senator from Maine voted for the House bill which the Senator from Wisconsin had opposed.

Mr. FERNALD. I voted against all amendments and all propositions in relation to the subject matter.

Mr. CARAWAY. Mr. President——

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. The Senate will be in order.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield; and if so, to whom?

Mr. SIMMONS. Just for a word I yield to the Senator from Arkansas.

Mr. CARAWAY. Mr. President, I want to put in the RECORD in the interest of accuracy the statement that the Norris bill was defeated, and the House bill, the one which the Senator from Wisconsin denounced, was considered by the Senate, and the Senate by votes of the Republican majority, only three Democrats voting for the House measure and only two Republicans voting against it.

Mr. FERNALD. Mr. President, now——

Mr. SIMMONS. I yield now to the Senator from Wisconsin to whom I promised I would yield.

Mr. LA FOLLETTE. Mr. President, I can not take the time now to make answer to the Senator from Maine. I am obliged to continue work before the Committee on Manufactures which the Senate has directed me to perform, and at exactly half past 1, which is the time at which the committee will meet again, I must resume my work there. I shall have occasion, if I can obtain the floor later in the day, to make some answer to the queries propounded to me by the Senator from Maine.

Mr. FERNALD. Mr. President——

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. FERNALD. I am sorry to ask the Senator to yield, but if he will yield for just a moment, I desire to say in answer to my friend from Arkansas that I voted against the Norris bill, against every amendment, and against the bill as finally passed. I had no confidence in it then and I have none now. I voted against all the amendments; that is all I have to say about that.

Mr. SIMMONS. Mr. President, this controversy has served a good purpose. A few moments ago the Senator from Maine and the Senator from Indiana both indicated that they had probably been misled by something the Senator from Wisconsin had said and had based their votes upon some declaration that he made with reference to this matter. The Senator from Wisconsin makes it clear that he was strongly in favor of the Norris bill; that he was advocating the Norris bill; and his remarks were based upon a comparison of the Norris bill with the House bill. Now it is disclosed by the record vote as read by the Senator from Arkansas that both the Senator from Indiana and the Senator from Maine voted against the Norris bill.

Mr. FERNALD. Yes.

Mr. SIMMONS. That was the very bill that the Senator from Wisconsin, who they say was their guide and beacon light, was advocating. So we have a very remarkable inconsistency here in the position of these two Senators with reference to this particular matter.

But, Mr. President, that is mere incidental matter. It is dealing in the details of this great question. I want to get to the fundamentals of it.

What was the Senate engaged in doing when we voted upon this measure? Were we engaged in trying to pass legislation here at the request and at the instance and in favor of the packers, or were we trying to pass legislation here in the interest of the people? I take it that the answer to that will be that we were trying to legislate in the interest of the people, and that the friends of this measure thought they were legislating in the interest of the people, and that the gentlemen of the Senate, on whichever side of the Chamber they may have been, who voted against this legislation voted against it either because they thought it was unwise legislation or because they thought it was too harsh in its terms as against the packers. I take it that no Senator will stand up here and say that he voted against this measure because he thought it was in the interest of the people or that he voted for it because he thought it was in the interests of the packers and against the interest of the people. Every Senator who spoke against it at the time spoke against it upon the theory that it was unwise legislation, that it was a character of legislation that was unsound, or that it was too harsh in its terms upon the packers.

A Republican Senate and House passed this legislation and a Republican President approved it, and that party is responsible for its provisions and administration, and when that party, through its spokesmen in this body, denounce the legislation as being in the interest of the packers and against the interest of the people, they indict the Republican Party for legislating not in the interest of the people but of these combinations of monster trusts.

As to the criticisms which the Senator from Wisconsin [Mr. LA FOLLETTE] has made here to-day, he seems to have voted for the bill. This very Senator that they say was their guide, and whose advice they followed in casting their votes, it turns out, voted for this legislation. Of all Senators in this Chamber, he probably was most persistent and vehement in denunciation of legislation in favor of the special interests.

Surely, no one will say that when the Senator from Wisconsin [Mr. LA FOLLETTE], who made an elaborate and exhaustive speech, who is assumed to have thoroughly considered the question—for he generally analyzes pretty closely any matter of legislation in which he is sufficiently interested to address the Senate—voted for this measure he thought he was voting for a bill in the interest of the trusts or against that of the people.

I am not at all prepared to say that the bill as administered has or has not been so administered—operated in the interests of the trusts and against the people; but if because of nonadministration or maladministration the Republican Party is responsible for that result, because its administration has been in the hands and under the control not of a nonpartisan board such as the Federal Trade Commission, with representatives upon it of both parties, but in the hands of the Secretary of Agriculture, who has been ever since the day of the passage of this act a member of President Harding's Cabinet.

It may be, Mr. President, that it would have been better if we had left the administration of this law in the hands of the Federal Trade Commission. That was thrashed out at the time the bill was passed. That was then argued pro and con. We finally decided by a majority vote in both Houses that it was better to place the administration of the measure in the hands of the Secretary of Agriculture, and if you will read the act you will see that probably the controlling reason for taking it out of the hands of the trade commission and putting it in the hands of the Secretary of Agriculture was because the bill proposed to invest him with certain summary powers that enabled him almost immediately to investigate and expose and put an end to any illegal practices against the people on the part of the packers. It was, I am sure, because of the expeditious methods that were to be employed by the Secretary of Agriculture, and which could not well be employed by the Federal Trade Commission, that the Senate was induced to substitute that method of dealing with the evil practices sought to be remedied. If the act has not been effective to this end, then it is because the law has not been for some reason duly enforced.

That is all I have to say about that, Mr. President.

Mr. President, in the speech first made by the Senator from Maine he made another rather startling statement to which I wish to call attention. He not only indicted the Republican Congress with passing legislation ostensibly and pretendedly in the interest of the people but really in the interest of the trusts and monopolies, but the Senator from Maine stated that, notwithstanding this restraining legislation and notwithstanding our drastic antitrust laws, one of the most gigantic trust combinations that has ever taken place in the history of the world

is now in process of consummation by certain of the packers. He tells us that they have issued or are about to issue $60,000,000 worth of bonds in order to complete this merger of these great packing trusts at which this legislation is aimed.

Upon whom is the responsibility of enforcing these laws, the open flaunting of which is now, we are told, about to be consummated? The duty of enforcing these laws rests upon the Attorney General of the United States. Who is the Attorney General of the United States? He, like the Secretary of Agriculture, is a member of President Harding's Cabinet. Does the Senator mean to tell the Senate that this great merger of the trusts to which he has referred, this biggest trust and monopoly combination that the world has ever seen, with the exception of one, I think he said—I presume he referred to the Steel Trust—is now in process of organization, that it is about to be consummated, and that the Attorney General of the United States has not moved a hand or even so much as made a gesture to prevent that outrage and rape upon the laws of the United States? And yet he contends the packers' legislation has not been effectively enforced and that the fact that a great, gigantic, Brobdingnagian trust is now in process of consummation is a reason why we should refuse further appropriations to enforce packers' legislation. It would seem that not only is the Attorney General absolutely quiescent and acquiescent while this outrage and rape upon the law is being perpetrated, but that it is desired that we withhold funds to enforce the legislation we have enacted to curb the exploitation of the packers' trusts.

Mr. WALSH of Massachusetts. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fernald	McCumber	Simmons
Ball	Fletcher	McKellar	Smith
Bayard	George	McKinley	Smoot
Borah	Hale	McLean	Sterling
Brandegee	Harreld	McNary	Townsend
Broussard	Harris	New	Underwood
Bursum	Harrison	Oddie	Walsh, Mass.
Calder	Heflin	Overman	Walsh, Mont.
Cameron	Jones, Wash.	Pepper	Warren
Capper	Kellogg	Phipps	Watson
Caraway	Kendrick	Poindexter	Weller
Couzens	Keyes	Pomerene	Williams
Culberson	King	Ransdell	Willis
Curtis	Ladd	Reed, Pa.	
Dial	Lenroot	Sheppard	
Ernst	McCormick	Shields	

Mr. FLETCHER. I desire to state that my colleague [Mr. TRAMMELL] is unavoidably absent. I ask that this announcement may stand for the day.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present.

Mr. KENDRICK. Mr. President, as I had no information that this question was to come up for discussion to-day, I am more or less unprepared to deal with it in a satisfactory way. However, in view of the unusual crisis through which every phase of this industry is passing at the present time, I feel constrained to offer a word of explanation to the Senate in reference to the original plan and purpose of the law, as well as an opinion as to the way it has functioned during the brief period of its administration. And more particularly do I want to make the most earnest protest I can to the Senate against precipitant or ill-considered action in connection with either what is known as the packer control act or the packing-house industry in itself.

I am in hopes the amendment offered by the Senator from Maine [Mr. FERNALD] will not be adopted. I am sure that the principal part of the discussion to which we have listened, and even the attitude of mind on the part of the Senator from Maine, are the result of a confusion on his part as to the relation which the consent decree of the court, entered under the administration of Attorney General Palmer, has to the so-called packer control act, passed months afterwards.

The Senator from Maine complains that that piece of legislation has interfered with the distribution of the farmers' products and has worked a great hardship on them. As a matter of fact, it is true that the packer control act deals not at all with the question raised by the Senator from Maine. Whatever the wisdom and judgment and necessity which prompted and compelled the consent decree, I want to say that I, as one Member of the Senate, always doubted the economic need or the wisdom of restraining the packing houses from distributing any kind of food products which through their method could be distributed in a more economical way. But, however that may be, I am certain that the complaints alleged by the Senator from Maine are the direct result of that decree rather than of the packer control act.

One of the great difficulties about the packer control act, which no doubt is true of many other laws, is the misconception of what the whole thing was about. That has been more in evidence here to-day as I have listened to this discussion than I ever had occasion to note before.

Another question that has been raised is whether it was written in the interest of the packers or the public, and in order to have something like a clear understanding of the whole situation I would ask the Senate to listen to me just a few minutes in regard to the history of this legislation.

Many Senators have expressed doubt about and even strong opposition to any legislation interfering with business, as they stated it. Even to-day they have indicated an attitude of skepticism as to the wisdom of Congress in enacting such legislation. On this point I hope, before concluding my remarks, to convince those who voted for the legislation that their judgment has been justified not only by the results so far obtained but by the attitude of the general public toward the legislation. Let me say here that in this country of ours, in all of its economic and industrial life, there is no parallel to the method and manner of the sale and distribution of meat products. As can be shown in exhaustive records, the concentration of the packing industry in a few great market centers was brought about originally by the employment of artificial methods. But the concentration became a fact, and it was necessary to deal with it without regard to how it had been accomplished.

It may well be borne in mind that this law dealt not with an ordinary necessity but the food products of the Nation. As I listened to the Senator from Maine [Mr. FERNALD] I was frequently impelled to ask him the question if he could, as a result of the most charitable view, have been satisfied with the conditions that existed in our central markets at any time prior to the enactment of this law?

The discussion of these markets first began on the floor of the Senate more than 35 years ago, and it has continued periodically from that time until this. The clamor against the conduct of the markets had risen and subsided time after time in the meantime, involving always a charge of unfair play and unfair practice in the yards. Without regard to the merits of the controversy such unfavorable publicity could not be beneficial to the industry in any of its phases, not even to the producers of live stock.

Those of us who came to the point of asking for legislation here did not have any idea of imposing a plan of retaliation on the industry. Our primary purpose was a reform of present and a prevention of future abuses. Those of us who attempted to interpret the spirit of the thousands of live-stock producers and farmers of the country, those most vitally interested, were willing to let bygones be bygones, but we did insist upon bringing such light of publicity to the methods employed in these yards as would insure more satisfactory procedure in the future.

Let me say here that I agree with the statement that has been made time after time that these packing houses are among the most efficient organizations in the country. I am not concerned so much as to whether or not their profits have been large or small. This is more or less of an incident, because nearly all of our industries in the country have either good or bad times, and under good or bad management they succeed or fail. It is not an indictment against them to succeed and accumulate property, or at least should not be. In this case they have benefited, and they have become absolutely necessary to the country under present conditions, and that is why I am talking to the Senate to-day.

As I have already stated, the industry has continued for a period of 40 or 50 years, and periodically there had been a clamor that upset conditions in the yards, disturbed the markets, forced the prices of our products down and brought general derangement to the whole industry. So when we approached the question of asking Congress to pass upon the matter and give us legislation, it was not to punish the packing houses, but it was to bring orderly procedure there, and to prevent unfair practice in the yards, not only on the part of the packers but of every other agency. I may say right here that more than once in our live-stock conventions in the West, and on the floor of the Senate, I have made the statement, which has already proved to be true, that when the law became effective the packing houses would be found the least vulnerable of all the market agencies, and up to this time that prophecy has been amply justified.

Coming back to the question of the legislation, it was my intention and my purpose as one Senator to promote legislation,

not to increase trouble in the yards but to bring about good understanding on the part of every agency in the yards.

In answer to the Senator from Indiana [Mr. WATSON] as to whether or not there had been benefits, let me say unequivocally that there has already been ample evidence of progress as a result of this legislation. There is no doubt in the world about it. If I may be indulged the statement, it is my privilege to claim a personal acquaintance with as many stockmen and farmers as any one man in the Nation, and on a basis of personal contact with them I can state positively that they are for the law as it stands and they ask that it be retained and enforced. Concrete evidence counts for more than any statement as proof that the law has had a salutary effect. I do not think it has been 12 months since the law went into effect. Shortly after it was enacted its constitutionality was called into question, and not until a few months ago was the Secretary of Agriculture authorized to proceed under the law. I think it may safely be said that it is but very recently that he has succeeded in perfecting his organization for supervision of the markets. So the intervening time is too short for anyone to determine definitely as to the merits of the legislation. But as one of the unmistakable benefits already shown, I call the attention of the Senate to the fact that for the first time in the history of the yards representatives of the live-stock organizations of the West and the great packing houses and the small packing houses are sitting down together for the purpose of cooperating in an effort not only to increase the consumption of meat food products but to eliminate in so far as possible unnecessary cost in the distribution of the product to the consumer, the idea being that there is, first, too much advertising against the merits of meat as a food and there is also, as we believe, speaking for both producers and packers, too much unnecessary cost between the wholesalers who prepare and distribute the product and the ultimate consumers.

So it is for that purpose and with that end in mind that these two great forces, so necessary and vital in the delivery of the products to the people of the country, are cooperating, with a view of eliminating unnecessary waste and loss, and thus delivering the products that much more cheaply to the consumer. Any number of instances could be shown in which this spirit is manifested. It is coming to be more and more understood and more and more accepted as a fact that all of the agencies are related, from the producer to the consumer, and there should not be unnecessary warfare between any of them in order to bring about the best results to everyone concerned.

It is easy to those of us who have had to do with it to understand why the law is to be wholesome in its effect. One who is familiar with the laws of trade readily understands that when a question of unfair practice involves an investigation it is necessary to have some agency of unquestioned authority to proclaim the facts, whatever they may be. In other words, it is just as necessary for such an agency to proclaim the absence of unfair practices as it is to establish the fact as to such abuse. That is exactly what is proposed here. One of the primary purposes of the law was to assist in the elimination, in so far as possible, of every semblance of unfair practice that might prevail in the yards. This is being done in a very satisfactory way. There is no doubt in the world but what the process has been slower than we could wish, but it has required time for the Secretary to perfect his organization, and he has since proceeded in a careful and constructive way, one that would be helpful rather than harmful to the public. We can not disturb and upset business by meddling and interfering unnecessarily and reasonably expect to bring any benefit to the people whom we are trying to assist.

Mr. WATSON. Mr. President, will the Senator yield?

Mr. KENDRICK. Certainly.

Mr. WATSON. The Senator is making a very interesting speech. Coming from one who has personal knowledge and a large experience, his observations are very interesting and illuminating. What I wanted to ask the Senator is as much a matter of information as anything else, and I assure the Senator it is not in any controversial spirit. Did the law now in question, for which an additional appropriation is sought, confer any power upon the investigating body that was not lodged with the Federal Trade Commission?

Mr. KENDRICK. The Secretary of Agriculture, I may say, answering the Senator's question directly, has no authority that was not originally lodged with the Federal Trade Commission, so far as the authority goes, but the packer control act gives the Secretary of Agriculture administrative authority as well as investigating authority.

Mr. SIMMONS. Mr. President——

Mr. KENDRICK. I yield to the Senator from North Carolina.

Mr. SIMMONS. May I ask the Senator a question? If the proposed amendment of the Senator from Maine, which I understand is an amendment to strike out the appropriation for the enforcement of the law, were agreed to, then the Secretary of Agriculture could do nothing because the funds would be taken away from him, and the Federal Trade Commission could do nothing because the law divested them of their authority over the subject. Would not the result be a nullification temporarily of the law?

Mr. FERNALD. Will the Senator allow me to answer the question?

Mr. KENDRICK. I yield to the Senator from Maine.

Mr. FERNALD. In answer to the question, I want to say that I agree with the Senator precisely that unless some further action were taken it would leave the disposition high and dry, but I propose, if my amendment shall be agreed to striking from the bill the appropriation of $410,000, to offer a bill to be voted on to-morrow, which under the rules of the Senate is obligatory, proposing to repeal the law creating the packer control. That would place it precisely where it was in the first instance, with the Federal Trade Commission.

Mr. SIMMONS. May I ask the Senator a question?

Mr. FERNALD. Yes.

Mr. SIMMONS. Why not make the first proposition first?

Mr. FERNALD. I do not know that it would make any particular difference; but the Senate has the pending bill under consideration, and I am rather inclined always to talk to the bill which is pending.

Mr. SIMMONS. If we repeal the present law, then the appropriation would be unnecessary.

Mr. FERNALD. But we should have to strike it from the bill just the same.

Mr. SIMMONS. The appropriation might be stricken from the bill, and still the proposition to repeal the law might not be adopted.

Mr. FERNALD. But we could vote on the amendment to the pending bill to-day and we could not vote on the other proposal until to-morrow; and I want to hasten the passage of this bill.

Mr. KENDRICK. Mr. President, answering the question propounded by the Senator from North Carolina [Mr. SIMMONS], I think no one can have any doubt that favorable action on the amendment to strike out the appropriation would have the effect, at least temporarily, of repealing the law in so far as making it operative is concerned.

Mr. WATSON. What I was trying to get at, if the Senator will permit me a question, was to find out whether or not anything has been accomplished by the bureau which has been established that could not have been accomplished by the Federal Trade Commission; that was all.

Mr. KENDRICK. I think I may again call the Senator's attention to the fact that the Federal Trade Commission is of an investigating character. For that purpose they are equipped probably as no other Government agency ever was equipped, and I believe they are getting results; but they are not an administrative body. It seems to me that it would appeal to the Senate without argument that the Secretary of Agriculture, by reason of his official responsibilities, is admirably qualified to supervise these great central markets, the operation of which is not only necessary but is vital to every consumer of food products in the Nation. I may add that he was named as the administrative officer in the first bill which I introduced in the Senate, providing for supervision of our markets.

The Senator from Maine is correct in his statement that to repeal the law would mean a return to the original order. It would also involve a return to the old condition, with all of its confusion, all of its criticism, all of the suspicion and distrust, all of the charges true or false against this industry.

Speaking for the live-stock producers, both ranchmen and farmers, I once again insist that they do not want this law repealed, and I ask the Senators who are present to listen to this further statement, that should this law remain in force under sane and rational administration for a period of three to five years there will not be a single market agency in the stockyards that will want to go back to the old condition, for the reason that the administration of the law is destined to substitute order for confusion, confidence for distrust and suspicion.

In reference to the transfer from the Federal Trade Commission to the Secretary of Agriculture of the authority to investigate, I believe it would not prove harmful if that power were restored to the Federal Trade Commission, and I am not certain it would prove in any way helpful under present conditions, for the reason that it would seem entirely unnecessary to grant to two agencies the power to investigate any one industry.

Mr. SIMMONS. Let me ask the Senator a question. The Senator does not mean that he would be in favor of divesting the Secretary of Agriculture of the powers he now has under the act, but he means that he would be in favor of allowing the Federal Trade Commission to make investigation in cooperation with the Secretary of Agriculture?

Mr. KENDRICK. If I am not mistaken, that authority is now reposed in the Federal Trade Commission on request of either branch of Congress. As I recall, we included such a provision in the law; but, in any event, I am unable to believe—and I make this statement after considering the question and after close contact with these great markets—that it is going to be necessary for the Federal Trade Commission to make any such investigation. I do not believe they would make it, for the reason that I do not think they would ever find it necessary to make it. The only contingency involving that necessity that could arise would be in case the Secretary of Agriculture were derelict in his duty.

Coming again to the question raised by the Senator from North Carolina as to whom this legislation was intended to benefit, whether the packers or the people of the country, I wish to say positively this law is to prove beneficial to both the packers and the general public. The law should have been passed in that spirit, because, even though there have been abuses in the stockyards—and no one denies that there have been abuses, because the record can not be questioned—the law was framed to deal with the future and not with the past, and as it proves corrective in this way it can not fail to have a salutary effect upon the industry, which, as I have stated, is one of the most vital in all the Nation. We might very well decline to allow this contention and strife to continue longer in these markets, for such a condition is entirely unnecessary and even un-American.

I do not believe that we could have done very much better than to enact the law which is now on the statute books. I do not believe it is going to prove harmful; but I think it is going to correct abuses and eventually to bring this industry to the same orderly processes that prevail in every other industry in the country. In spite of the fact that there has not been time to fully determine the merits of the law, as a result of its enactment we have already taken a number of really progressive steps.

It is also true that the Secretary of Agriculture has hardly completed his organization; in so far as he has advanced he has proceeded with constructive vision. His every act has been sanctioned by good judgment and common sense, suggesting that he is fully conscious of the great responsibility resting upon him of initiating this administrative law without any unnecessary friction or disturbance to a very complicated business. I wish to protest against any thought or any idea that the law was intended to be a pestering, nagging enactment.

Any legislation to be effective in this country or anywhere else must take into account in its operation and administration the business integrity of the country.

I again ask especial attention of Senators to the statement I am about to make. At the present time, every phase of the live-stock industry is passing through the most severe crisis in all its history. At the close of the World War the decline in live stock on the hoof was equal to, and in some cases exceeded, 50 and 60 per cent, while it has been found impossible to reduce fixed charges involved in the cost of production in anything like such proportion. The result has been almost universally disastrous to the vast army of men engaged in the production of the meat-food products of the Nation. During the intervening time the packing houses, instead of making enormous profits, have undoubtedly sustained ruinous losses.

Under such circumstances the outlook for the industry to-day is anything else but encouraging, and to understand this precarious condition is, in my judgment, to deplore any precipitate action or any unwarranted criticism of this industry on the part of Congress.

The discussion here is perhaps traceable in part to the reports of the proposed merger between two of the five great packing houses. I have been hopeful these companies would not attempt the merger, because I believe, without passing upon the legal phases of the question, that the effect of the merger will be to limit competition, and whether or not it were intended for that purpose, to that extent be harmful to the producers of the country. It seems most unfortunate at this time that the question of a merger should have been raised, because both the producers of the country and the packers themselves are staggering under adverse conditions. They are trying to work out a plan of procedure under this new law, and since we are informed by the Secretary of Agriculture that the packers are cooperating whole-heartedly in the administration of the law, I ask that they be accorded the same spirit of fair play, of cooperation and of helpfulness, that should be accorded every other industry in a crisis.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. McNARY. I should like to know if there is an amendment pending to strike out the sum of money necessary to administer the law that has been under discussion.

The VICE PRESIDENT. There is no amendment pending. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. FERNALD. Mr. President, I just want to clear the situation and the decks here. Almost every speaker on both sides of this Chamber has referred to my "amendment." I have no amendment pending. I have offered no amendment. I have just had my say about matters that transpired, and which I prophesied two years ago would transpire. I am not going to offer any amendment. I want to see this bill passed; but I wanted to place before the Senate the facts exactly as they have happened since the bill was passed, and which I predicted would happen. I have no amendment pending.

Mr. KENDRICK. Mr. President, I am constrained to say that the facts stated by the Senator from Maine as happening have happened not on account of this act but in spite of it.

Mr. KING. Mr. President, I want to ask the Senator from Wyoming, whose knowledge upon this subject is very great—indeed, profound—what advantages he claims for the legislation. I should like to know what necessity there is for the enlarged appropriation.

An examination, very briefly made, of the testimony of Mr. Morrill, Assistant to the Secretary of Agriculture and in charge of the packers and stockyards administration, seems to indicate that the organization has been perfected to such a degree that there is no necessity for further increasing it. If the organization ab initio could be effectuated and put into successful operation under the appropriation heretofore made, I should like to inquire of the Senator what is the necessity for increasing the appropriation? I am very much interested to know what benefits have been derived. I ask for information, because persons in my State have charged that no benefits have been derived. Others insist that there have been benefits growing from this legislation. For myself, I profess to have no knowledge.

Mr. KENDRICK. Mr. President, answering that question, I want to say in advance that there are adverse currents in business, cross currents, as everyone who has had to do with it knows, that could be charged to this or any other law affecting the general situation. It is an easy thing for a man whose individual interests have failed to return him satisfactory profits to charge his failure to this law, without even a remote connection between the two. Such a charge, I am sure, would not be taken seriously by the Senator from Utah. In connection with the increased appropriation I have first this in mind, that it was impossible for the organization of the machinery necessary to supervise these markets to have been perfected with last year's appropriation. I have no detailed information on the question of the way in which the money has been expended, but I should like to give the Senate of the United States a glimpse of the magnitude of this industry by stating that the daily transfers of live stock in the yards of Chicago amount to $4,000,000. That yard alone covers a section of land. There are, as I understand, about 65 of these great markets, and very recently the receipts in one day in 3 of those markets out of 65 great markets involved 90,000 cattle.

The Senator asks how this provision of $410,000 could be beneficial. I say that if you could remove the spirit of distrust and contention and strife from even one of these great yards and substitute therefor such publicity as would bring good understanding throughout the year, you would easily bring to the consumers of food products of this country benefits, in the form of lower costs, that would amount, in the aggregate, to many times the amount involved in this appropriation; and when you think of the great national movement of this product it is a bagatelle, it is infinitesimal, compared to the benefit that would come with better understanding of the movement of the product.

Mr. KING. Mr. President, I should like to inquire of the Senator whether anything else is done by the Agricultural Department than to place men in the stockyards to exercise the supervisory care which, as I understand the Senator, the law implies shall be exercised? Do they attempt to fix prices? Do they attempt to ascertain the profits made?

I find here some testimony which seems to indicate that auditors were required, and, because of the great demand for com-

petent auditors, that they had not been able to make the investigations which they contemplated. I did not understand that the act required that they should go into the books of all the packers of the United States and determine their receipts and their expenditures, their losses and their profits, and make a complete audit of all of the activities of the corporations. Does the Senator understand that that is one of the functions of the Secretary of Agriculture under the legislation which we have heretofore passed?

Mr. KENDRICK. Mr. President, I have already stated that my impression of the law is not that of constant meddling and interfering with the business of the packers, or even any other market agency. I have no thought that there would be a plan to insist upon knowledge of every detailed act on the part of these people; and, as stated awhile ago, I can not conceive of any administration that would not credit at least a certain amount to the business integrity of the men engaged in the industry. I can not, on the other hand, believe it possible for the law to be administered without knowing something at certain times, at least, of the accounting of all of the different agencies, and the way they transacted their business.

In regard to whether or not there are any other activities, we have in connection with the act, I believe, the Bureau of Markets, which furnishes an invaluable service in sending out facts and figures and market quotations to the live-stock growers of the country all over. I undertake to say here that if there were no other agency in connection with the yards but that information it would still be worth the cost involved in this appropriation.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that when the Senate closes its session to-day it recess until 12 o'clock to-morrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McNARY. Mr. President, I offer the following amendment, simply in order to provide for the proper center head: On page 80, between lines 8 and 9, insert as a center head the following words:

International Farm Congress.

Mr. McKELLAR. What page is that?

Mr. McNARY. Page 80.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 80, between lines 8 and 9, insert as a subhead, in small capitals, "International Farm Congress."

HERMAN DAVIS.

Mr. CARAWAY. Mr. President, I wish to interrupt the proceedings of the Senate for a few minutes to call attention to a fact, and I trust it will be helpful.

When the war came and the young men of this country were going into the Army, there lived in my State a young man by the name of Herman Davis. He had not reached the fourth grade in the public schools when the needs of his family compelled him to leave school and become the supporter of a dependent mother. Later he married. The call to arms came, and he went, leaving his dependent family. He was a man without means. He went to France.

After the war a patriotic society of this country asked the Secretary of War to ascertain, through General Pershing, the names of the hundred men whom he should select as those who most distinguished themselves during the war. In response to the request, General Pershing convoked the board of officers which had been created for the purpose of determining who were entitled to be decorated with the distinguished service cross. The result of their investigation was that among the five named first was Herman Davis.

I knew him quite well. In fact, at the time the war came I think he was farming with me. The act for which General Pershing designated him as among the first who were entitled to be commended for their courage and single-handed deeds of heroism is as follows:

While acting as company runner in front of Meuville Farm, November 10, 1918, Private Davis single-handed attacked a German machine-gun nest which was harassing the left flank of his company and preventing its advance. By a skillful and fearless approach to the position he took the crew by surprise, killed four of them, and captured the gun. The notable act of courage and coolness enabled his company to continue their advance at a critical period of the fighting.

That is the record furnished by General Pershing as to this particular act of this private soldier, who was a member of the One hundred and thirteenth Infantry.

During the war Davis received 11 decorations, some from his own country, some from France, and others at the hands of the Italian Government. On the 5th day of this month Herman Davis died a patient in a hospital at Memphis, Tenn., where his friends had sent him for treatment. He died in destitute circumstances. The local chapter of the Red Cross had to furnish means to send his wife and children to the hospital, in order to be near him when he died.

Herman Davis was wounded during the war. He filed his claim for compensation, and the bureau shunted him back and forward from one division to another, until, finally, he died a patient in a hospital in a foreign State, the bill for his care being paid by his friends and associates. The Government for which he fought bore no part of the expense of his illness and no part of the expense of his burial, I am informed.

The case came to my office recently by request of some of his friends, and I had taken it up with the department. Before I shall relate further his brief story I wish to read what appeared in the Arkansas Gazette under a Memphis headline. It is as follows:

OFT-DECORATED VETERAN DIES FROM WAR WOUNDS—HERMAN DAVIS, OF MARKED TREE, WEARER OF 11 CROSSES, CITATIONS, AND MEDALS EXPRESSIVE OF MILITARY VALOR, EXPIRES AT A UNITED STATES HOSPITAL.

(Special to the Gazette.)

MEMPHIS, TENN., January 5.—After serving his country with such distinction as to win a citation for rare and conspicuous bravery at the hands of Gen. John J. Pershing, Herman Davis, of Marked Tree, Ark., World War veteran, died at United States Hospital No. 88 here at 4.15 this morning.

Wearer of 11 crosses, citations, and medals expressive of military valor, Davis was admitted to the veterans' hospital December 9. Regulations of the Veterans' Bureau service prohibit the statement of the cause of death, but relatives declared he was wounded in action, and it is believed death followed a long period of illness brought about by battle injuries.

Mrs. Ida Davis, his wife, survives, and is in Memphis to take charge of the body. Funeral arrangements have not been made.

The hero was a son of Mr. and Mrs. John Davis, of Marked Tree. His father is dead.

Davis served overseas as a private, first class, in Company I, One hundred and thirteenth Infantry, which was a part of the Twenty-ninth Division. His service early attracted the attention of officers. It is known that he was recommended for the distinguished service cross, America's highest honorary decoration for its fighting sons, but an incomplete inspection of his record to-day did not disclose whether he had received it. He wore medals of distinction from practically all the allied nations with which America fought in the World War, including the French citation medaille militaire, a much coveted and seldom bestowed honor. Davis was sent to the local veterans' hospital by the Red Cross unit at Marked Tree.

After his death the Veterans' Bureau seems to have found out that he had a claim pending, and last night I received this telegram:

Complete application for compensation of Herman Davis, deceased, going forward immediately to central office, Washington, where all death claims are handled.

The war ended in 1918, and according to General Pershing's designation of those who were most entitled to be regarded as heroes Herman Davis's name appears fifth on a list of a hundred. He got no recognition by reason of any outside influence. As I said, he was compelled to quit school when just a child and had scarcely enough education to enable him to read. He only knew that he owed his service to his country, and he offered his life freely, received 11 decorations, and died a pauper, and the bureau created by the Congress to look after the wants of wounded veterans now says it is forwarding his complete record here to Washington, since he is dead.

I had in mind merely to call attention to what seemed to be the policy of the administration, without criticism of the individual, by citing another act which took place on the very day this man died. I shall omit the name of the officer, because he is not responsible, but the day that Herman Davis died a pauper the War Department was busy here in Washington bestowing a distinguished service medal upon an officer who had commanded a rest area during the war, who had never heard a hostile shot fired, had never seen an enemy with a weapon in his hand. He was being decorated because he so "intelligently, patriotically, and courageously" commanded a post some 300 miles from the firing line. In fact, you can not take up a paper now without reading of some officer who served the country patriotically and courageously here in Washington in a swivel chair being decorated for his heroic devotion to duty.

Recently I noticed the War Department had decorated a member of a draft board because he put everybody into the Army but himself, and I call attention to this fact merely to contrast it with the treatment of the men who bore the brunt of battle at the front and who are permitted to die paupers, with their wrongs unredressed.

Even now a bill is pending to raise other officers to high rank who saw no actual field service, so much greater seems it to the department to decorate noncombatant officers than reward men who sacrificed their future, their health, and family life in a patriotic devotion to country.

WORLD WAR FOREIGN DEBT COMMISSION.

Mr. McKELLAR. Mr. President, in this morning's Washington Post, in an article referring to the work of the American Debt Commission, I read the following:

Great Britain's financial mission laid its cards on the table yesterday before the American Debt Commission at an executive session at the Treasury. Details were withheld.

Mr. President, I merely want to say at this time about this matter that I regret exceedingly that these meetings between the American debt commissioners and the British commissioners are being held behind closed doors and in secrecy. I regret very much that the two bodies are unwilling to take the American people into their confidence. There should be no such secrecy, and I want to protest vigorously against this secrecy. These negotiations should be open and above board. The people should know at least the substance of what is going on at all times during the negotiations.

It will be recalled that Great Britain borrowed this money under an act of the Congress which specifically stated the terms on which it was loaned to the British, and to the other governments of Europe to whom we loaned the money. This was openly done. There was no secrecy about the passage of that law. It was passed in the open day. In addition to that the American Congress has passed another law openly and above board, stating upon what terms the debt could now be settled, and those terms permit some departure from the original terms on which the debt was contracted.

I think it may be well said at this time that there will be nothing gained, either by our British friends or by our own Debt Commission through keeping anything secret about the negotiations or attempting to do so. It is said that the administration will ask that the law be amended so as to give wider powers to the commission. I doubt very much whether the Congress will amend that law so as to give wider powers to this commission until we know what proposition is made by the British in connection therewith. I think it can be safely said that no such amendment will be passed at this session. The American people are entitled to know all proposals made. They are entitled to have the proposition put before them.

I am not here to criticize our British friends. Indeed, I want to commend them for having already merited the honor of being the only ones of those who have borrowed from us who have actually paid us any interest. I commend them most highly for the payments of interest they have already made, though relatively they are small. They are to be commended in the highest terms, as I see it, for their action in that regard. But they may as well understand, and I believe we all may as well understand, that before any change in the debt commission law is made by the Congress the American people are going to know just how they propose to settle this indebtedness. I am quite confident that unless our commission and the British commission take the people into their confidence and publish their proposal so that we all may know it, there will be no change in the law at this session, and I doubt if there will be any change in the law at the next session in this regard.

If they have some proposition other than that which our commissioners have been given authority to settle upon, let them submit the proposition, and let the Congress pass on it. If it is a reasonable proposition, I have no doubt the Congress would pass on it, but I am sure that Congress will never change that law until it knows in words and figures the proposal of the British or other government making such proposition.

I remember, when the Versailles treaty was being considered, that our Republican friends thought it was awful that the negotiators of the treaty stayed behind closed doors from time to time and did not take the public into their confidence. I can hear Republican orators criticizing and abusing the American negotiators because they did not take the public into their confidence. Perhaps it would have been much better——

Mr. HEFLIN. And Republicans were on that commission, too.

Mr. McKELLAR. Of course; and it would have been very much better, perhaps, if our negotiators had taken the public into their confidence all the way through. So it is now, in a much more marked degree, with our Debt Commission, because these debts concern every man, woman, and child in America. They concern everyone and, therefore, it is absolutely essential that all proposals of settlement be disclosed to the American public, and speedily.

While I would not for a moment think of advising our English friends, it does seem to me it would be the part of wisdom for them, if they have any proposal different from that which the American Congress has authorized, to get it before the American public as soon as possible and let the American public be considering such a proposal. I believe that the meetings of the two commissions, some of them at least, should be held in public. I do not mean to say that all the negotiations should be held in public, but the commission should daily give out any proposals that are made. They should take the American people into their confidence, and that is especially so because our commission, as is known, is a partisan commission entirely. I say that our Republican friends owe it to us and owe it to the country, inasmuch as they have complete control of the commission, with no Democrat on the commission, to give to the public full knowledge of what is being done from day to day and especially full knowledge as to any kind of proposal that is made for the settlement of the debts in whole or in part. I want to say in all frankness, speaking only as one Member of the Senate, that I do not believe this body will pass any law giving additional powers to the commission until we know just what is proposed by our friends on the other side.

I want to digress here long enough to say that I am not in favor of the proposition offered by the Senator from Georgia [Mr. HARRIS] and favored by the Senator from Alabama [Mr. HEFLIN] providing for the appointment of Democrats on the commission, solely because the time is past for that. If Democrats were to be appointed on the commission, as of course they should have been, it should have been done in the first instance.

At this late stage in the proceedings Democrats would do no good and could do no good. All matters will have been determined before Democrats could possibly get on the commission, even if the bill should now pass. What we need now is publicity, and I call upon the members of the American commission to take the American public into its confidence and tell us what kind of proposals are being made as and when they are made. This debt is of vital importance to the American public. Some $12,000,000,000 are involved, affecting the welfare not only of the people of this country but of all peoples, perhaps, and no negotiation should be made of which the American public are not immediately and at once apprised. There should be no secrecy.

Mr. FLETCHER. Mr. President——

Mr. McKELLAR. I yield to the Senator from Florida.

Mr. FLETCHER. I should like to suggest the thought that perhaps it is not entirely seasonable or practicable to make public as they proceed all negotiations with reference to the question. I quite agree with the Senator that before anything is done definitely it must be submitted to Congress and it must be finally passed upon by Congress.

I call the Senator's attention to a brief editorial in to-day's New York World, and ask whether he does not think the view there expressed covers the ground. It reads as follows:

TO AMEND THE FUNDING ACT.

It is clear that Congress will not and ought not to surrender its right to say the last word on the question of the interallied debts. Congress is responsible for the revenues of the Government, and the terms of the debt settlement will affect both revenue and taxation.

It is no less clear that Congress can not as a body negotiate with the debtor nations. Negotiations must be carried on through a commission. But the commission can not negotiate if its hands are tied in advance, as they are tied by the present funding act.

Congress should give the commission perfect freedom to negotiate. The commission should be allowed to work out the best agreement with each nation which the circumstances will justify. This agreement should then come back to Congress for ratification. By this method Congress can discuss terms which the commission has found are practicable, instead of laying down terms in advance which everyone admits are impossible.

The fact that Congress must finally pass upon these matters is fundamental and very important; but whether the Senator thinks the negotiations themselves should be conducted in public as they proceed is quite another question.

Mr. McKELLAR. I had that editorial before me and intended to read it. I call attention to the meat of the editorial, which is:

Congress should give the commission perfect freedom to negotiate.

Now, Mr. President, I do not indorse this view. The commission has perfect freedom to negotiate now. If it finds that the debt can not be settled with Great Britain under the terms of the act passed by the Congress, it has a perfect right to submit a counterproposal from Great Britain. But my point is that until the American public are apprised of what that counterproposal is the commission's power ought not to be extended, and I am quite sure it will not be extended. I want to show why it should not be. Under the present law the commission will have a perfect right, if it is unable to settle the debt under the terms of the act creating the commission, to report to the Congress that it can not do so and to make a report of whatever other offer has been made as a counterproposal, and then the Congress can deal with it. But I protest that we ought not to undertake, and I think I can safely say that the Congress

will not undertake—certainly not at this session—to grant additional powers to the commission until we know what counterproposal has been made.

Mr. SIMMONS. Mr. President——

Mr. McKELLAR. I yield to the Senator from North Carolina.

Mr. SIMMONS. If the Senator will permit me, I would like to say that when the matter first came before the Committee on Finance it was proposed to invest the Secretary of the Treasury with plenary power to settle the foreign obligations due to the United States. That was seriously objected to, and it was then proposed that he be required to submit all settlements to the Congress for its approval. That proposition was voted down both in the committee and afterwards in the Senate, I think, when it was proposed on the floor. The proposition was made in the committee that we would impose certain limitations upon the power of the Secretary of the Treasury. That was objected to upon the ground that it might make it impossible for this Government to come to terms with its foreign debtors. But it was suggested that the imposition of the limitation would not at all prevent our Government, through the Secretary of the Treasury and the commission, coming to a tentative or provisional agreement. If they acted within the limitations which we proposed, then, of course, they could make the agreement themselves, but if they could not make it within the limitations, then they could go on and make the agreement provisionally and the matter would come before the Congress for its approval.

It was thoroughly understood at the time that the limitations would not prevent them from making a provisional agreement. They did not prevent it, but they have the effect of requiring the commission in that case to come to Congress for its consent and concurrence. I think there is no reason for any amendment of the law so as to broaden the powers of the commission, because, as in the case of the British indebtedness or in the case of every other foreign indebtedness, they can go on and come to an agreement, but after they have come to an agreement, if it is not within the powers conferred upon them, then they must submit it to Congress, and I think they ought to be required to submit it to Congress.

I think those bars ought not to be removed which now make it necessary, unless they come within the limitations conferred by the act, that they shall come to Congress.

Mr. McKELLAR. All that the Senator has said is correct. We all recall the history of the enactment of that law, and of course we all know that the commission have authority, if they can not settle the debts within the purview of the act, to report their failure to do so, and what is proposed in lieu thereof. They need no further authority.

The reason why I rose at this time was because of the publication in the morning paper, the official organ of the administration, and because I saw a day or two ago where the President was substantially quoted as saying that a recommendation would be sent to the Congress to give the commission plenary power in the matter. I wanted to say publicly here on the floor of the Senate that I am quite sure that the Senate will not agree to any act increasing the power of the commission in regard to the settlement of these debts until the Senate knows in black and white, not by word of mouth, but in black and white, just what is proposed.

Mr. President, I wish to say again, as I have previously said, that I do not think we ought to be hard creditors at all. If the length of time for which these debts are to run is not satisfactory to our British friends, I see no reason in the world why we can not make it satisfactory to them if they make a reasonable proposal about the time. If the rate of interest is not entirely satisfactory, I, for one, would even be willing to yield something in regard to that, though I think they ought to make no question about the interest rate, because our people lent the money at a certain rate of interest, and they were assured that the governments of Europe would pay us a like rate when they came to return the money, and because we have lent it to them on terms the reasonableness of which no nation could possibly in equity complain. However, we ought to know on what basis we are acting, and we must have that knowledge before we amend the debt commission law. So I submit now that every parliamentary tactic will be resorted to in order to prevent such an amendment of the law as has been suggested until our Debt Commission and the foreign commissions which may come together to negotiate take us into their confidence and tell us exactly what is proposed to be done. I again protest against the secrecy of these negotiations.

Mr. HEFLIN. Mr. President, I very much regret that the President of the United States and the Republican Congress have not already seen the propriety and the wisdom of putting Democrats on the Debt Funding Commission. The Finance Committee, I believe, has agreed to report favorably the bill of the Senator from Georgia [Mr. HARRIS], who, in season and out of season, has been, as I have been, in favor of having Democrats upon the Debt Commission.

Mr. McKELLAR. Will the Senator yield to me?

Mr. HEFLIN. I am glad to yield to the Senator from Tennessee.

Mr. McKELLAR. Does not the Senator from Alabama think, at this late day, after practically the negotiations, to say the least, are well under way, that it would be a useless and a vain thing to put any additional members on the commission? Would it not have the effect merely of putting Democrats on the Commission in order to confirm what may have already been done by our Republican friends who now constitute the commission?

Mr. HEFLIN. My good friend from Tennessee and I are usually in hearty accord, but I can not agree with him upon that matter. I think he is right in suggesting that we ought to have had representation on the commission from the outset before any negotiations were undertaken; I made that plain several days ago, as did also the Senator from Georgia. There are several nations in Europe to which we loaned money, and they owe us altogether a debt of $12,000,000,000, principal and interest. The British Commission, which is here now negotiating with our members of the Debt Commission, represents but one of the countries indebted to the United States. There are seven or eight billion dollars—I believe around $8,000,000,000—which are owing us by other nations besides the one whose commission is now here. Certainly it would be well to have some Democrats on the commission while we are considering the collection of $8,000,000,000.

I am satisfied that very important negotiations have already occurred between the Debt Commission and the envoys of Great Britain. I have some very deep convictions upon the subject. I think the American commissioners have probably intimated to the representatives of the foreign nations just what the attitude of the Republican administration is toward the collection of the whole debt, and I wanted some Democrats on the commission in order that the American people may know what are the plans and policies of the party in power. This is an American question, I repeat.

Mr. McKELLAR. Mr. President——

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. Let us assume that the bill of the Senator from Georgia [Mr. HARRIS] should pass and that Democrats should be put on the commission; they would be bound by the same rules of secrecy by which the present commission is bound, and I do not see how, unless they violated their word—and, of course, they would not do that—they could accomplish the object which the Senator from Alabama has in mind.

Mr. HEFLIN. I do not see why a Democrat should be bound by Republican secrecy, Mr. President.

Mr. McKELLAR. If a certain kind of Democrat were appointed on the commission, they would be so bound.

Mr. HEFLIN. There might be something in that, if the administration should appoint some weak-kneed, half-hammered Democrats on the commission; but such Democrats would not be appointed if I could prevent it here in the Senate, and I reserve the right to oppose the confirmation of any Democrat, whether a member of the Senate or not. If I did not believe he would handle this matter in the manner which the American people desired it handled, I should oppose his confirmation. There are one or two Democrats here whose confirmation I would oppose. I will state that very frankly.

Mr. President, as I have heretofore stated, this matter is one which vitally affects the whole American people. We are now considering appropriation bills, and we are urged by the Budget Bureau to cut down appropriations because it is necessary that we shall save money. We are saving $1,000 here and $2,000 in another place, while negotiations are secretly proceeding to cancel the indebtedness of $12,000,000,000 due us from foreign nations. The American people are entitled to know what is going on behind the closed doors of the commission, and I for one am not going to remain silent in this Chamber and permit this foreign indebtedness of $12,000,000,000 which is owed to one hundred and odd million people to be handled by a partisan commission.

Negotiations in reference to the matter are going on every day. The Finance Committee of the Senate has gone far enough to report favorably the bill of my friend from Georgia.

I do not acquiesce in the present situation. I stand on the speech I made here on day before yesterday, that action ought to be had upon the bill at once; but I can not hurry the machinery of the Republican Party any more than can the Senator

from Georgia. Some action will be taken on the bill a little later, but it ought to be taken now.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. I desire to ask the Senator whether he really believes that the bill of the Senator from Georgia is going to be passed and that Democrats are going to be appointed on the Debt Commission? The Senator has been in public life a long time here in Washington—he being a young man, I will not say how many years—and he has been here long enough to know that that bill is not going to be passed during this Congress.

Mr. HEFLIN. I am not so certain of that, because the Republican Party received a considerable jolt last November, and a good jolt sometimes wakes things up. I hope and believe that the party has been aroused. I am receiving letters from all over the country indorsing my position in the demand for Democratic representation upon the debt commission. I received one from a citizen of Maine stating that it was right; that the Democrats ought to be represented upon that commission; and that letter was from a Republican. The people of the country are waking up on this question, and no doubt they are writing to some of the Republican Senators and are asking them, or at least they ought to ask them, "How can you excuse yourselves in the position that denies to the minority party in Congress representation upon a debt commission that is negotiating the settlement of a debt of $12,000,000,000 which is due the American people?" There is not any excuse for it that is worth snapping one's fingers at; it is inexcusable and indefensible.

Now, this is why I wish Democrats on the debt commission: I want Democrats on the commission because I believe that if we get the right sort of Democrats on it they will reflect the wishes of the American people, both Democrats and Republicans. I know how the rank and file of the Republicans and the rank and file of the Democrats feel about the matter. They do not want those debts canceled, but they want them collected; they want this home-debt burden rolled off their backs; they want their tax burdens removed, and the payment of the foreign debt, which is due us, would be one way to bring about that result. Of course, the politicians, the leaders of the Republican Party, and the international bankers in Wall Street may get together and fix up a very nice arrangement under which the international bankers may promise to help elect a Republican President of the United States and a Republican Congress in 1924, if the hope may be held out that the negotiations will be extended a little further with the idea that something may be done toward cancellation.

God Almighty only knows what is going on behind the closed doors of the debt commission. I look on the proceedings with suspicion, because when any party, even my own party—I do not care who is doing it—shuts the door in the face of the other party, which is supposed to represent in part the American people, and not let them in to participate in negotiations of this character, I would say there is something wrong about it.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. Then, as I understand the argument of the Senator from Alabama, if the financial commissioners of Great Britain have laid their cards on the table before our commissioners and told them just what they propose to do, the Senator from Alabama thinks we ought to have that information, that it ought to be made public, does he not?

Mr. HEFLIN. I think we ought to have the information. I agree with my friend from Tennessee on that point. If the envoys of Great Britain have laid down a proposition and the Democrats are not going to be represented on the commission until after some sort of an agreement is reached between this one-sided commission on the part of the United States and the envoys of Great Britain, I think it ought to be laid before Congress, because Congress is supposed to represent the American people.

I wanted Democrats on the commission in order that the Democrats might be present in the negotiations from the very beginning; so that if anyone proposed a plan—whether it was the plan of the representatives of Great Britain or of the American commission, composed solely of Republicans—the Democrats would be there to oppose it and to antagonize the position that they may have taken unless it were in keeping with the highest and best interests of our own people. That is the position I took in reference to that.

It sets a bad precedent, Mr. President, for any party to name a commission of partisans to handle a matter of this importance. In 1925, when the Democrats come into power and we get a Democratic President and a Democratic Congress, suppose negotiations were still pending and we should turn out all of the Republican members of the debt commission and appoint a Democratic commission; there is not one Republican who could open his mouth in opposition, though he might try to do so, for we would say, "You laid down the pattern to us; you set the precedent; you named five partisan commissioners; now we are in power and the Democrats are going to take up this matter and handle it from a partisan standpoint. The Republicans handled it from a partisan standpoint; why can we not likewise handle it from a partisan standpoint?"

This great debt, which is due to the whole American people, has been kicked about like a football of partisan politics. If there were three Democrats on the commission and five Republicans—eight in all—that would be all right. Let them go in and sit down and negotiate honestly and intelligently, with the facts before them. Then if a majority of the commission should recommend a certain course and the Democrats did not agree to it, let the Democrats come out in the open and say, "This proposition was offered by the Republicans; we hold that another method is the best way to settle it," and then publish both views and go to the country and let the country determine whose recommendation the people would accept. That is my reason for wanting Democrats upon the debt commission. Is there anything wrong or unfair about that?

I know, Mr. President, and other Senators know that early last fall there was strong sentiment in certain Republican circles around this Capital in favor of canceling this debt outright. It is known to myself and others here that certain big editors in the United States journeyed to London and Paris in 1922—that is not any secret—and the rumor was that they were discussing and devising ways and means to bring about propaganda in the United States to educate the people up to the point of forgiving or excusing these debts.

Mr. President, we ought to talk plainly about these things. Everybody knows that that is not being carried on for nothing. Everybody knows that if instrumentalities in the United States can so prey upon the sympathy of the people over here as to cause these debts to be excused, those very instrumentalities are going to take down millions and hundreds of millions in commissions for putting the thing over. I believe it just as firmly as I believe I am standing on this floor. I have not the slightest doubt of that—not the slightest. I do not propose that they shall put over anything like that on the tax-burdened masses of my country if I can help it. I do not propose that they shall pull off such a stunt as that upon the debt-burdened people of the United States.

Why, Mr. Otto Kahn, one of these international bankers, is urging us to cancel the debt. He is an international banker, and some of these same foreign countries owe his banking concern money, so Mr. FREAR, I believe, a Republican Member of the House from Wisconsin, has pointed out. They owe his international banking concern money, and Mr. Kahn wants to collect it, and he wants the United States Government to rise up and excuse what those people owe to us, so that he can stand up and say, "Now that is out of the way, pay me."

I submit that Mr. Kahn and other international bankers could set the United States a good example if they would show their generosity by going to these stricken nations and saying, "Here is our debt; we excuse it; you owe us nothing," and then turn around and say to us, "Go thou and do likewise." But instead of that they are saying: "You ought to excuse it." And we say: "Well, what is your motive in this? What is that you have in your hand?" He puts it behind it. We say: "Let us see the written document you have. Oh, yes; that is evidence of indebtedness from those people over there to you. No wonder you are so generous and sympathetic. You want to get these debts excused so that you can get what they owe you."

Mr. President, I am representing as best I can in part the people of my State, and, I think, the whole United States. I am trying to do that. I am not representing the international bankers in this matter, and I do not propose for any propaganda by them or certain editors of newspapers to work upon the American people and carry on something through secrecy, behind closed doors, through a partisan Republican commission, without the American people knowing about it.

I do not care to take up any more of the time of the Senate. I will say this in conclusion:

It is right, it is fair, it is just, it is simply plain honesty that the Democratc Party should have representation upon this debt commission. Of course I am in the hands of the majority. We have to await your pleasure. These negotia-

tions are going on, and, as the Senator from Tennessee has pointed out, are being carried on in executive session. What is it about the debt due us that has to be discussed behind closed doors? What proposition is it that somebody has to make that must be done in secrecy, in executive session? When this money was obtained from us there was nothing secret about it. The Congress authorized the loan. The money was obtained and used by those people. Here we are proposing that they pay us only 4½ per cent, and farmers in the United States who are producing that which feeds and clothes the world are paying 5½ and 6 per cent, and nearly all of them are heavily mortgaged at this very hour.

Mr. President, just another word.

This matter, I repeat, is probably the most vital material question that will come before the American people in a long time. The arrangement looking toward the collection of $12,000,000,000 is no small matter. Here is an effort to have representation from both parties. That is fair. There is a custom in the Congress, as old as the Government, that when a thing of this sort comes up both parties are to be represented. We recognize that principle in the appointment of standing committees in both Houses. Every standing committee has Democrats on it and Republicans on it. The majority of the committee comes from the party that is in the majority and the minority from the minority party. I want to ask, Why was it that an exception was made in this case, where $12,000,000,000 was involved? Why was it that the Democrats were ignored and mistreated in this matter? Why was it that not a single Democrat was put on that commission? What was back of it all that surrounded it with such strange and mysterious doings that no Democrat should be permitted to appear on it and participate in the negotiations?

When this bill of my friend from Georgia, which was referred to the Committee on Finance, was being considered yesterday, I understand that the Secretary of the Treasury was quick to write a letter to the Finance Committee opposing the putting of Democrats upon the debt commission. Think of that, if you please! What prompts him to take such a step as that? Why should he, a high officer in the President's Cabinet, a Republican Secretary of the Treasury, write a letter down here and protest against putting Democrats on a commission of which he, a Republican, is a member, and where negotiations are now going on? That is something for the American people to think about.

If we had a Democratic President, if we had a Democratic Congress, and a Democratic Secretary of the Treasury should write a letter protesting against putting Republicans on that commission, the howl that would go up from the other side would ring around the Nation; but I have not heard any of them chirp about this. Mr. Mellon can write a letter and urge that they do not put any Democrats on it, but my friends on the other side are as silent as the tomb. But, Mr. President, that bill is on the way to the calendar. It probably will get there some time after the negotiations with Great Britain have been finished.

I wanted representatives on it while they were discussing this thing. I think I have a right to demand that. I am part of the United States. I represent part of a State of the Union, and, as I said before, I am trying to do what I can for the good of all the people of the Union; and I think we ought to have representation on the commission while they are considering the means of settling this debt. I think it is just a matter of right that we have it.

I simply rose to say that I protest against the delay in reporting the bill, and I insist upon action. I do not agree that anything would be hurt by reporting it out, because there ought not to be any discussion had about that debt that the whole people can not know. Why should there be?

If they tell us that they are not ready to pay this money now, or that they would rather have a lower rate of interest, or that they must have it, let them submit it to the whole American people, and let us decide for ourselves whether we will agree to it or not. I do not want any party's commission—a one-sided commission—sitting in and whispering one way and saying: "That is our position, but we do not know whether the Congress will ratify this or not; but if we could elect another President and get another Congress, not this one that is coming in—that is too close to be comfortable—why, we do not know what might be done in 1925 or 1926."

Mr. President, $12,000,000,000 is a heap of money, and the Bible says that the love of money is the root of all evil. A big commission would be paid for debt cancellation.

Mr. President, I repeat, I do not care whose party it is; I would favor having representation from both parties. That is a matter of right. If the Democratic Party were in power and the President should consult me about appointing five commissioners and say that he had in mind appointing five Democrats, I would say, "Mr. President, I would not do that. I would name three Democrats and two Republicans. I think it is a matter of right. This is an American question, and both parties ought to be represented on it"; and I would favor that course.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 8 and 9 to the said bill and concurred therein, and that the House had receded from its disagreement to the amendment of the Senate numbered 7 and concurred therein with an amendment, in which it requested the concurrence of the Senate.

SECOND DEFICIENCY APPROPRIATION BILL.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives receding from its disagreement to the amendments of the Senate numbered 8 and 9 to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, and concurring therein; and receding from its disagreement to the amendment of the Senate numbered 7 and concurring therein with an amendment as follows: In the last line of said amendment, after the name "Cuba" to insert: ": *And provided further*, That the aggregate of all pay from all sources from the Government of the United States to any person appointed to the foregoing office under the permissive authority contained in the first and second provisos of this paragraph shall not exceed the annual rate of $17,500."

Mr. UNDERWOOD. Mr. President, will the Senator explain the effect of the last amendment?

Mr. WARREN. Amendment numbered 7 was a proposition in the bill that provided, if an embassy should be ordered for Cuba, the inhibition in the law of some years ago—some time during the eighties—and one of very late years, should not prevent a retired Army officer from having the office, and that his pay should have an addition sufficient to make it the same as a private citizen would have if appointed to that position. If the Senator would like a little more explanation, I will state that this legislation would allow Major General Crowder, who may be appointed to a place there, to draw the difference between the retired pay of a major general, as he retires next month, and that of an ambassador.

I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 7.

The motion was agreed to.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment, on page 80, after line 8, to insert a subhead, "International farm congress."

The amendment was agreed to.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Harrison	McKinley	Shortridge
Bayard	Heflin	McNary	Simmons
Borah	Johnson	Moses	Smith
Broussard	Jones, N. Mex.	Nelson	Sterling
Calder	Jones, Wash.	New	Townsend
Cameron	Kellogg	Norbeck	Underwood
Capper	Kendrick	Oddie	Wadsworth
Colt	Keyes	Overman	Walsh, Mass.
Curtis	Ladd	Phipps	Walsh, Mont.
Ernst	Lenroot	Poindexter	Warren
Fletcher	Lodge	Ransdell	Watson
George	McCumber	Reed, Pa.	Weller
Harris	McKellar	Sheppard	Willis

The VICE PRESIDENT. Fifty-two Senators having answered to their names, a quorum is present.

Mr. McNARY. Mr. President, from the Committee on Agriculture and Forestry I desire to offer the following amendment: Under the head of "Prevention of spread of European corn

borer," on page 52, line 8, I move to strike out "$200,000" and insert in lieu thereof "$250,000," and, in line 9, to strike out "$75,000" and in lieu thereof to insert "$125,000," so as to read:

PREVENTION OF SPREAD OF EUROPEAN CORN BORER.

To enable the Secretary of Agriculture to meet the emergency caused by the spread of the European corn borer, and to provide means for the control and prevention of spread of this insect throughout the United States, in cooperation with the States concerned, including employment of persons and means in the city of Washington and elsewhere, and all other necessary expenses, $250,000: *Provided*, That in the discretion of the Secretary of Agriculture $125,000 of this amount shall be available for expenditure only when an equal amount shall have been appropriated, subscribed, or contributed by States, counties, or local authorities, or by individuals or organizations, for the accomplishment of such purposes.

The VICE PRESIDENT. Under the rule, the amendments will be referred to the Committee on Appropriations.

Mr. LENROOT. May I ask the Senator from Oregon what investigation the Committee on Agriculture and Forestry has made in regard to this matter?

Mr. McNARY. Mr. President, the Committee on Agriculture and Forestry had before it to-day the distinguished senior Senator from Massachusetts [Mr. LODGE] and the able junior Senator from Ohio [Mr. WILLIS]. It also had the advice of the junior Senator from New Hampshire [Mr. KEYES]. Those three Senators urged upon the committee the necessity of increasing the appropriation in order to control, if not eradicate, the spread of the corn borer. In the opinion of the committee, that insect is making its way into territory not now infested. It is the object to keep it localized in one or two of the New England States and to prevent its spread far into the northeastern part of the country, into the central corn belt, and into the South.

The committee, after some discussion and after the statements made by those Senators, thought that an increase in the appropriation at this time would be of great advantage and would prevent the loss of a tremendous amount of property in future years. No other investigation was made and no other statements were brought to the attention of the committee save those I have mentioned. It is proposed to increase the appropriation by $50,000, but the increase is not to apply to money that can be expended generally, but, in the discretion of the Secretary of Agriculture, it is to be expended in cooperation with the States upon the basis of equality. The appropriation in the proviso was raised from $75,000 to $125,000, but if the money is to be expended, it can be expended only when the States wherein the infestation occurs shall put up an equal amount. The vote upon the increase in the committee was unanimous, the committee reported the amendment, and I am offering it now from the Committee on Agriculture and Forestry.

Mr. JONES of Washington. I ask unanimous consent that the amendment be not referred to the Committee on Appropriations, in accordance with the rule, but that it be considered without the reference provided by the rule.

The VICE PRESIDENT. The Senator from Washington asks unanimous consent for immediate consideration. Is there objection? The Chair hears none.

Mr. UNDERWOOD. Mr. President, I certainly will not object, and I have no objection to having the amendment considered, but because it is being done by unanimous consent I do not wish to have it understood that it forecloses the parliamentary point which might be raised in reference to the matter, namely, that the Senate would have to send it to the Appropriations Committee. I have no objection to its immediate consideration.

The VICE PRESIDENT. The Chair had already referred it to the Committee on Appropriations. There being no objection to its immediate consideration, the question is on the amendment.

Mr. UNDERWOOD. I understood that the amendment had been reported back from the committee. Was it not?

Mr. McNARY. From the Committee on Agriculture and Forestry.

Mr. UNDERWOOD. And it is a question as to whether it shall be considered in the Senate now?

Mr. McNARY. I am offering it at this time for the consideration of the Senate.

Mr. UNDERWOOD. I understood the Vice President to refer it to the committee. I think the Vice President misunderstood the request. The request is for immediate consideration, I understand.

The VICE PRESIDENT. That is the request, and the request has been granted.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. HARRISON. Are we to understand that when one of these amendments is suggested or moved by the Committee on Agriculture and Forestry, it then will be referred to the Committee on Appropriations? I gathered from what the Chair said that he would rule that it would go to the Committee on Appropriations.

The VICE PRESIDENT. That is correct. The question is on agreeing to the first amendment, to strike out "$200,000" in line 8, page 52, and to insert in lieu thereof "$250,000."

The amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the second amendment, to strike out "$75,000" in line 9, page 52, and to insert in lieu thereof "$125,000."

The amendment was agreed to.

Mr. McNARY. From the Committee on Agriculture and Forestry I propose another amendment. On page 30, line 7, I move to strike out "$94,115" and to insert in lieu thereof "$104,115," so as to read:

For sugar-plant investigations, including studies of diseases and the improvement of sugar beets and sugar-beet seed, $104,115.

I ask unanimous consent for the immediate consideration of the amendment.

The VICE PRESIDENT. Is there objection?

Mr. McKELLAR. As I understand it, the Budget recommended $94,115 and the committee proposes to raise it $10,000 above the Budget figure. What reason is there for it?

Mr. McNARY. If the Senator had been in attendance yesterday he would have heard it very ably and fully discussed.

Mr. McKELLAR. I was yesterday in attendance on the Appropriations Committee and could not be here.

Mr. McNARY. There is an insect called the mosaic parasite, which attacks the roots of the sugar cane, and this is to provide means to control and eradicate it and to experiment with some destructive force. The amendment was offered by the Senator from Louisiana [Mr. BROUSSARD], and it is an increase of $10,000 over the estimate of the Budget.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McNARY. From the Committee on Agriculture and Forestry I move, on page 53, line 2, to strike out "$25,000" and insert in lieu thereof "$30,000," so as to read:

CONTROL AND PREVENTION OF SPREAD OF THE MEXICAN BEAN BEETLE.

To enable the Secretary of Agriculture to meet the emergency caused by the recent introduction and rapid multiplication of the Mexican bean beetle in the State of Alabama and other States, and to provide means for the study, experimentation in eradication, and for the control and prevention of the spread of this insect in that State and to other States, in cooperation with the State of Alabama and other States concerned and with individuals affected, including the employment of persons and means in the city of Washington and elsewhere, and all other necessary expenses, $30,000.

I ask unanimous consent for the immediate consideration of the amendment.

The VICE PRESIDENT. Is there objection?

Mr. LENROOT. Mr. President, I would like to ask the Senator from Oregon again as to what evidence the Committee on Agriculture and Forestry had before it, and what investigation was made as to the necessity for these increases?

Mr. McNARY. In reply to the Senator, I will say that the Senator from New Mexico [Mr. BURSUM] appeared before the committee this morning and stated that there is infestation by the bean beetle in New Mexico, and that the Department of Agriculture would like to have $10,000, but would absolutely need $5,000 in order to do any work in the way of its control.

Mr. LENROOT. Is it the idea then that under the new practice any Senator who desires an increase in an appropriation need only go before the Committee on Agriculture to get it?

Mr. McNARY. I do not know what the future has in store. I am sure the Committee on Agriculture, after very thoughtful consideration of this and other subjects, decided to report the increase.

Mr. LENROOT. Would the Senator, as a member of the Committee on Appropriations, and he is a member and in charge of the bill now before the Senate, be willing to grant increases without calling representatives of the Department of Agriculture and ascertaining their views as to the necessity for the increases?

Mr. McNARY. In reply I will say that the Senator in charge of the bill has some knowledge of the particular subject through the hearings had last year and from discussion with two members of the Department of Agriculture this year. I am not always influenced by statements made by Senators or by the department; but as a member of the Committee on Agriculture and Forestry and of the Committee on Appropriations, when I feel that an increase should be made, I am willing to vote for it.

Furthermore, at this time I may propose amendments which I voted against in the committee, and I shall propose one or two that I voted against, but I am acting now in the capacity of acting chairman of that committee.

Mr. WADSWORTH. Mr. President, will the Senator inform us what estimate the Department of Agriculture made in the matter and what estimate was given by the Bureau of the Budget?

Mr. McNARY. Two years ago $70,000 was allowed for the work. Last year this item in the Department of Agriculture appropriation bill was cut to $25,000 at the suggestion of the Secretary of Agriculture. The same amount was carried by the Director of the Bureau of the Budget in his estimate and report to the President, reported by the House committee, and adopted by the House. This increase is in addition to the Budget, in addition to the department estimate, and in addition to the sum allowed by the House.

Mr. WADSWORTH. Five thousand dollars additional?

Mr. McNARY. Yes.

Mr. WADSWORTH. Then, I understand, the Secretary of Agriculture does not ask for more than $25,000?

Mr. McNARY. That is true, as stated in his estimates, but when his attention was called to the ravages of the beetle in New Mexico, he said he needs all that money in an effort to control the diseases caused by insects in the South, and that he needs $5,000 or $10,000 for this particular purpose. He said that he could use $10,000, but that he needs $5,000 to do any work in the intermountain States, namely, the State of New Mexico and others.

Mr. WADSWORTH. I shall not object, because I do not want to delay the bill; but there seems to be some misunderstanding as to what the rule implies with respect to the reference of such amendments to the Committee on Appropriations, which may give rise to considerable debate and points of order. However, I do not desire to delay the bill, but I hope that the conferees will see the light of economy.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McNARY. On behalf of the Committee on Agriculture and Forestry I propose the following amendment: On page 71, line 19, I move to strike out "$450,000" and insert in lieu thereof "$1,000,000." That is for the purpose of acquiring additional land on the headwaters of navigable streams. Anticipating the question, certain Senators appeared before the committee and urged it. Personally I opposed it, but I was outvoted, and I am presenting it now in my capacity as acting chairman of the committee. I ask unanimous consent for its immediate consideration.

Mr. WADSWORTH. Before the request is put, may I ask the Senator what increase is involved?

Mr. McNARY. From $450,000 to $1,000,000, which would be an increase of $550,000, making a total of $1,000,000 to be used in the purchase of land.

Mr. WADSWORTH. Of course, I did not hear the discussions before the committee——

Mr. McNARY. Just a moment, if the Senator please. I am asking for the immediate consideration of the amendment.

Mr. WADSWORTH. I am not willing to give that consent until I hear some reasons advanced for increasing the appropriation $550,000. Can the Senator state what data was given to the committee for this increase?

Mr. McNARY. Very little data was given to the committee. The Senator from New Hampshire [Mr. KEYES] spoke upon the subject, and the Senator from South Carolina [Mr. DIAL] spoke upon the subject before the Joint Committee on Agriculture and Appropriations. Last year $400,000 was allowed for the purpose, and the year before $1,000,000, and that sum was carried for three years.

A considerable part of the land was acquired during preceding years in the Allegheny Mountains in the region of the city of Pittsburgh at an average cost of $3.31 an acre. At this time it is deemed desirable to acquire additional land to preserve the watersheds and navigable streams in certain New England States and in North Carolina. The commission reported to the Budget an estimate for $2,000,000 for the purpose. The Budget recommended $450,000. That was the sum contained in the bill as it passed the House. The committee, after briefly considering it this morning, now offers an amendment proposed by the Senator from South Dakota [Mr. NORBECK] to increase the amount from $450,000 to $1,000,000.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. McNARY. Certainly.

Mr. LENROOT. Will not the Senator state that the Committee on Appropriations did consider the matter very fully and refused the increase?

Mr. McNARY. That is true. I thank the Senator. The Senator from South Carolina [Mr. DIAL] appeared before the committee. It was thought that $450,000 would be sufficient. I am proposing the amendment in my capacity as acting chairman of the committee. I voted against it in the committee.

Mr. WADSWORTH. I would hesitate very seriously to oppose any item which might have to do with the eradication of pests that seem to menace the agricultural regions or interests of the country, but this money is proposed to be used in the nature of a capital investment. There is no great necessity for it being done immediately. I object to the consideration of the amendment.

The VICE PRESIDENT. The amendment is referred to the Committee on Appropriations.

Mr. OVERMAN. May I ask if that will throw the whole bill back to the Committee on Appropriations?

The VICE PRESIDENT. It does not. It simply refers the amendment to that committee.

Mr. UNDERWOOD. May I inquire for my own information if the amendment was reported from the Committee on Agriculture or from the Committee on Appropriations?

Mr. McNARY. It was reported from the Committee on Agriculture to-day.

From the Committee on Agriculture I propose another amendment. On page 50, line 12, I move to strike out the figures "$123,000" and to insert in lieu thereof "$173,000," being an increase of $50,000. I ask unanimous consent for the immediate consideration of the amendment.

Mr. McKELLAR. Before we grant that consent, will the Senator state why this increase is asked? As I understand it, this is the Budget figure and has been recommended by the Committee on Agriculture or by the Committee on Appropriations.

Mr. McNARY. As I have tried to make clear, these amendments are all from the Committee on Agriculture and Forestry. The suggestion was made by the Senator from Mississippi [Mr. HARRISON]. I do not know the reasons for the increase.

Mr. HARRISON. Mr. President, I offered the amendment in the Committee on Agriculture this morning to increase the figure because of the inadequate amount carried in the bill to fight what is known as the sweet-potato weevil. The value of the sweet-potato crop in five States along the Gulf coast this year is over $135,000,000. This pest has come into that section. We have eradicated it in two of the States, but not in the others. We did get it out of Mississippi, but it is coming back because of the insufficient amount of money appropriated to adequately eradicate it. The increased sum is most necessary. I had a talk to-day with a representative of the Department of Agriculture, and he said that the amount can be expended well and would help to render a great service, and that they need the money.

This item is like many other items in the bill. The Department of Agriculture did not estimate for the larger amount for the reason that they were trying to keep appropriations confined within a certain scope, realizing that the Budget would cut down and decrease the amounts in certain instances anyway. I might call the attention of the Senate to the fact that when the Bureau of the Budget asked the departments originally to prepare preliminary estimates the Agricultural Department prepared the estimate, and after it had gone to the Bureau of the Budget and been there two or three days it was sent back to the Department of Agriculture, and they were told to cut it down $2,000,000 in the general items. Then they prepared another estimate and submitted it to the Bureau of the Budget, and some one there, who perhaps knew nothing about agriculture, cut it a further $2,000,000, and so the amount carried in the bill is some $4,000,000 less than the department desired and estimated for. All of the estimates upon the part of the Department of Agriculture are less, in most cases, than were really desired.

This is a very necessary appropriation, and I hope the amendment will be agreed to.

Mr. LENROOT. May I ask the Senator in charge of the bill whether the Committee on Agriculture secured any information from the Department of Agriculture as to the necessity of this increase?

Mr. McNARY. None whatsoever.

Mr. LENROOT. I shall have to object to the amendment.

The VICE PRESIDENT. The amendment is referred to the Committee on Appropriations.

Mr. HARRISON. Did I understand the Senator from Wisconsin to object to the item?

Mr. LENROOT. I did, on the statement of the Senator from Oregon—the Senator in charge of the bill—that the Committee on Agriculture made no attempt to secure any information from

the Department of Agriculture as to the necessity for the increase.

Mr. HARRISON. May I ask the Senator from Wisconsin, who is a member of the Committee on Appropriations, whether he will not insist that the Committee on Appropriations shall have some representative of the Department of Agriculture come before them in the morning, or to-morrow before consideration of the bill shall have been concluded, so we can get an expression from them on the item and on any other items that may be sent back to that committee because of objection made on the floor?

Mr. LENROOT. I shall not insist upon it, because this is the amount requested by the Secretary of Agriculture and recommended by the Budget, and is the amount for which the Budget estimated. I make no objection whatever to a hearing by the committee, but I do insist that these increases ought not to be made over and above the Budget estimate and the department estimate without getting some information from the department itself as to the necessity for the increase.

Mr. HARRISON. Mr. President, the position in which the Senate finds itself is that the all-powerful Budget is usurping all the powers of the Congress to deal with these questions that arise.

Mr. LENROOT. Mr. President, will the Senator yield at that point?

Mr. HARRISON. In just a moment. In other words, a Senator is forestalled and estopped from presenting an amendment here, no matter how just it may be, how necessary to the welfare of his constituents, if some party up in the Budget Bureau, who perhaps knows nothing about agriculture, may not have allowed the estimate or may have cut the estimate as recommended by the Department of Agriculture.

I yield now to the Senator from Wisconsin.

Mr. LENROOT. The Budget Bureau has nothing to do with this particular matter. I asked particularly whether the department had made the request for a greater sum and found it had not. That being so, if the Budget Bureau had never been created we should have had exactly the same situation, and the amendment proposed by the Senator from Mississippi would not have been in order.

Mr. McKELLAR. Will the Senator from Mississippi yield to me?

Mr. HARRISON. I yield to the Senator from Tennessee.

Mr. McKELLAR. I merely desire to say that under the law creating the Budget Bureau the Agricultural Department is denied the right to make any statement about the matter unless it is called upon to do so by the committee; and I have doubt whether they have a right to ask for a larger appropriation than that which the Budget Bureau has allowed even if they are invited to appear; but they are certainly prohibited from themselves coming before the committee and making a statement in reference to an increased appropriation.

Mr. LENROOT. That is true; but I was referring to the recommendation of the department to the Budget Bureau; and the Budget Bureau did not cut down this item at all. So under the old law, when the department's estimate would have come directly to Congress, the amendment would have been subject to the same point of order.

Mr. HARRISON. No. I wish to ask the Senator from Wisconsin, who is on the Appropriations Committee which framed this bill, did the committee inquire of the representative of the Agricultural Department with respect to the preliminary or original estimate that was made by the Agricultural Department to the Budget Bureau?

Mr. LENROOT. We had it before us.

Mr. HARRISON. The committee had before it the original preliminary estimate which was made?

Mr. LENROOT. I think in all cases we had such estimate before us; it was either directly before the committee or in the House hearings. The Senator from Oregon [Mr. McNARY] will correct me if I am mistaken as to that.

Mr. HARRISON. Is it not a fact that in the other House the Committee on Appropriations conducted hearings on the Agricultural appropriation bill before the bill was even framed or introduced or the Budget Bureau had submitted its estimate?

Mr. LENROOT. I do not know that they did before the Budget submitted its estimate; but, of course, they did before the bill was introduced.

Mr. HARRISON. But is it not a fact that the Appropriations Committee of the Senate, of which the Senator from Wisconsin is a very influential member, conducted hearings on the bill before the bill had ever reached the Senate and while it was still pending in the other House?

Mr. LENROOT. I think we commenced our hearings on the same day that the bill passed the other House—that is my recollection—and we called upon officers of the Department of Agriculture for information.

Mr. HARRISON. Mr. President, we are in the attitude here that unless the Budget Bureau puts its approval upon an estimate we can not increase it in the slightest, no matter how great may be the reason for doing so. Glancing through the pending bill, I find that for the very important work of cooperative agricultural extension, home demonstration work, and so on, the Bureau of the Budget, notwithstanding Congress in the last few years has appropriated as much in some instances as four and a half million dollars in a year, has cut the estimate from $1,300,000 to $1,250,000. I further find that for the eradication of the cattle tick the estimate of the Department of Agriculture to this powerful Budget Bureau was $660,000. The Department of Agriculture was in a position to know, or it had reason to believe that it knew, that they needed $660,000 for that purpose, but the Budget Bureau reduced the amount to $500,000. On page 21 of the bill it will be found that for experiments in the dairy industry—a most essential and valuable work—the Agricultural Department estimated for $375,000; but the Budget Bureau, through some person who knows nothing of agriculture, reduced it to $284,320.

Mr. WADSWORTH. Will the Senator from Mississippi yield at that point?

Mr. HARRISON. Yes.

Mr. WADSWORTH. The copy of the bill before me shows that the appropriation is $375,000, as found on page 21 of the bill.

Mr. HARRISON. But the Budget Bureau only desired an appropriation of $284,000 to be made.

Mr. WADSWORTH. But the Senator from Mississippi said a moment ago that it would be impossible to increase an appropriation over the Budget figures; and yet it seems to have been done in this instance.

Mr. HARRISON. Under the rules of the Senate, if the committee reports an amendment for that purpose, an increase may be made.

Mr. WADSWORTH. It is the same in the other House.

Mr. HARRISON. But an amendment proposing such an increase may not be offered from the floor of the Senate, as I have tried to do.

Mr. WADSWORTH. Nor may that be done in the House of Representatives.

Mr. HARRISON. The $50,000 appropriation for the eradication of sweet-potato weevil was vouched for by the Committee on Agriculture, which considered the proposition this morning.

Mr. WADSWORTH. The same situation arises in the other House; there is nothing new about it. It was exactly the same before the Budget Bureau was ever created. If the department had declined to make an estimate at a certain figure, and a standing committee of the Senate had not reported in favor of an increase, an amendment to increase that amount if offered from the floor was out of order.

Mr. HARRISON. The Senator from New York evidently was not present when I began my remarks by stating that the Budget Bureau compelled the Agricultural Department to reduce its preliminary estimate by $2,000,000.

Mr. WADSWORTH. I heard that statement.

Mr. HARRISON. And then, on the second proposition, they reduced it an additional $2,000,000.

Mr. WADSWORTH. I also heard that.

Mr. HARRISON. I did not think that the Senator from New York had.

Mr. WADSWORTH. But I see no difference in the situation to-day from that which existed three years ago.

Mr. FLETCHER. But the point is that a standing committee of the Senate has reported in favor of an increase.

Mr. HARRISON. Yes.

Mr. WADSWORTH. Yes; but the Senator from Mississippi has contended that it is impossible for the Senate to increase an appropriation over the estimate of the Budget Bureau.

Mr. HARRISON. I have shown that——

Mr. WADSWORTH. And I say it is just as easy to do it to-day as it was to do it three years ago.

Mr. HARRISON. It is not as easy to do it to-day as it was three years ago, or even six months ago, because three years ago if the Committee on Agriculture had recommended an increase in the appropriation for the extermination of the sweet potato weevil, as they have in this instance, and the amendment had been offered, it could not have been objected to as it was objected to in this case and then have to go to the Appropriations Committtee.

Mr. WADSWORTH. To-day if the Appropriations Committee should recommend the amendment it would be in order.

Mr. HARRISON. Oh, yes.

Mr. WADSWORTH. The new rule involves merely a change of committees, that is all.

Mr. JONES of Washington. Will the Senator from Mississippi permit me to interrupt him?

Mr. HARRISON. Yes.

Mr. JONES of Washington. The part of the rule under which an amendment moved by direction of a standing committee has to go to the Committee on Appropriations at least one day before it may be considered was not changed by the new rule at all.

Mr. HARRISON. That is an old rule.

Mr. JONES of Washington. Yes; so that if the amendment had come in the manner I have indicated it would have had to go to the Appropriations Committee upon objection, under the rule.

Mr. HARRISON. Not until the new rule was adopted would the amendment have to go through two committees and be vouched for or indorsed.

Mr. JONES of Washington. Yes; under the old rule the requirement was just the same; the language is just the same; it has not been changed in any particular.

Mr. HARRISON. Under the old rule the proposed amendment would have gone to the Committee on Agriculture, which reported the Agricultural appropriation bills, while under the new rule the Appropriations Committee reports all appropriation bills. Of course, under the old practice, if an objection had been made the amendment would have gone over for a day and it would have gone to the Agricultural Committee. Now, after the Agricultural Committee has reported it, it must go to the Appropriations Committee. Consequently two commitees must consider the proposition, when heretofore it would have been necessary for one committee only to consider it.

Mr. JONES of Washington. It is not necessary for the Appropriations Committee to act upon the amendment. When the amendment has been before them for a day, whether the committee acts on it or not, it is in order on the bill. That is the rule.

Mr. HARRISON. I should like to ask the Senator in charge of the bill a question as to the appropriation for hog cholera. What was the Budget estimate for the hog-cholera appropriation and what was the estimate of the Department of Agriculture? The amount proposed to be appropriated by this bill for hog cholera is $406,020, while the amount carried last year was $510,000. I am wondering why the reduction has been made.

Mr. McNARY. The law for the current year, I may say to the Senator, carried a total of $510,000. That amount has been decreased in the pending bill by $104,000, leaving the sum of $406,020.

Mr. HARRISON. What did the Department of Agriculture estimate as the amount necessary for hog cholera in its preliminary report affecting this bill?

Mr. McNARY. I will say to the Senator from Mississippi, I think there is a little confusion in regard to the data which the committee may use. The committee is not in possession of the estimate made by the Department of Agriculture to the Director of the Budget; that is a confidential estimate or report.

Mr. HARRISON. The Committee on Appropriations did not pry into the matter to ascertain what the estimate of the Department of Agriculture was to the Budget Bureau?

Mr. McNARY. The committee had before it the House bill, the report of the Director of the Budget, and also the Secretary of Agriculture and his assistants; and the committee inquired particularly of them if they had any suggestion to make in regard to the bill. So it was not necessary to go back to their preliminary estimates; it would have been no use. Furthermore, those estimates are more or less of a confidential nature as between the Secretary of Agriculture and the Director of the Budget. I can not give the Senator that estimate. I can give what the Director of the Budget estimated, what the House allowed, and what the Senate committee did to modify the provision.

Mr. HARRISON. But if the Department of Agriculture knows the conditions, and had made a certain estimate to the Budget Bureau, it seems to me that that would be the best evidence that could come before the committee considering the appropriation bill, because the committee may increase the amount and report such increase in the bill; and if they believe that the Agricultural Department knew more about it than does the Budget Bureau, that is one piece of evidence that the committee should have.

Mr. HARRIS. Mr. President——

Mr. HARRISON. I yield to the Senator from Georgia.

Mr. HARRIS. The officials representing the Department of Agriculture stated that the amount appropriated by the bill was all that was necessary for the work next year. Larger appropriations have been made heretofore, but the department has met such success in its effort to exterminate hog cholera that so large an amount is not needed for the next fiscal year. We gave them what they wanted.

Mr. HARRISON. Is that what the department testified officially?

Mr. HARRIS. Yes; that is what the department testified.

Mr. HARRISON. The great trouble about it is that we have not the preliminary report or estimate of the Secretary of Agriculture to the Budget Bureau. We lose sight of the main proposition. I recall that when the Budget system was inaugurated the President of the United States called the heads of the departments together and addressed them. I heard his speech, and it was a very splendid speech; and, while I do not know whether he used as strong language as this, he gave them to understand that after the Bureau of the Budget had determined an estimate, if any of the heads of the departments sought to increase it, their political heads would be cut off. That may be the reason why the Department of Agriculture when the Bureau of the Budget makes its estimate are too timid to present facts to the committee having the matter in charge.

Mr. McKELLAR. Mr. President——

Mr. HARRISON. I yield to the Senator from Tennessee.

Mr. McKELLAR. In this connection, I wish to call the attention of the Senator from Mississippi and of the Senate to section 206 of the Budget act to indicate how it is being disregarded. I quote:

> SEC. 206. No estimate or request for an appropriation and no request for an increase in an item of any such estimate or request and no recommendation as to how the revenue needs of the Government should be met shall be submitted to Congress or any committee thereof by any officer or employee of any department or establishment unless at the request of either House of Congress.

I wish to call attention to the fact that that plain, unequivocal provision of the law is being violated every day during the present Congress.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from Mississippi yield to the Senator from Ohio?

Mr. HARRISON. I yield for a question.

Mr. WILLIS. I desire to inquire of the Senator from Tennessee whether he thinks the section of the law which he has just read forecloses a Member of the House of Representatives or of the Senate from going to a department and making inquiry in his own way and eliciting information upon which he may base an amendment which he proposes in either House or Senate? That is what has taken place here. There has not been anyone from the Department of Agriculture, so far as I know, who has come here and has solicited an increase. As to the particular amendment in which I have been interested, designed to increase the appropriation to exterminate the corn borer, I will say that no official member of the Agricultural Department said anything to me about it; but, in my own way, I sought to get information to answer inquiries which were propounded to me by my constituents. I obtained that information and upon it based the amendment which the Senate has adopted. Does the Senator think that is an evasion of the law?

Mr. McKELLAR. I do not think it is at all on the part of a Senator; but I want to say that in the same way they have always appeared, representatives of the departments are constantly appearing before the committee in violation of the Budget law.

Mr. WILLIS. If the Senator from Mississippi will yield further on that point, I am very anxious that the officers and officials of the Department of Agriculture may not be misunderstood. So far as I know, they have not appeared before the committee; they certainly have made no request of any Senator, so far as I know; but when Senators have gone to the department and have sought information wanted by their constituents, certainly the officials of that department are authorized to give that information, if it is public information of interest to the public. That is all that has been done; there has been no evasion of the law by anybody.

Mr. HARRISON. Mr. President, of course the Senator from Ohio was more fortunate than I was. He and the Senator from Massachusetts were interested in the corn borer, and, although the Department of Agriculture had not estimated for the amount that was given to them, that amount was provided. No objection was made to carrying it over to the Appropriations Committee. When, however, an appropriation was needed for

the sweet-potato weevil, although the Agricultural Committee reports it and recommends it, it must go to the Appropriations Committee, and so far no one on the Appropriations Committee has said that before this bill passes the department officials will be asked to come before it and state what the facts are with reference to the sweet-potato weevil. It looks to me as though some discrimination is being shown here. They ought to look into these preliminary reports that are made, and the estimates of the Department of Agriculture to the Bureau of the Budget, and the needs of the country ought to be taken care of without respect to sections and without respect to the constituency of any particular Senator, whether he is a Republican or a Democrat.

Mr. SMITH. Mr. President——

Mr. HARRISON. I yield to the Senator.

Mr. SMITH. I think this discussion as to the procedure by which we have to look out for the interests of the country has emphasized beyond a doubt in the minds of a great many Senators the fact that some modification of the operation of this rule must be brought about.

Every one of us knows, as the Senator from Mississippi has complained, that the Agricultural Committee of the Senate is practically a nominal thing now. The Naval Committee is nominal. There is but one committee when it comes to the appropriation of money to look after the different departments of the Government, namely, the Appropriations Committee. The others are nominal.

At the proper time I am going to propose a modification of this rule, by which, when the Budget has met, and, through whatever advice and sources of information it has, has decided how much in the aggregate can be used for the expenditures of the Government in the several departments, and has stated how much is available for agriculture, the Agricultural Committee and the Department of Agriculture shall get together and frame a bill to meet the conditions that exist, and the same in the case of all the other departments. After the apportionment has been made to each department of its share of the total amount available from the Treasury for the running of the Government, then let the several committees representing the departments, in conjunction with the departments, work out the bills in accordance therewith. Then we will have need for our committees and we will have need for our departments; but as the matter now stands we only have need for the Budget Bureau and the Appropriations Committee.

Mr. CURTIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. HARRISON. I do.

Mr. CURTIS. I do not think that statement ought to go unchallenged. As I understand, when the preliminary or original estimate was submitted to the Budget Bureau and it was ascertained that it called for many million dollars more than could be appropriated the items were sent back to the heads of the department with a request that they so reduce their estimates on the items where they thought reductions could be properly made as to bring them within the amount allotted to the department. I understand that those estimates then went back to the budget officers of the departments—not of the Budget Bureau, but of the departments; each department, as I understand, has a budget officer—and they went over these various items and cut them where they thought they could to bring them within the Budget.

It seems to me there has been a great deal of unjust criticism of the Budget Bureau in this matter. The whole matter has been handled as fairly as it could be.

Mr. SMITH. Mr. President, I can not let that statement go unchallenged.

The VICE PRESIDENT. Does the Senator from Mississippi yield; and if so, to whom?

Mr. HARRISON. I yield to both Senators.

The VICE PRESIDENT. The Senator can only yield to one at a time.

Mr. SMITH. If the Senator will allow me, I was not criticizing the Budget Bureau; I was criticizing the bungling rule that we have made, and to which they are trying to work today. We have the Budget Bureau charged with the responsibility of naming the sum total that can be expended for governmental purposes. We have certain committees in Congress who heretofore were charged with the responsibility of looking after those departments. Now, when the Budget Bureau has decided the total amount that, according to taxes and the resources of the Government, is available, and in its best judgment, with the heads of the departments, has worked out how much money is available for the following year for agriculture, for example, then let the Agricultural Committee and the department frame a bill in accordance with that amount. Then you will have use for the Agricultural Committee, and each man will know something about his committee.

Mr. CURTIS. Mr. President, I did not intend to charge that the Senator alone had made unjust criticisms. I said that statements had been made on the floor criticizing the Budget Bureau that I thought were unjust. If the Senator wants to criticize the Senate for adopting this rule, that is another matter. I think the rule is one of the best that ever has been adopted, and I think if it is properly carried out it will give satisfaction all around.

Mr. SMITH. It does not seem to be giving it now.

Mr. CURTIS. I know that some of the subcommittees have sent for officers and secured full information in regard to what they originally asked and what they wanted and what was the least they could possibly get along with.

Mr. HARRISON. Mr. President, I criticize the Senate for passing the rule and I criticize the Budget Bureau now for the manner in which they are operating the Budget. I am very glad to criticize them.

Mr. LENROOT. Mr. President, will the Senator yield at that point?

Mr. HARRISON. Yes; I yield.

Mr. LENROOT. Is it not true that a majority of the subcommittee of the Committee on Appropriations are members of the Committee on Agriculture and Forestry?

Mr. HARRISON. I know that there are three, I think, members of the Agricultural Committee who are ex officio members of the Appropriations Committee in considering this bill.

Mr. LENROOT. I am mistaken, then; there is not a majority.

Mr. HARRISON. That was a very good part of the rule. We had to fight very hard to get that much representation upon the powerful Appropriations Committee.

Mr. SMITH. Mr. President, if the Senator from Mississippi will allow me, that is the very point I am making, namely, that only a certain number of the members of the Agricultural Committee have any knowledge whatever of the Agricultural bill. The rest of them get their knowledge as best they can get it. They are not officially connected with it in any way whatever. It is only the members of the subcommittee that sit with certain members of the Appropriations Committee to pass upon the measure of which it is supposed that the entire Agricultural Committee should be cognizant.

Mr. OVERMAN. Mr. President, in reply to the Senator I desire to say that there is nothing to prohibit the Agricultural Committee from considering every single item in this bill and sending a recommendation to the Appropriations Committee through its three members.

Mr. SMITH. They could do the same thing with the naval bill.

Mr. OVERMAN. The estimate is sent down here before Congress meets. It is in a great book—I have it—showing how much is estimated for each item. The Agricultural Committee can meet at any time, and, if dissatisfied with any appropriation suggested by the Budget Bureau, can bring forward its amendment to that bill and let it be referred to the Appropriations Committee, where it will be considered by part of the Agricultural Committee and by the Appropriations Committee together. So really no advantage is taken of the Agricultural Committee, because if they are diligent and look at these estimates that are sent here, they can go over every one of them and bring in a report as an amendment, if they desire to do it, and it will be referred to and properly considered by the Appropriations Committee, through a strong minority of the Agricultural Committee on the Appropriations Committee.

Mr. HARRISON. Mr. President, when this rule was first invoked, I think last year, in making up the appropriation bills, the Agricultural Committee, I think, at least, did take up the bill, and its representatives on the Appropriations Committee undertook to have the bill finally conform to the wishes of the Agricultural Committee; but this year it was quite different. Hearings were conducted by the Appropriations Committee while the bill was in the House. The Agricultural Committee could do nothing. It never has had an opportunity to do anything until this morning; and when we offered amendment after amendment seeking to take care of the needs of the farmers of the country against pests and insects we were told, "Oh, do not put in too many amendments; we will kill the whole thing." That is what we were confronted with, and that is what we are confronted with now. We see the corn borer taken care of without objection; but the sweet-potato weevil, that infests the sweet potatoes of my State, can continue its ravages, and we must go and bow down before an Appropriations Committee whose members can not tell us now whether or not they will

bring a representative of the Agricultural Department there to state whether or not this appropriation is necessary.

Talk about the Budget! I have cited already half a dozen instances where this Budget Bureau, which knows nothing about farming, perhaps, the head of which is a splendid general and a good man, General Lord, but he has been studying military tactics through his life, I presume——

Mr. WADSWORTH. Mr. President, may I interrupt the Senator there?

Mr. HARRISON. And knows no more about agriculture than my friend from New York, although he says he is a farmer—yes; I yield now.

Mr. WADSWORTH. The ignorance of the Senator from New York on farming is of equal depth with that of the Senator from Mississippi about General Lord.

Mr. HARRISON. I thank the Senator.

Mr. WADSWORTH. General Lord, it so happens, was clerk of the Committee on Appropriations for years, and probably knows more about the framing of appropriation bills than any other man.

Mr. HARRISON. That is the Senator's idea of a farmer. If some man in New York City has read an agricultural yearbook, he thinks he is fit and trained enough to meet the needs of agriculture; and because General Lord at one time advised a committee of which the Senator was a member, I believe, touching agriculture——

Mr. WADSWORTH. No; this was long ago.

Mr. HARRISON. He is qualified to teach agriculture, and to take care of all these appropriations.

Mr. WADSWORTH. The Senator is confused.

Mr. HARRISON. I apologize for saying that the Senator was on that committee. I do not believe at that time he was; but General Lord was the clerk of some committee here.

Mr. WADSWORTH. That was before the Senator from Mississippi or the Senator from New York knew where Washington was.

Mr. HARRISON. Mr. President, I have cited these several instances. Here is an item for investigation of plant diseases. The department estimated for $182,000, and yet the Bureau of the Budget tried to cut it to $77,000.

Take the investigation of diseases of orchard and other fruits. The Department of Agriculture estimated for $113,935, but the Bureau of the Budget said they should have only $111,000.

Let us take diseases of cotton. The Agricultural Department estimated for $127,000. The Bureau of the Budget said: "No; you can just cut out $10,000 of that," and reduced it to $117,000.

In the case of diseases of crop plants the Department of Agriculture said they needed $66,860, and they were cut to the bone, all of these were. These were on the second recommendation, which was $2,000,000 less than the preliminary estimate of the Department of Agriculture; and although for years there have been these dreaded diseases of crops the department recommended $66,860, and General Lord and his bureau said they should have but $55,000.

Mr. FLETCHER. Mr. President——

Mr. HARRISON. I yield to the Senator.

Mr. FLETCHER. Did the item for diseases of cotton include the boll weevil?

Mr. HARRISON. No. That is an appropriate suggestion.

Mr. FLETCHER. It is included in that item. The boll weevil is there.

Mr. HARRISON. There is another provision here that appropriates money for the boll weevil, too.

Mr. SMITH. No; the other is $165,000 under southern field crops, but that includes all the southern field crops.

Mr. HARRISON. For acclimatization and adaptation investigations of cotton, corn, and other crops introduced from tropical regions the Department of Agriculture said they needed $132,500, but General Lord and his Bureau of the Budget said: "Let us cut this to $112,500."

Take crop technological investigations. The department said they needed $42,440. General Lord and the Bureau of the Budget said, "Let us cut it to $32,000."

Take the improvement of cereals, that we might reduce the cost of living to the people and yet produce more cereals. The Department of Agriculture said they needed $622,505, but General Lord and the Bureau of the Budget said it should be reduced to $472,505.

Mr. LENROOT. Mr. President, in order to save more time than the amount that would be saved if this were not put in the bill, I am going to withdraw my objection to the amendment.

Mr. HARRISON. I will stop speaking, Mr. President.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 50, line 12, strike out "$123,000," and in lieu insert "$173,000."

The VICE PRESIDENT. Is there objection to the immediate consideration of the amendment? The Chair hears none. The question is on agreeing to the amendment.

Mr. WADSWORTH. I ask for a division.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	McKellar	Shortridge
Ball	Harreld	McKinley	Simmons
Bayard	Harris	McNary	Smith
Brandegee	Harrison	Moses	Spencer
Broussard	Heflin	Nelson	Sterling
Bursum	Johnson	New	Townsend
Cameron	Jones, N. Mex.	Norbeck	Underwood
Capper	Jones, Wash.	Oddie	Wadsworth
Colt	Kellogg	Overman	Walsh, Mass.
Couzens	Kendrick	Phipps	Walsh, Mont.
Curtis	Keyes	Poindexter	Warren
Ernst	Ladd	Ransdell	Watson
Fletcher	Lenroot	Reed, Pa.	Willis
George	Lodge	Sheppard	

The VICE PRESIDENT. Fifty-five Senators having answered to their names, a quorum is present.

Mr. HARRISON. I ask for a division on the amendment.

On a division, the amendment was agreed to.

Mr. McNARY. Mr. President, from the Committee on Agriculture and Forestry I propose an amendment. On page 41, line 8, I move to strike out "$110,000" and to insert in lieu thereof "$135,000," so as to read:

For silvicultural, dendrological, and other experiments and investigations, independently or in cooperation with other branches of the Federal Government, with States and with individuals, to determine the best methods for the conservative management of forest and forest lands, $135,000.

I ask unanimous consent for the immediate consideration of the amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. FLETCHER. I would like to have some explanation of the amendment.

Mr. LODGE. Mr. President, I have given some attention to this subject. It is desired to have an additional experiment station in the Great Lakes States and another in New England. There is no station in either one of those regions at the present time. In view of the debate, I have been looking up the facts, and I find that Assistant Forester E. A. Sherman appeared before the Senate committee and stated that the department submitted to the Bureau of the Budget an estimate of $60,000 to establish two additional forest experiment stations, one in New England and one in the Lake States, at $25,000 each, and asked for $10,000 to increase the work of existing stations. The Budget Bureau rejected the entire recommendation and cut down the total appropriation to $84,000.

The House added $25,000. Mr. Sherman, who, as I have said, is the assistant forester, stated that there are now six experiment stations in the United States. They are very important in the work of forestation. There is no station in the region of the Lakes and none in New England, and Mr. Sherman said in his testimony that both are very, very urgent. That is the statement of the Department of Agriculture.

Of course, the $10,000 to increase the work of existing stations is cut off. It is intended to establish one station in each region, but only $25,000 is appropriated for the two stations, giving $12,500 for each region, which is totally inadequate, and it is a wasteful way of providing for them. There ought to be at least $25,000 for each station. That is the reason why I have advocated the addition of $25,000. Under the action of the House the appropriation is only $25,000 to take care of both stations, and as it stands that is not sufficient.

Mr. WADSWORTH. Is the Senator from Massachusetts sure that under the language of this paragraph construction work can be carried on? Can permanent buildings be erected under the terms of the item, reading from line 4 to line 8, inclusive?

Mr. LODGE. That appears to be the view of the department. The custom is to send a forester into one of these regions. They give him a certain number of assistants, usually four, and if they have not Government land to experiment on, they have to buy land. The only State in New England which has Government land which they can use, and which they would use, is New Hampshire. They would have to buy tracts in the other States, probably. This appropriation, as worded, is considered sufficient to enable them to carry on the necessary work. I think the buildings are very slight.

Mr. WADSWORTH. As I heard the Senator a moment ago when he referred to the testimony of the assistant forester, I gathered the impression that the original request of the department was framed in different language, that it would actually authorize the establishment of a station.

Mr. LODGE. No; it is taken from this general fund.

Mr. WADSWORTH. I may be wrong.

Mr. LODGE. It is carried this way in the bill:

For silvicultural, dendrological, and other experiments and investigations—

And so forth. The House increased the appropriation $25,000. I read from the testimony:

Senator MCNARY. Please state the reasons for the increase. This is on page 4, line 23.

Mr. SHERMAN. The estimates submitted to the Bureau of the Budget provided for an increase of $60,000, which was to establish two additional forest experiment stations, one in New England and one in the Lake States, at $25,000 each, and $10,000 to increase the work at the existing stations.

Mr. FLETCHER. Mr. President, the language evidently contemplates possible cooperation with other departments of the Government, or States or individuals.

Mr. LODGE. Certainly; which they get in many cases. The law, as it stands and as it has stood for some years, covers it all.

Mr. FLETCHER. The Senator stated that there were some six or seven other stations. If the Senator has a list of the stations and their location, I would like to know what they are.

Mr. LODGE. There are six in the United States now—one at Asheville, one in Louisiana, one in northern Idaho, one in Colorado, one in Arizona in the Coconino Plateau, and the Wind River Station in the State of Washington. I read further:

Senator MCNARY. In that great territory around the Great Lakes you have no station?

Mr. SHERMAN. No, sir.

Senator MCNARY. Or in the New England States?

Mr. SHERMAN. No, sir.

Then he said that both are very, very urgent.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MCNARY. Mr. President, from the Committee on Agriculture and Forestry I propose an amendment on page 82, after line 14, to insert what I send to the desk.

The VICE PRESIDENT. The amendment will be read.

The ASSISTANT SECRETARY. On page 82, after line 14, it is proposed to insert:

Purchase of seeds for drought-stricken areas: That the Secretary of Agriculture is hereby authorized, for the crop of 1923, to make advances or loans to farmers in the drought-stricken areas of the State of Washington and of the State of New Mexico, where he shall find that special need for such assistance exists for the purchase of wheat for seed purposes in the State of Washington and the purchase of pinto beans for seed purposes in the State of New Mexico, and, when necessary, to procure such seed and sell the same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed thus obtained by him for the production of crops. A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. The total amount of such advances, loans, or sales to any one farmer shall not exceed the sum of $300. All such advances or loans shall be made through such agencies as the Secretary of Agriculture shall designate. For carrying out the purposes of this paragraph, to be immediately available (not more than $50,000 of which shall be available to procure pinto-bean seeds), $550,000.

That any persons who shall knowingly make any false representation for the purpose of obtaining an advance, loan, or sale under the preceding paragraph shall, upon conviction thereof, be punished by a fine not exceeding $1,000 or by imprisonment not exceeding six months, or both.

Mr. MCNARY. I ask unanimous consent for the immediate consideration of the proposed amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none. The question is on agreeing to the amendment.

Mr. JONES of New Mexico. I move to increase the appropriation for the purchase of pinto beans for seed purposes as provided in the amendment. The amount was put into the amendment through a misapprehension regarding the price. I move to change the figures "$50,000" to "$100,000" for bean purposes and to increase the total appropriation to $600,000 from $550,000.

Mr. MCNARY. Due to confusion in the Chamber I did not distinctly understand the proposal of the Senator from New Mexico.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. The Senator from New Mexico proposes an amendment to the committee amendment striking out "$50,000" and inserting "$100,000" and changing the total amount under the committee amendment from "$550,000" to "$600,000."

Mr. FLETCHER. I understand this is entirely a new proposition not involved in any estimate of either the Budget or the department. It is entirely new.

Mr. MCNARY. It is entirely new, but recommended by the Committee on Agriculture.

Mr. FLETCHER. To-day?

Mr. MCNARY. To-day.

Mr. FLETCHER. This is the first time we have had the matter before us, and I am not quite advised as to the various kinds of seeds proposed to be purchased. Is it the idea that the Government is to purchase seed and sell it to the farmers?

Mr. JONES of New Mexico. Yes.

Mr. FLETCHER. And then the farmers agree to pay back to the Government?

Mr. JONES of New Mexico. Yes.

Mr. FLETCHER. May I inquire what kind of seed is contemplated?

Mr. MCNARY. The idea is for the Government to advance the money to the farmers of the drought-stricken region of Washington for the purchase of seed wheat, to be repaid by the farmers to the Government, and also to advance $50,000 of this sum for the purchase of pinto-bean seed in the State of New Mexico where there has been a failure of the crop. The Senator from New Mexico [Mr. JONES] proposes to increase the appropriation of $50,000 now contained in the item to $100,000.

Mr. FLETCHER. Yes; I understand that. I did not know to what extent the whole provision was to reach, whether it went to one particular State or one particular region, or what kind of seed was intended to be purchased.

Mr. MCNARY. It is for the State of Washington for wheat, and the State of New Mexico for bean seed.

Mr. FLETCHER. Will the Senator from Washington tell us as to the need for the appropriation there? Have we not already done something in that direction?

Mr. JONES of Washington. No. While Congress has appropriated heretofore one year, I think, $1,500,000 for this purpose, only about $1,700 of that amount went into the State of Washington. There are five or six counties in our State that have had very severe droughts each year during the last five or six years. But they have taken care of their own situation and the local banks have put up money and carried the farmers. However, they have simply reached the limit, according to the report of our State department of agriculture, and they can not do it any more. They have had the worst year last year that they ever had. They have summer-fallowed much of their land that they expected to put into winter wheat, but have been unable to get seed for that purpose.

This appropriation is to enable those who have already summer-fallowed their land and have it in shape to get the seed to put in spring wheat. It will only apply to the four or five counties in the State. The department of agriculture of the State estimates there are something over 300,000 acres that would be planted if they could get the seed, and which will not be planted if they can not get it.

Mr. FLETCHER. Can the Senator tell us what has been our experience with regard to the other appropriation which we made of $1,700,000?

Mr. JONES of Washington. My understanding is we have some 60 or 70 per cent of it paid back and the indications are that it will practically all be repaid to the Government in the end.

Mr. FLETCHER. There is no time limit on it?

Mr. JONES of Washington. I think not. The regulations are prescribed by the Secretary of Agriculture.

Mr. MCKELLAR. I have no objection to the item, but I ask the Senator in charge of the bill if, after this is voted on, it is not about time to quit? It is considerably after 5 o'clock.

Mr. HEFLIN. Mr. President, I merely wish to suggest to the Senator that I think I will offer my amendment for the distribution of vegetable seeds which has been stricken out by the Appropriations Committee. The Senator from New Mexico [Mr. JONES] has an amendment pending, but I think this is a very appropriate proposition to offer. It amounts to only $360,000 to distribute seeds among the whole American people, while here is an item under consideration now for $500,000 just for three or four States in one section. I shall not object to that amendment. I am heartily in favor of doing whatever is necessary to aid the unfortunate farmers who are in distress, as has been suggested here, but it is growing late and I suggest that my amendment be pending and we will take it up to-morrow morning.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from New Mexico [Mr. JONES] to the amendment of the committee.

Mr. JONES of New Mexico. I wish to say merely a word in regard to the matter. New Mexico has suffered the past year the greatest drought in her history. There is one county in that State which two years ago shipped out over a million dollars' worth of beans, but did not raise enough last year for seed, much less for home consumption in that one county. If there ever was a case which would call for the generosity of Congress in a matter of this sort, it is the situation in New Mexico at the present time regarding the pinto-bean industry. It is one of the most important industries in the State. The amount of money involved here which is sought to be made available for those people would not pay more than 10 per cent of the cost of seed beans for the industry in the State. I sincerely hope that the Senate will consent to the increase.

As I said in submitting the amendment, the original amount was put in through a misapprehension as to the price of the seed beans. The $100,000 would not go far enough to satisfy the real necessities of the case. I sincerely trust that Senators will permit the increase from $50,000 to $100,000.

Mr. WADSWORTH. Mr. President, I am constrained, under the situation now confronting us, which has become perfectly apparent, to make the point of order against the amendment offered by the Senator from New Mexico on the ground that the amendment is not in order, it not having been estimated for or reported by a standing committee.

Mr. FLETCHER. The original amendment is in order and the amendment to the amendment is certainly in order.

Mr. CURTIS. Mr. President, I desire to call attention to the last part of Rule XVI, which prohibits the consideration of an amendment of this kind on an amendment reported from a standing committee.

The VICE PRESIDENT. The rule is perfectly plain that the amount can not be increased.

Mr. CURTIS. The rule provides that—

> All amendments to general appropriation bills moved by direction of a standing or select committee of the Senate, proposing to increase an appropriation already contained in the bill or to add new items of appropriation, shall, at least one day before they are considered, be referred to the Committee on Appropriations, and when actually proposed to the bill no amendment proposing to increase the amount stated in such amendment shall be received.

The VICE PRESIDENT. The point of order is well taken. The question is on the amendment proposed by the committee.

Mr. JONES of Washington. Mr. President, I notice there is a limitation in the amendment that no more than $300 may be loaned to any farmer. If it is not obnoxious to the rule, I think that limitation ought to be stricken out. Our wheat farms are rather large, and $300 would not furnish very much relief. I would like to see that limitation stricken out and the matter left to the Secretary of Agriculture to work out. I make that motion. I do not think the chairman of the committee would have any objection to it.

Mr. McNARY. I have no objection to it. I know the farms are rather extensive in eastern Washington. The language follows the practice and precedent established in this body, and therefore the limitation was placed at $300. That perhaps is proper and useful where the farm area is small, but in a State like Washington perhaps the individual should have more than $300. So far as the acting chairman of the committee is concerned, he has no objection to the suggestion made by the Senator from Washington and to the amendment which he has offered.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Washington to strike out the limitation of $300.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question is on the committee amendment as amended.

Mr. JONES of New Mexico. Mr. President, I believe the Senators from the State of Washington to be liberal enough to permit $50,000 more of the amount to be used for the purchase of seed beans. I think it would not be objectionable under the rule to propose an amendment changing the $50,000 to $100,000, but not changing the total amount of the appropriation. Therefore, I move that the $50,000 mentioned in the amendment, which shall be available for the purpose of purchasing pinto beans, shall be increased to $100,000.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New Mexico to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. McNARY. Mr. President, I have one other proposal which I desire to submit in reference to the bill. On page 28, line 5, after the word "properties," I move to strike out the comma. That is proposed for the purpose of clarifying the meaning of the provision.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oregon.

The amendment was agreed to.

Mr. McNARY. In view of the decision of the Chair that amendments which are objected to should go to the Appropriations Committee for action, and as an objection has been made to one amendment, I do not feel that I can ask the Senate to proceed further with the bill this evening. I can assure the Members of the Senate that it will take but a few moments to-morrow to complete the bill, as I know of only one amendment yet to be offered to it.

The VICE PRESIDENT. Does the Chair understand that the Senator from Alabama has offered an amendment to the bill?

Mr. HEFLIN. I have the amendment pending, Mr. President. My understanding was that we were going to adjourn until to-morrow. I think we have been here long enough to-day. We can not finish the bill to-night, and I have some remarks to make upon the amendments. I suggest that the Senate had better adjourn.

Mr. WADSWORTH. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator from New York will state the inquiry.

Mr. WADSWORTH. The Senator from Oregon [Mr. McNARY] has just stated that, in view of the decision of the Chair with respect to the reference to the Committee on Appropriations of one amendment to which I objected, he was going to ask that the consideration of the bill be postponed until to-morrow, apparently upon the theory that it was incumbent upon the Committee on Appropriations to act upon the amendment within 24 hours or by the end of 24 hours, and that then the Senate might take it up.

Mr. LODGE. It will be in order to-morrow.

Mr. WADSWORTH. That is what I was going to ask; that was the purpose of my rising. I desire to put this parliamentary inquiry: The amendment having been referred to the Committee on Appropriations, can the Senate act upon it until the committee reports or is discharged from its consideration?

Mr. OVERMAN. They do not have to act upon it.

Mr. WADSWORTH. That is my contention. Several Senators think it is merely an automatic proposal.

Mr. OVERMAN. The Chair has already ruled on the question.

The VICE PRESIDENT. It is the opinion of the Chair that the amendment can not be acted on by the Senate unless the committee makes a report upon it or the Senate discharges the committee from its consideration.

Mr. WADSWORTH. That is my own impression as to the correct construction of the rule.

The chairman of the subcommittee in charge of the bill has made the earnest request that he be given an opportunity to have the consideration of the bill completed to-night, if it be humanly possible to do so. In view of that request, if I may be permitted to do so, I now withdraw my objection interposed some time ago, the result of which at that time was to compel the reference of the amendment appropriating $550,000 additional for the purchase of forest lands to the Committee on Appropriations.

The VICE PRESIDENT. Is there objection to the immediate consideration of the amendment? The Chair hears none, and the question is on agreeing to the amendment.

Mr. WADSWORTH. I hope the amendment will be defeated.

Mr. HARRISON. Mr. President, did I understand the Senator from New York to withdraw his objection to the amendment on condition that we were going to finish the pending bill to-night?

Mr. WADSWORTH. No; I did not.

Mr. HARRISON. Then that is all right.

Mr. WADSWORTH. I said I had been urged to withdraw it by the chairman of the committee, who hopes to finish the bill to-night. The amendment, I understand, is pending.

Mr. McNARY. On page 71, line 19, I move to strike out "$450,000" and to insert "$1,000,000," and I ask for the immediate consideration of the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Oregon.

The amendment was rejected.

Mr. LODGE. Mr. President, I understand the Senator from Alabama [Mr. HEFLIN] has sent to the desk an amendment proposing to restore the old appropriation for the general distribution of seed. I make the point of order that that amendment has not been estimated for by the department; in fact, the department is opposed to it; and it is out of order.

Mr. HEFLIN. Before the point of order is ruled on by the Chair, I desire to make the point of order that there is no quorum present.

Mr. HARRISON. Will the Senator from Alabama withdraw the point of order for a moment?

Mr. HEFLIN. Yes.

Mr. HARRISON. As I understand, the amendment has not as yet been offered.

The VICE PRESIDENT. The Chair was unable to ascertain whether or not the amendment had been offered. The Chair asked the Senator from Alabama whether the amendment had been offered, and the Senator replied that the amendment was pending. The Chair did not quite understand what the Senator from Alabama meant by that statement.

Mr. HEFLIN. What I meant by the statement was that I was going to ask that the amendment be considered in the morning.

The amendment intended to be offered by Mr. HEFLIN is as follows:

On page 82, after the committee amendment, to insert the following: "Purchase and distribution of valuable seeds: For purchase, propagation, testing, and congressional distribution of valuable seeds, bulbs, trees, shrubs, vines, cuttings, and plants; all necessary office fixtures and supplies, fuel, transportation, paper, twine, gum, postal cards, gas, electric current, rent outside of the District of Columbia, official traveling expenses, and all necessary material and repairs for putting up and distributing the same; for repairs and the employment of local and special agents, clerks, assistants, and other labor required in the city of Washington and elsewhere, $360,000. And the Secretary of Agriculture is hereby directed to expend the said sum, as nearly as practicable, in the purchase, testing, and distribution of such valuable seeds, bulbs, shrubs, vines, cuttings, and plants, the best he can obtain at public or private sale, and such as shall be suitable for the respective localities to which the same are to be apportioned, and in which same are to be distributed as hereinafter stated; and such seeds so purchased shall include a variety of vegetable and flower seeds suitable for planting and culture in the various sections of the United States: *Provided*, That the Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes and the packing, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States. An equal proportion of five-sixths of all seeds, bulbs, shrubs, vines, cuttings, and plants shall, upon their request, after due notification by the Secretary of Agriculture that the allotment to their respective districts is ready for distribution, be supplied to Senators, Representatives, and Delegates in Congress for distribution among their constituents, or mailed by the department upon the receipt of their addressed franks, in packages of such weight as the Secretary of Agriculture and the Postmaster General may jointly determine: *Provided, however*, That upon each envelope or wrapper containing packages of seeds the contents thereof shall be plainly indicated, and the Secretary shall not distribute to any Senator, Representative, or Delegate seeds entirely unfit for the climate and locality he represents, but shall distribute the same so that each Member may have seeds of equal value, as near as may be, and the best adapted to the locality he represents: *Provided also*, That the seeds allotted to Senators and Representatives for distribution in the districts embraced within the twenty-fifth and thirty-fourth parallels of latitude shall be ready for delivery not later than the 10th day of January: *Provided also*, That any portion of the allotments to Senators, Representatives, and Delegates in Congress remaining uncalled for on the 1st day of April shall be distributed by the Secretary of Agriculture, giving preference to those persons whose names and addresses have been furnished by Senators and Representatives in Congress and who have not before during the same season been supplied by the department: *And provided also*, That the Secretary shall report, as provided in this act, the place, quantity, and price of seeds purchased, and the date of purchase; but nothing in this paragraph shall be construed to prevent the Secretary of Agriculture from sending seeds to those who apply for the same. And the amount herein appropriated shall not be diverted or used for any other purpose but for the purchase, testing, propagation, and distribution of valuable seeds, bulbs, mulberry and other rare and valuable trees, shrubs, vines, cuttings, and plants."

Mr. HEFLIN. I now suggest the absence of a quorum.

Mr. LODGE. We will secure a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McKellar	Simmons
Ball	George	McKinley	Smith
Bayard	Hale	McNary	Spencer
Brandegee	Harris	Moses	Sterling
Broussard	Harrison	New	Townsend
Bursum	Heflin	Norbeck	Wadsworth
Cameron	Jones, N. Mex.	Oddie	Walsh, Mass.
Capper	Jones, Wash.	Overman	Walsh, Mont.
Colt	Kellogg	Phipps	Warren
Couzens	Keyes	Poindexter	Watson
Curtis	Lenroot	Ransdell	Willis
Ernst	Lodge	Sheppard	
Fernald	McCormick	Shortridge	

The VICE PRESIDENT. Fifty Senators have answered to their names. A quorum of the Senate is present.

Mr. HEFLIN. I move that the Senate adjourn.

The VICE PRESIDENT. A unanimous-consent agreement has heretofore been entered into that the Senate shall take a recess when it shall have concluded its business to-day.

Mr. HEFLIN. Then, I move that the Senate take a recess, in accordance with the unanimous-consent agreement.

Mr. JONES of Washington. Mr. President, I should like to ask the Senator from Alabama about how much time he thinks he will occupy to-morrow?

Mr. HEFLIN. Not over 25 or 30 minutes. I think we can get through in a very little while in the morning. I have been here all day, as has the Senator from Washington.

Mr. JONES of Washington. I think, probably, better time would be made if the bill were not proceeded further with to-night, but I think there is a desire to have an executive session.

Mr. HARRISON. Mr. President, I have three or four amendments to offer to the bill, which I want to discuss briefly. They are amendments which have merit, but we ought not to stay here all night considering this measure.

Mr. OVERMAN. I also have an amendment which I desire to propose.

Mr. JONES of Washington. Does the Senator from Mississippi expect to occupy much time?

Mr. HARRISON. I will not occupy much time, but I want the amendments to be considered, and, if possible, adopted.

Mr. HEFLIN. As I understand, Mr. President, my motion is pending, unless it is desired to have an executive session.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened; and (at 5 o'clock and 33 minutes p. m.), under the order previously entered, the Senate took a recess until to-morrow, Friday, January 12, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 11 (legislative day of January 9), 1923.

POSTMASTERS.

ARKANSAS.

Edward S. Miller to be postmaster at Bentonville, Ark., in place of H. J. Floyd. Incumbent's commission expired September 5, 1922.

CALIFORNIA.

Julia M. Arbini to be postmaster at Fairfax, Calif. Office became presidential January 1, 1922.

Flora B. Reynolds to be postmaster at Mill Valley, Calif., in place of F. B. Reynolds. Incumbent's commission expired September 5, 1922.

CONNECTICUT.

Alfred C. Ward to be postmaster at Middletown, Conn., in place of D. J. McCarthy. Incumbent's commission expired September 5, 1922.

GEORGIA.

David M. McKee to be postmaster at Moultrie, Ga., in place of O. O. Owens. Incumbent's commission expired December 6, 1922.

HAWAII.

Andrew O. Henderson to be postmaster at Papaikou, Hawaii, in place of E. J. Weight, resigned.

ILLINOIS.

Evelyn E. O'Brien to be postmaster at Amboy, Ill., in place of J. P. Harvey. Incumbent's commission expired October 24, 1922.

William Champion to be postmaster at Granite City, Ill., in place of William Champion. Incumbent's commission expired August 7, 1921.

Charles L. Tanner to be postmaster at Saunemin, Ill., in place of E. R. Smith. Incumbent's commission expired October 24, 1922.

IOWA.

Jesse A. Barnes to be postmaster at Brooklyn, Iowa, in place of C. E. Brooks. Incumbent's commission expired September 5, 1922.

KANSAS.

Clarence W. Clothier to be postmaster at Ensign, Kans. Office became presidential October 1, 1921.

Charles H. Browne to be postmaster at Horton, Kans., in place of Glenn Smith. Incumbent's commission expired September 13, 1922.

Carl O. Lincoln to be postmaster at Lindsborg, Kans., in place of G. H. Goodholm. Incumbent's commission expired September 13, 1922.

KENTUCKY.

Ulyses G. Willis to be postmaster at Versailles, Ky., in place of J. T. Wilhoit. Incumbent's commission expired October 3, 1922.

LOUISIANA.

Silvio Broussard to be postmaster at New Iberia, La., in place of Silvio Broussard. Incumbent's commission expired September 5, 1922.

MICHIGAN.

George H. Neisler to be postmaster at Dearborn, Mich., in place of G. H. Neisler. Incumbent's commission expired September 13, 1922.

MINNESOTA.

Thomas R. Ohmstad to be postmaster at Cannon Falls, Minn., in place of M. B. Rosing. Incumbent's commission expired September 13, 1922.

Kate M. Shubert to be postmaster at Hastings, Minn., in place of J. O. Ackerman. Incumbent's commission expired September 13, 1922.

John E. Redding to be postmaster at Houston, Minn., in place of G. E. Comstock. Incumbent's commission expired September 13, 1922.

John Schmelz to be postmaster at Springfield, Minn., in place of William Mueller. Incumbent's commission expired September 13, 1922.

MISSOURI.

Elbert C. White to be postmaster at Doniphan, Mo., in place of Roy Cable. Incumbent's commission expired June 10, 1922.

MONTANA.

Arthur C. Baker to be postmaster at Hamilton, Mont., in place of G. R. Fisk. Incumbent's commission expired September 13, 1922.

NEBRASKA.

Edith E. Peterson to be postmaster at Eddyville, Nebr. Office became presidential October 1, 1922.

Otto Dau to be postmaster at Yutan, Nebr. Office became presidential October 1, 1922.

NEVADA.

Mary V. Fox to be postmaster at Gold Hill, Nev. Office became presidential October 1, 1922.

NEW JERSEY.

Irvin D. B. Spatz to be postmaster at Edgewater, N. J., in place of Emery Benoit, resigned.

George I. Harvey to be postmaster at Palmyra, N. J., in place of W. H. Cook, resigned.

NEW YORK.

Mary M. McCue to be postmaster at Gabriels, N. Y. Office became presidential October 1, 1922.

OHIO.

Howard M. Snedeker to be postmaster at Bellaire, Ohio, in place of J. T. Flynn. Incumbent's commission expired September 19, 1922.

William C. Shafer to be postmaster at Struthers, Ohio, in place of W. F. J. Dehn. Incumbent's commission expired September 19, 1922.

PENNSYLVANIA.

Charles E. Taylor to be postmaster at Columbia, Pa., in place of J. R. Bucher. Incumbent's commission expired September 13, 1922.

SOUTH DAKOTA.

Eugene E. Vroman to be postmaster at Mound City, S. Dak. Office became presidential July 1, 1922.

TENNESSEE.

Norman Massa to be postmaster at Cookeville, Tenn., in place of J. B. Dow, resigned.

TEXAS.

Fred H. Ligarde to be postmaster at Laredo, Tex., in place of J. N. Worsham, resigned.

James M. Sloan to be postmaster at Navasota, Tex., in place of W. H. Brown. Incumbent's commission expired September 5, 1922.

Raymond G. Johnson to be postmaster at Rockwall, Tex., in place of L. C. W. Holder. Incumbent's commission expired September 5, 1922.

UTAH.

Joseph B. Wright to be postmaster at Midvale, Utah, in place of Niels Lind. Incumbent's commission expired September 5, 1922.

VIRGINIA.

John R. Yates to be postmaster at Brookneal, Va., in place of M. S. Yates, resigned.

WISCONSIN.

Arno C. Eckardt to be postmaster at Kiel, Wis., in place of L. T. Keppler. Incumbent's commission expired September 5, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 11 (legislative day of January 9), 1923.

POSTMASTERS.

CALIFORNIA.

Mabel A. Head, Garden Grove.
William Vaughn, Oilfields.
Harlan J. Woodward, Ramona.
Elizabeth Tyler, Ransburg.

NEW YORK.

Lewis E. Fredenburg, Afton.
Michael Gleason, Carthage.
Wilbur S. Oles, Delhi.
Olin D. Beers, Freehold.
John L. Mahalish, Hillburn.
John R. Baldwin, Livingston Manor.
Franklin H. Sheldon, Middleport.
Harry T. Nowlan, Newark Valley.
John M. Gray, North Rose.
Marguerite A. Scruton, Oswegatchie.
Harry Pottenburgh, Rhinebeck.
William T. Binks, Rome.
Fred Hahn, Tonawanda.
Victor J. Banfield, Van Etten.
Arthur F. Crandall, Wappingers Falls.
Mary R. Newlands, West Point.
Margaret D. Martin, Willard.

NORTH CAROLINA.

Allen R. Edwards, Bladenboro.
Otis P. Brower, Liberty.
Joel A. Johnson, Selma.
David Smith, Whiteville.

VIRGINIA.

William H. Ruebush, Dayton.
S. Clyde Bliss, Farmville.
Thomas P. Farrar, Ivy Depot.
Emmett W. Brittle, Wakefield.

WASHINGTON.

Walter L. Cadman, Dayton.
Charles E. Rathbun, Pomeroy.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 11, 1923.*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. CAMPBELL of Kansas.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

As we take up the duties of the day, our Father, may our industry meet Thy approval and contribute to the happiness and the material welfare of our fellow men. As the tides break upon the shore lines of our lives, give strength to withstand the evil and the spirit of willingness to accept the good. O Master of men, be Thou the inspiration and the standard of our practice. Brighten the skies of the future for all peoples. May every nation remember the rock from which it was hewn. Thus lead them to determine their service by the common fatherhood of men. Through Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

WILLIAM DALL.

Mr. NORTON. Mr. Speaker, I call up from the Speaker's table the bill (H. R. 7658) to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes," with Senate amendments thereto, and move to concur in the Senate amendments.

The SPEAKER pro tempore. The gentleman from Ohio calls up the bill H. R. 7658 from the Speaker's table, with Senate amendments. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. NORTON. Yes.

Mr. STAFFORD. Will the gentleman explain what the purpose is of converting a general bill into a special bill?

Mr. NORTON. This was a case in which William Dall at the time he should have filed a claim was in an asylum. He

is now out, and this gives him 60 days within which to file his claim. In other words, it makes a general bill a special one.

Mr. MONDELL. The bill was general in its character when it passed the House?

Mr. NORTON. Yes.

Mr. MONDELL. And this limits it to one individual claim.

Mr. NORTON. Yes.

Mr. STAFFORD. It was intended originally to apply to this person, but in general terms?

Mr. NORTON. It would have applied generally, but now it applies specially to one. It was intended to relieve one person and enable him to present a claim.

Mr. STAFFORD. It was general, for the purpose of getting consideration upon the Calendar for Unanimous Consent. Now it is special, and I compliment the gentleman upon his astuteness in having this changed in this way in the Senate.

Mr. SPROUL. Is this for the extras on the Central High School?

Mr. NORTON. It is not.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

ORDER OF BUSINESS.

Mr. COCKRAN. Mr. Speaker, I ask unanimous consent that immediately after the reading of the Journal to-morrow and the disposition of business on the Speaker's table I be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent that after the reading of the Journal to-morrow and the disposition of business on the Speaker's table he be granted 30 minutes in which to address the House. Is there objection?

Mr. MONDELL. Mr. Speaker, I very much regret that I shall have to object. We have established a rule; it is fairly well established that we shall not make special arrangements of this sort. I hope we may be able to make some other arrangement under which we shall have the opportunity of listening to the gentleman from New York. I shall have to object to his request at this time

The SPEAKER pro tempore. Objection is heard.

SECOND DEFICIENCY APPROPRIATION BILL—CONFERENCE REPORT.

Mr. MADDEN. Mr. Speaker, I call up the conference report upon the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

The SPEAKER pro tempore. The gentleman from Illinois calls up a conference report, which the Clerk will report.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 10, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 13, 14, 15, 16, 17, 18, and 19, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "for the fiscal year 1922 and prior fiscal years"; and on page 16 of the bill, in lines 16 and 17, strike out the words "including the payment of"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 7, 8, and 9.

MARTIN B. MADDEN,
PATRICK H. KELLEY,
JOSEPH W. BYRNS,
Managers on the part of the House.

F. E. WARREN,
CHARLES CURTIS,
LEE S. OVERMAN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report, namely:

On Nos. 1, 2, 3, and 4: Appropriates for the items under the Senate in the amounts and in the manner proposed in the Senate amendments.

On No. 5: Provides for a "motor boat" for the Forest Service for use in Alaskan waters, as proposed by the Senate, instead of a "gasoline motor boat" as proposed by the House.

On No. 6: Appropriates $7,750, as proposed by the House, instead of $17,500, as proposed by the Senate, for payment of rewards in the Postal Service for the fiscal year 1921.

On No. 10: Strikes out the appropriation of $3,985 inserted by the Senate for the International Boundary Commission, United States and Mexico, for the fiscal year 1923.

On No. 11, relating to the appropriation for refunding taxes under the Bureau of Internal Revenue: Inserts a substitute for the language of the House and amendment of the Senate, confining the appropriation to the payment of claims for the fiscal year 1922 and prior fiscal years.

On No. 12: Strikes out the appropriation of $85,692.17 inserted by the Senate for the payment of damage claims under the War Department.

On No. 13: Appropriates $20,000 for the payment of a judgment of a United States district court certified to Congress after the bill had been presented to the House.

On Nos. 14, 15, 16, and 17: Appropriates $83,260.47 for the payment of additional judgments of the Court of Claims certified to Congress after the bill had been presented to the House.

On No. 18: Appropriates $110,339.61 for the payment of claims allowed by the General Accounting Office certified to Congress after the bill had been presented to the House.

On No. 19: Changes a section number of the bill.

The committee of conference have not agreed upon the following amendments of the Senate:

On No. 7: Providing an ambassador for Cuba instead of an envoy extraordinary and minister plenipotentiary.

On No. 8: Appropriating one year's salary to the widow of Albert W. Swalm, late United States consul to Hamilton, Bermuda.

On No. 9: Crediting the accounts of Boaz W. Long, American minister to Salvador.

MARTIN B. MADDEN,
PATRICK H. KELLEY,
JOSEPH W. BYRNS,
Managers on the part of the House.

Mr. MADDEN. Mr. Speaker, the amount carried in the bill as it passed the Senate was $76,025,201.31. The amount carried in the bill as it passed the House was $75,690,174.06. There was added by the Senate the sum of $335,027.25. The House receded from $225,600.08. The House managers will recommend recession from $10,000. The total House recession will amount to $235,600.08. The Senate has receded from $99,427.17, and the bill as agreed upon will total $74,925,774.14. The House agreed to the following amendments: Senate items, $12,000; United States court judgment, $20,000; Court of Claims judgments, $83,260.47; audited claims, $110,339.61; making a total of $225,600.08.

The Senate receded from the following items: Postal rewards, $9,750; Mexican Boundary Commission, $3,985; War Department claims, $85,692.17; making a total of $99,427.17.

The items brought back for consideration in the House are ambassador to Cuba, $5,500; widow of Albert W. Swalm, $4,500; and crediting accounts of Boaz W. Long, carrying no appropriation. The three latter items will be submitted to the House after the conference reports have been adopted.

Does the gentleman from Tennessee desire any time on the conference report?

Mr. BYRNS of Tennessee. No.

Mr. MADDEN. Mr. Speaker, I ask for a vote on the conference report.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment No. 7: Page 15, after line 13, insert:
"The compensation of an ambassador to Cuba when hereafter appointed shall be the sum of $17,500 per annum, and the salary appropriated for the fiscal year 1923 and 1924 for an envoy extraordinary and minister plenipotentiary to Cuba is hereby made available for the salary of an ambassador, and there is hereby appropriated for that purpose for the fiscal year 1924 the additional sum of $5,500: *Provided*, That the restrictions contained in section 1223, Revised Statutes, shall not apply in filling the existing vacancy at Habana, Cuba: *And provided further*, That the restrictions contained in the annual appropriation acts for the State and Justice Departments, fiscal years 1923 and 1924, pertaining to salaries of ambassadors and ministers, shall not apply in filling the vacancy at Habana, Cuba."

Mr. MADDEN. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Mr. MADDEN moves that the House recede from its disagreement to the amendment of the Senate No. 7, and agree to the same with an amendment as follows: After the word "Cuba" in the last line of the matter inserted by said amendment, insert the following: "*And provided further*, That the aggregate of all pay from all sources from the Government of the United States to any person appointed to the foregoing office under the permissive authority contained in the first and second provisos of this paragraph shall not exceed the annual rate of $17,500."

Mr. MADDEN. Mr. Speaker, the provision which has been suggested as inserted by the Senate amendment provides for the appointment of an ambassador to Cuba. The intention of the President of the United States is to appoint General Crowder to this place. General Crowder has been acting as the President's representative in Cuba for a long time. The responsibility of the Government on account of its suzerainty obligations has been such that the former President, Mr. Wilson, as well as President Harding, felt that we should have somebody there to look after the interests of the United States. General Crowder has been an unofficial representative. He is soon to retire from the Army, and the President feels that the case is of such importance in Cuba that he should be retained there. In order to retain him, he believes that he ought to be able to sit at the head of the table in an official capacity. This amendment simply provides that an Army officer may be appointed, notwithstanding the provisions of section 1223 of the Revised Statutes, which reads:

Any officer of the Army who accepts or holds any appointment in the Diplomatic and Consular Service of the Government shall be considered as having resigned his service in the Army, and it shall be filled as a vacancy.

Then there is another restriction in the State and Justice acts of 1923 and 1924 which provides that no salary therein appropriated shall be paid to any official receiving any other salary from the United States Government.

The House conferees had some doubt whether there would be more than one salary paid if the provision as submitted by the Senate was agreed to, and they accepted the Senate proposal with an amendment which I proposed for submission to the House, and our proposal makes it definite and conclusive that under no circumstances can General Crowder, if appointed ambassador, receive any compensation other than that of the ambassadorial salary. I yield to the gentleman from Texas.

Mr. GARNER. Does this create the office of ambassador, raising it from that of minister?

Mr. MADDEN. Permit me to say—or if he gets the retired pay to which he would be entitled if this bill passed that would be applied toward the payment of the $17,500.

Mr. GARNER. Is this a permanent ambassadorial appointment; is it permanent law increasing the position from that of a minister to ambassador?

Mr. MADDEN. It is.

Mr. GARNER. Will the gentleman yield to me for a statement for about one minute?

Mr. MADDEN. Oh, yes, sir.

Mr. GARNER. Mr. Speaker, I am very fond personally of General Crowder, and a great admirer of him and what he has done for the Army. I have no objection to the personnel of this appointment, but I want to call the attention of the gentleman from Illinois and the attention of the House once more to the fact that they are destroying, or fixing to destroy, laying the foundation to destroy the Committee on Appropriations which I helped create by voting for the rule brought in by the Rules Committee. This kind of legislation means the reverting back of appropriations to the original nine committees. There is a movement in this House which is supported by as patriotic men as can be found, men of far sight, to amend the rule and carry the appropriations back to their original nine committees. Now, what happens in this instance? An invasion of the Foreign Affairs Committee's function, as it is their business to create ambassadorial posts. It is their business to have hearings and know something about it. Instead of that we have three conferees on the part of the House coming back here and submitting a Senate amendment raising the post in Cuba from that of a minister to an ambassador.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARNER. In just a moment. Now, that is the business of the Foreign Affairs Committee of the House of Representatives. We are called upon as Members of the House to vote it up or down. You say the House has an opportunity to consider it. Certainly. But do not you think it would be better in line with the due process of the functions in the House for this matter to go to the Foreign Affairs Committee and let them have hearings, and then come into the House and tell all about the necessities for it? Would not that be the better thing to do without bringing in this Senate amendment? I do not know anything about the advisability of this.

The gentleman from Illinois has stated who is going to be appointed and the reasons why. It may be necessary, it may be desirable, but I want to call attention to the fact that you are preparing to lay the foundation to cut your own heads off. That is what this kind of procedure is going to result in. It is going to bring the Appropriations Committee back to 21 Members, and it ought to do it. As I said in the beginning, and I repeat, if the Committee on Appropriations continues to usurp the powers of the other committees of the House it ought to be disintegrated and the power of appropriation put back in the original nine committees.

Mr. MADDEN. Of course, we are not usurping anything.

Mr. GARNER. You are. You are coming in here with an amendment from the Senate, and sometimes it is connived at. I am told by certain Members that if they will go over to the Senate and put on this we will agree to it, and the gentleman now confirms the fact when he comes in and asks the House of Representatives to agree to it. He ought to go back to the Senate and say, "No; I will ask the House of Representatives to disagree to it. I will not do it because it is legislation." That is what the gentleman from Illinois ought to do.

Mr. LONGWORTH. Is the gentleman quite correct?

Mr. GARNER. I have not the floor. The gentleman from Illinois has it.

Mr. MADDEN. How much time does the gentleman want?

Mr. LONGWORTH. I simply desire to ask a question.

Mr. J. M. NELSON. I want two minutes.

Mr. LONGWORTH. Is the gentleman quite correct in saying this committee is usurping the functions of the Committee on Foreign Affairs? As I understand, it is not in the province of the Committee on Foreign Affairs to raise a minister to the rank of ambassador. That is something for the State Department to do. This provision does not take anything away from the functions of the Committee on Foreign Affairs.

Mr. GARNER. The communication in reference to this matter goes from the State Department to the Committee on Foreign Affairs, as the gentleman knows, because he has served on that committee. Now, if this——

Mr. LONGWORTH. That is not a matter of legislation, the raising of the rank of minister to ambassador.

Mr. GARNER. What committee should consider it?

Mr. LONGWORTH. The President has the right to raise our representatives to a foreign country from the rank of minister to ambassador, and it used to be the function of the Committee on Foreign Affairs to provide the appropriation.

Mr. BEGG. Will the gentleman permit a question?

Mr. GARNER. If we will appropriate the money.

Mr. LONGWORTH. If we appropriate the money, that is it. It is not a question of legislation.

Mr. BEGG. Mr. Speaker, if the gentleman will permit, my colleague is entirely wrong. We have had hearings on the same proposition at various times.

Mr. LONGWORTH. Nevertheless it is in the power of the Executive through the State Department to do that.

Mr. BEGG. He can appoint ambassadors to every country in the world if he wants to, but the committee does not have to agree to it.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. GARNER. Yes.

Mr. FISH. I simply wish to inform the gentleman that the Committee on Foreign Affairs is this morning holding a hearing on this very question, on reorganizing the State Department and the Diplomatic and Consular Service, and particularly along the lines of this very measure. I think all the members of the Committee on Foreign Affairs will be in accord with the gentleman when he has brought the matter up.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. GARNER. Yes.

Mr. McKENZIE. I did not expect this matter to come up this morning, and I have not had time to look into the language of this proposed amendment to satisfy myself as to just what it means. I have heard the statement of my colleague from Illinois [Mr. MADDEN] and I want to know whether or not this provision will enable the appointment of an Army officer to this position who is still on the active list, and whether or not it repeals the provision that we put into the law some time ago?

Mr. MADDEN. This would simply compel him when he retires from the ambassadorship to resume his duties in the Army.

Mr. McKENZIE. When he retires?

Mr. MADDEN. Yes.

Mr. LITTLE. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. LITTLE. In regard to legislation with respect to a change of title, it rests originally with the Committee on Foreign Affairs. They have formerly brought in legislation that authorizes the President to make those promotions. Of course, in the end the matter reverts to them. The gentleman said that if he is in receipt of this salary he will go to the head of the table. I ask, what does it cost a year?

Mr. MADDEN. Five thousand five hundred dollars more than it costs now.

Mr. LITTLE. If we vote to give him $5,000 a year more, we may be sure that he will go in to dinner first. [Laughter.] That is all it amounts to. There is nothing in it but that. [Laughter.] I think it is a little extravagant for that.

Mr. J. M. NELSON. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. J. M. NELSON. I trust the House will not do this thing. It is clearly a matter of personal favoritism. I think it is one-man legislation. General Crowder's friends got this thing put in, and we are to give him a personal raise of $5,500, and he gets $10,000.

Mr. MADDEN. It is not personal with him. It is the President of the United States that is asking for this.

Mr. J. M. NELSON. Oh, it is also easy to persuade the President of the United States to make a recommendation of this kind. I have had some experience with General Crowder, if I may make a personal reference. I had occasion to go to General Crowder several times a few years ago. I was never more humiliated in my life as a Member of Congress. I was as the dust to his feet, and there was nothing to it but arrogance and arbitrary conduct. Then I chanced, when higher officials took an interest in a certain matter, to find that General Crowder was one of the slickest of politicians.

I am not going into that, but I desire to repeat that the impression I got was that he was one of the slickest politicians in the Government service. Now, he is trying to get a great big raise here, up to $17,500, to be ambassador to Cuba. Why? What is the necessity for this thing? There is none. He has gotten in touch with Members; he is using influence to be paid two and a half times the salary of a Member of Congress. We are not told why. I protest against it as rank personal politics. [Applause.]

Mr. MADDEN. Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. The gentleman from Illinois moves the previous question.

Mr. ABERNETHY. Mr. Speaker, I raise the point of order that there is no quorum present. No; I will withdraw it for the present.

Mr. FISH. Mr. Speaker, will the gentleman from Illinois withhold the previous question for a moment?

Mr. MADDEN. I will.

The SPEAKER pro tempore. The gentleman from Illinois withholds the motion for the previous question.

Mr. MADDEN. I yield two minutes to the gentleman from New York [Mr. FISH].

The SPEAKER pro tempore. The gentleman from Illinois yields two minutes to the gentleman from New York.

Mr. FISH. Mr. Speaker and gentlemen of the House, I regret very much that I have not given this subject any consideration before this. I simply rise here as a member of the Committee on Foreign Affairs to protest the procedure. There is no question or doubt but that the Committee on Foreign Affairs is entitled to consider this very subject. If they are not entitled to the consideration of a question of raising ministers to the position of ambassadors, you might as well discharge the committee.

Now, what is the use in fooling ourselves about it? Nobody dares to say that this is not the main province of the Committee on Foreign Affairs. We have been considering these subjects for the last month, having hearings almost every day as to the question of rank and grade of ministers and ambassadors. I protest against the procedure, against running this in from the Senate through a conference committee and usurping the rights given by the House to the Committee on Foreign Affairs.

I regret very much that the chairman of that committee is sick at home and can not be here to protest for the whole committee. It is not my function; I am simply speaking as an individual member.

I also believe that we have already got too many ambassadors. I believe we made a mistake when we appointed an ambassador to Peru. It lowers the ambassadorial dignity when we appoint an ambassador to a country of less than 5,000,000 people.

You are supposed to legislate in this way because the conference committee tells you to. I hope you independent Members will use your own judgment, and if you agree that this legislation should not pass without going before the Foreign Affairs Committee that you will vote this legislation down. [Applause.]

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. GARRETT of Tennessee. In regard to the gentleman's suggestion touching the ambassadorship to Peru, it is my recollection that we did not initiate that. That was initiated by the Peruvian Government itself, and it came to us in such a way that there did not seem to be anything else for this country to do. Peru took the initiative in making that suggestion as to an ambassador. We had ourselves invited Argentina, Brazil, and Chile. They had raised their diplomatic positions to ambassador when Peru saw fit to do that. It does not seem to me that we could, without affront to Peru, refuse to do it.

Mr. FISH. There was a reason for that. There were some difficulties among the A. B. C. Governments. There is no reason for this.

Mr. MADDEN. Mr. Speaker, this provision does not create the place of ambassador. We are not attempting to create an ambassadorship. We are making an appropriation. That is all we are doing. The President has the power to create an ambassadorship, and we are only appropriating the money, making it available in the event that the ambassadorship is created.

Mr. HUSTED. Under law.

Mr. MADDEN. Under law. We are not making any law. We are not usurping any powers of anybody. We are not undertaking to take away the functions of the Foreign Affairs Committee. We are carrying out the functions of the Committee on Appropriations, namely, making appropriations to be available for a place that may be created by law.

Mr. McARTHUR. Will the gentleman yield?

Mr. ROSSDALE. Will the gentleman yield?

Mr. MADDEN. I will be obliged to gentlemen if they will let me complete my statement. I have given time to everybody who desired it. It seems to me there can be no one so familiar with the importance of the situation as the President and the Secretary of State, and they both urge that this is vital. If the question of the jurisdiction of committees is to determine what the heads of the national administration think to be a vital issue, I am sorry, because I do not think it ought to be settled upon that basis.

Mr. TOWNER. Will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Iowa.

Mr. TOWNER. This is not a difficult proposition to understand, but perhaps it had better be stated so that it will be understood. The creation of an ambassador comes about in this way: The President sends the name of A B to the Senate for confirmation as envoy extraordinary or as ambassador. If it is approved by the Senate, the position or place is created. It requires, of course, an appropriation to equalize the position of an ambassador thus created with other ambassadorships that are created, and is usually followed by the payment of an ambassadorial salary, which is $17,500. Will the gentleman from Illinois allow me to make a further statement?

Mr. MADDEN. Surely.

Mr. TOWNER. I desire further to state this: This ought not to degenerate into the question of whether or not General Crowder wants a job or a larger salary. I have some knowledge of the circumstances, because some of the affairs at least of Cuba are committed to the jurisdiction of the committee of which I am chairman. General Crowder has performed a very difficult, delicate, and important mission to Cuba. He has, at personal sacrifice to himself, and with his desire very many times to be relieved from the position, performed a real service to this country. All of the Members know that our relations to Cuba are very important and at the

present time are very delicate. The time has come when there should be an ambassador to Cuba appointed. It is practically impossible, Mr. Chairman—and that ought to be understood—to have what might be considered as an ambassadorial representative without an ambassador's privilege, and either a minister or an ambassador appointed. There is no ambassador there, and for that reason this position should be created.

Mr. MOORE of Virginia. Will the gentleman from Illinois allow me to call his attention to a statute?

Mr. MADDEN. Certainly.

Mr. MOORE of Virginia. I call the attention of the gentleman to a statute enacted in 1909 which provides that hereafter no new ambassadorships shall be created unless the same shall be provided for by act of Congress.

Mr. MADDEN. I yield two minutes to the gentleman from New York [Mr. HUSTED].

Mr. HUSTED. Mr. Speaker, we are only doing to-day in a deficiency bill what we have done over and over again in the general appropriation bills for the Department of State—what we did this year, for example. This year the President nominated three new ministers, and we made the appropriation for them, as we always do. Under the Constitution the President has the right to name ambassadors and ministers. It is purely an Executive function. It simply remains for us to provide the usual compensation according to the diplomatic grade. Now, this question came up under a point of order made by the gentleman from Texas [Mr. BLANTON] in the Sixty-sixth Congress, third session. He made the point of order that certain diplomatic positions were unauthorized by law; that they had not been created by legislative authority. Mr. JOHN JACOB ROGERS, of Massachusetts, discussed the point of order, and it was held that the point of order of the gentleman from Texas [Mr. BLANTON] was not well taken, on the ground that the creation of ambassadorships and ministerships was a purely Executive function, over which the legislative branch had no control, except to provide in its appropriation bills for the proper compensation.

Mr. MADDEN. I yield five minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, as Members generally know, I have scanned the various appropriation bills for years back upon their return to this body, with amendments for approval or for sending to conference. Since the adoption of the new order vesting the jurisdiction of all appropriation bills in the Committee on Appropriations, I venture the statement, without fear of contradiction, that there have been fewer legislative riders on these appropriation bills when returned from the Senate than at any time before in the history of the Government. Certainly there have been many less than under the old order, because the conferees representing the Committee on Appropriations fight to the limit of their powers against accepting legislative provisions.

What is the situation here? This is not the Department of State appropriation bill. When that bill came back to this Chamber there was not one item of legislation in amendments to that measure, which confirms the position I have taken that the conferees on that bill were jealous of the legislative rights of the Committee on Foreign Affairs.

Now we have an exigent condition confronting the country. General Crowder has been acting for a year or more as the special ambassador of the President to settle a very peculiar financial situation in Cuba. It is the opinion of the administration that he is the one person to continue that work and that he should continue in that position. The date of his retirement is approaching. If he is going to continue to function for the benefit of the administration of the country it is necessary that he be appointed ambassador. Is it ever claimed that an Army officer during his career, from the time he graduates from West Point and enters the service, is able to accumulate any great amount of this world's goods? I think no one will claim that. It is generally the rule that the administration is of necessity driven to appoint men of wealth to these ambassadorial positions, so that they may meet the expenses of the post out of their own possessions, which condition I deplore. We have here the case of a man who I assume is without any great amount of this world's goods, and it is proposed to raise the rank of diplomatic representative to Cuba to the same grade as that of Brazil, Chile, and the Argentine.

Mr. LONGWORTH. And Peru.

Mr. STAFFORD. And Peru. Is there anyone here who denies that the post of diplomatic representative to Cuba is as important as to those countries I have named? Now, it is proposed on a deficiency bill to provide this salary. I do not know why the administration has been unable to get any action from the Committee on Foreign Affairs of the House. Legislation is not necessary; it is a matter of administration for the President to determine, save the coming to the House for the minor matter of providing the additional salary to this Army officer, who has given all the years of his life to the Government, to permit him to accept not a $12,000 position, but a position at $17,500—to permit him after his service as ambassador to receive the retired pay at three-quarters of his rank. That will be held in abeyance while he fills the post provided for in this amendment. It is and should be carried in the deficiency appropriation bill whether the Committee on Foreign Affairs had appropriating powers or not.

Mr. MADDEN. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Speaker, one of the great customs of this House is that if there is any man who has had experience personally in matters that come up before the House he must not be allowed to discuss the subject. I have had a good deal of difficulty in getting any time, because I am laboring under the handicap of being, I guess, the only man in the House who has ever had any diplomatic service for his country. Naturally I feel a little interest in this matter. But, aside from the personalities of the matter, I want to suggest to you what value it is to General Crowder to be an ambassador instead of a minister. Not a bit on earth. It does not mean anything except that he goes in first to dinner. That is all there is to it. If he is an ambassador he will sit at the head of the table. Yes; but what difference does that make? If he goes to the foreign office he gets the same consideration whether you call him a minister plenipotentiary or an ambassador. There is not a particle of difference, and it does not help him either, except in social prestige. Now, social prestige does not mean a row of pins diplomatically. It is brains that count in any foreign capital. Social prestige does not really accomplish anything.

Now, you want to vote $5,000 and another title to this gentleman so that he can sit at the head of the table, but what does that amount to?

It has been suggested—the gentleman from Wisconsin [Mr. STAFFORD] challenged anybody to dispute the necessity of this proposition. I do. There is not the slightest reason we should have an ambassador in Cuba. It is the custom for great Empires like Great Britain, great Republics like France, to be visited by an ambassador. Smaller countries by ministers plenipotentiary and envoys extraordinary, smaller countries by ministers resident, by diplomatic agents like we had in Cuba a little while ago, and all we need now. In these small countries, comparatively insignificant, there are certain things to be done.

Gentlemen, let us talk a little sense. I am quite sick and tired of this continual approaching Congress by little social intrigues that are disgusting to any man. Why should we spend $5,000 a year to help a man to social advantages? Nonsense!

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. MADDEN. Mr. Speaker, I yield three minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, I think it is just a little unfortunate that the personal aspect of this matter has been emphasized. It is true that General Crowder has performed a very great service for his country in a number of very important capacities. He has performed a service of importance and value in Cuba. He is a man very highly esteemed there and probably capable of doing better service in Cuba than any other man under the flag. That is all true. But the purpose of raising our representation to Cuba to the ambassadorial rank does not grow out of our consideration for General Crowder. It grows out of the requirements of the situation. We certainly do not have more important relations with Peru, and yet we have considered it proper to have an ambassador to Peru. Belgium is one of the heroic nations of the world, and yet our relations with Belgium are neither as intimate or in some respects as important as those with Cuba. Cuba sustains a relation to us different from that of any other people. It is highly important that we shall maintain a dignified establishment there and that we shall be represented there by a man who stands in the first rank of representatives to that nation. Our representative there should have the rank, dignity, and authority of an ambassador. The President and officers of his administration have considered this matter carefully, not from the standpoint of the interest of General Crowder but from the standpoint of the interests of the country.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. CHINDBLOM. In other words, our representative in Cuba must in every sense sit at the head of the table.

Mr. MONDELL. By all means, that is important. Under the Constitution the power of appointment of an ambassador rests

with the President. We are simply making an appropriation to enable the President to appoint an ambassador, if he sees fit to do so.

The SPEAKER pro tempore. The time of the gentleman from Wyoming has expired.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BLANTON. The gentleman from Illinois says that all we are doing is appropriating the money, that we are not creating the position. The position has not been created yet; the President has not sent in any name. We are, therefore, putting the cart before the horse, but the gentleman knows that those responsible for appropriating this money know that just as soon as the money is appropriated the name will be sent to the Senate and the $17,500 per year position will be created.

Mr. MADDEN. Mr. Speaker, I move the previous question on my motion to recede and concur.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Illinois to the Senate amendment.

Mr. BLANTON. Mr. Speaker, may we have the amendment again reported?

The SPEAKER pro tempore. Without objection, the Clerk will again report the amendment offered by the gentleman from Illinois to the Senate amendment.

There was no objection and the Clerk read as follows:

Mr. MADDEN moves that the House recede from its disagreement to the amendment of the Senate No. 7, and agree to the same with an amendment as follows: After the word "Cuba," in the last line of the matter inserted by said amendment, insert the following: "*And provided further*, That the aggregate of all pay from all sources from the Government of the United States to any person appointed to the foregoing office under the permissive authority contained in the first and second provisos of this paragraph shall not exceed the annual rate of $17,500."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. CONNALLY of Texas) there were—ayes 59, noes 38.

Mr. BLANTON. Mr. Speaker, I object to the vote because there is no quorum present, and I make the point of order that there is no quorum present. Upon suggestion of Members, I withdraw that on this amendment.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk proceeded to read.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry. That vote was on the Madden amendment. The motion to recede as amended should now be put.

The SPEAKER pro tempore. No; the motion of the gentleman from Illinois was to recede and concur with an amendment.

Mr. FISH. Mr. Speaker, I ask for a division.

Mr. MADDEN. We have already had a division.

Mr. BLANTON. Then I insist on the point of order of no quorum, Mr. Speaker.

Mr. MONDELL. The gentleman is altogether too late.

Mr. BLANTON. Then I ask for the yeas and nays.

Mr. MONDELL. The House has proceeded with business.

The SPEAKER pro tempore. The Chair had ordered the Clerk to report the next amendment.

Mr. MONDELL. The House had proceeded with business.

Mr. BLANTON. I was trying to get a record vote on this proposition, and it was suggested to me that the amendment of the gentleman from Illinois was an amendment to an amendment and that we would later get a vote on the main question.

The SPEAKER pro tempore. Of course, the Chair was not advised of that. The gentleman from Texas withdrew his point of order that no quorum was present and the Chair directed the Clerk to report the next amendment.

Mr. BLANTON. I did it under a misapprehension, Mr. Speaker; but I ask for the yeas and nays on the main question. There has been no business transacted. I ask for the yeas and nays on the main question. It is always in order after I withdraw the point of no quorum.

The SPEAKER pro tempore. The Chair had directed the Clerk to report the next amendment and the Clerk was proceeding to report it.

Mr. BLANTON. Does the Speaker hold that the yeas and nays are not in order?

The SPEAKER pro tempore. On this motion, the Chair having declared that the motion was carried and other business having been proceeded with.

Mr. BLANTON I am sure the Chair wants to be fair and give the House a chance to pass on the question with a record vote.

Mr. MONDELL. Mr. Speaker, I demand the regular order.

Mr. BLANTON. The Chair knows that I was trying to get a record vote upon the question.

Mr. MONDELL. The gentleman from Texas has no right to lecture the Chair.

Mr. BLANTON. I am not lecturing the Chair. I respectfully appeal from the decision of the Chair.

Mr. MONDELL. There is nothing to appeal from.

The SPEAKER pro tempore. On what question?

Mr. BLANTON. On the question of whether we have a right to call for the yeas and nays.

Mr. MONDELL. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. That is not a matter before the House from which an appeal can be taken. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 8: Page 16, after line 2, insert: "For Pauline G. Swaim, widow of Albert W. Swaim, late consul to Hamilton, Bermuda, one year's salary of her deceased husband, who died while at his post of duty from illness incurred in the Consular Service, $4,500."

Mr. ABERNETHY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from North Carolina makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighteen Members present; not a quorum.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Dunn	Kindred	Porter
Ansorge	Dyer	King	Pringey
Arentz	Echols	Kirkpatrick	Rainey, Ala.
Bacharach	Edmonds	Kitchin	Rainey, Ill.
Barkley	Ellis	Kleczka	Reece
Beedy	Evans	Kline, Pa.	Reed, W. Va.
Benham	Focht	Knight	Riddick
Bixler	Fordney	Kreider	Riordan
Blakeney	Free	Kunz	Rodenberg
Bland, Ind.	Fulmer	Langley	Rose
Brand	Gahn	Lawrence	Rucker
Brennan	Gallivan	Lee, N. Y.	Ryan
Britten	Gensman	Lehlbach	Sabath
Brooks, Ill.	Gilbert	Linthicum	Schall
Brooks, Pa.	Goodykoontz	Logan	Scott, Mich.
Burke	Gorman	Lowrey	Sears
Burroughs	Gould	Luce	Shaw
Cable	Graham, Pa.	Lubring	Siegel
Cantrill	Griffin	McFadden	Slemp
Carew	Hammer	McPherson	Smith, Mich.
Chalmers	Hardy, Colo.	McSwain	Snell
Chandler, N. Y.	Henry	Martin	Stiness
Chandler, Okla.	Hersey	Michaelson	Stoll
Clark, Fla.	Huck	Montoya	Sullivan
Classon	Hudspeth	Moore, Ill.	Taylor, Ark.
Clouse	Humphreys, Miss.	Morin	Taylor, Colo.
Codd	Hutchinson	Mott	Thompson
Collins	Ireland	O'Brien	Tillman
Colton	Jacoway	O'Connor	Volk
Connolly, Pa.	James	Ogden	Walters
Copley	Johnson, Miss.	Oliver	Ward, N. Y.
Coughlin	Johnson, Wash.	Olpp	Ward, N. C.
Crisp	Jones, Pa.	Osborne	Wheeler
Davis, Minn.	Kahn	Overstreet	Williams, Tex.
Deal	Keller	Park, Ga.	Winslow
Dominick	Kelley, Mich.	Parker, N. J.	Woods, Va.
Drane	Kendall	Patterson, Mo.	Wyant
Drewry	Kennedy	Paul	Zihlman

The SPEAKER pro tempore. On this call 277 Members have answered to their names, a quorum.

Mr. MADDEN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER pro tempore. The Chair would like to have the attention of the House for a moment. With respect to the question that arose prior to the point of no quorum being made, upon which we have just had a call of the House, the Chair asked the Reporter to read the record made upon the proceedings immediately preceding the vote upon the question then before the House. After hearing the record of what actually occurred, the Chair is convinced that as the record was made Members of the House might easily be misled or might misapprehend the exact nature of the question that was then being voted upon. According to the record, the Chair stated that the question was upon the amendment offered by the gentleman from Illinois to the Senate amendment. That being true, the gentleman from Texas [Mr. BLANTON] or any other gentleman might easily misapprehend the nature of the question being voted on. While the motion of the gentleman from Illinois to recede and concur with an amendment was in the mind of the Chair, and evidently in the minds of some

Members of the House, yet other Members might have misapprehended the question, and the Chair is inclined at this time to take the responsibility of stating that because of that possible misapprehension on the part of some Members of the House, the question should again be taken. The Chair assumes that responsibility and will again put the question. The question is on the motion of the gentleman from Illinois to recede and concur in the Senate amendment with an amendment, which the Clerk will again report.

The Clerk again reported the motion of Mr. MADDEN.

Mr. BLANTON. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Illinois, and upon that question the gentleman from Texas demands the yeas and nays. On this question 41 Members have arisen demanding the yeas and nays, 186 Members are present, and the yeas and nays are therefore ordered. The Clerk will call the roll.

The question was taken, and there were—yeas 163, nays 105, answered "present" 2, not voting 159, as follows:

YEAS—163.

Ackerman	Fess	Larson, Minn.	Roach
Andrew, Mass.	Fisher	Lea, Calif.	Robertson
Andrews, Nebr.	Fitzgerald	Leatherwood	Robsion
Anthony	Focht	Lineberger	Rogers
Appleby	Freeman	Longworth	Rosenbloom
Atkeson	French	McArthur	Rossdale
Barbour	Frothingham	McCormick	Sanders, Ind.
Begg	Fuller	McLaughlin, Mich.	Sanders, N. Y.
Benham	Funk	McLaughlin, Nebr.	Shaw
Bird	Gernerd	McLaughlin, Pa.	Shelton
Bond	Gifford	MacGregor	Smith, Idaho
Bowers	Goldsborough	MacLafferty	Smithwick
Burton	Gorman	Madden	Snyder
Butler	Graham, Ill.	Magee	Sproul
Byrns, Tenn.	Green, Iowa	Mapes	Stafford
Campbell, Kans.	Greene, Mass.	Merritt	Steenerson
Campbell, Pa.	Greene, Vt.	Mills	Stephens
Cannon	Griest	Mondell	Strong, Pa.
Chindblom	Hadley	Moore, Ohio	Swing
Clarke, N. Y.	Haugen	Moores, Ind.	Taylor, N. J.
Cole, Iowa	Hawes	Morgan	Temple
Cole, Ohio	Hawley	Mudd	Thompson
Colton	Hayden	Murphy	Thorpe
Cooper, Ohio	Hays	Nelson, Me.	Tilson
Crago	Hickey	Newton, Minn.	Timberlake
Cramton	Hill	Newton, Mo.	Tincher
Crowther	Hogan	Norton	Tinkham
Curry	Hukriede	Paige	Towner
Dale	Hull	Parker, N. Y.	Treadway
Dallinger	Humphrey, Nebr.	Patterson, N. J.	Vaile
Darrow	Husted	Paul	Vestal
Davis, Tenn.	Jefferis, Nebr.	Petersen	Volstead
Dempsey	Johnson, Ky.	Purnell	Wason
Denison	Kearns	Radcliffe	Watson
Dickinson	Kelly, Pa.	Ramseyer	Webster
Dunbar	Ketcham	Ransley	White, Me.
Dupré	Kiess	Reber	Williams, Ill.
Edmonds	Kissel	Reece	Wood, Ind.
Elliott	Kline, N. Y.	Reed, N. Y.	Wurzbach
Fairfield	Knutson	Rhodes	Young
Faust	Kraus	Ricketts	

NAYS—105.

Abernethy	Dowell	London	Steagall
Almon	Driver	Lyon	Stedman
Aswell	Favrot	McClintic	Stevenson
Bankhead	Fields	Maloney	Strong, Kans.
Beck	Fish	Mansfield	Summers, Wash.
Bell	Foster	Mead	Sumners, Tex.
Black	Frear	Michener	Swank
Bland, Va.	Garner	Miller	Sweet
Blanton	Garrett, Tenn.	Montague	Tague
Boies	Garrett, Tex.	Moore, Va.	Ten Eyck
Bowling	Herrick	Nelson, J. M.	Tucker
Box	Hoch	Oldfield	Turner
Briggs	Hooker	Parks, Ark.	Tyson
Browne, Wis.	Huddleston	Perlman	Upshaw
Buchanan	Jeffers, Ala.	Pou	Vinson
Bulwinkle	Johnson, S. Dak.	Quin	Voigt
Burtness	Jones, Tex.	Raker	Weaver
Byrnes, S. C.	Kincheloe	Rankin	White, Kans.
Carter	Kopp	Rayburn	Williamson
Christopherson	Lampert	Rouse	Wilson
Clague	Lanham	Rucker	Wingo
Collier	Lankford	Sanders, Tex.	Wise
Connally, Tex.	Larsen, Ga.	Sandlin	Woodruff
Cooper, Wis.	Layton	Scott, Tenn.	Wright
Cullen	Lazaro	Sinclair	
Deal	Lee, Ga.	Sisson	
Doughton	Little	Speaks	

ANSWERED "PRESENT"—2.

Cockran	Lowrey

NOT VOTING—159.

Anderson	Brown, Tenn.	Collins	Fairchild
Ansorge	Burdick	Connolly, Pa.	Fenn
Arentz	Burke	Copley	Fordney
Bacharach	Burroughs	Coughlin	Free
Barkley	Cable	Crisp	Fulmer
Beedy	Cantrill	Davis, Minn.	Gahn
Bixler	Carew	Dominick	Gallivan
Blakeney	Chalmers	Drane	Gensman
Bland, Ind.	Chandler, N. Y.	Drewry	Gilbert
Brand	Chandler, Okla.	Dunn	Glynn
Brennan	Clark, Fla.	Dyer	Goodykoontz
Britten	Classon	Echols	Gould
Brooks, Ill.	Clouse	Ellis	Graham, Pa.
Brooks, Pa.	Codd	Evans	Griffin
Hammer	Kleczka	O'Connor	Sinnott
Hardy, Colo.	Kline, Pa.	Ogden	Slemp
Hardy, Tex.	Knight	Oliver	Smith, Mich.
Henry	Kreider	Olpp	Snell
Hersey	Kunz	Osborne	Stiness
Hicks	Langley	Overstreet	Stoll
Himes	Lawrence	Park, Ga.	Sullivan
Huck	Lee, N. Y.	Parker, N. J.	Taylor, Ark.
Hudspeth	Lehlbach	Patterson, Mo.	Taylor, Colo.
Humphreys, Miss.	Linthicum	Perkins	Taylor, Tenn.
Hutchinson	Logan	Porter	Thomas
Ireland	Luce	Pringey	Tillman
Jacoway	Luhring	Rainey, Ala.	Underhill
James	McDuffie	Rainey, Ill.	Volk
Johnson, Miss.	McFadden	Reed, W. Va.	Walters
Johnson, Wash.	McKenzie	Riddick	Ward, N. Y.
Jones, Pa.	McPherson	Riordan	Ward, N. C.
Kahn	McSwain	Rodenberg	Wheeler
Keller	Martin	Rose	Williams, Tex.
Kelley, Mich.	Michaelson	Ryan	Winslow
Kendall	Montoya	Sabath	Woods, Va.
Kennedy	Moore, Ill.	Schall	Woodyard
Kindred	Morin	Scott, Mich.	Wyant
King	Mott	Sears	Yates
Kirkpatrick	Nelson, A. P.	Shreve	Zihlman
Kitchin	O'Brien	Siegel	

So the motion to recede and concur with an amendment was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Ellis with Mr. Crisp.
Mr. Free with Mr. Brand.
Mr. Langley with Mr. Clark of Florida.
Mr. Kendall with Mr. Martin.
Mr. Winslow with Mr. Barkley.
Mr. Shreve with Mr. Woods of Virginia.
Mr. Snell with Mr. Kindred.
Mr. McPherson with Mr. McSwain.
Mr. Lawrence with Mr. Oliver.
Mr. Cable with Mr. Collins.
Mr. Hutchinson with Mr. Sullivan.
Mr. King with Mr. Gilbert.
Mr. Bacharach with Mr. Johnson of Mississippi.
Mr. Fenn with Mr. Williams of Texas.
Mr. A. P. Nelson with Mr. Kitchin.
Mr. Patterson of Missouri with Mr. McDuffie.
Mr. Fordney with Mr. Fulmer.
Mr. Wyant with Mr. Sears.
Mr. Dunn with Mr. Cantrill.
Mr. Beedy with Mr. O'Connor.
Mr. Anderson with Mr. Rainey of Illinois.
Mr. Kahn with Mr. Carew.
Mr. Keller with Mr. Dominick.
Mr. Osborne with Mr. Riordan.
Mr. Bixler with Mr. Humphreys of Mississippi.
Mr. Brooks of Illinois with Mr. Kunz.
Mr. Codd with Mr. O'Brien.
Mr. Burroughs with Mr. Drane.
Mr. Graham of Pennsylvania with Mr. Sabath.
Mr. Lehlbach with Mr. Tillman.
Mr. Davis of Minnesota with Mr. Overstreet.
Mr. Echols with Mr. Thomas.
Mr. Olpp with Mr. Linthicum.
Mr. Jones of Pennsylvania with Mr. Gallivan.
Mr. Perkins with Mr. Stoll.
Mr. McFadden with Mr. Taylor of Colorado.
Mr. Porter with Mr. Hammer.
Mr. Taylor of Tennessee with Mr. Griffin.
Mr. Michaelson with Mr. Logan.
Mr. Underhill with Mr. Hudspeth.
Mr. Connolly of Pennsylvania with Mr. Drewry.
Mr. Moore of Illinois with Mr. Ward of North Carolina.
Mr. Rose with Mr. Jacoway.
Mr. Brennan with Mr. Park of Georgia.
Mr. Goodykoontz with Mr. Taylor of Arkansas.
Mr. Britten with Mr. Rainey of Alabama.

Mr. HARDY of Texas. Mr. Speaker, I desire to vote "no."

The SPEAKER pro tempore. Was the gentleman from Texas in the Hall listening when his name was called?

Mr. HARDY of Texas. I am not sure. I thought it was a three-ring call, and I believe my name was called before I got in, but I am not sure about that. I will not say I was.

The SPEAKER pro tempore. The gentleman may be recorded as present.

The result of the vote was announced as above recorded.

Mr. MADDEN. Mr. Speaker, if it is entirely proper, I would like to ask unanimous consent to vacate the proceedings which antedated this vote in connection with this matter.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the proceedings immediately preceding the taking of this vote be vacated.

Mr. MADDEN. The vote on this amendment previously taken.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 16, after line 2, insert:
"For Pauline G. Swalm, widow of Albert W. Swalm, late consul to Hamilton, Bermuda, one year's salary of her deceased husband, who died while at his post of duty from illness incurred in the Consular Service, $4,500."

Mr. MADDEN. Mr. Speaker, I move to recede and concur in the Senate amendment.

Mr. STAFFORD. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. STAFFORD. Can the gentleman inform the House when Mr. Swalm died in the performance of duty as consul at Hamilton, Bermuda?

Mr. MADDEN. I have the record here—August 24, 1922.

Mr. STAFFORD. I was desirous of knowing whether it was recent and not some old account back years and years. The gentleman from Iowa, I believe, is interested in the matter, and it is also very meritorious.

The SPEAKER pro tempore. The question is on receding and concurring in the Senate amendment.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 16, after line 6, insert:

"CONTINGENT EXPENSES, FOREIGN MISSIONS.

"The general accounting officers are authorized to credit Boaz W. Long in the settlement of his accounts as American minister to Salvador with the sum of $2,819.50, or such amount as they may find due on account of furniture and equipment purchased from him in Salvador for the legation building erected by the United States Government at San Salvador, for which an account in the above-mentioned sum has been approved by the Department of State under 'Contingent expenses, foreign missions, 1920.'"

Mr. MADDEN. Mr. Speaker, I move to recede and concur in Senate amendment No. 9.

The motion was agreed to.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13696.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13696, with Mr. MCARTHUR in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13696, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13696) making appropriations for the Executive Office and sundry independent bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, and for other purposes.

The CHAIRMAN. The Clerk will continue the reading of the bill.

The Clerk read as follows:

FEDERAL TRADE COMMISSION.

For five commissioners, at $10,000 each; secretary, $5,000; in all, $55,000.

Mr. TREADWAY. Mr. Chairman, I move to strike out the paragraph. Mr. Chairman, I have looked over the hearings on the request of the Federal Trade Commission for a continuing appropriation, and have also examined the report of the commission. We are living in a time when economy ought to be practiced, I think, and I look to the members of this committee to give me some good reason for the continuation in office of the Federal Trade Commission. Certainly the report they make and the hearings before the committee, to my mind, do not justify the appropriation of $55,000 for their salaries or the further item of $850,000 for the support of the commission. I can not find that they have done a blessed thing of any use to this country. This is another example of once creating an office, always continuing it, and now is a good time, it seems to me, to know a little more about this commission and its activities or cease its appropriations and giving it a continual function. If between now and the 1st of July this board should go out of existence, I do not think it would mean a hardship to anybody nor any drawback to the welfare of the country, except that we will be deprived of the valiant service of 318 people now employed in the Federal Trade Commission drawing salaries, it is true, anywhere from $10,000 down, and that is about all I can see they do. There does not seem to be any complete account of any work they have accomplished. There is a very long report, and I do not blame the members of the commission for wanting to hold down easy positions and make as interesting report as they can. It does not amount to anything; they do not say anything, notwithstanding it does fill up a good many pages. I picked up yesterday's paper, for instance, and I notice that in what they claim to have been very important cases their findings were absolutely reversed by the decision of the Supreme Court. One was known as the Curtis Publishing Co. case in Philadelphia.

Their attitude and their efforts to prevent some work being done by that firm were absolutely nullified by the decision of the Supreme Court. All that they seem to do is to answer inquiries made of Congress and hamper opportunity of business in every way they can. Just what good any statistics that they offer in this report may be is a matter on which I would like to be enlightened. If I am wholly in error, of course, I would be very glad to vote for this appropriation; but, as I see it, I think it is a very useless burden upon the taxpayers.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. BYRNS of Tennessee. I want to read to the gentleman, if he will permit, a statement made by Mr. Murdock, the chairman of the commission, as to some things that they have accomplished within the last year.

Mr. TREADWAY. I have only five minutes. Would the gentleman mind deferring that?

Mr. BYRNS of Tennessee. The gentleman asked a question. I would be glad to answer him.

Mr. TREADWAY. I would be very glad to know. What page is the gentleman going to read from?

Mr. BYRNS of Tennessee. On page 76 of the hearings. I will ask for more time for the gentleman if the gentleman will permit me to read this.

Mr. TREADWAY. Certainly.

Mr. BYRNS of Tennessee. In response to an inquiry he says:

Now, we have won in the last fiscal year some important cases in the superior courts. We won the Royal Baking Powder case, which was a case of flagrant misbranding, and so denominated by the courts. We won the Aluminum Co. of America case. The Aluminum Co. of America is practically dominant in its field. It absorbed a company at Cleveland. We ordered it to divorce this acquisition. The circuit court of appeals affirmed the order—the first decision, by the way, that has come down under section 7 of the Clayton Act. These companies are now in the process of dissevering. Other appeals of equal moment have been won.

Now, I submit to the gentleman that if the Federal Trade Commission had accomplished nothing more than that in the past fiscal year, it would justify the appropriation made for it.

Mr. TREADWAY. Well, I differ with the opinion of the gentleman in this particular: I do not think there would be any reason for the promotion or the continuance of breaking the law by such companies as the Royal Baking Powder Co., even if the functions of this commission were in other hands. Mr. Murdock, in the same testimony, refers to the very important case of the Curtis Publishing Co., of which I have already spoken. He thought that he had a just case against the Curtis Publishing Co. I know nothing about the internal workings of that company. But nevertheless his opinion was absolutely turned down, as I said, and the judgment of the commission was reversed by the Supreme Court.

Of course, as I have already stated, a board like this, composed of five gentlemen, including Mr. Murdock, whom we used to know here as a prominent Member of the House, and who has been chairman of this board off and on since he left Congress, will naturally make out as good a case as they possibly can in their report. That is part of their business. That is what they are there for.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TREADWAY. May I have one minute more, Mr. Chairman?

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that the gentleman may have three minutes more.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the gentleman from Massachusetts may have three additional minutes. Is there objection?

There was no objection.

Mr. TREADWAY. If the Members of the House will take pains to study the report that the board makes, I think I will be supported in my opinion that they aggrandize their position very largely and show very little object or reason for their existence. There is a list in the latter part of the report of complaints heard by them or existing before them. They are practically all on file. They do not get anywhere. They do not get any decisions. They do not stop anything being done, ex-

cept that they disturb business arrangements of firms and corporations.

Now, it is a very simple thing for a person to write in to a bureau here in Washington and say that John Jones or Sam Smith is not doing his business in the manner in which he should. That is about all you have got to do to get your case before the Federal Trade Commission.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. CONNALLY of Texas. The gentleman has not received any complaint from his constituents to the effect that the Federal Trade Commission has been doing these things?

Mr. TREADWAY. Yes; some years ago I did. My attention was first called to it by a very prominent constituent of my district, to whom they tried to do that very thing. And that is one reason why I am disposed to watch just where this Federal Trade Commission functions. To my mind, it is a waste of expenditure and an increase of the number of employees to the extent of 318 beyond what there is any occasion for, so far as the welfare of the Government is concerned. Personally I would like to see the commission abandoned. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Tennessee is recognized.

Mr. BYRNS of Tennessee. Mr. Chairman, I do not know of any legitimate business that is objecting to the Federal Trade Commission and the work it is performing. It is one of the commissions which was organized for the purpose of serving the people and aiding legitimate business as against illegitimate business, or those concerns which would set at naught our anti-trust laws, if permitted to do so, and act in restraint of trade and destroy honest competition.

I do not know how I could better set forth what this commission has been doing than to read from the hearings as to some things it has accomplished in the last fiscal year in addition to what I had the opportunity of reading in the course of the remarks of the gentleman from Massachusetts [Mr. TREADWAY]. Mr. Murdock, who speaks for the commission as its chairman, says on page 76:

We have now pending in the commission seven great key cases. The first one on the list is Pittsburgh case. That is a practice in the steel trade which bases the price of rolled steel products on the Pittsburgh price plus the freight from Pittsburgh to the man who buys, no matter where the steel is made. It is an intricate, complex thing. Men are divided about it. The commission was divided on it, but a complaint was issued and that matter is now in process of trial. It is against the United States Steel Corporation and the United States Steel Corporation has Mr. Severance, who is the head of the bar association of the United States, and a battery of attorneys who are among the very best in the land. That issue is being fought out. That is one case. Another case in that list is the Bethlehem-Lackawanna merger. A majority of the commission challenged that merger as a restraint of trade under the law. The Bethlehem-Lackawanna people naturally have several learned attorneys in that case, and we are contesting it along short handed. Another case is the Famous Players-Lasky Corporation case. The Famous Players-Lasky company, as you know, is a big corporation which produces and distributes movie films. It is a big concern. It covers the Nation.

The commission had reason to believe that it was violating the law and challenged it. Paul Cravath, with other attorneys, is representing the Famous Players-Lasky people, and such of our attorneys as we can spare for the work are handling it for us. We have in addition to that the National Biscuit Co. case. Its trial covered the Nation. It takes a lot of travel, because it seems that the conditions involved in the issue vary in the United States. The commission tried to avoid a nation-wide trial of that issue because we know how insidious this travel item of expenditure is in a Government bureau; but the other side insisted on taking the case across the Nation and trying the issue out by sections, and it is being tried out. The next is the Douglas Fir Exploitation and Export Co. case. Let me tell you about that issue. The Douglas Fir Co. is an association gotten together under the Webb-Pomerene Act. It is composed of many concerns that deal in lumber in the Northwest. Under the Webb-Pomerene Act they have a perfect right to get together for the purpose of export sale.

They are granted immunity in respect of export sale from the Sherman Antitrust Act, but after they got together the commission had reason to believe, and has issued a complaint to the effect, that they began to squeeze domestic competitors, using that power of lawful association for export to do it with. We challenged them. It is a big case and they are fighting it strenuously. We have attorneys tied up on that proposition. The Tobacco cases are equally important. You remember that the Tobacco Trust was dissolved by the Supreme Court, and the trust divided up into several parts. Among them you will remember was the American Tobacco Co. and the Lorillard Co. A Senate resolution directed the commission to make inquiry whether there was a combination on between the manufacturers of tobacco and the jobbers in the United States for the maintenance of the resale price, holding up the price of cigarettes, and so on. When our attention was called to that and we investigated it for the Senate, there appeared reason to believe that they were violating the law and we issued complaints against these various associations which appeared to be in conspiracy with this company or that company over the United States. Those cases are all going forward and as they go forward they call upon our small staff of lawyers.

Now, I sumbit, gentlemen of the committee, that there is no organization under this Government that has proven more diligent in the performance of its duties than the Federal Trade Commission, and, I repeat, I know of no business concerns in this country seeking to comply with the law who are objecting to the action of this Federal Trade Commission in the performance of its duty. And certainly in view of its work, a part of which is set forth in the statement of Mr. Murdock, the chairman, this appropriation is abundantly justified. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired. The pro forma amendment is withdrawn.

Mr. TREADWAY. It was not a pro forma amendment, Mr. Chairman. I moved to strike out the paragraph.

The CHAIRMAN. The question is on the motion of the gentleman from Massachusetts to strike out the paragraph.

The question was taken, and the motion was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For all other authorized expenditures of the Federal Trade Commission in performing the duties imposed by law or in pursuance of law, including personal and other services, supplies and equipment, law books, books of reference, periodicals, garage rental, traveling expenses, including actual expenses at not to exceed $5 per day or per diem in lieu of subsistence not to exceed $4, newspapers, foreign postage, and witness fees and mileage in accordance with section 9 of the Federal Trade Commission act, $880,000.

Mr. TREADWAY. Mr. Chairman, I move to strike out the figures "$880,000" and substitute "$780,000."

The CHAIRMAN. The gentleman from Massachusetts offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. TREADWAY: Page 11, line 24, strike out "$880,000" and insert "$780,000."

Mr. TREADWAY. Mr. Chairman, on page 12 of the annual report of the Federal Trade Commission we find their summary of expenditures. For the fiscal year 1922 there was appropriated for them $955,000. They expended $858,000. Then there is a continuing item, unexpended balances of the Federal Trade Commission for the year 1921, $104,592, and for 1920, $158,472. At the top of this bracket is the phrase "amount available." I am inclined to think that is an error, on account of the manner in which this report is made. My understanding of the law is that these unexpended balances go back into the Treasury. If I am correct about that, this is an erroneous statement. May I ask the chairman of the committee whether or not the two items for 1921 and 1920 are still available and in the hands of the Federal Trade Commission for the purposes of the commission?

Mr. WOOD of Indiana. They are, for obligations that occurred during the fiscal year. I suppose that the amount is still available for that purpose.

Mr. TREADWAY. That being the case, Mr. Chairman, the commission having on hand $275,000, I can not see why we need to appropriate so much.

If we can not do away with this useless board, can we not at least save some of their expenditures? They are to have here $955,000. I am asking that that be reduced $100,000 in view of the fact that there is available over $275,000 for the use of the board. Let us show some disposition toward curtailing the expenditures of this commission. Unless improvement is shown before another year I am confident there will be further efforts to do away with it.

Mr. WOOD of Indiana. Mr. Chairman, I rise in opposition to the amendment. We listened very patiently to the presentation made by those representing this activity, and they made out a pretty good case for an increase. They asked for an increase from $880,000 to $1,000,000. We concluded to limit our recommendation to the amount recommended by the Budget.

Personally speaking, I have not had very much faith in the operations of this board. The trouble is that the thing started wrong. I came here when the whole administration was under Democratic control and when the head of this institution was a Democrat. He told me that much to his surprise when he came and took his position he found that instead of this being an activity for the purpose of encouraging legitimate trade it was by reason of its operations really an activity to retard legitimate business, and that unless its methods could be changed he proposed to get out of it, and he did get out of it pretty soon. I believe since that time they have changed the tactics of the commission, and that now they are doing that which is best for the good conduct of business.

Mr. TREADWAY. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. TREADWAY. In connection with the statement of the chairman, may I ask whether there was any direct change

made in the organic law under which they could operate differently than they did at the time they began to function?

Mr. WOOD of Indiana. No; there is no change in the organic law. The trouble was that those who put the thing in motion started on the wrong foot.

Mr. TREADWAY. And that machinery is still the law?

Mr. WOOD of Indiana. There was no fault about the law. The fault was in the administration of the law. This board is doing some very good things. If the gentleman will read the hearings he will find some concrete examples of some of the good things that they are doing. I have in mind one particular instance where a foreign concern was manufacturing out of long-staple cotton something that looked like silk, and they made contracts in this country, involving the expenditure of a lot of money, when it was discovered that the manufacture was a fraud. It was brought before the Federal Trade Commission and the whole business abrogated and the money refunded to the people in this country who had been fooled. I am of the opinion that these people are spending too much time on small matters, spending too much money on the number of men they allocate to prosecute cases and determine them in the courts, and I think we made some very valuable suggestions as to how they might curtail their expenditures, which the gentleman can see if he will read the hearings; but unless there is a direct attempt to repeal this law I do not think we should cripple them. They are doing much good, and it is possible for them to do great good if they will simply conform their activities to the intent of the law with reference to helping legitimate business and protecting legitimate business against those who are preying upon it.

Mr. TILSON. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Connecticut.

Mr. TILSON. What would be the gentleman's plan for transferring the activities of this board from that of meddling with and destroying business and turning it into a helpful activity to encourage legitimate business?

Mr. WOOD of Indiana. By getting some great big business men at the head of the thing. [Applause.] I am not in sympathy with some of the gentlemen who are now in that institution. But it is wholly a matter of administration. There is nothing wrong with the organic law. Its intentions are good. Its purposes are good; and if we fail in those purposes it is because of the administration of them, and it is because of the men who are at the head of it. If we had great big business men at the head of this thing, whose purpose was to conserve the best interests of the business of this country, there would be no complaint about the law.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Massachusetts [Mr. TREADWAY].

The question being taken, the amendment was rejected.

The Clerk read as follows:

For printing and binding, $20,000.

Mr. FESS. Mr. Chairman, I move to strike out the last word. I have been impressed with what I have heard said in regard to the Federal Trade Commission. I was here when the law was passed creating the commission. It has been recommended by President Taft, and recommended upon the basis that owing to legislation like the Sherman antitrust law business was not free to operate and that it needed a governmental agency to advise it whether it was violating the law. All of us recall that the early prosecutions of the Sherman law very much disturbed existing business. This was put upon the basis that a group of men who know business and its needs would sit about a table where anyone who wanted to launch out into some new business, not knowing whether it would violate the law or not, might come to Washington and find out whether the proposal was in consonance with law; and the proposition for the Federal Trade Commission as originally presented on the floor of the House was that it was to be a helpful agency to the business of the country; and, so far as I know, no one ever thought that it would become a smelling commission looking into what it could find in the way of an excuse for persecution just because somebody had succeeded in business. It is not the law, it is not in violation of the purpose of the law, that are objectionable, but it is really expressed by the personnel—that if a business is prosperous, they want to find out why it is prosperous, and we have had a campaign where the activity was in line of prosecution rather than in the line of help. The question now is in the method of procedure—socialistic tendencies which wholly dominated the commission in its early days. Can tendencies to pester legitimate business be eliminated in the personnel? Otherwise it seems to me that the wisest thing to do is to entirely annihilate it. I have about come to the conclusion that that is the proper thing to do in connection with this particular agency. I have an impression that if every Member of Congress, knowing the purpose and creation of the law, sees how wide of the mark that purpose is being carried out, he would be inclined to discontinue it entirely. I wanted to say that much because I supported the measure originally with great enthusiasm, but I have been greatly disappointed at its outcome.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I hold no brief for the Federal Trade Commission, but I do not agree with the gentleman from Ohio in referring to it as a "smelling" commission. I think it is doing a very great and essential service. I do not understand that the commission has adopted the practice of making, on its motion, these inquiries to which the gentleman from Ohio refers. It acts upon complaints submitted to it by business concerns and others interested in seeing that our trade laws are observed. It is only when these complaints are filed or information is brought to it that it makes the inquiries and starts the proceedings to which the gentleman refers.

This commission was authorized, and Congress passed the act, with the idea that it was to prevent restraints of trade on the part of big business. I wish to repeat that I do not know of any business in this country that is legitimate that has made any complaint against the Federal Trade Commission. It is only those business concerns which desire to violate the law and act in restraint of trade but who are prevented by this commission from carrying out their wishes that have made complaint against the Federal Trade Commission. It does make inquiries, some of which possibly were not contemplated under the law, but that is the fault of Congress. The Senate has adopted several resolutions and the House, if I mistake not, has adopted a number of resolutions calling upon the commission to make inquiries with respect to the action of certain big interests in this country, and it has complied and submitted its reports to Congress. One I read a while ago was in connection with the American Tobacco Co., and if the gentleman from Ohio had had the opportunity of seeing the voluminous report upon that matter I am sure he would not have made the criticism of the commission that he has just made, because it is not only a very interesting report but shows that the commission has gone to the bottom of the matter and made suggestions and recommendations of a kind to be helpful not only to the tobacco growers and tobacco interests but to the country. I understand it has been called upon to make an inquiry in relation to the Oil Trust.

If it be true—and I doubt it—that the commission is going out of its way to make inquiries, I think the House and the Senate ought to quit adopting resolutions calling upon it to do so. Certainly the Members of the Senate and the House who passed the resolutions felt that they were necessary and that the information called for would be helpful not only to Congress but to the country.

Mr. WOOD of Indiana. Mr. Chairman, I wish to say that I think this matter is largely a matter of administration. The purpose of the law is a good one. The fault has been in the administration. Unfortunately, when it was first inaugurated those who were in charge of the administration took the wrong view of the purpose of the legislation. But there has been a great many good things come from the activities of this board. We are trying now to extend our foreign trade relations, and one of the best ways in the world to do that is through the honesty and integrity of the manufacturers. We have some gentlemen in this country who are imposing upon the Government. I understand we had a concern manufacturing a certain article to be sent to India, representing that it was of a certain character of manufacture when it was an entire fraud. And by reason of the intervention of this board that thing was stopped and the purchaser was refunded his money. We had another case where some manufacturing concern was putting out ladies' hose and putting a brand on them that they were wool, when, as a matter of fact, they were two-thirds cotton. Through the operation of the Federal Trade Commission that thing was stopped. It was done by a decision of the Supreme Court of the United States, and it never would have been carried there had it not been for the Federal Trade Commission. It might have been said that it was one of those advertisements that was legitimate in trade as between the wholesaler and the retailer, and that might have been true. But the ultimate consumer—the public—was involved. The purchaser had a right to rely on the advertisement that appeared on the hose

that they were wool hose, and the Supreme Court held that by reason of the fact of the public interest this was a fraud and ordered the injunction sought for by the Federal Trade Commission. They are doing many good things. If they would confine themselves to the things contemplated by the organic act, it would be a valuable agency to the country, and especially now when we are trying to establish the good name and good will of the United States in foreign countries.

Mr. LONDON. Mr. Chairman, the remarks of the gentleman from Indiana indicate the difficulty under which the Federal Trade Commission is working. There seems to be an impression, shared evidently by the gentleman from Indiana, the chairman of the committee, that the activities of the Federal Trade Commission should be confined to the prevention of dishonest methods in business. In other words, he would have a Federal Trade Commission functioning as a sort of national police corps to punish violations of the Penal Code and the use of false weights and false measures; but that was not the intention of those who established the Federal Trade Commission. When it was created it was with the hope, in my opinion a false hope, that some agency of Government would be able to control the trusts and prevent the elimination of competition by organized capital. Whenever the Federal Trade Commission has made an effort in that direction its efforts have been thwarted and proper appropriations denied to it so as to make it powerless.

Mr. BLACK. Mr. Chairman, will the gentleman yield for an observation?

Mr. LONDON. Yes.

Mr. BLACK. I think that the Federal Trade Commission did a very valuable work in its investigaton of the so-called Packers' Trust, and as a result of that work a consent decree was entered by which the packers divorced themselves from certain industries that the commission had indicated they were endeavoring to secure a monopoly upon, and work of that kind, I think, would undoubtedly justify the commission.

Mr. LONDON. It is extremely interesting that after every divorcement, after every severance, after every decree of dissolution, whether by the Federal Trade Commission or the Supreme Court, the stock of the companies affected always rises and the price of the marketed article goes up. We all know that to be the fact. You can not prevent large capital from crushing small capital, and you can not prevent the elimination of competition.

The principal object of competition is to drive out the competitor. In the race between one industrial group and another industrial group, the effort is for the strong to prevent the small group from existing. That is a legitimate and proper object. First you say go ahead, compete, let your competition be as intense as possible, as cruel as possible, provided you do not use dishonest means in the sense of false weights and false measures; and then when you succeed we will declare you illegal and put you in jail. Is not that an absurdity?

Mr. WOOD of Indiana. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. WOOD of Indiana. Would the gentleman destroy competition in trade?

Mr. LONDON. Competition is destroying itself with the certainty of the operation of a mathematical law. When you have a corporation of $20,000,000 capital in an industry and you have 10 or 15 or 20 men of a small capital of $5,000, these 20 men can not exist in the industry. They may operate on the outskirts but they will not affect the industry.

Mr. WOOD of Indiana. Whenever you destroy honest competition in trade, you destroy all initiative, you destroy all ambition, and bring about stagnation.

Mr. LONDON. Oh, I have heard that before, but the truth is that in our basic industries there is no competition in fact. The truth is that our basic industries are managed and conducted by gigantic operations. That is the inescapable law of industry to-day, and you are flying in the face of an economic fact.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LONDON. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. DICKINSON. How will the gentleman remedy the situation?

Mr. LONDON. Does the gentleman agree with me in respect to my analysis of the situation?

Mr. DICKINSON. I am not agreeing with the gentleman in anything.

Mr. LONDON. Oh, the gentleman dodges my question as if he were a presidential candidate. [Laughter.]

Mr. STAFFORD. How does the gentleman know that he is not?

Mr. LONDON. I think the gentleman should be frank enough to say that he agrees with my statement of the situation, with my statement of the facts. The remedy will ultimately be the democratic control of those industries. Modern capital has performed a very important, historical mission for humanity. It has taught the world the wisdom and value of concentration, of coordination, of elimination of waste, of elimination of useless competition, and after it has taught mankind that lesson, then the next step is to be taken. The next step is the democratization of industry. Just as in the world of politics, we had hundreds of little municipalities and sovereignties and in the course of time the civilized world learned to consolidate these principalities and sovereignties into sovereignties governing large territories.

Mr. DICKINSON. What does the gentleman mean by democratic control of industry?

Mr. LONDON. I know that the word "democracy" is a word which is not understood on the Republican side, and just as little on the Democratic side, and I am not surprised at the question.

Mr. DICKINSON. Have they not tried democratic control of industry in Russia?

Mr. LONDON. No; but they are striving toward democracy.

Mr. DICKINSON. Then, they have not the scheme perfected over there yet?

Mr. LONDON. No; I do not believe they have. If it took the 3,000,000 American rebels 12 or 15 years to establish a stable form of government it is a most natural thing that 180,000,000 people, occupying a territory covering one-sixth of the habitable globe, should take more than a generation in working out stable political and economic institutions, and they will be fortunate if they accomplish it within that time.

Let us get back to the subject of democratic control of industry. As I say, capital has performed an important function. Ultimately you will come to the question of whether the Nation's industries are to be controlled by aggregations of capital or whether the Nation is itself to control industry. Are we to have industrial feudalism, an industrial oligarchy, or industrial democracy? The method and manner of solving that problem is the task of statesmanship, and it must be measured by considerations and limitations of time and space. The suggestion should not be repudiated as an impossible thing, because it is the inevitable law of industry, it is the inevitable law of evolution from the simple to the complex, from the small to the large, from the sectional to the national, and ultimately, with the growth of civilization, to the international.

My quarrel with the conservative gentleman is that he is not conservative. I believe in conserving everything that is valuable in a civilization, but there are conservatives who are not content with that. They are the reactionaries, who want to restore the irretrievable past, who want to push us back instead of helping us to adapt ourselves to the requirements of modern industry.

The CHAIRMAN. The time of the gentleman has again expired.

The Clerk read as follows:

Washington, D. C., Government hotel for Government workers; for maintenance, operation, and management of the hotel and restaurants therein, including replacement of equipment, and personal services, $800,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $5,000 per annum, and only one person may be employed at that rate: *Provided further*, That within 30 days after the approval of this act the Secretary of War is authorized and directed to deliver to the Housing Corporation without payment therefor, one 1-ton motor truck and one 2-ton motor truck.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word. I do this for the purpose of inquiring as to the expenditure for the maintenance, operation, and management of the hotels and restaurants under Government control. I notice there is an item of appropriation for this purpose, including replacement of equipment and personal services, $800,000.

Mr. WOOD of Indiana. Yes.

Mr. TREADWAY. May I ask the chairman whether or not there is any direct payment by those occupying these houses

going into the receipts of the houses themselves, or whether the receipts are all credited to the general account? In other words, is this a debt or is it another method of bookkeeping only.

Mr. WOOD of Indiana. I stated yesterday of course there is nothing taken into consideration of the original cost of these buildings, but as compared with the appropriations made a year ago for the purpose of maintaining these Government hotels there was paid into the Treasury over and above the amount received for the purpose of their conduct, $86,000.

Mr. TREADWAY. So as an offset of the $800,000, on the basis of last year's receipts, this year you would be receiving some $886,000?

Mr. WOOD of Indiana. That is right.

Mr. WATSON. Mr. Chairman, I rise to oppose the pro forma amendment. Who receives the salary of $5,000?

Mr. WOOD of Indiana. The manager.

Mr. WATSON. The Government supplies an automobile, I presume?

Mr. WOOD of Indiana. No; there is no automobile.

Mr. WATSON. Last year the Government provided an automobile.

Mr. WOOD of Indiana. No; it was a truck.

Mr. WATSON. She does not ride in the truck?

Mr. WOOD of Indiana. Well, she may or may not; that is up to her.

Mr. WATSON. The Government provides apartments and maintenance for the manager?

Mr. WOOD of Indiana. Yes; and so far as the operation of that truck is concerned, I would like to get these trucks out of the War Department and get them to doing something. They are rotting away. We made an investment by reason of this provision concerning trucks whereby we will save the Government a whole lot of money. We are now paying $2 a dozen for laundering towels, and these people down there launder them for 50 cents a dozen.

Mr. WATSON. Who makes the rules and regulations governing the hotels, the manager or the Housing Corporation?

Mr. WOOD of Indiana. No; it is under the Housing Corporation. Of course, the Government hotel is only an incident to the Housing Corporation.

Mr. WATSON. I mean, does the manager prescribe the rules and regulations governing the hotels in regard to those who are the guests?

Mr. WOOD of Indiana. The gentleman who is in charge of the Housing Corporation, in cooperation with the manager of the Government hotel, does that thing.

Mr. WATSON. Does the gentleman consider the hotels have been successfully operated?

Mr. WOOD of Indiana. Well, I think it has been a very great success.

Mr. WATSON. The committee should seriously consider that the Government is housing 1,800 women in hotel buildings made of wood and paper, combustible materials, with only one fire escape attached to each building.

Mr. WOOD of Indiana. These buildings are segregated in a way, and they are two-story buildings.

Mr. WATSON. Many of them are three.

Mr. WOOD of Indiana. No; there are not any of them three stories.

Mr. WATSON. Three rows of windows indicate three stories.

Mr. WOOD of Indiana. The gentleman from Pennsylvania may some time or another discover them underground——

Mr. WATSON. No; above ground.

Mr. WOOD of Indiana. They are only two-story buildings.

Mr. WATSON. I am in favor of Government hotels for the women Government employees, but I am opposed to housing them in buildings that are not fireproof.

Mr. MacGREGOR. Mr. Chairman, I would like to ask the chairman of the subcommittee how much property this Housing Corporation has on hand, the statement being made it is only $1,289,000? It seems to me we had much more than that.

Mr. WOOD of Indiana. No; we have got about that much; that is, if we take into consideration the equities they have in the contracts, it amounts to more than that; but they disposed of about $000,000 last year in property. Of course, some contracts were canceled.

Mr. MacGRECOR. You are going to get rid of this Housing Corporation next year?

Mr. WOOD of Indiana. Well, I hope to. We were unfortunate last year, because of the fact that most of this property—that is, the residential portion of it—was located in places where we either had a coal strike or railroad strike, and about 40 per cent of the contracts were forfeited. It is a pretty difficult matter, but I think they are getting along very well.

Mr. MacGREGOR. There is no statement, I notice, as to how much they turned into the Treasury out of sales?

Mr. WOOD of Indiana. Oh, yes; there is a statement. They filed their statement; it is in the hearings.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

No part of the appropriations heretofore made and available for expenditure by the United States Housing Corporation shall be expended for the purposes for which appropriations are made herein.

Mr. ROGERS. Mr. Chairman, I should like to discuss for a few moments some aspects of the exportation of coal from the United States, and I ask unanimous consent that I may proceed out of order for 10 minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed out of order for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ROGERS. Mr. Chairman and gentlemen of the committee, some weeks ago I introduced in the House a bill, H. R. 12827, declaring an embargo on the exportation of anthracite coal for the period of the present national emergency. The United States is admittedly suffering from an extreme shortage of anthracite, the result of the shutdown for many months of the anthracite mines. Mr. C. E. Spens, who until January 1 was Federal fuel distributor, stated just before Christmas that "there are sections in this country that are suffering grievously." This is a matter of common knowledge. Every section of the United States which burns anthracite coal is now, in the midst of winter, struggling to overcome the hardships incident to a reduction of nearly one-half of the normal available supply. Not only is anthracite difficult for the householders to secure even in small quantities, but the shortage has had the usual effect of making the price almost prohibitive even when the coal is obtainable. Anthracite coal generally is selling to-day in the United States for $20 a ton or even more.

Why, under these circumstances, is it provident or even nationally permissible for the United States to send to Canada a very large part of this anthracite coal? We are told we can burn substitutes for anthracite. If we can, why can not Canada? Why should not the inconvenience of the coal strike and its consequences be transferred to some degree at least from the householders of America to those in foreign countries who seek the privilege of buying fuel from us?

I here present as a part of my remarks a table giving Department of Commerce figures of exports of anthracite and bituminous coal from the United States for October and November, 1921, and October and November, 1922.

Exports (long tons).	October, 1921.	October, 1922.	November, 1921.	November, 1922.
Total exports of anthracite	308,082	404,999	329,380	440,208
Exports of anthracite to Canada	302,609	399,763	320,247	433,721
Total exports of bituminous	1,330,304	1,729,425	1,078,806	1,618,037
Exports of bituminous to Canada	1,124,718	1,647,323	890,691	1,563,033

Our exports of bituminous coal to Canada for last October and November are thus rather more than 50 per cent larger than for the corresponding months a year ago, when there was no shortage. It will be noted that I do not propose to restrict the exportation of bituminous coal.

It will be further noted that the exports of anthracite coal for October and November last are about 33 per cent larger than for the corresponding months a year ago, when there was no shortage. It is with this phase of the situation that I feel deeply concerned and for which I see no adequate justification.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. YOUNG. According to the gentleman's figures they not only took care of their Canada customers, but let them have a very much larger amount?

Mr. ROGERS. That is what those figures indicate.

Mr. YOUNG. I presume these dealers would claim that they were under some obligation to take care of their regular customers; but it would seem that they had gone above that something like 50 per cent.

Mr. ROGERS. Yes.

Covering the period of the decade from 1913 our average exports of anthracite coal have been about 4,400,000 tons per annum, or at the rate of 365,000 tons a month. Our exports per annum at the rate which prevailed last October and November would be over 5,000,000 tons a year, and for the two months in question they averaged 422,000 tons. These figures show that

in these days of stringency and stress we are exporting more than in normal times, much more even than a year ago, which was the largest coal-export year in our history.

Furthermore, we are told that the present difficulty is largely one of freight-car congestion. The haul to Canada is a long haul. The tie-up of freight cars which results is one of the causes of the present shortage of deliveries. If the cars now being diverted to Canada were utilized in domestic deliveries there can be no doubt that at least a portion of our problem would be eliminated.

What about the prices in Canada? A dispatch in the Montreal newspapers of November 11 stated that the control price for anthracite in Ontario had been fixed at $15.50 per ton. It is a matter of common knowledge, based upon a scrutiny of Canadian newspapers and upon the testimony of vsitors to Canada, that about $15 per ton is the usual charge for American anthracite in the Dominion.

There may be places in the United States where anthracite, when purchasable at all, can be purchased for about this price. If there are such places, I do not know them. So far as my inquiry has gone, the usual United States price for anthracite is from $2 to $7 a ton more than that charged in Canada. Grant, if you like, that Canada, which pays the same in the United States for coal that we pay, is getting the benefit in its lower rates to consumers of an efficient control and distribution. This does not help the United States consumer, who must pay what he is charged and feels fortunate when he can purchase coal at any price. Such an explanation simply adds another count to the indictment against the manner in which the Federal Government or its subdivisions are handling the coal problem this winter.

What about the supply of American coal actually available in Canada? If a tradesman finds it desirable to advertise his wares, it is apt to mean that he has an abundance to supply all requirements and that he is fearful that without advertising he might not be able to dispose of his stock. A recent advertisement in Canada papers reads as follows:

Now landing American anthracite—egg, stove, chestnut, and pea.
R. P. & W. F. STARR (LTD.),
49 Smythe Street, 159 Union Street.

Another is even more specific:

HARD—COAL—SOFT.

Arriving immediately, all sizes American anthracite coal. We are now booking orders until shipment sold. Also American Hiawatha screened soft coal. Phone Main 3233. Coal department.
MARITIME NAIL CO. (LTD.).

These instances could be multiplied if a thorough search of the Canadian press were made. A dispatch in the Toronto Press last month states:

CANADA GETS COAL AHEAD OF MICHIGAN—PLAINT IS MADE BY FUEL ADMINISTRATOR, WHO BLAMES RAILWAYS.

(Special dispatch to the Globe.)

DETROIT, December 11.—While Detroit's receipts of anthracite thus far this winter have averaged daily less than one-third of the amount usually required for domestic consumption, a higher freight rate has given Canada considerably more than twice as much anthracite as has been shipped to Michigan.

This statement was made to-day by Charles F. Dunn, fuel controller for Wayne County.

From September 10 to November 21, he says, Michigan received only 3,947 cars, or 157,871 gross tons, of anthracite, while in the same period 10,100 cars, carrying 404,077 gross tons of anthracite, went into Canada via Buffalo and the Suspension Bridge.

The reason for the discrepancy, Dunn believes, is the anthracite tariff promulgated by the great anthracite-carrying roads, which gives them 32 cents a gross ton more on Canadian-bound anthracite than on Michigan shipments.

Mr. LARSEN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. LARSEN of Georgia. I understood the gentleman to state that the reason why the transportation companies desired to carry the coal to Canada was that they got more freight out of it. If the transportation company owned the coal mine, I do not think that would be an influential factor in it.

Mr. ROGERS. This is what Charles F. Dunn, fuel director for Wayne County, Mich., said on that point, and I will again read a portion of the dispatch that was printed in the Toronto press. He refers to the situation as to the quantity of deliveries going to Canada as compared with that going to Michigan. He says:

The reason for the discrepancy is the anthracite tariff promulgated by the great anthracite-carrying roads, which gives them 32 cents a gross ton more on Canadian-bound anthracite than on Michigan shipments.

I do not know whether or not that statement is true, and frankly I do not particularly care. The fact is that a very large proportion of the available anthracite supply of the United States has been going to Canada.

It is small wonder that American citizens along the border, who know the facts, because they see coal trains streaming across the border to Canada, are up in arms and bitterly resent the policy, or lack of policy, of the United States. The statement has been authoritatively made by one of the local fuel controllers of the United States that—

Canada is getting a great deal larger proportion of anthracite coal than any district in the United States.

The reason which he gives is that the railroads secure a higher freight rate when coal is shipped to Canada than when delivered in this country. I have also been officially informed that Canada is getting an extremely large proportion of the so-called household sizes of anthracite. Of course, United States consumers get correspondingly less of these sizes, which are the ones which they are accustomed to use in their house furnaces. In a household which has a base-burner stove the difficulty of substitution is extreme.

We want to be neighborly, we are told. Of course we do. But it is a nice thing to have neighborliness reciprocal.

Canada is a splendid neighbor of the United States. No one can indorse and approve more highly than I do the friendliness of the relations between the United States and Canada. I hope those friendly relations will never be interrupted, as they have not been interrupted in a history of over a hundred years.

But remember that Canada has not in the past hesitated to declare embargoes on the exportation to the United States of the pulp wood which we need as the ingredient in our news print paper. She has even declined to discuss this through the medium of the commission which Congress has proposed. We have no thought of retaliation in now suggesting an embargo on the exportation of anthracite. But we can reasonably suggest to Canada that just as for her domestic well-being she thought it expedient to forbid the exportation of pulp wood so we, for our domestic well-being, find it expedient to take a leaf out of her book and to forbid the sending out of the anthracite which we so sorely need at this time.

Mr. BRIGGS. Has not this Congress recently passed legislation which would empower the administration to deal with this very situation where it was found that the exportations out of this country handled by the railroads were far in excess of what ought to be allowed before domestic needs were satisfied?

Mr. ROGERS. I think there is power in the Executive.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROGERS. I should like two minutes more.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. ROGERS. I think the Executive has power to deal with this matter. My notion of what the policy of this Congress ought to be is this, and that is the primary purpose for my rising this afternoon: I think we ought to do two things. I think we ought to declare an embargo on the exportation of anthracite coal for the period of the present emergency; and in order that there may be no doubt about the power of the Executive in future emergencies I think we ought to give the Executive the power to declare embargoes as crises arise in the future, in the case of both anthracite and bituminous coal. I think the authorization, in the latter instance, should not continue for more than a period of six months unless an extension is recommended by Congress.

Mr. TOWNER. Will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Iowa.

Mr. TOWNER. I am curious to know and I should like to ask the gentleman to express an opinion as to why shipments are made extensively into Canadian territory when the price received there is less than in the United States?

Mr. ROGERS. I think the reason why the price paid by consumers in Canada is less than in the United States is in most cases to be found in the fact that Canada has a more efficient fuel distribution system and so keeps down its prices to the consumers there. My understanding is that both Canada and the United States pay the same price at the coal mine whether the coal is destined to Canada or to the United States, and that the saving represented is because Canada has grasped the nettle of distribution firmly and sees to it that not more than a fair profit intervenes between the coal mine and the Canadian consumer.

Mr. TOWNER. Is there any benefit to be derived to the dealer here in shipping to Canada?

Mr. ROGERS. I know of no such benefit to the coal operator unless, by some such arrangement as is suggested by the Michigan fuel official, the railroads get a somewhat larger

charge for hauling it to Canada and therefore find it to their interest to arrange for shipments to Canada rather than to the United States.

Mr. TOWNER. Of course, there is no question but what the demand on the part of the consumers of the United States would be sufficient to take all that Canada receives and more too.

Mr. ROGERS. There is no doubt of that. I do not think that will be questioned anywhere.

Mr. MACGREGOR. Will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from New York.

Mr. MACGREGOR. I have been interested in this proposition, as the gentleman knows, and I want to know who is getting the truth. Of course, it is the hardest thing in the world to get any truth about the coal situation.

Mr. ROGERS. I am trying to give the House some truth. I do not profess to be able to give the House the whole truth on this very important question.

Mr. MACGREGOR. I was informed by the Fuel Administration that Canada ordinarily receives a million and a half tons of anthracite coal from the United States and that it would receive this winter only 700,000 tons.

Mr. ROGERS. Whatever the fact may be as to the yearly exportation of anthracite, the fact remains that for the two months of last October and November alone we exported over 825,000 tons of anthracite to Canada.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DOWELL. I ask unanimous consent that the gentleman may have one minute more.

SEVERAL MEMBERS. Five minutes.

Mr. DOWELL. I ask unanimous consent that the gentleman from Massachusetts may have five minutes more.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the time of the gentleman from Massachusetts be extended five minutes. Is there objection?

There was no objection.

Mr. DOWELL. Will the gentleman tell the committee why the Fuel Administration has not taken up this question and regulated it, as it certainly has the power, given it by Congress a few months ago?

Mr. ROGERS. I have read in the papers within a week or two that there had been some curtailment in recent shipments to Canada. As to the extent of that and as to the truth of it I am not informed. I have confined myself in my remarks to the latest two months for which we have official information in the statistical bureau of the Department of Commerce.

Mr. DOWELL. One other question. Has not the Fuel Administration full power now to stop all shipments out of the United States if it desires to do so?

Mr. ROGERS. My understanding is that it has that power.

Mr. DOWELL. Then why should Congress take any further action, so far as granting authority is concerned, because the authority has already been granted by the legislation already had?

Mr. ROGERS. My proposal is that we should declare an embargo now upon exportations of anthracite during the present crisis, and that we should give general authority to the Executive to deal with future crises. It may be that there is some such authority vested in the Executive now, but I want to be sure that he has explicit authority to deal with future crises. I want Congress to deal now with the present crisis.

Mr. DOWELL. In other words the situation is such that the gentleman believes that immediate action should be taken.

Mr. ROGERS. Immediate action taken now and not when hot weather comes. I have seen no evidence that any drastic action has been taken along the line I suggest to curtail the emergency.

Mr. DOWELL. Has the matter been taken up with the Executive?

Mr. ROGERS. I took it up with Mr. Spens, who has just left the Government. He has both written and said to me in substance that he thought we ought to be neighborly. I want to be neighborly, but I think there is some obligation due to the people who reside in the United States as well as in Canada.

Mr. DOWELL. Perhaps if you can get the neighborly spirit out of the question you can get action.

Mr. ROGERS. I have not heard of the case having been presented in just this way, and I thought it might be for the interest of Congress to know what the facts were as they actually exist.

Mr. TREADWAY. Will the gentleman yield?

Mr. ROGERS. I will.

Mr. TREADWAY. In connection with the inquiries made by the gentleman from Iowa [Mr. DOWELL] he refers to the commission. May I say to the gentleman from Massachusetts that there are two bodies dealing with coal. There is the Fuel Commission and the Fact Finding Commission. There are two distinct bodies.

Mr. ROGERS. The Fact Finding Commission has no jurisdiction in a matter of this kind.

Mr. TREADWAY. May I ask one more question in view of my colleague's intimate knowledge of the affairs through the Foreign Affairs Committee? Does he see that any diplomatic difficulty can arise in the establishment of an embargo?

Mr. ROGERS. No. It is purely a domestic question, just as Canada has proven it to be when she declared an embargo against exporting pulp wood to the United States.

Mr. TREADWAY. Has not some question been raised by the distributors upon the ground that there might be some diplomatic trouble?

Mr. ROGERS. Not that I have heard. It has always been put upon the "neighborly" basis.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. ROGERS. I will.

Mr. MOORE of Virginia. The gentleman will recollect that the commission referred to to investigate and report is to make its initial report to Congress on the 15th day of January. I respectfully suggest that he ask the commission to report on the phase of the matter that he has been referring to this morning.

Mr. ROGERS. I think that is an admirable suggestion.

It has been suggested that it would be unwise in the long run for us to withdraw from Canadian markets American anthracite, on the theory that when normal production was resumed we might find that the Canadian markets had necessarily looked elsewhere for their supply and were no longer open to the American commodity. There are two answers to this argument. The first is that Canada, as a loyal portion of the British Empire, has of late been turning more and more to Wales for its supply of coal, and that this tendency is likely to increase rather than to decrease. Thus the Canadian market for anthracite is not a thing upon which we can safely depend, whatever we do now.

The second answer has been furnished me by a member of the Federal Fact Finding Commission, which was created under authority of Congress within a few months. This gentleman has called my attention to the fact that anthracite is a disappearing commodity; that no one knows how long the present veins can be worked or whether new veins are likely to be discovered; and that year by year as we go deeper and deeper into the ground, mining of anthracite becomes more costly and difficult. He suggests that for the national welfare our coal, like our forests, should be conserved in every possible way. He argues that a sound conservation policy for the Nation requires not merely a temporary and emergency embargo on anthracite but a permanent barrier against its going forth to other countries.

To my mind it is almost too clear for argument that every consideration of national well-being requires, first, the declaration of an immediate embargo upon the exportation of all anthracite for the period of the present emergency at least, and, second, that we should put into the hands of the President the power to declare an embargo at any time of stress which may develop hereafter upon the exportation either of anthracite or bituminous coal. Every nation is bound to husband its necessaries of life. The people of America will not be indefinitely patient as they see themselves denuded of the coal, which is essential to their comfort and prosperity—even to their very lives. We are fond of our Canadian neighbors. We prize their friendship. Only in the last resort would we cause them inconvenience. But, as I have shown, Canada will not suffer, for she can continue to acquire freely the bituminous coal of the United States as well as Welsh coal. I urge upon the Congress the consequence of taking early and vigorous action.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

[Mr. ROGERS had leave to extend his remarks in the RECORD].

The Clerk read as follows:

Valuation of property of carriers: To enable the Interstate Commerce Commission to carry out the objects of the act entitled "An act to amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, and all acts amendatory thereof," by providing for a valuation of the several classes of property of carriers subject thereto and securing information concerning their stocks, bonds, and other securities, approved March 1, 1913, including per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act, approved August 1, 1914, $1,000,000: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. I do so for the purpose of asking the chairman of the

subcommittee how much more will it cost to complete the valuation of the railroad properties. We have expended nearly $24,000,000, and the railroads $60,000,000. How long will it take to complete the valuation?

Mr. WOOD of Indiana. Let me say to the gentleman that, as I stated the other day in general debate, those in charge of the valuation business contend that if they could have $280,000 more they would complete it by the 1st of July, 1924; in so far as the valuation is concerned this work will never be ended. It will require a constant and continuous valuation to keep it up to date.

Mr. WATSON. That is the question I intended to ask. If the Government fails to continue the valuation year by year, then very shortly the valuations now acquired will be worthless.

Mr. WOOD of Indiana. No; under the plan they have they propose to keep on with the valuation by keeping track of the deterioration and all the waste. They claim that they have a scheme whereby from year to year they can keep track of the ever-present valuation as to the rolling stock, the roadbed, and the real estate holdings, and so forth.

Mr. WATSON. I notice in the hearings that papers concerning the valuations are now placed in jeopardy by reason of being filed in buildings not fireproof.

Mr. WOOD of Indiana. That is true, and that has reference not only to the papers relating to this valuation but to other papers containing the most valuable records in this country.

Mr. WATSON. Why is it that the Government fails to make appropriation to provide fireproof buildings so as to preserve information that has cost millions and millions of dollars to acquire?

Mr. WOOD of Indiana. I have been advocating some sort of a building, an archives building, or a documents building, whereby we might preserve these valuable papers, but it is not the province of this committee to do that.

Mr. WATSON. It will not be done this year, perhaps not next, or the next.

Mr. WOOD of Indiana. There will be some of these days. We have the most valuable records that the Government possesses, to which reference has to be made from day to day, in the Treasury Department, and they are scattered through 27 places, some in cellars, some in garrets, and all without any fire protection at all.

Mr. WATSON. It seems that some one should be making an effort.

Mr. WOOD of Indiana. Oh, there has been effort made.

Mr. WATSON. Then why has it not been successful?

Mr. WOOD of Indiana. Because of the slow progress we have in doing those things. We ought to have an archives building. We have a general accounting office, which is the direct agency of Congress, with 1,500 employees now scattered around in more than 30 different offices in the city of Washington. They ought all to be gathered together somewhere in a building adjacent to Congress, but it has not been done.

Mr. WATSON. Mr. Chairman, I withdraw the pro forma amendment.

Mr. STAFFORD. Mr. Chairman, the subject just brought to the attention of the committee by the chairman of the subcommittee is one that I think should engage not only the attention of the Committee on Public Buildings and Grounds but the attention of the entire Congress. This policy of parsimony which the Congress has been indulging in since the armistice is, I believe, a false policy of economy. Sooner or later these wooden-shack structures called office buildings, which were erected in the stress of the war, will become so worn out, so beyond any possibility of repair, that it will be economy to scrap them rather than to continue to make repairs upon them.

Before the war it was the policy of the Government to encourage private interests to erect private office buildings and to rent them. It was more economical then to pay to private capital the small rental which was asked for these private office buildings than to have the Government erect ornate office buildings. The annual return on the bonded investment would have been greater than the rental which the Government was required to pay in rental of private office buildings. That condition does not obtain to-day. The value of real estate has gone up so that the rentals exacted by the private interests are twice those asked before the war. Let me give an instance. The Department of Labor Building was erected about five years ago especially for the use of the Government, and was rented by the Government at a charge of 34.6 cents per square foot for all available space. The Department of Justice Building was rented at nearly the same figure. The latter rental has been renewed recently at a figure twice as much.

We have one or two very serviceable modern Government buildings in Washington, as, for instance, the building known as the Arlington Building, given over largely to the activities of the Veterans' Bureau, where the space is utilized economically, and then there is also the Department of the Interior Building, erected at a cost of $2,000,000, which to-day would cost double that amount to erect.

In these shacks in the Potomac Park very valuable records are stored. Take, for instance, the amortization section of the Bureau of Internal Revenue. There are statistics piled up there in those wooden shacks in quarters used by clerks which are unfit for human habitation during the very hot days of summer. Men and women can not be expected to work under those conditions in the sultry days of June, July, and August. We get no return comparable to the work done by our clerical force in the permanent buildings like the Department of the Interior and the Veterans' Bureau Buildings. The records in those temporary buildings can not be duplicated. Hundreds of millions of dollars for the Government are involved in the records there awaiting inspection to determine how much a large corporation should pay upon its return from the years 1917, 1918, and 1919, to date. This policy of not doing anything but just holding back and waiting for the day to come is false economy. We have seen that often manifested in the years gone by. We have held back and held back until the deluge came, and then the Congress would appropriate a large sum of money. The reasonable policy would be each year to erect some one Government building, set aside so much money for private office structures for the accommodation of our departmental work and our growing activities, so as to ultimately relieve the conditions existing in these temporary wooden structures, the life of which can not be more than 10 years, so that the various departments can move in and take possession of proper quarters as these temporary buildings become no longer serviceable to the Government.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. FESS. I agree with what the gentleman says. What I am concerned about is why we do not start the archives building, which seems to be the immediate necessity, which was provided for before the war. We have just been drifting along and nothing definite has been done.

Mr. STAFFORD. Take, for instance, the square facing the White House Lot, which is owned by the Government. Nothing is being done. Drawings were prepared years ago for the erection of buildings. They were sent to the proper committee of the House.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. And instead of the committee going ahead with some reasonable, economic plan, they bring in some stupendous proposition involving such a huge amount that it is not within reason to adopt it, whereas if they would bring in something reasonable it would be much better. This Government can afford to spend $5,000,000 a year for these buildings in the District, which are now much needed and will be more needed presently in a few short years to come, when these temporary structures become no longer serviceable.

Mr. FESS. Some time ago I made inquiry of the fire department in the District as to the number of fires here in which Government property had suffered. There were over 200 since 1850, three of which involved almost total loss of records.

Mr. STAFFORD. The gentleman recalls the fire in the Census Building with damage which cost us thousands of dollars to restore. The records in the amortization section are worth millions of dollars. A person may throw a lighted match or a cigarette among those papers, and they would be gone in a few minutes.

Mr. WATSON. Does not the gentleman recall the fires in the Patent Office, where valuable records were destroyed?

Mr. STAFFORD. Oh, there are a number of instances.

Mr. WATSON. And if the gentleman is in favor of fireproof structure for records, is the gentleman not in favor of having fireproof houses where the women workers live, as in these Government hotels?

Mr. STAFFORD. The other day I took the floor in advocacy of Government dormitories for those domiciled down here on the Plaza. If the gentleman will read the RECORD, he will find my view on that subject. Usually the gentleman is present to hear everything that is going on on the floor.

Mr. WATSON. I am sure it will be worth reading if the gentleman said it.

Mr. BLACK. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 20, line 1, after the figures "1914," strike out the figures "$1,000,000" and insert in lieu thereof the figures "$1,280,000."

Mr. BLACK. Mr. Chairman, the current appropriation for the valuation work of the Interstate Commerce Commission is $1,300,000, and the Bureau of the Budget estimated $1,000,000 for the ensuing fiscal year. The Committee on Appropriations has followed that recommendation and has carried $1,000,000 in the present bill. The representatives of the Interstate Commerce Commission, as shown by the hearings, came before the committee and strongly insisted that $1,280,000 be granted.

I do not take the floor to criticize for a moment the Committee on Appropriations. I do not often find myself advocating a larger appropriation than that recommended by the Bureau of the Budget, nor do I find myself often voting for a larger amount than the amount carried in the bill. However, I have read these hearings very carefully, and it seems to me that it would be very doubtful economy, in fact no economy at all, to cut the valuation appropriation down to $1,000,000 for the coming fiscal year.

Now we have got $24,000,000 already invested in the work. I am not here to say that the work has been economically done; I am not here to argue upon that proposition at all, but we have gone too far with it to abandon the work, and certainly no man who is familiar with the duties of the Interstate Commerce Commission—and that includes all the Members of the House—certainly no one will contend that their duties can be anywhere near properly discharged without the commission being in possession of information as to the valuation of the carriers. As stated by me yesterday, there are but three ways the commission can get the valuation of the 250,000 miles of railroad in the United States. One is to guess at it; just make a pure guess. Another is to take the statement of the carriers as to the value of their respective lines, and a third is for the commission itself to ascertain the valuation. Now, of course, Congress took the sensible view that the latter method was the only one to follow. That is why the act of 1913 was enacted. Commissioner Lewis on page 223 of the hearings makes this statement, and I hope the Members will give heed to this language:

We will suffer great disability in carrying on this work if our request for $1,280,000 is cut to $1,000,000. I think and honestly believe, as far as the completion of this work is concerned, it will make a difference of five years. But, more serious than that, is that we will inevitably lose some of the men who are vital in bringing this work to a conclusion.

Now again, Commissioner Lewis, after being interrogated by Mr. WOOD of Indiana, made this statement on page 226 of the hearings.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLACK. I ask unanimous consent that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLACK (continuing reading)—

Mr. LEWIS. But on the 1st day of July, 1924, we will have issued all of the underlying engineering, accounting, and land reports; we will have issued practically all—probably all, but practically all—of the tentative valuation reports. There will be 1,130, all told, of which 306 are served to-day.

That is to say, 306 of these tentative valuations are now complete. There will be 1,130 in all.

That is a big job ahead of us; we will have to hold hearings on three or four hundred of those tentative valuation protest cases. We will have handed down as a commission the controlling valuation decisions. That is what we have mapped out up to July 1, 1924, and I am willing to be held for it, too, if given the $1,280,000.

Mr. WOOD. Suppose you only get $1,000,000. Then, what will happen?

Mr. LEWIS. We will probably be able to complete the underlying reports; that is, the engineering, land, and accounting reports. We will not be able to issue all of the tentative valuation reports; we will not be able to do the work of policing and checking and bringing up to date the reports of the carriers, so that we can have for a general rate investigation or, in the consolidation of railroads, the valuations as of date. We will not be able to do the work of surveying values for recapture purposes; we will not be able to value the intangible property.

Now, Members will understand by recapture purposes the commissioner refers to that part of the act of 1920 which provides that any carrier earning more than 6 per cent upon the valuation fixed by the commission shall owe one-half of the excess to the Government and pay it into a revolving fund. I have no doubt there will be litigation upon that proposition, because when it was before the Interstate Commerce Committee very able briefs were filed.

Some of the carriers contested the constitutionality of a provision of that kind. Also some able briefs were filed affirming the constitutionality of the provision. My own view is, if I be permitted to venture an opinion, the provision is constitutional. No doubt the question will be submitted to the Supreme Court of the United States, and it will be necessary for the Interstate Commerce Commission to have accurate information as to the valuation to be used in any such suits.

Mr. MOORE of Virginia. I was about to suggest to the gentleman that litigation has already started.

Mr. BLACK. I presume so.

Mr. MOORE of Virginia. Suit has been filed in the United States District Court for the Eastern District of Texas testing the constitutionality of the provision to which the gentleman has just referred, which is section 15-a of the transportation act.

Mr. BLACK. It is my understanding that the commission has ascertained that some 43 railroads in the United States will be called upon to make payment under section 15-a. I trust the commission will be successful in getting the money, and I want to back them up in their efforts to do so.

Mr. Lewis further said:

If we do those things, it will be at the sacrifice of getting out the underlying reports. I mean that if we go ahead and make the investigations for recapture, and the work in the matters of mergers and consolidations, it means we will not get out those underlying reports.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BLACK. I hope that the additional appropriation will be granted. I am convinced it is badly needed.

Mr. WOOD of Indiana. Mr. Chairman, I appreciate the information afforded by the gentleman from Texas [Mr. BLACK] in reference to this proposition. It is one of the items which has received very careful consideration by your subcommittee. I know that when we stop and consider the amount of money that has been expended in attempting to place the valuation upon the railroad property of the United States and the great amount of time that has been employed in doing what they have done we can not help but feel that there has been either a very great mistake in judgment or else there has been an imposition practiced on this Congress. This thing, as has been stated, commenced in 1913 with an original appropriation of $5,000,000 with the promise that it would be done in two years. It has worn its weary way along for very nearly 10 years. We have expended in round numbers, practically, out of the Government Treasury $24,000,000. The railroads contend that they have expended very nearly $70,000,000 in doing this work. The work is not now complete, and according to the testimony of Mr. Lewis—and I have the highest possible regard for him personally; he is from my own State, and I admire him, and I know that he would not misrepresent anything intentionally—but notwithstanding all this, in view of the testimony in this case that this work will never be completed, I think we are well justified in following the advice of the budgetry, which made the recommendation for a million dollars for this purpose.

Mr. BLACK. I would like to ask the gentleman a question.

Mr. WOOD of Indiana. Yes.

Mr. BLACK. If from the investigation the gentleman has made he does not think since Mr. Lewis has been put in charge of this work that he has actually speeded up the work?

Mr. WOOD of Indiana. I think that is true; I do not think there is any question about that thing, but I believe that we can help Mr. Lewis in the expedition of this work by restricting in a little measure the amount of this appropriation.

He is doing pretty good work, and we want to encourage him to do some better work.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GRAHAM of Illinois. What was the estimate for the work?

Mr. WOOD of Indiana. The estimate made by the Budget was $1,000,000.

Mr. GRAHAM of Illinois. What was the original request that went to the Budget?

Mr. WOOD of Indiana. One million two hundred and eighty thousand. They are asking for that, and the amendment of the gentleman from Texas is to increase the appropriation by $280,000.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LONDON. Has the commission found it difficult to determine the physical basis of valuation?

Mr. WOOD of Indiana. I do not know how difficult it has been found to determine that.

Mr. LONDON. What elements enter into the determination of physical valuation?

Mr. WOOD of Indiana. So many things enter into the determination of the physical valuation that it would take more time to describe them than it would take to consider this bill. There are differences in different localities, in different sections. There are different valuations of real estate, different activities of railroads, different carrying capacities, different earning capacities. All those things enter into this problem.

Mr. LONDON. Why should the railroads have expended $70,000,000 in acquiring this information? Have they not all this data already?

Mr. WOOD of Indiana. They have spent this $70,000,000, I expect, as a matter of defense in protecting their interests, and partially in aid of the commission. The act authorizing the valuation of the railroads required them to cooperate in that way.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WOOD of Indiana. Now, as I stated, this valuation business will never be completed. We were told last year that the field work was done. Now we understand that there are some isolated cases where there yet remains some of that field work to be done. I expect that is true, and it will occur and recur with the passing years. If this valuation is of any consequence at all it must be kept current. So that I say this work of valuation will never entirely cease, so that whether they complete this work entirely next year or do not, the matter is not of vital importance. They may or may not do it. I believe, and your committee believes, that they may do it, so far as it is possible to do it, and bring it up with what will then be current, with the appropriation of $1,000,000. Now, if that be true, why not save this extra $280,000? If it is not possible it will simply cause a delay for a little time, and we have had nine years of delay already in this work.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. GRAHAM of Illinois. What does the gentleman say about the contention made by the gentleman from Texas [Mr. BLACK] that this will to some extent disrupt the organization?

Mr. WOOD of Indiana. It will not disrupt the organization. I think the organization will be on hand. They have reduced their overhead, and I think we are to be congratulated that that is true. At one time they had 1,582 men and women employed in this valuation work. The number has been reduced to something over 500. That organization will not be disrupted to any considerable degree. The provision we have made will keep their organization intact. It is not a question as to whether or not the organization that they now have will be disrupted. Nothing in this bill will disrupt that organization. The question is whether the organization will do this work in that time. I think they can do it, and I want to give them a chance to do it. We shall not have lost anything if they fail.

Mr. Lewis, for whom I have the highest possible regard, was asked this question by me:

> Do you think if we give you $1,250,000 this work will be completed by the 1st of January, 1924?

Mr. Lewis answered that he wanted to go on record in reference to this appropriation. He said:

> I want to go on record on that, so that you can turn to it in a year from now. But this work will never be completed.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLACK. Did he explain the thing that the gentleman has so well explained to us, that it is necessarily a continuing work?

Mr. WOOD of Indiana. Yes; that is true. I will tell you of another thing that will follow just as surely as day follows night: There is going to be a demand—and there is some reason for that demand—from every State in the Union that this activity with reference to the valuation shall be so conducted that there shall be a segregation of the valuation of railroad properties allocated to the different States. They are all jealous of their jurisdiction. They are all jealous of their taxing rights. They are all desirous of having this information, and the man who represents most of the railroad commissions of the States came before us and said that the most vital part of this valuation scheme would lie in the fact of its being kept current, and that it would be necessary to segregate this thing and allocate to the different States the respective values of railroad property within the borders of their own States.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. TAYLOR of Tennessee. How large an organization will be necessary, if they keep up this work, to keep it current?

Mr. WOOD of Indiana. That is a matter of opinion. I would not want to prophesy how large it will be. But I believe they can complete the general work with this $1,000,000. If they can not, why we have lost nothing in the attempt to try to keep them within that limitation.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, may I have one minute more?

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRIGGS. When the gentleman states that this work will never be completed he uses that language, as I understand, in the sense that the valuation will have to be kept up current? But he does not mean that the tentative valuation which the commission has fixed can not be completed in coming to a final determination of what the values are. Then as time goes on they will continue revising those figures to keep pace with the time, and there will be some fluctuations in those values? Is that what the gentleman means?

Mr. WOOD of Indiana. Yes.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. BLACK. Mr. Chairman, I demand a division.

The CHAIRMAN. The gentleman from Texas demands a division.

The committee divided; and there were—ayes 13, noes 22.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS.

For scientific research, technical investigations, and special reports in the field of aeronautics, including the necessary laboratory and technical assistants; traveling expenses of members and employees; office supplies and other miscellaneous expenses, including technical periodicals and books of reference; equipment, maintenance, and operation of a research laboratory, known as the Langley Memorial Aeronautical Laboratory; maintenance and operation of one motor-propelled passenger-carrying vehicle; personal services in the field and in the District of Columbia; in all, $270,000: *Provided*, That the sum to be paid out of this appropriation for clerical, drafting, and messenger service for the fiscal year ending June 30, 1924, shall not exceed $42,000.

Mr. TILSON. I move to strike out the last word for the purpose of calling attention at this point to a statement of Doctor Walcott, the very able chairman of the national advisory committee for aeronautics. Doctor Walcott's statement is found on page 128 of the hearings. In the course of the statement he uses the following language:

> Most of the accidents that are occurring to-day, or a large proportion of them, arise from the fact that this—

He refers to flying—

> is a free-for-all game. We have no law covering aeronautics. Any man can take any kind of airplane into the air and do whatever he pleases with it. You can not operate a tugboat or a motor boat unless you have a license, and you can not put it into the water unless you have had it inspected, but a man can take any sort of aircraft, which belongs to an almost undeveloped art, and do as he pleases with it over your property, over the city, or anywhere else. A bill upon that subject has passed the Senate and has been in the House for many months. I simply call attention to that, because it is a fundamental thing, and it does seem that there should be some regulation of this aircraft proposition.

Mr. Chairman, I call attention to this testimony of Doctor Walcott in order to draw the attention of the membership of the House to the fact that there is legislation pending on this subject now, which I hope will be considered by the House before the end of the present session.

Mr. STAFFORD. Will the gentleman yield?

Mr. TILSON. Yes; I yield to the gentleman from Wisconsin.

Mr. STAFFORD. Can the gentleman give the number of accidents that have resulted by reason of the lack of regulatory measures designed to provide travel ways in the air?

Mr. TILSON. No; I can not give the statistics, but there are more accidents of this kind than there should be, and they are destined to become still more numerous as time goes on, unless something is done to provide some sort of inspection and rules of the road for the air.

Mr. STAFFORD. Will the gentleman yield further?

Mr. TILSON. Yes.

Mr. STAFFORD. Does the gentleman mean to have regulations restraining the conduct of flyers in the air, and to determine whether they shall engage in these aerial devil flights which sometimes are perpetrated even by persons occupying high official position?

Mr. TILSON. No; that is not necessary. These persons "occupying high official positions," referred to by the gentleman from Wisconsin, can probably take great liberties with their own lives without any serious danger to the remainder of the public. [Laughter.] The rights of the public are the matters with which we are most concerned. Even in the case of automobiles we have speedways and other places where automobile races may be conducted at a rate of speed that we should not permit on the public roads or in the streets of the city. It is for the regulation of ordinary flying and not dare-devil stunts or anything of that sort that I think we should legislate.

Mr. STAFFORD. I did not think the gentleman would believe in the paternalistic policy of regulating the conduct of men either on land or in the air. I did not think he believed in that sort of sumptuary inspection that has become so unpopular in connection with the enforcement of one certain branch of the Government service.

But I rose to state to the gentleman that the hearings of the officials of the Army Air Service disclose that accidents in flying do not come from the use of airships in the ordinary flights but result almost exclusively because of attempts to perform aerial stunts, such as hairbreadth escapes around the Dome of the Capitol and the Washington Monument, and the like.

Mr. TILSON. What the gentleman says may all be true and important, but it seems to me that the most important thing is to provide for the safety of the public generally rather than to take care of the dare-devils. There are not so many of those to deal with, and while all human life is precious, their lives are no more important than the lives of others.

Mr. STAFFORD. I fully agree with the gentleman as to that.

Mr. LONGWORTH. Is the gentleman from Connecticut referring to one of our colleagues?

Mr. TILSON. Perhaps my allusion was somewhat too veiled for the gentleman to notice it.

Mr. LONGWORTH. The gentleman spoke of dare-devils.

Mr. TILSON. As to those persons occupying high official position who take such unusual delight in being up in the air, I indicated in response to the gentleman from Wisconsin that the preservation of their lives was possibly not a matter of greater interest to the general public or of graver concern for the general welfare and perpetuity of the Republic than the proper protection of the lives of ordinary individuals. [Laughter.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. WASON. I ask that the gentleman may have three minutes more.

The CHAIRMAN. The gentleman from New Hampshire asks unanimous consent that the time of the gentleman from Connecticut be extended three minutes. Is there objection?

There was no objection.

Mr. TILSON. Mr. Chairman, this matter was brought to my attention very forcibly a short time ago by an accident that occurred down in Florida, where a man was operating one of these machines for hire, taking up persons who were willing to pay the price, carrying them about in the air for a while and safely landing them again—if nothing happened. In this case something did happen.

As I now recall, this man was taking four gentlemen up to give them a ride; his machine fell and they were all killed. If his machine had been inspected, or if he had been required to have his machine in proper order before it rose, the lives of these persons would not have been taken. This is a single instance. It could be many times duplicated.

I think the time has come and that aeronautics has arrived at such a stage in its development that we ought to pass some legislation requiring some sort of an inspection, at least of those machines which take passengers up into the air with such great risk to their lives.

Mr. LONDON. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman from New York.

Mr. LONDON. Does not the gentleman believe that legislatures have done enough mischief on land and sea without extending their activities into the air?

Mr. TILSON. Legislatures, I suppose, are necessary——

Mr. LONDON. Evils.

Mr. TILSON. I shall leave the omission caused by the interruption for the gentleman from New York to fill. We must have legislatures under our form of government, and this is one of the fields which I think they may well enter upon, even to the elimination of some of the other fields that have been occupying more than their share of legislative attention.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment. I wish to inquire of the chairman of the subcommittee as to how this $270,000 carried in the paragraph is to be expended, particularly as to whether it is for supplies and for the purchase of materials or whether it is for overhead?

Mr. WOOD of Indiana. It is all combined together. A very small proportion is expended for the purpose of increased personnel. Much of it is for the purpose of experimentation. Some of the experiments seem to be rather costly, and some are not. As I said yesterday, we are building now under the production of this United States Commission a lighter-than-air machine that is to cost more than $2,000,000.

Mr. STAFFORD. Where is the appropriation out of which that machine is being built?

Mr. WOOD of Indiana. I think it is under the Navy or the War Department—either one or the other. I will call the gentleman's attention to some things they are doing. They are investigating to determine the pressure distribution over the envelope of a C class airship when the airship is being maneuvered at different air speeds and in different atmospheric conditions. That is one of the things they are doing. Whenever we discover the art of balancing a flying machine, then we will have perfected the machine that will have a minimum of accidents. Much is being done in that direction in the supervision of this commission. We sometimes think when we see a fellow making tail spins, head dives, and whirligigs that he is doing a foolish thing in taking chances. That, to a casual observer, is one of the ways that accidents are caused. But all these things have their scientific value, and it is these very things that this advisory board are determining in relation to the strength of the machine, its weakness, and any resistance to the carrying power, and they are trying to get at the unsolved problem of balance. You know the fellow who first got the idea of a flying machine got it from a buzzard in the air that did not seem to make any movement of his wings and yet maintained his balance. From that idea the flying machine was evolved. Now, whenever the human mind gets what the instinct of the buzzard now has with reference to balancing, then we will have a perfect machine.

Mr. STAFFORD. The Germans have discovered it in the form of a gliding airship.

Mr. WOOD of Indiana. Well, if the Germans have discovered it, we will get it pretty soon. I have faith that the human mind can beat the buzzard——

Mr. STAFFORD. It can in some things. [Laughter.]

Mr. WOOD of Indiana. It is an interesting subject. When this board was first established I was prejudiced against it, as I am against all new boards.

Mr. STAFFORD. Where is this located?

Mr. WOOD of Indiana. In Langley Field. Now, here are some more things that they are doing. They are investigating the pressure distribution over the rudders and fins when these controlled surfaces are in their normal, intermediate, and extreme positions. They are investigating the effect of lateral controllability of a biplane of variation of the dihedral angle. That is an angle which the gentleman knows nothing about, nor do I either. They are investigating the comparative stability and controllability and maneuverability of the *SE–5*, the Fokker *D–VII*, the *Spad VII*, and the *MB–3*.

Mr. STAFFORD. The investigation work which the gentleman has just narrated is being done by the Army. The gentleman has proceeded far enough to convince me that there is duplication of activity. During the general debate I made some observations that if there was any one activity where the experimental work of the Army for which we appropriated for the fiscal year three-quarters of a million dollars, and next year it may be $3,000,000, and the Navy four or five million dollars, it is in this Air Service. In the Postal Service, in the Coast Guard, the Marine Corps, the Forestry Service, and in almost every activity they want to continue investigation work independent of restrictions from outside sources.

If there is any one activity where there would be the greatest resulting economy it would be by having all the work done under one head in the Air Service. Experimental work is being done for the Army at McCook Field in Ohio, which is being duplicated largely by the Navy at Philadelphia. They are investigating about the flight of airships, both heavier-than-air and lighter-than air, making investigations as to the qualities of hydrogen and of helium—largely matters of duplication. Much has been said about the consolidation of departmental activities. I think it is better to consolidate these agencies by piecemeal, where much can be done.

For instance, what is the need of two proving grounds? We have one at Aberdeen, built at a tremedous expense, capable

of testing every kind of gun within a radius of 30 miles, and yet we are proposing to buy another new one for the Navy on the Potomac involving an expenditure of $10,000,000. There is where there can be real economy if they will give heed to and scrutinize the needs of these departments. However, it is an administrative postulate that the heads of departments never wish to surrender—never wish to yield functions which they once possess. Once when a department gets hold of a certain activity they never want to let go, but always want to amplify it.

Mr. LONGWORTH. I regret that the gentleman from Wisconsin interrupted the gentleman from Indiana in reading that very interesting paper.

Mr. STAFFORD. I will ask for further time to have him continue the story.

Mr. LONGWORTH. While it might convince the gentleman from Wisconsin, it should not convince the gentleman from Ohio; but I think there might be some interesting details.

Mr. STAFFORD. I did not mean to interrupt the gentleman to suppress anything——

Mr. LONGWORTH. I do not accuse the gentleman of that.

Mr. STAFFORD. Oh, no. The gentleman is too much of a gallant to do that.

Mr. WOOD of Indiana. Mr. Chairman, I agree with the gentleman from Wisconsin that there is too much duplication and too much overlapping in a great many activities of the Government.

The work that is being performed by this committee is research work of a character that has not been done by either the Army or the Navy. If I had my way about it, so far as research work by this committee is concerned, it would do all of the experimental work necessary for the Army and the Navy. I think they could be very well combined. I think it will be a mistake, however, to hamper the work being done here, for its splendid work is now recognized by the Army and the Navy. I call the attention of the committee to what Major General Patrick said upon this subject. He says:

> Aeronautics is progressing rapidly and greater technical knowledge is necessary if we are to keep pace with developments abroad. Engineering experimentation conducted by the Army and Navy, and based upon existing knowledge, will contribute measurably to the general development of aviation, but, in my judgment, well-directed scientific research, as conducted by the National Advisory Committee for Aeronautics, is essential to substantial progress. The Army Air Service depends upon the advisory committee for the study and solution of the more difficult problems. I believe, both as Chief of the Air Service and as a member of the National Advisory Committee on Aeronautics, that it would be unwise economy to curtail or postpone the research programs of the advisory committee.

Mr. STAFFORD. I am not directing my criticism toward curtailing the activities of any work being done by the Government. I am in favor of a consolidation of them in one committee.

Mr. WOOD of Indiana. So am I.

Mr. STAFFORD. No one can tell what is being duplicated. There must be and there is duplication so far as the Army and the Navy aeronautic work is concerned.

Mr. WOOD of Indiana. I agree with the gentleman on that.

Mr. STAFFORD. I am not trying to hamper the department development of aeronautic work. I only say that it should be consolidated under one head. If this were a private establishment, no one for a moment would contend that it ought to have 10 separate activities engaged in exploration or experimental work.

It should be under one head. The Ford Motor Co. does not have its experimental work distributed throughout its branches; it is all under one head. The same can be said of the Dodge Co. and of the General Motors Co., and of all these great industrial companies.

Mr. WOOD of Indiana. To show how the Navy is calling upon this board, I call the attention of the gentleman to the fact that they are making experiments for the Navy into the theoretical analysis of the design and construction of the Navy rigid airship *ZR–1*. They are also making investigations leading to the development of a high-speed fuel-injection engine to operate on fuel oil instead of gasoline, to be of lightweight construction and suitable for use as a power plant in airplanes and in airships.

Mr. STAFFORD. The work the gentleman is citing there is being done by the Army, so far as its rigid airship is concerned.

Mr. WOOD of Indiana. Oh, no; it has been turned over to this committee.

Mr. STAFFORD. The Navy has turned it over, but the Army is engaged in that work, according to the hearings before our committee.

Mr. WOOD of Indiana. For the Navy they are doing this work, and they are also making investigation to determine the distribution of loading between wings of biplanes and triplanes of varying gap-chord ratios and with various degrees of stagger for air foils of several types. So that I think we would be making a mistake if we were to cut off the head in order to save the tail.

Mr. STAFFORD. Mr. Chairman, we are very much indebted to the gentleman from Indiana for the highly technical information which he has given us.

The Clerk read as follows:

> International exchanges: For the system of international exchanges between the United States and foreign countries, under the direction of the Smithsonian Institution, including necessary employees and purchase of necessary books and periodicals, $43,000.

Mr. FESS. Mr. Chairman, I move to strike out the last word. So far as the international exchanges are concerned I notice that there is an appropriation of $43,000. Last year it was $50,000. Was it suggested that we should make that reduction of $7,000 this year?

Mr. WOOD of Indiana. The printing comes out of that, so that the international exchanges would amount to $40,000 for 1924, but in addition to that of course they will have their printing paid out of a separate item.

Mr. FESS. Then it is not a reduction?

Mr. WOOD of Indiana. It is a reduction of $2,000, but they think they can get along with that.

Mr. FESS. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes on the Smithsonian Institution.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for 10 minutes upon the Smithsonian Institution. Is there objection?

There was no objection.

Mr. FESS. Mr. Chairman, I believe the Smithsonian Institution is quietly doing about the most important research work of any organization not only in the United States but in the world. At least it is assembling data of wonderful value to the student of various and important subjects. I think that it has accumulated the most important body of information of any organization of its kind in the country. I am wondering whether the Members have ever made any investigation of the character of work that this organization is now carrying on and has been carrying on for a great many years. For example, take the work on American ethnology, in order to get at accurate information with respect to the genesis and progress of the American Indian.

Mr. CHINDBLOM. Ought not the gentleman to say the genesis and the exodus of the American Indians?

Mr. FESS. The genesis and the evolution. Exodus would be a proper term also when we consider the rapid vanishing of not only the race as distinct, but especially the loss of the evidence of its early existence.

Mr. CHINDBLOM. Unfortunately.

Mr. FESS. Unfortunately. I hope that the membership of the committee will not take as a matter of levity what I am going to say. Publications of this bureau completed are regarded as the most accurate and valuable source of information upon the American Indians collected anywhere or even attempted. One small publication of two volumes, known as the North American Indian, is regarded by expert thought in our country as about the last word upon this subject, and is rated as a very valuable publication by all authorities in our universities in the country. Just recently, only a few days ago, your attention has been called to the new discovery somewhere in Egypt of a tomb of an ancient Egyptian king, containing some very rare finds that are variously estimated in value up to $40,000,000. This was done under the direction of Lord Carnarvon. By the way, two Americans are identified with that remarkable work, and our country comes in also for some recognition. While that is regarded as a very important find, I presume a good many of our people overlook some of the recent discoveries in the southwest of our country, showing the early stages and development of the early life of the Indian. There are four or five discoveries made but recently, discoveries where you can see the skeleton of the ancient cliff dweller just as it was buried, with no interruptions, no displacements, and it is looked upon as one of the very remarkable discoveries of recent times. It is reported to Congress that visitors may now see one of the skeletons of the race of cliff dwellers as he was placed in his grave. Not a single bone has been removed from position. This is the first time in North American archæology that an effort has been made to protect an Indian skeleton in situ. This is the recently discovered Pipe Shrine House, so called because of the many pipes found in the grave.

One of the most interesting discoveries is an ancient ruin in the Mesa Verde called the Clan House, because of the fine

masonry of subterranean rooms. Some for sleeping, others for grinding corn, and still others for storerooms.

The Smithsonian Institution is directing that sort of work, but this is only one phase of its scientific and historic activities.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. FESS. I will.

Mr. WHITE of Kansas. Is the gentleman able to state how ancient is the specimen discovered?

Mr. FESS. No; I think it does not undertake to even estimate the age. In fact, the cliff dweller, who might be regarded as the American aborigine, is wrapped in mystery so far as time dates. How old no one seems to know how to estimate. The question of discussion has been running for years whether the cliff dweller, the mound builder, and the American Indian are all the same people. Major Powell, an eminent name connected with this institution in the past, wrote much on this subject. There is an immense amount of information tending to prove them the same people, while there is information contradicting it. I think that the question is still without any definite conclusion. That much on this particular phase of the work, the Bureau of American Ethnology. Its work on the language of the Indian, his songs, and his architecture is very important. The Bureau of Exchanges is the one bureau of the institution that is collecting the largest amount of sources, what we call when we study history original sources, as evidence in order to determine a judgment. These exchanges are with at least 85 different countries. I just enumerated them as I hold the report of the institution in my hand—85 different countries. Some of us without investigating would question whether there are that many different countries in the world, but when you come to enumerate them, big and little, different and indifferent, there are more than that. Just think of it. Here is an institution at the Capital of the United States that has direct connection from a scientific standpoint with 85 countries of the world, covering almost every civilization, ancient, medieval, and modern, known to history. That of itself is a very remarkable fact when historically and scientifically considered.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. FESS. I will.

Mr. TAYLOR of Tennessee. What is the function of these international exchanges; what is exchanged?

Mr. FESS. The function of the exchange activity is whenever there is published in the United States any scientific work or pamphlet of any sort 85 countries are on the mailing list that may get that scientific publication, so that those countries with which we are in negotiation—or relationship, I should say—may send us every scientific work that is published in their country. By that method there may be collected something over a million specimens that the Smithsonian Institution has of scientific work that did not cost any more than the cost of the exchange. The report of the secretary for 1922 shows 383,157 packages exchanged. It is one of the most remarkable facts of our Government's activity or that of any government along scientific lines.

Mr. TAYLOR of Tennessee. It only relates to literature and reports?

Mr. FESS. Literature, usually science; almost entirely science. In other words, though it is said that a scientific publication 10 years old is out of date, notwithstanding that it is what we would call our treasury of valuable information. It is our resource or evidence of the information as to what the thought was in that particular time when it was written, and this Bureau of International Exchange, which is working quietly, is only one of other bureaus of the Smithsonian Institution doing work for which I notice we appropriate rather a handsome sum. It is collecting these publications in science and literature that are put in permanent form in all parts of the whole world, doing this work from day to day and from year to year, making available for our use this information and this Capital the best center for research work by the use of the original sources of any point in the world. That is one reason that the country long ago saw Washington as the greatest center of scholarships, not only on the continent but in the future the greatest in the world.

Mr. TILSON. Will the gentleman yield?

Mr. FESS. I will yield to my friend.

Mr. TILSON. Speaking of exchanges, is there a different kind of exchange that is possible among these museums of natural history which is an exchange of the actual specimen, where one expedition, for instance, procures a considerable number, or several of a particular specimen that would be very valuable, and instead of destroying the surplus specimens, exchange them with other museums of other countries?

Mr. FESS. That is correct, and the report of the Secretary shows that in the Zoological Garden, where were handled 2,201 animals this year, 520 were deducted, either by exchange or death. Of the 1,681 left, 490 are mammals, 1,069 birds, and 122 reptiles. There have been sent out specimens of different species that we have propagated by natural process here which we do not have use for and which would be a duplication if we kept them, and we are supplying other countries with them in exchange for what they can give us.

Mr. TILSON. It seems to me that would be a very proper way to supplement and fill our museums.

Mr. FESS. That is true. Another reason in connection with that: The Zoological Garden, or more properly park, would naturally fall as an adjunct to the institution whose original purpose was a museum.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. I ask unanimous consent that the time of the gentleman be extended for five minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that his colleague may proceed for an additional five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. The work of the original Smithsonian Institution was to deal with the past—mainly, its function was that of a museum. However, it included gathering details of art collections of rare prints, pictures, and so on, so as to supply the source of the study of the past progress in the evolution of the races of men. Quite naturally it took on in addition the collection of the specimens of three dimensions, such as we have now in the famous National Museum.

Thus far it deals only with what was, rather than what now is. Consequently, quite naturally if the Museum is one specific feature and an important bureau of the institution, you would expect the live specimens also to be made a distinctive part of the institution; so in connection with the gathering from the world over of specimens of the past to be brought here and to be housed in a building, so would it be an important feature to do the same thing, to have brought here in live form and placed in the park specimens of life throughout the globe. So that in addition to studying the past from the Museum, there would be a garden or park attached, a zoological garden or park, where both the past and present may be studied. Now, in addition to these activities, they have connected here with the institution what is called astrophysical work, or work which has to do with the study of the physical properties of the celestial bodies. May I say, members of the committee, that there probably is no place were a closer analysis, finer discriminaion in real research is made than in connection with this organization. This work is partially carried on here in the Capital and partly elsewhere. It maintains a station on Mount Harqua Hala and the Montezuma Station in Chile. There is also a station at Mount Wilson, Calif. The important expedition to Chile was to study the solar variations in cooperation with the stations of California and Arizona.

Still another important activity was that of art study. There are two branches. One is the National Gallery of Art proper, and the other is the collection known as the Freer art collection. Our friend from Virginia [Mr. MOORE] will correct me if I am in error when I say that the Freer collection is in the fine new building just west of the old original building.

Mr. STAFFORD. What is to be housed there?

Mr. FESS. That is to house the collections that have come or are to come from the donations of the benefactor, Mr. Freer, and the collections to be made through this benefaction. It is a very important character of collection. I will read the report briefly if I can have the time. By the way, I must make an apology to the committee for not having my remarks in better form, but I did not know we were reaching this item at this time.

At the Freer Gallery the work that has been carried on this year includes the classification and cataloguing of Chinese, Japanese, and Thibetan paintings; Chinese tapestry; Chinese and Japanese pottery; preliminary classification of Korean pottery, Japanese stone sculpture, and the cataloguing of American paintings, drawings, and prints, including etchings and lithographs. Important progress has been made on this work, but that building has not yet been completed.

Mr. STAFFORD. I understand the building has been completed, but not opened to the public.

Mr. FESS. They had to stop work on it, perhaps through lack of funds. My friend from Virginia [Mr. MOORE] will know about that.

Mr. MOORE of Virginia. I believe it is in process of being completed now, but I do not think it is ready for occupancy.

Mr. FESS. I think that, owing to a temporary lack of applicable funds, the work was suspended from July to December.

Mr. STAFFORD. Is the building devoted to the collection of Mr. Freer exclusively?

Mr. FESS. I understand it is to be devoted to those collections and to collections that are of the same type under his beneficence. I have not gone into this report sufficiently in detail to give definite information on that point.

Here, gentlemen, was the original gift of a half million dollars back in 1846 by the famous Englishman whose name the institution bears. It has been very carefully handled without any particular effort to add to it. In a country of so much wealth as ours it would have been easy to have gotten any amount of additions if they had been sought, but the regents have gone on the basis, it appears, that whenever some one is found sufficiently public-spirited to give either collections that are representative and historical or funds with which to secure them they should accept them without pressing any campaign for funds. There does not appear to have been any commercial feature at all.

The Government has not hesitated, however, to make necessary appropriations for each department of the Smithsonian Institution to keep it not only a going concern but to allow it to grow. That is why I asked the chairman of the subcommittee whether the cut from $50,000 to $43,000 for the exchange work was justifiable. He reports that it is not a cut; that there is an allowance for printing, and so on. So that it would seem to me that this is one particular work of the Government that should not be cut.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. STAFFORD. Mr. Chairman, I ask that the gentleman have three minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. STAFFORD. Mr. Chairman, I have long been curious to learn what contribution is made by reason of the will of James Smithson for the maintenance of the Smithsonian Institution, or whether that bequest or devise had been exhausted; whether the expenses of the institution to-day are entirely borne by the Government.

Mr. FESS. No. The Smithsonian consolidated fund of $177,965 is invested in securities—railroad, industrial, and municipal. There is deposited in the United States Treasury a fund of $1,000,000. It will be seen that there is an endowment for the support of the institution, and it is in good form, but, measured by the character of work carried on, it is not nearly enough to handle properly the wonderful work that is going on. Some public-spirited citizens will doubtless make further contributions when the real importance of the work is better understood.

Mr. MOORE of Virginia. The reports show the investments of the institution fund. I suppose the gentleman will agree with me that this institution has done very fine work throughout its history as an independent establishment?

Mr. FESS. I certainly do. I know of no other agency of its kind that approaches it in the amount and importance of its accomplishments.

Mr. MOORE of Virginia. I hope the gentleman will be considering whether it would not be inexpedient to put it under the control of any bureau or department of the Government. That has been suggested, and it is a question that may be brought before us after a while.

Mr. FESS. I would doubt seriously the expediency of that. It has been in existence three-fourths of a century, and not more than a half dozen secretaries have directed it in all that time. That should not be disturbed. I would think it unwise to change that.

Mr. MOORE of Virginia. So would I.

Mr. FESS. I have not called attention to the importance of the International Catalogue of Scientific Literature, or some other important features of the work. I recall reading Oliver Wendel Holmes's travels in Europe. Some one asked him if he had visited the British Museum, and he said he had. He was asked how long one ought to stay in the museum in order to become acquainted with its treasures, and his reply was that one ought to have been born in the museum, lived in it until he was 80 years old, and never to have left it in order to become acquainted with its treasures. I think the time will come when this Smithsonian Institution will far surpass the British Museum, especially if it continues to grow as it has done hitherto.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I wish to speak three minutes.

The CHAIRMAN. The gentleman from Colorado is recognized.

Mr. TAYLOR of Colorado. Mr. Chairman, I want to say a few words in behalf of the item now under consideration, providing for continuing the ethnological research work among the American Indians, and more especially the excavation and the preservation of archæological remains. The Mesa Verde National Park is situated in the extreme southwest corner of the State of Colorado, in my congressional district. That park contains America's greatest historical asset, the home of many of the ancient cliff dwellers. The ruins of that prehistoric and extinct race are the scenes where the Smithsonian Institution is now carrying on some wonderfully interesting and important excavations. And I firmly believe that there is nowhere among all the thousands of activities of our Government an expenditure of money that brings about as important educational and far-reaching results in proportion to the amount expended as does the continuing of this development and discovery work concerning the American Indian of some six to eight centuries ago.

The work of excavating and restoring those ruins has for many years past been in charge of Dr. Jesse Walter Fewkes, an archæologist of the Bureau of American Ethnology. He is also the Chief of the Bureau of Ethnology of the Smithsonian Institution. He is a wonderfully efficient, capable, and high-class man for that work, and he is very earnestly and diligently devoting his life to this great work. His discoveries rival those that have been made in Egypt and all other places throughout the world, and he is deserving of the highest praise and appreciation, not only from Congress but from the American people, for his scientific knowledge, devotion, and wonderfully successful work in solving the mysteries of the origin, the life, the habits, and the nature of that prehistoric race in the southwestern part of the United States.

Since he commenced this great work the attendance in the way of visitors to that park has increased from 25 persons the first year until during this past summer there were over 4,500 people coming from all over the world to visit the park.

His work is making history every day—the history of the life of the human beings who inhabited that country ages before Columbus was born and before the Spaniards ever touched foot upon this continent. In fact, there are no means yet discovered by which the exact date that those ruins were inhabited can be definitely determined.

I have visited those ruins myself several times. Everybody who ever visits the Mesa Verde National Park and views those ruins always wants to and usually does, if possible, go there again. There is a kind of an indescribable charm and weird fascination about trying to study out and learn what were the habits, activities, and degree of intelligence, and what manner of people that extinct race was. Strange and never to be forgotten is the queer impression upon a person when you first see, for instance, the Cliff Palace ruins. As you stand on the brink of the precipice, on one side of the canyon, it resembles an ancient and partially disintegrated castle. You will in reality be speechless with amazement as you look at those walls and towers in their sheltered site, defying the ravages of time, and wonder and long to lift the veil of obscurity and learn what manner of human beings they were.

The first time I visited the Mesa Verde was nearly 20 years ago, before there was any road or scarcely any trail into that country. My wife and I went on horseback, with a guide, carrying our water and food on pack horses, and slowly making our way up the long and steep bluffs and canyons to get into that country. We camped out under the pifion trees and spent several days climbing around among the ruins, and really we had the most marvelously interesting trip of our lives. We were all alone nearly all the time we were there.

In those days there was no official guardian or anyone to protect those ruins, and everyone who went there carried off practically whatever he found. I remember going quite a distance and getting a long pole, and finally succeeded in climbing up that way into a small crevice in the side of the cliff above and to one side of one of the ruins, in a wild and gloomy gorge, and getting into the dust a foot deep that had been accumulating for centuries. I am confident no human being had been there for six or seven hundred years. No animal could reach there. I crawled into a remote corner that had never been disturbed, and, scraping away the dust and dirt, I unearthed some human bones and found quite a lot of small corncobs and a stone hatchet, a few bone implements, a couple of metates, and a grinding stone, a broken food bowl, and a few specimens of broken pottery. There was some corn that had become prac-

tically petrified. I know no white man had ever been there, because if he had those articles would not have been left there. While they were not very important, I did like everyone else, and carried those specimens away with me as souvenirs, and they are in a cabinet in my home now.

To me it has always seemed like a crying shame, and one of the most unfortunate and regrettable things that has ever happened in the study of the history of this country, that all of those wonderful ruins were left entirely unguarded and unprotected for 25 years after they were first known of and hundreds of people went there for no historic or educational purpose, but merely as pothunters and vandals to collect and carry away and sell for whatever they could get for them the most perfect, splendid, and very rarest and best relics and specimens. People came from all over the world and they carried off thousands of articles that can never be recovered, and which would have made wonderfully valuable collections if they could have been put in museums throughout the country.

There were a few men who for many years made a business of ransacking and mutilating ruins all over that country and collecting and selling rare relics. Personally, I have always felt they should have been publicly condemned and in some way stopped and prosecuted as vandals, instead of being referred to as heroic and historical discoverers and archæologists.

There was a Swedish nobleman named Baron Gustav Nordenskiold who visited the Mesa Verde several years before I was there. He went at it in a wholesale way and hired and took in there quite a number of laborers, and dug out of all those main ruins the choicest specimens and most complete human mummies and relics that were left, and carried away, I was told, 10 or 12 carloads of the most precious and valuable articles that have ever been found in the ruins. He shipped them back to Stockholm, where I understand they are now in a museum. I never heard of his having any authority or right to loot and strip all those ruins of all those specimens.

And yet nobody ever questioned his going in there, or tried to interfere with his carrying out of our country all of those priceless relics. I have always since felt that it would not be inappropriate for our Government to politely suggest to the Government of Sweden the propriety of kindly returning them. I ought to say, however, that the baron afterwards, in 1893, published his memoirs of his trip to the Mesa Verde in the form of a large and superbly illustrated and very expensive volume entitled "The Cliff Dwellers of the Mesa Verde," which is a splendid contribution to ethnology and archæological history. But the English translation is accessible in only a very few libraries in this country.

The cliff dwellings were originally constructed partly for defense and partly for shelter. They are mainly built in the caves in the side of the canyons and under overhanging cliffs that entirely protect them from rain, and also protected them from predatory enemies who could not reach them from either above or below. The cavity in the side of the bluff in which the Cliff Palace is built is 425 feet long and 80 feet high and 80 feet deep, and contains about 150 rooms, and it may have had a population of nearly 1,000 people in the wintertime. In fact, it was practically a pueblo (that is a town or small city), built in a cave in the side of the face of the canyon. The Cliff Palace is the largest, most picturesque, and most typical cliff dwelling in the Southwest. This ruin, as well as the Spruce Tree House and the Balcony House, show the highest aboriginal achievement in stonework north of Mexico. The Kivas (that is their circular subterranean ceremonial rooms), are the best and most complete of all the ruins.

When and why and how those people left that country remains an unsolved mystery. The Indians have an uncanny fear of the dead, and none of them have ever been near these ruins since they were deserted. Eagles have nested for hundreds of years in some of them. The sand lizards and the rattlesnakes have basked unmolested in the sunshine, and there has during all these centuries been nothing to disturb the awful stillness and lonely solitude of those mysterious regions except the occasional weird howl of a hungry coyote or the melancholy hoot of a horned owl.

Baron Nordenskiold states very positively that the cliff dwellers were attacked by hostile neighbors in superior numbers and ferocity, and that finally all that did not escape were exterminated. He says the large number of human remains that he found, many of them not buried or cremated, shows conclusively that they were violently killed and left where slain because there was no one left to bury or burn them. The cliff dwellers apparently cremated most of their dead and only buried the more important personages or those that were especially cherished. My meager study of the subject occasionally for several years leads me to largely coincide with the baron. Not only for the reason that he gives but also for another reason which I do not recall that he mentioned, namely, it required long, patient, skillful, and awfully hard work to make the variety of pottery and all the stone and bone implements and even the wooden and other utensils that they used, and they must have treasured them very highly after they got them completed. It seems natural and conclusive to me that they certainly would not have left them as they did in such large quantities in those buildings if they had had any time or opportunity of taking them with them.

Many ruins were left just exactly as they were when the inhabitants lived in them. Everything they used was left, including the best implements known at that time, proving to me that they must have been attacked and either killed or so suddenly driven out that they had no way of taking their personal effects with them. I can not believe that all of the trainloads of treasures, including unburied human remains, thousands of everyday necessary implements, rare pottery, and all kinds of utensils and relics that everybody carried away during all those years while that entire country was wholly unprotected would ever have been left behind by those people if they just peacefully and gradually migrated from their homes and moved away from that country.

On the other hand, Doctor Fewkes, who is undoubtedly the highest living authority on this subject, says that the cause of desertion of the cliff dwellings by those people was not due so much to predatory enemies as to the change of climate and the failure of crops and the disappearance of their water supply. There is no question whatever in my mind but what the climate has gradually and greatly changed in that country, and the rainfall must be very much less now than it was hundreds of years ago. While there are deep snows on the mesas in the wintertime and irregular showers in the summer, nevertheless the dry season is so long and so hot in that region now that a population as large as those ruins indicate could not possibly live there at this time on agricultural products such as they had and with the means of raising them that they had.

They were evidently not a warlike people in the sense that most other Indian tribes were. They were apparently peaceable and lived mainly upon agricultural products, principally corn, and while the corncobs we find there are nearly all small, nevertheless that climate would not now even produce that much without irrigation. I thought at one time I saw the remains of a reservoir with quite old trees growing on the banks of it, and which, if it was such, would indicate that they stored water and possibly irrigated some. But future explorations may show that the circular mound indicating the rim of a reservoir might be the disintegrated remains of a circular chain of buildings of some kind.

Doctor Fewkes is quite right also in saying that the water supply in that country now, even with our knowledge as to improving the springs, is wholly inadequate for a large population; and if those people stayed in those dwellings, both on the mesa and in the canyon, until the present climatic changes were brought about and the water supply did fail and it became too arid for them to grow crops, they were, of course, compelled to move away from there on that account. But I am rather inclined to believe that they moved away from there before that condition occurred.

The cliff dwellers had no sheep or horses or burros or other beasts of burden. I do not remember ever reading anything to indicate that they even had any dogs. They had no metals or glass. Their life and these ruins belonged entirely to the Stone Age in America. They show no signs whatever that those people ever saw a white man or any evidence that they ever knew anything of white man's culture. Corn was their staple food, but they had squash and beans and domesticated turkeys, and they evidently killed a deer occasionally and a few mountain sheep and coyotes and frequently cottontails and jack rabbits. You plainly see finger prints and the prints of the hands in the mud daubing. Mostly but not all of them are small, showing that the women did most of the work in spreading the mortar and in mud chinking the crevices in the stone walls.

Where the descendants of the Cliff Palace, the Spruce Tree House, and the Balcony House now dwell, or whether they are entirely extinct, nobody knows.

Doctor Fewkes appeared before this subcommittee at the hearings upon this bill, and his statement appears on pages 158 to 162 of the printed hearings. He described the work he has been doing in former years, and more particularly during the past summer. You would all be interested in reading his description. And I know if you did you would more heartily

approve this item in the present bill, which I know you are going to do, anyway, providing for the continuance of his splendid work.

I am going to give you briefly the substance of his statements and including the contents of some of the bulletins he has issued upon this subject containing a description of this park and the excavation work he is doing:

EXCAVATION WORK IN THE MESA VERDE NATIONAL PARK.

Local tradition does not agree as to when or by whom the ruins were first discovered. They were known of in a general way by a few people in 1881, and several others saw some ruins during the succeeding years. But one story is that in the winter of 1888 two cowboys from the little town of Mancos, in southwestern Colorado, while searching for stray cattle, discovered in one of the deep canyons of the great plateau west of the town a large ruined building indicating a prehistoric people. In their amazement they called it Cliff Palace. On the same day in looking over into the depths of another canyon 2 miles away they saw another great building in the cliffs to which they gave the name Spruce Tree House on account of a giant spruce tree which grew out of the rooms. The plateau where these relics of the past were found had received the name of Mesa Verde (meaning green mesa) from the fact that a large part of it was covered with spruce and piñon trees that remained verdant throughout the year. Buildings similar to those seen by these men had been discovered by a Government expedition in the Mancos Valley 10 years before and called cliff houses, but these two magnificent examples are the largest of this type that have yet been found in our Southwest. It was not until 1890 that any description of these ruins was ever published in the United States. The sequence of this discovery worked great harm to these buildings. They contained a great many articles or relics that had a commercial value. Several years after many other cliff houses, large and small, were discovered, and, as I have said, a desire to traffic in the pottery and other ornaments and relics of the ancient inhabitants led to a vandalism in which walls were torn down and many rooms mutilated to obtain specimens.

This vandalism went so far that some public-spirited women of Colorado, becoming indignant at the wanton spoliation, outrageous plundering, and destruction of these priceless antiquities, formed a society called the Colorado Cliff Dwellers' Association, the object of which was to separate what is now Mesa Verde from the Ute Reservation to preserve its antiquities for posterity. After several years of vigorous agitation the members of this association in 1906 succeeded in persuading Congress to set aside from the Ute Reservation about 50,000 acres of this plateau as a reserve to protect these relics of the past. Later this tract of land was made into a park and is now known as the Mesa Verde National Park. At that time the only way by which one could visit these ruins was, as I have stated, by a very rough trail and on horseback. The plateau rose precipitously on all sides from the valley. There were no wagon roads. It was part of the far-sighted purpose of the Department of the Interior to develop the park, to construct roads, and facilitate visits by tourists, and for that purpose an appropriation was obtained from Congress. At that time there were no buildings on the reservation; the very scanty water supply had to be developed. There was, of course, no accommodation for visitors and they were obliged to bring their own provisions and camp near the ruins. The friends of the movement early recognized that the Mesa Verde differed from other parks in that it was an educational institution—a place where antiquities of a bygone age could be studied first hand, for many wild theories of the kinship of the builders were current. Among many necessary steps to be taken to develop the park was the clearing out of the débris that filled the rooms of these ruins and the repair of their walls in order that they might not be further destroyed by man or the elements.

The most urgent need of all was to obtain a more intelligent knowledge of the former inhabitants—their antiquity, where they came from, when they came, and where they went when they disappeared. To obtain this knowledge demanded an expert archæologist. The repairs should be done by one who had a proper estimation of the value of the ruins. The Secretary of the Interior, who is custodian of the public lands, naturally sought the advice of the Smithsonian Institution, where there were experts in this line of work, and in 1908, two years after congressional legislation had made this reservation, Doctor Fewkes was selected and appointed to visit these ruins and begin such archæological work as seemed necessary. Up to that time the work of the archæologist on our southwestern ruins had not been directed to this end. The method was to obtain many specimens, not to preserve standing walls. The idea was to strip our ruins of specimens and carry them away to adorn the shelves of eastern museums. Doctor Fewkes recognized that the walls of the buildings were the most striking of the antiquities and that the need was to repair the standing walls and other antiquities that could not be moved. There should also be created authoritative publications setting forth what these buildings taught. This was a new departure in archæology, a new point of view in research in this science. This method of work performed the first year at Mesa Verde has now been adopted by other institutions in other areas of the Southwest. It is not too much, I think, to say that a new archæology was born on the Mesa Verde in 1908.

The first ruin taken up in this way, known as Spruce Tree House, was in all points a cliff dwelling of typical form, containing all the architectural features of the ancient people. It is one of the best in the park, and, being situated near a strong spring of water, is practically the most convenient for tourists to visit. It is also one of the latest, or possibly the last, that was inhabited. The work on it took about three months. The endeavor was to preserve the walls as nearly as possible as they were originally, and not to add anything that would suggest the work of the white man; to preserve all sky lines in their broken condition; to reinforce the foundations where they were weak; and to clear out and repair the subterranean rooms. The plan was also to develop the trails approaching this ruin.

The incipient stages of this work were known to only a few people. Those who inspected it came on horseback. No carriage roads had yet been constructed, and only about two dozen people visited the park during that summer. The knowledge of the interest there was little known this side of Colorado, and even there it was not then duly appreciated. The cost of the summer's field work was small. In the following winter a small monograph was written and published by the Smithsonian Institution on the results, and an illustrated report to the Secretary of the Interior was prepared and distributed by that department. It is estimated that since its excavation and repair Spruce Tree House has been visited by over 15,000 people. The printed reports on it have long since been exhausted.

The following year—1909—Doctor Fewkes continued work on the Mesa Verde, this year on the magnificent cliff dwelling called Cliff Palace, the largest and certainly one of the most picturesque of our cliff houses. This ruin was completely excavated and repaired during the summer. A report was prepared on this building and later published as a bulletin of the Bureau of American Ethnology. The result of this season's work increased the interest of tourists.

The foundation of the National Park Service and the appointment of Mr. Stephen T. Mather as director of this new service gave a great impetus to the Mesa Verde National Park. He recognized from the beginning the educational possibilities of these buildings. The construction of some roads in the park has made it possible more readily to visit the ruins. Congress has been treating the park fairly in the way of appropriations, but there is great need of additional and better roads throughout the park. It will well repay the Government to build them and to improve this park in every way, because there is nothing comparable with it in this country, and the whole civilized world will sooner or later want to visit this park.

Every year there will be an enormous increase in the tourists visiting the park, and Congress ought by all means to encourage that ever-growing desire of the American people to "see America first." In 1915 Doctor Fewkes discovered on the park an ancient building of large size and mysterious character now known as Sun Temple. Situated in a commanding position opposite the Cliff Palace and looking down one of the most beautiful canyons in Colorado, it immediately attracted attention. The discovery of this unique ruin led to a great advance in our knowledge of the prehistoric people of Colorado.

The prehistoric inhabitants of the Mesa Verde not only inhabited cliff dwellings but also villages of considerable size on the top of the mesa. These buildings closely resembled the so-called pueblos of New Mexico. The population of the villages in prehistoric times was very large—larger, perhaps, than the number of white people at the present time in the adjoining valley. The existence of these villages on the mesa top was discovered in 1916 when a mound, 4¼ miles north of Spruce Tree House, was opened and a large building brought to light. From its highest walls one can see into four States, and on account of the view it was called Far View House.

There is every reason to believe that in early times the Mesa Verde population retired to the cliff houses for the winter and engaged in a continuous round of ceremonies of a dramatic nature, rarely venturing outside of their immediate vicinity. They were agricultural Indians of normal size. Their granaries were stored with food, and the deep snow covering the plateau

made it impossible for them to go very far from home. Later the villages on the mesa top were likewise winter homes. In the summer they passed their time working on the top of the mesa, cultivating maize or Indian corn, beans, squash, and other vegetal foods. The permanent dwellings on the top of the mesa resemble closely the modern pueblos of New Mexico, but were much more populous. Each cluster of pueblos consists of a number of houses covering a large area, each having a characteristic shape and special use. In one of these clusters there were large buildings devoted to ceremonies, others were used for storage, and still others were habitations. Around them rose their fields of corn or farms. There were many large villages, which are now nothing more than mounds of earth; their walls have fallen, and their sites are piles of rocks in sagebrush clearings among the trees. There are cedar and piñon trees, several hundred years old, growing on top of some of these mounds.

During the past summer a building 70 feet square was found, called Pipe Shrine House, in the middle of which was a circular room, which was apparently constructed for ceremonial purposes. It has a shrine on the floor where many objects which indicated its purpose were found; among other offerings were several tobacco pipes, some of which were blackened with smoke, while others had never been used.

These pipes and similar unique objects have not previously been found on the mesa. There were likewise various other offerings indicating that the priests in years agone had smoked to the gods of the world's quarters and thrown their pipes into the fire as offerings to the gods. At the northeast corner of this building there was a shrine to the sun, in which was a slab of stone bearing a pictograph representing the sun; and on the south side, at the foot of the stairway, somewhat removed from view, was a square chamber, in which stood an idol representing the mountain lion, surrounded by other fetiches. At the southeast corner was a burial ground—the cemetery of the neighboring ruin—in which were several human skeletons, one of which was surrounded by a stone wall and protected by a fireproof roof, and there one can see laid out in his final resting place all that is left of one of the ancient people who lived five centuries ago, protected by a wire screen and visible to any visitor; not a pigmy or a giant, but a man of ordinary height and about 50 years old, accompanied by mortuary objects—bowls of food and water—that were piously placed there by his relatives before America was discovered. The grading of the land surrounding this ruin was a task of magnitude. Trees, bushes, and a heterogeneous collection of stones and débris of various kinds had accumulated. This had to be leveled for the construction of a roadway by which visitors could approach these buildings and see them in somewhat the same condition they formerly had.

The discoveries on the park in the summer of 1920 were particularly important, since they opened up a new vista into the culture of the prehistoric inhabitants of what is now the Mesa Verde National Park.

If there is any one discovery to which man owes his first steps in the infancy of his culture, it is the invention of how to make fire at will. It may be taken as an axiom that there is no race of men that is ignorant of this invention, and while we may say without any question that this knowledge was universal, it is rarely that we find surviving objects which indicate how this fire was made. In America it was produced by the twirling of a stick with the hand, except in some races like the Eskimo. We infer from what is known that the inhabitants of Mesa Verde in later times made fire by twirling two sticks which have been found repeatedly in their cliff dwellings. There is a widespread tradition among the Pueblo Indians that in olden times they kept a fire continually going in some room in their village, and from this fire were fed the fireplaces in the pueblo.

Certain American tribes have a special room or even a temple constructed for the preservation of fire, and the protection of fire was one of the most important ceremonies in their rituals. As a rule, however, at the present day none of our Indian tribes preserve the new fire ceremony. The fire has long since gone out in the sacred rooms of the Pueblos, who have become acquainted with matches, and no longer need it for secular uses. The nearest modern representatives of the cliff dwellers are the Pueblos of New Mexico and the Hopi Indians of Arizona.

In 1920 a building not far from Sun Temple was excavated which presented an enigma to archæologists on account of its strange form. It was quite unlike any other building, with the possible exception of Sun Temple, but instead of being D-shaped it was rectangular in form.

In the center of a large plaza there was a fire pit too extensive for cooking and with no indication of calcined human bones. This fire hole contained bushels of ashes, indicating that great fires were kindled in it. On the western end of this building was a chamber with a small fireplace in the corner, its walls decorated with symbolic figures representing different animals and human beings, but the most significant feature was a hunchbacked being similar to the figures identified as the god of fire. The inference was, therefore, that in this room the fire was kindled by the priests, and when the flames were ignited in the prepared fuel it was carried by a cedar-bark torch to the great central fireplace above mentioned and there was performed a barbaric and elaborate dance in the presence of spectators who sat on the seats surrounding it. This fire was probably conserved, and represented the life of the state, those who needed it having to ignite their own fire from this central fireplace.

It can be well said that no such intensive restoration work in the United States has ever been attempted on prehistoric ruins elsewhere situated. The appreciation of the public in response to this work can be readily seen in the enlarged number of visitors who have sought this interesting locality. New and better means of access have kept pace with the archæological development of the ruins. The necessity for accommodations for the visitors has led to the building of a hotel at Spruce Tree Camp.

A consideration of this subject forms another chapter in the growth of the park not here considered. The contribution of the Bureau of American Ethnology to the park is a scientific one and deals with the archæological steps taken to make the ruins object lessons, teaching through visual means the story of the past inhabitants.

By the existing law all portable specimens collected by Government officials are legally under the jurisdiction of the Smithsonian Institution. Up to a few years ago it would be hazardous to leave any pottery or objects of value on the park over winter without care. The specimens which have now accumulated form a considerable collection now housed in the United States National Museum in Washington. Not only is it required by law that these objects be thus cared for, but also from time to time it is customary to prepare reports describing them or comparing them with related objects. It was part of the plan of those who labored to preserve the Mesa Verde antiquities from destruction to install smaller objects on the park, necessitating the construction of a museum building for that purpose. To this end a small log cabin has already been erected, but adequate means should be provided for a more substantial building.

The magnitude of the work already done has opened a vista of what remains unaccomplished. With the means thus far available we have obtained much illumination on the problem of the cliff dweller and his relation to existing tribes, but there remains much to be discovered that may materially modify our present knowledge.

This park is not one for recreation alone but for instruction in a true sense of the word. It is a scenic park, with beautiful outlooks. The official auto stage runs daily from the little city of Mancos into the park. The road from Mancos to the top of the plateau is wonderful, giving a view of the town of Cortez, the county seat of Montezuma County, and of that rich valley. From that point one can see the distant Blue Mountains of Utah; the Carrizo Range in Arizona; the wonderful Ship Rock, famous far and wide for its model Navaho Indian School; and the far-away Taos Mountains in New Mexico. None of these, however, excel in wonder and beauty the La Plata Mountains to the north, generally covered with snow, forming a lovely setting for Sun Temple, and Cliff Palace as seen from the road which ends in Sun Point. From this same point, looking down the canyon, one can see likewise rising the cottonwood trees lining the Mancos River, the only flowing water in this neighborhood. There is also a good auto road into the park from the city of Durango, the thriving and beautiful metropolis of the southwest, about 35 miles east of the park. The park is open from June until November. During that time there are good accommodations and marvelously scenic drives all over that and the surrounding country.

It is desirable that the archæological work in the development of the Mesa Verde should go on. Every year makes it possible for the scientific man to improve his methods of excavation and repair and add to the sum of our knowledge new points of view and new information regarding the manners and customs of these ancient people. The expense is not large; the results are very important to both the professional archæologist and the layman.

On behalf of the people of southwestern Colorado and the National Park Service, I urgently invite you all to visit the Mesa Verde National Park, knowing full well that if you do it will be one of the most interesting and educational trips of your life, and that you will always thereafter feel that your knowledge of the human race and what the race in this country has gone through in the centuries past has been greatly enhanced, and it will always be a delight to you to have studied the ruins of the cliff dwellers. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

I want to use just a moment to answer some questions which, on the front page of his Weekly last Saturday, Editor W. V. Helm, of Dallas, Tex., propounds to me. His questions are pertinent, and deserve an answer from any public official. I answer as follows:

1. I am not a Ku Klux. I have never been one.

2. I recently said here that Texas is not dominated by the Klan, though probably some of our best citizens and preachers were members, because such is a fact. Any man with an ounce of discernment knows who are the prominent Klansmen in Texas.

3. In the Democratic primary one of my most prominent opponents was a Klansman. The people generally knew that he was and that I was not a member. Yet I received 15,513 more votes than he did.

4. And in the November general election I defeated my opponent by a majority of 22,633 votes, and received 6,851 more votes than my district gave the Democratic nominee for the United States Senate, who was reputed to be a Klansman.

5. I will gladly support a law to require all secret orders to make public their membership, and to make them all responsible for any unlawful acts, and to prevent them from wearing disguises in public.

6. I am a national legislator. My duties are national in their scope. The lawful control of Klan members in Texas is a State matter. The Federal Government has nothing to do with it. The Attorney General of the United States has so held. There is already too much centralization of power in Washington now. This Government has no more right to interfere with the State's rightful control of Klansmen in Texas than it has to interfere with the State's control of Masons, Odd Fellows, Knights of Columbus, or Knights of Pythias in Texas. Our State must attend to that.

7. During the eight years that I was judge of the forty-second judicial district no one will deny that I vigorously enforced all laws without fear or favor. I have never changed. I stand now for strict enforcement of all laws.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. CAMPBELL of Kansas having resumed the chair as Speaker pro tempore, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the independent offices appropriation bill, H. R. 13696, had come to no resolution thereon.

INTERIOR DEPARTMENT APPROPRIATIONS.

Mr. CRAMTON. Mr. Speaker, I ask leave to file at any time before midnight the report of the conferees upon the Interior Department appropriation bill for printing in the RECORD.

The CHAIRMAN. The gentleman from Michigan, chairman of the subcommittee on the Interior Department appropriation bill, asks unanimous consent that he may have until midnight to-night in which to file the report of the conferees on that bill. Is there objection?

Mr. BLANTON. Reserving the right to object—and I shall not object—I want to ask the gentleman what the conferees did with peyote?

Mr. CRAMTON. The House provision is retained in the bill.

Mr. BLANTON. I thought the gentleman would be strong enough to see that that was done.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had concurred in the amendment of the House of Representatives to the amendment of the Senate numbered 7 to the bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

LEAVE TO EXTEND REMARKS.

Mr. LONDON. Mr. Speaker, I ask leave to extend my remarks in the RECORD.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. FESS. I make the same request.

The SPEAKER pro tempore. The gentleman from Ohio makes the same request. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. I make the same request.

The SPEAKER pro tempore. The gentleman from Colorado makes the same request. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until Friday, January 12, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

904. Under clause 2 of Rule XXIV, a letter from the Acting Secretary of Commerce, transmitting a statement of the expenditures in the Coast and Geodetic Survey for the fiscal year ending June 30, 1922, was taken from the Speaker's table and referred to the Committee on Expenditures in the Department of Commerce.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. S. 419. An act for the relief of the owners of the steamship *Esperanza;* without amendment (Rept. No. 1384). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 420. An act for the relief of the Long Island Railroad Co.; without amendment (Rept. No. 1385). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 421. An act for the relief of the owners of the steamship *Lexington;* without amendment (Rept. No. 1386). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BALDWIN: A bill (H. R. 13769) to amend an act entitled "An act to provide for the promotion of vocational education, to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries, to provide for cooperation with the States in the preparation of teachers of vocational subjects, and to appropriate money and regulate its expenditure," approved February 23, 1917, extending its provisions to the Territories; to the Committee on Education.

By Mr. MILLS: A bill (H. R. 13770) to amend the revenue act of 1921 in respect to capital gains and losses, and for other purposes; to the Committee on Ways and Means.

By Mr. KNUTSON: A bill (H. R. 13771) to regulate commerce in certain agricultural products, and for other purposes; to the Committee on Agriculture.

By Mr. BLAND of Virginia: A bill (H. R. 13772) to authorize the Secretary of War to reappoint and immediately discharge or retire certain warrant officers of the Army mine planter service; to the Committee on Military Affairs.

By Mr. WHITE of Maine: A bill (H. R. 13773) to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. GREEN of Iowa: A bill (H. R. 13774) to amend the revenue act of 1921 in respect to exchanges of property; to the Committee on Ways and Means.

Also, a bill (H. R. 13775) to amend the revenue act of 1921 in respect to credits and refunds; to the Committee on Ways and Means.

By Mr. LEE of New York: A bill (H. R. 13776) to amend paragraph 403 of schedule 4, section 1, Title I, and paragraph 1703 of schedule 15 of section 201 of Title II of the tariff act of 1922; to the Committee on Ways and Means.

By Mr. LEATHERWOOD: A bill (H. R. 13777) to modify the Osage fund restrictions; to the Committee on Indian Affairs.

By Mr. ROSSDALE: Joint resolution (H. J. Res. 419) to provide for an appropriate dual celebration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence and of the three hundredth anniversary of the founding of the settlement of New York; to the Committee on Industrial Arts and Expositions.

By Mr. STEVENSON: Joint resolution (H. J. Res. 420) to stimulate crop production in the United States; to the Committee on Agriculture.

By Mr. HILL: A resolution (H. Res. 479) regarding the charges made by WILLIAM D. UPSHAW, a Representative from Georgia, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNS of Tennessee: A bill (H. R. 13778) for the relief of Myer Morris; to the Committee on Claims.

By Mr. CLOUSE: A bill (H. R. 13779) granting a pension to Arkley Christian; to the Committee on Invalid Pensions.

By Mr. DEAL: A bill (H. R. 13780) for the relief of the Fred E. Jones Dredging Co.; to the Committee on Claims.

By Mr. DUNBAR: A bill (H. R. 13781) granting a pension to Mamie Dell Turner; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 13782) providing for the examination and survey of Nantucket Harbor, Mass.; to the Committee on Rivers and Harbors.

By Mr. KREIDER: A bill (H. R. 13783) granting a pension to Emma Tomlinson; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 13784) granting a pension to Menora Sweetland; to the Committee on Invalid Pensions.

By Mr. MOORE of Illinois: A bill (H. R. 13785) granting an increase of pension to George W. Laird; to the Committee on Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 13786) granting a pension to John D. Hadley; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 13787) granting a pension to Mary J. McLaughlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13788) granting an increase of pension to Margaret C. Miller; to the Committee on Invalid Pensions.

By Mr. SEARS: A bill (H. R. 13789) for the relief of the Columbia Steam Laundry; to the Committee on Claims.

By Mr. WHITE of Maine: A bill (H. R. 13790) granting a pension to Odelon Valcour; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6797. By Mr. CULLEN: Resolution adopted by the Fiftieth Annual Meeting of the Pennsylvania State Grange, favoring the completion of the Muscle Shoals project by the Government; to the Committee on Military Affairs.

6798. By Mr. KISSEL: Petition of the Crockery Board of Trade of New York, New York City, N. Y., favoring a House bill providing for a 1-cent "drop" letter rate and opposing any bill providing for a reduction in second-class mail rates; to the Committee on the Post Office and Post Roads.

6799. By Mr. SPEAKS: Papers to accompany House bill 13766, granting an increase of pension to James Phelps; to the Committee on Pensions.

SENATE.

FRIDAY, *January 12, 1923.*

(*Legislative day of Tuesday, January 9, 1923.*)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Borah	Cameron	Colt
Ball	Bursum	Capper	Couzens
Bayard	Calder	Caraway	Culberson
Cummins	Jones, N. Mex.	Nelson	Spencer
Curtis	Jones, Wash.	New	Stanley
Dillingham	Kellogg	Nicholson	Sterling
Ernst	Kendrick	Norbeck	Sutherland
Fernald	Keyes	Norris	Townsend
Fletcher	Ladd	Oddie	Underwood
Frelinghuysen	Lenroot	Overman	Wadsworth
George	Lodge	Phipps	Walsh, Mass.
Glass	McCormick	Poindexter	Walsh, Mont.
Hale	McCumber	Pomerene	Warren
Harreld	McKellar	Sheppard	Watson
Harris	McKinley	Shortridge	Weller
Harrison	McLean	Simmons	Willis
Heflin	McNary	Smith	
Johnson	Moses	Smoot	

Mr. CURTIS. I wish to announce the absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE] on official business.

Mr. FLETCHER. I desire to announce the unavoidable absence of my colleague [Mr. TRAMMELL]. I will allow this announcement to stand for the day.

Mr. SMITH. I wish to state that my colleague [Mr. DIAL] is absent on account of the death of a relative.

The PRESIDENT pro tempore. Seventy Senators have answered to their names. A quorum is present.

DEPARTMENTAL USE OF AUTOMOBILES.

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the United States Employees' Compensation Commission, reporting, in response to Senate Resolution 399, agreed to January 6, 1923, that the commission has no motor vehicle of any kind and that consequently there is no expense connected with the use of such vehicles by that office, which was ordered to lie on the table.

He also laid before the Senate a report from the chairman of the Interstate Commerce Commission, in response to Senate Resolution 399, agreed to January 6, 1923, relative to the number and cost of maintenance of motor vehicles used by the commission, which was ordered to lie on the table and to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, January 11, 1923.

To the PRESIDENT OF THE SENATE:

The Interstate Commerce Commission, in response to Senate Resolution No. 399, of January 6, 1923, has the honor to submit the following report:

No passenger vehicles are operated by this commission, nor does it make any allowances for upkeep or operation of privately owned automobiles in the city of Washington.

The Interstate Commerce Commission Building, which is located at the southeast corner of Pennsylvania Avenue and Eighteenth Street NW., contains a garage of sufficient capacity to accommodate two automobiles. No direct expense for rental of the garage is incurred by the commission, in view of the fact that the space occupied as a garage is included in the rental of the building. The only employee detailed in connection with the maintenance of the garage is the chauffeur of the commission's truck, whose basic salary is $900 per annum. This garage is used solely for the purpose of housing two Government-owned automobile trucks, one being the property of the Interstate Commerce Commission and the other the property of the United States Railroad Administration.

This commission does not operate or maintain any passenger vehicles outside of the city of Washington.

Respectfully,

B. H. MEYER, *Chairman.*

SHIPPING BOARD CONTRACT FOR TANKERS.

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the United States Shipping Board, transmitting, in response to Senate Resolution 390, agreed to January 3, 1923, detailed information relative to a contract made with the Swiftsure Oil Transport (Inc.), which was referred to the Committee on Commerce.

Mr. FLETCHER. I move that the communication from the chairman of the Shipping Board be printed in the RECORD.

Mr. CURTIS. I suggest that that action be taken by unanimous consent instead of on motion.

Mr. FLETCHER. Very well.

The PRESIDENT pro tempore. If there be no objection, it will be so ordered. The Chair hears none.

The communication is as follows:

UNITED STATES SHIPPING BOARD,
OFFICE OF THE CHAIRMAN,
Washington, January 10, 1923.

The PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: In response to the Senate Resolution 390, instructing the United States Shipping Board to furnish to the Senate at the earliest possible time certain statements and figures, as specified in the resolution, with reference to certain transactions with the Swiftsure Oil Transport (Inc.), I have the honor to submit the following detailed information:

The Emergency Fleet Corporation entered into contract 458 SC, August 14, 1918, with the Northwest Steel Co. for construction of 10 steam steel vessels, about 8,800 dead-weight tons carrying capacity each. The Fleet Corporation suspended all work on 6 of these vessels and canceled construction of these 6 vessels on September 15, 1919.

The Swiftsure Oil Transport (Inc.) desired to purchase seven 12,000-ton vessels, provided the Fleet Corporation would finance the construction thereof. The Northwest Steel Co., desiring to procure con-

tract for construction of these vessels, agreed to accept cancellation of the six vessels under suspension and cancellation and release the Fleet Corporation from all claims on account thereof. In consideration of this release the Fleet Corporation agreed to finance the construction of seven 12,000-ton vessels upon the express condition that the Swiftsure Oil Transport (Inc.) would obligate itself to repay to the Fleet Corporation all money advanced, disbursed, or expended, or cost incurred by the Fleet Corporation.

This the Swiftsure Oil Transport (Inc.) contracted to do under contract No. 531 SC, dated April 12, 1920, between the Fleet Corporation, Swiftsure Oil Transport (Inc.), Old Colony Trust Co., Northwest Steel Co., and Northwest Bridge & Iron Co. This contract called for the construction of seven steel tank steamers of 12,000 dead-weight tons, at a lump-sum price of $2,400,000 each, to be paid for by the Fleet Corporation, as follows:

Ten per cent of contract price of all vessels when contract took effect.

Five per cent of contract price of each vessel when keel was laid.

Five per cent of contract price of each vessel when one-half of center keelson was in place.

Five per cent of contract price of each vessel when keelson was in place.

Ten per cent of contract price of each vessel when center line bulkhead, midship transverse bulkheads, and longitudinal to main deck was in place.

Five per cent of contract price of each vessel when end transverse, longitudinals, and all framing to weather deck were in place.

Ten per cent of contract price of each vessel when bulkheads and decks were in place.

Ten per cent of contract price of each vessel when vessel was fully plated and decks and outside of vessel were entirely calked.

Ten per cent of contract price of each vessel when vessel was successfully launched.

Ten per cent of contract price of each vessel when steel houses were completed and the machinery, boilers, auxiliaries, and equipment were installed.

Balance of contract price of each vessel upon completion, delivery, and acceptance of the vessel.

The Swiftsure Oil Transport (Inc.) agreed under this contract to purchase these vessels at a price of $2,400,000 each; a total of $16,800,000, payable to the Fleet Corporation in gold coin or equivalent, as follows:

Twenty-five per cent of purchase price of each vessel, or $600,000, an aggregate of $4,200,000, in installments, as follows, which the Old Colony Trust Co., as trustee, agreed to pay to the Fleet Corporation:

Five per cent of contract price of all vessels when builder's contract took effect.

Five per cent of contract price of each vessel when the keel thereof was laid.

Five per cent of contract price of each vessel when one-half of keelson with midship bottom transverse, including bulkhead floors, were in place.

Five per cent of contract price of each vessel when center keelson with midship bottom transverses, including bulkhead floors, were in place.

Five per cent of contract price of each vessel when vessel was successfully launched.

Seventy-five per cent of the purchase price of each vessel, or $1,800,000, by five notes of the Swiftsure Oil Transport (Inc.), secured by a first mortgage on each vessel, said notes and mortgages to be executed and delivered to the Fleet Corporation as such vessel is delivered to Swiftsure Oil Transport (Inc.).

These notes to bear 5 per cent (5%) interest per annum, payable semiannually, in amount and with maturities as follows:

Payable 1 year after delivery	$336,000
Payable 2 years after delivery	480,000
Payable 3 years after delivery	336,000
Payable 4 years after delivery	336,000
Payable 5 years after delivery	288,000

It was also agreed that if at any time before the maturity of these notes the usual time for payment of ships sold by the Fleet Corporation shall be extended beyond five (5) years, the maturity of the above notes should be extended so that the Swiftsure Oil Transport (Inc.) would be accorded as favorable times for payment as were accorded other purchasers of ships.

Delivery of possession and transfer of title and ownership of the Swiftsure Oil Transport (Inc.) to be made by Fleet Corporation as follows:

Simultaneously with the acceptance of one of said vessels by Fleet Corporation under builder's contract and the delivery of possession of same to Fleet Corporation, the Fleet Corporation would, provided the Swiftsure Oil Transport (Inc.) was not then in default under any of the provisions of said mortgages, deliver to Swiftsure Oil Transport (Inc.) possession of said vessel at the works of the Northwest Bridge & Iron Co., Portland, Oreg., and would execute and deliver to the Swiftsure Oil Transport (Inc.), at the office of the United States Shipping Board, Washington, D. C., a good and sufficient bill of sale, upon the condition that the Swiftsure Oil Transport (Inc.) simultaneously execute and deliver to the Fleet Corporation the mortgages previously referred to, and to the Old Colony Trust Co., trustee, a second mortgage as security for the payment to the Old Colony Trust Co., trustee, and/or holders of obligations issued under such second mortgage, of such amount representing or arising out of the payments made by the Old Colony Trust Co., trustee, as should be agreed by the Swiftsure Oil Transport (Inc.) and the Old Colony Trust Co., trustee, and specified in such second mortgage.

The Fleet Corporation and the Swiftsure Oil Transport (Inc.) agreed with the Old Colony Trust Co., trustee, that in case of default by the Swiftsure Oil Transport (Inc.) under any provisions of the builder's contract on sales contract that the Old Colony Trust Co., trustee, was to be vested with and exercise all the rights of the Swiftsure Oil Transport (Inc.), provided, however, that the Old Colony Trust Co. should not be liable in excess of the obligation to pay the sum of $600,000 for each vessel, or an aggregate of $4,200,000.

2. Number of tankers, 7; dead-weight tonnage, 12,000 each; total, 84,000. Whether built by E. F. C. or caused to be built. Built by Northwest Steel Co., Portland, Oreg., under contract No. 531 S. C., dated April 12, 1920.

Cost per dead-weight ton, $200, contract price. Does not include charges for insurance and interest or other charges.

3. Were these tankers sold?—Yes; to Swiftsure Oil Transport (Inc.). Price, $17,333,706.72.

Selling price, seven vessels, at $200 per dead-weight ton; 84,000 dead-weight tons		$16,800,000.00
To interest as agreed upon to Dec. 31, 1921		432,808.22
To insurance on six vessels from Aug. 3 to Dec. 31, 1921		100,898.50
		17,333,706.72
Portion paid in cash		3,840,000.00
Portion evidenced by notes and mortgages		13,493,706.72

Terms as to interest and maturity; interest at the rate of 5 per cent per annum, payable semiannually, from December 31, 1921:

Maturity.	Number.	Amount.
Dec. 31, 1922	A-1	$1,124,475.56
Dec. 31, 1923	A-2	1,124,475.56
Dec. 31, 1924	A-4	1,124,475.56
Dec. 31, 1925	A-5	1,124,475.56
Dec. 31, 1926	A-6	1,124,475.56
Dec. 31, 1927	A-7	1,124,475.56
Dec. 31, 1928	A-8	1,124,475.56
Dec. 31, 1929	A-9	1,124,475.56
Dec. 31, 1930	A-10	1,124,475.56
Dec. 31, 1931	A-11	1,124,475.56
Dec. 31, 1932	A-12	1,124,475.56
Dec. 31, 1933	A-12	1,124,475.56
Total		13,493,706.72

4. Were securities sold?—Yes; to M. G. Chace Co.
Price, $2,940,000.
When, March 20, 1922.
Where, Washington, D. C.

5. Give dates when contracts were made and ships delivered. Contracts for sale of vessels dated April 12, 1920. Vessels were delivered to Swiftsure Oil Transport (Inc.) as follows:

Swiftarrow, 12,000 tons, February 10, 1921.
Swifteagle, 12,000 tons, April 30, 1921.
Swiftlight, 12,000 tons, December 28, 1921.
Swiftscout, 12,000 tons, March 31, 1921.
Swiftstar, 12,000 tons, February 26, 1921.
Swiftsure, 12,000 tons, January 17, 1921.
Swiftwind, 12,000 tons, June 30, 1921.

Total cost to Government		$17,565,733.59
Lump-sum cost		16,800,000.00
Interest figured as agreed upon to Dec. 31, 1921		432,808.22
Insurance on six vessels from Aug. 3, to Dec. 31, 1921		100,898.50
Marine insurance, Dec. 31, 1921, to Mar. 20, 1922		92,394.23
For changes and extras on seven vessels		134,132.64
For overhead expenses from Apr. 13, 1920, to Dec. 31, 1921, as per contract dated Apr. 12, 1920	$10,000.00	
Less cash payment	4,500.00	
		5,500.00
Total		17,565,733.59
Total amount realized by Government		6,780,000.00
Cash paid by Swiftsure Oil Transport (Inc.) on vessels ($46 per ton)		3,840,000.00
Cash received from sale of securities to M. G. Chace Co. ($34.50 per ton)		2,940,000.00
84,000 tons ($80.70 per ton)		6,780,000.00

For your information I wish to state that there are open accounts receivable items standing on the books of the corporation against Swiftsure Oil Transport (Inc.) which are not included in the sales price covered by notes and mortgages but which have been included in the total cost to the Government.

For changes and extras on 7 vessels		$134,132.64
For overhead expenses from Apr. 13, 1920, to Dec. 31, 1921, as per contract dated Apr. 12, 1920	$10,000	
Less cash paid	4,500	
		5,500.00
For marine insurance from Dec. 31, 1921, to Mar. 20, 1922		92,394.23
Total		232,026.87

In connection with the total amount realized by the Government, it should be borne in mind that the Northwest Steel Co. released the Fleet Corporation from all claims arising out of the suspension and cancellation of six vessels previously contracted for, when the contract for these seven tankers for Swiftsure Oil Transport (Inc.) was signed. The Ship Construction Division estimated this claim on account of cancellation to be approximately $2,690,700, or about $50.96 per ton.

Cash	$80.70
Claim	50.96
Per ton total	131.66

Through oversight of the staff of prior boards, the Swiftsure Co. had not carried out the contract obligations to give to the board the mortgage security on all of the vessels contracted to be purchased which it was contracted the board should have, and without which the Government might suffer total loss.

After several months' effort by the present board, on December 13, 1921, a preferred mortgage was finally executed covering all of the vessels, and notes secured by the preferred mortgage were received by the Shipping Board in performance of the obligation theretofore undertaken by the Swiftsure Oil Transport (Inc.). By the time the belated notes were received, the Swiftsure Co. was already on the verge of complete financial disintegration, and its statement reflected its bankrupt condition.

* * * * * * *

When the present administration of the Shipping Board took office, one of the biggest problems it had to study for a possible solution was that of the so-called "pioneer ship purchasers"—meaning buyers of Shipping Board tonnage at prices ranging from $180 to $225 per ton, who had purchased this tonnage by giving notes secured, in most instances, with mortgages for deferred payments falling due at intervals over a period of years, and all notes bearing interest at 5 per cent per annum.

Most of these "pioneer purchasers" were in arrears on both principal and interest. Some had paid nothing; others had paid varying amounts from 2½ per cent of the total purchase price to 25 per cent thereof, giving notes or contracts of conditional sale for the balance.

Efforts on the part of the board to collect past-due and current amounts due, of either principal or interest, were met universally with the unqualified statements from over 70 of this class of ship purchasers that, owing to the drop in the shipping business and world values for tonnage, they would be ruined and forced into bankruptcy if required to make payments, in whole or in part, on the basis of the contract terms of purchase, which were inflated war prices. A thorough investigation of the financial position of each of these "pioneer purchasers" proved their statements to be correct in most instances.

After months of exhaustive study of this subject, and with full realization of its importance to the development of the American merchant marine, and after a further study of the legal powers and limitations of the Shipping Board in dealing with this situation, the board reached the conclusion that, in view of the generally insolvent condition of these purchasers, it would be impossible to collect the face value of its notes by any ordinary means, and that legal procedure to effect collection would result not only in wrecking these companies, on whom the American merchant marine must depend in large measure for its nucleus, but also in the recovery by the board only of its collateral behind the notes, which was the ships for which there was no market, especially in view of the enormous stock of idle ships already held by the board, and of which it was able to dispose of substantially none.

In view of the above, the board resolved to treat all "pioneer purchasers" as nearly alike as their individual situations would permit by offering for public sale, through advertising methods legally prescribed, these securities, with the predetermined estimate that their realizable return to the United States should be as nearly as possible the current market value of the collateral behind the securities—to wit, the vessels themselves. By this process it was thought and hoped that buyers at least friendly to the "pioneer purchasers" would in each instance be the inchoate holders of the securities. Without exception, this has proven to be the case. At the same time, the board believes that it has met in a practical manner the mandate of Congress to liquidate promptly and to the best possible advantage the assets held by the board for the United States, thus serving in each case the best interests of the United States.

In the process of carrying out this policy, and in the absence of sufficient sales of ships—almost none, in fact—to adequately determine "current market price," the board fixed such "current market price" in each instance to the best of its ability, having in mind, among other conditions, all the conditions to be considered by the board, as specifically set out in section 5 of the merchant marine act, 1920.

This procedure was adopted in every case, with uniformly satisfactory results. One of the important cases was the Swiftsure Oil Transport (Inc.). Using the same methods of determining values, the notes of this company were sold to the only bidder, M. G. Chace Co., for $2,940,000 cash, which equals $35 per ton. This amount was much higher than the original bid of M. G. Chace Co., and was only secured after long negotiations. There was then, and has been since, no real market for tankers, as evidenced by the sale, during 18 months of earnest effort, of only six tankers at $45 per ton, most of which were sold long after the settlement was made of the Swiftsure Oil Transport (Inc.) case, involving seven tankers in one transaction.

By this settlement the United States has received a total of $85 per ton, and now has left 84 tankers which it can not sell at $45 per ton.

Subsequent to this settlement which was made, owing to the precarious financial condition of the Swiftsure Oil Transport (Inc.), the company went into bankruptcy, indicating that either the conditions of settlement were too severe or that some subsequent event precipitated the position which was threatened previously. In either event the board's action resulted in the payment to the United States of $2,940,000 cash which could then have been obtained in no other manner, and, at best, failing this settlement the United States would have received seven tankers to add to its large idle stock of 84 unmarketable tankers, and then only after lengthy and expensive litigation in bankruptcy courts and other courts.

In addition to the financial benefits accruing to the United States by this and all other similar settlements of "pioneer purchasers," the companies involved have been maintained as going shipping concerns, and the ships affected have been kept on the seas under the American flag.

Respectfully,

A. D. LASKER, *Chairman.*

PETITIONS.

The PRESIDENT pro tempore laid before the Senate a resolution adopted by a meeting of the Foundry Equipment Manufacturers' Association, at Cleveland, Ohio, favoring amendment of the immigration laws so as to provide for admission into the United States of skilled and unskilled laborers, which was referred to the Committee on Immigration.

Mr. LADD presented a petition of 43 citizens of Anamoose and vicinity, in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

Mr. NELSON presented a petition of sundry citizens of Albany and Richmond, both in the State of Minnesota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

He also presented a petition, numerously signed by members of the Women's City Club, of New York, N. Y., praying an amendment of the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

ENLARGEMENT OF THE BOTANIC GARDEN.

Mr. BAYARD. Mr. President, I ask unanimous consent to have printed in the RECORD and referred to the Committee on the Library resolutions adopted by the Garden Club of Wilmington, Del., favoring the passage of legislation to increase the area of the United States Botanic Garden in the city of Washington.

There being no objection, the resolutions were referred to the Committee on the Library and ordered to be printed in the RECORD, as follows:

THE GARDEN CLUB OF WILMINGTON, DEL.

Whereas Senate bill No. 4485 and House bill No. 2166 are now pending before Congress; and

Whereas the Garden Club of Wilmington, Del., is deeply interested therein;

Resolved, That we approve the passage of Senate bill No. 4485 and disapprove the passage of House bill No. 2166; and further be it

Resolved, That copies of this resolution be forwarded to our two Senators and Representatives with the request that it be read into the CONGRESSIONAL RECORD.

MARGARETTA FERRIDAY BARTON
(Mrs. C. Marshall Barton),
President.

Attest:

MARY G. BANCROFT
(Mrs. Henry Bancroft),
Secretary.

REPORTS OF COMMITTEES.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 263) to authorize the Secretary of Agriculture to accept membership for the United States in the Permanent Association of the International Road Congresses, reported it without amendment.

Mr. NEW, from the Committee on Territories and Insular Possessions, to which was referred the bill (S. 4309) to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921, reported it with amendments and submitted a report (No. 1005) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 4327) for the relief of Austin G. Tainter; to the Committee on Claims.

By Mr. ODDIE:

A bill (S. 4328) granting a pension to Andrew J. Burke; and

A bill (S. 4329) granting a pension to Katie F. Cross; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 4330) granting an increase of pension to Eloise Wilkinson; and

A bill (S. 4331) granting an increase of pension to Cordelia F. McInroe; to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 4332) to amend an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920; to the Committee on Military Affairs.

NAVAL STORES TRAFFIC.

Mr. HARRISON submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 1076) establishing standard grades of naval stores, preventing deception in transactions in naval stores, regulating traffic therein, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

PUBLIC-SCHOOL BUILDING AT FIFTH AND RITTENHOUSE STREETS.

Mr. ODDIE. Mr. President, I submit an amendment intended to be proposed by me to the District of Columbia appropriation bill for the acquisition of a site for a public school near Fifth and Rittenhouse Streets NW. In doing so I call especial attention of the Committee on Appropriations to the fact that this site is recommended by the Board of Education and the District Commissioners. I introduced a similar amendment last session, but it was not acted on, notwithstanding a favorable report from the District Commissioners. In this connection I present for insertion in the RECORD and reference to the Appropriations Committee a statement explaining the need of this school, which was called to the attention of the House Committee on Appropriations but which was not acted

on. In view of the serious shortage in school buildings in this city, I hope the committee will give favorable consideration to this amendment.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

STATEMENT OF ERNEST H. PULLMAN.
RITTENHOUSE STREET SCHOOL.

201 SHERIDAN STREET NW.,
Washington, D. C., December 28, 1922.

To the HOUSE COMMITTEE ON APPROPRIATIONS:

I desire to urge inclusion in the District of Columbia appropriation bill an appropriation of $30,000 for the acquisition of a site for a public school at Fifth and Rittenhouse Streets NW. This item was recommended by the Board of Education and the District Commissioners but eliminated by the Budget Bureau.

There are many compelling reasons for a school in this territory. Dr. T. T. Read, of the Bureau of Mines, living at 300 Rittenhouse Street, first suggested a school in this territory. Last year I urged an appropriation for the school, but the House Committee on Appropriations declined to consider the matter. Senator ODDIE, of Nevada, introduced an amendment to the District bill authorizing this school, but it was not acted on, notwithstanding it was indorsed by the District Commissioners, as per letter in the files of the Senate Committee on Appropriations.

This school is desired for one of the new rapidly developing residential sections of the city, in which the detached-type dwelling predominates under the zoning law. It is rapidly filling up with residences, and unless a site for the school is soon acquired condemnation proceedings will be necessary, as has been the case in other sections, particularly in Petworth, where a church was condemned for school purposes.

Two sites on Rittenhouse Street which were offered to the school authorities 18 months ago have since been utilized for residence construction.

The proposed school will relieve the congestion now prevailing at the Takoma and Brightwood Schools and permit Maryland pupils near the District line to attend the latter schools instead of requiring them to attend schools down town as is being done this school term.

School pupils living in the Rittenhouse Street territory are largely in the lower grades, and because of the distance to present schools are required to walk a mile or more to the Takoma or Brightwood Schools, subject to the risk of traffic over poorly improved roads. The committee is respectfully referred to testimony on this point given by the school authorities before your committee last year. The new school will accommodate the score or more of young children being cared for by the Methodist Home for Children at Second and Rittenhouse Streets, in addition to the children of others living in the community, who are now required to brave the elements and dangers of traffic in attending the more distant schools. In the case of children in school the full day, the distance prevents them from going home at midday, requiring them to eat cold lunches, and in winter going home at almost dark, which is too long an absence from home for young children. These pupils should have closer school facilities.

It is unnecessary to point out that the residents of this and other suburban communities pay the same rate of taxes as those in the more thickly settled settlements, and that they are entitled to school and other facilities as city residents.

It is also unnecessary to point out that there is justification for the committee in inserting items in the bill not estimated for by the Budget, as there have been several instances where the committee has included items not carried in the Budget, notably the funds this year under the maternity law Certainly needed school improvements should be considered in this connection.

Yours very truly, ERNEST H. PULLMAN.

The amendment, which proposes to appropriate $30,000 for the purchase of a site on which to locate an eight-room extensible public school in the vicinity of Fifth and Rittenhouse Streets NW., was referred to the Committee on Appropriations and ordered to be printed.

ADDITIONAL CLERK FOR COMMITTEE ON MILITARY AFFAIRS.

Mr. WADSWORTH submitted the following resolution (S. Res. 403), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution 340, agreed to September 18, 1922, authorizing the Committee on Military Affairs to continue the employment of an additional clerk, payable out of the contingent fund, until the end of the present Congress, be, and the same hereby is, further continued in full force and effect until the end of the Sixty-eighth Congress.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT.

Mr. SMOOT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 10, 11, 12, 13, 16, 17, 18, 19, 24, 25, 29, 32, 34, 35, 38, 41, 43, and 47.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 14, 15, 20, 21, 22, 23, 27, 33, 44, 46, 50, 51, 52, 54, and 56, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$11,730"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$19,230"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$365,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That not to exceed $50,000 of this appropriation may be used for surveys and resurveys under the rectangular system provided by law of public lands deemed to be valuable for oil and oil shale."; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$280,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$1,670,190"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: On page 97 of the bill, in line 4, strike out "$1,727,700" and insert "$1,769,700"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$225,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$35,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$73,000, including not exceeding $38,000 for completion of the widening of the Nisqually entrance to Paradise Valley Road"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$97,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 1, 2, 30, 31, 36, 37, and 53.

REED SMOOT,
CHARLES CURTIS,
WILLIAM J. HARRIS,
Managers on the part of the Senate.

LOUIS C. CRAMTON,
BURTON L. FRENCH,
C. D. CARTER,
Managers on the part of the House.

Mr. SMOOT. I ask that the conference report be agreed to, as far as there has been agreement on the amendments.

Mr. UNDERWOOD. Do I understand the Senator to state that this is a final report?

Mr. SMOOT. No; it is not a final report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

NEW JERSEY SHIPBUILDING & DREDGING CO.

Mr. CALDER. Mr. President, on last Monday the Senate passed the bill (S. 3515) for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J. The senior Senator from Utah [Mr. SMOOT] subsequently entered a motion to reconsider the vote by which the bill was passed. I understand that he does not desire to press the motion; and as the Senator is now present, I should like to know if he will withdraw the motion at this time?

Mr. SMOOT. I have no objection at all to doing so.

Mr. UNDERWOOD. Will the Senator from New York inform us as to the nature of the bill?

Mr. CALDER. The bill is for the relief of the New Jersey Shipbuilding & Dredging Co., to reimburse them for a dredge which was sunk by a Government vessel. The bill was debated at length and passed, but the Senator from Utah later entered a motion to reconsider the vote by which that action was taken.

Mr. SMOOT. As the bill now stands, it merely proposes to reimburse the owners for damage to the boat?

Mr. CALDER. That is all.

Mr. SMOOT. And does not provide any compensation for the number of days during which the boat was laid up?

Mr. CALDER. No.

The PRESIDENT pro tempore. The motion to reconsider having been withdrawn, the bill stands passed.

TAXATION OF NATIONAL BANKS.

Mr. POMERENE. Mr. President, I have a short editorial from the New York World of this morning bearing upon the proposed legislation now on the calendar having for its purpose the validating of certain illegal taxes levied against national banks. I ask unanimous consent to have it incorporated in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[New York World, January 12, 1923.]

CONGRESS AND THE BANK-TAX MUDDLE.

We do not know why Representative OGDEN MILLS and other complainants should be taking the bank-tax troubles of this State to Washington. The place for them to go to is Albany.

Congress can not well do better than it has done under a law passed nearly 60 years ago. This law permits the States to tax national-bank shares as personal property to the owner but the rate of tax must not be higher than on other banking capital. So this State for years has had a tax of 1 per cent on the book value of shares in all banks, national or State, and it has continued this tax after all other intangible personal property has been exempted from the old tax.

Then came the State income tax to make good the loss of revenue from prohibition's conversion of the excise taxes into profits for bootleggers, and this is the cause of the whole mischief. The 1 per cent tax on bank shares was continued and income from the shares was taxed additionally. But private or unincorporated banks are taxed on income alone, and not over 3 per cent, which is, of course, a very much lower tax than 1 per cent on the capitalized value of income. This is a clear discrimination in favor of some moneyed or banking capital against that of the national banks in New York State. Those banks object, and why should they not? And they have won in the recent decision of the court of appeals.

What would Mr. MILLS and the others have Congress do? Validate the discrimination? Congress should not and never will do it, and if it did the Supreme Court would have something to say. The thing to do is to end the discrimination, and that is a job for Albany, not Washington. Congress can pertinently be appealed to on this score for such a liberalization of the Volstead law as will restore to this and other States similarly situated some part at least of their old excise revenues. But how otherwise?

CLAIMS OF NORWEGIAN SUBJECTS (S. DOC. NO. 288).

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith a report of the Secretary of State respecting the arbitration of claims of Norwegian subjects against the United States arising out of requisitions by the United States Shipping Board Emergency Fleet Corporation requesting that I recommend that an appropriation be made to satisfy the award rendered by the arbitral tribunal against the United States, with interest to date of payment, and that in making the appropriation authorization be granted to withhold from the total amount of the award the sum of $22,800 with which to pay the claim of Page Brothers, American citizens, mentioned in the agreement of June 30, 1921, and in the award of the tribunal.

I recommend that in order to effect prompt satisfaction of the award made by the arbitral tribunal the Congress authorize the requisite appropriation.

A copy of the award is attached hereto.

WARREN G. HARDING.

THE WHITE HOUSE, *January 12, 1923.*

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Mr. JONES of Washington. Mr. President, I have had handed to me by the Secretary of the Senate a telegram giving a copy of a senate joint memorial adopted by the Washington State Legislature relating to the need of the appropriation for seed wheat in certain sections of Washington, which was put on the pending agricultural appropriation bill yesterday. I ask that the telegram may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The telegram is as follows:

OLYMPIA, WASH., *January 12, 1923.*

SECRETARY OF THE SENATE,
Washington, D. C.:

I herewith transmit senate joint memorial from the Washington Legislature.

To the honorable Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the senate and house of representatives of the State of Washington, in legislative session assembled respectfully represent as follows:

Whereas a large area in the State of Washington which constitutes one of the largest wheat-growing districts of said State; and

Whereas the annual yield of wheat in this district has averaged 20 bushels per acre; and

Whereas by reason of drought there has been a failure of crop; and

Whereas the bankers, dealers, millers, and business interests in the district have from time to time during said drought period advanced loans to the farmers to provide seed wheat; and

Whereas said credit is now exhausted; and

Whereas the moisture in said district during the past few months has been sufficient to justify the belief that the season of 1923 will bring a normal crop; and

Whereas there are approximately 300,000 acres in said drought-stricken district that are ready for seeding, but which the owners will be unable to crop unless they are extended help to provide seed; and

Whereas said assistance must be available during the month of January, 1923, or it will be too late to make a crop this season:

Now, therefore, your memorialists respectfully petition that the Congress of the United States appropriate the sum of $500,000 for immediate relief of the wheat growers in the said drought-stricken district. And your memorialists will ever pray.

VICTOR ZEDWICK,
Secretary of the Senate.

The PRESIDENT pro tempore. The Chair desires to ask the Senator from Alabama [Mr. HEFLIN] whether he regards as pending the amendment which is shown in the record of yesterday's proceedings as having been presented by him? There is some confusion in the record with regard to the matter.

Mr. HEFLIN. I desire to discuss the amendment before a point of order is made against it. I sent it to the Secretary's desk yesterday for the purpose of giving notice to the Senate that I would offer it in connection with the amendment then pending. I did not want to have it construed as pending so that a point of order could be made against it at that time. I stated that I wanted to present it this morning and discuss it. My understanding was that we were going to take a recess then, as we did, and I am now ready to present it.

The PRESIDENT pro tempore. The Chair desired to be informed in regard to the matter, and will assume that the amendment is not pending.

Mr. LODGE. Is not the amendment of the Senator from Alabama pending?

The PRESIDENT pro tempore. The Chair is of the opinion, based on the record as it appears, that the amendment has not been offered and is not pending.

Mr. LODGE. I thought the Senator from Alabama just offered it.

The PRESIDENT pro tempore. The Senator from Alabama has not yet offered it. The Chair will now recognize the Senator from Alabama.

Mr. HEFLIN. Mr. President, the Agricultural appropriation bill is now under consideration by the Senate. The item that has long been contained in the bill for the distribution of choice field and garden seeds has been stricken out. The Budget Bureau made no estimate for it. When the bill was under consideration in the House of Representatives the item was put in the bill in Committee of the Whole, but when the committee rose and the seed-distribution amendment came up in the House proper a point of order was made against it, and the Chair sustained the point of order. An appeal was then taken from the decision of the Chair, and the matter was disposed of on motion to table the appeal, I believe.

Now, Mr. President, we are in this situation: The House of Representatives, with a large majority of Members who favor this item, have been so tied and bound by the rules of that body and by the action of the Budget Bureau that it has been unable to get what its Members desired for their people back home. That is the situation. I talked with Members of the House on yesterday, who told me that a considerable majority of the Members of the House were in favor of the seed-distribution item.

Mr. President, when the bill came to the Senate the Appropriations Committee having the measure in charge failed to incorporate in it the item for the usual distribution of seeds. A year ago the same situation existed. The Senate then put back in the bill this item which had been left out, and I am hoping that the Senate will pursue the same course to-day.

I presume a point of order will be made against the amendment. The Senator from Massachusetts [Mr. LODGE] last evening indicated an enthusiastic willingness to make the point of order against the amendment. I could not help being reminded of the Senator's conduct on yesterday morning when he appeared before the Committee on Agriculture and asked for an increase in the appropriation to exterminate the corn borer in New England. How placid and how mild-mannered and kind-hearted he was when he was appealing to our committee to come to the rescue of the corn producers of his section, and when we generously agreed to recommend the additional appropriation asked for, how the Senator bowed and smiled most graciously; but after he had obtained what he wanted in the bill and came back upon the floor of the Senate when some of us asked that thousands of farmers in the United States, including the farmers of New England, should have the benefit of the distribution of choice field and garden seeds, thereby introducing many different varieties of seed in the various communities of the country, the Senator was ready to make the point of order and deny our request. I was reminded of what happened to me once when I practiced law more than 20 years ago. I was defending a man in the circuit court in my home county.

I talked to a character witness who had many favorable things to say about my client. He impressed me so favorably that I decided I would put him on the witness stand. When, however, I called him to the stand to testify in behalf of my client, to my utter surprise and amazement he testified that he would not believe him under oath and that his general character was bad. I was so dumbfounded that I said to him, "Do you not remember having a conversation with me in front of the courthouse this morning, and you said to me that he was a man of good character and that you would believe him on his oath?" He replied, "Yes, squire; I recall that, but the situation is different. I was talking then, and I am swearing now." [Laughter.] So the Senator from Massachusetts displayed to us the generous and gracious side of his nature when he was asking for aid to crush the poor little corn borer in New England; but when some of us ask for an appropriation to provide for the distribution of seed throughout the South, to the cotton-factory towns, where the children do not have the garden facilities that are available to some in other sections and are not able to buy seed as some others are, where the seed may be distributed and be the means of enabling the planting of gardens in their communities, the Senator from Massachusetts changes his attitude altogether and evinces a disposition to strike the whole thing down.

Mr. President, I do not believe, in the first place, that the amendment is subject to a point of order, because the same provision is existing law. It is in the last Agricultural appropriation bill. The amendment does not propose to change the law. It may be out of date under a Republican administration to do so, but I am going to take the position that the Senate of the United States is at liberty to do what it pleases regarding an appropriation that affects the welfare of the people of this country.

I take the position that the House has a right to do that. I am aware of the fact that Congress has surrendered many of its rights under the Budget rule set up by the Republican Congress. We wanted a Budget arrangement made, but we did not expect, Mr. President, to surrender all the rights of Congress. We expected to have a kind of auditing committee to help hold appropriations down, but we did not propose to set up an all-powerful bureau and give to it power greater than that of the people's Congress. Yet that has been done by a Republican Congress.

What are we doing now? We are submitting to the estimates made by the Budget Bureau, no official of which ever had any experience in agricultural matters. There is not a thing in the history of any one of the officials of that bureau which indicates that he knows anything about agriculture. Then, I submit to the Senate, what right has one of those men or all of them to tell Senators from the agricultural sections of the country that they shall have or shall not have a certain item in the Agricultural appropriation bill?

I have been looking in "Who's Who" to find out of whom this Budget Bureau is composed. I find that General Lord was born in Rockland, Me., and that he is a member of the Army and Navy Club. That well fits him for understanding the needs of agriculture in the South and West. Another one of them was born in Ohio; and another one in Iowa; and all of them, I believe, are members of some club—the Metropolitan Club here, or some other club. The other four members are not even listed in "Who's Who." I submit that that would be a very convincing argument among the farmers of the United States—to tell them that a Budget Bureau was composed of men of such peculiar qualifications to pass on matters of this kind. That would be a very convincing argument to them.

Mr. President, I find that this Budget Bureau is not so cheeseparing in some matters as with regard to agriculture. I find that this Budget Bureau was good enough to provide for an increase in the appropriation for the Navy. Do Senators catch the full significance of that? A disarmament conference, assembled in this city not long ago, pledged this Government to a reduction of war armaments of every kind, and pointed out the necessity of cutting down expenses in connection with providing war implements. Here is an appropriation flying in the face of those recommendations, flying in the face of the plighted faith of this Government, and the appropriation in time of peace, when we are at peace with the world, is larger than it was a year ago, and I have not heard one word of condemnation from the Budget Bureau for its conduct in this regard. Is this Budget Bureau to become a biased or partial concern or instrumentality to dole out favors to certain interests in the country? Can it be that those who make money out of building battleships and furnishing material to go into battleships are more powerful with the Budget Bureau than the millions of farmers in distress in the South and West?

Who was it that was present when this Budget Bureau made up the estimates for the naval appropriation bill? Who was it that was so powerful that they persuaded that bureau to put in an increased amount for naval affairs? Who was it that was present when they were induced to cut the Agricultural appropriation bill $6,000,000?

Mr. President, they have stricken down some of the most important and essential agencies in the field of agriculture. They have stricken them out—these members of the various clubs in the city of Washington, these members who know absolutely nothing about dirt farming, who know nothing about the needs of the people out yonder, struggling to live under the deadly influence of a deflation conducted by the Republican Party.

"Oh," they say, "we will strike it out"; and I find here that Doctor Sawyer has been a constant adviser of the Budget Bureau. Now, think of that! What does Doctor Sawyer know about agricultural affairs? What does he know about the necessity for distributing choice field and garden seeds in the South? Why, he does not know anything about it.

The people of the United States will not submit to having these affairs run by a few high-brow, narrow-visioned men.

Mr. TOWNSEND. Mr. President, I do not want to interrupt the Senator, but may I make a statement? The Senator spoke about Doctor Sawyer knowing nothing about farming. Doctor Sawyer owns and lives upon a very large farm which he operates himself, or which is operated under his direction, at Marion, Ohio—White Oak Farm.

Mr. HEFLIN. What does he produce?

Mr. TOWNSEND. Every kind of thing that can be grown in that locality. He runs it in connection with his sanitarium there.

Mr. HEFLIN. Mr. President, I am glad to hear that. I pause for other Republican Senators to tell me what experience the members of the Budget Bureau have had with regard to farming. I mentioned Doctor Sawyer incidentally, because the report showed that he had been there hobnobbing with the bureau. He might have been after an additional appropriation to fight the corn borer of Ohio, as the Senator from Massachusetts was for his section of the country.

The Senator from Ohio [Mr. WILLIS] appeared before our committee and made a splendid speech in favor of an additional appropriation for the corn borer, and I dare say that is just what Doctor Sawyer was doing there—trying to get an additional appropriation to fight the corn borer. His interest in the corn borer has evidently called him to the Budget Bureau's sessions. What does he know about cotton, sugar cane, and sweet potatoes?

Now, I want somebody on the other side to tell me what the members of the Budget Bureau know about farming—about agriculture in any form. I am willing to yield to any Senator to tell me what qualifications the chairman of that bureau has, or his assistants have, to tell Senators from the South and West what should be done regarding agriculture. I pause for a reply. I do not get any reply. There is not a Senator over there who can tell me any reason why these men should have this power. There is not one of them there who can tell that a single one of them ever had any experience in farming or knows anything on earth about farming.

Mr. President, I submit that it is wrong—it is outrageous—to appoint a Budget Bureau composed of men who are friendly to certain big interests and who smilingly approve increased appropriations for a Navy when the rank and file of the American

people are trying to get away from hateful war. You have here a bureau that will recommend the appropriation of additional sums for that purpose, and yet agriculture, the most peaceful industry of them all, the one which produces that which feeds and clothes the world, is to be kicked about, is to be denied a fair chance in the struggle for existence, while these special interests can be taken care of.

Let me read to the Senate briefly from a list of appropriation bills that have been passed:

Navy, an increase over a year ago.
State Department and Department of Justice, an increase over a year ago.
Department of Commerce, an increase over a year ago.
Post Office Department, an increase over a year ago.
Agriculture, a decrease of $6,000,000.

Mr. President, agriculture is already suffering more than any other industry in the country. Who increased these other appropriations and cut down agriculture? Why, the Budget Bureau. Has it any farmers on it? Not one. Has it any man on it who has any knowledge of agriculture? Not one, so far as I know. I have turned to the Republican side of this Chamber and I have challenged any one of them to tell me if he knows of any experience that any one of them has had that would equip him for the work of passing on appropriation bills affecting the agriculture of the United States, and not a Senator there can rise and give such information.

Mr. President, I submit that it is an outrage on the millions of farmers in the North, East, West, and South to have a Budget Bureau composed of men who are hostile to agriculture. It may be out of ignorance—I do not know—or lack of information on these matters, but we ought not to be made to suffer for that.

Oh, Mr. President, if the American people knew how little by little the rights of the people are being surrendered to the special interests of this country they would be alarmed about what is going on here. Could there be a more ugly piece of testimony showing the centralization of power than a Budget Bureau with authority to fix an item in an appropriation bill and to override the will of a majority of 435 Members of the House, coming up from all over the country? That is what you have. Every Member of the House will tell you that under the rule and under the law as you have fixed it the House were bound and tied and could not vote on the question of whether or not they would have seed for distribution as formerly. That question was not permitted to be put to the body. They were not allowed to vote on it.

Why do I say that? An amendment was put on in Committee of the Whole, and the House showed that it favored this item. It voted it in; and when the bill got back in the House the same amendment was presented, and a point of order was made against it, and the idea prevailed that the Budget Bureau and the ruling of the Chair must be sustained. That was the issue, and not the issue as to whether they should have seed. Any Member of the House will tell you that they have not yet had an opportunity to vote on whether or not they would have seed distribution, and yet a majority in the House want seed. How are you going to answer an argument like that? That is what I want to know. There is no denying the fact that the House has been shorn of its power.

What is Congress for? Why pay 435 Members to represent the American people in the other branch of Congress if you are going to have a Budget Bureau of seven men to sit in judgment in these matters and override their will? If you are going to make laws to conform to the will of seven men instead of doing that which the American people want done—this is their Government—you ought to change the rules and let this Budget Bureau do certain things but not give it the power that it has.

I will tell you what ought to be done with it, Mr. President. The Agricultural Committee, of which I am a member, ought to have the right to make up its own bill and then submit the whole bill as made up to the Budget Bureau, or invite the Budget Bureau, at least, to come down to the Agricultural Committee. I am in favor of that. They are getting so big that they will want Congress to come up there. I want to bring them down in the Committee on Agriculture and Forestry and say to them: "We have provided an appropriation of $40,000,000," or whatever it is, "and we have gone over all the items, we have heard the testimony, and we believe this amount is necessary. Now, what have you to say about it? Have you any testimony contrary to that that we have had? We shall be glad to hear you," and then let us decide whether we will accept the judgment of the Budget Bureau or not.

That is not the way you do it. You have taken away from us the right to make up the bill. We have nothing to do with it, and the Budget Bureau tells us what we can have, and from its judgment there is no appeal. Do you think the American people are going to stand for that? Not long.

Mr. President, that Budget Bureau can be made very useful, and I am in favor of fixing it so that it will be useful; but I am not going to sit silent, coming from an agricultural section, and permit men in a Budget Bureau, who do not know anything about agriculture, under conditions where nobody in the Senate can say that either one of them is fitted from his knowledge of agriculture to pass on agricultural matters, to send a proclamation to the Senate stating "you can have this much and no more." I do not intend to submit to it. It is right and proper that we should have these items go in which are needed by the agricultural interests of the country.

Take the case of the Senator from Massachusetts [Mr. LODGE]. They had not provided for the corn borer, and yet the Senator from Massachusetts and the Senator from Ohio [Mr. WILLIS] convinced me that they really needed this additional money. The Budget Bureau had denied it, and but for our action in requesting it, and the unanimous consent granted in this Chamber, that proposition would not have been in order. Think of that, that we are so tied by the order of the Budget Bureau that the whole Senate is helpless unless unanimous consent can be had to permit somebody to get a favor. Then they close up the unanimous-consent business, and somebody rises and says, "I make a point of order against the other," and you put in the hands of one man, who makes a point of order, and the Chair, who may decide with him, the authority to determine the whole matter. That is wrong, Mr. President. It ought not to be the situation.

Mr. President, I understand that since the naval appropriation bill was passed, with an increase of a million and a half or two million over the last appropriation, it has been discovered that the officials neglected to put in an estimate of six million and a half dollars for some service in connection with the big guns to be used on the battleships and that the Budget Bureau is ready to make proper recommendations for that.

It is proper that these things should be emphasized. This Government ought to deal fairly with all classes. It ought to be absolutely fair to those who make money out of building big navies. It ought to be fair to those who make money by furnishing war implements of any kind. It ought to be fair to every legitimate interest in the country.

I have no hostility toward any legitimate institution in the country. I want every one of them to have a fair deal, but I am getting very weary of having special authority lodged in the hands of special agents or special interests to pass on matters that affect the whole people of the United States; and when I see those special agents doling out favors to one class of people and striking down another class, I think it is my duty to call attention to it and to protest against it, and that is what I am doing here to-day.

If I can, I want to make Senators see how measly is this effort to strike out $360,000 to buy choice field and garden seed to distribute among 110,000,000 people; how measly it is; yet you are getting ready to vote $50,000,000 subsidy to the Ship Trust. I suppose you want to deprive the little children who enjoy these flower seeds and the poor who enjoy the vegetables produced from these garden seed, in order to accumulate, little by little, the money that you want to bestow upon the Ship Trust.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER (Mr. SPENCER in the chair). Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I yield.

Mr. LENROOT. Did the Senator state that the House was denied an opportunity to vote upon this proposition?

Mr. HEFLIN. I said they were denied an opportunity to vote on the question of whether they would have seed or not. The vote was on an appeal from the Chair. The Chair had ruled that the matter was not in order.

Mr. LENROOT. Is it not a fact that the House, by a vote of more than 2 to 1, sustained the Chair in the ruling that it was not in order?

Mr. HEFLIN. Mr. President, I stated they sustained the Chair, and I stated day before yesterday that the Chair, in a way, in his ruling, appealed to the House to sustain his ruling, and I never heard of that being done before since I have been a Member of Congress, and I have not talked with anybody who does remember such an occasion, where the Speaker himself, a man from New England, far removed from the great grain-growing West, far removed from the cotton-producing South, ruled that an item was out of order, and appealing from the Speaker's chair to the Members to sustain the judgment of the Chair, and the judgment of the Chair was sustaining the action

of the Budget Bureau, no member of which has one scintilla of qualification to pass on agricultural matters.

Mr. LENROOT. Does the Senator state that the Speaker of the House made a speech asking the House to sustain his decision?

Mr. HEFLIN. I have been told by a very reputable and responsible Member of the House that in his ruling he made an appeal to the House to sustain him.

Mr. LENROOT. Has not the Senator read the ruling? Would the Senator make a statement of that kind without reading the ruling?

Mr. HEFLIN. Yes; I would if it were told me by certain Members of the House.

Mr. LENROOT. When the Senator has the RECORD before him, and could verify it if it were true?

Mr. HEFLIN. I will ask the Senator, since he has said that, if there is anything in the ruling that would substantiate the proposition that an appeal was at all made by the Speaker to the House in this matter?

Mr. LENROOT. There is nothing. The Speaker did not say one word following his ruling, "The Chair sustains the point of order." The RECORD is there. The Senator could have read it.

Mr. HEFLIN. I am talking about when the Chair was passing on the point of order. What did he say?

Mr. LENROOT. He passed on the merits of it, and held, of course, that it was not in order.

Mr. HEFLIN. And in that statement appealed to the Republican side to sustain his ruling, I have been told.

Mr. LENROOT. It seems to me that before making a statement of that kind concerning the Speaker of the House the Senator might have read the RECORD that was before him.

Mr. HEFLIN. Let me say that the Senator is not satisfied on that question yet.

Mr. LENROOT. I suggest that the Senator read the RECORD.

Mr. HEFLIN. The Senator will read it before he will admit that the Speaker did not make the appeal. I am not satisfied about it yet, because I believe that the Member of the House who heard him and told me that he made that appeal told the truth. I do not know whether the RECORD was changed after the ruling was made or not, but I am going to make a further inquiry into it. I do not make a statement on this floor unless I have reason for it, and I have not made one yet that has been disproved. I am not satisfied about this. I will look into it. Senators will hear from me again on this. I will not be switched off from this other matter now.

I have already commented on the Navy appropriation, and there is an increase in the appropriation for the Department of Justice. Here is the Department of Commerce with an increase; here is the Post Office Department with an increase. The State Department, which has to do with our foreign affairs, has had its appropriation increased.

The Department of Justice, which has been so severely criticized by Senators on this floor, has had its appropriation increased, and the Budget Bureau has acquiesced in it all; but when it came to doing something for the farmer, $6,000,000 are lopped off, and no good reason given for it. In the case of some of the items which we have looked into—one suggested by the Senator from Louisiana—it has been shown that the Budget Bureau was wrong and made a mistake in their ruling in the matter.

One item called attention to by the Senator from Louisiana [Mr. BROUSSARD] was the mosaic parasite, which injuriously affects sugar cane. We asked for $10,000 additional to fight that pest in Alabama, Georgia, Mississippi, Louisiana, and the other Southern States, and the Secretary of Agriculture and his advisers recommended that we have it. What happened? The Budget Bureau turned down the recommendation of the Secretary of Agriculture and his advisers. Then what happened? Every southern Senator was in favor of this item. The Members of the House from the South were in favor of it, and certain men from Iowa, Ohio, Maine, and elsewhere decided that the South should not have $10,000 additional to check a new pest that is making ravages in the cane fields of our section.

What happened then? We came to make inquiry, and what were we told? The Senator from Louisiana [Mr. RANSDELL] said that the Secretary, or somebody speaking for him, stated, "I am not at liberty to tell you what we recommended." Senators, think of a Cabinet officer saying, "I am not at liberty to tell you what we recommended. You will have to go to the Budget Bureau to find out what we recommended."

In better and brighter days a Member of the Senate could get the information he wanted from a Secretary who was free and unfettered, who would tell him what he knew, and do it gladly and fearlessly; but now you have tied the hands of the Secretary of Agriculture and so embarrassed him under the Budget bureaucracy that he declines to tell a United States Senator what he advised regarding a pest making ravages in that Senator's own State, and advises him to go to the bureaucracy of the Budget to find out what he had recommended. Oh, Mr. President, when the American people get onto this arrangement there is going to be a stir amongst them, and you are going to hear from them.

The Senator from Louisiana [Mr. BROUSSARD] did find out that the Secretary of Agriculture and his advisers had recommended this thing, and he was able to state on this floor that they had recomended it; yet with the whole South backing the proposition the Senator from Wisconsin rose in his place to make a point of order against the proposition, and it was about to go out. I believe the Chair made the ruling, though none of us heard it, that it was not in order.

What did we have to do because of these restrictions you have thrown around the Congress, because of these surrendered rights of the American people? We had to assemble the Committee on Agriculture again and recommend that $10,000, and come in and ask unanimous consent to be allowed to proceed, so that we could get that $10,000 for the cane producers of the United States. Does anybody think the American people are going to stand for such methods of procedure?

I stated before that there had been stricken out of the bill many very meritorious and important items. No reason was given for it. The agents in the field said, "We need the money"; the Agricultural Department said, "We need the money"; the Budget Bureau said, "You can not have it"; and the Republican Senate is voting to sustain the judgment of the Budget Bureau.

Mr. President, I want to say to my friends on the other side of the aisle that this treatment of the agricultural section of the country in refusing to permit these choice garden and field seeds to be sent is in very bad taste when we consider what they have done for the other departments of the Government. The distribution of seeds has become an institution in the country. For a long, long time these seeds have been distributed. Old men in the South and West, too old to do anything else much now, go to the post office in the springtime asking if they have any mail. The postmaster says, "No." They say, "Well, about this time of year I usually get a package of seed from the Government. I am getting too old to do anything else much now, so I make a little garden and I enjoy the garden, and my grandchildren all enjoy the vegetables produced from those seeds. Hasn't my package of seeds come yet?" "No; they have not come, Uncle Johnny." He comes back again the next day, and again. This is happening in the South and in the West. Finally the postmaster says, "Uncle Johnny, you will not get any seed this year. The Republican Congress has stricken out the item which carried a small appropriation for this purpose and you will get no more seed from the Government." Then Uncle Johnny will shake his head and say, "Well, that is about all I have been getting for the last two or three years from the Government while the Republicans were in power, just a little package of seed, and now they have taken that away. Why have they done that, Mr. Postmaster?"

The postmaster will say, "Well, they have to raise a lot of money. They are trying to pass a ship subsidy bill up there. Some of the ships that cost us $600,000 and $800,000 each are being sold to the Shipping Trust for $1,600 and $2,100, and the Shipping Trust is not satisfied with that. It wants the Government to pay it $50,000,000 a year to run the ships after being given to it, and the Government has got to get the money from somewhere and this $360,000 will help some. It is not much, but they have to get money wherever they can, so they have decided to take it from you and the children and the people generally in the agricultural section, in the little villages, in the towns, and in the rural districts of the country."

Mr. President, they have stricken this item that permitted us to send a few cuttings of vines of various kinds. I have seen some of the cotton factories in the South—in South Carolina, for instance—where they have planted these cuttings and the places where the boys and girls have to work looked like a school yard, with flowers blooming and vines creeping up along the walls of the factory buildings. They had robbed the buildings of a look of despair and gloom and nakedness which they had in the old days. They were making these places attractive. Flowers bloomed about the factory, vines trailed up the walls, and that was one good that this small appropriation did.

Not only that, but we used to send the seed to the schools in the West and South and the community schools, where four or five communities would send their children to one big school, and where they would use the cuttings and flower seeds to make the school yard and school building and whole surround-

ings more attractive. Now, some Senators on the other side of the Chamber are ready to make a point of order to prevent the sending out of any of the cuttings or any of the little vines or any of the seed that have given so much pleasure in the days that are gone.

Mr. President, when I see Senators over on the other side of the aisle vote to increase the naval appropriation bill, the Department of Commerce appropriation bill, and the Department of Justice appropriation bill, and then striking down agriculture in this way, already on the toboggan slide, already stricken and wounded sore, I think of the story that the beloved and lamented Senator Bob Taylor used to tell about the widower who had one son 8 years old. The widower married again, and by the second wife he had two or three boys. In the fall time when the weather got cold he went to town to buy some shoes for all of them. He brought back nice, warm, comfortable soft shoes for the children by the second wife, but the boy by the first wife was having a hard time. He brought him a pair of rough brogan shoes. The boy put them on and sat looking at the fireplace and the tears gathered in his eyes. His father said, "What is the matter?" He said, "They hurt me." He said, "Don't they fit?" "Yes; they fit, but they hurt me," he said, with a sob. "Where do they hurt you?" He said, "They hurt me in here," pointing to his heart.

Mr. President, it is enough to touch the sympathy of those who have sympathy to see how agriculture is treated by the Republican Senate and the Republican House. Here is one little item, not quite one-half of $1,000,000, which is proposed to be eliminated, and yet twenty-odd million dollars were appropriated to buy seed and vines and anything else wanted in Russia for a people far across the sea. But the $360,000 is going to be struck out because the Budget Bureau does not want us to have it.

As to the naval appropriation bill, the Steel Trust said "increase it," and it was increased. I asked the Senator in charge of the naval appropriation bill on the floor whether the amount was larger this year than last year and he said it was larger. I assert to-day that the agricultural appropriation bill is crippled by the taking out of it, without rime or reason, of $6,000,000. Those of us who come from the agricultural sections where the boll weevil has worked so much ruin, where deflation has destroyed the prosperity of the people and bound them in the bondage of the mortgage, feel as did the little boy—it hurts us in our hearts to see Republican Senators standing here and fighting to strike out a little item of $360,000.

Mr. President, I have gone through my State and I have often stopped at the homes of farmers. They would say, "Come in and have dinner. We have some vegetables produced from the seed you sent out. They are fine. The neighbors are all bragging about them." Mr. President, it gives them a little comfort. I appeal to Republican Senators to allow us to continue to enjoy that little measure of comfort. We have sent out a few of the flower seed. I have seen the flowers blooming by the roadside, in yards about the houses of humble surroundings. I have scented their fragrance as they cheered the inmates of that humble home. But now I see a concerted drive here to strike out the appropriation for that purpose, and it is said "What care we for their comfort? What care we for the perfume of the flowers in those localities? What care we for the vegetables they may produce? The Budget committee, composed of university club men and metropolitan club men, have said we can not have it, and because, forsooth, they made no provision for it, we shall not have it." The House, hog tied by its rules and by the judgment of the Budget bureaucracy, never had a chance to express its judgment in favor of free seed.

I suggest to the Senator from Wisconsin [Mr. LENROOT] that he go and poll the Members of the House as to how they feel about free seed distribution. I dare say they will tell him, if he will promise not to tell the Budget Bureau, that at least a great majority of them are in favor of sending out these seed.

Now, Mr. President, I am not going to detain the Senate much longer. One of the things accomplished by seed distribution was this: For instance, some western farmer had been working on a certain kind of seed until he had produced a very fine product. He communicated with the Agricultural Department. He would say, "Here is a fine tomato seed. Whereas in certain sections they have been producing small tomatoes, I have produced from this seed a large lucious tomato. You ought to distribute the seed." So the department would say, "They are choice seed—prize seed—and we will distribute them"; and in that way they were introduced in my section and in other sections. That applies to seeds generally. But the provision is to be stricken out and this opportunity taken from us.

What has the medical profession done in this regard? Some surgeon has performed an operation and he tells the symptoms to the doctors in convention assembled. He did not know what it was, but he decided a certain thing was the cause, and he performed the operation and found he was correct. So he told the other doctors of it, spread the news, and thus many lives were saved by the dissemination of that information.

So here we are with just a little more than a quarter of a million dollars, having the opportunity each year to spread among the people a variety of choice seed, the best seed in the country, and we are about to be deprived of it. I am told that last year, or possibly the year before, we had 232,000 garden acres; that they produced $195,000,000 worth of vegetables and other garden truck; and that of this about one-tenth or a little less was produced from seed sent out by Congress. Think of that.

Suppose they had produced but $2,000,000 worth from it, that would be a pretty fair return on the investment. We would get a better return from that than from the $50,000,000 which it is proposed to give to the Shipping Trust to stick in their pockets and rejoice as they ride across the briny deep and sit upon the deck on moonlight nights looking at the stars and singing the praises of the Republican Congress for the kindly gift of a $50,000,000 subsidy. Oh, Mr. President, there are a great many curious things happening here.

How would my friends on the other side of the Chamber defend themselves out on the stump? Suppose somebody should rise and say that we had formerly distributed seed in the community and that they were very much enjoyed and did a great deal of good. They would ask why you ceased to send them. What would you say? Some of you would say that you did not think the people appreciated them. They would tell you that you were very much mistaken. They would say, "We know that the big seed houses have been fighting this appropriation for years; we know that they have for years and years carried on a consistent and persistent propaganda to prevent the free distribution of seed; we know that they are in a position to contribute to the campaign fund of your party, which they have done, no doubt, and are therefore entitled to be heard, and at last the big seed houses have triumphed, and the school children, the women, the masses generally in the rural districts have lost." That will be the story written about this transaction if this item of $360,000 be dropped from the pending bill.

The people will also ask you to explain why you voted to excuse the big income-tax payers from paying $90,000,000 a year and go free, for we get not a dollar from that source to-day.

They will further ask you to explain why it was that you permitted the profiteers to be excused from paying $450,000,000 a year; and they will ask you why it was that you paid without question $700,000,000 of questionable war contracts after the war was over? Then they will ask you, lastly, "What about increasing the appropriation carried in the bill for the Navy, in the bills for the Department of Commerce, for the Post Office Department, for the State Department, and for the Department of Justice, while you struck down the appropriation for agriculture? What about the $50,000,000 that you are proposing to give as a ship subsidy when you will not appropriate even $360,000 to give cheer to the women and the children of the country who would like to see a flower blooming about the yard; to give cheer to the old men and women who are now too old to do much else but work a garden, and who derive pleasure from receiving a little packet of seed from the Government?"

Mr. President, I am reminded of what Sam Jones, the great evangelist, once said to a little country boy. When Sam was driving through the South one hot day he came upon a little piece of branch bottom land just after a rain, when the weather was steaming hot. A little boy was down there plowing. He had run around the corn. There are Senators on the other side who do not know any more what I am talking about than the Budget Bureau would know when I say that he "ran around the corn." [Laughter.] I am going to use another similar expression. He had barred it off. Some Senators think I mean by that he had put it in the shape of an iron bar. He had barred the corn off and left it, because the rain had come, and it had rained so continually that he could not go back there and plow the corn again and throw the dirt back to the roots. So the roots of the corn had become exposed, and the sunshine between the showers had caused the blades of the corn to turn yellow.

This little country boy was down there plowing; he was holding the great big handles of a Columbus plowstock; and he was throwing the dirt to the corn, tugging away, brave little hero of the kingdom of agriculture. As he tugged along he reached

the end of the row. Sam Jones stopped his buggy, just over the fence from the boy, and said, "Whoa! Ah, that is a little hero, and I must say a word of comfort and cheer to him and interrogate him a little." He said, "Son, you have neglected your corn until it has turned yellow." The boy said, "Yes; we planted the yellow kind." [Laughter.] "Get up Beck," he said to his mule. The boy just turned right around and drove back and left Sam Jones sitting there in the buggy perplexed; but he decided to take another crack at the little fellow. So when he came back Sam said to him, "If you do not hurry up and cultivate that corn very rapidly, you will not make more than half a crop." The boy replied, "Working on halves, anyhow," [laughter], and he turned right around and drove on back down the corn row to the other end. This reply angered Sam Jones considerably, and when the boy came back the next time Sam looked at him and said, "Do you know that there is very little between you and a fool?" The boy said quickly, "Nothing but a fence. Get up Beck." [Laughter.] And he drove on.

Here are Senators over there who voted to excuse the great income taxpayers the payment of $90,000,000 a year, excusing the profiteers the payment of $450,000,000 a year, paying questionable war contracts amounting to $700,000,000, and about to give to the ship trust $50,000,000 a year in the form of a subsidy, and yet they are about to deny to the whole agricultural people of the United States the right to have a few flower seed and a few garden seed and choice field seed that cost in all just $360,000. How far are they removed from the fence that the boy spoke of in his reply to Sam Jones? [Laughter.]

Mr. LODGE. Mr. President, I make the point of order against the amendment that there has been no estimate made for it.

The VICE PRESIDENT. There is no amendment pending.

Mr. LODGE. I thought the amendment had been moved.

Mr. HEFLIN. Was the Senator attempting to make a point of order against the amendment?

Mr. LODGE. I intend to make the point of order against the amendment when the time comes.

Mr. HEFLIN. Merely for the Senator's benefit, I will say a few words more. Then I shall be through, and I shall give him a chance to take such action as he desires.

I appeal to the Senator to let us continue in the bill the item for seed distribution. If it shall be continued, gardens will spring up as if by magic; choice green vegetables basking in the sun and reveling in the rain will rise up and call him blessed; and when the table groans with a variety of fruits of the garden and the faces about such a splendid repast are beaming with smiles, all will gratefully remember that while Republican Senators were proposing a subsidy of $50,000,000 to the Shipping Trust they paused long enough to permit $360,000 to be appropriated to encourage citizens everywhere to raise their own vegetables by distributing among them a variety of choice vegetable seed. I appeal to the Senator from Massachusetts to harden not his heart.

Mr. President, I offer the amendment which I suggested yesterday.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 82, after line 16, it is proposed to insert the following:

Purchase and distribution of valuable seeds: For purchase, propagation, testing, and congressional distribution of valuable seeds, bulbs, trees, shrubs, vines, cuttings, and plants; all necessary office fixtures and supplies, fuel, transportation, paper, twine, gum, postal cards, gas, electric current, rent outside of the District of Columbia, official traveling expenses, and all necessary material and repairs for putting up and distributing the same; for repairs and the employment of local and special agents, clerks, assistants, and other labor required in the city of Washington and elsewhere, $360,000. And the Secretary of Agriculture is hereby directed to expend the said sum, as nearly as practicable, in the purchase, testing, and distribution of such valuable seeds, bulbs, shrubs, vines, cuttings, and plants, the best he can obtain at public or private sale, and such as shall be suitable for the respective localities to which the same are to be apportioned, and in which same are to be distributed as hereinafter stated; and such seeds so purchased shall include a variety of vegetable and flower seeds suitable for planting and culture in the various sections of the United States: *Provided*, That the Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes and the packing, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States. An equal proportion of five-sixths of all seeds, bulbs, shrubs, vines, cuttings, and plants shall, upon their request, after due notification by the Secretary of Agriculture that the allotment to their respective districts is ready for distribution, be supplied to Senators, Representatives, and Delegates in Congress for distribution among their constituents, or mailed by the department upon the receipt of their addressed franks, in packages of such weight as the Secretary of Agriculture and the Postmaster General may jointly determine: *Provided, however*, That upon each envelope or wrapper containing packages of seeds the contents thereof shall be plainly indicated, and the Secretary shall not distribute to any Senator, Representative, or Delegate seeds entirely unfit for the climate and locality he represents, but shall distribute the same so that each Member may have seeds of equal value, as near as may be, and the best adapted to the locality he represents: *Provided also*, That the seeds allotted to Senators and Representatives for distribution in the districts embraced within the twenty-fifth and thirty-fourth parallels of latitude shall be ready for delivery not later than the 10th day of January: *Provided also*, That any portion of the allotments to Senators, Representatives, and Delegates in Congress remaining uncalled for on the 1st day of April shall be distributed by the Secretary of Agriculture, giving preference to those persons whose names and addresses have been furnished by Senators and Representatives in Congress and who have not before during the same season been supplied by the department: *And provided also*, That the Secretary shall report, as provided in this act, the place, quantity, and price of seeds purchased, and the date of purchase; but nothing in this paragraph shall be construed to prevent the Secretary of Agriculture from sending seeds to those who apply for the same. And the amount herein appropriated shall not be diverted or used for any other purpose but for the purchase, testing, propagation, and distribution of valuable seeds, bulbs, mulberry, and other rare and valuable trees, shrubs, vines, cuttings, and plants.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Alabama [Mr. HEFLIN].

Mr. LODGE. Mr. President, I make the point of order against the amendment that it has not been estimated for nor has it been recommended by any committee, for the Committee on Agriculture and Forestry voted it down, and the Committee on Appropriations did not report it. I may also say that the Department of Agriculture is opposed to it. In any event, it is general legislation, and I make the point of order against it.

Mr. HEFLIN. Mr. President, before the Chair rules upon the point of order I desire to state that we did not have a full attendance in the Committee on Agriculture when the question was considered. I believe there are sufficient Senators, members of the committee, who are favorable to the interests of agriculture to vote for the free-seed amendment; I am satisfied that a clear majority of the members of the committee are in favor of the proposition. However, of course, I am in the hands of the Senator from Massachusetts and the majority. If it is determined that the Budget Bureau shall be followed instead of the justice of the cause and the merits of the case, of course, I do not know that there is anything else I can do; but I should be very glad if the Senator would withdraw his point of order and let us vote on the question and have a roll call. Such a roll call would be very interesting; I myself will undertake to make it interesting in some sections. I should like to present the issues involved here to the people who sit in front of the speakers in 1924 during the Presidential campaign, and I should like to let them know how much influence is possessed by the big seed houses of Chicago, from which one of the hotel proprietors came who demanded that this bill should be reduced a million dollars. I should like the people to know the whole facts in the case. I appeal to the Senator from Massachusetts to withdraw his point of order and let the Senate vote upon this question

The VICE PRESIDENT. The point of order is sustained.

Mr. SIMMONS. I appeal from the ruling of the Chair.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. SIMMONS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll to ascertain the presence of a quorum.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	George	McCumber	Shields
Ball	Hale	McKellar	Simmons
Bayard	Harreld	McKinley	Smith
Borah	Harris	McLean	Smoot
Broussard	Harrison	McNary	Spencer
Bursum	Heflin	Moses	Stanley
Cameron	Johnson	Nelson	Sterling
Capper	Jones, N. Mex.	New	Sutherland
Caraway	Jones, Wash.	Nicholson	Townsend
Couzens	Kellogg	Norbeck	Underwood
Culberson	Kendrick	Norris	Walsh, Mass.
Curtis	Keyes	Oddie	Walsh, Mont.
Dillingham	Ladd	Overman	Warren
Ernst	La Follette	Phipps	Weller
Fernald	Lenroot	Pomerene	Williams
Fletcher	Lodge	Ransdell	Willis
Frelinghuysen	McCormick	Sheppard	

The VICE PRESIDENT. Sixty-seven Senators have answered to the roll call. A quorum is present. The question is, Shall the decision of the Chair stand as the judgment of the Senate? On this question the yeas and nays have been ordered.

Mr. LENROOT. Mr. President, I desire to say just one word with reference to this appeal.

I hope the Senator from North Carolina [Mr. SIMMONS], who appealed from the decision of the Chair, will, before the

vote is taken, undertake to tell the Senate wherein he thinks the Chair was wrong in making this ruling. It does not seem to me possible that any Senator can believe the Chair was wrong in the ruling that he has just made; and it therefore involves the question whether the Senate of the United States proposes to be governed by the rules that the Senate itself has made. It is not a question of the merits of this case, whether a Senator is in favor of free seeds or not. It is a question of whether a Senator believes the President of the Senate has made an erroneous ruling. If, in his judgment, the ruling of the Chair was correct, I submit that it is the duty of every Senator to vote to sustain the decision of the Chair.

This same question has been up before many times. This identical matter has been ruled upon by the Senate heretofore. It has been ruled out of order. Not over two weeks ago the same identical question was up in the House. The Chair properly ruled that the item was not in order, and he was sustained in that ruling by a vote of more than 2 to 1. I hope the Senate will not now violate its own rules by declaring that the Chair was wrong in the ruling that he has made, when it seems to me that every Senator must be satisfied that instead of being wrong the Chair was right.

Mr. SIMMONS. Mr. President, I was under the impression—and I wish to ask the Senator from Massachusetts if I am wrong about that—that an estimate had been made, and that the Committee on Agriculture and Forestry had refused to make the appropriation in accordance with the estimate.

Mr. LODGE. Mr. President, no estimate was made. The item was not estimated for by the Budget Bureau. It was not estimated for, nor was any appropriation proposed by the Agricultural Department. The Agricultural Department is against it. Both the committees before whom this matter has come have refused to report it.

Mr. SIMMONS. Mr. President, I was aware, as the Senator from Massachusetts says, that the Committee on Agriculture and Forestry had refused to make the appropriation, but I assumed that the department had made an estimate.

Mr. LODGE. No; the department made no estimate at all.

Mr. SIMMONS. I assumed that an estimate had been made because this item has been in the bills from time immemorial; and if the Agricultural Department at this time has not made an estimate for it, it would seem that the Agricultural Department has changed its policy with reference to this matter.

Mr. LODGE. The Agricultural Department is opposed to it, and has been for some time.

Mr. SIMMONS. When the Senator says "for some time," how long a time does he mean?

Mr. LODGE. Certainly for several years.

Mr. UNDERWOOD. Mr. President, I think, if the Senator will allow me, the Agricultural Department by word of mouth has said that it was opposed to it, but I think heretofore it has always sent down an estimate.

Mr. LODGE. They had no estimate last year. At all events, they sent no estimate, and the Bureau of the Budget sent no estimate. There was no estimate before Congress.

Mr. SIMMONS. Mr. President, I wish to emphasize that point. My impression is that heretofore the Agricultural Department, without regard to whether or not it was in favor of the legislation, has made an estimate and sent it to the Congress, and that the Congress for many, many years has never failed to adopt legislation to carry out that estimate.

Mr. LODGE. What the Agricultural Department has done in the past does not affect the present. No estimate has been made for it either by the department or by the Budget Bureau.

Mr. SIMMONS. That is not the question I am asking the Senator. I am asking the Senator if this is not the first time that the Department of Agriculture has failed to make an estimate for this item?

Mr. LODGE. Does the Senator think the fact that it is the first time makes it in order?

Mr. SIMMONS. No; I do not. I am not contending that, but I am asking my question of the Senator for the purpose of corroborating the statement which I have just made, that I assumed when I made the point of order that the Department of Agriculture, in pursuance of the common custom in this matter, had made an estimate, and that the Committee on Agriculture and Forestry of this body had refused to make the appropriation in pursuance of that estimate. Of course, if I am mistaken about that I wish to withdraw my appeal, because I think in that case there is no ground for an appeal from the decision of the Chair; but when I made the point I did not know that the Agricultural Department had been so derelict in this matter, or that the Agricultural Department had now suddenly changed its immemorial policy with reference to this item so important to the agricultural interests of the United States. I want now to stress the point—and if I am not right about that I should like to have some Senator enlighten me—that this is the first time the United States Agricultural Department, whether it was in favor of this legislation or not, has assumed to itself the right summarily to cut off the appropriation by refusing to estimate for it.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. SIMMONS. I yield.

Mr. McNARY. Not for a period of two years has the Agricultural Department made any estimate on this item. The department failed to do so last year as a matter of policy, which I approved, and likewise this year. The Director of the Bureau of the Budget made no estimate for it. It was not reported by the committee in either branch of Congress; and, indeed, yesterday, at a meeting of the Agricultural Committee, 11 being present, the committee voted to keep this item out of the bill. The ruling on the point of order as made by the Chair, I think, is entirely correct.

That, briefly, is the history of the situation.

Mr. SIMMONS. If the Senator will pardon me, then, as I understand, last year the Agricultural Department did not make an estimate; but, notwithstanding that fact, the committee brought in a bill and we did make an appropriation. So, after all, this Republican Congress can not escape its share of the responsibility.

Mr. McNARY. The House committee reported the bill with that item in it, and the Senate refused to agree to it; but in conference the Senate conferees yielded in order to get an Agricultural bill out, and the item remained in the bill for this year.

Mr. SIMMONS. So that in the last Congress, while the present Secretary of Agriculture did not make an estimate for this purpose, the Congress took the bit in its mouth and made the appropriation. I had assumed, without recalling the facts, that the estimate came from the department and the Congress acted in accordance with it.

We have this fact developed, Mr. President, as the result of this colloquy, and it is that fact which I wish to emphasize and get before the people of the country, especially the farmers of the United States, that up to the time the present administration came into power no Secretary of Agriculture, at least for many years in the past, has refused to make an estimate to lay the foundation for an appropriation to purchase a few special varieties of seed for the benefit of that vast proportion of our population which is engaged in agriculture.

I understood one Senator on the other side to say that they would gladly assume the responsibility for this action of the Republican Secretary of Agriculture. They are entitled to the responsibility, and I give them the responsibility willingly; but I want the farmers of the country to understand where the responsibility is and what party for the first time has refused even to make an estimate and give the Congress of the United States an opportunity to express its judgment as to whether or not this little pittance that heretofore has been allowed the farmers, and which they have appreciated very much, shall now be denied to them upon, I suppose, the ostensible plea of economy.

Mr. President, we hear a great deal about the economy of the present administration. When you begin to analyze the foundations of this claim you will find that their economy consists in the lopping off of small, petty sums, while they pay no attention to the large appropriations which are demanded in behalf of the big interests of the United States.

Mr. President, I withdraw the appeal from the decision of the Chair, because it was made by me under a misapprehension of fact; but I am amazed to know that the Republican Secretary of Agriculture, in disregard of all the customs and precedents and the repeated action of Congress in granting this little pittance to the farmer, has assumed the responsibility of refusing even to let the Congress know what the estimate would be of the expense of furnishing this seed in case it should desire to continue this appropriation.

Mr. FLETCHER. Mr. President, I am glad the Senator will withdraw his appeal, because I think in the circumstances the Chair is eminently correct, and upon the appeal I should have been obliged to vote to sustain the Chair. The Senator was laboring under a misapprehension, as he has explained, as the foundation for his appeal. As the case is, clearly the point of order is well taken against the amendment proposed.

The discussion, however, brings to light a situation which ought to be impressed upon the Congress, it seems to me. For instance, although Congress may feel that an appropriation ought to be made for certain public purposes, if department refuses to estimate for that appropriation in any way, Congress can not legislate and can not provide the appropriation

It is emphasized somewhat by a situation of which I know where Congress has authorized certain aids to navigation in navigable waters, as was done two years ago in a particular instance. The Department of Commerce has never made any estimate covering that item, and therefore no appropriation has been made. I have offered amendments to appropriation bills to take care of that item, authorized by Congress, and have been confronted with the proposition that the proposal is out of order, can not be considered, and can not be allowed, because no estimate has been made by the department covering the item. So we find ourselves unable to carry out the purposes of Congress, even after laws have been passed authorizing certain improvements, certain public works, because the department does not see fit to lay down an estimate covering those items. That situation is intolerable, and I hope we can find some way out of that dilemma in order that the public business may be properly conducted.

Mr. LENROOT. Mr. President, the Senator does not mean to imply that the committee having jurisdiction may not recommend any appropriation that is authorized by law that it sees fit to recommend, regardless of an estimate or want of estimate by the Budget Bureau?

Mr. FLETCHER. That is the proposition which has always been put up to me when I went before the committee with an item of that sort, that inasmuch as no estimate was made by the department the committee did not feel authorized to recommend it.

Mr. LENROOT. The Senator does not mean that they do not feel authorized. They never allege their want of authority, but as a matter of policy they may decline to do it. The Senator understands that they have jurisdiction and power to make an appropriation if they choose to make it.

Mr. FLETCHER. I have so contended, but without success, because they fall back upon their lack of power to do it, and base their inability upon the proposal that the department have not made any estimate for it, and therefore that they are not empowered to recommend the appropriation.

Mr. LENROOT. Will the Senator indicate any committee that has taken the position with the Senator that they had no power to recommend an appropriation because it had not been estimated for by the Budget Bureau?

Mr. FLETCHER. I think the Appropriations Committee has done that repeatedly.

Mr. LENROOT. On what bill?

Mr. FLETCHER. On appropriations bills, at various times.

Mr. LENROOT. Can the Senator signify one?

Mr. FLETCHER. I could point them out by a little examination into my previous experiences before that committee.

Mr. LENROOT. I am sure the Senator is mistaken.

Mr. OVERMAN. Mr. President, would not the Senator from Florida say this: That the committee is governed largely by the estimates, but has never stated its want of authority? It usually follows the estimates, as far as it can, because the departments inquire into the matter; but as to the want of authority to bring in an appropriation, it has never said it had no power to do it.

Mr. FLETCHER. It has been the impression given me that the committee did not feel authorized or empowered to recommend the appropriation because there were no estimates by the department.

Mr. OVERMAN. The committee might have felt disinclined because of the lack of estimates.

Mr. FLETCHER. If they had put it upon that ground, I could have had some sort of remedy, perhaps, but that has not been the ground, apparently, on which they sought to base their action in discussing the matter with me. In a case of that sort if the committee says, "We propose to be governed by the estimates, and the estimates are not here, and therefore we will not act upon this; we must reject the amendment or the proposal," they are still accomplishing the same thing. If they lay down a rule that they will not go beyond the estimates, it accomplishes the same thing as if they had no power to do it.

Mr. LENROOT. In the one case the criticism would be directed against the committee and in the other against the law. Certainly the Senator sees the distinction.

Mr. FLETCHER. I see the distinction. I hope the Senator from Wisconsin will insist upon that being the law. So far I have never heard it insisted upon by any member of the committee before which these matters have been presented.

Mr. LENROOT. If the Senator will yield further, I wish to say, as a member of the Committee on Appropriations, that it has never been represented to any Senator that the committee had not jurisdiction to either increase an appropriation or make a new one, if it was authorized by law, irrespective of Budget estimates. I certainly have always taken that position as a member of the Committee on Appropriations.

Mr. FLETCHER. The Senator has not been a member of the committee a very great while. He became a member in March, 1922. I have not presented a matter of that sort to the Senator while he was a member of the committee so far as I know, but I have had matters of that kind before the committee, and they have invariably rejected the proposals because there were no estimates. That is the ground upon which they put their action.

Mr. SMOOT. That may be true, too. The Senator knows that the question of a Budget has been discussed from one end of this country to another.

Mr. FLETCHER. I understand that.

Mr. SMOOT. I believe a great majority of the people of the United States believe in the Budget. Nearly every civilized country has it, and I am very glad we have one.

Mr. FLETCHER. I voted for the Budget law.

Mr. SMOOT. Of course, the Senator voted for it. I wish to say now that General Lord, the head of the Budget Bureau, is one of the very best men in the United States for that position. I know of no man who is his equal, and I want to say, in passing, that General Lord is the only man in charge of Government appropriations who in years past has come to my office and pointed out to me where an appropriation could be cut so as to save the Government of the United States money and not interfere with the activities of the Government.

I do not know whether he is a Democrat or a Republican, and I do not care to which party he belongs. I know that when a question arose, when General Dawes was going to leave the service of the Government, as to where to get a man to take that position, I told the President that there was one man capable of filling the position just as well as General Dawes or any other living man, and he was General Lord. I want to pay tribute to that splendid man. I do not believe there is a man who looks after the interests of the Government better than he. He would do no one any harm, and he would make no recommendation for an appropriation that he did not believe to be absolutely necessary. As far as I am concerned as a member of the Committee on Appropriations, there would have to be some mighty good evidence to cause me to vote to increase an appropriation that has been recommended from the Budget.

Mr. FLETCHER. Mr. President, I know General Lord. I met him in connection with military matters, as a member of the Committee on Military Affairs. I have the very highest respect and admiration for General Lord. I have no question about his capacity, his ability, and his integrity. So far as I am concerned, I can pay to him personally just as high a compliment as can the Senator from Utah, and I do not know his politics and never have bothered to inquire about his politics.

Of course, this is a matter not controlled by General Lord. I am not making these observations as in any way reflecting upon the Bureau of the Budget. If the department does not submit estimates to the Budget Bureau, the Budget Bureau is not likely to go and dig them up, to hunt up items which have been authorized by Congress in previous legislation in order to recommend an appropriation.

I think the fault lies with the departments in not following up the acts of Congress authorizing appropriations for public purposes, such, for instance, as aids to navigation, making recommendations and estimates with reference thereto. Of course, if the departments do not submit estimates to the Budge Bureau the Budget Bureau is not likely to know about them at all. They would not be likely to bother about previous legislation, and find out what items should be taken care of as having been authorized in the past. I do not care to dwell upon that subject further; I only mentioned it.

I am glad to have developed the fact that the Appropriations Committee feels authorized to deal with items, notwithstanding the absence of estimates. I shall take very great pleasure in presenting a few of them to the committee, and I hope I will get some sympathy from that committee, because there are items which have been authorized by Congress in previous years and have never been taken care of, and the only reason given for not taking care of them was that the departments had not made estimates for them.

Mr. OVERMAN. Mr. President, I indorse all that both Senators have said about General Lord. I think he is one of the most efficient men we have in the Government service. I have known him for a long time. I knew him when he was in charge of the supply bills of the War Department, and I regard him as a man of great ability and one who wants to do what is exactly right for the Government in the line of economy and efficiency. But as a member of the Committee on Appropriations and as a Member of the Senate, I wish

some way could be determined upon by which the Senate could know how much the departments have estimated to the Budget as the amounts they think necessary to be appropriated. I think the Senator from Mississippi [Mr. HARRISON] has an amendment along that line. We have not that information. Information is sent to us by the Budget in the Book of Estimates, but how much the departments estimate for we do not know.

Mr. FLETCHER. Of course, the Committee on Appropriations ought to have that information.

Mr. OVERMAN. I think we will have it. We will devise some method of getting it.

Mr. FLETCHER. They ought to compare the estimates of the departments with the estimates submitted by the Budget Bureau.

Mr. OVERMAN. Yes; to see how much the Budget has decreased an estimate asked for by a department. I think the Senate ought to have them, and I think the Senator from Mississippi has an amendment that will cover that matter. I will ask the Senator if that is not the case.

Mr. HARRISON. I intend to offer an amendment carrying out that idea before the bill is passed.

Mr. OVERMAN. I will support that amendment most heartily, because I think Senators ought to have full information as to the amount necessary to be appropriated for certain items. If the Budget has defeated an item, they ought to give some reason for their action.

Mr. FLETCHER. I think the committee ought to have that information. Now, I wish to submit just a few observations regarding the bill, but I will yield for the Chair to make an announcement.

The VICE PRESIDENT. The Senator from North Carolina [Mr. SIMMONS] having withdrawn his appeal, if there is no objection the order for the yeas and nays upon the appeal from the decision of the Chair will be rescinded. Is there objection? The Chair hears none.

Mr. FLETCHER. Mr. President, there are two items in the bill to which I would like to direct the attention of the Senator having the bill in charge and the Senate for a few moments. The first item I would call attention to is found beginning at the bottom of page 49 and continuing on page 50, reading:

For investigation of insects affecting southern field crops, including insects affecting cotton, tobacco, rice, sugar cane, etc., and the cigarette beetle and Argentine ant, $165,000.

That appropriation is intended to cover all the various subjects mentioned, practically all kinds of field crops, cotton, tobacco, rice, sugar cane, and so forth, and the cigarette beetle and the Argentine ant. Therefore there is carried in the bill an appropriation of only $165,000 for all these subjects. It seems to me if we go so far as to provide a specific appropriation, for instance, for the barberry bush, and a specific appropriation for the corn borer, and for various other matters pointed out and named in the bill and especially set forth, that we ought to dignify the evils of the boll weevil by making an appropriation especially applicable to the elimination and treatment of that very great menace to an important industry in the country. I do now know what the estimate was either from the department or from the Budget. I presume perhaps this is in accordance with the estimate submitted. It does seem to me, however, that the amount is too small and wholly inadequate if we are going to give any proper treatment to the subject of the destruction or control or elimination of the boll weevil.

I have before me a copy of the Lexington (S. C.) Cotton News of January 1, which contains a very interesting and instructive article, entitled:

Crisis in cotton-growing situation can only be relieved by solution of several pending economic problems of vital concern to the growers.

The article is quite lengthy, and I shall not ask to have the whole of it put in the RECORD, but just to show the importance of the one subject I would quote from it to this extent:

ENORMOUS DESTRUCTION OF COTTON BOLL WEEVIL IN ITS STEADY MIGRATION AND INFESTATION OF THE COTTON AREA OF THE UNITED STATES.

Within the past 30 years the cotton boll weevil has extended its infestation over practically 97 per cent of the entire cotton area of this country. The boll weevil to-day is far different from his ancestors who crossed the Mexican border into Texas some 30 years ago. He has a far stronger vitality. Climatic conditions which meant annihilation to his forefathers now fail to destroy him or even seriously affect his vitality. Although persistent efforts have been put forth by governmental agencies and private individuals and vast sums expended during this entire period for the purpose of discovering some method or means of destroying or controlling the weevil, still no practical method has yet been discovered and no method of checking its persistent invasion and destructive ravages invented.

As the result of experiments and study in Florida there was devised a remedy which appeared to have very considerable merit and no doubt is of very great value, but this article would seem to indicate that it is insufficient and has the objection of being too expensive, and that there is an absence of the material necessary to carry out the proposed plan of extermination as devised by Doctor Newell and his assistants in Florida. That plan was called the calcium-arsenate application plan. It seems there is a shortage of the material and that it is a very expensive method of dealing with the situation.

The article would seem to indicate that although they know of that plan and it is valuable in many ways and great progress has been made along the line of finding a way of overcoming this very serious pest, yet, at the same time, he is still flourishing and still carrying on his devastating work, and evidently there is much to be done in the way of investigation and treatment of this devastating insect.

The article continues—

The past two years have been the most destructive during the full 30 years of the insect's presence in the United States, and the spring of 1923 will find the growers, generally, in a more helpless and defenseless position to cope with this menace to the cotton crop than during any of the years that have passed and gone. The production of a normal crop in 1923, under prevailing conditions, is humanly impossible. Nothing short of the most favorable climatic conditions in all sections of the Cotton Belt in 1923 will enable the growers to produce a crop in excess of the short yield this season.

The record of the weevil in its gradual infestation of the cotton States shows a reduction of between 60 and 70 per cent in production of the first two years' invasion in each State, with a gradual return to 50 and 60 per cent of yield per acre, with the most favorable crop seasons, as compared with production under preweevil conditions.

So that when this pest attacks cotton it reduces production from 60 to 70 per cent. After the invasion has begun and after dealing with him and treating the situation in every possible way to avoid his destructive consequences, they will get back only to a 50 or 60 per cent production as compared to the time before his invasion occurred, and in some States only to 30 or 40 per cent. The article shows that in Georgia and South Carolina they have dropped to 30 per cent in the last two years, and their future as important cotton-growing States is a matter of the gravest uncertainty. The article is a most interesting one. As I said, it discusses the new discovery by Doctor Newell and the plant board of Florida, the calcium arsenate application, and shows that it is insufficient and inadequate and does not accomplish what ought to be accomplished in the way of dealing with the pest. We have scarcely begun the work that ought to be done. I have great faith that much more can be accomplished.

There is much yet to be learned. The article contains an estimate of the cost of the application, showing apparently that the cost of it is so great that by the time all that is involved in the cultivation and treatment of the plant is taken into consideration there would be nothing left for the grower.

I refer to this because while we are dealing with various pests affecting agricultural production in the country and specifying appropriations for particular things, running into the hundreds of thousands of dollars, yet when we come to deal with this pest we link him up with various other items and only appropriate $165,000 to cover the whole field of crops.

I inquire of the Senator having charge of the bill whether or not the department has considered the matter and reported on it, and whether they feel that they can not use any greater amount than this with good effect and with proper economy, or whether this is just a mere estimate to enable them to go on with some experiments which they are now making?

Mr. McNARY. Mr. President——

The PRESIDING OFFICER (Mr. MCLEAN in the chair). Does the Senator from Florida yield to the Senator from Oregon?

Mr. FLETCHER. I yield.

Mr. McNARY. I will state to the Senator from Florida that the department did not recommend any sum in excess of the amount carried in the bill, namely, $165,000 for this item. It went to the Director of the Bureau of the Budget in that sum. The director reported a like sum to Congress. The department heads appeared before the House and Senate committees and made no request for further sums, nor did any witness appear before either of the committees urging a larger appropriation. Consequently a larger appropriation was not made.

The Senator well knows that only enough money can be used to carry on investigational work. This year most of the money was devoted to different poisons that might be used to exterminate the boll weevil. It was found that it cost in the neighborhood of $3 to $5 per acre to apply it. Now, the Senator knows that Congress could not appropriate enough money, even in cooperation with the States, to eradicate the male and female boll weevils of the South.

There is only one practical thing to do and the Senator knows it better than I do, because he is a southern farmer and I am a western farmer. The Senator will have to zone the country and exterminate the cotton upon which the boll weevil lives

and feeds and thrives, by a rotation of crops. When that is done the evil will be exterminated.

A part of Georgia, Florida, and North Carolina, for instance, could be taken and an absolute change in character of the crops made. It has nothing then to feed and thrive upon and will perish. Within a year, by a change of crop, the boll weevil would be exterminated. That is the only practical way in which it can ever be done. All Congress has ever done was to appropriate enough money to experiment to find some practical way by which not that the boll weevil may be destroyed but the ravages controlled.

Mr. SIMMONS. Mr. President, does the Senator from Oregon mean to suggest that if we rotate the crops on a given piece of land, it would eliminate the boll weevil?

Mr. McNARY. I make the assertion not, as I said, as a southern farmer, but I have read literature which has led me to believe it. I ask the Senator, who raises tobacco and corn in large quantities, if it is not a fact that if he would rotate crops, if he would plant an entirely new crop, not on a particular piece of land but, as I said, in the whole region, he would eventually exterminate the boll weevil?

Mr. SIMMONS. Of course we could exterminate the boll weevil by stopping the raising of cotton.

Mr. McNARY. Certainly.

Mr. SIMMONS. The boll weevil extends over practically the entire cotton area, and we could not exterminate it by that process unless we stopped raising cotton in the whole southern area.

Mr. McNARY. The Senator did not get my thought. I used the word "zoning." We might go into every State and divide it into four quarters and take one-half or one-quarter and replace the cotton there by some other crop. The losses would not be great, but in two or three years, by keeping up the production in that way, eventually we would destroy the bug that does so much damage annually to the cotton crop. That is the practical way to handle the matter, and some day the southern people will understand it.

Mr. SIMMONS. Does the Senator from Oregon understand that if I should not plant a single acre of cotton upon my land and my neighbor within 50 miles should plant some of his land in cotton that the boll weevil would get to his cotton? Suppose we take a whole county, and it decides that it will not plant any cotton at all for the purpose of destroying the boll weevil. The counties around, however, plant cotton. Does not the Senator know that the boll weevil would get into the counties where it was planted?

Mr. McNARY. Why, certainly; but I assume that the people of the South are sufficiently patriotic and generous and have sufficient good judgment to take the larger use of the county, or perhaps of the State, or part of the South, with natural physical barriers between them.

Mr. SIMMONS. I make the point that the boll weevil extends over the whole area, and we can not zone it unless we include the whole area.

Mr. McNARY. I do not think so at all. I know there are natural barriers which would prevent the boll weevil traveling from locality to locality. It is easy to discover those barriers in rivers or mountains. But, in any event, I wish to make this point in reply to the Senator from Florida: Nowhere down the line has there been a request made for a larger sum of money for this purpose than that which is specified in the bill. That is the reason, I will say to my good friend from Florida, that the committee did not report an increase in the appropriation.

Mr. FLETCHER. Mr. President, that is exactly the information which I wished to obtain. I myself do not know all of the circumstances, but I can not understand why a request was not urged before the committee or the department for a greater appropriation, for I conceive this to be a most important matter, one of great public concern not only to our country but to the entire world, for it concerns the production of a commodity to which the whole world must look for clothing.

I would not for a moment indicate that I should ask any such appropriation as would take care of the situation to the extent the Senator suggests may be necessary in order completely to deal with the subject. I know that local organizations and associations and individuals and States are cooperating liberally and are exerting themselves to the limit in the effort to overcome this great menace; but it does seem to me that they have not as yet scratched the surface in the way of investigation in order to determine what enemies exist or what methods or means may be devised for successfully controlling the boll weevil.

I wish that those investigations, studies, and experiments may be continued and others presented until something comes of them, as I believe that something will come of them.

A few years ago there was imported into the State of Washington from Japan what was called the citrus canker. From the State of Washington it spread into Texas, and from a nursery in Texas to a nursery in Florida, until the whole citrus industry was threatened. If we had not seized that situation in time and made a proper appropriation in order to help the States—legislatures not being in session just then—and to help the communities, as we did, cooperating on a 50–50 basis, and put the experts of the Department of Agriculture in the field to study the conditions and the means of overcoming that terrible disease of the citrus trees and fruits, we probably would have lost the whole citrus industry. This year Florida is sending out 15,000,000 boxes of oranges and grape fruit; but if the citrus canker had not been dealt with as it was dealt with last year and the year before and the year before that we should have been sending out probably only 1,500 boxes this year. We have saved the whole citrus industry and we have absolutely destroyed and gotten rid of the citrus canker in the State.

I believe that something of that sort may be done with reference to the boll weevil if we go at it in the proper manner and with sufficient persistency and give the department a little leeway in the matter of finances to aid the experts from the department. I admire them greatly; I honor them and respect them and am proud of them, because they have done splendid work in this field of investigation. The scientific men in the Department of Agriculture are experienced, and they know how to handle that situation in cooperation with the States and the communities everywhere. I believe they can conduct a successful fight to exterminate the boll weevil. We have, however, got to help them by making the proper appropriations. Of course, if nobody has asked for an increase in the appropriation, it is not incumbent on me to propose it at this time. Any amendment that I might offer proposing to increase the appropriation would properly be held to be out of order at this stage.

There is just one other item which I desire to mention. I notice that in the report of the committee, in the list of increases in the bill as reported from the committee to the Senate, there is an increase in the appropriation for "Forest roads and trails as authorized by law" of $3,500,000. I am not quite able to see that that is a matter of prime importance and need. When we are trying to economize, when we are cutting down the appropriations which are intended to help safeguard the food supply of the country, why should we now go to work and spend $6,500,000 to build roads in national forests?

Is it important that all of these roads should be now built? This bill carries on page 81 an appropriation of $6,500,000 for carrying out of the provisions of certain sections of the Federal highway act, and so forth; in other words, the committee proposes to increase the House provision, so far as roads and trails are concerned, by $3,500,000. It seems that an appropriation running into millions of dollars may be obtained for building roads in the forests, where few people live who can use them, but when it comes to making provision to reduce the ravages of devastating pests that destroy the food products of the country we have to economize and eliminate the items or make but meager appropriations.

Mr. WILLIAMS. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Florida yield to the Senator from Mississippi?

Mr. FLETCHER. I yield.

Mr. WILLIAMS. May I ask the Senator how much his amendment carries in excess of the appropriation provided in the bill as it came from the other House?

Mr. FLETCHER. I have not offered the amendment, because I know it would be out of order. The Senator from Oregon [Mr. McNARY] advises me that no estimate has been made by the Agricultural Department or by the Budget Bureau for an amount in excess of that carried in the pending bill. Therefore an amendment proposing to increase the appropriation would now be out of order; so I have not offered an amendment.

I am, however, calling attention to it, and, in conclusion, to the increase proposed by the committee of three and a half million dollars over the House provision for building forest roads and trails, making the total $6,500,000.

Mr. McNARY. Mr. President, will the Senator from Florida yield to me for a moment?

Mr. FLETCHER. I yield to the Senator from Oregon.

Mr. McNARY. I know the Senator from Florida does not wish to misstate the record or misrepresent the actual situation. There has not been an increase in the item to which he refers over the House appropriation; it is only an apparent increase. Congress two years ago authorized the expenditure

of $6,500,000 in 1924 for the construction of forest roads. Three million dollars, it was thought, would be sufficient to start the work in 1924, and the balance, $3,500,000, would be carried in a deficiency appropriation bill. The Senate committee thought, however, it might as well make the money all available in the pending bill rather than make half of it available in this bill and have half of it carried in a subsequent deficiency bill. So no appropriation is proposed in this bill in excess of any estimate or any law. It is simply handling the matter in one way instead of another. The whole amount proposed to be appropriated here, however, has been heretofore authorized.

Mr. OVERMAN. It has been authorized by a previous Congress?

Mr. McNARY. It has been authorized by a previous Congress.

Mr. FLETCHER. Of course, I do not wish to mislead at all, but I was controlled by the report of the committee accompanying the pending bill. Under the head of "increases," the report states:

Bureau of Plant Industry: Eradication and control of the white pine blister $50,000

That is an increase. Under the head of "increases," also appears, "Bureau of Agricultural Economics," the increase is $283,600. Then, under the head of "increases," appears "Special items," the increase, according to the report, for "Forest roads and trails, as authorized by law," is $3,500,000 over the House bill. The amount carried by the bill as reported to the Senate is $72,901,653; the total increase by the Senate bill over the House bill being $3,833,600—made up of the increases mentioned. Included in that increase is the item for forest roads and trails, $3,500,000. That is all I care to say.

Mr. WILLIAMS. Mr. President, I listened a moment ago to the interrogation propounded by the Senator from Florida to the Senator from Oregon. The Senator from Oregon replied with his usual frankness, sincerity, and mental probity. I was astonished, however, to hear his reply, because I rather accuse myself, if it be true, that no increase on this particular appropriation has been asked for by anybody, as he states the case to be, and of that fact I have no doubt because he said it.

Mr. President, I desire to warn the Senate once more—I am not long to stay here—against the great mistake they are making in their attitude toward the boll weevil and the cotton crop. If they think that the amount of cotton produced in the United States of America is a mere sectional agricultural question, they are vastly mistaken. As a landowner and as a planter I can get along even though the ravages of the boll weevil shall become twice as great as they are now, because I can adapt my supplies and my mode of farming to the difficulty.

Mr. President, I may say that I am particularly addressing my remarks to the Senator from Oregon because he is the Senator who will have charge of the bill in the future. I quite realize that just at this moment I am speaking in the air, because any amendment which might be offered would probably go out on a point of order, as the Senator from Florida has said; but if Senators imagine that this is a sectional agricultural question, they are very much mistaken.

It does not affect the landlords of the South to any great extent. The plantations in which I am interested made more money last year raising cotton than they made in I do not know how many years. We had gradually adapted to the conditions the species of cotton to be planted and the mode of cultivation, and we had supplied ourselves with aid through cooperative societies in marketing our crops. We made less cotton, but the landlords made more money, and the rents upon the average cotton plantation in the South have been increased.

Mr. President, it just so happens that cotton is the poor man's clothing all over the world, not alone in America, not alone in Europe, not even alone in America, Europe, and Asia, but in the very wilds of Africa—wherever a man wears a woven breechclout, and much more where he wears more clothing. Even so-called woolen goods are for the most part sold because they are cheap, and they are cheap because they are mixed with cotton. The greatest calamity that could happen to the poor people of the world would be for cotton to be stabilized at a price above their power to purchase. A man may do without food and starve to death without violating any law of any State or of the United States, but he can not go out unclad or half clad without making himself liable to the penalties of the statutes against indecent exposure.

So that as between clothing and food, so far as the public is concerned, clothing is a much greater necessity than food itself. Food may be a greater necessity to the individual who is starving, but it is never as great a necessity to the public at large.

Mr. President, not only is it true that cotton is one of the essentials of living of the poor all over the world, no matter where, but it is also true that, so far as the United States of America are concerned in their international exchange relations with the balance of the world, cotton is almost the most important single product that enters into it; and if the semimonopoly of America in raising cotton shall pass out of existence at any time we shall be deprived of one of our arms in the international economic fight. It has been the case for years at a time that our entire so-called balance of trade has been owing to the production and sale abroad of cotton.

Mr. President, if cotton goes up to a price to which it threatens to go now, the world is full of valleys and hillsides that can raise cotton that hitherto have not raised it because foodstuffs to feed a numerous population in those parts of the globe have been of very much more importance, and they could not at former and normal prices subtract the amount of land necessary to raise cotton to any appreciable extent from the amount necessary for wheat and for rice. Cotton can be raised all through central China and all through southern China. Cotton can be raised toward Persia, from the Caucasus down pretty nearly to the Persian Gulf. Cotton can be raised in southern Russia and over nearly all of South America. Hitherto it has not been raised, for two reasons: First, because it could not be raised profitably at the old normal price of cotton, something between 10 and 15 cents; secondly, because, although they had the cheap labor—"the man behind the gun"—they did not have "the officer on the quarter-deck."

Mr. President, the man on the quarter-deck in cotton raising in the South was the old southern planter, his sons, and his grandsons. There never was any agriculture that reached as high a state of perfection as the agriculture concerned with the production of cotton in all its different phases in the different parts of the South, not because we had the best and the most intelligent labor—we were far from having it, either in slavery times or now—but because perhaps the most intelligent man on the agricultural quarter-deck that this world ever saw was the southern planter. He directed his forces; he coordinated them: he planned in advance. He was not only a great agriculturist, by the way, but he was, as our history proves, capable of furnishing the greatest statesmen and the greatest lawyers and the greatest diplomats—whether the greatest or not, very great, at any rate.

If, by not getting rid of the boll weevil, you shall bring about a condition of things under which cotton can be sold at a normal price of from 25 to 45 cents instead of from 10 to 15 cents, parts of the world not afflicted with the boll weevil, plumb across the Atlantic and plumb across the Pacific, where the boll weevil would have a pretty hard time traversing the water, will begin to raise cotton at 15 to 18 or 19 cents more abundantly than we can at the higher price, and the semimonopoly of America as the land of cotton raisers will be totally destroyed. With the semimonopoly of the cotton producer will go the magnificently increasing cotton-manufacturing business of New England and of the South, and with that calamity will come the calamity of the textile operatives in all the mills of the country; and when you add to that the calamity of the poor all over the world who will have to pay from 50 to 100 per cent more for still the cheapest clothing that there is—because, even at that price, cotton will be cheaper than wool or linen—you get some sort of an idea of the immense calamity that will come to the world and to this country as a whole, and not solely to any part of it as a section.

I am perfectly aware that when we speak of trying to extirpate any fatal enemy to the cotton crop, we apparently come here like the fellows who wanted appropriations for peach groves in Delaware and Massachusetts, or the men who wanted something for insects destroying vine culture in California. It looks that way at first blush, but it is not true. You could destroy every peach orchard in Delaware and New Jersey and all throughout New England, and you would not materially affect the prosperity of the American people. You could dig up every vine in California to-morrow, and you would not materially destroy the prosperity of anybody except the people who own the land on which they are raising the vines. That is about all.

Speaking as a cotton planter, I have come to the conclusion that I have no personal interest in this appropriation. I can get along; I can make just as good a profit; but my darkies who are working for me can not, because if I am forced to change the character of my agriculture, instead of having one tenant or share hand or laborer for each 16 or 20 acres of land after turning them into cattle ranches and sheep pastures and hog-raising divisions, I will not need one man to 50 acres. So the labor would go. It either must then submit to decreased

payment per diem or per month, or it has to move and hunt occupation elsewhere.

I hope I shall be excused for having made these few remarks. I had made a vow to myself not to address the Senate any more; but I tell you that this is not a question that is sectional at all, and it is not a question affecting a class at all.

Speaking for my class, we can get along without your help, but our labor will have a harder time because we can not employ as many of them nor those left so constantly. Cotton is a very intensive crop. Somebody said once that it took 13 months to make a cotton crop each year—a month over the year itself—and when you get through with it and you have sold it, it pretty nearly does. It is a very intensive crop; so much so that in the richer and stiffer lands one man and a mule can not cultivate over 16 acres, and in the lighter lands he can hardly go over 25. In your agriculture out West, where you can use machinery of various sorts, one man can attend to anywhere from 50 to 200 acres, depending upon the character of the crop that is planted. Of course, sugar beets, and a few things peculiar in their character, are an exception; but they are never the main crop. They are never the crop relied upon altogether for the prosperity of the community.

If America ever loses her supremacy as a cotton producer she will almost certainly lose her favorable balance of trade. When she loses, if she does, her favorable balance of trade, she will lose her commanding position as a dictator of the rate of exchange, and so the national trouble will go clear up to the banks.

A wonderful thing is this plant cotton! The Germans call it baumwolle—tree wool—this wool that grows on a branch, on a shrub, so ancient that we do not know who first cultivated it, who first planted it. It was in Egypt long before we have any history of Egypt. The very first records mention it. It was in Persia long before America was discovered, long before the Middle Ages, long before the introduction of Christianity. It seems that God had thought that whereas men had begun to wear clothing beyond a fig leaf, and whereas they had gotten by social development into a situation where they must pay for their clothing, it was necessary that there should be something to give them an opportunity to buy cheap clothing; and with cotton at a bit—12½ cents—to 15 cents a pound, the world could be supplied through this plant forever with cheap clothing. Hitherto it has been supplied for the most part by these United States of America.

Mr. SMITH. Mr. President, I wanted to state my part in this appropriation in reference to the boll weevil and sustain what the chairman of the committee has said.

There was some doubt in my mind as to whether or not they had distributed these appropriations under different heads so that there might be what in my opinion was an adequate appropriation to combat the boll weevil. I mean, by having it under different heads, that they were approaching the problem from different bureaus within the Department of Agriculture. So I took occasion to ask the Secretary of Agriculture what provision, if any, they had made to carry on their experiments and their warfare against the weevil. He sent down a member of the Entomological Bureau and he pointed out the paragraph or the place in the bill which appropriated $160,000, which appropriation comprehended all southern field crops. That was a surprise to me, because I knew that this entomologist appeared to be very enthusiastic in his desire to experiment still further looking toward the eradication, or at least the control, of this pest. I asked him if he thought that was adequate. He said they might perhaps advantageously spend $20,000 more.

In other words, the Agricultural Department, through the Bureau of Entomology, having this matter in charge, seemed to be satisfied with the appropriation carried in the bill. I, having no personal knowledge of the methods employed by the Bureau of Entomology in experimenting as to the control and extermination of this pest, was not in a position to say that any more was necessary. In years gone by, when this weevil was comparatively new in this country, we were appropriating something like $600,000 annually. Whether or not the entomologists have practically surrendered and come to the conclusion that they can find nothing to check the insect, or at least to modify its ravages, I do not know. The history of the weevil is to the effect that about 27 years ago he crossed the Rio Grande, and his annual progress has not been materially checked from that day until this; until now, I am advised, he is at the extremity of northern cotton production in Virginia. He has moved along about 60 miles a year, with practically the same degree of destructive ravages, until he crossed the Mississippi River, and when he had crossed that river and had gotten into the wooded section of the east, the Atlantic Seaboard, where the facilities for hibernation were greater, his destruction far passed the destruction that was common west of the Mississippi River.

I do not know why the department did not ask for more money, or why they made this estimate. I took it for granted that the entomologists knew what was necessary to enable them to discharge their duty in the circumstances. This was what they asked for last year, and this is what they have asked for this year. I can not conceive how any great experimentation of a practical nature can be carried on with the total appropriation for all southern field investigations of $165,000.

I shall not go further into this matter pertaining to this appropriation. I vindicate the part I have taken in not asking for any addition by the fact that the Bureau of Entomology, in the Department of Agriculture, which has the responsibility in this matter, has not asked for any more, and I am not in a position to know whether they could use it if they got any more or not. Therefore I did not ask for any more.

The Senator from Mississippi a moment ago took occasion to mention the supremacy of cotton, and the conditions that would enable the southern landlord and others perhaps to be more prosperous without it than with it. A gentleman came into my office this morning who is connected with one of the great cotton organizations of the South. It is his duty to gather valuable and reliable statistics as to conditions. He had sent out post cards to every county in the Cotton Belt asking, among other things, these very pertinent questions: What per cent of labor has left your farm during the current year? What is the mule power now used?

Most cotton is cultivated with mule power or horsepower. What is the ability of the cotton growers east of the Mississippi River to finance themselves another year?

He just poured down on my desk indiscriminately the replies from several States. The percentage of labor that has left the farm ranged from 20 to 50 per cent, the average being about 35 per cent. The decrease in animal power was about the same. Less than 5 per cent of the cotton growers were reported in a condition to finance themselves the coming year as to fertilizers and other supplies necessary to make the crop. Yet I saw in one of the commercial journals that the South was getting ready next year to plant perhaps 40,000,000 acres of cotton. I make the assertion—and believe I am well within the statistics—that 35 per cent of the cotton labor of the South has left it in the last 12 months. They have gone to the industrial centers of the East, the North, and the Northeast. There is nothing there for them under present conditions. If there ever was a national menace, we will feel it this year in our national income. We will feel it more acutely next year, and if some method is not discovered by which the ravages of the boll weevil can be overcome cotton planting east of the Mississippi River will be practically a thing of the past in a few years, in my opinion.

This is a matter which ought to invite the attention of the Congress as no other matter that has ever been brought before it. It is a matter of more importance to our commercial life, to say nothing of the life of those engaged in its production, than any other matter that can be before us. I am glad to say that whenever this matter has been brought to the attention of the Senate in any practical form it has met with a ready response, and I propose from time to time as practical suggestions come to me in a form in which I can submit them to the Senate for the purpose of enabling us to relieve this situation to present them to the Senate.

Mr. SHORTRIDGE. Mr. President, I offer the following amendment: On page 55, line 3, strike out "$502,240," and insert in lieu thereof the following:

Six hundred and fifty-two thousand two hundred and forty dollars: *Provided*, That of the sum thus appropriated $150,000 may be used in the State of California.

I invite the earnest attention of Senators to page 54, beginning at line 18, to and including line 3 on page 55. It will be seen that we here deal with a very important item in this appropriation bill. It reads:

For investigating the food habits of North American birds and other animals in relation to agriculture, horticulture, and forestry; for investigations, experiments, and demonstrations in connection with rearing fur-bearing animals; for experiments, demonstrations, and cooperation in destroying mountain lions, wolves, coyotes, bobcats, prairie dogs, gophers, ground squirrels, jack rabbits, and other animals injurious to agriculture, horticulture, forestry, animal husbandry, and wild game; and for the protection of stock and other domestic animals through the suppression of rabies in predatory wild animals, $502,240.

At the very outset I wish to impress upon the minds of those who listen that my proposed amendment increases the amount set out in the bill and that as to the proviso its language is not mandatory but permissive; that is to say, I propose to increase the amount to be devoted to these very wise purposes, and I am hoping and suggesting that it will be made legally possible for

the department to apply or make use of the amount stated, $150,000, in the State of California. As stated, the language of the proviso is permissive, not mandatory. I think we may well leave it to the good judgment of the department as to the amount the department shall deem necessary and proper to expend in my State.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from North Carolina?

Mr. SHORTRIDGE. Certainly.

Mr. SIMMONS. May I ask the Senator if the $150,000 proposed to be appropriated by his amendment is in excess of the estimate made by the department?

Mr. McNARY. Perhaps I can answer that more accurately than the Senator from California. The amount estimated by the Director of the Bureau of the Budget was $470,600. The amount allowed was $502,240, which is conformable to the sum that was allowed last year by Congress.

Mr. SIMMONS. So that the $150,000 which the Senator from California proposes to add to the appropriation would be very much in excess of the estimate, or in excess of the amount allowed by the committee?

Mr. McNARY. The House allowed in excess of the Budget, in round figures, $31,000, and this would be an increase of $150,000 over the House appropriation, or an increase over the Budget estimate of about $181,000.

Mr. SIMMONS. Do I understand the Senator from California to say that he is asking that $150,000 be expended in the State of California?

Mr. SHORTRIDGE. The proviso in my suggested amendment makes it permissive, as I stated, and not mandatory.

Mr. SIMMONS. The inquiry I desire to make of the Senator is whether its use is confined, if it is used at all, to the State of California?

Mr. SHORTRIDGE. Not at all.

Mr. McNARY. I would like to have that matter cleared up in my own mind. I suggest that the Secretary read the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 55, line 3, strike out "$502,240" and insert in lieu thereof:

Six hundred and fifty-two thousand two hundred and forty dollars: *Provided*, That of the sum thus appropriated $150,000 may be used in the State of California.

Mr. SIMMONS. Then it may not be used anywhere else.

Mr. SHORTRIDGE. By no means. That does not follow. But if there be any question about that I certainly would be willing to have my suggestion amended so as not to make it necessary to expend that sum in that State, or not at all.

Mr. SIMMONS. It does authorize the Secretary of Agriculture to expend of the six hundred and odd thousand dollars $150,000 in the State of California.

Mr. SHORTRIDGE. Precisely. Under the general provision he may expend it as he sees fit.

Mr. SIMMONS. In other words, if he should exercise his discretion and spend that amount in California that State would get one-fourth of the entire appropriation. I simply suggest to the Senator from California that the State of California is very modest.

Mr. SHORTRIDGE. I wish to acknowledge that it is only exceeded in its modesty by the State represented by the Senator.

Speaking seriously, I thought it but fair to say at the outset that this was not a mandatory provision but rather permissive. I think the sum total as fixed in the bill, $502,240, should be increased even without my suggested amendment touching the application of any portion of the increase. I say this with great respect for the Budget Bureau officers, whose estimate was $470,204, and with due respect to the House, which increased the amount to $502,240. When Senators consider the subject matter to be dealt with, the importance of the industries affected, and the dangers which threaten, which are imminent, which are not imaginary but actual, the increase in this appropriation which I suggest will appear to be a wise one. I shall detain the Senate, by their indulgence, for a few moments to give my reasons for asking this increase in amount and the permissible application of $150,000 to the State of California.

Doubtless Senators will recall that the State of California is second in area of all the States in our Union. We could take Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, Ohio, and New York and place them all within the boundaries of California. I am not presuming to instruct anyone, but I beg to remind Senators that the State territorially is great, if not otherwise; that practically one-third of the territory of California is public lands; that the State is made up of great valleys and lofty mountains. The one-third of its territory which is Government land is largely mountainous, and there in the mountains—in the forests, in the shrubbery, the chaparral, the chamiso brush—is the breeding place of many of these predatory destructive animals.

The wild animals cause vast losses every year to the people of California. The Federal Government is answerable for these losses, answerable in a qualified sense; for much of our territory is public land, and it is in the public land, not thickly populated, mountainous in character, wooded, forest clad, where these animals are bred and whence they descend upon the flocks and the herds and the farms and do their damage.

I have in my hand a telegram from our State Fish and Game Commission of California, urging an additional appropriation. They say:

Urgent need that Government assist in predatory-animal control in California. Two-thirds of our land under supervision of Federal Government. Counties where land is located are willing to bear one-third of cost. Coyotes reported increasing on Government land. We ask your assistance in securing appropriation.

I have here resolutions of the California Wool Growers' Association urging additional appropriations:

Whereas the menace to the sheep industry of the State of California by the depredations of predatory animals, particularly coyotes, is of serious consequences and has amounted to losses approaching millions of dollars; and

Whereas the United States Government, through its Bureau of Biological Survey in cooperation with the State of California, has been doing effective work as is being done in other States, but wholly inadequate to meet even the partial needs to protect this sheep industry; and

Whereas every possible agency, including local associations, county and State governments, are exerting every effort to cope with this serious menace: Therefore be it

Resolved by the woolgrowers of the State of California in convention assembled, To ask assistance from the Federal Government, through Congress, for an appropriation not less than $150,000 in amount for the work in California, thus to make available for predatory-animal control a sum necessary for a much needed protection.

Passed unanimously by convention assembled, November 17, 1922, Stockton, Calif.

W. P. WING,
Secretary California Wool Growers' Association.

I do not think it necessary to encumber the RECORD with detailed facts or figures; the facts are well known, the figures many times published, but I urge upon the Senate, however, that the stock raisers and the farmers, represented by various associations, by the California Farm Bureau Federation, and by the official Fish and Game Commission of California, are very earnest in their request for this additional appropriation. The California Wool Growers' Association makes a strong presentation of this matter in the following letter:

CALIFORNIA WOOL GROWERS' ASSOCIATION,
San Francisco, Calif., December 11, 1922.

Senator SAMUEL M. SHORTRIDGE,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR SHORTRIDGE: We have recently sent you copies of resolutions concerning the depredations of predatory animals which were adopted by the California Wool Growers' Association in convention assembled at Stockton, Calif., November 17, 1922. This convention was truly representative of the sheep industry of California. We are again sending you copies of these resolutions, and would appreciate it if you can give the matter your earnest consideration.

Predatory animals have cost the live-stock interests of California the loss of millions of dollars annually. Predatory animals, and particularly the coyote, have put many sheepmen out of business on account of the great losses due to these animals. Cattle, hog, chicken, and turkey raisers have also suffered losses year after year, due to the constant depredations of the coyote.

During the past few years the Biological Survey Division of the United States Department of Agriculture has been able to effectively control the depredations of the coyote in sections where their men have been working. In some Western States the United States Biological Survey has secured appropriations for those districts from the Federal Government, so that they can actively go on with their campaign, and as a result they have materially decreased and in some sections exterminated the coyote. California has not secured sufficient appropriations from either the Federal or State Governments up to the present time to actively go on with this work. The old bounty law, which has been in operation for 50 years, is still used. As one woolgrower said at a meeting held to discuss this situation at Corning, December 9: "Forty years ago I could run my sheep in the mountains and the herder could go fishing or spend a night or two away from the sheep and when he came back they would be all right. We had the bounty law then. It has been in operation for 50 years. We have it now. To-day if I leave my sheep for half an hour without a herder I would suffer losses due to the coyote. I have never seen the situation so bad as it has been this last year, and we have had the old bounty system for 50 years."

In another section of the State, and this is a section where sheep are practically the only live stock that can be raised economically, the number of sheep have dwindled in 20 years over 75 per cent.

One grower in Mendocino County stated that 20 years ago there were over 400,000 sheep in the county. To-day there are only 66,000. Coyotes are responsible for the decrease. Well-informed men from Mendocino and Humboldt Counties say that the county is only adapted for sheep, but that they can not raise sheep as long as the coyote is king, and are, as a result, in the cattle business to a limited extent and are losing money every year.

It may interest you to know that in this coast section, from Sonoma to Humboldt County, the best wool of California is produced. It al-

ways commands the highest price. It would be a shame and a disgrace to California if this section had to go out of the sheep business, which it will do unless the coyote is controlled and exterminated within the next few years.

The same situation exists in many other sections of California. In Tehama County the growers have had four meetings within the last two months to discuss this situation.

Our resolutions ask that the Federal Government appropriate $150,000 for this predatory animal control work in California. It is only by systematic control that we can eventually exterminate the predatory animals. The Government system has proved effective and the growers are anxious that this system shall be adopted.

Besides asking the cooperation of the Federal Government, the association has secured the cooperation of the State of California and also of the counties where coyotes are causing damage.

We are only asking the Federal Government to do its share. The county will do its share and the State will do its share.

California at the present time has more sheep than any other State in the United States with the exception of Texas. There is no reason why California could not produce a million more sheep if predatory animals were controlled.

If we can count on you to back us up in this matter and to help us secure this appropriation, it will certainly be appreciated and you will be doing a real service for the live-stock interests of California.

It may interest you to know that the live-stock industry in California represents an investment of over $400,000,000.

May we have the benefit of your suggestions in regard to the matter?

Very sincerely,

W. P. WING, *Secretary.*

I am aware that objection has been raised to the use of this suggested amount in California, it being thought, perhaps, that we are overlooking or neglecting other States. Not so. There is the great State of Oregon to the north of us, there is the great State of Arizona to the southeast. There is Nevada to the east, and other public-land States of the West. Wild and predatory animals abound in all of these States. They are destructive. Now, each and all of these States are willing to do their share in exterminating these enemies, and all they ask is that the Federal Government shall do its share. California has appropriated large sums of money to do away with these predatory animals. The law in brief in California and the arrangements are these:

The State appropriates a certain amount, the several counties contribute. It is designed that the Federal Government shall appropriate one-third, the State one-third, and the individual county one-third of the amount devoted to a given county. I have heard it said elsewhere that too much is asked of the Federal Government, that the States have abdicated, that they are negligent, that they are parsimonious, and that they look to and plead with the Federal Government to do what they themselves should do. In this particular instance, however, I think it may be said of the Western States that they severally are willing to contribute their just proportion in and about the destruction of these predatory animals. Of course, the problem may not come home to Massachusetts nor as closely to the great State of North Carolina as it does to Wyoming, Idaho, Washington, Oregon, or California, or any of the great public-land States, and where the population is more or less sparse.

My purpose here and now is to direct the attention of the Senate to the great damage done by these predatory animals. But my amendment, in legal effect, does not limit the increased appropriation thus sought to that particular matter, however important it is. Senators will recall the language of the bill as to the purpose to which the appropriation applies, and it will be seen that we deal with a great many matters, such as fur-bearing animals, the destruction of all these various destructive, ravenous, and in one sense worthless wild animals, and as to the food habits of birds and other animals in relation to agriculture, horticulture, and forestry, and particularly the appropriation deals with the protection of stock and other domestic animals through the suppression of diseases of predatory wild animals communicated to domestic animals and, in turn, to human beings.

I remember a few years ago when San Francisco was terror stricken with the fear of the bubonic plague. Senators will recall the learning upon that subject. It is, I suppose, agreed that the bubonic plague, the black death which swept away a third of Europe, is communicated by rats; hence to save humanity we set about to destroy rats. It is even so with many diseases which attack domestic animals. They are communicated to the domestic animals by or through the wild animal. In California, Mr. President, the coyote seems to thrive and multiply. He is a cowardly, sneaking, vicious creature, subtle, cunning, and it requires some ingenuity to trap or to destroy him. We are a great sheep-producing State, and the losses to that industry by the coyote mount into the millions and millions of dollars every year.

I submit to Senators that the increase proposed would be beneficial not only to my State but to all the States where wild animals abound. I repeat, because I at once see the force of objections made elsewhere, that the provision in the first instance is not mandatory on the department; second, it is not mandatory in so far as California is concerned. I should hesitate to ask it if it were so. I do not understand that because the amount is appropriated it must necessarily be expended. I still have some regard and some confidence in the officers of the Government, and I am satisfied that the amount would be wisely expended, and certainly without regard to geography, latitude, longitude, or political persuasion or complexion of any section of our country. As the Senator in charge of the bill stated, the Budget Bureau suggested a certain amount. The House increased it somewhat. I am suggesting that we raise the amount somewhat.

Perhaps I have said too much already. It is submitted to the good judgment of thoughtful men. I can not too earnestly state, however, that it is the unanimous voice of reputable societies and associations of my State, who express the matured judgment of like societies and associations in all of the Western States that this additional sum is needed and necessary.

I see the distinguished Senator from Arizona [Mr. ASHURST] before me. If he were not in the Chamber to hear what I said a moment ago, I repeat that this matter comes home directly to Arizona, to California, to all of the Western States, and particularly the public-land States, and that my suggested amendment is permissive only as it applies to California.

I am willing to leave it to the judgment of the Department of Agriculture as to how much may be needed and where the money shall be expended for the destruction of the various predatory animals which prey upon the domestic industry of the several States.

Mr. ASHURST. Mr. President, will the Senator from California yield to me at that point?

Mr. SHORTRIDGE. Yes.

Mr. ASHURST. I thank the Senator for observing my presence in the Chamber. It ought to be remembered in this connection that in the State of Arizona, for instance, where 52 per cent of the area of the State is withdrawn from settlement and 20,000 square miles are in forest reserves, the stock growers are charged an annual grazing fee for grazing their cattle and sheep thereon. They are required to pay that fee and to pay it promptly. The Federal Government in good faith, if it is going to establish a grazing domain and charge high fees for grazing live stock thereon, ought to be diligent and prompt to make reasonable appropriations for the destruction of the predatory animals within the forests, at least. I join with the Senator from California in support of his amendment.

Mr. SHORTRIDGE. Mr. President, all that has been stated by the Senator from Arizona is entirely accurate and true; but permit me to add that the great forest and public-land areas are the breeding places, so to speak, of these predatory wild animals. And these animals, having grown lusty and hungry, descend upon the farmer, the woolgrower, the cattle raiser, the poultry farms; there they wound and destroy, and then flee away to the mountains. I am not speaking for my State alone; I quite forget State boundaries. It might be thought, at first blush, that this suggested amendment was intended solely for the benefit of California. Perhaps I should be justified if I grounded my amendment upon the interests of my own State, but the amendment is broader than that.

Mr. ASHURST. I should not deem it improper if the Senator's amendment should relate to California alone, because my 11 years' experience in this Chamber has taught me that if the two Senators from California do not look after the interests of that State no other Senator will do so.

Mr. SHORTRIDGE. I know we have a good friend in the Senator from Arizona. I repeat myself, but I beg to remind the Senate that California has not stood idly by in the presence of this menace, negligent or indifferent or parsimonious; that, on the contrary, she has appropriated vast sums of money for the purpose of exterminating these animals, and that the arrangement in California has been—as stated—a given county contributes one-third, the State one-third, the Government to contribute one-third in this necessary work. The point of all I have said is that the amount here proposed to be appropriated for these various wise purposes is not sufficient to meet the necessities. Without indulging in generalities, I desire to say that it seems to me we shall be fully justified in providing this additional sum, having in mind the purpose for which the money is to be appropriated.

I sincerely hope that Senators will see the force of what I have said and will join with me in adopting the proposed amendment.

I am concerned with the subject matter, broadly speaking. I have in mind the welfare of the many public land States. If it be thought that this amendment is so framed that, while not making it mandatory, the money can not be expended elsewhere than in California, of course, I would gladly accept a suggestion to change the language which I have proposed; but I submit to the legal learning of the Senator from North Carolina [Mr. SIMMONS] that the provision which reads "provided, that of the sum thus appropriated $150,000 may be used in California" is permissive in character. If the amendment be agreed to, the appropriation will be increased by $150,000, and permission is given to expend that amount in one particular State, if the Secretary of Agriculture shall deem it necessary to do so.

Mr. SIMMONS. Yes; that is what I think the language means—that the Secretary may spend $150,000 of the total appropriation provided in that section of the bill in the State of California.

Mr. SHORTRIDGE. Undoubtedly. It says that he may do so.

Mr. SIMMONS. Has the Senator from California concluded his speech?

Mr. SHORTRIDGE. I have concluded; and so I submit the amendment to the Senate.

Mr. SIMMONS. Mr. President, I shall not make any point of order against the amendment which the Senator from California has offered, although I think it is just as amenable to the point of order as was the amendment proposing to increase the appropriation which is carried in the bill for the purpose of more effectually controlling the boll weevil. According to the statement of the Senator in charge of the bill [Mr. MCNARY], as I understood him, the Senator from California proposes by his amendment to increase the amount estimated by the Budget Bureau by $180,000 and to increase the amount actually allowed by the Committee on Appropriations by $150,000. I do not undertake to say that the additional amount is not needed to accomplish the laudable purpose the Senator from California had in view. I myself have no doubt that wolves, rats, rabbits, mice, and possibly other animals that inhabit the West and now and then make raids upon the vegetable growth and products of the farmers and upon the stock of that section are very destructive. I have no doubt that the State of California is in need of all the protection against the ravages of predatory animals which the Senator asks for it.

California is undoubtedly, as the Senator says, a great State; her area is very large; her interests are very diversified, and she is entitled to all the protection which the United States Government, in cooperation with the State and its counties, can give for the purpose of stamping out these pests or minimizing their ravages. I expect possibly that the Senator will obtain the adoption of his amendment unless the Senator in charge of the bill is as keen in protecting the Treasury against this invasion from California as he has been in protecting it against the equally legitimate requests of the cotton growers of the South.

California asks for very little in this body that it does not obtain. It has two very persuasive Senators. The eloquence of the junior Senator from California [Mr. SHORTRIDGE] and the remarkable qualities of powerful presentation possessed by his colleague [Mr. JOHNSON], as well as by himself, are such that when they ask for anything in the Senate they generally get it. I thought that they got more in the tariff bill than any of the other States which were asking the Treasury to assist them in their industrial and commercial operations. I do not envy them; but I wish to say to the Senator from California that a point of order having been made to the amendment desired by the cotton growers of the South, intended to provide further funds for the protection of their crop against the depredations of one of the most destructive pests known to history, I thought probably a similar course would be pursued by the Senator in charge of the bill with reference to the request from California. I think it was a great injustice to the South that the point of order to which I have referred was made.

The whole cotton-growing section of the South is an area much larger than California. The crops that were involved were probably much more valuable than those of California that are put in jeopardy by the pest which the Senator seeks to get rid of; and yet, notwithstanding these facts, when it was proposed here to increase the appropriation which the committee had made, following out the findings of the Budget Bureau and the estimates of the department, we were met with a point of order, which was sustained.

Of course, if the point of order was good in the case of the boll weevil, it would be likewise as effective in the case of the predatory animals to which the Senator addresses his amendment; but I want it understood, Mr. President—and that is the only purpose for which I have taken the floor—that so far as I am concerned I have no sectional prejudices whatever. Whenever the West has asked for anything here to which I have thought it was entitled, I have voted for it with just the same willingness that I would vote for a like request if it came from the section from which I hail; and even when the section from which I come is treated unjustly and discriminated against, I am not disposed to take reprisals against any other section of the country because of that injustice to my own section. The question to my mind is, Is this good legislation that is proposed by the Senator from California? If it is, then I am for it, notwithstanding my section has been denied similar benefits under conditions which entitle it as much to what it asked as the conditions of California entitle it to what it asks. I think we should deal with these questions in a liberal spirit, and I deprecate very much the disposition of the Committee on Agriculture and Forestry to invoke the rules of order for the purpose of preventing legislation intended and calculated to subserve a good and high purpose.

I wanted to say that much to the Senator from California. It seems to me that he has made out a pretty fair case. We made out a better case. We were turned down. I do not know what will be the course of the chairman of the committee with reference to the proposition of the Senator, but I do know that it is equally obnoxious to the rule of order that has been appealed to against the cotton growers of the South; but I say to the Senator that that treatment toward my section of the country will not so prejudice me as to cause me to vote against his proposition if, after full discussion, I shall conclude that it is wise and proper legislation.

Mr. CURTIS. Mr. President, I desire to submit a unanimous-consent request. As I understand, the two agricultural credit bills are ready for consideration, and so is the Post Office appropriation bill. To-morrow is Saturday, and there may not be as long a session as usual. So I ask unanimous consent that when the Senate concludes its business to-day it recess until 11 o'clock to-morrow morning.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. SHORTRIDGE. Mr. President, I merely rise to say that I think the remarks of the Senator from North Carolina [Mr. SIMMONS] do him great honor, and I thank him for his expressions concerning the spirit which should move and govern us in legislating for any and all sections of our country.

I want to say, speaking for myself, that if the matter of the appropriation in respect of the boll-weevil danger has not passed beyond recall, my mind is very open to stand with the Senator as to the amount which he thinks necessary to deal with that great and destructive pest to such a great portion of our country.

Mr. SIMMONS. I thank the Senator.

Mr. HEFLIN. Mr. President, I am not going to oppose this proposition of the Senator from California. I do not believe in mistreating one section that is being afflicted by some pest because another class of our people have been mistreated by those in authority in this Chamber. I have not heard anybody on the other side rise to make a point of order against the amendment of the Senator from California.

Mr. TOWNSEND. It has not been offered yet.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield to the Senator.

Mr. LENROOT. Has the amendment been offered, I inquire of the Senator from California?

Mr. SHORTRIDGE. It has.

Mr. LENROOT. Just as soon as the Senator from Alabama will afford somebody on this side an opportunity, I think a point of order will be made.

Mr. HEFLIN. I am satisfied that if anybody over there will make it with a great deal of pleasure, it will be the Senator from Wisconsin. He takes delight, apparently, in striking down these items in the agricultural bill. He is ready to put this blade into this amendment, it seems, just as he did into the seed-distribution amendment this morning.

Mr. President, I have tried to cut down expenses and to reduce the appropriations where I thought they ought to be reduced, and where I felt certain items in the appropriations should be cut down. I have been unable to get that done, however. I thought the naval appropriation bill should have been cut down, but the majority party saw fit to increase it, and it has done so. So with the Commerce Department bill, so with the Department of Justice bill, so with the State Department bill. Now we come to agriculture—as I said this morning, to the industry that has suffered more under deflation than any other industry in the country—and here comes the Budget Bu-

reau and strikes out $6,000,000 just as though it were blindfolded, and gives no reason for it. Nobody can sustain the action of the Budget Bureau.

I have not criticized the personnel of this bureau from the standpoint that some Senators seem to think. No doubt they are clean, clever, high-toned gentlemen; but what I am talking about is that they are not qualified to pass on an agricultural appropriation bill because of their lack of experience in matters pertaining to agriculture.

Here is General Lord, who was born at Rockland, Me., and is a member of the Army and Navy Club. He used to be a newspaper man—and it is a very honorable and fine business to work for some newspapers—and then he was clerk of the Ways and Means Committee of the House for quite a while, handling matters where they were taxing the American people, accumulating money for tariff barons, working out reports, showing how much you could tax this item and that item for the benefit of the tariff barons of the United States. I submit that while they were doing that they were taxing a great many items that the farmer had to buy, and what General Lord was doing in that regard did not fit him for the work that has been assigned to him here. He was made a brigadier general in 1919, and no doubt he is a very clever gentleman; but I submit, Mr. President, that nobody has shown me that his qualifications in any respect fit him to pass upon the questions that we are considering here regarding the appropriations for the agricultural interests of the United States. What is there in this work he has done that I have recited that qualifies him as a man capable of saying what the great agricultural people of my section need, or what we ought to have? He has not the necessary qualifications.

Another one of the members of the board, Mr. Stephens, was born at Marion, Ohio; and the other one—these three being the only ones we find in "Who's Who"—is Walter Winter Warwick. He was in the Government service. He is a lawyer also. So here is a former clerk of the Ways and Means Committee now a brigadier general in the Army, and a lawyer, and another lawyer in the Government service. The other members and assistants in this Budget Bureau are not even listed in "Who's Who in America." How are we going to find out who they are? We can not find out what their qualifications are or what their former occupations were.

Mr. President, I want now to call attention to another thing. Here is the Post Office appropriation bill, House bill 13593. Here is an item in it on page 20, beginning with line 18, for the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of Brooklyn, $513,911.50, a great deal more than the item stricken out this morning to distribute valuable field and garden seed among the whole American people. I dare say that this thing will be adopted. This half million dollars and more will be given to the city of New York for this pneumatic-tube service, which has been condemned and repudiated by the Congress of the country as a graft upon the Government pure and simple. Now it has been restored. You are going to put it into the law. You are going to expend half a million dollars to give this pneumatic-tube service to the people of one city, and yet you could not spare $360,000 to the whole people in the agricultural sections and the factory towns and industrial centers of the country to get a few little flower seed, garden seed, and choice field seed. That is the sort of legislation we are enacting here, and I propose from time to time to call attention to it and put it in the CONGRESSIONAL RECORD, so that the people out in the country may know what is going on in this body.

I did not appeal from the decision of the Chair this morning. The Chair was not responsible for the rule which has been foisted upon the Senate by the majority party in this Chamber, and I did not appeal. The Senator from North Carolina did appeal, under a misapprehension as to just what had occurred previously in connection with the bill. It would be a waste of time to appeal.

Mr. LENROOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I yield.

Mr. LENROOT. Did not the Democratic Party have the same rule when it was in power, and would not the same application have had to be made, so far as applied to this case?

Mr. HEFLIN. If we had been in power, I certainly would have tried to change this condition, because I do not believe in it.

Mr. LENROOT. I was asking about the rule. The Senator says we foisted it upon the Senate. The Senator's party did not change the rule when it had the power to do so.

Mr. HEFLIN. We did not have any Budget Bureau lording it over everything then, either.

Mr. LENROOT. The Senator well knows that the Budget Bureau had nothing to do with the free-seed proposition, because the Secretary of Agriculture never recommended it or estimated for it.

Mr. HEFLIN. Doubtless he had been told by the Budget Bureau not to recommend it. The Secretary of Agriculture, who told the Senator from Louisiana [Mr. RANSDELL] that he could not tell him what he had recommended regarding the sugar-cane pest, certainly is not going to recommend something that the Budget Bureau tells him not to recommend. I am satisfied that the Budget Bureau did tell him not to recommend free seed.

Now I want to comment again on that. It is the most outrageous thing I have witnessed. The Secretary of Agriculture, a member of the President's Cabinet, was afraid to tell a United States Senator about a matter of vital importance to his own section regarding agriculture. He could not tell him what he had recommended, but he must go to the Budget Bureau and get that information. It is a crying shame against a free Government. If the Budget Bureau is going to arrogate to itself any such power as that, the sooner we curtail that power the better it will be for the free people of this country.

I said on yesterday and again this morning that the Speaker of the House, in making his ruling in this matter, in which the Members of the House were never permitted to vote directly as to whether they would have seed or not, made an appeal to the membership to sustain that ruling and his position in the matter. The Senator from Wisconsin said that was not the fact, and asked me if I had read the ruling. I said no, I had not read it, but that I had talked with a Member of the House in whom I had great confidence, and I accepted his statement about it. Now I have the statement of the Speaker of the House, and this is what he said:

> The Chair thinks he ought to suggest that preserving the authority and binding force of parliamentary law is as much the duty of each Member of the House as it is the duty of the Chair, that the rights of every one of us here depend upon it—

Now, listen—

> and that each Member ought to vote on such a question, *not as his interest or desires in respect to the particular subject may sway him but as* he thinks is really the law.

What is that but an appeal to them, in advance, to sustain the ruling he is going to make?

Mr. LENROOT. Will the Senator yield?

Mr. HEFLIN. In a moment. He is saying to the Members of the House, "You are sent here to represent your constituents, and I do not care what your conviction is on the merits of this question or what your desires are; you ought to vote to sustain me." That is a nice pass to which we have come in this country. These rulings have been overturned from time to time, because there was no other way to do the right thing but to overturn them, and here is the Speaker saying, in the face of a bad law, that it is the duty of those who have the power to repeal it or override it to vote to sustain it, although they may believe that it is a bad law. Now, I yield to the Senator.

Mr. LENROOT. Does the Senator indicate that that statement of the Speaker was made when any appeal was pending or a matter was before the House for a vote?

Mr. HEFLIN. No; I am saying that when he was making his ruling he was appealing to them.

Mr. LENROOT. Does the Senator disagree with that statement of the Speaker, that it is the duty of a Member to sustain the law?

Mr. HEFLIN. I am not through with my statement yet. I will answer the Senator. The Speaker further said:

> It is unquestionably true that several times the Committee of the Whole House has overruled the decision of the chairman of that committee and has held that an amendment like this is in order. That, however, has never been done in the House. If the House should take that action, of course the Chair would bow to the opinion of the House and follow it; but until then the Chair thinks that he is bound to follow the rules of parliamentary law, *and the Chair thinks the same duty rests upon every individual Member of the House.*

There is an appeal to them while he is making his ruling. He doubtless knew they were going to appeal from his decision, and he was telling them what their duty was, and telling them that they must vote not as they thought they should vote, not as they would desire to vote, not as the merits of the case would require them to vote, but to vote in accordance with his ruling, because he was construing the law.

Now, you have this predicament in Congress: A majority of the Members of one branch of Congress favor free-seed distribution, and have not had an opportunity to vote on it under the ruling of the Republican Speaker and under the hard and fast Republican rule. That is the situation you have in the

House of Representatives. I challenge the Senator from Wisconsin to poll the membership of the House. If he does, a majority of them will tell him that they favor free-seed distribution. Yet you have a Budget Bureau, composed of an Army officer and two lawyers and four others that we do not know, who say, "You can not do this," and "You can not do that," and you are up against it hard and fast. That is the situation.

I said this morning that I had been told that the Speaker had made this appeal. The Senator from Wisconsin challenged my statement and asked me if I had read the RECORD. I said I had not, and asked him if he had read it, and he said he had, and that there was nothing in it of that sort. Here it is, and it speaks for itself. I said then I would look into it and be heard from again on it, because I knew the man in the House who told me the Speaker had made this appeal had told the truth. I would believe him as quickly as I would believe any man who walks beneath the sun. That is why I acted upon his suggestion and dared to stand upon this floor and say what I did. I knew it was in there just as well as if I had read it myself, and here it is. The man presiding over a legislative body, about to submit his ruling to that body, appealed to that body not to vote as it wanted to vote, not to vote as the interests of their constituents would have them to vote, but to vote according to the judgment of the Speaker in his construction of the law.

Mr. LENROOT. Will the Senator yield?

Mr. HEFLIN. I yield.

Mr. LENROOT. The Senator has now repeated what he stated this morning, that the Speaker of the House appealed to the membership of the House to sustain his ruling. There is not one single word in the language the Senator has read, or in the RECORD, that bears out that statement of the Senator from Alabama. The Speaker did ask the membership to sustain the law, but he did not suggest to them otherwise than that they should vote as they believed the law required them to vote.

Mr. HEFLIN. Who was giving them the law?

Mr. LENROOT. It was the Speaker's duty to rule upon the question, and it was the duty of every Member——

Mr. HEFLIN. His appeal to them was to sustain the law as he had construed it.

Mr. LENROOT. It was not. The appeal to them was to vote as they thought the law was. If the Senator does not think that members of legislative bodies should be bound by their own rules, of course, the Senator is welcome to think so.

Mr. HEFLIN. Mr. President, I am willing to have anybody who has heard me read the statement of the Speaker and heard the comments, say whether I am right about it or not. If the Senator from Wisconsin does not understand it even now, that is not my fault. I am going to read it again. I am going to give him another chance.

For while there is life there is hope.

Mr. LENROOT. If the Senator will please emphasize when he comes to the point where the Speaker appealed to the House to sustain his ruling, I will be obliged to him.

Mr. HEFLIN. Oh, the Senator can not dodge and evade now by putting words in my mouth.

Mr. LENROOT. The Senator stated——

Mr. HEFLIN. I am saying that the Speaker of the House appealed to the House in advance of an appeal taken from his decision, which he probably knew would come, to sustain him, and told them what their duty was in the premises. The effect of what he said was, "Do not vote as you want to vote; do not vote as your interests suggest you should vote. Vote as to what the law is, as I give it to you." That is the substance of it, and when an appeal was taken from his decision, they voted upon that question. The Member who told me about it said, "The Speaker ruled that way, and appealed to the House to sustain him." Those are the words he used to me. I said, "That is something new under the sun. I never heard of a Speaker doing that before," and several Members who were present said that they never did either. Here is the language. I read it again:

The Chair thinks he ought to suggest that preserving the authority and binding force of parliamentary law is as much the duty of each Member of the House as it is the duty of the Chair; that the rights of every one of us here depend upon it; and that each Member ought to vote on such a question not as his interest or desires in respect to the particular subject may sway him but as he thinks is really the law.

Mr. President, I have voted many a time to overturn the ruling of the Chair in that body as well as in this one. Nobody ever thought I was trying to violate the law by that action. It is the only immediate parliamentary procedure when right is on the one side and hard and fast wrong rules are on the other that you should take the side of right and overrule the wrong rules rather than strike down right and obey the wrong rules. That is the issue in a nutshell. And here was the Speaker saying to these gentlemen in effect: "Do not vote according to your desires or according to your interests in this particular thing." The Senator from Wisconsin says that that is not an appeal to them to sustain him. If it is not, I can not understand English, and I am willing to leave it to the verdict of Senators present to say which one of us is right, the Senator from Wisconsin or myself.

He concluded by saying:

But until then—

Until he is overturned—

the Chair thinks that he is bound to follow the rules of parliamentary law——

Mr. CARAWAY. As he understands it.

Mr. HEFLIN. As he understands it—

And the Chair thinks the same duty rests upon every individual Member of the House.

What else can you construe that to mean than as an appeal to them to vote as he was going to rule? There is nothing else to it.

Mr. CARAWAY. May I ask the Senator if it does not seem to him that the Chair was very doubtful of his ruling when he felt in advance the necessity of calling upon the House to sustain him in the discharge of his duty?

Mr. HEFLIN. It certainly looks so to me. Here is another thought that came to me. After saying the House in Committee of the Whole sometimes does overrule the Chairman, holding that it is proper to put a thing in the measure before that body, he said it had not been done in the House. Listen to this: He said until that was done he must hold to the law of procedure. When he said "until it is done" he intimated that it sometimes might be done; that the House had the authority to do it if it wanted to, and he was appealing to them not to do it. There it is in a nutshell, as I said before.

Mr. President, this is a government of the people. It does not belong to a few big cities that can have pneumatic tubes put in to serve certain interests at half a million dollars a year. It is well enough to let the people know that the masses of the people are discriminated against and special classes are legislated for in this Congress, day by day, week after week, and month after month. There is but one way to get the facts to them, and that is to tell them so that these newspaper men can hear them, and to put them in this RECORD, so that they can be gotten by the people over the country who are interested in their Government, who want to see it perpetuated to bless and benefit millions yet unborn.

Here we are, Mr. President, the greatest Government in all the world, surrendering its powers little by little to bureaucracies in the city of Washington. Concentration of wealth and concentration of power have been the two deadly evils in all the past. These two have wrecked the proudest ships of state that ever sailed. We have started on that course under the reign of the Republican Party. This Government in all its history has never made as much progress toward concentration of wealth in the hands of the few and centralization of power in Washington as it has in the past two years under the Republican administration. We have seen an evidence of it to-day that is shocking to everybody who knows how to analyze it properly—a Budget committee, composed of a few men appointed by the President, passing upon great questions that affect the whole people; Cabinet officers silent when it comes to giving information about projects in the States of Members of the House and Senate. "Did you recommend that this thing be taken care of? It is of vital concern to the farmers." The Secretary replies, "I am not permitted to talk. I made certain recommendations to the Budget Bureau. You will have to get what information you can from that bureau. Excuse me." And a Senator of the United States, representing in part his State in this great body, is turned away from the great head of the Department of Agriculture and driven to a bureaucracy to ask that bureaucracy, composed of men who have had no experience under the sun with the agricultural interests of the country.

The Senator says, "I would like for you to recommend for this project," and the bureaucracy says, "I will not do it." Then the Senator comes up here and says, "I have found out, through some devious way, that the Secretary of Agriculture is favorable to my project and the Budget Bureau is opposed to it. But I want to put the item in the pending bill."

"Members of the House from my State are for it. The agricultural agencies all over my State are for it. The farmers of my State are for it. Everybody who understands the project is for it, and I want to put it in." Then some clever gentle-

man like the Senator from Wisconsin [Mr. LENROOT], shrewd and smart as he is, rises and takes up some cold-blooded lines written in the rules and reads them and strikes the project dead without regard to its merit, without regard to the righteousness of things involved in it. That is what we are up against. Just rise and make a point of order, and the will of the Budget Bureau rises above the will of the people's Congress.

Talk about taxation without representation! That is what our fathers went to war about with the mother country. What have we here? We have representation in the House that is denied a voice. Go to the Agricultural Department, and the department agrees with the proposition. The House agrees with the Agricultural Department. The Budget Committee casts that agreement on the rocks, and it goes out on a point of order. Thus we come to government by commissions and government by bureaus or bureaucracies in the city of Washington.

The American people will soon have an opportunity to choose whether they will live up to the American form of Government in all of its pristine glory and power, distributed amongst the various States of the Union to represent the Government in the House and in the Senate, with a President at the head of the executive department and the Congress constituting the legislative department. We have stricken down the power of the President in a way, and of Congress in a way, and lodged that power with a bureau all powerful. That is what we have to-day. How much longer are we going to continue that sort of thing?

We see projects stricken from things that affect vitally sections far removed from those of the Senators who make the points of order. I am not going to retaliate. I will vote for any measure to relieve the farmers of Wisconsin of distress. I will vote for any measure, as I did on yesterday, to relieve the farmers of Massachusetts and Ohio. I will vote to relieve the farmers and the people of any State of any distress and affliction that may come upon them. But that is more than can be said for some Senators in this Chamber. There are Senators in this Chamber who will stand up and fight and beg for certain things for their States, and when they get what they want they are ready to stand up, cold as Greenland's icy mountains, and fight to strike out some things that ought to go to other sections to relieve the people of those sections in their distress.

Mr. President, I wanted to set this matter right about the ruling of the Speaker of the House. I wanted the RECORD to show that those who are trying to save money are appropriating $513,000 for pneumatic-tube service in New York City, and then fail and refuse to give $350,000 to distribute choice seeds, field and garden seeds, cuttings, vines, shrubbery for schools and factories and the people in the rural districts, towns, and villages of the whole Republic. I want the record to show these things.

As I said before, I do not intend to appeal from the decision of the Chair, because it is a useless consumption of time. We are simply bound and gagged under the rules of the Republican Senate. We can not proceed. We are helpless. All Senators here from the Southern States may stand together and band themselves together with all the membership of the South in the House, but if the Budget Bureau does not approve what we want done, though the Secretary of Agriculture may be willing, we are helpless if any Senator wants to rise and deny us the help that we ask.

Mr. McNARY. Mr. President, a parliamentary inquiry. Is the amendment now pending which was offered by the Senator from California?

The PRESIDING OFFICER (Mr. WILLIS in the chair). The pending question is on the amendment offered by the Senator from California.

Mr. McNARY. I make the point of order against the amendment and would like to have the ruling of the Chair.

The PRESIDING OFFICER. The point of order is sustained.

Mr. SHORTRIDGE. Mr. President, as to the amendment, in so far as it increases the amount, I am not disposed to argue to change the view of the Presiding Officer, but I invite the attention of the Chair to an observation made in the House, as follows, when this very point was raised. On page 909 of the CONGRESSIONAL RECORD will be found the following:

> The CHAIRMAN. Let us dispose of the point of order first, if the gentleman will permit. The Chair, looking at this amendment, and especially the proviso, thinks it is worded in such a way as not to make it mandatory upon the department to spend the money in California.

Now, with great deference, I submit that the ruling there was correct. The provision is not mandatory.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. Certainly.

Mr. LENROOT. Does not the Senator's amendment propose to increase the amount of the appropriation?

Mr. SHORTRIDGE. Yes; by $150,000.

Mr. LENROOT. That was not the question in the House, but that was the question here.

Mr. SHORTRIDGE. I understand, and out of candor and in fairness I said that I was not disposed to question now the ruling of the Chair as to the increase of the amount, although I must say I deplore very much the fact that anyone felt moved to raise the point of order, sympathizing very fully, as I do, with much that I have heard from the other side of the Chamber this afternoon. But I do not question motives of Senators. They decide as they think is right and proper, and I endeavor to do likewise.

In the nature of an amendment, I want to retain the proviso contained in the previously suggested amendment. I move, therefore, to amend on page 55, line 3, by adding after the numerals "$502,240" the words "*Provided*, That of the sum thus appropriated $150,000 may be used in the State of California."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from California.

The amendment was agreed to.

Mr. OVERMAN. Mr. President, I have an amendment to offer which does not increase the appropriation a cent. I have received some communications from my own State and from other sections of the country asking me to secure an appropriation for the eradication of blackleg. I was very much astonished. I had heard of blackleg existing among gamblers, but inquiry among the cattle raisers in the Senate, the Senator from Wyoming [Mr. WARREN], the Senator from New York [Mr. WADSWORTH], and the Senator from Tennessee [Mr. MCKELLAR], develops the fact that it is a terrible disease among cattle.

Mr. McNARY. May I ask the Senator on what page he proposes to offer the amendment?

Mr. OVERMAN. On page 23, line 16, after the word "pleuropneumonia," I propose to insert the word "blackleg" among the diseases of cattle which are there mentioned. That would add to the other diseases that of blackleg.

Mr. CARAWAY. Had not the Senator better make it read "blackleg among cattle"?

Mr. OVERMAN. The provision refers to the eradication of diseases in cattle. The Senator from New York [Mr. WADSWORTH] told me it is a very fatal disease among young cattle; that it kills them in 24 hours; that it will sometimes kill off a whole herd in that length of time. I think there will be no objection to the amendment. I have conferred with the Senator in charge of the bill, and I think he will have no objection to the amendment.

Mr. McNARY. I will state that I have no objection to the amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from North Carolina.

The amendment was agreed to.

Mr. CARAWAY. Mr. President, I wish to offer an amendment. On page 15, line 12, after the word "for," I move to insert "agricultural interests during the harvest season and for"; after the word "interests," in line 13, to insert "for spraying and"; and then, in line 13, to increase the appropriation from $12,000 to $24,000, so that, if amended as proposed, the clause would read:

> For investigations, observations, and reports, forecasts, warnings, and advices for agricultural interests during the harvest season and for the protection of horticultural interests, for spraying and from frost damage, $24,000.

I have discussed the amendment with the chairman of the committee, and I understand he has no objection to it.

Mr. McNARY. Personally I am in very great sympathy with the amendment, but, of course, we must conform to the rules; and for that reason I ask for a ruling from the Chair as to the last item in the amendment.

Mr. CARAWAY. The amendment is not subject to a point of order, because the entire item was put into the bill in the other House, and not recommended by the Budget Bureau. Therefore the clause may be amended in the Senate.

Mr. McNARY. I understand the Senator from Arkansas desires to increase the appropriation which is now in the bill from $12,000 to $24,000?

Mr. CARAWAY. That is what I propose.

Mr. McNARY. But there is no estimate for that amount from the Director of the Budget Bureau.

Mr. CARAWAY. Nor was there any estimate for the $12,000 carried in the bill as it came from the other House. It was not originally estimated for, but was placed in the bill in the House, and therefore we have a right to amend the clause under the rules of the Senate.

Mr. LENROOT. We have a right to amend it, but not to increase the appropriation.

Mr. CARAWAY. Other appropriations have been increased.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas.

Mr. McNARY. I stated to the Chair that I should like to have a ruling upon the amendment, and I make the point of order against it. I desire to determine whether or not the appropriation may be increased in the Senate.

The PRESIDING OFFICER. The Chair will hear the Senator from Oregon on the point of order.

Mr. McNARY. I make the point of order that the amount carried in the amendment has not been estimated for by the Budget Bureau and that it has not been reported by a standing or select committee of the Senate. The language of the bill is proposed to be changed, the appropriation is proposed to be doubled, and I think the amendment falls within the rule which was invoked a moment ago.

Mr. CARAWAY. Mr. President, as I understand the rule, the item not having been estimated for at all, but having been included in the bill in the House, the amendment is not subject to the point of order.

I should like to say, however, in addition, not arguing the point of order now, but merely discussing the amendment, that I have no personal knowledge of the ends sought to be accomplished by the increased appropriation. It does not affect the section from which I come. I have information before me here, however, that frequently, in spraying, the whole expense and effort may be lost simply because of a rain or a wind coming either just at the time of spraying or immediately afterwards; that thousands and thousands of dollars may be saved simply by notice of probable weather conditions being given. That is the entire intention of the amendment; to give notice to people who are engaged in horticulture that it is likely to rain on a certain day, and therefore it is a warning to them not to use a spray. I do not think the amendment is subject to a point of order, and I hope the chairman of the committee will not make it.

The PRESIDING OFFICER. The Chair desires to say that he understands the Senator from Oregon has made the point of order.

Mr. CARAWAY. I thought the Senator from Oregon was going to withdraw the point of order.

Mr. McNARY. The committee determined that the point of order should be made in all cases where there was a doubt as to whether an amendment came within the rule. This case is similar to one where the point was made a few moments ago unless the position taken by the Senator from Arkansas shall be sustained.

Mr. CARAWAY. This amendment is entirely different from the one to which the Senator from Oregon refers, because this item in its present shape came to us from the House of Representatives.

Mr. McNARY. I am merely submitting the matter to the Chair for a determination.

Mr. LENROOT. Mr. President, let me suggest to the Chair that as to an item contained in the bill, whether or not it was originally estimated for and put in by the other House, can not have any bearing upon this question, for the rule specifically provides that "no amendments shall be received to any general appropriation bill, the effect of which will be to increase an appropriation already contained in the bill." This appropriation is contained in the bill, and the amendment proposed by the Senator from Arkansas seeks to increase it. The proposed appropriation has not been estimated for nor reported by a standing committee; so it is clear that it comes squarely within the inhibition of the rule.

Mr. HARRISON. Mr. President, this amendment is quite different from other amendments as to which there was no estimate upon the part of the Budget Bureau or the Department of Agriculture. Here is a provision which, while it was recommended by no department nor by the Budget Bureau, was placed in the bill, on the floor of the other House, I presume. The Chair will recollect that only some months ago, in the District of Columbia appropriation bill, I think it was, a certain amendment was placed in the bill in the other House touching the raising of revenue in the District of Columbia and affecting the question of taxes. It was quite a comprehensive provision, and it was changed by the committee here. I made the point of order against the change upon the part of the committee representing the Senate. The amendment proposed a change in existing law; it proposed to broaden it; and made many changes and alterations in it. The Chair held that, while the amendment was probably subject to a point of order originally in the House, since the House had placed it there, the Senate should not be confined to merely that proposition but should be permitted to enlarge upon it or to restrict it, and so forth, in dealing with the same matter.

What is sought to be done here? I concede that the entire provision would have been subject to a point of order originally because no estimate was made for it, but it has been brought to the Senate by the action of the House. The Senator from Arkansas seeks to enlarge the provision and add to it, for the additional protection of the horticultural interests, certain words as to spraying. I submit that he ought to be able to do that even though the Bureau of the Budget have made no recommendation for it, because the Bureau of the Budget can make no recommendation in such a case as that. They can deal only with the appropriation. If the original provision is in order, certainly an amendment to it as to spraying to protect the horticultural interests is likewise in order, and if the provision in regard to spraying is in order, then it would be in order to add the amount which may be necessary to provide for the spraying. I submit that, for the reasons I have stated, this case is quite different from the other cases which have been presented, and the point of order should not lie.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. I yield to the Senator.

Mr. LENROOT. What does the Senator say about the express prohibition in the rule that no increase in an appropriation contained in the bill shall be made?

Mr. HARRISON. I submit there is some doubt as to the question of increasing the amount by $12,000; but there can be no doubt, it seems to me, that the amendment as to spraying can be added, thus enlarging that provision of the bill which has been adopted by the House. Does not the Senator agree to the proposition that the spraying provision of the amendment of the Senator from Arkansas is in order, if it is not sought to increase the appropriation?

Mr. LENROOT. So far as the portion of the rule to which I have referred is concerned, that would certainly not be barred.

Mr. HARRISON. I agree with the Senator as to that. As to increasing the appropriation, that is a close question; but it is quite different from the other cases that have come up, and, it seems to me, since the Presiding Officer very often says, "This question is a close one, and I wish to submit it to the Senate," that he could very well do so in this instance. It is one of those cases, it seems to me, that should appeal to him, and he might very well say, "I am going to let the Senate decide the question whether the amount should be $24,000 or $12,000." In other words, if we add the spraying feature to the House provision, the $12,000 additional might be needed in order to make the provision effective. But certainly the Chair ought to hold that the point of order is not well taken as to the first portion of the amendment. Of course, I know that the present Presiding Officer wants to do what is exactly fair and just, and I have no doubt that he will say to the Senate, "I will let the Senate decide the latter proposition."

Mr. LENROOT. Mr. President, if the Senator will yield further, let me say there is no better parliamentarian in the Senate than is the Senator from Mississippi, and he knows very well that the Chair could not hold the point of order well taken only as to the last part of the amendment, but if any part of the amendment is subject to the point of order it all goes out. Of course, the Senator will agree to that.

Mr. HARRISON. If that should be the idea of the Chair, I understand the Senator from Arkansas would agree to strike out the proposed increase from $12,000 to $24,000 and then offer the first portion of the amendment and follow that with a proposal to increase the appropriation by $12,000 and let the Chair submit the latter proposition to the Senate.

Mr. LENROOT. How could language be plainer than that found in the rule to the effect that the proposed increase is not in order?

Mr. CARAWAY. Mr. President, may I call attention to the fact that I do not think that portion of Rule XVI, quoted by the Senator from Wisconsin, has anything at all to do with this particular question. The portion of the rule to which the Senator from Wisconsin calls attention reads:

> No amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill.

The general rule is that if an item has been estimated for and if it is a part of the bill there can be no amendment increasing the amount, but it is also well established.

Mr. LENROOT. Does not the Senator mean "not estimated for"?

Mr. CARAWAY. It is also well established that an appropriation bill can contain no general legislation, but that rule

has been construed to mean that if the House shall have undertaken to enact legislation upon an appropriation bill, then the door is open and the Senate may do anything it sees fit to enlarge or amend the provision which the House may have incorporated in the bill in violation of the rule.

Now, I wish to submit, Mr. President, that increasing the appropriation is just as much legislation in connection with perfecting the amendment attached to the bill by the House as is a change in the language so as to include spraying. It is all legislation. The general rule excludes the addition of any legislation to the bill; but when the House undertook to enter that field, then the Senate may amend the House provision and perfect it and add to the appropriation, which is as much a part of the legislation as the words of the provision themselves.

Mr. LENROOT. Mr. President, if that be true, then there would be no bar whatever, and every one of the appropriations in the bill would be subject to increase, would they not, because so many of the provisions are in the nature of legislation?

Mr. CARAWAY. No; simply because this item was not estimated for, but was put in on the floor of the House as an amendment despite the lack of an estimate.

Mr. LENROOT. Then does the Senator think that an item that has not been estimated for should have greater right than one which has been estimated for?

Mr. CARAWAY. Shall I say that legislation, because it has been attached to the bill in the House, shall be more sacred than that which we try to place on the bill when we write the bill?

Mr. LENROOT. The Senator is right in that if the House enacts general legislation upon an appropriation bill it has opened the door and the Senate may amend that general legislation in any way it sees fit affecting the same general subject matter, but provided always that there is not another rule of the Senate that prohibits doing the specific thing which is desired to be done.

Mr. CARAWAY. There is no such limitation under the ruling laid down by Vice President Marshall which has been accepted as the rule of the Senate.

Mr. LENROOT. We will see about that. Of course, a specific prohibition or a specific authorization in a rule always takes precedence over general language, even if it is in the rule; and when we find here a specific prohibition against increasing the amount of an item found in an appropriation bill unless estimated for, surely it can not be claimed, upon the broad rule that general legislation opens the door, that we can violate this specific rule in this particular matter.

Mr. CARAWAY. Mr. President, it is expressly said, and when we adopted this rule it was with the idea, that appropriation bills should all go to the Committee on Appropriations, and all general legislation should go to other committees; and yet we have accepted the doctrine, despite the explicit denial in the rule, that if the House shall undertake to legislate upon a general appropriation bill, then that opens the door, and we may add to it in the Senate; and I suggest that figures are just as much legislation as words.

The PRESIDING OFFICER (Mr. WILLIS in the chair). In the opinion of the Chair, the following language of clause 1, Rule XVI, is the language applicable to the present case:

> No amendments shall be received to any general appropriation bill the effect of which will be to increase an appropiration already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate submitted in accordance with law.

It appears to the Chair that the amendment under discussion does increase an appropriation already contained in the bill.

Mr. CARAWAY. Mr. President, may I interrupt the Chair just there?

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. CARAWAY. On page 20–A, under the heading "Substituted for clause 1, Rule XVI," we have this:

> All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate submitted in accordance with law.

The other part of the rule provides that no legislation shall be had upon appropriation bills, and yet we permit it where it has been inaugurated in the House.

The PRESIDING OFFICER. As the Chair was about to state, it appears to the Chair that the amendment under consideration does increase an appropriation already contained in the bill, and that, in effect, it does add a new item of appropriation. It seems that it is not made to carry out the provisions of an existing law or treaty stipulation or act, and that it has not been moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate. The Chair is, therefore, unable to see upon what basis the amendment could be held in order.

The Chair, therefore, declares the amendment out of order and sustains the point of order raised by the Senator from Oregon.

Mr. CARAWAY. Mr. President, I shall, of course, be curious to know how the Chair will reconcile his ruling with the former ruling that has been accepted; but we will pass that. I shall offer the amendment as it was, not increasing the item of appropriation.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 15, line 12, after the word "advices," it is proposed to insert "for agricultural interests during the harvest season, and"; and then, after the word "interests," on line 13, it is proposed to insert the words "for spraying, and"; so that, if amended, it will read as follows:

> For investigations, observations, and reports, forecasts, warnings, and advices for agricultural interests during the harvest season, and for the protection of horticultural interests for spraying, and from frost damage, $12,000.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

Mr. CARAWAY. Mr. President, I now move to strike out "$12,000" and make it "$24,000."

Mr. McNARY. Mr. President, I thought a ruling was had upon that a few moments ago by the Presiding Officer.

The PRESIDING OFFICER. The Chair will state that the matter is presented in a slightly different form. The Chair ruled upon the question when the two items were involved. The Senator from Arkansas has now separated them, and has offered one, which has been adopted. He is now offering another, which is the pending question.

Mr. McNARY. The change in the language, I understood, was accepted by the Senate.

The PRESIDING OFFICER. That is correct. The question now is upon the amendment offered by the Senator from Arkansas.

Mr. McNARY. I feel constrained, naturally, to make the point of order against it in this form as well as in the form in which it was offered a few moments ago.

Mr. HEFLIN. Mr. President, the ruling of the Chair has established the claim I have been making here to-day—that one branch of the Congress has been shorn of its power. Here is the House of Representatives, which took action upon this item suggested by the Senator from Arkansas, and the House voted in this increase because the House was convinced that the money asked for was needed and would be well expended for the purpose set out.

Mr. HARRISON. Mr. President, I did not understand the Chair to rule that the point of order was sustained. Did he?

Mr. HEFLIN. Yes; he did.

The PRESIDING OFFICER. The Chair has not ruled on the amendment now pending. The second amendment offered by the Senator from Arkansas is now before the Senate.

Mr. HARRISON. That is what I understood.

Mr. HEFLIN. I am discussing the former ruling of the Chair. The House of Representatives, coming up from the body of one hundred and odd millions of people, sitting solemnly in judgment upon questions that affect the welfare of the people, has gone on record as favoring this proposition. It voted it into the law. It comes from that body to this. It is submitted to this body; and because the Budget Bureau has not O. K'd it the judgment of 435 Members of the House is to be set aside, and the Chair rules, under the rule laid down by this Republican Senate, that the Senate itself can not put that proposition in, simply because the Budget Bureau has not O. K'd it; that is all.

If a majority of the Senators want to put it in, they are helpless, because the Chair rules, in the face of the rules laid down, that this thing can not be done because it is not recommended by the Budget Bureau. This simply proves the contention I have been making here to-day, that the Congress is being shorn of its power. Rules governing it have been made not to expedite business and to meet the needs of the people but to circumscribe the power of Congress and prevent Congress from doing certain things that three or four men in a Budget Bureau do not want them to do.

This Budget Bureau is composed of men born in Maine, Iowa, Ohio, and other Northern States. What do they know about the need for spraying down in the State of Arkansas and the other Southern States to save fruit, to save the orchards of the people in those sections? These people, coming from those sections, have told Congress that they needed this help, and Congress said: "We agree that you do need it," and the House has passed it, and it comes to the Senate, and we want to give it to them; but the point of order is solemnly made that the Budget Bureau does not want them to have it, and we are going to be denied it. Little by little and bit by bit the Congress of the United States is being shorn of its power, and bureaus and commissions in the Capital are usurping the power once lodged in the American Congress.

Mr. LENROOT. Mr. President, may I suggest to the Presiding Officer that clause 1 of Rule XVI has nothing to do with the purpose for which an appropriation shall be made. We might strike out all of the language preceding the item of appropriation and substitute entirely new and different language, and within certain limits at least clause 1 of this rule would not apply; but the moment any attempt is made to increase the amount carried in the bill, and it is not estimated for, the rule applies. This part of the rule is designed to do just one thing, and that is to protect the amount of money carried in the bill; and, that being so, of course the rule applies equally well whether the amendment is offered separately or in conjunction with something else.

Mr. HARRISON. Mr. President, may I ask the Senator a question before he takes his seat? He is a member of the subcommittee that framed this legislation. I have forgotten the amount that was carried in the bill for the eradication of the barberry. What was that amount?

Mr. LENROOT. Three hundred and fifty thousand dollars.

Mr. HARRISON. And the Senate raised it to what amount?

Mr. LENROOT. Five hundred thousand dollars.

Mr. HARRISON. Did the Bureau of the Budget recommend the increased amount?

Mr. LENROOT. It did not.

Mr. HARRISON. When this proposition was up on day before yesterday I find in the RECORD a colloquy which I will read between the Senator from Wisconsin and the Senator from Florida [Mr. FLETCHER] regarding that item. I preface my remarks by saying that here is an item for $12,000 that is now being considered, which was not recommended by the Bureau of the Budget, that is now sought to be increased to $20,000, or whatever the amount may be. In the instance touching the barberry the amount was passed in the House at a certain figure, and an amendment was offered upon the floor of the Senate to increase the amount. Neither of the amendments had been recommended by the Bureau of the Budget. Here is a colloquy that I will read:

> Mr. FLETCHER. * * * I sincerely hope, however, that the Senator will not make that point of order. We had here yesterday the question of taking care of the barberry bush, where the estimate of the department was only $200,000 and the report of the Budget Committee was $200,000. The House raised that $150,000, and the Senate raised it $150,000 more.

This is for the edification of the Chair, who is to rule on this proposition, also so that it may give greater force to the argument of the Senator from Wisconsin:

> Mr. LENROOT. Mr. President, will the Senator yield?
> Mr. FLETCHER. Yes.
> Mr. LENROOT. That is true, and that is a matter that affects very seriously my own State; and because I thought I ought to be consistent I voted against the increase.
> Mr. FLETCHER. But the Senator did not make the point of order.
> Mr. LENROOT. It was not subject to a point of order, because the House had acted upon the matter. It was not subject to a point of order at all.

Mr. LENROOT. Mr. President, if the Senator from Mississippi will read a little later, either that same day or the next day, he will find that the Senator from Wisconsin, whom he now quotes, and who does not pretend to be infallible on any matter, stated that he believed he was mistaken about that statement and that it was subject to a point of order.

Mr. HARRISON. Well, I did not know that; I just read this.

Mr. CARAWAY. It shows, at least, if I may be permitted, without criticizing the Senator, that while the item was up he entertained the view that he could not maintain the point of order against it, and that merely as an academic expression of opinion two days later he said, "I may have been in error."

Mr. LENROOT. Oh, no; it was not up at that time. The matter had passed when that question was raised. It was no more academic at one time than it was at another.

Mr. CARAWAY. It was academic both times, and it was not so serious as I thought it was. I thought the Senator was giving it really serious consideration when he was arguing here. I am not criticizing the Senator from Wisconsin now. In many things I think he is subject to criticism, but in this I do not pretend to think that he is. I am saying, however, that he sat here and let the very same kind of legislation be enacted in the Senate without a point of order—he defended it a day or two later—and he now says that he has found out, a day or two later on, that he was possibly in error. I should think the Chair ought not to be very much persuaded when the Senator has entertained three opinions within the week as to the application of the rule.

I know that figures are just as much a part of an amendment as language; and it is perfectly absurd to say that you may add to the language, despite the general rule, because of the holding that the item came in the bill as it passed the House, but that you can not touch the figures; that there is something sacred about figures, but language may be changed in any way you see fit to change it. I sincerely hope the Chair will hold that the item may be increased. It is a small item, but it is very important.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The Chair is ready to rule. It is very clear to the Chair that there is a line of discrimination between the amendment on which the point of order has now been raised and the amendment which the Senate has just adopted. That was an amendment which placed a limitation on the appropriation. The Chair is therefore of the opinion——

Mr. CARAWAY. I beg the Chair's pardon; there was no limitation on the appropriation. It broadened it. I should be very sorry to have the Chair base his ruling on the ground that there was a limitation, when there is absolutely no word in it which could be tortured into a limitation.

The PRESIDING OFFICER. Perhaps the language the Chair used was unfortunate, but the Chair used it in a technical sense. At any rate, the amendment did not increase the appropriation. The Chair, of course, would have held that amendment in order if the question had been raised. It is clear to the Chair that the amendment now pending, on which a point of order has been raised, comes within the inhibitions of clause 1 of Rule XVI. Therefore, the Chair is of the opinion that the amendment is not in order, and sustains the point of order made by the Senator from Oregon [Mr. MCNARY].

Mr. CARAWAY. I ask unanimous consent to incorporate in my remarks a letter with reference to this matter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK STATE COLLEGE OF AGRICULTURE,
CORNELL UNIVERSITY,
Ithaca, N. Y., January 10, 1923.

Hon. PETER G. TEN EYCK,
Member of Congress, House of Representatives,
Washington, D. C.

MY DEAR MR. TEN EYCK: I am obliged for your telegram of yesterday. I thought I had better write you fully about the situation, as it is difficult to explain it in a telegram.

For several years we have been conducting in this State a spray service, which consists of technical advice as to time to spray for the control of particular diseases and insects and which is sent out from our various county-agent offices in the fruit belt. For this purpose special fruit assistant agents are employed for a period of six months for the fruit and potato growing seasons. These assistants are supervised and furnished technical entomological and pathological information by our specialists, together with a special weather forecast report which is made up here on special information secured from all over the United States and telephoned or wired to these special fruit assistants about midnight. The assistants get this information to growers before 7 o'clock in the morning by a telephone relay system. The growers belonging to this service, who number several thousand, pay a fee which covers the greater part of its cost, and base their spraying operations upon it. So important has this service become that it is estimated to control the movements of from 10,000 to 12,000 spray rigs in the State. Our fruit-packing associations are considering the requiring of all their members to have the spray service, in order to insure a better quality of fruit for the packing houses.

A vitally important factor in this spray service is the special weather report. This is based on forecasts made in the late evening with specific reference to the fruit belt and spraying conditions. It is based on special wires received from all over the United States.

We have also been giving a special harvest forecast to hay and grain growers, particularly in some 20 counties in the State, and would give it to a much larger number if our funds permitted. This harvest forecast is most important in July, August, and September. The fruit and potato spray forecast is most important in April, May, and June.

By taking up odds and ends of funds at the college and through some help from the United States Weather Bureau, derived from the same sources—odds and ends—we have been able to get along for the past year or two with a reasonably good service. We are told by the Weather Bureau, however, that they will be unable to give us any aid in the future without a special appropriation, and we are embarrassed here at the college by our own inability to properly finance the matter.

With this in mind, we strongly urged the Weather Bureau to ask for a special appropriation to cover this spray service. It is our understanding that the Weather Bureau recommended an item of $12,000 and that the Secretary approved this item and passed it on to the Budget officer. The item was to cover not only a spray service in this State but some other States. Five or six thousand dollars would probably cover our own needs, which are the cost of a special fore-

caster for a period of about six months and the telegraphic tolls of incoming and outgoing messages.

My understanding is that this item was disapproved by the Budget officer not so much because it was not a meritorious item but because it was a new item. We presented briefs and information directly to the Secretary and the Budget officer urging the item, but our needs were entirely disregarded by the latter.

When I learned some time ago that the Budget officer was allowing practically no new items and the committees of Congress were not likely to add to the Budget officer's recommendations we despaired of the item. Just recently we have learned that a similar item providing for weather and frost warnings for fruit growers in California, which had been eliminated by the Budget officer, was restored by the Senate committee. It seems to me grossly unfair to have this service provided for far Western States and not for New York.

Can you do anything about this matter now, and would it be advisable to press an amendment to the bill on the floor of the Senate? With this further information on the matter, will you kindly advise me by wire what you think can be done? If you think it advisable, and so advise me, I will make a special trip to Washington to talk with you and others about this item.

Very truly yours, M. C. BURRITT.

Mr. CARAWAY. Of course, I shall not criticize the Chair, but when the present occupant of the chair leaves the chair and goes to considering this matter he will wonder what he was thinking about when he made that ruling. It is so absolutely inconsistent, and for the good opinion I entertain of the Chair, I hope at some time he will take a week off and read the rules.

Mr. HARRISON. Mr. President, is it the intention to continue the session at this hour? It is now 13 minutes of 5 o'clock. I have been trying to get the floor all day to continue the remarks I was making yesterday when I was interrupted. I have two very important amendments to offer, and two other amendments which I would not get angry if the Senate should vote down, but they are of some importance.

Mr. CURTIS. Can not the Senator offer his amendment now? The farmers' relief bill is ready to be taken up to-morrow, as well as the Post Office appropriation bill. I understand all amendments to the Agricultural appropriation bill have been offered except those to be offered by the Senator from Mississippi.

Mr. HARRISON. Can we not agree, since we are going to meet at 11 o'clock, that a vote shall be taken on the bill at not later than 1 o'clock tomorrow?

Mr. CURTIS. Make it 12 o'clock to-morrow.

Mr. HARRISON. Let us make it half past 12.

Mr. CURTIS. That will be all right, if it is satisfactory to the Senator having the bill in charge.

Mr. HARRISON. Then I will present my amendments in the morning.

Mr. McNARY. I ask unanimous consent that a final vote upon the bill be had to-morrow at 12.30 o'clock.

Mr. LENROOT. That would necessitate a call for a quorum. I suggest that the Senator ask that all debate upon this bill close at not later than 12.30 o'clock to-morrow.

Mr. McNARY. Very well; let the request be put in that form.

Mr. CURTIS. I ask unanimous consent that all debate upon this bill and any amendment thereto shall close at not later than half past 12 to-morrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas? The Chair hears none, and it is so ordered.

The agreement was reduced to writing, as follows:

It is agreed by unanimous consent that at 12.30 o'clock on the calendar day of Saturday, January 13, 1923, all debate on the bill H. R. 13481, the Agricultural appropriation bill, and amendments thereto, shall cease.

Mr. HEFLIN. Is it the understanding that we are to take a recess now?

Mr. CURTIS. No; an executive session is desired.

Mr. HEFLIN. Very well.

Mr. McNARY. I ask unanimous consent to have printed in the RECORD in 8-point type a statement made before the Committee on Appropriations by the junior Senator from Arizona [Mr. CAMERON].

There being no objection, the statement was ordered to be printed in the RECORD in 8-point type, as follows:

Statement made by Senator RALPH H. CAMERON, of Arizona, before the Appropriations Committee of the Senate, January 5, 1923, on H. R. 13481, after regular hearings had been held and closed, having to do with an increase in the forestry road appropriation in the Agricultural appropriation bill, from $3,000,000 to $6,500,000. The Appropriations Committee agreed to the $6,500,000 item.

The Agricultural appropriation bill now pending before the Senate Committee on Agriculture provides $3,000,000 for the construction of forest roads and trails for the fiscal year ending June 30, 1924. At the same time it authorizes the apportionment for that purpose, among the States, of a total sum of $6,500,000, being the amount authorized to be appropriated by paragraph 2, section 4, of the act approved June 19, 1922. Apparently this measure would have the following effect: (1) It authorizes the department to *build and pay for* forest roads and trails up to a total cost of $3,000,000; (2) it authorizes the department to plan the construction of an additional $3,500,000 worth of forest roads and trails, and permits the department to enter into contracts therefor, but *does not make the money available although it promises to do so.*

It seems from this that the forest road and trail appropriation, which amounted to $10,000,000 last year, is cut down to $3,000,000 this year.

It is very doubtful if the department would actually attempt to contract any work under this authorization prior to supplemental action by Congress actually making the money available for disbursement.

It is also very doubtful if the department could secure satisfactory bids under a mere authorization of this kind. In fairness to the bidder the department would be compelled to advise him that the money had not actually been appropriated. The bidder then would be compelled to take that into account in figuring on the job. *Instead of being able to finance his pay rolls by percentage payments on partly completed work he would have to count upon having the capital to complete the entire job and then await actual appropriation by Congress. No doubt this will mean higher costs and reduced mileage.*

The fact that there is a considerable unexpended balance in the road and trail fund would have no bearing upon the action taken at this time. Disbursements are only actually made as the work is done and completed. *The available balance is not more than sufficient to complete the projects now under way and provide a reasonable emergency balance to take care of overruns. New projects should be planned for the coming year and new contracts let.* The work should ordinarily proceed upon a basis of the expenditure of $10,000,000 per annum. The reduction to $6,500,000 basis for the coming year is the greatest concession that the exigencies of the actual situation in the field can make to the financial situation.

By acts of November 21, 1921, and June 21, 1922, Congress has recognized as part of national road policy the need for constructing in a comprehensive way:

(1) Roads traversing national forests needed to complete State and county highway systems:

(2) Roads and trails needed for the protection and development of the forests themselves and to make their resources available to local users.

National forests stand as the great barriers to communication and road construction of the West—first, because of their rugged, mountainous topography, and, second, because of the absence of taxable property within them to support highway extensions. Physical assets of national forests represent conservative valuation of $1,000,000,000. If these areas had passed into private ownership they would pay a substantial return to tax funds of States and counties. Congress has recognized the obligation resting upon the Government as the owner of these enormous barriers to furnish substantial aid in extending public roads through them by the terms of the last two public road laws, as well as by former legislation.

I am advised by the Forest Service that a road plan for the development of the national forests has been worked out, embracing a total of 38,000 miles. This may seem like a tremendous mileage, but the national forests have a tremendous area. In fact, 38,000 miles actually means only 4.8 miles per township, or less than 1 mile for every seven sections of land in the national forests.

With the assistance of the settlers in the West, and with the appropriations heretofore made available, there have already been constructed 1.1 miles per township of roads of a satisfactory type and 2.1 miles of inferior road. The attached diagram shows graphically the unprotected condition of these properties. I do not need to tell this committee that an adequate system of transportation is absolutely essential to an adequate system of fire protection. *Fifty-nine million acres of our national forests are now without any roads whatever. Eighty million acres are inadequately served by unsatisfactory roads of an inferior type.* Only 42,000,000 acres out of the total gross area of 170,000,000 acres have adequate means of transportation.

Many *large portions of national forests can now be reached only by two to five days travel on horseback or on foot from the end of the nearest road.* Inaccessibility of these undeveloped regions is a very serious handicap in protection from fire, particularly if such areas are subject to lightning fires. Delays and difficulties in getting back into such undeveloped parts of the national forests are partly responsible for the $750,000

emergency expenditures now required annually in fighting forest fires, as well as equally heavy or greater losses in the destruction of timber and young growth.

Fully 75 per cent of the timber on national forests is not now available for use because of inaccessibility. The present yearly cut amounts to a little more than 10 per cent of the annual growth. Timber receipts now amount to about $2,000,000 a year. When the forests are opened up by roads so that the equivalent of the annual growth can be marketed each year, the annual timber receipts should increase to fifteen or twenty million dollars. Roads will also increase the development and use of other resources in the national forests such as inaccessible stock ranges, mineral resources, and the like. The responsibility rests with the Federal Government, and the sooner this responsibility is redeemed the sooner the Government will begin to realize upon its investment.

National forest areas.

	Forest land, acres.
Alabama	81,302
Alaska	20,573,444
Arizona	11,267,640
Arkansas	944,091
California	19,181,508
Colorado	13,291,280
Florida	320,273
Georgia	144,668
Idaho	18,752,625
Maine	32,164
Michigan	123,647
Minnesota	1,047,941
Montana	15,933,889
Nebraska	205,944
Nevada	4,976,137
New Hampshire	404,207
New Mexico	8,423,338
North Carolina	334,480
Oklahoma	61,480
Oregon	13,132,659
Porto Rico	12,443
South Carolina	18,451
South Dakota	1,058,745
Tennessee	245,251
Utah	7,451,548
Virginia	365,938
Washington	9,934,275
West Virginia	103,459
Wyoming	8,414,452
Total	156,837,282

Notes on forest roads.—Accomplishments to July 1, 1922.

	Miles.
Construction:	
Roads	4,786
Trails	6,711
Maintenance:	
Roads	3,007
Trails	5,737
Expenditures:	
Federal	$15,424,831
Cooperative	6,791,893
Total	22,216,724
Cost per mile of road construction	3,793
Cost per mile of trail construction	245
Cost per mile of road maintenance	224
Cost per mile of trail maintenance	47
Cost of completing system of roads now necessary or that will be necessary within 10 years:	
Forest highways	112,278,656
Forest development—	
Roads	54,478,760
Trails	11,274,700
	178,032,116

FUNDS.

Funds available July 1, 1922, including undisbursed balances of prior appropriations and appropriations made available on July 1, 1922, for expenditure	$17,108,039
Estimated disbursements fiscal year 1923	11,713,099
Estimated undisbursed balance July 1, 1923	5,394,940
Further appropriations under section 8 of Federal aid road act	3,000,000
	8,394,940
Estimated expenditure for maintaining forest highways prior to July 1, 1926 (entire 10 per cent fund estimated as required for other maintenance work)	340,000
Total funds available for construction	8,054,940
Total additional appropriations required to complete forest-highway and forest-development systems	157,584,077

To complete system in 25 years, appropriation of $5,400,000 needed for fiscal years 1924, 1925, and 1926 and $6,400,000 for each of remaining 22 years (assuming that practically the equivalent of the entire 10 per cent fund is used for maintenance).

To complete system in 20 years, appropriation of $7,000,000 needed for fiscal years 1924, 1925, and 1926 and $8,000,000 for each of remaining 17 years (assuming that practically the equivalent of the entire 10 per cent fund is used for maintenance).

Available for expenditure July 1, 1922		$17,108,039
Obligations on this amount as of July 1, 1923,		
contracts (major)	$9,449,221	
Equivalent of contracts (minor)	4,403,000	
Administration and equipment on approved work	1,335,222	
Contingent for approved work	850,000	
		16,037,443
Estimated unobligated on July 1, 1923		1,070,166

National forest area, 156,837,282 acres, or 6,807 townships, or 245,058 square miles.

Area within national forest boundaries, 181,799,997 acres, or 7,891 townships, or 284,062 square miles.

Number of entire townships within forest boundaries in which there are no roads at all, 3,685, or almost 47 per cent.

Number of entire townships within forest boundaries in which there are only very poor roads—in character resembling wagon trails—2,418, or almost 31 per cent.

Present studies of system of roads deemed necessary at present or that will be necessary within 10 years provide for a system of about 38,000 miles, equivalent to about 4.8 miles of road to a township, or 1 mile of road for about 4,800 acres (7.5 square miles).

System of satisfactory roads now less than 25 per cent completed. Present system includes about 16,700 miles (44 per cent of entire system) of roads that are not of sufficiently high standard to properly carry travel, and therefore must be improved or reconstructed. On the balance (or about 12,500 miles) no roads now exist.

Of the entire work to be done to complete the required system, about 16 per cent of the mileage and 32 per cent of the expenditure is for roads on the State highway systems, approximately 35 per cent of the mileage and 35 per cent of the expenditure is for roads on the county systems, and about 50 per cent of the mileage (not including trails) and 33 per cent of the expenditure (not including trails) is for roads primarily necessary to the proper administration, protection, and development of the national forests.

Total timber stand of merchantable timber, 590,000,000,000 feet.

Annual growth, 8,000,000,000 feet.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 55 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Saturday, January 13, 1923, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate January 12 (legislative day of January 9), 1923.

MEMBERS OF FEDERAL RESERVE BOARD.

D. R. Crissinger, of Ohio, to be a member of the Federal Reserve Board for a term of 10 years, vice W. P. G. Harding, term expired.

Milo D. Campbell, of Michigan, to be a member of the Federal Reserve Board for a term of 10 years. (New office, act of June 3, 1922.)

COMPTROLLER OF THE CURRENCY.

James G. McNary, of New Mexico, to be Comptroller of the Currency, vice D. R. Crissinger.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 12 (legislative day of January 9), 1923.

UNITED STATES PUBLIC HEALTH SERVICE.

To be surgeons.

Roscoe R. Spencer.
Walter C. Teufel.
Paul M. Stewart.
Royd R. Sayers.
Julian M. Gillespie.
Sanders L. Christian.

POSTMASTERS.

COLORADO.

Henry J. Stahl, Central City.

CONNECTICUT.

Weeden F. Sheldon, Moosup.
Herbert H. Cutler, Sandy Hook.

GEORGIA.

Edgar Bargeron, Waynesboro.

KENTUCKY.

Harry C. Barrett, Hickman.

MICHIGAN.

Andrew M. Bram, Hancock.

MONTANA.

Howard Squires, Harlowton.

NEBRASKA.

William E. Smith, Antioch.
Edward Ericksen, Boelus.

NEW YORK.

Guy M. Lovell, Camillus.
Wright B. Drumm, Chatham.
Benjamin W. Wellington, Corning.
Stuart W. Smyth, Owego.
George F. Hendricks, Sodus.
Fred D. Jenkins, Webster.

OHIO.

Herbert Newhard, sr., Carey.
William H. Taylor, Cuyahoga Falls.
William H. Harsha, Portsmouth.
Clifford D. Calkins, Sylvania.

PENNSYLVANIA.

Walter L. Brinton, Creighton.
Ben G. Swick, Ellwood City.

TEXAS.

Emma L. Willke, Boerne.
John A. Weyand, Carmine.
Oscar O. Ashenhust, Lorena.
Robert H. Rhodes, Waelder.

VERMONT.

Frank E. Howe, Bennington.

HOUSE OF REPRESENTATIVES.

FRIDAY, *January 12, 1923.*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. CAMPBELL of Kansas.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, Thou hast been the support of the world in ages past and Thou art our hope in years to come. Before Thee we recognize our unworthiness and confess our sins. We would that our ways, our thoughts, and our motives were altogether acceptable to Thee. O establish our principles and may our lives show the tokens of our gratitude. Bless us with the sweet fruits of goodness and spare us ever from reaping the bitter fruits of badness. Mold the fundamental decisions of our characters and always determine their direction. Comfort us day by day with the assurance that Thou art pleased with us. For the sake of Jesus and the cross He bore that we might be saved. Amen.

The Journal of the proceedings of yesterday was read and approved.

CAPITAL GAINS AND LOSSES.

Mr. MILLS, from the Committee on Ways and Means, by direction of that committee reported the bill H. R. 13770 (Rept. 1388), a bill to amend the revenue act of 1921 in respect to capital gains and losses, and for other purposes, which was ordered printed and referred to the Committee of the Whole House on the state of the Union.

EULOGIES.

Mr. BUTLER. Mr. Speaker, I ask unanimous consent that Sunday, February 18, 1923, be set apart for addresses on the life, character, and public services of the Hon. BOISE PENROSE, the Hon. PHILANDER C. KNOX, the Hon. WILLIAM E. CROW, late Senators from the State of Pennsylvania, and the Hon. CHARLES R. CONNELL, late a Representative from the State of Pennsylvania.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that February 18, 1923, be set apart for eulogies upon the late Senators and the Representative from the State of Pennsylvania. Is there objection?

There was no objection.

BOARD OF REGENTS, SMITHSONIAN INSTITUTION.

Mr. FESS. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 251.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent for the present consideration of the Senate joint resolution which the Clerk will report.

The Clerk read as follows.

Senate joint resolution (S. J. Res. 251) providing for the filling of two vacancies that will occur on January 14, 1923, and March 1, 1923, respectively, in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

Resolved, etc., That the two vacancies that will occur as herein specified in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress be filled by the reappointment of Henry White, of the city of Washington, whose term will expire January 14, 1923, and of John B. Henderson, of the city of Washington, whose term will expire March 1, 1923.

With the following committee amendment:

Page 1, lines 7 and 8, strike out the name of John B. Henderson and insert the name of Frederic Adrian Delano.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

There was no objection.

Mr. FESS. Mr. Speaker, there is no need of my taking any time to discuss this joint resolution. The terms of these two members expire next Sunday, and unless we act upon it at once there might be some confusion. I ask for a vote. I might state that after the committee had reported the joint resolution Mr. Henderson died, and consequently it was necessary to offer an amendment to strike out his name and insert that of Mr. Delano.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The Senate joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

Mr. FESS. Mr. Speaker, I ask unanimous consent to insert in the RECORD a memorandum of the activities of Mr. Delano, the new member.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The following is the matter referred to:

Frederic Adrian Delano, vice governor of the Federal Reserve Board, Washington, D. C.

Born Hongkong, China, September 10, 1863, both parents being natives of Massachusetts.

A. B., Harvard, 1885.

Began railway service with the Chicago, Burlington & Quincy Railroad Co., with engineering party in Colorado, 1885, and same year entered Aurora, Ill., shops of same road, as apprentice machinist; appointed temporarily acting engineer of tests at Aurora, April, 1887; placed in charge bureau of rail inspection at Chicago, July 1, 1887; assistant to second vice president at Chicago, April, 1889; superintendent freight terminals at Chicago, July, 1890; superintendent motive power at Chicago, February 1, 1899; general manager at Chicago, Chicago, Burlington & Quincy Railroad, July 1, 1901–January 10, 1905.

After leaving service of Burlington, was consulting engineer to War Department in relation to railroads in Philippine Islands; president Wheeling & Lake Erie Railroad Co., Wabash-Pittsburgh Terminal Railway Co., May 1, 1905–1908; first vice president Wabash Railway Co., May 1–October 5, 1905; president, October 5, 1905–December, 1911, and one of receivers December, 1911–December, 1913; president Chicago, Indianapolis & Louisville Railway Co., December, 1913–August 10, 1914.

Member Committee on Industrial Relations, 1912–1914; appointed by President Taft and again by President Wilson 1914 member Federal Reserve Board for six-year term, and designated as vice governor for two years; resigned June, 1918, to enter Army, where he attained rank of colonel, Transportation Corps; honorably discharged October 25, 1919.

Member board of overseers of Harvard College; ex-trustee University of Chicago; trustee Chicago Sunday Evening Club; vice president American Unitarian Association, 1907.

Member American Society of Civil Engineers, American Institute Mining Engineers, Western Society of Engineers, American Association for the Advancement of Science, American Railway Association, Franklin Institute, International Railway Congress, Western Railway Club, etc.

Home, Washington, D. C.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13696, the independent offices appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. MCARTHUR in the chair.

The Clerk read as follows:

TEMPORARY BUILDING (1800 VIRGINIA AVENUE).

Salaries: For the following employees for the maintenance and protection of the building: Clerk of class 1; chief engineer, $1,400; assistant engineer, $1,000; 6 firemen, at $840 each; electrician, $1,200; carpenter, $1,200; general mechanic, $1,000; guards—3 sergeants at $930 each, 9 at $780 each; foreman of laborers, $840; foreman or forewoman, $780; 10 laborers at $660 each; laborers and charwomen, $3,960; female laborer, $840; in all, $34,510.

Mr. WOOD of Indiana. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Committee amendment: Page 27, line 19, strike out the figures "$840" after the word "laborer," and insert "$480."

Mr. BLANTON. Will the gentleman state why this change is made?

Mr. WOOD of Indiana. It is simply a transposition of the figures. They got an 8 in place of a 4. It is to correct an error.

Mr. BLANTON. To reduce the salary?

Mr. WOOD of Indiana. No; the salary is just the same. The salary is $480, but in the printing they transposed the figures and made it $840.

Mr. BLANTON. Does this female laborer give all of her time to the Government?

Mr. WOOD of Indiana. No.

Mr. BLANTON. Mr. Chairman, on that subject I want to say that engaged in one line of work down in the Bureau of Engraving and Printing we have nine ladies. One of them has faithfully served the Government there for about 30 years, and most of the nine have served the Government over 25 years. They give their full time and yet they are only paid $50 per month. One of them, at least, knows as much about the business of that Bureau of Engraving and Printing as any other employee in it.

Mr. CLARKE of New York. Will the gentleman state what is the nature of their work?

Mr. BLANTON. Now they have been assigned to showing visitors over the building. If that is a work that the Government ought to pay for, it ought to pay an adequate salary.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CLARKE of New York. Are they not receiving honoraria, tips, or something of that kind down there now?

Mr. BLANTON. I do not think so.

Mr. CLARKE of New York. Are they not upon the same footing as the guides around the Capitol, some of whom make really big money?

Mr. BLANTON. I think not.

Mr. CLARKE of New York. By the sale of souvenirs and other things?

Mr. BLANTON. One of them told me that all she received was $50 a month, and she said that she could not live upon that. She said she thought the Government certainly could raise her salary. She further said she was afraid she was coming to the wrong person, because she had been informed that I was in favor of reducing salaries. I am not in favor of reducing salaries of that kind. The amendment specifying the annual salary at only $480 is for a woman. The only kind of salaries I am in favor of reducing is where we get a man who, until he began working for the Government, was receiving probably $1,200 a year, who enters the Government service at $2,000 a year, and then immediately wants his salary raised to $5,000 or $10,000 a year. That is the sort of salary that I am in favor of reducing. I am not in favor of reducing the salary of women to $480 and $600 per annum. These women ought to be paid adequately or they ought to be taken off the pay roll. If they are paid by gratuities, by contributions from parties whom they serve in showing the building, they ought to be taken off the Government pay roll entirely. I understand they are getting $50 a month, and that is their total compensation.

Mr. WOOD of Indiana. Oh, that is a mistake. They get the bonus. They do not get the entire bonus, but they get a proportionate share of it.

Mr. BLANTON. How much of the bonus?

Mr. WOOD of Indiana. I think it is about $160.

Mr. BLANTON. They ought to be paid what other men working for the Government in similar employment receive, where they give their full time to the Government, and I am using these few minutes merely to call this matter to the attention of the particular subcommittee that has it in charge, so that in the future they may fix an adequate salary.

Mr. WASON. Is not that a statutory position?

Mr. BLANTON. I think so.

Mr. WASON. Then, the Subcommittee of the Committee on Appropriations should not legislate, but the matter should go to the proper legislating committee.

Mr. BLANTON. Oh, I have heard that passing of the buck so much that it now makes me tired to hear it. Whenever any one of the subcommittees of the great Appropriations Committee that has to do with these various supply bills wants to put a piece of legislation on the bill, they put it on, and sometimes they disguise it so that it is hard to tell that it is legislation. They put it in at will, when it appeals to them, but the things that do not appeal to them they leave out, and then fight when we try to put them back.

The CHAIRMAN. The time of the gentleman from Texas has expired. Without objection, the amendment of the gentleman from Indiana will be agreed to.

There was no objection.

The Clerk read as follows:

For all other expenditures authorized by the act approved September 7, 1916, as amended, and by the act approved June 5, 1920, including the compensation of attorneys, officers, naval architects, special experts, examiners, clerks, and other employees in the District of Columbia and elsewhere; and for all other expenses of the board, including the rental of quarters outside the District of Columbia, law books, books of reference, periodicals, and actual and necessary expenses of members of the board, its special experts, and other employees, or per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, while upon official business away from their designated posts of duty, and including the investigation of foreign discrimination against vessels and shippers of the United States and for the investigation of transportation of immigrants in vessels of the United States Shipping Board, $317,500.

Mr. SEARS. Mr. Chairman, I move to strike out the last word in order to find out how much is carried under the United States Shipping Board for the purpose of advertising during the next year?

Mr. WOOD of Indiana. I do not recall. I do not know that anything is carried, any specific amount, for that purpose. Of course, under the appropriation for administration they could use a certain amount of it, or whatever they saw fit for that purpose.

Mr. SEARS. Of course, under the old act, as the gentleman will recall, we had quite a fight, and there was $900,000 appropriated for that purpose.

Mr. WOOD of Indiana. That was under the Emergency Fleet Corporation; it was not under the Shipping Board at all.

Mr. SEARS. They are so intermingled that it is hard to get them separated. I have read through the Emergency Fleet Corporation fund and I can not find it. I think it is high time that we should quit spending money in advertising that there is nothing to see in America and that people should go to Europe. The people of the country are complaining of high taxes.

Coming up on the train I read a resolution introduced by my distinguished friend from Ohio, Mr. LONGWORTH, to the effect that during the present session at least there would be no bonus bill. Of course, we understand by that, that next year, the same being an election year, there will be a bonus bill. I think it is time for us to quit talking and get down to economy, and if there is anything in this act or any other act authorizing the Shipping Board to continue to spend $900,000 a year, as they have expended it in the past, for advertising, in my feeble way I shall oppose it, especially after the President came before us and told us that his conscience hurt him so much that he could not remain silent longer, and that we should get rid of the entire Shipping Board.

Mr. WOOD of Indiana. Mr. Chairman, I agree with the gentleman exactly, that the best thing that could happen to the United States would be to get rid of the entire Shipping Board, and if gentlemen on the Democratic side, instead of quibbling against small items like this, would rise to the dignity and importance of the United States and establish a merchant marine, they would no longer have ground for complaint against advertising.

Mr. SEARS. Mr. Chairman, in reply to that, we might rise to emergency conditions as we meet them, but those on the Democratic side would rather give the whole thing away than rise to the emergency of giving to a group of men, whom it is claimed are already known, about $6,000,000,000 worth of property for $300,000,000 or $400,000,000, loan them the money to buy it, and then if they do not like it, take it back from them. Of course, that is the varying difference of policy as between this side and the other side. I am willing to get rid of the Shipping Board, and have been for a good many years, and if they continue to operate it as they have operated it, I think the quicker we get rid of it the better off we will be.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

EMERGENCY SHIPPING FUND.

For expenses of the United States Shipping Board Emergency Fleet Corporation during the fiscal year ending June 30, 1924, for administrative purposes, miscellaneous adjustments, losses due to the maintenance and operation of ships, for the tie-up, reconditioning and repair of ships, and for carrying out the provisions of the merchant marine act, 1920, (a) the amount on hand July 1, 1923, but not in excess of the sums sufficient to cover all obligations incurred prior to July 1, 1923, and then unpaid; (b) $50,000,000: *Provided*, That no part of this sum shall be used for the payment of claims other than those resulting from the current maintenance and operation of vessels; (c) the amount received during the fiscal year ending June 30, 1924, from the operation of ships.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 34, line 5, after the words "ships," insert the following proviso: "*Provided further*, That in no event shall more than $300,000 of the sum appropriated by this act be used to pay the compensation of attorneys, regular or special, for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation."

Mr. JONES of Texas. Mr. Chairman, I have looked through the hearings for this year for some information about the total amount which is being paid attorneys, and I am unable to find anything. Therefore I assume that a similar number of attorneys are still on the roll for this year. I have been informed that a few have been dismissed, but the number has been reduced very little.

Last year, according to the testimony—and I have it here before me—there were $619,000 appropriated for the employment of attorneys for the Emergency Fleet Corporation and the Shipping Board. The list is shown in the hearings of last year on page 1165, and if there is no objection I shall insert this in the RECORD in reference to the amounts paid. Now, I am serious about this amendment and the purpose for which it is offered. It was shown by the testimony of witnesses that the principal purpose of the employment of these attorneys was the adjustment of claims and the handling of any litigation that might arise. I believe that they can get 15 or 20 lawyers and 15 or 20 claim adjusters and do this work easily and perhaps better than if it is done altogether by high-priced attorneys. About two years ago or a little more than two years ago they were paying $25,000 to $30,000 for some lawyers, and a number of them were being paid $15,000 to $20,000 each. These salaries were paid until the Congress put a $11,000 limitation on the payment of the salary of any one attorney. Mr. Schlesinger, who undertakes to justify the employment of these 78 attorneys, testified as to how he obtained the services of and how he happened to employ these great attorneys, and how he happened to secure their services for $20,000 and $25,000 a year, and after great persuasion and at a tremendous sacrifice to them he induced them to come here at $20,000 to $25,000 a year. But when Congress put on this $11,000 limitation every one of these high-priced attorneys stayed at $11,000. They were every one on the list last year, a year and more after they have been employed. I want to read some of the testimony about these lawyers. I believe in the testimony last year it was stated that for only about a year they would need this many attorneys and could reduce the force. Now, I want to say that surely with this limitation of the appropriation to $300,000 all of the necessary business can be handled.

Now, Mr. Schlesinger undertook to justify the employment of these attorneys and spoke of a man by the name of Fletcher Dobyns:

> I engaged Mr. Dobyns at $15,000 a year. Since the Walsh case his reputation had grown greatly, and he was earning a great deal more money, several times more than that. I got him to come down on account of his friendship for me and because he felt that he could add to his reputation in going through with this Morse situation.

I am sure Mr. Dobyns is a good lawyer. He bears that reputation, and I do not blame him for making the best trade he can.

That reminds me that down on the old farm we had a horse named Dobbins, and it took an earthquake to get him out of a walk, but he could eat more than any horse I ever saw. This man Dobyns had been on the pay roll before. Mr. Schlesinger employed him at $15,000, but when the $11,000 limitation was put on he still stayed on the pay roll at $11,000, notwithstanding he came here at a tremendous sacrifice at $15,000 a year.

Mr. YATES. He is a horse of another color.

Mr. JONES of Texas. Perhaps so, but he is still able to eat, evidently. Now, here is a man by the name William Marshal Bullitt.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JONES of Texas. I ask unanimous consent for five minutes more. I have not had any time on this bill.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. JONES of Texas. Now, here is another lawyer by the name of William Marshal Bullitt, and Mr. Schlesinger says of him:

> I persuaded him to come to Washington at $25,000 a year, which was a great financial sacrifice to him.

And I turn over to the list, and here is William Marshal Bullitt still working at $11,000 per year since the limitation was put on. Before that he had to have $25,000. Now he is willing to work at $11,000.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. CHINDBLOM. Does the gentleman object to these men sacrificing their time and sacrificing a part of the emoluments which they might earn elsewhere?

Mr. JONES of Texas. Oh, not at all; but the irony of the gentleman's statement is that they make a sacrifice. I am accepting the testimony of the man that they need seventy-odd lawyers, which is all the justification they have here; and he says these men would not come, and they could not get these men for $20,000 and in some instances even for $25,000 and $30,000, but after they were hired at these high figures Congress forbade the payment of more than $11,000 and all these sacrificial people still stuck.

Mr. CHINDBLOM. If the gentleman will yield for a further question?

Mr. JONES of Texas. I will.

Mr. CHINDBLOM. Has the gentleman any information that these men did not make any sacrifice in coming here?

Mr. JONES of Texas. I have no information at all, but I say there should be information that they are earning the money. That is not here. I have not been able to find what these lawyers are now doing and as to the necessity for retaining them. And the hearings for this year do not disclose that information. It is not up to me to justify the elimination of these men. It is up to the Congress to eliminate some of them unless the Appropriations Committee justifies their retention. And I do not think this has been done.

It is not up to me to show that they are not making a personal sacrifice by rendering this service. It is up to those who are trying to justify them to show that they are earning what the Government pays them. I am not objecting to retaining some of these lawyers. What I want is to get the work done as cheaply and as efficiently as possible. I say this work could be done by 20 lawyers and 20 adjusters. Much of the work is such as could be done by an adjuster instead of by an attorney. It ought to be done at an aggregate cost of not exceeding $200,000. We ought to be able to get attorneys and adjusters to do this work for that money.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. FESS. I sympathize with what the gentleman is trying to do, to bring this amount down to the limit of such service as we need. But the criticism may be somewhat unfair. Is it not true that we do have men in the Government service who are making a tremendous sacrifice?

Mr. JONES of Texas. Yes; I think so. But what I was saying is that these men have stayed on at a reduced salary when before their salary was reduced they protested that they could not come unless these high salaries were paid. They were accordingly employed at the high salaries. Oh, no; they could not come here for less than $15,000 or $20,000 or, in some instances, $30,000. But, like the poor we seem to have them always with us, even at a much less rate of compensation.

Mr. MACLAFFERTY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. MACLAFFERTY. I will ask the gentleman if he is not capable himself, as a lawyer, of earning more than $625 a month, the salary of a Congressman? Does not the gentleman think so?

Mr. JONES of Texas. I am pretty well satisfied with the place I have. [Laughter.]

Mr. FESS. Mr. Chairman, will the gentleman yield again?

Mr. JONES of Texas. Yes.

Mr. FESS. I understand that Mr. Lasker is not only sacrificing his business but has expended at least $40,000 out of his own private purse in order to try to solve this problem.

Mr. JONES of Texas. Let me ask the gentleman a question in answer to his question.

Mr. FESS. Is it not possible that he has about him men who are devoted to trying to solve the problem and willing to make a personal sacrifice in doing so?

Mr. JONES of Texas. Most assuredly; but before the other limitation was made he had been spending large salaries to these men who could be employed for less. If they are willing to make a sacrifice now, surely they would have done it then. I say we ought to be able to get a corps of competent officers at a less total amount than is being paid.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that my colleague from Texas may proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. BLANTON. I want to ask my colleague if it is not his sound judgment that what we term "dollar-a-year" men with reference to the Government service are not the most expensive men that we could have in any line of endeavor?

Mr. JONES of Texas. I think that is undoubtedly true. While I think there were some patriotic men who really rendered fine service at a dollar a year, yet I think the policy was a mistake, and in the end, on the whole, it cost more to have dollar-a-year men than to pay men what their services were worth. I am not objecting to adequate compensation to attorneys for adequate work, but I think that $200,000, after a year when they had $600,000, ought to be sufficient to take care of the legal department. Mr. Schlesinger in his testimony says:

I sent for Mr. Fairbanks and offered him $10,000 a year to come with the board. He refused point-blank and told me he had been paid $12,000 when he was at the head of the War Claims Board. I offered him $15,000, and he said he would come.

Here is another man, by the name of Freund. I understand the meaning of that word is "friend." I read:

I have told you about Mr. Freund. He came from the firm of Sherman & Sterling. I took him from that firm and offered to pay him $25,000, and in view of the limitation of $11,000 salary which Congress imposed upon us, I feel badly for having done so. I think the Government should pay its attorneys what they are worth when they are unusually competent.

Mr. Freund is still on here at $11,000 a year, although he was being paid $25,000 before Congress limited these salaries. I cite this on the question of efficiency. I again repeat that they can take 20 attorneys and 20 adjusters and do this work efficiently. The evidence shows that most of their work is claims adjusting. You can take a number of adjusters and claim agents and take enough attorneys to pass on the legality of the claims and accomplish efficient results.

Here is another man, by the name of Aaron. That is a name to conjure with. Last year the gentleman from Indiana evidently had some misgivings as to the efficiency of all their work and the salaries paid. I want to quote from his question of Mr. Aaron. He asked:

Mr. WOOD. You elevated that gentleman to $10,000 from a Government position at $4,000?

Mr SCHLESINGER. No, sir; he was engaged at $10,000.

Mr. WOOD. He worked for the Government somewhere at $4,000 a year.

The gentleman from Indiana [Mr. WOOD] says that in 1919 this Mr. Aaron was working for the Government somewhere at $4,000 a year. Mr. Schlesinger said he did not even know that.

Now, gentlemen of the House, we want to do the work of the Government properly and efficiently, but after they have had two years, with all these high-priced attorneys adjusting claims, practically all of which arose during the operation of the fleet and the work during and immediately after the war, it seems to me that $200,000 for lawyers ought to be adequate and sufficient to take care of it. I do not know whether they will need that amount or not, but there ought at least to be some limitation on the amount. In view of the testimony here and in view of the amount that was paid to these attorneys prior to the time when the other limitation was put on the action of the Emergency Fleet Corporation and the Shipping Board, I am unwilling that they shall be given carte blanche to pay any amount they please for attorneys whom they may desire to employ. Under the terms of this bill they are unlimited so long as they do not pay over $11,000 to any particular attorney. There is no limit fixed in the bill. There should be a limit placed on the total amount paid to the attorneys, and I have been unable to find any such limitation in the bill. [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, if the gentleman from Texas [Mr. JONES] had been here the other day, I dare say he would not have humiliated himself by the speech he has just made. If he had confined himself to the hearings of this year rather than of last year, from which he has quoted to-day, I know with due respect to himself he would not have made the speech that he has just made. True to form, he is just a year behind time. I wish to insert in the RECORD a list of the attorneys now employed and the salaries given:

List of consuls and attorneys in the employ of the United States Shipping Board and United States Shipping Board Emergency Fleet Corporation.

Name.	Designation.	Salary.
Glen R. Snider	Admiralty counsel	$7,500
C. A. MacDonald	do	4,000
Walter L. Berry	Attorney	3,600
Arthur M. Boal	do	3,900
Lawrence B. Evans	Special counsel	8,000
Edgar T. Fell	Attorney	3,600
Wm. R. Fitch	do	3,900
Joseph H. Gaines	Assistant counsel	9,500
Chester J. Gerkin	Attorney	4,500
F. K. Hill	Nautical advisor	6,000
Jerry C. Massy	Attorney	3,600
Willis E. Monty	do	3,600

List of consuls and attorneys in the employ of the United States Shipping Board, etc.—Continued.

Name.	Designation.	Salary.
W. W. Nottingham	Assistant counsel	$6,000
E. M. Allison, jr	Special counsel	11,000
Wm. Y. C. Anderson	Assistant counsel	6,500
Norman B. Beecher	Special counsel	11,000
O. P. M. Brown	Assistant counsel	5,000
Wm. M. Bullitt	Special counsel	11,000
W. D. Casey	Assistant counsel	3,000
Frederick R. Conway	Attorney	4,500
Geo. C. Cravey	Assistant counsel	5,000
Walter D. Davidge	do	4,000
Roland S. H. Dyer	do	6,500
John E. Fetzer	do	7,500
S. H. E. Freund	General counsel	20,000
A. W. Graef	Assistant counsel	10,000
Wirt Howe	do	5,000
Lake Jones	District counsel	6,000
Richard F. Jones	Assistant counsel	7,500
Paul Knox	do	4,500
B. J. Laws	Assistant to general counsel.	10,000
Harry Long	Assistant counsel	8,500
Chauncey G. Parker	General counsel	20,000
Caleb Powers	Assistant counsel	5,000
Alfred B. Quinton	do	3,600
Wm. T. Sabine, jr	do	6,500
Wade H. Skinner	do	4,500
Henry M. Ward	Special counsel	11,000
W. Worthingham	Assistant counsel	5,000
Gratton Colvin	do	7,500
G. Raymond Conybeare	do	5,000
A. W. De Goosh	do	3,900
Joseph Fairbanks	Director of claims	11,000
Geoffrey Goldsmith	Assistant counsel	7,500
Ralph H. Hallett	do	6,000
Allison M. Lederer	do	8,000
John B. Milliken	do	5,000
Mervyn Ap. Rice	do	6,000
James Talbert	do	10,000
E. H. Van Fossan	do	9,000
H. P. Wood	do	4,000
Frank V. Donegan	Examiner	2,700
A. M. Menkel	Assistant counsel	6,000
R. B. Romaine	do	6,000
J. K. White	do	6,000
R. S. Hume	do	5,000
J. R. Stewart	do	3,600
H. M. Gray	Admiralty attorney.	7,500
J. Hunter	do	5,000
Arthur Longfellow	do	3,600
W. Schaffner	do	3,000
W. B. Gray	do	2,500
L. P. Scott	do	2,500
Benn Barber	Counsel	7,500
J. C. Hawkins	Assistant counsel	3,500
Joseph McCormack	do	6,000
T. H. Madigan	do	4,500
M. H. Michaels	do	2,400
A. H. Stetson	do	4,000
J. E. Walker	Common law attorney.	4,000
J. J. Dwyer	District counsel	6,000
MacCormac Snow	do	6,000
L. E. Anderson	Legal advisor	5,000

I wish to call the gentleman's attention to the fact that under the old régime, of which he was a defender, the pay roll of this board was more than twice what it is now. With very ill grace does it come from those who are now criticizing the Shipping Board to inveigh against exorbitant salaries, when but a few short years ago they were here defending them. One of the greatest compliments that could be paid Mr. Lasker, who has sacrificed his time and his possibilities of earning money to the interests of the Government, is the fact that he has reduced the overhead expense of this Shipping Board from $15,861,000 down to $7,500,000.

Mr. JONES of Texas. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. JONES of Texas. Is there any limitation in the bill which would keep him from employing any number of attorneys that he might desire?

Mr. WOOD of Indiana. Of course there is, and the gentleman simply shows his ignorance by not reading the bill.

Mr. JONES of Texas. I should like to be cited to that provision.

Mr. WOOD of Indiana. Your time is no more valuable than mine. Everybody else knows about it. Read the bill and you will find where it is.

Mr. JONES of Texas. That is a very general statement. I should like to have the information, and the gentleman as chairman of the Subcommittee on Appropriations in charge of this bill ought to furnish that information.

Mr. WOOD of Indiana. The information is in the bill itself. Read the bill. You have not read the bill.

Mr. JONES of Texas. I have read the bill.

Mr. WOOD of Indiana. You have just simply been employing your time in reading last year's hearings. And let me say to you——

Mr. JONES of Texas. That is a gratuitous statement. I tried to find it in this year's hearings, and I would like some information about it. I asked the ranking Democrat on the committee about these attorneys and he said he had no information, and the hearings disclose no information. I have looked at the hearings and the index, and there is nothing in the index about attorneys.

Mr. WOOD of Indiana. The gentleman is just simply further showing his ignorance, because there was no ranking Democrat on this committee, unfortunately.

Mr. JONES of Texas. I have asked the gentleman from Tennessee [Mr. BYRNS], who was looking after it.

Mr. WOOD of Indiana. You had better employ your time in reading the minutes of the hearings.

Mr. JONES of Texas. Surely it was not the purpose to have no Democrats on the committee. Surely there are Democrats on the subcommittee.

Mr. WOOD of Indiana. Yes; there were two. Unfortunately Mr. HARRISON did not serve, because of a personal embarrassment for which he was excusable, and Mr. GRIFFIN unfortunately has been sick. Fortunately Mr. BYRNS of Tennessee has been able and willing to act in their places in the presentation of this bill. But if the gentleman would simply be as industrious in trying to ascertain the facts as he is industrious in trying to insert a little bit of prejudice and acrimony into this debate, it would be far better for all concerned and infinitely better for the administration of affairs.

Mr. JONES of Texas. I appreciate the gentleman's lecture all right, but I should like to have the information. He has not disclosed it yet.

Mr. WOOD of Indiana. I have the information here now.

Mr. JONES of Texas. I should like to know the provision in the bill which places this limitation, and I should like to know the total amount to be used to pay attorneys.

Mr. WOOD of Indiana. I am going to insert the list in the RECORD, and the gentleman can read it at his leisure.

Mr. JONES of Texas. May I have the list? May I have time to look over the list?

Mr. WOOD of Indiana. Why, of course you can.

Mr. JONES of Texas. Will the gentleman in the meantime——

Mr. WOOD of Indiana. I do not want you to be occupying my time. I want to give the House some facts.

Mr. JONES of Texas. I wish the gentleman would do it.

Mr. WOOD of Indiana. I am going to confine it to the present year and not past years. This thing of sitting backward in a car and waiting until you pass an object before you see it, and then criticizing it because you did not see it before, does not appeal much to me. [Laughter.] Now, the pay roll of this Shipping Board has gone from $15,861,000, which was the amount when the present board came into office in 1921, down to $7,500,000. This reduction keeps pace with the better liquidation of war entanglements.

Here is another thing to which I wish to call attention: We have done away with the very gentleman whom the gentleman from Texas [Mr. JONES] has spoken about. Mr. Schlesinger is no longer connected with this board. Happily, he rendered a splendid service, and after he went away the position of general counsel of the Shipping Board and general counsel of the Emergency Fleet Corporation have been united, thus saving that $10,000. They have also done away with two experts, saving $10,000 each. In fact, they have done away in that department alone with personal services saving the Government some $47,000 a year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. May I have three minutes more?

The CHAIRMAN. Without objection, the time of the gentleman will be extended three minutes.

There was no objection.

Mr. WOOD of Indiana. I was a little bit amused here on yesterday to hear gentlemen on the other side criticizing the Shipping Board because they have found it expedient to do away with the commission for the settlement of claims. The members of that commission were costing us $10,000 a year each, and some gentlemen who are now criticizing the board because they have done away with that service were then criticizing us who were recommending it. For the life of me I can not understand their consistency or their attitude unless it be simply for the purpose of criticism.

Now, gentlemen, I suppose I have had just as much trouble with this Shipping Board as anybody. I think I have had more trouble. I was sent back five times last year to conference on this appropriation bill because of the appropriation for the Shipping Board. The items then in dispute have proven the very best things that could happen so far as saving is concerned, so far as reduction of overhead is concerned, so far as efficiency is concerned, and gentlemen upon the other side, some of them, are now free to admit that that is true.

Mr. JONES of Texas. Is it not a fact that in the gentleman's own list there are 73 lawyers now employed by the Shipping Board?

Mr. WOOD of Indiana. I think there are, and I want to say to you, as I said a year ago, that this is the biggest business in the world. There is nothing to compare with it. That is the trouble. There is nothing that we have to do that is comparable to the extent of the business of the Shipping Board. It extends all over the world. Some of us can not comprehend the extent of it. I confess I can not; but every port in the world has some representative of this Shipping Board involving, if you please, all the expenditures and trouble incident to shipping. I am not a shipper. I know but little about this business. All I know about it is the information I get from those who by reason of long experience are equipped to give information, and to my mind it is a most amazing proposition and wonderfully to the credit of the present Shipping Board that out of all the rottenness that formerly prevailed in this thing they have reduced it as they have been able to reduce it. And I wish to say to gentlemen upon this side that there will be no one happier than I when the United States will have done with this entire thing. It is not a business in which the Government ought to be engaged; but as long as she is engaged in it she must do the best she can to conserve the best interests not only as to the property that is in trust, but to all those who are vitally concerned. I wish that I might have the deciding voice in establishing a merchant marine for the United States to take this thing over, and if you gentlemen will be as honest and industrious in trying to do that thing for the pride and glory of the country as you are in criticizing the Shipping Board we soon will be rid of this thing, and happy will I be when it comes.

Mr. BLANTON. Mr. Chairman, the distinguished gentleman from Indiana [Mr. WOOD] is chairman of this Appropriations Subcommittee. He admits on the floor of the House that only three members of Congress have had anything to do with the preparation of this bill. There are 432 other Members of Congress who had no connection whatever with the preparation of the bill, and may get information concerning it only from the hearings or the gentleman. He is presumed to answer questions as chairman of the subcommittee—questions that may be asked him concerning the provisions of the bill, and be frank about it. My colleague from Texas [Mr. JONES] can not be disposed of with a lip spanking such as the gentleman from Indiana sought to give him. He asked a legitimate question. He asked where in this bill was there such a limitation as he mentioned, and the chairman said:

It is there; you have not read the bill.

Mr. Chairman, it is not in the bill. I have read it carefully. The only provisions in the bill that limits the matter in any respect whatever are the two provisions on the top of page 35. The first provision reads as follows:

No part of the sums appropriated in this act shall be used to pay the compensation of any attorney, regular or special, for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation unless the contract of employment has been approved by the Attorney General of the United States.

That does not limit the number of attorneys.

Mr. LONGWORTH. What about the next paragraph?

Mr. BLANTON. I am coming to that, I will say to the gentleman from Ohio. The next paragraph merely provides that where you pay more than $11,000 to an employee you can only employ six at $25,000 and two at $20,000. They are permitted to employ an unlimited number at not over $11,000 each per annum. Let me read it to you:

No officer or employee of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be paid a salary or compensation at a rate per annum in excess of $11,000 except the following: Six at not to exceed $25,000 each, and two at not to exceed $20,000 each.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. BLANTON. In a moment. The point of my colleague [Mr. JONES] was that they were unlimited as to the number of attorneys they could employ at $11,000 a year. The only limitation is to get the approval of the Attorney General of the United States. Now, I am with the Attorney General in enforcing the laws of this country. I am against the effort that

is being made to hamstring him in that enforcement. I approve of his stand against anarchy in the railroad strike. But I want to say that if you will look over the stupendous list of attorneys that are now employed by the Attorney General in the Department of Justice, you will see that we can not depend upon him to exert a proper limitation. Oh, concerning our two formers colleagues, Mr. McCulloch and Mr. Reavis—both splendid gentlemen—they are earning every dollar of the $10,000 that the Attorney General is now paying them. I commend the splendid work they are doing. They are both doing the best of service, highly valuable to the people, and if they were all like Mr. Reavis and Mr. McCulloch, I would not take the floor and say a word against them. They are earning it all. And some of the other attorneys are splendid men earning their salaries. But they have a bunch of lawyers there, some of whom are being paid about four times as much as they ever got before in their lives.

Mr. DICKINSON. Will the gentleman state who those attorneys are?

Mr. BLANTON. I will ask unanimous consent, Mr. Chairman, in connection with my remarks about them, to put in the RECORD the list of the attorneys who are employed by the Department of Justice.

Mr. STAFFORD. Will the gentleman include the name of ex-Senator Thomas among those he is indicting?

Mr. BLANTON. No; I will not.

Mr. STAFFORD. Will the gentleman name the men that he is indicting now?

Mr. BLANTON. I will name some of them, and in such connection give facts that should indict them to the full satisfaction of the gentleman.

Mr. DICKINSON. Why not give them to us on the floor of the House?

Mr. BLANTON. I will put them in the RECORD and you will be surprised. I am going to put the names of the attorneys and the salaries in. I am going to show you that in addition to the number of attorneys whose salaries are fixed and stated there is a long list of them whose salaries are indeterminate.

Some of them, I presume, are being given the largest salaries. The following is a list of the 39 special attorneys employed by the Attorney General in the war-fraud cases, with their home State given, and the salary they draw, respectively:

Name and home State addresses of special attorneys employed by Department of Justice on war-fraud cases, and the salary they are now drawing.

Henry W. Anderson, Virginia	$10,000
Alfred G. Armstrong, Kansas	4,000
T. M. Bigger, Ohio	10,000
Marcus W. Borchardt, Montana	3,500
Charles B. Brewer, Mayland	5,000
Arthur Carnduff, Indiana	7,200
Wm. T. Chantland, Iowa	7,500
Leland B. Duer, New York	(1)
John W. H. Crim	(2)
Beverly Andrew Davis, jr., Virginia	3,000
Paul S. Dodson, South Carolina	3,000
C. Leon Downing, Pennsylvania	4,000
Marion C. Early, Missouri	5,000
E. Donald Enfield, Nebraska	4,000
Richard Ratcliff Farr, Virginia	6,000
Geo. Pendleton Hoover, Maryland	10,000
Miller Hughes, Kentucky	3,000
Geo. E. Kelleher, Massachusetts	4,000
Charles Kerr, Kentucky	10,000
James J. Lenihan, Iowa	6,000
James N. Linton, Ohio	10,000
Robert E. McClure, Ohio	(3)
Roscoe C. McCulloch, Ohio	10,000
M. C. Masterson, California	3,500
John F. A. Merrill, Maine	(3)
Ralph E. Moody, Oregon	5,000
Paul J. Mullen, ———	2,000
William M. Offley, New York	5,000
Harry E. O'Neill, Nebraska	5,000
Oliver E. Pagan, Illinois	(2)
C. Frank Reavis, Nebraska	10,000
Heber H. Rice, West Virginia	4,000
Henry A. B. Schwartz, ———	2,740
Archie K. Shipe, Virginia	2,500
Meier Steinbrink, New York	10,000
J. A. Tellier, ———	10,000
Charles S. Thomas, Colorado	10,000
W. R. Turner, District of Columbia (to be determined—not to exceed)	10,000
William S. Ward. ———	4,000

[1] To be fixed. [2] Expenses. [3] To be determined.

The following is a list of the attorneys regularly employed in the Department of Justice under Attorney General Daugherty, whose salaries are fixed, with their home State given. All those who do not receive more than $2,500 per annum get an extra bonus of $240 per year each:

Attorney's name.	Legal residence.	Designation.	Salary.
Harry M. Daugherty	Ohio	Attorney General	$12,000
W. Frank Gibbs	do	Private secretary and assistant to Attorney General.	3,000
Katherine M. Carroll	do	Assistant secretary to Attorney General.	2,500
Mary Yeager	Indiana	do	2,500
Edith M. Watkins	Ohio	Special employee	2,000
Warren F. Martin	Pennsylvania	Special assistant to Attorney General.	6,000
James M. Beck	New Jersey	Solicitor General	10,000
Blackburn Esterline	Illinois	Special assistant to Attorney General.	6,000
William J. Hughes	Pennsylvania	do	5,000
W. M. Smith	Maryland	Assistant attorney	2,000
Robert P. Reeder	Pennsylvania	Attorney	3,500
Guy D. Goff	Wisconsin	Assistant to Attorney General	9,000
Oliver E. Pagan	Illinois	Special assistant to Attorney General.	7,200
Herman J. Galloway	Indiana	do	6,000
Roger Shale	Missouri	do	5,500
J. J. Lenihan	Iowa	do	5,000
G. Stanley Thompson	Minnesota	do	4,200
Russell Hardy	District of Columbia.	do	3,600
George E. Strong	Kansas	Special attorney	2,000
Miller Hughes	Kentucky	Attorney	3,000
Chester J. McGuire	Massachusetts	do	2,500
M. Ethel Tucker	District of Columbia.	Assistant secretary	2,200
Harry T. Jones	New York	Law clerk	2,000
Thaddeus G. Benton	District of Columbia.	do	1,800
George P. Alt	New York	Assistant examiner of titles	2,000
W. R. Loney	Maryland	Law clerk	2,000
Paul J. Mullen	Ohio	do	1,400
Henry A. Guiler	New York	Special assistant to Attorney General.	6,000
John Weaver	Illinois	do	4,000
L. Ert Slack	Indiana	do	7,200
G. E. Kelleher	Massachusetts	do	4,000
R. Colton Lewis	Virginia	do	6,000
A. R. Johnson	Ohio	do	5,000
L. D. Vickers	West Virginia	do	4,000
Henry I. Foster	New Hampshire.	do	3,600
Dean Hill Stanley	Ohio	do	4,200
Rush L. Holland	Colorado	do	7,500
J. Edgar Hoover	District of Columbia.	do	4,500
Charles R. Frankham	Ohio	do	5,000
Robert H. Lovett	Illinois	do	7,500
J. Robert Anderson	West Virginia	do	5,000
Perry W. Howard	Mississippi	do	5,000
F. B. Crosthwaite	Michigan	do	5,000
Chas. F. Jones	Indiana	do	5,000
Fred K. Dyar	California	do	4,000
Barrett F. Brown	Ohio	do	2,500
Frank E. Scott	New York	do	4,000
John S. Bradley	do	do	3,600
Crowley Wentworth	do	do	3,000
Chas. B. Brewer	Maryland	Attorney	5,000
M. D. Church	District of Columbia.	do	3,500
Percy M. Cox	Maryland	do	3,000
Howard W. Ameli	New York	do	3,750
Heber H. Rice	West Virginia	do	3,250
Leslie A. Smith	Indiana	do	3,000
J. E. Hoover	District of Columbia.	do	3,000
William F. Norris	Nebraska	do	3,000
George T. Stormont	Michigan	do	3,000
Matt. L. Blake	Wyoming	do	3,000
John G. Ewing	Indiana	do	3,000
D. E. Rorer	do	do	2,500
J. F. Mothershead	New York	Assistant attorney	3,500
George H. Foster	Indiana	do	3,000
A. H. McCormick	Maryland	do	3,000
Leona E. Kidwell	Virginia	do	2,500
William D. Riter	Utah	Assistant Attorney General	7,500
David D. Caldwell	Illinois	Special assistant to Attorney General.	5,000
W. W. Dyar	Maryland	do	5,000
H. L. Underwood	New York	Attorney	5,000
C. S. Easterling	Kansas	do	3,000
Austin Harveycutter	District of Columbia.	Assistant attorney	2,750
Randolph S. Collins	Utah	do	2,500
Grace Murphy	Minnesota	Law clerk	2,000
Charles S. Lawrence	Tennessee	Attorney	5,000
Henry L. Gilbert	Michigan	do	3,000
Charles H. Jennings	Georgia	Assistant attorney	2,750
LeRoy L. Hight	Maine	do	2,500
Charles E. Jones	North Carolina	Special assistant to Attorney General.	[1] 210
Joseph W. Howell	Oklahoma	do	3,500
Robert A. Hunter	Louisiana	do	6,000
Edwin C. Motter	Oklahoma	do	5,000
Oliver P. Morton	California	do	3,600
J. A. Tellier	Arkansas	do	7,500
John F. Truesdell	Colorado	do	7,200
Ethelbert Ward	do	do	4,500
Raymond Benjamin	California	do	7,500
C. D. Hamel	do	do	5,400
John A. Fain	Oklahoma	do	8,000
S. W. Williams	California	do	7,000
Robert O. Crockett	Virginia	do	3,500

[1] Per month.

Attorney's name.	Legal residence.	Designation.	Salary.
G. A. H. Fraser	Colorado	Special assistant to Attorney General.	$5,000
R. E. Twitchell	New Mexico	do	6,000
W. C. Preus	Minnesota	do	1,800
Ester A. Olsen	do	Stenographer to Mr. Preus	1,400
Albert Ottinger	New York	Assistant Attorney General	7,500
H. B. Cox	Iowa	Attorney	3,000
H. T. Atkins	New York	Special assistant to Attorney General.	4,800
J. Frank Staley	Pennsylvania	do	6,500
John W. H. Crim	New York	Assistant Attorney General	7,500
W. H. Ramsay	Ohio	Special assistant to Attorney General.	3,000
William C. Herron	do	Attorney	5,000
H. S. Ridgely	District of Columbia.	do	4,500
Franklin G. Wixson	Michigan	do	3,000
Hugh A. Fisher	Maryland	do	3,000
Jerome J. Simmons	New York	Special assistant to Attorney General.	3,600
Mabel W. Willebrandt	California	Assistant Attorney General	7,500
G. Noble Jones	Tennessee	Special assistant to Attorney General.	4,000
Howard T. Jones	Pennsylvania	do	2,750
John C. Hays	Iowa	Assistant attorney	2,400
John C. Dyott	Missouri	Special assistant to Attorney General.	4,500
Vance J. Higgs	do	do	[1] 300
H. R. Gamble	Texas	do	4,000
R. H. McCormick	California	do	4,500
C. W. Middlekauff	Illinois	do	6,000
Arthur H. Bartlett	Wisconsin	do	4,000
William W. Hoppin	New York	Assistant Attorney General	8,000
Charles D. Lawrence	do	Special attorney and counsellor at law.	5,000
Samuel Isenschmid	do	do	4,000
George F. Lamb	do	do	4,500
John J. Mulvaney	New Jersey	do	4,000
Bernard Edelhertz	New York	do	[2]
Harry M. Farrell	Illinois	do	3,500
John G. Lerch	New York	do	3,500
P. St. George Bissell	do	do	4,000
Marcus J. Higgenbotham.	do	do	4,000
David Hyams	do	do	4,000
Francis M. Keightley	do	Special employee	3,000
Lucien Swindell	Maryland	do	1,800
Thos. H. Baughman	District of Columbia.	Special agent	$10 per day.
James E. Amos	do	do	$7 per day.
George F. Ruch	do	do	$10 per day.
W. W. Grimes	Virginia	do	$9 per day.
Walter O. McQueen	South Dakota	do	3,000
C. L. Keep	California	do	$8 per day.
Harrie D. Knickerbocker.	New York	do	$6 per day.
Harry C. Heckman	Pennsylvania	Assistant attorney	2,500
James A. Finch	New York	Attorney in charge	3,600
Robt. H. Turner	Virginia	Attorney	3,000
Rufus W. Pearson	Tennessee	do	2,500
Joseph P. Rudy	Pennsylvania	Law clerk	1,800
George Kearney	Virginia	do	2,000
Clarkson R. Sherwood	Rhode Island	Assistant attorney in charge	2,000
Arthur Robb	Kansas	Attorney in charge	3,000
Fred E. Manning	Ohio	Special employee	2,250
Eugene D. Carusi	District of Columbia.	do	1,800
Chas. S. Geotz	New York	do	$6 per day.
John G. Townsend	Illinois	Law clerk	2,000
Herbert E. Collins	Georgia	do	2,000

[1] Per case. [2] $11.11 per day when employed.

I have had quite a hard time getting the above. Some I got from our colleague from New York [Mr. HUSTED], who is chairman of the Appropriations Subcommittee in charge of the Department of Justice appropriations, and the others I got from the Department of Justice after some effort. The following is a list of the attorneys who are designated as special assistants to the Attorney General in the Department of Justice, and whose salaries are not definitely fixed; but the department has promised in a few days to furnish me with data showing amounts paid them annually:

NAMES OF SPECIAL ASSISTANTS TO THE ATTORNEY GENERAL AND THEIR LEGAL RESIDENCE.

Henry M. Glassie, Maryland.
James A. Fowler, Tennessee.
Frank K. Nebeker, Utah.
Elias Field, Massachusetts.
LaRue Brown, Massachusetts.
B. I. Salinger, Iowa.
Luke D. Stapleton, New York.
John Marshall, West Virginia.
Frederic N. Watriss, New York.
V. W. Van Fleet, Indiana.
H. C. Workman, New York.
Harry E. Knight, New Jersey.
Robert S. Blair, New York.
Thomas B. Booth, Massachusetts.
J. Edgar Bull, New York.
H. H. Byrne, District of Columbia.
Arthur E. Dowell, District of Columbia.
Osgood H. Dowell, Illinois.
Clifton V. Edwards, New York.
Frederick L. Emery, Massachusetts.
Ramsey Hoguet, New York.
A. M. Holcombe, District of Columbia.
Andrew W. Hunter, Canada.
H. Alfred Janke, New York.
Lawrence A. Janney, Illinois.
Louis A. Jones, Massachusetts.
Herbert H. Knight, District of Columbia.
Octavius Knight, New York.
Lawrence G. Miller, Massachusetts.
Maurice Orgais, Paris, France.
Edward H. Palmer, Massachusetts.
T. K. Schmuck, New York.
John W. Thompson, New York.
Thomas J. Tyne, Tennessee.
Lucius E. Varney, New York.
Manvel Whittemore, New York.
Robert H. Young, District of Columbia.
James A Watson, District of Columbia.
Daniel L. Morris, New York.
Carl P. Goepel, New York.
W. L. Tooze, Oregon.
Howell Van Auken, Michigan.
Chas. A. McDonough, Philippine Islands.
A. R. Holden, Canada.
Stuart R. Bolin, Ohio.
Joseph B. Fleming, Illinois.
John E. Northrup, Illinois.
J. Sherring Pratt, Ohio.
Harold Harper, New York.
W. H. Boyd, Ohio.
D. M. Kelleher, Iowa.
Gordon Auchincloss, New York.
Bert Hanson, New York.

Now, I was asked to give concrete cases of some of these attorneys who are overpaid. Mr. James J. Lenihan is one of them. According to his own statement, before coming to Washington to accept this position, his income for the preceding two years was not in excess of $75 per month, I am reliably informed, and that he has admitted that he had never tried a case in the Federal court. If the membership of this body will examine closely into his services with regard to the United States Harness Co. case, the Kenyon case, the Philipps & Stephens Lumber case, and the Maxwell case, you will reach the conclusion I have formed, that he has no business being employed by this Government in the Department of Justice. Yet Mr. Lenihan has been promoted and is now drawing $6,000 per year.

On September 10, 1910, Mr. George E. Kelleher was appointed special agent in the Department of Justice at $4 per day, and on February 1, 1912, was given $4.50 per day, and is now paid $4,000 per annum.

I am reliably advised that Mr. Abram F. Myers was a messenger boy in the department a few years ago.

I am reliably informed that Mr. Marcus W. Borchardt and Mr. William S. Ward were formerly special agents, and were taken in as war-fraud attorneys by Mr. Lenihan.

Concerning Mr. Ralph E. Moody, who is now being paid $5,000 per year, I am reliably informed by Mr. Gilbert and Mr. James Shea, managers in charge of the Bliss properties with office adjoining the Driscoll Hotel, that some 15 months ago Mr. Moody rented an apartment from them in the Woodward apartment building on Connecticut Avenue and lived there under immoral conditions.

Failing to pay two months rent, the Bliss properties sued him, and on February 17, 1922, recovered judgment against Moody for $300, which afterwards he paid. But he was told to move.

Messrs. Shea and Gilbert are substantial credible citizens of Washington, and if what they say is true, Mr. Ralph E. Moody is making no patriotic sacrifice in working for this Government at $5,000 per annum, but ought to be separated from the Department of Justice.

We remember that Attorney General Daugherty criticized his predecessor for paying one of his attorneys $24,000. Yet I am reliably informed that for one attorney he is now paying $12,000 a year for half time. That is the same as $24,000 a year for full time. But there is no such thing as half time for an attorney. How are you going to regulate half time? I want to say that the question raised by my colleague [Mr. JONES] is one that will not down. It is like Banquo's ghost. You can not dismiss it by getting up here and trying to lip-spank him for asking the question. Be frank about it.

The CHAIRMAN. The time of the gentleman from Texas has expired. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. HUSTED. Mr. Chairman, I want to say a few words with reference to the question of the employment of attorneys by the Department of Justice, whose compensation is to be determined. The gentleman from Texas [Mr. BLANTON] makes a great point about this method of employment, and wants the

House to believe that it is extravagant and unbusinesslike. Now, the contrary is true. These attorneys in the Department of Justice whose compensation remains to be determined are chiefly employed in defending the Government in suits for the appropriation of patents or suits for the infringement of patents. They are men who in their own private practice command very large fees. They are men whose fees in their own private practice run to $100,000 a year, $150,000 a year, or $200,000 a year in some instances. They are among the best patent lawyers in the country, and they are employed by the Department of Justice under contract. These contracts provide that they can not receive more than $1,000 for any one month; that they can not receive more than $12,000 in any one year; and they can not receive $1,000 a month unless they present bills to the Department of Justice showing that they have rendered services for that month which, in the opinion of the Attorney General, are worth $1,000. Their services are rendered under contracts where the salary remains to be determined, because it can not be fixed without loss to the Government. If it were fixed, it certainly would not be fixed at less than $12,000 a year, and very few of these men get $12,000 a year. On the average, I do not believe they get more than half of $12,000 a year, and if we had any other method of providing for their compensation, it would cost the Government a great deal more than it does now. There is not an attorney employed in the Department of Justice who receives a salary of more than $12,000 a year, and when you consider the importance of the business they handle, the gravity of the questions, and the vast amount of money involved in the litigation, I think the Government of the United States is served by its attorneys at much less cost than any public or private interest in the United States.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. HUSTED. Yes.

Mr. CHINDBLOM. Has the gentleman any reply to the opinion expressed by the gentleman from Texas [Mr. BLANTON], that in his view these men are getting four times what they are worth?

Mr. BLANTON. Some of them, I said.

Mr. CHINDBLOM. Very well. Some of them. Will the gentleman indicate in his remarks which of them gets four times more than they are worth?

Mr. BLANTON. Yes; I will do that.

Mr. CHINDBLOM. The gentleman is going to set himself up as the censor of the attorneys in the Department of Justice.

Mr. BLANTON. No; but I shall take the salaries that they received when they entered the Government service.

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman from Indiana did me the honor to say that I am in charge of the bill on this side of the Chamber. I was, however, not a member of the subcommittee, and, therefore, did not participate in the hearings on this particular bill. In fact, there were no Members on this side of the Chamber who participated in those hearings, on account of the illness of the Democratic members of the subcommittee.

My position with reference to the employment of attorneys in the Shipping Board, I think, is pretty well known by some of the Members present. I had something to say upon the subject a year ago when this bill was under consideration, and I think the year before that. A year ago something over $600,000 was being spent for attorneys in the Shipping Board. The list which has been furnished the House by the gentleman from Indiana [Mr. WOOD] shows that there are now upon the pay roll of the Shipping Board 73 attorneys, who are drawing an aggregate of $455,000 a year. It has been stated by the chairman of the Shipping Board that the claims against the Shipping Board have been practically settled, and that by July 1 all of the claims against the Shipping Board, with the exception of a very few where the claimants prefer to go into the Court of Claims, will have been settled, and that out of the $50,000,000 appropriated to pay those claims he expects to pay back into the Treasury something like $25,000,000. Frankly, Mr. Chairman, I do not see any justification for an immense roll of attorneys next year, beginning on July 1, in the Shipping Board, with these claims out of the way. Why do they need so many attorneys down there? Why do they need so many attorneys employed all the way from $3,600 to $10,000 a year? I notice on this list the name of one distinguished gentleman who is now serving as an attorney, and who was employed at the beginning of this administration, as the general counsel stated in response to questions in the hearings of last year, solely for the purpose of appearing before the proper legislative committees of the House and Senate. He is down there now at a salary of $9,500 per year, with no other duties, according to the general counsel in his statement of a year ago, than to come before the committees of the House and the Senate upon legislation affecting the merchant marine. In view of the record of the Shipping Board with reference to the employment of attorneys, I submit that this House ought to place some limitation upon the Shipping Board and limit the amount of money that may be expended in the employment of high-salaried attorneys who want to come to Washington, some of them, for the purpose of engaging in social activities.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. BLANTON. I think some of them want to come here to take a law course at the George Washington University or out here at the Georgetown University.

Mr. BYRNS of Tennessee. I do not know that that is the fact, but I am not prepared to dispute the statement of the gentleman. Ordinarily I am opposed to limitations upon appropriations for specific services for specific purposes; but I think the record of the Shipping Board, as disclosed in the hearings of a year ago, is such that this is entirely justified in the interest of the people of the country, and that we should put a limitation upon this bill and provide that no more than a certain amount shall be expended in the employment of attorneys. I repeat the question, What reason is there for the Shipping Board to keep this immense roll of attorneys if all of the claims against the board will be settled by the time that this appropriation goes into effect, July 1 next?

Mr. BUTLER. Mr. Chairman, I am interested in what the gentleman says, but I did not hear all that he said. Did I understand the gentleman to say that it is stated by Mr. Lasker, or by those in authority, that the necessity for the employment of all of these men will expire on the 1st of July next?

Mr. BYRNS of Tennessee. Oh, no; I did not make that statement.

Mr. BUTLER. I am not trying to put anything into the gentleman's mouth, but I am trying to learn what is in his mouth. I want to know. Is it true that these claims will have been all settled by July 1 next?

Mr. BYRNS of Tennessee. With the exception of a few that may possibly go to the Court of Claims because the claimants are unwilling to accept the amount which the Shipping Board is willing to pay in satisfaction of their claims. Unfortunately the hearings of this year are entirely silent upon the subject of attorneys. There is nothing in the hearings to show how many attorneys are employed, how many are expected to be employed, next year.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SEARS. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. SEARS. If I understood the gentleman correctly, he stated that one of these lawyers got $9,500 a year whose sole duty it was to appear before the subcommittee of the House and the committees of the Senate and help to get legislation through. Is that correct?

Mr. BYRNS of Tennessee. Well, I did not exactly put it that way. I do not know what his duties are now.

Mr. SEARS. I mean a year ago.

Mr. BYRNS of Tennessee. I do know that in the hearings on the bill which was passed for the present fiscal year the general counsel stated, when asked what that particular attorney's duties were, that his duties were to appear before committees of the House and Senate on matters of legislation affecting the Shipping Board and its interests.

Mr. SEARS. Then if that is true the taxpayers are paying for a lobbyist to appear before committees to get legislation through.

Mr. BYRNS of Tennessee. I do not know whether you would call him a lobbyist. I do not know whether he is simply appearing there to give his legal opinion upon bills pending before the committee, but I submit with the limited number of bills which are pending affecting the Shipping Board and the Emergency Fleet Corporation that $9,500 per annum is a pretty good sum to pay an attorney for that particular service.

Mr. BUTLER. Will the gentleman yield for a further question?

Mr. BYRNS of Tennessee. I will.

Mr. BUTLER. I understand they had an appropriation of over $600,000 to pay attorneys to do certain work last year.

Mr. BYRNS of Tennessee. That was not a specific appropriation, but that amount was available.

Mr. BUTLER. That amount was available last year. The work is now practically accomplished, or will be by the 1st of July. I confess I do not see the necessity——

Mr. BYRNS of Tennessee. I do not question but what the Shipping Board will need attorneys during the year 1924.

Mr. BUTLER. Some attorneys.

Mr. BYRNS of Tennessee. They need a number of attorneys according to the statement of General Counsel Schlesinger a year ago, as I recall it, and a majority of attorneys then employed were engaged in considering these claims and passing upon them.

Mr. BUTLER. How many of these attorneys, and how much money was expended in their employment upon these claims? Because if they are about adjusted I confess I would want some one to explain it.

Mr. BYRNS of Tennessee. I am sorry I can not tell the gentleman, because I have no information. The hearings do not disclose it.

Mr. LITTLE. If the gentleman will yield, as I understand the information that comes to me, they have employed a gentleman to advise the Congress, and they pay him $2,000 more than they pay a Congressman. Does not the gentleman think any man who has such a responsibility should be paid better than a Congressman to advise us? If he is not worth more than we are, he had better stay away.

Mr. BYRNS of Tennessee. I am not quite in accord with the gentleman in the estimate he places upon himself.

Mr. YATES. Another reflection upon us.

Mr. KINCHELOE. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. KINCHELOE. This row comes up every time this subject is opened about the number of attorneys employed by the Shipping Board, which we all agree and know is an outrage, and I was wondering why the Committee on Appropriations does not function and cut off some of the salaries of these fellows. That will get them out. I am asking for information purely.

Mr. BYRNS of Tennessee. The House last year adopted a provision which fixed the maximum salary and, of course, that limitation has not been exceeded by the Shipping Board at the present time. But this appropriation is made by lump sum, as the gentleman knows, and there is no restriction upon the chairman of the Shipping Board as to the number of attorneys he may employ under this appropriation.

Mr. KINCHELOE. I was wondering, if it appears patent on its face that this Shipping Board is not going to need 73 lawyers next year, whether Congress in some way should not take it from under the autocratic power of the Shipping Board?

Mr. BYRNS of Tennessee. That is what I am pleading for now, and I hope the amendment offered by the gentleman from Texas, which limits the sum to $300,000, will be adopted. I think if the facts were fully known that is too much.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SEARS. Mr. Chairman, the gentleman from Ohio [Mr. FESS] stated that he was in sympathy with the gentleman from Texas, but. Usually when we try to economize on the floor of the House we are in sympathy, but. Of course, when it becomes necessary to cut the salary of some employee we sympathize, but. We forget the American people who are paying the freight. My good friend from Indiana I think was rather unfair when he referred to the Democratic side as being inconsistent now. In 1917 I made the statement on the floor of this House that the Democratic Party, which was then in power, should check up expenditures and stop graft and wanton waste of money and not wait until the Republican Party came into power. My good friend, the late lamented James R. Mann, differed with me and said when the Republicans came into power they would attend to that, and I remarked it was too late after the horse got out of the stable to check up; that the money would be gone. For more than four years the Republicans have been in control of the House and Senate. You can not get away from the fact; you know that is true. The American people are getting tired of wanton waste of money. The American people are moaning and groaning and staggering under a burden of taxation that they can not much longer bear.

For four years I have made a fight against the Shipping Board, whether it was a Democratic Shipping Board or a Republican Shipping Board. I am here fighting for economy for the people and it is immaterial to me whether my party is in power or whether the Republican Party is in power. The gentleman well knows that ever since this bill has been up before the House I have been trying to cut down the appropriations. There is but one thing in this bill that limits it. The only limitation is we are no longer willing to trust ourselves. I was elected by a great constituency, each of you were elected by a great constituency, and yet we leave it to the Attorney General of the United States as to how many attorneys he shall employ and what salaries he shall pay each of them, except six shall receive an amount not to exceed $25,000 each and two at not to exceed $20,000 each and the rest to receive a salary not to exceed $11,000 each. To my mind, at least, these amounts can not be defended.

If Congress would exercise its rights, if you would perform your functions that the people send you here to perform and quit delegating powers to people who are not elected to office, then the American people would once more have confidence in those whom they send to Washington to represent them. I care not whether it is on this side or on that side. If you ride the trains and talk to the people you will find my statement is correct, that they are getting tired of our saying that you can not hire a lawyer to do something for less than $25,000 a year, when such a man as the chairman of the subcommittee himself [Mr. WOOD], who is chairman of the Republican National Committee, is willing to serve his people for $7,500 a year. The people are going to express their opinion upon this amount that you are appropriating, and whether it is on this side or on that side you will find they will demand of Congress that we do what they have sent us here to do—reduce taxation, simplify the form of taxation, and cut down the excessive expenditure of Government money throughout the country, which no one can deny is being done and which no one can defend. [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, I wish to call the attention of the committee to the fact that the amendment proposed by the gentleman from Texas [Mr. JONES] is purely an arbitrary proposition, without rhyme, reason, or sense. The gentleman could not give any details as to the necessities of his amendment. This appropriation, whatever it may be, is paid out of the general appropriation of $50,000,000 for the administration of this service.

Now, it is true that they have been making very marked progress with reference to the settlement of these claims, and the hearings disclose that it is expected by the last of June that the claims will all be settled, and with the settlement of these claims all these lawyers that have to do with them will go out and, of course, nothing will be paid to them thereafter.

But here is the thing to consider: Before we interfere with the administration of these gentlemen we ought to have some reason for it. This money will not be wasted, and the best evidence that it will not be wasted is the fact of the return that is being made through the economical administration of this Shipping Board.

Members say there is no limitation fixed in this bill. There is a limitation in it by which not to exceed six people shall be employed at a salary of $25,000. They are employing only four now. They might employ two more. As I stated before, they have dispensed with some of their high-priced attorneys and are getting along without their services. I think it is only fair to those who have charge of the administration of this work to let them alone. Why do we want to throw a monkey wrench into the machinery when the machinery is running smoothly, simply because gentlemen get up here and inveigh against an activity that was unpopular heretofore and rotten heretofore from core to rind? That rottenness has been reduced, constantly reduced. Why do you want to handicap the work? At the same time you are trying to handicap the work you are trying to prevent, if you please, the absolute wiping out of it. We on this side are trying to get rid of it and are trying to get rid of it in the best possible way. We had better sell an uncrippled operation than a crippled operation.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. KINCHELOE. It has been stated here this morning that there is nothing in the hearings to show the number of attorneys provided here, to wit, 73, or what salary they are receiving, and that there is nothing by which we can arrive at the lump sum of $450,000. I was wondering how you arrived at that figure if that is true.

Mr. WOOD of Indiana. We do not fix any definite sum. The amount that the gentleman refers to is the amount that we would pay these men until the end of the year. If they were employed until the end of the year, it will involve that expenditure. If they are not employed until the end of the year, the amount will be reduced.

Now, the gentleman from Kentucky [Mr. KINCHELOE] says there is nothing in the hearings to show——

Mr. KINCHELOE. I said a statement was made to that effect. I do not know.

Mr. WOOD of Indiana. The trouble is that the gentleman from Texas [Mr. JONES] has read the wrong hearings. He read the hearings of last year instead of the hearings of this year.

There are over a thousand cases pending, if you please, in the various courts of the United States, some in the smaller courts, and some in the Supreme Court of the United States. The fact is there are 1,202 cases pending, and they involve in amount $118,000,000.

Mr. BYRNS of Tennessee. Where is that?

Mr. WOOD of Indiana. In the hearings.

Mr. BUTLER. How many cases did the gentleman say are pending?

Mr. WOOD of Indiana. On November 1, 1922, there were 1,028 cases pending in the law courts of the United States.

Mr. BUTLER. Will the gentleman from Indiana yield to me for a question or two?

Mr. WOOD of Indiana. Certainly.

Mr. BUTLER. I thank the gentleman very much. Let me say in passing that of all the men in the House, the gentleman from Indiana [Mr. WOOD] and the gentleman from Tennessee [Mr. BYRNS] I know as very careful men and economists, and when they differ, when I am tempted to lose confidence in both of you, there is something of a flare-up. How many cases are there pending?

Mr. WOOD of Indiana. One thousand and twenty-eight.

Mr. BUTLER. Those cases will not be disposed of by July next? They can not be, of course?

Mr. WOOD of Indiana. I expect that most of those cases will not be disposed of, because of the fact that these are litigated cases. These cases, however, will be disposed of eventually if they are not handicapped.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. BUTLER. Mr. Chairman, I ask unanimous consent that the gentleman from Indiana may have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WOOD of Indiana. The Shipping Board has already settled claims amounting to more than $79,000,000 for $18,000,000 in cash and kind; about $8,000,000 in cash and $9,000,000 plus in kind. There are $57,000,000 of claims yet pending, which they expect to settle before the 1st of June. If they succeed in doing that, there will, of course, be no necessity for keeping the men who are settling these claims and they will go out automatically; but we can not tell whether it is going to take this many dollars or that many dollars. If the gentleman had some scheme whereby he could figure out, or if we could figure out, how many dollars it is going to take, that would be a different matter; but simply to arbitrarily cut this pay roll in two without any rhyme or reason is unfair and should not be authorized.

Mr. BYRNS of Tennessee. I made the statement that there was nothing in the hearings to show the number of attorneys and their salaries.

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. The gentleman refers to the number of cases pending, shown in a little table at the bottom of page 322. That shows the number of cases pending and the amounts involved.

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. It does not contradict the statement I made. But I want to ask the gentleman, is it not a fact that more than half the attorneys down there are employed in the settlement of these claims?

Mr. WOOD of Indiana. Oh, no.

Mr. BYRNS of Tennessee. Then what do they do?

Mr. WOOD of Indiana. I will tell you what they are doing. One of the greatest troubles we have had, and that I tried to make plain a year ago, was in the lack of attorneys experienced in the prosecution and settling of these admiralty cases. There are a great many of these cases, involving a very large amount of money.

Mr. BYRNS of Tennessee. How many admiralty cases are there?

Mr. WOOD of Indiana. I think that was shown in the last year's hearings. I do not know that they are segregated here.

Mr. BYRNS of Tennessee. There is nothing here to show.

Mr. WOOD of Indiana. No; but I will say to the gentleman that they comprise more than half of the litigated cases, and these attorneys have to go up against the best attorneys in the United States. They tell me that admiralty attorneys are the highest paid attorneys in the United States.

Mr. MOORE of Virginia. It does not import anything to tell us that there are 1,000 cases pending. The dockets of many of the United States district courts show as many or more than 1,000 cases pending. The difficulty suggested by my friend from Tennessee [Mr. BYRNS] is that we have no specific information, and we have been trying to get it for two or three years.

Mr. WOOD of Indiana. I do not believe the gentleman means that. If he will revert to the hearings that we had, to which the gentleman from Texas [Mr. JONES] referred, those hearings show the number of admiralty cases, the number of common-law cases, and how they are divided.

Now, I will say to the gentleman that because of the shortage of time and because we are trying to expedite business here we did not encumber this record with facts that we thought were familiar to the Members of the House.

Mr. MOORE of Virginia. If I may say it respectfully to my friend from Indiana, I think we ought to have the facts. I think that is important enough for this bill to go back so that the facts may be ascertained. It seems to me it is the most extraordinary thing I ever heard of that there are 73 attorneys employed in the transaction of business and that we hardly know what the business is.

Mr. WOOD of Indiana. If the gentleman had some idea of the volume of this business, he would understand that these cases extend to every port in the United States and all over the world. These litigated cases are constantly arising, every time a boat puts into a port, with reference to some claim.

Mr. BUTLER. Will the gentleman yield for another question?

Mr. WOOD of Indiana. I yield to the gentleman from Pennsylvania.

Mr. BUTLER. I appreciate what the gentleman says. I find in looking at this list that there are perhaps 8 or 10 admiralty lawyers employed, and their salaries are very low. I do not understand that. There are 40 assistant counsel. I would like to know what these gentlemen are engaged in doing. I am not having any dispute with my friend from Indiana, but the natural inquiry comes to me, as it will to the rest of us, as to what they are doing.

Mr. WOOD of Indiana. They are engaged in trying these admiralty suits, 1,028 of them, scattered all over the coast cities of the United States. These admiralty cases naturally follow the coast towns and ports all around this country, clear from San Francisco to Boston, and all over Europe as well.

Mr. BUTLER. Will there be a reduction in these expenses this summer?

Mr. WOOD of Indiana. Of course there will be, and this administration has shown such splendid management of these affairs that we had better leave them to their own discretion.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JONES of Texas. Mr. Chairman and gentlemen, I would not have undertaken to speak again except for the rather vicious statement that my friend from Indiana chose to make with reference to what he was pleased to term my lack of information on this subject. I admit that there are some things about it that I do not know and do not understand; but it developed in the course of the debate here that every statement I had made was borne out by the facts, and that the criticisms which I made were just. I referred to the limitation on page 35, which says that not more than six employees shall be paid $25,000 each, and that no one else shall be paid more than $11,000. I said I was unable to find anywhere else in the bill any limitation, and that I was unable to find in the bill any limitation whatever as to the total amount allowed for attorneys. So far as any limitation is concerned, a hundred lawyers might be employed. Contrary to the gentleman's statement, I have read the bill, but I do not find any limitation as to the total amount that may be paid for attorneys, and if any gentleman here can point out any such limitation, I would like to have him rise in his place and state it.

Again, I stated here that I was unable to find anything in the hearings this year with reference to the kind of work these lawyers were doing, as to the number of lawyers, and as to the salaries which they were being paid. I asked the gentleman from Indiana courteously for the information, and he said I ought to read the hearings of this year instead of the hearings of last year. I again ask him or anyone else to rise on the floor of the House and show where the hearings give that information. There is none. The little exhibit on page 322 shows the number of claims that are pending, but it does not give the information sought. That is all I have been able to find, and there is nothing in the index showing the information for which I have asked.

I always try to be frank and fair with the House. I have always tried to speak to the facts when I undertook to quote testimony about facts, and I resent any imputation like that which has been made by the gentleman here, especially when he stands in his place and fails to furnish the House the information. I want to say to him that I have the right to my free opinion, and I would like to see any man take it away from me.

I again make the assertion that there is absolutely nothing that I have been able to find in the hearings and nothing has

been said here in the 40 minutes of discussion that shows what these attorneys are doing, but it has developed in the discussion that there are 73 on the pay roll. However, this was not published in the hearings. When we raised that question last year I had a similar amendment that I offered then. During the discussion upon that amendment they said, "Do not cut down the salaries now, for the most of these claims will be disposed of within one year and we will have the matter adjusted." Now it comes up this year. I will tell you why I want the limitation put on. We put a limitation on the amount of the salaries when they were paying $25,000 and $35,000—we put on a limit of $11,000. Thus we have the limitation as to the amount they can pay any one of the individuals, but we have no limitation as to the total amount that may be used for the purpose of employing attorneys. Surely this limitation, in view of the evidence we have here, should be placed on this measure. This is a time for economy and limitation on expenditures wherever possible. This is no time to take the bridle off and let the horse run wild.

Mr. BUTLER. Mr. Chairman, I move to strike out the last word in order to make a statement to the gentleman from Indiana: That I hope if he reports the next bill he will be able to give us the information we are calling for, so that we will know what reductions can be made and know what are the services being performed by these men.

Mr. WHITE of Kansas. Mr. Chairman, I rise in support of the amendment. Mr. Chairman, I want to say in a general way that I have always regarded these high salaries as inexcusable and unjustifiable extravagance and legislative profligacy. I do not believe for a moment that it is necessary to pay in the public service salaries of $25,000 or $35,000 per annum in order to secure an efficient and able attorney. I am not a lawyer, but I know the lawyers in this country, and many of them have admitted to me in confidence and with great modesty that they were good lawyers. [Laughter.] The country is full of them. Many of these men have been advanced from lower positions in this same bureau. I have no haunting fear that if we cut the salaries to $12,000 that any of them will resign, or at least certainly they will not all resign. I have wondered a good many times if these are the only good men that can be secured among the thousands and thousands of not only admittedly good lawyers but known to be good lawyers. This is a foolish precedent for us to establish now.

Mr. Chairman, it seems to me inconceivably preposterous that the representatives of this great Government at the courts of Europe, at European capitals, are being paid $10,000 a year, that the able Mr. Reavis, a former Member of this House from Nebraska, than whom I think there has been no abler attorney in this House at any time since I have been here, shall be working efficiently, as it is said he is by every Member of this House, for $10,000 a year in the Department of Justice, and we are here voting salaries of $25,000 to attorneys for the Shipping Board. I know the spell that the chairman of the committee casts over the minds of the Members of this House, like the great Brougham of England, who spoke so convincingly that when he had finished stopped as if he had yet in reserve a great reserve of argument to influence his hearers by magic of the mind.

There is one issue before the American people, and that is economy. The wonderful, appealing, smooth, persuasive voice of the able chairman does not extend to the whole country, and they are not impressed as are the Members of the House. The burning issue before the American people is economy. [Applause.] Economy through retrenchment, which is recommended by the President of the United States. Let us work along these lines.

Gentlemen, I read a story many years ago—and this is the first one I have told in the House. It was in the days when the high god spoke to his prophets face to face, and one old prophet had become discouraged; he thought he was the only righteous man left and that all the others had fled from the presence of the king, but he was informed that he was badly mistaken, that there were yet 7,000 left.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WHITE of Kansas. Mr. Chairman, I would like two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WHITE of Kansas. Gentlemen, we have set the example, and it seems to be easy to follow under the magic influence of the committee. I can think of no more tremendous power that has ever been exerted upon the House than the influence of this great committee reporting such a bill, unless it may be the power and influence of the department, which has first been exercised upon the committee in order to justify the report.

Mr. DAVIS of Tennessee. Mr. Chairman and gentlemen, the gentleman from Indiana referred to the work that has been done. Yes; that was done by the Claims Commission. During the period they served they settled $79,000,000 worth of claims for something over $8,000,000, and those settlements were accepted by the claimants. But in the face of that the Shipping Board entered an order, a copy of which I have, by which they discontinued this Claims Commission, effective January 1 last, and that order stated that it was done for the reason, the basis of the discontinuance was the fact, that the work of the commission in settling these claims had been practically completed. It was explained by the gentleman from Indiana that the reason of the discontinuance of the Claims Commission was that all the controverted questions had been settled and that they had reached the place where the remaining claims could be quickly settled. This bill itself proceeds on the theory that all claims will be settled before July 1 next, because it provides for a return to the Treasury of the balance of the $50,000,000 appropriated for the payment of claims which remains unexpended and uncommitted on the 1st day of next July, and the chairman of the subcommittee explained that the reason for this was that the claims would be disposed of by then. Appropriations are made for the current fiscal year to cover these attorneys and all of their expenses up until July 1. That being true, tell me what is the necessity for continuing them in the appropriation for the next fiscal year, after these claims will all have been settled? [Applause.] Furthermore, the chairman of the Shipping Board stated at the hearings on the ship subsidy bill that when these claims were settled, which would probably be done, he said, within a year, and that statement was made last April, they would be able to cut off a large expense, because it would cut off the attorneys assigned to this work and also the large number of auditors and experts and assistants who were engaged in that work. They come along now and make the same appropriation of $50,000,000, a lump-sum appropriation, for the next fiscal year, without taking any of those things into consideration. As a matter of fact, the expenses of the Shipping Board, all expenses and losses and everything, for the first 11 months of 1922 were less than $31,000,000. On that basis, assuming that there will be no economy and no cutting down of expense for the next year, an appropriation of $35,000,000 will be ample. Why are they asking for this appropriation if they do not intend to keep those officers in power? As was brought out by the gentleman from Pennsylvania [Mr. BUTLER], of these seventy-odd lawyers only eight or ten are admiralty lawyers or engaged in the disposition of admiralty suits. The gentleman from Indiana referred to cases pending in the different United States district courts. It is the official duty of the various district attorneys in those different courts to represent and protect and look after the interest of the Government in all suits to which the Government is a party. There is absolutely no excuse for continuing this large force of attorneys and for continuing the large appropriation that is carried. [Applause.]

My colleague from Tennessee [Mr. BYRNS] calls attention to the statement of Chairman Lasker as reported in the hearings, as follows:

> We established, as you gentlemen know, a claims commission, of which Judge Walter D. Meals, of Cleveland, was the head. That commission will cease to function after the 31st day of this month. The commission has done invaluable work in establishing principles of settlement. The most difficult thing in making a settlement is to get a series of principles established that will be the basis of all settlements. After that it becomes a matter of accountancy and expert knowledge to apply those principles. The claims commission has heard every class of cases possible and it has established all principles.

I respectfully submit that if we are to economize, if we are to stop this enormous Shipping Board expense, the proper way to do it is to cut out these high-priced, useless officials and employees and quit charging up that waste and extravagance to an alleged loss in the operation of ships. [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, the gentleman from Tennessee [Mr. DAVIS] is speaking about the wasteful extravagance of this Shipping Board. If he would simply hark back to the time when he was defending the wasteful extravagance of another Shipping Board, I think he would be ashamed to offer himself as an apologist at this time.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. No; I do not. The trouble about this amendment is that there is no rhyme or reason to it. It will just arbitrarily cut this expense. When these accounts are settled about which this gentleman is talking in approbation and against which he fought a year ago these men will go out, but we have 1,028 claims pending in admiralty and civil law

courts all over the United States, and yet these gentlemen, without any investigation, are offering this arbitrary amendment in order to cripple this thing. It ought not to be done.

I move that debate upon this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. JONES].

The question was taken; and on a division (because the Chair was in doubt) there were—ayes 41, noes 51.

So the amendment was rejected.

The Clerk read as follows:

No part of the funds appropriated or made available in this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be expended for the preparation, printing, publication, or distribution of any newspapers, magazines, journals, or other periodicals, or for services in connection therewith, not including, however, the preparation and printing of documents and reports authorized and required to be issued by law.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Tennessee: Page 34, line 24, after the word "law," insert a new paragraph, as follows:

"No part of the sums appropriated in this act shall be used for the preparation or dissemination of any propaganda, arguments, or statements in favor of or in opposition to the passage of proposed legislation, and no official or employee of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall, during office hours, engage in such work, unless it be solely for the preparation of statements to be presented to a congressional committee or in response to requests from Members of Congress."

Mr. WOOD of Indiana. Mr. Chairman, I make the point of order against the amendment.

Mr. DAVIS of Tennessee. Does the gentleman want to be heard upon the point of order?

Mr. WOOD of Indiana. I do not think it is necessary to be heard upon it. It is not a limitation. It is legislation upon an appropriation bill and is not warranted by any of the exceptions.

Mr. DAVIS of Tennessee. Mr. Chairman, at least the first portion of this paragraph is in accord with similar amendments that have been heretofore adopted, and it is clearly a limitation. I do not think there can be any question about that. Furthermore, if the Chair will look at the paragraph after which this amendment is offered he will notice that it is a limitation along the same line. The amendment is simply supplemental to the paragraph which it follows. The merchant marine act of 1920 specifically provides that the members of the Shipping Board shall devote all of their time to their official duties.

With regard to the latter part of the proposed amendment, it is likewise a limitation, because it undertakes to provide against employees of the Shipping Board who are receiving salaries from the Government devoting their time during office hours to unofficial matters instead of official matters, which will necessitate the employment of a larger number of employees than would be the case if they devoted all of their time to official matters. I think the general law provides or implies that all Government employees during office hours shall devote their time to the dispatch of official business, and the merchant marine act of 1920 expressly provides that members of the Shipping Board shall do that.

Mr. BLANTON. Will the Chair hear me on the point of order?

The CHAIRMAN. The Chair will.

Mr. BLANTON. Mr. Chairman, under the decision long ago made by Mr. Speaker CANNON, and which has been followed, a limitation can not contain legislation except in one case, and that is where it comes within the provision of the Holman rule in retrenching expenditures. This amendment—both paragraphs of the amendment—will retrench expenditures and clearly come within the provisions of the Holman rule. The first paragraph retrenches expenditures in that it provides that none of this money shall be wasted in propaganda. That is clearly a retrenchment in expenditures. It clearly brings it within the provisions of the Holman rule in that regard. The second paragraph retrenches expenditures, because it says that no employee of the Shipping Board shall waste his time on matters not connected with his duty under his employment. We have one man shown in the hearings who is paid $9,500 a year merely to attend committees of the House and Senate. That is a useless service. There may be other men who do not put in the time the law requires, and if by this amendment they do put in the time, it would be a retrenchment of expenditures provided in this bill; and I submit, Mr. Chairman, in all fairness and in all sincerity that this amendment should not be ruled out on the point of order, because every part of it comes within the Holman rule.

The CHAIRMAN. The Chair is ready to rule. The language of the amendment is that—

No part of the sums appropriated in this act shall be used for the preparation or dissemination of any propaganda, arguments, or statements in favor of or in opposition to the passage of proposed legislation; and no official or employee of the United States Shipping Board or United States Shipping Board Emergency Fleet Corporation shall, during office hours, engage in such work unless it be solely for the preparation of statements to be presented to a congressional committee or in response to requests from Members of Congress.

Now, if the amendment offered by the gentleman from Tennessee had been limited to the first proposition, namely: "No part of the sums appropriated in this act shall be used for the preparation or dissemination of any propaganda, arguments, or statements in favor of or in opposition to the passage of proposed legislation," it would be clearly in order under the rule. But a limitation on an appropriation bill must be to the appropriation and not an affirmative limitation to an official function. Such affirmative limitations of official function are proposed in the second part of the amendment. A part being obnoxious to the rule, the whole amendment must be declared out of order by the Chair, and therefore the Chair sustains the point of order made by the gentleman from Indiana.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 34, line 24, after the word "law," insert a new paragraph, as follows:

"No part of the sums appropriated in this act shall be used for the preparation or dissemination of any propaganda, arguments, or statements in favor of or in opposition to the passage of proposed legislation."

Mr. DAVIS of Tennessee. Now, the last paragraph on page 34 in the bill provides that—

No part of the funds appropriated or made available in this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be expended for the preparation, printing, publication, or distribution of any newspapers, magazines, journals, or other periodicals, etc.

However, that does not go far enough. That does not include one of the most extensive and one of the most expensive features of work along that line. The Shipping Board has been accustomed to having prepared and distributed numerous statements and documents of various sorts for the purpose of influencing legislation and for other reasons. The foregoing paragraph recognizes the fact in principle that it is not proper to do these things for any purpose, and I respectfully submit that it is not the function of any bureau or any department of this Government, but it is contrary to the spirit of our institutions for any one of them to undertake to bring a "back fire" upon Members of Congress in order to force through legislation or promote legislation or to prevent legislation in which they are interested. And I say that it is high time for the American Congress in unmistakable terms to give notice to all executive branches of this Government and various bureaus that they are not going to stand for any such thing, and are not going to make appropriations for the purpose of creating a sentiment and a propaganda to be brought to bear upon them in an effort to try to make them do this, that, or the other. It is wrong in principle; it is a wrong custom, not only in regard to the Shipping Board, but, of course, it applies equally to any other bureau or commission. Now, I want to show you how far it has gone with the Shipping Board. I hold in my hand a document of 306 pages, a multigraphed document, and it is expensively bound.

It costs much more than to have it printed, and I have a written memorandum furnished by an employee of the Shipping Board who is in a position to be familiar with the facts and who is entirely reliable, and he makes the statement that this document, which is simply propaganda and arguments in favor of a certain measure, was prepared in the Shipping Board and by officials and employees of the Shipping Board, and he makes the statement that over 217,000 of these documents were made in the Shipping Board and made out of material paid for by the Government and prepared and made up and distributed by officials in the Shipping Board who were receiving Government salaries. This was distributed throughout the country, to newspapers, business organizations, and what not, and at what expense I do not know, but it is in regard to the preparation and distribution of this document that this same official says that "our duplicating section was working on this issue for several weeks, holding up important work; some duplicating work in connection with the regular routine was laid up over three weeks. Mr. Lasker's orders were to give this pamphlet precedence over everything else."

Mr. CHINDBLOM. Will the gentleman yield?

Mr. DAVIS of Tennessee. I will.

Mr. CHINDBLOM. Will the gentleman give us the page of the hearings from which he made that statement?

Mr. DAVIS of Tennessee. It is not in the hearings. I stated this is a memorandum furnished me by an employee in the Shipping Board.

Mr. CHINDBLOM. A private letter?

Mr. DAVIS of Tennessee. Yes; a private memorandum. I am not speaking from personal knowledge as to the number, but the information comes from a trustworthy source. Now, I want to tell you what else. That is not all. The Shipping Board has a bureau of information——

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. DAVIS of Tennessee. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection. [After a pause.] The Chair hears none.

Mr. DAVIS of Tennessee. Now, Mr. Chairman, in addition to this document to which I have referred, they have issued others of the same order. They have a Bureau of Information down there. Some of you will recall that the gentleman from Massachusetts [Mr. GALLIVAN] made a speech in which he read from a statement issued by the Bureau of Information of the Shipping Board in regard to a social function. He made a humorous speech upon it. Now they are continually issuing documents like this, which has on it the inscription: "Bureau of Information. Caution: Advance release. United States Shipping Board, Washington, D. C. Release afternoon newspapers, October 24, 1922. No. 565." That would indicate that they have issued 565 statements from this Bureau of Information.

Now, this particular document that I hold in my hand is in no sense a vehicle for the dissemination of official information.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. Yes.

Mr. SMITH of Idaho. Has not the Shipping Board authority to issue reports when it deems it necessary in order to enlighten the people as to what they are accomplishing in the discharge of their official duties?

Mr. DAVIS of Tennessee. The Shipping Board has no authority to issue such documents as this to which I am referring. This is in no sense official, as is shown on its face. It is carrying and sending to the press, upon Shipping Board stationery and by Shipping Board officials, a speech that was made down here at the City Club of Washington by Senator George E. Chamberlain, of Oregon, at a luncheon, in which he discussed the merchant marine.

Mr. SMITH of Idaho. Are not the people entitled to know what Mr. Chamberlain, who is a member of the board, thinks on the subject?

Mr. DAVIS of Tennessee. Yes; but the proper thing for the Members of this branch of the Government to do—the only decent thing for them to do—is, when they wish to express their views as to legislation, to appear before the legislative committee considering those matters and make their statements there, and when Members of Congress want to cross-examine them they can cross-examine them. But I say it is an improper function for them to send these things out all over the country, as they are doing, in order to try to bring pressure upon Members of Congress, and not try to convince Members of Congress by the arguments they can present at hearings.

Mr. SMITH of Idaho. It seemn to me, Mr. Chairman, that if we can get the benefit of the views of these men through the newspapers of the country it will be much more advantageous than trying to get them through belated reports or hearings before committees.

Mr. DAVIS of Tennessee. If the gentleman has that idea of our form of government and the spirit of the Constitution, which creates three distinct branches of government and provides against the encroachment of one on the other, he has an idea radically different from mine. I think he is wrong. What would be the situation if every other bureau of the Government can of right devote all their time trying to get through legislation that will aid them and help them to carry out their views, and make soft jobs for them, and confer upon them the authority to disburse Government money? I say it is no proper function, and I say that this amendment ought to be adopted. It has been adopted in regard to other departments on other bills.

Mr. SMITH of Idaho. The gentleman knows that not one in a hundred thousand people read the reports of hearings before committees; and if these reports can be disseminated through the press the people will be better informed.

Mr. DAVIS of Tennessee. But they have no right, at public expense, at the expense of the people, to spend that money in distributing partisan views on one side or the other of any proposed legislation. That is my view about it.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. Yes.

Mr. EDMONDS. I would like to state that I have just obtained from Mr. Lissner information that 1,000 copies of that document are all that were made by the Shipping Board, instead of 217,000 copies, as the gentleman stated.

Mr. DAVIS of Tennessee. I do not concede the correctness of that statement, because Mr. Lissner has made statements before the committee that I know are inaccurate. I have seen him perform before.

Mr. EDMONDS. Mr. Chairman, answering the gentleman from Tennessee, I will state that he made the statement on the floor here that 217,000 copies of this study of shipping conditions were published by the Shipping Board.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. DAVIS of Tennessee. I said that I had a memorandum furnished by an employee of the Shipping Board in which he stated that that was the fact. He was in the section that issued it.

Mr. EDMONDS. Yes; and the gentleman puts that out without any attempt to confirm or verify it on his part. The multigraph copies were gotten up by the Shipping Board after I had seen the first copy of it and were sent to each Member of Congress. Those multigraph copies were gotten up for that special purpose, so that each Member of Congress could have a copy of it for study.

That took 500 copies right away, as the gentleman knows, to cover the membership of Congress. Now the gentleman comes in and makes a wild statement, that for three weeks the multigraph section of the Shipping Board were at work publishing a huge book like that, 217,000 copies, without going down to the board and getting confirmation of that statement.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. BYRNS of Tennessee. Does the gentleman contend that that immense volume of more than 300 pages, whether a thousand copies or 217,000 copies were printed or not, should be printed out of Government money?

Mr. EDMONDS. I believe it is a good thing that each Member of Congress should have a copy of that study of the shipping situation.

Mr. BYRNS of Tennessee. I want to know if the gentleman believes that the money of the taxpayers should be used in that way to advocate partisan legislation?

Mr. EDMONDS. I do not believe it is advocating partisan legislation. It is a study prepared by men engaged in the shipping business, on shipping matters, and I believe it is proper that Members of Congress should be furnished with that information.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. DAVIS of Tennessee. The gentleman wants to know why I did not seek further information. The gentleman knows and the printed hearings will show that at the hearings I repeatedly asked, and other members of the committee asked, the Shipping Board to furnish an itemized statement of the disbursements of that $1,715,000 advertising fund which they have this year, and that they have never furnished that information.

Mr. EDMONDS. The gentleman did not ask me for the information, and I am not responsible for what the Shipping Board did or did not give.

Mr. DAVIS of Tennessee. I tried to get the information and could not.

Mr. EDMONDS. You could very easily have confirmed the fact whether 217,000 of these copies were published, and would have found out that they were not published, without making the statement as a matter of information on the floor.

Mr. DAVIS of Tennessee. I do not believe I could have got any accurate information, and for my part I do not believe the statement Lissner made to the gentleman from Pennsylvania. I would believe my informant any time before I would Lissner.

Mr. TINCHER. Mr. Chairman, I have never held a brief for the Shipping Board. When I came to Congress I was told that there was bad management. I looked into their record to such an extent that I concluded there had been bad management, and I have voted against all previous appropriations for the Shipping Board. I think, however, that Members of Congress ought to be fair, and my attention was called to that this morning when my good friend from Texas [Mr. JONES] offered

his amendment to limit the number of attorneys that they should have the right to employ.

Mr. Lasker has made an effective showing in the administration of the affairs of the Shipping Board. He has reduced the overhead expense and reduced the drain on the Federal Treasury, and he is entitled to credit from the Congress for that. If it takes a large number of attorneys to attend to that work, he should not be hampered in doing it.

I have been unable to agree with Mr. Lasker on the question of ship subsidy. I must say, however, that I have been treated as a gentleman. I do not know where the Members are who have been punished because their views were adverse to those of Mr. Lasker. Certainly no man on this floor took any more positive stand against Mr. Lasker on the subject of the ship subsidy than I did, and I have not received any punishment, nor have I heard of anyone else who has. I am not going to complain of the fact that he tried to put the facts before me. I welcomed that publication. It was based on that publication that I became more sure of my ground in casting my vote against the ship subsidy; but I do not want to be a party to-day to reflecting upon a Government official who has made good. There was not a department of this Government that was worse managed under Democratic rule and in which there was a more unwarranted waste of the people's money than the Shipping Board; and if Mr. Lasker has come here, as I believe he has, at a sacrifice to himself, at a salary wholly inadequate as compared with his earning capacity, and has saved this Government millions of dollars in the management of that Shipping Board, I for one want to go on record as complimenting him for it and not as slurring him.

Another thing: I would not like the precedent of adopting this amendment. I believe that the people of this country have a right to know through the executive departments of the Government what is going on in the Government. I do not know of any money that is expended out of our appropriations that is used to better effect than that.

I would hate to have this Congress put that kind of a limitation in the Agricultural appropriation bill, and if it is good for one it would be good for another. I do not think the average Congressman need have any fear of being influenced by having the facts presented to him; and as long as they do present facts on it, we had better act upon those facts. If I vote wrong on the matter of the ship subsidy and there are facts in the possession of the Shipping Board to convince my constituency that I do, they are welcome to present those facts. I made up my mind how to cast my vote after a hard and arduous study of the very document that is being criticized here to-day. I do not think this amendment ought to be agreed to. [Applause.]

Mr. SEARS. Will the gentleman yield?

Mr. TINCHER. I yield to the gentleman from Florida.

Mr. SEARS. The gentleman is very able and very eloquent——

Mr. TINCHER. I yield for a question.

Mr. SEARS. Of course the gentleman acknowledges that?

Mr. TINCHER. I hope there is no question about that.

Mr. SEARS. We listen to the gentleman's speeches with a great deal of pleasure, but he pays to send them out to his constituents, does he not?

Mr. TINCHER. I have never sent out but one speech, and that was in answer to a statement which in its inaccuracy was comparable to the statement made here to-day that there were 217,000 of those documents printed at Government expense. To answer just such a statement as that emanating from that side of the aisle I once paid out $30.41 for one speech.

Mr. SEARS. Of course, punishing the people to that amount for the sending out of a speech would be a sufficient punishment, but the gentleman paid for his own speech, and the point I am making is that we, as Members of Congress elected by great constituencies, pay for our own speeches. The question I wish to ask the gentleman is, Does he think each department of the Government ought to send out as Government literature under a frank the speech of any member of that department made at a dinner or luncheon?

Mr. TINCHER. I do not understand that there has been any abuse in sending out any speeches, and I think perhaps it would be just as fair to let the executive departments of the Government express their views to the people as it is to let Members of Congress do it. At least, I am not afraid of anything that they may send out.

The CHAIRMAN. The time of the gentleman from Kansas has expired. The question is on agreeing to the amendment offered by the gentleman from Tennessee [Mr. DAVIS].

Mr. STAFFORD. May we have it reported again?

The CHAIRMAN. Without objection, the amendment will be again reported.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Tennessee: Page 34, line 24, after the word "law," insert a new paragraph as follows:

"No part of the sums appropriated in this act shall be used for the preparation or dissemination of any propaganda, arguments, or statements in favor of or in opposition to the passage of proposed legislation."

The CHAIRMAN. The question is on agreeing to the amendment.

The question being taken, on a division (demanded by Mr. DAVIS of Tennessee) there were—ayes 40, noes 64.

Accordingly the amendment was rejected.

Mr. DAVIS of Tennessee. I offer another amendment.

The CHAIRMAN. The gentleman from Tennessee offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Tennessee: Page 34, line 21, after the word "periodicals," insert "or of any documents or statements"——

Mr. DAVIS of Tennessee. So that it will read——

The Clerk read as follows:

No part of the funds appropriated or made available in this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be expended for the preparation, printing, publication, or distribution of any newspapers, magazines, journals, or other periodicals, or of any documents or statements, or for services in connection therewith, not including, however, the preparation and printing of documents and reports authorized and required to be issued by law.

The CHAIRMAN. The question is on agreeing to the amendment.

The question being taken, on a division there were—ayes 45, noes 59.

Accordingly the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 34, line 5, after the word "ships," insert the following proviso: *"Provided further,* That in no event shall more than $350,000 of the sum appropriated by this act be used to pay the compensation of attorneys, regular or special, for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation."

Mr. JONES of Texas. Mr. Chairman, I think this is a legitimate amendment, and I offer it for the specific purpose of placing a limitation on the amount that can be expended, and I call attention to the excuses that were offered by the gentleman in charge of this bill for voting down the amendment I offered before, which was a similar limitation. He said that we offered a specific limitation as to the amount without showing that that was all that was needed. That is a remarkable statement. It seems to me, Mr. Chairman, it is the duty of the chairman of the committee, who has the laboring oar, in offering an appropriation to show that it is necessary to have the amount that is appropriated. Now, if there are no showings in the hearings and no evidence offered on the floor to justify unlimited appropriation for attorneys, why should not there be a limitation of $350,000, or even $200,000? In other words, the chairman of the committee ought to furnish the information justifying any proposed appropriation.

When I said I could not find anything in the hearings to justify such an appropriation the gentleman chided me and upbraided me by stating that I had not read the hearings. I want to say that that is a poor way to furnish information. I asked him for the page, and he declined to give it; he declined to give the information. That is only another evidence of the mistake that was made when this House put all the power to make appropriations in the hands of one committee. You can not get any information from them.

Now, when several other Members of the House joined me in asking the gentleman what the attorneys were doing—in what kind of work they were engaged—the chairman of the committee, the gentleman from Indiana [Mr. WOOD], referred to the hearings of last year to find out—the very hearings that he upbraided me for referring to. This action on his part thoroughly justified me in going to last year's hearings as the only source of any real information on this subject. I again repeat there is not a word in the hearings this year to show what these attorneys are doing. The only thing is on page 322, an exhibit showing the number of claims that are pending. This committee was so busy that it could not go into the details of finding out what the attorneys were doing.

Mr. BEGG. Will the gentleman yield?

Mr. JONES of Texas. I will.

Mr. BEGG. The gentleman is interested in having the Shipping Board conducted on economical lines?

Mr. JONES of Texas. I am.

Mr. BEGG. The gentleman is familiar with business organizations. Does he believe that the executive or head responsible for results can function better or worse with the number of curtailments and restrictions that are placed around it?

Mr. JONES of Texas. Well, if the position of the gentleman from Ohio is correct, why does not Congress say to these fellows: "Boys, there is the United States Treasury without any limit; go ahead and use any amount that your heart wishes"? That would be a great way to legislate.

Mr. BEGG. I will accept the gentleman's statement.

Mr. JONES of Texas. That is the logic of the gentleman's position. I say that this Congress ought to know the purpose for which it makes appropriations, and I am not in favor of taking off the lid and leaving it to the judgment of the men who have hired $11,000 men at $25,000 or $35,000 a year.

Mr. BEGG. This Congress is in no way responsible for the head of that department; that is an executive function. The gentleman will grant that.

Mr. JONES of Texas. No; I will not grant it. The Congress is responsible for the appropriations made and the purposes for which they are used. Of course, they have to indulge the administrative part of it, but good legislation demands that Congress define the purposes to which any appropriation may be put.

Mr. BLANTON. Will the gentleman yield?

Mr. JONES of Texas. I yield to my colleague.

Mr. BLANTON. There is not one single word in the bill along the line of the limitation offered by the gentleman from Texas—not a word.

Mr. JONES of Texas. Most assuredly not, and they could, if they wished, spend a million dollars a year for these attorneys.

Mr. MONDELL. Mr. Chairman, I rise in opposition to the amendment. It is quite remarkable how illogical gentlemen may be without seeming to realize it. We have been trying to put an end to the management and operation of a great fleet by the Government by passing a bill under which we hope to transfer these activities to private management and control, where it belongs. The gentleman from Texas who has just spoken, and most of the gentlemen on that side, are very much opposed to that action. They insist on keeping the Government in the shipping business; they insist that the Government shall continue to operate ships and settle claims and transact a great shipping business. And then they want to hog-tie the agents and agencies of the Government in their efforts to protect the public and the people. That is their position—as illogical as it is possible for one to take. The curious thing about it is that these gentlemen do not seem to appreciate how illogical their position is and how little appreciation of our responsibilities their position indicates.

Mr. WINGO. Mr. Charman, I ask unanimous consent to speak 10 minutes out of order.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to speak 10 minutes out of order. Is there objection?

There was no objection.

Mr. WINGO. Mr. Chairman, I feel like the importance of the controversy that is now going on over the pending proposition with reference to the taxing of shares of stocks in national banks justifies an apparent repetition of some things and frequent reference to it. Unfortunately, I was absent a few days ago when the gentleman from New York [Mr. MILLS] discussed the question, and I only heard the latter part of his statement. I discussed it some at that time. Mr. MILLS says the question has been raised by two decisions of the courts, one the decision of the Supreme Court in the Richmond, Va., case, and the other the decision of the Court of Appeals of New York in the Hanover Bank case. A reference to the remarks of the gentleman from New York disclosed that he has fallen into the error that a great many other men fall into, including a number of very able lawyers.

That error is that they contend that those two decisions constitute a new departure by the courts in their interpretation of the old, old statute that has been on the books for nearly 60 years. I want to reiterate, because that is back of the philosophy of the bill which the House passed, which was supported without regard to politics by the members of the Banking and Currency Committee who looked into the matter, the courts in all of the decisions that they have handed down, including the two decisions in question, that of the Richmond case and that of the Hanover case, have not varied one iota in their interpretation and application of the statute. The question comes from discriminations in the New York tax laws and in the tax laws of a few other States. To show you that there is no change in the Richmond case, I will read the quotation which the gentleman from New York himself put into the record, reading from the decision of the New York court. I read:

> By repeated decisions of this court, dealing with the restrictions here imposed, it has become established that while the words "moneyed capital in the hands of individual citizens" do not include shares of stock in corporations that do not enter into competition with the national banks, they do include something besides shares in banking corporations and others that enter into direct competition with those banks. They include not only moneys invested in private banking, properly so called, but investments of individuals in securities that represent money at interest and other evidences of indebtedness.

The gentleman stopped there in his interpretation, but the court went on—

> such as normally enter into the business of banking.

In the opening statement of that decision the court says "by repeated decisions of this court." It is bottoming its decision in the case at bar upon a long line of decisions of the courts which it approves.

The gentleman from New York, on page 1540 of the RECORD of January 10, 1923, from which I just read that quotation, says:

> * * * I think it is utterly absurd, and worse than absurd, that such great and prosperous institutions as the First National Bank of the city of New York and the City National Bank of the city of New York should not be paying to-day a fair tax to the city of New York or the State of New York—

I agree with him in that. I think it is absurd and ridiculous, but he goes on and he gives a different reason—

> because some smart people have come down here and have been smart enough to bamboozle Congress by saying that the State of New York has not sufficiently taxed private bankers and, therefore, Congress ought not to let them tax national banks. The situation in New York, I do not mind saying, in my judgment, is nothing short of scandalous.

I agree with him. It is scandalous; but the blame is not upon Congress. The suggestion that Congress has been bamboozled is unfounded. If anybody has been bamboozled, it is the legislature and the courts of his own State. By unanimous decision the court of his own State condemned the discriminatory and scandalous tax laws of the State of New York. The court of his own State unanimously condemned that absurdity and specifically referred to Kuhn, Loeb & Co. and J. P. Morgan & Co. I have no interest in any controversy between the City National Bank and Morgan & Co., and I think all will agree that in a controversy of that kind I can be scrupulously fair, and I think my judgment may be more unbiased on the question than the judgment of the gentleman from New York [Mr. MILLS].

The contention I make is that the gentleman is wrong in blaming Congress. The absurdity, the unfairness, exists in the New York statutes. He says it is absurd because the City National Bank shall escape. Yes; it is. They are permitted to escape because the tax laws of the State of New York were deliberately drawn so that a heavier burden was placed upon the State incorporated banks and the national incorporated banks, including the City National Bank, than is placed on private bankers like Kuhn, Loeb & Co. and J. P. Morgan & Co.

I say and I repeat what I said the other day. Let these gentlemen go to Albany, go to Madison, and to the other capitals, to their own State legislatures, and say to those legislatures, Amend your tax laws so that the burden of taxation on moneyed capital shall fall equally and uniformly, and nondiscriminately on every group of individuals, whether they be incorporated or private bankers. If they will do that, they will run counter neither to the statute that Congress has enacted nor to the decisions—the long line of decisions—of the Supreme Court of the United States and the courts of the different States. I am very glad to see that they are beginning to awaken in the State of New York to the fact that the real effort to bamboozle is on the other side. They are trying to prevent the legislature in New York from correcting this. The shrewdest legislative agent that any group ever had is busy in New York trying to make it appear that the blame is on Congress, and I notice in this morning's New York World an editorial that shows that they are beginning to realize that the blame is not on Congress, but that the proper place to go is to Albany.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. HUSTED. If the Legislature of the State of New York had followed the provisions of the Federal statute, there would not have been any trouble.

Mr. WINGO. Certainly not; absolutely none. In other words, the Federal statutes grew out of the escape of banks

from taxation a long time ago under the very plan they advocate. So Congress came along and put a nondiscriminatory limit on that and simply said this much, You can tax national banks that are instrumentalities of the Federal Government, and the Federal Government will not shield them, but when you do it you must not discriminate, you must not put a higher tax burden on those national banks than you do on J. P. Morgan & Co. I want now to read the editorial to which I referred, which tersely states the situation:

CONGRESS AND THE BANK-TAX MUDDLE.

We do not know why Representative OGDEN MILLS and other complainants should be taking the bank-tax troubles of this State to Washington. The place for them to go to is Albany.

Congress can not well do better than it has done under a law passed nearly 60 years ago. This law permits the States to tax national-bank shares as personal property to the owner, but the rate of tax must not be higher than on other banking capital. So this State for years has had a tax of 1 per cent on the book value of shares in all banks, national or State, and it has continued this tax after all other intangible personal property has been exempted from the old tax.

Then came the State income tax to make good the loss of revenue from prohibition's conversion of the excise taxes into profits for bootleggers, and this is the cause of the whole mischief. The 1 per cent tax on bank shares was continued, and income from the shares was taxed additionally. But private or unincorporated banks are taxed on income alone, and not over 3 per cent, which is, of course, a very much lower tax than 1 per cent on the capitalized value of income. This is a clear discrimination in favor of some moneyed or banking capital against that of the national banks in New York State. Those banks object, and why should they not? And they have won in the recent decision of the Court of Appeals.

What would Mr. MILLS and the others have Congress do? Validate the discrimination? Congress should not and never will do it, and if it did the Supreme Court would have something to say. The thing to do is to end the discrimination, and that is a job for Albany, not Washington. Congress can pertinently be appealed to on this score for such a liberalization of the Volstead law as will restore to this and other States similarly situated some part at least of their old excise revenues. But how otherwise?

How can they reach it, they ask? They say it is impossible to tax intangible property at a high rate. I grant you that experience has shown that you have to do the unfair thing, morally, but the wise thing from the standpoint of expediency, namely, fix a lower intangible tax rate in order to get the revenue. But because the problem is difficult does not mean it can not be solved by proper State tax laws. The present tax laws of New York and some other States, and the proposal of the gentleman from New York and those who oppose the House bill, exempt from taxation an enormous amount of capital. Let the State of New York and its cities go to Albany for relief from this tax-exemption scandal instead of urging Congress to approve her law, which her court condemns and by which the exemption exists at the expense of national banks and the other taxpayers who are not favored and exempted, as are her private bankers.

The CHAIRMAN. The gentleman's time has expired. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

No officer or employee of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be paid a salary or compensation at a rate per annum in excess of $11,000 except the following: Six at not to exceed $25,000 each and two at not to exceed $20,000 each.

Mr. WHITE of Kansas. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Kansas: Page 35, line 11, strike out the figures "$25,000" and insert "$12,000," and in line 12 strike out "$20,000" and insert "$11,000" in lieu thereof.

Mr. WHITE of Kansas. Mr. Chairman, any argument I might present in support of this amendment would be a résumé of my statement a few minutes ago in discussing the Jones amendment, for my remarks, gentlemen of the committee at that time will remember, were directed to this subject. Now, Mr. Chairman, I only want to say this in addition to what I said, that I have never believed, do not now, that there was ever any excuse or justification or added efficiency in the administration of this bureau because we paid those extravagant salaries. Gentlemen will note that here on the seats are the able lawyers of this House and of this country, and back at home are the mates to those men. They might have been as good as their successful competitors, and I have observed, Mr. Chairman and gentlemen of this committee, that there are groups and squads and regiments and armies of men ready to sacrifice themselves in the public service, and I have wondered why it might not apply just as appropriately to the gentlemen who are prosecuting the cases for this Government under the direction of the Shipping Board as well as in other lines of the public service.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. WHITE of Kansas. I will.

Mr. CHINDBLOM. Does the gentleman know that, as a matter of fact, these salaries do not relate to lawyers but relate to the operating department of the Shipping Board, shipping men?

Mr. WHITE of Kansas. They are designated as attorneys.

Mr. CHINDBLOM. Not these men; these are not attorneys.

Mr. WHITE of Kansas. Then why do they have so much money?

Mr. CHINDBLOM. These are expert shipping men who would get two or three times as much salary on the outside.

Mr. STAFFORD. They do not have this kind out in Kansas.

Mr. WHITE of Kansas. How many reductions have been made from this year's salaries?

Mr. WOOD of Indiana. They provide for six and we have four.

Mr. WHITE of Kansas. How many have offered to resign and——

Mr. STAFFORD. Nobody ever offers to resign when attached to the Government pay roll.

Mr. WHITE of Kansas. I have heard it so stated and I admit I am inclined to agree. I believe that there are many self-sacrificing men who for a salary of $12,000 would contribute a few thousand dollars worth of sacrifice in addition thereto to the $12,000 to serve their country. It has always been so. I yield to the gentleman from Illinois.

Mr. CHINDBLOM. My recollection is that these figures were reduced from $35,000 a couple of years ago to $25,000, and I will say to the gentleman that these men constitute the operating staff of the Shipping Board, who are working with the chairman for the purpose of establishing this business, and I know that they are not any more anxious than the chairman of the Shipping Board is to stay, but they have undertaken the work of attempting to establish and reorganize the Shipping Board business, and they will continue trying to do so for a while longer. I simply rose to make certain that my friend understood that these salaries are not for lawyers.

Mr. WHITE of Kansas. Well, I am pleased to have the information. Now, I want to say to the gentleman and to the members of this committee that proceeding under the Constitution for more than 133 years we have not paid to the heads of the departments, we have not paid to Members of Congress, to United States Senators, to the representatives of this Government in foreign countries, its ambassadors, with a few possible exceptions, such salaries. The example is corrupting, it is a dangerous proceeding, and it is not justifiable.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITE of Kansas. I would like to proceed for a minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WHITE of Kansas. I fear this amendment will not carry. I recognize the soporific influence of the chairman over the committee. I want to say to you gentlemen that the amendment is right and ought to prevail, and it is in line with our previous ideas of economy and the people will approve it.

Mr. SEARS. Mr. Chairman, of course when those on the Republican side cry for a vote when we are trying to effect economy we should heed their call, because I have found during the past eight years the man who makes a fight for economy is simply wearing out his life. We talk economy on the stump. We talk that when we are trying to get votes, but when we vote here the past is too oft forgotten. Now, my good friend from Illinois says these are executive officers, and therefore they must get $25,000 a year. If I am correctly informed, Mr. Lasker only gets $12,000 a year, and therefore he is bossing the man who is getting $25,000 a year, and saying to the man who is getting $25,000 a year not to work to-day or to work to-morrow.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SEARS. I will.

Mr. CHINDBLOM. That happens to be correct. Mr. Lasker holds what is considered a somewhat political office, like the gentleman and myself, being appointed by the President and confirmed by the Senate. But these men are business men taken from shipping work and the shipping industry. That is the difference.

Mr. SEARS. The only difference is that Mr. Lasker holds an office somewhat similar to ours.

Mr. CHINDBLOM. And I think there is some honor in our position.

Mr. SEARS. He is confirmed by the Senate, and the man who gets $25,000 a year is appointed by Mr. Lasker, who was never elected by anybody, and confirmed by the seven commissioners—that is the only difference—while we must be elected by the people.

Now, I think it is unfair for the gentlemen on the Republican side to make it appear that we are fighting the Shipping Board

or to make it appear that we are trying to fight Mr. Lasker. I made the same fight against the other members of the board.

Mr. WASON. Mr. Chairman, will the gentleman yield?

Mr. SEARS. Yes.

Mr. WASON. Does the gentleman think that this side of the House is trying to make it appear that you are fighting the Shipping Board?

Mr. SEARS. The leader stated that our position was illogical, because we were trying to save some money for the people. If you will simply turn your minds back a few months, when the votes were counted, you will find that the American people are waking up to the fact that those who are making the fight for economy are not so illogical as you would make it appear.

I notice that my good friend from Indiana [Mr. WOOD] will place in the RECORD the names of the attorneys. I would like for the gentleman from Indiana also to place in the RECORD the State and city and former employment of each of these, in order that we may find out what they did before they took over this wonderful work that they are doing for the people. We are not fighting the Shipping Board as individuals. I will again state we are only fighting for economy.

Mr. WOOD of Indiana. What are you doing?

Mr. SEARS. What are we doing? We are doing what the gentleman from Indiana once did. We are doing what the Republican Party once did. It is true that we may be in the minority now, but we made the same fight when we were in the majority that we are now making, although we are now in the minority. My good friend from New Hampshire [Mr. WASON] asked why I should make the statement that I just made. I can answer that by saying that my good friend from Kansas [Mr. WHITE], though we differ politically, says he knows his motion will not carry. Simply watch the votes when they stand up, and you will see why I make the statement. [Applause.]

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. WOOD of Indiana. Mr. Chairman, I move that all debate now close on this amendment.

The CHAIRMAN. The gentleman from Indiana moves that the debate now close on this amendment. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Kansas [Mr. WHITE].

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. WHITE of Kansas. I ask for a division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 26, noes 39.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. BLACK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 25, line 11, at the beginning of the line, strike out "six" and insert in lieu thereof "four."

Mr. BLACK. Mr. Chairman, the committee having just voted down the amendment offered by the gentleman from Kansas [Mr. WHITE], I think the House should be willing to accept the one I have offered, in view of the fact that the chairman of the board in his hearing on this bill stated that there were only four men employed at $25,000 each. On page 290 of the hearings the gentleman from Indiana [Mr. WOOD] asked Mr. Lasker this question:

How many men have you now employed receiving $25,000 or in excess of $25,000?

Mr. Lasker said:

We have four men at $25,000 and three men at $20,000.

Now, in offering this amendment I do not wish to be understood as affirming that there ought to be as many as four employed at $25,000 each, but I do say that at a time when it is admitted that the Emergency Fleet Corporation is operating at a monthly deficit that runs into millions of dollars it would be bad policy for Congress to authorize six men at $25,000 each when only four are now being paid that salary.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield there for a suggestion?

Mr. BLACK. Yes.

Mr. CHINDBLOM. If the gentleman's amendment is agreed to they will have to discharge one of the men at $20,000. One of the men authorized to receive not more than $25,000 is employed now at $20,000, which shows that they are trying to comply with the spirit of the law.

Mr. BLACK. Yes.

Mr. CHINDBLOM. You are compelling them to discharge that man at $20,000.

Mr. BLACK. I have observed the limitations that are in the bill.

Mr. CHINDBLOM. But they have three men at $20,000 now.

Mr. BLACK. They have one too many, according to their own admission.

Mr. CHINDBLOM. No. That is one of the men authorized at not to exceed $25,000.

Mr. BLACK. If the gentleman will permit, the bill now contains this language: "Two, not to exceed $20,000." I have not disturbed that.

Mr. CHINDBLOM. All right.

Mr. BLACK. "Six at not to exceed $25,000."

Mr. CHINDBLOM. Each one of those will stay at $25,000. They are entitled to six of them.

Mr. BLACK. I do not admit that they are entitled to six. The position I take is that we should provide for four, the chairman of the board having said that only four men are now employed at $25,000 each. If the gentleman wants to accomplish the thing he is now contending for, let him offer an amendment increasing two at $20,000 to three at $20,000, instead of trying to come in here and authorize six at $25,000, when the chairman of the board himself says that only four are employed at that rate at present.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. MADDEN. The language reads "six at not to exceed $25,000." I suppose they could make that $5,000 if they pleased.

Mr. BLACK. The gentleman is intelligent enough to know that, and the gentleman also is intelligent enough to know that the purpose of this language is to permit the employment of six men at $25,000.

Now, Mr. Chairman, I ask unanimous consent to add to my amendment, so as to strike out "two" on line 11 and insert "three."

The CHAIRMAN. The gentleman from Texas asks unanimous consent to modify his amendment in the manner indicated. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 25, line 11, at the beginning of the line, strike out "six" and insert "four," and in the same line strike out "two" and insert "three."

Mr. BLACK. If my amendment is adopted it will restrict the Shipping Board to the employment of four men at $25,000 instead of six as the bill would now permit. It seems to me that even faint regard for economy should compel its adoption.

Mr. WOOD of Indiana. Mr. Chairman, this amendment should not be adopted. I do not know why the gentlemen on the other side, who can find no fault with the administration of the Shipping Board during the last 12 months, want to be throwing monkey wrenches into the machinery. I do not see why they should try to cripple this establishment. They ought to be trying to hold up the hands and encourage the man who has done more for it in the 12 months he has been there than was done during its entire previous existence under the old régime.

Mr. BLACK. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Texas.

Mr. BLACK. Is it not a fact that the hearings themselves disclose that only four men are employed at $25,000?

Mr. WOOD of Indiana. They do, and it is a compliment to the man who is at the head of this thing. He might have had six men there instead of four at $25,000 each, but in order to save money to the Treasury of the United States and because he felt that the conditions warranted it he has reduced the number to four. He has also reduced many others. You might make your amendment go further. An emergency might arise during the winding up of this thing when it might be necessary to employ for a brief period a $25,000-a-year man. Now, let me tell you something——

Mr. J. M. NELSON. Will the gentleman yield for a question?

Mr. WOOD of Indiana. I do not yield. Mr. Lasker has four men working in his private business to-day to whom he pays more than $100,000 a year. The United States Government is engaged in a private business, having to compete with the greatest business in the world, with the captains of industry of the world at the head of these great shipping industries. Now, as long as we are going to continue in private business, we must provide men of at least ordinary ability to compete with those captains of industry who are operating these independent concerns. It seems that it is hard for us to differen-

tiate. I am opposed to the Government engaging in any kind of private business, but we are in it, and as long as we are in it we ought to try to conform ourselves as nearly as possible to the policies and practices of men engaged in private business. Let us get out of it, and let us encourage the man who is doing something to try to get us out of it, rather than try to discourage him. I think the conduct of this Shipping Board during the last 12 months is the best possible recommendation of its efficiency, for never in the experience of the gentleman from Texas or myself has there ever been an activity approaching this in importance or volume. You have never found a single activity that has done more or half as much within its possibilities in saving money to the Treasury of the United States. Why handicap this man? If there had been something here to show that he had been abusing the privileges that we gave him a year ago there might be some reason for the handicap that you are trying to put upon him; but when you find that he has been conserving the interests of the Treasury and has not been using the privileges we gave him, let us at least give him the opportunity to do what may be necessary, so that in the event that something transpires in the winding up of this thing—I hope it will all be wound up within a year—they may have, if the opportunity requires, a $25,000 man to compete across the table in making contracts to sell this property. It is going to be a pretty important thing. Suppose the ship subsidy bill passes? It can not all be wound up in a day. It may pass, to the chagrin and disappointment of gentlemen upon the other side who would like to see the flag of the United States disappear from the seas of the earth. In the event that it does pass, there must be dickering and business transactions so that the United States may protect herself. Then it will need the best ability, the best experience, representing the best interests of the United States and the people of the United States to see that we are protected, and possibly it will take $25,000-a-year men. I am speaking only of a possibility. It may never occur.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. J. M. NELSON. I ask unanimous consent that the gentleman may have one minute more. I wish to ask him a question.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the time of the gentleman from Indiana be extended one minute. Is there objection?

There was no objection.

Mr. J. M. NELSON. The gentleman said two or three times that it was necessary to continue this, pending the winding up of this business. Has the committee made any inquiry as to when that will probably occur?

Mr. WOOD of Indiana. That will depend upon the action of the body at the other end of the Capitol and the action of this body on this side. If those who are desirous of maintaining the best traditions of the United States and its future welfare in establishing a merchant marine are successful, then it will be done within less than six months. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLACK].

The question being taken, the amendment was rejected.

The Clerk read as follows:

No part of the sum appropriated in this act shall be used to pay any claims of the United States Navy Department against the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation arising prior to July 1, 1921, or to pay any final judgment rendered in any suit authorized by the act entitled "An act authorizing suits against the United States in admiralty, suits for salvage services, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes," approved March 9, 1920.

Mr. CONNALLY of Texas. I move to strike out the last word. I should like to ask the chairman if there is any provision in this bill for the payment of the Norwegian claims recently arbitrated?

Mr. WOOD of Indiana. That is not carried in this bill at all. There was a deficiency appropriation carrying that.

Mr. CONNALLY of Texas. In what bill is it carried?

Mr. WOOD of Indiana. It is carried in a deficiency bill, as I remember.

Mr. BYRNS of Tennessee. It is a State Department matter.

Mr. CONNALLY of Texas. I thought it was a claim against the Shipping Board, and that it would have to be carried in this bill.

Mr. WOOD of Indiana. No; it was an independent claim growing out of a treaty, or the settlement was made pursuant to a treaty entered into by the State Department, for the settlement of these Norwegian claims, and the appropriation has already been made, as I remember, to carry it out.

Mr. CONNALLY of Texas. It has already been made, has it?

Mr. WOOD of Indiana. Yes.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

UNITED STATES VETERANS' BUREAU.

For carrying out the provisions of an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau and to further amend and modify the war risk insurance act approved August 9, 1921," including salaries and expenses of the central office at Washington, D. C., and regional offices and suboffices, and including salaries, stationery and minor office supplies, furniture, equipment and supplies, rentals and alterations, heat, light, and water, miscellaneous expenses, including telephones, telegrams, freight, express, law books, books of reference, periodicals, ambulance service, towel service, laundry service, repairs to equipment, storage, ice, taxi service, car fare, stamps and box rent, traveling and subsistence, salaries and expenses of employees engaged in field investigation, passenger-carrying and other motor vehicles, including purchase, maintenance, repairs, and operation of same, vehicles at a total cost of not exceeding $7,500 may be salaries and operating expenses of the Arlington Building and annex, including repairs and mechanical equipment, fuel, electric current, ice, ash removal, and miscellaneous items; and including the salaries and allowances, where applicable, wages, travel, and subsistence of civil employees at the United States veterans' hospitals, supply depots, dispensaries, clinics, and vocational schools, $49,984,063: *Provided*, That on or before the 15th day of each month when Congress is in session, the Director of the Veterans' Bureau shall transmit to the President of the Senate and the Speaker of the House of Representatives a statement giving in detail (a) the total number of positions at a rate of $2,000 or more per annum, (b) the rate of salary attached to each position, (c) the number of positions at each rate in the central office and in each district office or suboffice, and (d) a brief statement of the duties of each position.

Mr. WOOD of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: On page 37, line 13, strike out the words "vehicles at," and in line 14, strike out the words "a total cost of not exceeding $7,500 may be."

Mr. WOOD of Indiana. This provision was carried under the necessities of last year's bill and crept into this bill. There is no necessity for it now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. WOOD].

The amendment was agreed to.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. I ask the indulgence of the committee for about 10 minutes, or perhaps more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. MADDEN. I am sure every Member of the House is anxious to know something about the hospitalization situation throughout the country. During the time allotted to me I will endeavor to give you such information as I can on that subject. Since 1919 the Congress has appropriated approximately $54,000,000 for the construction of hospitals and the provision of additional facilities for the care of wounded and disabled veterans of the late war. In 1921, $18,600,000 of that $54,000,000 was appropriated to the Treasury Department, and the allotment of the appropriation was made upon the advice of a medical consultant board, who recommended the places and kinds of buildings to be erected. Later $17,000,000 was appropriated in a special act and placed at the disposal of the Director of the Veterans' Bureau. I have been very much concerned to know from time to time how the work of building was progressing. During the hearings on this bill I interrogated Colonel Forbes, the director of the bureau, in respect to the progress that is being made under the two acts I have just described. It seems that even under the appropriation of $18,600,000 some of the buildings authorized have not been completed. Under the appropriation of $17,000,000 none of the buildings have been begun. The appropriation under the last act of $17,000,000 was made the 20th of April last. That makes nine months from that date until now. When Colonel Forbes was before the Committee on Appropriations requesting the appropriation he promised our committee that he would have all the buildings under the authority granted by the act finished in nine months from the time the bids were advertised. Nine months have elapsed and two of the buildings have been let. He promised then that the cost of a bed would be about $3,000. It is clear to those who know the facts that the cost will be very much higher than $3,000 a bed; in fact, it will run from $4,000 to a little over $5,000.

Mr. REED of New York. Will the gentleman yield?

Mr. MADDEN. If the gentleman will let me make my statement first—I want to make a connected statement—I will then yield to him. I presume when the auxiliary buildings, such as the bakeries, the quarters for the officers and nurses, and other buildings are finished, that the cost will run up to $5,000 a bed. In answer to a question I asked as to when we could hope for

the buildings to be placed at the disposal of the men for whom they were constructed, Colonel Forbes said it would be 300 days after the contract is let. Some have not been let, and I do not know when they will be. But the first one completed will not be completed in less than 300 days. We have, however, no serious embarrassment, because there are sufficient facilities to take care of the men even to-day.

I have had prepared by the Veterans' Bureau a statement showing the number of hospital beds, the number of patients, and the kind of patients, and I find the number of patients in the Government hospitals is 17,361, the number of patients in contract hospitals 7,075, the number in all the hospitals 24,936. The present number of Government beds in Government-owned hospitals is 24,759, coming within about 200 beds owned by the Government less than the number of patients in all the hospitals. The estimated number of Government beds remaining available February, 1924, is 20,503; new beds under the first and second Langley bills, when completed, 10,047; the total Government beds available February, 1924, 30,550, or 6,000 and something more than the total number of patients in the Government-owned and contract hospitals.

Mr. STAFFORD. Is that exclusive of the authorizations made for the Veterans' Bureau hospital?

Mr. MADDEN. That is exclusive.

Mr. REED of New York. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. REED of New York. The gentleman said that Colonel Forbes said he would have the hospital erected in nine months. Did he state what was the cause of the delay?

Mr. MADDEN. He is making as rapid progress as he can in making the plans and selecting the sites, and he said no contractor will take a contract to put up a building under present labor conditions in less than 300 days after he takes the contract.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. MACLAFFERTY. I want to say to the gentleman that at one of the hospitals at Livermore, Calif., the bids were opened two or three weeks ago and all were found to be beyond the estimate, and for that reason new bids had to be called for.

Mr. BRIGGS. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BRIGGS. Does the gentleman's table that he has show the number of tubercular cases and psychiatric cases?

Mr. MADDEN. Yes; I will put them all in. Now, I have the data of the new building for psychiatrics at Little Rock, Ark., with 270 beds. I will not go into that now, but it will be completed soon for the patients provided for under the first and second Langley bill.

There is an interesting situation in respect to vocational training. I think more than 400,000 men made application since the war and 229,000 have been passed as eligible for admission. The law limits the applications to December 16, 1922. All applications after that time fail. The number in training on January 1, 1923, was 97,035. The estimated number in training January, 1924, will be 82,000. The estimated number on January, 1925, will be 42,000. So it shows a very marked decrease. The average cost per trainee for tuition and supplies is $19.62, with allowance pay $108.70. That is, the total cost per pupil is $128.32 for vocational training per month. We have in this bill a limitation of $5,781,000 attached to the appropriation for hospitalization. This limitation restricts to that sum the amount to be used for the construction of officers and nurses' quarters, and so forth, in connection with hospitals under way.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FESS. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MADDEN. We provide that of the appropriation of $48,683,000 for hospital care $5,780,000 shall not be used for the purchase of any ground, the construction of any new hospital building, or for the purchase of any building and ground for hospital purposes. The reason why we put this limitation upon the use of this money is that in his examination Colonel Forbes informed the Committee on Appropriations that he had the authority under the law to use any money appropriated for any purpose for the benefit of the Veterans' Bureau, whether it be for salaries or rent or what not, for the purchase of property, the establishment of new hospitals; and we thought the time had come when we should get the opinion of the Comptroller General of the United States as to whether or not any man in any department of the Government has the right to spend money appropriated for one purpose for another purpose. I asked Colonel Forbes if he thought he had the power to spend money appropriated for clerks for the purchase of hospital buildings, and he said he had. I asked him if he believed if we appropriated money for 20,000 clerks, and he used only 10,000 clerks, that he could use the balance of that money to buy buildings with, and he said he thought he could. I said, "If you can do that, then why do we appropriate at all; and if you have that power and I have the power to curtail it, I am going to do it"; and here we are with a limitation providing that the money appropriated for certain purposes in this bill can be used only for the purposes for which it is appropriated. There may be some opposition to that limitation, because I understand there are many requests made of Colonel Forbes to buy property not desirable, and there might be some influence brought to bear to permit this fund to be left free, without strings. I hope the House will agree with the Committee on Appropriations that there ought not to be any unlimited right to use funds appropriated for one purpose for any other purpose. It is bad business; it encourages extravagance; it encourages waste; and it may encourage corruption, we do not know; but if we think that we can avoid the suspicion of extravagance, the smell that goes up from corruption, by any limitation that we can place upon any expenditure in any appropriation bill, we would be criminally negligent if we did not do it; and I appeal to the House to sustain the Committee on Appropriations in the limitation which we have placed in this bill. The $5,781,000 is for a legitimate need—that is, for hospital extensions; but there are other items in this provision, and we have placed the limitation on the $5,781,000 because we do not want any more used than that which is set out. I have here a list of the purposes for which the $5,781,000 is to be used. It is for ordinary repairs and hospitals, for approach work, for new construction work which is necessary to build quarters for the doctors and nurses and attendants; and we have set out here the exact purposes for which the money can be used and the amount that can be used for each item in detail.

Mr. BRIGGS. Mr. Chairman, as I understand the matter which the gentleman has before him, he says that the $5,781,000 is necessary to make available hospital construction already undertaken and in part completed, but which can not be utilized to its full capacity because these details, kitchens, quarters, are not provided for the personnel.

Mr. MADDEN. Yes. If the House would not mind, this is not voluminous; it might be well to incorporate it in my remarks, so that we can have the information in detail as to just what this money can be used for. It will be illuminating, and not only illuminating but it will be an evidence of our desire to say to the director and to anyone else who may be interested that this is the purpose for which we appropriate the money, and that we have put it in the RECORD with that end in view.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. KINCHELOE. Can the gentleman tell the committee whether it is contemplated by the Veterans' Bureau to extend the capacity of existing hospitals?

Mr. MADDEN. It is to extend the capacity to the extent of making quarters for the nurses and doctors and all that and giving the bed space now used to the patients.

Mr. KINCHELOE. Does not the gentleman think it would be good business to extend the bed capacity of the hospitals?

Mr. MADDEN. We are doing that. For example, let me show one case. Here is a case at Palo Alto, Calif. Two hundred and eighty-six thousand dollars are appropriated there. Ordinary repairs, $25,000; approach work, $8,000; and then employees' quarters, 70 beds. That is the extension.

Mr. KINCHELOE. The reason I asked the gentleman is this: At Dawsonsprings hospital——

Mr. MADDEN. Oh, there is something in here for that.

Mr. KINCHELOE. I think it is one of the most magnificent institutions I have ever seen. It has a bed capacity of 500. It seems to me that it would be wise to double the bed capacity.

Mr. MADDEN. There is an item of $213,000 in this $5,781,000 for Dawsonsprings.

Mr. KINCHELOE. I am talking about it as a matter of business judgment. The hospital is there, and I say one of the most magnificent I have ever seen. If they took some of the money and doubled the bed capacity, it would be better, I think, because all you have to do, with your overhead taken care of, is to build your bed units and then connect up the lighting and plumbing facilities.

Mr. STAFFORD. They have the capacity at Dawsonsprings, but the World War veterans will not go there.

Mr. KINCHELOE. Oh, the gentleman does not know what he is talking about. There are about 400 soldiers there now.

Mr. STAFFORD. The gentleman does know what he is talking about.

Mr. KINCHELOE. I have recently come from there. That is characteristic of the information that used to be given when you were trying to defeat the bill, and especially by the gentleman from Wisconsin.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. I have thought the information contained in these documents of sufficient importance to submit the case to the House, so that everybody may be able to answer any question that may be asked. We have taken care of the Dawsonsprings hospital.

Mr. KINCHELOE. Oh, I have no personal interest in the matter at all, except as a matter of economy, and of getting more beds.

Mr. MADDEN. I realize that; that is what this does.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. MADDEN. I will yield to the gentleman from Nebraska.

Mr. ANDREWS of Nebraska. Did not the last appropriation bill place at the discretion of the Director of the Veterans' Bureau $17,000,000 for building purposes?

Mr. MADDEN. Yes, sir.

Mr. ANDREWS of Nebraska. Now, is there anything in the law that leaves with the Congress any direct responsibility for a failure to construct those buildings up to date?

Mr. MADDEN. No, sir. I think we have done everything in our power to do what should be done and get early action and have the facilities completed.

Mr. ANDREWS of Nebraska. The delay is entirely chargeable to the departmental branch of the service in so far as there is any?

Mr. MADDEN. Yes, sir.

Mr. BRIGGS. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. BRIGGS. I want to ask the chairman of the committee if it is not a fact that under the hospital branch of the Veterans' Bureau better facilities are assigned to tuberculous patients than other kinds of patients——

Mr. MADDEN. Yes.

Mr. BRIGGS. And in some cases there is a shortage of hospital facilities for that kind of patients, and that shortage exists now and ought to be corrected at the earliest possible moment?

Mr. MADDEN. And every effort is being made to correct it.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. SUMMERS of Washington. Is it permissible to make additions to leased hospitals under the language of the bill?

Mr. MADDEN. No.

Mr. SUMMERS of Washington. The gentleman is certain about that?

Mr. LAZARO. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. LAZARO. I want to ask the gentleman a question for information. Do you have enough beds and suitable places for your mental and tuberculosis cases?

Mr. MADDEN. Yes; when this program is completed; yes, indeed.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. CHINDBLOM. The bill which was passed granting the Director of the Veterans' Bureau authority to engage in furnishing and constructing buildings to the total amount of $17,000,000 only authorized the making of contracts for that amount. Is there any law existing to-day where he may use that appropriation?

Mr. MADDEN. Yes; we appropriated $12,000,000 and authorized $5,000,000, but that is not wanted for a year because he can not use it for 300 days.

Mr. CHINDBLOM. That is in the current appropriation bill?

Mr. MADDEN. Yes.

Mr. CHINDBLOM. So, up to July 1 he will have available $12,000,000 in money and an authorization for another $5,000,000?

Mr. MADDEN. Yes; but he will not need it because we are not up to that point.

Mr. FESS. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. FESS. I desire to ask whether any information was given to the committee as to when we should reach the peak in the need for hospitalization?

Mr. MADDEN. We have reached the peak now. We have 24,000 men in the hospitals to-day. There were over 31,000, and we think it is because of the fact we are using dispensaries for the treatment of men who are employed outside and living at home which has taken the burden away from the hospitals which heretofore existed. And the further development of the dispensary system will continue to relieve the Government from the need of having beds in hospitals to a large extent.

Mr. FESS. So the facilities already authorized will be sufficient?

Mr. MADDEN. Oh, yes; we will have 10,000 beds to spare when we get it completed.

Mr. FESS. The Surgeon General made a statement to a committee about two years ago that it would be 1926 before we reached the peak.

Mr. MADDEN. We have reached it now because we have dropped from 31,000 to 24,000.

Mr. FESS. There is another question I am very much interested in, and that is we will reach the maximum vocation work very soon.

Mr. MADDEN. We have reached it. According to our estimate we have 97,000 now, and we expect a year from now to have only 82,000, and a year from that time only 42,000, so we have reached the maximum now.

Mr. LAZARO. Will the gentleman yield for another question?

Mr. MADDEN. I will.

Mr. LAZARO. Will the gentleman give the number of sick soldiers taken care of in Government hospitals and the number taken care of in contract hospitals? Will the gentleman tell us what kind of treatment they receive in contract hospitals and if they are asking the Government to take care of all of them?

Mr. MADDEN. The committee can not tell, but the information we have is that they are getting as good treatment in the contract hospitals as they are getting anywhere else, but we have no information; that is, direct information, and we have to take our information secondhand.

Mr. LAZARO. Is there any effort being made to have all of them taken care of in Government hospitals?

Mr. MADDEN. Yes; just as fast as we get the buildings.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BLANTON. I ask unanimous consent that the gentleman have one additional minute. I desire to ask a question.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, I want to ask the question: The gentleman said in his judgment we had reached the peak and that soon he thought we would have 10,000 beds to spare; that would be the surplus?

Mr. MADDEN. That is, to spare, if we continue to have these contract hospitals.

Mr. BLANTON. Why not use the same contract hospitals if we have reached the peak, if we can care for them properly, and then we will not have them on our hands in a few years?

Mr. MADDEN. In the first place, the men were very hesitant about going into contract hospitals. That induced Congress to establish a policy of building Government-owned hospitals. These Government-owned hospitals have been appropriated for and the policy has been established by the Congress, the work is under way in accordance with that policy established, and the appropriations made, and we are powerless to change that.

Mr. BLANTON. But I can cite the gentleman to numerous service men and women in the contract hospital at San Angelo, Tex., and El Paso, Tex., both in the district of my colleague, Mr. HUDSPETH, out of my district, and in New Mexico, where splendid service is given in contract hospitals.

Mr. MADDEN. I think the contract hospitals are just as good, but there was a great deal of prejudice about them for a long time, and so Congress was induced to establish a different policy.

Mr. LAZARO. What is the difference in the cost of the treatment?

Mr. MADDEN. There is not much difference.

Mr. Chairman, I ask unanimous consent to insert the statements in the RECORD.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to insert the statements referred to in the RECORD. Is there objection?

There was no objection.

Following are the statements referred to:

Hospital facilities, U. S. Veterans' Bureau.

	Tuberculosis.	Neuropsychiatric.	General.	Total.
Number of patients, Government hospitals	7,812	5,014	4,535	17,361
Number of patients, contract hospitals	2,566	3,965	1,044	7,575
Number of patients, all hospitals	10,378	8,979	5,579	24,936
Present Government beds available	10,785	6,027	7,947	24,759
Estimated Government beds remaining available February, 1924, exclusive of first and second Langley bill hospitals	8,935	4,386	7,182	20,503
New beds under first and second Langley bills	4,227	5,370	450	10,047
Total Government beds available February, 1924	13,162	9,756	7,632	30,550

Date of completion of hospitals constructed under first and second Langley bills or additions to existing hospitals.

FIRST LANGLEY BILL.

Hospital.	Type.	Beds.	Date of opening or estimated date of completion.
North Little Rock, Ark	Neuropsychiatric	270	Dec. 1, 1921.[1]
Bronx, New York	do	1,011	Apr. 17, 1922.[2]
Walla Walla, Wash	Tuberculosis	165	May 10, 1922.
Fort McKenzie, Wyo	Neuropsychiatric	245	May 12, 1922.
Lake City, Fla	Tuberculosis	100	Aug. 25, 1922.
Perryville, Md	Neuropsychiatric	300	July 11, 1922.
Fort Bayard, N. Mex	Tuberculosis	250	Do.
Prescott, Ariz	do	422	July 12, 1922.
Rutland, Mass	do	220	May, 1923.
Chelsea, N. Y.[3]	do	450	January, 1924.
Augusta, Ga	Neuropsychiatric	265	January, 1923.
Oteen, N. C	Tuberculosis	200	February, 1923.
Tuskegee, Ala	do	302	March, 1923.
	Neuropsychiatric	294	
Dayton, Ohio	Tuberculosis	302	January, 1923.
Marion, Ind	Neuropsychiatric	80	Do.
Milwaukee, Wis	Tuberculosis	612	Do.
St. Louis, Mo	General	250	March, 1923.
Palo Alto, Calif	Neuropsychiatric	515	February, 1923.

SECOND LANGLEY BILL.

Northampton, Mass	Neuropsychiatric	436	February, 1924.
Tupper Lake, N. Y	Tuberculosis	450	Do.
Memphis, Tenn	General	200	August, 1922.
Gulfport, Miss.[4]	Neuropsychiatric	250	February, 1924.
Chillicothe, Ohio	do	436	December, 1923.
Camp Custer, Mich	do	500	February, 1924.
Knoxville, Iowa[5]	do	440	August, 1923.
St. Cloud, Minn	do	250	February, 1924.
Livermore, Calif	Tuberculosis	425	Do.
American Lake, Wash	Neuropsychiatric	250	Do.
Aspinwall, Pa	Tuberculosis	250	Do.
Excelsior Springs, Mo	do	75	August, 1923.

[1] But 80 beds initially made available on this date.
[2] But 455 at present available.
[3] Contracts awarded only in part.
[4] To replace 210 beds in temporary structures.
[5] Existing hospital, 172 beds; proposed hospital to be of 440-bed capacity.

Vocational rehabilitation.

Date last application could be filed, December 16, 1922.
Number in training January 1, 1923, 97,035.
Estimated number in training January 1, 1924, 82,000.
Estimated number in training January 1, 1925, 42,000.

Average cost per trainee:	
Tuition and supplies	$19.62
Allowance pay (this is average for total number in training in 1922)	108.70
Total	128.32

[NOTE.—The law provides that training must be started within one year after filing application.]

Estimates for appropriation, medical and hospital services, major repairs, alterations, and new construction, fiscal year 1924.

No.	Location of station.	Ordinary repairs.	Approach work.	New construction. Immediately necessary.	New construction. Necessary in near future.	Total.
24	Palo Alto, Calif	$25,000	$8,000		$253,000	$286,000
25	Houston, Tex	40,000				40,000
26	Greenville, S. C	15,000	5,000			20,000
27	Alexandria, La	25,000	7,000			32,000
30	Chicago, Ill	7,000				7,000
32	Washington, D. C	20,000	43,000		220,000	283,000

Estimates for appropriations, medical and hospital services, etc.—Contd.

No.	Location of station.	Ordinary repairs.	Approach work.	New construction. Immediately necessary.	New construction. Necessary in near future.	Total.
35	St. Louis, Mo					
37	Waukesha, Wis	$10,000	$8,000		$177,000	$195,000
41	New Haven, Conn	10,000				10,000
42	Perryville, Md	20,000	40,000	$150,675	577,395	788,070
44	West Roxbury, Mass	10,000				10,000
48	Atlanta, Ga	10,000	4,000		50,000	64,000
49	Philadelphia, Pa	15,000				15,000
50	Whipple Barracks, Ariz	45,000	15,000	117,500	25,000	202,500
51	Tucson, Ariz	7,000				7,000
52	Boise, Idaho	20,000	7,000			27,000
54	Arrowhead Springs, Calif	15,000				15,000
55	Fort Bayard, N. Mex	50,000	25,000		125,000	200,000
57	Knoxville, Iowa	20,000	12,000			32,000
59	Tacoma, Wash	10,000				10,000
60	Oteen, N. C	40,000	12,000			52,000
62	Augusta, Ga	20,000	15,000	637,500		672,500
63	Lake City, Fla	18,000	30,000		121,000	169,000
64	Camp Kearney, Calif	15,000				15,000
65	St. Paul, Minn	10,000				10,000
67	Kansas City, Mo	7,500				7,500
68	Minneapolis, Minn	7,000				7,000
69	Fort Thomas, Ky	6,000				6,000
72	Helena, Mont	25,000	8,000		131,000	164,000
74	Gulfport, Miss	25,000	10,000			35,000
76	Maywood, Ill	25,000	10,000		45,000	80,000
77	Portland, Oreg	8,000				8,000
78	North Little Rock, Ark	20,000	15,000	90,000	416,000	541,000
79	Dawsonsprings, Ky	20,000	20,000		173,000	213,000
81	Bronx, N. Y	30,000	35,000	365,000		430,000
84	Algiers, La	15,000	5,000		5,000	25,000
85	Walla Walla, Wash	20,000	10,000	30,000	120,000	180,000
86	Sheridan, Wyo	20,000	8,000		125,000	153,000
87	Chillicothe, Ohio	6,000	5,000			11,000
88	Memphis, Tenn	8,000				8,000
	Rutland, Mass	10,000	10,000	108,500		128,500
	Jefferson Barracks, Mo	10,000	8,000	76,000	5,000	99,000
	Tuskegee, Ala	15,000	20,000	90,000		123,000
	Aspinwall, Pa	10,000				10,000
	Chelsea, N. Y	10,000				10,000
	Excelsior Springs, Mo	10,000	8,000			18,000
	Northampton, Mass	15,000				15,000
	Tupper Lake, N. Y	15,000				15,000
	Camp Custer, Mich	5,000	10,000			15,000
	St. Cloud, Minn	5,000	10,000			15,000
	Livermore, Calif	5,000	10,000			15,000
	American Lake, Wash	10,000	10,000			20,000
	Muskogee, Okla	15,000				15,000
	Dispensaries	250,000				250,000
	Total	1,104,500	443,000	1,665,175	2,568,395	5,781,070

United States Veterans' Hospital No. 24, Palo Alto, Calif.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$25,000	
Approach work	8,000	
Total		$33,000
Expended, fiscal year 1922	$54,305.89	
Allotted, fiscal year 1923	8,000.00	

NEW CONSTRUCTION.

Employees' quarters (70 beds)	$125,000	
Recreation building	40,000	
Occupational therapy building	15,000	
Laundry (complete)	40,000	
Refrigerating plant	15,000	
Garage	6,000	
Bakery	7,000	
Nurses' kitchen	5,000	
Total		253,000
Grand total		286,000

Certain permanent facilities are being provided by the Office of the Supervising Architect from funds allotted by the White committee, and additional facilities noted above are needed to make a complete hospital. The new construction above is for N. P. unit.

The item for approach work is to provide roads and sidewalks not included in construction program and for upkeep of the grounds.

Government-owned land, 91.5 acres; Government-owned buildings, 8. Tuberculosis hospital—capacity, 514.

United States Veterans' Hospital No. 25, Houston, Tex.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$40,000.00
Expended fiscal year 1922	14,541.34
Allotted fiscal year 1923	40,000.00

The Supervising Architect was making certain alterations at this station during fiscal year 1923, and this accounts for small expenditure for repairs. Practically all buildings at this station are temporary frame structures, and amount allotted for fiscal year 1922 and estimated for fiscal year 1924 will be necessary to keep the buildings in good condition.

Leased land, 209 acres; Government-owned buildings, 75.
General hospital—capacity, 700.

United States Veterans' Hospital No. 26, Greenville, S. C.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$15,000.00
Approach work		5,000.00
Expended fiscal year 1922		7,707.63
Allotted fiscal year 1923		25,000.00

The Supervising Architect was remodeling buildings at this station during fiscal year 1922, which accounts for the small expenditure for repairs. Buildings are temporary frame structures, and amount requested will be necessary to keep station in proper condition.

Leased land, 234 acres; Government-owned buildings, 96.

Tuberculosis hospital—capacity, 500.

United States Veterans' Hospital No. 27, Alexandria, La.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE FISCAL YEAR 1924.

Ordinary repairs		$25,000.00
Approach work		7,000.00
Total		32,000.00
Expended for repairs, fiscal year 1922		11,906.45
Allotted for repairs, fiscal year 1923		25,000.00
Allotted for special work, fiscal year 1923		30,000.00

The Supervising Architect was remodeling buildings at this station during fiscal year 1922, which accounts for small expenditure for repairs, and the expenditure of the amount allotted for current year has been authorized. All buildings are temporary frame structures, and the amount estimated will be necessary to keep them in good condition.

Leased land, 160 acres; Government-owned buildings, 63.

T. B. hospital—capacity, 400.

United States Veterans' Hospital No. 30, Chicago, Ill.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$7,000
Expended fiscal year 1922		1,600
Allotted fiscal year 1923		32,000

Allotment for current year included repairs and restoration of main building.

Estimate is for annex only on information that main hospital is to be closed.

Buildings and grounds leased; capacity, No. 30, 550.

General hospital, annex, 100.

United States Veterans' Hospital No. 32, Washington, D. C.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$20,000
Approach work		43,000
Total		$63,000
Expended fiscal year 1922	$3,135.28	
Allotted fiscal year 1923 (repairs)	15,000.00	
Alotted fiscal year 1923 (special work)	20,000.00	

NEW CONSTRUCTION.

Nurses' quarters (30 rooms)		$80,000
Attendants' quarters—add story on garage		15,000
Recreation building		35,000
Occupational therapy		15,000
Colored tuberculosis ward (35 beds)		50,000
Storage warehouse		25,000
Total		220,000
Grand total		283,000

The estimate for approach work included retaining wall, new roads and repairs to old roads, fences, etc., and is absolutely necessary for protection of the property.

Nurses are now occupying one of the ward buildings, and new quarters will release this space for patients.

Colored tuberculosis patients now housed in temporary frame building which is in very bad condition and at all times a fire menace.

Government-owned land, 3¼ acres; Government-owned buildings, 9.

General hospital—capacity, 230.

United States Veterans' Hospital No. 35, St. Louis, Mo.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Decision of Comptroller General prohibits funds being expended at this station.

United States Veterans' Hospital No. 37, Waukesha, Wis.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$10,000.00
Approach work		8,000.00
		$18,000.00
Expended fiscal year 1922	$2,736.53	
Allotted fiscal year 1923	10,000.00	

NEW CONSTRUCTION.

Quarters for Medical Officers' Corps and junior officers		$65,000.00
Attendants' quarters (60 beds)		65,000.00
Nurses' quarters (30 beds)		47,000.00
		177,000.00
Total		195,000.00

Amount for approach work is for repairs to roads reported by a representative of the Supervising Architect and general upkeep of the grounds.

New construction is needed in order to make a complete well-rounded hospital and properly house the personnel.

Government-owned land; Government-owned buildings, 6.

N. P. hospital—capacity, 724.

United States Veterans' Hospital No. 41, New Haven, Conn.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$10,000.00
Expended fiscal year 1922		4,566.69
Allotted fiscal year 1923 (repairs)		15,000.00
Allotted fiscal year 1923 (special work)		35,000.00

Amount allotted for special work included additions and facilities. This work has been held in abeyance.

Leased buildings and land; some Government-owned temporary buildings.

Tuberculosis hospital—capacity, 500.

United States Veterans' Hospital No. 42, Perryville, Md.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000.00	
Approach work	40,000.00	
		$60,000.00
Expended, fiscal year 1922	$154,814.88	
Allotted, fiscal year 1923	20,000.00	

NEW CONSTRUCTION.

Nurses quarters (62 beds)	$72,400.00	
Male attendants' quarters (60 beds)	53,000.00	
Recreation building	42,500.00	
Occupational therapy	25,000.00	
Diagnostic building (100 beds) and professional utilities	260,000.00	
Acute building (30 beds)[1]	70,000.00	
Increase in mess and kitchen	35,000.00	
Tuberculosis building (15 beds)	30,000.00	
Attendants—colored (24 rooms)[1]	20,500.00	
New barn	15,000.00	
Additional roads and sidewalks	40,000.00	
Extensions to water, lighting, heating, and sewer facilities	30,000.00	
Total	593,400.00	
Five per cent contingencies	34,670.00	
		$728,070.00
Total		788,070.00

Certain permanent facilities have been provided by the office of the Supervising Architect from funds allotted by the White committee, and additional facilities noted above are to take care of present activities and contemplated increase in capacity in permanent buildings.

Government-owned land, 516 acres; Government-owned buildings, 58.

N. P. hospital; capacity, 600.

United States Veterans' Hospital No. 44, West Roxbury, Mass.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$10,000.00
Expended, fiscal year 1922		$35,000.00
Allotted, fiscal year 1923		27,000.00

Leased buildings and grounds.

N. P. hospital; capacity, 237.

United States Veterans' Hospital No. 48, Atlanta, Ga.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000.00	
Approach work	4,000.00	
		$14,000.00
Expended, fiscal year 1922	$2,978.46	
Allotted, fiscal year 1923 (repairs)	7,500.00	
Allotted, fiscal year 1923 (special work)	3,600.00	

NEW CONSTRUCTION.

Medical officers' quarters	30,000.00	
Recreation building	20,000.00	
		50,000.00
Total		64,000.00

There are no officers' quarters at this station, and recreation activities are housed in a temporary portable building.

Amount for special work to erect a cottage for administrative assistant.

Buildings were repaired and remodeled at this station during fiscal year 1922 by the Supervising Architect with funds provided from special appropriation.

Government-owned land, 21 acres; Government-owned buildings, 7.

General hospital; capacity, 105.

United States Veterans' Hospital No. 49, Philadelphia, Pa.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$15,000.00
Expended, fiscal year 1922		5,817.14
Allotted, fiscal year 1923		24,000.00

Allotment for current year includes repainting all buildings at station.

Government-owned land; Government-owned buildings, 27.

N. P. hospital; capacity, 420.

United States Veterans' Hospital No. 50, Whipple Barracks, Ariz.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE FISCAL YEAR 1924.

Ordinary repairs		$45,000
Approach work		15,000
		$60,000
Expended fiscal year 1922	$2,132.52	
Allotted fiscal year 1923	44,000.00	

[1] Immediately necessary.

NEW CONSTRUCTION.

Nurses' quarters [1]	$85,000	
Officers' quarters (2 double sets)	25,000	
Kitchens [1]	30,000	
Toilets and baths [1]	2,500	
		142,500
Total		202,500

Certain permanent facilities are being provided by the Office of the Supervising Architect from funds allotted by the White committee, and in order to facilitate the administration of this hospital the new construction noted above is necessary.

Construction work by the Supervising Architect was under way during 1922.

Government-owned land; Government-owned buildings, 71.
T. B. hospital, capacity, 823.

United States Veterans' Hospital No. 51, Tucson, Ariz.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$7,000.00
Expended fiscal year 1922	37,601.98
Allotted fiscal year 1923	7,000.00

Government-owned land, 25 acres; Government-owned buildings, 73.
T. B. hospital, capacity, 260.

United States Veterans' Hospital No. 52, Boise, Idaho.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000.00	
Approach work	7,000.00	
Total		27,000.00
Expended fiscal year 1922		2,402.15
Allotted fiscal year 1923		8,000.00

Government-owned buildings and land: Revocable permit from War Department granting Public Health Service use of certain buildings and grounds, Public Health Service to keep all structures and facilities in good repair.

Government-owned land, 636.35 acres; Government-owned buildings, 28.
General hospital—capacity, 215.

United States Veterans' Hospital No. 54, Arrowhead Springs, Calif.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$15,000.00
Expended fiscal year 1922	25,000.00
Allotted fiscal year 1923	10,000.00

Leased land; leased buildings.
General hospital—capacity, 175.

United States Veterans' Hospital No. 55, Fort Bayard, N. Mex.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$50,000.00	
Approach work	25,000.00	
		75,000.00
Expended fiscal year 1922	$13,880.90	
Allotted fiscal year 1923	52,500.00	

NEW CONSTRUCTION.

Relocation of farm activities	125,000.00
Total	200,000.00

Government reservation loaned to Veterans' Bureau by the War Department for any indefinite period. Certain permanent facilities are being provided by the Office of the Supervising Architect from funds allotted by the White committee, and it is desired to remove the dairy farm, hog farm, and all other farm activities to a more suitable location.

Government-owned land; Government-owned buildings, 302.
T. B. hospital—capacity, 1,200.

United States Veterans' Hospital No. 57, Knoxville, Iowa.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000
Approach work	12,000
Total	32,000
Expended fiscal year 1922	17,000
Allotted fiscal year 1923	16,000

New construction being handled by Construction Division, Quartermaster Corps, United States Army, from funds provided by second Langley bill.

Amount for approach work is to cover laying out and upkeep of the grounds after construction work is completed.

Government-owned land; capacity at present, 172.

United States Veterans' Hospital No. 59, Tacoma, Wash.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000
Expended fiscal year 1922	11,000
Allotted fiscal year 1923	10,000

Leased land, 48 acres; leased buildings, 42.
Tuberculosis hosiptal; capacity 302.

[1] Immediately necessary.

United States Veterans' Hospital No. 60, Oteen, N. C.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$40,000.00
Approach work	12,000.00
Total	52,000.00
Expended fiscal year 1922	114,180.85
Allotted fiscal year 1923	40,000.00

Certain permanent construction being provided by the Office of the Supervising Architect from funds allotted by the White committee, and repairs to certain buildings from funds provided by special appropriation.

Amount for approach work is to cover laying out and upkeep of grounds after construction is completed.

Government-owned land, 337.2 acres; Government-owned buildings, 117.

Tuberculosis hospital; capacity, 1,100.

United States Veterans' Hospital, No. 62, Augusta, Ga.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000	
Approach work	15,000	
		$35,000
Expended fiscal year 1922	$5,080.78	
Allotted fiscal year 1923	35,500.00	

NEW CONSTRUCTION.

Remodel Lenwood Hotel property [1]	$150,000	
Quarters medical officer in charge [1]	14,000	
Nurses' quarters (85 rooms) [1]	115,000	
Female attendants' quarters (30 rooms) [1]	50,000	
Male attendants' quarters (110 rooms) [1]	180,000	
Garage (15 cars) [1]	6,000	
Laundry [1]	40,000	
Storage warehouse [1]	25,000	
Four buildings for married and single officers [1]	57,500	
		637,500
Total		672,500

Certain permanent facilities are being provided by the Office of the Supervising Architect from funds allotted by the White committee. The new construction noted above is necessary to make the main building safe for the housing of patients, to provide suitable housing for personnel, and provide needed capacity.

Government-owned land, 333 acres; Government-owned buildings, 33.
N. P. hospital; capacity, 250.

United States Veterans' Hospital, No. 63, Lake City, Fla.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$18,000	
Approach work	30,000	
		$48,000
Expended fiscal year 1922	$2,020.48	
Allotted fiscal year 1923	10,000.00	

NEW CONSTRUCTION.

Five married officers' quarters	35,000	
Occupational therapy	25,000	
Garage and storehouse	11,000	
Enlarging kitchen	50,000	
		121,000
Total		169,001

Certain permanent facilities are being provided by the Office of the Supervising Architect from funds allotted by the White committee and this station is still in need of the new construction and remodeling noted above.

Government-owned land, 331 acres; Government-owned buildings, 21
General hospital; capacity, 230.

United States Veterans' Hospital No. 64, Camp Kearney, Calif.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE FISCAL YEAR 1924.

Ordinary repairs	$15,000.00
Expended fiscal year 1922	7,915.53
Allotted fiscal year 1923	18,000.00

Leased land; Government-owned buildings.
T. B. Hospital; temporary frame.

United States Veterans' Hospital No. 65, St. Paul, Minn.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE FISCAL YEAR 1924.

Ordinary repairs	$10,000
Expended fiscal year 1922	46,500
Allotted fiscal year 1923	10,000

Leased land; leased buildings.
General hospital—capacity, 337.

United States Veterans' Hospital No. 67, Kansas City, Mo.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE FISCAL YEAR 1924.

Ordinary repairs	$7,500
Expended fiscal year 1922	36,000
Allotted fiscal year 1923	7,500

Leased land; leased buildings.
General hospital—capacity, 125.

[1] Immediately necessary.

United States Veterans' Hospital No. 68, Minneapolis, Minn.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE FISCAL YEAR 1924.

Ordinary repairs		$7,000
Expended fiscal year 1922		5,000
Allotted fiscal year 1923		7,000

Leased land; leased buildings.
General hospital—capacity, 338.

United States Veterans' Hospital No. 69, Fort Thomas, Ky.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$6,000
Expended fiscal year 1922		16,000
Allotted fiscal year 1923		6,000

Leased land; leased buildings.
General hospital; capacity, 146.

United States Veterans' Hospital No. 72, Helena, Mont.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$25,000.00	
Approach work	8,000.00	
		$33,000.00
Expended fiscal year 1922	1,391.75	
Allotted fiscal year 1923	14,000.00	
NEW CONSTRUCTION.		
Addition to dining room	10,000.00	
Remodeling building No. 9	10,000.00	
Remodeling building No. 28	26,000.00	
Central heating plant	85,000.00	
		131,000.00
Total		164,000.00

During fiscal year 1922 certain repairs and alterations were being made by the Supervising Architect.

New construction is necessary to efficiently operate the institution at present capacity.

Government-owned land; Government-owned buildings, 45.
General hospital—capacity, 185.

United States Veterans' Hospital No. 74, Gulfport, Miss.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$25,000
Approach work		10,000
		35,000
Expended fiscal year 1922		120,000
Allotted fiscal year 1923		10,000

New construction at this station from funds provided by the second Langley bill.

Government-owned land, 147 acres; Government-owned buildings, 26.
N. P. hospital—present capacity, 210 in temporary buildings; proposed capacity, 300.

United States Veterans' Hospital No. 76, Maywood, Ill.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$25,000.00	
Approach work	10,000.00	
		$35,000.00
Expended fiscal year 1922	$42,911.66	
Allotted fiscal year 1923	70,000.00	
NEW CONSTRUCTION.		
Nurses' home	45,000.00	
		45,000.00
Total		80,000.00

Allotment for current year includes certain special work, in amount $45,000.

Government-owned land, 320 acres; Government-owned buildings, 6.
General hospital—capacity, 925.

United States Veterans' Hospital No. 77, Portland, Oreg.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs		$8,000.00
Expended fiscal year 1922		26,000.00
Allotted fiscal year 1923		5,000.00

Leased land; leased building.
General hospital—capacity, 150.

United States Veterans' Hospital No. 78, North Little Rock, Ark.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000.00	
Approach work	15,000.00	
		$35,000.00
Expended fiscal year 1922	$778.46	
Allotted fiscal year 1923	18,000.00	
NEW CONSTRUCTION.		
Acute patients building, 60 beds [1]	90,000.00	
Semiacute patients buildings, 60 beds	60,000.00	
Mild patients buildings, 60 beds	60,000.00	
Tuberculosis patients building, 25 beds	40,000.00	
Medical patients building, 60 beds	60,000.00	
Male attendants' quarters, 115 beds	90,000.00	
Nurses' quarters, 67 beds	70,000.00	
Increase in power plant	10,000.00	
Increase kitchen and mess	25,000.00	
Remodel Building No. 3	1,000.00	
		506,000.00
Total		541,000.00

[1] Immediately necessary.

Certain permanent facilities have been provided by the Office of the Supervising Architect from funds allotted by the White committee, and the new construction noted above is needed to make a complete, well-rounded hospital and to provide needed additional capacity.

Government-owned land, 1,088 acres; Government-owned buildings, 64.
N. P. hospital—capacity, 257.

United States Veterans' Hospital No. 79, Dawsonsprings, Ky.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000	
Approach work	20,000	
		$40,000

Allotted fiscal year 1922, $110,000.

NEW CONSTRUCTION.

Officers' quarters (2 sets double quarters, 5 rooms each)	$25,000	
Fireproof storage warehouse	35,000	
Cyclone fence around station (about 1 mile)	15,000	
Occupational therapy building	35,000	
Post exchange building	15,000	
Construction of 3½ miles of road	23,000	
Swimming pool	25,000	
		$173,000
Total		213,000

NEW CONSTRUCTION AUTHORIZED FROM CURRENT APPROPRIATIONS.

Officers' quarters (4 sets double quarters, 5 rooms each)	$55,000	
Recreation building for personnel	35,000	
Extension of heating and service lines to take care of new construction, and correction of defects in heating system of present officers' quarters	10,000	
		$100,000

New construction noted above was not included in the original plans, and is needed to make a complete, well-rounded hospital.

Government-owned land; Government-owned buildings, 23.
T. B. hospital; capacity, 405.

United States Veterans Bureau Hospital No. 81, Bronx, N. Y.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$30,000	
Approach work	35,000	
		$65,000

Expended fiscal year, 1922, $150.
Allotted fiscal year 1923, $125,000.

NEW CONSTRUCTION.

Nurses' quarters [1]	200,000	
Recreation [1]	60,000	
Occupational therapy [1]	35,000	
Storage warehouse [1]	35,000	
Screens for buildings [1]	20,000	
Dental unit [1]	15,000	
		365,000
Total		430,000

Allotment for current year includes an item of $100,000 for special work at the station.

Certain remodeling has been done by the Office of the Supervising Architect from funds allotted by the White committee, and the additional facilities noted above are needed to make a complete, well-rounded institution.

Government-owned land, 29.818 acres; Government-owned buildings, 7.
N. P. hospital; capacity, 1,000.

United States Veterans' Hospital No. 84, Algiers, La.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$15,000.00	
Approach work	5,000.00	
		$20,000.00
Expended, fiscal year 1922		21,709.46
Allotted, fiscal year 1923		14,000.00
NEW CONSTRUCTION.		
Garage		5,000.00

Government-owned land, 9½ acres; Government-owned buildings, 22.
General hospital; capacity, 201.

United States Veterans Hospital No. 85, Walla Walla, Wash.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000.00	
Approach work	10,000.00	
		$30,000.00
Expended, fiscal year 1922		329.16
Allotted, fiscal year 1923		25,000.00
NEW CONSTRUCTION.		
Two new ward buildings (50 beds each)	$120,000.00	
Alterations, personnel quarters [1]	5,000.00	
New administration buildings [1]	25,000.00	
		150,000.00
Total		180,000.00

Certain alterations and increased facilities have been provided by the Office of the Supervising Architect from funds allotted by the White committee, and the new construction noted above is necessary to provide facilities for the increased capacity.

Government-owned land, 640 acres; Government-owned buildings, 57.
Tuberculosis hospital; capacity, 215.

[1] Immediately necessary.

United States Veterans' Hospital No. 86, Sheridan, Wyo.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$20,000.00	
Approach work	8,000.00	
		$28,000.00
Expended fiscal year 1922	4,057.85	
Allotted fiscal year 1923	30,000.00	

NEW CONSTRUCTION.

Central heating plant	125,000.00	
		125,000.00
Total		153,000.00

Under available appropriation the Office of the Supervising Architect remodeled certain buildings to accommodate 245 patients, and new construction noted above is necessary to develop the full capacity of existing buildings and to provide a complete well-rounded institution.

Government-owned land, 5,440 acres; Government-owned buildings, 50. N. P. hosital; capacity, 245.

United States Veterans' Hospital No. 87, Chillicothe, Ohio.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$6,000.00
Approach work	5,000.00
Total	11,000.00

Government-owned land; Government-owned buildings, 7.
General hospital; capacity, 58.

United States Veterans' Hospital No. 88, Memphis, Tenn.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$8,000.00
Allotment fiscal year 1923	10,000.00

Government-owned land; Government-owned buildings.
General hospital; capacity, 165.

United States Veterans' Hospital No. 89, Rutland, Mass.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000.00	
Approach work	10,000.00	
		$20,000.00

Allotted fiscal year 1923, $11,000.00.

NEW CONSTRUCTION.

Occupational therapy and recreation building[1]	$30,000.00	
Quarters for medical officers in charge (7 rooms)[1]	14,000.00	
Double quarters, chiefs of staff (6 rooms each)[1]	21,000.00	
Three sets double quarters, officers (5 rooms each)[1]	40,000.00	
Addition to bakery to present kitchen[1]	3,500.00	
		108,500.00
Total		128,500.00

Certain permanent facilities are being provided by the Office of the Supervising Architect from funds allotted by the White committee, and the new construction noted above is necessary to provide a complete well-rounded institution.

Government-owned land; Government-owned buildings.
T. B. hospital; capacity, 220.

United States Veterans' Hospital, Jefferson Barracks, Mo.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000.00	
Approach work	8,000.00	
		$18,000.00
Allotted fiscal year 1923	$5,500.00	

NEW CONSTRUCTION.

Resident medical officer in charge[1]	$11,000.00	
Quarters for officers (4)[1]	25,000.00	
Quarters, female attendants[1]	40,000.00	
Increased boiler capacity	5,000.00	
		81,000.00
Total		99,000.00

This hospital was developed by the Office of the Supervising Architect from funds allotted by the White committee, and new constructions noted above are necessary to provide a complete well-rounded institution.

Government-owned.
General; capacity, 250.

United States Veterans' Hospital, Tuskegee, Ala.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$15,000.00	
Approach work	20,000.00	
		$35,000.00
Allotted fiscal year 1923	$10,000.00	

NEW CONSTRUCTION.

Recreation building and occupational therapy building[1]	55,000.00	
Storage warehouse[1]	35,000.00	
		90,000.00
Total		125,000.00

The hospital is being constructed by the Office of the Supervising Architect from funds allotted by the White committee, and new construction noted above is necessary to provide a complete well-rounded institution.

Government-owned land; Government-owned buildings.
Tuberculosis unit; capacity, 302.
Neuropsychiatric unit; capacity, 294.

[1] Immediately necessary.

United States Veterans' Hospital, Excelsior Springs, Mo.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000.00	
Approach work	8,000.00	
		18,000.00
Allotted fiscal year 1923	275,000.00	

Allotment for current fiscal year includes an item of $270,000 for new construction.

Construction probably completed about August 1, 1923.
Government-owned land; Government-owned building.
Tuberculosis hospital; capacity, 125.

United States Veterans' Hospital, Aspinwall, Pa.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000

Plan of this station not sufficiently advanced to permit an estimate of additional construction needed.

Construction being handled by the Office of the Supervising Architect from funds allotted by the White committee, probably completed about July 1, 1923.
Government-owned land; Government-owned buildings.
Tuberculosis hospital; capacity, 120.

United States Veterans' Hospital, Chelsea, N. Y.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000

Plans of this station not sufficiently advanced to permit an estimate of the additional construction needed.

Construction being handled by the Office of the Supervising Architect from funds allotted by the White committee.
Government-owned land; Government-owned buildings.
Tuberculosis hospital; capacity, probably 236

United States Veterans' Hospital, Northampton, Mass.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$15,000

Government-owned land; Government-owned buildings.
N. P. hospital; capacity, 436 beds.

United States Veterans' Hospital, Tupper Lake, N. Y.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$15,000

Government-owned land; Government-owned buildings.
Tuberculosis hospital; capacity, 450 beds.

United States Veterans' Hospital, Camp Custer, Mich.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$5,000
Development of grounds	10,000
Total	15,000

Plans now being prepared by Army construction; probably completed about September 1, 1923.
Government-owned land; Government-owned buildings.
N. P. hospital; capacity, 500.

United States Veterans' Hospital, St. Cloud, Minn.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$5,000
Approach work	10,000
Total	15,000

Plans now being prepared for construction; probably completed about September 1, 1923.
Government-owned land; Government-owned buildings.
N. P. hospital; capacity, 250.

United States Veterans' Hospital, Livermore, Calif.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$5,000
Development of grounds	10,000
Total	15,000

Plans now being prepared for construction; probably completed July 1, 1923.
Government-owned land; Government-owned buildings.
Tuberculosis hospital—capacity, 425.

United States Veterans' Hospital, American Lake, Wash.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs	$10,000
Approach work	10,000
Total	20,000

Plans now being drawn; construction probably completed about August 1, 1923.
Government-owned land; Government-owned buildings.
N. P. hospital—capacity, 250.

United States Veterans' Hospital, Muskogee, Okla.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs, etc	$15,000

Under consideration by bureau for lease.

United States Veterans' Bureau dispensaries.

PRELIMINARY ESTIMATE FOR NEW CONSTRUCTION AND MAINTENANCE, FISCAL YEAR 1924.

Ordinary repairs and upkeep	$250,000

Mr. CHINDBLOM. Mr. Chairman and gentlemen of the committee, the chairman of the Committee on Appropriations has stated the present situation in reference to the second so-called Langley bill, which authorized the expenditure of $17,000,000 for providing hospitalization facilities. It will be recalled that this bill was recommended and reported for passage by the Committee on Public Buildings and Grounds. The same committee reported and recommended the first so-called Langley bill, which is known as the act of March 4, 1921. This authorized an expenditure of $18,600,000 for hospitalization purposes.

I have thought that the Members of the House and perhaps the people of the country would be interested in knowing the present status of the expenditures authorized by this first Langley bill of March 4, 1921, and I therefore procured from the Assistant Secretary, Mr. Edward Clifford, who is in charge of the Supervising Architect's Office in the Treasury Department, a statement showing the projects, the allotments of money, the number of beds contemplated, the type of hospital, the contract time for completion, and the present condition with reference to the completion of the various establishments that were included in the expenditures under the authorization of the act of March 4, 1921, and I ask unanimous consent to insert that statement in the RECORD.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Following is the statement referred to:

JANUARY 10, 1923.

Hon. CARL R. CHINDBLOM,
United States House of Representatives.

MY DEAR CONGRESSMAN: In accordance with your request, I am sending you herewith memorandum showing hospital construction under the act of March 4, 1921, authorizing $18,600,000 for that purpose.

Very truly yours,

EDWARD CLIFFORD,
Assistant Secretary.

Hospital.	Allotted.	Number of beds contemplated.	Type.	Contract time for completion of hospitals.	Actual time of completion.
Providence Hospital No. 2, Fort Logan H. Roots, Little Rock, Ark.	$250,000.00	270	Neuropsychiatric	June 6, 1922	Completed and transferred to U. S. Veterans' Bureau.
United States Veterans' Hospital No. 27, Alexandria, La.	59,516.17	None.	Tuberculosis	do	Do.
United States Veterans' Hospital No. 63, Lake City, Fla.	272,000.00	100	do	Aug. 25, 1922	Do.
United States Veterans' Hospital No. 50, Prescott, Ariz. (Whipple Barracks).	577,000.00	422	do	July 12, 1922	Do.
Fort McKenzie, Wyo.	177,000.00	245	Neuropsychiatric	June 7, 1922	Do.
Providence Hospital No. 1, Fort Walla Walla, Wash.	450,000.00	165	Tuberculosis	July 13, 1922	Do.
United States Veterans' Hospital, No. 81, Bronx, New York City.	3,485,000.00	1,011	Neuropsychiatric	July 23, 1922	Do.
United States Veterans' Hospital No. 55, Fort Bayard, N. Mex.	992,500.00	250	Tuberculosis	July 11, 1922	Do.
United States Veterans' Hospital No. 42, Perryville, Md.	483,000.00	300	Neuropsychiatric	do	Do.
Providence Hospital No. 4, Rutland, Mass.	815,000.00	220	Tuberculosis	September, 1922	Do.
United States Veterans' Hospital No. 62, Augusta, Ga.	870,783.00	265	Neuropsychiatric	Oct. 10, 1922	Do.
National Home for Disabled Volunteer Soldiers, Milwaukee, Wis.	1,400,000.00	612	Tuberculosis	Jan. 1, 1923	Practically complete.
National Home for Disabled Volunteer Soldiers, Dayton, Ohio.	750,000.00	306	do	do	Do.
National Home for Disabled Volunteer Soldiers, Marion, Ind.	100,000.00	80	Neuropsychiatric	do	Do.
United States Veterans' Hospital No. 60, Oteen, N. C.	458,000.00	200	Tuberculosis		92 per cent complete; contract.
United States Veterans' Hospital No. 24, Palo Alto, Calif.	1,303,619.65	515	Neuropsychiatric	December, 1922	99 per cent complete; contract.
Negro hospital, Tuskegee, Ala.	1,985,000.00	302	Tuberculosis	February, 1923	Do.
		294	Neuropsychiatric		
St. Louis, Mo. (Jefferson Barracks)	1,265,000.00	250	General	March, 1923	85 per cent complete; contract.
Chelsea, N. Y. (metropolitan district)	2,000,000.00	400	Tuberculosis	Infirmary, July 23, 1923.	Contract awarded Oct. 23, 1922, for major portion of work.
Miscellaneous hospitals	73,181.25				
Equipment	600,000.00				
Total	18,366,600.07	6,207			

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield just at that point?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Nebraska?

Mr. CHINDBLOM. Yes.

Mr. ANDREWS of Nebraska. How does the matter of expedition in the construction of that group of buildings compare with the expedition under the $17,000,000 appropriation?

Mr. CHINDBLOM. I will say to the gentleman that the statement shows that more than one-half of the projects are now completed; that 11 out of 19 projects are now completed; that the balance of them are more than 90 per cent complete, with the exception of the single project at Chelsea, N. Y., in the metropolitan district of New York, for which the contract was awarded October 23, 1922. That work was delayed because of the inability of the people interested in that section of the country to agree upon a location. These 11 projects which are already completed and which have been transferred to the Veterans' Bureau involve an expenditure of $8,431,799.17, and provide facilities for 3,248 patients. The entire appropriation has been used to the extent of $18,366,600.07, and provides for 6,207 patients, making an average cost of about $3,000 per bed.

There was in the House and in Committee of the Whole considerable discussion about the efficiency and the competency of the Supervising Architect's Office in the matter of erecting these hospital buildings, and largely on that account, as well as on account of the interest which exists with reference to the present hospital situation, I have taken the time of the House for these few minutes to show the situation and to have this statement inserted in the RECORD.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. REED of New York. Does the program for these various hospitals provide for employees and doctors?

Mr. CHINDBLOM. The appropriation did not provide for the personnel, but it will pay for some of the equipment. You understand that all these buildings are erected by the Supervising Architect's Office and turned over, when completed, to the Veterans' Bureau for use and occupancy by them.

The CHAIRMAN. The time of the gentleman from Illinois has expired. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For printing and binding for the United States Veterans' Bureau, including all of its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere, $300,000.

Mr. SUMMERS of Washington. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Washington moves to strike out the last word.

Mr. SUMMERS of Washington. Mr. Chairman and gentlemen, some two years ago I came before you pleading the merits of Fort Walla Walla as a desirable place for the establishment of a veterans' hospital.

During the preceding year I had repeatedly tried to secure the consent of the Secretary of War [Mr. Baker] for the use of these grounds and buildings for hospital purposes. Although they had not been used for military purposes for 11 years the Secretary steadfastly refused. Whereupon the matter was presented to the Public Buildings and Grounds Committee. After thorough investigation and consideration that committee, at my request, wrote into their hospital bill of two years ago a provision for the utilization of this splendid site and buildings for hospital purposes.

To-day I present to you some wonderfully artistic photographs made by my friend and fellow townsman, Mr. John W. Langdon, banker, business man, artist, and philanthropist, of Walla Walla, Wash.

In these pictures [exhibiting] which Mr. Langdon has made especially for you you will see the medical officers' quarters, nurses' home, superintendent's home, and various brick buildings occupied by the patients. I invite your especial attention to the neat and attractive appearance of all buildings and to the numerous shade trees and flowers. In this picture you see a strip of woodland and a brook. The grounds comprise more than 600 acres, 60 acres of which is wooded and is being converted into a natural park for the patients. Six streams of living water flow through the tract, affording sufficient water for the irrigation of 150 acres of unusually fertile garden land at some later date.

The buildings are all located on a low ridge which lifts them above the surrounding country and affords an excellent view of the city of Walla Walla, a mile away, the orchards, the garden tracts, the wheat fields, and the valley skirted by the Blue Mountains, 10 miles away.

Mr. BLANTON. How many patients have we there now?

Mr. SUMMERS of Washington. We have 138 patients and capacity for 100 more. Medical officers who have been stationed at several other institutions tell me that in climate and general attractiveness that this Veterans' Hospital 85, at Walla Walla, surpasses all others with which they are familiar.

I have repeatedly visited every part of this institution; I have repeatedly talked with each and every patient; I have inspected the kitchens; I have eaten of the same food at the same table with the patients. The medical staff, the nurses, and all others who serve the patients, in my opinion, are fully competent.

The citizens, and especially the good women of Walla Walla, are making lawns, planting shrubs and flowers, and in every way possible are beautifying the grounds and adding to the attractiveness of the institution and the comfort and amusement of the patients.

As a physician of many years' experience, I have often stated that in my opinion if a patient can recover in any hospital, any place, he can recover in this institution.

But we can not understand why patients are maintained in private institutions in the thirteenth district when beds and every other facility await them here. When more accommodations are needed in the Northwest, the great expanse of grounds, the large heating plant already installed, the water system, fire protection, laundry facilities, walks, parks, roadways, and general overhead all mark this as the logical location for expansion.

Abundant grounds are also available for the establishment of a vocational training center. The climate and soil especially adapt it for the growing of all sorts of fruits, berries, and vegetables; for dairying, poultry, and bee culture. Shops and patients' quarters could be heated, lighted, watered, and provided with sewage facilities from the same systems now supplying the hospital. Every consideration of adaptability, desirability, and economy seem to warrant the training of ex-service men at this place.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. FISH. Mr. Chairman, I move to strike out the last two words. I want to place before the House a few observations just in the way of food for thought. I do not want to make any startling disclosures or even to criticize the committee who have this measure in charge. At the outset I want to state that the subcommittee, according to the record, gave only two days' hearings to the Veterans' Bureau. I think even the committee will agree that the Veterans' Bureau, spending something like $500,000,000 a year, is entitled to a little more consideration than two days. In fact, the Veterans' Bureau spends more money than the War or Navy Department. We have no committee in the House actually looking after the various items in this tremendous undertaking of affording veterans relief. Of course, we have the Committee on Interstate and Foreign Commerce, but that committee is too busy. Its calendar is overcrowded, and it is unable to give any consideration to the workings of the Veterans' Bureau. I am sure no member of the committee will challenge that statement. They have not given one hour's consideration in the last year to the question of veterans' relief, and I think this is as good a time as any to present these facts to the Members of Congress, so that they will be able in the future to make up their minds as to the advisability and justice of having a new committee to handle all soldiers' relief legislation arising out of the World War. For example, let me ask the chairman of the subcommittee if he knows how much rent is being paid for the district office at Boston?

Mr. WOOD of Indiana. Yes; we have the statement of the officer in charge of the Veterans' Bureau as to how much is being paid.

Mr. BRIGGS. How much is it?

Mr. FISH. I think if the House knew how much is being paid for rent in Boston the Members would agree that there is need for a committee to deal with the various ramifications of the Veterans' Bureau, including the contracts entered into for renting offices, hospitals, and schools.

Mr. WOOD of Indiana. They are paying rent in Boston because we have no Government property there that is available. Some of the activities of the Veterans' Bureau, in New York especially, are conducted in Government buildings. We are using Government property where it is available, and where it is not available, in order that the veterans may not suffer in consequence, we are paying rent.

Mr. BRIGGS. What is the amount the Government is paying for rent in Boston?

Mr. FISH. I can tell the gentleman, to save time.

Mr. WOOD of Indiana. Boston is included in district No. 1, and the allowance for rentals there is $189,214.

Mr. FISH. I think the House would like to know what they are paying for the district office at Boston. The rent for those offices is $156,000 a year, with extras for lighting, and so forth, which are not down there.

Mr. WOOD of Indiana. The gentleman is not objecting to our paying it, is he?

Mr. FISH. I am certainly objecting when you can get suitable offices for $9,000, and I understand that they are going to get them to-day. I am just pointing out that the subcommittee can not go into these items in two days of hearings.

Mr. WOOD of Indiana. I will say that we did it. We went into it two years ago, and in consequence of our going into it we made quite a saving in the city of New York. Their offices there were down in a portion of the city where rents were high, and this activity could be taken care of just as well on the outskirts.

Mr. FISH. Yes; but this rent in Boston has been going on for a number of years. I believe it has just been called to the attention of Colonel Forbes, and he has taken steps to get suitable quarters at about one-seventeenth of the rent that we have been paying. We have been paying this extra money right along for nothing. What I say here is not a criticism of Colonel Forbes, because I think he is doing as well as he can under the circumstances.

Mr. BLANTON. Before the gentleman leaves Boston, will he permit a question?

Mr. FISH. Yes.

Mr. BLANTON. The gentleman asked about the rent in Boston. I wonder if the committee knows what that manager at Boston was doing when Director Forbes had to go up there and remove him.

Mr. FISH. That is past history. I wonder if the chairman of the subcommittee can tell me what is the necessity of paying $153,000 for the rent of the vocational school at Novo?

Mr. WOOD of Indiana. No; I do not think there is any necessity for it, and instead of that being a matter of criticism against the committee——

Mr. FISH. No; my object is to bring the matter before the House and not to make any reflection whatever on the committee or Colonel Forbes. I wish to avail myself of this opportunity to emphasize the necessity of creating a new committee to handle veteran relief legislation.

Mr. WOOD of Indiana. That is purely a matter of administration; and I will say to the gentleman that with a good economical business administration the affairs of this department could be conducted with a saving of many, many thousands of dollars to the United States Government. But we are not the administrative officers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FISH. I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for two minutes more. Is there objection?

There was no objection.

Mr. FISH. I will say to the gentleman that while we are expending $153,000 for rent at Novo, wherever that is—it sounds like a brand of food; but I believe it is located in Illinois—we are vocationalizing 173 men there. That is almost $1,000 a year per man for rent, to say nothing of the expense for teachers, supplies, food, and everything else, and for the other employees.

It is time that some committee of the House should go into this matter. What I want to do is to bring to the attention of the House some of the things which require special consideration in this enormous bureau, almost as large as any department.

Mr. REED of New York. Will the gentleman yield?

Mr. FISH. Certainly.

Mr. REED of New York. Does the gentleman know why they are paying these exorbitant rents?

Mr. FISH. I can not say why they are paying $153,000 at Novo, Ill. I should think that they might almost build a school for that sum.

Mr. REED of New York. Does the gentleman know whether other buildings are available?

Mr. FISH. I know that there must be other buildings available in the United States.

Mr. REED of New York. Has the gentleman looked into it?

Mr. FISH. Yes; I have given many hours to the investigation of the whole subject.

Mr. REED of New York. I think the House is very much interested in it.

Mr. FISH. At some future time these matters will all be placed before the House, and perhaps a good many others. I will say that in my own district the Treasury Department paid $100,000 for property a few months ago which had been sold the year previously for $27,000. I will say that the Veterans' Bureau, also in my own district, has rented some buildings for a school at $60,000 a year, and I think lately it has been increased to $75,000 a year. I believe they could have bought the whole property for that amount. My purpose now is to tell these matters in a general way, placing the information before the House, because the Committee on Interstate and Foreign Commerce has not got the time to look into the details and the subcommittee that has charge of the appropriations has not given sufficient time to find out the whys and the wherefores of these excessive rents.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I ask that the gentleman have three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDREWS of Nebraska. Will the gentleman state what executive officers made the contracts for rent of buildings at these excessive rates? Who were they?

Mr. FISH. That depends on whether it was for a hospital, vocational school, or office space.

Mr. ANDREWS of Nebraska. Either one or all.

Mr. FISH. Many were contracted for years ago, before Colonel Forbes came into the bureau.

Mr. ANDREWS of Nebraska. I am not asking about Mr. Forbes; I am asking who was responsible for these excessive rates for rent.

Mr. FISH. That is for the committee to find out.

Mr. ANDREWS of Nebraska. I would like the title of the office that did the business.

Mr. FISH. I do not care to implicate anyone at the present time.

Mr. ANDREWS of Nebraska. It looks like we are in the dark unless we know where the responsiblity lies.

Mr. FISH. Let me say to the gentleman that you are absolutely in the dark and the House is absolutely in the dark, and will be until a new committee is created.

Mr. ANDREWS of Nebraska. Can not we do something which will let in a little light?

Mr. FISH. How can the House do anything when you have the Committee on Interstate and Foreign Commerce that does not give the matter any consideration?

Mr. ANDREWS of Nebraska. The gentleman from New York is well informed personally, and I should be glad to know who was responsible for these excessive contracts.

Mr. FISH. I am simply placing some information before the House to show the necessity of creating a new committee to handle all veterans' relief legislation.

Mr. McDUFFIE. Can not the matter be investigated by the appropriate committee?

Mr. FISH. That is the trouble. The Appropriations Committee has an excessive amount of work to transact and has been unable to give more than two days to the consideration of the Veterans' Bureau. That is in no way a criticism of the committee. I am simply calling it to the attention of the House. I admit that I have a resolution in my pocket to investigate the whole subject, but I am not prepared to say whether I will introduce it or not. I thank the Members of the House for their attention, but I will thank them more if they will give some real and immediate consideration to the changing of the rules and establishing a veteran relief committee.

Mr. BRIGGS. Will the gentleman yield?

Mr. FISH. Yes.

Mr. BRIGGS. Is not there a Committee on Expenditures in the Treasury Department, and did not it conduct an investigation some time ago with reference to the activities of the Veterans' Bureau?

Mr. FISH. No; the Veterans' Bureau is a separate bureau and does not come under the Treasury Department.

Mr. BRIGGS. I understand that now, but just prior to the time that the transfer was made there was an investigation made by the Committee on Expenditures in the Treasury Department when that department then had jurisdiction of the War Risk Bureau, as it was then called.

Mr. FISH. I never heard of any investigation of that kind.

Mr. JEFFERS of Alabama. Does the gentleman know how this legislation fell into the hands of the Committee on Interstate and Foreign Commerce?

Mr. FISH. That was before I came to the House. I have asked several Members about it but none of them seemed to understand the reason. Even if there was a reason it has not worked out well.

Mr. JEFFERS of Alabama. It is a busy committee.

Mr. ANDREWS of Nebraska. Let me say that this bureau started purely as a matter of marine insurance. I had the responsibility devolve upon me to examine and settle the first accounts. It was a plan for marine insurance exclusively, and it was considered, of course, by the Committee on Interstate and Foreign Commerce, and everything followed in that line.

When the men came and the war insurance act was passed, then the proposition, which was purely commercial in the first place, gathered to itself the matter of insurance and benefits for soldiers.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment. There are other committees that consider appropriations for the hospitalization of the World War veterans than the Committee on Interstate and Foreign Commerce and the subcommittee of the Committee on Appropriations on Independent Offices. The subcommittee on the War Department made considerable investigation as to hospital accommodations for veterans in the Army hospitals. That same subcommittee has given consideration to the hospitalization for World War veterans in connection with the various branch homes of the National Home for Disabled Volunteer Soldiers. A committee of surgeons, to which the chairman of the Committee on Appropriations just referred, recommended a proposition which was very sound from an economic standpoint, and that was to have the hospitals erected in connection with the existing soldiers' homes, distributed throughout the country, so that they could utilize the existing permanent establishments.

A year ago I was surprised in the hearings on the War Department appropriation bill to find that there were at that time 1,200 beds available for World War veterans, which would not be utilized by the Veterans' Bureau. This year's testimony only emphasizes the striking condition that although we have capacity in hospitals connected with the national soldiers' homes, capacity in the hospitals connected with the Army and with the Navy, yet the Veterans' Bureau will not utilize those hospitals to the capacity available.

When I interrupted the gentleman from Kentucky [Mr. KINCHELOE] it was in all candor. I assumed the hospital at Dawsonsprings was in his district. I had no desire to single out that hospital in not being filled to capacity from any other. Construction was authorized four years ago, to be under the Treasury Department. I well remember the fight upon the floor in respect to it. The fact that it was not opened sooner has been the subject of criticism on the part of the war veterans. No patient was received at the Dawsonsprings Hospital until April, 1922.

I said in my interruption in the remarks of the gentleman from Illinois [Mr. MADDEN] that the capacity of that hospital was not utilized fully. It is not the only one. Hospitals all over the country, with accommodations that are available, of the highest type—and where can you find a hospital of a higher type than those of the Army—are not used. The hospital at Dawsonsprings has a capacity of 500, and I have confirmed my impression since I interrupted the gentleman, by telephoning to the Veterans' Bureau; and I am informed that there are only 347 patients there at the present time.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. KINCHELOE. The commanding officer of that hospital gave, as his reason why the 500 beds were not utilized, the fact that he had plenty of applications but that he wanted to take those in close proximity.

Mr. STAFFORD. I do not know what the reason is. I just telephoned to Doctor Stewart, of the Veterans' Bureau, and he says that there are beds available there and that they have no occupants.

Mr. KINCHELOE. Because they would not permit the transfers.

Mr. STAFFORD. I am criticizing this policy, wherever the responsibility lodges, of the Veterans' Bureau not utilizing present existing available beds. We have had available accommodations for years and years, and yet they are going ahead and establishing new hospitals throughout the country, when there will be no need for them because everyone knows that the peak of necessity for this service has passed.

Mr. RANKIN. Mr. Chairman, with reference to where the responsibility rests for this wholesale, wanton, and unreasonable extravagance, I am reminded of a charge I heard a Federal judge deliver to a grand jury once. He was talking about train robberies, and he said that the railroads were reaping what they had sown. He said that for the last 25 years every railroad had permitted the peddling on their trains of books on the lives of highway robbers, and that they are now reaping their reward. Congress is now reaping the fruits of its own folly in decentralizing the Veterans' Bureau. When the bill was before the House about August, 1921, I offered an amendment striking out the paragraph providing for decentralization, because I thought I foresaw the very trouble that we are now having. I said at the time that it was unnecessary to decentralize it, that it would scatter the records of the bureau all over the United States, and would greatly increase the expense of carrying on the work, and also increase the red tape and make it harder for the veteran to get the relief to which he is entitled. I am not like my distinguished friend from New York [Mr. FISH]. I do not mind saying where this responsibility rests. It can rest at but two places. One of them is with the Congress of the United States and the other is with the Director of the Veterans' Bureau. What is a director for? If you have directors of a bank and they permit a waste of money you hold them responsible. You have a man here who contracts for various things. We are told that he pays $150,000 a year for office rent in one place and $50,000 or $60,000 for office rent in another. You are spending hundreds of millions of dollars a year more than is absolutely necessary to render the relief that the boys are now getting. A number of Members of Congress have expressed the regret to me at having voted for decentralizing, and, so far as I am concerned, I am in favor of recentralizing the Veterans' Bureau and placing it where Congress can supervise it. [Applause.]

I am not a bitter partisan, but it does not set very well with me to hear a Congressman of the party in power, having on his shoulders the responsibility that he has, show that some man, whether he be a director or head of a bureau or any other officer, is responsible by either his inability or his misconduct, or his inattendance to duty, for wholesale extravagance, and then decline to point that man out. I want to tell you there will have to be a recentralization of this Veterans' Bureau and a reduction of its expenses. I have worked hard, as has every other man here, to see that these disabled boys are taken care of, and we are going to see that they are cared for, but there are some other people whom we are going to have to take care of also, and they are the taxpayers of this country. It is costing from three and a half to four and a half billions of dollars a year at the present time to run this Government, from $35 to $45 per capita, or from $180 to $220 for the average family.

How long do you think the American people are going to stand for these extravagances? Are we not going to make any effort at all to reduce them? So far as I am concerned, if you will bring in a bill here any day, I do not care whether it is from the Commitee on Interstate and Foreign Commerce or not, bring in a bill from any authorized committee to recentralize the Veterans' Bureau, to investigate it, to cut out all these superfluous expenditures and bring its cost down to what it ought to be, I will support it and do everything I can to bring about its passage. But until you do that you are going to have the same trouble you are having to-day, and the longer it runs the more trouble you are going to have.

This decentralization was tried out on the Bureau of Pensions in years gone by, and it proved too costly and too cumbersome for the work to be done, just as the Veterans' Bureau is proving to be under the present régime. Let us recentralize it, increase its efficiency, and reduce expenditures. [Applause.]

Mr. KINCHELOE. Mr. Chairman, I rise in opposition to the motion of the gentleman from Mississippi. Mr. Chairman and gentlemen of the committee, I had thought that the fight against the Dawsonsprings, Ky., hospital had long since been settled, but it seems that it is the delight of the gentleman from Wisconsin [Mr. STAFFORD], who fought it as much as he could in the Congress which passed the bill, to point out whatever he can against the Dawsonsprings hospital. Why, he says it has about 367 beds——

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. KINCHELOE. I will yield.

Mr. ANDREWS of Nebraska. Did not we recently increase the appropriation $750,000 for Dawsonsprings?

Mr. KINCHELOE. Yes, sir.

Mr. ANDREWS of Nebraska. How much more do you need?

Mr. KINCHELOE. I am not talking about that. I am talking about the administration building hospitals at present. I want to get to the proposition of construction of these hospitals under that White commission, and I say it was a crime for its extravagances. That is what I am talking about. Let us take, for instance, the Dawsonsprings hospital, a magnificent institution—I think the most beautiful hospital I have ever seen in my life—and we have spent $2,250,000 in the erection of that magnificent institution with 500 beds. Now, under this $18,600,000 and under the $17,000,000 we have given carte blanche to this commission. What is the definite thing to do? If you want to get more beds—that is what the Veterans' Bureau said; they wanted more beds, and want them now—why, for a nominal amount you can increase the capacity at Dawsonsprings to a thousand beds. How? You can build additional units. You have 5,000 acres of land which the people gave to the Government, and all you have got to do is to build the units, connect up the lighting and plumbing system and you can get double the capacity at one-fifth of the cost. Yet what did this commission do? It ran out and built these new hospitals, with all their overhead charges. Why, the gentleman from Wisconsin facetiously says that the hospital is not full.

No. I have talked with the people there, and they say that they have enough applications for transfer of boys from other institutions to fill this institution, but what the officer in charge wanted to do was to fill the institution, if he can, with boys from that particular portion of the United States; that is, as adjacent to that institution as possible. And, if this White commission under its $18,500,000 appropriation would have gone out to existing hospitals, including Dawsonsprings, and doubled the bed capacity at one-fifth of the cost and in one-third of the time, we would have enough beds now to take care of all these boys. I do not want to inject politics into this thing, and I will only say that every time anything in reference to hospitals comes up Dawsonsprings seems to be the target. Now, when my bill became a law on March 3, 1919, when it came to a vote in this House, notwithstanding Secretary of Treasury McAdoo wrote a letter to the Speaker here saying that these boys needed hospitals, away back in 1918, you gentlemen treated it lightly, but when the bill finally came up for passage there was but one Republican Member of Congress who voted for it. That is the politics in it. But, as I say, I am not trying to inject any politics, but what I am trying to say is that we would have had enough beds for all these boys who are suffering if we had exercised some business judgment and extended the existing hospitals, and we could have saved millions of dollars. Personally I do not think there was any need for that $17,000,000 appropriation, and if the money would have been wisely and economically expended you would not need another dollar to supply sufficient beds.

Mr. ANDREWS of Nebraska. The gentleman means the $18,600,000—not the $17,000,000?

Mr. KINCHELOE. Yes. I mean the $18,600,000 appropriation. I wish some of you gentlemen interested in hospitals, you who seem to delight, and especially the gentleman from Wisconsin, in a reference of criticism to Dawsonsprings—I wish you would go and look at that magnificent institution. It will stand for itself.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. Mr. Chairman, I move that the debate on this item be now closed.

The CHAIRMAN. The gentleman from Indiana moves that the debate on this item be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question recurs on the motion of the gentleman from Mississippi [Mr. RANKIN] to strike out the paragraph.

Mr. RANKIN. Mr. Chairman, I withdraw the motion.

The CHAIRMAN. Without objection, the motion will be withdrawn.

There was no objection.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

This appropriation shall be disbursed by the United States Veterans' Bureau, and such portion thereof as may be necessary shall be allotted from time to time to the Public Health Service, the Board of Managers of the National Home for Disabled Volunteer Soldiers, and the War, Navy, and Interior Departments, and transferred to their credit for disbursement by them for the purposes set forth in the foregoing paragraph. The allotments to the said Board of Managers shall not be used to augment the appropriations made for the support of the National Home for Disabled Volunteer Soldiers.

Mr. WOOD of Indiana. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The gentleman from Indiana offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 39, in line 14, after the word "paragraph" and beginning with the word "the," strike out the remainder of the paragraph.

Mr. WOOD of Indiana. I do this because it is permanent law now.

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

Mr. FISH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. FISH. Mr. Chairman, in answer to the statement of the gentleman from Mississippi [Mr. RANKIN], who has consistently fought centralization of the Veterans' Bureau, I want to say as one who advocated centralization that I believe it is worth the trouble. There may be some Congressmen here who may think they are not getting sufficient credit from the veterans, as their claims for compensation and relief are now being handled by the subdistrict and district offices. But I want to say that since the bureau has been decentralized there have not been half as many complaints, and if you will read the report just issued by Colonel Forbes, you will note that he states that in all the districts where the work has been decentralized the handling of claims has been going on smoothly and efficiently.

That ought to be an answer to the gentleman's statement.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. CAMPBELL of Kansas. Mr. Chairman, I make the point of order that this debate is not germane to the bill.

The CHAIRMAN. The gentleman from Mississippi has not talked yet, and the Chair is not able to determine whether the gentleman's remarks are germane or not.

Mr. CAMPBELL of Kansas. The decentralization of hospitals is not germane.

Mr. RANKIN. The gentleman from Kansas [Mr. CAMPBELL] is rather late in raising his objection. He waited until the gentleman from New York [Mr. FISH] had replied to me and put his side of the case before the House. Now to raise objection, it seems to me the gentleman has been guilty of laches.

Mr. Chairman, the gentleman from New York [Mr. FISH] may be right in one respect, and that is that there has been a great falling off in the number of applications and the number of claims of veterans that have been filed. But the decentralization bill was passed, I think, on August 7, 1921, more than two and a half years after the war closed. The majority of the men who were suffering disabilities because of the war not only had made prior application, but most of them had been looked after. No wonder there has been a falling off. The logic of the situation is that the longer we go the more the number of these claims should be diminished. To say that they have not been piling up in Congressmen's offices as they have done heretofore is no excuse for spending $500,000,000 annually when, in my judgment, the work could be done for $250,000,000 or $300,000,000 less. [Applause.]

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For military and naval insurance, $90,000,000.

Mr. FESS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last word.

Mr. FESS. Mr. Chairman, when the bill for the reorganization of the War Risk Insurance Bureau was passed Congress had provided for three main divisions—the allowance and allotment, the compensation, and the insurance. Later on the question of rehabilitation was taken up and a new measure was introduced to provide for that.

No one, I think, in the House thought that the time would ever come when there would be more money expended for that activity than for any one of the other three. I am sure I had no conception of it whatever. I was very anxious to see this activity undertaken. The allowance and allotment, of course, would not last long after the war ended. The compensation would go on, measured, of course, by the disability. I notice that the bill carries $118,450,000 for that activity this year; and the insurance feature, which was one of the main items, amounts only to $90,000,000, as I notice in the bill. But the vocational work this year amounts to $120,743,000. It is literally staggering to me. The first appropriation made was $2,000,000. The next appropriation was $4,000,000, and it was increased by amendment on the floor of the House to $6,000,000. Then I remember it went to $16,000,000. Now it is $120,743,000. The chairman of the Committee on Appropriations stated that we had reached the peak and that next year, for which we are now making appropriations, it will be a little less than at present, and that the following year it will probably be $84,000,000.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. FISH. I am afraid the gentleman is giving erroneous information to the House. We have not reached the peak, because these schools heretofore have been unorganized, and hereafter you must provide for teachers, employees, food, and supplies for the trainees, and everything else, and it will be a great deal more than it is in this bill.

Mr. FESS. I will state to the gentleman from New York that I think he is mistaken on that, for the reason that the basis for the rehabilitation is the disability. Will we not reach the point pretty soon where that will be lessened?

Mr. FISH. We have not reached the peak as far as the expense is concerned. The trainees are not in all of these vocational schools yet.

Mr. FESS. I would not want it understood that I am complaining about the work. I am speaking about the enormous size of it. I think it was started without anyone realizing what it was going to amount to. I do not mean to make any apology; but the amount of money required is so large, beyond any thought that I had, that it is somewhat bewildering, and I am concerned about it, whether we will not pretty soon reach the point, if we have not reached it already, where the amount will be very materially lessened and ultimately the rehabilitation work will entirely stop.

Mr. ANDREWS of Nebraska. On what date will the privilege of applying for vocational training cease under the law? Is there any limit?

Mr. FESS. There is a limit fixed.

Mr. ANDREWS of Nebraska. What is it?

Mr. ROSSDALE. I think it has just been reached.

Mr. ANDREWS of Nebraska. December, 1922?

Mr. MADDEN. They can not apply after that, and even if they are certified as eligible they can not take training unless they begin within a year after they are passed on as eligible.

Mr. FESS. I think it would be very unwise for the Congress to launch out into the policy of the Government establishing these schools for rehabilitation, because if you do that I fear it is going to be permanent and that no limit will be placed on the amount of money that will be required.

Mr. ANDREWS of Nebraska. Will the gentleman yield once more?

Mr. FESS. I yield.

Mr. ANDREWS of Nebraska. How many are there who have not yet entered upon their training who have been found eligible?

Mr. WOOD of Indiana. Ninety-seven thousand.

Mr. MADDEN. There were 107,000 a year ago, and there are 97,000 now. Two hundred and twenty-nine thousand were passed on as eligible, but more than a year has elapsed since many of those were passed on, and they can not receive their training unless they begin within a year after they are found eligible.

Mr. ANDREWS of Nebraska. Then the maximum number that can go on with vocational training now is how many?

Mr. MADDEN. Ninety-seven thousand.

Mr. BLANTON. I rise in opposition to the pro forma amendment.

Mr. WOOD of Indiana. The gentleman promised me yesterday that he would not bother us at all.

Mr. BLANTON. I am not going to bother you. [Laughter.] Mr. Chairman, I am sure it is a personal pleasure to every Member of this House to have the distinguished gentleman from Oregon [Mr. MCARTHUR] preside as Chairman of the Committee in the consideration of this bill. In my judgment, first, he is one of the finest parliamentarians we have in the House. [Applause.] Second, he is one of the finest gentlemen we have in this House. [Applause.] Thirdly, he is one of the fairest presiding officers, next to our late lamented Champ Clark, that I ever saw. [Applause.] He is fair to everybody. He is a partisan Republican, and I do not blame him for being partisan. I am a partisan Democrat myself; but no matter how anxious he is to have a quorum here, if to get a record vote, a point of order is made that there is no quorum present and a count lacks one man of having a quorum, he states the honest number regardless of where the chips fly. [Applause.] He ex-

pedites business and is honest and fair, and I for one appreciate a man of that character who sits there and gives every man a fair deal. I am sorry that he is not going to continue next year to preside over the committees of this House. I think the Speaker picked one of the finest men in this House when he chose him to preside over the consideration of this bill which involves $496,235,000 of the people's money, and I take off my hat to the distinguished gentleman from Oregon. [Applause.]

Mr. ROSSDALE. Mr. Chairman, I happened to come into the Chamber while the discussion was going on about the hospitals of the Veterans' Bureau. I regret I was not here during the general debate on the bill, but in the limited time at my disposal now I will tell the House as briefly as is possible about the hospitalization, or rather lack of hospitalization, by the Veterans' Bureau in the State and in the city of New York.

The number of World War veterans requiring hospitalization is materially reduced by the bureau's usual classification of applicants as "not connected with war service." This classification of a soldier's claim deprives him of hospitalization and also compensation. His claim is thus held up for a considerable period, after which the bureau generally admits the veteran's disability is of service connection.

During this "not connected with war service" period the sick and disabled soldier must shift for himself, oftentimes depending upon charitable or pauper institutions for temporary care and sometimes dying for lack of any care. It is a harsh, cruel trick, but it reduces the number of those receiving hospitalization and enables the bureau to piously exclaim, "See the number of surplus empty beds in our hospitals," when in truth there are thousands of sick and disabled soldiers unlawfully deprived of hospitalization which Congress intended they should have and for which ample appropriation was made.

In the metropolitan district of New York, with its teeming population, there is only one hospital for tuberculosis sufferers, the nearest other such hospital being at Oteen, N. C., neither of which really has enough beds to care for even a portion of those in this district needing same.

In my district we have United States Veterans' Hospital No. 81. It is a neuropsychiatric center. There are 340 patients there, with over 500 employees, an unusually large number of them clerks, and only 8 doctors in the entire place. Millions are being spent, or, rather, misspent, in the handling of the patients there, and the abuse that is heaped upon them has long been a public scandal. The superintendent of that institution lives is a great big house by himself, with numerous servants, a couple of automobiles, chauffeurs on duty day and night, and all the luxuries Uncle Sam's Treasury can afford. It is a house that would provide sufficient beds for a considerable number of sick soldiers. Yet it is used as the private quarters of the superintendent. Patients in that institution refer to it as "the castle of our king." The hospital is located on a 35-acre tract of land. It was to have accommodations for over a thousand patients. It cost to date about three and a half million dollars, with alterations, and presumably will cost more than twice that sum before it will have accommodations for the thousand patients it was intended or claimed to provide for. It might be well for the National Treasury if this House were to investigate the management of that particular Veterans' Bureau hospital. If a congressional investigation was made of Veterans' Bureau hospitalization, I doubt very much that Congress would again give that bureau a blank check, as it has done, to continue its career of waste and inefficiency.

It is more than four years since the armistice was signed, and surely sufficient time has elapsed in which to make hospital provision to do away with the evils of contract hospitals, which in the majority of cases are city, county, or State pauper institutions.

Late in October of last year there were 73 tubercular veteran patients in Sea View Hospital, which is a New York City owned pauper institution. The conditions of the sick veterans there were so intolerably bad that the patients actually had to beg visitors for some food to sustain life, claiming they could not eat the hospital fare.

In response to a signed petition by 67 out of 73 patients there—the other 6 were so bedridden that they could not write—petitioning that they be given decent treatment by the officials in charge, and that they be given food fit for human consumption, and enough to sustain human life; that they be permitted to leave the grounds oftener than only once in 60 days; that they be given clean bed linen; that they be permitted to eat at tables in a dining room, and not be compelled to eat from filthy, rusty iron trays on their beds.

I visited the hospital, where these unfortunate veterans were contracted for by the Veterans' Bureau, and was shocked and grieved to see them existing there in filth and amid revolting conditions.

I called upon Mayor Hylan the next day to complain to him of these conditions. I brought along two ladies, Mrs. Malcolm MacLeod and Mrs. A. P. Dennis, active workers in the Women's Overseas Service League, who had served overseas with our boys during the war and who now devoted their lives to caring for the disabled in hospitals. With these ladies to corroborate my recital of the conditions at Sea View Hospital, I tried to acquaint Mayor Hylan with the facts with the object of remedying them, but the mayor of New York refused to listen and roundly abused both these patriotic women and myself.

I then wrote to the Veterans' Bureau district manager and received this reply, which I will insert in the RECORD, also accounts of the conditions there, printed in the New York Evening Post of October 23 and November 1. The writer of the special Post article is Harold A. Littledale, an experienced and trained investigator. His article tells its own story of shameful abuse and pitiless neglect in this New York City contract hospital:

UNITED STATES VETERANS' BUREAU,
OFFICE OF DISTRICT MANAGER, DISTRICT NO. 2,
New York, N. Y., October 26, 1922.

Hon. ALBERT B. ROSSDALE,
House of Representatives, Washington, D. C.

MY DEAR MR. ROSSDALE: Acknowledgment is made of receipt of your letter dated October 24, 1922, with reference to the conditions now existing at Sea View Hospital.

You are advised that this matter has been taken up by the district office with Commissioner Coler, with a view of correcting the conditions as they now exist at that institution. A further conference will be held with Commissioner Coler, advising him wherein bureau beneficiaries are not receiving the proper attention, and also bring to his attention the fact that the majority of beneficiaries of the bureau now receiving treatment at Sea View are New York City cases. After a reasonable length of time, if it is found that the recommendations as made by the bureau are not put into effect, arrangements will be made to transfer them to Government-owned or controlled hospitals.

For your information it may be added that beneficiaries of this bureau in contract hospitals may always avail themselves of Government hospitalization. There are sufficient beds available for the care of all the tuberculous cases at United States Veterans' Hospital No. 41, New Haven, or United States Veterans' Hospital No. 60, Oteen, N. C., and we will be glad at any time to arrange for the transfer of any of these cases who are able to travel without jeopardizing their lives.

Respectfully,

W. F. LENT,
District Manager, United States Veterans' Bureau, District No. 2.

[From the New York Evening Post, October 23, 1922.]

REFUSES TO PERMIT ROSSDALE TO TELL OF VETERANS' MISTREATMENT.

An attempt on the part of Representative ALBERT B. ROSSDALE, of the Bronx, to lay before Mayor Hylan matters in connection with his recent investigation of alleged neglect and mismanagement within the veterans' ward of the Sea View Hospital came to an abrupt close today when the mayor; David Hirsfield, commissioner of accounts; and Bird S. Coler, commissioner of public welfare, practically refused Mr. ROSSDALE a hearing.

Mr. ROSSDALE was silenced without being allowed the privilege of completing a single sentence except in defense of his own motives, as were also two women hospital workers who were personally acquainted with conditions at Sea View and who said that they had repeatedly tried to get the attention of the authorities.

DIED WITHOUT MEDICAL AID.

Neither in the remarks of Mr. ROSSDALE nor in the attitude of the two women workers—Mrs. Malcolm MacLeod, of 321 West Fifty-seventh Street, and Mrs. A. P. Dennis, of 34 East Fifty-first Street—was there any apparent trace of bias or political animus. Describing conditions to newspaper men before the hearing, Mrs. MacLeod said that she had been prompted to lay her knowledge of conditions before the mayor by personal observations made especially during the latter part of the summer.

"Men have died in the veterans' ward of Sea View without medical attention," she said. "They have died from undernourishment practically amounting to starvation. During the course of the summer there were no screens in the veterans' ward, and I have known cases where sick men have sat up all during the course of the night brushing the flies and mosquitoes from the faces of their dead comrades. We have repeatedly tried to have these conditions bettered, but have met with nothing but denial."

"Doctor Kramer, the head of the hospital," she continued, "when we brought these facts to his attention, told us that these boys were 'nothing but a lot of truck drivers, who didn't have sense enough to deserve anything better.' I know of one case where a dying man fell out of bed the night he died and was buried with a 2-inch gash on his forehead. I know of another, where a dying man called for the doctor, and died in two hours without medical attention, excepting such as could be administered to him by his comrades."

SEVENTY-THREE TUBERCULAR PATIENTS.

There are 73 tubercular war veterans in the city-owned Sea View Hospital on Staten Island. By arrangement with the Federal Government these patients were transferred there from Fox Hills Hospital when the latter institution was closed after investigations last spring.

Mr. ROSSDALE inspected the veterans' ward yesterday upon receipt of a petition from 67 of the men begging him to bring about their removal. The men complained in particular of filthy and decayed food. In detailing his findings Mr. ROSSDALE said before the hearings took place that he had learned that Albert Johnson, a veteran from his own district in the Bronx, had died of a hemorrhage in the hospital last Friday night 30 minutes before medical aid reached him.

Other discoveries made by Mr. ROSSDALE were that the veterans for whose maintenance the city is paid $3 a day by the Federal Government are allowed but one day leave of absence from the hospital every two months. They are not allowed the privilege of the mess room. Food is dished out to the patients, who must first form in line. They are compelled to take the food back to their beds on dirty trays, he said, and as a result the cots and bedding have be-

come foul and greasy. The kitchen he found dirty and fly ridden, and the food not only insufficient but in some cases insanitary.

The "hearing" took place in a little antechamber to the mayor's office. When Congressman ROSSDALE, together with Mrs. MacLeod and Mrs. Dennis, was admitted, the mayor was seated at a small desk in the center of the room. On either side of him were Mr. Hirshfield and Mr. Coler, both of whom had spent some time in conference with the mayor before the hearing. Mr. ROSSDALE walked in with four rusty trays he brought up from the hospital as examples of the eating conditions there and was immediately confronted by the hostile glares of the mayor and his two commissioners.

HYLAN TRIED INTERRUPTION.

"Mr. Mayor," Congressman ROSSDALE began, "I am here in behalf of the veterans in Sea View Hospital. I have investigated conditions there and have a report to make."

The mayor started to interrupt, but Mr. ROSSDALE broke him off, laying the four trays down on the table.

"I wouldn't let a dog eat out of these things," he burst out. "And yet these filthy, rusty things serve as tables for tubercular patients who have suffered in the World War."

"Just a minute, just a minute," shouted the mayor. "We want to get to the bottom of this thing. You are running for reelection, I believe."

"We won't bring politics into this thing, Mr. Mayor," Congressman ROSSDALE said. "I am here to speak on things I have seen and which you can remedy. One of the boys in my district died last Friday night in Sea View under conditions that were utterly intolerable. I am here to speak for him and for more who may die in the near future."

The mayor flushed angrily.

"What time did that man die?" snapped out Mr. Coler.

"Some time during the course of the late afternoon," Mr. ROSSDALE began. "He was unable to get medical assistance. I want to tell you, too, about the sanitary conditions. The food is bad. These trays are typical of the way it is served. They are dirty and rusty. The beds are rusty. Would you let a dog eat out of a thing like that?" he added, pointing at the tray.

—

[From the New York Evening Post, November 1, 1922.]

DISMISS VETERANS WHO COMPLAIN AT SEA VIEW HOSPITAL—CITY AUTHORITIES OPENLY DECLARE THEY DO NOT WANT MEN THERE—EX-SOLDIER PATIENTS SAY THEY WERE SERVED WITH WORMY CEREALS AND OTHER UNFIT FOOD.

(By Harold A. Littledale.)

War veterans who complained against conditions at Sea View Hospital on Staten Island now charge that those who had the courage to speak out openly have been summarily dismissed and have had to leave the hospital.

The fact of the matter is that Dr. Geza Kremer, medical superintendent, does not want the soldiers at Sea View. He has said so openly. He has been in the employ of the city for 26 years. He was graduated from the College of Physicians and Surgeons in 1894, and when he applied for admission there he gave his home address as "Austria" and said he was a graduate of the Catholic Gymnasium of Budapest.

While Doctor Kremer and Bird S. Coler, commissioner of public welfare, must take responsibility for conditions at Sea View and should ask for a real investigation, the Veterans' Bureau and Congress must be blamed for the fact that these men, disabled in the service of their country, suffering with tuberculosis—all of them—have been farmed out on contracts, and then have not been properly supervised.

For the farming out Congress is to blame. Four years after the armistice enough Government hospitals do not exist. In this State, for instance, which provided one-tenth of all the men in the military service, there is not a single Government hospital for the treatment of tuberculosis. That, of course, is scandalous.

COSTS $100,000 A YEAR.

Under such circumstances the men had to be farmed out. They are being farmed out at Sea View for $3 a day. That is what the Veterans' Bureau is paying for them; and as there are about 90 soldiers there now, the bill, in rough figures, comes to approximately $100,000 a year.

Yet, although the Veterans' Bureau is spending that amount, it has been callously indifferent as to the service rendered. For the bureau has not been in ignorance of conditions at Sea View. Months ago formal complaint was lodged with the district officer here, but nothing was done. A few weeks ago formal complaint was lodged with the central office of the bureau in Washington, but nothing was done. And since the outcry only a perfunctory inspection has been made.

But what has the Veterans' Bureau been getting for its investment of $100,000 a year? Well, the boys charge that they have been getting wormy cereal, stale and even rotten eggs, unfit meat, and unwashed vegetables. Do you expect tuberculous men to get well on that? Why, the situation became so bad that men were actually bringing their food to the office of the Evening Post and writing so many letters of complaint that an investigation was decided on. That investigation was begun some days before Representative ALBERT B. ROSSDALE visited the hospital, and this article is the third of a series on Sea View occasioned by the investigation.

Closing Fox Hills Hospital in April necessitated sending its patients to other hospitals. Some went to hospitals nearer their homes, but veterans of New York wanted, and rightfully so, to be placed in hospitals here where they could be visited by their relatives. But the hospitals did not exist—at least the Government hospitals did not exist—back there last April any more than they do this November. There was room at Sea View, which is operated by the department of public welfare, and although Kremer did not want the veterans, Coler made the contract and the veterans came.

Kremer at that time was quite open about not wanting the soldiers. He was quite open about the fact that they would be treated no better than the city patients. That would be all right if the city patients were well treated and had no complaint, but the facts of how they are treated were told in last night's Evening Post.

WHEN VETERANS COMPLAINED.

Doctor Kremer fulfilled his threat. At first the veterans were treated just the same as the city patients. Complaint resulted. Anyone with vision would have seen that complaint would result. The result was that the veterans were given some extras at meals and, as they are complaining now, you can imagine how the city patients would protest if they only dared.

When the transfer was made from Fox Hills to Sea View the Women's Overseas Service League asked permission to visit the veterans. It was at first refused. Coler would not hear of it and Kremer would not hear of it, although Sea View is supposed to be a public hospital. Not until the women agreed in writing that they would "cooperate" were they allowed to visit the veterans. And that "cooperation," stripped to its bare form, was a promise not to let their eyes see conditions, and if they did see never to speak of them. But if Sea View is well run, if it is a good hospital, why is that necessary? The well-run hospital, the hospital with nothing to hide, would want everything seen and its praises sung from the housetops, surely. And since they have been going there the members of the Women's Overseas Service League have taken about 100 dozen eggs each month, among other things. If the food at Sea View is good, why is that necessary?

"The cereal was often wormy," the soldiers explained. "The food was poorly cooked and served cold as a rule. There was seldom enough, and fish was invariably bad. At times the fish was positively rotten; the eggs were black, and the bread was dry and not well baked. Almost invariably the vegetables were unwashed. Sometimes we found worms in the cabbage—say, look here."

The man dipped his spoon in his soup and fished out a fly.

VETERANS THROWN OUT.

Since the complaints at Sea View became known the hospital authorities have been dismissing all who were prepared to tell the truth. Three of the first to go were dismissed when matters were in a ferment, two days before the publicity began. They were W. J. Sheridan, George B. Schafer, and George Rue. They went out to eat when all they got for breakfast was cold toast and cold coffee. Upon their return they were thrown out. There is no other word for it. And within a day or so they were followed by Orie Palmer and John Hogan, both of whom were dismissed on some silly fiction, but actually to get them out of the road of investigators who were certain to come.

It was on Monday, October 23, that Congressman ROSSDALE complained to the mayor. On Wednesday last, two days later, Commissioner Coler went to the hospital. As he went up the elevator orderlies ran down the stairs with the rusted trays. Thus was the denial of rusted trays made good. They were not there when Coler came. They had been replaced with white ones. The writer saw the substitution made, and if Coler did not see it, too, he must have been very unobservant that day.

Complaint of lack of medical attention has brought about a change. There is no lack of doctors just now. You run into them in every ward. But, of course, tubercular patients do not need much medication. It is only when a hemorrhage occurs or something like that happens that a doctor is needed. And then he is needed quickly. First measures can be taken by a nurse, to be sure, but a doctor should come. The veterans say that hours often pass before the doctor does arrive. And that, of course, is wrong.

DOCTOR CAME TOO LATE.

In the case of Albert Johnson, who died the other day, the veterans say that although the doctor was sent for at 4 o'clock he did not arrive until after the boy was dead. And on top of that they charge that the body of this dead soldier was wheeled out into the hall of the ward and left there, some screens about it that did not more than half conceal the still and lifeless form. For nearly three hours it was left there. The veterans say it was not moved till nearly 7. They fix the time because they say the orderly "hoped" the men from the morgue would come before he got off at 7. And they came a few minutes before he did get off.

That conditions have been allowed to come to this stage is due to the failure of the Veterans' Bureau properly to supervise its contract. It went into that contract knowing that Kremer would stand for no suggestions. It placed a liaison officer there for a few weeks, but he is gone. It had a vocational adviser there for a few weeks, but he is gone. It had a compensation man there for a few weeks, but he is gone. Nothing has been done in a definite, permanent way. The Veterans' Bureau has left things drift, and now they have reached this pass.

On top of that there is no Government hospital in this State where these boys can go. For that Congress is to blame. The hospital program was delayed. Hospitals are now being begun that should have been begun as quickly after the armistice as the money could be appropriated. And to add to the delay, General Sawyer has been saying that there are Government beds aplenty. But if there are Government beds aplenty, why are men in contract hospitals? And nearly 10,000 disabled soldiers are in contract hospitals. That in itself shows that General Sawyer's contention is but a silly fiction.

If the veterans are to stay at Sea View, control over them should pass into the hands of the Veterans' Bureau. It should have its own doctors there, and, while they would observe the hospital rules, they should be left as free as possible and with power to see that the food is fresh and fit and clean and well cooked. Then when the new hospitals are built the boys should be moved away. Doctor Kremer has had his chance and appears to have failed.

When I appealed to the Veterans' Bureau for relief for those men who are suffering from tuberculosis, the Veterans' Bureau admitted that they had no beds in the metropolitan district, and that if I wanted to get them transferred, the nearest place was Oteen, N. C., or New Haven, Conn. Now, gentlemen of this House, many of these boys were near death. They wanted to be near their relatives, and there ought to be some hospital where they could have been hospitalized near the city of New York and not down in North Carolina, Connecticut, or elsewhere. Why has not the Veterans' Bureau so arranged its hospitalization that these men could be taken care of in a Government hospital equipped to care for tubercular patients somewhere near the great city of New York?

Mr. MADDEN. They are building a very large hospital in New York now.

Mr. ROSSDALE. They abandoned that after they started it.

Mr. MADDEN. No; they are building one. They have just bought an orphan asylum down there and are rebuilding it.

Mr. ROSSDALE. The former orphan asylum is the one I have referred to. That was completed more than a year ago and is known as United States hospital No. 81. That is a building that is limited to mental-hygiene cases; it is an immense, big place, and ought to be sufficiently large to house more than a

thousand patients. It was the former Roman Catholic orphan asylum, and it then housed over 800 children. Now there is room there for only 340 patients, because the official who has charge of that institution does not want to be burdened with too many patients and because Director Forbes, of the Veterans' Bureau at Washington, permits him to run the place like an overseas hospital camp in 1918 during hostilities.

This hospital is not for tubercular patients and none are there, for they are all in contract hospitals in the metropolitan district. While we are crying about the shortage of beds the bureau is lieing about a surplus of them. Congress ought to look into that situation; and when we are appropriating all of this money you gentlemen might consider how little you are doing for these soldier boys in New York and, for that matter, for those elsewhere in the United States of America.

They have not had and have not proper hospitalization now, and it is useless to appeal to the Veterans' Bureau. I have appealed time and time again and have received nothing but evasion. Almost every Member of Congress has received the same treatment. Back home we are held responsible for the Veterans' Bureau. Although the faults are administrative, we are nevertheless held accountable by our constituencies.

I was informed that the bureau purchased a site for a tuberculosis hospital in the highlands back of the Hudson River, and after a fortune was spent in blasting rock and digging out soil for a foundation the bureau suddenly ordered a cessation of work and abandonment of the project, declaring the site to be unsuitable. Just why the bureau did not study and know the site conditions before buying the land and contracting for the erection of the buildings is a mystery that perhaps Director Forbes can solve. It would be interesting to know the why and wherefore of this unusual and costly proceeding.

It is a sad commentary upon our boasted care and tender solicitude for those who made such great sacrifices in the World War. Our sins of omission and commission will not be explained away with the blame placed upon this particular administrative bureau, but, rather, upon the Government, that is directly responsible for this branch of itself.

Congress, if it would so desire, could reform the Veterans' Bureau and render a great service to the Nation. If ever there was a part of the Government that needed the flood light of publicity turned upon it, it is this petted darling of the administration, which defies public opinion and public decency and is getting away with it.

It is useless to appeal to the President, for have not the American Legion and other veteran organizations' pleas for more and better hospitalization been rejected? I have often wondered what was the magic possessed by Director Forbes that enabled him to continue in favor at the White House, when all the country has long been aware of Forbes's incompetency.

I base my opinion that it is useless to appeal to the President of the United States because I have appealed to him from a harsh ruling of Director Forbes and found it was useless. Evidently Forbes, right or wrong, must be upheld.

About a year ago I called upon President Harding and personally appealed to him to set aside an unusually harsh and cruel ruling of Forbes in the case of a soldier boy from my district who went to Arizona in a last effort to stay alive in the healthful climate of that locality.

This boy was in the last stages of tuberculosis. The bureau ordered him to leave the private sanatorium where he was at Prescott and to enter Whipple Barracks Hospital, but he was too far gone to be able to obey the order without risking the likelihood of his removal resulting in death. He pleaded to be permitted to remain where he was for the little while left for him to live, but a Forbes ruling, like a law of ancient Media, was immutable. The bureau stopped his compensation because he was too weak to leave the bed where he lay sick unto death.

I begged, pleaded, argued, and threatened for the boy, but was coldly rebuked by Veterans' Bureau officials. Incensed at the bureau's heartlessness I appealed to President Harding in person, but without avail. The poor soldier was never able to leave the bed where he lay and died some months later. Veterans' Bureau officials later refused to allow even funeral expenses for this dead soldier, because, forsooth, he died without being able to comply with a stupid, arbitrary, and unwarranted Forbes rule.

If the files of that bureau possessed the power of speech, what terrible stories of mismanagement, inhumanity, and stupidity they would tell. Some day, but perhaps too late, much of it will be made known. For my own self I will say to this House that I have no confidence in the management of the Veterans' Bureau to vote any more lump-sum appropriations to it and will vote against this bill for this reason. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ROSSDALE. Mr. Speaker, in accordance with the privilege granted to me by the House to extend my remarks in the RECORD on the Veterans' Bureau, I am inserting the story of the investigation into the rehabilitation and hospitalization of our World War veterans in the New York metropolitan district.

The series of articles comprising this story was written by an able and trained investigator, M. J. Racusin, a New York Tribune special writer, and published in that newspaper. I am conversant with all of the subject matter therein and know the facts to be true as stated. I believe the country will want to know these facts, and for that reason I am inserting them in the RECORD.

It is a graphic portrayal of the colossal failure of the Veterans' Bureau to properly function, and proves what critics of the bureau, including myself, have contended for months, that only a congressional investigation will check the costly "muddling through" policies of the bureau.

The question of rehabilitation and hospitalization of our World War veterans is a great problem. I am firmly convinced it requires the best brains and genius we have to solve it.

It is incumbent upon the administration to enlist our ablest men for this task, for the results shown in the following story prove that it has been intrusted too long to men of mediocre ability who are unable to cope with it.

[From the New York Tribune.]

WAR CRIPPLES LEARN LITTLE IN "TRAINING"—VOCATIONAL SCHOOLS FOR NEW YORK SOLDIERS CALLED FAILURE AS MEN ARE MISHANDLED AND NEGLECTED—VICTIMS WITH BAD FEET PEDAL MACHINES—SHUNTED ABOUT DESPITE PROTESTS—NO JUDGMENT USED, VETERANS SAY.

(By M. Jay Racusin.)

What is happening to New York's soldiers disabled in the World War?

Three years ago the crippled veterans were placed in schools and workshops in an effort to restore them to usefulness. The Government has been spending millions to help them get another clutch on life.

The crisis for many of these men is at hand. In a few short months their periods of training will have expired.

Have they been rehabilitated?

Have they learned profitable trades?

Will they have jobs awaiting them?

It is in an attempt to answer these questions that these articles are written. The investigation upon which they are based shows—

That 75 out of every 100 of the veterans sent through the training schools have been pitifully neglected;

That they have been inadequately trained or scarcely trained;

That at the expiration of their periods of instruction they will meet almost insurmountable barriers to profitable employment;

That if present conditions continue they will find few if any jobs awaiting them;

That they will find themselves almost as helpless as they were four years ago.

SERIOUSNESS IS RECOGNIZED, PLANS FOR RELIEF STARTED.

There are indications that the seriousness of the situation is at least being recognized and plans are on foot to meet it, how successfully remains to be seen. The continual change of district chiefs here—eight in 14 months—is declared to be chiefly responsible for the development of these chaotic conditions. The present manager, Maj. W. F. Lent, has been in office only five months, and can hardly be held accountable for their existence.

On the contrary, it is asserted by those who have the welfare of the veteran at heart that he is the first man who has shown an understanding of the soldier's troubles and is taking vigorous measures to correct them. If at this time there is to be a ninth manager, it would be all but calamitous for the disabled soldiers.

Those who have gone through the relentless war sieve of the days of 1917 know how careful the Government was to select only perfect specimens for its armies. Many came back shattered. Then, apparently, a miracle took place. For now the Government tells the blinded veteran that he will make an excellent tailor; the poor fellow with smashed feet is told they are fine for pedaling a sewing machine; a soldier with paralyzed hands is told he can be a skillful sign painter; a veteran with a battered right arm is advised to wield heavy tools as a mechanic; an ex-service man suffering from tuberculosis is set to confining battery making; a disabled fighter who has had three years' instruction under Government supervision as an auto mechanic is offered a job as a "butterfly" in a theatrical entertainment at the conclusion of his training.

$430,000,000 SPENT YEARLY TO RESTORE MAIMED VETERANS.

This is illustrative, in a few words, of how a large proportion of the maimed veterans have been handled in accordance with the Government's promise to nurse them back to health and restore them to gainful occupations, at an expenditure which this year totals $430,000,000.

There are 97,359 veterans undergoing "training" for one or another of 170 and odd trades and professions in institutions of learning and workshops throughout the Nation. Of these 11,763 are receiving instruction in district No. 2, including New York, New Jersey, and Connecticut, with headquarters here. About 8,000 of these men are in and of the metropolitan area, and half of them are in schools, with the other half distributed through shops of various trades for supposedly practical experience.

Under the law the injured ex-service men are permitted training in some profitable occupation, the period of instruction not to exceed four years. During this time the Government is responsible financially for the man's tuition, and in addition allows him generally from $100 to $145 a month for support.

At the end of the four-year period, however, the Government virtually discharges him. If he has learned something and jobs are plentiful and his physical disability is not too great, well and good.

But if he hasn't learned a trade, and countless barriers are put in his way, what is he to do?

On July 1 and during the several months following the allotted four-year period of training will expire for about 2,000 of them. Many are married and have families. A large number of them face a desperate situation.

It is generally agreed among those interested in the welfare of the disabled veteran that the medical and hospital facilities provided and planned for his care and treatment are fairly satisfactory, although there is still room for much improvement.

As for training and rehabilitation, however, I can say from personal observation that the matter would be laughable if it were not pitiful. This is true of a large percentage of the cases. I make this assertion on the basis of a four weeks' trip through representative places of instruction, conversations with teachers and Government agents, and talks with scores of the shattered veterans themselves.

Here are some of the most striking facts that have come under my observation:

Hundreds of ex-service men are being crowded through the private institutions that grew up over night, with little facilities and less soul, and whose only interest, on the word of the veterans themselves, appears to be the collection of the contract price allowed by the Government.

One of the institutions at which instruction is given is actually owned by a salaried official of the United States Veterans' Bureau, employed at the bureau's Washington headquarters.

TRAINING AT TIMES IS NO MORE THAN HOLLOW GESTURE.

The training offered in a goodly portion of these schools is nothing more than a hollow gesture, the men idling away their allotted four years of instruction lolling about unworkable or insufficient machinery, with few instructors about, and these incompetent and little interested in the trainees. In the best of these places, I was informed by a Government agent, fewer than 30 out of every 100 trainees could ever hope to be turned out even mediocre craftsmen.

Here were war derelicts whose physical disabilities made it obvious that they could never succeed at the vocations assigned to them by the advisers in the Veterans' Bureau. There were bent and useless hands set at sign painting. There were helpless feet ordered to turn fur-working machines. There were clouded eyes "advised" to read micrometers, and grammar-school mentalities assigned to vocations requiring a knowledge of geometry and trigonometry.

Here are men, too, who dislike the trade foisted upon them, who take no interest in learning its rudiments, who do not intend to work at it at the conclusion of their training period, who have repeatedly appealed for transfer to some other industry, but who are still there after months and years of lost time.

Then there are those who throw up their hands in despair and say: "What's the use of the whole business, anyhow? We are in overcrowded industries. And then the labor unions won't admit us into their ranks. They have told us this years ago. They insist that we serve long periods of apprenticeship, come into the industries as new men and make worthless the four years' training we have received from the Government. That means there will be open only to us a few low-paying nonunion jobs. Well, the flag waving is over and there is no more hurrahing, so there you are.

DO OUTSIDE WORK BUT GET NOTHING FOR IT.

"Why, we even do outside work for the head of the school. He sells our stuff and pockets the money. Don't you call this exploitation? What are you going to do?"

A close-up view of one of the institutions in which instruction is offered will give an insight into the causes of the situation and suggest probable remedies.

The Fur and Leather School, at 153 West Thirteenth Street, is the place owned by an official at the Washington office of the United States Veterans' Bureau. He is Herbert Blair, a "training officer" in the rehabilitation division of the bureau, at present touring New York and Boston, inspecting and studying trade-training institutions. His salary is about $3,000 a year, and according to Personnel Chief Longfellow, he has been on and off the bureau pay rolls since 1918.

Records show that Blair was employed at the New York office of the Veterans' Bureau in 1918 at a salary of $4,000 a year as vocational officer. For a short time thereafter his pay was reduced to $2,500, and on July 1, 1920, he became a $1 a year man as a counselor. He had a short leave of absence with pay from November 17, 1919, to December 31, 1919, apparently to give him time to organize his school. He had another leave—this time without pay—between January 1, 1920, and June 30 of the same year.

On November 14, 1922, he was appointed a "training officer" by the Washington headquarters, which position he now holds. He is at this moment stationed at 563 Massachusetts Avenue, Boston.

GETS ADDITIONAL PAY FOR TRAINING OF SOLDIERS.

Blair, while a vocational officer in the bureau, opened his fur and leather school in Thirteenth Street in November, 1919. It is in operation at this writing. His contract with the Government calls for the payment to him of $50 per trainee per month for the first six months of instruction and $25 per trainee per month for the next six months. The school supplies its own materials.

I am told there were never less than 35 to 40 students in the place since its inception, so that its director has been receiving the tidy sum of about $20,000 a year, in addition to his compensation as a Government official.

The institution is an old two-story brick affair, which the men call a fire trap. Upon my visit a week ago there were only two instructors, one for the leather workers and one for the fur workers. The man in charge was Irving W. Foltz, who later told me that he was merely acting for Mr. Blair; that the latter was the director. Foltz also said that Blair "was connected with the Government and that he was investigating the Veterans' Bureau for the Veterans' Bureau." There were 34 men in the school at the time.

What goes on there? Here is Genaro Deputso, of 107 Ditmas Avenue, Brooklyn. He has bad feet. They were frozen overseas and they are now unmanageable and painful.

"I've been here four months in this fur school," he says, "and I only had two little bits of work to do. Eh, it's a rotten place, and why did they put me here? Look at my feet. The machines, you know, upstairs, which sew the pieces of fur together, are worked with the feet. What can I do? But they think it's all right. There are a lot of fellows upstairs in my position. They have been trying to get changed to other work, but nothing doing.

"What are they going to do with us, anyhow? Even if I had feet to work with, it wouldn't do no good. Furs! Huh, it's funny! There's a few rabbit skins been lying around which the men have been tearing apart and sewing together, tearing apart and sewing together, day in and day out, for weeks and months, and that's all we get to know about the fur business.

"Oh, yes; a few months ago they did bring some coats of some kind to work on. It was an outside job, and the fellows who had been there for a long time couldn't even tell what kind of a fur it was. Well, anyhow, there was some fussing around with them, and whatever work was done on them the school people must have got the money for.

"And, then, what good is it anyhow? The season for fur workers only lasts for 3 or 4 months of the year, and if a man sticks in the trade for 20 years, maybe he can make $50 a week. But we ain't taught the fur business! We couldn't make $10 a week even 3 months a year.

"Would you believe it, an adviser at the Veterans' Bureau put me first in auto mechanics, and with my punk legs, mind you. Then it sort of struck somebody funny, and they put me in mechanical optics. I spent months and months in both trades and learned nothing—nothing. Then I came here. They saw my legs, and they knew what I had to do in furs, but they sent me here just the same.

"My period of training is supposed to be over this coming September. I don't know any trade and I don't know what is going to happen to me. I heard they were going to put me at shoemaking for awhile. But I was a first-class barber before the war. Do you think I will take such a thing as a shoemaker?"

Let G—— E——, who feared the use of his name might involve him in some difficulty, cast a little more light on the institution. E—— lives in Brooklyn. His feet have been operated upon so frequently, he said, that he has lost count of the number of times. He can scarcely stand up with the aid of an oaken stick.

SAYS BUREAU JUST WANTS TO GET MEN OFF THEIR HANDS.

"Yes, I'm in the fur school, too," he volunteered. "Bad feet? Well, I guess that don't make any difference to the bureau. They just want to get you off their hands. How can I touch a machine with my feet? I don't touch them, and I'm not getting anywhere. I'd be satisfied if they got me a news stand some place, just the place, you know. Sure, they must know I can't work a fur machine with these feet. I've been here nearly a year, I guess, and I certainly don't know what it's all about yet. My period is going to be over soon. I guess I'll land in a hospital.

"This fur school is a dumping ground, anyhow. When an adviser or training officer has to think a little about what he is going to do with you he thinks of shoemaking, tailoring, and then fur making That's a fact. Go upstairs yourself and see how many men with bad feet are supposed to be working fur machines. Besides, some of the fellows got bad eyes. How they ever expect to learn anything in the fur trade I don't know. They're all disgusted with it and say the place ought to be closed up. On the level, Jack, it's next door to nothing.

"It's just as bad in the leather room. The fellows just got through working on an outside job, but the fellows got no money. And it wasn't such fancy work, either. They just did a little clipping on a bunch of pocketbooks. That's about as much as they learn in the leather room. Hasn't anything ever been said about this school before? Why, the fellows knew it all along.

"But you know how it is. A lot of the men are helpless, many of them are married and have children like me, and they depend on that $100 a month for support, and they're afraid if they kick they will be thrown out of training altogether and their support stopped. It's happened lots of times.

ONLY 5 PER CENT WILL BE ABLE TO GET JOB IN TRADE.

"Now, take those 30 men in this school. I know for a fact that not more than 5, or 10 at the most, will ever be able to get a job worth talking about in these trades. In the first place, a lot of the men can't do the work because of their injuries. In the second place, they aren't taught the trade in any way; and, in the third place, the unions are hard and won't let the men in, and you know what kind of a stiff union the fur workers have. And one of the great troubles is that Government advisers never tell us about this union stonewall we are going to run up against in this industry. That's a little surprise they hold out on us. What are we going to do? I don't know."

I approached another of the men named C——

"Are you really learning anything about the fur trade?" I asked.

"Only what my eyes can teach me," he replied. "You can see for yourself what I can do with these pretty feet. And besides it's rabbit skins, rabbit skins. Who says anything about fur?"

"But you are supposed to get instruction in combing, curing, and all the other processes involved in preparing furs for the market. The Government, I think, is paying the school $50 every month for each of you fellows on the ground that the materials you work with cost so much," I remarked.

"Supposed, supposed, that's another thing you want to be careful of. I was supposed to be a dental mechanic, but just like that, they turned me into a fur worker. You know, everybody starts as a dental mechanic. God, if they all turned out dental mechanics who started in it we'd have more people making molars than there are false teeth in the United States! That's no joke. There's Eppy. Ask Eppy. He's been through it."

And so the stories here ran. A few of the men told me that they really wanted to learn the trade, that they had families to provide for, and that they realized they had to find a way to earn their bread and butter at the expiration of their training period.

The usual complaint, however, was that they had been repeatedly misadvised as to the type of vocational training they were to or could pursue; that they had been shifted thoughtlessly from one trade to another, and then after wasting, literally, years were finally dumped into this and other work places despite their obvious inability to work in these industries.

"There used to be two men here teaching English to the boys who couldn't understand what was going on," broke in Deputso in the course of a discussion. "Maybe they got wise that we were learning something. They don't even give us this now. At least some of the men with bad feet could pick up something with their ears. But the teachers have gone away and we haven't had the course in two or three months."

"Do you think you can do anything for us?" Deputso finally pleaded. "You know. You are real fellows. We don't want charity, but we want to be able to turn a nickel for ourselves, and hold our heads right when we are turned loose. It's coming soon. See what you can do."

BROKEN WAR VETERANS BEG FOR JUSTICE—MEN WITH BATTERED BACKS, BRACED ARMS, STIFFENED FINGERS SENT TO SCHOOL TO LEARN MECHANICS—TEACHER GETS $40 MONTH A STUDENT—MERE YOUTH, CALLED "BUSY KID," IN CHARGE—ONLY THREE LATHES FOR 80 TO OPERATE.

"Gad, it's a mighty twinge the old leg gives me every now and then. The Boche bullet sure did muss up this right foot of mine. I can hardly stand up more than two or three minutes at a time. Huh! It's funny. Here I am with a punk leg and my lungs on the blink, and I ought to be outdoors on some light kind of work or something, and they're trying to make an expert mechanic out of me, just like that."

Richard Grogan was telling me of his troubles and those of his veteran associates at the Holmes Vocational School, 649 Broadway, where the Government has placed 80 disabled soldiers for training in mechanics and sheet-metal work. The institution occupies the fifth floor of a loft building, and is headed by Lawrence Holmes, a mere youth in apeparance, who is referred to by the trainees as "the busy kid" from his generally hurried manner.

MICAWBER AIR IN SCHOOL.

The school has a Micawber air about it, the men standing leisurely about as though expecting something. They had a queer way of greeting each other with, "Anybody hurt? Anybody hurt?" interspersed with the question, "Did it come? Did it come?" the significance of which I learned a little later.

Holmes opened his place in July, 1921, his contract with the Government providing that he be paid $40 a month for each man sent to the school by the Veterans' Bureau for training. A large section of the school floor is taken up with an elaborately furnished office, with comptometers, cash registers, and other devices for keeping record of apparently flourishing incoming and outgoing accounts.

Behind the office were a few miniature so-called classrooms and then came the training shop. There were a couple of rows of machines and two belts were working. The students were just standing idly about in their hats, white collars, and coats.

NOT LEARNING A THING.

"The place is a circus," Grogan began to tell me, "and when it's not a circus it's just a hang out. We're not learning a thing. How can we Look at me, for instance. I've been here a year and a half. My foot is bunged up and my lungs were gassed. I ought to be out doors, but they keep me here. I've asked to be transferred a thousand times. I'll never be a mechanic. The work is too hard; that is, when you're learning real mechanics. But the advisor at the Veterans' Bureau says, 'You be a mechanic,' and here I am. It's a waste of time. I don't know what I'm going to do. I haven't learned anything, and the period of my training is nearly over, and in a few months they're going to turn me loose as an expert mechanic. But there are a lot of fellows here in my boots."

Here he pointed out a score of men who had one bodily disability or another which it was obvious precluded every possibility of their ever being able to succeed in the trade in which they were expected in a short time to earn a livelihood. There was one with a braced arm with which it was evident he certainly could not handle tools. Another had stiffened fingers, another a battered back, and so on. I counted 15 of these unfortunates.

"How did these fellows ever come to this place?" I asked Grogan. "Why are they permitted to remain here?"

ORDERED TO BE MECHANIC.

"The fellows ask themselves that question in their sleep," Grogan replied. "In the first place, the adviser or training officer at the Veterans' Bureau headquarters simply ordered them to come here and said, "You'll be a mechanic." The soldier shows his broken hand and says, "What, with this hand?" but the adviser says, "You'll be a mechanic or nothing."

"Well, you know a lot of these fellows are married and have children and are helpless and need the $100 or $135 a month that the Government gives us while we are in training. And that's the answer why a lot of us are here. Of course, we want to learn something. We'd like to learn some kind of trade, but we're not miracle workers.

"Let me tell you, the people that sent us here have either ivory heads or shrewd ones. But it certainly is tough on us. It's wrecking a lot of lives. Something ought to be done about it. What am I going to do? I don't know. We'll turn out a fine bunch of panhandlers. There's at least 15 fellows in here that's got bum arms or hands or something and never will turn a wheel or handle a hammer. Then there are about 15 more who never wanted to be mechanics, who don't take any interest in it, aren't learning anything about it, and are just wasting their time here."

PLEADS TO BE TAKEN AWAY.

"These fellows," continued Grogan, "have pleaded and pleaded to be taken away from here and transferred to something they can do. We've got grievance committees up and done a lot of talking, but the training officer says the matter is being considered and things like that, and months go by and years, and we're here."

"But isn't the head of the school or the instructor supposed to recommend your transfer from here when he finds a veteran is not making any progress or can't perform the duties of the trade?" I asked.

"Yes, he's supposed to, but I guess they have reasons for wanting to keep us here. The head of the school gets $40 a man a month from the Government, and he certainly should like to keep as many men here as he can. Don't you see the point? But the Government inspectors oughtn't to let anything like this go on. It's human lives and careers they are dealing with. For God's sake, we managed to come out of the war alive. Now, well, it's no use kicking, but if they are trying to do something for us this dump ought to be put out of business."

With the help of Grogan and a few trainees I took stock of the place. There were only four engine lathes available for the entire student body. There were three Miller machines, but only one doing accurate work. The bench lathes could be used for only the most elementary work.

NOT ENOUGH MACHINES.

"Why, I haven't been on an engine lathe since last August. There isn't enough machines for half the men," insisted Grogan. "Here, ask Loccari, there, what the instructor told him when he complained he couldn't get a machine."

Loccari told me he hadn't been near a machine for three months. Once, he said, he became desperate and thought he ought to know just a little bit and demanded he be given a machine. "Why, grab one, grab one!" he said the instructor told him. "Why, the fellows sleep here all night so they'll have the machines in the morning."

"Can you beat it?" broke in Grogan. "They tell use to fight for the machines. Well, we have a little joke about it, and that's what the fellows mean when you hear them say, 'Anybody hurt? Anybody hurt?'"

Six months ago the veterans were told new machines were on the way "any day." "Any day" has never come, and that's the source of another little joke of theirs, the "Did they come?" question which they use with guffaws on all occasions.

LESSONS IN ENGLISH.

I was informed that the instructors in the place are hard put to it to occupy the idle time of the trainees, and take up all of Wednesday and Thursday in the miniature classrooms, seating possibly 15 men, with lessons in English, drawing, geometry, trigonometry, logarithims, and mathematics.

"But that's another funny thing," broke in Grogan, in reply to a question, "there isn't 3 fellows in the whole school of 80 who knows anything about those things, and you know that they are important in tool and die making. Of course, these men aren't prepared for it, yet an adviser thought it was all right, and the teachers just go through it like a machine. Nobody gets anything—and there you are."

Grogan called over a number of his associates to testify that there were only two instructors actually available for machine-shop instruction, and that these did little to help the trainees learn even the most elementary things. There were two instructors used in classroom work, they explained, and the best machine-shop man was used for the personal service of Holmes himself.

USE THEIR OWN JUDGMENT.

"And in drawing," one of the veterans broke in, "they just tell you to use your own judgment. We come here to learn, mind you, and they tell us to use our own judgment. Here's Wiener. He'll tell you a thing or two."

Joseph Wiener has been in the school since March 1, 1922, having come from a defunct institution called Lincoln Institute, where several hundred veterans lost two years of valuable time learning nothing.

"I've been here nearly a year now," said Wiener, "and they told me I would be turned loose as an expert machinist in November of 1923. Ha, it's funnier than a joke! Why, I don't know any more about mechanics than when I first came here, and it isn't my fault, either. I know I won't be able to earn $10 a week at the trade. They didn't tell us anything about the union business, either. You know the union won't take us trainees in because they say we don't get any instruction. The whole thing is a rotten, botched-up affair, and we men are the sufferers."

EYES AND LUNGS AFFECTED.

Wiener has a wife and child. He was a polisher before the war. His eyes are bad, and his lungs have been affected by his war service. "Why, I can't even see a micrometer, you know, to measure things with, and yet they think I'll make a mechanic. I've asked to be transferred, but that's as far as it goes. I'm not the only one. Why, a dozen fellows in this place can't do the work. There are men with tuberculosis in here. Why do they keep fellows like us, who will never be mechanics, here? It ain't fair. We ought to get an even break."

Wiener expressed the opinion that not 30 out of the entire 80 students in the school are learning even the most elementary things about mechanics because of the lack of facilities or the physical inability of the men to continue with the trade.

Another thing that interfered with the training of the men here, I was told, was the custom of the school authorities of bringing outside work into the institution and importing expert mechanics to do the job on the machines that should be used solely for the instruction of the trainees.

NOT AVAILABLE FOR STUDENTS.

I was told of two such contracts, the last of which was for the construction of some radio outfits, which, I was told, occupied the better part of three months—June, July, and August—during which time the machines were not available to the veterans. A few, it was said, were permitted to act as helpers and were set to drilling holes for weeks at a time in pieces of metal.

There was the case of Edward Comery, which was familiar to every soldier in the place. Comery was a truckman before the war, but a German bullet tore up his right arm and stiffened his fingers. When he was told the Government was going to give him an opportunity to learn a trade he told his friends that, "By Jove, the war had done him some good, anyhow."

He was sent to the Holmes School for sheet-metal work or mechanics. "I showed an adviser my fingers. He certainly saw I couldn't bend them," he said, "but here I am." He knows he will never be a mechanic. He has asked to be transferred. A training officer cut him off. Now, he has been told it is too late. He has six or seven months to go before the expiration of his training period, and then he expects to be turned out as a mechanic, with nothing but the label to indicate his connection with the trade.

Locarri, a little fellow with a gay face, shrugged his shoulders when I asked just how much instruction he received. "Well, personally I haven't been on a machine for three or four months. But when we get a machine by grabbing it, just as we are told to do, and staying up all night, then we don't have any tools, and when we have tools we don't have the machines—and that's what we learn about mechanics. You'll find some fellows who want to stay here. They think it's a cinch. They're lazy and don't care whether they learn or not, and say, 'Leave things alone and don't kick.' But it's a disgrace, and I don't know why they make us waste our time here. We'll be dumped into the street. What Grogan said is right. We'll be lucky if we learn to drive a nail straight."

And so the stories of discouragement and hopelessness ran seemingly without end. Here was a veteran whose body had been wasted by sickness—"Poor Jo Frick" they called him. He couldn't by the wildest stretch of the imagination ever perform the duties that mechanics are called upon to do. He has been asked to be readvised into some other occupation more in keeping with his physical condition. Months have gone by and "Jo" still is hanging around the place. And there were many others to whom I spoke and whose tales were in the same strain.

"Why do they keep us here doing nothing? Why do they keep us here doing nothing?" was the usual plaint.

Upon leaving the place I observed a list of names written in a large, florid hand posted up near the exit. It was headed "Roll of Honor." I asked one of the trainees what the special service was that these men had been honored for. "What are you doing, kidding?" he smiled. "That's only a list of the names of the trainees in the school. Oh, we get a lot of honor all right. But—well, you saw the place. That's all."

UNION RULES BAR DOORS TO WAR CRIPPLES—POORLY TRAINED VETERANS, REFUSED MEMBERSHIP, MUST TAKE MEAN JOBS AT STARVATION WAGES—FOUR-YEAR "SCHOOLING" PROVES VALUELESS—HALF-BLIND MEN "TAUGHT" WATCHMAKING WHILE MAIMED LEARN PAINTING.

The troubles of the disabled veterans who have been misadvised by Government officials and placed for training in vocations in which they can not possibly succeed because of their infirmities are obvious and numerous enough. If, in addition, they have been placed in institutions—as hundreds of them have—where the instruction offered is but a pretense, their chances of being restored to a gainful occupation are virtually nil.

There are some schools, however, where a sincere effort is made to give the soldiers the rudiments of craftsmanship. Here, however, appears a new difficulty and one that is vital to every veteran receiving institutional training under Government direction.

It is the labor union.

Nearly all of the one hundred and seventy odd trades, which the men are being taught in 90 schools of the city, are thoroughly unionized. In many instances the labor organizations dominate the industry.

NO ENTRY FOR VETERAN.

For one reason or another they have in the main closed their doors to the rehabilitated veteran. The two, three, or four years' training the disabled man has received under the wing of the Federal Government is accounted of little value. His admission to this union or that is barred on the ground of inadequate training and apprenticeship, and the only employment opportunities left open to him are a few stray, low-paying, nonunion jobs.

Of this almost insurmountable barrier the veteran learns only on the eve of his discharge from training. Nothing, apparently, is told him of the problem at the time he is assigned to a trade. It seems to have been either entirely overlooked or given slight consideration by the Federal agencies charged with the responsibility of salvaging the broken soldier. Hundreds of men have been and are still being crowded into industries where the hold of the unions is indusputable, where their regulations are iron-bound and forbidding, where admission tests are of the strictest nature, and where the doors are practically closed to the veteran until he has served a long term of practical apprenticeship, as much as five years.

It is the stone wall toward which the great body of the 8,000 trainees in this city are heading.

"What is the use of all this training, anyhow," asked a veteran, "when the unions refuse to take us in at the end of our courses of instruction? They put us through severe tests, and if we have been assigned to an inefficient school or the course of training has been short, as it is in many of the trades, we fail. Few, if any, get in. It means that we must enter these trades as new men with apprentice wages. The two, three, or four years that the Government has put on us is wasted. Of course, there are a few nonunion jobs, but they're only a few, and pay low wages. It's a rotten situation."

The veterans, however, have only recently realized the seriousness of the union difficulties awaiting them at the expiration of their training time. At present they have no delusions about the matter and are hopeless enough about the outlook. There have been some meetings of committees with the labor men, but nothing definite has been accomplished. There has been no stirring of a finger, however, on the part of past Veterans' Bureau officials. What the present administration will do is problematical. There is no doubt that it should do something, and that quickly.

This phase of the rehabilitation muddle was most strikingly brought home to me on a visit to the branch of the College of the City of New York, at One hundred and fiftieth Street and Amsterdam Avenue, where there are about 500 disabled men under instruction in a dozen industries. Here were scores of men who had spent years in training in other institutions, who had been transferred to this school; and continued their instruction in sign painting, plumbing, printing (at the Lexington Avenue branch), and similar vocations, and who at the expiration of their period of training will find the doors of profitable employment closed to them, and their several years of preparation wasted.

What is to become of these men? How are they going to be rehabilitated in these trades? The unions say they can't possibly admit them on an equal basis because their training is inadequate and the small period of "placement" work, as the extra time allowed the veterans for practical experience at the end of their schooling is called, is all too small.

BEST TRAINING TOO HURRIED.

Perhaps there is some truth in the union contentions, but that, of course, does not mitigate the unfortunate predicament of the disabled veterans. Let us take a look at some of the courses at the City College branch. This school is conceded to be the best in the metropolitan area. The instructors are earnest, the facilities are fairly adequate, and a genuine effort is made to turn out good craftsmen in carpentry, cabinetmaking, shoe repairing, storage-battery work, plumbing, mechanical dentistry, tailoring, watchmaking, and a few other trades.

But here, as in other institutions, attempts are being made to turn out fine cabinetmakers in one and a half years, with a short period of placement training. Watchmakers are breathlessly developed in two and a half years, pressmen in 18 months, compositors in two years, and so on.

In all these trades the necessity for long periods of practical training is generally recognized. I have been informed by a watchmaker that good men in this industry must spend between 5 and 10 years in close application. In the printing industry the unions require an apprenticeship of five years. As for cabinetmaking, at its best really an art, I was told that those now assigned to and being trained in the course at City College couldn't learn it in 20 years.

TRADE ALREADY CROWDED.

Then there is the situation in the sign-painting class. There are altogether 800 union sign painters struggling to eke out a tolerable existence in this city. While there are but 35 or 40 men in this course at City College, more than 400 veterans have been crowded into this trade and are shortly to be rehabilitated in it. The union men say there isn't enough work now in the city for those already in the industry. They require a five-year apprenticeship for admission to their organization, and have so far declined to receive trainees who have not fulfilled this requirement.

The end of the training period of these sign-painting and show-card-writing soldiers is not far distant. What is going to happen when they are discharged? Where are they going to find work? Why were so many of them advised to take up this trade?

In this, as in nearly every other branch of training, we find misfits of all kinds. It appears to be no fault of the instructors in this particular school that men physically unable to go through even the motions of sign painting are retained in the class. They have repeatedly recommended their transfer, but no attention, it seems, is paid to their requests.

And so these soldiers are virtually forced to waste time, and soon their training period will be over, and although they have never touched brush or pencil to cardboard, they will be rehabilitated as "sign painters."

MOST OF CLASS MISFITS.

I was told that 30 out of an entire class of 40 in sign painting here should properly be readvised.

There is Isadore Mairowitz, for instance, a thin little fellow of 28, with a wife and two children. Mairowitz "got his" at Soissons, a bullet shattering his left hand, leaving three fingers limp. He was a tailor before the war. An adviser back in December, 1920, sent him to the defunct Lincoln Institute, with the request that he "be given something to do."

"They put me at sign painting," said Mairowitz, telling his story. "I told them it was a joke. How could I paint with my paralyzed hand? I asked to be transferred, but they kept me there until March, 1922, when the place was closed up, and then I was transferred to the East Side Y. M. C. A. Then, in July of 1922, I was sent here—all the time in sign painting.

"The instructors in the college know I can't do anything. I haven't learned a thing. It's a damn shame, because I would like to learn something so I could support myself and my family. They have written notes and everything to headquarters, and they don't even get an answer. Will you tell me why they keep a fellow like me here? I can't even hold a maulstick. What do you think is going to happen to me when I get out?

"PAINTER" WITH BROKEN HAND.

Then here is the strange tale of Nathan Tare, who also had his left hand ripped up in France. They at first placed him in electric repair work, which was bad enough for his left hand, he said, and after wasting six months they sent him to Lincoln Institute, where he remained for a year doing nothing.

"I told them I wanted something useful to do," Tare said, "something that I could do and was fitted for. I thought poultry raising was all right and they agreed. They sent me up to Bronx Park apparently for instruction in poultry raising. I was there for six months and the only thing I was permitted to do was plant seeds. I never saw a chicken or any kind of a fowl in all that time. I kicked about it and they put me on a farm, but only let me stay there for a month.

"I don't know what it was all about, but suddenly they ordered me into auto repairing at the East Side Vulcanizing Co. Six months there knocked the stuffings out of my health, and then there was my bad hand. The doctor had me taken out of the place and here I am at sign painting, of all the things in the world. You can see for yourself how much sign painting I can do with this hand. I'm a good fighter. I was a pugilist before the war and made good money at it, but I'm no magician. Do you think they're going to keep us fellows stringing long this way without giving us a chance to do something we can do?"

The instructors in the school recommended Tare's transfer last November, but he is still "sign painting."

NO CHANCE TO REBEL.

The situation in the other classes and courses is about the same. Large numbers of men have physical disabilities of such a nature as to prevent their ever mastering the trades and making a living at it, but nevertheless are forced to continue aimlessly in the courses because they are helpless and need the $100 a month which the Government allows them during the training period.

Samuel Berger, of 234 Moore Street, Brooklyn, is "just hanging around in the tailoring class," he says, because of a shattered wrist suffered in the Argonne. "See, it's the right wrist," he said, "and I can't do a thing with it, but they've had me doing sign painting. They must have a good laugh at that, and when they had enough, after about a year, they tried another little joke and put me at tailoring in this college. I can't thread a needle even, and they say, 'You be a tailor or nothing.' For two months I've just been coming here and going home. The instructor has recommended me for readvisement, but that's as far as it has gone. I guess they'll soon have the nerve to give me papers and say I've been restored to usefulness as a fine tailor. You'll see."

Berger has a wife and child.

Andrew Ermak was a fireman before the war, with a home at 149 Clinton Avenue, Maspeth, L. I. Ermak also has a wife and child. His health had been shot to pieces at Chateau-Thierry and he was hit by gas clouds in the Argonne and St. Mihiel. His eyes tear, he has chronic bronchitis, and his lungs are not too good. In 1921 he was placed at carpentry training and then switched to watchmaking.

PROTEST PROVES OF NO AVAIL.

"I've been here since last September in the watchmaking class," Ermak said. "First of all, I'm too nervous for that kind of work. Then my eyes are bad and the strain makes them worse. To tell you the truth, I am not doing a thing in the trade and I'm not getting anywhere. How can they expect me with bad eyes to be a watchmaker? Why, it's foolish. But it's a waste of time. I can't understand their object in keeping me in this kind of training. Yes, the college people have been trying to get me out of here. But there are dozens of other cases and nothing ever happens. It's a crime to waste our time this way."

John J. Gilroy tells a similar story. He was gassed and shot through one leg. An adviser placed him at vulcanizing and various other unsuitable occupations, and now since January, 1922, a bureau adviser has insisted on his going in for watchmaking.

"They have thrown away absolutely two years of my life, and I suppose I have two more years to go for the allotted period of training. I hope, for God's sake, I can learn something suited to my disability before I am through. Everybody knows it's crazy to have a man with bad eyes learning watchmaking. Why, sometimes I can hardly tell the time. It's a pretty desperate outlook for me, I tell you, unless they wake up."

The complaint of Charles H. Weller is that being of delicate health the fumes of the gas burners used in the mechanical dentistry vocation are bad for his lungs; and also, having both his legs broken, the necessity of being kept on his feet for long periods of time in this trade causes him much pain. In addition, he says the trade is crowded, and there is no field worth talking about.

DENTISTRY TRAINING POPULAR.

"They said to me," Weller explained, "we'll let you take up shoemaking or else you stick to mechanical dentistry.' Well, I decided I'd rather waste my time in mechanical dentistry than shoemaking. It's funny, though. They want everybody to be a tailor or a shoemaker or a mechanical dentist. People don't wear out shoes any faster than they did before, nor pants, nor teeth. I don't know what they're going to do with the fellows in these courses, even if they turn out something. There is the union and all that. I've got about two more years to go. After that, I guess, the air for me."

George St. John tried to get around his case by making a proposition to the bureau adviser. A bullet tore one of the nerves in St. John's neck and has rendered him deaf in one ear. He was a music student before the war and was training his voice for a career on the stage. When he appeared for vocational training he proposed that the Government permit him six months of voice culture, and that he would be thoroughly satisfied with this. The defective ear, he said, would be no obstacle. The adviser told him he would have to take up some trade.

"But I don't want to learn mechanical dentistry or anything like that," he says he told the adviser. "I want to have my voice trained. It's what I am going to do in life, and I want only six months of it."

"But he told me," St. John related, "it couldn't be done, that he thought I would make a good mechanical dentist—me, mind you, a mechanical dentist—and that I'd have to take this or nothing. Well, I needed the money, and I had to submit. I've been in training as a mechanical dentist for two years, and I know very little about it because my heart is not in it. I don't believe I could make $10 a week at it. I'm all broken up about it, to be frank with you, because if I don't get this little chance I want it may mean the wrecking of my life."

75 PER CENT ARE HOPELESS.

It was the same story in classroom after classroom—men here and there sitting idly about, with little or no interest in the vocation to which they are bound without any apparent reason, physically incapable, in many cases, of performing the ordinary duties of that vocation and with nothing to do but wait for something to happen. It was at this school—admittedly the best in the city—that I was informed that fully 75 per cent of the veterans being trained in various makeshift institutions in the city will never really become working craftsmen in the trades in which they are being instructed.

An attempt to account for a certain portion of these is made by the assertion that even under ordinary circumstances 30 per cent of the workers could never be taught a trade. Then the question arises, Why are not the other 45 per cent taken care of? What a tremendous waste of time! What a discouraged and hopeless outlook these battered souls must have! What can they be thinking of the governmental agencies responsible for their situation?

—

LEG MAIMED, SOLDIER GIVEN CHORUS JOB—$10 A WEEK PLACE IN MUSICAL SHOW GOES TO CRIPPLE GIVEN VOCATIONAL "TRAINING" AS AUTO MECHANIC—ANOTHER FAILS IN TEST FOR JANITOR—MEN ASSERT THEIR REQUESTS FOR SUITABLE SCHOOLING HAVE LITTLE OR NO EFFECT.

The disabled veteran sent through a vocational school by the Government after all is interested mainly in obtaining fairly permanent work at reasonable pay to support himself and his dependents. We have seen how he has been frequently misadvised and his time wasted through neglect and incompetence. The Government has undertaken to find this job for him upon his becoming proficient in the occupation for which he has been trained. Is the soldier getting this job? There are indications that he is having a hard time of it.

Let us glance at the experience of a few of them.

There is Bennie Bershad, whose services with the Seventy-seventh Division in the Argonne won him a shattered leg, tear-gassed eyes, and an affected lung. He looks big and husky when one first sees him, but he turns out to be a weakened hulk. He has a wife and baby, and tried to make the $135 a month the Government allowed him while in training to cover the expenses of their humble home at 769 Ninth Avenue.

DENIED TRAINING AS CUTTER.

He was a motorman before the war, but he couldn't go back to that work because the wound in his leg made it impossible to stand on his feet for any length of time. He told the training officers back in 1919 that he would like to be a cutter, but they denied him training in this, he says, for no reason that he could understand. They merely suggested that he go in for a study of auto mechanism.

He spent a year in a school without picking up a thing, he says, and then he was placed in various auto shops and factories to get practical experience, but the fumes and the nature of the work was too much for him. He was sent the rounds of various garages, however, he relates, his health getting worse each day, and doing very little besides cleaning cars and towing about broken-down trucks and automobiles. This process continued, he said, from July 26, 1920, until September 30, 1922, when he was declared rehabilitated.

"But you don't know how funny it is," he explained. "After being shoved around from one shop to another and not learning a thing about engines or anything real about the mechanics of automobiles, they suddenly tell me I'm graduated as an expert auto mechanic. Can't you see how crazy it is?

"Well," he continued, "they told me to wait awhile and they would get me a job. So I waited. One week later I got a letter from the Veterans' Bureau, telling me to go to the Al Jolson theater; that there was a job for me. Every time I think about it I have to laugh all over again. I went up there, and I saw a man. I forget his name, and I told him who I was and about the letter from the bureau, and asked him about the job.

GETS JOB AS BUTTERFLY.

"Well, he took me in, and they blackened my face and put a kind of a butterfly costume on me and started to run me around for two hours. I was surprised. I didn't know what it was all about. I went to the man again and I said I was an auto mechanic and that I was rehabilitated as an auto mechanic, and I didn't know what all this monkey business was all about, and where was the mechanic job.

"He says that was the job—what I was doing—running around as a butterfly. I says, 'On the level?' And he said, 'Yes; we'll give you $10 a week to play in this show doing this.' Well, I thought it was a joke, but he said, 'It's right.' I just laughed out loud. I thought somebody was crazy. Here I was an auto mechanic—they trained me for an auto mechanic for three years and they rehabilitate me in the trade as an expert—but I am not kidding myself about that, either—but they put me down as such and then they offer me a job to be a butterfly in a play.

"But you ought to see what the letter said that I got from the bureau at the time. It said, 'If you are interested in earning some extra money at night, it is suggested that you call at the stage-door entrance of the above-named theater.' Do you get that extra-money business? Why, I wasn't doing a thing and was waiting for them to get me a job, and they talk about 'extra money.' It was a funny way of putting it, wasn't it? He must of thought I was pulling an income down from the clouds. Anyway, that's the way they tried to rehabilitate me as an auto mechanic—make a butterfly actor out of me. Can you imagine me being a butterfly?"

IS FINALLY REPLACED.

After a short interval of waiting again and after Bennie's condition had become desperate, he was replaced for training in auto mechanism at the Howard Motor Co., where he has been since October 27 and where he is to stay until March, when he has been informed he will be again rehabilitated.

"I do a little valve grinding here and washing up and towing, but I know I'm not learning much about auto mechanics," he concluded. "Maybe they think I'll be a better butterfly with six months more of auto mechanics, eh?"

James Foley, of Astoria, Long Island, N. Y., had enough trouble, too, in landing a job. Foley developed trench feet overseas, and it was decided by the training officers that he ought to master the watchmaking trade. He spent one year or thereabouts in the New York Watchmaking Academy, at Astoria, and then was rehabilitated as a master craftsman in the trade. He was put on the list for employment and spent several weeks in quest of work. The best offer he could get was $10 a week, he says. He needed the work, but he needed more money, so he was compelled to supplement his earnings as a watchmaker by working nights cleaning automobiles in a garage.

NEED FIVE YEARS' TRAINING.

"How can a man be expected to learn watchmaking in a year?" he asks. "Any watchmaker will tell you that five years of the closest application are necessary to turn out a good skilled worker in this trade. And the job that they are supposed to get for you—well, a lot of fellows have been waiting months for it."

"Are all the men in the New York watchmaking school turned out after a year's instruction?" I asked.

He replied that the course was really two and a half years, and that there were veterans there with disabilities which would prevent their ever turning out watchmakers in a hundred years.

And there is the experience of Carmelo Lafragola, of 492 Sixteenth Street, Brooklyn. Lafragola was wounded in the right arm and can do little with it. Nevertheless, he was placed in training for the tailoring business. The strain on the arm, of course, was painful and Lafragola learned little, if anything, about tailoring. In fact, he says he learned nothing about it in the three years and eight months he spent in one school or another, finally winding up at the College of the City of New York. He was actually declared rehabilitated as a tailor, without having made more than half a dozen stitches in his entire training period.

COULDN'T GET JANITOR JOB.

When it came to obtaining a place in the trade for which he had been trained, he was recommended for a janitor's position and sent to fill out an application for it. He failed to get the job.

But this is enough. Instance after instance could be cited showing the trouble the veterans have landing places after they are listed as having completed their training. It is a general complaint, also, that they frequently are offered jobs in occupations other than those they have spent so many years learning. A soldier who has been in training for years as an embalmer tells me he was rehabilitated as a night watchman, while another who had been studying bookkeeping says he was sent back to earn a living as a messenger.

No attempt could be made, of course, to look into every one of the three thousand odd cases in which I was told by Veterans' Bureau officials men had been rehabilitated and placed in some trade out of a total of more than 19,034 that had entered training in this district. But the many instances similar to those just cited which have come under my observation during the course of the inquiry indicates that there is room for much improvement in that phase of the Government's rehabilitation work.

—

RED TAPE BINDS 2,000 NEW YORK WAR CRIPPLES—MORE EFFICIENT INSTRUCTORS IN VOCATIONAL SCHOOLS, ADDITIONAL HOSPITALS FOR DISABLED MEN NECESSARY NOW, INVESTIGATION DISCLOSES.

If the disabled veterans in this district were asked to detail the difficulties of their admission to vocational training under Government direction, the nature of their instruction and the probable chances of their really being restored to a gainful and useful occupation, 75 out of every 100, I believe, would tell of the wearing red tape involved in the filing of claims for occupational instruction, the drawn-out discussion of their eligibility, their registration and eventual advisement as to the type of vocation they are to pursue.

They would relate how they are consulted on their preference for a particular occupation and how their wishes are usually ignored, and how an advisor says, finally, "You be a shoemaker," or "You be a mechanical dentist," (nearly every one of them are asked to go in for mechanical dentistry), or "You be a tailor, or a sign painter, and a few other trades to which the advisor at the time happens to take a fancy, and how if the veterans object, they are given the final injunction, "This or nothing."

MUST TAKE WHAT'S GIVEN.

They will recount how, being helpless and in sore need of the $100 or more a month which the Government allows them while in training and which they will not receive if they do not take the trade assigned them, they finally accept training in the occupation and find themselves in an institution where the vocation is supposed to be taught.

They will relate how they may find themselves among the fourth or third or even half of the men who have been misadvised and will, obviously, never be able to learn the trade because of their physical disability, or who have no interest in it temperamentally and will never make any progress in it.

They will tell how the school may be lacking in facilities, how it is just one of a batch of mushroom institutions where no genuine effort is made to turn out skillful craftsmen or any interest taken in their welfare.

TRANSFER CALLED IMPOSSIBLE.

They will sadly recount their repeated efforts to have themselves transferred to another occupation or school, of the interminable delays of months and sometimes years, and how it frequently winds up with their being kept at the trade for which they are not physically fitted, in which they are making no progress, and through which they could never hope to make a living.

They will tell how, after wasting several years, they may receive a notice that in three months or six months their period of training is to end (it is not to exceed four years); that they are to be placed for a short period in "placement training" (for practical experience), and that they are then to be rehabilitated; that is, declared restored to a useful and gainful occupation.

They will tell at last how, on the eve of their being thrown on their own resources, they will find themselves inadequately trained and unprepared, how the unions bar them from their organizations, and consequently from the best-paying positions, and how the trade which they are supposed to enter is already overcrowded, with no jobs available or those hardly paying a living wage.

MAY GET MESSENGER JOB.

In conclusion, they will relate how they may find themselves forced to take a job that has nothing to do with the trade for which they have been trained and may wind up as watchmen instead of tailors, or messengers instead of bookkeepers, their three or four years of special schooling, for which it has been estimated the Government is spending $14,000 a man, proving a pure waste of time.

The crisis for about 2,000 of these former soldiers will be here in a few months. They have been notified that their periods of training are about to expire. Their monthly $100 or more allowed by the Government during their training period will be cut off.

What is to be done about these men?

What steps should be taken to remedy the conditions that have made this situation possible? The cases of misadvisement cited are only a suggestion of the hundreds that have come under the eye of the writer. The schools referred to are merely illustrative of what is taking place in dozens of others. The facts point unmistakably in certain definite directions.

ACTION IS NECESSARY.

It is obvious, first of all, that those directly responsible for the occupational advisement of the soldiers were either judgment blind or incompetent. It is plain that the veterans should be taken out of occupations for which they are not fit and placed in trades less crowded and for which they are suited. The union question should be considered.

It is obvious, too, that many of the institutions to which the soldiers are sent were not created for the welfare of the men, are not really interested in their vocational progress, lack the facilities for their proper training, and should be abolished at the earliest possible moment.

It is obvious, too, that the continual changes in district managers here is in the last analysis the chief reason for the chaotic conditions. In the last 14 months there have been 8 district managers, and in less than a year 18 chiefs of training. No sooner does a manager begin to get a glimpse of the true situation when he is whisked away.

In addition there are indications that the district chief has been hampered in efforts to clean house by an unwelcome accession of incompetent subordinates, whom he appears powerless to rid himself of. Little headway can be expected unless the manager is given a free hand in dealing with the situation as he sees it, and his policies continued for a reasonable length of time.

The present manager of this district, Maj. E. F. Lent, while in office only five months, has already shown a clear understanding of the problem, in the opinion of those who are conversant with it. He has no delusions about the situation and has planned to take some vigorous steps to solve it.

WILL CALL IN ADVISERS.

In this connection it is understood that he proposes to call in the help of the most competent brains of the community in an advisory capacity.

No one has taken a deeper interest in the situation nor can speak more authoritatively on the soldiers' problem than Col. Cornelius W. Wickersham, chairman of the hospital committee of the American Legion, Department of New York. His views follow:

"The problem to-day in New York State is twofold:

"First. We need an additional Government hospital for the care of mental and shell-shock cases. Under the Veterans' Bureau the country is divided into 14 districts. Ours is the second, embracing New York, Connecticut, and New Jersey. In this district there are at the present time 342 veterans of the war suffering from shell shock and mental diseases in one Government hospital in the Bronx, and there are 826 such men scattered throughout various contract hospitals over the three States.

"The State government has given some relief to this most disturbing situation by setting aside portions of the fine State hospital at Kings Park for these men. There are at present 178 veterans at that institution. The public must understand that a bed in a general hospital is of no use to cure a shell-shock or mental case. Special equipment and special treatment are needed for this class of cases, and these can be best, and in some cases only, furnished in a hospital built and equipped for the purpose. The number of these cases is still increasing, and an additional Government hospital for mental cases, with facilities for 1,000 beds is an imperative need—not 10 years from to-day, but now—if we are to save the minds of a majority of these men and give them a reasonable chance for cure.

FOURTEEN THOUSAND RECEIVING TRAINING.

"Second. We have the problem of rehabilitation. There are approximately 14,000 disabled veterans now receiving training in the second district looking toward their rehabilitation as useful citizens able to make their own way in the world.

"Two kinds of training are given, namely, placement training, which means the placing of a man in a business, store, shop, or factory where he can learn his new trade under working conditions; the other is institutional training—that is, where a man is given free a course at a law school, medical school, accounting school, or other institution for teaching him the theory and practice of a business or profession.

"It will be seen at once that many problems confront the Veterans' Bureau in its sincere endeavor to accomplish the rehabilitation of these men. One of the present problems is the difficulty of maintaining contact with the men in placement training and of seeing that a man receives the kind of training for which he is best fitted. In the past there have been many misfits—men who because of their disability were unable to engage in certain trades or occupations but who, nevertheless, were started in course of training in these very trades or occupations. Other men have been placed in kinds of training for which they had no qualifications and in which they could not be happy or successful. There has been a lack of adequate attention to these individual cases, and the result is that only a small percentage of the large number of men whom the Government has undertaken to rehabilitate have completed their training and are actually rehabilitated.

"The problem is further complicated by the fact that any inefficient method of dealing with it will inevitably tend toward pauperization and not toward true rehabilitation and the placing of a man on his feet where he can make his own way in the world. This problem is one that peculiarly requires the sympathetic interest of all members of the community and such cooperation with the Veterans' Bureau as will best assist that organization in obtaining real results.

"The American Legion is now working along these lines, as well as endeavoring to assist in the solution of the many minor problems of this great work."

Col. Lee Garnett Day, chairman of the rehabilitation committee of the American Legion, second district, for the past year, offers the following comment and suggestions:

"If compensation and health for the crippled of the late war could be redeemed like Liberty bond coupons, these few lines would be unnecessary. Rehabilitation and study of a useful trade, like a new subway, is not gained on tracks of pen and ink. Two tuberculosis hospitals were approved for New York State last summer, one at Tupper Lake and the other at Beacon. Col. R. C. Forbes, national Director of the Veterans' Bureau, promised foundations before frost set in last fall. What is the delay? When will they be finished? Will it be 1924, 1925, or 1930? If we were now actually at war, would not public opinion and the necessities of war demand their construction at all possible speed?

"Four hundred and thirty million dollars will be disbursed by the Veterans' Bureau in Washington in the fiscal year of 1923. The second district, in which is included our New York, has a pay roll and overhead of more than $2,500,000 for 1923. Sixty-five million dollars is the contemplated budget for the fiscal year. The local bureau has had a rough road in administration. Eight different directors in rapid succession have been attempting to organize 140,000 claim folders, 26,000 monthly compensations, and 12,000 training programs. A thousand individuals have fought to find their missing claim files, but few have tried to see from a district manager's chair what red tape and politics can do to discourage hope and efficiency.

OFFICERS ARE CRITICIZED.

"There are more than 6,000 men taking vocational training, and approximately 5,000 are in placement training in New York City alone. It has been shown, and we were long cognizant of it, that the greater part of these men were assigned to their training by training officers who had not the broad experience to consider or judge their qualifications, both mental and physical, with regard to their previous trade or business experience before entering the war, their hereditary history, the extent of their disability, the effect of the war upon their mentality, knowledge of the trades that could absorb them, or the sincerity of the schools professing to give a capable and honest tuition.

"The remedy is a revamping of not only the men themselves but the schools, and what is perhaps of greater importance, a constant surveillance of the men. The mushroom schools, however, should be cleaned out at once.

"Again, there have been too many managers. A continuance of policy must be assured. The manager must be afforded the unrestricted freedom of selecting his associates. He should be allowed to build up contact with a group of prominent medical advisers in tuberculosis, neuropsychiatric and vocational cases. It should be recognized that the Government is not as fully qualified to handle special cases as are outside agencies which have made this province their special study.

CITIZENS SHOULD HELP.

"The district manager, too, should be encouraged to make contacts with groups of business men, who could no doubt be able to coordinate the specific requirements of the men now in training. It is useless, however, for citizens' committees and well-meaning individuals to offer their services if the Government does not wish them, but as these citizens were invited to prepare for war and carry it through, we do not think that it is out of the Government's scope to ask the assistance of chambers of commerce and business men's organizations, who by virtue of their membership are more conversant with the past, present, and future conditions.

"One special word on the matter of advisement. It is difficult to suggest an increase in salary for this position in New York alone. It is a vital matter, however, to the men. There must be an adequate mind to deal with the veteran's case when he comes up for advisement or readvisement, as the whole course of a man's life is influenced by the judgment as to the trade or profession he is to pursue. I would suggest that the Government and the bureau officials give this subject their closest attention if the training problem is to be intelligently dealt with."

Let us turn for a moment to the medical and hospital care that is given the disabled man before he is prepared for vocational training. The situation at present is said to be fairly satisfactory in certain respects only. Tales of neglect in this hospital or that continue to reach the ear of the public, and the demands for additional space adequately to care for the sick and wounded are being made from time to time of the governmental agencies charged with the care of the disabled veteran.

MANY PATIENTS ARE TREATED.

The latest records show that large numbers of tubercular soldiers are still distributed through private and State hospitals in the metropolitan area, that there are 284 in private sanatoriums and houses at Saranac, 81 at Liberty, and 829 in State hospitals and asylums. At New Haven, the only Federal institution in this district for the care of tubercular patients, there are 500 veterans. This, however, does not begin to account for the entire number of men suffering from this trouble alone in the second district, the number really running from 5,500 to 6,000.

It is complained, however, that these men do not receive every care that they should, not from any deliberate neglect, but because they are generally crowded into institutions already hard pressed for space and where they can't possibly receive the close attention they should. In addition it is represented that the laxness and freedom of some of the boarding places where many of the men have been

temporarily placed are certanly not conducive to a speedy cure of the veterans, and that the discipline and strictness of the Government conducted institution is necessary if the soldier is to be adequately taken care of and restored to health.

The Government has therefore been urged to complete at the earliest possible time the two new tubercular hospitals at Chelsea and Tupper Lake.

ELEVEN HUNDRED AND SIXTY-EIGHT NERVOUS CASES.

With the respect to the care of the nervous and mentally diseased cases it is pointed out that there are 1,168 patients afflicted with these troubles now distributed in 26 institutions throughout the State, and that only 342 of them are in a Government hospital—the United States Veterans' Hospital, No. 81, in the Bronx.

Organizations interested in the welfare of the veterans will insist that the Government build an additional hospital of at least 1,000 beds in the State for mental cases; that a general medical and surgical hospital be built in this city of a capacity of 250 beds, and that the use of the hospital at Ward's Island for mental cases be gradually discontinued, the number of patients and facilities at Kings Park State Hospital to be increased until the new Government mental hospital is provided.

—

To expose a bad situation without suggesting the remedy for it is a futile process. The Tribune, in the above series of articles, has shown the ineptness, the inefficiency, the misunderstanding, on which rests the Government's vocational training for New York's veterans of the World War.

What remedial step seems best?

It seems clear from the Tribune's evidence that the main reason for the bad conditions has been the constant "turn-over" due, probably, to politics. The fault does not lie with the local control for the moment. Maj. W. F. Lent is the best chief Veterans' Bureau District No. 2 has had; but he inherits a situation made by a half dozen predecessors, each of whom held office but a few months.

The fact is that the Veterans' Bureau as a whole needs a larger visioned management than has ever been accorded it. It is literally true to say that no American is too big for this national responsibility. Leonard Wood—doctor and administrator—would not have been too big for the job. But Wood is tied to the Philippines. The administration's other doctor and administrator is Postmaster General Work. Even a Cabinet officer is not too big for the job, and informed opinion in Army circles knows that the job is not too big for Doctor Work.

The administration has faced an irrepressible conflict over the soldiers' bonus. That conflict bids fair to break forth again. Most of its passion and prejudice rest upon the Government's mishandling of the wounded, sick, or mentally affected soldiers of the World War. An American of the first rank in charge of the Veterans' Bureau would not only accomplish a great service in the reduction of sheer human misery; he would also take the grievance out of the bonus issue by assuring the country that a grateful Government was taking proper care of its injured sons.

Mr. WOOD of Indiana. Mr. Chairman, I move that all debate on this paragraph be now closed.

The CHAIRMAN. The gentleman from Indiana moves that all debate on the paragraph be now closed.

The motion was agreed to.

The Clerk completed the reading of the bill.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore [Mr. CAMPBELL of Kansas] having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WOOD of Indiana. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

There was no demand for a separate vote, and the amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. DAVIS of Tennessee. Mr. Speaker, I offer the following motion to recommit.

Mr. BLANTON. Mr. Speaker, I have a motion to recommit. I am against the bill. I do not know whether the gentleman from Tennessee is or not.

The SPEAKER pro tempore. Is the gentleman from Tennessee against the bill?

Mr. DAVIS of Tennessee. I am.

The Clerk read as follows:

Mr. DAVIS of Tennessee moves to recommit the bill, H. R. 13696, to the Committee on Appropriations with instructions to report the same forthwith with the following amendment: At the end of the last paragraph on page 34 insert a new paragraph, as follows:

"No part of the sums appropriated in this act shall be used in the preparation or dissemination of any propaganda, arguments, or statements in favor of or in opposition to the passage of legislation: *Provided*, That nothing herein contained shall prevent the preparation of data and statements solely for presentation at hearings of congressional committees or to Members of Congress in response to requests for such information."

Mr. CHINDBLOM. Mr. Speaker, I reserve a point of order.

Mr. MADDEN. Mr. Speaker, I make a point of order against the motion to recommit, that it is not germane to the subject matter and is legislation on an appropriation bill.

Mr. GARRETT of Tennessee. If the gentleman will yield, I call attention to the fact that this direct question was ruled on in Committee of the Whole, and the point of order was overruled.

The SPEAKER pro tempore. What does the gentleman from Tennessee say about the proviso which the Chair is informed was not presented in the Committee of the Whole?

Mr. DAVIS of Tennessee. No; it was not in the one that was offered and acted upon, but that is in accord with the proviso in the preceding paragraph and deals with substantially the same subject. It simply restricts the legislation, and, taken as a whole, it undoubtedly constitutes a clear limitation.

The SPEAKER pro tempore. Does the gentleman from Tennessee contend that the proviso goes back to the limitation?

Mr. DAVIS of Tennessee. Yes.

Mr. GARRETT of Tennessee. An exception to the limitation.

The SPEAKER pro tempore. The Chair overrules the point of order.

Mr. WOOD of Indiana. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Tennessee to recommit the bill with instructions.

The question was taken; and on a division (demanded by Mr. DAVIS of Tennessee) there were—ayes 27, noes 52.

Mr. DAVIS of Tennessee. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER pro tempore. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 77, nays 141, not voting 211, as follows:

YEAS—77.

Abernethy	Favrot	Lyon	
Almon	Fields	McClintic	Steagall
Aswell	Fisher	McDuffie	Stedman
Bell	Garner	Maloney	Stevenson
Black	Garrett, Tenn.	Mansfield	Swank
Bland, Va.	Hayden	Montague	Ten Eyck
Blanton	Huddleston	Moore, Va.	Thomas
Bowling	Humphreys, Miss.	Nelson, J. M.	Tucker
Box	Jeffers, Ala.	O'Connor	Turner
Briggs	Jones, Tex.	Parks, Ark.	Tyson
Bulwinkle	Ketcham	Quin	Upshaw
Byrnes, S. C.	Kincheloe	Raker	Vinson
Byrns, Tenn.	Lanham	Rankin	Weaver
Carter	Lankford	Rayburn	Wilson
Collier	Larsen, Ga.	Rossdale	Wingo
Connally, Tex.	Lazaro	Rouse	Wise
Davis, Tenn.	Lea, Calif.	Sanders, Tex.	Wright
Deal	Lee, Ga.	Sandlin	
Driver	London	Sears	
Dupré	Lowrey	Sisson	

NAYS—141.

Andrews, Nebr.	Dallinger	Kearns	Radcliffe
Anthony	Dempsey	Kelly, Pa.	Ramseyer
Appleby	Denison	Kiess	Reed, N. Y.
Atkeson	Dickinson	Kissel	Rhodes
Bacharach	Dowell	Kopp	Ricketts
Barbour	Dunbar	Kraus	Roach
Beck	Elliott	Lampert	Robsion
Begg	Faust	Leatherwood	Sanders, Ind.
Bird	Fess	Longworth	Scott, Tenn.
Bland, Ind.	Fish	McArthur	Shaw
Boies	Fitzgerald	McCormick	Shelton
Bond	Foster	McLaughlin, Mich.	Shreve
Brown, Tenn.	Freeman	McLaughlin, Nebr.	Siegel
Burdick	French	MacGregor	Sinclair
Burroughs	Frothingham	MacLafferty	Sinnott
Burtness	Fuller	Madden	Smith, Idaho
Campbell, Kans.	Gernerd	Magee	Speaks
Campbell, Pa.	Graham, Ill.	Mapes	Sproul
Chindblom	Green, Iowa	Michener	Stafford
Christopherson	Greene, Mass.	Miller	Stephens
Clague	Greene, Vt.	Mondell	Strong, Kans.
Clarke, N. Y.	Griest	Moore, Ohio	Strong, Pa.
Clouse	Hadley	Moores, Ind.	Summers, Wash.
Cole, Iowa	Hardy, Colo.	Morgan	Swing
Cole, Ohio	Haugen	Mott	Taylor, Tenn.
Colton	Hawes	Murphy	Temple
Cooper, Ohio	Herrick	Nelson, Me.	Thompson
Copley	Hickey	Newton, Mo.	Tilson
Coughlin	Hicks	Norton	Timberlake
Cramton	Hill	Parker, N. Y.	Tinkham
Crowther	Huck	Paul	Towner
Curry	Humphrey, Nebr.	Purnell	Underhill

Vaile	Wason	Williams, Ill.	Young
Vestal	Watson	Williamson	
Voigt	Webster	Wood, Ind.	
Volstead	White, Kans.	Wurzbach	

NOT VOTING—211.

Ackerman	Fairfield	Kitchin	Pringey
Anderson	Fenn	Kleczka	Rainey, Ala.
Andrew, Mass.	Focht	Kline, N. Y.	Rainey, Ill.
Ansorge	Fordney	Kline, Pa.	Ransley
Arentz	Frear	Knight	Reber
Bankhead	Free	Knutson	Reece
Barkley	Fulmer	Kreider	Reed, W. Va.
Beedy	Funk	Kunz	Riddick
Benham	Gahn	Langley	Riordan
Bixler	Gallivan	Larson, Minn.	Robertson
Blakeney	Garrett, Tex.	Lawrence	Rodenberg
Bowers	Gensman	Layton	Rogers
Brand	Gifford	Lee, N. Y.	Rose
Brennan	Gilbert	Lehlbach	Rosenbloom
Britten	Glynn	Lineberger	Rucker
Brooks, Ill.	Goldsborough	Linthicum	Ryan
Brooks, Pa.	Goodykoontz	Little	Sabath
Browne, Wis.	Gorman	Logan	Sanders, N. Y.
Buchanan	Gould	Luce	Schall
Burke	Graham, Pa.	Luhring	Scott, Mich.
Burton	Griffin	McFadden	Slemp
Butler	Hammer	McKenzie	Smith, Mich.
Cable	Hardy, Tex.	McLaughlin, Pa.	Snell
Cannon	Hawley	McPherson	Snyder
Cantrill	Hays	McSwain	Steenerson
Carew	Henry	Martin	Stiness
Chalmers	Hersey	Mead	Stoll
Chandler, N. Y.	Himes	Merritt	Sullivan
Chandler, Okla.	Hoch	Michaelson	Sumners, Tex.
Clark, Fla.	Hogan	Mills	Sweet
Classon	Hooker	Montoya	Tague
Cockran	Hudspeth	Moore, Ill.	Taylor, Ark.
Codd	Hukriede	Morin	Taylor, Colo.
Collins	Hull	Mudd	Taylor, N. J.
Connolly, Pa.	Husted	Nelson, A. P.	Thorpe
Cooper, Wis.	Hutchinson	Newton, Minn.	Tillman
Crago	Ireland	O'Brien	Tincher
Crisp	Jacoway	Ogden	Treadway
Cullen	James	Oldfield	Volk
Dale	Jefferis, Nebr.	Oliver	Walters
Darrow	Johnson, Ky.	Olpp	Ward, N. Y.
Davis, Minn.	Johnson, Miss.	Osborne	Ward, N. C.
Dominick	Johnson, S. Dak.	Overstreet	Wheeler
Doughton	Johnson, Wash.	Paige	White, Me.
Drane	Jones, Pa.	Park, Ga.	Williams, Tex.
Drewry	Kahn	Parker, N. J.	Winslow
Dunn	Keller	Patterson, Mo.	Woodruff
Dyer	Kelley, Mich.	Patterson, N. J.	Woods, Va.
Echols	Kendall	Perkins	Woodyard
Edmonds	Kennedy	Perlman	Wyant
Ellis	Kindred	Petersen	Yates
Evans	King	Porter	Zihlman
Fairchild	Kirkpatrick	Pou	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. Ellis with Mr. Crisp.

Mr. Bixler with Mr. Fulmer.

Mr. Michaelson with Mr. Doughton.

Mr. Davis of Minnesota with Mr. Johnson of Kentucky.

Mr. Hutchinson with Mr. Brand.

Mr. Paige with Mr. Hammer.

Mr. Ackerman with Mr. Goldsborough.

Mr. Kahn with Mr. Cockran.

Mr. McPherson with Mr. Gallivan.

Mr. Brooks of Illinois with Mr. O'Brien.

Mr. Porter with Mr. Bankhead.

Mr. Fenn with Mr. Drewry.

Mr. Mudd with Mr. Park of Georgia.

Mr. Beedy with Mr. McSwain.

Mr. Patterson of Missouri with Mr. Cantrill.

Mr. Graham of Pennsylvania with Mr. Pou.

Mr. Merritt with Mr. Kindred.

Mr. Burton with Mr. Cullen.

Mr. Moore of Illinois with Mr. Oliver.

Mr. Hukriede with Mr. Jacoway.

Mr. Dunn with Mr. Barkley.

Mr. Fordney with Mr. Gilbert.

Mr. Olpp with Mr. Drane.

Mr. Butler with Mr. Martin.

Mr. King with Mr. Griffin.

Mr. Langley with Mr. Clark of Florida.

Mr. Bowers with Mr. Tague.

Mr. Keller with Mr. Linthicum.

Mr. Free with Mr. Buchanan.

Mr. Patterson of New Jersey with Mr. Garrett of Texas.

Mr. Rogers with Mr. Dominick.

Mr. Cable with Mr. Johnson of Mississippi.

Mr. Snell with Mr. Carew.

Mr. Lehlbach with Mr. Oldfield.

Mr. Anderson with Mr. Hardy of Texas.

Mr. A. P. Nelson with Mr. Rainey of Alabama.

Mr. Codd with Mr. Mead.

Mr. Gorman with Mr. Hooker.

Mr. Brennan with Mr. Riordan.

Mr. Osborne with Mr. Kitchin.

Mr. Edmonds with Mr. Taylor of Colorado.

Mr. Kendall with Mr. Sullivan.

Mr. Tincher with Mr. Ward of North Carolina.

Mr. Johnson of South Dakota with Mr. Hudspeth.

Mr. Britten with Mr. Logan.

Mr. Rose with Mr. Rucker.

Mr. Snyder with Mr. Kunz.

Mr. Hoch with Mr. Sumners of Texas.

Mr. Lawrence with Mr. Sabath.

Mr. Scott of Michigan with Mr. Overstreet.

Mr. Johnson of Washington with Mr. Rainey of Illinois.

Mr. Treadway with Mr. Woods of Virginia.

Mr. Winslow with Mr. Collins.

Mr. Perkins with Mr. Williams of Texas.

Mr. McFadden with Mr. Stoll.

Mr. Yates with Mr. Taylor of Arkansas.

Mr. Taylor of New Jersey with Mr. Tillman.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER pro tempore. The question now is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. WOOD of Indiana, a motion to reconsider the vote by which the bill was passed was laid on the table.

MILITARY APPROPRIATIONS.

Mr. ANTHONY, by direction of the Committee on Appropriations, reported the bill (H. R. 13793; Rept. No. 1397) making appropriations for military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, which was read a first and second time, and, with the accompanying report, ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. GARRETT of Tennessee. Mr. Speaker, I reserve all points of order.

The SPEAKER pro tempore. The gentleman from Tennessee reserves all points of order.

CHANGE OF REFERENCE.

Mr. COLTON. Mr. Speaker, I ask unanimous consent for a change of reference of House Concurrent Resolution 77 from the Committee on Coinage, Weights, and Measures to the Committee on Mines and Mining.

The SPEAKER pro tempore. Is there objection?

Mr. BYRNS of Tennessee. Reserving the right to object, what is the character of the resolution?

Mr. COLTON. Mr. Speaker, the resolution provides for the appointment of a commission to make investigations concerning the silver situation, the production of silver. It is a resolution dealing entirely with the production of silver and has nothing to do at all with the subject of coinage, weights, and measures. The Committee on Coinage, Weights, and Measures consents to the change.

Mr. GARRETT of Tennessee. Well, it just strikes me from what the gentleman states about it that this probably ought to go to the Committee on Rules. Does it increase the power of the Committee on Mines and Mining, or the power which any other committee possesses?

Mr. COLTON. No; it simply provides for an investigating committee to be appointed by the President of the United States.

Mr. GARRETT of Tennessee. That would go to the Committee on Rules, I would say to the gentleman, in the regular order of business. Is there any hurry about it? Will not the gentleman defer his request until Monday?

Mr. COLTON. I think there is no hurry about it, and I would just as soon defer the matter until Monday as not.

Mr. GARRETT of Tennessee. Let us have a chance to look into it.

The SPEAKER pro tempore. The gentleman from Utah withdraws his request for the present.

CONFERENCE REPORT—INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I call up the conference report on the Interior Department appropriation bill.

The SPEAKER pro tempore. The gentleman from Michigan calls up the conference report on the Interior Department appropriation bill.

Mr. CRAMTON. And ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER pro tempore. And asks unanimous consent that the statement be read in lieu of the report. Is there objection? [After a pause.] The Chair hears none.

The Clerk read the statement.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 10, 11, 12, 13, 16, 17, 18, 19, 24, 25, 29, 32, 34, 35, 38, 41, 43, and 47.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 14, 15, 20, 21, 22, 23, 27, 33, 44, 46, 50, 51, 52, 54, and 56, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$11,730"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$19,230"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$365,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "*Provided further*, That not to exceed $50,000 of this appropriation may be used for surveys and resurveys under the rectangular system provided by law of public lands deemed to be valuable for oil and oil shale"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$280,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,670,190"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: On page 97 of the bill, in line 4, strike out "$1,727,700" and insert "$1,769,700"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$225,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$35,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "$73,000, including not exceeding $38,000 for completion of the widening of the Nisqually entrance to Paradise Valley Road"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$97,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 1, 2, 30, 31, 36, 37, and 53.

LOUIS C. CRAMTON,
BURTON L. FRENCH,
C. D. CARTER,
Managers on the part of the House.
REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On No. 3: Authorizes telephone service, as proposed by the Senate, to be paid from the appropriation for contingent expenses for the Department of the Interior.

On No. 4: Makes the appropriation of $5,000 for an automobile for the Secretary of the Interior "immediately available," as proposed by the Senate.

On Nos. 5 and 6: Appropriates $41,900, as proposed by the Senate, instead of $41,000, as proposed by the House, for printing and binding for the Bureau of Mines.

On No. 7: Restores the appropriation of $15,000, carried in the bill as it passed the House and stricken out by the Senate, for the suppression of the traffic in intoxicating liquors among the natives of Alaska.

On Nos. 8 and 9: Appropriates $11,730, instead of $11,100, as proposed by the House, and $12,300, as proposed by the Senate, for clerk hire in the office of the surveyor general for Alaska.

On Nos. 10 and 11: Appropriates $15,820, as proposed by the House, instead of $16,120, as proposed by the Senate, for clerk hire in the office of the surveyor general for Arizona.

On Nos. 12 and 13: Appropriates $12,000, as proposed by the House, instead of $13,500, as proposed by the Senate, for clerk hire in the office of the surveyor general for California.

On Nos. 14 and 15: Appropriates $14,520, as proposed by the Senate, instead of $11,100, as proposed by the House, for clerk hire in the office of the surveyor general for Colorado.

On Nos. 16 and 17: Appropriates $13,180, as proposed by the House, instead of $14,000, as proposed by the Senate, for clerk hire in the office of the surveyor general for Montana.

On Nos. 18 and 19: Appropriates $11,100, as proposed by the House, instead of $12,040, as proposed by the Senate, for clerk hire in the office of the surveyor general for Nevada.

On Nos. 20 and 21: Appropriates $14,650, as proposed by the Senate, instead of $11,100, as proposed by the House, for clerk hire in the office of the surveyor general for New Mexico.

On Nos. 22 and 23: Appropriates $13,500, as proposed by the Senate, instead of $11,100, as proposed by the House, for clerk hire in the office of the surveyor general for Utah.

On Nos. 24 and 25: Appropriates $9,980, as proposed by the House, instead of $10,600, as proposed by the Senate, for clerk hire in the office of the surveyor general for Wyoming.

On No. 26: Appropriates $365,000, instead of $360,000 as proposed by the House and $370,000 as proposed by the Senate, for contingent expenses of land offices.

On No. 27: Appropriates $699,600, as proposed by the Senate, instead of $650,000, as proposed by the House, for surveying public lands.

On No. 28: Inserts the proviso, proposed by the Senate, making $50,000 of the appropriation for surveying public lands available for surveys and resurveys of public lands deemed to be valuable for oil and oil shale, but strikes out that portion of the proviso making the sum available for office work in offices of surveyors general.

On No. 29: Restores the words "including peyote," as inserted by the House and stricken out by the Senate, to the paragraph making appropriation for the suppression of the traffic in intoxicating liquors and deleterious drugs among Indians.

On No. 32: Strikes out the provision, inserted by the Senate, extending until December 31, 1924, the time for the reimbursement of the sums appropriated for the benefit of the Indians of the Klamath Indian Reservation in Oregon, under the authority of the last paragraph of section 19 of the Indian appropriation act approved May 25, 1918.

On No. 33: Makes immediately available, as proposed by the Senate, $35,000 of the sum appropriated for continuing construction of an irrigation system within the diminished Shoshone or Wind River Reservation in Wyoming.

On Nos. 34 and 35: Appropriates $3,000, as proposed by the House, instead of $4,000, as proposed by the Senate, for the salary of the disbursing clerk for the payment of pensions.

On No. 38: Appropriates $300,000, as proposed by the House, instead of $325,000, as proposed by the Senate, for geologic surveys.

On No. 39: Appropriates $280,000, instead of $225,000, as proposed by the House, and $300,000, as proposed by the Senate, for the examination and classification of lands by the Geological Survey.

On No. 40: Corrects the total for the Geological Survey.

On No. 41: Restores the paragraphs, inserted by the House and stricken out by the Senate, authorizing the acquisition of land by the Bureau of Mines for fuel yard and garage purposes.

On No. 42: Appropriates $75,000, as proposed by the Senate, instead of $33,000, as proposed by the House, for the purchase of land at Bruceton, Pa., and makes the sum available for the purchase of the unmined coal surrounding the mine.

On Nos. 43, 44, and 45, relating to Glacier National Park, Mont.: Appropriates $100,000, as proposed by the House, instead of $125,000, as proposed by the Senate, for maintenance; and appropriates $125,000, as proposed by the Senate, instead of $115,000, as proposed by the House, for construction of physical improvements.

On Nos. 46, 47, and 48, relating to Mesa Verde National Park, Colo.: Appropriates $25,000, as proposed by the Senate, instead of $21,000, as proposed by the House, for maintenance; and appropriates $10,000, as proposed by the House, instead of $14,000, as proposed by the Senate, for construction of physical improvements.

On Nos. 49 and 50, relating to Mount Rainier National Park, Wash.: Appropriates $73,000, as proposed by the Senate, instead of $35,000, as proposed by the House, for construction of physical improvements, and makes $38,000 of that sum available for "completion of the widening," instead of "continuing widening," as proposed by the Senate, of the Nisqually entrance to Paradise Valley Road.

On Nos. 51 and 52, relating to Sequoia National Park, Calif.: Appropriates $85,000, as proposed by the Senate, instead of $80,000, as proposed by the House, for construction of physical improvements.

On No. 54, relating to purchase of supplies, etc., by the National Park Service outside the District of Columbia: Provides that same may, when the aggregate amount does not exceed $50, be made in the open market in the manner common among business men, "without compliance with sections 3709 and 3744 of the Revised Statutes of the United States," as proposed by the Senate, instead of without "contract or bond," as proposed by the House.

On Nos. 55 and 56, relating to Columbia Institution for the Deaf: Appropriates $97,000 instead of $95,000, as proposed by the House, and $100,000, as proposed by the Senate, for support of the institution, and appropriates $10,000, as proposed by the Senate, instead of $9,000, as proposed by the House, for repairs to buildings.

The committee of conference have not agreed upon the following amendments of the Senate:

On Nos. 1 and 2: Appropriating $4,000, instead of $3,500, as proposed by the House, for the salary of the chief clerk of the Department of the Interior.

On No. 30: Fixing the fees to be paid by the heirs of deceased Indian allottees for the determination of their right, title, or interest in any trust or restricted property.

On No. 31: Equipping and maintaining the former Fort Apache military post in Arizona as an Indian boarding school.

On No. 36: Fixing the sale price for certain papers reproduced for sale by the Patent Office.

On No. 37: Relating to the repayment of the construction cost of the Milk River irrigation project, Montana.

On No. 53: Relating to the sale and donation of surplus animals inhabiting Yellowstone National Park.

LOUIS C. CRAMTON,
BURTON L. FRENCH,
C. D. CARTER,
Managers on the part of the House.

Mr. CRAMTON. Mr. Speaker, I think that no large appropriation bill passed by the House was ever accepted by the Senate in a greater degree than this bill. The Senate added only $411,000 to a bill which passed the House at $294,347,000. We retain the language almost altogether.. I ask unanimous consent to extend my remarks in the RECORD by making a detailed statement of the financial changes.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The statement is as follows:

Interior Department appropriation bill, 1924.

CONFERENCE REPORT.

Total appropriations Interior Department, 1923	$297,212,065.10
Budget, 1924	295,358,252.00
Amount of bill as passed Senate	294,758,000.00
Amount of bill as passed House	294,347,000.00
Added by the Senate	411,000.00
House has receded from	$222,500.00
House managers will recommend further recessions amounting to	105,800.00
Total House recession	328,300.00
Senate has receded from	72,750.00
Senate recession involved in Theodore Roosevelt Indian School amendment, which the House managers will recommend to recede from and concur in with an amendment	9,950.00
Total Senate recession	82,700.00
Bill as agreed upon then will total	294,675,300.00

House recessions:

Printing and binding, Bureau of Mines	900.00
Clerk hire, offices of surveyors general	10,000.00
Contingent expenses, land offices	5,000.00
Surveying public lands	49,800.00
Classification of lands, Geological Survey	55,000.00
Purchase of land at Bruceton, Pa., under Bureau of Mines	42,000.00
Glacier National Park	10,000.00
Mesa Verde National Park	4,000.00
Mount Rainier National Park	38,000.00
Sequoia National Park	5,000.00
Columbia Institution for Deaf	3,000.00
Total	222,500.00

Senate recessions:

Prohibition in Alaska (restoration of House item)	15,000.00
Clerk hire, offices of surveyors general	4,750.00
Contingent expenses, land offices	5,000.00
Disbursing officer for payment of pensions	1,000.00
Geologic surveys	25,000.00
Classification of lands, Geological Survey	20,000.00
Glacier National Park	25,000.00
Mesa Verde National Park	4,000.00
	87,750.00
Net Senate recessions	72,750.00

Items brought back:

Office of Secretary, salary of chief clerk—	
House figure	3,500.00
Senate figure	4,000.00
Proposed figure	4,000.00
Theodore Roosevelt Indian School—	
House figure	None.
Senate figure	115,250.00
Proposed figure	105,300.00

Mr. CRAMTON. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 1: Page 2, line 8, strike out "$3,500" and insert "$4,000."

Mr. CRAMTON. Mr. Speaker, upon that the Senate restored the figure to the amount that the official is now drawing under the current law. I move that the House recede and concur in Senate amendment No. 1.

The question was taken, and the amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 3 of the bill, line 9, strike out the figures "$221,520" and insert the figures "$222,020."

Mr. CRAMTON. Mr. Speaker, that is merely a change in the total, and I move that the House recede and concur.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 30: Page 29, line 23, after the word "herein," insert: "*Provided further*, That hereafter upon a determination of the heirs to any trust or restricted Indian property of the value of $250 or more, or to any allotment, or, after approval by the Secretary of the Interior, of any will covering such trust or restricted property, there shall be paid by such heirs, or by the beneficiaries under such will, or from the estate of the decedent, or from the proceeds of sale of the allotment, or from any trust funds belonging to the estate of the decedent, the sum of $20 where the appraised value of the estate of the decedent is $250 or more and does not exceed $1,000. Where the appraised value of the estate of the decedent is more than $1,000 and less than $2,000, $25; where the appraised value of the estate of the decedent is $2,000 or more and does not exceed $3,000, $30; where the appraised value of the estate of the decedent is more than $3,000 but does not exceed $5,000, $50; where the appraised value of the estate of the decedent is more than $5,000 but does not exceed $7,500, $65; and where the appraised value of the estate of the decedent is more than $7,500, $75; which amount shall be accounted

for and paid into the Treasury of the United States, and a report shall be made annually to Congress by the Secretary of the Interior on or before the first Monday in December of all moneys collected and deposited as herein provided."

Mr. CRAMTON. Mr. Speaker, I move that the House recede and concur. And in connection with that I would like to state, Mr. Speaker, that this language provides for the increased fees to be paid out of the estates of Indians in certain cases. It is recommended by the Indian Bureau. The same language is embodied in a bill which has been recommended to the House by the Committee on Indian Affairs. I have consulted the gentleman from New York [Mr. SNYDER], chairman of that committee, and our action in this instance is not disagreed to by him.

Mr. CARTER. If the gentleman will permit, it is also stated by the Indian Bureau under the present language of the law a deficiency occurs each year and this matter is not self-sustaining. Under these changes it is thought by the bureau that the item will be completely self-sustaining.

Mr. CRAMTON. It will make this work self-sustaining.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. STAFFORD. Wherein does the suggested legislative amendment differ from existing law?

Mr. CRAMTON. There is some increase in the fee charged.

Mr. STAFFORD. Has the gentleman any data as to the amount of mony that at present accrues from the administration of these trust estates, and how much it is estimated will accrue if this provision is adopted?

Mr. CRAMTON. My recollection is that there is a deficiency of between $7,000 and $8,000 under this statute, and that this increase of fee will be sufficient to take care of that deficit. In other words, the increase will be somewhere between $7,000 and $8,000, or a little more.

Mr. STAFFORD. How much accrues under the existing law at the present rates?

Mr. CRAMTON. I do not have that at hand at the moment, although it is in the hearings. I will say that our committee went into this in the hearings, but because it is a legislative item we did not include it in the bill as reported by us.

Mr. STAFFORD. What is the theory upon which the Government is proceeding to levy fees on trust estates when they are transferred to the various Indians?

Mr. CRAMTON. The scale of fees under the present law runs from $15 to $50. The change proposed is from $20 to $75.

Mr. STAFFORD. The theory in levying the fee is that there would be a sufficient amount raised to meet the administration expenses of the trust?

Mr. CRAMTON. That is the idea.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Michigan [Mr. CRAMTON] to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 31: After line 7 insert——

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent, without the reading of the amendment, to move to recede and concur with an amendment.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to recede and concur in the Senate amendment with an amendment.

Mr. GARRETT of Tennessee. Mr. Speaker, is it very long?

Mr. CRAMTON. The only difference between the Senate amendment and the House amendment is a cut of about $10,000. I will withdraw my request, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment No. 31: Page 34, after line 7, insert: "The Secretary of the Interior is hereby authorized to establish and maintain the former Fort Apache military post as an Indian boarding school for the purpose of carrying out treaty obligations, to be known as the Theodore Roosevelt Indian School. For support and education of 350 pupils, including pay of superintendent, $78,750; for repairs, remodeling, and improvement, $17,800; for purchase of equipment, $17,500; for collection and transportation of pupils, $1,200; in all, $115,250, to be immediately available: *Provided*, That the Fort Apache military post, and land appurtenant thereto, shall remain in the possession and custody of the Secretary of the Interior so long as they shall be required for Indian school purposes."

Mr. CRAMTON. I move that the House recede and concur with an amendment.

The SPEAKER pro tempore. The gentleman from Michigan moves to recede and concur with an amendment. The Clerk will report the amendment.

The Clerk read as follows:

Mr. CRAMTON moves that the House recede from its disagreement to Senate amendment No. 31 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"The Secretary of the Interior is hereby authorized to establish and maintain the former Fort Apache military post as an Indian boarding school for the purpose of carrying out treaty obligations, to be known as the Theodore Roosevelt Indian School. For support and education of 350 pupils, including pay of superintendent, $70,000; for repairs, remodeling, and improvement, $17,800; for purchase of equipment, $17,500; in all, $105,300, to be immediately available: *Provided*, That the Fort Apache military post, and land appurtenant thereto, shall remain in the possession and custody of the Secretary of the Interior so long as they shall be required for Indian school purposes."

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Michigan, to recede and concur with an amendment.

Mr. STAFFORD. Mr. Speaker, will the gentleman explain in a word how these children are receiving instruction?

Mr. CRAMTON. They are not receiving it. We have treaty obligations with the Navajos, but, as I remember, there are about 2,000 that are not in schools.

Mr. CARTER. Five thousand.

Mr. CRAMTON. This will take care of a portion of them, utilizing a military post for that purpose; a post that is not now in use. The amendment that I am offering reduces the item about $10,000.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Michigan, to concur with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 36: On page 77, line 22, insert: "Such papers when reproduced for sale to be sold at not less than cost plus 10 per cent."

Mr. CRAMTON. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER pro tempore. The gentleman from Michigan moves to recede and concur with an amendment. The Clerk will report the amendment.

The Clerk read as follows:

Mr. CRAMTON moves that the House recede from its disagreement to the amendment of the Senate No. 36 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Such other papers when reproduced for sale to be sold at not less than cost plus 10 per cent."

Mr. CRAMTON. Mr. Speaker, the only change suggested in my amendment is to insert the word "other," in order to clarify the sense.

Mr. STAFFORD. It is not intended that the papers included in the proceedings shall be sold in that way, but only "other papers" are to be sold under these conditions?

Mr. CRAMTON. Yes; only that class of papers. The preceding classes are covered by existing law.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Michigan.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 37: Page 85, line 13, insert: "*Provided*, That repayment of the construction cost of the project may be made through a division by the Secretary of the Interior of such cost into a primary construction charge and a supplemental construction charge, of approximate equality, the former payable according to section 2 and the latter payable according to section 4 of the extension act of August 13, 1914 (38 Stat. L., p. 686)."

Mr. CRAMTON. Mr. Speaker, I move that the House recede and concur.

The SPEAKER pro tempore. The gentleman from Michigan moves that the House recede and concur.

Mr. CRAMTON. And in connection with that I should state that this came to us and a hearing was had upon it, but it being of a legislative character, it was not included in the bill by the House committee. It has the full indorsement of Director Davis. It is apparent that something must be done. It only puts this project within the existing law referred to. It has the approval of Mr. SMITH, chairman of the Committee on Irrigation of Arid Lands of the House, and our course in agreeing to it was in accordance with his wishes.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Michigan.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 53: Page 107, line 8, insert: "Hereafter the Secretary of the Interior is authorized, in his discretion and under regulations to be prescribed by him, to give surplus elk, buffalo, bear, beaver, and predatory animals inhabiting Yellowstone National Park to Federal, State, county, and municipal authorities for preserves, zoos, zoological gardens, and parks: *Provided*, That the said Secretary may sell or otherwise dispose of the surplus buffalo of the Yellowstone National Park herd, and all moneys received from the sale of any such surplus buffalo shall be deposited in the Treasury of the United States as miscellaneous receipts."

Mr. CRAMTON. Mr. Speaker, I move to recede and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Michigan moves to recede and concur in the Senate amendment.

Mr. CRAMTON. That provision, Mr. Speaker, is the recommendation of Mr. Albright, the superintendent of the Yellowstone National Park and is to meet their pressing problems. I have consulted with the gentleman from Oregon [Mr. SINNOTT], chairman of the Committee on the Public Lands, who is in accord with the amendment. I ask unanimous consent to extend my remarks to include the statement of Mr. Albright.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

The statement referred to is as follows:

The above provision authorizes the Secretary of the Interior to give surplus elk, bear, beaver, and predatory animals to public institutions. It also authorizes the donation of buffalo in the same manner, but in addition gives the Secretary permission to sell or otherwise dispose of the buffalo as may, in his judgment, seem advisable. In this latter instance he is not bound to confine the disposition to public institutions.

For some years past the department has been donating surplus elk, buffalo, and other animals to public preserves, municipal parks, etc., and this practice has enabled many States to stock their lands with animals, particularly elk, besides reducing to a degree the problem in Yellowstone—which, by the way, exists in no other national park—of caring for more animals than is economically possible. An investigation made a year or two ago by the Biological Survey of the United States Department of Agriculture produced evidence that the whole experiment of transplanting elk was very successful. These animals are shipped in larger numbers than any of the others because their population is larger and they multiply comparatively fast.

The authority sought above, therefore, as far as the animals generally are concerned, is only to give sanction to what has heretofore been considered proper within the administrative discretion of the Secretary. It will, however, prevent any question arising in the future in connection with this feature of park work.

Notwithstanding the fact that practically every request for buffalo coming from a public institution has been granted, the demand from this source is too limited to have any appreciable effect in keeping the herd to such a size that it can be accommodated on the range that is available. Therefore, in the interests of better administration it is desirable that some other means should be available for disposing of the surplus, either by sale or otherwise, in the discretion of the Secretary. For instance, there are in this country a number of private owners of buffalo herds who are making a bona fide effort to reestablish this magnificent animal, and to encourage them in the undertaking the department should be in a position to allow them from time to time to have some of the surplus Yellowstone buffalo for the infusion of new blood.

An expression of opinion of the proposed plan for the distribution of surplus buffalo was recently sought from some of the foremost game conservation organizations in this country, and favorable replies were received from the American Humane Association, the National Association of Audubon Societies, the American Game Protective and Propagation Association, and the New York Zoological Society.

The "tame" herd of buffalo in Yellowstone Park was established under authority contained in the act of July 1, 1902 (32 Stat., 574), with an appropriation of $15,000 for the purpose. Twenty-one animals were purchased in the fall of that year, and these have multiplied until now the herd contains 578. It is estimated that the "wild" herd, a remnant of the vast hordes that once roamed this region, numbers from 125 to 150, but it has no place in the present discussion.

In the distribution of buffalo or other animals no expense is incurred by the Government, as the invariable rule has been made that the recipient must defray all expenses incident to capturing, crating, and transporting the animals.

H. M. ALBRIGHT.
Superintendent Yellowstone National Park.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan to recede and concur in the Senate amendment.

The motion was agreed to.

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Craven, one of its clerks, announced that the Vice President had appointed Mr. SUTHERLAND and Mr. GERRY members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the office of the Comptroller General of the United States.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 13559, "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes."

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, a Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3846. An act to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921; to the Committee on Interstate and Foreign Commerce.

MESSAGE FROM THE PRESIDENT.

A message, in writing, from the President was communicated to the House by Mr. Latta, one of his secretaries.

CHANGE OF REFERENCE.

Mr. COLTON. I renew my request for unanimous consent for change of reference of House Concurrent Resolution 77 from the Committee on Coinage, Weights, and Measures to the Committee on Mines and Mining.

The SPEAKER pro tempore. The gentleman from Utah asks unanimous consent for the change of reference referred to. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, I have examined the resolution since the gentleman proffered his request a few moments ago, and I have no objection to the change of reference. I want simply to say that it is a rather singular sort of resolution. It provides for the appointment by the President of the United States of a committee made up wholly of Members of Congress. I have an idea that some Members of the House may object to that kind of legislation.

Mr. COLTON. In answer to what the gentleman has said I will say that this is a resolution introduced by Senator NICHOLSON, of Colorado, and introduced in the House by me at his request. It will be rewritten and changed and reintroduced, and the provision that the gentleman refers to will be eliminated.

The SPEAKER pro tempore. Without objection, the reference of the resolution will be made as requested.

There was no objection.

CLAIMS OF NORWEGIAN SUBJECTS AGAINST THE UNITED STATES (S. DOC. NO. 288).

The SPEAKER laid before the House the following message from the President, which, with the accompanying documents, was ordered printed and referred to the Committee on Appropriations:

To the Senate and House of Representatives:

I transmit herewith a report of the Secretary of State respecting the arbitration of claims of Norwegian subjects against the United States arising out of requisitions by the United States Shipping Board Emergency Fleet Corporation requesting that I recommend that an appropriation be made to satisfy the award rendered by the arbitral tribunal against the United States, with interest to date of payment, and that in making the appropriation authorization be granted to withhold from the total amount of the award the sum of $22,800 with which to pay the claim of Page Bros., American citizens, mentioned in the agreement of June 30, 1921, and in the award of the tribunal.

I recommend that in order to effect prompt satisfaction of the award made by the arbitral tribunal the Congress authorize the requisite appropriation.

A copy of the award is attached hereto.

WARREN G. HARDING.

THE WHITE HOUSE, *January 12, 1923.*

LEAVE TO EXTEND REMARKS.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the bill passed to-day.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to revise and extend his remarks as indicated. Is there objection?

There was no objection.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted to Mr. HOCH, for two days, on account of illness.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 43 minutes p. m.) the House, under the order heretofore made, adjourned until Sunday, January 14, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

905. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Ponce Harbor, P. R. (H. Doc. No. 532); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

906. A letter from the Secretary of War, transmitting a draft of proposed legislation providing that hereafter members of the Officers' Reserve Corps when called into active service, irrespective of the length of such service, shall receive the same mileage allowance as that provided by law for officers of the Army when traveling under competent orders without troops; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 10799. A bill to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the National Cemetery, Philadelphia, Pa.; without amendment (Rept. No. 1396). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 13046. A bill authorizing the Secretary of the Treasury to convey to the city of Wilmington, N. C., marine hospital reservation; with an amendment (Rept. No. 1398). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEN of Iowa: Committee on Ways and Means. H. R. 10816. A bill to fix the annual salary of the collector of customs for the district of North Carolina; without amendment (Rept. No. 1399). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McARTHUR: Committee on Naval Affairs. H. R. 10280. A bill for the relief of Pay Inspector Charles R. O'Leary, United States Navy; with amendments (Rept. No. 1389). Referred to the Committee of the Whole House.

Mr. SWING: Committee on Naval Affairs. H. R. 10774. A bill for the relief of John H. Lang; without amendment (Rept. No. 1390). Referred to the Committee of the Whole House.

Mr. SWING: Committee on Naval Affairs. H. R. 1263. A bill for the relief of Charles L. McCulley; with an amendment (Rept. No. 1391). Referred to the Committee of the Whole House.

Mr. KRAUS: Committee on Naval Affairs. H. R. 9376. A bill for the relief of John L. Livingston; with an amendment (Rept. No. 1392). Referred to the Committee of the Whole House.

Mr. McARTHUR: Committee on Naval Affairs. H. R. 514. A bill authorizing the payment of an amount equal to six months' pay to Josephine H. Barin; without amendment (Rept. No. 1393). Referred to the Committee of the Whole House.

Mr. STEPHENS: Committee on Naval Affairs. H. R. 7776. A bill to correct the naval record of Garnet A. Sylvester; with an amendment (Rept. No. 1394). Referred to the Committee of the Whole House.

Mr. DARROW: Committee on Naval Affairs. H. R. 4437. A bill for the relief of James H. Gordon; with an amendment (Rept. No. 1395). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 3 of Rule XXII, committees were discharged from the consideration of the following communications, which were referred as follows:

Communication from the President of the United States, transmitting, with a letter from the Director of the Bureau of the Budget, a supplemental estimate of appropriation for the War Department for the fiscal year ending June 30, 1923, to cover the payment of claims for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army, $85,692.17; Committee on Appropriations discharged and referred to the Committee on Claims.

Letter from the Secretary of War, transmitting the claims of Anton Anderson, of Cninook, Wash., for $170 as reimbursement of the cost of repairing his fish trap; Committee on Claims discharged and referred to the Committee on Appropriations.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MORGAN: A bill (H. R. 13791) granting an increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes; to the Committee on Pensions.

By Mr. BLAND of Virginia: A bill (H. R. 13792) to authorize the Secretary of the Treasury to acquire, by condemnation or otherwise, such additional land in the city of Newport News, Va., as may be necessary for the extension and remodeling of the post-office building in said city, to cause said building to be extended and remodeled, and making appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. ANTHONY: A bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. LINEBERGER: A joint resolution (H. J. Res. 421) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. JOHNSON of South Dakota: A resolution (H. Res. 480) creating a committee on veterans' legislation; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HAWLEY: A bill (H. R. 13794) granting an increase of pension to Minerva J. Smith; to the Committee on Pensions.

By Mr. LEHLBACH: A bill (H. R. 13795) granting an increase of pension to Isabella W. Williams; to the Committee on Invalid Pensions.

By Mr. MUDD: A bill (H. R. 13796) granting a pension to Johanna Malone; to the Committee on Pensions.

By Mr. MURPHY: A bill (H. R. 13797) granting a pension to Margie A. Higginbotham; to the Committee on Pensions.

Also, a bill (H. R. 13798) granting an increase of pension to Josiephine Hoffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13799) granting a pension to Helen Phillips; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 13800) granting a pension to Neoma Brooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13801) granting a pension to Noah E. Whaley; to the Committee on Pensions.

By Mr. SPEAKS: A bill (H. R. 13802) granting a pension to Rosa Gatterdam; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 13803) granting a pension to Anna E. Best; to the Committee on Invalid Pensions.

By Mr. WINGO: A bill (H. R. 13804) granting an increase of pension to Mary A. Yoes; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6800. By Mr. BULWINKLE: Resolution of the Statesville, N. C., Farm Loan Association, in regard to proposed legislation affecting the farm loan act; to the Committee on Banking and Currency.

6801. By Mr. CURRY: Petition of 21 residents of Richmond, Calif., urging repeal of excise tax on small arms and small arms ammunition; to the Committee on Ways and Means.

6802. By Mr. CRAMTON: Petition of Max J. Herrman and other residents of Mount Clemens, Mich., urging passage of the resolution introduced to extend aid to the people of Germany and Austria; to the Committee on Foreign Affairs.

6803. Also, petition of Albert Kleinschmidt and other residents of Pigeon, Mich., urging passage of the resolution introduced purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6804. By Mr. FULLER: Petition of H. G. Young and sundry other citizens of Oswego, Ill., favoring repeal of the tax on ammunition and firearms; to the Committee on Ways and Means.

6805. By Mr. KETCHAM: Petition to abolish discriminatory tax on small-arms ammunition and firearms, signed by 21 citizens of Benton Harbor, Mich.; to the Committee on Ways and Means.

6806. Also, petition to abolish discriminatory tax on small-arms ammunition and firearms, signed by 42 citizens of Berrien County, Mich.; to the Committee on Ways and Means.

6807. Also, petition to abolish discriminatory tax on small-arms ammunition and firearms, signed by 48 citizens of Center-

ville and Three Rivers, Mich.; to the Committee on Ways and Means.

6808. Also, petition to abolish discriminatory tax on small-arms ammunition and firearms, signed by 42 citizens of Constantine, Mich.; to the Committee on Ways and Means.

6809. By Mr. KISSEL: Petition of National Conference of State Manufacturers' Associations, Chicago, Ill., favoring the substitution of a constructive policy of selective immigration by our Government for our present negative policy; to the Committee on Immigration and Naturalization.

6810. By Mr. KUNZ: Petition of Rev. Francis Bimanski and 10 other citizens of Chicago, favoring joint resolution purporting to extend aid to the famine-stricken peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6811. By Mr. OSBORNE: Petition of Mr. R. B. Sherwood and 99 other citizens of Los Angeles County, Calif., urging the passage of a law conferring citizenship upon the Indians of the United States, and urging further that if it be necessary under a recent decision to amend the Constitution to accomplish this result Congress pass such amendment and submit it to the States for ratification; to the Committee on Indian Affairs.

6812. By Mr. SANDERS of Indiana: Petition of Sallie Dawson and others, of Terre Haute, Ind., relative to House bill 7452; to the Committee on the Public Lands.

6813. By Mr. SINCLAIR: Petition of Ferdinand Leutz and 64 others, Eugene Weigel and 64 others, all of Hebron, N. Dak., urging the passage of legislation granting aid to the famine-stricken peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6814. Also, petition of 508 members of the Masonic lodges at Mandan, Minot, Kenmare, Berthold, Glenburn, Beach, Garrison, Bowman, Plaza, Flasher, New England, Hebron, Hazen, Marmarth, Tioga, and Wildrose, N. Dak., urging that the measure known as the Towner-Sterling bill receive early and favorable consideration; to the Committee on Education.

6815. By Mr. STEENERSON: Petition from citizens of the ninth congressional district, Minnesota, in favor of immediate aid to the people of Germany and Austria, to relieve them from famine; to the Committee on Foreign Affairs.

6816. Also, petition from citizens of Norman County in favor of legislation to authorize the Government to purchase grain and food supplies in the United States and supplying same to the suffering people of Germany and Austria in sufficient quantities to tide them over till spring, and thus while aiding them supplying a market for the surplus grain in the hands of the American farmer; to the Committee on Foreign Affairs.

6817. By Mr. YOUNG: Petition of conservation division of the North Dakota Federation of Women's Clubs, protesting against the passage of Senate bill No. 3519 and urging the passage of the Barbour bill without any amendments which would give to private interests the use of water power; to the Committee on Indian Affairs.

6818. Also, petition of Fessenden Community Club, Fessenden, N. Dak., asking that immediate legislation be passed to restore the agricultural industry to a basis where it can be carried on with a profit; to the Committee on Agriculture.

6819. Also, petition of Fred Albrecht and others, of Anamoose, N. Dak., urging that immediate aid be given to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6820. Also, petition of O. Lundquist and 762 others, members of the Ancient Free and Accepted Masons, residing in North Dakota, urging an early and favorable consideration of the Towner-Sterling bill and declaring that education is a national question which should have national leadership and national support; to the Committee on Education.

SENATE.

SATURDAY, *January 13, 1923.*

(Legislative day of Tuesday, January 9, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The VICE PRESIDENT. The Senate resumes the consideration of House bill 13481, the Agricultural appropriation bill.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Mr. HARRISON. Mr. President, I desire to offer an amendment to be inserted on page 10, line 18, after the numerals "1914,"

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 10, line 18, after the numerals "1914" and before the colon, insert a colon and the following proviso:

Provided, That in the expenditure of the appropriations carried in this and the preceding paragraph, if the Secretary of Agriculture and the proper officials of the college in any State fail to mutually agree upon the plans employed in the extension or demonstration work, then in no case shall any change in the plan be made in such State different from that employed in such State during the year ending January 1, 1922.

Mr. HARRISON. May I say to the Senator in charge of the bill and to the Senate that this is merely a limitation upon the appropriation, and I have offered it for this purpose and this purpose only. In the administration of the fund the law provides specifically that there shall be complete harmony and cooperation existing between the officials representing the college in each State and the Secretary of Agriculture in undertaking the extension and demonstration work. Indeed, the law specifically states and sets out that there shall be no misunderstanding between the State authorities and the Secretary of Agriculture; that any plan that might be contemplated in the particular State "shall be mutually agreed upon between the Secretary of Agriculture and the proper official representing the college in each State."

It is merely a rumor, so to speak, but I judge from certain remarks made by one of the high officials at a meeting of representatives of the land-grant colleges in Washington recently that there might be undertaken a change in certain States with reference to the extension work. The plan that has been adopted in the States in the South, especially in my State, of which I have more knowledge than of any other, though the plan has been the same in other States, has worked admirably.

The women workers in charge of the home demonstration work with respect to canning clubs organized by the girls have worked wonders. The same statement applies to the work of the demonstration agents with respect to the club work among the boys. They desire no change because they feel that the plan now in vogue in those States is the best plan and will bring about the best and most beneficent results. But the authorities, or one or two of the authorities new in the business in Washington perhaps, desire to change in some particular some special plan. The amendment merely contemplates that where the authorities of the State can not mutually agree with the Secretary of Agriculture, there shall be no change effected, but the same plan shall be adopted that was employed in those particular States in 1921.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Oregon?

Mr. HARRISON. Certainly.

Mr. McNARY. What particular criticism does the Senator find in the law as presently fashioned?

Mr. HARRISON. I have no criticism of the law as presently fashioned. I think it is a very splendid law.

Mr. McNARY. Then why does the Senator seek to change it?

Mr. HARRISON. I will explain why I say that. I know that it seems strange that I should seek to change it in the slightest respect if the present law is all right. The present provision of the law reads:

And all sums appropriated by this act for use for demonstration or extension work within any State shall be used and expended in accordance with plans mutually agreed upon by the Secretary of Agriculture and the proper officials of the college in such State.

That is absolutely all right, but the trouble is that with the power and influence of a certain Assistant Secretary of Agriculture it is contemplated to change the plan in a slight particular in certain States, one in which the authorities of the State might acquiesce, but which is not agreeable to them. The amendment which I have proposed merely provides that in the event they shall not mutually agree, the same plan shall be kept in force which was in force prior to January 1, 1922, and which has been in force heretofore since the enactment of the law.

I might go on and make a very extended argument in behalf of the matter and show more necessity for it. I hope the amendment may be agreed to. It can work no injury to the department, but will make certain officials who have been spending the money in certain States feel better about it and feel that the department is not going to revolutionize the plan that has worked so well in those States. It is feared—in fact, many of them contemplate—that it will put out of service the women who have gone around and organized the girls into canning clubs and substitute some director of the department who is a man to organize the girls in the canning work. I feel about a man organizing girls to do canning work a good deal like I feel when I see a man operate upon a piano. It seems to me

it is a work the women should undertake, and that the same plan which has been in force and worked so well should be continued. I hope the Senator will not object to the amendment.

Mr. McNARY. Let me ask the Senator if this would not work toward the undoing of any standard form of cooperative work?

Mr. HARRISON. Not at all.

Mr. McNARY. Would not each State have its own plan?

Mr. HARRISON. Why not? Conditions in the country vary with respect to the different States. A plan that is contemplated and put in force in certain Western States might be all right there, but the same plan would not meet the approval of the authorities in other States of the Union. It might be perfectly well for a man to be put at the head of the home demonstration work in certain States of the Union, and let him go around and organize the girls into canning clubs and make demonstrations to them. It might enlarge the membership of the clubs and it might render greater service. But I say that in my State a man could not do that work, and he would not receive the backing of the people, because they believe that the women should be at the head of the demonstration work with respect to the organization of girls' clubs. So I say we can not have a uniform system in practice in every State of the Union, and it should not be uniform, but in carrying on the extension work it could be such a plan as would meet the approval of the States, and, as I said, the States differ as to conditions and the wishes of the people.

Mr. McNARY. If the Senator's theory were carried out, he would take the territorial divisions of the State and reduce them to counties, and he would have 2,252 counties in the country having different standards and forms of operating under Federal aid.

Mr. HARRISON. Not necessarily at all, because I think they are going to mutually agree. I think it is going to work as it always has worked. There never has been any misunderstanding until within the last year or two, when the proposition was made by one individual, who had never been in the Department of Agriculture until 18 months ago, undertaking to revolutionize the whole proposition. There has never been any complaint heretofore on the part of the officials in any State to the Agricultural Department of the way the plan has worked in certain States, because they have seen the great benefits that accrued from it. The amendment does not provide that they must do it, but that if they can not mutually agree upon it then the same plan which operated prior to 1922 shall continue.

Mr. McNARY. It simply means if there is a disagreement between the Department of Agriculture and the authorities of the State that the State can have its way in the expenditure of the money.

Mr. HARRISON. The law now says they shall mutually agree, but under the influence and the power of the department of course they can influence the officials in a State to consent to a proposition that they really do not desire. That should not be done. No plan should be foisted upon a State that does not meet the approval of the officials or the people of the State.

Mr. McNARY. Does not the Senator then believe there should be a general plan, in unified form, under the law?

Mr. HARRISON. I certainly do not believe there should be any plan invoked and put upon a State that does not meet the conditions in the State and the wishes of the people with respect to doing the work. The Senator does not believe, I assume, that a man can organize girls into canning clubs and demonstrate as well as a woman could do the work. The women are the ones who have been carrying on the work. The plan now considered by a certain official in the Department of Agriculture is to rid the service of the women in the home-demonstration work.

I would be very glad if the Senator would allow the amendment to be adopted and let it go to conference, and let them call before the conferees a certain official who is in charge of the matter and get an explanation from him. If they do not contemplate making the change, I shall care nothing in the world about the amendment and would not in that event insist upon it. But I think that if they do contemplate that change, which from all circumstances they do, the amendment ought to be adopted, because they should not change a plan that has worked so well in certain States of the Union.

Mr. McNARY. The Senator has offered his amendment?

Mr. HARRISON. I have offered the amendment.

Mr. McNARY. Does the Senator want to dispose of it at the present time?

Mr. HARRISON. I would like to do so.

Mr. McNARY. I make the point of order against the amendment that it is new legislation.

Mr. STERLING. Mr. President, I hope the Senator will withhold his point of order for a little while.

Mr. McNARY. I am very happy to withhold it for the present.

Mr. STERLING. I sympathize with the amendment that has been offered by the Senator from Mississippi. I am a firm believer in the principle that the State or the State authorities should have the initiative in proposing plans for farm-demonstration and home-economics work. I contended for that principle when the original bill was under consideration back in 1914. It seems to me, Mr. President, that the State authorities best know conditions of climate, soil, and so forth, and are better qualified to decide as to the needs of the State and of the several communities in the State than are officials of the Department of Agriculture here at Washington. The States should have the initiative in determining needs and proposing plans. It will be a stimulus to the various States to take an interest in farm-demonstration and home-economics work if they understand that it is for them to take such initiative and suggest the various plans and methods for conducting such activities. Therefore, I am in favor of the amendment offered by the Senator from Mississippi.

Mr. HARRISON. Mr. President, on the point of order I desire to say that the amendment is a limitation of the expenditure and carries no additional appropriation. The amendment is in reality merely a limitation.

The VICE PRESIDENT. What does it limit?

Mr. HARRISON. I will ask the Secretary to read the first part of the amendment.

The VICE PRESIDENT. The Secretary will read as requested.

The ASSISTANT SECRETARY. The amendment reads:

Provided, That in the expenditure of the appropriations carried in this and the preceding paragraphs——

Mr. HARRISON. The amendment, in effect, provides that in the expenditure of the appropriation the condition set forth shall attach.

Mr. SMOOT. The amendment is not a limitation of the appropriation in any way, but it changes existing law.

Mr. HARRISON. I modify my amendment to read that "No part of this expenditure shall be made except under" the conditions set forth.

Mr. SMOOT. Then, Mr. President, if a conflict should arise between the Government and the State no part of the appropriation could be expended even if the work were undertaken. It does seem to me that if the Government of the United States is going to appropriate money to be expended for State purposes and for State purposes only it ought to have something to say as to how that money shall be expended.

Mr. HARRISON. Mr. President, will the Senator from Utah yield to me?

Mr. SMOOT. Yes.

Mr. HARRISON. I am not trying to provide that the Federal Government shall not have anything to say. The law now provides that the Government shall have something to say, and that the State authorities also shall have something to say, for the intention of the law was that the Federal Government and the State government should mutually agree upon a plan. The Agricultural Department is now undertaking in certain States to change the plan, although they assure the committee they are not attempting to do so. Their spokesman, however, before the meeting of the land-grant colleges here in Washington recently stated to the contrary, and the forms which are being prepared indicate that such an attempt is being made. It does seem to me that plans ought mutually to be agreed upon; and that is all I want. I do not wish, however, to see them put over a proposition that all the persons who are employed by the Federal Government to expend the money in the States shall operate solely under the rules promulgated by the department.

Mr. SMOOT. The trouble with the Senator's amendment is that what the Senator states is not what the amendment provides. The amendment proposes to give the authority for the expenditure of the money in a manner that might not be approved by the representatives of the Government. It is a change of existing law, and I can not see but that the point of order is well taken.

Mr. HARRISON. Let me say to the Senator that I think, as he will appreciate, the amendment only provides, as the existing law provides, that the Federal and State Governments shall mutually agree. The amendment provides that if the State and Federal Governments can not mutually agree, then there shall be followed the plans upon which they did agree from the time the law was first enacted until the 1st of January, 1922. Those plans have worked well and were in accord with the department's ideas. Those plans are perfectly acceptable; but the new plans that might be contemplated might not be

acceptable. Consequently they would not be mutually agreed upon; but under the influence and power of the administration here or of one man of the administration—for I do not think the Secretary of Agriculture knows anything about it—a plan could be put into effect which would not meet the wishes of a particular State.

I do not think there is anything in the proposition of having a uniform plan all over the country. A plan which in one State might meet the conditions there would not cost any more than the plan followed in Minnesota adopted to meet the wishes of the people of that State.

Mr. McNARY. Has the Senator found any complaint of the efforts which the department has made to adapt its plans to different State conditions?

Mr. HARRISON. Not until now.

Mr. McNARY. I have not heard any complaint from any source.

Mr. HARRISON. The Senator from Oregon would not because, perhaps, the plan contemplated would meet the wishes of his people, but I have heard complaints, and they come from more than one State.

Mr. McNARY. Has the Senator from Mississippi found it impossible for his State mutually to agree with the Government upon some plan for extension work?

Mr. HARRISON. The State and Federal officials have agreed heretofore, and they will in this case, because they know that they will lose their jobs if they do not acquiesce in the plan, although their judgment may be that it is not the best plan. I hold in my hand a report which has just been prepared.

This proposed new form of a report practically ignores home-demonstration work and organization. At a recent meeting of the representatives of the land-grant colleges, held in this city, this question arose. Mr. Smith, one of the chiefs in the department, I am very reliably informed, stated in discussing the matter that the new report form was based on the assumption that the men agents could do the nutrition, food, and other home economics work for the women and girls of their respective counties, and that the emphasis was on the employment of men agents at "adequate" salaries rather than the employment of women agents.

It is a scheme to remove the women who may now be at the head of home-demonstration work in certain States and who are specially qualified to carry on the work. Let us reward them for the splendid services they have rendered in no such way as is contemplated, but show our appreciation to them and to the girls of this country taught by them by making it possible to retain these women in the service and continue the practice and policy that has reflected credit on the department here and bestowed great benefits upon so many of the girls and boys and people of the country.

Mr. LADD. Mr. President, I am not fully prepared to take part in this discussion, I will admit, and I do not know just what there may be back of the pending proposal, but I may say that I have no sympathy whatever with the attempt to eliminate women workers in the demonstration fields, if the purpose of the provision in the bill is to do that, as has been suggested. I am entirely convinced that the more latitude that is given to the States in determining the policy for each State the better and more efficient will be the work. The difficulty at the present time in this country is that very frequently the regulations and provisions which are made here in Washington, while they may be fitted for one State do not meet the needs in another State. As one who has had more than 30 years' experience in the particular field, I feel that I know something of the needs of the country and that the rules which are adopted and the methods which are in use in Massachusetts or Pennsylvania are not adapted to some of the Southern States and some of the Western States. In other fields than this particular one is that true. It is particularly true in the case of vocational education at the present time. I am thoroughly in sympathy with the idea expressed by the Senator from Mississippi. I do not know whether there is need for the change or not, and therefore, as I have stated, perhaps I am not in a position to take an intelligent part in this discussion.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. The Chair is ready to rule. The Chair will have to rule that the amendment proposes general legislation and is subject to the point of order. The point of order is therefore sustained.

Mr. HEFLIN. Mr. President, what was the statement of the Chair?

The VICE PRESIDENT. The Chair ruled that the point of order was well taken.

Mr. HEFLIN. Mr. President, I was about to discuss the question. I will discuss it briefly anyhow.

Mr. McNARY. Does the Senator desire that the point of order be withdrawn for the present?

Mr. HEFLIN. I was about to ask the Senator from Oregon to withdraw the point of order, but the Chair had ruled before I could make the request, and so I will now consume a little time in discussing the matter.

Mr. President, in the South and West prizes have been offered by various interests to encourage girls to learn something about the canning of fruits and vegetables. Girls have gone to college where they have been trained especially for this character of work. We opened up the field for them when the Democrats were in power, and it has given employment to a vast number of girls skilled in this kind of work. They have expended money in order to equip themselves for it and some who have returned home from college have been appointed to positions and have gone out into the counties and organized girls' clubs and shown the girls how to do this work. They are teaching the wives of farmers how to can fruits and vegetables, and the work has been of vast benefit. Now we are met with an effort here to strike down that activity; to prevent women from engaging in this character of work and to turn it over to men. I submit that it is unfair to the women of the country who are now being educated and are educating themselves for this particular kind of work. It is not right that some one who has influence with the powers that be here in Washington should be able to have a provision written into this bill which will strike down this work now being conducted by women and substitute men in this particular field of activity which should be occupied by women. The proposal can not be defended in any State in the Union.

I said on yesterday, Mr. President—and I am going to repeat it now—that little by little and bit by bit the rights of the State are being crucified under this Republican administration. Local self-government in America is being destroyed. The Senator from South Dakota [Mr. STERLING] and the Senator from North Dakota [Mr. LADD] are right in their support of the amendment of the Senator from Mississippi.

In connection with an activity of this character the rules and regulations which may suit the conditions in Oregon or in New York may not suit in Alabama, Mississippi, Georgia, and other Southern States and some of the Western States. Why should we have rules and regulations foisted upon us that are antagonistic to our best interests and that militate against what we are trying to do for the good of our people? Are the principles of common sense and fairness to be thrown aside because some theorist in Washington consults the Budget Bureau and induces the Budget Bureau to write a provision saying in effect, "We will give you this money to do this work provided you do it in this way." Shall the Congress become helpless in the matter? That is what we are facing here to-day.

I dare say that two-thirds of the Senators in this Chamber would vote to incorporate the amendment of the Senator from Mississippi in the bill, but they are denied that opportunity because of the ruling of the Chair on the point of order made by my friend from Oregon. Senators, it is time to call a halt; it is time to stop, look, and listen. Whither are we drifting? Here is a body which wants to do one thing; but the Chair, under the point of order made by one Senator, gags and ties the Senate so that even two-thirds can not do what they desire to do under the hard, fast, and unfair rules which have been imposed upon this body.

Mr. President, I make this appeal for the hundreds and thousands of girls and women of the country. I insist that the amendment of the Senator from Mississippi ought to be incorporated in the bill, in order that fair treatment may be accorded to the women who are preparing themselves for this particular kind of work and who have spent many hundreds and thousands of dollars in order to educate themselves along this particular line. Yet, after they have equipped themselves, they find themselves faced with a condition brought about by the Republican Congress under which they are told, in effect, "You girls are not wanted; there is a provision in the statute that you can not carry on this work unless men shall organize it." What are we going to do with the women who have been organizing and carrying it on heretofore? Are we to throw them aside? That is exactly what this provision does under the ruling of the Chair on the point of order made by the Senator from Oregon.

Mr. President, the only thing we can do is to bide our time, as we did previous to the last election, and wait until we may have an opportunity to appeal to the judgment of the American people. We got very comforting results the last time. We will undertake to get better results the next time; and the women of America, who will know about this provision here, will resent your action to-day.

Mr. SMOOT. Mr. President, the Committee on Appropriations and the Republican Party, to which the Senator refers, are not worried about what action will be taken upon this amendment. The people of America know very well that there is a way of reaching this matter by introducing a bill in Congress, letting it go through the regular form, and amending the law if it is necessary. It can be discussed at that time; and I want to say to the Senator from Alabama that until the Senator from Mississippi rose upon his feet to-day I have not heard a word, not a single syllable, in complaint of the law—not one.

Mr. HEFLIN. It has just been discovered.

Mr. SMOOT. The same law was upon the statute books during all the time that the Senator's party was in power, and not a word was ever said.

Mr. HEFLIN. Not at all. The Senator from Mississippi has called attention to the fact that complaints have been made about how this provision is operating.

Mr. SMOOT. I did not say that they had not. I said the Senator from Mississippi was the first one that I had ever heard mention it, and I think the Senator from Mississippi is the first one that the Senator from Alabama ever heard mention it; and I doubt whether there is a Senator in this Chamber, outside of the Senator from Mississippi, who has heard one word of complaint in relation to the expenditure of that money. It does seem to me that when the Government of the United States appropriates money to be expended in the States it ought to have something to say about how it shall be expended.

Mr. HARRISON. Mr. President, evidently I did not make myself very plain. No doubt it was my fault. I said there was no cause for complaint heretofore, because they had mutually agreed upon it. The only thing I am trying to avoid is the threatened revolutionary change; that is all.

In respect to the proposition that the first time the Senator from Alabama had ever heard it was when I spoke of it, I think the Senator was in conference with some 8 or 10 Senators from the section which in part I represent when a high official from the South came and told us about this proposed change and made complaint. I think the Senator was there. The conference was held out here. Whether other Senators want to speak up about it or not, I do not know. The complaint came not only from my own State but from the State of a Senator near by; so I am merely trying to effect a change here that I think is important.

I have no fault to find, however, with the ruling of the Chair on the proposition.

Mr. SMOOT. I have not a word of complaint to make against the Senator from Mississippi for what he said; but, as usual, every day the Senator from Alabama rises upon the floor and tries to make politics of everything. It is not one day in a week, you know; sometimes it is three or four times a day, and there is not any question but that it is twisted and turned for that purpose. It would be all right if there were anything in it; but there is no politics in this, and the Senator making the point of order was absolutely correct.

If we are going to allow legislation upon appropriation bills, where are we going to stop? Are we going to confine it to the Senator from Alabama? Is he the only one who shall have the privilege of putting legislation upon an appropriation bill? If we accept one such amendment, it does seem to me that it would be unfair not to accept them all and let them go to conference.

The members of the Committee on Appropriations have a duty to perform, and these rules were made in order that the appropriation bills may at least have a chance of getting through at every session of Congress under the rules. If we did not have this rule, I will say to the Senator, legislation would not be drawn in the orderly way of introducing a bill in the House or the Senate and passing it and letting the other House act upon it, but it would be simmered down to legislation on appropriation bills. That is where it would land.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. LENROOT. Does the Senator know whether the Senator from Alabama or any of these other critics have introduced any bill to be passed upon by the Department of Agriculture correcting the alleged evils of which they complain?

Mr. SMOOT. I will say to the Senator that I have never seen one of them. Not only that but I have not even heard of it, as I have already said. Not a syllable has even been said upon the floor of the Senate before in regard to it.

Mr. HARRISON. Has the Senator finished?

Mr. SMOOT. I yield to the Senator.

Mr. HARRISON. I was just waiting until the Senator concluded his remarks.

Mr. HEFLIN. Has the Senator finished?

Mr. SMOOT. I can finish at any time, or I can proceed, but I do not want to take the time of the Senate.

Mr. HEFLIN. I want to take some time as soon as the Senator gets through.

Mr. SMOOT. I am perfectly aware of that. That does not alarm me at all. That is just as natural as that the sun will rise to-morrow morning.

I want to say, however, on behalf of the members of the committee, that there are no sectional prejudices in this action. This does not apply to one State. The law is general, applying to all the States in the Union; and I do not believe that Congress is ready to say that all of the money appropriated here to be expended in the States by our Government shall go into the States and be expended just as some one in the States thinks it ought to be. During the eight years that the Democratic Party were in power here you never heard any objections to the laws as to the Government having the administration of Federal appropriations to be expended in the States. You never heard anyone upon this side of the Chamber complaining because they were in the minority and the money was expended by the administration in power. Far be it from this side of the Chamber to undertake to make politics out of a question of that kind.

I will say to the Senator from Alabama that, as a member of the Appropriations Committee, if I had the bill in charge I would not make points of order against legislation coming from him any quicker than I would against legislation coming from any other Senator in the Chamber.

I would not care what side of the Chamber it came from; if the policy was adopted that points of order should be made against changing the law, or against new legislation upon appropriation bills, I would show no favoritism, and I think the Senator from Alabama knows that. The appropriation bill for the Interior Department passed the Senate the other day. There were at least 8 or 10 amendments against which I was compelled to make points of order. Most of them came from this side of the Chamber, but that made no difference to me. It is a matter of policy; and I want the Senate to understand that as far as the members of the Appropriations Committee are concerned—I do not mean on this side of the Chamber; I mean members of the Appropriations Committee on the Democratic side of the Chamber—they believe in that policy, and have supported the committee now as the Republican members supported the committee when the Democrats were in the majority.

Mr. HEFLIN. Mr. President, I thought I would get a rise out of the Senator from Utah. I am very glad to have him participate in this debate.

The Senator says that no complaint was made about this expenditure during the Democratic administration. That is exactly the point I am making. The Democratic Party ran these things in a way to accomplish the most good to the people. The Senator from Mississippi [Mr. HARRISON] has called attention to suggestions coming up from the various States against the provision that he is trying to amend, showing where evil is going to come from it, and I am trying to keep this thing from happening; and while I was discussing the matter, or attempting to discuss it, the Chair ruled that the amendment was not in order. So it is a hopeless proposition so far as amending this provision is concerned. The Senator from Mississippi made a very convincing statement as to the reason for this amendment. The Senator from North Dakota and the Senator from South Dakota, two Republicans, have made arguments in favor of it; but the Senator from Utah says that the Senator from Alabama wants to turn this thing into politics. Ours is a political Government and run by political parties. Politics is supposed to be the science of government. The dictionary tells us that a politician is supposed to be one who understands the science of government; and if this is a Government of the people, by the people, and for the people, we never are going to carry out that policy and keep that principle in view unless those who are sent here by the people fight for principles that will do that thing. That is what I am undertaking to do.

Mr. SMOOT. Mr. President, if the Senator feels that I have done him a wrong, I assure him now that I will never call him a politician again under the definition that was just given.

Mr. HEFLIN. Mr. President, it does not make any difference to me whether the Senator from Utah thinks I am a politician or not. I hope that I do understand something of the science of government; I have given a great deal of study to the subject, and the Senator from Utah is going to hear me many a time discuss issues in this Chamber that affect the rights and liberties of the American people.

Mr. SMOOT. Oh, I know that.

Mr. HEFLIN. And I am not ever going to consult the Senator from Utah as to when I shall rise in my place in this Chamber and speak regarding the reprehensible conduct of the Republican Party, of which he is a member. I antagonize that party and its oppressive policies. I am a Democrat, and I believe that the Republican Party to-day, as it is administering the affairs of this Government, is enriching the favored few and impoverishing the many of the Nation. As long as I believe that, I shall continue to antagonize his party.

The Senator gets up and says that the Senator from Alabama rises here about once every day, and sometimes two or three times a day. If I should rise every time the Republican Party leaders do something that should be criticized and condemned, I would be on my feet all the time; but the Senator from Utah, who seems to get nettled and worried because some Democrat applies the lash to his party in this Chamber, has wasted time if he thinks he can silence me with anything of that kind.

Now while the Senator is in the Chamber I am going to propound to him a question that is of vital importance to the American people. He is sitting day after day on the debt commission negotiating about a debt involving $4,000,000,000 to the American people, Democrats and Republicans alike, and I have been contending on this floor for Democratic representation upon that commission. I ask him now—he evaded the question the other day—if he thinks it is right and just that Democrats should have representation on that commission?

Mr. SMOOT. I will say to the Senator that I have no objection whatever to having Democratic representation on the commission, and I think there will be no question about it, as far as that is concerned, when the law is proposed to be changed. I will say to the Senator right now that no human being can settle the debts under the law existing to-day. A request will be made, I hope, for the modification of the law; and, as far as I am concerned, at the time that request is made I am perfectly willing to ask for an increase of the membership of the commission.

Mr. McKELLAR. Mr. President, will the Senator yield for just one moment?

Mr. HEFLIN. Briefly. I do not want to take up very much of the time of the Senator from Mississippi.

Mr. McKELLAR. I want to ask the Senator from Utah, since he has referred to his connection with this commission, and the fact that there will be a proposal, perhaps, to modify the law, whether he would favor a modification of the present law before imparting to the Senate and Congress exactly what proposal has been made by the British Debt Commission?

Mr. SMOOT. Why, no. At the very time that a change in the law is proposed the information certainly will be given to Congress.

Mr. McKELLAR. Does not the Senator feel that it would be better for the proposed settlement of these negotiations to be imparted to the public and the Congress of the United States, rather than to conduct all of the negotiations in secret, as is now being done?

Mr. SMOOT. No; but I do not believe it would be possible to get anywhere, not only in this country but in foreign lands as well, if everything that was said in that negotiation were made public each day.

Mr. McKELLAR. I did not mean that, necessarily. I can see the position the Senator takes, and it has merit in it to some extent. But up to date it appears that no proposal made by the British for the purpose of the settlement of this debt has been imparted to the public, substantially or otherwise. Every day we see in the papers that the British have "laid their cards on the table," yet the public knows nothing in the world about what cards are being played.

Mr. SMOOT. I will inform the Senator what those cards are. That means that they are laying upon the table their financial condition as it exists to-day. They say, "This is the budget we are compelled to have. Under the law we can raise only so much, as the amount of taxes necessary to be collected in England to-day means that every man, woman, and child in England has to pay $100 a year in taxes.

Mr. HEFLIN. Mr. President, I have not time to go into a discussion of that now.

Mr. HARRISON. Will the Senator yield for me to submit a unanimous-consent request?

Mr. SMOOT. I do not ask the Senator from Alabama to yield. I was simply answering a question asked by the Senator from Tennessee.

Mr. HEFLIN. I do not want to take the Senator off the floor, but I do not want to have so much of my time taken up.

Mr. McKELLAR. After the Senator from Alabama gets through I want to ask the Senator from Utah a question.

Mr. SMOOT. The Senator brought the question up himself. I did not want to take any of the Senator's time.

Mr. HARRISON. I ask unanimous consent that the time for debate on the pending bill be extended to 1 o'clock.

Mr. McNARY. Mr. President——

Mr. HARRISON. If the Senator will permit me, I will explain why I make the request. Day before yesterday I was proceeding with an argument, as it might be termed by some, by others perhaps not so. I did not finish my remarks, and intended to proceed yesterday. I had several amendments to offer. I offered no amendment yesterday because of the discussion of other Senators, many other amendments being proposed.

Yesterday afternoon, before the recess was taken, Senators expressed a desire to finish the consideration of the bill last evening. I had no objection to the Senate meeting to-day at 11 o'clock, but I asked permission that the debate close at half past 12, so that I might this morning get out of my system some of the ideas which I have been holding for some three or four days with respect to this bill, and in order that I might present my amendments. I have not had time this morning, and only 44 minutes are left. There will naturally be other discussion this morning, and there should be. I have no objection in the world to it. I merely desire to present an amendment and argument which I think is of great importance, and I ask that the time be extended to 1 o'clock.

Mr. McNARY. Did not the Senator from Mississippi get the floor at 11 o'clock this morning?

Mr. HARRISON. I offered an amendment, but it was not an important amendment, and I did not make the argument I have wanted to make.

Mr. McNARY. The Senator had the floor, and there was opportunity for him to present his argument. He sat down, and gave the floor to another.

Mr. HARRISON. I withdraw my request.

Mr. LENROOT. Will the Senator from Mississippi yield for a question?

Mr. HARRISON. Certainly.

Mr. LENROOT. I would like to ask the Senator, Who is preventing the Senator from Mississippi from offering his amendment and occupying the floor this morning?

Mr. HARRISON. There has been argument on both sides, and very legitimate argument. That is all right, and I have no fault to find with it; but I have an amendment I desire to present and to argue when I get an opportunity. It is not an unreasonable request I make, that the time be extended to 1 o'clock, but if there is objection to it, well and good.

Mr. HEFLIN. Mr. President, I will consume but very little more time. There is a suggestion in what the Senator from Utah said that somebody on the part of this commission has disclosed that this debt matter can not be settled in the way in which it is now restricted by Congress. That would indicate that hope is held out to the envoys of Great Britain to just go on and baby this thing along, and that perhaps additional powers will be granted. I do not know what is going on, but I have a right to know, as everybody in America has a right to know what is going on in those negotiations.

Mr. President, here is what the headlines in the Post of this morning say:

Britain may remit on debt annually. Commissioners give attention to plan.

They are negotiating now, but nobody representing millions of Democrats in America is on that commission.

May reach terms discussion Monday.

They are about to come to some sort of an agreement it seems. Does the Senator from Utah wish us to have representation on this commission after they have made an agreement with Great Britain? What is it that postpones action upon the part of Congress looking to putting Democrats upon this commission?

Another line in the Post:

Administration expects no difficulty in obtaining Congress's approval for terms fixed.

Mr. President, I do not know whether, when the envoys of Great Britain, speaking for their country, say, "We would like to have this done" and "We would like to have that done," our commissioners tell them, "We can not do that under the terms of our authority. It may be we can get those terms changed."

Mr. President, I can not understand why anybody would stand in the way of immediately acting upon this question of putting a commission into this negotiation representative of the whole American people, and not a one-sided commission com-

posed only of partisan Republicans. When I asked the Senator from Utah about this thing before he said he did not want to contribute to a filibuster. To-day he says that personally he would not object to having some Democrats on the commission after certain other steps have been taken. That is the substance of his position and of what he said. I suppose he wants us to wait until the thing is settled. I can only protest against this sort of thing. I can stand in my place here and demand what is right. I may not be able to get it at the hands of the majority, but that does not keep me from saying what I think ought to be done, and standing for what I believe is right and just and fair in the premises; and that is what I am doing to-day and shall continue to do.

I am not going to take any more time. My friend from Mississippi has some amendments he wants to present, and I have said all I wanted to say upon this subject at this time.

Mr. FLETCHER. I suggest the absence of a quorum.

Mr. HARRISON. Will the Senator withhold that just a moment?

Mr. FLETCHER. I withhold it.

Mr. HARRISON. Mr. President——

Mr. FLETCHER. I think we ought to have more Senators here, however. Only a handful has been here this morning, and I make the point of no quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Glass	McKellar	Simmons
Brandegee	Hale	McKinley	Smith
Broussard	Harreld	McLean	Smoot
Bursum	Harris	McNary	Spencer
Cameron	Harrison	Nelson	Stanley
Capper	Heflin	New	Sterling
Caraway	Hitchcock	Nicholson	Sutherland
Colt	Jones, N. Mex.	Norris	Townsend
Couzens	Jones, Wash.	Oddie	Underwood
Culberson	Kellogg	Overman	Walsh, Mass.
Curtis	Keyes	Phipps	Walsh, Mont.
Fernald	Ladd	Poindexter	Warren
Fletcher	Lenroot	Ransdell	Watson
Frelinghuysen	Lodge	Reed, Pa.	Weller
George	McCormick	Sheppard	Willis
Gerry	McCumber	Shortridge	

Mr. LADD. I wish to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained on official business in attendance on a committee of the Senate.

The VICE PRESIDENT. Sixty-three Senators have answered to their names. A quorum is present.

Mr. HARRISON. Mr. President, I desire to have read at this time the amendment which I shall propose in a few moments.

The VICE PRESIDENT. The Secretary will report the amendment.

The READING CLERK. Insert at the proper place the following:

That hereafter the Bureau of the Budget shall not reduce the estimate submitted to it by the Department of Agriculture, for appropriations for said department without submitting with its recommendations to the President the reasons given by the Department of Agriculture for its estimate, and the reasons of the Bureau of the Budget for the reduction, which reasons shall be transmitted by the President with the Budget to Congress.

Mr. HARRISON. The amendment which I shall propose when I conclude discussing it would make the law provide that when the Department of Agriculture makes an estimate and it is reduced by the Bureau of the Budget, there shall be transmitted by the President to the Congress the reasons upon the part of the Budget for the reduction, together with the reasons of the Department of Agriculture for its estimates.

Mr. President, I have nothing but the kindliest feeling and most generous expressions of feeling for General Lord, the head of the Bureau of the Budget. No doubt he is performing the duties of the office well and doing the very best he can. No doubt he measures up in high degree to the requirements of the office. I indorse the many expressions of praise concerning him which have been indulged in by Senators since we began consideration of the pending bill. It is the system and the way in which it is being operated with which I find fault. More than that, I find fault with the rules of the Senate which restrict full consideration of these questions and restrain us from offering amendments which should be offered to care properly for the needs of the farmers.

I think the way the Budget system is being operated is different from that contemplated by those who fathered it. It was to act as an agent for the President in procuring information. It was never dreamed that appropriations necessary for the farmers of the country or for any other industry or class or agency of the Government should not be adequately provided. If any champion of the Budget system, when the measure was being ushered through this Chamber and the House, had said that the Director of the Budget would be given power to cut the estimates of the Department of Agriculture without rhyme or reason and would be permitted to carry that reduction through without giving the reason to the Congress, the measure never would have passed the Congress of the United States.

The power that was vested in the Congress under the Constitution, by virtue of the way the Budget law is being administered, has been taken away from the Congress. Under the present rules of the Senate and the operation of the Budget system what right have I, what privilege have I, to offer an amendment upon the floor of the Senate to increase an appropriation in a general appropriation bill, no matter how great may be the need that is intended to be cared for by the increased appropriation? I am estopped from it. I can not do it. In other words, in one man in the Budget Bureau is vested the sole power of saying what shall be the amount of the appropriations for certain services in the various branches of the Government.

Of course, the committee having the matter in charge may increase the amount and bring it before the Senate in the bill, but an individual Senator, who is not so fortunate as to be a member of the committee, can have no part in it. He can not offer an amendment and get consideration of it, because the point of order can be made under the antiquated rules of the Senate, and the matter can not be considered. We have seen question after question brought forward since the beginning of the consideration of the bill but debate stopped and an increase in the appropriation withheld because of the system that is in force in the Budget Bureau and under the rules of the Senate. Why, some one said the other day, when we had an amendment to increase an appropriation, "Did the Department of Agriculture estimate for it? Did they appeal to the Senate to grant that increase?" "No, they did not do it." Why? Here is the reason. I read from the Budget law:

No estimate or request for an appropriation and no request for an increase in an item of any such estimate or request, and no recommendation as to how the revenue needs of the Government should be met, shall be submitted to Congress or any committee thereof by any officer or employee or any department or establishment unless at the request of either House of Congress.

That is not all. Under the Budget system an order issued by the President of the United States reads as follows:

To all the heads of the departments and the employees:

Before any request or recommendation of this character originating in or specified for any executive department or independent establishment of the Government is sent to either House of Congress or to any committee thereof, it shall first be submitted to the Director of the Budget, who shall make recommendations with respect thereto to the President, and no such request shall be submitted to either House of Congress or to any committee thereof without having first been approved by the President. When so approved the request or recommendation to either House of Congress or to any committee thereof shall recite the fact that such approval has been obtained.

Why, last year when the Agricultural Department appropriation bill was being considered, Doctor Ball, a very splendid gentleman and competent official from the Department of Agriculture, was before the committee answering questions. We found that when the Department of Agriculture submitted its estimate to the Bureau of the Budget, a party who had been, as has been stated already upon the floor of the House, manager of the La Salle Hotel in Chicago, was designated by the Director of the Bureau of the Budget to go over the estimates and to cut them, and they were cut some $3,000,000, I believe. Then they were submitted to Congress. Of course, General Dawes, who was then Director of the Budget, could not look at all the items. He had to designate some one to look them over, so he designated this former manager of the La Salle Hotel, who knew nothing about farmers and their needs, to cut the estimates of the Department of Agriculture.

Are the American people going to approve of a policy that will disregard the views and the estimates of the Department of Agriculture, composed of men qualified and specially designated to study the needs of agriculture, when they have cut to the bone the estimates for appropriations for the department to take care of the needs of agriculture? Are they going to stand for the Congress of the United States then to allow some man who knows nothing whatsoever of agriculture, who has been the manager of the Hotel La Salle in Chicago, to cut the estimates for appropriation for the Department of Agriculture from $2,000,000 to $3,000,000? Then what? A man elected by the people of a State to represent them here upon the floor of the Senate, if he is not so fortunate as to be a member of the Committee on Appropriations, can not even offer an amendment suggesting that the recommendations or estimates by the Department of Agriculture should be appropriated for to carry out the needs of that particular industry.

That is the situation in which we are placed. We have turned over the running of the Government to the Director of the Budget. That might be all right, although I do not agree to it, but he can not run the whole Government himself. It

is a physical impossibility. So he directs individuals here and there to cut down the expenditures of the various departments. I say to you, sirs, it never was the intention of Congress, when we passed the Budget law, that the Budget could go ahead and cut down estimates when the estimates of the department were based upon reason and upon the needs of the country.

The bill now before us has been prepared in the same way. The Director of the Budget, General Lord, splendid man that he is, fine and competent as he is, has done the same thing with reference to this bill. It was once said here that General Dawes was the one man qualified in all these United States to be Director of the Budget. Now it has been said just yesterday by the distinguished Senator from Utah [Mr. SMOOT] that General Lord is the only man in the United States qualified to be Director of the Budget.

But what has General Lord done? He directed an individual to take the estimates prepared by the experts in the Department of Agriculture and, after the experts had submitted estimates which were $200,000 less than the amount carried in the appropriation bill for the Department of Agriculture last year, he said, "Cut them $2,000,000 more." He compelled them to cut out $2,000,000 more. Consequently, the Bureau of the Budget hands us a bill, giving no reasons for the reductions, which carries $2,000,000 less appropriations than were carried in the last bill making appropriations for the Department of Agriculture.

We have shown, time after time, in the consideration of the bill that the Bureau of the Budget was wrong with reference to certain cuts which were made. I know of no cut in this bill that it has made which any Senator upon the floor of the Senate has approved or indorsed. Indeed, the Committee on Agriculture in no less than a score of instances increased the amounts that were estimated for by the Bureau of the Budget and recommended the amount that had been estimated by the Department of Agriculture.

But, some one has said, "Why did not the Department of Agriculture come before the committee and ask for the amounts for which they had estimated?" It was because they were afraid they would violate the law if they asked for them. Indeed, the law is specific that when the estimates have been submitted to the Bureau of the Budget, if the head of the department should come to Congress and request an increase over the amount approved by the Budget he would be subject to penalties. Statements have been issued and orders have gone forth giving the employees and the heads of the departments and bureaus of the Government to understand that if they try to influence an increase in the amount of an appropriation above the estimates indorsed by the Bureau of the Budget their political heads would be snapped off.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. I will yield in just a moment. How in the world is one of the committees that is trying to provide adequately for the needs of the country—be it for the Navy, be it for the Army, be it for commerce, be it for mining or agriculture—going to find the true facts when the heads of the departments are afraid to come before the committees, because of the law and because of the injunctions and inhibitions that have been placed upon them by Executive orders and statements, to plead with the committee, to explain to the committee, to ask for more money, or to give any reason for the request?

I yield now to the Senator from Wisconsin.

Mr. LENROOT. If the head of a department deliberately and willfully violates a law, does not the Senator from Mississippi think he ought to be removed as the head of that department?

Mr. HARRISON. The Senator from Wisconsin now states, and he bears out what I have been saying, that the heads of the departments, if they violate the law, should lose their jobs.

Mr. LENROOT. I do. Does not the Senator also think so?

Mr. HARRISON. I would not construe the law as going so far as the President of the United States has construed it, nor so far as the Senator from Wisconsin construes it.

Mr. CARAWAY and Mr. LENROOT addressed the Chair.

Mr. HARRISON. One moment. If the Budget Bureau reduces an appropriation from the amount estimated by the Department of Agriculture or by any other department, if I were President of the United States—and I think the President could take such action under the law—and there were no other way, I would issue an Executive order stating that the reasons assigned for the reduction should be transmitted with the report to Congress, and the reasons for the estimate given to the Budget Bureau by the respective departments should also be transmitted to Congress.

Mr. LENROOT. That is not the point. The Senator from Mississippi has said that he complains of the order which prevented heads of departments from violating the law.

Mr. HARRISON. Yes; I am complaining about the law in that respect.

Mr. LENROOT. That is a very different thing.

Mr. SMOOT. Mr. President, will the Senator from Mississippi yield to me?

Mr. HARRISON. I yield.

Mr. SMOOT. If I am not mistaken, the very words read by the Senator from Mississippi from the Budget law were contained in the Budget bill which was considered by the Senate when the Senator's party was in power.

Mr. HARRISON. I am not going to bring politics into this matter. I trust General Lord. I said, perhaps, the Senator was right on yesterday in his laudation of him. I do not blame Secretary of Agriculture Wallace. He has done the very best he could. His hands are tied. I have no doubt if Secretary Wallace could have his way many of these appropriations would be increased. He understands the needs and situation. I am not bringing politics into this discussion, but I am trying to impress upon the Senate the needs of agriculture in this country, and that we should not be hamstrung here and restrained from a full consideration of an amendment when the needs of the country demand an increased appropriation.

Mr. SMOOT. The Senator from Mississippi must know that whatever restrictions there may be upon one department are placed upon all the departments.

Mr. HARRISON. Of course.

Mr. SMOOT. And the Senator, if he has studied budget laws, knows that there is no budget in any country in the world in which the restrictions are not severer than those imposed in our Budget law.

Mr. HARRISON. Yes; but those governments are autocracies, while here we have a democracy. Here the Senate and House of Representatives are supposed to legislate for the people, and we are supposed to pass appropriation bills in order to take care of the needs of the Government. The powers should not all be placed in the hands of the Director of the Budget Bureau, as it is to-day. The Director of the Budget is an appointive officer; we are elected by the people and answerable to the people.

Mr. SMOOT. Of course, that is a question of policy.

Mr. HARRISON. The Senator from Utah, of course, is fortunate, for he is an influential and powerful member of the Committee on Appropriations. He can sit around the mahogany table and secure amendments to increase appropriations for his people, but some of us who are modest Members of the Senate, who have no influence or power here, can not get into the room of the Committee on Appropriations with a crowbar, and consequently our voices can not be lifted or votes cast there. We are not so fortunately situated as is the Senator. Has the Senator from Utah ever thought about that?

Mr. SMOOT. Yes; I have thought of it a great many times, and as a member of the Committee on Appropriations I have hesitated to propose any kind of amendments to appropriation bills. I should have been before the Committee on Appropriations a great many more times asking for increased appropriations if I had not been a member of the committee. If the Senator from Mississippi had been observant since he has been a Member of the Senate he would have observed that the Senator from Utah has not been asking for increases in appropriations.

Mr. CARAWAY. But he has got all that he desired.

Mr. SMOOT. The Senator from Arkansas, of course, always has something to say about everything. He now states that the Senator from Utah has got all he desired.

Mr. CARAWAY. If the Senator had not obtained all he desired would he not have been asking for it?

Mr. SMOOT. No; I would not.

Mr. CARAWAY. He is a queer man.

Mr. SMOOT. The Senator from Utah desires to be treated just the same as every other Senator is treated, and not differently.

Mr. HARRISON. Mr. President, I desire now to read from the hearings when Doctor Ball was before the Committee on Appropriations last year. At that time questions were put to him touching certain items, and he was asked to give reasons for certain action. He replied that he did not feel that he should take such action, and could not do it under this order. When Doctor Ball stated that he should be embarrassed to do so, the following colloquy occurred. I read from the hearings:

Senator OVERMAN. Would you feel embarrassed in submitting representation to this committee as to items in the estimates, notwithstanding the action of the Budget?

Doctor BALL. Yes, sir.

Senator OVERMAN. Why would you feel embarrassed?
Doctor BALL. I am sorry I did not bring that order with me.
Senator OVERMAN. I asked you to bring that order down here.
Doctor BALL. Yes; because, according to that order the executive departments are notified that they should not make representations above the approval of the Budget; and where these representations are made that they should be accompanied by a statement of the attitude of the Budget Bureau and of the President on that particular item.

There it is. We are foreclosed from even obtaining reasons for the appropriations for agriculture which have been reduced by the Budget Bureau. I requested in reference to certain items in this bill the reasons which were assigned by the Department of Agriculture for the estimate, but I was told that there were none before the Committee on Appropriations; that I could not have the information. Why? Because the department is not going to furnish it to me. They are afraid that they will violate the law; they are afraid they will violate the order that went down from the President to the effect that the head of any department or bureau who should bring his influence to bear to bring about or who should request an increase of appropriations over those made by the Budget should be removed. The Budget Bureau gives us no reasons for their estimates; and the reasons for the estimates of the Department of Agriculture are not before the committee. So what are we to do? We must accept, so to speak, without rhyme or reason, what the Budget Bureau says.

When the question is put to the representative of the Department of Agriculture, "Why did you not request an amount in excess of the amount the Bureau of the Budget allowed?" he replies, as Doctor Ball replied in the quotation which I have read, "I am afraid it would embarrass the Secretary of Agriculture; the order has gone forth that we can not request an increase or use our influence to increase the amount recommended by the Bureau of the Budget."

I showed, Mr. President, day before yesterday at least 15 cases where the Budget Bureau had reduced, and in many instances greatly reduced, certain items for agriculture. I shall not delay the Senate by citing many of the instances which I have here, but will refer to a few of them. The Bureau of the Budget made reductions in the items for improvement of methods of crop production, horticultural investigations, maintenance of roads for national parks, prevention of the sale of deleterious foods, and soil investigations. On that one item alone the estimate was decreased by $48,000 by the Bureau of the Budget.

I refer also to the item to investigate insects affecting fruits, which was decreased by the Bureau of the Budget; to the item for investigations of insects affecting truck crops; the item relative to the conservation of food from wild animals, which was greatly reduced by the Budget Bureau, and so on down the line. I have not been able to ascertain the total amount of the reductions made by the Bureau of the Budget in items of this character below the estimates of the Agricultural Department, but it is somewhere between $1,000,000 and $2,000,000.

Is this a time for appropriations to be made that do not answer to the needs of agriculture? At this time when the farmers of the great Middle West and certain parts of the South are suffering as they have never suffered before because of reduced prices for their products, should they now receive at the hands of Congress reductions in many items contained in the Agricultural appropriation bill? It is a good time, perhaps, to reduce appropriations for the Navy and for the Army and for many other branches of the Government service, but I say that it is not a time to refuse to provide adequate appropriations to fight insects affecting the farmers' crops, to conserve the food supply from wild animals, and for numerous other purposes which I have indicated to the Senate.

The Agricultural Department is not to blame; it is the Budget Bureau that is to blame. I do not blame the President of the United States so much, for he can not go over the numerous reports and study them himself, but must rely upon the men who are designated to carry on the work. There has been placed in the hands of the Budget Bureau too much power.

There are two remedies which will solve the difficulty. One is to adopt an amendment such as I have proposed, not only as to the Agricultural Department but as to the other departments, and the other is to change the rules of the Senate so that an individual Senator may offer an amendment to increase an appropriation where an estimate has been made by one of the departments of the Government for the appropriation; indeed, personally I would go beyond that and say that a Senator shall have a right to offer an amendment to an appropriation bill increasing the amount carried, notwithstanding any limitation or restriction placed upon such action by the estimate of a department of the Government, because in our hands is lodged originally the power to make appropriations and to legislate for the country. To-day we can not do so; we can receive the report of the Bureau of the Budget and without protest must accept that report. I now offer my amendment, Mr. President.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Mississippi.

Mr. McNARY. Mr. President——

Mr. HARRISON. Does the Senator desire to speak to the amendment?

Mr. McNARY. I merely wish to make the point of order against the amendment upon the ground that it proposes legislation on an appropriation bill.

Mr. HARRISON. If the Senator desires to discuss the amendment, of course I will yield to him; but if he does not, I should like to say before the point of order is ruled on that we were told when the Budget system was adopted that it would do away with deficiency appropriations; indeed, in a speech made by General Dawes, a splendid man, a fine official, who performed a great service, no doubt, it was stated:

The report of the Director of the Budget indicates that the Executive can maintain, through agencies of coordination, an effective control over expenditures which will substantially eliminate the occasion for deficiency appropriations. * * * From early in the administration the Executive set his face against deficiency appropriations, and an Executive order was issued discountenancing them.

In that speech General Dawes gave the impression that under the Budget system we would see very few, if any, deficiency appropriation bills in the future. Yet in the short time which has intervened since the adoption of the Budget system I find we have passed seven deficiency appropriation bills. The first was passed on June 16, 1921, and carried $106,000,000. Perhaps the Bureau of the Budget had nothing to do with that, because that bill was passed a few days after the Budget law had been enacted; but we were told that the inauguration of the Budget system would probably prevent the necessity for the enactment of other deficiency bills. Yet there was passed on August 24, 1921, the urgent deficiency bill appropriating $50,000,000; on December 15, 1921, a deficiency bill appropriating $105,000,000; on March 20, 1922, a deficiency bill appropriating $137,000,000; on July 1, 1922, a deficiency bill appropriating $47,000,000; on September 22, 1922, a deficiency bill appropriating $2,500,000; and within the last few days there has been passed by the House and Senate, although it has not as yet been approved by the President, a deficiency bill appropriating $75,000,000. The total of the deficiency appropriations to which I have referred will run in the neighborhood of a half billion dollars, although we were told by General Dawes and the champions of the Budget system who are now administering it that it would do away with deficiency appropriations.

Mr. WARREN. Mr. President, will the Senator yield to me for a moment?

Mr. HARRISON. I yield to the Senator.

Mr. WARREN. In reference to the deficiency bills to which the Senator has referred, let me say that the last one, for instance, which he quotes, is made up almost entirely of appropriations to provide for judgments of courts and for the settlement of audited accounts, these accounts representing money that has gone back into the Treasury at the end of the second fiscal year and can only become again available after it has been appropriated or reappropriated. Also, in the last deficiency bill over $42,000,000 was to refund taxes illegally collected; and $25,000,000 was for road building. Of course, when Congress, after the annual appropriation bills have been enacted, passes a new law requiring an appropriation of $20,000,000 or $50,000,000, or whatever the amount may be, the only way to take care of the necessary expenditure is through what are called deficiency bills. That is the only method by which expenditures under legislation enacted subsequent to the passage of the annual appropriation bills may be provided for. That is all there is to that.

Mr. HARRISON. I merely called attention to the matter to indicate that the law has not worked as well as we thought it would.

Mr. WARREN. The Senator knows that there has been scarcely a time, certainly not in the last 35 years, when we have had a session without the necessity of passing some deficiency bills.

Mr. HARRISON. There is no question about that.

Mr. WARREN. The War Department, in the settlement of claims, has had this hang over after the war, the settlement of judgments, and so forth, which has increased these amounts.

Mr. HARRISON. Yes; and it shows that the policy of cutting down these appropriations in the general bill, and then supplying them later with deficiency appropriations, does not save anything in particular.

The VICE PRESIDENT. The time has arrived when, under the unanimous-consent agreement, debate must cease.

Mr. HARRISON. I offer the amendment.

Mr. McNARY. I renew the point of order.

Mr. POINDEXTER. I ask that the amendment may be stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 82, after line 14, it is proposed to insert:

That hereafter the Bureau of the Budget shall not reduce the estimate submitted to it by the Department of Agriculture for appropriations for said department without submitting with its recommendations to the President the reasons given by the Department of Agriculture for its estimate, and reasons of the Bureau of the Budget for the reduction, which reasons shall be transmitted by the President with the Budget to Congress.

The VICE PRESIDENT. The point of order is well taken. The proposed legislation is general legislation on an appropriation bill.

The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no further amendment to be proposed it will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THE MERCHANT MARINE.

Mr. CURTIS. I ask that the unfinished business be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. CURTIS. I ask unanimous consent that the unfinished business be temporarily laid aside.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7658) to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes."

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate to the said bill numbered 1, 2, 30, 37, and 53, and agreed to the same; and that the House had receded from its disagreement to the amendments of the Senate numbered 31 and 36, and had agreed to the same each with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, in which it requested the concurrence of the Senate.

REPORT OF THE GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

The VICE PRESIDENT laid before the Senate the annual report, submitted pursuant to law, of the Georgetown Barge, Dock, Elevator & Railway Co. for the calendar year 1922, which was referred to the Committee on the District of Columbia.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the secretary of the United States Coal Commission, reporting, in response to Senate Resolution 399, agreed to January 6, 1923, that the commission has no official passenger automobile in the city of Washington or elsewhere, which was ordered to lie on the table.

He also laid before the Senate a report from the Alien Property Custodian, in response to Senate Resolution 399, agreed to January 6, 1923, concerning automobiles owned and operated by the office of the Alien Property Custodian, which was ordered to lie on the table.

PETITIONS.

Mr. WILLIS presented resolutions adopted by the Reserve Officers' Association, of the tenth district of Ohio, favoring adequate appropriation for the annual reserve officers' camp as contemplated in the national defense act, and restoration of the strength of the Regular Army to 175,000 enlisted men with the necessary complement of officers, etc., which were referred to the Committee on Military Affairs.

Mr. LADD presented the petition of Alan Flowers and 72 other citizens of Williams County, N. Dak., praying for the passage of legislation stabilizing prices of farm products, which was referred to the Committee on Agriculture and Forestry.

REPORT OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 1678) for the relief of Edith B. Macon, reported it without amendment and submitted a report (No. 1006) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 4333) for the relief of Howard R. Gurney; to the Committee on Claims.

By Mr. ASHURST:

A bill (S. 4334) authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz.; to the Committee on Indian Affairs.

By Mr. CUMMINS:

A bill (S. 4335) granting a pension to Martha A. Williams; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 4336) for the relief of Samuel F. George; to the Committee on Claims.

By Mr. HARRELD:

A joint resolution (S. J. Res. 267) to authorize the disposition of royalties and bonuses received for oil and gas leases or permits on lands owned by the United States situated in the State of Oklahoma; to the Committee on Public Lands and Surveys.

AMENDMENT OF DISTRICT APPROPRIATION BILL.

Mr. STANLEY submitted an amendment proposing to appropriate $13,600 for grading Linnean Avenue from Military Road to the grade point south of Albemarle Street, $3,900 for grading Albemarle Street between Twenty-ninth Street and the grade point west of Broad Branch Road, $1,650 for widening the fill on Albemarle Street near Connecticut Avenue so as to provide sidewalks, and $1,250 for grading Brandywine Street between Twenty-ninth Street and Linnean Avenue, intended to be proposed by him to House bill 13660, the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

RURAL-CREDIT FACILITIES.

Mr. FLETCHER submitted two amendments intended to be proposed by him to the bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States, and for other purposes, which were ordered to lie on the table and to be printed.

INTERIOR DEPARTMENT APPROPRIATIONS.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives receding from its disagreement to the amendments of the Senate numbered 1, 2, 30, 37, and 53 to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes, and concurring therein; receding from its disagreement to the amendment of the Senate numbered 31, and concurring therein with an amendment as follows: In lieu of the matter proposed by said amendment insert: "The Secretary of the Interior is hereby authorized to establish and maintain the former Fort Apache military post as an Indian boarding school for the purpose of carrying out treaty obligations, to be known as the Theodore Roosevelt Indian School. For support and education of 350 pupils, including pay of superintendent, $70,000; for repairs, remodeling, and improvement, $17,800; for purchase of equipment, $17,500; in all, $105,300, to be immediately available: *Provided*, That the Fort Apache military post, and land appurtenant thereto, shall re-

main in the possession and custody of the Secretary of the Interior so long as they shall be required for Indian school purposes," and receding from its disagreement to the amendment of the Senate numbered 36, and concurring therein with an amendment as follows: In lieu of the matter proposed by said amendment insert: ", such other papers when reproduced for sale to be sold at not less than cost plus 10 per cent."

Mr. SMOOT. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 31 and 36.

The motion was agreed to.

Mr. SMOOT. That completes the bill.

HOUSE BILL REFERRED.

The bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

POST OFFICE DEPARTMENT APPROPRIATIONS.

Mr. TOWNSEND. I ask unanimous consent that the Senate proceed to the consideration of the Post Office appropriation bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. TOWNSEND. I ask unanimous consent that the formal reading of the bill may be dispensed with and that the bill may be read for action on the committee amendments first.

The VICE PRESIDENT. Without objection, it is so ordered.

NITRATE OF SODA.

Mr. SMITH. Mr. President, I desire to take this occasion to see if I can not get action upon a measure of urgent importance.

I have in charge a joint resolution which is of exactly the same nature as the joint resolution that I introduced and had passed in 1917 and 1918 appropriating $10,000,000 for the purpose of authorizing the President to purchase, under our Government contract, nitrate of soda in Chile, to bring it in Government vessels to this country, and to distribute it, for cash in advance, to the farmers who are now trying to make some cotton under boll-weevil conditions. I have conferred with Secretary Wallace and with others, and they assure me that if we are going to take any action at all, it should be done now.

I should like to state to the Senate that under the rules and regulations adopted by the President not a penny was lost. Every dollar, of course, was paid back immediately upon the delivery of the soda. In other words, the checks are gathered throughout the country through the Federal agents, deposited in the banks, and the Government simply uses this amount and purchases according to the orders.

Mr. WARREN. Mr. President, may I ask the Senator whether the joint resolution has been reported?

Mr. SMITH. It has been reported unanimously favorably from the committee. We operated under it in 1917 and 1918, and it is absolutely essential that this shall be done if we are to make any cotton at all under boll-weevil conditions.

Mr. WARREN. I am making no objection, except that I assume the Senator will withdraw it if it leads to any extended debate.

Mr. SMITH. Yes. I desire to get action on the part of the Senate, because Secretary Wallace has investigated the operation of the joint resolution in the two years that we had it and not a penny was lost. It can not be, because the joint resolution provides that the nitrate of soda shall be delivered for cash in advance.

Mr. TOWNSEND. Mr. President, the peculiar parliamentary situation is that we have the unfinished business, namely, the shipping bill; we have a report on the farm credits bill that we are waiting to take up; and I have come in here by unanimous consent, laying aside the regular order, with the Post Office appropriation bill. I should have no objection so far as I am concerned, if the joint resolution referred to by the Senator from South Carolina can be passed without debate.

Mr. HEFLIN. There will be no debate.

Mr. TOWNSEND. I do not believe that I would be justified in yielding if there is to be a discussion. As far as I am concerned, I have no objection to the joint resolution, and if the Senator assures me that it can be passed without debate I will very willingly yield to him for that purpose; but if there should be debate—and it occurs to me that with an appropriation of $10,000,000 it is quite likely to lead to debate—then I shall ask to proceed with this appropriation bill.

Mr. SMITH. I have talked to those on the other side who are as deeply interested as I am in this matter.

Mr. SIMMONS. Mr. President could we not agree that if the joint resolution is not disposed of in an hour or half an hour, it will be withdrawn?

Mr. SMITH. Yes; I should be willing to agree to that.

Mr. TOWNSEND. There are probably Senators on the floor who know whether they are going to discuss the joint resolution or not, and they can give us some information as to whether we are going to have debate.

Mr. SMITH. I really do not think there will be any debate, because the joint resolution, as the Senator will see if he reads it, is so hedged about that it is impossible to lose a single penny. The President has the whole thing in charge, and the cash must be deposited in the several farming communities before the orders are filled.

Mr. TOWNSEND. I ask that the joint resolution be read, so that Senators can announce whether or not they are going to take time to debate it.

The VICE PRESIDENT. The joint resolution will be read.

The joint resolution (S. J. Res. 265) was read, as follows:

Resolved, etc., That the President is authorized and directed to procure, or aid in procuring, such stocks of nitrate of soda as he may determine to be necessary and find available for increasing agricultural production during the calendar year 1923, and to dispose of the same at cost, payable in advance. For carrying out the purposes of this joint resolution there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, the sum of $10,000,000, or so much thereof as may be necessary, and the President is authorized to make such regulations and to use such means and agencies of the Government as in his discretion he may deem best. The proceeds arising from the disposition of the nitrate of soda may go into the Treasury as miscellaneous receipts: *Provided*, That the sum herein appropriated and the proceeds arising from the disposition of the nitrate of soda may be used, at the discretion of the President, during the calendar year 1923 as a revolving fund for the purposes herein named.

Mr. SMOOT. Mr. President, I think there will have to be an amendment to the joint resolution before it can pass. I call the Senator's attention to the wording on line 7.

Mr. WARREN. As it is a matter of unanimous consent, if the Senator will allow me, I think there will be no doubt that the joint resolution can be taken care of after the Post Office appropriation bill is considered and passed. I ask the proponent of the joint resolution if he would not be better satisfied to wait and let us get the appropriation bill out of the way, and then take up his measure?

Mr. SMITH. Secretary Wallace called me up this morning and told me that if he was to extend this aid to farmers he must begin to organize the work and get the ships ready, and so forth.

Mr. WARREN. We might spend an hour discussing the measure, in which time we could pass the appropriation bill.

Mr. SMITH. Will the Senator from Wyoming allow the Senator from Utah to suggest the amendment he stated he thinks is necessary?

Mr. SMOOT. Rather than consume any time now, I will take it up directly with the Senator. I think the Senator and I can agree on the amendment I believe to be necessary, and then we can take up the joint resolution after the appropriation bill is out of the way.

Mr. SMITH. I do not want to delay the Senate, and no one can accuse me of having done anything but attempt to expedite the business of the Senate. But if we are to pass the joint resolution at all the earlier the better, because time is the essence of this thing.

Mr. SMOOT. We will pass it to-day.

Mr. SIMMONS. Can we not agree to vote right now, without further discussion, after the amendment is proposed?

Mr. TOWNSEND. I think perhaps we had better proceed with the appropriation bill.

Mr. SMITH. I am perfectly willing to go ahead with that, and perhaps we can get an opportunity later to-day to get the joint resolution through.

Mr. HEFLIN. I want to ask the chairman of the Committee on Post Offices and Post Roads a question. About how long does he think the consideration of the Post Office appropriation bill will take?

Mr. TOWNSEND. I think the Senator from Alabama would know more about that than I do. If there is no discussion on the bill except in regard to matters pertaining to the measure, I can see no reason why we should take more than a couple of hours to pass it. I want any item in the bill discussed

which any Senator desires to discuss, but, of course, if Senators desire to debate other things and occupy the time, which they may do under the rules of the Senate, the chairman of the committee is unable even to guess how long it will take to dispose of the bill.

Mr. HEFLIN. Mr. President, I have no disposition to discuss this bill at length. Of course it will pass, and I think in a very short while. I do want to say now, however, that the joint resolution offered by the Senator from South Carolina [Mr. SMITH] is of vast importance to the farmers of my State and to the farmers in all of the cotton-growing States.

Mr. TOWNSEND. I understand, but if the Senator will let us proceed now, until the Senator from South Carolina and the Senator from Utah prepare the amendment, we may be able to get a vote immediately.

Mr. HEFLIN. Very well. With the understanding that we will immediately consider this joint resolution when we get through with the Post Office appropriation bill, I am willing that we proceed with the consideration of that bill. I just want to say a word or two in this connection about the resolution. A little more than four years ago we passed through Congress just such a resolution. It provided, as does this one, for the purchase by our Government of nitrate of soda from Chile, to be sold at cost to our farmers.

The Government, under the authority of the other resolution passed by Congress, purchased $10,000,000 worth of nitrate of soda and sold it at cost to our farmers. The Government rendered a great service to our farmers by that kindly act, and at the same time never lost a cent in the transaction. The purchase and sale of nitrate of soda contemplated in the Smith resolution will be conducted in the same way. Our farmers are in distress. They are not only suffering from the terrible effects of drastic deflation but they are being held up by the Fertilizer Trust and told that they must pay from $70 to $75 per ton for nitrate of soda to be used on their farms in 1923. Mr. President, I understand that the Government can purchase this $10,000,000 worth of nitrate of soda from Chile and deliver it in Government ships to our farmers for a little less than $45 a ton. So the passage of this resolution, which was unanimously reported from the Agricultural Committee, of which I am a member, will be the means of saving to our farmers in the cotton-growing States of from $25 to $30 per ton on their nitrate of soda supply for the year 1923. We must pass it this afternoon.

POST OFFICE DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The Secretary will read the bill for action on the amendments of the committee.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was, on page 10, line 17, after the word "pay," to strike out "$107,452,600" and insert "for temporary and auxiliary clerk hire and for substitute clerk hire for clerks and employees absent with pay at first and second class post offices and temporary and auxiliary clerk hire at summer and winter resort post offices, $116,452,600: *Provided*, That $500,000 of this sum may be used in the employment of auxiliary and substitute clerks for the purpose of completing the work of determining the cost to the department of handling the different classes of mail matter," so as to read:

For compensation to clerks and employees at first and second class post offices, including substitutes for clerks and employees absent without pay, for temporary and auxiliary clerk hire, etc.

The amendment was agreed to.

The next amendment was, on page 11, after line 9, to strike out:

For temporary and auxiliary clerk hire and for substitute clerk hire for clerks and employees absent with pay at first and second class post offices and temporary and auxiliary clerk hire at summer and winter resort post offices, $8,500,000.

The amendment was agreed to.

The next amendment was, on page 11, at the end of line 23, to increase the appropriation for miscellaneous items necessary and incidental to post offices of the first and second classes from "$800,000" to "$850,000."

The amendment was agreed to.

The next amendment was, on page 13, line 20, after the numerals "$1,500,000." to strike out the semicolon and the words "and in addition to this sum any unexpended balance of the appropriation for this purpose for the fiscal year 1923 is reappropriated and made available for the fiscal year 1924," so as to make the paragraph read:

For the operation and maintenance of the airplane mail service between New York, N. Y., and San Francisco, Calif., via Chicago, Ill., and Omaha, Nebr., including necessary incidental expenses and employment of necessary personnel, $1,500,000.

The amendment was agreed to.

The next amendment was, on page 16, line 10, after the word "international," to strike out "registered, insured, and collect-on-delivery mail, in accordance with convention stipulations," and insert "mail in accordance with convention, treaty, or agreement stipulations," so as to make the paragraph read:

For payment of limited indemnity for the injury or loss of international mail in accordance with convention, treaty, or agreement stipulations, $75,000.

The amendment was agreed to.

The next amendment was, on page 18, line 6, after the word "boxes," to strike out "$1,122,000" and insert "$1,522,000," so as to read:

For miscellaneous equipment and supplies, including the purchase and repair of furniture, package boxes, posts, trucks, baskets, satchels, straps, letter-box paint, baling machines, perforating machines, duplicating machines, printing presses, directories, cleaning supplies, and the manufacture, repair, and exchange of equipment, the erection and painting of letter-box equipment, and for the purchase and repair of presses and dies for use in the manufacture of letter boxes; for post-marking, rating, money-order stamps, and electrotype plates and repairs to same; metal, rubber, and combination type, dates and figures, type holders, ink pads for canceling and stamping purposes, and for the purchase, exchange, and repair of typewriting machines, envelope-opening machines, and computing machines, copying presses, numbering machines, time recorders, letter balances, scales, test weights, and miscellaneous articles purchased and furnished directly to the Postal Service; for miscellaneous expenses in the preparation and publication of post-route maps and rural-delivery maps or blue prints, including tracing for photolithographic reproduction; for other expenditures necessary and incidental to post offices of the first, second, and third classes, and offices of the fourth class having or to have rural-delivery service, and for letter boxes, $1,522,000.

The amendment was agreed to.

The next amendment was, in the items for miscellaneous equipment and supplies, on page 18, line 11, after the word "works," to insert the following proviso:

Provided, That $500,000 of this appropriation may be used for the purchase of equipment and furniture for post-office quarters and for no other purposes.

The amendment was agreed to.

The next amendment was, on page 20, at the end of line 12, to reduce the appropriation for vehicle allowance, the hiring of drivers, the rental of vehicles, and the purchase and exchange and maintenance, including stable and garage facilities, of wagons or automobiles for, and the operation of, screen-wagon and city delivery and collection service, from "$15,000,000" to "$14,500,000."

The amendment was agreed to.

Mr. TOWNSEND. Mr. President, I desire to have inserted in the RECORD a letter which I have received from the First Assistant Postmaster General. I ought to say, in reference to this item, that the committee did not feel that it had sufficient information to warrant it in appropriating the fifteen million dollars; and I am not prepared now to say what ought to be done, so I have consented to the reduction of this appropriation by $500,000. But I wish this letter put in in order that the committee of conference may have it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

POST OFFICE DEPARTMENT,
FIRST ASSISTANT POSTMASTER GENERAL,
Washington, January 12, 1923.

Hon. CHARLES E. TOWNSEND,
United States Senate.

MY DEAR SENATOR TOWNSEND: Responding to the request of the subcommittee considering the Post Office appropriation bill for the ensuing fiscal year for information as to the growth in the expenditures for vehicular service since 1916, the following statement is substituted:

The appropriation and audited expenditures made therefrom during the fiscal year indicated were as follows:

Year.	Appropriated.	Audited expenditures.
1916	$5,510,000	$5,012,225
1917	5,585,819	5,584,224
1918	6,766,608	6,766,607
1919	9,200,000	9,099,733
1920	11,213,797	11,210,000
1921	15,750,000	15,167,000
1922	15,000,000	[1] 14,730,000
1923	15,000,000	[2] 15,600,000

[1] Audited amount plus outstanding bills chargeable to the appropriations.
[2] Estimated expenditures based on actual expenditures for five months ended Nov. 30.

The heavy increase in the volume of mail and the imperative necessity for providing transportation therefor, based on the experience during the first five months of the current fiscal year, shows that the existing appropriation of $15,000,000 will be exceeded by $123,848, without taking into account the added expense of operating trucks during the winter months. Based on the experience during the fiscal year 1922, it will require $392,504 additional to operate the motor-vehicle service during the winter period which is just beginning, severe weather having set in in the Northern States. As an indication of the additional burden that severe weather (a single severe storm, for instance) is liable to impose upon the vehicle-service appropriation, attention is invited to the snow and sleet storm in the city of New York during the month of February, 1920, when conditions were of such an adverse nature that the department borrowed from the Army 160 additional trucks of heavy tonnage, and at the same time expended in excess of $80,000 in 22 days for rented equipment. During the height of this storm, when practically all vehicular traffic, both truck and horse drawn, even including taxicab service, was suspended by commercial concerns, it was necessary for the Postal Service transportation to function; and it not only had to carry the normal volume of mail but also had to handle thousands of sacks of parcel post deposited in the post office by merchants for local delivery for the reason that they had withdrawn their equipment from active use as the result of the practically impassable condition of the streets. It is for emergencies of this nature that a small reserve must be provided.

The growth of the motor-vehicle service is indicated by the following table, which shows the number of cities motorized, beginning with July 1, 1917, together with the total number of trucks in operation:

Year.	Cities.	Trucks.
July 1, 1917	10	541
July 1, 1918	15	965
July 1, 1919	52	1,692
July 1, 1920	134	2,500
July 1, 1921	276	3,738
July 1, 1922	347	4,433

With respect to the foregoing, it should be stated that of the 347 cities having Government-owned service on July 1, 1922, 132 have one truck each and 98 have from two to five trucks each—230 cities having five trucks or less. In a large percentage of these cases the equipment now in use is the first vehicular delivery or collection service provided, the service prior to the authorization of the Government-owned trucks having been performed by carriers on foot.

Since July 1, 1922, 176 trucks have been added to the service and numerous requests are pending for additional equipment. In some instances these trucks were authorized to provide a small reserve equipment for the reason that the mail had increased to such an extent during the past few months that the trucks previously considered as reserve equipment had to be operated on regular schedules to prevent an accumulation of mail at mail-handling points. Some of the trucks were also issued to provide needed additional parcel-post delivery and collection service, as those branches of the service had also increased to such an extent that they could no longer be handled with the equipment available. It is the present practice when vehicle service is requested to ascertain the cost at which rented equipment can be obtained, and Government-owned trucks are authorized in those cases where it appears that they can be operated more economically than rented equipment.

The World War and the unusual conditions existing since its close have been responsible for the material increase in the expenditures for vehicle service. Congress, recognizing that conditions were unusual, passed an act on July 2, 1918, authorizing the Postmaster General to readjust the pay of screen-wagon contractors on account of conditions growing out of the war, and in accordance with this authorization all contracts entered into prior to June 30, 1917, were readjusted, the average increase amounting to approximately 35 per cent. The adjustments made, however, appear not to have been liberal enough to cover the loss sustained, for the reason that many contractors claimed that even with the readjustment their contract was a losing proposition. This is mentioned for the reason that it was at this juncture that the big extension in Government-owned motor-vehicle service began, and the Government was required to pay the same increased cost for labor, materials, and supplies that the contractor would have been required to pay had the service been continued under contract.

The increase in the postal receipts is not a satisfactory criterion of the need for additional vehicular service for the reason that the bulk of the postage is paid on letter mail, which it is believed constitues less than 3 per cent in weight of the volume of the mail handled. Therefore, to gain a fair idea of the additional burden placed on the vehicular service as the result of the growth of the postal business, weight only should be considered.

Even the increase in the volume of mail to be handled fails to show the entire demand on the vehicular service for the reason that practically every change that is made in the method of handling mail in cities imposes an additional burden on the vehicle-service appropriation. For example, when pneumatic-tube service, with an operating expense of $960,000 per year, was discontinued on June 30, 1918, it was necessary to use motor trucks to transport the mail formerly handled by the tubes, the operating expense of which is paid from the vehicle-service appropriation. When Government-owned service was established at Pittsburgh, Cincinnati, Omaha, and Kansas City, a very large percentage of the mail was transported by electric cars, the operating expense of which was paid from an appropriation for the specific purpose. The electric-car service, besides being decidedly inferior to the present service, was on the verge of a breakdown, the companies alleging that they were operating at a loss, and when this service was superseded by vehicle service the operating cost was charged against the vehicle-service appropriation. Furthermore, in every city where Government-owned motor-vehicle service has been established the collection and delivery facilities have been improved, affording relief to the appropriation from which letter carriers are paid, motor-vehicle collection and delivery service having been substituted for the collection and delivery service performed by carriers on foot. In three cities the motorization of the collection and delivery service saved approximately $280,000 in carrier service, but imposed a somewhat less burden on the vehicle-service appropriation.

Periodical counts have been made of the parcel post handled at the 50 largest offices, beginning with the count taken during the two weeks from April 1 to April 15, 1913, the result of which is shown in the following table:

	Pounds.
Apr. 1–15, 1913	11,930,469
Oct. 1–15, 1913	18,645,041
Apr. 1–15, 1914	28,558,700
Oct. 1–15, 1914	34,600,370
Apr. 1–15, 1915	36,131,954
Oct. 1–15, 1915	41,826,920
Apr. 1–15, 1916	44,246,180
Oct. 2–16, 1916	48,405,359
Apr. 2–16, 1917	46,582,587
Oct. 1–15, 1919	92,825,935
Oct. 1–15, 1920	105,898,298
Oct. 1–15, 1921	116,321,465

Postmasters report that the increase in the volume of mail during the present year has been greater than during previous years, and this seems to be borne out by the fact that the postal receipts at the 50 largest offices during the first five months of the current fiscal year were 12.57 per cent greater than during the corresponding period of the fiscal year ended June 30, 1922. As a matter of information, it may be stated the increase in the postal receipts during the first five months of the current fiscal year is 1.97 per cent greater than the increase during the two previous fiscal years combined.

With a view to saving carriers' time and relieving them of carrying excessive loads the practice was adopted recently of relaying mail for local delivery to storage boxes placed on the route of the carrier. As an example of this service, reference is made to a letter from the postmaster of Chicago under date of November 27, 1922, stating that 261 deposit boxes are located at convenient points in station districts furnishing depositories for approximately 700 carrier satchels, which, on account of their weight, are transported from stations to these deposit boxes by trucks. This work requires the time of eight trucks, each working eight hours per day. Trucks are further used for the purpose of transporting carriers to routes where routes are some distance from the post office and street-car facilities are not available. This saves carrier time, effecting an economy in the operation of the service as a whole.

Pick-up service (collecting mail from business establishments) has been authorized in a few instances where such service is advantageous to the department. The principal advantage of this service is to provide an even flow of mail into the post office, so that it can be worked with a minimum-size force. There are also instances where the mail is of a very heavy nature, such as films, and where films are collected from the exchanges they are transported directly to the railroad stations and vice versa, thus eliminating a double handling over the loading platforms at post offices. In a limited number of instances door-to-door pick-up service is in operation, but this service is of such "special nature" that it is being discontinued on the ground that all patrons of the Postal Service are entitled to the same character of service, and until the department is able to authorize this special service generally it is believed that all service of this nature should be discontinued.

With respect to the relative cost of Government-owned and contract service attention is invited to the following:

City.	Date Government-owned service established.	Rate per mile with driver.	
		Contract.[1]	Government-owned.[2]
New York, N. Y.	Jan. 1, 1918	$0.53	$0.45
Baltimore, Md.	Apr. 1, 1919	.4087	.37
Cincinnati, Ohio	Mar. 4, 1919	.53	.40
Boston, Mass.	Oct. 1, 1917	.48	.36
Brooklyn, N. Y.	Jan. 1, 1918	.48	.35
Average		.4857	.386

[1] Contract rate of pay per mile at time department motorized the service with Government-owned trucks.

[2] Cost per mile during fiscal year 1922.

In justice to contract service it should be stated that the mileage paid for covered only the mileage actually performed between transportation points, whereas under Government-owned service it is necessary to pay for all mileage, regardless of whether the truck is transporting mail or is being driven between the garage and the point where mail is to be handled. Adding 10 per cent to the cost per mile of operating Government-owned trucks still leaves a margin in favor of Government-owned service.

The average cost of operating Government-owned trucks per mile with driver during the fiscal year 1921 amounted to 41 cents, while for the fiscal year 1922 the cost decreased to 37 cents.

About a year ago the postmasters of 74 cities operating three-eighths-ton Ford trucks were requested to invite bids for renting equipment, with a view to substituting contract service for Government-owned service. In only four of the 74 cities were the bids received for contract service lower than the cost of operating Government-owned trucks, and in these few instances the difference was very small. The total of the lowest bids received for rented vehicles for the 74 cities amounted to $107,240, whereas the actual cost of operating Government-owned trucks in the cities in mind amounted to $76,860, a difference of $30,380 in favor of Government-owned service.

At the present time the department has contracts for a period of four years or agreements covering a single year for vehicular service amounting to approximately $3,000,000 per year. It has been the practice for some time and will be the practice hereafter to ascertain the cost of securing vehicles under contract before authorizing Government-owned equipment, and Government-owned equipment will not be authorized unless it can be operated more economically than rented equipment. In this connection it should be stated that the trucks that are being placed in the service consist of chassis transferred to the Postal Service by the War Department, under authority of Congress, on which bodies manufactured under contract—a few bodies have been constructed in post-office garages—are mounted, in order that the

vehicle may be in a suitable condition for the transportation of mail. It is believed that this method of disposing of surplus motor-truck equipment is to the advantage of the Government, for the reason that while the chassis are serviceable and suitable for use in the Postal Service it would probably be impossible to sell them for more than one-third of their actual present value.

In connection with the extension of vehicular service it should be stated that even the increase in the number of Government-owned trucks in use does not reflect the total growth of the vehicular transportation required in cities, for the reason that large mail-order and publishing houses in many cities are hauling their output between their distribution plants and the depots, which not only saves the Government the expense of haulage but also effects a saving in rent, for the reason that the establishments almost invariably furnish sufficient space in their plants for use in the separation of the mail, the work being performed by post-office employees.

With respect to the cost of supervision in the department and at different post offices it should be stated that when only contract service was in operation all correspondence respecting delays and failures on the part of the contractor in connection with the transportation of mail, including all record work necessarily imposed upon the Postal Service, was performed by employees on the post-office roll whose compensation was not charged against vehicle-service appropriation, whereas at the present time all employees engaged in this class of work, in connection with the operation of Government-owned trucks, are paid from the vehicle-service appropriation.

Sincerely yours,

JOHN H. BARTLETT,
First Assistant Postmaster General.

Mr. McKELLAR. In this connection, Mr. President, I wish to state that at a hearing before the committee the other day Mr. Spilman, the chief clerk of the department, produced a statement showing how many of those employed under this appropriation were used. I telephoned him this morning for that statement for use at this time, but he has not yet sent it to me. I ask unanimous consent that when the statement Mr. Spilman used at the hearing comes, it may be incorporated in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and the order will be made.

The statement referred to is as follows:

Vehicle service.

ESTIMATE OF EXPENDITURES.

Classification of objects of expenditures.	Number.	Salary range.	Estimated expenditure, fiscal year 1923.	Expended and obligated, fiscal year 1922.
01. Personal service supervisors:				
Department field representatives	8	$2,500-$3,700	$24,400	$24,400
Superintendents	56	1,900- 3,300	141,000	137,000
Assistant superintendents	6	1,800- 2,300	12,800	12,800
Chief mechanics	41	1,900- 2,800	95,200	95,200
Record clerks	49	1,500- 2,800	102,900	99,500
Supply clerks	34	1,500- 2,300	62,600	62,600
Personnel clerks	2	2,300	4,600	4,600
Foremen	3	2,000- 2,200	6,200	6,200
Paymasters	3	2,200- 2,300	6,700	6,700
Chief chauffeurs in charge	9	1,800- 2,200	17,500	17,500
Chauffeurs in charge	77	1,700- 2,100	143,700	143,700
Chauffeur supervisors	9	1,800- 2,400	19,000	19,000
Total supervisors			636,600	629,200
Employees:				
Office employees	151	1,400- 2,100	245,207	289,889
Mechanics	872	1,500- 2,300	1,738,015	1,627,651
Chauffeurs	2,082	1,400- 1,800	3,264,990	3,253,512
Garagemen	600	1,200- 1,450	844,988	845,376
Grand total [1]			6,729,800	6,645,630

[1] This includes vacation service, holiday service, and substitutes employed in place of regular employees on annual leave.

Vehicle service.

DETAILS OF EXPENDITURES.

No.	Classification of objects of expenditures.	Estimated expenditures, fiscal year 1923.	Expended and obligated, fiscal year 1922.
01	Personal services	$6,730,000	$6,645,630
0230	Fuel	1,706,900	1,614,381
0240	Wearing apparel and sewing supplies	600	451
0280	Sundry supplies	130,000	125,832
0290	Materials	2,260,000	2,194,526
0510	Telephone service	13,500	13,292
06	Travel expenses	15,000	22,771
07	Transportation of things (service)	3,350,000	3,344,373
10	Furnishing light, heat, power, water, and electricity (service).	100,000	96,785
11	Rent of buildings and structures	635,000	609,465
1110	Other rents	50,000	42,173
3050	Other equipment	9,000	8,317
	Returned to Treasury		250,000
	Available balance		32,004
	Total	15,000,000	15,000,000

Mr. McKELLAR. I wish to say further in regard to the last item that it has grown in a very remarkable degree. In 1917, I think, about $5,000,000 was appropriated for this item, and in the five or six years which have passed it has grown from $5,000,000 in round numbers to $15,000,000. Fifteen million dollars was appropriated last year and the House appropriated $15,000,000 this year. It is so out of proportion to the general increase in the department that it challenged my attention, and I asked for more specific information from the department, and the letter sent by the First Assistant Postmaster General is in response to the inquiry made by the committee.

I understand also, from a statement made by Mr. Spilman, that this particular branch of the service has been recently turned over to him and that hereafter it will be conducted by him, and he made the statement that he would be very careful to see that the appropriation included in this item would have his careful scrutiny. My own judgment is that there has been considerable waste and extravagance in the use of this item in the last several years. I am not going to discuss it now. I think it was very wise that the committee cut down the appropriation from $15,000,000 to $14,500,000. I hope, and I am sure, when the next appropriation bill comes up we will have a statement of the facts which we can give to the Senate and I hope very largely reduce this item, because I believe there is much extravagance in it.

The reading of the bill was concluded.

Mr. TOWNSEND. Mr. President, I desire to return to page 9 of the bill.

Mr. McKELLAR. Will the Senator yield to me to submit an amendment to come in near the end of the bill?

Mr. TOWNSEND. Certainly.

Mr. McKELLAR. I send to the desk an amendment which I offer, and I ask unanimous consent that it may be adopted.

I feel sure there will be no objection to this amendment. I will say to Senators that it is for the purpose of extending the Postal Commission for a period of one year. That commission has done splendid work in the department in my judgment. I think it makes for a saving in the department. I know it has been of very great benefit to the department, and I hope no Senator will object to this amendment being added to this bill.

The PRESIDING OFFICER. The amendment proposed by the Senator from Tennessee will be read.

The ASSISTANT SECRETARY. On page 20, after line 25, insert a new section, as follows:

SEC. 2. That the joint commission authorized under section 6 of the act approved April 24, 1920, entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1921, and for other purposes," is hereby continued until June 30, 1924, to complete the investigation and to prepare a detailed report containing a summary of its findings thereof and such recommendations as to legislation as it may deem proper: *Provided*, That the said commission shall not expend a greater sum than $75,000 during the fiscal year 1924.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TOWNSEND. In behalf of the committee I desire to offer an amendment on page 9, lines 9 and 10.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 9, lines 9 and 10, strike out "470 inspectors, $1,536,200; in all, $1,599,200," and insert in lieu thereof the following: "520 inspectors, $1,651,200; in all, $1,714,200."

Mr. TOWNSEND. In connection with the amendment I send to the desk a letter from the Acting Director of the Budget Bureau and ask that it be read.

The PRESIDING OFFICER. The letter will be read.

The letter was read, as follows:

TREASURY DEPARTMENT,
BUREAU OF THE BUDGET,
Washington, January 12, 1923.

Hon. FRANCIS E. WARREN,
Chairman Committee on Appropriations,
United States Senate.

MY DEAR SENATOR: I am informed that your committee is now considering a request made by the Postmaster General that provision be made in the pending appropriation bill for the Post Office Department for the fiscal year ending June 30, 1924, for the pay of 50 additional post-office inspectors at the entrance grade of $2,300 each, and for their traveling expenses.

The request of the Postmaster General was made with the prior knowledge of the Director of the Bureau of the Budget, and favorable consideration thereof by your committee will not be in conflict with the financial program of the President.

Very truly yours,

R. O. KLOEBER, *Acting Director.*

Mr. HARRISON. Mr. President, reserving the right to make the point of order on the amendment, may I ask if the Senator has before him the figures, say for the past 20 years, showing the number of post-office inspectors we have had?

Mr. McKELLAR. Mr. President, if the Senator from Michigan will permit me, I will take pleasure in answering the question of the Senator from Mississippi.

Mr. TOWNSEND. Certainly.

Mr. McKELLAR. The number of inspectors provided for the various years since 1904 were as follows:

Nineteen hundred and four, 211 inspectors; 1905, 216; 1906, 226; 1907, 377; 1908, 377; 1909, 355; 1910, 355; 1911, 390; 1912, 390; 1913, 390; 1914, 390; 1915, 420; 1916, 422; 1917, 422; 1918, 422; 1919, 422; 1920, 422; 1921, 435; 1922, 435; for the past year it was increased 50, making 485 for 1923, and now it is proposed to make it 520, as I understand, an increase of 50 more.

Mr. TOWNSEND. Yes; that is correct.

Mr. McKELLAR. I think those are the correct figures. It will be seen that just last year we increased the number of inspectors 50, which is a greater increase than ever before occurred in the department in any one year. Always after an increase the number has remained the same for a number of years, and according to the figures the number in two years—1909 and 1910—was actually reduced.

Does that give the Senator from Mississippi the information he desired?

Mr. HARRISON. Yes; and I thank the Senator. May I now ask the Senator from Michigan, what was the estimate of the Post Office Department to the Bureau of the Budget, taking it as a whole?

Mr. TOWNSEND. This year?

Mr. HARRISON. Yes.

Mr. TOWNSEND. Just what the bill contained as it came from the House.

Mr. HARRISON. Has there been any reduction or increase in the Senate committee?

Mr. TOWNSEND. An increase of 50 inspectors.

Mr. HARRISON. That is the only change in the bill from the House bill?

Mr. TOWNSEND. Oh, the Senator means in the whole bill?

Mr. HARRISON. Yes.

Mr. TOWNSEND. We have made an increase of about $500,000——

Mr. HARRISON. I do not know whether the Senator understood my question or not.

Mr. TOWNSEND. We are $4,500,000 under the estimates.

Mr. HARRISON. Then the estimate of the Post Office Department to the Bureau of the Budget was no larger than the Bureau of the Budget approved to the Congress for appropriations for the Post Office Department for the coming fiscal year?

Mr. TOWNSEND. I am not sure about that. In most of the items the estimate of the department was what the Budget approved, but the Budget did cut down some of the items, quite a number of them.

Mr. HARRISON. Can the Senator give us information as to just how much they did cut from the estimates of the Post Office Department?

Mr. TOWNSEND. The House committee report gives it. The decrease made in the bill in the House compared with the Budget estimate for compensation of postmasters in the First Assistant's department was $500,000.

Mr. HARRISON. They cut it that much?

Mr. TOWNSEND. Yes. They cut the clerks and employees' item $750,000. They cut the watchmen and messengers' item $135,000; the temporary and auxiliary clerk hire item, $500,000; for unusual conditions, $25,000; for rent, light, and fuel, first, second, and third class post offices, $1,224,000; miscellaneous items, $50,000; letter carriers in cities, $300,000; car fare and bicycle allowance, $150,000. That made a total of $3,634,000.

Mr. HARRISON. Was that cut by the Bureau of the Budget in the estimate presented to it by the Post Office Department?

Mr. TOWNSEND. No; that was the cut by the House below the Budget estimate.

Mr. HARRISON. My question was, and I wondered if the Senator had the information, with reference to the cut which the Bureau of the Budget made in the estimates of the Post Office Department.

Mr. TOWNSEND. I know nothing about it. I could not tell what that was because I do not have the estimate of the department to the Budget.

Mr. SMOOT. I will say to the Senator that I think it was about 10 per cent of the whole. I have not any information as to each item, but I think the Budget cut the estimates of the Post Office Department nearly 10 per cent.

Mr. HARRISON. The chairman of the Committee on Post Offices and Post Roads says he knows nothing about it. The Senator from Utah is a member of the Committee on Appropriations, and the Senator from Michigan was chairman of the subcommittee which considered the Post Office appropriation bill.

Mr. TOWNSEND. I have not attempted to find out what the estimate of the department was to the Budget. I know nothing about it. We took up the House bill. We called in some of the officials of the department—the Postmaster General, and some of the assistants—as we felt we had a right to do, and put certain questions to them. But we did not ask what their estimates were to the Budget.

Mr. HARRISON. May I ask the Senator—as I prize very greatly his opinion because of his experience and justice—if he does not think that it would be well, when the Budget presents to the Congress a report for the appropriations for the Post Office Department, that the estimates which have been made to the Bureau of the Budget by the Post Office Department and the reasons assigned by the Budget where cuts were made, should come to Congress? Would it not aid the Congress?

Mr. TOWNSEND. That might be; but I do not see how the Senate is estopped from finding out the facts in reference to the appropriation. The committee feels that it is pretty well qualified to pass upon the bills that come before it and the items in the appropriation bill. We do not hesitate to call in anybody when we want information in reference to any particular item. We have done that from the beginning.

Of course, I realize, if the Senator please, that we have an executive department of the Government. Congress has seen fit to pass what is known as the Budget law. The various heads of the departments are a part of the Executive. The President himself is responsible. Under the law, they make their reports through the Budget to the President as to what they think, in the coordination of the various appropriations that are estimated for in the department, it ought to cost to run the Government. I had supposed that was the one crying need of the Congress—to reduce expenses where it was possible to reduce them.

In the committee over which I have the honor to preside—the Committee on Post Offices and Post Roads—when we have presented to us a bill which to us, with our familiarity with the matter, seems to carry a less amount than ought to be carried, we try to post ourselves and do not hesitate to raise the amount; neither do we hesitate to reduce when we believe it is important for the good of the Government, for the financial interests of the Government, that the item should be adjusted. So I can see no injustice that is done Congress through the action of the Budget so far as it affects the Post Office Department appropriation.

Mr. HARRISON. It would affect it to this extent, would it not, may I ask the Senator? Of course his committee may call for the head of the department to get information touching the various items. Some of the heads of the departments, as was shown this morning from the hearings, felt constrained in some instances not to answer questions for fear they might violate the law. But evidently that is not true of the Post Office Department. The Senator as a member of his committee can get the information, but a Senator who is not a member of the committee does not get the information. We can not see the estimates of the department.

The Senator can of course offer his amendment in the committee to increase the amount beyond the Budget figure, and other Members of the Senate who are likewise members of the committee can do the same thing. A Senator, however, who is not so fortunate as to be on the committee, if he thinks differently and believes that the amount should be increased, is precluded on the floor of the Senate from offering an amendment for that purpose. He has no way of ascertaining what the estimate of the department was as to the particular item, because the information is not filed with the committee or with Congress.

Mr. TOWNSEND. Mr. President, the Committee on Post Offices and Post Roads have not seen fit to report in favor of increasing an appropriation that was not approved by the Budget Bureau. As to the amendment which I have offered, the entire committee, with one or two exceptions, was favorable to it; but we felt that it had not been estimated for and had not been approved by the Budget Bureau, and so I was directed to report it as an amendment, provided the Budget Bureau approved it. For that reason, I have presented the letter from the Budget Bureau approving the item, and I should like to speak briefly on the question when the Senator from Mississippi shall have concluded.

Mr. HARRISON. As I understand, then, the Budget Bureau, so far as the Post Office Department is concerned, estimated almost as much as it desired; but the House of Representatives reduced the appropriation for the Post Office Department below the sum allowed by the Budget Bureau by some $5,000,000.

I gather that from the reading of the letter. Therefore the Senate committee found itself in the position that if it desired to increase the amount it could still increase it and yet not go beyond the sum that the Budget Bureau had allowed?

Mr. TOWNSEND. Yes.

Mr. HARRISON. That is true as to the Post Office Department, but, as was disclosed this morning, in the case of the Agricultural appropriation bill, a different situation was presented.

Mr. TOWNSEND. Mr. President, the Agricultural appropriation bill has been treated quite differently from any other appropriation bill, for there have been very many increases put on that bill by the Senate which I think probably would not have been tolerated on any other except an Agricultural appropriation bill. There would have been objection to them, and a great many of the amendments proposing to increase appropriations would have gone out, as some of them did go out, on points of order. Many amendments proposing such increases, however, were retained.

Mr. BROUSSARD. Mr. President, I merely wish to make a statement with reference to the working of the Budget system. I was not a Member of the Senate when the Budget Bureau was created, but in the last three or four days I have had occasion to find out that its operation should be changed. I am a member of the Post Office Committee of the Senate, but I do not know anything about the pending appropriation bill. It seems to me that matters affecting the Post Office Department should be referred to the Committee on Post Offices and Post Roads. I took that view in the case of the Agricultural appropriation bill. In connection with the Agricultural appropriation bill I tried for three days to secure information as to a small item of $10,000, but no Senator could tell me anything about it, and the information at first furnished me by the Department of Agriculture was absolutely erroneous. I think some remedy should be provided whereby the members of a committee may become acquainted with a bill the subject matter of which is under their jurisdiction, so that, in turn, the members of the committee may give information to their colleagues on the floor as to what is contained in the bill or what is not contained in it.

I am not complaining about the committee; I am not complaining about the Budget Bureau; I am not complaining about the President; but I think we ought to change the rule so that the committees to which the various appropriation bills were formerly referred may at least have the benefit of information as to what it is intended to do, so that other Senators who are not on the committee may be able to obtain the information.

I repeat, I am not complaining of the chairman of the committee or of any member of the committee, but I think there is a great need for a change in the rule, and a change in the law, and a change in the administration of the law. I think the suggestion made by the Senator from South Carolina that the Budget should allot to each department a certain amount and that the particular committee having jurisdiction of the subject matter, in connection with the department, should work out and solve the question as to what should be appropriated for the various items is a good one. Then when the question comes on the floor of the Senate it may be intelligently discussed.

I will give an illustration of my position. For instance, in this case I went to the chairman of the Committee on Post Offices and Post Roads to ascertain in what bill the appropriation for public roads was carried, for, although I am on the committee, I did not know. I thought the committee might have been consulted. I am not complaining of the particular instance, but I think the operation of the Budget system has proven it to be the most unsatisfactory system that could ever be adopted, more especially in the Senate.

Mr. TOWNSEND. Mr. President, I do not desire unduly to take up the time of the Senate, but I wish, in reply to my good friend from Louisiana, to say that, of course, this situation is created by the rules of the Senate.

Mr. BROUSSARD. I understand that.

Mr. TOWNSEND. The Post Office appropriation bill no longer goes to the Committee on Post Offices and Post Roads, where it has always heretofore been considered. I confess that I was not particularly eager about its transfer to the Committee on Appropriations, but I did not oppose it a year ago, because it seemed to me that at least such a system offered the hope that we might reduce some of the expenditures of the Government, which we were unable to do when various committees of the Senate were subject to all of the appeals and pressure which are brought to bear upon them, and also avoid the duplication of appropriations. So I was willing to try the present system.

The appropriation for roads did not come to the Committee on Post Offices and Post Roads. I was interested, however, in the road appropriation, and I followed it and was familiar with the action of the Committee on Appropriations, which had to deal with the subject. I was anxious to know what was going to be appropriated for roads. I ascertained that, and so I was able to answer the question of the Senator from Louisiana.

Mr. President, I desire to say merely a word in reference to this particular amendment. I repeat that the majority of the Committee on Appropriations, I think with one exception, possibly, though it may be there were others, at the time the appropriation was under consideration, after listening to the testimony of the Postmaster General and Mr. Spilman, were in favor of it. Therefore, I was instructed to offer the amendment on behalf of the committee, providing we obtained the indorsement of the Budget Bureau. Having received what I regard as an indorsement of the amendment on the part of the Budget Bureau I have submitted it to the Senate.

Now, let me say a word or two as to why the amendment should be adopted. As has been stated here, there has been a greater increase in the number of inspectors during the last year than there had been theretofore for many years, and I do not know but for all previous years put together. I do not remember exactly as to that. The fact of the matter, however, is that the necessity for additional inspectors in the Post Office Department is very great. We have just passed through the World War, and the crimes which have been committed against the postal laws are simply appalling. Last year it was shown that there were thousands upon thousands of cases that could not even be investigated because of the lack of sufficient official force to do so.

Last year the Budget recommended an increase of 100 in the number of inspectors, but Congress allowed only 50. There was much said at the time to the effect that we would provide for 50 and then wait a year and ascertain whether it was a good investment on the part of the Government to employ the additional 50 inspectors. A year has now passed, and the fact of the matter is that crime against the postal laws is increasing to such an extent that the department can hardly keep pace with the cases. One of the reasons why they have been unable to check crime against the postal laws is thought by the department—and I concur in their view—to be the delay which is so great that some of the cases become exceedingly stale before they may be even investigated. There are thousands of cases involving offenses against the Government; and yet the legitimate activities of the 50 inspectors for which we provided last year, not all of them as yet experts, because they have to be trained in the business, have resulted, as has been shown, in already saving through the reorganization of a few post offices in the country something in the neighborhood of a million dollars. Practically all of the saving has been brought about through the readjustment of the post offices in New York and in Cleveland by the aid of these inspectors. They are needed, and in my judgment their employment is the best investment the Government can make. It is not a waste of money to employ these men as police officers or law-enforcing officers to prevent crimes against the postal laws, where it is possible to do so, and in other cases to trace out the criminals and apprehend them. That has been done; there is no dispute as to that at all.

Mr. President, I have made inquiry as to a question that was brought up last year when we made the provision for the increased number of inspectors. Several Senators said that the authorization for the additional inspectors would afford an opportunity for the employment of spoilsmen; that the inspectors would be selected from Republicans and would be sent out for the purpose of harassing the Democrats in the various post offices. We provided that they should be selected through the civil service. The rule followed is that no man shall be selected as inspector who has not a passing mark or a rating of at least 94 per cent. That has limited the number very materially. Furthermore, it is a fact that these post-office inspectors are not sent out by the department to investigate the various post offices and postmasters, because that devolves upon the civil service. The civil service sends out one of its representatives and asks to have assigned to it an inspector who is familiar with the class of work that is to be done. In that way these great savings to the Government have been made.

I do not wish to be understood as saying that a saving of a million dollars more or less is all that the inspectors have accomplished. In one case this year, a stale case, where the Government had been defrauded of $2,000,000 by the theft of bonds, they have been recovered and turned back into the Treasury. These inspectors are the police officers of this great

department of the Government. I think we would be penny-wise and pound-foolish if we did not grant the additional number of 50 inspectors for the purpose of keeping as clean as possible the administration of the great Post Office Department.

Mr. President, I do not care to discuss the amendment further. It is one for which, as I have said, all of the committee who were present, save one, voted. I should like to have the amendment inserted in the bill. The only way it may go to conference is to have the Senate adopt it, because the House merely provided for the number of inspectors that are already provided for by law.

Mr. HARRISON. Mr. President, I make the point of order against the amendment. The Senator, in offering his amendment, produced a letter from the Acting Director of the Budget in which the statement is made:

The request of the Postmaster General was made with the prior knowledge of the Director of the Bureau of the Budget.

Of course that removes the Postmaster General from the penalties imposed for violation of the law, which provides that no request shall be made by the head of a department in excess of the estimate made by the Bureau of the Budget. So it is well and good that that language should be incorporated in the letter by the Acting Director of the Budget. He further says:

And favorable consideration thereof by your committee will not be in conflict with the financial program of the President.

No request is made of Congress to grant the appropriation; no reason is assigned for the appropriation; indeed, no reasons have been given, so far as we know, except those suggested by the Senator from Michigan, which are very good, of course; but there have been no reasons assigned by the Postmaster General or the President. Now, what is the law creating the Budget Bureau and upon which I base the point of order?

The Director of the Bureau of the Budget is the agent of the President. It is the agency that the President can direct to go out and obtain information, coordinate the departments, cut the estimates, and so forth. The Director of the Bureau of the Budget gives it to the President, and the President then approves it and transmits it to Congress. So far as the connection between the Bureau of the Budget and the Congress is concerned, there is no provision of law that constructs any connection. The connecting link between the Bureau of the Budget and the Congress is the President, for the President, and the President only, can transmit it to Congress. The reading of the law will convince any Senator to that effect. It starts out:

TITLE II.—THE BUDGET.

The President shall transmit to Congress on the first day of each regular session the Budget, which shall set forth in summary and in detail—

The law says nothing about the Director of the Budget transmitting to Congress the report of the Postmaster General, but it does say that the President shall transmit to Congress the report, and so forth, under certain conditions. There is nothing here from the President. The only suggestion that we have before us upon which this proposition is based is this letter. Certainly the Senator would not contend for a moment that if it were not for this letter that his proposition would be in order. In other words, it must receive the approval of the Budget Bureau before it is in order; and so the foundation upon which he builds his motion to make it in order is this letter, written to us by the Acting Director of the Bureau of the Budget. So the law says that the report must be transmitted by the President. There is nothing before the Senate from the President.

That is the general report that must be filed by the Bureau of the Budget, upon which the appropriation is to be made. What does the law say with respect to supplemental reports? Let us see:

SEC. 203. The President from time to time may transmit to Congress supplemental or deficiency estimates for such appropriations or expenditures as in his judgment (1) are necessary on account of laws enacted after the transmission of the Budget—

That would not apply—

or (2) are otherwise in the public interest.

So the President may transmit to Congress a supplementary or an additional report if the public interest requires it; but the law is as silent as the grave with respect to an Acting Director of the Budget or the Director of the Budget transmitting to the Congress any request. It goes further, indeed.

The whole idea expressed in this bill is that the dealings shall be between the President and the Congress, and that the Budget Bureau is merely the agency or instrumentality of the President to procure information or to cut appropriations if it sees fit.

The same section of the law further says, with respect to the President:

He—

Not the Director of the Budget, not the Acting Director of the Budget, but the President—

shall accompany such estimates with a statement of the reasons therefor, including the reasons for their omission from the Budget.

So for three reasons I make the point of order, and for any one of them it should be sustained: First, that the amendment that is offered is not based upon any request of the President; secondly, that even if the President had transmitted the report, it is not accompanied with an estimate and a statement of the reasons therefor; third, that it does not include the reasons of its omission originally from the Budget.

I submit, therefore, that this amendment is not in order under the operation of the Budget system if we are going to comply with the law.

I think it would be useless for me to argue the proposition further.

Mr. TOWNSEND. Mr. President, I have just a word to say in reference to the point of order.

I assume, and I think properly, just what the Senator from Mississippi says, that the Budget officer is the agent of the President. The agent of the President speaks for the President to the Senate through that letter. He states that this is in conformity with the President's financial plan. The estimate of the department, and the approval of the Budget a year ago, was for 100 additional inspectors. They assumed that that estimate was sufficient. With the understanding, as was once stated on the floor of the Senate and the House, that we would probably appropriate for 50 more this year, no approval was given by the Budget; but now, when the standing committee of the Senate has passed upon this proposition tentatively, it receives a communication from the Budget officer approving this item, and saying that he speaks for the President, and that it meets with the President's approval.

I had assumed, without going into any technicalities, that that was an approval by the Budget, and, feeling as I did that this was a righteous amendment—and no one familiar with the facts will deny it—I had assumed that no point of order would be made against it; but I am perfectly willing that the Chair shall rule on the point of order and dispose of it. I am advocating it in the interest of the Government. I know that it is the best business proposition we have in this bill. There is not anything that will result in a greater saving to the people than the employment of these 50 additional inspectors. Therefore, as I say, I am perfectly willing to leave the ruling to the Chair and abide the result.

The PRESIDING OFFICER (Mr. CAPPER in the chair). The Chair would like to ask the Senator from Michigan if he understands that the committee has reported this amendment?

Mr. TOWNSEND. The committee directed me to report the amendment to the Senate, providing we got the indorsement or the approval of the Budget officer; and when I received that, which I put in the RECORD, I then offered the amendment for the committee, which passed it.

The PRESIDING OFFICER. Then the committee does offer the amendment, and the Chair overrules the point of order made by the Senator from Mississippi.

Mr. HARRISON. Mr. President, I care nothing about the point of order, neither do I desire to be technical; but the decision that the Chair is about to make is very far-reaching. It is a question that will come up in the Senate and in the other House for many years to come, and the ruling the Chair is now about to make will be cited throughout the years in many, many instances. If the Chair rules that the point of order is not well taken——

Mr. STERLING. The Chair has ruled.

Mr. HARRISON. He has only signified his ruling. If the Chair rules—and I should like to have the parliamentary clerk hear me on this proposition, too—that the point of order is not well taken because this is an amendment that is reported by the Senate committee and would be accepted the same as though it had been incorporated in the bill even though it goes above the estimate provided by the Bureau of the Budget, then well and good. That is all right. If, however, the Chair rules that the point of order is not good for the reason that the Acting Director of the Budget or the Director of the Budget could write a letter here, even though the law says the President shall transmit it to Congress, and it will be of the same force as though the President had transmitted it, then that is a question from which I will appeal.

Mr. TOWNSEND. Will the Senator state that again? I was interrupted, and I did not hear that proposition.

Mr. HARRISON. I say, if the Chair in making this ruling overrules the point of order solely on the theory that this amendment is offered as a committee amendment by the action of the Committee on Appropriations, even though the appropriation is beyond that which was reported in the Budget originally, that is all right; I shall not in that event appeal from the decision of the Chair, because I think the Committee on Appropriations can propose an appropriation in the bill for an amount even greater than that carried in the report of the Bureau of the Budget, although an individual Member on the floor of the Senate under the rules can not do it.

The Senator is offering it as a Senate committee amendment. If, however, the Chair overrules the point of order because, as contended by the Senator, the Acting Director of the Budget has a right to write a letter here, and give no reasons for it, and give no reasons, as the law says he shall do, for the omission, and why it was not included originally, and that he is acting for the President, then I shall appeal from the ruling of the Chair, because we have to follow the Budget law here; and the law is specific that the President can transmit a supplementary or additional report, but that he must give reasons for it, and that he must give a further reason why it was not included originally.

As I say, if the Chair overrules the point of order for the first reason, I shall not appeal; but if the Chair overrules it for the second reason, I shall appeal—not that I care anything about it, but so that we will know where we are and will know what line should be drawn in the future on these matters.

Mr. STERLING. Let me ask the Senator from Mississippi whether I understand him to say that it will be no violation of the Budget law if the chairman of the committee, for the committee, proposes the amendment on the floor of the Senate? That is my understanding of the Senator's position.

Mr. HARRISON. I say this—and it was done in instance after instance in the Agricultural bill; I do not know whether it is done in this Post Office bill or not, because I have not had time to investigate it thoroughly—a committee of the Senate may bring in an amendment carrying an appropriation larger than the Bureau of the Budget estimated for, and that provision is in order under the rules of the Senate; but an individual Senator on the floor of the Senate can not offer an amendment carrying an appropriation greater than the Bureau of the Budget approved, because it would be subject to a point of order. I do not think the Senator and I differ about that.

Mr. STERLING. I understand that the Senator is within his rights and that the proposed amendment is proper under the principle announced by the Senator from Mississippi.

Mr. HARRISON. I am just saying that if the Senator has offered this proposition as the action of the committee, and they took that action, and it is to be construed as a Senate committee amendment, even though the amount might be greater than the Bureau of the Budget approved, I think it is all right. I shall not appeal from the decision if a point of order is made on that; but the Senator did not rely upon that proposition. He contended in his argument that the Acting Director of the Budget, because he was the agent of the President, could write a letter up here and it would be the same thing as though, under the law, the President transmitted it, when the law specifically says that the President must transmit the supplementary estimate here and must not only give the reasons for the increase but must state why it was omitted in the original estimate.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. McKELLAR. I want to call the Chair's attention to the fact that this letter does not have the effect that the Senator from Michigan contends that it has. I want to read it, and I hope the Chair will listen. It is addressed to the Senator from Wyoming [Mr. WARREN] and is signed by R. O. Kloeber, acting director. It reads as follows:

MY DEAR SENATOR: I am informed that your committee is now considering a request made by the Postmaster General that provision be made in the pending appropriation bill for the Post Office Department for the fiscal year ending June 30, 1924, for the pay of 50 additional post-office inspectors at the entrance grade of $2,300 each, and for their traveling expenses.

That is a mere statement of the request of the Postmaster General. Here is what Mr. Kloeber says:

The request of the Postmaster General was made with the prior knowledge of the Director of the Bureau of the Budget—

It does not say it had its approval. It does not say the Budget Bureau approved it; not at all. It merely says, "The request of the Postmaster General was made with the prior knowledge of the Director of the Bureau of the Budget, and then he adds this phrase:

And favorable consideration thereof by your committee will not be in conflict with the financial program of the President.

Very truly yours,

R. O. KLOEBER, *Acting Director.*

If that is an authorization of 50 additional inspectors, then I must admit I am absolutely ignorant of the meaning of language. It does not convey any such notion to my mind. It merely says two things—first, that the request of the Postmaster General was made with the prior knowledge of the director of the bureau; secondly, that favorable consideration by the committee will not be in conflict with the financial program of the President. It does not say the President approves this addition. It does not say that the Bureau of the Budget approves this addition. It is absolutely silent in that regard. Therefore, I say that the Chair can not hinge his ruling upon the approval of the Bureau of the Budget on this item.

While I am on my feet I might say this, that a year ago we increased the number of inspectors by 50, and it seems to me it is an idle thing to increase the number again by the enormous number of 50.

Mr. TOWNSEND. Mr. President, I realize the force of what the Senator from Mississippi [Mr. HARRISON] has said. I want to be absolutely frank with the Senator and with the Senate in saying that my understanding was that I was instructed by the committee to present this amendment providing it was approved by the Budget. So, while I am confident that if the Senate committee were convened it would instruct me to recommend it under the conditions existing now, yet we followed a rule that we would not increase an appropriation over the Budget recommendation. Therefore, to be sure that we were not doing that, they asked me to obtain this information from the department.

The Director of the Budget was out of town and is out of town now. I know that the Budget felt that having authorized an increase of 100 last year and the appropriation to cover it, it would carry until this year. We were satisfied that was not necessarily true. We discussed it in the committee, and, as I said, with one exception the committee was unanimous in favor of this proposition.

I do not like to have the Chair make any ruling which will be embarrassing in the future, and I suggest to the Senator from Mississippi that he ask unanimous consent to withdraw his point of order and let us proceed to vote on the proposition.

Mr. HARRISON. Mr. President, I have no desire to throw a monkey wrench into the machinery. I want to see the bills expedited as rapidly as possible. I realize that the Committee on Post Offices and Post Roads, in view of what the Senator has said, without question would put this item in the bill if the matter were before them with this letter.

Mr. TOWNSEND. There is no doubt about it.

Mr. HARRISON. If it were in the bill, I am quite sure no point of order could be made against it. But I do not want it to be construed that the Acting Director of the Bureau of the Budget or the Director of the Bureau of the Budget can transmit to Congress or to a committee of Congress a proposition, and that that shall be held to suffice, because the law is specific. But in view of the complications, I am going to withdraw my point of order.

Mr. TOWNSEND. I ask unanimous consent that an order be entered to that effect.

The PRESIDING OFFICER. The Senator from Mississippi withdraws his point of order. The question is on agreeing to the amendment offered by the Senator from Michigan.

Mr. HARRISON. Mr. President, I am opposed to this amendment. Figures have been given showing the large increase in the number of post-office inspectors from 1904 up to the present year. If I caught the figures correctly, they showed that in 1904 there were 211 post-office inspectors in the country, and that now there are 485, and 50 more are sought. This question was fought out in the last Congress. An amendment was offered to increase the number by 100, and finally, over our protest, the number was increased by 50.

Mr. McKELLAR. In that regard I call the Senator's attention to the fact that the number in 1911, 11 years ago, was 390. There was an increase, therefore, of 45 in 11 years. Now, it is proposed to increase the number a hundred in one year.

Mr. HARRISON. A post-office inspector is a peculiar political adjunct to any administration. Not in all instances, but in a great many instances, he is a very good politician. And naturally so. Why? Because when you want to get a fellow of the opposing political party out of a post office the policy that is followed is to make a complaint, and when the complaint comes to the Postmaster General he sends a post-office

inspector to make an investigation. Sometimes, of course, if that post-office inspector is not a politician and is free from any political influence, he will look into all the facts fairly and make his report; but if under the present administration he catches the wink of an eye from some high official, suggesting thereby that a particular Democrat should be removed from office, that he has held the postmastership long enough, and that an unfavorable report should come, so that the administration can take care of some of "the faithful and hungry," and thereupon the inspector without investigation makes an unfavorable report against the incumbent, then the office of post-office inspector becomes a political missionary. I presume, though, it was done under the Democratic administrations to some extent, and if it were not done under this Republican administration you have lost a good bet. All of you know it has been done and that it will continue to be done, and I presume they do need more inspectors in order to force the few remaining Democrats out of office. I suppose you are becoming fretful over the number of Democrats who are getting in office. The number naturally is increasing daily. "Every day, in a legitimate way," as Dr. Coué would say, the number is getting greater and greater.

That will continue, Mr. President. But I do not care how many post-office inspectors you name, you can not keep Democrats out of office, because somehow or other the people just naturally want Democrats in office. That is shown in various States. It was shown in Michigan, it was shown in Colorado, in New Hampshire; ah, well, it is shown all over the country. They want Democrats in the municipal offices; they want them in the State offices; they want them in the Federal offices. And why not? They have confidence in the Democrats. They have none in you.

I must say, though, that I do not blame you for wanting to put Republicans in these offices. I wanted the offices given to Democrats when we were in power. You naturally want these additional post-office inspectors in order that Republicans may be put in during the brief span you are in power. That is all right, and I say that the hungry crowd should be taken care of as well as possible. I have said that, so far as my friends in Mississippi are concerned, nobody need appeal to me to hold them in any of these political jobs or to ask me to write a letter in behalf of any person for one of these offices while you are in power. You as Republicans have the responsibility. If you fill the offices with Republicans, then that is your matter, because I realize the more Republicans you appoint the greater the criticism there will be of them in the discharge of their duties and the quicker will the people become disgusted and disgruntled. So while I am opposed to this large increase of 50 post-office inspectors, because it is an additional expense and it will add greater burdens to the already overpressed taxpayers of the country, if the Republican Party, which has the majority here and has the responsibility, want to add to the burdens of the people by creating more offices and political jobs, then well and good. I shall vote against the increase.

Mr. McKELLAR. Mr. President, I have but a few words to say in reference to this item. I am happy to say that this bill has been very carefully prepared, and I think the committee is to be congratulated on the very great care which they exercised with reference to all the items, with the possible exception of two. One of them is the item we are now discussing—adding 50 inspectors. We added 50 inspectors last year, and the figures have just been read showing that this was a tremendous increase over the number added from time to time during the history of the Post Office Department. I object to it because, so far as my knowledge of what these inspectors do goes, their activities are largely political, and have been for some time. I want to give an illustration of it.

Just a few days ago I received a copy of charges filed against a fourth-class postmaster at the little town of Spencer, in Tennessee. Of course, fourth-class postmasters are subject to civil service. The charge made against this gentleman, Mr. Northcutt, was that he had failed to deliver three packages of mail, and that there was some dust found on his counter. The inspector making those charges, Mr. Naylor, gave Mr. Northcutt three days to answer them. He dated his letter November 1, and Mr. Northcutt got it on November 3. He had less than three hours in which to get his answer in the mail before the time limit set, but he did answer, and his answer was that, so far as his not delivering the three packages was concerned, they were three packages of seed mailed to him, or to members of his family, and he had laid them to one side; that they had not been delivered to the postmaster himself and the postmaster's wife, I believe.

That sort of frivolous charges are being investigated by these inspectors, and I know that the inspectors in my State are principally devoting their time and attention to making frivolous examinations of that kind. I do not think we ought to add to the number.

I agree that the Republicans are entitled to the offices. Let them go on and take them, but not spend the people's money making fake investigations. There is no use in it. Let them say like men, "We are in power, the offices are ours, and we want to take them." If they do that, there will be no complaint on this side. But they pretend to be for civil service and to believe in it, yet they send their inspectors to make frivolous examinations of the kind I have just cited. In the case I have just mentioned the postmaster was immediately notified that if his resignation were received within 30 days he would not be removed from office because of the nondelivery of three packages of seed addressed to himself and wife and to his daughter, and because there was some dust on one of the desks in the post office. Those were the charges.

I say that we are piling up taxes against the people for a very improper purpose when we add to this list of inspectors. In 1911 we had 390 inspectors, and during the 10 years that followed there was an increase of only 45. In the past year there has been already an increase of 50, and now it is proposed to increase them by 50 more. Therefore I am opposed to this and shall vote against the increase of these inspectors.

Mr. STERLING. Mr. President, will the Senator permit a question?

Mr. McKELLAR. Of course.

Mr. STERLING. Is not the condition described by Mr. Simmons, chief of the inspection service, in his testimony before the Appropriations Committee last year, when we were considering the Post Office appropriation bill, proof that we did not have enough inspectors at that time?

Mr. McKELLAR. Mr. President, if they would just put the inspectors' work on the legitimate work of the department, and let the fourth-class postmasters and rural-route carriers in the various districts alone, they would have a sufficient number to do all the work. If they want to turn them out for political reasons, let them turn them out without making any investigation.

Mr. STERLING. Mr. President, I quite agree with the chairman of the committee having in charge the bill that this is the best business proposition contained in the bill, to increase the number of post-office inspectors. I want to call attention to a statement or two made by Mr. Rush D. Simmons, chief inspector, in his testimony before the committee last year. He said:

> Mr. SIMMONS. We have been getting behind for a number of years. That is, a great many cases have been allowed to die of age and be closed. The records would show "closed," but the complaints and investigations called for—we were unable to give attention at the time when it would have been of any value, and then the increasing service—that is, the change in the character of the service, the parcels post, and the depredations that came along with it, the opportunities for depredations, brought a very large addition to take care of. We did not formerly have that condition to cope with.

Further on he said, in answer to a question:

> Senator STERLING. Your inspections involve the furnishing of evidence, do they not, to the Government in case of prosecution?
> Mr. SIMMONS. Yes, sir.
> Senator STERLING. Take the fraudulent use of the mails, or sending prohibited matter through the mails.
> Mr. SIMMONS. Yes, sir.
> Senator STERLING. You have to investigate and furnish the testimony?
> Mr. SIMMONS. Inspectors furnish the testimony (the evidence) to the United States attorney.
> Senator STERLING. Are there some cases of that kind pending for a long time, where you have not been able to inspect, or get together the evidence for the trial of the case?
> Mr. SIMMONS. Yes; there are a great many of those. Some of them are two years old or more.

Thus, Mr. President, it appeared from the testimony that from lack of a sufficient number of inspectors these cases were allowed to become old. The result is, as in any suit at law, that witnesses remove or die, and the Government, because it can not promptly prosecute the cases, is without the evidence to go on with them, and from lack of sufficient inspectors in the service.

I think, just as the chairman of the committee has said, that it is a business proposition pure and simple, and that Congress surely ought to provide an additional number of inspectors. As has been stated, 100 were asked for last year, 50 were given, and we are asking now for the 50 more that should have been allowed last year. A part of the condition described by the Senator from Tennessee [Mr. McKELLAR] is due to the fact that we had not theretofore provided from time to time the number of inspectors we should have had.

As to anything political in regard to the provision, it is absolutely free from politics. The inspectors are under the civil service law and civil service rules, and "deserving Democrats"

have as good a chance as anybody else to be appointed to the inspection service.

So, Mr. President, I trust the amendment will prevail for the sake of the service and from the standpoint of good business.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered in behalf of the committee by the Senator from Michigan.

The amendment was agreed to.

Mr. TOWNSEND. There is another part of the amendment. Having adopted the amendment just referred to, it is necessary that the total should be changed.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 9, line 19, strike out "$424,500" and insert in lieu thereof "$468,300."

The amendment was agreed to.

Mr. TOWNSEND. I was directed by the Committee on Appropriations to report the following amendment offered by the Senator from Tennessee [Mr. MCKELLAR], and ask unanimous consent that it may be considered.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 15, after line 9, insert the following additional proviso:

Provided further, That no contract or contracts for carrying mails on foreign steamships shall be made when such mail can be carried on American steamships at a reasonable price.

The amendment was agreed to.

Mr. TOWNSEND. That completes the committee amendments.

Mr. MCKELLAR. Mr. President, I am going to detain the Senate just a moment. The Assistant Postmaster General has sent me the statement that was made by Mr. Spilman before the committee a day or two ago, and which I have asked and received unanimous consent to have printed in the RECORD. But there are two or three matters concerning it that I wish to bring to the attention of the Senate very briefly.

I find that under the item of $15,000,000 the personal service of employees amounts to $6,730,000. The items are divided as follows: Eight representatives, $24,400; 56 superintendents, $141,000; 6 assistant superintendents, $12,800; 41 chief mechanics, $95,200; 49 record clerks, $102,900; 34 supply clerks, $62,600; 2 personnel clerks, $4,600; 3 foremen, $6,200; 3 paymasters, $6,700; 9 chief chauffeurs in charge, $17,500; 77 chauffeurs in charge, $143,700; 9 chauffeur supervisors, $19,000.

Under the head of employees are 151 office employees, $245,207; 872 mechanics, $1,738,015; 2,082 chauffeurs, $3,264,990; 600 garage men, $844,988.

Mr. President, it will be seen that for every two and one-half chauffeurs we have a mechanic, and that for every three and a fraction chauffeurs we have a garage man. As I said before, these items indicate wasteful extravagance. It is not necessary to have all of these superintendents and mechanics and garage men. There are almost as many mechanics and garage men as there are chauffeurs running the trucks. It is a willful and woeful waste of money, in my judgment. Of the total appropriation $6,730,000 is appropriated for the payment of salaries.

I call attention to another remarkable item in the list:

Transportation of things (service).

That means nothing to anybody, nobody explains it, and yet it carries an appropriation of $3,350,000.

I am calling public attention to it in this way for the purpose of expressing the hope that the new man who will have charge, Mr. Spilman, will go to the bottom of it and create a very considerable saving during the present year. I want to say publicly that I am going to the bottom of it, and the next time that item comes before the committee it is going to be thoroughly examined and most carefully scrutinized.

Mr. TOWNSEND. Mr. President, the committee listened to the testimony of Mr. Spilman and it has now before it the letter of the First Assistant Postmaster General in reference to the matter. As I said, the committee did not feel like granting the whole $15,000,000 upon the showing that was made by Mr. Spilman. It should be stated, however, that Mr. Spilman did not profess to know much about the matter, as it had just been placed in his hands and he had had no time to go over it. He did suggest two or three items that in his judgment ought to be changed, which he thought too extravagant. He insisted upon the full $15,000,000 because there is a deficiency appropriation for that purpose. We are going into the matter, as the Senator from Tennessee has stated, but it ought to be understood just exactly what the situation is.

Mr. JONES of New Mexico. Mr. President, I offer an amendment to be inserted at the end of the bill and ask unanimous consent for its consideration. It relates to a matter which has been considered heretofore by the Senate. It does not increase any appropriation, but authorizes a change in the plans for the construction of a post office at Las Vegas, N. Mex. Senators present are quite familiar with it and I ask that it may be added as an amendment at the end of the bill.

The VICE PRESIDENT. The amendment will be read.

The READING CLERK. Add at the end of the bill the following additional section:

SEC. —. That so much of section 16 of the act of Congress approved March 4, 1913 (37 Stat. p. 883), which directed the Secretary of the Treasury to purchase a site, or acquire it by condemnation or otherwise, on land at a convenient point between the incorporated city of East Las Vegas, N. Mex., and the incorporated town of Las Vegas, N. Mex., and cause to be erected thereon a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, for the use and accommodation of the post office, courthouse, and other governmental offices, etc., be, and the same is hereby, amended so as to authorize and direct the Secretary of the Treasury to cause to be erected, on the site heretofore acquired by the United States for the purpose, a suitable and commodious building, including fireproof vaults, heating and ventilating apparatus, approaches, etc., complete, for the use and accommodation of the post office, at a limit of cost not to exceed $115,930.40.

The amendment was agreed to.

Mr. OVERMAN. Mr. President, I propose an amendment which I know is subject to a point of order, because it provides for an increase of an appropriation. Therefore I am afraid the chairman will raise the point of order; and if he does, of course it goes out. The amendment is to increase an appropriation from $1,500,000 to $1,700,000. The purpose of the amendment is to increase village delivery throughout the country. I understand the Postmaster General asked for the amount for which I am asking, that it was estimated for, and that the Budget cut it to $1,500,000.

There was a time, as I understand from the chairman of the committee himself, when the Postmaster General wanted to wipe out all village delivery and save to the country $1,500,000 or more; but the Congress has not seen fit to do so. We find the state of affairs to be that some villages have the free delivery and other villages, which have outgrown those that have it, can not understand why they can not get it.

If we are going to have this service at all, we ought to extend it so that the villages which have grown larger than those where free delivery is now established should have it. I appeal to the Senator, let there not be this discrimination. If we are going to have the service, let all the villages have it which are entitled to it. I can call the Senator's attention to towns in my own State in which this service is not provided that have outgrown other towns which have free delivery; they are entitled to it; but the Postmaster General states that they can not get it. Senators will realize what a discrimination that is. I desire that we shall stop such discrimination. If it be desired to abolish this service, that is all right; then there will be no discrimination; but to let some towns have it and others which are entitled to it not to have it is all wrong, in my judgment. Therefore I offer the amendment, trusting that the Senator from Michigan will not raise the point of order against it. As I understand, the Postmaster General has estimated for it.

Mr. TOWNSEND. The Senator from North Carolina is absolutely wrong about that.

Mr. OVERMAN. I was so informed; but one can not always get the truth about these matters.

The VICE PRESIDENT. The Secretary will state the amendment proposed by the Senator from North Carolina.

The ASSISTANT SECRETARY. On page 12, line 12, it is proposed to strike out "$1,500,000" and to insert "$1,700,000."

Mr. TOWNSEND. Mr. President, I am obliged to make the point of order against the amendment that it has not been estimated for or approved by the Budget or by the committee. In making the point of order, however, I merely wish to say, in answer to the statement of the Senator from North Carolina, that for a number of years the Post Office Department has asked that this service be abolished, stating that it was an expensive service, without any adequate return in benefits; also that it is going to cost a great deal of money to carry it on. Last year, however, instead of abolishing the service, we concluded to continue it by an appropriation for the offices where it was already in existence, feeling that it was a very difficult matter to take away from the people of a community a privilege which they already enjoyed, but we were very much opposed to extending the service. Therefore I am obliged to make the point of order against the amendment.

The VICE PRESIDENT. The point of order is sustained.

Mr. HEFLIN. Mr. President, I wish to ask the Senator from Tennessee a question in reference to the appropriation carried in the following proviso in the bill, which is found on page 20, line 4:

For pay of rural carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, and tolls and ferriage, Rural Delivery Service, and for the incidental expenses thereof, $86,900,000.

I am wondering if the amount here provided is sufficient to meet the requirements of the service and fairly cover the needs of the rural carriers.

I have had some correspondence with some of the rural carriers of my State with reference to aid needed for sick leave and for expenses incurred in the wear and tear of vehicles used in the service. My friend from Tennessee was a member of the subcommittee which considered this matter, and I wish to ask him if the amount here proposed to be appropriated covers what the rural carriers have shown was necessary for properly carrying on their part of the work in the Postal Service?

Mr. McKELLAR. It covers what the Post Office Department estimated as being the amount necessary to carry on the Rural Delivery Service. I think the House of Representatives allowed exactly what was asked for.

Mr. TOWNSEND. The House increased it, and it is the only item which the House did increase.

Mr. McKELLAR. That is true. The House increased it; and there is no trouble in the world now about the matter, I desire to say to the Senator from Alabama. The entire committee was favorable to liberal treatment for the rural carrier service.

Mr. TOWNSEND. As I have stated, this is the only item in the bill which the House of Representatives increased over the estimate, and the Senate committee agreed with them.

Mr. HEFLIN. Yes; I knew that it had been increased. I was convinced that there ought to be an increase in the appropriation for this service, and I have advocated such an increase. I am glad to know that the amount as increased is adequate.

Mr. TOWNSEND. If it be necessary, I ask unanimous consent that the Secretary be authorized to make such correction of the totals in the bill as may be necessary by reason of amendments which have been agreed to by the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

The bill was passed.

ORDER FOR RECESS TO MONDAY.

Mr. JONES of Washington. I ask unanimous consent that when the Senate closes its business to-day it take a recess until 12 o'clock on Monday next.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

NITRATE OF SODA.

Mr. SMITH. Mr. President, in accordance with the understanding which we previously had, I now ask unanimous consent that the Senate proceed to the consideration of the joint resolution (S. J. Res. 265) to stimulate crop production in the United States.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution; which was read as follows:

Resolved, etc., That the President is authorized and directed to procure, or aid in procuring, such stocks of nitrate of soda as he may determine to be necessary and find available for increasing agricultural production during the calendar year 1923, and to dispose of the same at cost, payable in advance. For carrying out the purposes of this joint resolution there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, the sum of $10,000,000, or so much thereof as may be necessary, and the President is authorized to make such regulations and to use such means and agencies of the Government as in his discretion he may deem best. The proceeds arising from the disposition of the nitrate of soda may go into the Treasury as miscellaneous receipts: *Provided*, That the sum herein appropriated and the proceeds arising from the disposition of the nitrate of soda may be used, at the discretion of the President, during the calendar year 1923 as a revolving fund for the purposes herein named.

Mr. SMITH. There is an amendment which I desire to be made, which has been prepared in proper form by the Senator from Utah [Mr. SMOOT].

Mr. SMOOT. On page 1, line 7, after the word "at," I move to strike out the word "cost" and to insert "the total cost to the Government"; so that it will read:

And to dispose of the same at the total cost to the Government, payable in advance.

Mr. SMITH. That amendment should be made.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. SMITH. There is a typographical error on page 2, line 1, of the joint resolution. The word "shall" should be substituted for the word "may" at the beginning of line 2, and I move that amendment.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from South Carolina.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I desire to ask the Senator if it is really necessary that the revolving fund provided for in the joint resolution shall be $10,000,000?

Mr. SMITH. The transaction involved will be of such a character that that amount will be essential. When it shall become necessary to make the purchases, the President will notify the agents, and so much as may be necessary will be expended. Nitrate of soda costs about $40 a ton, and in order to contract for two or three hundred thousand tons it is necessary that the money shall be available.

Mr. SMOOT. Is the Government to be required to pay for the nitrate of soda before delivery?

Mr. SMITH. The Government will have to pay for it, and I presume certified checks will be deposited to cover the cost.

Mr. SMOOT. That is, before the shipment of the nitrate of soda?

Mr. SMITH. Yes.

Mr. SMOOT. In that case this amount may be required. I simply had in mind that if the Government did not have to pay for the nitrate before delivery a much less sum than $10,000,000 would be necessary.

Mr. SMITH. That is true.

Mr. HARRIS. Mr. President, I move to amend the joint resolution of the Senator from South Carolina by adding the words "and calcium arsenate" after the words "nitrate of soda" wherever they appear.

I wish to say, Mr. President, that practically every Senator on this side of the Chamber from the agricultural section of the South agrees with me that calcium arsenate is needed far more than is nitrate of soda in the production of cotton. At this time the Government owns and has already advertised for sale 28,000 tons of nitrate of soda which can be used, but there is greater necessity in the South for calcium arsenate than there is for anything else. No matter how much fertilizers the farmer uses, the boll weevil will destroy most of the cotton unless calcium arsenate is used.

The New England manufacturers can not secure cotton unless the farmers of the South are able to obtain calcium arsenate. The rights of the Government will be safeguarded in every way if my amendment shall be adopted. So I hope that the Senator from South Carolina will accept the amendment.

Mr. FLETCHER. Mr. President, if I may interrupt the Senator, I understand that calcium arsenate is the latest development in the way of controlling the boll weevil. The trouble is that there is not a sufficient supply of it, and it is very expensive and costly as it is now being handled. The use of calcium arsenate will accomplish the control of that pest so that the farmers may go on with production. It is useless to fertilize cotton unless something may be produced, and if the insect is allowed to eat up the bolls, of course there can be but little cotton. The use of calcium arsenate will help to a great degree in controlling that situation.

Mr. SMOOT. Mr. President, I know the importance of calcium arsenate. When the tariff bill was under consideration here I tried to secure sufficient protection for it to enable it to be produced in this country and thereby render it possible for the consumers in this country to get from under the one concern, located in London, that is controlling it in the world. I am as positive as that I live that if the proposal to impose an adequate tariff duty on calcium arsenate had been agreed to we would be making it in this country before now.

The price of calcium arsenate has nearly doubled since that time, and it is necessary for the consumers in this country to buy it from one concern located in England which controls practically the whole output outside of what little is produced in the United States.

Mr. HARRIS. There is some produced in Germany.

Mr. SMOOT. But the one trust in England controls all of the commodity outside of that which is made in the United States. The only way we will ever get cheap white arsenic—for that is what calcium arsenate is—is to make it in this country; but that can not be done so long as there is a trust controlling the whole product of the world which may destroy any industry which may be established in the United States and then put the price to whatever point it may desire.

I know that the Senator from Georgia does not believe nor does the Senator from South Carolina believe in what I am saying, but I believe we will never have cheap white arsenic

until we have a protective tariff in order that we may establish the industry in the United States.

Mr. HARRIS. Mr. President, we may differ about what the Senator says, but everyone in the South knows that unless calcium arsenate is available there will not be produced any cotton in certain sections of the South, no matter how much sodium nitrate may be obtainable.

Mr. SMOOT. The South is going to grow some cotton whether there is any calcium arsenate or not, because all that we have ever had in this country does not exceed in value more than a few million dollars. I will admit, however, that white arsenic is a proper substance to be used to destroy the boll weevil, and I have no objection to the amendment.

Mr. HARRIS. I am glad to hear the Senator say that.

Mr. SMOOT. I am not making my statement by way of criticism of the suggestion of the Senator from Georgia, but I am calling attention to the fact that conditions exist now which I knew would exist unless the action to which I have referred was taken in connection with the tariff bill.

Mr. HARRIS. Mr. President, I hope the Senator from South Carolina will accept my amendment to the joint resolution. I have talked to all the Senators on this side who are present, with one exception, and everyone agrees with me that calcium arsenate is more important to the farmers of the South than is sodium nitrate, but they are both necessary to the farmers. I hope the Senator from South Carolina will accept my amendment.

Mr. SMITH. I am perfectly willing to have the question put to a vote.

Mr. WILLIS. Mr. President——

Mr. SMOOT. Mr. President, I should like to have the Senator indicate whether he wants to accept the amendment of the Senator from Georgia. If he has no objection, let the joint resolution be modified accordingly. I have not any objection to offer. The principle is the same in one case as in the other.

Mr. HARRIS. Exactly the same.

Mr. SMITH. I have no objection to the amendment.

Mr. SMOOT. The only difference is that calcium arsenate is used in the West to some extent; and I hope that the mere fact that it is used outside of the South is not going to prejudice the matter at all.

Mr. HEFLIN. One is used to help produce cotton, and the other is used to fight the boll weevil while it is being produced.

Mr. SMOOT. White arsenic has been used more for the destruction of flies upon orchard trees than for any other purpose in the past. If it is going to be used for the destruction of the boll weevil, then, of course, I am quite sure that we in the West may secure advantages that we would not get in any other way.

Mr. HARRIS. The Secretary of Agriculture recommends the use of calcium arsenate and states that it is the one thing that will help us destroy the boll weevil, which is absolutely necessary in the South in the production of cotton this year.

Mr. SMOOT. I repeat, I have no objection to the amendment.

Mr. SIMMONS. Mr. President, in that case does not the Senator think that the revolving fund should be increased?

Mr. SMITH. No.

Mr. SMOOT. I will say to the Senator that will not be necessary, because all that we have ever bought in the past does not exceed in value but a little over $1,000,000. So it is not necessary to increase the fund.

Mr. SIMMONS. Mr. President, there is not any doubt about the importance to the farmers, not only of the South but of the whole country, of procuring white arsenic at a reasonable price. It is as important as is the nitrate of soda. As the Senator from Utah says, it is not only used in fighting the boll weevil, but it is used in fighting all the pests that attack vegetable plants. I think the amendment of the Senator from Georgia should be attached to the joint resolution.

Mr. WILLIS. Mr. President, I shall not interpose any objection to the joint resolution offered by the Senator from South Carolina, nor to the amendment that is proposed by the Senator from Georgia; but I want to take this opportunity to say that legislation of this character, to my mind, is of very, very doubtful wisdom.

I hear much said on the floor of the Senate by way of criticism about the gradual extension of the functions of the Government. I think the criticism is a just one, and I doubt very much whether it is a wise exercise of the functions of government to have the Government of the United States go into the business of buying commodities.

Mr. SMITH. Except in an emergency of this kind.

Mr. WILLIS. As I say, I am not going to object to this proposition, but I do not believe in the principle. I do desire, however, to ask a question of the Senator from South Carolina. I shall not oppose his joint resolution, but I am wondering about the practical working of the matter.

In line 7 the joint resolution says that the President shall "dispose of the same at cost."

Mr. SMOOT. I have had that amended.

Mr. WILLIS. The Senator has had it amended, has he?

Mr. SMOOT. Yes.

Mr. WILLIS. How is it amended?

Mr. SMOOT. It is amended so as to read "and dispose of the same at the total cost to the Government."

Mr. WILLIS. Then I want to ask a question of the Senator from Utah.

Mr. HEFLIN. I will say to the Senator that that was done before, in the case of the other joint resolution.

Mr. SMITH. This same law was in operation in 1917 and 1918.

Mr. WILLIS. I understand about that, but this is another matter. I am wondering how this will work out in practice. Here comes A and offers to take the whole quantity at cost. Is he entitled to it then? How is it going to work practically?

Mr. SMOOT. That is in the discretion of the President.

Mr. WILLIS. That is made discretionary?

Mr. SMOOT. Oh, yes; discretion is given to him.

Mr. WILLIS. Of course, I understand that the purpose is to have it sold out in small quantities.

Mr. HARRIS. Through the commissioners of agriculture and other farm officers. The Government did not lose a cent before.

Mr. WILLIS. I shall not object to it.

Mr. SMOOT. I want to say to the Senator from Georgia that there will have to be three amendments to the joint resolution to make it perfect. The first one will have to be on line 4, page 1; the second on line 1, page 2; and the third on line 4, page 2.

Mr. SMITH. I suggest, then, that wherever the words "nitrate of soda" occur the words "and calcium arsenate" be added.

The VICE PRESIDENT. The question is on the amendment of the Senator from Georgia.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

THE SENATE MANUAL.

Mr. CURTIS. Mr. President, from the Committee on Rules I report a resolution and ask unanimous consent for its present consideration. I will state that it is the usual resolution passed at this stage of the session in order to prepare the Manuals for the incoming Senators and the sitting Senators for the new Congress.

The resolution (S. Res. 404) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Rules be instructed to prepare a new edition of the Senate Manual, and that there be printed 3,500 copies of the same for the use of the committee, of which 300 copies shall be bound in full morocco and tagged as to contents.

TRANSPORTATION OF SILVER DOLLARS.

Mr. SMOOT. Mr. President, I introduce a bill and ask to have it read at length.

The bill (S. 4337) to provide for the payment of charges incurred in transportation of standard silver dollars was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to provide, upon application, for the transportation, including insurance charges, of standard silver dollars from the Treasury and the United States mints to the Federal reserve banks and from such banks to the applicant. Such transportation shall be by such means as the Secretary deems advisable and shall be free of any charge to the applicant.

SEC. 2. For the purposes of this act there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $25,000, or so much thereof as may be necessary, to be expended under the direction of the Secretary of the Treasury and to be available until July 1, 1924.

Mr. SMOOT. I ask that the bill be referred to the Committee on Finance.

The VICE PRESIDENT. It will be so referred.

Mr. SMOOT. Mr. President, I want to make just a short statement.

Two objects are sought to be attained by the passage of such legislation as this. The first is economy; and a statement as to how it will economize and lower the expense of our Government is as follows:

To-day paper currency is being used instead of silver all over the United States. Banks can not afford to pay the ex-

press charges upon silver. They are compelled to pay the charges upon paper, but they amount to very little, indeed. The economy in the matter would arise from this fact: Every piece of paper money, whether it is the dollar bill or any other kind of a bill, costs the Government 2 cents; and that is repeated every time the bill is destroyed because of its being worn out and dirty and a new one is printed. The western banks can not very well afford to pay the express charges upon money. They amount to a great deal; and that is the reason why, when you go into the West, if you do find any paper money it is so dirty and so ragged that it is a shame that the Government of the United States should allow it to circulate among the people. I think it carries diseases.

This bill simply authorizes the Government of the United States to pay the express charges on silver dollars; not on the subsidiary coins; not to pay the express charges from the banks back to Washington, because there will be no change in the silver dollar. It is not like the paper dollar. The paper dollar wears out in the East. We hardly have it in circulation more than an average of about two years. Some of it does not last over a year; and the eastern people would not allow our Government to have in circulation among the people paper money the same as that used in the West. The only expense attached to this on the part of the Government would be the express charges on the silver dollars from any mint that may be operating to the bank asking for those silver dollars. After that expense is paid there is no other. They will be there for 50 years, and the same silver dollars can be in circulation right along.

Mr. HEFLIN. What is the total amount?

Mr. SMOOT. I hope that if this bill is passed at least 40,000,000 silver dollars will be put into circulation throughout the West. That will relieve our Treasury here of that amount of silver and it will give the western people silver dollars that they can carry without being compelled to carry this dirty, worn-out paper money.

Mr. HEFLIN. This will increase the per capita sum in circulation, then?

Mr. SMOOT. No. The banks have the ordering of it. The Government does not spend a single dollar of it unless the banks order it. Instead of the banks being compelled to pay the expressage on paper money, they will have the privilege of having silver dollars sent out there; and then, when they have gotten them, they will not have to have them renewed, and they will not have to send them in.

Mr. HEFLIN. Putting this money into circulation does increase the volume; does it not?

Mr. SMOOT. Oh, no. The banks would not have any more money on hand, but it would take the place of paper money, such as they have now.

Mr. HEFLIN. I am in favor of increasing the circulation myself.

Mr. SMOOT. This bill will not increase the circulation at all.

Mr. HEFLIN. What will be the cost to the Government of transporting this silver?

Mr. SMOOT. I ask for about $25,000; but when it is once transported, that ends it.

Mr. FLETCHER. Mr. President, as I understand, the Senator's idea is that when a bank out West wants money, inasmuch as the bank will be relieved of the express charges on the money if silver is sent, the Government will pay the cost of transporting the silver?

Mr. SMOOT. Yes; and make up more than that expense in not sending out West the paper money upon which they will have to pay the express charges; but with the silver it will be only once.

Mr. FLETCHER. I see; and save the expense of renewing the paper money which is worn out?

Mr. SMOOT. Yes. We renew it, and every new bill costs the Government of the United States 2 cents, and that $25,000 would be made up many, many times over. That is why I say it is economy to do it.

Mr. FLETCHER. Does the Senator think that would be satisfactory to the banks and the people? Would they just as soon have the silver?

Mr. SMOOT. Oh, they are asking me now to introduce this bill and secure its passage. There is no doubt about that. Of course there are certain people in the West who would prefer to have bright, new paper money, the same as there are in the East; but I will state to the Senator that if he has ever traveled out in the West he knows what kind of paper money he gets. It is very seldom that we ever see a bright, new paper dollar. The expressage on the money is too high, in the first place, and they simply use it and use it until it is almost rotten. That is as far as economy is concerned. Then again, Mr. President, I hope that the result of the passage of this legislation will be to encourage the use of silver throughout all the United States, and that will help. If that much more money is thrown into circulation, then of course the banks will have more deposits. It will not make any difference at all to the Government, however.

I simply wanted to make that statement at this time.

Mr. HEFLIN. Mr. President, I have no desire to interfere with the passage of the resolution of the Senator from Utah. If these people in the West want this silver money, I want them to have it.

Mr. SMOOT. It has to go to the committee first. It is a bill.

Mr. HEFLIN. It has been referred to the committee, has it?

Mr. SMOOT. Yes.

Mr. HEFLIN. I was just going to say that the Senator said that they want silver money out there. I have no objection to their having it. I should like to see more silver money and more of every kind of good money in circulation, but the Senator said something about paper money spreading disease. He said dirty money spreads disease. Well, there is nothing that would give the masses of the American people so much pleasure at this time as to bring them in close contact with any kind of money. They would even be glad to subject themselves to the danger that might threaten in dirty paper money.

Mr. SMOOT. The Senator does not mean to say that I said all paper money.

Mr. HEFLIN. No.

Mr. SMOOT. I said after it is used until you can hardly tell whether it is a dollar bill or what it is, and is dirty and almost rotten. That is the only time that it carries disease.

Mr. HEFLIN. I am speaking of how novel a thing any sort of money is under a Republican administration.

Mr. SMOOT. And it is very much improved since the last administration.

Mr. ODDIE. Mr. President, I want to say a few words in regard to the bill the Senator from Utah has just introduced. I am very heartily in favor of it. A large portion of the people in our western country are heartily in favor of it, as they have been accustomed to using silver coin for many years. For a number of years economic conditions have taken silver dollars off the market, and the people of the West have been compelled to use paper money. They want this bill to be passed, and I hope it will be passed.

HAWAIIAN HOMES COMMISSION.

Mr. NEW. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 4309, a bill to which I think there can be no objection.

Mr. CURTIS. Let it be read, Mr. President.

The VICE PRESIDENT. The Secretary will read the bill.

The reading clerk read the bill.

Mr. NEW. Mr. President, I desire especially to call the attention of the Senator from Utah to the very brief statement I shall make with reference to this bill.

At the last regular session we passed a bill amending the organic act of the Territory of Hawaii, what was known as the Hawaiian rehabilitation bill. In the passage of that act an error was made, through inadvertence or a typographical error, I do not know which. The mistake was in the section of the law cited in the bill. It should have referred to section 213, when in fact it refers, as printed, to section 212. This bill corrects that typographical error. That is the extent of that part of it, to carry out the purpose we had in mind in passing the act originally.

Another point is that it has been found, under the operation of the act, that it can very well be extended a little by permitting natives to take up small tracts of a half acre or less, upon which to build houses. They do not want to take 20-acre tracts for homestead purposes.

Mr. SMOOT. They want their little colianes.

Mr. NEW. Exactly; they want a little site on which they can get the practical benefit of the homestead law, and on which they can build their little shacks and establish their own homes so as to get them out of the tenement district.

I can not see any possible objection to the bill, and probably great benefit would be derived from it. The governor, the former governor, and all the usual sources of information and advice concerning affairs in the Hawaiian Islands are for it.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

Mr. SMOOT. There is no change in the revolving fund known as the Hawaiian home loan fund?

Mr. NEW. No; except that under the old law they could loan $3,000 to the homesteader. This permits them to loan up

to a limit of $1,000 to the little fellow who wants to build on a half-acre site.

Mr. SMOOT. In other words, it gives authority to lend $1,000 to buy his coliane?

Mr. NEW. That is all.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4309) to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921, which had been reported from the Committee on Territories and Insular Possessions with amendments, on page 2, line 3, to strike out "leave" and to insert in lieu thereof "lease"; and on page 2, after the word "limits," on line 5, to insert the words "per each lessee," so as to make the bill read:

Be it enacted, etc., That paragraph (a) of section 207 of an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921, is hereby amended to read as follows:

"(a) The commission is authorized to lease to native Hawaiians the right to the use and occupancy of a tract of Hawaiian home lands within the following acreage limits per each lessee:

"(1) Not less than 20 nor more than 80 acres of agricultural lands; or

"(2) Not less than 100 nor more than 500 acres of first-class pastoral lands; or

"(3) Not less than 250 nor more than 1,000 acres of second-class pastoral lands: *Provided, however*, That lots, each of one-half of an acre or more, of any class of land may be leased as residence lots."

SEC. 2. That section 213 of the said act is hereby amended to read as follows:

"SEC. 213. There is hereby established in the treasury of the Territory a revolving fund to be known as the 'Hawaiian home loan fund.' The entire receipts derived from any leasing of the 'available lands' defined in section 203, these receipts including proportionate shares of the receipts from the lands of Huumula Mauka, Piihonua, and Kaohe Makuu, of which lands portions are yet to be selected, and 30 per cent of the Territorial receipts derived from the leasing of cultivated sugar-cane lands under any other provision of law, or from water licenses, shall be covered into the fund until the amount of moneys paid therein from those three sources alone shall equal $1,000,000. In addition to these moneys and the moneys covered into the revolving fund as installments paid by lessees upon loans made to them as provided in paragraph 2 of section 215, there shall be covered into the revolving fund all other moneys received by the commission from any source whatsoever."

SEC. 3. That paragraph (1) of section 215 of the said act is hereby amended to read as follows:

"(1) The amount of loans to any one borrower outstanding at any one time shall not exceed $3,000: *Provided, however*, That the amount of loans outstanding at any one time to the holder of a residence lot shall not exceed $1,000."

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After 5 minutes spent in executive session the doors were reopened, and (at 2 o'clock and 55 minutes p. m.) the Senate, under the order previously entered, took a recess until Monday, January 15, 1923, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 13 (legislative day of January 9), 1923.

POSTMASTERS.

CALIFORNIA.

Henry Metzler, Fowler.
Fred W. McCullah, Long Beach.
Warren N. Garland, Oakdale.
Sherman G. Batchelor, San Bernardino.

CONNECTICUT.

Alfred C. Ward, Middletown.

ILLINOIS.

Secondo V. Donna, Braidwood.
Henry W. Schwartz, Dupo.
Carl F. Miller, Franklin.
George J. Rohweder, Geneseo.
Russell Young, Rossville.
William H. Fahnestock, Rushville.

NEW JERSEY.

Charles W. Bodine, Morristown.

OREGON.

George C. Stephens, Arlington.
Annie S. Clifford, Molalla.

PENNSYLVANIA.

Harry M. Bowman, Annville.

WEST VIRGINIA.

Horatio S. Whetsell, Kingwood.
Thomas C. Scott, Philippi.

HOUSE OF REPRESENTATIVES.

SUNDAY, *January 14, 1923.*

The House met at 12 o'clock noon.

Rev. Page Milburn, of Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, the high and lofty One that inhabitest eternity, whose name is Holy. Thou dwellest in the high and holy place, and through thy loving condescension thou dwellest with him also that is of a contrite and humble spirit.

We come to Thee this day for the bestowal of those things which man can not provide. In the time of sorrow human sympathy is sweet, and human words are helpful, but there are depths which human reason can not fathom, storms which human sympathy can not quiet. But we are thankful to-day that the Lord's hand is not shortened that it can not save, neither His ear heavy that it can not hear. May the Divine Comforter abide with us forever.

Sing, O heavens; and be joyful, O earth; and break forth into singing, O mountains; for the Lord hath comforted His people, and will have mercy upon His afflicted.

Glory be to the Father, and to the Son, and to the Holy Ghost. As it was in the beginning, is now, and ever shall be; world without end. Amen.

The SPEAKER. Without objection, the reading of the Journal will be deferred until to-morrow.

There was no objection.

THE LATE REPRESENTATIVE MANN.

The SPEAKER. The Clerk will report the special order for to-day.

The Clerk read as follows:

On motion of Mr. MADDEN, by unanimous consent—

Ordered, That Sunday, January 14, 1923, at 12 o'clock noon, be set apart for addresses on the life, character, and public services of Hon. JAMES R. MANN, late a Representative from the State of Illinois.

Mr. MADDEN. Mr. Speaker, I offer the following resolution.

The SPEAKER. The gentleman from Illinois offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 481.

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. JAMES R. MANN, late a Member of this House from the State of Illinois.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House at the conclusion of the exercises of the day shall adjourn.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair will ask the gentleman from Illinois [Mr. CANNON] to preside.

Mr. CANNON took the chair as Speaker pro tempore.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois [Mr. RODENBERG].

Mr. RODENBERG. Mr. Speaker, we have met to pay tribute to the memory of a great American. JAMES R. MANN was a towering figure in the life of the Nation, and when his intrepid soul took its flight to God the House of Representatives lost its most militant and masterful Member. No man ever occupied a more commanding position in this Chamber, and no one who ever served here left a deeper or more lasting impression upon the legislation of his day and generation.

His untiring industry and intellectual versatility were the marvel of his colleagues. No avenue of information was closed

to him. He had explored all of the highways and byways of legislative knowledge, and the confusing labyrinth of parliamentary procedure was a plain and simple path for him. His powers of analysis were equaled by few and excelled by none. Intuitively his keen eye discovered the slightest defect in the substance and form of every bill presented for consideration. Fearlessly he turned the light of constructive criticism on every measure, no matter whether its author was friend or foe. His one and only purpose was to promote safe and sane legislation and to prevent the enactment of illy considered and loosely drawn laws. He was a statesman in the broadest and truest meaning of the term.

The venerable ex-Speaker of this House, Mr. CANNON, who presides over these deliberations to-day, once said that he regarded JAMES R. MANN as the most valuable and efficient legislator that he had ever known. This tribute, coming from one not given to extravagance of speech, and the soundness of whose judgment is recognized throughout the length and breadth of the Republic, was well merited. There was nothing artificial or superficial about JAMES R. MANN. He rang true at all times and under all circumstances. The mask of an actor never fitted him. He was free of all affectation, sincere and genuine throughout. He cared naught for popular applause, but followed always the path of duty outlined by a conscience that was ever responsive to the noblest and most patriotic impulses of true manhood.

One of the outstanding traits of his sterling character was his fine sense of justice and fairness. Unerring in his judgment of the capabilities of his fellow Members, he was always ready and willing to give credit where credit was due. None so quick as he to encourage the worthy and the deserving, and none so merciless in exposing sham and pretense. He believed that this Republic had more to fear from the cowardice of its public servants than from their possible corruption. In the honesty of his soul he could not conceal his supreme contempt for the man who would sacrifice principle for expediency. Pressing forward in the right, as God gave him to see the right, he unhesitatingly took a firm and determined stand on every great question of public policy, regardless of the effect on his own political fortunes. With full confidence in his own integrity of purpose, undisturbed by criticism or abuse, he was content to look for vindication to the impartial judgment of the future.

A born leader of surpassing energy, a master of strategy, courageous and defiant in every fiber of his being, he was singularly free of even a suspicion of vindictiveness. He never harbored malice and was quick to forgive and to forget. His failure to realize on the one great ambition of his useful and strenuous life left no trace of resentment in him. He never for a moment entertained the slightest ill-will for those upon whose friendship he felt that he had a right to depend in his contest for the speakership but who failed to give him the full measure of their support. With him the incident was closed at once and the mantle of charity was drawn around the act. Men who really knew him recognized his many robust virtues and admired them. They also discerned his faults, but merged them into his manly qualities, because he wore them both upon his breast. Of him it could be said in truth,

> His life was gentle and the elements
> So mixed in him that Nature might stand up
> And say to all the world, This was a man.

And now, in the city of Chicago, amid the familiar scenes of his ambitious young manhood, our beloved friend awaits the dawn of resurrection's morn. Tenderly and lovingly we laid him away on that chill December day, moistening the sods with our tears as they closed in above him, wondering who next would answer the final call. For him the mystery of mysteries has been solved. For him the mystic veil that separates the present from the hereafter has been swept aside and to his enraptured gaze there stand revealed the glories and the grandeurs of the eternal morn. Friend and colleague—

> We tell thy doom without a sigh,
> For thou art Freedom's now and Fame's,
> One of the few the immortal names
> That were not born to die.

Mr. GILLETT. Mr. Speaker, I think you and I are the only Members of the House who can remember Mr. MANN when he first came here. He was a modest, black-haired and bearded man, with a sparkling and incisive manner, who at first made no pretension to prominence, and in whom we did not detect those qualities which later brought him to his unquestioned leadership. He waited, wisely, I think, until it came to him, as it sooner or later comes to every new Member of the House, to take part naturally in legislative proceedings. He watched and studied and mastered the habits and temperament of the House, and when he did take part before he finished every Member recognized that there was a man who knew his subject, and gradually that became his reputation. He was on the floor during his service probably more than any other man of my acquaintance, and always when speaking he impressed us with the fact that he had mastered the subject on which he was talking. I think that is a characteristic which probably is more appreciated and prized in this House than it is in the country at large. I think the country has a false idea of the proceedings of Congress. There seems to be a general opinion that the debates here are sensational and dramatic, and declamatory, and that the men who participate in such debates are the influential and leading men here. Those, of course, are the portions of our proceedings which fill the headlines of the papers, and the men who indulge in that sort of debate are the ones who are naturally noticed by the press because that is what interests their readers. The great mass of the people would not be interested in the ordinary course of the debates here. It is as much as they will do to consider the results of legislation.

The ordinary close, logical discussion which has influence with Members of the House and affects opinion here does not get to the public. Therefore, I think people have a false idea of the kind of debate that prevails in Congress, or, at least, in this branch of the Congress. I think we will all agree that what wins a man the attention and respect of this House in debate is to show that he has information on the subject he is discussing. Knowledge is what we want and will listen to. That is what influences opinion here, and that is what gains for a man the confidence and leadership of this House. And that is the way Mr. MANN earned his position. Beginning modestly and temperately, he soon showed us that he was watching with an intent and penetrating intellect all the legislation of the House, and little by little he participated more and more, until all the House on both sides was gradually convinced that he was a student and master of parliamentary procedure and of legislation. And when he had once gained that position he had the confidence of the House, and he never lost it. His standing here illustrated the old maxim "Knowledge is power." Under Mr. CANNON'S speakership he had so won his way, and the House so recognized his ability that although he was not the nominal leader, yet he was the real representative of the Speaker and the dominating force upon the floor.

How he had time to acquire his wonderful knowledge of all legislation I never could understand. I can not see how he could have given any time to pleasure, or to miscellaneous reading, or to anything except the business of this House, for he always read every bill and every report. That acute intellect of his at once detected error, large or small, and as the gentleman from Illinois [Mr. RODENBERG] suggested, he was merciless in exposing such errors, but he did it not from vindictive feeling toward the author but because he wanted the legislation of this House to be as nearly perfect as he could help to make it.

When Mr. MANN became minority leader he was in his glory, because then all this long study and habit of watching and criticizing came into full play and was exactly the quality which is demanded in a minority leader. Always fair, always respected by the other side, yet he was always feared, because they were sure that there was no error which they might commit that would escape his vigilant eye.

Although perhaps he was not more versed in parliamentary law than some other men, yet his accumulated knowledge of the rules and parliamentary precedents was so stored and arranged in his capacious mind that when any question came up he instinctively saw its solution, and without reference to books he at once logically detected the error or the strength of the position and could at once either criticize or support. His memory was wonderful and his knowledge always at his immediate command. Mr. Fitzgerald of New York was recognized as the leading parliamentarian on the other side, and he had a mind not unlike Mr. MANN'S in acuteness and strength. When these two men were discussing a question of parliamentary law the rest of us could listen and be sure that there was no possibility of any error or mistake being overlooked.

Mr. MANN also, with all his intellectual brightness, had a sound knowledge of mankind. He knew how to mix with us. He knew how to make friends. He had a very wise appreciation of the motives that influenced the actions of men and how to appeal to them, and this made him wise as a leader and agreeable as a companion. He was absolutely fearless, shunned no contest, and had the self-confidence which his successful experience justified. He was courageous in his opinions, as

well as in debate; he formed them independently and deliberately and stood by them manfully, and when sure in his own mind that he was right disregarded consequences. That district is rich and eminent which is represented here by a man of such wisdom, such fairness, such courage, such indefatigable industry, and such indomitable will as JAMES R. MANN.

Mr. MONDELL. Mr. Speaker, our friend and colleague, to whose memory we pay tribute to-day, exhibited in his life and character a rare combination of the sterner virtues essential to a truly useful career and of those finer and more tender qualities which appeal to the heart and imagination, smooth the rough places in the road of life, and cement enduring friendships. Courage was his outstanding quality, a courage that never faltered and that was most conspicuous at times when men of less heroic fiber would have been tempted to yield and compromise. It is the quality most needful in the forum of this House, in which our friend rendered long and most distinguished service, and he possessed it to a marked degree.

But courage avails little here unless its possessor can give sound reason for the faith and facts on which his courage finds a firm foundation, and a firm foundation in a field of controversy and conflicting opinion can only be secured by intelligent and untiring industry in the fields of logic, theory, and fact. Next to courage, therefore, the most important qualities for high service, in the field in which our friend served so worthily, are industry and thoroughness, and these essential qualities he possessed most abundantly. No question was too complex, no problem too difficult, no undertaking too laborious for him. Difficulties, perplexities, far from daunting him, were but inspirations to his zeal and spurs to his industry. No problem was too great, no detail too small, to discourage his industry or escape the microscopic search of his thoroughness.

But courage, and industry, and thoroughness, indispensable as they are to high and helpful achievement in the public service, would be of little value in the running of the years unless supported and accompanied by the virtues of honesty and integrity, and with these virtues our friend and colleague was superbly endowed, and thus endowed it is not surprising but inevitable that his public service was of the highest and the finest character, that he left a record of faithful and effective service, the benefit of which will be permanent and lasting.

I have referred first to those qualities of Mr. MANN with which the world was best acquainted, by which, in the main, the world judged him, but those who knew him well and had the rare privilege of a close personal acquaintance admired him for virtues of the heart and mind of which the world at large knew little. He was a lover of nature, he was passionately fond of plants and flowers, and he found his recreation, his relief from the strain of public duty, his cure for mental worry and physical ill in the open and among the plants and flowers which in beauty of form and color and fragrance reveal the glory of the Great Creator.

No man had a warmer heart, a finer sympathy, or was capable of deeper or more enduring friendships than our departed friend and colleague. Those who knew him only as the diligent student of legislation, as the uncompromising opponent of measures of which he disapproved, and saw him only in legislative action, in which he was no respecter of persons, could hardly be expected to glimpse, to know, or even suspect, his friendly and sympathetic character, his strong attachments, his sincere friendships, his kindly and tender heart. Those of us who knew him long and well were privileged to be informed of this engaging side of his character, to know that he had a heart as tender and sympathetic as that of a child and that his friendship embraced men of all views and of all opinions.

I recall an incident that occurred a short time ago, related to me by one of our colleagues who was privileged to witness it. A member of the opposition, with whom our friend had often come in vigorous verbal combat, had been unsuccessful in the conflict of politics and was to leave the House at the end of this term. He and Mr. MANN stood near where I now stand. Mr. MANN placed his hand on his shoulder and said "I am sorry you are going; it is a great loss to the House and it is a great personal loss to me. I feel the loss of a good and true friend," and as he spoke his voice trembled and tears, prompted by a warm and sympathetic heart, glistened in his eyes. Thus he stood for a moment and then turned and on the instant was in the thick of the debate, as though he felt it necessary to check the further expression of his kindly heart by engaging in the engrossing affairs of the House. In a moment no one would have suspected that sentiments of friendship and kindliness had an important influence on his service here.

A great and good man has passed from the activities of life to the great beyond. He has left behind him a record of splendid service and an influence that is far-reaching for good. We sincerely mourn and regret his passing, but we know that whatever lies beyond the veil, for such a heart and soul all will be well.

Mr. GARRETT of Tennessee. Mr. Speaker, it is difficult for those who knew Hon. JAMES R. MANN as a public servant to speak of him in terms that will not seem extravagant to those who did not so know him.

Personally, I think it may be justly claimed for him and truly said of him that he was the most thorough, the most careful, and in most respects the most capable legislator of his generation. In saying this I do not mean that I agreed with all his legislative ideas and policies. Of course, I did not. What I have in thought is his wonderful knowledge of legislative nomenclature, his remarkable skill in producing the correct legislative terminology, and his almost uncanny capacity for familiarizing himself with the intimate details and fundamental purport of every legislative proposition, together with his complete mastery of the rules and practices of Congressional procedure.

We have had during the last two decades many Representatives who were thorough masters of some one legislative subject, as, for instance, the tariff, appropriations, claims, constitutional matters, departmental affairs, or others. We have had not a few who were thorough as to more than one of these. It is not putting it too strongly to say that Mr. MANN was thorough upon practically all.

I have heard it suggested a number of times that the very completeness of his knowledge, or, rather, his disposition promptly to use that knowledge, served somewhat to militate against his popularity while he was the titular leader of his party in the House. He knew all the subjects that arose so well; he was always so thoroughly prepared; he had in such marked degree the power of quick analysis and clear, concise statement, as that not infrequently he would supplant members of a committee presenting legislation to the House and himself take charge, to their practical exclusion.

This naturally produced a certain amount of irritation on the part of his party associates, but from the standpoint of the public service his tremendous work was invaluable.

Others have reviewed his legislative record minutely and I shall not attempt to do so. Probably more legislative acts stand to his credit than to that of any other representative in our national history.

He was not ornate in speech, but clear, concise, and pointed. He did not seek to show the graces of oratory, yet many of his utterances were finely eloquent.

He was a superior debater, because of his knowledge of the subject; he feared no antagonist; felt himself able to meet any man upon any ground. He offered battle without hesitation and accepted it when offered by another with delight. Of course, he was meticulously honest intellectually as well as in every other way. Any agreement made by him was kept to the letter.

I remember saying of him once in the course of a debate just at the end of the Sixty-fifth Congress:

> This (the Democratic) side of the House sometimes hates the gentleman; it often loves the gentleman; it always respects the gentleman.

The first proposition was an exaggeration; he did exasperate us frequently but we never hated him. The others were literally true.

His personal side was charming. He was a good conversationalist; he had poetry in his soul; he loved trees and birds and flowers and all the beautiful things of the good God's creation.

I can not claim so intimate an acquaintance with him as many of his colleagues can, but I knew enough to know of his fine home life and the deep devotion and love which grew and flourished there.

He was a really great man. No public matter was too small to escape his attention and analytic scrutiny, nor any too large to cause an instant's hesitation in the effort to solve it and solve it right.

Patriot, statesman, loyal friend, devoted lover, untiring worker for thy country's weal, good-by, and peace be thine for all eternity. Thy counterpart we are not likely to see.

Mr. MADDEN. Mr. Speaker, it was my privilege perhaps to know our departed friend longer than any man here. I knew him as a boy, I knew him in his young manhood and in his

mature manhood. It was my privilege to be closely associated with him in all the activities through life. I saw him in his daily coming and going, I watched him when he began to succeed. He was full of vigor, he was ambitious, he was active, he was clean. Early in his life he attracted the attention of the people who lived in the community where he resided. He inspired their confidence and their esteem. He was trusted, he was called to assume important missions.

I lived in the city of Chicago just at the southern border line. He lived in the village of Hyde Park, which began across the street from where I resided. Hyde Park was one of the most interesting suburbs in Chicago. He became its village attorney. As such he put Hyde Park on the map. It was known throughout our State as one of the great coming communities, and all through the activities of JAMES R. MANN. He was instrumental in developing this suburb into a great residential territory the like of which did not exist anywhere else in America.

When Hyde Park was annexed to Chicago he was elected to the city council. He was an active force there. We served there together. He made a record as a member of the Chicago City Council of which everybody in our State was proud. His reputation as a city legislator became State-wide. He was in great demand as an orator; he made speeches everywhere throughout the State at the demand of the people. He was always listened to with interest. What he said was educational. He inspired confidence in the people everywhere. He was ruggedly honest. Everybody knew him to be incorruptible. No man dared approach him with a shady suggestion, either in his young manhood or at any other time during his life. He had a courage that was all his own, and he never faltered in the determination to carry out what he had in mind. He had no fear of opposition; he rather invited it because it brought out the best there was in him.

His record in the city council was such that the people of the district which he so long and well represented here invited him to take his place in this House. He was elected without opposition. He came, and he did his duty here as elsewhere. He soon attracted the notice of the membership of the House by his aggressive fearlessness, his constancy to duty, and his unselfish devotion to the Nation's good.

He was a master of English. He had an analytical power all his own. He knew if there was a mistake made, no matter how slight in composition, that might be embraced within a bill. He was unrelenting in his opposition to hypocrisy and he had no use for demagogues. He was an American for America. He sought no plaudits; he felt that all the compensation needed by a man in public office was being fortified by the consciousness of his own rectitude. That was the compensation Mr. MANN always hoped for, and that is the compensation he carried with him every day. He was satisfied if when he was alone he knew that he was in respectable company. He would prefer to have his own approval of himself than to have the approval of any critic that might be brought to bear upon his work. No man in all the history of the Congress made a record superior to that made by Mr. MANN. He was the master of legislation, the master of parliamentary usages as applied here. It was always a marvel to me how he could accomplish what he did accomplish; how he could know what he knew; how he could find the time to study problems with which he was familiar; I always wondered how he had the time to analyze and criticize and debate all the great matters that came before this House for consideration. I think he had more influence in this House than any other man. He had no committee assignments in the last years of his service. Some people think committee assignments give them power.

Mr. MANN did not require committee assignments to give him power. His knowledge of the problems of the Nation and his untiring energy and industry and his ability to present the facts in any case gave him the power which he had, and it was superior to that of any other man I ever knew.

There was never a time in this House when he needed to exercise power that he could not do it. He was modest, he did not assume anything. He was the master of facts, he was the master of statement, he was the master of analysis, and the master of himself. He had no ambition. He did not care to be the Speaker of the House. He had that ambition once, but I knew from his own lips later that if it could be tendered to him without opposition he would not accept it. He wielded more power than any Speaker, as a simple Member of the House. He earned the right to wield it because of his devotion to the work. He made a record that will not be equaled and surely not surpassed. We have seen men come and go, brilliant men. We have read the record of those who have gone before and they have had a great national reputation, but no matter what the reputation of any man may have been as the result of his service here he earned no greater right to a national reputation than that which Mr. MANN obtained on account of his services in this House. We do not come here to mourn his death. It is as natural to die as it is to live.

We come here to recount his work and to tell the story of his achievements, safe in the belief that his work will live and his life will be emulated by the generations yet to come. He has left a record of which every child of the coming generation may well be proud, and if those who come after will but follow in the footsteps of JAMES R. MANN they will be sure to be Americans. After all, what greater accomplishment can a man achieve in life than to leave the story of such a record printed in the pages of the Nation's history? I shall not say good-by, because I believe in a future. We are not to be here long, we will soon pass on, and my hope is that we will be able once again, where strife is unknown, to meet our beloved colleague on the other shore.

Under the leave to extend remarks Mr. MADDEN submitted the following address delivered by Mr. MAGEE, of New York, at the Republican conference, February 27, 1919:

Mr. MAGEE. I rise to second the nomination of Mr. MANN for Speaker. I have nothing to say against the other candidates, whom I hold in the highest esteem. I make no comment upon the attitude of any of my colleagues in respect to the speakership. I merely speak as I feel about the matter.

I hold no brief for Mr. MANN. He needs none. His long conspicuous record of service in the House speaks for itself.

I favor his nomination because he has earned the speakership. That no one who is familiar with his arduous and eminent public service in the House will deny. He has fought the battles of the Republican Party upon the floor of the House when the Democratic majority in the House was greater than the Republican membership.

I favor his nomination because as a parliamentarian and legislator he has no peer in the House. Consequently he is the best fitted Member of the House for Speaker. That no one who knows him and has observed his marvelous ability will deny.

I favor his nomination because he has been repeatedly the nominee of the Republicans of the House for Speaker. As minority leader in the House his health became impaired by reason of extraordinary devotion to his public duties, and we should be happy to honor him now when he has come back to us restored to health and resumed his position as minority leader. It is inconsistent to nominate him when the nomination was but an empty honor and to deny him the nomination when his nomination means his election.

The criticism in the public press of his pre-war record should not control our votes. Nearly two years ago we voted almost unanimously for him with his pre-war record directly before us, and I have neither heard nor read of any criticism of our action. On April 2, 1917, he received 205 Republican votes for Speaker.

We know that since the United States entered the World War there has been no more militant patriot in the House than the distinguished gentleman from Illinois. He has been more than generous in his support of the administration during the war, and has repeatedly in the pit of the House strongly urged his colleagues to put aside all partisanship, and even personal views, and give to the President as Commander in Chief of the Army and Navy the legislation demanded by him for the vigorous and successful prosecution of the war. In any action which he took prior to our entry into the war we know that he acted from conscientious motives and had the courage of his convictions. Surely it has not been a tenet of the Republican Party to punish a man who has the courage to express his convictions and to stand fearlessly for what he believes to be right, but if it is now, under the new creed, and under the new management of the Republican Party, then every one of the 50 Members of the House who voted against war was fundamentally wrong, and must be forever condemned in the minds and hearts of his countrymen, and bear an indelible stain that no degree of fervent patriotism, even upon the field of battle, and no degree of efficient public service anywhere, can wear away.

We need not worry about the shadow of 1920. Under the existing rules of the House the Speaker has little power. The House selects all standing committees and in these committees lies the real power of the House. In legislation the majority leader has practically dominating power.

We know that the issues in the momentous campaign of 1920 will not be determined by the distribution of the patronage of the House, but by what we do as legislators during the period of reconstruction. If we institute and carry to completion much needed reforms; if we legislate wisely and in the public interest upon the great questions that will come before us for consideration and solution; if we cause drastic retrenchment in public expenditures; if we show ourselves to be capable, efficient, and worthy of public confidence, the millions of thoughtful quiet voters sitting by the firesides in their homes throughout the United States will heartily approve our action in 1920, just as they have approved our action during the past two years under the leadership of Mr. MANN. The people of this country look to the Republican Party for safety, for security, and for the adoption and promulgation of policies that will promote the welfare, progress, and prosperity of the American people.

In this connection I may be permitted to remind you that every war that this country ever had has produced its President. The Revolutionary War produced Washington, the War of 1812 Jackson, the Mexican War Taylor, the Civil War Grant, the Spanish-American War Roosevelt, and this war, the greatest of all our wars, will produce its President. It is possible that some popular military man, nominated in 1920 by the Republican Party, will be the next President of the United States.

We know that as long as Mr. MANN remains a Member of the House he will dominate the House by reason of his indefatigable industry and great ability as a parliamentarian and legislator. What do his opponents in this contest propose to do with him? That is a fair question and sincerity demands a fair answer. Do they propose to relegate him to

the political scrap heap? If so, my answer is that they have not the power. That power lies only in the voters of his district and they have too much sense to exercise it.

We know what our plain duty is. We know what simple justice demands that we do. Why not have the courage of our convictions? I make no professions of statesmanship, but, if I read history aright, no real statesman ever kept his ear to the ground listening for public clamor. Rather men of vision blaze the trail and clear the way for progress. The foundation of every bulwark ever created affecting human rights that has stood the test of time has been equity and justice.

Personal ambition leads to selfish acts. If we are to meet our country's needs, we must increasingly feel from day to day that the individual is nothing and that the Republic is everything. It is well to bear in mind that the pathway of personal ambition is strewn with physical and mental wrecks, and that we can best serve the Government by acting always fairly and justly.

If we deny Mr. MANN the speakership, we do an act of injustice to a man who by incomparable devotion to duty is entitled to the honor. No one can question his efficient service to his party and to his country; no one can question his ability and fitness for the office; and no one can advance any sufficient reason why we should not vote in accordance with our convictions.

We are on the threshold of power. Let us profit by the lessons of the past. Harmony should be the watchword, but may I warn you that the very basis of harmony is justice. We must not refuse honor to those who by reason of long years of arduous, faithful, and efficient public service deserve recognition. I refuse to do injustice to the man who has indisputably earned the speakership, and who concededly is the best-fitted man in the House for Speaker.

Mr. KNUTSON. Mr. Speaker—

"Man that is born of woman is of few days, and full of trouble. "He cometh forth like a flower, and is cut down; he fleeth also as a shadow, and continueth not."

How true! Our journey through life is short and uncertain, and sometimes we would rebel against the dispensation of an all-wise Providence who knoweth best. I confess that it was with a feeling somewhat akin to rebellion that I read of the untimely death of my friend, counselor, and benefactor, JAMES R. MANN, of Illinois, whose memory will remain green so long as life remains.

My acquaintance with Mr. MANN commenced early in 1917, and shortly after we first met I realized that he was a man of outstanding ability as a leader and legislator. He towered above his colleagues as Longs Peak towers above the other mountain summits in the Rockies. His knowledge of parliamentary practice was marvelous and no situation could arise which his keen intellect was not capable of solving. Mr. MANN was a remarkable man for detail and no measure was presented for consideration on the floor that he had not thoroughly mastered. The strong and weak points of the measure stood out in bold relief before his analytical mind and it was usually safe to accept his analysis without question.

When I came to Congress Mr. MANN was the minority leader and he was a peerless leader. It was a pleasure to follow him into conflict, and to see the gleam of battle in his eyes was a treat for the gods. Though I live to be a thousand I will never forget his masterful generalship in a certain election contest which engaged the time of the House in the closing hours of the Sixty-fifth Congress—when he turned a minority into a majority and a threatened defeat into a triumphant victory. His conspicuous record in this body, which covered a period of nearly twenty-four years, is replete with like performances, and it is no exaggeration to say that he is one of the outstanding characters of the legislative history of the Republic.

Some one has said that republics are ungrateful. I will leave it to the historian to take issue with that statement. It is a significant fact that such overtowering giants as Webster, Clay, Calhoun, Blaine, Reed, and MANN should fail to grasp the prize which they most desired and which they had earned by reason of service and outstanding ability. Mr. MANN failed to realize his ambition to become presiding officer of the House of Representatives. If he was disappointed over his failure to win that high place, he was too big to show it. If he harbored any feeling against men from whom he had every right to expect support and who failed him in his hour of need, no one ever saw any indication of his resentment; in fact, his friends showed their feelings over his defeat much more than he. To him it was all a part of the game, and he cheerfully went on helping wherever he could by his wise counsel and great experience. I served on the committee on committees with Mr. MANN, and I can truthfully say that not once in making up the committees of this House did he allow any personal feeling that he might have had to carry the slightest weight. He measured every candidate by the yardstick of ability, and his sole object was to place each Member on the committee to which he was best adapted and where he could render the best service. That was the kind of man whom we are to-day mourning.

Notwithstanding the fact that Mr. MANN died full of years and honors, his departure was most untimely. Not since the reconstruction days that followed the Civil War has the need for men true and tried been so great as the present, and in his death the Republic lost a most valued and useful servant. Had he been permitted to remain with us a while longer, he would have brought to the problems confronting the country and Congress a wisdom that had been ripened by experience. As time goes on we will realize more and more the tremendous loss which we sustained in his death, but his memory should give strength to our determination to do that which is for the best interests of the country we all love.

Farewell, true and noble friend, farewell. My memory of you will ever remain one of the bright and cherished spots of my life.

Mr. LONGWORTH. Mr. Speaker, with the passing of JAMES R. MANN this House lost its ablest Member and the country its most useful legislator. This may seem a strong statement, even savoring of exaggeration, but I think that there is no one here who served with him, as I have, during the past 20 years, who will question its accuracy.

I am speaking, too, as one who disagreed with him more than once on matters of public policy, who declined more than once to follow his leadership, and who supported another in the contest four years ago for the speakership. Yet by and large, in season and out of season, whether or not I happened to be with him at the moment, I always thought and so expressed myself, and I think now, that MANN was the ablest and most useful legislator that this country has produced in the last quarter of a century.

From the economic standpoint alone his services to the country were above price.

No raid upon the Treasury was planned or undertaken which did not meet in him an insuperable obstacle in its path. For years he stood like a mountain of granite between the Treasury and its would-be despoilers. No one will ever know, none of us who served with him for years would attempt to guess, how much money he as a lone individual is directly responsible for saving to the people of the United States, but I have no hesitation in saying that it would run into the millions if not into the hundreds of millions of dollars.

Work, hard, laborious, intensive, was with him a passion. In his legislative life the days were none too long, the nights were all too short, for he worked almost continuously. To him the midnight oil was a luxury, for he loved his work, and it was a work for the most laudable of all purposes—the benefit of the American people.

As a consequence of his amazing energy and application he became within a few years after his election to Congress a master legislator and a superparliamentarian and remained so until the last.

I have often heard it said of him, and I think with much justice, that there were few bills which came upon this floor, the contents and effect of which were not mastered by him more thoroughly than by the man who introduced the bill or the committee that reported it.

If he had a fault as a legislator it was that he worked too hard and tried to do too much. I used to think that as leader of his side of the House he might well have left more to his lieutenants. But his intellect was so keen, his knowledge of details, even to the minutest, so extraordinarily comprehensive, that he often chafed under restraint and was unable to resist taking full charge of the proceedings.

This sometimes led to altercations with his own friends, who felt that they were being ignored and deprived of the opportunity for the exhibition of their talents if they had any.

I plead guilty to having had that feeling myself at times, which I voiced upon one occasion on the floor of the House. It was in 1910, I think, at any rate shortly after the beginning of the Taft administration, that Mr. MANN had criticized severely, and, as I thought, unjustly, the official acts of a recent appointee of the President who happened to come from my district. During the debate which followed, entirely good natured in character, I said:

Mr. Chairman, the gentleman from Illinois is one of the most useful Members of this House. [Applause.] He is an indefatigable and untiring worker, and his efforts always make for good legislation. Mr. Chairman, the gentleman from Illinois undertakes to play the rôle of Hamlet in this House, and he does it with skill, grace, and tact, and I think that no one will begrudge him that rôle, but when, Mr. Chairman, he undertakes not only to play Hamlet, but the fair Ophelia and the King and the Queen and first grave digger and sometimes, as now, carries a spear, he might be criticized for carrying the thing too far. [Laughter.]

This, of course, was airy badinage, and yet I think was not an overdraft of the position often assumed by Mr. MANN when he was in the height of his physical vigor, for he was easily,

when he chose to exert his powers, the dominant figure in the House of Representatives.

It may be that history will not record his name in connection with the authorship of very many important acts of Congress, but we here know that there have been few pieces of legislation of major importance acted on by this House in the last 20 years that have not borne in some degree the impress of his magic touch.

As a parliamentarian in all that term implies he stood alone. It is given to few men, no matter how long their service in this House, to achieve the distinction of becoming a parliamentarian of the first rank. I think that the number of those I have known could be pretty accurately measured by the number of years I have served here. Some of them may have known as much parliamentary law as he. One, perhaps, knew more. Asher Hinds sacrificed himself in the preparation of that monumental work which is to-day our textbook. But none knew as MANN did how to adapt his knowledge to a parliamentary situation suddenly arisen. His resourcefulness under such conditions was literally amazing, and his success in adapting the rules to meet the situation almost invariable.

From a party standpoint his loss to us upon this side of the aisle in the parliamentary struggles sure to come in the next Congress is wholly irreparable.

I have attempted nothing more, Mr. Speaker, in these brief remarks than to state in plain and simple language my estimate of the abilities and the value of the public services of this extraordinary man. I am confident, however, that these views, inadequately expressed though they may be, are the views of the men who have had the privilege of serving with him in Congress and that they will meet the sanction of history.

In concluding may I express the hope that when his life's partner, who loved him well and was by him well beloved, shall read the record of these proceedings her grief may be in some degree tempered by the knowledge, which they clearly evidence, of the respect, admiration, and affection in which he was held by the men who knew him best, his colleagues in the House of Representatives of the United States.

Mr. BYRNS of Tennessee. Mr. Speaker, I can not permit this opportunity to pass without expressing my very great admiration and esteem for our late colleague, the Hon. JAMES R. MANN, and paying a brief but heartfelt tribute to the distinguished and splendid service which he rendered his country during his nearly 26 years of service in this body.

It was a very great privilege to have served with him in the Halls of Congress. When I first came to Congress, nearly 14 years ago, the House was Republican in majority and Mr. MANN was then one of its recognized leaders. He endeared himself to me at that time by his kindly courtesy, his wise and kindly advice, and his readiness to aid in my effort to secure certain legislation which was greatly needed for the district I represent. No new Member of either party ever appealed to Mr. MANN for advice or information or for help in a righteous cause that he did not cheerfully give it. He was a kindly man, ever ready to help a colleague in his problems of legislation when he believed such legislation to be right and proper. While he had a tongue which could, on occasion, thrust like a rapier in sharp debate, he was always considerate of those who applied to him for assistance.

At that time he possessed such a wonderful and intimate knowledge of the rules and procedure of the House, and such wide and accurate information as to legislation, enacted and pending, that he was easily a master in any debate in which he engaged. Two years later, when the House was Democratic in majority, his party colleagues, by common consent, made him the minority leader on the floor.

So great was his knowledge of parliamentary procedure, so sound his judgment, so thorough his preparation, and so implicit the confidence of his party associates that his leadership was never disputed during the eight years of Democratic control. His party colleagues followed him with unfaltering confidence and unswerving fidelity. And it was this same well-known honesty of purpose and devotion to duty, coupled with his rare ability as a legislator, which gave him strength with the Democratic side on all questions save those of a strictly partisan character.

He was a strong Republican, and an earnest partisan whenever the interest of his party was at stake, but he never permitted partisanship to interfere with his support of measures and principles in which he conscientiously believed. Courageous to a high degree, he took a broad statesmanlike view of all matters of legislation and was never swayed by any sort of sectional prejudice. There has not been a Member of either branch of Congress for many years who has left a greater impress upon the legislative records of his country. During his long years of service he helped to frame and pass many great constructive measures, one of which bears his name, and shows better than words can express that he was a man of broad humanity, high morals, and clean conduct, and that his sympathies were always with the weak and oppressed.

He was a great legislator—a splendid statesman. I do not believe there is a Member who will be so widely and sadly missed in the halls of legislation. When the unexpected news came that he had succumbed to the disease which had so recently attacked him, there was universal grief on both sides of the Chamber, for everyone realized that a great American, a most useful legislator and servant of the people, had passed out forever, and that the country had suffered a great and distinct loss.

He was an indefatigable worker and conscientious to a high degree. No legislation, however small or inconsequential it might appear to be, ever failed to receive his close scrutiny. He thoroughly mastered every detail of the many bills which came before Congress for consideration. He took his duties seriously. I have never known a man who gave such close attention to details, and it was this boundless energy and close study which caused his physical breakdown in the latter years of his life and compelled him for a time to leave his active duties on the floor and seek health elsewhere under the imperative orders of his physician. He was missed then as he is missed now, and when he came back, seemingly restored to health, Republicans and Democrats alike rejoiced that the House was once more to have the benefit of his wise advice and counsel.

He has now gone, never to return—unless it be that the spirits of those who have crossed over to the unknown shore are sometimes permitted to return to the scenes and places they loved while on earth. If so, I can fancy that his spirit will often hover over this Chamber, which he loved so well, and which was the scene of his arduous labors, his many mental combats, his defeats, and his many victories. The grim reaper has claimed him, Mr. Speaker, as he will sooner or later claim each one of us. No more will he smooth out tangled parliamentary situations and bring order out of chaos when the House finds itself in confusion; no more will we hear his voice raised in debate, but his memory will linger with those of us whose privilege it was to have served with him and to have shared his friendship, and his example of courage, industry, honesty, and intense devotion to duty and to country will always be an inspiration.

Mr. GRAHAM of Illinois. Mr. Speaker, to my mind little need to be said on this occasion. The best memorial to our late colleague is found in the words he helped to write into the laws of his land and the Constitution of his country. The records of this body for over a quarter of a century are full of the product of his matchless mind and his untiring energy. No man in that time has done as much as he to shape the policies and direct the activities of the Congress of the United States. No one, in this trying reconstruction period, could have done as much, by his leadership, to guide us safely over the rough places. But when we need JAMES R. MANN most grievously, silently and quickly he has folded his mantle about him and laid himself down to his everlasting sleep.

It is well for man to pause at times and contemplate the lives of great men. This man we memorialize to-day, my colleagues, was a great man. From his early manhood and entrance into public life his labors were indefatigable. Of the marvelous talents which God had given him he never gave in stinted measure, but poured out the last drop of all he had. Untiringly, for 26 years, he labored in this forum, always giving to every task all the energy he possessed. Out of the well of his industry and ability he drew unceasingly. There was no task too trifling, no detail too trivial, to receive his closest attention. No other man during his time knew as much about the business of the National House of Representatives as he. No other man was so helpful in its legislative procedure. No man was more constructive. In his time he prevented more bad legislation and aided in enacting more constructive legislation than any other man in the history of our times. At times when he was not even the chosen leader of his party in this House, he lead more of its membership, he influenced more of its action, than any other man in it.

I can not speak of our late colleague as an intimate of his. I did, however, on many occasions, go to him for counsel and for information. Like every other Member of the House I

soon learned to admire and highly respect his wonderful knowledge and grasp of public questions, the depth and clarity of his vision, and the lofty public purposes he always had in view. He measured all things we do here by their ultimate effect upon the body politic. His viewpoint was not narrow or provincial but broad and elevated and commanding. He hated fraud and pretense and petty politics. Himself a scholar and a deep and painstaking student of the history of his country and its legislation, he had but little patience with him who would utilize the machinery of this great legislative body to which he belonged for trivial or selfish purposes.

In all my life I have not seen another man so true to his convictions and ideals as was Mr. MANN. He followed these convictions with absolutely no thought of self-interest. I recall one occasion when, angered at what some thought to be an injustice to him, he was urged to use the power he possessed to discipline those whom it was assumed had been responsible for his injury. With singular and inflexible fidelity to the principles he maintained to be correct, he rose above the vexations and disappointments of his own experiences and insisted upon the things he thought, in his own clear mind, to be best for the country.

There is a popular impression that men in public life treat their offices as private perquisites and not as public trusts. I have not found this to be true. The best example of its falsehood is the life of our late colleague. He considered his office as an entire submergence of his own individuality into his public duty. He gave up the wealth which he might have acquired in the practice of his profession, he gave up his health, his life, freely and unreservedly, in bearing the burden he felt rested upon his shoulders.

As we saw him dealing with the endless maze of legislative detail here, always active, always alive to every parliamentary move, I think that few of us realized what a sacrifice he was making. I only sensed it once or twice, when, in the hurly-burly of a House session, by some chance remark I drew aside, for a moment, the curtains and saw that his heart and soul were yonder in Illinois amid the singing birds and the pleasant odors of his own beloved flower garden.

We men from Illinois trusted him implicitly. He was our representative on the committee on committees. No one ever thought of questioning his judgment in the matters intrusted to him. We knew that our interests were safe in his hands. But we also knew that no request not based upon justice would receive any cooperation from him. He was a zealous and powerful advocate of the claims of his friends, but he insisted that his friends claim nothing but what was right. Our delegation and our State have suffered a most grievous loss. The broad prairies and the great cities of Illinois may and will produce other men whose names will be written into the history of the country, but men will come and men will go for generations before another takes the place of JAMES R. MANN.

Nothing that we may say or do here will further add to the luster of his fame or further enhance his high standing and prestige. He has erected a monument for himself that will last as long as there is a Congress of the United States. But we may with all propriety, by these simple services, indicate our sorrow at his passing. And so, Mr. Speaker, I voice my brief and humble tribute, with my colleagues, in memory of this great man.

Mr. BRITTEN. Mr. Speaker, it is with considerable misgiving that I attempt a memorial address on this mournful day, when I recollect that only so recently and, oh, how often have these walls rung with applause and acclaim at the words of wisdom and leadership of that giant in parliamentary practice and legislative accuracy, Hon. JAMES R. MANN, late Representative from the Second Congressional district of Illinois.

It is quite probable that the world in 2,400 years since Socrates has not produced a single parliamentarian the superior to Mr. MANN, and it is also quite probable that his equal will not be again seen in this House during the lifetime of anyone present to-day.

For a thousand and one years to come many a parliamentary tangle in this House will be unraveled when some gentleman will arise in his place and quote Mr. MANN in an identical case.

He was more than a genius, he was almost superman, and with it all, never sought applause nor praise for that untiring zeal and duty he so willingly gave to his country.

Mr. MANN'S devotion to duty was a characteristic with which he was born and I doubt if there was, in the history of the country, another Member of Congress who worked as hard or who spent as many hours on the floor of the House in active participation in the work of the day as he did.

He was thorough to the merest detail, and one often wondered how he managed to obtain and hold knowledge of the hundreds of bills and resolutions which came before the House in rapid succession.

He invariably knew more about particular measures than the Member who drafted and presented them. He knew more about their effect on general legislation and was ever ready to lend his advice and assistance to those less conversant.

"JIM" MANN was the first member and friend I went to for advice when I came to Congress 10 years ago, and I feel his loss just as keenly as though he were my big brother. I loved him dearly as a friend.

No American soldier or sailor has given his life to his country more cheerfully than he has, and when I say that, I mean it, literally.

For 26 years Mr. MANN gave serious consideration and painstaking effort to the duties of his public trust, and in the end succumbed to the call from Him on high, his life's work well done.

His tremendous knowledge of all things parliamentary and legislative made him a debater of the highest order. His accuracy was rarely questioned.

The country can ill afford the loss of this conscientious, earnest, and faithful public servant.

The House has already missed his guiding hand.

Mr. MANN was a leader of men without being in any sense a so-called "boss," and I can now recall that he told me in confidence, one day some six years ago, that the publisher and owner of a great line of American newspapers and magazines had offered him his support for the Presidency.

He certainly measured up to the suggestion.

The life of JAMES R. MANN was one of true American manhood, worthy of emulation by all who love patriotism, righteousness, and truth.

May he rest in the peace he has so well earned.

Mr. MOORE of Virginia. Mr. Speaker, what I shall very briefly say is based upon my observation of Mr. MANN during the period after I became a Member of the House in June, 1919, when he was not then his party's leader as he had once been, but a conspicuous Member of the majority. It was then that the opportunity was afforded me of seeing him at work and of testing the correctness of the general opinion of the public which he so long served that he was in all things most exceptional. I soon realized that the public was not mistaken in its judgment, and I shall always remember him as the outstanding figure here; as certainly exceptional; as indeed astonishing in the range, the power, and the influence of his activities.

No one who served with him can forget how frequently when grave contests were being waged here, Mr. MANN, armed with all of the weapons which a great legislator should possess, would enter the struggle at the moment he deemed appropriate, and by the strength and perfection of his appeal to the House, give direction to the tide which had ebbed and flowed uncertainly. Time and again he was the chief actor in such a scene—a scene so vivid and picturesque that it might well have become the subject of the painter's art.

In his relation to the House, with regard to his familiarity with all the matters that came before it and his continuous and so often successful effort to have its business, as he viewed the situation, properly transacted, I believe that he more resembled Mr. Madison than any other who has had a notable career in this body.

I am permitted to state that my friend, Mr. Gaillard Hunt, the accomplished biographer of Madison, agrees with me that there is no exaggeration in holding that Mr. MANN is fairly comparable in many respects with that leading Member of the House in the first eight years of its existence. They were not unlike in intellectual strength and scope and the ability to grasp and understand any problem that was presented and quickly deal with it; in the extent of their reading and study of the history and functions of government and the retention for immediate use of the knowledge which they thus acquired; in their courage and unflagging industry; in their conception that it is the duty of a legislator to neglect no part of the province to which he belongs; in their gift of clear and analytical speech without useless elaboration, and with no attempt at rhetorical adornment. Mr. MANN'S work was more laborious than that of Madison as a Member of the House, because the latter belonged to a simpler era, when the controversies, although vitally important, were much less numerous and the responsibilities of Congress much less varied and complex. As in the case of any two individuals, the comparison fails at many points, and the historian may not accept it as at all

worth while. And likewise the historian may perhaps make too little reference to the statesman who has just passed away. That also would have been the fate of Madison had his public life been confined to the House. He is unforgotten because, in another legislative field, he won the title of Father of the Constitution, which gives him undying recognition, and because he filled with distinction the office of Secretary of State and President in the formative period of the Union. Possibly some of us are now reflecting that Mr. MANN would have a larger place in history had he occupied high executive positions, where he could have impressed the country with his ability to administer as well as assist in making its laws, and I for one have no misgiving that in that event he would have shown administrative capacity corresponding with his legislative capacity.

It is for others who were intimately associated with him through long years to describe in detail his career here; to speak of the qualities that endeared him to his family and friends; to note the fact that he worked from an overwhelming sense of duty, but without allowing his work to warp him away from other interests; to note the fact in that connection that his main pleasure was in his home with those gathered about him whom he deeply loved, and in his garden and among his flowers where, detached from the clamor and conflict of public life, he was fascinated by the charm of carrying on the experiments of a true student of nature. They, too, will tell of his reverent religious attitude and of his faith that death is not the end of all but only the beginning of all that is best.

I have ventured to say a word or two to indicate my estimate of a most unusual character, and for the purpose of recording my grateful appreciation of his unvarying kindness to me as an inexperienced member of the House. As a Southerner and a Virginian, I am particularly glad to offer my poor tribute to his memory. He himself avowed that he was closely identified with the South. I find that in his first speech of any importance after entering the House—it was in February, 1898—he said:

> My father was a Southern-born man; my mother was a Southern-born woman. They both live in the South now. My wife's father and mother were both Southern-born, and are practically Southerners in feeling to-day.

He was a citizen of Illinois, but he was of Southern ancestry and traced his lineage in part to the Old Dominion, which ceded to the Federal Government the territory from which was carved the State of which he was the honored and far-famed representative.

Mr. COPLEY. Mr. Speaker, JAMES R. MANN was one of God's masterpieces. Endowed with the rudiments of a great mind, fired with an ambition in early youth, with untiring industry he developed that mind until it became the greatest legislative mental mechanism that ever sat in these halls. It was essentially a human mind. He had a great heart, it was intensely human. He loved his family and he loved his friends. He never hated his enemies, nor did he harbor vexation against them long. In his love for his friends he found a response, for they called him Jim. It was a term of affection, one which he himself liked better than any other. I stood with JAMES R. MANN at the bier of his only child, his son. He had a heart as great as any that ever throbbed in the breast of any human being. If I might presume to add to the beautiful words spoken over his casket in this hall, to the three attributes of honesty, courage, and thoroughness, I would suggest ability, and as a result of all of these, achievement. His was ability of an order perhaps never equaled before in its great mastery of the machinery of legislation, in any great legislative body in the world. It was instantly at his command. Not only was the scope of his knowledge beyond the understanding of the ordinary Member but the facility with which he could summon up that information was equally marvelous. He never used this great ability for his own personal aggrandizement, and he never used it to punish any of his enemies. He used it for one purpose only, to perfect the legislation that came from this body, which must in turn be reflected in the welfare of the people of this country.

His achievements were, of course, enormous. In the 12 years which I have been a Member of this House no one man, no half dozen combined, have had such influence upon legislation as had JAMES R. MANN. I think all will agree with me when I say that not one single measure that has ever come from this body ever been harmed by any act of his. Whether he favored it or not, if it became evident to him that it must become the law of the land, his every effort was put forth to make that law as perfect as possible. On the other side, anything that he put into legislation helped it, and it was his object in his legislative life to make the legislation, the work of this body, as perfect as possible, realizing, as he did, that it became the law of the land, under which he and his fellow citizens must live.

Mr. MANN was my friend. I had a most wholesome respect for his human attributes. At a time like this we do not want to discuss a man's faults. Of course he had them. He would not have been so human without them; but he had an almost superhuman attribute in that as soon as he had erred and had become conscious of it he was the first to admit it and the first to make it right. I shall personally miss Mr. MANN, as one of the great and lasting friendships of my life, but his impress will live in the legislation of the last 25 years, and his influence will go on down the countless years as an inspiration to other men to emulate his high purposes and his high achievements.

Mr. STAFFORD. Mr. Speaker, in the galaxy of great men who have served their country in the last quarter of a century in Congress, no man was the peer of JAMES R. MANN, who in memorial services we meet to-day to honor.

Because of his exceptional and superior attainments that go to make the complete legislator, he was in a class by himself. He not only knew the Rules of the House better, and their philosophy, but he was an adept tactician in using them to advance good or block obnoxious legislation.

His eminence as a leader on the floor is acknowledged by all. The most notable of his recent achievements as master of House procedure was on the last day given to the consideration of the Fordney tariff bill, when time after time he overwhelmed the supporters of provisions of the tariff bill, that were supported by the committee, and succeeded in having adopted in each instance provisions of great moment to the country's economic policy in favor of lower tariff duties.

His acquaintance with all legislation that had been passed during his quarter of a century of service, and of the administrative workings of the Government was a marvel to members. This accomplishment was the result of his thorough study of every bill, no matter how minor, that was brought up for consideration in the House. His keen and ever alert mind made possible the utilization of his wonderful storehouse of legislative knowledge in proposing amendments and securing their adoption, and in passing bills through the House. Supplementing this rare gift of full knowledge of legislative procedure and enactments, he was the most powerful debater of his time. His quickness at repartee was unmatched. His shafts of sarcasm penetrated the armor of every antagonist. His power of concise expression enabled him to say more in a few minutes than many Members could say in multiples of the allotted time.

The traits that made him great on the floor made him equally superior in the committee room. As chairman of the Committee on Interstate and Foreign Commerce more substantive legislation was reported during his incumbency than I have ever known before or since.

During the holiday recess of 1909 and 1910 it was my privilege to sit at the table by his side and assist in a minor way in the preparation of the draft bill amending the Interstate Commerce Act, which later upon passage bore his name. Throughout those days of careful preparation, were manifested the traits that enabled him to draft in concise language provisions that had to stand, after enactment, the test of the ablest attorneys of powerful railroads. There I learned of his thorough acquaintance with every detail of railroad legislation. It was this bill, during its stormy consideration of two weeks in the House, that was subject to the savage attacks of the insurgent group led by NORRIS, POINDEXTER and others that won him the greatest laurels as the faithful friend of the shipping public.

When this Mann Interstate Commerce bill came back from the Senate, laden down with amendments proposed by the insurgent group under the leadership of Dolliver of Iowa, the insurgents of the House voted unitedly with almost united Democratic support to accept the Senate amendments and opposed the motion of Mr. MANN to have it sent to conference. For three-quarters of an hour he pleaded with the Republican Members, and promised that if the bill were sent to conference it would come back to the House a better bill than as amended by the Senate. His plea was futile in securing any support from the insurgent group, but to his lasting credit the bill that emerged from conference was admitted in a speech by the leader of the insurgents to be a better bill than as it left the Senate.

No harder struggle for the attainment of provisions that would meet the demands of the shipping public was ever waged than during the five weeks while this bill was in conference. The Senatorial group, under the leadership of the late Senator Elkins, appealed—but in vain—to President Taft for support to a modification of some of the provisions demanded

by Mr. MANN. But Mr. MANN was insistent to the President that the bill should reflect the requirements of the time and the demands of the shipping public, and his will was followed.

For five weeks in conference at the close of a long session, during which, as Chairman of the Commerce Committee, he had reported and passed the Mann White Slave Act, the Mann Interstate Commerce Amendment Law, the bill for the government of the Panama Canal Zone, the reorganization of the Lighthouse Service, and many other important measures, he had waged one of the greatest fights of his life without restoring rest at night, and came out triumphant in his fight for progressive railroad legislation.

Tired in mind and body after this exhausting work, he went to the seashore for a couple of weeks' rest, there to go through a strange mental metamorphose in seeking relaxation and the attainment to normal, after having driven the mental engine to the maximum of performance, as was his wont during each session of Congress.

Though warned again and again by his close friends that he was calling upon nature's reserve force too regularly, session after session, to have repaired the ravages that come with close attention and confinement to legislative work, in July, 1917, a few months after our entrance into the war, broken from the exhausting work attendant as minority opposition leader during the prior seven years, he left the House to repair to his garden of peonies in the suburbs of Chicago and there regain his health. After an absence of 16 months from his post he returned with his health restored.

After he had given his best for 20 years as a faithful servant of the Republic, the tragedy in congressional annals occurred in his being renounced by his party associates as candidate for Speaker.

The only explanation that ever has been made of the unheard of intrusion of the Senatorial group, headed by the late Senator Penrose, in forcing their State delegations' support away from Mr. MANN, was that if elected Speaker they feared, by reason of his tremendous attainments, he would become a formidable candidate for the Presidency in shaping the legislative policy of Congress.

He sought the Speakership, not for the honors of the position alone, but—as he told a few personal friends—to lead in the enactment of progressive legislation for the benefit of his party and country. Though righteously disappointed at the turn of affairs, in being rejected for the high honor of Speaker, he showed his greatness as controller of committee assignments, on the reorganization of the House under Republican control in the Sixty-sixth Congress, to place Members according to their worth and without any trace of any desire to punish those who had opposed him. He was too great a patriot, too big a man to degrade his position of premiership as director of legislative policies to treasure political grievance or animosity.

He was my friend. With no man in my Congressional service was I more closely associated, both legislatively and personally, than with JAMES R. MANN. I prize the ties of friendship formed years back and welded into enduring ties with the passing of years.

Great was JAMES R. MANN in life. To me his life and work will be an exemplar and inspiration until the end of my days of all that is noblest in a faithful disciple of public trust. No man was his peer, no man ever measured up to his stature of commanding eminence.

Mr. DENISON. Mr. Speaker, I had a deep and peculiar affection for our colleague, Mr. MANN, and I have felt his loss very keenly. As I turn back to the beginning of our acquaintance, I recall the somewhat unusual circumstance that the first two times I ever saw him I was seeking advice.

When I finished my course of studies at a law school here in Washington and was about to go forth looking for a suitable place to practice my profession, I had many misgivings. One of my teachers, afterward a member of the Supreme Court, suggested that I go to Chicago and see Mr. MANN who was then, or had been, one of the successful members of the Chicago bar. I went to Chicago and saw him. I shall never forget his kindly manner nor his encouraging suggestions.

Fifteen years later I saw him the second time when I came to Washington as a member elect of the Sixty-fourth Congress, and again I called on him for counsel. On both occasions he talked to me as would a father to his son, and the years have proven to me that his counsel was both wise and valuable.

I was impressed with his sincerity of purpose, his devotion to whatever task duty called him, and his willingness, even eagerness to help others who sought his help, and especially those who were just entering the most trying time of life's labors. My association with him as a member of the House through the years since then has confirmed and convinced me of the impressions I then received.

I said I had a peculiar affection for him. He was one of the few men for whom I have felt a real affection, who never did anything personal for me that would ordinarily inspire affection or gratitude. Aside from the advice that I had sought, he never did me a personal favor that I know of. But he possessed that unusual power of making others like him, of compelling the respect and admiration and even the affection of his associates, because, I believe, of his very strength and sturdiness of character, his untiring devotion to duty, his courage of convictions, his loyalty to the ideals of our Republic, and his unusual efficiency as a public servant. I have often heard Members praise him and even express their affection for him, who had more than once been the victims of his forensic strength and strategy, his keen cutting sarcasm or his unerring knowledge of parliamentary principles and precedents. Neither persons or personal favors ever swayed him from his straight course toward the best interests of our Government.

If by some power we could glean from the records of Congress the assembled public labors of all of our legislators since the beginning of the Government, and could pass them in review before us, I believe it would appear that those of Mr. MANN would exceed all others in amount, if not in value, to the Government. He always chose the difficult course, and he toiled without ceasing; opposition was to him an inspiration; and with it all, I do not believe he ever cast what we sometimes call an expedient vote.

In one respect at least he was a most fortunate man. He represented an intelligent constituency who recognized his ability, respected his judgment, and did not attempt to dictate his views or control his freedom of action. He, therefore, could and did freely, conscientiously, and unselfishly devote his best thoughts and labors to the service of the entire country. What a fortunate position is this for one who is chosen for the responsibility of making laws for a great nation.

Mr. Speaker, I did not have the privilege of enjoying a very personal or intimate acquaintance with Mr. MANN. My association with him was never of a personal character, but was that only of a colleague and fellow Member of the House. There are so many older Members here who knew him longer and perhaps who knew him better, I would feel it an intrusion to take more time on this solemn occasion than to very briefly pay my humble tribute to him for whom I always felt the most profound admiration.

Mr. MANN was one of the most unselfish men I ever knew either in private or public life. If he ever spoke or acted with a view to his own personal profit or advancement I was unable to detect it. He was the highest type of public servant it was ever my privilege to know.

His whole public career was a splendid exemplification of the highest conception of service, or, perhaps I should say, of public service.

No armored soldier advancing under the inspiration of martial music ever served his country more unselfishly or more courageously than did JAMES R. MANN, both in war and in peace. Those who had the opportunity to observe him from day to day during the more recent years have observed how his strong, manly form was bending and breaking under the burden of service, and believe, as I do, that he truly gave his life to the service of his country.

We need him and we miss him here. The country needs him and will sorely miss him. We are yet too near the time and scene of his service to properly appraise him. But I do not believe there has ever sat in this Chamber a more valuable legislator or a more useful public servant than was Mr. MANN.

It was a most unhappy day, not only for those of us who for the time were his associates here, but for the country he so long and faithfully served, when there came the last muffled roll call that summoned him from his labors in this vale of tears to answer in another and more peaceful chamber on the other side of the divide.

Mr. SMITH of Idaho. Mr. Speaker, when I came into the House of Representatives as a new Member 10 years ago I soon came to know Hon. JAMES R. MANN, then minority floor leader, and I shall always retain the impressions then formed of his splendid characteristics and remarkable abilities. All who served with him here remember the keen alertness, the earnestness, and the assiduous industry with which he performed his legislative duties. Mr. MANN technically assumed the office of minority leader at the beginning of the Sixty-second Congress, but to all intents and purposes he had been the real leader long before that time. Almost immedi-

ately upon his entrance to Congress, 24 years ago, he began to manifest qualities of leadership and take a place of influence in the proceedings. By his quick mastery of the rules of parliamentary procedure, his sincerity and keen insight into the merits or demerits of measures offered for consideration, as well as by his readiness in debate and activity on the floor, he early became recognized as one who could and would be a leader. Thus it came about that quite a long time before he became titular leader of his own party on the floor he was a sort of de facto leader, whose judgment was highly regarded and whose advice was sought on nonpolitical questions by Members on both sides of the Chamber.

It was characteristic of Mr. MANN's leadership that he loved a square fight, was unyielding, a fighter who called a spade a spade, showed no quarter, brooked no interference, and hit hard and often. He was punctilious down to the dotting of an "i" or the crossing of a "t." Yet he possessed a kindly nature and broad sympathies. No leader ever had a firmer grip upon the business of legislation. He was thoroughly informed concerning every bill that came up for consideration, whether a great tariff measure or a private pension bill. Frequently he knew more about a pending bill than the chairman of the committee having it in charge. Nothing attracts the attention of the House quicker than real information, and Mr. MANN always had it.

The duties of a floor leader in the House of Representatives are manifold and the position is one of great responsibility. It is of the utmost importance, not only from a party standpoint but in the interest of public business that men possessing peculiar fitness should be chosen by each political party in the House to act as field marshal and as mentor and guide on the floor. The position is one not easily filled, requiring in its occupant a high degree of alertness, resourcefulness, and tact combined with readiness in debate and thorough parliamentary knowledge. Leadership as here comprehended involves at least three elements, political, parliamentary and legislative. The chairmanship of the Ways and Means Committee, controlled by the majority, has with few exceptions carried with it the responsibility and distinction of leadership on all political matters on the floor of the House, and by the same token the ranking member of that committee on the minority side is sometimes political floor leader on that side, though the distinction usually falls to the minority candidate for Speaker.

It must be understood that it is largely the game of politics that is being played in Congress. The exigencies of party advantage and the effort of each party to "put one over" on the other is the mainspring of a considerable per cent of the maneuvers made on the floor. It is on its chosen leader therefore that each side depends to a great extent for the watchfulness and tactics by which disaster is averted. But over and above this, the leader has a broader usefulness in his knowledge of parliamentary procedure and of the various measures brought before the House upon which his advice and guidance is sought. Frequently the leader recognizes lieutenants with special fitness along parliamentary lines or in legislative work.

For many years titular floor leadership was a heritage from membership on the all-powerful Committee on Rules, when it was composed of the Speaker and only four other Members. Then that committee was constituted of all leaders, each with his peculiar ability and standing in the House, and they were all parliamentarians of the first order. But since the enlargement of this committee, membership on it carries no such prestige as of old. Legislative leadership is that which relates to the conduct and control of a bill, and this leadership is assigned to the chairman or some majority member of the committee reporting it or having charge of it.

Leadership involved incessant work, and it was a marvel to many of Mr. MANN's colleagues how he stood the strain week in and week out, month after month. To see him in action on a busy day was a relaxation.

He has been called to his final rest and will be sadly missed in the places that knew him here. He was a naturalist and extremely fond of flowers and plants. At his home in Chicago he had a garden filled with them and found most of his recreation among them. If it were my privilege I would like to gather an armful of his favorite beauties and lay them across a tablet to be erected to his memory.

Mr. CHINDBLOM. Mr. Speaker, of the high personal character and equally outstanding civic virtues of our late colleague, the Hon. JAMES ROBERT MANN, all his friends and associates, in fact, even those who only casually met him, can speak with total confidence. He was the personification of honor and candor in coversation and conduct. He practiced no guile or wile to accomplish his purposes. While he lacked neither shrewdness nor resourcefulness, he never stooped to deception or duplicity. He loved forensic combat and in parliamentary or legislative encounter neither asked nor gave quarter. He was a good lawyer, learned in the substance as well as in the practice of the law. He was a capable business man who grasped not only the fundamentals of private trade and industry, but mastered as well the much larger problems of administration of Government. With his keen, analytic intellect and constant application to broad principles as well as necessary details, he doubtless would have been a successful executive, but he preferred to devote almost the whole of his active career to legislative work. He was a lawmaker and a parliamentarian par excellence.

His conspicuous public services were in the council or aldermanic board of the city of Chicago and in the National House of Representatives. His services in the legislative body of the western metropolis were so important and valuable as to commend him readily to his neighbors and fellow citizens as meriting the higher honor of representing them in the National Legislature. Two men began their careers almost simultaneously in the city council of Chicago and both graduated from service in that body to membership here, where they have served with great distinction and benefit to the country. They were our late colleague, Mr. MANN and his neighbor and friend, the present Chairman of the Committee on Appropriations, the Hon. MARTIN B. MADDEN.

Older Members of the House can estimate and recite better than can the younger men the great services which Mr. MANN rendered the Republic in his capacity of legislator, but his great ability and effectiveness were patent to all. No bill came before the House, no measure was presented for action, no committee submitted a report, but Mr. MANN carefully studied the questions involved and prepared himself for informative debate and intelligent action. His industry was proverbial. If, as has been frequently stated, labor is the greater part of genius, our late colleague had not only the native endowment of an intuitive and spontaneous mind, but as well the acquired capability wrought by discipline, training, and application. His colleagues well know that the copy of a bill which he held in his hands during debate always contained marginal notes and pertinent clippings which marked the thoroughness and broad scope of his preparation on the measure. His speeches, at least in later years, were uniformly brief. He went directly to the point and there was no occasion for any extension of his remarks in the Congressional Record. Upon investigation I find that the Congressional Library contains indexed copies of several of his most notable longer addresses, among which are his speech on the war to free Cuba, delivered April 28, 1898, his speech on the proposed annexation of Hawaii, delivered June 11, 1898, his speech on the Porto Rico bill, delivered April 11, 1900, and his speech on the Nicaragua Canal, delivered May 2, 1900.

At this time it is not only interesting but instructive to recall some of our late colleague's utterances during his long and brilliant service in the House.

Note his impassioned plea for human rights in his speech on "The War to Free Cuba," in the discussion of the war revenue bill in the Committee of the Whole, when he said:

Mr. Chairman, the spirit of commercialism has been subordinated to the spirit of humanity. Patriotism is again supreme in our hearts. Greed and the love of gold yielded to the touch of sympathetic nature. No nobler offering to humanity, no greater sacrifice of self-interest, no loftier example of human kinship has ever been made. A mighty nation, wholly devoted to the arts of peace, absorbed in trade and gain, permeated with the desire for wealth and comforts, without a powerful Army and with only a moderate Navy, goes to war with a determined, cruel, and revengeful people because it dares to fight for the right and is determined to stop forever the despotic and cold-blooded cruelty to and robbery of the island of Cuba by the nation of Spain.

* * * * * * *

We do not fight for a fancied slight; we do not fight for a commercial wrong; we do not fight for an increase of territory; we do not fight because our commercial spirit has been outraged; we do not fight because our land has been invaded; we fight because it has become necessary to fight if we would uphold our manhood; because the leader of nations on our continent can not stand idly by while Spain is, with cold blood and cruelty, slaughtering and starving our next-door neighbors to death; because unless we are willing to fight we must abandon our vaunted pretentions of enlightened humanity and civilization; because we can not "pass by on the other side."

* * * * * * *

It has been said that war was terrible; that war is hell. Let it be so! War was terrible when the English Parliament levied a small tax upon tea imported to this land, but our forefathers fought for freedom. They were not afraid of war, nor are their descendants.

War was terrible in 1812, but the American people, few in number and small in wealth, were not then afraid of the mighty power of Great Britain.

War was terrible in 1845, but our people were not afraid to help the liberty-loving Texans, and my father was among those who then fought for his country and for freedom to another State on this continent.

War was terrible, war was hell, in 1861, but it did not frighten either those who wore the blue or the gray in behalf of what they believed to be right and freedom.

Has war grown so terrible that we now are afraid of it? Shall we muffle our ears and blind our eyes and pluck out our hearts to the piteous moanings and pleadings of the starving thousands in Cuba because we are afraid to spill our blood? Thank God, the American people have red blood instead of ice water running in their veins!

During the consideration in the House of the Joint Resolution to provide for the annexation of the Hawaiian Islands to the United States, Mr. MANN said on the broad question of national security:

Mr. Speaker, there never was a plainer proposition than the one for the annexation of the Hawaiian Islands. Politicians seeking for political advantage may endeavor to obscure it by sophistry and by special pleading. But the American people understand the situation. They know full well that it is an absolute necessity for the protection of our interests upon the great Pacific Ocean and for the protection of our own great Pacific shore line that the Hawaiian Islands should become part and parcel of the United States.

* * * * * * *

If I have read and studied aright the lessons of history, the battles for supremacy which in the past were fought out on the Ganges, on the Nile, in the Mediterranean, across the English Channel, on the Atlantic, will at some time in the future be fought across the Pacific Ocean. When that time comes, as come it will, the American flag will be protecting the Caucasian race, will be upholding the honor and dignity of the American people, will be furnishing security to our Pacific coast, will be providing support to our Pacific commerce, will be insuring the tranquility, the supremacy, and liberty of our people as it floats in grandeur over land and sea at the Hawaiian Islands.

In the consideration in Committee of the Whole of a bill for the construction of an isthmian canal, Mr. MANN reviewed the history of the various attempts to secure transportation across the Isthmus of Panama and in characteristic fashion urged action which would result in achievement. In the course of these remarks, he said:

Mr. Chairman, I favor an American canal, owned, controlled, fortified, and defended by the United States. Nature has given to our country certain natural advantages for our own defense which we ought not to destroy or in any way relinquish. * * *

Sir, you can appoint commissions until the heavens fall and the canal will remain unbuilt. What is required is action. The first thing toward the construction of the canal is to do something. The way to build the canal is to build it.

Other noteworthy publications, showing great diligence and thoroughness in preparation, are the reports which Mr. MANN submitted with various measures while he was chairman of the Committee on Elections No. 1 and of the Committee on Interstate and Foreign Commerce. Some of these are also preserved and listed in the Library of Congress.

As a parliamentarian Mr. MANN took not only high but leading rank. Had he been so disposed, his wide experience with and close analysis of parliamentary precedents could have produced a treatise which would have rivaled the manuals of our acknowledged authorities, Jefferson, Cushing, Robert, and others. It would be a task, well worth while, to cull out of the Congressional Record his observations on parliamentary questions and put them into accessible and permanent form. He frequently referred to precedents from memory, but his own reasoning was generally so cogent and direct that the precedents agreed with his view because he was right. He had the rare legal mind which determines legal principles primarily upon what must be the law and not upon what ambiguous language may seem to state the law to be. In the determination of parliamentary questions Mr. MANN was unmoved by prejudice or interest. He repelled temporary advantage by advocating action that might become a dangerous precedent. With consistent firmness he stood for rules and principles, "the effects of which," in the language of Thomas Jefferson, the father of American parliamentary law, "may be accuracy in business, economy of time, order, uniformity, and impartiality." Mr. MANN well knew, as all of us should realize, that even in the maintenance of orderly procedure, "eternal vigilance is the price of liberty."

When a grateful nation, by action of the Congress, returned the mortal remains of Representative MANN to the scene of his early struggles and successes, his neighbors and friends in Chicago and Illinois gathered at his bier, with the representatives of the National House and Senate, and attested their love and esteem for our late colleague. His memory will never fade in the city and State, which deemed it a high privilege to give his inestimable services to the Republic.

Mr. FULLER. Mr. Speaker, once more the hand of death has been laid upon one of the most prominent and best loved members of this House. I know that every member of this House was, as I was, greatly shocked and grieved when we read in the morning paper that Hon. JAMES R. MANN had passed away, almost without warning and entirely unexpected by any of his colleagues, for it was not known that he was seriously ill, or in any immediate danger of death, although his health had been manifestly failing for many months. Those of us who have been long in the service here can not but note the frequency with which the flags on this Capitol are at half mast for the death of a member, who but a short time before has been active here in the performance of his official duties. But time passes and soon those same flags float again as high as ever. Truly death is no respecter of persons, the high and the low, the rich and the poor, the great as well as the ordinary mortal must pay the debt of nature which we all alike owe. And after that debt in any case is paid, the great world with all of its activities moves on in its course as before. Sometimes it almost seems that when a leader falls the business of the Nation must come to a stop; but it does not and it can not. Others fill the gap and the Nation and the world moves on as before. The plan of nature is like a resistless river that, regardless of obstructions, flows on forever.

I once heard a Democratic Member of Congress, himself one of the ablest men who ever occupied a seat in this House, say in debate that JIM MANN came very near being a great man. I think he came about as near to being entitled to that designation as any Member whom I have known in my term of service. I have no hesitation in saying that he was the most industrious, the best informed, and the greatest legislator I have ever known. And I have not the slightest doubt that his devotion to duty at all times was the means of materially shortening his life. His courage was dauntless, his honesty beyond question, and his sincerity always evident. Nothing on earth could swerve him from the line of duty as he saw it. It is quite a popular thing to criticise Members of Congress, sometimes no doubt justly, more often unjustly. It is too often charged that Members favor measures not in the interest of the people, or oppose measures which clearly are in the interest of the people at large. I do not think that such criticism is justified in one case of a thousand. I do think that one of the greatest faults with which Members can be charged is that they are altogether too anxious to do precisely what their constituents desire, whether for the best interests of the entire body of the people or not. It is hard to resist popular clamor. Mr. MANN had the courage to do that very thing and to stand at all times for what he believed to be right, regardless of consequences, and wholly indifferent to its effect upon himself personally.

It takes a really great man to do that, and therefore I say JIM MANN was in truth and in fact a great man. His services to the people of his district, his State, and the Nation were of inestimable value, and now that those services are ended his place in history is secure as one of the great characters who have served in this House with distinguished ability, and in the case of Mr. MANN, with devotion to the best interests of the people of the Nation, and with the love, esteem, and respect of all who have been privileged to serve with him here. I knew him well before he came to Congress, and I have been familiar with his record here during all the years of his service. I did not always agree with him, and in fact very radically disagreed with him in some things and on many occasions, but any such disagreement did not in the least affect our friendship, which continued uninterruptedly through all the years. In debate he was a "biting man from bitter creek," but personally and at heart he was as kindly and gentlemanly a character as I have ever known. His place in this House as a Representative of the people was one that it will not be an easy matter to fill, and he will be missed as few others of his colleagues would be. We who believe that this life is not all; that what we call death will not end all, confidently hope and believe that the usefulness of a great character will be renewed in another sphere, and that there some day, some time, somewhere we shall meet again and there renew the friendships formed here on earth.

For love will hope, and faith will trust
That somehow, somewhere, meet we must.

Mr. LITTLE. Mr. Speaker—

Now is the stately column broke,
The beacon's light is quenched in smoke,
The trumpet's silver voice is still,
The warder silent on the distant hill.

As quickly as a meteor flashes through the skies, the foremost figure in this Congress of the United States has left us for a greater Congress of all nations, climes, and peoples. Unfortunately, the Republic will never fully realize that it has thus lost its most faithful, most useful, most efficient, most valuable, and, in this Congress, the most influential of all its distinguished public servants. As one recalls how much larger he loomed on the floor of this House than in the eye of the general public who read only the newspapers, the fact is almost inconceivable to those of us who have served with him for a few years. A distinguished Democrat once said to me that the country could well afford to pay JIM MANN a million dollars a year for his services here, and it was simple truth.

When I first came to Congress I had been somewhat prejudiced by silly newspaper talk. From Chicago I came with a young Democrat who was clerk of some committee here and was a bitter critic and enemy of Congressman MANN, for reasons which he freely gave. Finally I said to him, "If all this is true, why is it that Mr. MANN has so long been the practically absolute leader of his party?" He said, "I guess it was because of his ability and integrity," which seemed to me to be reason enough, and which fact determined my future attitude toward him.

Those who have served in this House at any time during the last quarter of a century will keep in their minds as long as they live the Hon. JAMES R. MANN, of Illinois, the author of the white slave act and the proponent of the woman's suffrage amendment to the Constitution, the two greatest legislative achievements that have ever gone into law for the female race, to whom he was the greatest friend and for whom he was the greatest leader in all the history of mankind. In all the time he was in this House no other legislation has been so important as to surpass these in actual service to the human race, and they alone would be sufficient to announce to the world that one of its greatest statesmen passed away when this stately column broke.

For almost a generation that great leader stood on this floor in peace and in war and in rumors of war, in toil and strife and defeat and victory, and that brilliant mind and mighty soul was never swept away by success and never succumbed to defeat. His steady figure towered above them all. For years he was the leader of a minority and fought their battles with a zest and a zeal and a skill, with an ability and courage, with a knowledge of every phase of parliamentary contest that stamped him as the greatest master of legislation on this floor who ever sat in the Congress of the United States. No attack ever found him unprepared. No victorious assault ever took the flag of his party away from his mighty hand; and when his party passed into victory and the final laurels for which he hoped did not crown his ambition, he never faltered in his stride for an instant, but accepted his defeat with a smile, as Mr. Great Heart only could, and that very night achieved for his party perhaps the greatest tactical and parliamentary victory ever accomplished when he after an all-night fight unseated a Democrat and seated a Republican in a Democratic House after as desperate a struggle as was ever had on this floor, when after an all-night contest, as the first rays of the morning sun glistened along the Atlantic, he challenged the Speaker's ruling and succeeded in overruling the decision of Mr. Speaker Clark, almost President of the United States, in a Democratic House, and so seated a Republican by one majority. No man in American history but JAMES R. MANN could have accomplished that; and no feature of his great career more won him the respect and esteem of his colleagues than the greatness of soul he showed when he, after years of leadership, was denied the reward of his ambitions and loyally continued that fight for his party.

In his long career here he never feared to vote as he thought was just, or to take issue with the House if he thought he was right, as we all saw when he voted to seat Victor Berger of Wisconsin, though only two others joined with him in that vote; but a practically unanimous House conceded he did this because he thought it was right, and no criticism was ever made of an act which might easily have lost him the respect of many of his associates.

In all the years when the Government wealth was often at his disposal, his integrity remained spotless, when he might have accumulated millions. He never hesitated to cast a vote that might easily have brought him the condemnation of the people he served. He never hesitated to do his duty, whether his services were rewarded or not.

All those who are here remember when every day we expected to hear from the hospital in Baltimore that he had passed away. Suddenly the whispered word told us that Mr. MANN at the risk of his life had come here to vote for the woman's suffrage amendment. He was—

> A soul supreme in each hard instance tried,
> Above all pain, all passion and all pride,
> The rage of power, the blast of public breath,
> The lust of lucre and the dread of death.

Probably no other member of either branch of Congress has given more consideration and attention and service to all legislation than this man. No public duty was so insignificant, so arduous, so undistinguished, that it did not receive the attention of this greatest of all parliamentary leaders and legislators. He threw into the smallest task the same ability and care he did into the great bills on which men make a reputation. He saved this country millions of dollars. While he accomplished the very highest possibilities of great statesmen, he gave the same loving care to the most minute details of a Congressman's duty from which no fame or repute could be derived.

With an eye single to the taxpayer's service, he followed every dollar to its ultimate accomplishment for the benefit of the taxpayers, and contemporaneously he wrote his name among the stars of American statesmanship by his greatest legislative deeds. The American women should some day build here in the Capital a monument to the man who did most for them of all those who have been here, and should see that his name goes into the hall of fame to shine forever, and prove their appreciation of what is done for their sex.

While he was equal to every duty, however large, while he neglected no work, however small, it is probable that JIM MANN took his greatest pleasure in the combats of this floor, where he was the past master of the art of parliamentary leadership, and he will be best remembered, as he would like to be, I expect, as the most gallant, most determined, and best equipped of all those who have fought and lost and won, first and foremost in the strife of public life here, where he never faltered in the thickest of the fight, where he never failed in the hour when advice was needed, and where he will never be replaced by his equal as a parliamentary leader during the life of any man who served with him.

Mr. MANN was preeminently the parliamentary chieftain, without fear and without reproach, shrewd and wise in preparation, crafty in ambush, bold and vigorous in attack, proud in defiance, and lofty in achievement.

> Fleet foot on the correi,
> Sage counsel in cumber,
> Red hand in the foray,
> How sound is thy slumber!

Mr. YATES. Mr. Speaker, I would like to have it understood that the theme or thought that I am about to adhere to is this: JAMES R. MANN, servant of THE PEOPLE. He was no man's servant, except as he was the servant of the people.

It is hard to avoid wandering or departing somewhat from this theme, because he was such a many-sided individual, lawyer and law student, attorney and counselor, legislator and parliamentarian, office worker and floor worker, committee member and committee commander; at home in biography and history, and in libraries in books; graduate of Illinois' great university 47 years ago, master of laws in 1892 and doctor of laws of the same as long ago as 1903; member of the Oakland School Board as early as 1887; attorney for Hyde Park for years from 1888; alderman from the ward of Chicago made out of Hyde Park from 1893 to 1897, when he came to this House, 26 years ago; student of education, of science, of art, of finance, of municipal government, of diplomacy; capable of being governor, Senator, ambassador, or President; digger and delver in all branches of knowledge and progress. What a worker and what a work!

Yet he laid aside all distractions and delights to be the servant of the people—the whole people—with no man his master, no man who could say to him, "Do this" or "Do that," with no man who dared to say it.

Mr. MADDEN'S emphatic and forceful address—a real oration—was preceded by Mr. MANN.

Just as we had all been surprised into admiration by the address of Mr. MADDEN; so we were, by the address of Mr. MANN.

It was not so energetic or emphatic as Mr. MADDEN'S.

But it was a complete discourse, a treatise, a history, and a textbook, a lecture.

National currency and finance through all time—the 6,000 years of human history—were skillfully sketched and summarized. Quotations from master minds of the money question from all climes were marshalled. It was argument unanswerable.

We all went home that night with gratitude to the speakers and with thanks in our hearts to Providence that the ranks of the public men of Illinois contained two such students and champions; that Illinois, and through it the Nation, had in its service and at its command two such voices and physiques, two such intelligent fighters.

The following year Mr. MADDEN escaped election to the United States Senate by 1 or 2 votes, and in after years both were again and again advocated and urged to be candidates, but fortunately both have remained here to ornament and adorn, to embellish and enrich this House of Commons of the American people.

I get the words "no man's servant, except as he was the servant of the people," from his own careful language. I

heard him say here one day, "I use language carefully." He was not talking about himself, he was talking, in a speech of four minutes, about our colleague, William E. Mason, who had passed away. It was the 26th of February last year. Here are, in part, the things he said about Mr. Mason:

Mr. Speaker, we called him Billy Mason because we loved him.
The people called him Billy Mason because they loved him.
He appealed to the people.
He never endeavored to build up a personal political organization.
He appealed to the minds, to the reason, to the hearts of the people.

He continued:

* * * * * * *

Mr. Mason's great aim in life was to help somebody who needed help.
It was not confined to those in distress abroad.
But everywhere, anywhere, his heart throbbed and thrilled with emotion, for the distressed and oppressed in any clime and in any land.

* * * * * * *

He continued:

We shall miss him, we do miss him, from the halls of the House.
He was no man's servant, except as he was the servant of the people.
He did what he thought was right, and he had the courage of his convictions.

He finished thus:

Mr. Mason's family relations were so touching, so loving, that I hesitate to enter that sacred place, but his widow and his children will always know that he occupied the highest place in the esteem and in the love of all Members of this House.

Mr. Speaker, these utterances by Mr. MANN inform us and advise us. They reveal to us his capacity and facility of expression of sentiment and emotion. How tender and touching and gentle was all this!

And when he used the words:

He was no man's servant, except as he was the servant of the people

How well he knew what a true servant of the people is! How well he described himself!

I first saw and heard JAMES R. MANN'S voice in 1896.

There was a great political rally.

It was at Jacksonville, county seat of Morgan County, Ill.

It was late in the campaign; about the last day of October.

It was an opera-house meeting.

There was a crowded house.

Hon. MARTIN B. MADDEN was the first speaker, as I recall it.

His address, of course, was full of emphasis, accuracy, conciseness, and business astuteness, and, above all, earnestness and sincerity.

We had a rare treat that night.

We had been told that two Chicago aldermen were to speak.

About all we expected to hear, I think, was some discussion of the bribery, bulldozing, and ballot-box stuffing supposed to surround Chicago.

This was because the Chicago press, posing as great moral agencies, attacked all public officials, almost without exception, and almost all the time, but had not attacked these two men.

We did not imagine the State campaign committee would send us boodlers or bulldozers.

But we wondered what two Chicago aldermen knew about "primary money," and "secondary money," and "redemption money," and "Coin's Financial School," and "the free and unlimited coinage of silver and gold, at the ratio of 16 to 1, without the aid or consent of any other nation." We were agreeably disappointed.

Mr. MANN believed in God. He believed that men go to Heaven. Concerning Hon. Champ Clark, he said:

He has gone, but his memory will linger long in the Halls of this House, influencing those who are here and those who come afterwards to remember that contests over principles do not need to degenerate into personal animosities. He was the exemplification of the American spirit to contest for principles and to abide peacefully by the results.

I have not read, in any memorial address, words more tenderly touching and more notably eloquent than those with which our colleague the distinguished gentleman from Louisiana, the Hon. HENRY GARLAND DUPRÉ, on the 29th day of February, 1920, brought to a close his tribute to a departed member, long his colleague.

I take the liberty because of my poverty of words to quote and reproduce, as applying to Mr. MANN, those gentle yet challenging paragraphs, the grace and graciousness of which so impressed me at the time, that I have not been able to forget them.

They read as follows:

Until his last gasp, he fought sham, hypocrisy, duplicity, double-dealing of every sort, private and public. Is it too much to hope that after such service in the church militant, a risen Christ, in whom he always believed, granted him fellowship in the church triumphant? So believing I say to this knightly gentleman, this loyal citizen, this faithful friend, this devoted, tender and affectionate husband, "Ave atque vale"—"Hail and farewell."

The Speaker resumed the chair.

Mr. CANNON. Mr. Speaker, my associations with JAMES R. MANN were such as to make it difficult for me to speak of him and his work in the House with cold judgment. He was my friend—my friend in sunshine and in the stress of storm—and he never wavered in his loyalty to his friends. So, I may be prejudiced in my judgment; but I believe the majority of men who served with him will agree with me when I express the opinion that he was the most industrious, the most courageous, and the most efficient legislator who has been in Congress in many years.

Mr. MANN did not come to Congress unprepared for the work of a legislator. He began his legal profession as the attorney for the village of Hyde Park, then the largest village in the United States, and now a large part of the city of Chicago. There he studied the needs of village government, and the village is the beginning of government, where the foundation of all government is laid. He was later a member of the Board of Education and the South Park Board and a member of the City Council of Chicago. In all these positions he studied government in its various applications to the needs of the people in village, city, and county, laws for the protection, education, and healthy amusement of the people; the assessment of taxes, and the expenditure of public money for the benefit of the people who paid the taxes.

He was, therefore, trained for the larger work he had to assume when he came to the House, and I never knew a new Member to take up the work here with more intelligence, more energy, and better judgment. He did not at once aspire to leadership, but accepted assignment to committee service as it came to him and studied the questions that came before his committee until he was advanced to that great Committee on Interstate and Foreign Commerce at a time when it was the center of legislation that touched every interest in the country. There the industry and intelligent application of his study and experience gave him leadership through the recognition of Members on both sides of the House, and also by the Senate, the President, and the country.

More than any other one man he ironed out the controversies over the Hepburn railroad bill, and he took the pure food bill, which had passed the Senate without careful consideration, and made it an effective pure food law. In that work there was a call for not only conscientious and painstaking effort, but also for more than ordinary courage because the country had been excited by clever propaganda until the President was insistent that the House should accept the Senate bill. Many Members of the House became affected with hysteria, as petitions and demands poured in on them and the newspapers assailed the Speaker, the Committee on Rules, and the Committee on Interstate and Foreign Commerce for delay in enacting that legislation.

But JAMES R. MANN, who had charge of the bill, did not get excited. He kept cool and worked day and night until he was satisfied that the proposed legislation would effectively protect the food of the American people, and when he reported his bill to the House and explained the changes he had made, the House by a large majority accepted his work and passed the bill as it came from the committee. The Senate also accepted the House bill and so did the President with the enthusiastic indorsement that it was a great improvement over the bill he had advocated. The pure food law was the work of JAMES R. MANN.

That was one of the greatest triumphs of individual judgment, based on careful investigation, I have ever seen in the Congress of the United States in my long service here. It was a fine testimonial to Mr. MANN nearly a score of years ago, and the beginning of his safe and sane and courageous leadership and his recognition as an undisputed parliamentary authority by both sides of the House. I know of no more enduring monument to a legislator than that which the membership of the House, whether controlled by one party or the other, has builded to the memory of my late friend and colleague, JAMES R. MANN.

Mr. SPROUL. Mr. Speaker, having listened to the splendid orations given here to-day in memory of our departed colleague, Hon. JAMES R. MANN, I feel at a loss to know what to add to that which has already been said. Surely no further words are necessary to impress upon my hearers the sorrow and bereavement felt so keenly by this entire House, nor the irreparable loss we, his colleagues, have suffered in having been bereft of an able leader and a faithful friend. Nor can I expect to portray more vividly than has been done those attributes which won him the respect and the homage due to him as a statesman, an orator, and a tireless worker for the right in all matters of legislation with which he had to do.

But, Mr. Speaker, I can perhaps express to you and to my colleagues a more personal and intimate feeling toward the friend who has gone, for out of the fullness of my heart I speak of my early acquaintance with Mr. MANN, more than 40 years ago, when he was, even at that early age, a leader among his fellow men and those associated with him in the government of our city and State. Men looked to him then, as in later years, for guidance and encouragement, always sure of receiving the best that he had to give.

Speaking as I do, from my experience in those early associations with Mr. MANN, I can truthfully and thankfully say that he was my never-failing inspiration, and so, in these later years of our service together in this assembly, years all too short, I found him still the exponent of those sound principles of justice and right upon which he had laid the foundation of his career, and willing, as always, to cheerfully give of himself and his time to promote those ideals which he had instilled into the minds and hearts of his hearers of other days.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that all who may desire may extend their remarks in the RECORD.

The SPEAKER. The gentleman from Illinois asks unanimous consent that all who may desire may extend their remarks in the RECORD. Is there objection?

There was no objection.

THE LATE REPRESENTATIVE MOSES P. KINKAID, OF NEBRASKA.

The SPEAKER. The Clerk will report the additional order of the day.

The Clerk read as follows:

On motion of Mr. ANDREWS of Nebraska, by unanimous consent—
Ordered, That Sunday, January 14, 1923, be set apart for addresses on the life, character, and public services of Hon MOSES P. KINKAID, late a Representative from the State of Nebraska.

Mr. ANDREWS of Nebraska. Mr. Speaker, I submit the following resolutions and ask their adoption.

The SPEAKER. The gentleman from Nebraska submits a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 482.

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. MOSES P. KINKAID, late a Member of this House from the State of Nebraska.
Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of the exercises of the day, shall adjourn.
Resolved, That the Clerk communicate these resolutions to the Senate.
Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The gentleman from Nebraska [Mr. ANDREWS] will please take the chair.

Mr. ANDREWS of Nebraska assumed the chair as Speaker pro tempore.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Nebraska [Mr. HUMPHREY].

Mr. HUMPHREY of Nebraska. Mr. Speaker, I realize fully well my inability to paint a word picture that will even faintly reflect the love, respect, and esteem in which the people of the Sixth Congressional District of Nebraska held the friendship and labor of the late Judge MOSES P. KINKAID. Even so, I bring this tribute to the shrine of his memory that the people he served so long and faithfully as their representative in Congress may have the solace of knowing that in his death his work, his activities, and his accomplishments have not been forgotten.

Judge KINKAID was born January 24, 1850, in the State of Virginia. His childhood and early boyhood were spent near the line that separates what is now West Virginia from Pennsylvania. His parents lived in Virginia, his grandparents in Pennsylvania. He had a vivid recollection of, and frequently referred to, the days just before the beginning of the Civil War, as well as the actual hostilities of contending armies in and about his boyhood home. In his reminiscent moods he frequently told of slave-running days, and how he, a boy, without comprehending the significance of the act, had piloted fugitive slaves coming from somewhere in the South and headed for Canada, to his grandparents' home in Pennsylvania, where food, shelter, and aid were afforded them. And after reciting such incidents in his life he would add:

When I came to understand it, it made me constitutionally an abolitionist.

The war closed. Just before and during the war period young KINKAID had finished his studies at the common schools. Ambitious for an education, and thrilled by the stormy war scenes he had witnessed, though not participated in, he entered college in Greene County, Pa. After a time, how long I do not know, his parents died, and, quitting college, he turned his face to the West.

Selecting the law as his chosen profession, he registered as a student at Ann Arbor, Mich., where he finished the law course and was admitted to practice in the year 1876. His studious habits, his keen analytical mind, and his gentlemanly bearing attracted the attention of the faculty and student body at this institution of learning and he was elected president of his class during his senior year, an honor he deeply appreciated and frequently alluded to when talking of the school day period that is a part of every man's life.

From Ann Arbor he went to Henry County, Ill., fully equipped to enter the practice of the law. He had a quick, accurate legal mind, and was soon emersed in the litigation of the community. For a short time he conducted an office in Illinois, when the lure of the West again possessed him, and he quit an established practice to try new fields of endeavor.

The West at that time was going through a series of rapid evolutions. I think I might say, convulsions, and be well within the limits of the facts. West of the Missouri River it was an untried country. In the seventies the Union Pacific Railroad stretched across the plains in its reach for the Golden Gate. The Northwestern and Burlington had out scouting and surveying parties, examining, trying, testing, an undeveloped country, and on whose report the railroad builders of the West would move. And into the turmoil and strife that such conditions produce we next find M. P. KINKAID, lawyer.

I was fortunate in forming an acquaintance with Judge KINKAID in 1887, an acquaintance that ripened into a warm personal friendship. And as I have studied the characteristics of his life and the psychology of his environment I have wondered how and why a man of his quiet, gentle, uncombative nature should throw in with the men who, at that time, were the rugged, quick, impulsive characters who were driving the black line of the desert before them in a strenuous effort to subdue a wilderness and change it from a cow country into an agricultural garden. But he did. He became a part of the frontier and a participant in its life and manners. He saw the country in its making and aided in its development. And his influence was always for good; his voice and his efforts for law and order.

Leaving Illinois, Judge KINKAID first located at Pierre, Dakota Territory. The railroad was pushing its nose into the West. He stopped at Sioux Falls to get his bearings. From there he went to Yankton. A stretch of some 250 miles had to be made from Yankton to Pierre. This he made by wagon train, taking a working law library with him. He announced, when he opened his law office at Pierre, that it would some day become the capital of a State, and he never lost faith in this belief. While he was a resident of Pierre he was lawyer and banker for the community. The wild life of those "vigilante" days were vividly penciled in his memory. The trail leading west to the Black Hills country was crowded with prospectors and the class of men that a gold field always draws to it. Pierre became the headquarters for outfitting and supplies, and consequently drew to it all the various characters and elements that such a life affords. Of this wild and turbulent life of the West he was a witness but hardly a part. He spent the greater part of three years at Pierre, when transportation facilities changed the course of his life. He was remote from railroad connections. Then the Northwestern Railroad, headed from Omaha to the Black Hills country, built into O'Neill, Nebr. In order to get into closer touch with the outside world, he disposed of his banking enterprise and moved his law office to O'Neill, in the fall of 1881, where he resided until death called him, July 6, 1922.

About the same rough, rugged, ready, and uncouth citizenship that has always marked the building of a railroad into unsettled territory greeted him at his new location. And again I wonder why a man of his gentle and retiring nature mingled from choice with the men on an untamed frontier. In the broadness and deepness of a new country, he elected to become a pioneer and bring to that country the standard of civilization, high morals, and personal fellowship that characterized his whole life. He brought to it more. He brought to it law and order, respect for individual rights, regard for society, and a desire for a religious life. Of all of these he was a sponsor and a part. It took courage to do this. Courage not of the kind displayed at San Mihiel or in the Argonne Woods, but moral courage; courage of that high type that

scorns ridicule, that defies gross censure. And out of it all came the KINKAID that we knew.

An incident indicative of the life he led in this new and rapidly developing country occurred last April. While at Pierre he was instrumental in organizing a Congregational church. He prepared the articles for the organization, incorporating it under the canon law of the church. The congregation built a new church at Pierre, and dedicated it last spring. The pastor in charge, looking over the old records of the church, uncovered the roll of the first membership. He wrote Judge KINKAID a letter, asking him to be present at, and participate in, the dedication services of the new church. The incident pleased the Judge greatly. And while he could not attend in person he wrote the pastor a letter, setting forth the early activities of the church, and his humble effort to encourage a respect for a religious life and establish a desire for the observance of religious customs in the open country of the West.

It is a great privilege to be one of the first in the settlement and development of a great country; to be a pioneer in its activities; to see the black line of the desert roll back; to see the country unfold and give up its treasures, its fruits, its grains, its products, to the efforts of the husbandman; to watch a country reclaimed, pass from the stage of frontier life and take on the habiliments of civilization. All this passed in panorama before Judge KINKAID. With the advent of the railroad, villages and towns sprung up. Churches were built and schoolhouses dotted the plains. Judge KINKAID'S entry into public life followed. It was natural that the men of such a reclaimed country should honor the strong man, the outstanding and directing character who leads and shows them the way to success.

The State senatorial district in which he lived was composed of five counties and the unorganized territory west of Holt, his home county. This "unorganized territory" was a stretch of country 60 miles wide and extending west to the Wyoming line, a distance of 288 miles. One line of railroad, the Northwestern, was building west through this district. A fight was on between conflicting interests in this new territory, just opening to settlement under the homestead laws. It was in the old days of the convention system of making nominations for public office. Delegates had to be elected and their attendance at the convention provided for. M. P. KINKAID, the lawyer, driving a pair of bronchos to a top buggy, made a canvass of this senatorial district in the interests of the homestead element. When the convention convened he was nominated. At the general election in 1882 he was elected and became the chairman of the judiciary committee of the senatorial body. The roster of the senate, appearing in the session laws for 1883, shows the following:

M. P. KINKAID, lawyer; O'Neill; born in Virginia; single; aged 32; Republican.

When the legislature adjourned, he returned to his office at O'Neill and resumed the practice of the law. In 1884, and again in 1886, he declined to be a candidate for further legislative honors, although importuned by his friends to allow the use of his name in the political canvasses that followed.

In the meantime a population, gathered from all the Mississippi Valley States, was pouring through O'Neill into the counties organized from his old senatorial district. The legislature of 1887 found it necessary to redistrict the State into judicial districts to properly care for the growing interests of the new counties which were being rapidly populated. Judge KINKAID'S home county, Holt, with the counties west of it to the Wyoming line, was organized into the ninth judicial district. No resident judge lived in this newly organized district. Judge KINKAID was appointed judge of the new district and assumed the duties of the office April 1, 1887. He was the first judge to hold court in the district, in extent 60 miles north and south and 288 miles east and west. Later this territory was served by two judges. But for five years Judge KINKAID was the sole presiding judge. He held court once each year in each county, and in some of them much oftener. The counties not reached by railroad he made by stage.

I wish I could make you comprehend the magnitude of his work, see the people who appeared before his court, and understand the problems that came before him for solution.

As a judge his work was not wholly judicial. He must bring to this newly organized district not only the law but a respect for it, and a willingness to abide by its dicta. No man could have performed this duty to society more successfully. The man charged with the commission of a crime—and there were many capital offenses on his trial docket—as well as the man who had suffered for the offense of another was made to feel that the protecting arm of the law was about him, and that in the court over which Judge KINKAID presided each would receive a square deal under the law, and justice would be done. By such methods, in the rugged life of the frontier, he brought respect for the administration of the law to the citizen, and with it a decent respect for order under the established customs of the law. People soon came to have faith in him, confidence in the justness of his administration, and esteemed him for the fairness of his judicial decisions.

For thirteen years he made this territory, holding court, hearing controversies, settling disputes, counseling public officials as to their duties, and giving advice from the bench to audiences assembled in the courtroom which in his judgment was wholesome and wise and for the best interests of the community he served. By such methods he built up friendships among the honest, industrious, virile men of his district, strong as steel bands and as enduring as granite. He possessed a wonderful knowledge of human nature, an accurate standard for measuring and understanding men.

At the end of his third term as judge he voluntarily retired from the bench, leaving a record for efficiency, measured by reversals, equaled by but few men who have served three full terms on the bench. He again resumed his practice at O'Neill.

Judge KINKAID'S entry into Congress as the representative of the Sixth Congressional District of Nebraska was the natural sequence of a long and popular service on the district bench. He was first nominated in 1900 without opposition. The district, from its organization, had been anti-Republican, and at the general election following he was defeated.

At the convention in 1902 he was again nominated. But at this convention six strong men from the district contended for the nomination. Judge KINKAID was nominated on the 768th ballot. He was elected the following November. Since that election, covering now a period of 20 years, he has been nominated without opposition, and has received the support of the people of the district almost without regard to political lines. The great faith the people had in him as their judge remained with him as their Representative in Congress. He was their fellow worker, their servant. His great heart was in the work he was doing for the people of the West. His first effort as a Member of the House was for the passage of the homestead law, known as the Kinkaid Act. Under its provisions practically all the public domain available for homestead purposes has been entered and homes established thereon. His next effort was directed toward the reclamation of the semiarid lands of the West by irrigation. And while in the beginning this development was local in character, it has now assumed a national importance. Presiding over the House committee that directs this great work the marked success of this arm of Government service was a great satisfaction to him. His efforts wherever put forth were in the interests of the home and the home builder. The success of the individual working to make for himself and his family a home on a Government homestead selected from the public domain was the first concern of his official life. The last concern of his eventful career was to bring to the man striving against the elements of nature to build up a home on a Government irrigation unit the means, the aid, and assistance that would carry the hope for success.

Of him I think it may be truly written, as of Abou of old:

I pray thee, then, write me as one who loves his fellow men.

Mr. EVANS. Mr. Speaker, we are here to-day to pay our tribute to the memory of our late colleague, MOSES P. KINKAID. Over a quarter of a century have I known him as citizen, district judge, and national legislator. Earlier he had served his State in its law-making body. To each of these positions he had brought earnest effort, intelligent conception, and unquestioned integrity. He was the Hamilton of the sixth congressional district of Nebraska, large in extent as some States. He gave to its needs careful thought and crystallized his conclusions into enactments which have made the former weaknesses of that district its strength. He was instrumental in turning lonely sandhills into homes of happy ranchers and barren wastes into irrigated gardens. Although his district was greater in extent than several States and had a population greater than any other in his State, to no constituent did he ever turn a deaf ear. All appeals received prompt attention and response. No matter was too trivial for careful attention. So he kept in close touch with his people and became to all "Uncle Mose," and such indeed he was. Upon the floor of the House he did not seek to be a leader or an orator, yet he invariably took care of the interest of his district and matters committed to him or his committee. He had by a consistent and honorable course so won the confidence of his fellow members that he was rarely if ever refused that which he sought. He

left to others the speaking part and sought by service to secure the results that were best for his district, his State, and his country. When the roll of those who wrought well in the development of the Great Northwest is made up, high on that roll will be the name of MOSES P. KINKAID.

He was tender hearted as a mother, and if he had a weakness it was that he feared to cause pain even to those who merited the chastening rod. May we all live to leave as few wounds as he.

Mr. THORPE. Mr. Speaker, it was not my good fortune to serve in Congress with MOSES P. KINKAID, whose memory we have assembled here to honor to-day. I can not, therefore, speak of his service in this House as my distinguished colleagues have spoken. But it is my purpose to say a few words here, which I am sure will meet the unanimous approval of the great citizenship of that great northwestern domain of our country which he so ably represented for so many years. MOSES P. KINKAID, through his untiring work and implicit faith, combined with his knowledge of the needs of humanity, lit the torch of civilization on more square miles of territory than any man in the last 50 to 100 years, and in hundreds and thousands of homes in Nebraska, Kansas, South Dakota, Montana, North Dakota, Idaho, Utah, Wyoming, Arizona, and New Mexico, his name will always be remembered as the father of the Kinkaid Act.

Through this act millions of acres of land went under cultivation, happy homes were established, and cities were builded, and the Indian and the buffalo gave up their centuries-old abiding place to the onrushing hordes of humanity seeking homes in the new land of promise and opportunity. MOSES P. KINKAID was a pioneer in every sense that the word implies; he devoted his life to the country that he loved; he was a builder not only of homes and cities, but a builder of character and a better citizenship; he spent his early life among the people of his chosen adoption and the people who loved him. Every plainsman and pioneer knew him and looked upon him as their friend, and when the time came for them to have a chance to show their appreciation of his efforts in their behalf all political lines were broken and all religious creeds forgotten, and Republicans and Democrats, Protestants and Catholics alike, helped to make each one of his many victories more decisive. For more than a third of a century he served his State and the Nation, and in all these years not one word of reproach was ever cast against his name, and he went down to his last resting place remembered and loved by all who knew him.

It was my good fortune to know scores of his most intimate friends in northwestern Nebraska, who had known him from the first day that he set foot on the soil of the State which honors him to-day. It was a pleasure on many occasions to hear them relate the story of the early days, in which he was such a leading and important factor, and the history of the great Northwest would be incomplete without referring to this noble man who was one of its greatest benefactors. As a Member of Congress his history is indelibly written, so that time itself will never be able to erace his name from its pages.

Court records for years, and perhaps centuries, will refer to the act which he fathered. Learned lawyers and judges will cite this important piece of legislation to courts and juries far down the avenue of time, and so it may be truly said of this good and faithful servant:

He left his footprints on the sands of time.

The history of Nebraska could not be written without the life of MOSES P. KINKAID. He stands without a parallel in the development of its great resources. Its citizens will ever remember and refer to the good service he rendered through the many years he gave in the various positions of trust that he was honored with.

He died in the harness, with his last days devoted to the cause of good government and a better citizenship. The Nation mourned at his departure, Nebraska wept at the loss of a true and faithful servant, high officials of the State and Nation mingled with the plainsman and the pioneer, to pay their last respects, when his mortal remains were brought by many sad hearts to his home city, on the last journey which finished his earthly career. He was consigned by loving hands to the mother earth that he helped to reclaim from the Indian and the buffalo, there to await the judgment day, and though no pretentious tomb of marble or granite may ever mark his resting place, his memory is forever enscrolled in the history of the Great Northwest; yes, MOSES P. KINKAID is gone. The last page of his history is written. The chapter is ended.

He sleeps—

Out where the hand clasps a little stronger,
Out where the smile dwells a little longer,
That's where the West begins.
Out where the sun is a little brighter,
Where the snows that fall are a trifle whiter,
Where the bonds of home are a wee bit tighter,
That's where the West begins.

He sleeps—

Out where the skies are a trifle bluer,
Out where the friendship's a little truer,
That's where the West begins,
Out where a fresher breeze is blowing,
Where there's laughter in every streamlet flowing,
Where there's more of reaping and less of sowing,
That's where the West begins.

He sleeps—

Out where the world is in the making,
Where fewer hearts in despair are aching,
That's where the West begins;
Where there's more of singing and less of sighing,
Where there's more of giving and less of buying,
And a man makes friends without half trying,
In Nebraska; that's where the West begins.

Mr. O'CONNOR. Mr. Speaker, I came here to-day to join with the Members of the House of Representatives in expressing their grief and sorrow at the loss of the splendid Members in whose memory these exercises are held. I expected to express that sorrow by my presence. I did not expect to speak. I came to listen. As one of the speakers to-day was closing his splendidly appropriate address in a voice wet with tears and choking with emotion and heartsobs at the thought that while the parting was not for all eternity, it was an everlasting good-by as far as this earth is concerned, it occurred to me that we are not here so much to mourn as to express our admiration for the grand American lives that were led by those in whose memory we have met here, and by expressing our appreciation of the great work done by these splendid Americans, carry to those who will read of these exercises our admiration for these men and thereby stimulate the youth of our land to emulate their virtues and endeavor to follow the splendid careers of the great legislators who have gone to that undiscovered country from whose bourne no traveler has ever returned.

It is not a new idea but it is nevertheless a grandly inspiring one that logically there must be beyond this sphere of action a higher and nobler arena where men who have been trained to meet the great problems of the day on this earth and who have solved them will in all probability be accorded a higher and nobler theater in which to solve greater problems, and in that more exalted sphere of action to which they have been transferred, respond bravely to the call of duty, even as they did here. Not by lamentations and mournful chants, therefore, ought we to commemorate the virtues of a good man, but by hymns, for in ceasing to be numbered with mortals he enters upon the heritage of a larger, grander, nobler life. Of course it is as natural to die as to be born; but death does not mean the tongueless silence of the dreamless dust, it merely marks the beginning of the waterfowl's journey through space from the wintry blast to the land of everlasting eternal summer.

Death stamps the character and conditions of men for eternity and determines what position and in what theater they will act in the next world. As death finds them here in this world, will the new life find them there just as soon as the spirit takes wings for the other shore.

It is a fine idea to hold memorial services not only to express the grief which we can not restrain, but to a larger extent for the purpose of giving the youth of the country, the boys and girls, our admiration for those who have done noble things, not dreamed them all day long, and so made life and death and that vast forever one grand sweet song. So to-day we express our admiration for those splendid, heroic figures who, unmindful of the temptations to secure vast possessions and the lure of great wealth, devoted their lives to the service of their country in the legislative halls of this land, who gave freely and unstintedly of their talents, remaining poor while they served here, in order that this Republic might continue to survive and be a Government of the people, for the people, by the people. It is a grandly inspirational idea which has been well expressed in the splendid words that have been spoken in memoriam, of the two greatest legislators who have gone to their reward, that in that higher sphere of action to which they have been called they are either near the Great White Throne or in some great field of duty assigned by the Almighty, are carrying out His will in accordance with a great universal divine plan.

I knew Judge KINKEAD, as I was wont affectionately to call him, for from the day I first came here he appealed powerfully to my imagination. I knew not why, but I know it to-day. It

little occurred to me that that quiet, gentlemanly, almost subdued figure that sauntered from the Office Building over to this Capitol could have beneath his breast the wild and fiery spirit that participated in the winning of the West and saw in that great theater the performances that he wished to see on this earth—the subjugation of the wilderness by civilization. During the strolls that I took with him he used to express his love and admiration for what he considered the great literature of our language, and on one occasion—I never will forget it—he stopped and told me how much he loved the philosophical contemplations contained in the immortal Thanatopsis. As a youth I used to recite those lines which well express that which is away deep down in our own thoughts and souls, and I am going to recall them, because I am sure that Judge KINKEAD lives in some scene beyond this, but is able to listen and is listening to the voices of his living friends. If it were otherwise it would be the most illogical construction that could be devised by man, let alone by Almighty God.

If silentium—nothing but eternal silence after the grave—then indeed can the human race sigh with Omar—

Oh Love could you and I with Him conspire
To grasp this sorry scheme of things entire,
Would we not shatter it to bits
And then remould it nearer to the heart's desire?

I am sure Judge KINKAID is listening, and I know it will please him to hear the lines that gave earthly fame and worldly glory to William Cullen Bryant.

I will recite them, but will omit them from the RECORD, for they are the spiritual life of our country, beautifully, religiously, sacredly, profoundly expressed, and are, or should be, known to every American man and woman and to every boy and girl of America.

Another word and I am done, for with that requiem all is said that can be said. And God said, "Let there be light, and there was light," needs no elaboration.

Judge KINKAID was a righteous man. And it matters not at what hour the righteous fall asleep. Death can not come untimely to him who is fit to die. The less of this cold world, the more of heaven; the briefer life, the earlier immortality.

Mr. SMITH of Idaho. Mr. Speaker, the long-established custom followed in the House of meeting here to honor the memory of departed Members seems to me a sacred one. It is with this feeling that I avail myself of the opportunity to lay my modest tribute before the bier of our late colleague, MOSES P. KINKAID. My association with Judge KINKAID in our public duties was quite intimate during my 10 years' service in this House. We served together through several sessions on the Committee on Arid Lands, of which he was chairman, and in the consideration of reclamation legislation, in which we were both deeply interested, our relations were most cordial. Upon the announcement of his death I felt a deep sense of personal loss. He was a kindly, unassuming, polished gentleman of the old school, in whose heart there was no guile and in whose life there was no wrong. In the performance of his public duties he was earnest, conscientious, and steadfast.

Judge KINKAID was born in the State of Virginia, and went to Nebraska in 1881, where he resided, except while in Washington, until his death. He was a lawyer by profession, having graduated with honor from the law department of the University of Michigan in 1876, and entering practice soon thereafter. He was elected to the State Senate in Nebraska in 1883 and was made chairman of the judiciary committee of that body. He served as judge of the district court 13 years, and at the end of his third term was elected to the Fifty-eighth Congress, and served here continuously until his death, a period of 20 years, lacking only a few months of the uncompleted term. We miss him more than words can express.

Those who count the length of their service in this House by a long succession of terms see a great many changes—many friendships broken up. These experiences are the saddest things in life. It is said that death loves a shining mark, and so we are often called upon to follow to the grave those whom we most look up to and most admire and love. We can not claim for our departed colleague that he was a towering figure either in the law, in statecraft, or in legislative accomplishment, but he was wise unto his day and generation, efficient and faithful. He was one who won in the race of life fairly, and wore his honors with dignity, courtesy, and grace. He was born in an humble home where life was a struggle for existence, from which condition unaided by the power of money or social influence he made his way up to the zenith of his ambition in the American Congress and died in the Nation's arms. And so he has passed, this kindly man and faithful public servant, to his reward. To me it seemed during the latter months of his life that he had come to the time when he felt—

A little more tired at close of day,
A little less anxious to have our way,
A little less ready to scold and blame,
A little more care of a brother's name,
And so we are nearing the journey's end,
Where time and eternity meet and blend.

During these final months he appeared unnaturally depressed at times, as though some great sorrow had cast its shadow over his life, and I often thought of the lines:

If each man's inner sorrow
Were writ upon his brow,
How many would our pity have
Who have our envy now.

But since his death I have believed that his apparent depression was caused rather by a knowledge of his rapidly failing health.

It was my privilege to be one of the Members of the House designated by the Speaker to accompany his remains to their last resting place in Nebraska. The great outpouring of people at the funeral amply attested the high esteem in which Judge KINKAID was held in his home community. He had no immediate family, never having married, and so it may be that those who miss him most are his late associates in this House. So, "On this sacred Sabbath day, in this historic Chamber, let us consecrate ourselves to that fervent and all-absorbing patriotism, that high purpose to serve the people we are honored to represent, with the fidelity which characterized our departed friend."

Mr. MONDELL. Mr. Speaker, I was for many years the friend and neighbor of MOSES P. KINKAID. Our districts joined. The interests of our people were largely identical. The territory he represented was familiar to me, and while I had not been fortunate enough to meet our friend prior to his election to Congress, I knew of him. I had heard many interesting stories of his services on the bench in the adjoining State of Nebraska and of the splendid work which he accomplished there. During his service in Congress I was intimately associated with him; as a colleague and a neighbor and friend I met him and frequently discussed questions and problems in which we were both interested. His was a lovable and delightful character. As has been suggested by one of the speakers this afternoon, Judge KINKAID, with his quiet ways, did not strike one as typical of the strenuous and breezy land from which he hailed and the stirring and tempestuous times of the frontier through which he lived. Nevertheless he was truly representative of his time and his section; he was a true pioneer with a genius for constructive work. It is known of all men in that section that he exercised for many years, as judge, a splendid influence for good, for law, and for order.

In this House, while quiet and unassuming, while occupying but little time on the floor in discussion, he exercised a very considerable influence, and he was at all times exceedingly active and earnest in furthering the interests of his section and his people. It was his good fortune to have his name attached to one of the best and one of the most beneficial laws enacted in our time for the settlement and development of our western country. He was always considerate of others, he was faithful to his duties, and he leaves behind him a fine record of good work. I am glad to have been his friend and associate and I shall always hold him in pleasing recollection as a true man and a good friend.

Mr. FULLER. Mr. Speaker, Judge KINKAID and I were elected to Congress at the same time in 1902. During most of his 20 years' service here we served on the same committee. I came to know him quite intimately and had for him the very highest respect and esteem. He was a very able lawyer and his service was of great value to the constituency he represented. I can readily understand why his constituents returned him term after term with substantial unanimity, for those who knew him best could not but have the utmost confidence in both his ability and his faithfulness to every trust reposed in him. He was an exceedingly conscientious man and to every public duty devoted his best thought and energy. He was in truth and in fact what has been often designated as the noblest work of God, an honest man. No suspicion of any wrong or dishonest motive ever attached to him. He gave to every question upon which he was required to pass earnest, sincere, and conscientious consideration. The committees upon which he served will miss his wise counsel, and he will long be remembered by all of his colleagues with kindly thoughts

and appreciation of his public services and admiration for his sterling character. When good men like him pass over to that other world of which we dream, but of which we know so little, they leave an impress on their associates here that helps to make the world better, and in giving expression to the esteem in which our colleague was held, and our appreciation of his sterling character, and of his long and meritorious public service, we hope and feel with confidence that wherever his spirit may dwell our loss may be his gain, and that with him all is well.

The Speaker resumed the chair.

Mr. ANDREWS of Nebraska. Mr. Speaker, the gentleman from Colorado [Mr. TAYLOR] and the gentleman from Nebraska [Mr. MCLAUGHLIN] had intended to offer some remarks to-day in memory of Judge KINKAID, but are unavoidably detained from the House. I ask unanimous consent that all Members who wish may extend their remarks in the RECORD.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that all Members may have leave to extend their remarks in the Record. Is there objection?

There was no objection.

Mr. ANDREWS of Nebraska. Mr. Speaker, I rise to pay my tribute of respect to the memory of our former colleague, the Hon. MOSES P. KINKAID, late a Representative in Congress from the sixth congressional district of Nebraska.

He was a native of the State of West Virginia, but in his early manhood he moved westward with the Star of Empire and made Nebraska his adopted State. In connection with his practice of the law, he entered immediately into the public activities of the community and State of his choice. As a lawyer he seemed to have an inclination toward official life and the people of his community recognized in him suitable qualifications for public service. Accordingly he was chosen in due time to represent them in the legislature of his State, and afterwards he was promoted to the district bench, where he served for several years with honor and distinction. Soon after his retirement from his judicial service he was elected to the Fifty-eighth Congress, and to each succeeding Congress, including the Sixty-seventh, making a continuous service of nearly 20 years, the longest period of congressional service ever rendered by any Nebraskan in this House. In view of the fluctuations of Nebraska politics during that period of time, we are naturally prompted to ask the question—

How did he maintain his political supremacy in his district for so many years? This question becomes more interesting because of the fact that his district had been under Democratic and Populistic control for ten or twelve years before his first election.

His campaign for reelection in 1904 was assisted very materially by the Roosevelt campaign of that year, which carried with it the Republican ticket generally throughout the State. The chief reasons for his success, however, will be found in his own character and personal services for the people of his district. He was the most successful handshaker ever known in Nebraska politics. In his conversations with men throughout his district he impressed them as deeply interested in their individual welfare. Instead of asserting positive opinions of his own for or against any particular question that may have been under consideration, he manifested such thoughtful recognition of the views of his friend as to win the confidence of the latter in an unusual degree. This characteristic played no small part in his political success; nevertheless, it was only a minor part. He applied himself so diligently to the actual needs of the people of his district and was so successful in securing favorable legislation in their interests as to increase that confidence and establish it firmly in his favor.

The most notable feature in his service record is the "Kinkaid Homestead Act." Many people in his district had found it impossible to succeed with only a quarter section of land because of the peculiar agricultural and grazing conditions of that section of the State. It was finally decided that an entire section of land would give the homesteader ample resources and opportunities for success. Accordingly the Kinkaid Act was passed granting homestead privileges for an entire section of Government land. That measure has had a very great success for that portion of our State.

The gratitude and confidence of the people who shared in its benefits have been very distinctly marked. Many times the fear has been manifested by them that they would lose their titles to their homesteads if Mr. KINKAID should die. This remarkable confidence and gratitude toward him made him in the later years invincible against any combination that the opposition might develop. In addition to this, no man in Congress ever paid more diligent attention to the minor details of business in behalf of his constituents than Mr. KINKAID. His service was limited only by his time, opportunity, and capacity to do what he could to benefit his people. Here we observe in his official record and life a true representative of popular government.

Note the extent to which public recognition of such qualifications on the part of public officials will go in maintaining popular government and shielding it from severe criticism.

During his long public career in the legislature, on the bench, and in Congress I have never heard anyone charge him with dishonesty. Those who have honored him with their confidence and support will surely find profound gratification in this fact. Every public official should keenly realize that such recognition by the people constitutes a large portion of the genuine rewards that can come from official service. The true servants of the public, especially those in the Congress of the United States, will prize this reward above all others. In the quiet, calm reflection of future years the consciousness of having served one's country honestly and helpfully will be a source of genuine delight.

During the closing years of his congressional career he devoted his attention and energy to legislation providing for the irrigation of arid lands. This subject appealed to him with tremendous force because it had been pressed in upon his attention by a wide range of observation. He had witnessed the transformation of arid lands into fields and gardens of richness and beauty. He found an inspiration in doing things that would reclaim the desert places and make them contribute to the wealth and happiness of mankind.

This story runs without limit. The wealth that it has brought to the people of the arid sections of our country can not be measured in dollars and cents. Thus in the midst of his congressional career he has extended the helping hand not only to his immediate constituents but likewise to the people of the entire country.

When we think of the brilliant achievements that have been sketched here to-day in eulogies for our former colleague, the Hon. JAMES R. MANN, of Illinois, and others who could be named without limit that have served their country faithfully and efficiently, we can not resist a feeling of regret that such useful lives should close prematurely at times of great need. But yesterday they were active here and their voices were ringing out with words of wisdom and guidance for all of us in our efforts to serve our country. To-day they are silent. How strange the contrast. Life seemed to hold them for a little time between two eternities. But life! Life! What is it? Whence came it? Whither is it going? It is only a little span between two eternities. Out of the past it came, into the future it goes. But what is its mission here? It builds homes, communities, states, nations. It erects cottages, temples, palaces, and great cities. May we not say, and may we not have the assurances of our deceased colleagues whose memories we revere to-day, that the great mission of the people of the United States of America is to lead the world into still larger measures of liberty, freedom, happiness, and prosperity.

DEATH OF HON. NESTOR MONTOYA.

Mr. MONDELL. Mr. Speaker, it becomes my painful duty to report the death of our colleague, Hon. NESTOR MONTOYA, a Representative from the State of New Mexico, who died suddenly at his home yesterday morning. It is needless to say that everybody in the House is shocked and grieved at the announcement of his death. At a later date I will ask that a day be set apart on which memorial services may be held in honor of our deceased colleague. For the present I offer the following resolutions, which I send to the Clerk's desk.

The Clerk read the resolutions as follows:

House Resolution 483.

Resolved, That the House has heard with profound sorrow of the death of Hon. NESTOR MONTOYA, a Representative from the State of New Mexico.

Resolved, That a committee of 10 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolutions were agreed to.

The Speaker appointed the following committee:

Mr. SNYDER, Mr. SMITH of Idaho, Mr. JOHNSON of Washington, Mr. THOMPSON, Mr. COLTON, Mr. WHITE of Kansas, Mr. FAUST, Mr. STEAGALL, Mr. LOWRY, and Mr. HAYDEN.

The Clerk read the further resolution as follows:

Resolved, That, as a further mark of respect to the memory of the late Representatives MANN, KINKAID, and MONTOYA, this House do now adjourn.

The resolution was agreed to.

ADJOURNMENT.

Accordingly (at 3 o'clock and 56 minutes p. m.) the House adjourned until to-morrow, Monday, January 15, 1923, at 12 o'clock noon.

SENATE.

MONDAY, *January 15, 1923.*

(Legislative day of Tuesday, January 9, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. JONES of Washington. Mr. President, I think it was the understanding that we would take up the rural-credits measure this morning, so I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McKellar	Simmons
Bayard	Gerry	McLean	Smith
Borah	Glass	McNary	Smoot
Brookhart	Harreld	Moses	Stanfield
Broussard	Harris	Nelson	Sterling
Bursum	Harrison	New	Sutherland
Calder	Heflin	Nicholson	Swanson
Cameron	Hitchcock	Norbeck	Townsend
Capper	Johnson	Norris	Wadsworth
Colt	Jones, N. Mex.	Oddie	Walsh, Mass.
Couzens	Jones, Wash.	Pepper	Walsh, Mont.
Culberson	Keyes	Pittman	Warren
Curtis	Ladd	Ransdell	Watson
Ernst	La Follette	Reed, Pa.	Weller
Fernald	Lenroot	Robinson	Willis
Fletcher	Lodge	Sheppard	
Frelinghuysen	McCumber	Shields	

Mr. SMITH. I take this opportunity to announce that my colleague [Mr. DIAL] is absent on account of the death of a relative. I ask that this announcement may stand for the day.

Mr. ODDIE. I wish to announce that the Senator from Washington [Mr. POINDEXTER] and the Senator from Maine [Mr. HALE] are absent on official business in connection with the work of the Committee on Naval Affairs.

The VICE PRESIDENT. Sixty-six Senators have answered to their names. A quorum is present.

REPORT OF NATIONAL SOCIETY OF DAUGHTERS OF AMERICAN REVOLUTION.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the annual report of the National Society of the Daughters of the American Revolution, which was referred to the Committee on Printing.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, as chairman of the Federal Power Commission, reporting, in response to Senate Resolution 399, agreed to January 6, 1923, that the commission has no passenger automobile or other motor vehicle and has made no allowances for upkeep or other expenses connected with any privately owned automobile or motor vehicle, which was ordered to lie on the table.

He also laid before the Senate a communication from the chairman of the United States Tariff Commission, reporting, in response to Senate Resolution 399, agreed to January 6, 1923, that the commission uses no passenger automobiles or other vehicles of any kind; that it makes no allowances for privately owned automobiles; that it maintains no garages; that it does not hire or rent any such vehicles; and that these statements apply to points outside of as well as in the District of Columbia, which was ordered to lie on the table.

SENATOR FROM RHODE ISLAND.

Mr. COLT presented the credentials of PETER GOELET GERRY, chosen a Senator from the State of Rhode Island for the term of six years beginning the 4th day of March, 1923, which were read and ordered to be placed on file, as follows:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS,
Executive Chamber, Providence.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, A. D. 1922, PETER GOELET GERRY was duly chosen by the qualified electors of the State of Rhode Island and Providence Plantations a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning the 4th day of March, 1923.

In testimony whereof I have hereunto set my hand and caused to be affixed the great seal of the State of Rhode Island and Providence Plantations.

Done at the city of Providence this 11th day of January, A. D. 1923.

[SEAL.] WILLIAM S. FLYNN, *Governor.*

By the governor:

ERNEST L. SPRAGUE,
Deputy Secretary of State.

SENATOR FROM MICHIGAN.

The PRESIDING OFFICER (Mr. MOSES in the chair) laid before the Senate the credentials of WOODBRIDGE N. FERRIS, chosen a Senator from the State of Michigan for the term of six years beginning the 4th day of March, 1923, which were read and ordered to be placed on file, as follows:

STATE OF MICHIGAN,
Executive Office, Lansing.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1922, WOODBRIDGE N. FERRIS was duly chosen by the qualified electors of the State of Michigan a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1923.

Witness: His excellency, our governor, Alexander J. Groesbeck, and our seal hereto affixed at Lansing this 11th day of January, in the year of our Lord 1923.

[SEAL.] ALEX. J. GROESBECK, *Governor.*

By the governor:

CHARLES J. DELAND,
Secretary of State.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a resolution of the Washakie National Farm Loan Association, of Worland, Wyo., favoring the passage of legislation amending the Federal farm loan act, which was referred to the Committee on Banking and Currency.

Mr. WILLIS presented resolutions adopted by the Judge Blair Bible Class of the Second Presbyterian Church, at Portsmouth, Ohio, favoring the enactment of legislation to make offenses against the eighteenth amendment to the Constitution and laws passed thereunder punishable by imprisonment, which were referred to the Committee on the Judiciary.

Mr. LADD presented the petition of Ada Endres and 53 other citizens of Fort Yates, N. Dak., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

He also presented a petition of 29 citizens of Bottineau County, N. Dak., praying for the prompt passage of legislation to stabilize the prices of farm products, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions of the Bowbells National Farm Loan Association of Bowbells, the White Earth National Farm Loan Association of White Earth, the Van Hook National Farm Loan Association of Van Hook, the Glen Ullin National Farm Loan Association of Glen Ullin, the Northern Griggs County National Farm Loan Association of Binford, and the Garrison National Farm Loan Association of Garrison, all in the State of North Dakota, protesting against the passage of House bill 13125, the so-called Strong bill, amending certain sections of the Federal farm loan act, or any other proposed legislation which would essentially impair the features of the Federal farm loan act as originally enacted, which were referred to the Committee on Banking and Currency.

PROPOSED ECONOMIC CONFERENCE.

Mr. CAPPER. I ask to have printed in the RECORD a telegram from the Lions Club, of Wichita, Kans., urging Congress to authorize the President to call a conference of all the leading nations to consider international problems. I ask that the telegram be referred to the Committee on Foreign Relations and printed in the RECORD.

There being no objection, the telegram was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

[Western Union Telegram.]

WICHITA, KANS., *January 12, 1923.*

Hon. ARTHUR CAPPER,
United States Senator from Kansas,
Washington, D. C.:

We herewith respectfully submit a resolution unanimously passed on January 10, 1923, by the Lions Club, of Wichita, Kans.

"Whereas there are serious economic and financial problems as a result of failure to arrive at a fair and just understanding among nations after the World War; and

"Whereas such problems must be solved before any of the nations can hope to return to normal financial and peaceful basis; and

"Whereas it has been demonstrated beyond peradventure of a doubt that no reasonable basis for a return of normal conditions financially, economically, and commercially and no lasting peace can be established among the nations without the cooperation of all the nations of the earth: Therefore, be it

"*Resolved by the Lions Club of the City of Wichita, Kans.*, That Congress be urged to authorize and empower the President to call a

conference of all the leading nations at an early date for the purpose of arriving at a just and equitable understanding of the many difficult problems that have confronted the peoples of all countries ever since the signing of the armistice and which is threatening to again plunge the whole world into a disastrous conflict."

THE LIONS CLUB OF WICHITA, KANS.

REPORTS OF COMMITTEES.

Mr. STANFIELD, from the Committee on Claims, to which was referred the bill (S. 1528) for the relief of Sophie K. Stephens, reported it with an amendment and submitted a report (No. 1007) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 4275) incorporating the Supreme Lodge of the World, Loyal Order of Moose, reported it without amendment and submitted a report (No. 1009) thereon.

Mr. STERLING, from the Committee on Immigration, to which was referred the bill (S. 4092) providing for the admission into the United States of certain refugees from near eastern countries, reported it with an amendment and submitted a report (No. 1010) thereon.

Mr. NELSON, from the Committee on the Judiciary, to which was referred the concurrent resolution (H. Con. Res. 53) to create a joint committee of the Senate and House of Representatives to determine what employment can be furnished Federal prisoners, and for other purposes, reported it with an amendment and submitted a report (No. 1011) thereon.

Mr. NELSON, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4176) to amend section 370 of the Revised Statutes of the United States (Rept. No. 1012); and

A bill (H. R. 10817) to amend section 100 of the Judicial Code of the United States (Rept. No. 1013).

Mr. NORBECK, from the Committee on Banking and Currency, submitted a minority report on the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes, which was ordered to be printed as part 2 of Report No. 1003.

COLUMBIA RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (S. 4260) to extend the time for the construction of a bridge over the Columbia River, between the States of Oregon and Washington, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, and I submit a report (No. 1008) thereon. The Senator from Oregon [Mr. MCNARY] is anxious to have the bill passed, and I ask unanimous consent for its present consideration.

Mr. UNDERWOOD. Is the bill in the usual form?

Mr. CALDER. I assure the Senator that it is.

There being no objection, the bill was considered as in Committee of the Whole; and it was read, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge, authorized by act of Congress approved January 21, 1922, to be built by The Dalles Oregon-Washington Toll Bridge Co., a corporation of the State of Oregon, its successors and assigns, over the Columbia River, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SWANSON:

A bill (S. 4338) for the relief of the Southern Transportation Co.;

A bill (S. 4339) for the relief of the Fred E. Jones Dredging Co.; and

A bill (S. 4340) for the relief of Joseph M. Clark & Co.; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 4341) granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a toll bridge across the Columbia River at or near the city of Hood River, Oreg.; to the Committee on Commerce.

By Mr. CALDER:

A bill (S. 4342) to amend paragraph 403 of schedule 4, section 1, Title I, and paragraph 1703 of schedule 15 of section 201 of Title II of the tariff act of 1922; to the Committee on Finance.

By Mr. FLETCHER:

A bill (S. 4343) for the relief of the legal or equitable owners or claimants of the United States steamship *Nueces;* to the Committee on Claims.

By Mr. MCKELLAR:

A bill (S. 4344) granting an increase of pension to Margaret Howell Butler; to the Committee on Pensions.

By Mr. WILLIS:

A bill (S. 4345) for the relief of E. J. Reynolds; to the Committee on Claims.

By Mr. BALL:

A bill (S. 4346) granting the consent of Congress to the Delaware State highway department to construct a bridge across the Nanticoke River; to the Committee on Commerce.

By Mr. CALDER:

A bill (S. 4347) granting a pension to Louise Blue; to the Committee on Pensions.

A bill (S. 4348) for the relief of various owners of vessels and cargoes damaged by the United States ship *Lamberton;* to the Committee on Claims.

By Mr. FRELINGHUYSEN:

A joint resolution (S. J. Res. 268) establishing a commission to investigate lynching; to the Committee on the Judiciary.

PENSIONS AND INCREASE OF PENSIONS.

Mr. NELSON submitted an amendment intended to be proposed by him to the bill (S. 4305) granting an increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes, which was referred to the Committee on Pensions and ordered to be printed.

RURAL MARKETING AND CREDIT FACILITIES.

Mr. MCKELLAR submitted an amendment and Mr. NORBECK submitted two amendments intended to be proposed by them to the bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States; and for other purposes, which were ordered to lie on the table and to be printed.

DISTRIBUTION OF NITRATES.

Mr. GEORGE submitted the following resolution (S. Res. 405), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the President be requested, if the terms and conditions are such as to authorize it, to purchase under the provisions of the joint resolution (S. J. Res. 265) to stimulate crop production in the United States, passed by the Senate on January 13, 1923, the 28,000 tons and such other excess nitrates now held and advertised for sale by the War Department for distribution, and to distribute the same under the terms of said joint resolution.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed the joint resolution (S. J. Res. 251) providing for the filling of two vacancies that will occur on January 14, 1923, and March 1, 1923, respectively, in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 7658. An act to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes";

H. R. 13374. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13615. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

SPEECH OF MR. BOYDEN BEFORE THE REPARATION COMMISSION.

Mr. BORAH. I ask to have printed in the RECORD, in 8-point type, what is claimed by the press to be an official report of Mr. Boyden's speech a few days ago at the time the Reparation Commission had to do with declaring a default in the German payment.

There being no objection, the matter referred to was ordered to be printed in the RECORD, in 8-point type, as follows:

BOYDEN SPEECH ON REPARATION TREATY—OFFICIAL RECORD OF HIS PLEA IN EXTENUATION OF GERMANY'S WOOD AND COAL DEFAULT—SIDED WITH BRADBURY—ARGUED THAT REPARATION BOARD SHOULD REPORT EXTENT OF INTENTION ENTERING INTO FAILURE.

[By Edwin L. James. Copyright, 1923, by the New York Times Co. Special Cable to the New York Times.]

PARIS, January 13.—I have obtained an official record of what Roland Boyden, the American member of the Reparation Commission, said to the commission on January 9, when French action against Germany was decided upon. This procès verbal, read and approved by Mr. Boyden, shows that the American commissioner declared that the reparations provisions of the Versailles treaty were impossible; that this impossibility had seriously affected Germany's financial situation; that it had caused great loss of money to the Allies and would continue to do so until the treaty conditions were changed.

Mr. Boyden made it plain that he was speaking in a personal capacity. However, it was generally accepted by the other commissioners that his views coincided with those of the American Government.

In view of the approaching probability of further French action to carry out the provisions which the American delegate has characterized as impossible, special importance attaches to what he said.

The official record follows:

REMARKS MADE BY MR. BOYDEN AT THE REPARATION COMMISSION MEETING, JANUARY 9, 1923.

"Mr. Boyden stated that, not being one of the official judges as were his colleagues, it would be easy for him to remain silent, but he preferred to assume his own responsibility in his personal capacity as they assumed theirs in their official capacity. In English and American courts it was not uncommon for a person of judicial education to sit with official judges as 'amicus curiæ,' and, though in fact not a judge, to express his own personal view. Mr. Boyden endeavored to form an opinion upon the judicial aspect of the situation.

"Paragraph 17, annex 2, referred to default, and paragraph 18 referred to voluntary default. Mr. Boyden was in agreement with the decision of the commission that in both cases voluntary default was intended.

"What was voluntary default? One excuse for nonperformance would be recognized by all, viz, 'Force majeure,' but in Mr. Boyden's view the expression 'voluntary default' included other excuses. It meant the doing or failure to do something with knowledge at the time that action or failure to act might reasonably have an effect resulting in default.

"There was in Mr. Boyden's view a very considerable difference between the question then under discussion and the question as it had arisen in connection with the deliveries of timber. The demand for timber was a single demand. The main reason for the timber default seemed to consist in difficulties which arose from depreciation of the mark. These difficulties were of an extraordinary nature, such as had never before arisen in Germany, and it was easily conceivable that the persons who had to meet them did not at once see how to meet them, and did not realize at the time that their failure to do certain things promptly would result in default. Nevertheless Mr. Boyden was inclined to think that even in connection with wood there had been voluntary default within the meaning of the treaty.

COAL QUESTION DIFFERENT.

"The difference between the timber question and the coal question lay in the fact that the coal requirements were monthly requirements. The Germans faced with deficits in any month ought at once to have taken whatever precautions were necessary to see that those difficulties, whatever they had been, were avoided during the next month. They had failed to do that and the deficits had continued month after month.

"One further judicial point arose, to which Sir John Bradbury referred in connection with the purpose of paragraph 17. In Sir John Bradbury's opinion, the purpose of that paragraph was to enable the commission to appeal to the Governments only when the measures at its command had proved inadequate to enforce obedience. That was a perfectly comprehensible interpretation and explained in large part the difference between Sir John Bradbury and his colleague as to the action to be taken. Mr. Boyden's own reading of paragraph 17 was, however, different. In his view the commission was required to report any voluntary default forthwith, partly for the information of the Governments and partly to enable the Governments to take such action as they thought fit.

"Mr. Boyden recognized that previous action of the commission with respect to coal defaults had not been consistent with that interpretation, for the commission had not automatically reported defaults as they had arisen. Although this previous practice did not in his view represent the waiver of a right it was, nevertheless, a practical fact which should be taken into account, particularly by the Governments themselves in whatever action they might take.

"From the judicial point of view he was of the opinion that the argument put forward by the German delegation to the effect that in private contracts a deficiency of 10 per cent did not constitute a default was of no value. The treaty did not contemplate application of any such commercial custom to its provisions.

"With regard to the letter of March 21, Mr. Boyden considered the commission did not by its terms abandon its right under the treaty to report voluntary default. He did not remember exactly what views his colleagues then held, but it might be taken for granted that the language used would not have been accepted by certain delegates if they thought it eliminated the possibility of reporting voluntary default.

"The argument to which the German delegation attached most weight was that concerning the needs of Germany as indicated by her importation of nearly as much coal as she was delivering to the Allies. Legally that argument seemed to him applicable not to the question of voluntary default but to the decision of the commission as to the demands made on Germany.

"This argument would have weight if used to show that the commission's decision upon the amount of coal which Germany could supply without due interference with its industrial requirements was incorrect. But the commission's decision remained a decision unless changed, and Germany's industrial requirements had nothing to do with Germany's obligations to carry out the decision so long as it was not changed.

"But having expressed his view of the legal situation, Mr. Boyden desired to add several to the foregoing considerations, particularly in regard to Germany's need for coal and her importation of coal from abroad. The previous practice of the commission with respect to coal default and the commission's letter of March 21 had a practical bearing on the situation, which would naturally be taken into account by the Governments after the commission reported the default.

"The report by the commission on wood default seemed to him to be very defective. When reporting voluntary default it was of the utmost importance for the commission to report the extent of the intention which had entered into that default. The commission was a tribunal which found the accused guilty; punishment would be meted out by another tribunal. It was therefore of the greatest importance that the exact nature of the crime should be reported by the commission so that punishment by the Governments might fit the crime.

"Mr. Boyden agreed with Sir John Bradbury that the word 'punishment' was not appropriate, and that the real purpose of the provision was constructive. The real point was that the report should be made in such a way as to aid the Governments in adopting methods which would lead to constructive results. But it was of equal importance that the quality of the crime should be made plain in the report, whether the results were to be punitive or constructive. The commission in its report on coal deliveries should set forth not merely the fact of default but also the causes of default and all extenuating circumstances. It was only upon such a basis that the Governments could fairly perform their duty in the matter.

"If Mr. Boyden were asked to express in a few words what Germany had failed to do he would say Germany failed to take those exceptional and rather extraordinary measures month by month which were necessary to cope with difficulties which the experience of previous months had shown would arise.

"It was understandable that Germany's opinion of her own requirements should affect her attitude. Her opinion on this point and the facts on this point were both of great importance in connection with the extent of Germany's default. The report should emphasize the percentage which expressed the real extent of the default. While the default was important from a financial point of view, as M. Delacroix had explained, Ger-

many had made a very considerable effort in a very difficult matter and had attained a very large measure of success.

"Mr. Boyden had hitherto confined himself to voluntary default on the part of Germany and the reasons which tend to lessen her culpability. If, however, he were making a report he would go further and would deal with the whole question of the failure of Germany in executing her obligations under the treaty and would explain that the conditions imposed by the treaty had been demonstrated by experience to be impossible and that that impossibility had affected not only Germany's financial situation and her financial obligations to the Allies but also her obligation like these in respect to coal and wood.

"He would further express the opinion which he had already expressed before the commission that continuance of these conditions had already resulted in great loss of money to the Allies and would result in still further loss so long as they were maintained."

REGENTS OF SMITHSONIAN INSTITUTION.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 251) providing for the filling of two vacancies that will occur on January 14, 1923, and March 1, 1923, respectively, in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which were on page 1, line 3, to strike out "two vacancies" and insert "vacancy"; on page 1, lines 7 and 8, to strike out "of John B. Henderson" and insert "that Frederick A. Delano"; on page 1, lines 8 and 9, to strike out "whose term will expire March 1, 1923" and insert "be appointed to succeed John B. Henderson, deceased"; and to amend the title so as to read "Joint resolution providing for the filling of two vacancies in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress."

Mr. LODGE. I move that the Senate concur in the amendments, which were made necessary by the death of Mr. Henderson.

The motion was agreed to.

PURCHASE AND SALE OF FARM PRODUCTS.

Mr. JONES of Washington. I ask unanimous consent that House bill 12817, the unfinished business, may be temporarily laid aside in order that the Senator from Connecticut [Mr. McLEAN] may call up the rural credits measure.

The VICE PRESIDENT. Is there objection?

Mr. NORRIS. Mr. President, the pending motion before the Senate on the unfinished business is a motion made by me to take up the bill (S. 4050) to provide for the purchase and sale of farm products, reported by the Committee on Agriculture and Forestry. The motion was made by me several weeks ago. The effect of the motion, if it prevails, would be to lay aside Senate bill 12817, the so-called ship subsidy bill, and take up that measure for consideration.

If the Senate is anxious to consider legislation in relation to the farmer, some of us at least, though we may be a small minority, think this bill of greater importance than any that has yet been reported. However that may be, and however Senators may disagree, it is a bill applying directly to the agricultural situation.

I have not been responsible for the delay in reaching a vote on my motion. By a unanimous-consent agreement entered into on the 21st of December last, in order to make it unnecessary for me to renew the motion from day to day, it was agreed that the motion should be considered pending whenever the ship subsidy bill was before the Senate. No other motion is in order on the ship subsidy bill until my motion is disposed of. No other motion to take up any other bill is in order until my motion is disposed of.

Mr. SIMMONS. Mr. President, may I ask the Senator from Nebraska a question?

Mr. NORRIS. Certainly.

Mr. SIMMONS. Is the Senator from Nebraska reading a unanimous-consent agreement which he is proposing to the Senate?

Mr. NORRIS. I am not reading at all; I am speaking extemporaneously.

Mr. SIMMONS. Does the Senator contend that it would be out of order, should his motion be agreed to, to move to proceed to the consideration of some other farm credit bill?

Mr. NORRIS. Oh, no; I make no such contention. If the motion which I have made, and which is now pending, should prevail, that would place before the Senate the bill named in my motion. It would then be in order, of course, for any Senator to move to take up any other bill or any other subject, but my motion is not susceptible of amendment or substitution.

Mr. SIMMONS. I now understand the Senator from Nebraska.

Mr. NORRIS. The motion must first be decided.

As I was about to state, Mr. President, I have not been responsible for the long delay in voting on the motion. I think those of us who favor this proposed legislation are now entitled to a vote on the motion, and I therefore object to laying aside the unfinished business until the motion shall have been disposed of.

The VICE PRESIDENT. There is objection.

Mr. JONES of Washington. Mr. President, I wish to say that the Senator from Nebraska [Mr. NORRIS] is not responsible for the delay in voting upon his motion; there is no question about that. In order that we may dispose of the matter and proceed to the consideration of the farm-credit measures, which the Senator from Connecticut [Mr. McLEAN] is now ready to bring up, I trust that we may have a vote upon the motion of the Senator from Nebraska.

Mr. NORRIS. Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, in a discussion of the pending motion some weeks ago I stated that I expected to vote for it. I made that statement because I believed that the subject of agricultural credits should take precedence over that of ship subsidy. I have been very glad to have the motion pending, in order that the Banking and Currency Committee might have an opportunity to consider the various bills before it and report favorably on some measure, in order that the Senate then might consider the question and agree upon some substitute for the bill reported out of the Committee on Agriculture and Forestry.

I have never favored the so-called Norris bill. Certain features of it I opposed, particularly that which gave to the Federal Government the power to buy agricultural products, to hold them, and to operate warehouses and elevators; but there were one or two other features of the bill which I favored.

I am in favor of both bills, with some amendments, which have been reported out of the Committee on Banking and Currency. That bill has received the consideration of groups of Senators as well as of the Joint Commission on Agricultural Inquiry. It was recommended by that commission for passage a year ago; and it seems now, with the indorsement of the President of the United States as well as of other high officials of the Government who have seen the light, that we shall be able to enact that proposed legislation with certain amendments.

If the motion of the Senator from Nebraska shall prevail, of course we might substitute for the bill, to the consideration of which he proposes the Senate shall proceed, the measure reported out of the Committee on Banking and Currency, namely, the Lenroot-Anderson bill, provided a motion for that purpose should receive a majority of the votes here. However, here is the trouble about that: When that bill shall go to conference friends of the measure should be appointed the conferees upon it; in other words, it would not be fair to those who shall vote for the Lenroot-Anderson bill, with or without modifications, that gentlemen should be appointed as conferees on the bill in the conference between the House and the Senate who are opposed to the measure and who might favor the Norris bill. Since the adoption of the motion of the Senator from Nebraska [Mr. NORRIS] would bring before the Senate the so-called Norris bill, if the Lenroot-Anderson bill should be substituted for it, the Presiding Officer might naturally appoint Senators as conferees on the part of the Senate who have championed the Norris bill and who have favored the motion to take it up. They rank high on the Committee on Agriculture and Forestry. The Senate would then be in the attitude of having Senators as conferees on the bill who did not favor what the Senate had done but who favored the Norris proposal.

It seems to me that the best thing to do, since the Lenroot-Anderson bill has been reported out of the committee and is now on the calendar, is to vote down the motion of the Senator from Nebraska and then take up the Lenroot-Anderson bill, consider that measure and pass it, and thus insure that there shall be appointed as conferees on the part of the Senate in the conference between the two Houses those who are wholeheartedly in favor of the Lenroot-Anderson bill. For that reason I shall vote against the motion of the Senator from Nebraska with the hope and, indeed, the expectation, I may say, that immediately—for I understand that is the program on the other side of the Chamber—the Senator from Washington [Mr. JONES] will temporarily withdraw the ship subsidy bill, and that the Senator from Connecticut [Mr. McLEAN] will then

move the consideration of the Lenroot-Anderson bill or the Capper bill, as the case may be, seriatim, in order that the Senate may consider and pass those two measures immediately and get them over to the other House and into conference.

Mr. JONES of Washington. Mr. President——

Mr. HARRISON. I yield to the Senator from Washington.

Mr. JONES of Washington. I merely wish to state that if the motion of the Senator from Nebraska [Mr. NORRIS] shall be voted down, I shall then ask that the unfinished business be temporarily laid aside, in order that the Senator from Connecticut may call up the bill reported from his committee.

Mr. HARRISON. May I ask the Senator from Connecticut if that is his intention?

Mr. McLEAN. Yes; it is my intention to call up for consideration Senate bill 4280, which is the so-called Capper bill.

Mr. HARRISON. It is the intention that the Capper bill shall be first called up and disposed of and that then the Senate shall immediately proceed to the consideration of the Lenroot-Anderson bill?

Mr. McLEAN. That is correct.

Mr. SWANSON. I desire to ask the Senator from Connecticut another question. Suppose unanimous consent shall not be granted for the consideration of the bill named by him; will the Senator from Connecticut then make the motion that the Senate proceed to its consideration?

Mr. McLEAN. I certainly shall do so.

Mr. HARRISON. Mr. President, that is all I desire shall be done.

The VICE PRESIDENT. The question is on the motion of the Senator from Nebraska [Mr. NORRIS].

Mr. NORRIS. Mr. President, the argument made by the Senator from Mississippi [Mr. HARRISON] is both ingenious and unique. I presume he is speaking not only for himself but, in view of the questions which other Senators have asked, also in behalf of several other Senators. The main object to be attained, in order that the farmers of America may have the benefit of some good legislation, is that the conference committee on the part of the Senate shall be appointed from the membership of the Banking and Currency Committee rather than from the membership of the Agricultural Committee. Of course, Mr. President, the farmers of America ought to understand that those Members of the Senate who are on the Agricultural Committee, which is charged with the responsibility of dealing with the interests of the farmers, are not the friends of legislation for the farmers, but that they must look to the Banking and Currency Committee to secure such legislation, and that there must be selected from the Banking and Currency Committee members of the conference committee on the part of the Senate in order to secure legislation for the benefit of the farmers. Far be it from me, Mr. President, to cast any reflection upon the members of the Banking and Currency Committee or to question their sincerity or their intention to do what in their judgment is the proper thing to be done.

Mr. McLEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. NORRIS. Yes.

Mr. McLEAN. I call the Senator's attention to the fact that the Lenroot bill has been recommended by the Joint Commission on Agricultural Inquiry and that the members of that commission on the part of the Senate were the Senator from Wisconsin [Mr. LENROOT], the Senator from Kansas [Mr. CAPPER], the Senator from Oregon [Mr. MCNARY], the Senator from Arkansas [Mr. ROBINSON], and the Senator from Mississippi [Mr. HARRISON]. It does not seem to me that the farmers were ignored so far as the membership of that joint commission was concerned, and the Lenroot bill attempts to carry out the suggestions and conclusions of that commission.

Mr. NORRIS. The argument of the Senator from Connecticut is likewise ingenious and is on all fours with the argument of the Senator from Mississippi. The impression may be gathered from what the Senator from Connecticut has said that the bill which he is going to ask to have considered next has been recommended by members of the Senate Agricultural Committee. The fact remains that the bill has been reported by the Committee on Banking and Currency, of which I believe none of the Senators whom he mentions are members, so consequently none of them could be on the conference committee.

Why do Senators become suspicious at once? I have not made an argument against that bill; I have not said a word against it; I am not fighting that bill; I am merely calling attention to the fact that the argument made by the Senator from Mississippi, backed up by the Senator from Connecticut, would result in placing on the conference committee members of the Banking and Currency Committee rather than members of the Agricultural Committee. In answer to that the Senator from Connecticut calls attention to the fact that the bill to which he refers was drawn up by the joint commission of which certain Members of the Senate, whom he named, were members; but, Mr. President, those Senators will not be on the conference committee. The Senator desires friends of the proposed legislation on the conference committee, and that is proper, and it may be implied from what the Senator has said that the Senators mentioned would probably be on the conference committee, whereas anyone who will look into the question will know that they will not be members of the conference committee when that committee shall have been appointed. However, I took the floor principally for the purpose of resenting in a way the imputation that in order to secure legislation for the benefit of the farmer the Agricultural Committee of the Senate must be ignored and the members of that committee must be kept off the conference committee.

Mr. President, I have not examined it sufficiently to know whether the suggestions of the originators of the bill reported by the Senator from Connecticut have been carried out in the bill as presented from the Banking and Currency Committee; I do not know to what extent they may have amended the bill.

Now let me return to the argument of the Senator from Mississippi, and let me take it up where I was interrupted by the Senator from Connecticut. The Senator from Mississippi has outlined a parliamentary procedure that will undoubtedly not take place. If the motion which I have made should prevail, he has assumed in that event that the Capper bill and the Lenroot bill, neither one of which I am opposing, and which have been reported from the Banking and Currency Committee, will be substituted for my bill after it shall have been taken up. It is not at all likely that that will happen. On the other hand, the probabilities are that if the motion should prevail and the bill named in the motion shall be laid before the Senate, it will be followed by a motion of the Senator from Connecticut to take up for consideration one of the other bills, and he has already told us that it is not going to be the bill that was recommended by the joint commission.

If the majority of the Senate believe that bill to be of more importance to the agriculturists of the country than this one, they will vote to take it up; and this bill then will be displaced, the same as my motion, if it prevails, will displace the ship subsidy bill; so that the conferees will come from the sanctimonious committee of the Senate known as the Banking and Currency Committee. On the other hand, if that does not take place, if the procedure outlined by the Senator from Mississippi is followed, and all of this bill that I have moved to take up is stricken out except the enacting clause, and that bill is inserted, I assume that the Presiding Officer will appoint members of the Banking and Currency Committee to the conference committee, and not members of the Agricultural Committee. I should think he ought to do that; and certainly the Presiding Officer has no prejudice in favor of the Agricultural Committee. No one will charge that; so that if that happens the dear old Banking and Currency Committee would probably have its members on the conference committee just the same. So far as I am concerned, if that does happen, I think they ought to be put on. I would not want to be on the conference committee. I am not a candidate for a position on the conference committee, simply because I believe in all fairness that when that bill passes, whether it is now or later, the conference committee ought to be named from the Banking and Currency Committee. I think that would be fair.

Mr. President, there ought to be no conflict between the bill that I have moved to take up and either one of the bills mentioned by the Senator from Connecticut. If the Senators have only been fooling along, using this motion that I have made as a bumper, waiting for the Banking and Currency Committee to get ready, then they will vote down this motion. Then the motion will be defeated, and it can be followed by another motion by the Senator from Connecticut.

I am willing to agree now, if it will help the bill that I have proposed, that I shall not be one of the members of the conference committee if it shall pass. Get them from the Banking and Currency Committee or some other committee, if you want to. I am not going to argue the merits of this question, because I have been over it once, and I realize that whatever I may say can not affect and will not affect the vote of any Member of the Senate; but, according to my belief, there is not a bill pending in the Senate that will do the farmers of America as much good as the one that is included in this motion. All I am asking is that we have a fair, honest vote. If a majority of the Senate want to turn it down, they will have their way. There

is nothing particularly bad about it. I think they will make a mistake if they do it, but I may be wrong; they may be right. Whatever the result, I of course will, as gracefully as an awkward man knows how to do, accept the verdict; but I am unwilling that there shall be any camouflage here upon this motion. I am unwilling that we should give out to the country an insinuation that if this bill is taken up, and the other bill finally is taken up and passed, something is going to happen on the conference committee on the part of the chairman of the Agricultural Committee that is unfair or unjust to the farmers of America. I am unwilling that we should vote on it on the assumption, even, that members of the Agricultural Committee who were members of the joint commission will be on the conference committee when the other bill is passed.

I expect to support both of the other bills, unless I am convinced upon the discussion of them that there is more harm than good in them. I am favorably inclined toward them—toward the subjects, at least. I think we ought to legislate on them. I do not want the Senate or the country to get in the attitude of placing those bills against this one. All of them ought to be passed. They are not antagonistic. There is no reason why all of them should not be passed, and all be enforced, and good come from all of them.

Mr. FLETCHER. Mr. President, this motion has been pending for some time. For a week or two weeks, at least, it has been before the Senate. Inasmuch as if the motion should prevail it would displace the ship subsidy bill, it has met with considerable discussion; and, the ship subsidy bill having been from time to time laid aside at the request of the chairman of the committee, the motion itself has been laid aside.

For over 10 days I have had a mass of material which I wanted to submit to the Senate bearing especially on the question of ship subsidy, but I have had no opportunity; and I am a little afraid that some of it will be somewhat stale and perhaps out of date before we take up the ship subsidy bill again. However, it is material and pertinent, and perhaps will keep to the time when the chairman of the committee is ready to allow the Senate to proceed with the ship subsidy measure.

It has been heralded through the press from time to time that those opposed to ship subsidy were resorting to tactics here which amounted almost to a filibuster to prevent the consideration of that measure. The fact is, however, that we have been ready and prepared to discuss ship subsidy every day since the bill has been here. Some of us have been anxious for an opportunity to continue the discussion, but the bill has been laid aside. I do not criticize the chairman of the committee. He saw that in the public interest that was the proper course to pursue when we had supply bills before the Senate, and that he should lay aside his bill and let us consider the appropriation bills. Those bills have been considered promptly and expeditiously, without any attempt at delay on the part of anybody; and yet, because those bills have taken the place of the ship subsidy bill, opponents of ship subsidy have been charged with delaying matters in order that there might not be a vote on the ship subsidy bill.

Mr. JONES of Washington. Mr. President——

Mr. FLETCHER. I do not say that the chairman of the committee has done that at all.

Mr. JONES of Washington. The Senator knows that I have not.

Mr. FLETCHER. I know that the Senator has been quite reasonable about that and has had no part in it; but some newspapers, and particularly those newspapers that apparently like the name of subsidy, to which no sort of terror comes when the word "subsidy" is used, that are especially fond of it, apparently, want to make capital out of that situation at the expense of those who in good faith believe that legislation to be vicious and bad.

However, the time has come now when we are to act upon rural-credit legislation. I think both sides of the Chamber are anxious to proceed with that question. We may have some little difference in detail as to whether or not the measures now proposed before the Senate entirely meet the situation, but we are in agreement upon the broad proposition that something ought to be done to meet the needs of agriculture by providing a financial system that will accommodate the farmers in the matter of their short-time personal credits, and in the matter of the marketing and distribution of their products.

The question now, therefore, is which one of these measures will be taken up. The Senator from Nebraska [Mr. NORRIS], having made this motion some time ago, desires now to have it settled, and desires a vote upon it; and I feel that we ought to accommodate him in that respect, because we are confronted with a situation where this subject of rural credits is to be taken up by the Senate in one form or another. Therefore I do not care to continue the discussion of the motion any further, since the Senator from Nebraska desires it to be acted upon at this time, and I am prepared to vote on the question.

Mr. SIMMONS. Mr. President, as I have stated heretofore upon the floor of the Senate, I am not in favor of the bill known as the Norris bill reported by the Agricultural Committee; but frankness requires me to say that I know, from letters and resolutions that have come to my attention, that there are a great many farmers in this country who are in favor of the Norris bill. There are organizations of farmers in the United States who have expressly approved that bill and who believe that it will afford agriculture in certain sections of the country more ample relief than any of the other bills.

I do not agree with them. I do not think it would be wise legislation. I do not like the principle involved in it, and I do not believe that it will meet the evil of which the farmers complain; but, Mr. President, I should not like to cast a vote summarily to cut off this body from consideration of that measure. I think it is entitled to have the consideration of the Senate. If we should vote not to take it up, that would be construed as a vote not to consider it, and I am not willing to cast that sort of vote. Opposed to it as I am, I am perfectly willing that it shall have a test in the Senate.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. SIMMONS. Yes.

Mr. LENROOT. May I call the Senator's attention to the parliamentary situation that would arise? If the Norris bill is taken up, of course it is in order to offer an amendment in the form of a substitute to that bill, but no other substitute can be offered to it until that is voted upon. The Senator has a rural credit bill; and if the Norris bill should be taken up, and the chairman of the committee should offer the committee bill as a substitute for the Norris bill, the Senator never would have an opportunity of offering his bill and having a vote upon it.

Mr. SIMMONS. Mr. President, if the Norris bill is taken up the Senate can consider it, and then a motion can be made to take up some other bill as against that; and that motion will prevail if a majority of the Senate, after consideration of the Norris bill, decide that they prefer some other bill.

If any bill is offered as a substitute, before the vote is taken upon the substitute, it will be subject to amendment, and if the friends of agriculture are disposed to favor the principles of that bill, it can be amended so as to make it meet the majority views of the Senate.

I do not apprehend any complications which might prevent the Senate from expressing its real opinion upon this subject. I think we might as well discuss all of these measures at one time, and out of all of them evolve some measure which will be satisfactory to the Senate, and that we can do by the process of amendment and substitution if we so desire, or we can take up either of the other two bills which have been reported from the committee upon a motion to proceed to its consideration and thus displace the Norris bill. I am loath to cast a vote which would seem to deny the Senate an opportunity even to consider this measure, which I know a great many farmers in the country favor and advocate.

Mr. SWANSON. Mr. President, the most important matter to be enacted by the Congress before adjournment is a rural credits bill. I think the measure brought before Congress along that line should be confined to that subject. The bills which have been reported by the Banking and Currency Committee, and which will be taken up if this motion is defeated, are confined to rural credits. There are many matters in the Norris bill which do not appertain to rural credits, and with the assurance that if this motion is defeated, if unanimous consent is not given for the consideration of those bills, a motion will be made to take up those two measures reported by the Banking and Currency Committee, which confine their enactments to rural credits, I shall vote against the Norris motion. I think the wise thing for the Senate to do is to bring currency legislation before the Senate, and then after that bill has been made the unfinished business the bill offered by the Senator from North Carolina and other bills which confine their enactments to currency legislation can properly be considered. I think that is the wisest and best way to get currency legislation at this session of Congress, to make currency legislation the unfinished business, and postpone action on other measures which embody other things.

Entertaining this view, I shall vote against the consideration of the Norris bill, with the assurance that if unanimous consent is not given to take up the two measures reported from the

Banking and Currency Committee, the chairman of that committee will make a motion to take them up and make them the unfinished business.

Mr. McLEAN. Mr. President, I have already announced that that is my purpose.

Mr. CAPPER. Mr. President, I am for all three of the measures which have been mentioned in this discussion. I had a part in framing the two credit measures. As a member of the Joint Agricultural Commission, which worked for some three months on rural-credits legislation, I joined with the commmission in reporting what is known as the Lenroot-Anderson bill. I think that is a good measure, and it should be passed. I introduced what has been referred to here as the Capper bill, which I do not believe will interfere with the Lenroot bill. I hope to see both bills passed.

As a member of the Committee on Agriculture and Forestry, I voted in the committee to report the Norris bill, and I expect to support it, with possibly some slight amendments, because I believe it is a good measure.

It seems now to be a question simply as to which one of these measures shall have first consideration. I would like to see the Lenroot bill and the Capper bill, which are really rural-credit measures, have first consideration, and then I shall vote for any motion looking to the consideration of the bill introduced by the Senator from Nebraska. In voting against the motion of the Senator from Nebraska I shall not do so in any spirit of antagonism toward his legislation, but because I believe the rural-credit measures should have precedence in consideration in the Senate.

Mr. NORRIS. Mr. President, the argument of the Senator from Kansas is likewise ingenious. He says he is in favor of the bill I have moved to take up, and I am not questioning his sincerity for a moment. I know he was favorable to it in the committee, and voted to report it. But it seems to me the course he proposes we shall take is a very unwise one. If we are to lay that bill aside now to take up something else which has been reported subsequently, the probabilities are that before we get through with that subject some other bill will be reported, and we will lay aside again the bill I have reported. In the meantime the 4th of March is approaching, which means death to everything that is undisposed of.

The fact is that the bill I have moved to take up has been on the calendar of the Senate for weeks. These other bills, which the Senator from Kansas wants to put ahead of it, have been here for only a few days, having been reported just last week, I think, just a day or two ago. If there is any difference in the order in which they should be taken up, then it seems to me the precedence ought to be given to the bill reported by the Committee on Agriculture and Forestry.

I would like to say to the Senator from Kansas that at this time, by this motion, the bill reported by that committee has been put on trial for its life. It will either be taken up by this motion, or it will be dead for this session of Congress. Let nobody be deceived on that proposition.

The PRESIDING OFFICER (Mr. MOSES in the chair). The question is on agreeing to the motion of the Senator from Nebraska that the Senate proceed to the consideration of Senate bill 4050. On that question the yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I have a general pair with the junior Senator from West Virginia [Mr. ELKINS]. I transfer that pair to the senior Senator from Missouri [Mr. REED] and vote "nay."

Mr. McCUMBER (when his name was called). I have a general pair with the junior Senator from Utah [Mr. KING]. I transfer that pair to the senior Senator from Vermont [Mr. DILLINGHAM] and vote "nay."

Mr. McKELLAR (when his name was called). I have a pair with the Senator from Indiana [Mr. NEW]. I do not see him in the Chamber, so I withhold my vote.

Mr. PHIPPS (when his name was called). I have a general pair with the junior Senator from South Carolina [Mr. DIAL]. I am informed that, if present, he would vote as I intend to vote, and therefore, being at liberty to vote, I vote "nay."

Mr. SIMMONS (when his name was called). I wish to inquire if the junior Senator from Minnesota [Mr. KELLOGG] has voted?

The PRESIDING OFFICER. He has not.

Mr. SIMMONS. I have a general pair with that Senator, which I transfer to the senior Senator from Ohio [Mr. POMERENE] and vote "yea."

Mr. STERLING (when his name was called). I have a pair with the senior Senator from South Carolina [Mr. SMITH]. I understand that, if present, that Senator would vote as I intend to vote. I therefore am at liberty to vote, and I vote "nay."

Mr. WARREN (when his name was called). May I inquire if the Senator from North Carolina [Mr. OVERMAN] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. WARREN. I transfer my pair with that Senator to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. WATSON (when his name was called). I am informed that my general pair, the senior Senator from Mississippi [Mr. WILLIAMS], if he were present and voting, would vote "nay." Therefore I shall vote. I vote "nay."

The roll call was concluded.

Mr. SIMMONS. I desire to state that the senior Senator from South Carolina [Mr. SMITH] is absent because of an engagement in connection with the celebration of the inauguration of the governor of his State.

I also wish to announce that the junior Senator from South Carolina is absent because of a death in his family.

Mr. McKINLEY. I have a general pair with the junior Senator from Arkansas [Mr. CARAWAY], which I transfer to the junior Senator from Missouri [Mr. SPENCER] and vote "nay."

Mr. COLT. I transfer my general pair with the junior Senator from Florida [Mr. TRAMMELL] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. FLETCHER. I wish to announce that my colleague [Mr. TRAMMELL] is unavoidably absent. I wish to have this announcement stand for the day.

Mr. WARREN. I wish to announce that my colleague [Mr. KENDRICK] is unavoidably absent, engaged on business relating to the public service. He has a general pair with the Senator from Illinois [Mr. McCORMICK].

Mr. CURTIS. I wish to state that the Senator from New Jersey [Mr. EDGE] has a general pair with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 19, nays 53, as follows:

YEAS—19.

Ashurst	Culberson	Ladd	Sheppard
Bayard	Fletcher	La Follette	Simmons
Borah	George	McNary	Stanfield
Brookhart	Harris	Norbeck	Walsh, Mont.
Couzens	Heflin	Norris	

NAYS—53.

Ball	Hale	Nelson	Sterling
Broussard	Harreld	Nicholson	Sutherland
Bursum	Harrison	Oddie	Swanson
Calder	Hitchcock	Pepper	Townsend
Cameron	Jones, N. Mex.	Phipps	Underwood
Capper	Jones, Wash.	Pittman	Wadsworth
Colt	Keyes	Poindexter	Walsh, Mass.
Curtis	Lenroot	Ransdell	Warren
Ernst	Lodge	Reed, Pa.	Watson
Fernald	McCumber	Robinson	Weller
France	McKinley	Shields	Willis
Frelinghuysen	McLean	Shortridge	
Gerry	Moses	Smoot	
Glass	Myers	Stanley	

NOT VOTING—24.

Brandegee	Elkins	McCormick	Pomerene
Caraway	Gooding	McKellar	Reed, Mo.
Cummins	Johnson	New	Smith
Dial	Kellogg	Overman	Spencer
Dillingham	Kendrick	Owen	Trammell
Edge	King	Page	Williams

So Mr. NORRIS's motion was rejected.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection?

HOSPITALIZATION OF DISABLED EX-SERVICE MEN.

Mr. ASHURST. Mr. President, I have been advised that the Senate will to-morrow, or possibly not later than Wednesday, proceed to the consideration of the independent offices appropriation bill, which carries, of course, the appropriation for maintaining the Veterans' Bureau.

I have here a tabular statement prepared by the Veterans' Bureau showing the various hospitals being constructed and the number of ex-service men in the various hospitals, and also showing the number of occupied and unoccupied beds. It is an interesting and creditable statement, and has been sent to me by the Veterans' Bureau; hence it occurred to me that it would be illuminative to Senators interested in the matter. In order that it may appear in the RECORD to-morrow

morning and be considered by them before the independent offices appropriation bill comes before the Senate, in order that Senators may see the precise situation as to each hospital, I ask unanimous consent to have printed in the RECORD a letter from the Director of the Veterans' Bureau, together with the tabular statement to which I have referred, giving in detail, as I said, not only the cost but the number of beds occupied and unoccupied in the various hospitals and various other important and pertinent data regarding the hospitalization of ex-service men.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a question?

Mr. ASHURST. I yield.

Mr. REED of Pennsylvania. I think that all the material to which the Senator refers was printed in the CONGRESSIONAL RECORD of Friday last, in the proceedings of the House of Representatives of that day, and I suggest to the Senator that it is scarcely necessary to print it twice.

Mr. ASHURST. The careful and painstaking Senator from Pennsylvania is of opinion that I would attempt to print in the RECORD matter which has already been printed therein. I am sure after he has been with us some time he will see that it is not a habit of the Senate to put in the RECORD matter already printed therein. The details which I am now offering have never been printed in the RECORD in this form. I am sorry that the Senator, upon whom I am so anxious to make a good impression, would think that I would set up such a precedent here, to wit, attempting to have something printed in the RECORD which had already appeared in the RECORD, because, of course, that has never been done and I trust we never will do so.

The learned Senator will perceive upon a perusal of this statement that it is much in detail, but he is performing a useful task in calling the attention of the Senate to the figures and the illuminating data put in the RECORD by Representative MADDEN on last Friday.

Mr. REED of Pennsylvania. The Senator will give me credit for the same good intentions he claims for himself and for which I gladly give him credit. I was only trying to call his attention to something I thought he had overlooked, because there appear in fine print about 10 pages of detail regarding each hospital in the proceedings of the House of Representatives of last Friday. I thought the Senator might, perhaps, have overlooked it. If he knows what it is and has something different, I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. SMOOT. Let it be understood, however, that if it was printed in the RECORD of last Friday's proceedings, it will not be printed again in the RECORD.

Mr. ASHURST. Mr. President, I believe that I shall be obliged to read the matter I offer for printing. I have already stated that the matter which I intend to put in the RECORD has not been printed before in this form. But now, had it been printed before, I would print it again if I had to read all day.

The PRESIDING OFFICER. The Chair does not understand that the Senator from Utah entered an objection to the unanimous-consent request of the Senator from Arizona.

Mr. ASHURST. I do not want to be catechised any more about whether that which I offer has already been printed in the RECORD. Why so much anxiety as to whether or not I might happen to place in the RECORD something about a wounded soldier that has already been printed? I will read that data——

Mr. SMOOT. Mr. President——

Mr. ASHURST. No; I do not yield to my distinguished friend.

The PRESIDING OFFICER. May the Chair say to the distinguished Senator from Arizona——

Mr. ASHURST. The Chair may say anything to me parliamentarily.

The PRESIDING OFFICER. No objection has been made to the Senator's request.

Mr. ASHURST. For example, I have just received the following letter:

UNITED STATES VETERANS' HOSPITAL,
Tucson, Ariz., January 9, 1923.

Senator HENRY F. ASHURST,
Washington, D. C.

DEAR SENATOR ASHURST: I wish to call your attention to the case of a Spanish War veteran, Corlis E. Hinds, who died at United States Veterans' Hospital, Tucson, Ariz., from tuberculosis contracted in line of duty and of the refusal of the Veterans' Bureau to bury the body, to ship it to his wife in California, or to bear the slightest expense of the funeral.

The deceased left no funds for burial, nor did his wife have any.

The commanding officer of this hospital, Major James, was unable to bury body or ship the remains to his wife in California because of a Veterans' Bureau regulation which states it will not bear any expense of the funeral of Spanish War veterans.

As far as the Veterans' Bureau was concerned, it could go to potter's field.

Through the kindness and generosity of the patients here, sufficient money was raised by a collection amongst them to buy a coffin and ship the body to his wife for burial in the Soldiers' Home Cemetery, Sawtelle, Calif.

Only since last August have Spanish War veterans been admitted to United States veterans' hospitals, and this is the first case of a death amongst them. It no doubt will be duplicated, and I am sure the patients do not feel they should dig in their pockets to bury one of their comrades who rightly should be buried by the Government.

Knowing of your past work for the welfare of ex-service men, I trust you will do whatever is necessary to prevent a recurrence of this case.

It will be greatly appreciated if you will get authority for Major James, the commanding officer here, to pay the funeral expenses in this past case also, so that the money collected for the funeral ($140) may go to the widow and children of the deceased, who are destitute.

Respectfully yours, JAMES J. WEBB.

There is plenty of time, Mr. President, to consider ship subsidy bills, but if a Senator inferentially suggests he is going to ask that certain data regarding ex-service men's hospitalization be printed, Senators became astute and quick to suggest that care should be used lest perhaps a sentence about ex-service men that was in the RECORD of last Friday might get in again.

The data I sought to place in the RECORD is important information and has been prepared by the Veterans' Bureau at my special request. If Senators will carefully study the same they will obtain copious data respecting the vital subject of hospitalization of ex-service men.

I now avail myself of the privilege. No; the right. No; but the duty of explaining to the Senate how a little more courage and a little more of the capacity to bear criticisms on the part of the Veterans' Bureau might relieve hundreds of soldiers.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I do.

Mr. SMOOT. I wish to say that the Senator from Arizona is mistaken. What the Senator from Utah said was that, of course, it was understood, if matter has been once printed in the RECORD the Senator from Arizona would not wish to have it printed in the RECORD again.

Mr. ASHURST. The Senator from Utah is correct in that statement.

Mr. SMOOT. I wish to say to the Senator from Arizona that it is understood between the two Houses that whenever anything has been once printed in the RECORD, it shall not again be printed in the RECORD. I shall not object to the matter the Senator offers being printed, and I never offered such an objection in any way, shape, or form. I merely asked the Senator from Arizona the same question which I have asked other Senators a hundred and perhaps a thousand times on the floor of the Senate, and the Senator from Arizona is the first Senator who has ever taken exception to the asking of that question.

Mr. ASHURST. I am the first Senator who has ever taken exception to the question?

Mr. SMOOT. And I thought his doing so was really out of place, I will say to the Senator.

Mr. ASHURST. I know the Senator from Utah thinks my doing so is out of place, but I am the judge in such a case. The Senator said, "It is understood that if the matter has been printed in the RECORD heretofore, it shall not go again into the RECORD," but I will not submit to such a censorship and such a revision of my humble contributions to the RECORD. I am the one who should say whether or not a matter which I present has previously been printed in the RECORD.

Mr. SMOOT. If the Senator from Arizona had assured me that the matter had not previously been printed in the RECORD, there would not have been a word said about it.

Mr. ASHURST. Why is it that the question has not been asked as to whether matters in regard to the ship subsidy bill which Senators have desired printed in the RECORD have previously been printed in the RECORD?

Mr. SMOOT. No one, so far as I am aware, has in the discussion of that bill asked that matters which have previously been printed in the RECORD shall again be so printed.

Mr. ASHURST. Mr. President, I do not wish to prolong any controversy with the Senator from Utah, nor do I wish to delay action of the Senate on the pending bills. Least of all do I

wish to take part in any action here which shall savor of a filibuster against any of these bills, but no subject is more important or should more truly engage our attention than the care of our disabled soldiers.

Mr. SMOOT. Mr. President, all the Senator from Arizona has got to do—and, of course, I shall take his word as to the matter—is to state, as he has stated now, that what he desires printed in the RECORD has not previously been so printed. There will not be another word on my part in reference to the subject, and what he desires may be printed in the RECORD. So far as any Senator in this body is concerned, no one wishes to object to any matter going into the RECORD which might benefit the veterans of the World War or assist in making the provisions which have been made for them better than they now are.

Mr. ASHURST. I believe the Senator from Utah is just as anxious and as earnest about hospitalizing the soldiers as am I, or as is any other Senator.

Mr. SMOOT. The Senator from Arizona knows that I am.

Mr. ASHURST. But the Senator from Utah is too busy a man; he has not the time—no Senator has the time if he is going to do anything else—to give particular attention to the hospitalization question. I have given the subject especial attention. The Senator from Utah can not do so; there are not sufficient hours in the day for even the Senator to make himself familiar with all the details regarding hospitalization, though he is familiar with most of the subjects which are before the Senate for consideration.

Mr. SMOOT. The Senator from Arizona knew that I agreed with him, for it was not 15 minutes previously that he brought the question to my attention and I agreed with him absolutely.

Mr. ASHURST. Yes; that is true.

Mr. SMOOT. There is no question of my desire at all. I have no wish to do anything which would in any way interfere with the Senator.

Mr. ASHURST. I do not wish to prolong the controversy, but I wish to conclude what I started to say, to wit, that Senators should read this tabular statement. That is all I have to say, Mr. President, and I yield the floor.

The PRESIDING OFFICER. Without objection, the matter referred to by the Senator from Arizona will be printed in the RECORD.

The matter referred to is as follows:

UNITED STATES VETERANS' BUREAU,
OFFICE OF THE DIRECTOR,
Washington, January 13, 1923.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.

DEAR SENATOR ASHURST: There is transmitted herewith statement on hospitals which you requested Thursday. This statement includes all hospitals available to the United States Veterans' Bureau, whether under the direct jurisdiction of the United States Veterans' Bureau or under the control of other Government agencies, such as the Army, Navy, National Soldiers' Homes, or the Public Health Service. It is believed that the notes at the bottom of this statement adequately explain the data presented. You will note that the item "Capital cost" is rather fully explained, since this item involves a very definite interpretation in order that the data presented for the several hospitals may be consistent. There has been eliminated from this cost statement expenditures for ordinary repairs and maintenance of buildings and property, and there have been included only such items as seem to be definite improvements and subsequently enhance the value of the real property. You will note that under this item there have been included certain expenditures at hospitals operated by the Army, Navy, and soldiers' homes. These expenditures have been made by these services out of funds allotted to them from the United States Veterans' Bureau, or from the first Langley bill in the instance of the soldiers' homes. You will note further that this item includes not only known obligations or expenditures but also estimated expenditures where the project is being planned at the present time or where the contracts have not to date been awarded. No separation has been made by individual hospitals showing the classification of the expenditures made, and it is true in a number of instances that the amount shown includes not only the first and second Langley bill obligations, or estimated obligations, but also such expenditures as may have been made at some prior date from various available appropriations.

In regard to the first Langley bill, you are advised that the entire sum of $18,600,000, the control of which was under the Treasury Department, has been entirely obligated or allotted. In regard to the second Langley bill, you are advised that the entire appropriation of $17,000,000 has been obligated or allotted. From neither of these appropriations can further allocation of funds be made for other hospital projects than those already agreed upon.

With regard to the supplemental information which you requested relative to Arizona, you are advised that at the present time in the two Veterans' Bureau hospitals at Arizona there is a total of 65 nurses employed—46 at United States Veterans' Hospital No. 50, Prescott, Ariz., and 19 at United States Veterans' Hospital No. 51, Tucson, Ariz. The total personnel employed at the hospital at Prescott numbers 462, while the total personnel employed at the hospital at Tucson numbers 119. With regard to the number of and type of buildings at each of these institutions, you are advised that at Hospital No. 50, Prescott, Ariz., there is a total of 71 buildings, classified as follows: Hollow tile, 18; concrete blocks, 19; brick, 7; wooden frame, 23; corrugated iron, 1; reinforced concrete, 2; iron, 1. At the United States Veterans' Hospital No. 51, Tucson, Ariz., there is a total of approximately 70 buildings, 50 of which are cottages for patients, each accommodating approximately six patients; the balance of the buildings are for utilities and administration. All of these buildings are of temporary frame construction.

With regard to the civil institutions used in the State of Arizona, you are advised that at the present time this bureau is utilizing but five hospitals in that State, as follows:

Arizona Hospital, Tucson, Ariz., 8 patients.
Hotel Rest Sanatorium, Tucson, Ariz., 1 patient.
Phoenix Sanatorium, Phoenix, Ariz., 3 patients.
St. Joseph's Hospital, Phoenix, Ariz., 15 patients.
St. Luke's Home, Phoenix, Ariz., 5 patients.

It is hoped that the above information and the information in the attached statement will be suitable for your purpose and in every way satisfactory. However, should you desire any additional data relative to this or any other activity in this bureau, I should be very glad to furnish it to you upon your request.

Very truly yours,

C. R. FORBES, *Director.*

Hospital facilities available to United States Veterans' Bureau as of December 30, 1922, including location of new hospitals and additions to existing hospitals being constructed under the first and second Langley bills.

Hospital.		Branch of service.	Type.	Occupied beds.	Unoccupied beds.	Total beds.	Capital cost.	Remarks.
No.	Location.							
	ALABAMA.							
	Tuskegee [1]	U. S. V. B.	N. P. and T. B.				$1,985,000.00	Being constructed out of first Langley bill, furnishing 596 beds to be ready March, 1923.
83	Mobile	do	General	27	24	51		Leased hospital.
	ARIZONA.							
50	Prescott [1]	do	T. B.	569	254	823	591,860.00	Includes 422 new beds from first Langley bill.
51	Tucson	do	do	258	2	260	285,000.00	Land leased, buildings Government owned.
	ARKANSAS.							
78	North Little Rock [1]	do	N. P.	265		265	250,000.00	Provided by first Langley bill.
	Hot Springs	U. S. A.	General	40	110	150		
	CALIFORNIA.							
54	Arrowhead Springs	U. S. V. B.	do	136	39	175		Leased hospital.
64	Camp Kearney	do	T. B.	258	292	550		
24	Palo Alto	do	do	392	122	514	155,365.00	To be discontinued upon completion of hospital at Livermore, Calif., as a tuberculosis hospital.
	Palo Alto [1]	do	N. P.				1,303,620.00	Being constructed out of first Langley bill, furnishing 515 beds to be ready February, 1923.
	Livermore [1]	do	T. B.				1,700,000.00	Being constructed out of second Langley bill, furnishing 425 beds to be ready approximately February, 1924.
19	San Francisco	U. S. P. H. S.	General	6		6		
	Do	U. S. A.	do	109	291	400		
	Mare Island	U. S. N.	do	9		9		
	San Diego	do	do	8		8		
	Los Angeles	N. H. V. D. S.	T. B. and general	230		230	1,188,772.00	

[1] First or second Langley bill construction.

Hospital facilities available to United States Veterans' Bureau as of December 30, 1922, etc.—Continued.

Hospital. No.	Hospital. Location.	Branch of service.	Type.	Occupied beds.	Unoccupied beds.	Total beds.	Capital cost.	Remarks.
	COLORADO.							
80	Las Animas	U. S. V. B	T. B	247	253	500		Formerly United States Naval Hospital, Fort Lyons, Colo.
	Denver	U. S. A	do	850	409	1,259	$1,062,382.00	
	CONNECTICUT.							
41	New Haven	U. S. V. B	do	426	74	500		Leased hospital.
	DISTRICT OF COLUMBIA.							
32	Washington	do	General	200	30	230	959,994.00	
	Do	U. S. A	do	309	441	750		
	Do	U. S. N	do	61	89	150		
	Do	Int. Dept	N. P	825		825		St. Elizabeths Hospital.
	FLORIDA.							
63	Lake City[1]	U. S. V. B	General	213	26	239	422,000.00	Includes 100 tuberculosis beds constructed out of first Langley bill.
10	Key West	U. S. P. H. S	do	1	24	25		
	Pensacola	U. S. N	do		25	25		
	GEORGIA.							
48	Atlanta	U. S. V. B	do	91	14	105	204,467.00	
62	Augusta[1]	do	N. P	256		256	901,351.00	265 new neuropsychiatric beds being constructed here from first Langley bill, to be available January, 1923.
20	Savannah	U. S. P. H. S	General	12	10	22		
	IDAHO.							
52	Boise	U. S. V. B	do	147	68	215	77,000.00	
	ILLINOIS.							
30	Chicago	do	do	429	111	540		Leased hospital.
53	Dwight	do	do	135	97	232		Do.
76	Maywood	do	do	735	190	925	3,365,229.00	
5	Chicago	U. S. P. H. S	do	2	1	3		
	Great Lakes	U. S. N	N. P. and Gen	229	121	350	48,000.00	
	Danville	N. H. V. D. S	General	11		11		
	INDIANA.							
8	Evansville	U. S. P. H. S	do	15	19	34		
	Marion[1]	N. H. V. D. S	N. P	732	53	785	1,608,786.00	80 new neuropsychiatric beds being built here from first Langley bill, to be completed January, 1923.
	IOWA.							
75	Colfax	U. S. V. B	General	34	168	202		Leased hospital.
57	Knoxville[1]	do	N. P	173		173	1,100,000.00	Purchased and being enlarged to a 440 bed neuropsychiatric hospital from second Langley bill, to be completed approximately August 1923.
	KENTUCKY.							
69	Fort Thomas	do	General	110	35	145		Leased hospital.
79	Dawsonsprings	do	T. B	347	59	406	1,458,198.00	
11	Louisville	U. S. P. H. S	General	44	8	52		
	LOUISIANA.							
27	Alexandria[1]	U. S. V. B	T. B	340	60	400	156,808.00	Leased hospital; $59,516 spent from first Langley bill here for kitchen and mess hall.
84	New Orleans	do	General	198	3	201	2,550.00	
14	do	U. S. P. H. S	do	22	87	109		
	MAINE.							
16	Portland	do	do	17		17		
	Togus	N. H. V. D. S	do	5		5		
	MARYLAND.							
56	Fort McHenry	U. S. V. B	do	155		155	67,615.00	Hospital probably to be closed at an early date.
42	Perryville[1]	do	N. P	294	306	600	677,604.00	Includes 300 new neuropsychiatric beds built from first Langley bill.
	MASSACHUSETTS.							
44	West Roxbury	do	do	245	5	250		Leased hospital.
	Rutland[1]	do	T. B				815,000.00	Hospital being built from first Langley bill, furnishing 220 tuberculosis beds to be completed approximately May, 1923.
	Northampton[1]	do	N. P				2,277,000.00	Hospital being built from second Langley bill, furnishing 436 neuropsychiatric beds to be completed approximately February, 1924.
2	Boston	U. S. P. H. S	General	3	9	12		
	Chelsea	U. S. N	do	251	99	350		
	MICHIGAN.							
	Camp Custer[1]	U. S. V. B	N. P				1,700,000.00	Hospital being built from second Langley bill, furnishing 500 neuropsychiatric beds to be completed approximately December, 1923.
7	Detroit	U. S. P. H. S	General	40		40		
	MINNESOTA.							
65	St. Paul	do	do	287	53	340		Leased hospital.
68	Minneapolis	do	do	242	96	338		Do.
	St. Cloud[1]	do	N. P				1,150,000.00	Hospital being built from second Langley bill, furnishing 250 neuropsychiatric beds to be completed approximately February, 1924.

[1] First or second Langley bill construction.

Hospital facilities available to United States Veterans' Bureau as of December 30, 1922, etc.—Continued.

Hospital. No.	Hospital. Location.	Branch of service.	Type.	Occupied beds.	Unoccupied beds.	Total beds.	Capital cost.	Remarks.
	MISSISSIPPI.							
74	Gulfport [1]	U. S. P. H. S.	N. P.	134	76	210	$1,112,351.33	New hospital of 250 beds being built on the site from second Langley bill, to be completed approximately February, 1924.
	MISSOURI.							
35	St. Louis	do	General	383	182	565		Leased hospital.
67	Kansas City	do	do	121	4	125		Do.
	St. Louis [1]	do	do				1,265,000.00	Hospital being built from first Langley bill, furnishing 250 general beds, to be completed March, 1923.
	Excelsior Springs [1]	do	T. B				375,000.00	Hospital purchased and being reconstructed from second Langley bill, furnishing 75 tuberculosis beds.
18	St. Louis	do	General	14	19	33		
	MONTANA.							
72	Helena	U. S. V. B	do	66	119	185	97,975.00	
	NEW HAMPSHIRE.							
	Portsmouth	U. S. N	General	8	42	50		
	NEW MEXICO.							
55	Fort Bayard [1]	U. S. V. B	T. B	603	347	950	992,500.00	Includes 250 new beds, constructed from first Langley bill.
	NEW YORK.							
81	Bronx [1]	do	N. P	360	95	455	3,485,000.00	Hospital built from first Langley bill, to give total capacity of 1,011 neuropsychiatric beds: balance of beds to be available soon.
3	Chelsea [1]	do	T. B				1,900,000.00	Hospital being built from first Langley bill, furnishing approximately 450 tuberculosis beds.
	Tupper Lake [1]	do	do				1,900,000.00	Hospital being built from second Langley bill, furnishing 450 tuberculosis beds.
3	Buffalo	U. S. P. H. S.	General	17		17		
21	Stapleton	do	do	1	21	22		
70	New York	do	do	5	10	15		
	Brooklyn	U. S. N	do	167	233	400		
	NORTH CAROLINA.							
60	Oteen [1]	U. S. V. B	T. B	755	345	1,100	458,000.00	200 additional new T. B. beds being constructed here from first Langley bill, to be completed February, 1923.
	OHIO.							
87	Chillicothe	do	General	6	52	58		Vocational school hospital.
	Chillicothe [1]	do	N. P				1,700,000.00	Hospital being constructed from second Langley bill, furnishing 436 N. P. beds, to be completed approximately December, 1923.
	Dayton [1]	N. H. V. D. S.	T. B. and general.	362	69	431	1,671,830.00	Additional unit of 302 T. B. beds being constructed here from first Langley bill, to be completed January, 1923.
6	Cleveland	U. S. P. H. S.	General	35	25	60		
	OREGON.							
77	Portland	U. S. V. B	do	134	15	149		Leased hospital.
	PENNSYLVANIA.							
49	Philadelphia	do	N. P	237	168	405		
	Aspinwall [1]	do	T. B				1,000,000.00	Hospital being built from second Langley bill, site purchased from first Langley bill, furnishing 250 neuropsychiatric beds.
15	Pittsburgh	U. S. P. H. S.	General	39	3	42		
	League Island	U. S. N	do	93	32	125		
	RHODE ISLAND.							
	Newport	do	do	19	31	50		
	SOUTH CAROLINA.							
26	Greenville	U. S. V. B	T. B	364	36	400	560,000.00	Land leased; buildings Government owned.
	SOUTH DAKOTA.							
	Hot Springs	N. H. V. D. S.	General	52	35	87	67,730.00	
	TENNESSEE.							
88	Memphis [1]	U. S. V. B	do	125	40	165	859,000.00	Hospital purchased outright from second Langley bill.
	Johnson City	N. H. V. D. S.	T. B	638	357	995	721,949.00	
	TEXAS.							
25	Houston	U. S. V. B	General	380	320	700	8,181.00	Land leases; buildings Government owned.
	El Paso	U. S. A	do	125	75	200	19,400.00	
	San Antonio	do	do	174	126	300	45,305.00	
	VIRGINIA.							
	Norfolk	U. S. N	do	44	56	100		
	Hampton	N. H. V. D. S.	do	13		13	14,940.00	

[1] First or second Langley bill construction.

Hospital facilities available to United States Veterans' Bureau as of December 30, 1922, etc.—Continued.

Hospital. No.	Hospital. Location.	Branch of service.	Type.	Occupied beds.	Unoccupied beds.	Total beds.	Capital cost.	Remarks.
	WASHINGTON.							
59	Tacoma	U. S. V. B	T. B. and N. P	249	53	302		Leased hospital.
85	Walla Walla [1]	do	T. B	141	69	210	$450,000.00	Hospital built from first Langley bill.
	American Lake [1]	do	N. P				1,150,000.00	Hospital being built from second Langley bill, furnishing 250 neuropsychiatric beds.
17	Port Townsend	U. S. P. H. S	General	1	3	4		
	WISCONSIN.							
27	Waukesha	U. S. V. B	N. P	216	58	274	469,000.00	
	Milwaukee [1]	N. H. V. D. S	General	119	59	178	1,814,928.00	Tuberculosis unit of 612 beds being built here from first Langley bill to be completed January, 1923.
	WYOMING.							
86	Fort McKenzie [1]	U. S. V. B	N. P	202	38	240	180,000.00	Hospital built from first Langley bill.

[1] First or second Langley bill construction.

NOTES.—(a) United States Veterans' hospitals show total facilities; hospitals under jurisdiction of other Government agencies show beds allotted to the United States Veterans' Bureau, with exception of United States Public Health Service hospitals, where such facilities as are available from time to time may be used; in this latter instance vacant beds are available to all classes of patients the Public Health Service receives.

(b) "Capital costs" include expenditures on real property including improvements and exclude expenditures for equipment other than fixed equipment. Only such expenditures as have been made or allotted by the United States Veterans' Bureau or United States Public Health Service or from the Langley bills, and from public act 326 March 3, 1919, and its extensions are included. Valuation of property received by gift or transfer, other than from the Public Health Service, has not been made. Figures for this item are approximate. Figures shown for National Soldiers' Homes, Army and Navy hospitals include only such expenditures as have been made from United States Veterans' Bureau allotments. Excludes cost of maintenance and ordinary repairs. This item includes not only actual expenditures made, but in cases where contract has not been completed, the full contract price, and in cases where contract not awarded, the estimated allotment for project.

(c) Branches of service as follows:
U. S. V. B.—United States Veterans' Bureau.
U. S. A.—United States Army.
U. S. N.—United States Navy.
N. H. V. D. S.—National Homes for Volunteer Disabled Soldiers.
U. S. P. H. S.—United States Public Health Service.
Int. Dept.—Interior Department (St. Elizabeths).

THE MERCHANT MARINE.

During the delivery of Mr. ASHURST's speech,

Mr. JONES of Washington. Mr. President, will the Senator yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Washington?

Mr. ASHURST. I yield.

Mr. JONES of Washington. I do not like to interrupt the Senator, but I have an engagement with the subcommittee of the Committee on Appropriations and I am wondering if the Senator would permit my request to lay aside the unfinished business to be acted upon?

Mr. ASHURST. I yield to the Senator.

Mr. JONES of Washington. I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that the unfinished business, House bill 12817, may be temporarily laid aside. Is there objection? The Chair hears none, and it is so ordered.

RURAL MARKETING AND CREDIT FACILITIES.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Connecticut?

Mr. ASHURST. I yield.

Mr. McLEAN. I ask unanimous consent that the Senate proceed to the consideration of Senate bill 4280.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States, and for other purposes, which had been reported from the Committee on Banking and Currency with amendments.

After Mr. ASHURST's speech,

Mr. McLEAN obtained the floor.

Mr. SIMMONS. Will the Senator yield to me to suggest the absence of a quorum? I think we ought to have a quorum here.

Mr. McLEAN. If the Senator desires it, it is immaterial to me.

Mr. SIMMONS. Mr. President, with the permission of the Senator from Connecticut, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Broussard	Ernst	Glass
Ball	Capper	Frelinghuysen	Harreld
Bayard	Couzens	George	Harris
Heflin	McLean	Phipps	Sutherland
Jones, Wash.	McNary	Pittman	Townsend
Kellogg	Moses	Reed, Pa.	Underwood
Keyes	Nelson	Sheppard	Walsh, Mass.
Ladd	New	Simmons	Walsh, Mont.
La Follette	Nicholson	Smoot	Warren
Lenroot	Overman	Stanfield	Watson
Lodge	Pepper	Sterling	Willis

The PRESIDING OFFICER (Mr. LADD in the chair). Forty-four Senators having answered to their names, a quorum is not present. The Secretary will call the names of the absentees.

The Assistant Secretary called the names of the absent Senators, and the following Senators answered to their names:

Borah	Hale	Myers	Shields
Bursum	Harrison	Norbeck	Shortridge
Calder	Johnson	Oddie	Wadsworth
Cameron	King	Poindexter	Weller
Culberson	McCumber	Ransdell	Williams
Curtis	McKellar	Robinson	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present. The Senator from Connecticut will proceed.

THE PROBLEMS WHICH CONFRONT THE FARMER.

Mr. McLEAN. Mr. President, there are so many measures pending in the Senate and the House which seek to create additional credit facilities for the agricultural interests that I want to submit a few observations which bear upon rural credits in general. I think I am as anxious to help the farmer as is any Member of this body, but I do not want to invite him to another billion-dollar dance at the close of which he will be called upon to pay the musicians. I think he has been pretty well fed up on that variety of entertainment. It is for that reason that I think we should consider the credit facilities which are now accessible to the farmer, and the extent to which they have been enjoyed, in order that we may clearly understand the real needs of agriculture in the way of additional credits.

A great deal has been said in praise and criticism of the Federal reserve system and the commercial banks of the country during the past four years. I have no desire to question the motives of those who feel that the Federal reserve system has not done its full duty by agriculture, but I do think we ought to give due weight to the actual accomplishments of existing credit systems in order that we may act intelligently in our desire to supplement them with new plans and projects for the multiplication of credit and discount facilities wholly experimental in their nature.

I think we must all agree, certainly those of us who view the operations of the Federal reserve system without prejudice, that expansion of credits is one of its easiest accomplishments, and that the large number of regional banks tends to stimulate rather than control inflation. The local statesman in any one

of the 12 districts is soon persuaded by his constituents that attempts to restrict credits is injurious to business, and that banking officials who decline to grant or renew loans are in a conspiracy to dry up the sources of prosperity, and that constantly rising prices create a wider margin of profit between cost of production and market values. When prices are going up regional banks in large industrial and manufacturing centers are pressed to extend loans to accommodate new enterprises and keep those in existence at the highest pitch of production. Regional banks in the agricultural sections are besieged to extend credits to allow the farmers to increase their production at constantly increasing cost. It is then we realize the necessity of keeping the national banking system in the control of men able to withstand the clamor of special interests, men who will curb undue inflation whenever and wherever it threatens seriously to disturb the whole credit structure of the Nation. Once the Federal Reserve Board becomes the football of politics instead of our supreme court of finance, entirely free from the influence of political appointees and politicians, the cooperation between the reserve banks, anticipated by its founders, will become less and less effective in its efforts to allay sectional prejudices. I want to call attention to the views expressed by Senator OWEN in the Financial Chronicle July 30, 1921.

I quote Senator OWEN because we all know he was chairman of the Committee on Banking and Currency when the Federal reserve act was framed, and I think he fairly represents the views of those who criticize what is called the deflation policy of the Federal Reserve Board. I quote him as follows:

> The Federal Reserve Board was created to control, regulate, and stabilize credit in the interest of all the people. * * * It is the most gigantic financial power in all the world. * * Instead of using this great power as the Federal reserve act intended that it should be used, the board abdicated. Instead of using this power in the interests of all the people, the bankers included, it delegated this power to the bankers.

About this time the governor of the Federal Reserve Board outlined his views of the responsibilities of the board and its powers under the act in a letter to Senator SMOOT, which was published in the Federal Reserve Bulletin, August, 1921, a portion of which I quote:

> In view of the fact that the 12 Federal reserve banks are independent bodies corporate and are controlled and directed each by its own board of directors, subject only to the general supervision of the Federal Reserve Board, whose authority with respect to discount is confined principally to defining eligible paper in accordance with the terms of section 13 of the Federal reserve act, it seems to me that the statement which many, both in Congress and on the outside, urge be issued by the Federal Reserve Board, stating that the Federal reserve banks will adopt certain policies in connection with the rediscounting of agricultural paper, would have to be made by the Federal reserve banks themselves. The Federal Reserve Board has no power to interfere with the discretion given or the responsibility imposed by law upon the directors of a Federal reserve bank with respect to passing upon the merits of eligible paper offered for discount.
>
> Congress did not establish a central bank in this country. It established 12 banks under the general supervision of the Federal Reserve Board, which does not exercise banking functions. These functions are exercised exclusively by the Federal reserve banks.

Anyone familiar with the language of the Federal reserve act will, I think, agree that the powers of the Federal Reserve Board are strictly limited, as stated by the governor of the board. Congress did not create a central bank and the banking functions are exercised exclusively by the 12 Federal reserve banks, and, of course, the primary loans are entirely within the discretion of the member banks.

Later on I shall call attention to bulletins issued by the board indicating its purposes and efforts to use its powers in the interests of all the people, in order to show that no matter what the actual record of the board may evidence, or the limitations may be as expressed in the law itself, critics of high standing will always be found at the peak of high prices who will convince a large portion of the American people that the board has abdicated its functions in the interests of Wall Street or some other street.

In the crisis of 1920 and 1921 the fate of the farmer, though perhaps more aggravated, was precisely similar to that which he must inevitably suffer when the tide of inflation begins to ebb. When the patience of the consumer is exhausted and the contagion of restriction in purchases gets under way the prices of foods and clothing fabrics are the first to fall, and, generally speaking, their descent is not checked until the purchasing power of the day's work of the farmer is below that of the average wage paid to men engaged in other occupations. Granting that the seasonal requirements of the farmer demand that any banking system that is to be of permanent benefit to him must accommodate itself to natural limitations under which he must operate and over which he has no control, we reply that it was for this very reason the framers of the Federal reserve system gave to the Federal Reserve Board wide discretion in its definition of agricultural paper eligible for rediscount, and doubled its length of maturity over that enjoyed by what is generally understood to be commercial paper, and this notwithstanding the fact that the basic purpose of the Federal reserve system was to provide an elastic currency secured by short-time, self-liquidating commercial paper representing actual transactions—that is, paper which is used to finance the sale of goods, the proceeds of which would be used for its retirement. Section 13 of the Federal reserve act provides that notes, drafts, and bills drawn or issued for agricultural purposes or based upon live stock and having a maturity not exceeding six months may be discounted in an amount to be limited to a percentage of the capital of the Federal reserve bank, to be ascertained and fixed by the Federal Reserve Board, whereas the maturity of commercial paper was limited to 90 days.

In April, 1918, the Federal Reserve Board issued the following definition of agricultural paper:

> Horses and mules bought for farm work are purchased with several years' use in view, yet there can be no question that a note given by a farmer in payment of a pair of mules to be used in farm work, maturing within six months, is eligible as agricultural paper. Where tractors are used to supplement the work of horses or mules or are used altogether instead of these animals, it seems to the board that notes given by farmers for the purchase of tractors, and maturing within six months, should be admitted to discount as agricultural paper * * *.

At an earlier date, 1916, the board ruled as follows with regard to agricultural implements:

> That it was a very close question whether agricultural implements are to be considered as permanent improvements or as part of the cost of operation, but as ground for liberality it must be considered that a machine of this kind is not of a permanent character. It wears out rapidly, and in most cases has to be replaced within a comparatively short time, so that it may be assumed that a certain amount of money would be spent annually and regularly for the purchase and replacement of machinery of this kind.

Again, in August, 1918, we find the eligibility of agricultural paper extended, as follows:

> Cases may arise in the reclamation of swamp lands where such lands could not be treated as farm land until expensive drainage systems have been installed. In such case there is doubt of the eligibility of the notes, the proceeds of which are used for this purpose. Where, however, the land drained is already in use as farm land, the draining may be treated as incidental to the cultivation of the land, and notes given for such purpose may be rediscounted as agricultural paper.

And again with regard to implement paper in December, 1915:

> The nature of the bill, the name of the acceptor, and the name of the drawer would probably indicate that a farmer was the purchaser and an implement dealer the seller of the goods. However, the purchasing member bank will have to satisfy itself in some satisfactory way that the bill is substantially of an agricultural character. A simple memorandum attached to the bill, stating that the bill was drawn in payment of agricultural implements, signed either by the acceptor or the drawer, would probably be considered sufficient evidence by the member bank and the Federal reserve bank.

Again in October, 1915, the board ruled:

> The committee entertained the view that warehouse receipts for cotton, grain, and other staple nonperishable agricultural products of a readily marketable character, form an excellent basis for bank loans.

And in October, 1917:

> Potatoes, properly graded and packed and stored in a weatherproof and responsible warehouse, as evidence by its receipt, would undoubtedly constitute a readily marketable, nonperishable staple within the meaning of the regulation.

Other bulletins were issued from time to time. I have called attention to a few of them to indicate a general disposition on the part of the board to extend the rediscount privilege to agricultural paper with a maturity of six months in every instance where it could be done with reasonable safety to the rediscounting bank.

It has been claimed and persistently urged that it was during the deflation in 1920 and 1921 that the board evidenced its hostility toward agricultural paper at the very time when it should have been more liberal than in the earlier years. In the bulletin issued by the Federal Reserve Board in August, 1921, we find that on July 9, 1920:

> The total bills on hand at all Federal reserve banks amounted to $2,934,184,000. On July 6, 1921, this total amounted to $1,832,499,000, a decrease of $1,101,685,000 * * *. The total of agricultural, commercial, and live-stock paper on hand, rediscounted for member banks, on July 6, 1921, was $1,126,968,000 as against a total of $1,265,243,000 on July 9, 1920, a decrease of only $138,257,000, which is more than accounted for by the decrease in the holdings of paper of this kind by the Federal Reserve Banks of Boston, New York, and Chicago.

Commenting upon these figures the governor of the board said:

> The bank liquidation which has taken place has been mainly in financial and industrial centers, and the figures do not indicate that there has during the past 12 months been any decrease in Federal reserve accommodations to banks in the agricultural and live-stock districts, but on the contrary there has been a considerable increase.

In this connection it should be borne in mind that the decline in the price of farm products was more rapid than the reduction of credits. As there was no decline in the total of agricultural paper held in the nine agricultural regions, it must follow that reserve funds in these districts were increased for the benefit of agriculture.

The claim that the Federal reserve banks or the member banks discriminated against loans to rural districts during the inflation period would seem to be without foundation. The committee of agricultural inquiry appointed early in 1921 thoroughly investigated this subject, and in Part II of their report we find the following summary:

1. That the expansion of bank loans in rural districts during the period of inflation ending June, 1920, was relatively greater than in the industrial sections taken as a whole.
2. That the action of the Federal Reserve Board and the Federal reserve banks during the 15 months preceding April 28, 1921, did not produce a greater curtailment of bank loans in the rural districts than in the financial and industrial sections.
3. Credit was not absorbed by the financial centers at the expense of rural communities for the purpose of speculative activities.
4. That the pressure of the forces of liquidation and depression in the agricultural sections was reflected in a reduction of deposits. This reduction of deposits, particularly demand deposits, was relatively larger in the agricultural and semiagricultural counties in the United States than in the industrial counties.

The Senate members of this committee were Messrs. LENROOT, of Wisconsin; CAPPER, of Kansas; MCNARY, of Oregon; ROBINSON, of Arkansas; HARRISON, of Mississippi. The members for House were Messrs. ANDERSON, of Minnesota; MILLS, of New York; FUNK, of Illinois; SUMNERS, of Texas; TEN EYCK, of New York. We find in the commission many members of the agricultural bloc, and all of them were men of the highest character, and the fact that they were unanimous in reaching the conclusions which I have just quoted ought to silence for all time the claim that there was any intentional effort on the part of any public or banking official to discriminate against loans sought by the agricultural interests.

With regard to the claim that the cotton growers of the South were discriminated against by the Federal reserve banks, I want to call attention to a circular published by the Richmond bank under date of July 23, 1921, a portion of which I quote:

The Federal Reserve Bank of Richmond has never applied the progressive rate. The discount rate of this bank has never been above 6 per cent.

Criticisms of the credit policy of the Federal reserve banks are still current, and even rampant. They are possibly most frequent in the South, and more liberal credit has been urged for southern agricultural interests. The five reserve banks in the Cotton States are lending their members $457,000,000, which is 26 per cent of the loans of the entire reserve system. The total loans of these five reserve banks to their members exceed their reserve deposits by $192,000,000, whereas the reserve deposits of the other seven reserve banks exceed their loans by $118,000,000.

If loans to farmers are restricted, it is not done by the reserve banks, nor is it the result of any policy adopted by the reserve banks. The act and the regulations of the board define the character and terms of paper which may be taken by reserve banks. They lend the money to their members, and they discount the classes of eligible paper offered by their members. The greater portion of the money loaned in this district is tied up with agriculture in one way or another.

The two cotton States of this district are North and South Carolina. Virginia grows very little cotton. This bank is lending to members in North Carolina $25,000,000, which is 411.7 per cent of their reserve deposits. It is lending to South Carolina members $21,000,000, which is 525.5 per cent of their reserve deposits. In addition to this, the member banks of these two States are borrowing $13,000,000 from other banks, which obtain the funds from the Federal reserve banks. Measure this by the situation with the seven reserve banks outside of the cotton States, which have reserve deposits exceeding their loans by $118,000,000.

The volume of loans to these two cotton States, $46,000,000, directly by the Federal Reserve Bank of Richmond and $13,000,000 from other banks, can be further gauged by the statement that it is more than half the maximum amount which all the national banks of the country ever borrowed at any one time prior to 1914, or before the Federal reserve banks were established. This bank is lending to some of its member banks ten to fifteen times the amount of their reserve deposits in order to meet their apparent necessities.

Under the conditions hereinbefore set forth, and under the terms of the Federal reserve act and the regulations of the board, the Federal Reserve Bank of Richmond will make further advances for making and gathering the growing crop and will discount for its members eligible paper secured by warehouse receipts for new cotton at 80 per cent of the market value at the time loans are made, to be kept good, and will discount acceptable trade acceptances of mills for cotton purchased and intended for consumption and bankers' acceptances based on new cotton and made under the regulations.

The reserve banks of the cotton States can adequately provide for the gathering and orderly marketing of the new crop with the full cooperation of all member banks. To make this aid thoroughly effective, member banks will be compelled to take measures to provide for the small cotton producer, both in completing his crop and in order that he may not suffer by having to sell his cotton immediately upon gathering it should there not be a satisfactory market at the time. The proceeds of such advances on new cotton should be used to liquidate current indebtedness where possible in order to give vitality to credit. It should be obvious that business can not move and be kept moving unless cotton is sold as the market will take it.

Borrowings of member banks, by States.

	Borrowings, Dec. 31, 1920.	Borrowings, June 30, 1921.	Reserve deposits, June 30, 1921.	Ratio of borrowings to reserve deposits, June 30, 1921.
				Per cent.
Maryland	$29,417,000.00	$27,177,594.14	$14,263,499.03	190.5
West Virginia	1,186,000.00	5,291,021.18	7,063,883.45	74.9
District of Columbia	4,852,000.00	3,252,780.31	6,683,612.05	18.7
Virginia	43,316,000.00	43,648,131.13	14,544,462.92	300.1
North Carolina	27,870,000.00	25,505,154.03	6,194,559.26	411.7
South Carolina	23,877,000.00	21,248,579.59	4,043,402.51	525.5
Total	130,518,000.00	126,123,260.38	52,793,519.22	238.9

I also quote from circular letter published by the Federal Reserve Board, July 20, 1921:

In view of the vital importance of the problems incident to the harvesting and marketing of the coming cotton crop, the Federal Reserve Board to-day held a conference with the governors of the Federal Reserve Banks of Richmond, Atlanta, St. Louis, Kansas City, and Dallas, the banks located in or brought in closest touch with the member banks in the cotton States, for the purpose of reviewing the credit situation in these States and determining what further credit will be needed to facilitate the harvesting and orderly marketing of this crop.

At the present time the five reserve banks in question are lending to their members $457,000,000, or more than 26 per cent of the loans of the entire system, the Richmond bank borrowing from other reserve banks $20,000,000, and the Dallas bank borrowing $16,000,000 for that purpose. The total loans of these five reserve banks to their members exceed their reserve deposits by $192,000,000, whereas the reserve deposits of the other seven reserve banks exceed their loans to their members by $118,000,000.

The Federal Reserve Board and the governors of the Federal reserve banks announce that the Federal reserve banks, in addition to credits already extended, are able and stand ready to extend further credit for the purpose of harvesting and marketing the coming crop in whatever amount may legitimately be required, either directly to their member banks or under a ruling now issued by the Federal Reserve Board, indirectly to nonmember banks acting through the agency and with the indorsement of a member bank. These loans will be made by the Federal reserve banks upon notes, drafts, and bills of exchange issued or drawn in accordance with the terms of the Federal reserve act and the regulations of the Federal Reserve Board for the harvesting and orderly marketing of the coming cotton crop.

In order, however, that these rediscount facilities of the Federal reserve banks may be made fully effective it will be necessary that member banks in the cotton States place their loaning facilities freely at the disposal of cotton producers and dealers in their respective localities with the knowledge and assurance that the Federal Reserve Board and the Federal reserve banks recognize the urgency of rendering all proper assistance to these important interests during such abnormal times.

Mr. Meyer, managing director of the War Finance Corporation, who attended the conference, reviewed the activities of the War Finance Corporation in making loans for financing cotton for immediate and future export. Governor Strong, of the Federal Reserve Bank of New York, and representatives of certain New York member banks were also invited to the conference to discuss the necessity or advisability of having various commercial banks through the country establish a fund for the purpose of making loans upon cotton. In view of the conclusions reached by the conference as to the ability of the Federal reserve banks effectively to take care of all of the legitimate requirements of the cotton interests, it was felt that the establishment of such a fund at this time is neither necessary nor advisable.

Mr. President, we all know and we ought to bear in mind at this time that the drop in prices in 1920 was world-wide. Moreover, it was foreseen and warnings of the impending and inevitable drop in prices were abundant and frequent. Every business man of experience and sound judgment knew that prices were becoming unbearable; that the war level of prices could not and ought not to be maintained, and that the persistent attempt on the part of speculators to push them higher and higher would end precisely as it did end. I am not saying that there were no instances where further extensions of credit would have been beneficial to certain interests. The point that I want to make clear is that there was no concerted action, no conspiracy, to deprive the rural sections of the country of credit that existing conditions and circumstances would warrant. To illustrate, the first large interest to feel the decline was the live-stock interest; and why? The exports of meat products from the United States in the fiscal year ending June 30, 1919, aggregated 3,338,000,000 pounds, but in the year ending June 30, 1920, they dropped to 2,048,000,000 pounds, and in the fiscal year ending June 30, 1921, our meat exports declined to 823,000,000 pounds. This enormous falling off in our exports of meat products immediately affected live-stock values, and their decline in price was universal. Spring trade in general in 1920 was not satisfactory. Far-seeing merchants began to cut prices and cancel orders, yet in May wheat sold as high as $3.45 a bushel and as late as September it sold as high as $2.75 a bushel. Cotton sold in July, 1920, at 43.75 cents per pound. It was natural for the farmers to want top prices for their products;

consequently they held them, hoping against hope that the decline was temporary and that prices would soon resume their upward rush.

I will say at this point that the present price of wheat is proportionately low; there is no question about that; but when we remember that, according to recent reports which have been received from the International Bureau of Agricultural Statistics, which is located at Rome, the production of wheat this year is estimated to be in excess of 650,000,000 bushels over normal years it is easy to see why the price of wheat is not so high as it should be, compared with that of other products.

The farmers at the beginning of the deflation period sought credits that would enable them to hold their products, and the banks, anxious to do business at a profit, were tempted in many instances to renew loans when they should have advised their customers of the impending storm and encouraged them to liquidate and sell at prices that were very much higher than the ones they were ultimately compelled to take. This is demonstrated by the fact that during the period when the most serious credit strain occurred loans by the reserve banks to member banks in the agricultural sections increased 57 per cent, in the semiagricultural sections these loans decreased 2 per cent, while in the industrial communities they decreased 29 per cent.

In view of the fact that there was so much complaint during the deflation period that the credit systems of the country were not accommodating the agricultural interests as they should, I think that statement is very important in the consideration of the subject.

It seems to me that Congress at this time should be careful to avoid as far as possible the establishment of credit facilities that will invite the farmers of the country to put on more sail and get farther and farther from shore when the next deflation storm approaches. Business depression and unemployment have been far more serious in other countries than in the United States. Everywhere enormous losses have been suffered in all industrial activities, all due to the paralysis and disorganization of industry due to the war and the consequent issue of unlimited credit.

Our purpose should be to insure to the agricultural interests reasonable credits at reasonable rates of interest, to the end that agricultural conditions may be improved, that the cost of production may be reduced by more scientific processes. It is important that we encourage and in every way assist the farmers to adopt cooperative methods for the economical control and distribution of their products. We should not invite them to indulge in the hope that regardless of the methods which they may pursue they will be provided with funds that will enable them to hold their crops until they can sell them at a profit.

The attempts of the Brazilian Government to peg the price of coffee furnishes a lesson which it would be well for us to heed. A few years ago the Government of Brazil conceived the idea that it would be a good plan to valorize the price of coffee with money taken from the public treasury. The surplus of coffee increased so rapidly and required so much money that Brazil was tempted to start her printing presses to furnish the cash. She was warned not to do this by the coffee buyers in different parts of the world, and I noticed in the press the other day that large importers of coffee in the United States were considerably worried over the fact that coffee was coming into this country from sources outside of Brazil in such large quantities that it was likely to break the back of the Brazilian monopoly and cost the American importers dearly on their outstanding contracts.

Credit conditions in this country at the present time are on a sound basis. I would not minimize the fact that the farmers are having hard times in many sections, nor would I discourage extending relief; but the fact is that normal credit conditions have already been reached in many sections of the country. This is indicated in many ways. The national banks throughout the country are reporting very large increases in their deposits. It is reported that generally throughout the South frozen credits or loans are nearly wiped out. Nonmember banks have reduced their indebtedness 80 per cent in the last year. In Houston, Tex., deposits are in excess of $100,000,000, an amount never before equaled in the history of that city.

One of the leading exporters of cotton appeared before your committee and testified that Germany was now importing close to her normal pre-war consumption and that the purchasers were meeting their payments on time and without the least difficulty. This can be readily understood when we bear in mind that Germany sold nearly a billion dollars worth of marks to Americans when the price was far below par. It should also be borne in mind in this connection that foreign loans measured in dollars sold in this country in the four years from 1919 to 1922, amounted to $2,500,000,000. It is estimated that our purchases of American securities from foreign holders since 1914 amount to $3,000,000,000, and that we have advanced $3,000,000,000 on commercial credits.

During the inflation period the farmer was very certain that the rise in prices would be maintained. Statesmen, editors, and candidates assured the farmer that low prices had passed away for all time. Instead of investing his profits in safe securities he bought mining and oil stocks or increased his acreage.

I remember that in the winter of 1919 the former Senator from Iowa, Mr. Kenyon, introduced what he denominated a "blue sky law," which was referred to the Committee on Banking and Currency. We had protracted hearings upon that bill, and my impression is that the very gentlemen who are now here urging credit legislation in the interest of the farmers appeared before our committee and testified that the farmers in the Middle West were buying, I think, at the rate of half a billion dollars a year, gold-mining stocks where there was no gold and oil wells where there was no oil, and that Congress should lose no time in coming to the rescue of those farmers in the Middle West who naturally, like everybody else, when they were making money wanted to make it a little faster, and who invested in spurious stocks. In every agricultural State land speculation forced prices to a point where increased taxes and capital investments rendered profits impossible. When the crash came the bankers were held responsible, but it is evident now that his fault, if any, lay in granting too liberal credits in many instances. Not being able to convince the farmer of the unwisdom and impossibility of further extensions, the banker laid the blame upon the Federal Reserve Board. In some sections both banker and farmer entirely lost sight of the real purpose and possibilities of the Federal reserve system as a system to meet emergencies and not to intensify and aggravate them. It was forgotten that the reserve banks served widely separated sections of widely divergent interests and that they were managed by directors chosen by entirely different groups of men. It did not follow that available credits in one district implied unfair discrimination. The record simply indicates more careful management in some districts than in others. The record also shows that security speculation was controlled much more easily than speculation in farms and their products.

Mr. HEFLIN. Will the Senator from Connecticut yield to me?

Mr. McLEAN. I will say to the Senator from Alabama that, while I do not like to be discourteous, I should like to finish my statement in a connected manner, and after that I shall be glad to yield.

Mr. HEFLIN. Very well.

Mr. McLEAN. If there was a difference of opinion between the Treasury Department and the Federal Reserve Board as to the wisdom of the policy of the Secretary of the Treasury in meeting the needs of the Government, I do not care to criticize either branch of the Government but merely to call attention to what was said and done by men responsible for the Treasury and the Federal reserve system. In March, 1921, Mr. R. C. Leffingwell, Assistant Secretary of the Treasury, in an article printed in the American Economic Review, said:

> During the whole period of the war any attempt of the Federal Reserve Board to control credit through rates would have been futile. The Treasury would have had to meet any rate they made at home, and the Federal reserve bank rate could have no effect upon the international situation, because the international movement of goods, gold, and capital was controlled by foreign governments or our own for the purposes of the war. The adoption of a "dear money" policy during the war with a view to preventing inflation would have failed of that purpose unless it had been carried to such an extreme as to bring about such conditions in war time as exist to-day, in which case we should have lost the war and would have had to inflate afterwards in order to pay the indemnity which Germany would have imposed upon us.
>
> After the war was over in the fighting sense it went right on in the Treasury sense. We reached the peak of expenditures in the three months, November and December, 1918, and January, 1919. We spent $2,000,000,000 a month. That was as much as the first Liberty loan each month. Since armistice day this Government has paid out as much as before armistice day—twenty billions before and twenty billions after. The gross debt of the Government on armistice day was eighteen billions. Nine months later it was twenty-six and a half billions. While the Government debt was mounting thus, the same condition continued which had existed during the period of active warfare. It was no more practicable to exercise control of credit by the use of dear money than it had been before. Indeed, it was less practicable, because the enthusiasm, devotion, and self-reliance of the American people while war was on vanished overnight with the signing of the armistice. The bills did not get paid any easier, but a good deal harder, because the Germans had capitulated.
>
> Though something may be said for the view that in the latter part of 1919 there might have been a somewhat earlier and greater advance in rates on commercial paper and in the open-market buying rates for acceptances, my own judgment is that this is a question of detail rather than of substance, and that the effort to make money really

dear before January, 1920, when the Government was first able to reduce its floating debt to manageable amounts and maturities, would have risked more than it could have hoped to gain.

Whether the position of the Secretary was right or wrong, an increase in the discount rate was impossible.

In April, 1919, we find the following warning in a bulletin issued by the Federal Reserve Board:

> Already some well-managed member banks are showing in their statements the extent to which they are in debt to Federal reserve banks. It has been the opinion of the board that the borrowing of member banks at Federal reserve banks might very easily be carried to excess, the loans being placed there primarily for the purpose of profit and not for any more general public or fundamental object. In a general letter to banks, issued on November 19 (1918), and referred to in the Federal Reserve Bulletin for December, the board took occasion to caution member banks which it was thought were in some danger of overdoing their rediscounting, that the purpose of such rediscount operations was not primarily that of assisting the member institutions which placed the rediscount to obtain the funds for further profitable operations, but was, rather, to be determined upon the basis of general banking advantage or upon that of relief for banks which found themselves hard pressed or were suffering from reductions in reserve account.

Bearing in mind that the highest discount rate at any time imposed by the Federal Reserve Board was 7 per cent, it must follow that unjustifiable discrimination, if any, must be laid at the door of the primary loaning bank, over which the Federal reserve banks have no control.

Mr. President, the fact is, the critics of the system failed to note that extensions of credit must come to a point where they can not be of general benefit. In other words, there comes a time when rising prices can not be offset by easy money.

I do not intend to engage in a discussion of the quantity theory of money. Professor Taussig says that other things being equal the theory is sound, but he adds that other things are never equal. It is unnecessary that we should agree as to whether rising prices created by the war demands necessitated the large increase in credits and currency, or whether it was the increase in the credits and currency that stimulated the demand. The fact is that there will always come a time when inflation must cease.

Late in the year 1919 it was very clear to the impartial observer that the increase in currency and credits had reached the limit of its beneficial effect upon the industrial and productive activities of the country. By December, 1921, the total reserves of the Federal reserve system were $2,999,200,000, which would authorize a Federal reserve note issue of $7,480,000,000. According to the comptroller's report for September, 1921, the net deposits of national banks aggregated $10,800,000,000. When we bear in mind in connection with this statement that $1 in gold or lawful money deposited by a country bank in a Federal reserve bank as reserve for its demand deposit would authorize that bank to lend $40 in deposit credits, we can see that the Federal reserve system, reposing as it does in the Federal Reserve Board the power to suspend altogether the gold-reserve requirement, contains seeds of inflation which, if permitted to germinate, would permit credit and currency conditions approximating those now prevailing in France.

Moreover, in any successful attempt to benefit the agricultural interests as a whole it must be borne in mind that these interests differ greatly in different sections of the country, and in the same sections of the country, for that matter. The poultry raiser wants everything cheap but chickens and eggs. The dairyman wants everything cheap but milk and butter. The fruit growers are not anxious to peg the price of anything but their products. The tobacco growers are not concerned in raising the price of wool or cotton or foods of any kind. The cotton grower will bear with great equanimity seasonable reductions in the price he has to pay for food and woolen raiment. The wheat grower wants his sugar cheap. The sugar-beet grower is not interested in boosting the price of wheat. The herdsman likewise is interested in looking out for number one. The potato growers have no special interest in keeping up the prices of other varieties of foods.

During the war the dairymen in my section of the country paid prices for hay and grain that were not reflected in the price they could obtain for their milk; and many of them were forced to dispose of their herds in 1918 and 1919, when the farmers of the West were very prosperous. In the Connecticut Valley are many well-managed dairy farms. I doubt if any of them made money during the war, or since the war, for that matter, owing to the increase in the cost of production. It is true that the price of milk has increased until the consumers complain, but at no time has the producer received a satisfactory portion of his dollar.

So, when we speak of the farmers, we must bear in mind that their interests are far from identical. They may all agree that the prosperity of one class depends upon the prosperity of all the other classes; but it therefore follows that Congress, in any endeavor which it may put forth to benefit the agricultural interests, must be exceedingly careful to legislate in the interest of all. We may admit that the prosperity of the agricultural interest as a whole is most vital to the prosperity of the Nation; we may admit that it must have access to adequate credits at reasonable rates of interests; but our efforts to help the farmer may cost more than they are worth if we establish unnecessary credit-distributing agencies. Every dollar expended in overhead charges, in clerk hire, in rents and furniture, every unnecessary loan, and every defaulted loan adds to the interest rate which the borrowers in general must pay.

There are too many credit merchants to-day, as there are too many meat markets and grocery stores. One-half the number of banks now in existence could easily and evenly distribute all the credits required to meet every legitimate demand. Already the banks in the East are realizing the economies and advantages of consolidation. Thirty thousand commercial banks means 625 banks for every State, a bank for every 3,500 inhabitants, a bank for every 800 families—enough to supply four times the credit needs with convenience and dispatch if they were properly coordinated, located, and administered. Setting up another chain of credit merchants involves an economic waste which should be avoided, if possible. Banks can not make money. They do not manufacture credits. The capital that goes into a new bank adds nothing to the total. It must be withdrawn from the supply already on hand.

What the farmer wants, and should have, is a just and fair portion of his own dollar—the dollar he wrings from the soil when blights and bugs and weather permit. The farmer must not only control and check the enemies which Mother Nature marshals for his entertainment and destruction, but he must control and protect his market from uneconomical manipulations as well as from the onslaughts of the engrosser and forestaller. He must manage somehow, either by reducing his cost of production or by the protection of his market, to get for his goods more than the cost of production.

It will be much more equitable and profitable for the consumer in the long run to pay a living price to the farmer; and certainly it will not help the farmer to provide credit facilities that will do nothing more than enable him to add to his debts and encourage him to continue to do business at a loss. When the farmers of the country learn the wisdom of organization and cooperation in the distribution of their goods they will find themselves on the high road to adequate and convenient credit accommodations.

The wisdom of this course has been abundantly demonstrated in many sections of the Union. Fruit-producing sections in California which a few years ago were bankrupt are now the richest in the world. The tobacco growers in the Connecticut Valley have for years sown without reaping to any great extent. I would not belittle the undeserved and dire calamities that have befallen the farmers in other sections of the country, but I commend the searchers for agricultural tragedy to the record of losses sustained by my neighbors, who, owing to western competition in the production of foodstuffs and clothing fabrics, have been compelled to put their capital into expensive tobacco sheds and lands.

They have lived in constant dread and at the mercy of hailstorms, wildfire, droughts, floods, frosts, worms, and, worst of all, the New York buyers, who have consistently combined to bear prices to starvation levels. They have remained in the business because they could not get out, just as the wheat grower in North Dakota finds himself chained to his job, and the cotton grower of the South finds himself in one-crop bondage from which he can not afford to buy his release.

The Connecticut tobacco growers can produce as fine cigar wrappers as are grown anywhere in the world, and once in a while they make good money. Most of them have dairies and a few hens and pigs, a most valuable possession during the lean years, and one that I would recommend to the farmers in the Northwest and in the South. This year the tobacco growers of the Connecticut Valley made up their minds that they would at least attempt to protect the market for their crop if they were fortunate enough to grow one, and under wise leadership they have formed a cooperative marketing association which has been joined by 85 per cent of the growers up to date. They have borrowed $8,000,000, at a reasonable rate, with which to cure and market their crop in an economical and orderly manner; and if they can retain their confidence in themselves, and give their experiment a fair trial, each tobacco grower will get a fair share of the dollars to which he is entitled.

Men who have exhausted this subject in theory and in experiment agree that organization and cooperation in economical, self-controlled units, wisely regulated and encouraged by State

legislatures, which are close to conditions and necessities, are the first things to be considered by the farmer who would reduce the cost of production and increase his profit, and at the same time provide the American people with food and raiment at reasonable prices.

The question for us to answer now is, What can Congress do that will hasten and not retard the farmer in his effort to surmount untoward conditions which can be controlled? As I have already pointed out, the Federal reserve system can furnish all the credits required to finance the sale and distribution of goods. The purpose of its framers was to provide a method for conserving and mobilizing the reserves of its member banks, so that they might always be kept fluid and ready to meet every legitimate demand for currency and every legitimate demand for the distribution of sound credits, and experience has demonstrated that the system under sympathetic management can easily cross the dead line and encourage undue expansion.

Later on Congress created the Federal farm loan system, for which the initial capital was taken out of the Treasury of the United States. Congress did this because the farmers in many sections of the country were unable to secure legitimate and necessary loans secured by farm lands at reasonable rates of interest. At the time the bill was drafted it was admitted that the rate of interest on farm-mortgage loans exceeded 6 per cent in 36 States, and was as high as 10, and perhaps 12, per cent in some States. The complaint of the farmer was confined to his inability to get a loan on his farm at reasonable rates. Congress properly took the view that the farmer owning a small farm was entitled to a loan at reasonable rates of interest. Congress desired to protect and encourage individual ownership of farms, and it realized that in very many instances men desiring to engage in farming could not purchase farms and would not purchase farms or operate farms unless they could obtain a long-time loan and carry it at a reasonable rate of interest. With this in view the act provided for loans running from 5 to 40 years. The plan permitted the farmer to control the length of time which the loan should run.

Under the amortization privilege embodied in the act, the farmer who borrowed one thousand at 5½ per cent and on a 1 per cent amortization pays $65 a year in semiannual payments of $32.50 each until the loan is discharged. This is 6½ per cent on the sum borrowed, but it not only pays the interest but discharges the entire loan itself within 34½ years. The first payment is $27.50 in interest and $5 on the principal. The next payment is figured at 5½ per cent on the reduced amount of principal, $995, and will be applied as follows: $27.36 for interest and $5.14 on the principal. He continues to make payments of $32.50 every six months, but the interest payment is constantly growing smaller and the payment on the principal steadily growing larger. At the end of 34½ years he pays $1.71 interest and $30.79 on the principal and his farm is free from debt. The advantages to the farmer are apparent. He has no fear of foreclosure, and if he keeps up his semiannual amortization payment his entire mortgage will be liquidated when it comes due.

The Farm Loan Board has defined an actual farmer as follows: "One who conducts the farm and directs its entire operation, cultivating the same with his own hands or by means of hired labor." Loans may be made to provide for the purchase of land for agricultural purposes, to provide for the purchase of equipment, fertilizers, and live stock necessary for the reasonable operation of the mortgaged farm—the term "equipment" to be defined by the Federal Farm Loan Board—also to provide buildings and for the improvement of farm lands—the term "improvement" to be defined by the Federal Farm Loan Board—also to liquidate indebtedness of the owner of the land mortgaged incurred for agricultural purposes or incurred prior to the organization of the first farm-loan association established in and for the county in which the land is situated.

The Farm Loan Board has ruled that the term "equipment" shall include all improvements necessary to facilitate the operation of the farm, such as teams, machinery, tools, and the like. The term "improvement" has been defined to include anything in the form of a beneficial structure, or any useful, permanent, physical change tending to increase the productive value of the farm, such as clearing lands of timber, tiling, draining, fencing, and building. The board has ruled that all land included in the mortgage need not be cultivated, and that one purpose for which money may be borrowed is to prepare land for cultivation, and a reasonable amount of pasture land in connection with a farm is desirable. It has also ruled that loans may be made on lands which are primarily agricultural lands on which, however, there are leases carrying the right to remove oil, gas, or other minerals, provided that the extent to which such use may interfere with the land for agricultural purposes be taken into consideration. In such cases the land banks are to require the borrower to include in his mortgage his rights under such lease, and the proceeds therefrom shall be applied to the payment of the mortgage, and where lands are subject to annual charges for drainage this charge may be regarded as of the same nature as a municipal or school-district tax, which do not prevent the making of a loan on such land but must be taken into account in appraising its value. Orchard lands and lands under irrigation or drainage projects have been considered with special favor by the Farm Loan Board.

While the value of orchards consists largely in the trees and not in the land, and the trees are not a permanent insurable improvement in that they are subject to utter destruction by either freezing or neglect, the board ruled that orchards may be regarded as permanent improvements and may be taken into consideration as enhancing the general value of the land and in determining its productive value. The expense of the land banks consists largely in appraisements of land and examination of titles. The system was created not for the purpose of financing the large farms nor for the purpose of enabling capitalists to take advantage of the small farmer in periods of depression and force him from his home. The act was created for the purpose of protecting and increasing the number of small farmers, who are the real mainstay of agriculture. But to the small farmer and to the man who wants to leave his employment in a mercantile establishment and secure a small farm the act offers every advantage and has already demonstrated its usefulness. The system is designed for the bona fide operator and not the speculator in land. To this end the act provides that the capital stock should be subscribed by the borrowing farmer and not by the outside investing public.

But, Mr. President, I realize that both of these measures, the Federal reserve act and the Federal farm loan act, were put into operation before we entered the war. During the war, during the period of rising prices, the farmers had no trouble in securing credits or a profitable market. It was when prices began to drop that the farmer's troubles began.

Urgent appeals for assistance were presented to Congress, and in August, 1921, Congress revived the War Finance Corporation, which placed almost unlimited Government credit in the hands of patriotic and sympathetic management for the purpose of assisting agriculture to carry the burdens of deflation. The report of the manager in chief, recently published, gives a detailed account of timely assistance rendered to the food, cotton, and wool producers of the country. During a large portion of the deflation period the loans authorized averaged more than $2,000,000 a day.

I remember that Mr. Meyer appeared before the committee and testified that in the State of North Dakota the War Finance Corporation made loans to 600 banks, and those 600 banks took the notes of 26,000 farmers of North Dakota as security for those loans, showing that Congress has been far from negligent in its efforts to extend to the farmer every possible advantage in the way of legitimate credits.

Up to November 30, 1922, the corporation approved advances totaling $433,447,000 in 37 States—$182,859,000 to 4,400 banking institutions, $77,761,000 to 113 live-stock loan companies, and $172,827,000 to 32 cooperative-marketing associations. The live-stock loans in the West amounted to $90 001,000; on cotton, $81,848,000; on grain in the West and Northwest, $36,790,000; on peanuts in Virginia, $2,045,000; on tobacco in Kentucky, Indiana, and Ohio, $40,000,000; on rice, $10,250,000; on sugar beets, $11,438,000; and for general agricultural purposes, $159,180,000. Of the amounts authorized and approved, $265,598,000 had been actually advanced by November 30, 1922—$168,258,000 to banking institutions, $73,452,000 to live-stock companies, and $28,888,000 to cooperative-marketing associations. Repayments received by the corporation to November 30, 1922, on account of these loans totaled $109,938,000, of which $71,243,000 was repaid by the banks, $24,129,000 by live-stock companies, and $14,566,000 by cooperative-marketing associations, leaving a balance outstanding of $155,660 000. Of this balance $97,016,000 is due from the banks, $49,323,000 from live-stock loan companies, and $9,321,000 from the cooperative-marketing associations.

In addition to these loans the War Finance Corporation, after the time it resumed operations in January, 1921, authorized advances amounting to $53,374,000 for the purpose of financing exports. Thirty-eight million three hundred and seventy-nine thousand dollars of this went to the banks, $9,733,000 to exporters, and $5,262,000 to cooperative-marketing associations. Of the total amount authorized for export purposes, $5,778,000 represented advances on grain, $3,246,000 on tobacco, $35,759,000 on cotton, $3,120,000 on other agricultural

products, and $5,471,000 on manufactured commodities. On November 30, 1922, $38,654,000 had been actually advanced—$28,469,000 to the banks, $7,547,000 to exporters, and $2,638,000 to cooperative-marketing associations. Repayments received by the corporation to November 30, 1922, from the export loans totaled $36,594,000. Of this $28,308,000 was returned by the banks, $5,648,000 by the exporters, and $2,600,000 by the cooperative-marketing associations, leaving a balance outstanding of $2,060,000. All of the export advances made by the corporation to cooperative-marketing associations have been repaid in full. Of the loans made under the war powers of the corporation and its export authority prior to the suspension of its activities in May, 1920, there was outstanding on November 30, 1922, $27,650,187, a total of $83,496,000 having been repaid since the corporation resumed operations in January, 1921. At the close of business in 1922 the corporation had outstanding on loans a total of $185,370,000.

The report referred to contains some very interesting conclusions as to the stimulating and helpful effect of the corporation's activities upon credit conditions in general, portions of which I quote:

In January of last year (1922) the effect of the corporation's activities began to be felt throughout the country. Conditions took a turn for the better and a progressive improvement set it. The corporation's loans strengthened the banking situation in the country districts and relieved the necessity of forced liquidation. They put the banks in position to carry their farmer customers for a longer period and to make new advances, and were a vital factor in bringing about a marked improvement in the whole economic situation. They not only helped the borrowing institutions and their farmer customers; they had a much more far-reaching effect upon the banks to which the corporation made no loans at all. In places where some banks were weak and some were strong the inability of the weak banks to serve their communities was accomplished by an unwillingness on the part of the strong banks to function in a normally confident and courageous way. The longer term rediscounts offered by the War Finance Corporation to the overextended banks, the restoration of market values following relief from forced liquidation, and the removal of the danger spots encouraged the more normal functioning of the strong banks and the more liberal use of their resources.

The psychological aspects of the corporation's work were of even greater consequence than its loans. A disturbed state of mind produced by financial pressure; a combination of hopelessness and resentment over inability to pay debts from the proceeds of sales at prevailing prices; a sense of injustice; disappointment in the past and apparently hopeless outlook for the future were the salient psychological facts in the situation when the corporation began to function under the agricultural credits act.

The problem was twofold. It was necessary to furnish financial assistance quickly to large numbers of farmers and stockmen, but it was even more vital to replace despair with renewed hope and to change the inaction of a discouraged people to the energy of restored confidence.

Considering the vast sums that are required annually to finance our agricultural and live-stock industries, the loans of the War Finance Corporation may seem relatively small. But the money was directed to the weak spots in the situation and helped to stabilize markets and to restore that element which is so vital to all kinds of business—confidence. The very fact that the corporation was in existence and the knowledge that it had the funds and the powers necessary to meet the situation was effective. Even before its funds were made available in large amounts a psychological reaction took place and confidence began to return.

At the suggestion of the President, the managing director in March and April, 1922, made a survey of the conditions then prevailing in the agricultural and live-stock districts of the West. At the conclusion of the survey a full report, which was printed as a Senate document (No. 199) was submitted to the President. The report indicated that there had been a noteworthy improvement in the agricultural situation. The demoralization which existed in the fall of 1921 had been largely overcome.

The corn and hog raisers of the Middle West were marketing their products and getting a fair return for them. The sheep raisers were selling their wool and fat lambs at satisfactory prices. Those engaged in the breeding and fattening of cattle were in a better position because of increased ability to finance their business and the improved market for their stock. Credit conditions in the West had greatly improved. The banks generally were beginning to function in a more normal way, funds were accumulating in the western financial centers, and there was a considerable increase in the demand for farm mortgages on the part of private investors, savings banks, and similar institutions.

It was evident that new loan companies with fresh capital were urgently needed, and that these companies would be most effective if they were locally owned and managed. Beginning with Salt Lake City, Cheyenne, and Denver, and following later on with Fort Worth, Albuquerque, and other western live-stock centers—from Montana and Oregon to New Mexico and Texas—the corporation succeeded in getting local bankers, business men, farmers, and stockmen to organize new loan companies, each with substantial capital, through which it could make live-stock loans promptly and on a large scale. At the time of the last annual report a number of these companies had been formed and were functioning helpfully. Since then the number has increased, and now their combined capital greatly exceeds the capital invested in all the live-stock loan companies that existed prior to October 1, 1921. And whereas the capital of the former companies was concentrated in a few places, principally in Chicago, Kansas City, and other live-stock market centers, the new companies are largely owned and managed locally in the live-stock growing States. These institutions not only have played an important part in meeting the emergency needs of the live-stock industry but they will undoubtedly fill an important place in the permanent structure of live-stock financing.

Of the loans authorized on live stock, totaling $90,001,000, approximately $77,761,000 represents advances through loan companies and $12,240,000 through banking institutions. The greater part of the $77,761,000 was placed through the new companies.

It is impossible to estimate the full effect of the aid given by the corporation to the live-stock industry, because calamities that are averted can never be measured. It is generally recognized, however, that by providing, as it did, financing for more than 6,900,000 head of live stock, the corporation checked the demoralization in the industry, gave the stockmen a breathing spell, stabilized the market, and turned the tide away from disaster toward recovery and reconstruction.

In the midst of the worst depression that the cotton industry has suffered in many years it was through the cooperative-marketing associations that the War Finance Corporation developed plans for extending assistance to the industry on a comprehensive scale. In the summer of 1921, when cotton was difficult to market at around 8 cents a pound at country points and when business throughout the cotton belt was in a demoralized condition, the corporation made its first large loan to an association in Mississippi on 100,000 bales of cotton.

The cotton was classified by the association according to grade and staple and placed in bonded warehouses licensed under the United States warehouse act. The loan enabled the association not only to make advances to its members for their urgent financial needs but also to market the crop through a greater portion of the consuming year instead of forcing it on a demoralized market.

Within a week or 10 days other loans were authorized on a similar basis to cotton cooperatives in Oklahoma on 200,000 bales and in Texas on 300,000 bales. There immediately followed a radical change in the cotton situation. Confidence was restored, other avenues of credit were opened up, buyers began to resume purchases on a liberal scale, and more normal conditions, with regard to both prices and volume of business, ensued. The change was promptly reflected in improved general business throughout the South.

The success of these cotton cooperatives encouraged the spread of the movement, and many new associations have been organized during the past year for the handling of cotton, wheat, tobacco, rice, and other staple products.

During the season of 1921–22 the corporation authorized loans totaling $64,000,000 to 19 cooperative marketing associations in 15 States to assist in the orderly marketing of the products of their members. Of this amount only $19,198,000 was actually called for by the associations, although the entire amount was available to them. It developed as the season progressed that the local banks were able and willing to care for their needs to a greater extent than had been anticipated. The corporation's commitments not only helped to create confidence but obviously the local banks were more willing to furnish funds to the cooperatives when they knew that the funds could in turn be obtained from another source and repaid to the banks in case of need.

All the reports received by the corporation indicate that its loans to cooperative marketing associations were vital factors in creating confidence and in making it possible for the cooperatives to finance the greater part of their requirements through banking channels. Not only that, but the loans had a marked effect on the general economic situation in the districts in which they were made. That effect was well expressed in a report from one of the cooperatives, which reads in part as follows:

"When this money came into our section and began to be distributed, it had the effect of almost instantaneously arresting the downward tendency and the depression which had enveloped business and industry. A new note of optimism, the beginning of restored confidence, was born, and its light has steadily grown brighter from that day on down to the present, and to-day the growers are on their sure and certain way back to prosperity."

Under all the circumstances it seems to me that Congress can not be accused of neglecting its duty to the farmer. It is easy to speculate as to what would have happened if the member banks had been more liberal in their renewals and advances in 1920 and 1921. It is easy to speculate as to what would have happened if the loan limit on farms had been increased to $25,000.

But I must insist that Congress was not to blame for the withholding of credits by member banks, and Congress was not to blame for restricting loans on farms to $10,000, as this was done at the request of those who at the time represented and spoke for the farmers—and wisely so, in my judgment. It is now claimed that the individual loans on farm lands should be increased to $25,000, owing to the very great increase in the value of farm land; and while there is force to this view, there is still a wide difference of opinion as to whether the increase to $25,000 will be of benefit to the small farmer; and this brings me to a point where I must say a few things which I think ought to be said when we attempt to establish permanent machinery for the advancement of what are called intermediate credit—that is, credit that will bridge the gulf between the accommodations provided by the Federal reserve system and the Federal Farm Loan Bureau.

Both of these credit institutions were organized before the war came on, and they promised fully to meet the needs of agriculture. It is my firm conviction that but for the war the Federal reserve system and the Federal farm loan system would have covered the field of wise and necessary credit accommodations. But the war came on, and everybody turned to the land as the primary source of the forces that would insure ultimate victory. Everybody who could engaged in farming. The man without a hoe was the exception. Everybody who could get control of a square rod of the surface of the earth planted it, and everybody who had been in the habit of cultivating acres cultivated more acres. Wheat was grown in

Connecticut in considerable quantities for the first time in 70 years. The flower gardens were turned into vegetable producers. The man who did not plant his back yard to potatoes and his front yard to beans was put down as pro-German and his antecedents investigated. We must feed ourselves and our allies or the worst might happen. Our soldiers must not only have wholesome food in abundance but they must have woolen uniforms and sound and dry footgear. The treasuries of the world bid against each other for war supplies. The sudden demand for goods at any price was world-wide. Credit expansion was made easy by rapid increases in values. The price of breeding stock grew like Jonah's gourd. Every profiteer was a patriot and every patriot was a profiteer. Everybody who could not get land started a shop, a meat market, or a grocery store. Everybody who had a factory increased its size, and on the very top of this world wave of rising values rode the land of the farmers.

The census of 1920 shows that the number of farms in the United States in 1910 was 6,361,502; in 1920 it was 6,448,343, an increase of but 86,841. The total value of farms in the United States in 1910 was $34,801,125,697; in 1920 their total value was $66,316,002,602, an increase of $31,514,876,905.

The record of the census, which is probably below rather than above market values, shows that the value of the unearned increment in farm lands during the war increased rapidly and kept pace with the increase in other kinds of property. More water was pumped into our farms during this period than was pumped into the railroads since the first rail was laid. Noah's inundation was an April sprinkle compared with the inflation flood that covered the principal agricultural areas of the United States in 1919 and 1920. Every farmer built an ark of his own, and at the first sign of receding water he fell to his knees and prayed for more rain and the utter damnation of the Federal Reserve Board. The latter portion of his invocation was answered in a large measure, but the rain did not continue to his satisfaction.

I know, because I was one of them. I was convinced that it was my patriotic duty to buy sheep. I conceived the idea that if I bought another man's flock of sheep I doubled the number; and I paid $25 and $26 a head for ordinary sheep, because I wanted the soldier to be able to wear woolen clothing. Two years later I sold those sheep for $10 a head, and the man to whom I sold them sold them for $8, and he lost money.

What might have happened if a different course had been followed by the banks of the country nobody will ever know. But we know that it is still raining money in Germany and Russia, and we know the results, and from their experience we safely may conclude that inflation floods may do more harm than good if carried to excess. Apparently what the farmers now want and expect Congress to invent and apply is a banking machine of mechanical accuracy, a sort of automatic credit sprinkler, possessed of prophetic vision and ultimate wisdom, that will open and shut the valves of credit entirely free from the errors and desires of human agencies, until "peace shall come as a river and glory as a flowing stream." It is my opinion that this can not be done, and it can not be done because our credit machine will be run by men. Undue credit and currency expansion is always the result of overconfidence and lack of experience in the individual and ignorance of economic and natural laws, over which Congress has no control. As the late Thomas B. Reed once remarked, "Good and bad times, rising and falling prices, have alternated since the founding of the pyramids," and he might have added that they will continue to alternate as long as prices are paid for goods. Variety in prices is the romance of trade, and the possible profit to be gained is the mainspring of commerce. Remove the possibility of gain and you remove the incentive to produce and distribute. It is the promise of unusual profits that cuts costs, raises wages, and in the end reduces prices, and the individual who is making money on his own initiative will seldom concede that the price of his product is too high until it is too late to save him from the natural consequences of his error. The best that Congress can do is to fix a rule which, if intelligently obeyed by banker and borrower, will prevent disastrous extremes such as now prevail in many of the large nations of Europe. But any law which confers upon an administrative officer discretion broad enough to secure the benefits desired will also permit dangerous abuses in ignorant, unskilled, or dishonest hands, and there is no business so easily disturbed, no business which requires more careful management, than that of the banker. He is handling other people's money, which he must return to its owners on demand, and if true to his trust there are times when he must act with exceeding caution. Moreover, the man who by thrift and industry saves more than he spends and puts his surplus in a bank for safe-keeping is entitled to as much consideration as the man who borrows it.

The war came and went. During the first few months after its close there were symptoms of returning sanity in the industrial world. Prices stopped rising for a brief period. Uncertainty as to the future advised caution, but the vast nominal increase in capital values and the purchasing power of the people and the glorious victory won by our soldiers soon allayed all doubt of our future, and the upward rush of prices was resumed until the summer of 1920, when a consumers' strike threatened disaster to the producers. The presidential campaign was in full swing. Statesmen in the Senate demanded that the cost of living be reduced; price reducing resolutions were the order of the day. Statesmen outside of the Senate were careful to exempt home-grown products from the high-price blacklist. Indeed, it was reported that in the South statesmen promised 50 cents a pound for cotton; in the West $4 a bushel for wheat; in the North and East generalizations were more necessary, but no doubt was left in the mind of the voter as to the ability of Congress to perform miracles. There was nothing new in this method of tilting for party success.

The leaders of both parties have always promised the impossible. The ins fail to bring millennial conditions and the outs are given a chance. Without much regard to the merit or the achievement of things possible, the pendulum swings from one party to the other until the disappointed citizen sees in "insurgency" the only hope of electing men to office who can make money out of moonbeams and philanthropists out of profiteers. The ardent, earnest, and virtuous progressive gets along first rate until he is elected in numbers sufficient to get control of the Government, when he in turn must cross the dead line and be covered by his own avalanche or he must join the ranks of the hard-boiled reactionary enemies of the people. I am not saying that there is no choice in men and parties, but I do say that the ultimate and perfected self-government begins and ends with the good behavior of the individual, and that self-reliance is at the foundation of all material and moral progress. Mass prejudice and class cupidity, if they continue to strive to get even with each other by sifting ignorance through a ballot box, can bring but one result, and I do not care whether the leadership is hard or soft boiled. When prices go too high they will start the other way and go too low until the producers of the country by cooperation apply the only possible remedy for these undesirable extremes. I realize that in war all rules must be broken temporarily, and I realize that the economic crisis and losses of the war did not reach a large number of our farmers until the summer of 1920. It is for this reason that I did not oppose sending the War Finance Corporation to the rescue of agriculture; it was for this reason that I did not oppose governmental attempts to regulate the price of agricultural products during the war. I will admit that prices were first boosted and then broken as the direct result of forces set in motion by the war and which were too much for human nature to resist. There was, in my opinion, no other excuse for the continued activities of the War Finance Corporation. As a permanent policy it is indefensible. Governmental price-fixing in times of peace has been tried by every nation in history, by all the older States of the Union, and without exception it has defeated its own purposes and brought ruin to the class it was intended to benefit. Fortunately, this governmental attempt to relieve the distress of certain agricultural interests with the aid of money taken in taxes from the pockets of the American people was in good hands. But if it results in new demands for like assistance in times of peace and these demands are granted as a permanent policy it will prove to be the worst investment the American farmer has ever made.

It is clear to me that the assistance rendered by the War Finance Corporation, taken in connection with the credit facilities provided by the Federal Reserve Board and the Federal farm loan act, to which should be added the Fordney-McCumber tariff rates, ought to silence forever all complaint that Congress has neglected the farmers. The danger in the premises is that Congress may be induced to enact legislation that will discriminate, if not destroy, the smaller individual farmers who constitute the backbone of the Nation, and by encouraging them to do business at a loss so add to their debts that they will fall an easy prey to the capitalistic landlord when the next period of low prices arrives.

The rapid increase in tenant farmers will not be checked by granting subsidies and special favors to land speculators and the owners of large commercial farms. Those who speak for the farmers insist that there are times when they should be able to borrow money for periods running from nine months to three years and that notes of nine months' maturity should be eligible for rediscount by the Federal reserve banks. If this extension should be granted and the notes could not be used as collateral for currency until within 90 days of maturity, every

legitimate need would be met. If longer credit than this is required, the note should be renewed. Sound banking requires that the security for this class of paper should be examined and appraised once in six months at the outside. Any system that impeaches and disregards the experience of centuries in the granting of credits secured by chattels, the value of which may be impaired by improper care, will prove to be unwise as it is unnecessary. Surely the man who earns the money to be loaned should not be held responsible and suffer all the consequences of the misfortunes and lack of judgment in the borrower. I am willing to vote to amend the Federal farm loan act and increase the individual line of credit from $10,000 to $25,000, and I shall gladly support the pending bill, which encourages the formation of cooperative marketing associations, for it is my opinion that it is through this agency that the farmer will find ways and means to withstand the devices of the speculating middleman and prevent alternating gluts and scarcity, to the advantage of himself and the consumer.

Mr. President, the farmer must bear in mind that, while general overproduction is impossible, disproportionate production is easily brought about. I can remember a season in New England before the war when chickens brought 40 cents a pound and potatoes 20 cents a bushel. A 5-pound capon was worth as much as 10 bushels of potatoes. This lack of equilibrium is very difficult of regulation, and its seriousness can be modified only by intelligent cooperation. It can not be remedied by Congress. Any governmental attempt to peg the price of this year's surplus and hold that surplus for an orderly market must have coupled with it the power and the duty to limit and allot to the several farmers of the Nation their production quota. Can the imagination devise a more disastrous, a more unpopular, program than that involved in the creation of a Federal bureau clothed with the power and the duty to tell the farmers of America how many acres each may cultivate, and for what purpose, how many bushels and pounds of grain and meat, how many hens and pigs and cattle and horses each may own? Yet this would have to be done or the surplus of any given product would soon be so great that sales would be impossible.

The farmer should also bear in mind that one man to-day can cultivate double the acreage that he could before the days of the tractor; moreover, a surplus in foods is known by everybody and the price is affected accordingly. And let me repeat that the general lack of profit in agriculture is not confined to this country; it is universal. In Sweden, where direct war costs were entirely escaped and where everything is done by the Government to sustain and stimulate the agricultural interests, the farmers are worse off than in the United States. Yet, notwithstanding this fact, the war emphasized the vital importance of agriculture to all the leading nations of the earth and shook to its foundations the British idea of specialization in the division of labor—the idea that great producing units should be allocated to the nations of the earth in obedience to an alleged special fitness to make certain things.

Great Britain for years insisted that her prosperity lay in cotton spinning and weaving and in certain lines of cutlery, permitting other countries to feed her increasing millions. If the war taught England no other lesson, it taught her the vital necessity of diversified production. We are fast learning the seriousness of the transportation tax upon commerce, but we are not yet alive to the importance of saving the transportation tax by producing in every State as many of the basic necessities of life as natural limitations will permit. The farmers of the West complain of the railroad rates required to pay the cost of carrying their products to the East. The farmers and manufacturers in the East complain of the cost of bringing their raw materials from distant points. As long as the margin of profit due to the superior fertility of the soil in the West offsets the carriers' charge to the East, it was wise and economical for the eastern dairyman to have his corn raised in the West; and this same rule would apply to the production of all foods and fibers. But when the price of land becomes so high in the West and its fertility so low that taxes and other capital and production charges added to reasonable transportation rates bring the cost of production above that incurred in sections closer to the consumer, an economic waste is involved which is bound to be eliminated by more intensive cultivation of eastern lands, and the direct result of this process will be to depress still lower the price of meats and grains from the West. It follows that it is the freight rate and not the interest rate which concerns the farmer in sections far removed from consuming centers. Naturally, the first impulse of the farmer thus located is to denounce the railroads and demand a reduction of rates that will enable him to hold his customers; and the all-important question is, How can this be done in a way that will be of permanent benefit? I have not heard the voice of any member of the farm bloc demanding reductions in the wages of the railroad employees or of the men engaged in the manufacture of railway equipment or in the mining of coal. For the sake of the argument, let us assume that any material reduction of wages is out of the question for unmentionable reasons. We must look in some other direction. then, for our remedy. It has been persistently urged by the agricultural bloc that if the water were squeezed out of the capital of the railroads and the 6 per cent guaranty removed the desired end might be accomplished. In the first place there is no guaranty of 6 per cent. The Interstate Commerce Commission is authorized to permit the imposition of rates that will return 6 per cent for dividends and other specified purposes, but the Interstate Commerce Commission has not done this and will not do it.

Mr. LENROOT. Mr. President, may I call attention to the fact that that direction ceased on the 1st of March last?

Mr. McLEAN. Yes; that is true. In the second place unless the roads under private management are permitted to earn a reasonable profit for their owners, provided always that they can earn it with reasonable charges, a gross injustice will be done to the owners, an injustice offensive to every sane notion of right. Moreover, such a proposal if sustained would render permanent, adequate, and safe transportation systems impossible for the simple reason that investors will not put their money into railroads for the sole and single purpose of losing it. But for the possibility of unusual profits the transportation facilities of the West would still be limited to buffalo trails and corduroy roads. How then can we expect that the certainty of unusual losses will do more than encourage a return to the anterailroad days? If lower freight rates are to be brought about by lower costs in construction, maintenance, and management the intelligent farmer will insist that the roads be left in the hands of those who can and will make good money for themselves by the invention and application of labor and cost saving devices and methods. Once the farmer conceives that the remedy for his ills lies in conceding to other men engaged in other activities the same degree of economic liberty that he claims for himself he can be accorded reasonable freight rates. If reasonable rates will not permit him to sell his goods at a profit he must look for help to some other plan than the destruction of the credit of the railroads.

Mr. President, in these scattered general observations I have tried briefly to call attention to some of the things that Congress has already done for the farmers, some of the things it may wisely do, and some of the things that Congress can not do, in my opinion, and which, if attempted, will not only discredit those immediately responsible but result in incalculable harm to the farmers themselves. I have called attention to the ease with which credit-distributing instrumentalities and the officials engaged in operating them may be brought into disrepute by honest and well intentioned men when prices are too high to suit the consumer or too low to suit the producer. I could amplify at great length the underlying principles at which I have merely hinted and which ultimately will govern the costs of production and transportation as well as the prices of foods and farm products, regardless of legislative action. Admitting, as I readily do, that the farmers need and should have additional facilities in the extension of what are denominated intermediate credits, I am very confident that this can best be done in ways that will encourage the farmer to help himself. In other words, I think our legislation should be framed with the purpose and the hope that it will enable the farmers to find in their own initiative and self-reliance a way to protect themselves and their markets with a minimum of interference on the part of Congress. It is with this thought in mind that I heartily favor the organization of cooperative marketing associations and the extension to these associations of necessary and reasonable credits at normal rates, as provided in the pending bill.

I shall not oppose the creation of new governmental credit-distributing agencies provided in the Lenroot bill, but I believe that they would be entirely unnecessary if the banks of the country already in existence would join the Federal reserve system and use their augmented lending power for the purpose of building up the communities which they were organized to accommodate. Such a course, in my opinion, would bring increased deposits to country banks and enable them to meet every legitimate demand. I believe that the plan embodied in the pending bill which extends the life of the War Finance Corporation for another year, is by far the wisest and will prove to be the most efficient and economical method of all. If the farmers of the country insist upon taking any portion of the capital which they require out of the Public

Treasury as a fixed and permanent and direct subsidy, it will not be long before similar demands will be made by other classes and interests of equal force and momentum, if not of equal merit.

I think the American people as a whole will justify our effort to carry the farmer by the war crisis, even to the extent of putting the credit of the Government at his command temporarily.

I hope, however, that we may give the farmer an opportunity to employ sound and safe and, above all, the most economical method of securing the largest possible share of his own dollar before we invite him to try experiments in paternalism that can have but one result. It has been said that the average man learns from his individual personal experience only, but that the wise man learns from the experience of others. If the American farmer would acquire wisdom from the experience of others, let him study the fate of his neighbors in Canada, where there is a branch bank at every crossroad. Let him inquire into the cause of the present exodus of Canadian farmers to the United States, and he will be fully satisfied, I think, that what the American farmer needs is a larger market and not a larger mortgage. If he will carefully study the causes of crises and depressions he will learn that what he needs today is an increase in the number and purchasing power of his customers rather than an increase in the number of his promissory notes; and the farmers of the West will learn that their prosperity will lie in the reduction of the cost of reaching their customers rather than in the reduction of the rate of interest they may be called upon to pay for borrowed money. Europe, including Russia, can easily produce a surplus of foods and undoubtedly will produce such a surplus in the near future. With scientific farming there is not a State in the Union that can not feed her population. A one-crop or a one-product State, whether it be wheat or cotton or clocks or jackknives, must expect trouble when the transportation cost gives the advantage to a competitor nearer the point of consumption. The struggle of the great West as she exhausts the fertility of her soil will be precisely similar to the struggle that faced the East 75 years ago, when the virgin soil of the West rendered it impossible for the farmers of the East to compete in the production of grains and meats. Instead of bringing under cultivation more acres at vast expense for the production of foods that can not be sold for enough to pay reasonable freight rates to consuming points, the West must diversify her interests and industries and develop her resources along other lines than agriculture; and in this endeavor she should bear in mind that irrigation and drainage projects which render her independent of uncertainties in rainfall will at the same time cause the abandonment of those semiarid sections where irrigation is impossible. Let us see to it that the farmer is put in a position where he can borrow money at reasonable rates for loans that are justified by a wise and comprehensive view of the future. Credits that will bring immediate and rich rewards to contractors and land speculators without regard to the possibility of profitable and permanent markets will do the farmers of to-day more harm than good. In a word, with all its drawbacks and hardships, agriculture is the most satisfactory occupation in the world if it can be made to pay, but the question as to when, where, and how it can be made to pay is one that Congress can not answer, and a difference of 1 or even 2 per cent in the interest rate which a farmer pays for a long or short time loan will become a more or less important item in his balance sheet as he wisely or unwisely meets conditions and limitations which he himself can and must control if he expects to operate at a profit. Last, but not least, the farmer should never forget that in the general run of crises and depressions prices go down when interest rates go down and prices go up when interest rates go up. He can take his choice, but he can not reverse this order.

During Mr. McLEAN'S speech,

Mr. JONES of Washington. Mr. President, the Senate will have to adjourn when we close the session to-day, and I ask unanimous consent that when the Senate adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection?

Mr. ROBINSON. Reserving the right to object, I would like to ask the Senator from Washington to state the circumstances which lead him to make the request.

Mr. JONES of Washington. On account of the death of a Member of the House from New Mexico, we expect to adjourn to-day, which will mean that two hours will have to be taken for the morning business to-morrow, and I would like to have the Senate start a little earlier than 12 o'clock.

Mr. ROBINSON. I suggest to the Senator that the Senate take the customary adjournment, although I do not care to object to the request. It will be a physical impossibility to get a quorum here within half an hour or 40 minutes after we meet. Senators will not understand that the adjournment is to 11 o'clock, in all probability, and we will gain very little time.

Mr. JONES of Washington. I will not submit the request at the present time.

The VICE PRESIDENT. The request is withdrawn.

After Mr. McLEAN'S speech,

Mr. HEFLIN. Mr. President, I am not going to discuss any of the proposed farm-credit measures at this time. I merely wish to say a word or two following the speech of the Senator from Connecticut [Mr. McLEAN].

The chairman of the Banking and Currency Committee, the Senator from Connecticut, has offered considerable advice to the farmers of the country. I remember, when we were trying to arouse the Senator's sympathy and to secure his cooperation when it was desired to reduce the rediscount rate which was burdening the farmers of the country, that the Senator one day took me to task for having introduced a joint resolution which had for its purpose a reduction of the rediscount rate. The Senator suggests now that we should be very careful about providing facilities through which the farmer may go more deeply into debt. Well, Mr. President, we expect to provide some facilities now by which the farmer may obtain money on his products, and the final show-down in the Senate will reveal the fact as to who are the friends of the farmer and who are not.

There is no excuse now for makeshift legislation; there is no excuse for legislation that will dodge and evade the issue. Subterfuges will not work if the friends of the farmers are alert and stand together with unity of purpose and in concerted action. We have seen deflation at the high tide when it swept down property values in the South and West and destroyed them by the billions of dollars.

When I stood here in my place for two years, week after week and month after month, pleading for some power to force the Federal Reserve Board to change its policy and to loosen up so that money could be obtained by the farmers, we were told that the Federal reserve system was not suited to the needs of agriculture. I never agreed to that suggestion, but we were so told. Now, when we come to submit that there must be some legislation enacted, which will meet the needs of the farmer in season and out of season, we are told that the Federal reserve system is adequate to take care of the needs of the farmer.

I hold that at the time drastic and destructive deflation was imposed upon us, farm products were eligible at the Federal reserve banks, and I state as a fact that such products were accepted at the banks and farmers did obtain money on their wheat and on their cotton and on their cattle prior to the time that the deflation order went out from Wall Street and was put into effect by one William P. G. Harding, who has now gone off the Federal Reserve Board for good, the Lord be praised. I see that he has given out a statement to the effect that he withdrew his name from the list of those presented for consideration by the President. I think it was high time that he did withdraw his name. He permitted his name to remain on the list long after I and others knew that he would not be appointed. I have known for weeks that he was not going to be reappointed, and a "wayfaring man" could have told that he never could have been confirmed if his name had been sent to the Senate, for there never was a time when more than two Democrats would have voted for his confirmation in the Senate, and there were several Republicans from the West who would not have voted for his confirmation. It was reported that the President would have appointed him if he had been assured that he would be confirmed. But he could not be confirmed.

To return to the issue, we were told that the Federal reserve system was not suited to the needs of agriculture and that we ought to provide a system that would be suitable. That argument was used to get away as best you could from a situation that was then confronting us. Now it is thought, I suppose, that that is far enough behind us for us to have forgotten it. Those who make that assumption are mistaken. They tell us that we do not need any legislation for the farmer, but that what the farmer needs is to be more industrious and enterprising. That is the kind of suggestions we have made to us now.

Mr. President, the farmer never was more enterprising and industrious than he was in the year 1920. He went to work early in the morning and labored until late in the afternoon. No one can charge that he was indolent, lazy, or neglectful of his duty in the field of agriculture. He made his crop; but when he took his products to the market place he was clubbed to his knees, and while he was unconscious his substance was taken from him and he was left in dazed condition upon the ground. He was nearly dead, while interests in Wall Street

made not only millions of dollars but hundreds of millions and even billions of dollars out of the farmers' misfortune in 1920. It is an awful calamity that we have seen visited upon the farmer. Mr. President, the cry comes up from the farmers everywhere, "Do something; do not let us be subjected to such robbery again."

The Senator from Connecticut recited some statistics informing us how much money was on deposit in certain big banks, and trying to prove by that that the matter of getting money was easy; that there was no necessity for providing other ways for obtaining money. What does it profit me if I am hungry and there are millions of pounds of food stored hard by if I can not get to the food? It does not do me any good; it might just as well be sunk in the ocean or burned up with the flames so far as appeasing my hunger is concerned. I do not get it; I have no access to it; and reciting statistics to prove that because there is money stored in certain banks the facilities to furnish the farmer with credit are adequate is utterly ridiculous.

That argument may suit some people. I am satisfied that I can assemble an audience that would be highly pleased with that argument. They are the fellows who bought Liberty bonds for eighty and eighty-five on the hundred when they were forced upon the market. They are the fellows who made money out of cotton beaten down from 40 cents to 10 cents a pound. They are the fellows who made money out of wheat driven from $2.50 to 90 cents a bushel. They are the people who made money out of the sacrifice of half the mother herds of the West. They are the men who would rejoice and be glad to hear an argument like that.

They are really alarmed now with the fear that the farmer will get further into debt. Mr. President, that is almost an impossibility. He already has his farm mortgaged. He already has his live stock mortgaged. He is already forced to mortgage the growing crop. The Senator from Connecticut [Mr. McLEAN] comes now with his little palliative phrases, but they will not work. He suggests that "we had a time of distress here in 1920 and 1921, and the farmers and a good many bankers blamed it on the Federal Reserve Board." Well, Mr. President, if the Senator from Connecticut does not agree now that we did have the deflation and that it was brought about by a conspiracy born in Wall Street and carried out through the Federal Reserve Board, with Governor Harding at its head, he is away behind the procession.

Before the campaign waxed very old last fall, after I had exposed this matter here for months, and Republican Senators and Members of the House went home, and their people told them that the deflation drive had practically ruined the people, and that the Republican Party, which had kept this board in power, was being blamed for it, having promised it in their platform, and the President having promised it in his acceptance speech, they said: "Something is necessary to be done. You had better get the President to come out and say something against it," and the President issued a statement that those who brought on drastic deflation were responsible for this hard time that the farmers were having. So the Senator from Connecticut will do well to read the utterances of the Republican President.

I thought we had passed the stage where anybody denied that we had deflation. I thought that was an accepted fact. I am going to print, in this connection, excerpts from an article which appeared in the Manufacturers' Record, by Prof. Gustav Cassel, of Sweden, and Prof. Irving Fisher, of Yale, discussing the world business conditions. It is a scathing review by Professor Cassel of the policy of deflation which forced other countries to follow our destructive deflation campaign, while Professor Fisher attributes to the same cause the world's labor unrest and much of bolshevistic agitation,

Why, not only did they produce deflation in America but they started the work of deflation and forced other countries to follow in our wake, and caused financial distress the world over. The policy of deflation started by Wall Street and carried out by this man W. P. G. Harding, who is now going to be governor of the Federal Reserve Bank of Boston at a salary of $25,000 a year, brought this business depression and financial distress not only to our country but to the world. Able financiers in the Old World have published articles and made speeches in which they state that the drastic deflation commenced in the United States was responsible for the financial ills that followed. I showed here in a speech once before that the deflationists wanted the War Finance Corporation suspended because it was furnishing money to foreign interests that were buying American goods and helping to furnish us markets for our products, and one of the arguments made by them was to the effect that aiding these foreigners to buy our goods helped to put prices up on products here at home, and they wanted to prevent that. Therefore, they stopped giving aid to those who were buying our goods, in order to break down the market here at home. And they did it.

It was deflation with a vengeance, the most cruel thing that ever happened to a free people, and I want to serve notice again, as I have done time and time again, that they are never going to get away from the truth, which shows that it was cruel, destructive, deadly deflation, a crime against the American people. If they think they can educate us into the belief that it was a natural consequence following the war, they are reckoning without their host. I declare to you to-day that at the time this deflation was started there was no occasion for it under the sun. I assert to-day, without fear of successful contradiction, that at the time they deflated currency and credits over $2,000,000,000 we could have put $2,000,000,000 more into the field and saved the day without ever getting within reach of the gold reserve. Let them answer that if they can. If they can not answer that, they confess that they are guilty of the most diabolical crime ever perpetrated by a band of greedy money marauders against a free people.

We needed a man in the White House like Old Hickory Jackson. You know what he told old Biddle. Biddle threatened to bring on deflation and produce a panic, and Old Hickory said, "If you do, I will hang you," and Biddle did not do it. I would not permit any money lord in the land to tie up the circulating medium of my country, to lock up the money supply and paralyze the business of 100,000,000 people. The man that will do that ought to be hanged. Why not hang them? Fifteen thousand men killed themselves because of that deflation. Would it not be better to hang one or two and save the lives of 15,000 men and women and at the same time prevent the commission of a crime that outraged and robbed millions of people? Fifteen thousand people took their own lives during that dreadful and terrible period, and then some Senators stand up and say, "It is a natural consequence." I deny it. It was deliberately planned, made to order, and those who directed and made money out of it are criminals, simply criminals.

The Senator said the farmers and some bankers blame the Federal Reserve Board for the failure to get all the credit they wanted. Well, if you had some cotton and cattle and a farm and a horse and household of goods, and you had to mortgage all of them, and you had produced enough on your farm at fair prices to pay off your mortgage and save your farm and your home, and you were to go to that bank and say, "I want to get some funds," or "I want an extension of time," or "I want to renew my note," and the banker were to tell you that he could not do that, and you were to say, "Well, I have some Liberty bonds and I want to get some money on them," and the banker were to say, "We would be glad to do it, but the Federal Reserve Board has sent word down the line to us all that we must not loan on Liberty bonds," and you could not get a loan on Liberty bonds, and then you were to say, "I must hold my products until the price goes back to a point that will cover the cost of production," and they were to tell you that they could not assist you, that the Federal Reserve Board had ordered loans on farm products to cease, would you not feel like blaming it on somebody? If you did blame it on somebody, you certainly would want to blame it on those from whom that word came and that order had been issued; and the Federal Reserve Board was the party that did it. They were right in blaming it on them.

Did not Congressman SWING, of California, say in a speech in the House several weeks ago that he was in the bankers' convention in southern California and heard an agent of the Federal reserve bank tell the bankers not to loan any more money on farm products? Of course he did. That word was quietly sent out to the bankers all over the agricultural sections.

Mr. President, the time was, I regret to say, when Senators and Members of the House in the main would leave it to a Banking and Currency Committee to get up information about matters that pertained to the banking business of the country; and when matters of that sort came in, they relied mainly upon those on that committee to discuss them, and they followed their suggestions. I found, however, by an experience of two years in this body that there were men on this Banking and Currency Committee whom I was not willing to follow; men who even defended deflation. I do not mean by that to say that they did not want to do what they considered was the right thing, but their environment was such that they did not know how to consider these problems from the right standpoint. Why, I thought while the Senator from Connecticut [Mr. McLEAN] was reading his speech that I should like to hear him make that speech to the farmers out in Iowa or out in some other Western State. I should like to hear him deliver it in the State of Texas or

in my State of Alabama, where people know that contrary to the thing he was saying was the fact as it applied to those people down there, and yet I suppose he thinks he is right about it. That may be the New England idea, but it is not the idea of the great agricultural section of the country; and if the agricultural people have to rely upon such for relief the situation, I fear, is pretty gloomy. But we are not going to do that. We are going to undertake to amend the so-called farm credits bill as reported. That is what we should do.

Mr. President, I am anxious that we shall not pass a bill and call it a farm credit bill that is not worth the paper that it is written on. If we are going to legislate for the farmer, let us do it. If we are not, let us tell him so.

The Senator from Connecticut tried to frighten us by saying that if we had not put some sort of a check on inflation we would have been like Russia or Germany. Mr. President, you can not deceive the American people with anything like that; it can not be done. We know that with the resources of this, the richest country in all the world, no such condition as obtains in Russia could obtain here in a quarter of a century.

I want to say to the Senator from Connecticut regarding Germany—and I want him to challenge the statement and answer it if he can—that I assert to-day that the farmers of Germany are more nearly out of debt than the farmers of the United States and that a larger proportion of them own their farms.

Let him challenge that statement. The individual farmer in Germany, while inflation was on at the high tide, was permitted to pay his debts with the inflated mark, and he wiped out his indebtedness and is free of debt to-day. If Germany should burn every mark that is printed and start on another basis, the farmer would be out of debt and ready to start again under the new order. Can you say that for America? What did you do in the United States? When cotton went up to 40 cents a pound and the farmer could get $200 a bale, you waited until he bought fertilizer from the Fertilizer Trust at high prices, you waited until he bought agricultural implements from the Implement Trust at high prices, you waited until he bought auto trucks and other things and went into debt up to the neck, and after he got in on that basis of 40-cent cotton you struck him down just as the market opened and made him sell his cotton at 10 cents a pound to pay debts incurred on the 40-cent basis.

That is what you did in the United States under the reign of the Republican Party; and Germany, distracted Germany, permitted her farmers to pay off their mortgages and settle their debts with the inflated mark, and the individual German farmer is freer of debt to-day than the farmer in the United States of America. I submit to the Senate and to fair-minded people everywhere that if they permitted the farmers of the South and West to go into debt for that year on the 40-cent basis, common honesty required that they permit them to go that year through on that arrangement and settle those debts on that basis.

I quote Mr. Lincoln when he said, "Any change in the circulating medium under which a debt is contracted before the debt can be paid is a crime." I commend that quotation to the Senator from Connecticut.

The Senator said the printing press is still raining paper money in Russia and Germany. Such a statement does not answer the charge that deflation precipitate and destructive produced distress and suffering among four-fifths of the population of the United States.

The Senator said that some of the Senators had promised 50-cent cotton. I have heard that before. I have never seen the Senator who promised it. Some of the newspapers, inspired by the hirelings of Wall Street, said that I promised 50-cent cotton. I did not do it. I said I thought cotton would go to 50 cents. It did go to 47 cents. I said I thought it would go to 50 cents, and I can prove by any fair-minded man that if the farmer could have borrowed money on his cotton in 1920 it would have gone to 50 cents, and ought to have gone to 50 cents, because he paid high prices for everything he bought; and not only that, the American people paid for finished cotton goods, after cotton went down to 10 cents a pound, the same as they paid for them when cotton was 40 cents a pound.

I called attention on the floor of the Senate to the fact that when cotton was down to 11 cents I bought a cotton collar in the city of Washington for 25 cents, and that one bale of cotton, bringing fifty or sixty dollars, made into cotton collars like that, would sell for about $1,100. The consumer did not get the benefit of that. Who got it? Certain New England spinners and speculators got the money. How did the speculators get it? They went on the exchange and borrowed money from the Federal reserve banking institution in New York at 6 per cent to sell cotton at 40 cents, and beat the price down to 30, and when it went to 30 made $50 a bale on every bale they sold; if they held it until it went to 20, they made $100 on every bale. If they held it until it went to 10, they made $150 on every bale. They made big money speculating in cotton. What was being done to the cotton farmer? I asked William P. G. Harding, before the Committee on Agriculture and Forestry, in the Senate Office Building, in December, 1920, "Governor Harding, do you not know that some bankers in Alabama complained to you about not being able to get money on cotton in October, 1920?"

He said, "I remember when some bankers at Birmingham tried to get me to let them borrow money to hold cotton until it went back to 40 cents, and I would not do it."

Mr. President, if he had permitted them to borrow money they could have held it, and it would have gone back to 40 cents. What could have kept it from going back to that price? It was then down to about 35 cents, and just had to go up 5 cents to get back to 40 cents. Of course it would have gone back. Then what would have happened? Those farmers would have paid off their debts, and at Christmas, 1920, the board could have said to our people, "We are going to start in on the New Year with a new order of things. We are going to bring about in a very orderly way, slowly and very gradually, deflation so that nobody will be seriously hurt. We will let you get your 40 cents for cotton this year and let you get good prices for wheat and cattle and wipe out your indebtedness and start out in the New Year with your debts all paid."

That would have been honest. But they did not do that for the farmer, merchant, and banker in the agricultural sections, but they did tell certain big rich men and financiers that they were going to deflate, and gave them notice 60 and 90 days in advance, and a man of considerable means out in the State of my good friend from Arizona [Mr. ASHURST] told him he was going to convert his property into money and get in the market so that he could make a fortune, and said he knew what he was talking about; that the Republicans were going to deflate.

I repeat, the farmer and other people in the agricultural sections got no notice. The first notice they had was when they were fired upon by the big guns of drastic deflation.

Mr. President, another thought on the line that certain statesmen promised 50-cent cotton. At the same time this drive of which I am speaking was going on, beating the price of cotton down and down, the president of the American Cotton Association, Mr. Wannamaker, came to Washington, went before the board, and begged Governor Harding to change his policy. Both Senators from North Carolina went with delegations and appealed to him to change his policy. Other Senators from the South went. He even turned his back and told one of them that he had heard enough; he was impatient about it. Mr. President, at that same time one of the spinners was quoted in the New York Commercial as saying:

> We are willing to pay 30 cents for cotton. We want the price stabilized.

I submit that if the spinner was willing to pay 30 cents, which price would just about cover the cost of production and get a farmer out of debt, would it not have been right and fair and just to permit the farmer to have the money to make the price stay up to what the spinner suggested he was willing to pay and enable him to get out of debt, to save his home, to save his farm, and to keep hundreds from blowing out their brains? But we could not get it.

I know that cotton would have gone back to 40 cents, and gone higher than that, if the farmer could have gotten money so as to hold it. What was to keep it from going higher? That year's crop was consumed, just as every other year's crop had been. If he had been able to hold it during that time the price would have gone up, and the farmer would have come out of that storm and death-spreading cyclone out of debt and would have been able to start in the year 1921 debt free under quite different conditions.

I had a letter from one of the commissioners of agriculture in a cotton-growing State the other day, who told me that unless the farmer could get 30 or 35 cents for cotton he did not know how many years it would take to pay the debts unloaded on him by deflation in 1920 and 1921. This is a serious thing with us, Senators.

The clever Senator from Connecticut does not know a thing on earth about conditions in my section of the country. His speech shows that. He does not know anything on earth about conditions in the grain-growing and cattle-producing West. His speech shows it. But his speech gives the situation exactly as it is in the East. There has not been any trouble about them getting money. They got it all during deflation at

6 per cent flat, when the farmers of the other sections were paying 15, 20, and higher, and one little bank in my State paid 87½ per cent. That is the highest interest rate ever charged by any banking institution since the morning stars sang together. Then they say deflation had to come following the war. It was a premeditated crime, black as midnight. That is what it was.

I have seen some of the articles and some of the literature these smooth artists in Wall Street are sending out. They even send them to us, and tell us to be very cautious about what sort of a farm credits bill we get out; that we should be exceedingly careful.

Mr. President, that is what I am speaking for this afternoon—to give a few suggestions to some of my friends who were not in the Chamber to hear the speech of the Senator from Connecticut, that we must be exceedingly careful not to take something that may sound well when there is no substance in it.

The Senator talks about the farmer taking his chance and taking his medicine. There was passed through a Republican Congress a progressive interest rate, and the board was given authority to put it into effect, and they put it into effect nowhere in the East but put it into effect in the South and West. That was the question I wanted to ask the Senator from Connecticut when he said he preferred to go along and finish his prepared speech. I was going to ask him why it was that the progressive interest rate was applied to my State and the other Southern States, and the Western States in the agricultural and cattle sections, and not applied at all in his State and New York or any other Eastern State. Certainly they ought to be grateful to the Federal Reserve Board. If it had so ordered deflation as to take care of my State and I had not known about how it affected other States, I might have been willing to sing its praises. But they slaughtered business in my State, and slaughtered it in all the other States of the South and West, and I do not propose to sit silent and permit the friends of deflation to confuse the situation if I can help it.

The Senator suggests that if we set up a separate board, that that board will try to undertake to tell the farmer how many hens he can set for hatching purposes, how many eggs he can put under a hen, and how many pigs he will have on his premises. How ridiculous and how solicitous and sympathetic is the Senator from Connecticut for the farmer. It is all so sudden!

The idea of us wanting to create a board that would even think of trying to tell a farmer about those minute details. It never was contemplated by anybody, and no such suggestion as that will drive anybody away from the fixed purpose of passing real legislation in the interest of the farmer. I am for a sound banking system all the time and we want the farmer to have access to such an institution at all times. That is about all I desire to say.

I ask to have printed in 8-point type at this point excerpts from the article to which I have referred.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the Manufacturers' Record, January 4, 1923.]

PROF. GUSTAV CASSEL, OF SWEDEN, AND PROF. IRVING FISHER, OF YALE, DISCUSS WORLD'S BUSINESS CONDITIONS—A SCATHING REVIEW BY PROFESSOR CASSEL OF THE POLICY OF DEFLATION WHICH FORCED OTHER COUNTRIES TO FOLLOW OUR DESTRUCTIVE DEFLATION CAMPAIGN, WHILE PROFESSOR FISHER ATTRIBUTES TO SAME CAUSE WORLD'S LABOR UNREST AND MUCH OF BOLSHEVISTIC AGITATION.

Gustav Cassel, recognized as probably the foremost economist of Europe, and by reason of that fact twice asked by the League of Nations to make a report on the world's financial conditions, has recently issued a 287-page book entitled "Money and Foreign Exchange After 1914."

In this work Professor Cassel discusses from every standpoint the world's monetary problems. It is one of the illuminating publications of the age, and by reason of the author's preeminent standing will command universal attention in this country and in Europe among all thinking people who are anxiously seeking the way out of the world's business and financial chaos, and a safer basis on which to carry on world trade.

It should be a matter of profound interest to the readers of the Manufacturers' Record that every position which it has taken since 1917 on the certainty that drastic deflation of credits would bring on world business chaos has been overwhelmingly sustained by this work of Professor Cassel.

* * * * * * *

From the closing chapters of his book, which deal more especially with the operations of the Federal reserve management and the destructive power of deflation to break down all business in this country and throughout the world, we have taken a few striking sentences here and there. Professor Cassel reminds his readers of his warnings against deflation and he clearly shows by the official records of the Federal Reserve Board that it carried on a definite campaign of deflation for the purpose of breaking down prices. At one point he says: "The Federal Reserve Board entirely overlooked the one factor which in the whole of this great complicated process was itself the principal driving force—the board's own deflationist policy; or perhaps, let us say, rather the restrictive bank policy which the board pursued and which in itself inevitably implied deflation." What a charge to bring against the management of the financial system of this country in that it entirely overlooked the vital factor which meant either national and international poverty or national and international prosperity!

Referring to this deflation policy of the Federal reserve system, Professor Cassel says:

"The general depression at present prevailing throughout the world is very largely a result of this process of deflation."

That is a point which the Manufacturers' Record has over and over stated since it began its fight against what it saw was the inevitable collapse of the world's business if the deflation policy of the Federal Reserve Board and the international bankers, which seemed to have guided its operations, was carried out.

"The deflationist policy of the United States can scarcely be said to have served any wise purpose" is the way in which Professor Cassel once more states a great truth and in vivid language.

In this connection it is worth while to remind our readers that Prof. Irving Fisher, professor of political economy in Yale University, in a statement widely published two weeks ago, emphasized the great danger to the world of the deflation policy to which he attributes the turmoil of labor interests in this and other countries, and in which he points out his agreement with Professor Cassel as to the disastrous results of deflation. Professor Fisher has long been seeking to impress upon the people of this country the danger of a fluctuating dollar, for no intelligent man any longer believes that the supposed "yardstick" by which values are measured, so long attributed to gold, has any existence in reality.

Whatever may be the way out of present conditions and the way to lead to the stability of values and of business, the question at issue is one of such tremendous moment, one upon which civilization itself may depend, that it demands an unbiased study on the part of every thoughtful man who realizes the magnitude of these problems.

Professor Fisher's statement is as follows:

"A recent circular sent to bankers and employers expresses deep anxiety over the Fascisti victory in Italy and the gains of the labor party in England and elsewhere. It predicts that the same idea of the political domination of labor will soon appear more explicitly in America and will threaten the existing order.

"I believe that bankers and employers, not to say the rest of us, have cause for anxiety. But what the circular overlooks is that, as Roosevelt so often warned us, the only real escape from the danger of an overturn lies in redressing real grievances.

"What is needed is to interpret the recent labor unrest as symptoms of social diseases needing to be cured.

"There are several such social diseases which I could name, and probably several others which would be revealed by a searching investigation. But here I shall point out only one—probably by far the most important. This is the unstable money growing out of the war.

"But what has unstable money to do with recent labor unrest? We do not remember seeing any mention of it in the newspapers. Yet to find it we do not have to seek far. We can trace our way back in three simple steps from the recent political demonstration of labor discontent to unstable money as a prime cause.

"The first step brings us to unemployment as the grievance which, more than any other, caused labor to make its recent political commotion. The English labor preelection manifests said, among other things:

"'Unemployment and low wages, caused largely by the policy of the Liberal and Unionist government, have brought distress to the bulk of the working people.'

"Since the election in which labor came off second best, the unemployed have been demanding a hearing with Bonar Law.

"In other words, labor in England held the Lloyd-George government responsible for the vast unemployment during the last two years and will hold the Bonar Law government responsible for putting an end to unemployment.

"The opportunity to work is likewise the demand of the Fascisti in Italy. In America also the backswing of the last election is largely because of the depression of trade and unemployment.

"Next we trace back this depression of trade and unemployment, whether in America, England, Italy, or elsewhere, to the fall of prices in 1920 and 1921.

"Always and inevitably a great fall of prices kills enterprise, closes factories, discourages farmers, and throws men out of work.

"Going still further back, we may trace the fall of prices to the deflation of credit and money beginning early in 1920. As Professor Cassel, of Sweden, shows so clearly in his Money and Foreign Exchange After 1914, just published, and as every other economist knows so well, this restriction of credit which bankers in so many countries began in 1920 was the main reason for the fall of prices which bankrupted thousands of farmers and business men and made millions of workers idle.

"And there you have it! The chain of causes: Deflation, fall of prices, unemployment, producing political vindictiveness.

* * * * * * *

"If those now so anxious over labor unrest, for fear their own pocketbooks will be injured, once realized that there are those real grievances from inflation and deflation (which are what 'unstable money' means) they would do something else than wring their hands in bewildered anxiety.

* * * * * * *

"As stated at the outset, of course there are other grievances. But it is doubtful if any are so important as those produced by inflation and deflation. Lord D'Abernon, now British ambassador to Germany and one of the masters of this subject, once said that he believed 90 per cent of the world's Bolshevism came from unstable money. That is a higher percentage than I would ascribe, but I believe over 50 per cent would be a conservative estimate.

"And the worst of it is that neither labor nor capital has yet clearly seen the situation. Labor is therefore now on the rampage and is quite likely to hang the wrong man to the lamppost, while capital does nothing except to demand that nothing be done. When both sides demand and obtain stable money over half of their difficulties will disappear."

PROFESSOR CASSEL'S REVIEW OF WORLD FINANCIAL CONDITIONS.

From Professor Cassel's book, Money and Foreign Exchange After 1914, by Gustav Cassel, published by Macmillan Co., New York, we take the following extracts, picked here and there, without continuity, but all bearing on the effect of the Federal Reserve Board's deflation campaign:

"* * * Monetary deflation must, in the long run, tend to depress industry, since a steady and persistent fall in prices necessarily diminishes and discourages trading activity. If trade depression becomes sufficiently acute, monetary deflation will sooner or later be impossible, because of the Government's inability to collect sufficient from the profits of industry to meet all outgoings. If the policy is persisted in after the time for it has passed, a grave danger arises, for the payment of taxation will then involve trespassing upon the capital, and this, by retarding trade recovery and reducing the Nation's productive capacity, will accentuate the very evils it is desired to cure."—(From Monthly Review of Barclay's Bank, December, 1921, quoted by Cassel with approval.)

"More than four years after the appointment of the committee (Cunliffe committee appointed in 1918 to examine different problems likely to arise during reconstruction in England) their demand—the restoration of the gold standard—is still unsatisfied, whereas the depression which could be foreseen as a consequence of the deflation policy has set in, and has shown itself to be of an extremely serious character. * * *

"In an article in the Economic Journal for March, 1920 ('Further Observations on the World's Monetary Problems'), I expressed the opinion that a process which aimed at reducing prices to their former level would probably ultimately prove still more disastrous than the process of inflation had been. The prospect of a long period of falling prices would kill all enterprise and hamper the process of reconstruction. Further, an increase in the value of gold would for many countries aggravate the difficulties of reverting to a gold standard and very seriously increase their already overwhelming financial burdens. * * *

"In opposition to the then prevailing idea that deflation could be attained by such increase in production as would bring it on a level with the provisions of means of payment—i. e., without any reduction of already existing means of payment—I showed that this was bound to be a very slow process. With a normal rate of progress of, let us say, 3 per cent per annum, it would take 31 years to overcome an inflation indicated by the index number 250. * * *

"In my first memorandum laid before the International Finance Conference in Brussels I uttered a warning against any attempt at further deflation. * * *

"During 1920 there was carried out in the United States a process of deflation which eventually resulted in a violent fall in the general price level, and consequently a corresponding rise in the purchasing power of the dollar, and thereby also in that of gold. This process having severely complicated the exchange problem for other countries, it has naturally attracted lively attention throughout the world. Now, afterwards, people in the United States have wanted to make out that the fall in prices was spontaneous and that no deflationist policy—that is, a process aiming at raising the internal value of the dollar—had ever been deliberately pursued.

* * * * * * *

"Bank administration in the United States, as in so many other countries, has worked on the idea that any restriction found to be necessary ought to be confined to credits 'for speculative purposes,' and would not need to affect so-called 'legitimate' credits. In reality no such distinction is possible. Stern measures designed to reduce speculative credit are almost bound to react in a thousand different ways on the whole of the industrial life of a country and to reduce the total volume of credit. Still more impossible is it to place an effective restriction upon all credit for speculative purposes without thereby forcing on a general fall in prices. The scheme for suppressing the granting of credit for purposes of speculation must, therefore, in itself have already involved a scheme for reducing the level of prices. That this object formed the gist of the Federal reserve banks' restrictive-credit policy seems only natural; at any rate this policy must have appeared to the mind of the public as a logical continuation of the Government's vigorous campaign for reducing the level of prices. * * *

"In its number dated the 1st of October, 1919, the Federal Reserve Bulletin discusses the problem of the high cost of living, and refers to the measures taken by the Government against the rise in prices. In direct reference to this subject the journal says: 'The problem of reducing the cost of living is, however, mainly that of restoring the purchasing power of the dollar. The dollar has lost purchasing power because the expansion of credit, under the necessities of war financing, proceeded at a rate more rapid than the production and saving of goods. The return to a sound economic condition, and one which will involve as little further disturbance of normal economic relationships as possible, will be a reversal of the process which has brought the country to its present pass. * * * And what is more, the Journal adds: 'The cost of the living problem on its financial side is misconceived, unless it is conceived as the problem of restoring the value of the dollar. To accept the depreciation worked in the dollar by war conditions, and to standardize the dollar of the future on this basis, would be to ratify the inflation wrought by the war and the injustices it produced.' It can hardly be denied that a very definite program of deflation is hereby proposed. * * *

"It is further stated in this number (July, 1920, number of Bulletin) that 'beginning with November, 1919, effort was definitely made to control the reserve position through the application of higher rates of discount at Federal reserve banks,' and that 'the operation of credit control through higher discount rates has had a marked success.' * * *

"The board had repeatedly exhorted the Federal reserve banks to endeavor to induce the member banks to avoid an undue expansion of loans, and to keep the volume of their outstanding credits within reasonable limits. On the 17th of May the chairman of the board had declared, among other things, that 'unnecessary and habitual borrowings should be discouraged, and the liquidation of long-standing, nonessential loans should proceed. Banks were cautioned, however, that drastic steps should be avoided, and that the method adopted should be orderly, and that liquidation will result in permanent improvement, while too rapid deflation would be injurious and should be avoided.

"Here, as it seems to me, is as obvious a program of deflation as can be found anywhere. Efforts are, of course, made to retain as long as possible the idea that a deflation can be effected gradually, and without hampering productive activities. But this is an illusion which is, so to speak, tacked on to the deflationist policy and has no influence whatever upon its actual consequences. * * *

"It must, therefore, have been part of the Federal Reserve Board's policy to bring down the general price level. It is true that after the fall in prices has already set in the board

time after time expresses the belief that the bottom has been reached. But in this it is mistaken. The consequences of its restrictive policy are more far-reaching than the board imagines. * * *

"Now, afterwards, whenever an attempt has been made to defend the Federal Reserve Board against the charge of having through a deliberate deflationist policy forced on the fall in prices, with all its appalling consequences, it has been particularly pointed out that the fall in prices took place before the limitation of credits, and that therefore the restrictive bank policy could not have caused the fall in prices. This argument is absolutely untenable. * * * By their energetic efforts at curtailing credits, and especially by their high discount rates, the Federal reserve banks have brought about an extensive and sometimes precipitate realization of accumulated stocks, have severely cut down the demand for capital of all kinds of new construction and improvements, and have thus put a very effective check on enterprise.

"A policy of this kind always proves the surest means of bringing down the price level. The reduced creation of real capital causes less demand for labor and a reduction in wages. With increasing unemployment and falling wages there follows a reduction in purchasing power. Just as the board expected, the current savings which accumulated during that period have been utilized for canceling a part of the superfluous means of payment. By its restriction of credit the board has convinced the public of its serious intentions with regard to the deflationist program, and the public have quite consistently refrained from buying, and that to such an extent that people have talked of a general purchasing strike. Not until the public had worn out their clothes could they be induced out of sheer necessity once more to start buying textiles and boots, which brought about some improvement in the respective markets. Not until the lack of housing accommodations became overwhelming and the prices of materials and labor had fallen considerably did building operations commence gradually to assume more proportions. People are still evidently reluctant to effect purchases in several lines of business, because they either hope or fear for a still further fall in prices. The common purchasing strike, both on the part of business enterprises and consumers, may perhaps be regarded as the immediate cause of the fall in prices. But this purchasing strike has been a direct and natural consequence of the restrictive policy adopted by the bank administration. * * *

"The subsequent process of deflation can also be looked upon as an indication of the effectiveness of the centralized banking system, but in this case the effectiveness has manifestly proved disastrous to the country. The mere effectiveness of an organization is, therefore, not everything. In order successfully to utilize such effectiveness, an administration is required to be capable of fulfilling the most exacting claims; indeed, the greater the effectiveness of the organization the higher will be the claims on the administration. * * *

"However, it is not intended here to lay any stress upon showing up that an error of judgment has been committed, but rather upon pointing out the cause of this error of judgment. And that is quite obvious.

"The Federal Reserve Board entirely overlooked the one factor which in the whole of this great complicated process was itself the principal driving force—the boards' own deflationist policy, or perhaps let us say, rather the restrictive bank policy which the board pursued, and which in itself inevitably implied deflation. I am well aware that both the board and its supporters deny that a deliberate deflation was ever advanced, but what can not be denied is that from the spring of 1920 to the spring of 1921 there took place a very considerable rise in the internal value of the dollar. * * * Just as during the period of inflation the central banks of the world would never openly admit that an internal depreciation of money was taking place, so during the period of deflation they have never been willing fully to acknowledge, at least after the harmful effects of deflation began to appear, that deflation was a monetary phenomenon and involved a fresh change in the monetary unit. With such a standard it was inevitable that the situation should be misjudged while the deflation process was actually being experienced. This was, however, from a practical point of view, very serious, not to say dangerous, for it caused the American central bank management to maintain their restrictive bank policy, even after it had failed to serve any rational purpose and could only encourage a further altogether aimless increase in the internal value of the dollar.

"Other countries who would not willingly see their currency further depreciated in its relation to the dollar had no option but to pursue the same deflationist policy. * * *

"So long as the process of deflation went on, new 'frozen credits' were constantly being created in this way, and the effort to preserve the security and liquidity of the banks seemed ever to demand a continuation of the policy of restriction.

"The fall in prices in America produced a similar effect on the economic conditions in those countries which were buyers of American export commodities. By the time the export commodities had arrived at, let us say, South American ports the prices had already fallen so low that the buyers could not see their way to take the goods at the contracted prices without thereby exposing themselves to severe losses. * * *

"The fall of prices in the United States has thus, in actual fact, failed to benefit exports. The world has here an example from which it should be able to learn something in the way of correcting a very common delusion. In every country during the period of deflation the doctrine was taught that to bring down the price level and to produce more cheaply were the two essential conditions, if a country wished to retain its share of the world market. There can be no doubt that this idea was one of the most potent factors which accelerated the process of deflation. We know that this idea is false. * * *

"This analysis is important, not only because it throws light on what has actually taken place during the period of deflation, but also because it makes it possible to deal with false ideas regarding the nature of the deflationist process. The idea is indeed quite widely entertained that the fall in prices which has taken place since the middle of 1920 has not the character of a deflation—that is to say, has not been the consequence of a restrictive credit policy. This opinion is generally based on the fact that the diminution in the provision of means of payment occurred later than the fall in prices. That this argument is altogether inadequate is obvious from what has just been said. Banks can easily adopt a restrictive credit policy without succeeding in effecting thereby any immediate reduction in the total amount of their credits. * * *

"Those who believe themselves capable of dealing out justice through raising the value of money must further bear in mind that the unprecedented losses caused by the deflationist process may easily render many claims absolutely worthless, and that the creditor then gets but little satisfaction out of the value of the monetary unit on which his claim rests having been improved. If any mention is to be made of justice, then some consideration should also be paid to all the heavily engaged business men and other debtors who are being ruined by the process of deflation, as well as to the masses of unemployed who have been innocent sufferers under this process. * * *

"The depressing influence which a continued reduction of the price level must be expected to exercise over enterprise has not failed to show itself. Dealers have to the utmost possible extent refrained from activity in anticipation of prices reaching their bottom level, and consumers have likewise postponed their purchases as long as possible in the expectation of being able to buy at cheaper prices. Unemployment at an appalling scale has been the result. * * * Each country has suffered not only through its own deflationist policy, but also through that of other countries. As the deflationist policy has naturally to a very great extent paralyzed such forms of production as are required for constructional and building purposes, Swedish industry in particular, which happens to be very largely based on supplying material for such purposes to other countries, has been most seriously affected by the depression caused in those countries by the deflationist policy. * * *

"As was predicted, the process of deflation has proved extremely harmful. The general depression at present prevailing throughout the world is very largely a result of this process of deflation. The unfortunate part is that it can never be determined how far deflation may be responsible for this depression. The mad policy of militarism that has been pursued ever since the armistice and is the cause of true peace not having even yet been attained, is in itself quite sufficient to destroy the world's economic life and to bring ruin and unemployment upon all the nations of the world. But the deflationist policy alone would have been sufficient to produce much the same effect. * * *

"A particularly harmful result of the process of deflation is that the burden of the public debts becomes heavier than the community can bear. When these debts have assumed absolutely fantastic proportions it is bound to be extremely dangerous to attempt a measure tending to make the unit in which the figures are calculated larger. But this is exactly what has been done through deflation. It is probable that some of those countries which by 1920 had already become so overburdened with debts that they had reached the limit of their financial capacity have, through the process of deflation

which has gone on ever since, been reduced to a state of actual insolvency.

* * * * * * *

"As soon as a deflationist program has been laid down, and the means of carrying it through which we possess in the bank policy have been put into practice, a violent fall in prices is the inevitable result. * * *

"The deflationist policy of the United States can scarcely be said to have served any wise purpose. Under prevailing conditions, raising the value of the dollar could only cause a corresponding rise in the value of gold. Such a rise could not possibly be of any benefit to the United States, but for other countries, striving to raise their currencies in value in relation to gold, the rise in the value of gold simply meant, as has been shown in a previous chapter, that all their efforts and sacrifices were made in vain.

* * * * * * *

"All civilization represents one mighty effort of man to overcome difficulties instead of passively allowing himself to be carried away by them. At the present moment the future of civilization rests in no small degree upon this central will to conquer being able to assert itself in the sphere of money."

The VICE PRESIDENT. The Secretary will read the bill.

Mr. HEFLIN. Mr. President, I think we had better have a quorum. Several Senators who are absent want to be here to hear the bill read. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Harris	McKinley	Sheppard
Ball	Harrison	McLean	Smoot
Bayard	Heflin	McNary	Sterling
Bursum	Hitchcock	Nelson	Sutherland
Calder	Johnson	New	Townsend
Cameron	Jones, N. Mex.	Nicholson	Underwood
Capper	Jones, Wash.	Norbeck	Wadsworth
Couzens	Kellogg	Norris	Warren
Curtis	Kendrick	Oddie	Watson
Ernst	Keyes	Overman	Weller
Fletcher	King	Pepper	Willis
George	Lenroot	Phipps	
Gerry	Lodge	Reed, Pa.	
Glass	McKellar	Robinson	

Mr. CURTIS. I wish to announce that the Senator from Washington [Mr. POINDEXTER] and the Senator from Maine [Mr. HALE] are absent on official business.

Mr. MCNARY. I was requested to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Iowa [Mr. BROOKHART] are engaged in a hearing before the Committee on Manufactures.

The PRESIDING OFFICER (Mr. PEPPER in the chair). Fifty-three Senators having answered to their names, a quorum is present. The Secretary will read the bill.

Mr. MCLEAN. I ask unanimous consent to dispense with the formal reading of the bill and that the bill be read for amendments, committee amendments to be considered first.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CAPPER. Mr. President, it is not my purpose to discuss in detail the necessity of better credit facilities for the agricultural interests of the country and more particularly for the more orderly marketing of crops. I believe all are by this time well aware of the disastrous results that come from forcing upon the market the products of the soil through inability to obtain credit to carry those products until such time as the markets and transportation are no longer glutted by the great flow.

It is my firm conviction that unless credit relief is extended it will be found that the returning prosperity of which there is so much vaunting will be only a flash in the pan. If that is true, the proposed legislation is not for the farmers alone but for all the people.

While there are evidences that business is much recovered, I am justified in saying that the economic position of the great staple-crop farmers of the country is really no better than a year ago, even if not so agonizing as it was in the midst of readjustment and deflation. The farmers of the northeastern regions who are near to their markets and have not suffered from the oppressive transportation charges as western and southern farmers have, and are more favored in some other respects, are comparatively well off, though many of them also suffer from the present maladjustment between agriculture and other economic groups.

Mr. President, as a whole the farmer is still selling low and buying high. His product has nowhere near the purchasing power of the products of other industries as compared with the assumed normal of pre-war times, but even then he suffered in the exchange of his products for the things he required. After making all possible allowance for the fact that agriculture has taken the brunt of readjustment, the truth is it has been going downhill for years.

This retrograde movement is to be attributed chiefly to the weak financial position of agriculture and its lack of business organization in the midst of a world of such organization. The one causes the other, and the farmer moves around in a vicious circle of helplessness. A start has been made in organization, but it is only a start, and it requires the stimulus of adequate financing to go far.

I know of nothing which will contribute more to the general welfare and prosperity than a well-financed agricultural industry which is on an equal marketing footing with the distributing agencies and will have a voice in fixing the prices of its product. At present the farmer buys at a price fixed by the seller and sells at a price fixed by the buyer. All he is asking is to be put in a position where he shall have something to say about the price of what he sells. If it is worth while to have an efficient and sound agricultural industry, it is worth while to do that much for him.

After he produces, the farmer becomes a merchant, but a merchant without the credit facilities of the middlemen and speculators with whom he deals. While they have unlimited funds with which to buy he has none with which to hold back from selling and to bargain on terms of equality. In fact, he sells not according to his judgment and the trend of the market but according to the dictates of pressing necessity or of the masters of such limited credit as he may have. Moreover, he pays more for his slender and precarious credit accommodation than the buyers do for their ample and dependable facilities.

Under existing rural personal credit facilities, the borrowing radius of the individual farmer is necessarily limited. He has no reliable method of drawing on the investment funds of the country for financing his operations as men in other activities have, but is dependent on local facilities of a limited nature. There are virtually no financial institutions that adequately meet the peculiar requirements of an industry that markets its products only once a year, and that sometimes—as in live-stock growing—requires three years to finish its product.

The War Finance Corporation has been very helpful the past year, but it is only an emergency agency. It has, however, demonstrated beyond a doubt that there is a great field for rural financing, and that it is one of legitimate and dependable banking. This does not mean subsidizing agriculture; it means only the use of public agencies to realize a beneficent purpose not otherwise obtainable. If the Government will provide credit channels, the farmers will ultimately pay all the costs thereof, just as they are now doing in the case of the Federal land banks, which are contributing much to solve the problem of rural investment capital in the shape of farm-mortgage loans.

Mr. President, the purpose of Senate bill 4280, introduced by me, is to establish under Federal supervision a national credit system for the agricultural and live-stock interests of the United States. It is designed to accomplish in the field of agricultural credit what the national banking system was designed to accomplish in the banking field.

The bill is analyzed very fully in the committee report, but before turning to a consideration of its detailed terms I desire to discuss in a more general way the purposes of the bill.

In the first place, we must not lose sight of the fact that there is now in existence, and has been for decades, an elaborate network of credit institutions throughout the United States. There are 8,150 national banks, all of which are required by law to be members of the Federal reserve system. There are approximately 22,000 State banks, of which approximately 1,600 are members of the Federal reserve system. There are in addition a large number of live-stock loan companies which make loans upon cattle and sheep. All of the live-stock loan companies and most of the banks are directly or indirectly carrying on at the present time the business of supplying credit to agriculture. It is not my purpose, nor is it, so far as I know, the purpose of any of the advocates of an improved system of rural credits, to supplant these existing institutions. They are scattered from one corner of the United States to another; they have in the aggregate vast financial resources; they have been operating for decades, and in some parts of the country for generations, and they know their business and the needs of the communities in which they are located. The purpose of this bill, and, indeed, of any sound system of agricultural credits, is to retain our existing financial machinery, to alter and improve it only in so far as it is not functioning properly, and to create new institutions only where it seems impossible to achieve the same results in any other way.

The bill, as is generally known by Senators, was drafted as the result of a series of conferences between Managing Director Eugene Meyer and counsel of the War Finance Corporation and representatives of the various agricultural interests. The National American Live Stock Association last August appointed a committee to consider what changes in existing law should be recommended to Congress by the association with respect to live-stock credits. This association, of which the Senator from Wyoming [Mr. KENDRICK] is a former president, is a federation of live-stock associations in 18 or 20 Western and Southwestern States, and I know of no body of men better able to express the needs and the desires of the live-stock breeding industry of the United States. This committee met in Washington and held a series of conferences with the managing director of the War Finance Corporation and its counsel. At these conferences a tentative draft of the live-stock sections of the bill now before the Senate was discussed clause by clause. Changes were suggested by the committee and embodied in the draft, and after nearly a week's consideration the draft was approved by the committee. So far as it relates to credits in connection with the breeding and maturing of live stock it may be said without qualification that the bill is what the industry wants.

Shortly thereafter there met here in Washington a national conference of cooperative marketing associations. These associations are composed entirely of agricultural producers who have organized themselves together for the orderly marketing of their commodities. There were present representatives of fruit growers' associations from California, as well as from Florida; grain associations from the Northwest, Middle West, and Southwest; dairy associations from numerous States; cotton associations from virtually every State in the Cotton Belt; tobacco associations from New England, from the South, and from the Middle West; and other associations too many in number and in the diversity of their products to enumerate at this time. It is estimated that the associations represented at the conference will handle during the present year approximately $1,000,000,000 worth of agricultural commodities, and that they represent over 750,000 individual farmers.

The representatives from this conference discussed with the managing director of the War Finance Corporation primarily those portions of the pending bill which relate to marketing credits. They pointed out that, whatever valuable assistance they might receive from specially organized credit corporations under any one of the bills which had been introduced in Congress, their main reliance must always be upon the vast banking structure of the country and upon the Federal reserve system. Their object was to secure such modifications of this existing banking structure as would, in their opinion, render it more serviceable in the financing of agricultural marketing operations. They suggested primarily two changes.

In the first place, they asked that paper issued to finance the marketing of agricultural products be rendered eligible for rediscount in the Federal reserve system with a maturity up to nine months instead of the present limit of six months. Furthermore, they asked that the status of paper of cooperative marketing associations be clarified in order that it would be admissible for rediscount in the Federal reserve system through member banks, with the full maturity allowed to agricultural paper. Specifically, they indorsed in substance those sections of the pending bill contained in title 2 designed to effect these two changes.

The leading State in the Union from the point of view of cooperative marketing is California. In California the movement is of longest standing and has had its most successful development. Recently the legislative committee of the cooperative marketing associations of the State of California, representing associations handling over $250,000,000 worth of products a year, gave the pending bill careful consideration and indorsed it without qualification.

Mr. President, while it gives to those important sections of the agricultural community what they desire in the way of credit legislation, the bill is nevertheless drafted upon lines to which no exception can be taken from the point of view of soundness. It has the indorsement of the Secretary of the Treasury and of the managing director of the War Finance Corporation, both experienced bankers. The provisions embodying amendments to the Federal reserve act have the approval of the acting governor of the Federal Reserve Board. There has been no suggestion from any responsible source that any of these provisions are unsound in principle from the point of view of conservative banking and finance or that they in any way imperil the stability and soundness of the banking and financial structure of the country.

The bill may be said, moreover, to crystallize the experience which the War Finance Corporation has gained in the practical administration of the agricultural credits law of 1921. For nearly a year and a half the War Finance Corporation has been making advances for agricultural and live-stock purposes under the terms of that law, and its work has brought it into practical and intimate touch with the credit requirements of virtually all the agricultural sections of the United States. The work of the War Finance Corporation has naturally divided itself into three parts. It has approved advances to country banks for general agricultural purposes in the amount of $183,000,000. It has approved advances to live-stock loan companies in connection with the financing of cattle and sheep in the amount of $80,000,000. It has approved advances to cooperative associations in connection with the marketing of agricultural commodities in the amount of $180,000,000. The demands upon the corporation from these three sources show clearly where the needs of the agricultural communities lie, and this experience has been used in drafting the pending bill. The need of general banking credits in agricultural sections has been met by the amendments designed to bring more country banks into the Federal reserve system and by increasing to nine months the time of maturity of agricultural paper eligible for rediscount.

The needs of the live-stock industry, in connection with both the breeding and fattening of live stock, are taken care of in the sections creating Federal agricultural credit corporations, and in the provision for rediscountability for live-stock paper with a maturity up to nine months. The needs of the cooperative associations are recognized by express recognition of their paper as agricultural paper.

Another feature of the bill which merits the approval of the Senate is that it will involve the United States Government in no expense. It relies entirely upon private capital and upon private initiative and management. All that the Government will contribute will be a sound plan of organization and efficient and thorough supervision. Some Senators believe that the needs of the farmer can not be completely taken care of without some resort to Government financing. Others believe that private capital, under proper supervision and management, can take care of the situation fully and adequately. Whatever we may think in this regard, however, we must all agree that to the extent that private capital can give proper service to the farmer it should be helped and encouraged to do so. To give such help and encouragement is the purpose of this bill.

Mr. President, without going into too much detail, for the bill is fully analyzed in the committee report, I will now discuss briefly the changes which the bill will make in existing law and in the existing banking structure of the Nation.

The bill is composed of four titles, and the only title which creates any new machinery is Title I. This title provides for the Federal incorporation of agricultural credit corporations, with power to purchase or discount agricultural paper, secured either by agricultural commodities in warehouse or by live stock.

At this point I desire to correct a very general misapprehension as to the function which these credit corporations are expected to perform. It has been frequently said that the new machinery provided in this title will be of value only to those Western States which are largely devoted to the business of breeding and maturing cattle and sheep, and that it will be of no value in the great States of the Middle West and South where cattle and sheep and hogs are fattened for market, or to the producers of our great staple agricultural commodities. This is entirely untrue. The corporations have authority to make loans up to nine months on the security of live stock which is being fattened for market, and they have authority to make advances for the same period against nonperishable agricultural products properly warehoused. Moreover, paper issued or indorsed by these corporations for the purpose of financing the feeding of live stock or the marketing of agricultural products is by a later section rendered eligible for rediscount in the Federal reserve system through a member bank, or, if in the form of acceptances, is eligible for purchase by Federal reserve banks without the intervention of a member bank. In view of these provisions it seems clear that in any agricultural community in which there is a real need for financing in connection with the feeding of cattle or the marketing of nonperishable products it will be possible to organize such a corporation to avail itself of the benefits of the bill.

The provisions as to incorporation and capitalization of these corporations, the conditions and regulations under which they may make advances, indorse and sell paper, and issue debentures, are fully summarized in the report of the commit-

tee. The bill provides for these corporations the same efficient banking supervision that is provided for national banks under existing law. This is of the greatest importance. Senators from the live-stock States are familiar with the unfortunate conditions which have prevailed during the past few years in connection with some of the live-stock loan companies operating in those States. These corporations were organized by private capital under State law, and generally without any supervision or examination by State authorities. Some of them borrowed even fifteen or twenty times the amount of their capital; they made loans at inflated prices; they charged extortionate interest rates; and when the agricultural depression set in their financial structure collapsed like a house of cards. Under competent banking supervision these corporations would never have been permitted to engage in such unsound practices. The pending bill provides such supervision for companies organized under its terms.

In this connection also, I will mention briefly another important feature of the bill. It is provided in section 2 of Title I that the Secretary of Agriculture may license persons competent to inspect live stock as a basis for loans. There will thus be created a class of federally licensed live-stock inspectors, certified as to their competence and reliability, upon whom bankers and persons operating live-stock loan companies can call whenever they desire an expert inspection and count of live stock. Such an inspection is, of course, the first requisite of live-stock financing. These inspectors will not be Government employees, and will receive no compensation out of the United States Treasury. Bankers and live-stock men have testified, however, that their services will be of immense value and that such a system will go far to restoring the credit of live-stock paper.

Mr. President, the question may be asked where these agricultural credit corporations will secure the funds necessary for their operations. The initial capital will, it is expected, be subscribed not only by private investors but by banks in the community. Special authority is given in the bill to national banks to subscribe, in a limited amount, to the stock of the corporations, and it is to be hoped that State legislatures will give similar authorization to State banks. These corporations, however, will do a business which may run as high as ten times the amount of their capital stock. Since they are not authorized to receive deposits, they must obtain these funds by borrowing in the investment market. The corporations are, therefore, authorized to sell paper, with or without their indorsement, and to issue debentures secured by the agricultural paper which they have discounted.

To establish channels through which these corporations can obtain the necessary funds, provision is made for the incorporation of larger rediscount corporations, to be organized principally in the larger financial centers. It is expected that such corporations, having a capital stock of $1,000,000 or over, will be organized in the capital centers and will constitute the channel through which the agricultural credit corporations will sell their paper to financial institutions and private investors.

Title I, as I have said, is the only part of the bill which creates any new machinery. Title II is devoted entirely to amendments to the present banking laws. These amendments have two primary purposes in mind: First, to bring into the Federal reserve system as many as possible of the country banks which are not now members of the system, and, second, to make such changes in the rules of eligibility governing agricultural paper as seem necessary to fit the actual requirements of the farmer.

At the present time no State bank may become a member of the Federal reserve system if it has a capital and surplus less than $25,000, in places having a population not exceeding 3,000 inhabitants; or if it has a capital and surplus less than $50,000, in places having a population not exceeding 6,000 inhabitants. In the present bill these limits are reduced to $15,000 and $35,000, respectively.

The other amendments to the Federal reserve act relating to eligibility of agricultural paper for rediscount I have already touched upon. It is provided, briefly, that any paper issued for an agricultural purpose or based on live stock is eligible for rediscount with a maturity up to nine months. Such paper, however, if it has a maturity over six months, may be made the basis of currency issues only if it is secured either by nonperishable commodities in warehouse or by live stock which is being fattened for market. The title also, as I have said, defines as agricultural paper the notes or drafts of cooperative associations issued in connection with their marketing operations. These provisions are of the greatest importance in connection with the marketing of our great agricultural staples, such as cotton, wheat, and tobacco. They will tend to promote the movement, in which the great cooperative marketing associations are playing such an important part, toward the more gradual shipment of crops to market. Every year at harvest time we are faced with a recurring and growingly acute condition of railroad congestion. There are not enough freight cars in the country to handle the peak load of agricultural products, and to manufacture enough cars means added expense which will ultimately fall upon the agricultural producer. We will not solve this problem satisfactorily until we have learned to spread our grain shipments over a longer period of time, and this means orderly marketing. Orderly marketing means more gradual marketing, and more gradual marketing means longer time credits for producers and for their marketing associations.

Title III of the bill contains amendments to the War Finance Corporation act which will permit the corporation to continue making advances for agricultural or export purposes until through the winter of 1923–24. The War Finance Corporation has always been recognized as a temporary emergency organization. Its personnel was built up on an emergency basis, and the hundred or more bankers throughout the country who are serving on its committees in passing upon loans are acting from public-spirited motives and without compensation. It is not proposed to make the War Finance Corporation a permanent institution, and it would be impossible to keep together its organization permanently upon the present basis. It will, however, take some time to set in motion the machinery provided in the pending bill, and it is believed that the War Finance Corporation, if its powers are extended until the spring of 1924, can be of great assistance in this connection.

Finally, in Title IV the bill raises from $10,000 to $25,000 the amount which a Federal land bank may lend to one borrower. This change has been urged by the representatives of many agricultural organizations, and has the approval of the Federal Farm Loan Board, as well as the Secretary of the Treasury. At one time there was some doubt whether such a change would not be harmful. A year ago the amount of money available by the sale of farm loan bonds was limited, and the Federal land banks had enough applications for loans in small amounts to absorb completely any funds that could be obtained. Larger loans could therefore have been made only at the expense of the small farmer. At the present time, however, the situation has changed. There is now an established market for Federal farm loan bonds; investment funds are available in large quantities and at reasonable rates, and it is the testimony of those who are charged with the administration of the act that enough money can be obtained to take care of all legitimate needs. It is felt, therefore, that the increase in the limit will be in no way harmful to the small farmer, and will be of great assistance in those sections in which farming must be conducted on a comparatively large scale.

Mr. President, in closing I wish to point out that the provisions contained in the bill now under consideration have met with virtually no opposition. Some people, it is true, think the bill does not go far enough and that additional machinery should be created with Government money and under Government operation. There is nothing in the present bill which will prevent Congress from establishing such additional machinery, either now or later, should it be concluded that such additional machinery is necessary. I think it is generally agreed that this bill is sound, and that it will be helpful. Whatever our views may be as to the necessity of such additional machinery as is provided either in the Lenroot-Anderson bill, which I favor, or in other bills which have been introduced during the present session, I think we can join now in passing the present bill. It embodies those provisions upon which I believe all parties are quite generally agreed. It carries with it the approval of the cooperative marketing associations, of the national associations representing the cattle and sheep industry, of the Secretary of the Treasury, of the War Finance Corporation, and of the Federal Reserve Board. It represents what can be accomplished immediately, without controversy, and upon sound and constructive lines.

The PRESIDING OFFICER. The Secretary will read the bill for action on the committee amendments.

The reading clerk proceeded to read the bill, as follows:

TITLE I.

SHORT TITLE.

SEC. 1. That this title may be cited as "The Federal agricultural credits act."

AGRICULTURAL CREDIT CORPORATIONS.

SEC. 2. That corporations for the purpose of providing credit facilities for the agricultural and live-stock industries of the United States may be formed by any number of natural persons not less in any case than five. Such persons shall enter into articles of association which shall specify in general terms the object for which the corporation is formed, and may contain any other provisions, not inconsistent with law, which the corporation may see fit to adopt for the regulation of its

business and the conduct of its affairs. Such articles of association shall be signed by the persons intending to participate in the organization of the corporation and thereafter shall be forwarded to the Comptroller of the Currency to be filed and preserved in his office.

REQUISITES OF ARTICLES AND CERTIFICATE.

SEC. 3. That persons signing such articles of association shall make an organization certificate which shall specifically state the name of the corporation to be organized, the place where its principal office is to be located, the State or States in which its operations are to be carried on, the amount of its capital stock, and the number of shares into which the same shall be divided, and the fact that the certificate is made to enable the subscribers to avail themselves of the advantages of this act.

The name of each corporation organized under this act shall include the words "Federal agricultural credit."

The said organization certificate and articles of association shall be acknowledged before some judge of a court of record or notary public and shall, together with the acknowledgement thereof duly authenticated by the seal of such court or notary, be transmitted to the Comptroller of the Currency, who shall file, record, and carefully preserve the same in his office.

Upon making and filing the articles of association and organization certificate with the Comptroller of the Currency, and when the Comptroller of the Currency has approved the same and issued a written permit to begin business, the said corporation shall be and become a body corporate, and as such and in the name set forth in the organization certificate shall have power—

(1) To adopt and use a corporate seal.

(2) To have succession for a period of 50 years unless sooner dissolved by the act of shareholders owning two-thirds of its stock or by act of Congress or unless its charter shall be forfeited for violation of law.

(3) To make contracts.

(4) To sue and be sued, complain and defend in any court of law or equity.

(5) To elect or appoint directors and by its board of directors to appoint such officers and employees as may be deemed proper; to define their authority and duties; to fix their salaries; in its discretion to require bonds of any of them and to fix the penalty thereof; and to dismiss at pleasure any of such officers or employees.

(6) To prescribe by its board of directors by-laws not inconsistent with law or the regulations of the Comptroller of the Currency regulating the manner in which its general business may be conducted, its shares of stock be transferred, its directors and officers be elected or appointed, its property transferred, and the privileges granted to it by law be exercised and enjoyed.

(7) To exercise by its board of directors or duly authorized officers or agents all powers specifically granted by the provisions of this act, and such incidental powers as shall be necessary to carry on the business for which it is incorporated, within the limitations prescribed by this act; but such corporation shall transact no business, except such as is incidental and necessarily preliminary to its organization, until authorized in writing by the Comptroller of the Currency to commence business under the provisions of this act.

(8) To establish and maintain branches or agencies within the States in which authorized to engage in business under regulations to be prescribed by the Comptroller of the Currency.

(9) The affairs of each corporation organized under the provisions of this act shall be managed by not less than five directors, who shall be elected by the stockholders at a meeting to be held at any time before the corporation is authorized by the Comptroller of the Currency to commence business, and afterwards at meetings to be held on such day in January of each year as may be provided in the articles of association. The directors so elected shall hold office for one year, and until their successors are elected and have qualified. Every director and other officer of the corporation shall, before entering upon the duties of his office, take and subscribe an oath before a notary public or other official having a seal and authorized to administer oaths, conditioned for the faithful performance of the duties of his office. Such oath shall be in such form as may be prescribed by the Comptroller of the Currency, and shall be filed in the office of the Comptroller of the Currency. Any vacancy in the board shall be filled by appointment by the remaining directors, and any director so appointed shall hold his place until the next election.

POWERS OF THE CORPORATION.

SEC. 4. That each corporation so organized shall have power under such rules and regulations as the Comptroller of the Currency may prescribe:

(1) To make advances upon, to discount, rediscount, or purchase, and to sell or negotiate, with or without its indorsement or guaranty, notes drafts, or bills of exchange, and to accept drafts or bills of exchange, which—

(a) Are issued or drawn for an agricultural purpose, or the proceeds of which have been or are to be used for an agricultural purpose;

(b) Have a maturity, at the time of discount, purchase, or acceptance, not exceeding nine months;

(c) Are secured at the time of discount, purchase, or acceptance by warehouse receipts or other like documents conveying or securing title to nonperishable and readily marketable agricultural products, or by chattel mortgages or other like instruments conferring a first and paramount lien upon live stock which are being fattened for market.

(2) To make advances upon or to discount, rediscount, or purchase, and to sell or negotiate with or without its indorsement or guaranty, notes secured by chattel mortgages conferring a first and paramount lien upon maturing and breeding live stock and dairy herds, and having a maturity at the time of discount, rediscount, or purchase not exceeding three years.

(3) To issue, subject to such regulations as the Comptroller of the Currency may prescribe, collateral trust notes or debentures, with a maturity not exceeding three years, and to pledge as security for such notes or debentures any notes, drafts, bills of exchange, or other securities held by the corporation under the terms of this act. The regulations of the Comptroller of the Currency may prescribe the form of such notes or debentures, and of notes, drafts bills of exchange, warehouse receipts, chattel mortgages, or other instruments which may be pledged as security therefor, the provisions which may be made with regard to release, substitution, or exchange of such securities, and with regard to protection, supervision, inspection, and reinspection of the agricultural commodities or live stock pledged or mortgaged as security therefor.

(4) To subscribe for, acquire, own, buy, sell, and otherwise deal in bonds, notes, Treasury certificates of indebtedness, or other obligations of the United States to such extent as its board of directors may determine.

(5) To act, when requested by the Secretary of the Treasury, as fiscal agent of the United States, and to perform such services as the Secretary of the Treasury may require in connection with the issue, sale, redemption, or repurchase of bonds, notes, Treasury certificates of indebtedness, or other obligations of the United States.

(6) To act as custodian, trustee, or agent for banks or trust companies which are members of the Federal reserve system.

(7) To purchase, hold, acquire, and dispose of shares of the capital stock of any corporation organized under the provisions of section 8 of this act, in an amount not to exceed at any time 20 per cent of its paid-in and unimpaired capital and surplus.

(8) To purchase, hold, and convey real estate for the following purposes, and for no others:

(a) Such as shall be necessary for its accommodation in the transaction of its business.

(b) Such as shall be mortgaged to it in good faith by way of security for loans or advances made, or for debts previously contracted.

(c) Such as shall be conveyed to it in satisfaction of loans or advances made or debts previously contracted in the course of its dealings.

(d) Such as it shall purchase at sales under judgment decrees, or mortgages held by the corporation or shall purchase to secure debts due to it.

Any obligation referred to in paragraphs 1 or 2 of this section which is secured by chattel mortgage upon live stock of an estimated market value at least equal to the face amount of such obligation may be additionally secured by mortgage or deed of trust upon real estate or by other securities under such regulations as may be made by the Comptroller of the Currency.

LIMITATIONS.

SEC. 5. Except as hereinafter in section 8 provided, no corporation organized under this act shall incur liabilities, whether direct or contingent, in excess of ten times its paid-in and unimpaired capital and surplus; nor shall any such corporation make advances to or hold notes or other direct obligations of any person or corporation, or have outstanding acceptances for any person or corporation, in an amount exceeding 20 per cent of the paid-in and unimpaired capital and surplus of such corporation, unless such advances, notes, or other obligations are adequately secured by warehouse receipts representing readily marketable and nonperishable agricultural commodities, in which event the amount of such advances to, or notes or other direct obligations of, such one person, association, or corporation shall not exceed 50 per cent of such paid-in and unimpaired capital and surplus. No such corporation shall purchase, own, or deal in any live stock except live stock taken in the course of liquidation of obligations held by it.

INTEREST RATES.

SEC. 6. Any corporation organized under the provisions of this act may take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidence of debt, interest at the rate allowed by the laws of the State in which such obligation is by its terms made payable.

The taking, receiving, reserving, or charging a rate of interest greater than is allowed by the preceding paragraph, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it or which has been agreed to be paid thereon. In case the greater rate of interest has been paid, the person by whom it has been paid, or his legal representative, may recover back in an action in the nature of an action for debt twice the amount of the interest thus paid from the corporation taking or receiving the same, provided such action is commenced within two years from the time the usurious transaction occurred.

CAPITAL STOCK.

SEC. 7. That no corporation organized under the provisions of this act shall be permitted to commence business with a paid-in capital of less than $250,000; and no permit to begin business shall be issued to any such corporation by the Comptroller of the Currency until there shall have been filed with him a certificate signed by the president or treasurer and by individuals comprising a majority of the board of directors of such corporation showing that at least 50 per cent of the authorized capital stock of such corporation has been paid in in cash; and the remainder of the capital stock of such corporation shall be paid in installments of at least 10 per cent each on the whole amount of the capital, and the entire authorized capital stock shall be paid in within six months from the date upon which such corporation shall be authorized by the Comptroller of the Currency to commence business. The payment of each installment shall be certified to the Comptroller of the Currency under oath by the president or cashier of such corporation.

Mr. FLETCHER. Mr. President, I ask the chairman of the committee whether he thinks it is necessary to the safety of this system that the stock should be limited to a minimum of $250,000 paid-in capital. The thought I have is that there may be a good many communities in the United States where it is quite a problem to raise $250,000 in cash in order to organize one of these corporations. I know it is desirable to have as large a capital as possible in order to meet conditions. It makes it safer, and there is a good deal of power vested in these corporations and a good deal of business is expected to be done by them. At the same time, I have in mind conditions in some parts of the country where it is going to be very difficult to get together $250,000 in cash in order to organize one of these corporations.

I was wondering if the Senator might think that, perhaps, we could reduce that amount a little—say, to $200,000 or $150,000 as a minimum capital for these corporations. This is going to make it very difficult. I think it will limit the number of these corporations organized to a very great extent. They are voluntary organizations. They ought to be strong, and they will be supervised and all that sort of thing, as the bill provides, but it seems to me that there can not be a great many of them or-

ganized with the requirement that before they can commence business at all they must pay in at least $250,000. That is a good deal of money to raise in some States and in some communities.

Mr. McLEAN. As a member of the Committee on Banking and Currency, the Senator knows that the committee thought the corporations should have a capital of at least $250,000. It is for the Senate to say whether that figure shall be reduced. I suggest to the Senator that his point might be postponed for the present, as I would like to have the reading of the bill for committee amendments completed this afternoon, if possible. I think his suggestion is a very important one, and if the amount required as paid in capital is to be reduced, it should have pretty serious consideration.

Mr. FLETCHER. I recall that the committee thought it was well to hold to that figure, but since I have thought more about it and heard from some communities which would be interested in it, I have been impressed with the fact that perhaps we might accomplish better results if we reduce the figure. I did not know whether the Senator had thought more on the subject and whether he was prepared to consent to a reduction there or not.

Mr. McLEAN. I certainly can not consent to it now without consulting the committee. We will have a meeting tomorrow, and we will take that up. The Senator is a member of the committee.

Mr. FLETCHER. I can offer the amendment later, of course.

The reading of the bill was continued, as follows:

The capital stock of any such corporation may be increased at any time with the approval of the Comptroller of the Currency by a vote of two-thirds of the holders of its issued and outstanding capital stock, or by written consent of all of its shareholders without a meeting and without a formal vote; and may be reduced in like manner: *Provided*, That in no event shall such capital stock be reduced to an amount less than one-tenth of its then outstanding indebtedness, direct or contingent, or to an amount less than $250,000. No corporation, except as herein provided, shall withdraw or permit to be withdrawn, either in the form of dividends or otherwise, any portion of its paid-in capital, and section 5204 of the United States Revised Statutes, prohibiting the payment of unearned dividends or the withdrawal of capital of national banks, shall be held to apply to corporations organized under the provisions of this act.

The provisions and limitations contained in section 5136 of the United States Revised Statutes, relative to transfer of the shares of the capital stock of national banks, shall apply to corporations organized under the provisions of this act.

Whenever any shareholder or his assign fails, upon demand of the Comptroller of the Currency, to pay his subscription or any part thereof on stock of such corporation subscribed to by him, the directors of the corporation, after 15 days' notice, shall proceed in the manner prescribed by section 5141 of the United States Revised Statutes for the collection of unpaid subscriptions to stock of national banks.

Section 5144 of the United States Revised Statutes, which relates to the right of shareholders of national banks to vote by proxy, shall be held to apply to shareholders of corporations organized under the provisions of this act.

REDISCOUNT CORPORATIONS.

SEC. 8. That corporations having a paid-in capital stock of $1,000,000 or over may be organized under the provisions of this act, to exercise all the powers enumerated in section 4, except that in lieu of the powers conferred in subsections 1 and 2 of said section 4 such corporations shall have power, upon the indorsement of any corporation organized under the terms of this act, to rediscount notes, drafts, bills of exchange, and acceptances for such corporations. Such indorsement shall be deemed to be a waiver of demand notice and protest by such corporation as to its own indorsement exclusively.

Corporations organized under the provisions of this section shall not be subject to the limitations contained in section 5, but the Comptroller of the Currency may by general regulations from time to time prescribe the amount of indebtedness, direct or contingent, which such corporations may incur, and the aggregate amount of paper of different types which such corporations may rediscount for any one corporation.

Corporations with powers limited, as provided in this section, may commence business without deposit of bonds or other obligations of the United States, as provided in section 9 of this act.

PERMIT TO BEGIN BUSINESS.

SEC. 9. That no corporation organized under this act, except corporations with powers limited, as provided in section 8, shall commence business until it has deposited with the Federal reserve bank of the district wherein it has its principal place of business, bonds or other obligations of the United States in an aggregate face amount at least 25 per cent of its paid-in capital stock. Each such corporation shall at all times keep on deposit with such Federal reserve bank an amount of such bonds or other obligations of the United States at least equal in face value to 7½ per cent of the aggregate indebtedness of such corporation, direct or contingent, said amount to include the 25 per cent deposited as hereinbefore provided. Except as hereinafter provided, such bonds or other obligations shall be held by such Federal reserve bank, subject to the direction and control of the Comptroller of the Currency, in trust for the equal and pro rata protection and benefit of all holders of notes, debentures, drafts, bills of exchange or acceptances upon which such corporation may be directly or contingently liable. Upon receipt of proper evidence that the amount of such bonds or other obligations of the United States so deposited exceeds 7½ per cent of such aggregate indebtedness, the Comptroller of the Currency may release such excess, provided that the amount remaining on deposit shall in no event be reduced below 25 per cent of the paid-in capital stock of such corporation. Under such regulations as the Comptroller of the Currency may prescribe, a Federal reserve bank may, upon request of the corporation which deposited the same, sell any such bonds or obligations for account of such corporation, and permit such corporation to use the proceeds thereof for the protection or preservation of any property pledged or mortgaged as security for obligations owned or indorsed by the corporation.

Mr. HARRISON. How long does the Senator intend to have the Senate proceed to-night? There are some provisions to which amendments will be offered, and there ought to be a pretty full attendance.

Mr. McLEAN. The bill is being read now for action on the committee amendments.

Mr. HARRISON. I understand that; but there will be amendments offered to some of the committee amendments.

Mr. McLEAN. The committee amendments are printed in the bill.

Mr. HARRISON. I understand that an executive session is desired.

Mr. McLEAN. I rather hoped we could finish the reading of the bill for action on the committee amendments this afternoon.

Mr. HARRISON. Some of the amendments will be discussed.

Mr. McLEAN. I ask that the amendment which we have just reached, on page 15, be acted upon.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 15, line 1, after the word "If," strike out the word "the" and insert the word "by," so as to make the clause read:

If by reason of such sale the face amount of such bonds or other obligations of the United States remaining on deposit with such Federal reserve bank shall be less than 7½ per cent of such aggregate indebtedness of the corporation, no further advances shall be made, or notes, drafts, or bills of exchange discounted, rediscounted, accepted, or purchased by such corporation until sufficient additional bonds or other obligations of the United States have been deposited to make good the deficiency.

The amendment was agreed to.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

DEATH OF REPRESENTATIVE NESTOR MONTOYA.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, communicated to the Senate the intelligence of the death of Hon. NESTOR MONTOYA, late a Representative from the State of New Mexico, and transmitted the resolutions of the House thereon.

Mr. JONES of New Mexico. Mr. President, I ask the Chair to lay before the Senate the resolutions of the House.

The VICE PRESIDENT laid before the Senate the resolutions of the House, which were read, as follows:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
January 14, 1923.

Resolved, That the House has heard with profound sorrow of the death of Hon. NESTOR MONTOYA, a Representative from the State of New Mexico.

Resolved, That a committee of 10 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. JONES of New Mexico. Mr. President, I ask for the adoption of the resolutions which I send to the Secretary's desk.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 406) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Hon. NESTOR MONTOYA, late a Representative from the State of New Mexico.

Resolved, That a committee of six Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT appointed as the committee on the part of the Senate, under the second resolution, Mr. JONES of New Mexico, Mr. BURSUM, Mr. LODGE, Mr. UNDERWOOD, Mr. CURTIS, and Mr. MYERS.

Mr. JONES of New Mexico. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 5 o'clock p. m.) the Senate adjourned until to-morrow, Tuesday, January 16, 1923, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 15 (legislative day of January 9), 1923.

PROMOTIONS IN THE NAVY.

To be rear admirals.

Charles B. McVay, jr.
John H. Dayton.

To be captain.

Kenneth G. Castleman.

To be commanders.

Grafton A. Beall, jr.
William H. Lee.
Ralph C. Needham.
George W. Kenyon.
Bruce R. Ware, jr.
Arie A. Corwin.
George M. Courts.

To be lieutenant commanders.

Robert B. Simons.
Louis P. Wenzell.
Ellis M. Zacharias.
Harold B. Grow.
Beriah M. Thompson.
Horatio J. Peirce.
Hugh C. Frazer.
Thales S. Boyd.
James A. Crutchfield.

To be lieutenants.

Otto H. H. Strack.
Carl H. Forth.
Duane L. Taylor.
Hubert H. Anderson.
Alfred P. Moran, jr.
Paul F. Lee.
Ralph E. Jennings.
Frank N. Sayre.
Earle H. Kincaid.
George W. Brashears, jr.
Fred A. Hardesty.
William Hartenstein.
Merritt P. Higgins.
Carl A. Scott.
William L. Peterson.
Paul C. Warner.
Raymond F. Tyler.
Troy N. Thweatt.
Harry F. Carlson.
Frederick O. Goldsmith.
Daniel H. Kane.
Russell V. Pollard.
Thomas D. Guinn.

To be lieutenants (junior grade).

Harry E. Stevens.
Walter M. Shipley.
Clyde Keene.
Daniel F. Mulvihill.
David McWhorter, jr.
Samuel E. Lee.
Clarence E. Williams.
Alvin Henderson.
Grover C. Watkins.
Thomas P. Kane.
Wiley B. Jones.
Harley E. Barrows.
Philip D. Butler.
Donald B. McClary.
Alva Henderson.
Eli B. Parsons.
Elmer J. Tiernan.
Julius C. Kinsky.
Benjamin S. Brown.
Francis E. Matthews.
Charles R. Hoffecker.
Henry L. Burmann.
Eugene Bastian.
Howard L. Clark.
Frederick A. Smith.
Charles H. Miller.
Ralph L. Lovejoy.
Myron T. Richardson.
John A. Sedgwick.
Jackson R. Tate.
Lawrence F. Blodgett.
James S. Haughey.
Merritt A. Bittinger.
Cyril E. Taylor.
William L. Hickey.
Bernard J. Loughman.
Raymond C. Ferris.
William H. Galbraith.
Robert D. Threshie.
Ernest E. Stevens.
Frank W. Schmidt.
Maurice Van Cleave.
Edward H. McMenemy.
Royal A. Houghton.
Darrough S. Gurney.
Carroll T. Bonney.
John B. Mallard.
George D. Morrison.
William E. Miller.
William P. Hepburn.
Jim T. Acree.
Charles L. Surran.
Edward H. Doolin.
Marvin H. Grove.

To be medical inspector with rank of commander.

Eugene A. Vickery.

To be surgeon with rank of lieutenant commander.

Frederic L. Conklin.

To be passed assistant surgeons with rank of lieutenant.

Charles F. Behrens.
Duncan D. Bullock.
Charles E. Clark.
Navy F. X. Banvard.
Lloyd L. Edmisten.
Fred M. Rohow.
Frank M. Moxon.
Lyle J. Millan.
Robert E. Duncan.

To be dental surgeon with rank of lieutenant commander.

Alexander G. Leyle.

To be passed assistant dental surgeons with rank of lieutenant.

Ray Endell Farnsworth.
Walter I. Minowitz.
Leonard M. Desmond.
Harold J. Hill.

To be chaplain with rank of captain.

George E. T. Stevenson.

To be naval constructor with rank of admiral.

Robert Stocker.

To be naval constructors with rank of captain.

William McEntee.
Richard D. Gatewood.
George C. Westervelt.
Emory S. Land.

To be naval constructors with rank of commander.

Walter W. Webster.
Harold E. Saunders.

POSTMASTERS.

TEXAS.

Charles A. Ziegenhals, Bastrop.

INDIANA.

Howard J. Tooley, Columbus.
Milton E. Spencer, Ossian.

IOWA.

William C. Howell, Keokuk.
Willis G. Smith, Rock Rapids.
Baty K. Bradfield, Spirit Lake.
Archie C. Smith, Storm Lake.

LOUISIANA.

Herman M. Foster, Cedar Grove.
Silvio Broussard, New Iberia.
Alexander E. Harding, Slidell.
Louis Hebert, White Castle.

MINNESOTA.

William W. Tyndall, Grand Rapids.
Charles F. Wolfe, Kellogg.
George L. Chesley, Pipestone.
James W. Featherston, Staples.

MISSOURI.

Herbert Schnur, Joplin.
Henry O. Abbott, Lebanon.
Edward B. Wilson, Stanberry.

NEW JERSEY.

Irvin D. B. Spatz, Edgewater.
George I. Harvey, Palmyra.

OHIO.

Howard M. Snedeker, Bellaire.
William C. Shafer, Struthers.

PENNSYLVANIA.

John D. Gerhart, East Greenville.
John S. Leidy, Hatboro.
Franklin H. Bean, Quakertown.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 15, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou in whose presence we wait, we thank Thee for our Republic. It is a goodly vine we have inherited; its clusters of blessings hang richly and its roots run out in many ways for the comfort of all. Help us to understand our responsibilities and to see the possibility of even a nobler patriotism. Make it easier for us to go out and be better citizens and to carry to higher usefulness the influence that we possess. O Father of wisdom and mercy, bless all philanthropies which go forward to teach the ignorant, to give bread to the hungry, and to give freedom to those who are oppressed. Be the refuge for those who are now in the waters of affliction. Keep them close to the Father's heart and may Thy sweet peace enfold their troubled souls. Through Jesus Christ. Amen.

The Journal of the proceedings of Friday, January 13, and the Journal of Sunday, January 14, were read and approved.

The SPEAKER. The Calendar for Unanimous Consent is in order to-day, and the Clerk will report the first bill on that calendar.

LAC DU FLAMBEAU BAND OF LAKE SUPERIOR CHIPPEWAS.

The first bill on the Calendar for Unanimous Consent was the bill H. R. 6428, a bill for the enrollment and allotment of the members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes.

Mr. ROACH. Mr. Speaker, I ask unanimous consent that that bill be passed.

The SPEAKER. The gentleman from Missouri asks unanimous consent that the bill be passed. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to the amendments of the Senate numbered 31 and 36 to the bill (H. R. 13559) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

Also that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 13593. An act making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13481. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Also that the Senate had passed Senate bills and a joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 265. Joint resolution to stimulate crop production in the United States;

S. 3515. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 4309. An act to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission, granting certain powers to the Board of Harbor Commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921.

ENROLLED BILLS SIGNED.

Mr. RICKETTS, from the Committee on Enrolled bills, reported that that committee had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 13374. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes;

H. R. 13615. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes; and

H. R. 7658. An act to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes."

COINAGE OF 50-CENT PIECES.

The next bill on the Calendar for Uninamous Consent was the bill H. R. 13194, a bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine.

The Clerk read the title to the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, this is the measure which was under consideration two weeks ago, and to which at one time objection was made because of the authority proposed to be given to a civic association in Los Angeles to receive and to the Treasury Department to coin silver 50-cent pieces of a type in commemoration of the Monroe doctrine. I must say that I am not very much in sympathy with this proposal to have cities or private establishments authorized to receive specially designed coin that might be sold at any price, to their own profit.

I would like to have the gentleman who reported the bill give some reason why we should keep on making exceptions. I am aware that last year we authorized the minting of a special coin in commemoration of some local event in Ohio. That was strongly pressed by the congressional delegation of that State. They utilized the fund raised from the sale of the dollar gold pieces to build a highway. If we keep on passing these bills every Member of the House is going to be besieged with demands from his constituents to have some special coin minted that will be for the exclusive benefit of that locality. It is a bad policy—one that is going to plague us if we keep on multiplying these instances.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BLANTON. The celebration of the one hundredth anniversary of the Monroe doctrine can not be designated as a local affair.

Mr. STAFFORD. It is going to be a local affair, I will say to the gentleman from Texas.

Mr. BLANTON. The Monroe doctrine is not applicable to any one particular locality.

Mr. STAFFORD. It is national in its character, but they are trying to localize it by giving the privilege to this Los Angeles Association to have the exclusive control of these 50-cent pieces. They are trying to localize a national affair in which all the country is interested. Why should the Clearing House Association of Los Angeles have the exclusive privilege of these 50-cent pieces?

Mr. BLANTON. I would rather have this association sell them for a sufficient bonus to finance their celebration than to have them come to Congress for several hundred thousand dollars, as they do in many other localities.

Mr. STAFFORD. Two weeks ago, when this bill was first being considered, I stated the very argument that the gentleman is now advancing, that I would rather have them obtain the funds to meet the expenses through the premium derived from the sale of these coins than to call upon Congress for an appropriation. I am surprised that the gentleman was not here at that time.

Mr. BLANTON. I was here, and some gentleman objected to the bill.

Mr. STAFFORD. I did not object to the bill.

Mr. BLANTON. Well, some one did—I think it was the gentleman from Massachusetts [Mr. TREADWAY]—and it went off the calendar.

Mr. STAFFORD. I stated then that I would not object to the bill, and I did not object to the bill. The gentleman, the proponent of the bill, said that that was not the purpose; that it was merely the purpose to give this association the exclusive right over the 50-cent pieces.

Mr. BLANTON. If the gentleman will read the RECORD for December 18, 1922, when the bill was objected to, he will see that I then said that they would sell them for a bonus.

Mr. STAFFORD. The gentleman is mistaken; I did not say anything of the kind.

Mr. BLANTON. I did not say that the gentleman from Wisconsin stated that; I stated that I said it myself.

Mr. STAFFORD. Oh, well, I am not responsible for what the gentleman said.

Mr. VESTAL. Mr. Chairman, I may say that this is not a new precedent. Of course, it is national in its character. It is the celebration of the one hundredth anniversary of the enunciation of the Monroe doctrine. They propose in this celebration to make films and pictures of the progress of industry from the time of the enunciation of the Monroe doctrine to the present time, and these pictures and films are to be given to the educational world and will go through the universities and schools of the country.

Mr. STAFFORD. Will the gentleman yield?

Mr. VESTAL. Certainly.

Mr. STAFFORD. I am more concerned, and the House is more concerned, in what is going to be done with the coins. This bill does not provide for any film. What is the clearing-house association going to do with the coins?

Mr. VESTAL. Just as they did at the centennial in Plymouth and over in Ohio. The coins are sold. Of course, there must be some association to take the coins from the Government. This bill would not have been reported favorably, nor would the Treasury Department have recommended the bill, unless there had been some association to take charge of the coins.

Mr. STAFFORD. Then I am getting a different view from what the author of the measure said was the purpose when the bill was last under consideration. I have no objection to the bill if the purpose is to sell these coins at a premium so as to provide for a fitting celebration in commemoration of the one hundredth anniversary of the promulgation of the Monroe doctrine. If that is a fact, as I stated then, I would rather have them get the money in that way than to call on Congress for a fund. Under these circumstances, if the gentleman is quite certain that that is the purpose, I withdraw the reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. VESTAL. Mr. Speaker, I ask unanimous consent to substitute for the bill the bill S. 4096, similar in every way to the House bill.

The SPEAKER. The gentleman from Indiana asks unanimous consent to substitute the bill S. 4096, a similar Senate bill, for the House bill. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine there shall be coined at the mints of the United States silver 50-cent pieces to the number of not more than 300,000 such 50-cent pieces to be of the standard troy weight, composition, diameter, device, and design as shall be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, which said 50-cent pieces shall be legal tender in any payment to the amount of their face value.

SEC. 2. That the coins herein authorized shall be issued only upon the request of the Los Angeles Clearing House and upon payment by such clearing house to the United States of the par value of such coins.

SEC. 3. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for security of the coin, or for other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized: *Provided*, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

The SPEAKER. The question is on the third reading of the Senate bill.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. The gentleman from Wisconsin [Mr. STAFFORD] is usually present on unanimous-consent days, but he is not the only Member who is always present. Because I indicated part of what transpired in connection with this bill on the last unanimous-consent day, which was December 18, 1922, the gentleman facetiously or otherwise intimated that I was not here, but he will find, if he will examine the RECORD—and in connection with my remarks I shall insert exactly what transpired concerning the bill—that I then suggested that this would be a cheaper way to finance the proposition than having some one later come to Congress for an appropriation. I state this merely to keep the record straight in that respect. This bill was objected to on December 18, 1922. I quote from page 637 of the CONGRESSIONAL RECORD for that day, as follows:

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?
Mr. TREADWAY. Yes.
Mr. BLANTON. If they are not going to ask the Federal Government for help—which would be a departure from the usual custom—and if by section 2 they can sell these coins at a premium of 50 cents or a dollar and thereby secure funds——

* * * * * * *

Mr. GREENE of Vermont. Mr. Speaker, will the gentleman yield?
Mr. TREADWAY. Oh, yes; I will yield to a Senator at any time. [Laughter.]

* * * * * * *

Mr. MONDELL. Mr. Speaker, I hope the gentleman from Vermont will not object, holding the views that he does.
Mr. BUTLER. Mr. Speaker, I call for the regular order.
The SPEAKER. The regular order is demanded.
Mr. TREADWAY. I object.
The SPEAKER. Objection is made.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. VESTAL, a motion to reconsider the vote by which the bill was passed was laid on the table.

By unanimous consent, the bill H. R. 13194, of similar title, was ordered to lie on the table.

CHANGING GRADE AND PERCENTAGES OF ENLISTED MEN, UNITED STATES ARMY.

The next business on the Calendar for Unanimous Consent was the bill (S. 4037) to amend the grade percentages of enlisted men as prescribed in section 4b of the national defense act, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Chairman, this bill entails an additional obligation upon the Treasury amounting to a million and a half dollars. I think it is too important to consider on the Unanimous-Consent Calendar.

Mr. McKENZIE. Mr. Speaker, I have no desire to take up the time of the House in explaining this measure if, after the explanation, the bill is going to be objected to. This is an important measure, and it involves not to exceed $1,500,000, I say frankly to the gentleman from Wisconsin, but it is a matter involving the efficiency of the tactical organization of the Army.

Mr. STAFFORD. Perhaps it will be agreeable to have the matter go over for two weeks?

Mr. McKENZIE. I could not consent to that, for this reason: Under the law reducing the Army to 125,000 men it became necessary to demote and eliminate a great many of the officers now holding these various positions in the various grades. That was to be effective on the 31st day of December. I do not know whether it has been put into effect or not, but evidently it will be very soon, and in the interest of good government and efficient organization, if we are going to pass this bill at all, we ought to pass it now. If we are not going to pass it, it will be up to the Army to do the best it can without it, and I can see no good reason for asking to delay the measure.

Mr. STAFFORD. This bill, as I have the figures before me—and if I am in error I would like to have the gentleman from Illinois [Mr. McKENZIE], who reported the bill, correct me—provides for 734 more noncommissioned officers of the three higher grades than are authorized in existing law upon the basis of an Army of 280,000 men.

Mr. McKENZIE. The gentleman is entirely mistaken. I do not know where he gets those figures.

Mr STAFFORD. I was in error by saying "based on an Army of 280,000 men." I should correct that by saying of the men that were in those classes on June 30, 1922.

Mr. McKENZIE. The gentleman is entirely mistaken about that.

Mr. STAFFORD. Let me see whether I am mistaken, and if I am in error I wish to be corrected. The gentleman says that this bill is important. I agree with him. I take it it is too important to be considered on Unanimous-Consent Calendar, and should not be considered under suspension of the rules, because no opportunity would be given to amend the law, and it should be amended. What are the figures as given to me by a member of the Army staff?

On June 30, 1922, in the first grade of enlisted noncommissioned officers, master sergeants they are called, there were 1,277 men; in the second grade, technical or first sergeants, 3,129 men; in the third grade, staff sergeants, 2,663 men—a total of 7,069 men. If I am in error as to those figures I wish to be corrected, because upon that I base my statement. Under this bill it is proposed to have 992 in the first grade, 2,582 in the second grade, 4,229 in the third grade, or a total of 7,803. If I am in error as to that statement, that this bill will provide more of these noncommissioned officers in these three higher grades than they had in the service on June 30 last, I wish to be corrected.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield to me?

Mr. McKENZIE. Yes.

Mr. GREENE of Vermont. Will the gentleman from Wisconsin yield?

Mr. STAFFORD. Yes. I am seeking information or a correction of any error that I may be laboring under.

Mr. GREENE of Vermont. The way the gentleman phrased it I thought he intended it to be an argument.

Mr. STAFFORD. I intended it to be both a question and an argument. I am appealing to the open mind of the Members of the House.

Mr. GREENE of Vermont. The gentleman is doing it well; he is building it up with something that they do not need to consider if they pass on the merits of the bill. That is why I want to see if we can not get an idea in here that is not contemplated in the gentleman's argument. The fact is that this bill is not based on any proposition for the tactical organization of the Army, in numbers, for field strength or operation, either the present existing force or one that may be contemplated. These men in the noncommissioned offices of higher grades, like the commissioned officers, are not grouped by numbers fitting to the tactical organization now existing in the Army but for the special work that the Army is required as a military institution to do throughout the country at large in conducting that part of the plans for national defense and popular instruction in military science not related to the mere tactical organization of any army in garrison or in the field.

Mr. STAFFORD. I am still waiting for some explanation.

Mr. GREENE of Vermont. That is the explanation.

Mr. STAFFORD. These numbers as provided in this bill would increase the three higher classes by over 700.

Mr. GREENE of Vermont. Those numbers do not relate to the strength of the Army. The policy is entirely different.

Mr. McKENZIE. I think I can make plain to the gentleman from Wisconsin that under the Army reorganization law we provided for certain grades in the Army and that there should be a certain percentage of noncommissioned officers in the various grades. When we passed that law we provided that the maximum enlisted strength of the Army should not exceed 280,000. The Secretary of War held that the language was not a limitation, but it was mandatory, and he began immediately to have the Army enlisted up to the full authorized strength of 280,000, which was not the intent of Congress; but the Army, in order to carry out that program, promoted into

these various grades numbers of officers far in excess of what we have at the present time or what is contemplated by this bill. Then Congress took action and provided that we should not enlist beyond 175,000 men. When that act was passed by Congress the War Department immediately ceased promoting noncommissioned officers into these various grades. Then we cut the Army to 150,000. Then we cut it down again to 125,000, in which the gentleman from Wisconsin was very largely instrumental and exercised a good deal of influence in his argument—as I say, we cut the Army to 125,000. Now, to carry out the percentages provided for in the original act we would have had perhaps a sufficient number of noncommissioned officers to handle the technical force, to take care of the ordnance depots, to take care of the flying machines and air service, to take care of the Signal Corps, and furnish the necessary noncommissioned officers of the several grades to go into the schools of the country and——

Mr. FIELDS. And for the National Guard.

Mr. McKENZIE. Yes; for the National Guard. But, as my colleague from Vermont said, to bring those percentages down exactly to what it would have been for the Army of 125,000 is to my mind ruinous to the Army, not only so far as the Army is concerned but to the schools where we send these young men of higher grades than the fourth. The great increase in this bill is in the third grade. As the gentleman well knows, in the first grade we have more noncommissioned officers now in this grade than this bill will provide for. This bill will require the demotion of 680 men, and in doing this I can not help but think of the Navy in comparison when we permit them to have their thousands in those grades.

Mr. STAFFORD. Why the necessity for increasing the three higher grades to nearly 750 more than what was in the service June 30 last before there became effective the limitation of 125,000 men in the Army?

Mr. McKENZIE. Those officers were in the service.

Mr. STAFFORD. In lower grades, it is true.

Mr. McKENZIE. No; in these higher grades.

Mr. STAFFORD. The gentleman does not challenge the statement I made on which I predicate my argument, and I again repeat that on June 30—not July 1—1922, before the enlisted strength of 125,000 became effective, there were in the master sergeant's grade 1,277. There were in the second or technical or first sergeants' grade 3,129. There were in the third or staff sergeants' grade 2,663, or a total of 7,069. I hope my mathematics are correct. Now, you are proposing by this bill in those three grades a total number of 7,803, and I want to have some explanation of increasing this force by nearly 750.

Mr. McKENZIE. I do not know where the gentleman got his figures. But there is one thing certain this bill does not increase the noncommissioned officers in the Army but is a decrease in the number.

Mr. STAFFORD. It does increase the numbers of these three higher grades.

Mr. McKENZIE. Here is where the gentleman is disturbed and confused. Under the percentage basis in the Army reorganization law it is true there would be an excess, but the fact is we commissioned these men, they have been promoted, they are now being carried as surplus and have been carried as surplus.

Mr. STAFFORD. No; that is no explanation at all. That is not the fact and the gentleman can not escape the logic of my figures furnished to me by an officer of the Army Staff that on June 30 in these three higher grades there were 7,069, and under the bill as proposed, according to the gentleman's report, there will be 7,803, or nearly 800 more men in those higher grades at much higher salaries than now being paid.

Mr. McKENZIE. I will admit to the gentleman from Wisconsin that there will be an increase in the three higher grades by adopting the percentages provided for in this bill over the old percentages, but there will not be an increase in the number of officers now in these grades.

Mr. STAFFORD. The gentleman is challenging the figures that were furnished me by an officer of the General Staff. If I am not correct in the statement I have made I am not at fault. If I am in error I want to be corrected. I am acting in good faith, in absolute good faith. I am accepting the figures furnished me by the Army Staff. I suggest that the gentleman ask that the bill be passed for a few minutes and that in the meantime he call up the Army Staff and find out the facts. If I am in error I will withdraw my opposition. Nothing could be fairer than that.

Mr. McKENZIE. Have you the report there?

Mr. STAFFORD. I have the statistical report.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

Mr. STAFFORD. If the gentleman does not wish to move that it be passed over, I will have to object.

Mr. McKENZIE. If the gentleman wants to object I will leave it up to him. It is his responsibility.

The SPEAKER. Objection is made. The Clerk will report the next bill.

EXTENSION OF JURISDICTION OF MISSISSIPPI RIVER COMMISSION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13459) extending the jurisdiction of the Mississippi River Commission and making available funds appropriated under authority of an act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917, for the purpose of controlling the floods of the Mississippi River from the mouth of the Ohio River to Rock Island, Ill., and for the purpose of controlling the floods of the tributaries of the Mississippi River between the mouth of the Ohio River and Rock Island, Ill., including levee protection and bank protection, in so far as said tributaries are affected by the flood waters of the Mississippi River.

The title of the bill was read.

Mr. KOPP. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. The gentleman from Iowa asks unanimous consent that this bill be passed over without prejudice. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

AUDITOR AND DEPUTY AUDITOR, PHILIPPINE ISLANDS.

The next business on the Calendar for Unanimous Consent was the bill (S. 3617) to fix the salaries of the auditor and deputy auditor of the Philippine Islands.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I think we should not at this time, at least not to-day, increase the permanent salaries of these officers. I ask unanimous consent that this bill go over for two weeks without prejudice.

The SPEAKER. The gentleman from Wisconsin asks unanimouse consent that this bill be passed over for two weeks without prejudice. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

CLERKS TO MEMBERS OF CONGRESS AND DELEGATES.

The next business on the Calendar for Unanimous Consent was the resolution (H. J. Res. 16) providing for pay to clerks to Members of Congress and Delegates.

The title of the resolution was read.

Mr. BLANTON. Mr. Speaker, can we have this resolution reported?

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (H. J. Res. 16) providing for pay to clerks to Members of Congress and Delegates.

Resolved, etc., That hereafter appropriations made by Congress for clerk hire for Members, Delegates, and Resident Commissioners shall be paid by the Clerk of the House of Representatives to one or two persons to be designated by each Member, Delegate, or Resident Commissioner, the names of such persons to be placed upon the roll of employees of the House of Representatives, together with the amount to be paid each; and Representatives, Delegates, and Resident Commissioners elect to Congress shall likewise be entitled to make such designations: *Provided*, That such persons shall be subject to removal at any time by such Member, Delegate, or Resident Commissioner with or without cause.

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I ask the gentleman from Illinois a question?

Mr. IRELAND. Certainly.

Mr. BLANTON. In what respect does this change the present law?

Mr. IRELAND. It makes no change whatever. I believe I have the floor, Mr. Speaker?

The SPEAKER. Yes.

Mr. IRELAND. It simply makes permanent law out of the present arrangement. Through an error in drawing the original bill passed in the Sixty-sixth Congress the present arrangement was not made permanent law. It simply continues in effect our present arrangement without any possibility of its being deviated from in the future or the necessity of a new bill being brought in covering the subject.

Mr. BLANTON. Now, if this becomes permanent law and, say, there is a death among any of the clerks or employees, would this be placing him on the roll permanently? Would this pay the usual six months' salary to his relatives and the $250 funeral expenses?

Mr. IRELAND. If I may anticipate his thought, I think the gentleman is under a misapprehension, because that already obtains. This would not in any way affect that.

Mr. BLANTON. But it makes it permanent law?

Mr. IRELAND. Yes.

Mr. BLANTON. It does not change their present remuneration in any way?

Mr. IRELAND. No.

Mr. ANDREWS of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. IRELAND. Yes.

Mr. ANDREWS of Nebraska. This would simply avoid the necessity of passing upon this same question time after time and year after year, making it permanent?

Mr. IRELAND. That very tersely and exactly expresses the situation.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the resolution.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. IRELAND, a motion to reconsider the vote whereby the resolution was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

BRIDGE ACROSS LITTLE CALUMET RIVER, ILL.

The next business on the Calendar for Unanimous Consent was the bill (S. 4031) to authorize the construction of a bridge across the Little Calumet River, in Cook County, State of Illinois, at or near the village of Riverdale, in said county.

The title of the bill was read.

The SPEAKER. Is there objection to the consideration of this bill.

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc. That the State of Illinois, the county of Cook, or the city of Chicago, separately or jointly, its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Little Calumet River at a point suitable to the interests of navigation at or near the village of Riverdale, in Cook County, Ill., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

BRIDGE ACROSS KANKAKEE RIVER, ILL.

The next business on the Calendar for Unanimous Consent was the bill (S. 4032) granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32 township 31 north, range 13 east of the third principal meridian.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32, township 31 north, range 13 east of the third principal meridian in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

BRIDGE ACROSS KANKAKEE RIVER, ILL.

The next business on the Calendar for Unanimous Consent was the bill (S. 4033) granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

BRIDGE ACROSS ST. FRANCIS RIVER, MO.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13195) granting the consent of Congress to the State highway commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State highway commission of Missouri and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, at a point on the county line between Butler and Dunklin Counties, on the south line of section 3, township 22 north, range 8 east, in the State of Missouri, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906. Such bridge shall be a part of Federal aid project No. 212.

SEC. 2. That the right to alter, amend, or repeal this act is expressly reserved.

With the following committee amendments:

Page 1, line 7, after the word "point," insert the words "suitable to the interests of navigation."

Page 2, line 3, after the figures "1906," strike out the words "such bridge shall be a part of Federal-aid project No. 212."

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

BRIDGE ACROSS COLORADO RIVER, YUMA, ARIZ.

The next business on the Calendar for Unanimous Consent was the bill (S. 4069) to authorize the construction of a railroad bridge across the Colorado River near Yuma, Ariz.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Southern Pacific Railroad Co., a corporation of the States of California, Arizona, and New Mexico, its successors and assigns, be, and it is hereby, authorized to construct, maintain, and operate a railroad bridge and approaches thereto across the Colorado River, at a point suitable to the interests of navigation, between School Hill, in the Yuma Indian Reservation, in Imperial County, State of California, and Penitentiary Hill, in the town of Yuma, Yuma County, State of Arizona, such bridge to be upstream and easterly from the present highway bridge across the Colorado River between said points, and to be constructed and maintained in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. HAYDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS BIG SIOUX RIVER, S. DAK.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13000) granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, I wish to direct attention to the fact that under the phraseology of this bill the bridge will have to be erected at a point exactly 2½ miles north of the mouth of said river. I assume that that is not intended, but that it is intended to authorize the construction of a bridge at any convenient near-by point. So if it meets with the approval of the author of the bill or of the committee, I move to insert the word "about" after the word "point."

Mr. MILLER. "At or near."

Mr. STAFFORD. Mr. Speaker, my attention is called to the fact that the Senate bill S. 4131, which has been messaged over to the House, contains the exact phraseology that I have suggested, and therefore I withdraw the reservation of objection.

The SPEAKER. Is there objection?

There was no objection.

Mr. STAFFORD. I ask unanimous consent to substitute S. 4131 and consider it in the place of H. R. 13000.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to substitute the Senate bill S. 4131 for the House bill H. R. 13000. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point about 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

The SPEAKER. Without objection, the title will be amended to conform to the amendment which has just been adopted to the text of the bill.

There was no objection.

By unanimous consent H. R. 13000 was laid on the table.

SILVER SERVICE ON BATTLESHIP "SOUTH CAROLINA."

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13351) authorizing the Secretary of the Navy, in his discretion, to deliver to the Daughters of the American Revolution of the State of South Carolina the silver service which was used upon the battleship *South Carolina*.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, in his discretion, to deliver to the custody of the Daughters of the American Revolution of the State of South Carolina, for preservation and exhibition, the silver service which was presented by the State of South Carolina and used upon the battleship *South Carolina* while the said battleship was in commission: *Provided*, That no expense shall be incurred by the United States for the delivery of such silver service.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. BYRNES of South Carolina, a motion to reconsider the vote by which the bill was passed was laid on the table.

DAM ACROSS RED RIVER OF THE NORTH.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 12777) granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate, at a point suitable to the interests of navigation, a dam across the Red River of the North at or near the cities of Grand Forks, N. Dak., and East Grand Forks, Minn.: *Provided*, That the work shall not be commenced until the plans therefor have been filed with and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate electricity.

SEC. 2. That this act shall be null and void unless the actual construction of this dam hereby authorized is commenced within two years and completed within four years from the date hereof.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. BURTNESS, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS THE RED RIVER OF THE NORTH.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13271) granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any one of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak.

The clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BURTNESS. Mr. Speaker, I ask unanimous consent that the Senate bill S. 4133, which passed the Senate December 22, be substituted for this bill.

The SPEAKER. The gentleman from North Dakota asks unanimous consent that the Senate bill be substituted for the House bill. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any one of them, to construct, maintain, and operate a bridge and approaches thereto across the Red River of the North at a point suitable to the interests of navigation at or near the city of Pembina, N. Dak., and that the time for the commencement and completion of such bridge, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, shall be commenced within one year and completed within three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. BURTNESS. Mr. Speaker, in order to make the bill conform to the report made by the House committee, I move to amend by eliminating the word "one" where it appears in the phrase "or any one of them."

The SPEAKER. The gentleman from North Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, line 6, strike out the word "one."

The amendment was agreed to.

The bill as amended was ordered to a third reading, and was accordingly read the third time and passed.

Mr. BURTNESS. Mr. Speaker, a similar change should be made in the title of the bill.

The SPEAKER. Without objection, the title will be amended to conform to the amendment adopted to the text.

There was no objection.

On motion of Mr. BURTNESS, a motion to reconsider the vote by which the bill was passed was laid on the table.

SAGINAW, SWAN CREEK, AND BLACK RIVER BAND OF CHIPPEWA INDIANS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 3184) to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Reserving the right to object, I think the House should have some information as to this bill, and particularly as to the reason why the claims have not been prosecuted in the Court of Claims before this. As I read the bill and the report, it increases the maximum that they may be allowed for attorney fees.

Mr. BLANTON. Mr. Speaker, as I am going to object, I will object now.

Mr. WOODRUFF. Mr. Speaker, I will ask the gentleman from Texas to reserve his objection for a moment.

Mr. BLANTON. I have no objection to the gentleman's asking to retain the bill in its place on the calendar.

Mr. WOODRUFF. I would like to give the House some information in regard to it.

Mr. BLANTON. I took it for granted that the gentleman from Wisconsin [Mr. STAFFORD] was going to object.

Mr. STAFFORD. I did not say that I was going to object.

Mr. BLANTON. Well, Mr. Sepaker, I will reserve the objection.

Mr. WOODRUFF. Mr. Speaker, the information which the gentleman from Wisconsin wishes I think I can supply. These Indians which this bill seeks to relieve are residents of my district, and I know the circumstances very well. I will say that since the act of 1910 was passed they have been trying to find some competent Indian attorney who would take the case on the terms offered in the bill, which was a maximum fee of $10,000, but were unable to do so. We have had a long conference with the Indian Affairs Commissioner, who has agreed to the provisions of the bill as presented here. The bill as it is written provides that the claim must be filed within three years. Further, the bill permits the Court of Claims to fix the amount to be paid to the attorneys in the case, but limits it in any event to $25,000.

Mr. STAFFORD. How many of these Indians still survive?

Mr. WOODRUFF. Several hundred.

Mr. STAFFORD. Do they live in tribal relations?

Mr. WOODRUFF. No; they are all law-abiding, self-respecting citizens of the United States.

Mr. STAFFORD. What is the nature of their claims?

Mr. WOODRUFF. The claims arose when they lived under tribal relations.

Mr. STAFFORD. What is the nature of the claims?

Mr. WOODRUFF. It is for the nonfulfillment of contracts entered into with the United States Government.

Mr. STAFFORD. What is the total amount of the claims?

Mr. WOODRUFF. I do not know.

Mr. STAFFORD. It would amount to more than $250,000?

Mr. WOODRUFF. I should think it would be very much more than that.

Mr. STAFFORD. Have they any other claims against the Government?

Mr. WOODRUFF. Not to my knowledge.

Mr. STAFFORD. These old, musty claims should not be revived; but if they have any real claims against the Government, they ought to be given an opportunity to establish them.

Mr. WOODRUFF. I quite agree with the gentleman, and for that reason introduced this bill.

Mr. STAFFORD. Mr. Speaker, the statement of the gentleman from Michigan that they were unable to get a competent attorney to look after their rights is a satisfactory explanation in answer to my inquiry, and I withdraw my reservation of an objection.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of June 25, 1910, entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," be, and hereby is, amended so as to read as follows:

"SEC. 2. That upon the final determination of such suit or suits the Court of Claims shall have jurisdiction to decree the fees to be paid to the attorney or attorneys employed by the Saginaw, Swan Creek, and Black River Band of Chippewa Indians, and the same shall be paid out of any sum or sums found due the said band of Indians."

With the following committee amendment:

Strike out all of section 2 of the bill and insert in lieu thereof the following:

"That any suit or suits under this act shall be begun within three years after passage hereof by the filing of a petition to be verified by the attorney or attorneys employed by the claimant Indians under contract approved by the Secretary of the Interior and the Commissioner of Indian Affairs, in accordance with existing law. The compensation to be paid such attorney or attorneys shall be determined by the Court of Claims and shall not exceed the sum of 10 per cent of the amount of the judgment recovered, and in no event shall such fee or fees exceed the sum of $25,000, and the same shall be paid out of any sum or sums found to be due the Indians."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

JUDICIAL DISTRICTS, STATE OF INDIANA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8573) to create two judicial districts within the State of Indiana, the establishment of judicial divisions therein, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STEVENSON. Reserving the right to object, it seems to me that as we have just had a reorganization of the judicial districts of the country and added some 25 judges, I do not understand if this was a pressing case why it was not provided for in that instance. I should like to look into the matter if the gentleman will let it go over until the next unanimous-consent day.

Mr. HICKEY. Mr. Speaker, I think after the gentleman hears the explanation he will not object to it. The reason this was not included in the Walsh bill was in order that we might establish a judicial code, so to speak, for the State of Indiana, have the State divided into districts and also into divisions. It was felt that to include this bill in the regular bill might possibly complicate the matter to some extent. At this time Indiana has but one judge and one judicial district. Its population is about 3,000,000 people. It is the tenth largest State in point of population in the United States and the eleventh so far as resources are concerned. It is a State with a great many railroads. Nearly every railroad that enters Chicago from the East crosses its surface. Under the present system, established in 1838, we have but one judge and one district.

The people residing in the northern part of the State, which is densely populated, and which has a large number of industrial concerns and a great many interests of various kinds, must go to Indianapolis, a distance of more than 150 miles, with all of their litigation, whether it be important or trivial. The purpose of this bill is to correct that situation. I also call his attention, and the attention of the Members of the House, to the fact that other States have been amply provided for, including the State of the gentleman from South Carolina, with judicial facilities. In his State, which has a population of 1,683,724, there are two judges and two districts. In Alabama, with a population of 2,384,174, there are three judges and three districts, and I might go on and enumerate in each State the provisions that have been made to take care of the Federal business of the State. Taking the northern part of Indiana, I call attention to the fact that located there are the great steel industries, the Studebaker automobile manufacturing concern, the Oliver Chill Plow Co., and other large interests. In a very small territory we have more than 600,000 population, which is two districts.

Mr. TILSON. Will the gentleman explain why this additional judge was not included in the judges bill that we passed at the last session of Congress?

Mr. HICKEY. Yes; because the additional judge would do us no good unless we had the State divided into districts and divisions. We would then be compelled, as we are now, to go to Indianapolis with all of our Federal law matters.

Mr. TILSON. Was Indiana put in as one of the States that needed an additional judge?

Mr. HICKEY. Indiana was not included in that bill, but this bill was considered by Mr. WALSH, as chairman of the subcommittee, who had charge of the other bill, and was considered by the judicial committee, and a unanimous report was made to this House after the passage of the other bill.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HICKEY. Yes.

Mr. PARKER of New Jersey. Is the gentleman from Indiana [Mr. MOORES] in favor of this bill?

Mr. HICKEY. Mr. MOORES, I dare say, is opposed to the bill. He lives in Indianapolis, and I dare say he is opposed to the bill.

Mr. PARKER of New Jersey. It seems to me that he ought to be here when the bill is considered.

Mr. HICKEY. The bill has been on the calendar for some time.

Mr. PARKER of New Jersey. He has just left the Foreign Affairs Committee. I have been trying to find out where he is. I think the gentleman better ask to have the bill go over without prejudice, else I shall have to object.

Mr. STEVENSON. That is the situation which I mean. I do not care anything about it myself, but I ask not to let it be passed because the gentleman wanted to be heard about it. I have no objection to the bill being passed over without prejudice, but unless that can be done I shall object to its consideration.

Mr. HICKEY. Then, Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. The gentleman from Indiana asks unanimous consent to pass the bill over without prejudice. Is there objection?

There was no objection.

BOARD OF REGENTS, SMITHSONIAN INSTITUTION.

The next business on the Calendar for Unanimous Consent was S. J. Res. 258, providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

The SPEAKER. Is there objection to the present consideration of the Senate joint resolution?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to ask some member of the Committee on the Library who Mr. Irwin B. Laughlin is, whom it is intended to

appoint in place of the late Alexander Graham Bell. As no one seems to be here from that committee, I ask unanimous consent that the resolution may be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

PUNISHMENT OF ASSAULT ON MAIL CARRIERS.

The next business on the Calendar for Unanimous Consent was the bill S. 2573, to amend section 198 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States, as amended."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I notice in examining the statute which was in force before the amendments of May 18, 1915, and July 28, 1916, which this bill seeks to reincorporate, that instead of its being "shall willfully or maliciously assault" it was "and maliciously assault." There is a great difference in respect to the crime of assault, if it be willful without cause or provocation, and if it be willful and malicious. Can any gentleman from the Committee on the Post Office furnish some information as to whether that is intentional or not?

I hear no response, and under the circumstances, Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that this bill be passed over without prejudice. Is there objection? [After a pause.] The Chair hears none.

PINEY BRANCH ROAD.

The next business on the Calendar for Unanimous Consent was the bill (S. 1066) to authorize the Commissioners of the District of Columbia to close Piney Branch Road between Seventeenth and Taylor Streets and Sixteenth and Allison Streets NW., rendered useless or unnecessary by reason of the opening and extension of streets called for in the permanent highway plan of the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

BRIDGE ACROSS THE ESCAMBIA RIVER NEAR FERRY PASS, FLA.

The next business in order on the Unanimous-Consent Calendar was the bill (H. R. 13493) to authorize the State Road Department of the State of Florida to construct, maintain and operate a bridge across the Escambia River near Ferry Pass, Fla.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That authority is hereby granted to the State Road Department of the State of Florida, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across Escambia River, Fla., and its tributaries, between Pensacola and Milton, near Ferry Pass, Fla., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The committee amendment was read, as follows:

Page 1, line 7, after the word "Florida," insert the words "at a point suitable to the interests of navigation."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. SMITHWICK, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS THE GREAT PEE DEE RIVER, SOUTH CAROLINA.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 4172) to authorize the building of a bridge across the Great Pee Dee River in South Carolina.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the counties of Marlboro and Darlington be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Great Pee Dee River at a point suitable to the interests of navigation and at or near Society Hill, in Darlington County, S. C., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read the third time, was read the third time, and passed.

EXTENSION OF REMARKS.

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on H. R. 3184.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

BRIDGE ACROSS ROCK RIVER AT ROCKFORD, ILL.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13474) granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River, at a point suitable to the interests of navigation, on the extension of Auburn Street in said city of Rockford, and in section 13, township 44 north, range 1 east, of the third principal meridian, in the county of Winnebago and State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. HILL. Mr. Speaker, I move to strike out the last word for the purpose of asking unanimous consent to address the House out of order for 10 minutes.

The SPEAKER. The gentleman from Maryland asks unanimous consent to address the House out of order for 10 minutes. Is there objection?

Mr. SANDERS of Indiana. May I inquire upon what subject?

Mr. HILL. On the subject of the recent reflections upon the House of Representatives in reference to certain charges.

Mr. SANDERS of Indiana. I have no objection.

The SPEAKER. Is there objection?

Mr. DOWELL. Mr. Speaker, I object.

The SPEAKER. Objection is made by the gentleman from Iowa.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. FULLER, a motion to reconsider the vote by which the bill was passed was laid on the table.

APPOINTMENT OF MANAGERS OF THE NATIONAL HOME FOR DISABLED VOLUNTEER SOLDIERS.

The next business on the Calendar for Unanimous Consent was a joint resolution (H. J. Res. 261) for the appointment of three members of the board of managers of the National Home for Disabled Volunteer Soldiers.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution? [After a pause.] The Chair hears none.

The Clerk read as follows:

Resolved, etc., That James W. Wadsworth, of New York; H. H. Markham, of California; and W. S. Albright, of Kansas, be, and they are hereby, appointed members of the Board of Managers of the National Home for Disabled Volunteer Soldiers of the United States, to succeed James W. Wadsworth, of New York; H. H. Markham, of California; and W. S. Albright, of Kansas, whose terms of office expire April 21, 1922.

The House joint resolution was ordered to be engrossed and read the third time, was read the third time, and passed.

BRIDGE ACROSS THE MISSISSIPPI RIVER, ST. PAUL, MINN.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 13511) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of St. Paul, Minn., and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation at or near the point where Robert Street, in said city of St. Paul, crosses the Mississippi River, in the county of Ramsey, in the State of Minnesota, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. NEWTON of Minnesota, a motion to reconsider the vote by which the bill was passed was laid on the table.

SETTING ASIDE CERTAIN LANDS, QUINAULT INDIAN RESERVATION, WASH., FOR LIGHTHOUSE PURPOSES.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 11475) to authorize the setting aside of certain tribal lands within the Quinault Indian Reservation in Washington for lighthouse purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I have no objection to this bill being considered, but do not waive the right to have it considered in the Committee of the Whole House on the state of the Union.

The SPEAKER. The Chair understands that the gentleman wishes this considered in the Committee of the Whole House? Is there objection to the consideration of this bill in the Committee of the Whole House on the state of the Union? [After a pause.] The Chair hears none.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11475, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11475, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 11475) to authorize the setting aside of certain tribal lands within the Quinault Indian Reservation in Washington for lighthouse purposes.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL. Mr. Chairman, I demand recognition.

The CHAIRMAN. The gentleman from Maryland is recognized for one hour.

Mr. LINTHICUM. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Maryland rise?

Mr. LINTHICUM. I make the point of order there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety gentlemen are present——

Mr. SANDERS of Indiana. I move that the committee rise, and on that I ask for tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. SANDERS of Indiana and Mr. LINTHICUM) reported that there were—ayes 2, noes 102. So the committee refused to rise.

The CHAIRMAN. A quorum of the committee is present.

Mr. HILL. Mr. Chairman and gentlemen of the committee——

Mr. STEVENSON. Mr. Chairman, I rise for information. I want to propound a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Maryland yield for that purpose?

Mr. HILL. Not until later.

Mr. STEVENSON. I would like to find out upon what this whole discussion is to be had.

The CHAIRMAN. In the opinion of the Chair, that is not a parliamentary inquiry. [Laughter.]

Mr. HILL. Mr. Chairman and gentlemen of the committee, I shall be very glad to be interrupted for questions after presenting this matter to the House, but I should prefer not to yield until after I have gone over the matters which I wish to present to you.

Mr. Chairman and gentlemen, the reverend and learned Cotton Mather, D. D., writing the church history of New England in 1696, made some observations which are very pertinent and relevant to the situation existing at the present time in this House. Said he:

In the year 1654 a certain windmill in the low countries, whirling round with extraordinary violence, by reason of a violent storm then blowing, the stone at length by its rapid motion became so intensely hot as to fire the mill, from whence the flames, being dispersed by the high winds, did set a whole town on fire. But I can tell my reader that about 20 years before this there was a whole country in America like to be set on fire by the rapid motion of a windmill in the head of one particular man. * * * Who, being a preacher that had less light than fire in him, both by his own sad example, preached unto us the danger of that evil which the apostle mentions in Romans x:2. They have a zeal, but not according to knowledge.

Nearly 300 years after the events recorded by Doctor Mather, to be exact, on December 20, 1922, and again on January 9, 1923, the Hon. Mr. UPSHAW, of Georgia, a Member of this House, made certain charges against Members of this House, against Senators of the United States, against governors of the sovereign States, and others upon whom the responsibility of American government rests, the character of those charges being clearly described in the following words of the Columbia Sentinel, the paper of the late Senator Thomas E. Watson. I quote the exact words of an editorial in that paper as presented to this House last week. In an address by the gentleman from Georgia [Mr. UPSHAW] these are the words of the late Senator Watson's editorial in his paper, the spirit of Senator Watson still speaking through that paper:

UPSHAW's advice to the men "higher up" is good sense, sound law, and wholesome honesty. If public officials themselves violate one of our laws, what right have they to jail the average man for committing the same sin?

Mr. UPSHAW's charge is not a mere exhortation to Christmas piety. It is a definite charge, and it is made as a definite charge, and it has gone throughout the whole United States as a charge that we Members of Congress violate the laws that we are sworn to defend. These charges, gentlemen of the House, are not charges which should be broadcasted over the United States unchallenged. The time has come, my colleagues, when we should consider the position of this House in reference to criticisms that are made throughout the Nation. Proper criticism is right; but we should resent criticism that is not based on facts. I repeat, gentlemen, these charges are not charges that should be broadcasted over the United States unchallenged. I might say in passing that I telephoned to the office of Mr. UPSHAW this morning and said I proposed to take up this matter as soon as possible.

On January 9 the gentleman from Georgia [Mr. UPSHAW] said here in this House concerning his charge of December 20:

When I made that innocent and well-intentioned little speech only 13 minutes long, I did not dream that it would carry its honest message in flaming headlines on the front page of nearly every great daily and country paper in America.

That is the estimation by the gentleman from Georgia of what he has done in his little 13-minute speech. And the gentleman from Georgia gloated over the fact that his "message in flaming headlines" had branded you and me, Members of this House, indiscriminately as hypocrites and violators of the laws made by this House for the Government of this Nation.

I wonder where the gentleman from Georgia got those words, "Message in flaming headlines"? Was he thinking of a flaming cross on a Mer Rouge (La.) hilltop?

They made me think of Cotton Mather's human windmill; and they made me think of other reflections of Cotton Mather relating to that same human windmill.

Cotton Mather said:

And that which increased in them the suspicion of his ill character was partly, indeed, his refusing to communicate with the church of Boston * * * which the New England reformers thought then would be to carry the matter as far beyond their sense as the vulgar translation has done to the text of Luke 15:8, where, instead of "everrit domum," she swept the house, it reads "evertit domem," or she overset it.

I think the gentleman from Georgia in trying to sweep the house of prohibition has helped to "overset it," for if, as he says, governors, Members of Congress, Senators, and other high officials deride the eighteenth amendment and violate the Volstead Act, certainly that shows that the American people, who elect these same high officials, consider the Volstead Act as a joke. If they did not, would they elect such law-violating officials?

So the gentleman from Georgia has raised an upsetting dilemma. If his flaming charges are true, the Volstead Act, being obsolete to the Nation's high officials, should be repealed. If his charges are not true, he should admit that with more zeal than knowledge he has branded you and me as lawbreakers.

But, in the words of Cotton Mather, I can tell my hearers that about 30 years ago the whole of America was likely to be set on fire by the rapid motion of a windmill in the head of one particular man, the Hon. Thomas E. Watson, of Georgia, a Member of this House. He made general charges against the Members of this House, which I read into the RECORD on December 30, 1922. The House found he had spoken with more zeal than knowledge and that his charges "constituted an unwarranted assault upon the honor and dignity of the House and that such publication has the unqualified disapproval of the House."

I ask your especial attention to this, because these words which I shall read to you are not the words of an exhorter calling you from the illicit practices which in his opinion are being pursued, but they are from a man who specifically charges that you Members of the House of Representatives violate the laws.

I have followed the Watson case in a resolution, which I shall read to you, as follows:

Whereas in a newspaper release of December 20, 1922, purporting to have been written by Hon. WILLIAM DAVID UPSHAW, of Georgia, a Member of the House of Representatives, the following charges appeared:

"The people—the plain people—have cumulative evidence"—

Evidence is not testimony. Evidence is that which convicts—

"that some of these 'conferring' governors and many other high officials do not practice the prohibition enforcement which they preach to others.

"Let these governors, led by the President and Vice President of the United States and all the Members of the Cabinet, walk out in the open and lift their hands before high heaven and take a new oath of allegiance to the whole Constitution and the American flag; let them sacredly declare that, regardless of what their tastes and practices have been, they will never again—

My colleagues, you can not take an oath never again to do a thing unless you admit you have previously done it—

they will never again—

And here is what you are charged with all through the headlines, as the gentleman from Georgia [Mr. UPSHAW] boasts, of every paper throughout this country in flaming messages of fire. Here is what you are charged with—

they will never again build up a bootlegger's barbarous business by drinking any form or any amount of illicit liquors—

There is such a thing in this world, thank heaven, at the present time, as legal and licit liquor, but this is about illicit liquor—

at any dinner or any function or in any "ballroom or back alley." Let every Member of Congress and every United States Senator follow suit; and

Whereas the said Hon. WILLIAM DAVID UPSHAW, on December 20, 1922, reiterated the same on the floor of the House; and

Whereas, in a newspaper release, on January 9, 1923, reiterated the same day on the floor of the House, the following additional charges were made by the said Mr. UPSHAW:

"And as for Members of this House, God knows I find no pleasure in this disclosure, but the bright daughter of one of the best men in Congress said to me: 'We are with you. I wish you could stop liquor selling and drinking in this House Office Building.'"

And liquor selling is a violation of more than one law in the District of Columbia—

I wish you could stop liquor selling and drinking in this House Office Building.

In other words, that building, which has been erected by the Nation in order that we may do our work, is being slandered as being the temple of illicit buying and selling of liquor.

And here is a signed letter that says:

———————, a professional bootlegger, told me a year ago, "The House Office Building furnishes my best customers, and as long as those 'blankety-blanks'"—

My colleagues, he is referring to you and me. Those are the words of Brother UPSHAW, quoting his bootlegger, and not my words. Says Brother UPSHAW's bootlegger—

"as long as those 'blankety-blanks' keep buying I am going to keep on selling." I have reported him several times, but they let him pay a fine and he goes right back to bootlegging. He does nothing else.

We know the situation with reference to exhortation by the Representative from Georgia, but in every little church on Main Street, in every little hamlet in this country, that message has gone to tell the world that you Members of the House, whether you voted straight for prohibition and live straight for prohibition, are hypocrites and law violators.

I want to make the public statement right here that I have two daughters, but one of them is only 2 and the other one only 6, and neither one of my daughters made that statement to UPSHAW's bootlegger.

Then comes a quotation from the Columbia Sentinel, the late Senator Watson's paper, which shows the intent of these charges:

The Columbia Sentinel, the paper of the late Senator Thomas E. Watson, enjoying a national circulation, and now edited by the brilliant former secretary of Senator Watson, Grover C. Edmonson, says:

"UPSHAW's advice to the men 'higher up' is good sense, sound law, and wholesome honesty. If public officials themselves violate one of our laws, what right have they to jail the average man for committing the same sin?" And

"Whereas the publication of said chages, if untrue, are a grave wrong to this body, and if true, the responsibility should be placed where it belongs;

"*Resolved*, That the Judiciary Committee of the House be directed to investigate and report to the House whether said charges are true, and, if untrue, whether the said Hon. WILLIAM DAVID UPSHAW has violated the privileges of the House, and their recommendations relative to the same: *Resolved further*, That said Judiciary Committee have leave to sit during the sessions of the House, to send for persons and papers, to swear witnesses, and to compel their attendance."

Gentlemen, if these charges are true, the knell of prohibition has sounded, because it shows that the law is a joke. If these charges are not true, we should vindicate the honor of this House. I shall move the previous question on this resolution at the earliest possible occasion.

The gentleman from Georgia has called me the "wet nurse" of the House. I accept the title with gratitude. He has placed me in the class with that great protagonist of civilizaton—the wolf that suckled Romulos and Remus, and that has come down through the ages embalmed in bronze.

But as a Member of this House I esteem its honor more than bronzed fame; and so to-day I demand that the gentleman from Georgia prove his charges true or untrue before the Judiciary Committee. And in confidence I will say to you I have never had a drink, licit or illicit, with any member of the Judiciary Committee at any time in any place. [Applause and laughter.]

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to set aside for lighthouse purposes lot 5 in section 13 and lot 1 in section 24, township 21 north, range 13 west, of Willamette meridian, within the Quinault Indian Reservation in Washington, containing a total of 43.20 acres: *Provided*, That the Secretary of Commerce shall pay the Indians therefor, from the appropriation for the general expenses of the Lighthouse Service for the fiscal year in which this reservation is made, such price for the lands set aside hereunder as may be agreed upon by the Secretary of the Interior and the Secretary of Commerce: *Provided further*, That the funds thus derived shall be deposited in the Treasury of the United States to the credit of the Indians of the Quinault Reservation and shall be subject to expenditure for their benefit in such manner as the Secretary of the Interior may deem for their best interests.

SEC. 2. That there is hereby reserved for the use and benefit of the Indians of the Quinault Reservation in common all oil, gas, coal, or other minerals in the lands set aside hereunder for lighthouse purposes, and the right to prospect for and mine these commodities under such rules and regulations as may be agreed upon by the Secretary of the Interior and the Secretary of Commerce.

With the following committee amendment:

Page 2, line 7, after the word "Reservation," strike out the words "and shall be subject to expenditure for their benefit in such manner as the Secretary of the Interior may deem for their best interests."

The amendment was agreed to.

Mr. SNYDER. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 11475) to authorize the setting aside of certain tribal lands within the Quinault Indian Reservation in Washington for lighthouse purposes, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. SNYDER. Mr. Speaker, I move the previous question on the bill and amendment to the final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. SNYDER, a motion to reconsider the vote by which the bill was passed was laid on the table.

WEST FORK OF SOUTH BRANCH OF CHICAGO RIVER.

The next business on the Calendar for Unanimous Consent was the bill (S. 3177) declaring a portion of the West Fork of the South Branch of the Chicago River, Cook County, Ill., to be a nonnavigable stream.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. BLANTON. I reserve the right to object, Mr. Speaker.

Mr. STAFFORD. I do not intend to object to the bill, but I think there should be some explanation before it passes the objection stage, because of the importance of the bill.

Mr. GRAHAM of Illinois. Mr. Speaker, I think this bill ought to be explained to the House. So far as I know, there is no opposition to it, but it is a very important proposition. I do not want to be prolix, or to take too much time with it, but I will state briefly what it is.

The Chicago River extends west from Lake Michigan about half a mile and then divides into two branches, one of which runs north and the other of which runs south. The South Branch runs south about three miles and a half and then divides into two branches. The West Branch runs west about 8 miles to a high divide that separates the waters of the Chicago River and the Des Plaines River, forming a sort of watershed there. Many, many years ago travelers coming up the Illinois River from Mississippi came up the Des Plaines River, and then car-

ried their canoes, their furs, and other freight from one water pool to another, and finally got into the Chicago River over this old trail.

It was abandoned. The last travel over it that we know anything about was early in the last century. But for 150 years it was a pretty well marked trail. After that it degenerated into a sort of meandering watercourse that ran through the prairies with very little water in it for about 7 miles of length. Some years after it was abandoned two men, who owned land along its course, drained the swamp lands by constructing a drainage ditch along the line of this old watercourse, called the Ogden ditch. That was abandoned, and to-day in this part of the stream in some places you can hardly see the channel at all, and at other places the old channel is full of sewage which runs into it from the intersecting sewers. This makes places that breed disease, and this part of the river is of no account for navigation at all. Numerous committees of Congress have been out to look at it, and all have decided that it is not a navigable stream and is of no importance.

Mr. BLANTON. Will the gentleman yield for a question for information?

Mr. GRAHAM of Illinois. Yes.

Mr. BLANTON. Is a stream navigable until it is declared so?

Mr. GRAHAM of Illinois. Yes.

Mr. BLANTON. Has this stream ever been declared navigable, or is it so by reason of some other facts?

Mr. GRAHAM of Illinois. The Supreme Court of Illinois, in a recent case, the Economy Light & Power Co. case, held that originally this branch of the river was navigable, and commented on the fact that fur traders and the voyageurs had, for 150 years, crossed that part of the country, because it was the most available way to get to the Mississippi River.

Mr. BLANTON. The gentleman will realize that with reference to a stream that is navigable there are certain public rights concerning which the whole people are interested.

Mr. GRAHAM of Illinois. Absolutely.

Mr. BLANTON. To declare a stream nonnavigable by Congress, if there were such rights as were valuable, would take away the rights from the people.

Mr. GRAHAM of Illinois. I understand, and there is no man in this House that is more insistent on water navigation than am I.

Mr. BLANTON. Is this stream the only source of carrying off and removing the sewage of that locality?

Mr. GRAHAM of Illinois. No; if the local authorities could fill up the old watercourse they would construct intersecting sewers into the Chicago Drainage Canal, which runs 1,500 feet south and in a parallel course to this stream its entire length.

The Committee on Interstate and Foreign Commerce, knowing this was a somewhat important bill, and it being located in the center of the city of Chicago, sent a subcommittee there, consisting of the gentleman from Illinois [Mr. DENISON] and myself, to look into it. We held hearings in the Federal building for three days. We notified everybody, the State, the city, the sanitary district, and everybody concerned, and had extensive hearings, which have been printed. We have gone into the law as far as we can go. We satisfied ourselves about the facts. This stream is not navigable; it is of no importance as a navigable stream; it will never be of any importance, because near it is the sanitary district canal, 23 feet deep on the average, 250 feet broad, sufficient to carry all navigation that may at any time come up that river. So there is no reasonable objection to it. The State of Illinois, which ordinarily insists strenuously on keeping all streams intact, is not offering any particular objection.

Mr. BLANTON. Will the gentleman yield?

Mr. GRAHAM of Illinois. Certainly.

Mr. BLANTON. I do not know anything about this stream; I do not know its width or its availability for redemption, as far as property rights are concerned; but suppose it could be filled up and reclaimed and become valuable property. As it is now, no one has any property rights concerning a navigable stream. If you remove that obstacle and declare it nonnavigable and it should be taken over and filled up and made valuable property, some people might get the benefit of it. That is what I had in mind.

Mr. GRAHAM of Illinois. As a matter of fact, in some places you can step across it, and in some places you can hardly see that there is a channel. Every once in a while you find a pool of water which is largely a cesspool. There is not much of a stream. But it having been declared to be a navigable stream by the decision of the Supreme Court of the State of Illinois some action on the part of Congress will be necessary before the local laws will apply.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. JOHNSON of Mississippi. I have not read the hearings, but I would like to ask the gentleman if the people of Chicago object to it?

Mr. GRAHAM of Illinois. No; this bill was introduced by the Senator from Illinois [Mr. MCCORMICK], and a similar bill was introduced in the House by Mr. MICHAELSON, a Representative from Illinois. We had all the representatives of the city, the sanitary district, and the State of Illinois before us, and there was no objection made to this particular proposition.

Mr. JOHNSON of Mississippi. Was notice given to the people?

Mr. GRAHAM of Illinois. It was, it was advertised in the papers; we had news articles in the papers; we sent letters to everybody who had ever written us about it; and we were extremely careful on that point because the gentleman from Illinois [Mr. DENISON] and I both are, as you know, firm advocates of water transportation, and we are not going to do anything that is going to let a useful watercourse be filled up if we can help it.

Mr. STEPHENS. Who will own this property when it is declared nonnavigable and filled up?

Mr. GRAHAM of Illinois. Under the law of Illinois the rule is this: Where a stream is navigable and is abandoned as a navigable stream the abutting landowners acquire title to the middle of the thread of the old channel.

Mr. STEPHENS. Then the abutting landowners will receive the benefit of this?

Mr. GRAHAM of Illinois. They will.

Mr. STEPHENS. Then they are particularly interested in it?

Mr. GRAHAM of Illinois. No; we had no representations from any of them.

Mr. STEPHENS. Would it not benefit them to the extent of millions of dollars?

Mr. GRAHAM of Illinois. Let me explain. The movement comes from the city of Chicago. They propose to run Blue Island Avenue, which is one of the principal avenues of the city, right down over the line of this old ditch, clear through into the western part of the city toward a zoological garden, and to make a great highway of what to-day is a stinking, offensive stream that is of no value. The plan, the movement, seems to have originated in the authorities of the city of Chicago.

Mr. STEPHENS. Yet this land would not go to the city of Chicago?

Mr. GRAHAM of Illinois. The city will get it by condemnation proceedings.

Mr. STEPHENS. And it will have to pay the abutting property owners?

Mr. GRAHAM of Illinois. It is willing to do that.

Mr. STEPHENS. How much will that amount to?

Mr. GRAHAM of Illinois. I do not know. The land on either side of this old ditch is not improved very much at this time. People will not move in there and construct buildings or manufacturing institutions; and just what the land is worth, I do not know. However, the city of Chicago, by condemnation proceedings, will have to acquire the right of way. Sometimes the new road will be right in the middle of the old channel, and sometimes it will cut across corners, and so on; but the city of Chicago will have to pay for it, and the people of that city are willing to do that.

Mr. WILLIAMSON. In what portion of Chicago is this stream?

Mr. GRAHAM of Illinois. It is in the southwest section. It runs out toward the village of Des Plaines.

Mr. WILLIAMSON. Does it connect up with the canal or the Chicago River?

Mr. GRAHAM of Illinois. Yes; in the south part of the city, down about Thirty-ninth Street, the Chicago River forks. The west fork runs in a southwesterly direction about 7 or 8 miles toward Des Plaines. For about a mile and a half west of the fork of the river the river might be used for some navigable purposes. At that point, a mile and a half west of the fork and extending south from the river to the Sanitary District Canal, is a collateral channel, as it is called, of the Sanitary District Canal, which has made a large loop of water there.

The people of Chicago wanted the committee to adopt an amendment which also provides for the abandonment of that portion of the river within the loop, but Mr. DENISON and I were unitedly opposed to that proposition, and when we reported it to the committee the committee agreed with us, so

that the only portion involved is the portion west of the collateral channel, which is an old meandering ditch.

Mr. PARKER of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. PARKER of New Jersey. Does not the Des Plaines Canal, which I think ran from the Illinois River, connect with this branch?

Mr. GRAHAM of Illinois. The gentleman means the Illinois and Michigan Canal?

Mr. PARKER of New Jersey. No; the old Des Plaines Canal.

Mr. GRAHAM of Illinois. No. I never knew of any canal that connected the Des Plaines and Illinois Rivers.

Mr. PARKER of New Jersey. There was a canal called the Des Plaines Canal, and I thought that was the canal which connected the Chicago River with the Illinois River through Des Plaines.

Mr. STAFFORD. That is the Illinois and Michigan Canal to which the gentleman refers.

Mr. GRAHAM of Illinois. Along about 1848 a canal was dug from the Des Plaines River to the Chicago River called the Illinois and Michigan Canal, which was used for many years and finally abandoned when the railroads practically put a stop to its business.

Mr. PARKER of New Jersey. This is not the Des Plaines River?

Mr. GRAHAM of Illinois. No; this is a branch of the Chicago River. The old bed of the Illinois and Michigan Canal still exists, still furnishes adequate terminal facilities if it was ever desired, and in addition to this there is the sanitary district and ship canal, which has a good depth of water and also parallels it within a short distance.

Mr. PARKER of New Jersey. This would not interfere with that canal?

Mr. GRAHAM of Illinois. Not in the least.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk reported the bill, as follows:

Be it enacted, etc., That all of that portion of the West Fork of the South Branch of the Chicago River, in the county of Cook and State of Illinois, extending west from the west line of the Collateral Channel of the sanitary district of Chicago, in the northwest quarter of section 36, township 39 north, range 13 east of the third principal meridian, be, and the same is hereby, declared to be a nonnavigable stream within the meaning of the Constitution and laws of the United States.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. DENISON, a motion to reconsider the vote by which the bill was passed was laid on the table.

INDIANS ON THE LAC COURTE OREILLE INDIAN RESERVATION IN WISCONSIN.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13655) to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I am acquainted somewhat by general rumor and what comes from reading the papers of Milwaukee that years back there were allotments of Indian land in which there were large stands of timber made to Indians without right, which were appropriated by the so-called timber interests of the State. There have been some bills proposed to confirm those titles. I wish to know whether the bill sought is to confirm the title of allotted lands that were granted without right, where the poor Indian got little or nothing because he had no right to the land, and the lumberman who took his paper title and got possession and now wishes to have his title confirmed?

Mr. BURTNESS. The necessity and reason for the bill are that under the law passed in 1854, providing for allotments to the Indians, such allotments should only be made to heads of families or to single persons who were above the age of 21 years.

Pursuant to the provisions of that law, however, an allotting agent made allotments which were erroneous, or at least which were not justified under the provisions of that law in this, that he made some allotments to minors who were under the age of 21 years, and he also made some allotments to married women who were not the heads of families.

Mr. STAFFORD. Why did he violate the power which was vested in him to grant land, and very likely valuable timberland, to persons who were incompetent and could not dispose of their land? Then comes along some representative of lumber companies and buys this land for a mere pittance and sells the timber at full value, and now comes to the Government when the land has become valuable and asks confirmation of title.

Mr. BURTNESS. The information given by the bureau is that it was done through error, through inadvertence on the part of the allotting agent.

Mr. STAFFORD. Is there any testimony to the effect it was done through inadvertence and error?

Mr. BURTNESS. That is the statement made by the assistant commissioner before the committee. Now, if the gentleman will permit me to finish my explanation, I want to make it plain to him and the House that the law passed in 1903 permitted allotments to be made to single persons under 21 years of age and to married women who might not be heads of families. In other words, the situation is this: If the erroneous allotment as made by the allotting agent under the provision of the 1854 act prior to 1903 had in effect been made at any time during the last 19 years, then there would be no question whatsoever as to the validity of the act of the allotting agent, so all that this legislation will do, if passed, is simply to cure it, to make the older allotments valid in the same way as if they had been made since the 1903 act went into effect.

Mr. STAFFORD. Under this act of 1903 the Indian agent was authorized to allot to married women. There the authority was bestowed. But in these old allotments there was no authority whatsoever. I want it clear in my mind it was not done by design to get these valuable Indian lands with rare white-pine timber into the possession of the lumber interests.

Mr. BURTNESS. But the fact is that ever since 1903 this very land could have been allotted and has been allotted, a great many of them, to married women who are not the heads of families and to minors under the age of 21 years.

Mr. STAFFORD. Under authority of law?

Mr. BURTNESS. Yes; passed in 1903, which was doubtless the intent at that time, for that was the policy that Congress established. And so the committee thought that such allotments as had been made erroneously prior to that time, but which, however, are in direct accord with the policy as outlined by Congress in the 1903 act, that there was no reason why such prior allotments should not be made valid, and therefore reported this bill.

Mr. STAFFORD. I withdraw the reservation of the right to object.

Mr. SNYDER. Mr. Speaker, I want to say to the gentleman that after a very careful consideration of this bill we found that all it would do would simply be to correct an error which was made in these allotments when originally made, and there is really nobody being hurt or favored by it in any event, and we thought that the bill ought to be passed to clear up the situation.

The Clerk read as follows:

Be it enacted, etc., That such allotments of land to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin and the restricted fee patents issued therefor, under the provisions of article 3 of the treaty of September 30, 1854 (10 Stat. L., p. 1109), which allotments are not within the provisions of the treaty because of the ages of the allottees or their status as heads of families at the time the allotments were made, be, and the same are hereby, validated.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. BURTNESS, a motion to reconsider the vote by which the bill was passed was laid on the table.

LANDS DEVISED TO THE UNITED STATES GOVERNMENT BY THE LATE JOSEPH BATTELL, OF MIDDLEBURY, VT.

The next business in order on the Unanimous Consent Calendar was the concurrent resolution (S. Con. Res. 30) concerning lands devised to the United States Government by the late Joseph Battell, of Middlebury, Vt.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I do not recall whether this particular question has been presented to the Speaker for decision or not, where a person by will offers land to the Government under certain conditions and the Congress decides not to accept the gift, whether it should be by joint resolution rather than by concurrent resolution. I wish to call the attention of the Speaker to the fact that this is a Senate concurrent resolution. I have given some

little thought to it. I am of the opinion that this should be a joint resolution that should be presented to the President for his approval. True the Government has no title to-day to the land. It has not even an inchoate interest, and yet it would have title if the Government should pass a law accepting the land upon the terms provided in the will of the testator. I think in a matter of that kind the question is legislative in its character and should be submitted to the President of the United States for approval. It is not of the relationship of matters between the two Houses, wherein the President is not interested, which are generally embodied in a concurrent resolution.

Mr. GREENE of Vermont. May I offer a suggestion?

Mr. STAFFORD. Certainly. I am seeking enlightenment. I was asking whether it should not be submitted to the President instead of being embodied in a concurrent resolution. I am not objecting to the merits of the provision. I think the grant should be rejected.

Mr. SINNOTT. Mr. Speaker, I do not think it would make any difference what you call the resolution, whether concurrent or joint. A concurrent resolution, if it contains legislation, as I understand it, goes to the President. I have very hurriedly looked up the matter, and in the Manual, section 389, it is stated—

A concurrent resolution is binding upon neither House until agreed to by both. It is not sent to the President for approval unless it contain a proposition of legislation which is not within the scope of the modern form of concurrent resolution.

Now, if it is held that it contains a proposition of legislation it would necessarily go to the President under this citation.

The SPEAKER. If it requires the President's signature, why should it not be a joint resolution?

Mr. SINNOTT. It does not make much difference what you call it.

The SPEAKER. A joint resolution requires the President's signature.

Mr. SINNOTT. A concurrent resolution requires the signature of the President if it contains a proposition of legislation. However, it seems to me that this is not a proper parliamentary objection at this time to the measure. It is a criticism, but not an objection that the Chair can entertain.

Mr. STAFFORD. Oh, yes; the enacting clause would have to be changed. I have never known a concurrent resolution to pass either House that was submitted to the President. Concurrent resolutions are intended to be limited in purpose to the action of the two bodies. If the author of the resolution in another body has made a mistake, let us have the courage to admit that he has done so. I have said to the gentleman from Vermont [Mr. GREENE] that I had no objection on the merits of the resolution.

Mr. GREENE of Vermont. Does the gentleman propose to arrest this measure entirely? You can not amend a thing of this nature in parliamentary process now. It means the reintroduction of this resolution from the other end again.

Mr. STAFFORD. The gentleman can introduce a House resolution.

Mr. GREENE of Vermont. Mr. Speaker, if the gentleman will permit me, I do not pretend to be versed enough in parliamentary procedure to make a fine argument on the relative value of a concurrent and a joint resolution and the action of Congress upon them. This is not a case where Congress is being asked to make a law in the sense that it is to be followed as a rule and guide for the action of anybody, and therefore needs the approval of the President to make it a law.

It is a case where the court merely refused to distribute some property to the residuary legatee until the two Chambers of Congress themselves had decided whether they want to pass a law accepting the bequest or not. The history of this thing shows plainly what they had in mind. The Senate resolution was originally acted upon by the Senate committee and reported by the committee adversely, whereupon the measure was changed; that it was the sense of Congress that it did not want to accept the gift.

Mr. STAFFORD. But Congress should have the right to pass upon whether that gift should be accepted or not. It is a legislative enactment.

Mr. GREENE of Vermont. It was in the form of a resolution to show the intent of the two Houses, and not what the two Houses with the signature of the President would put into effect. It is negative.

The SPEAKER. It is clear to the Chair that the action must be the action of the United States Government, of which the President is a part, and that he is just as much entitled to be heard on it as Congress. The Chair thinks at first blush that it ought to be a joint resolution; and the Chair would suggest, although it is a rather awkward way to do it, that he does not see why a concurrent resolution could not be amended into a joint resolution.

Mr. STAFFORD. I move, Mr. Speaker, as a substitute the following. I withdraw the reservation of an objection.

The SPEAKER. Is there objection?

There was no objection.

Mr. STAFFORD. I move as a substitute the following: After the preamble, insert in lieu of the resolving clause the following: "*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the acceptance of said devise," and so forth, providing the enacting phraseology which always accompanies a joint resoluton, as distinguished from a concurrent resolution.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Senate Concurrent Resolution 30.

Whereas Joseph Battell, late of Middlebury, county of Addison, State of Vermont, deceased, in and by his last will and testament devised to the Government of the United States of America about 3,900 acres of land situated in the towns of Lincoln and Warren, in the State of Vermont, for a national park; and

Whereas said lands were devised to the United States of America upon certain conditions, among which were the following: That the Government should construct and maintain suitable roads and buildings upon the land constituting such national park for the use and accommodation of visitors to such park, and should employ suitable caretakers to the end and purpose that the woodland should be properly cared for and preserved so far as possible in its primitive beauty; and

Whereas it is deemed inexpedient to accept said devise and to establish a national park in accordance with the terms thereof: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the acceptance of said devise so made by Joseph Battell in his last will and testament be declined by the Government of the United States, and that the estate of the said Joseph Battell be forever discharged from any obligation to the United States growing out of the devise before mentioned.

Mr. STAFFORD. The Clerk has not yet reported the amendment. I offer as a substitute, Mr. Speaker, the following: "Strike out of the title the word "concurrent" and substitute the word "joint," so as to make it a joint resolution.

The SPEAKER. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Strike out of the title "Concurrent Resolution No. 30" and insert "Joint Resolution No. —."

Mr. STAFFORD. And also in the title substitute "joint" for "concurrent." And for the resolving phraseology substitute the usual phraseology which accompanies a joint resolution as follows: "*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*," in lieu of the "the Senate (the House of Representatives concurring)."

The SPEAKER. The Clerk will report the amendment of the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Strike out in the caption at the head of the preamble the word "concurrent" and insert in lieu thereof the word "joint," and in the resolving clause strike out "Resolved by the Senate (the House of Representatives concurring)," and insert——

The SPEAKER. The question is on agreeing to the amendment. The Clerk will report the first amendment.

The Clerk read as follows:

Insert: "*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*" in lieu of "the Senate (the House of Representatives concurring)."

Mr. BLANTON. Mr. Speaker, this is the first time since I have been in Congress that the Government has turned down a gift from anybody.

Mr. SINNOTT. A white elephant.

Mr. BLANTON. Here is a man in Vermont who offered to the Government 3,900 acres of valuable land, and I am glad to commend the Senate of the United States for not accepting it. It was not land that was suitable for a national park, although the owner offered it for that purpose. But he expected the United States Government, if it accepted it, to maintain it as a national park, with roadways and caretakers and the annual expenses incident to all national parks. Every few days we hear of some charitably minded person wanting to give something to the United States. We ought to scrutinize such gifts carefully. There are some gifts that an individual can not afford to take. There are some gifts that a Government can not afford to take.

I notice that another charitably minded individual, who has passed away lately, has offered property for establishing what he calls a summer White House somewhere else than in Washington. There should be but one White House in this Government of ours, and that is here in Washington. There is too much growing tendency to create aristocracies and to follow

the example set up by royalty in other countries, by monarchies in other countries. Certain people would have a summer White House in the North, and an autumn White House somewhere else, and a winter White House in Florida. It is following European example a little too much. I am against it all, and I believe the people of this country want a little more simplicity in the manner of their living, beginning with the Chief Officer of the land.

When we consider the estimates of expenses appearing in a divorce court in New York as to what one separated wife and children need for their annual expenses, which the court is asked to set aside to them each year, it is a shock to American institutions, I do not care how wealthy a person may be. The waste of their property along such lines is not according to American ideals.

Last Saturday this grass widow requested a court of equity to make her an annual allowance out of her husband's estate for the following expenses each year, to wit:

Apartment rent, $13,000; certain employees, $500; trained nurse, $2,100; cook, $1,500; kitchen maid, $720; housemaid, $900; two laundresses, $1,800; butler, $1,800; for cleaning apartment, $520; personal maid, $900; cost of food, $16,500; for maintaining motor car, $5,300; tutors for two boys, $3,000; secretary, $3,000; clothing for two sons, $4,500; clothing for self, $15,000; maintaining summer place, $9,600; traveling expenses during summer, $15,000; incidental expenses, such as stamps, car fare, and so forth, $5,000; doctor bills, $6,000; dentist bills, $4,000; amusements, books, and concerts, $3,500; toys, gifts, birthday and Christmas presents, $1,000; insurance, $1,500; furniture, $10,000; son's vacation expenses, $3,000, and extra tutoring, $1,500; contributions, $3,000; and gratuities, $5,000.

Mr. DENISON. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Illinois.

Mr. DENISON. Under the custom which has grown up our White House now is quite a public place, and the public object to its being closed or even to the grounds being closed. It is always *open to tourists*, and there is very litte opportunity for that quiet and rest that the President ought to have. What objection has the gentleman from Texas to the President, like other people, having an opportunity to have a quiet place where he can take his family and get some rest during certain months of the year?

Mr. BLANTON. There is no such thing as rest for the President of the United States, I do not care whether it is in a White House in Florida, or in Maine, or in the White House in Washington. But there is seclusion for him. Of all the many visitors who go to the White House each day very few see the President. The President never sees them. Of course he sees some by appointment, but he rarely ever sees the great hordes of visitors who enter the doors of the White House. He is never bothered by them.

Mr. DENISON. Will the gentleman yield?

Mr. BLANTON. In just a minute. If the gentleman from Illinois [Mr. DENISON], who is an active Member of this House and who takes an interest in all its proceedings, will study the history of the constant increase in appropriations for the Chief Executive of this Nation, an increase that has been growing not only under Republican administrations but under Democratic administrations as well—if the gentleman will look back 50 years he will be astounded. It ought not to be carried too far. The Chief Executive of this Nation is the chief of the greatest Republic in the world and represents the finest people in the world, but he is not a monarch. He is the executive officer of the American people. He is an American. We must not get away from that idea with all of its full significance.

Mr. DENISON. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Illinois.

Mr. DENISON. Of course it is not un-American—I am sure my friend from Texas will agree that it is not at all un-American—that the President of our country should be given an opportunity to have a quiet place where he can take his family and get a little rest. If we can give him that opportunity, does not the gentleman from Texas think that this is too great a Nation to quibble and dispute and quarrel over a little matter of that kind; and if we can do that for our President, does not the gentleman think we ought to do so?

Mr. BLANTON. The gentleman from Illinois knows well that if we establish a summer White House away from Washington it will not be a year before there will be a move on foot to establish a winter White House down in Florida. The gentleman knows that.

Mr. DENISON. No; I do not know that.

Mr. BLANTON. Then he is not the discerning gentleman I thought he was. His discernment does not take in quite the scope I thought it did.

Mr. DENISON. I have not as much imagination as the gentleman from Texas.

Mr. BLANTON. No; the gentleman from Texas is looking upon facts based on past history. We are now spending $25,000 to equip the *Mayflower* with oil burners instead of coal, and there is a movement on foot now to buy for the Vice President of the United States a magnificent mansion out here on Sixteenth Street, in Mount Pleasant, that is now held there, vacant, waiting for Congress to buy it—to be called the Vice President's White House.

There is not a man in this Nation who appreciates more highly than I do the Vice President of this country. He is one of the biggest men in the Nation. There is only one thing that kept me from voting for him, and that is the fact that he is a Republican. If it had not been for his party affiliations I might have voted for him. But however much we admire him, we must draw the line against this drifting into what I call the Old World aristocracy that our forefathers ran away from when they established this American Republic. I want to say to the people who built that mansion out yonder on Sixteenth Street that if the rest of my colleagues think about it as I do they might just as well dispose of it in some other way, because we are not going to buy it.

Mr. ROSE. Will the gentleman from Texas yield for a question?

Mr. BLANTON. I yield to the gentleman from Pennsylvania.

Mr. ROSE. I think I know what the gentleman had in mind in speaking of the enormous allowance for expenses in a divorce suit in New York. Does the gentleman think that a wife asking 25 per cent of the admitted income of her husband is out of proportion?

Mr. BLANTON. No; if she asked for same as an estate to which she was entitled, if she asked for it as her part of the accumulations earned during marriage, it would be a different thing, for the benefit of herself and her child as their part of the estate, but she is asking merely for a yearly allowance to be spent along certain lines, enough to take care of a small village of needy citizens.

Mr. DENISON. Will the gentleman yield now?

Mr. BLANTON. Yes.

Mr. DENISON. The Vice President has no place to live in, and the gentleman knows——

Mr. BLANTON. And the gentleman from Illinois himself has none.

Mr. DENISON. No; but the gentleman from Illinois does not have the obligations and duties resting upon him that the Vice President has. His position makes it necessary for him to entertain, of course.

Mr. BLANTON. One minute, right there. There is no man holding office in our Government that has more social responsibility concerning entertaining than does the Secretary of State, and yet he is not furnished a White House by the Government to live in. It would be only a step further when you give a residence to the Vice President, you would also have to give one to the Secretary of State and then all down the line to every member of the Cabinet, and then to Senators and Congressmen.

Mr. DENISON. The gentleman can appreciate the fact that there is some difference between the position and the duties of the Vice President and the Secretary of State. The Vice President is compelled to live in hotels, and the gentleman knows enough about hotels in Washington so that he ought to have some sympathy with a man in his position who is compelled to live in high-priced hotels in this city.

Mr. BLANTON. He is not compelled to live in hotels. He could rent a residence.

Mr. DENISON. For fear that the gentleman's expressed sentiments will be taken as the sentiment of the House that the Government ought not to furnish the Vice President with a home, I want to say that I hope the time will soon come when it will do so.

Mr. BLANTON. If the gentleman will have some of the citizens from each county in his district come here and let them see how during the past 30 years we have advanced in the way of expenses for both the Chief Executive and for the Vice President, and show them the palatial residences on Sixteenth Street and ask them if they are in favor of buying a residence of that kind for the Vice President, I will guarantee that the gentleman will change his mind. I merely wanted to raise my protest against this growing extravagance, and I only rose for that purpose and to commend the Senate for disapproving this gift and turning it back.

Mr. GREENE of Vermont. Mr. Speaker, I think perhaps under the circumstances it might not be improper for me to suggest that the man, Mr. Joseph Battell, who made this original bequest to the Government did so in the utmost good faith and in an attempt to carry out a project for the public benefit which had been one of the ideals of his dreams for many years. Mr. Battell was a man of considerable means and a man of great public spirit and enterprise. In this particular instance he was trying to give the Government of the United States a forest area or reservation for a public park right alongside and in the vicinity of other similar forest land that he had given to the State of Vermont, and which the State of Vermont had accepted. It appears, however, that the old gentleman attached to the gift to the United States such conditions as to acceptance and maintenance of this tract of land that would make it a kind of white elephant, perhaps, and not suitable for the purpose he had in mind, and not suitable for the similar purpose that the State might exercise in the property he had given it near by. So it was felt under the circumstances that, recognizing the practical necessities of the years that have followed his decease, it might not be altogether advisable for the Government to accept the gift notwithstanding the good intentions he had in mind in making his will.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The concurrent resolution was agreed to.

On motion of Mr. GREENE of Vermont, a motion to reconsider the vote whereby the concurrent resolution was agreed to was laid on the table.

CONTESTED-ELECTION CASE OF PARILLO *v.* KUNZ.

Mr. DALLINGER. Mr. Speaker, by direction of Elections Committee No. 1, I present a report in the contested-election case of Parillo against Kunz, eighth district of Illinois.

TO EXTEND THE PROVISIONS OF THE ACT OF FEBRUARY 8, 1887, TO LANDS PURCHASED BY THE INDIANS.

The next business on the Calendar for Unanimous Consent was the bill S. 1926, an act to extend the provisions of the act of February 8, 1887, as amended, to lands purchased for Indians.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RAKER. Reserving the right to object, I wish the gentleman from Arizona would give us some information about this bill.

Mr. HAYDEN. Mr. Speaker, this bill proposes to make applicable to lands heretofore or hereafter purchased by Indians the provisions of the general allotment act of 1887 as amended. Under the general allotment act any reservation created for Indians may be allotted not more than 160 acres of grazing land to any one Indian, not more than 100 acres of agricultural land, and not more then 40 acres of irrigated land. Certain tracts of land have been purchased for Indians, about 7,000 acres in California, about 14,000 acres in Wisconsin, and some other lands in Minnesota. The conditions surrounding these purchases are such that the lands could not be allotted, and the title to them remains in the tribe and in the United States. It is certainly good policy to divide up all tribal lands by alloting them to individual members of the tribe in order that they may have the benefits of controlling a particular piece of property and learn how to manage it, the same as any other citizen. If they are incompetent Indians they will be given trust patents, and their affairs will be handled in exactly the same way as is now done with respect to Indian lands.

Mr. RAKER. Mr. Chairman, would not the gentleman let the matter pass over until the next unanimous consent day, to remain on the calendar? A number of these are in my district, and I have not heard from the folks at home in regard to the matter. I ask the gentleman to do that.

Mr. HAYDEN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

ROAD ON FORT APACHE INDIAN RESERVATION, ARIZ.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13128) authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized an appropriation of $15,000 from any tribal funds on deposit in the Treasury to the credit of the Indians of the Fort Apache Indian Reservation, Ariz., to be immediately available, to pay one-half the cost of constructing a wagon road within said reservation between Cooley and the northeast boundary of said reservation: *Provided*, That no part of the appropriation herein authorized shall be expended until the Secretary of the Interior shall have obtained from the proper authorities of the county of Apache, Ariz., satisfactory guaranties of the payment by said county of one-half of the cost of the construction of said road.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HAYDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

TO FILL VACANCY IN BOARD OF REGENTS, SMITHSONIAN INSTITUTION.

Mr. FESS. Mr. Speaker, I ask unanimous consent to return to Calendar No. 425, Senate Joint Resolution 258, providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

The SPEAKER. The gentleman from Ohio asks unanimous consent to return to Calendar No. 425, Senate Joint Resolution 258, providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress. Is there objection?

Mr. STAFFORD. Mr. Speaker, when this resolution was first under consideration I sought information as to the gentleman recommended to fill the vacancy occasioned by the death of Mr. Bell. The gentleman from Ohio [Mr. FESS] was temporarily out of the Chamber. I understand from the statement furnished to me that it is necessary to take this matter up immediately, for the reason that there is to be a meeting of the Board of Regents on February 8; and as there is to be no further Unanimous-Consent Calendar day this month, I think there should be an exception made in this case. I have no objection.

The SPEAKER. Is there objection to returning to this resolution?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The SPEAKER. The Clerk will report the Senate joint resolution.

The Clerk read as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, caused by the expiration of the term of Alexander Graham Bell, of Washington, D. C., be filled by the appointment of Irwin B. Laughlin, of Pennsylvania.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. FESS, a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

BRIDGE ACROSS PEARL RIVER, MISS.

Mr. JOHNSON of Mississippi. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 13139) granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately one and one-half miles north of Georgetown, in the State of Mississippi, which I send to the desk.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, let the bill be reported first, as it is not on the Calendar for Unanimous Consent.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Great Southern Lumber Co., a corporation of the State of Pennsylvania doing business in the State of Mississippi, its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto across the Pearl River at approximately one and one-half miles north of Georgetown, in the State of Mississippi, and in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the construction of such bridge shall be commenced within three years from the date of the passage of this act, and shall be completed within five years from the passage of this act.

SEC. 3. That the right to alter, amend or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, line 1, after the word "at," insert the words "a point suitable to the interests of navigation."
Page 2, line 6, strike out all of section 2.
Page 2, line 10, strike out the figure "3" and insert the figure "2."

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. JOHNSON of Mississippi, a motion to reconsider the vote by which the bill was passed was laid on the table.

FLOOD CONTROL OF MISSISSIPPI RIVER.

Mr. HUMPHREYS of Mississippi. Mr. Speaker, I ask unanimous consent that the report from the Committee on Flood Control, on a bill which they have ordered to be reported, relating to the flood control of the Mississippi River, may be printed with illustrations.

Mr. MONDELL. What is the class of illustrations?

Mr. HUMPHREYS of Mississippi. The illustrations consist of two maps. The plate was made by the Federal Barge Line, a Government corporation on the Mississippi River. It shows the destination of all the freight carried north on the barge line, and the other map shows the points of origin throughout the country of all the freight carried south on the barge line.

The plates are to be furnished free of charge and the Public Printer tells me that the additional cost will be about 2 cents apiece for the report. Under the law I think 1,340 reports have to be printed, so that the cost would be in the neighborhood of $30.

The SPEAKER. Is there objection to the request? [After a pause.] The Chair hears none.

Mr. STAFFORD. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. MOORE of Virginia. Will the gentleman withhold that for a moment so that I may ask the gentleman from Wyoming a question?

Mr. STAFFORD. I will withhold the point.

Mr. MOORE of Virginia. May I ask the gentleman when he expects we will have an opportunity to take up the Private Calendar? There are now about 120 bills on that calendar.

Mr. MONDELL. I hope some time next week. I am very anxious that we shall have several days' consideration of the Private Calendar.

Mr. CHINDBLOM. Mr. Speaker——

The SPEAKER. Does the gentleman from Wisconsin withhold his point of no quorum?

Mr. STAFFORD. I will.

Mr. CHINDBLOM. Mr. Speaker, I desire unanimous consent to extend my remarks in the RECORD by inserting a letter from Commissioner Lissner of the Shipping Board in reference to the colloquy in the House the other day as to the edition printed of the so-called Government Aid to Merchant Shipping. Gentlemen will remember there was a colloquy here between the gentleman from Tennessee [Mr. DAVIS] and the gentleman from Pennsylvania [Mr. EDMONDS].

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD by printing the letter referred to. Is there objection?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, the gentleman from Tennessee is not here——

Mr. CHINDBLOM. I looked around for him, and I have tried to find him.

Mr. BLANTON. Is this additional propaganda in behalf of the ship subsidy bill?

Mr. DAVIS of Tennessee. I am here, and I shall not make objection, but I would like to have an opportunity to cross-examine him on whatever he says.

Mr. BLANTON. Is this additional propaganda in behalf of the ship subsidy bill?

Mr. CHINDBLOM. No; it is merely a statement as to that edition to which reference was made in the discussion the other day.

Mr. BLANTON. It is not in furtherance of the passage of the ship subsidy bill?

Mr. CHINDBLOM. No.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The letter referred to is as follows:

UNITED STATES SHIPPING BOARD,
Washington, January 15, 1923.

Hon. CARL R. CHINDBLOM,
House of Representatives, Washington, D. C.

MY DEAR MR. CHINDBLOM: On January 12, 1923, Representative DAVIS of Tennessee (page 1691, CONGRESSIONAL RECORD) stated:

"I hold in my hand a document of 306 pages, a multigraphed document, and it is expensively bound.

"It costs much more than to have it printed, and I have a written memorandum furnished by an employee of the Shipping Board who is in a position to be familiar with the facts and who is entirely reliable, and he makes the statement that this document, which is simply propaganda and arguments in favor of a certain measure, was prepared in the Shipping Board and by officials and employees of the Shipping Board, and he makes the statement that over 217,000 of these documents were made in the Shipping Board and made out of material paid for by the Government and prepared and made up and distributed by officials in the Shipping Board who were receiving Government salaries. This was distributed throughout the country to newspapers, business organizations, and what not, and at what expense I do not know, but it is in regard to the preparation and distribution of this document that this same official says that 'our duplicating section was working on this issue for several weeks, holding up important work; some duplicating work in connection with the regular routine was laid up over three weeks. Mr. Lasker's orders were to give this pamphlet precedence over everything else.'"

You personally expressed some interest in that statement, and later on (page 1692, CONGRESSIONAL RECORD) Congressman EDMONDS stated that he had just received information from me that a thousand copies of the document referred to were all that were made by the Shipping Board, instead of 217,000 copies, as stated by Mr. DAVIS, and Mr. DAVIS questioned the accuracy of that statement and said:

"I said that I had a memorandum furnished by an employee of the Shipping Board in which he stated that that was the fact. He was in the section that issued it."

This statement, as reported by Mr. DAVIS, constitutes such a gross inaccuracy that I feel it my duty to give the facts in this letter, with the request that you ask to have the same printed as a part of the RECORD.

As you well know, the study that was put out under the title "Government Aid to Merchant Shipping," referred to by Mr. DAVIS, was initiated at the special request of the President addressed to Chairman Lasker, and was prepared after months of painstaking investigation by a committee of the best available experts, consisting principally of well-qualified men employed by the Shipping Board and high naval officers, with some advice from practical and professional men not in governmental employ.

It was gotten out in mimeograph form by the Shipping Board's duplicating division largely as a matter of practical convenience and time-saving and because it was being revised and perfected from time to time.

The first edition was limited to 50 copies and was completed January 21, 1922. A revised edition of 100 copies was completed on February 20, 1922; and the final document of 306 pages (referred to by Mr. DAVIS, of which, as stated, exactly 1,000 copies was printed), was completed March 28, 1922.

This large edition, as stated by Mr. EDMONDS, was gotten up especially so that each Member of Congress might be furnished a copy, which was done. As might have been expected, there were requests for copies immediately made by the press correspondents and some others entitled to same, which were gladly furnished, and the remainder of the edition, amounting to about 50 copies, we still have on hand.

Far from being "expensively bound," the document, as may easily be ascertained by a mere glance at it, is cheaply and roughly bound in paper.

The Shipping Board makes no apology for its actions in this matter in furnishing as quickly as possible to the Congress and to representatives of the leading press associations copies of a comprehensive and expert study as to the result of which there was at the time a great deal of justifiable interest, and which legislators and the country were entitled to be informed concerning at the earliest possible day.

It is true that our duplicating section was working on this issue of 1,000 copies off and on for several weeks and that some other routine work was laid aside at times during that period. Quite properly orders were given that this work should have the right of way over ordinary matters of routine that could be postponed without detriment to the service. In all about 10 days' solid time was put in by our duplicating force on the edition referred to. At this rate it would have taken about 2,170 working days, or about seven years, solid time to print the mythical 217,000 copies referred to by Mr. DAVIS and his informant.

Members of Congress may therefore judge whether the Shipping Board employee referred to is "entirely reliable" and a "trustworthy source of information." On our part, we think that any employee of the Government who would clandestinely give out such a mendacious statement and so willfully mislead a Member of Congress should be summarily dismissed, and we feel justified in requesting, through you, that Mr. DAVIS give us the name of the employee referred to and a copy of the memorandum furnished by the employee, so that the latter may be properly dealt with.

There seems to us to be only one possible alternative to this course on the part of Mr. DAVIS. It may well be that quite unintentionally he misinterpreted to the House the information that was given him by the employee, in which event we feel sure Mr. DAVIS will desire to make the correction himself on the floor.

Yours very sincerely,

MEYER LISSNER, *Commissioner.*

SENATE BILL AND JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate bill and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3515. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; to the Committee on Claims.

S. J. Res. 265. Joint resolution to stimulate crop production in the United States; to the Committee on Agriculture.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock p. m.) the House adjourned until to-morrow, Tuesday, January 16, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

907. A letter from the Secretary of the United States Coal Commission, transmitting the first report of the United States Coal Commission (H. Doc. No. 533); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

908. A letter from the secretary of the Georgetown Barge, Dock, Elevator & Railway Co., transmitting annual report of the Georgetown Barge, Dock, Elevator & Railway Co.; to the Committee on the District of Columbia.

909. A letter from the Sergeant at Arms of the House of Representatives, transmitting a statement of receipts and disbursements of money through his hands December 1, 1921, to December 1, 1922, and a statement of property in his charge December 1, 1922; to the Committee on Accounts.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ZIHLMAN: Committee on the District of Columbia. S. 3169. An act to equalize pensions of retired policemen and firemen of the District of Columbia, and for other purposes; without amendment (Rept. No. 1400). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. S. Con. Res. 26. A concurrent resolution to create a commission to investigate the needs of the office of the recorder of deeds for the District of Columbia; with an amendment (Rept. No. 1401). Referred to the House Calendar.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 8084. A bill to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Blair Road, and for other purposes; without amendment (Rept. No. 1402). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. H. R. 13777. A bill to modify the Osage fund restrictions; without amendment (Rept. No. 1403). Referred to the Committee of the Whole House on the state of the Union.

Mr. CURRY: Committee on the Territories. H. R. 13631. A bill to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921; with amendments (Rept. No. 1404). Referred to the House Calendar.

Mr. BUTLER: Committee on Naval Affairs. H. R. 13556. A bill to increase the efficiency of the Marine Corps, and for other purposes; with amendments (Rept. No. 1413). Referred to the Committee of the Whole House on the state of the Union.

Mr. LITTLE: Committee on Revision of the Laws. H. R. 13555. A bill to provide for the publication of the Code of the Laws of the United States, with an index, parallel reference tables, and an appendix thereto; with an amendment (Rept. No. 1414). Referred to the Committee of the Whole House on the state of the Union.

Mr. DALLINGER: Committee on Elections No. 1. H. Rept. 1415. A report on the contested-election case of Dan Parillo *v.* Stanley H. Kunz. Referred to the House Calendar and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SPEAKS: Committee on Claims. H. R. 13150. A bill for the relief of Blattmann & Co.; with an amendment (Rept. No. 1406). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 9631. A bill for the relief of Edward F. Dunne, jr.; with an amendment (Rept. No. 1407). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 4920. A bill for the relief of E. J. Reynolds; with an amendment (Rept. No. 1408). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1502. An act for the relief of Thomas E. Owen; without amendment (Rept. No. 1409). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 288. An act for the relief of John T. Eaton; without amendment (Rept. No. 1410). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 11879. A bill for the relief of Elizabeth McKeller; with an amendment (Rept. No. 1411). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 2262. An act for the relief of Franklin A. Swenson; without amendment (Rept. No. 1412). Referred to the Committee of the Whole House.

ADVERSE REPORTS.

Under clause 2 of Rule XXIII,

Mr. UNDERHILL: Committee on Claims. S. 2346. An act for the relief of Ellen B. Monahan (Rept. No. 1405). Laid on the table.

CHANGE OF REFERENCE.

Under clause 2 of Rule XIII, the Committee of the Whole House was discharged from the further consideration of the bill (H. R. 12007) providing for the conveyance of certain land to the city of Boise, Idaho, and from the city of Boise, Idaho, to the United States, and said bill, together with the report thereon, was referred to the Committee of the Whole House on the state of the Union and ordered to be printed (H. Rept. No. 1382).

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. McSWAIN: A bill (H. R. 13805) to construct a post-office building and Federal courthouse at Spartanburg, S. C.; to the Committee on Buildings and Grounds.

By Mr. TOWNER: A bill (H. R. 13806) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act, and for other purposes; to the Committee on Banking and Currency.

By Mr. LAYTON: A bill (H. R. 13807) granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the Nanticoke River; to the Committee on Interstate and Foreign Commerce.

By Mr. BIXLER: A bill (H. R. 13808) granting the consent of Congress to the commissioners of Venango County, their successors and assigns, to construct a bridge across the Allegheny River in the State of Pennsylvania; to the Committee on Interstate and Foreign Commerce.

By Mr. GERNERD: A bill (H. R. 13809) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the settling of New Netherland, the Middle States, in 1624 by Walloons, French, and Belgian Huguenots under the Dutch West India Co.; to the Committee on Coinage, Weights, and Measures.

By Mr. RODENBERG: A bill (H. R. 13810) to continue the improvement of the Mississippi River and for the control of its floods; to the Committee on Flood Control.

By Mr. HUDSPETH: A joint resolution (H. J. Res. 422) permitting the entry free of duty of certain domestic animals which have crossed the boundary line into foreign countries; to the Committee on Ways and Means.

By the SPEAKER (by request): Memorial of the Legislature of the State of Oklahoma, favoring the passage of the Green resolution amending the Constitution of the United States making it possible to tax securities now exempted from taxation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 13811) granting a pension to Charles H. Crim; to the Committee on Invalid Pensions.

By Mr. FAIRFIELD: A bill (H. R. 13812) to correct the military record of Richard Brannon and grant him an honorable discharge; to the Committee on Military Affairs.

By Mr. FESS: A bill (H. R. 13813) granting a pension to Amanda Wishard; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 13814) granting a pension to Charles H. Ritter; to the Committee on Pensions.

By Mr. HAWES: A bill (H. R. 13815) granting an increase of pension to John Weidemann; to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 13816) granting a pension to T. L. Ingram; to the Committee on Pensions.

Also, a bill (H. R. 13817) granting a pension to Sarah G. Sperbeck; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 13818) granting a pension to Lena Castor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13819) granting a pension to John C. Herin; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 13820) granting an increase of pension to Mary V. Scriven; to the Committee on Invalid Pensions.

By Mr. ROBSION: A bill (H. R. 13821) granting an increase of pension to Tempie Dyer; to the Committee on Invalid Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 13822) granting a pension to Jennie Alexander; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 13823) granting an increase of pension to Amos E. Albritton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13824) granting a pension to Martin E. McMichael; to the Committee on Pensions.

By Mr. WRIGHT (by request): A bill (H. R. 13825) for the relief of S. Silberstein & Son (Inc.); to the Committee on Claims.

By Mr. IRELAND: A resolution (H. Res. 484) authorizing appointment of additional clerk who shall be under supervision of the Clerk of the House; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6821. By Mr. BARBOUR: Petition of certain residents of Fresno County, Calif., urging support of joint resolution extending aid to people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6822. By Mr. BRIGGS: Letter and exhibits from G. W. Tilley, State fire marshal, Austin, Tex., advocating prohibiting the interstate shipment of inflammable films; to the Committee on Interstate and Foreign Commerce.

6823. By Mr. KETCHAM: Petition signed by 62 citizens of Bridgman, Mich., favoring aid to famine-stricken peoples of German and Austrian Republics; to the Committee on Foreign Affairs.

6824. By Mr. KISSEL: Petition of the Merchants' Association of New York, New York City, urging favorable action on House bill 10213, a bill relating to the Diplomatic and Consular Service of the United States; to the Committee on Foreign Affairs.

6825. By Mr. SANDERS of Indiana: Petition of several members of Zion Reformed Church, of Terre Haute, Ind., relative to House Joint Resolution 412; to the Committee on Foreign Affairs.

SENATE.

TUESDAY, *January 16, 1923.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, Thou hast proven Thyself to be a very present help in time of trouble. And as we look out upon a distracted world we pray Thee for the wisdom necessary to cope with the difficulties, meet the problems, and deal with the strained situation that confronts nation after nation in these days. Our God, be our refuge, be our strength, and so help Thy servants before Thee and all others dealing with national or international affairs that results may be achieved which shall be for the good of humanity and Thy great glory. Through Jesus Christ our Lord. Amen.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., January 16, 1923.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. MOSES thereupon took the chair as Presiding Officer.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, January 9, 1923, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

DEPARTMENTAL USE OF AUTOMOBILES.

The PRESIDING OFFICER laid before the Senate the following communications:

A communication from the chairman of the Federal Trade Commission, reporting, in response to Senate Resolution 399, agreed to January 6, 1923, that the commission does not maintain any passenger automobiles or garages; that it does, however, maintain and use a Dodge truck for mail-carrying purposes, which is kept in one of the War Department garages at the rate of $10 per month;

A communication from the Comptroller General of the United States, transmitting, pursuant to Senate Resolution 399, agreed to January 6, 1923, information relative to the number and cost of maintenance of motor vehicles in use by the General Accounting Office; and

A communication from the Secretary of the Smithsonian Institution, transmitting, pursuant to Senate Resolution 399, agreed to January 6, 1923, information relative to the number and cost of maintenance of motor vehicles in use by that institution.

Mr. MCKELLAR. Mr. President, in reference to these reports from the various departments and divisions, I wonder if we can not have them placed all together and kept on the table, so that they may be considered together; or do they, under the rule, have to be referred as they come in?

The PRESIDING OFFICER. They lie upon the table until disposed of by the Senate.

Mr. MCKELLAR. I ask that that course be pursued, and that they lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	McCormick	Sheppard
Ball	Hale	McKellar	Simmons
Borah	Harreld	McKinley	Smoot
Brookhart	Harris	McLean	Spencer
Calder	Harrison	McNary	Stanfield
Cameron	Heflin	Moses	Sterling
Capper	Johnson	Nelson	Sutherland
Couzens	Jones, Wash.	New	Townsend
Culberson	Kellogg	Nicholson	Underwood
Curtis	Keyes	Norbeck	Walsh, Mass.
Ernst	King	Norris	Walsh, Mont.
Fernald	Ladd	Oddie	Warren
Fletcher	La Follette	Phipps	Watson
Frelinghuysen	Lenroot	Pittman	Williams
George	Lodge	Robinson	Willis

Mr. WILLIS. I wish to announce the unavoidable absence of my colleague [Mr. POMERENE] on account of illness. I desire that this announcement may stand for the day.

Mr. CURTIS. I was requested to announce that the Senator from Wyoming [Mr. KENDRICK] and the Senator from Louisiana [Mr. RANSDELL] are engaged in a hearing before the Committee on Agriculture and Forestry.

Mr. FLETCHER. My colleague [Mr. TRAMMELL] is unavoidably absent. He has a general pair with the Senator from Rhode Island [Mr. COLT]. I will let this announcement stand for the day.

The PRESIDING OFFICER. Sixty Senators having answered to their names, a quorum is present.

PETITIONS AND MEMORIALS.

The PRESIDING OFFICER laid before the Senate resolutions adopted by the Major William E. Almy Camp, No. 1, United Spanish War Veterans, Department of Porto Rico, favoring the passage of legislation to carry out the provisions of the national defense act so as to maintain the strength of the national defense against all possible enemies, either foreign or domestic, which were referred to the Committee on Military Affairs.

Mr. WILLIS. I present resolutions adopted by the directors of the Steubenville (Ohio) Chamber of Commerce on December 18, 1922, relative to immigration questions, and ask that they be referred to the Committee on Immigration and printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Whereas in recent years laws have been enacted by the Congress of the United States to govern and regulate the immigration of aliens to this country, which action on the part of Congress was both wise and just since it was for the purpose of attempting to solve what had become known as the "Immigration problem"; and

Whereas these certain laws restricting immigration have been given a fair trial, and based upon actual experience of the operation and enforcement of these laws there are now being proposed many changes in these laws relating to immigration; and

Whereas the Steubenville Chamber of Commerce, an organization of more than 600 business men, professional men, and manufacturers of Steubenville, Ohio, has studied this immigration problem from its different angles and has given consideration to the merits of different changes of the present immigration laws now being proposed, many of such changes having already been drafted into the form of bills to be introduced into Congress: Therefore be it

Resolved, by the Steubenville Chamber of Commerce, based upon the unanimous action taken by 100 members present at a meeting on Wednesday, December 13, 1922, when this subject was very carefully considered, and based upon the indorsement of such action by the unanimous vote of the directors of this organization at a regular meeting December 18, 1922, that this organization go on record in favor of Senate bill 1253 introduced at the first session of the Sixty-seventh Congress by Senator STERLING, which bill proposes the creation of an immigration board and amends present immigration laws by restricting immigration of aliens to such a number as would be absolutely required from an economic standpoint by this country, and further providing for the selection by representatives of the United States at point of embarkation of immigrants so that only such immigrants as are needed and can be assimilated by this country will be admitted to these borders. And be it further

Resolved, That copies of this resolution be sent to the United States Senators from Ohio and also to Congressman FRANK MURPHY, and we most respectfully urge their support in helping to bring about the passage of this law.

CERTIFICATION.

This is to certify that the above is a true and correct copy of a resolution adopted by the directors of the Steubenville Chamber of Commerce in regular meeting Monday, December 18, 1922.

C. O. HANES, *Secretary*.

Mr. STERLING. I have received a number of telegrams from banks and loan associations in my State relative to Title IV of the pending bill (S. 4280) to provide credit facilities for the agriculture and live-stock interests of the United States, and so forth, asking that the limit of loans which may be made by Federal land banks may be increased to $25,000. I ask that the first telegram be read and that the names of the senders of the other telegrams may be printed in the RECORD, and that they all be referred to the Committee on Agriculture and Forestry.

There being no objection, the telegrams were referred to the Committee on Agriculture and Forestry and the first telegram and the names were ordered to be printed in the RECORD, as follows:

[Western Union telegram.]

RAPID CITY, S. DAK., *January 9, 1923*.

Hon. THOS. STERLING,
United States Senator, Washington, D. C.:

We understand that bills in Congress increasing Federal loan limit to $25,000 have not yet been reported out by Committee on Banking and Currency. It is of vital importance to the West that these bills pass as quickly as possible for the relief of western farmers and ranchers, many of whose mortgages mature March 1. We will appreciate your best efforts in this connection.

CHARLES J. BUELL.
A. C. HUNT.
GEORGE WILLIAMS.
GEORGE P. BENNETT.
A. S. HALLEY.

The names of the senders of the other telegrams are as follows:

Peoples Savings Bank of Watertown; Douglas County National Farm Loan Association; Dell Rapids National Farm Loan Association; Yankton County Farm Loan Association; Jerauld County National Farm Loan Association; Hanson County National Farm Loan Association; First National Farm Loan Association of Pierre; all in the State of South Dakota.

Mr. STERLING presented petitions of sundry citizens of Parkston, Dempster, Castlewood, Bridgewater, and Freeman, all in the State of South Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

Mr. ROBINSON presented the petition of J. T. Lloyd and sundry other citizens, praying for the passage of legislation repealing the discriminatory tax in existing law on small-arms ammunition and firearms, which was referred to the Committee on Finance.

Mr. LADD presented resolutions adopted by members of the Bergen (N. Dak.) National Farm Loan Association, protesting against the passage of House bill 13125, the so-called Strong bill, amending certain sections of the Federal farm loan act and favoring the issuance of instructions to officers of the Federal land bank at St. Paul, Minn., to adhere to paragraph 2, section 7, of the Federal farm loan act, which were referred to the Committee on Banking and Currency.

He also presented petitions of 157 citizens of McClusky, Lincoln Valley, and Ellendale, all in the State of North Dakota, praying for the immediate passage of legislation extending aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

THE MUSCLE SHOALS PLANT.

Mr. McKELLAR. I ask unanimous consent to have printed in the RECORD and referred to the Committee on Agriculture and Forestry a letter from John Thomas Taylor, vice chairman of the American Legion, in reference to the Muscle Shoals project.

There being no objection, the letter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., January 15, 1923.

Hon. KENNETH MCKELLAR,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: The national legislative committee of the American Legion desires to lay before you a resolution concerning the Muscle Shoals plants and properties and to urge that Congress adopt a definite policy at this session for the development and operation of this great national project.

This matter was given most careful and serious consideration at the national convention of the American Legion, assembled at New Orleans, La., on Friday, October 20, 1922, and the following resolution adopted:

"Whereas at the beginning of the World War the United States Government was brought to a realization of the fact that it was wholly dependent upon the Chilean nitrate beds and German war-built nitrogen plants for its supply of nitrogen, which is absolutely necessary for the manufacture of high explosives; and

"Whereas the said United States Government did thereupon appropriate large sums of money for the erection and operation of nitrate plants Nos. 1 and 2 at Muscle Shoals for the manufacture of nitrogen in large quantities by extracting same from the air, which said plants were completed and successfully operated just prior to the armistice, or just after, and are the only air-nitrogen plants in the United States of America; and

"Whereas the above-mentioned plants have not only been left inoperative since the war, but have constantly fallen into a state of deterioration, at an expense of many thousands of dollars annually to the taxpayers of this country, while similar air-nitrogen plants in Germany were speedily converted so as to manufacture cheaply nitrogen fertilizers for the enrichment and reclamation of the arid farm lands of Germany, which has proven to be an untold blessing to the people of that country; and

"Whereas we believe that the continuance of our dependence upon foreign countries for the necessary supply of nitrogen for fertilizers in time of peace and for explosives in time of war is not only an unspeakable humiliation but is positively perilous from the point of view of the national defense: Now, therefore, be it

"*Resolved*, (1) That we, the American Legion, in national convention assembled, do hereby call upon the Congress of the United States, upon the assembling of same, immediately to take up and act upon the measures pending in Congress, or that may be introduced immediately upon the reconvening of same, on the subject and to determine upon a fixed policy as to the disposition of same; and

"(2) In determining upon the disposition to be made of said properties they may be governed by the following principles which we believe to be fundamental, namely,

"(a) No policy or plan should be accepted which does not provide for the operation of said plants in time of peace and the manufacture of fertilizer, and the test for acceptance of any offer should be the amount of fertilizer proposed to be manufactured;

"(b) No plan or policy should be adopted which is calculated to introduce Federal operation of the project;

"(c) The fertilizer production at Muscle Shoals shall have preferred supply of power in time of peace; and

"(d) No plan or policy should be adopted which does not assure the Government that a research or experimental department will be maintained and conducted in connection with the plants for the purpose of keeping up with the most approved methods of nitrogen production, and that in the event of military emergency the said plants will be made available to the Government, at the call of the Secretary of War, for the manufacture of nitrogen for explosives.

"(3) That the national legislative committee of the American Legion be directed to use all possible legitimate efforts to the end that the Congress of the United States immediately enact such legislation as aforesaid."

From the above-quoted resolution you will note that this great project should be—

First. Under private control and operation (not under Federal or governmental control and operation);

Second. That fertilizer production shall have preferred supply of power in time of peace and nitrogen production for high explosives in time of war; and

Third. That suitable legislation providing for the adoption of a permanent policy be immediately enacted by this Congress.

This entire matter has been before both Houses for some time and has been thoroughly considered and reported on by the committees after full and comprehensive hearings have been held.

As the American Legion has in national convention passed this very important resolution entitled "Reclamation and national defense," we are interested in having the matter considered at the earliest possible time, and we write you now to ask you when Congress expects to take the matter up with a view to giving careful consideration to the proposals that have been made and with a view to adopting a definite and comprehensive policy for the development and operation of this great project. In making some investigation in connection with our effort to ascertain the status of this question we have noted that on August 25, 1922, when this matter was under discussion in the House, Floor Leader MONDELL included in his remarks the following:

"I agree with the gentleman from Illinois that this matter ought to be considered and settled by this Congress, and as soon as it can properly be done."

We urge upon you as a Member of this Congress immediate consideration of this legislation, so vital to the national defense of our country should the country become involved in war and so indispensable to our agricultural welfare.

Very truly yours, JOHN THOS. TAYLOR,
Vice Chairman, National Legislative Committee.

THE WAR DEBTS.

Mr. McKELLAR. Mr. President, while our Debt Funding Commission continues to proceed without taking the American people into its confidence, I notice that the British Government is giving out information to the British people back home. It is quite remarkable that we have to obtain news as to what this commission is doing from London dispatches. I quote one published yesterday:

LONDON, January 15.—Premier A. Bonar Law instructed Chancellor of the Exchequer Stanley Baldwin, who is now in Washington heading the British Debt Funding Commission, to insist upon a further interest rate reduction. He suggests that the United States would consent to 3 per cent upon the $4,277,000,000 owing to the United States. The premier approves payment of the debt with bonds.

It is quite remarkable, Mr. President, that the only tangible information that has been given as to the settlement of the British debts comes from London. I am glad to know that our British brethren are willing to take their people into their confidence to some extent, at least, and I believe the American commissioners would succeed better if they were to take the American people into their confidence and tell what is going on. Secrecy in the conduct of governmental affairs never has made for success.

I want to call further attention to the fact that in the newspaper accounts of the negotiations between the two debt funding commissions there is almost invariably a long explanation as to Great Britain's large debt, as to Great Britain's large loans to other countries, as to Great Britain's large tax rates, the fact that Great Britain bought American goods with the money, and every conceivable argument which would aid Great Britain in securing an advantage in the parley. The American case is never stated. I am going very briefly to outline the American side of the controversy.

First. America loaned this money at a time when Great Britain needed it most, and she loaned it without stint.

Second. Under the terms of the act of Congress under which she loaned it, she loaned it upon the best and lowest terms upon which any nation during a war ever borrowed money.

Third. Instead of the fact that she bought American goods with the money, or with the most of it, being a reason why she should be dealt with more leniently, it is a fact that ought to be the strongest reason why she should pay under the terms of the act which she borrowed. The goods that she bought in America were infinitely more vital and valuable to her than all the money of the world at that time. She had to have the supplies. These supplies—not the money—saved her government.

Fourth. She borrowed the money under the act of Congress, and she ought to come forward and pay under the terms upon which she borrowed. She knew the act of Congress and its terms before she accepted the money.

Fifth. The American commission seems to be giving great weight to Great Britain's tax rate. They should not lose sight of the American tax rate, which is the highest in its history.

Sixth. Counting cash and bonds, the war cost America practically as much as it cost Great Britain.

Seventh. Great Britain, as the result of the war, received a vast empire in territory and some 40,000,000 additional people, and has the promise of large reparations. The United States received nothing as the result of the war.

Eighth. Since the war Great Britain has found no difficulty in financing purchases of oil in various parts of the world. Her investments in this matter alone amount to hundreds of millions of dollars; and in many of these acquisitions of oil property it is stated on the best of authority that she has excluded America and Americans.

Ninth. She has found no trouble in finding money to lend to foreign countries where it was thought helpful to her trade and commerce. In doing this, of course, she comes directly in competition with American shipping interests.

Tenth. She is maintaining the most expensive navy in the world, and a very large army.

Under these circumstances, which I am sure will be admitted by everyone, it seems to me that our Debt Funding Commission, our American newspapers, and the American people would do well to be considering America's side of the question rather than laying too much stress upon Great Britain's inability to pay us what is right and reasonable.

Mr. President, in submitting these views I again wish to say that I am not submitting them in a spirit of hostility to Great Britain. If Great Britain wants a longer time for these bonds to run than the 25 years, as provided in the original act, I for one have no objection to giving her a longer time; but in so far as the rate of interest is concerned, fixed by the last act of Congress at 4½ per cent, that should be satisfactory to our British friends. It is just about the rate at which we borrowed the money from the American people to lend to Great Britain. The rate fixed should certainly not be less than the rate at which we borrowed. If it should be, then we will be unfair and unjust to the American taxpayers.

In every transaction that we had with Great Britain during the war, she put it upon a business basis. She charged us for everything done for us in the war, and we have paid in full. Now Great Britain should pay what is right—nothing more and nothing less. Her representatives here are no doubt splendid business men, and they are making the best trade they can. There is no sentiment whatever in their handling of the matter. Our representatives should look at it in the same businesslike way; and our newspapers, if they desire to submit the British view, as they so frequently do, should be fair enough to the American people to submit the American view also. Of course, we should be absolutely fair to our British friends, and in the same way we should be fair and just to the American people, who lent them this money at the most critical period of their Nation's history.

Mr. President, in this connection I ask unanimous consent to have printed in the RECORD in 8-point type an article by Garet Garrett, which is the same article that was printed in the Saturday Evening Post of November 25, 1922. I think it is one of the most excellent statements of the American position that I have seen; it presents facts that can not be controverted, and I believe it will be intensely interesting to every Senator. I hope every Senator here will just spare about 10 minutes tomorrow to read it, and thus obtain a sensible presentation of the American view. The British propaganda has received such wide publicity in this country, and the real facts have been so carefully concealed, that our public has a false notion about these debts. After giving her 5 per cent obligations for this debt, as she has already done, and which are now in the hands of the American Government, Great Britain should be gratified to accept the rate of interest fixed in the pending act, namely, 4½ per cent. In passing this act America has voluntarily reduced the agreed rate three-fourths of 1 per cent, and surely after this generous treatment Great Britain should not ask more. We hold her 5 per cent obligations now. We are generous in voluntarily reducing the rate. Great Britain has not offered to reduce any obligation which we owed her. She insisted that we pay in full, and we paid in full. During the war she constantly sought to charge us more for goods bought of her than she charged her own citizens. We do not see the American view in our papers, but they constantly print propaganda evidently coming from British sources. Why not consider for a few moments the American view? I urge Senators to read this article, and I also want to commend it to the careful reading of the American Debt Funding Commission. If they could be induced to consider even for a moment the American side of the controversy I am sure they would secure a more acceptable settlement.

I ask unanimous consent to have the article printed in the RECORD, as a part of my remarks, in 8-point type.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

[Reprinted from the Saturday Evening Post of November 25, 1922.]

NOTES ON THE WAR DEBTS, WITH SOME COMMENT ON THE BALFOUR LETTER.

(By Garet Garrett.)

Things as things and the unremembered circumstances—a time would come to speak of them.

The war cost the United States a little more than $1,500,000 an hour.

After the associate hand of America went in, it lasted 14,000 hours more and cost all of the European Allies combined, out of their own resources, a little less than $2,750,000 an hour.

Besides our own direct contribution of more than $1,500,000 an hour, we loaned to the allied Governments nearly $750,000 an hour, and these loans now constitute the European war debt to this country. Direct advances of Liberty loan dollars from the United States Treasury amounted to $9,500,000,000. Then when hostilities had ceased, France, Great Britain, Italy, Belgium, and others took over from us, on credit, docks, buildings, plants, railroads, machinery, and vast stores of food and other

supplies. This wholesale bargain sale of our things on their soil increased the debt to more than $10,000,000,000. Loans for relief and unpaid interest have slowly increased it since, until now it stands between $10,500,000,000 and $11,000,000,000.

Until the war Europe was creditor to the whole world, drawing billions of interest annually from distant countries, including at least $500,000,000 a year from the United States. Now for the first time it owes, and from thinking of this debt of, say, $11,000,000,000 to the United States it has developed a kind of debtor's hysteria. Although it has not paid a dollar of principal and only a very little of the interest, it complains that the debt is crushing it and asks to be forgiven. It owes itself so much on account of the war that it can not pay. Or it can not pay us until Germany pays, and it seems impossible to make Germany pay.

LORD BALFOUR'S NOTE.

Great Britain's position is peculiar. Her own war losses notwithstanding, she is still a great creditor nation, with investments scattered all about the world. Therefore, she is obliged to hold for the sanctity of debts between nations. She can not afford to talk or advocate repudiation. Always, she has said she would and could pay her debt to the United States. Yet, steadily, since the armistice, cancellation of war debts has been powerfully and adroitly urged.

First it was urged on the ground that otherwise the Allies would be obliged to consume Germany; then on the ground that they could not consume Germany if they would; and again on the plea that it would be very good business for us.

For four years Great Britain had been moving ceaselessly by indirection to bring about a general cancellation of inter-ally debts, meanwhile failing to enter into any arrangement that looked to the payment of either principal or interest, and at last Congress called by law for action. Thereupon, Lord Balfour, Acting Secretary for Foreign Affairs, addressed to Great Britain's European allies, all of them America's debtors, a note on the subject of the debts. In this note he said that for the good of mankind and to mitigate the economic evils from which the world is suffering the Government of Great Britain thought of performing an act of unparalleled generosity. That would be to cancel, forgive, utterly wipe out all the war debts owing to it by its allies, and also to forego any share whatever in the German indemnity, to the one colossal aggregate sum of £3,400,000,000. But, alas, it was impossible for the Government of Great Britain to obey this impulse. Why? Because the American Government would not enter into the British Government's spirit of generosity; because the American Government would not forgive about a quarter of this sum, say, £850,000,000, owing to it from the Government of Great Britain. And while, "To generous minds it can never be agreeable, although for reasons of state it may perhaps be necessary, to regard the monetary aspect of this great event as a thing apart, to be torn from its historical setting and treated as no more than ordinary commercial dealing between traders who borrow and capitalists who lend," nevertheless, the British Government, because the Americans insisted on being paid, was distastefully and regretfully constrained to call upon France, Italy, and the others to pay on their war debts to the British Treasury at least enough to enable the British Treasury to pay in full its debt to the United States.

UNCLE SAM CARTOONED ABROAD.

Thus Mr. Balfour in his letter subtly though fairly definitely accused the American people of tearing the war debts apart from their historical setting in order to treat them in the selfish, ungenerous spirit of traders.

In Europe the effect of this upon public opinion was profound. The whole Old World press has since been filled with cartoons representing the United States to be the Shylock of the world. This picture has been endlessly reproduced in words of comment, even in newspapers, reviews, and magazines of high repute, all taking Lord Balfour's distinguished word for an exact statement of the case. The London Economist, a journal of financial opinion far above the drift of mob emotions, the most influential publication of its kind in England—the London Economist of all papers—printed a communication from "Portia," who said that for the United States to demand payment from Great Britain was to lay a tribute upon those who saved Kansas and Kentucky from the German peril, adding, "Even the terrible law courts of the Middle Ages refused to sanction removal of the merchant's flesh when it was pointed out that his lifeblood would follow." Even those of Lord Balfour's critics who said that to have written his letter when and as he did was a political blunder almost invariably have made it worse by adding: "Nevertheless, the truth is there. 'Tis Shylock again, demanding his pound of flesh. We shall have to pay what's in the bond.

Americans were shocked. For several days they went about saying to each other, "Can it be true? Are we like that?"

We do not carry figures in our heads. We had forgotten them. We had forgotten the terms and conditions. In fact, as people, we had been thinking very little about our war loans to Europe. Among a thousand of us taken unawares there would have been, perhaps, not one who could have said how much they were or for what they were made exactly, except to help win the war, and certainly not one who would have had any positive notion as to how they ought to be settled. But to the imputation that our way with them was that of traders we could not be indifferent. We said: "No; we are not like that. In our hearts we know it. Let us look at the record."

The record is of prodigious extent, not at all readable, and few people have ever been seriously interested in it, merely taking right consummations for granted. No one person has yet read the whole of it. Perhaps the British have never read it at all. Or it may be that the truth, like a giraffe in one's back yard, is so astonishingly palpable that one who wishes it were not so may see and disbelieve.

In the first place, when Great Britain says she is willing to forgive war debts of £3,400,000,000—say $17,000,000,000—while the United States is unwilling to forgive only about a quarter of that sum, say, £850,000,000—$4,250,000,000—the arithmetic is misleading.

In that sum of $17,000,000,000 of war debts due to Great Britain, which she would forgive, is included $7,250,000,000 of German indemnity, which now is admitted to be uncollectible.

The American Government has no claim upon German indemnities. It does not participate. Thus the figure of Great Britain's generosity is swelled with a claim against Germany for $7,250,000,000, in contrast with which the American Government has no such claim to be either enforced or forgiven, for the specific reason that it never made one and left the Allies free to take for themselves first whatever they could get from Germany.

THE NET FIGURES OF FORGIVENESS.

If we deduct Great Britain's claim upon Germany, the actual amount of debt she is willing to forgive becomes $9,750,000,000. On the other hand, in the event of an all-around cancellation of war debts, the amount the United States would have to forgive would be $10,500,000,000, for, of course, we could not forgive Great Britain $4,250,000,000 and collect from all our other debtors. We should have to forgive everybody. Moreover, in the event of an all-around cancellation, Great Britain would both forgive and be forgiven, whereas the United States could only forgive. Great Britain would forgive $9,750 000,000 owing to her and at the same time be forgiven $4,250,000 000 owing by her to the United States. The case would then be:

Great Britain forgives	$9, 750, 000, 000
Great Britain is forgiven	4, 250, 000, 000
Net British sacrifice	5, 500, 000, 000
The United States would forgive and sacrifice	10, 500, 000, 000

Thus we, the traders, would lose $5,000,000,000 more than Great Britain.

Now, let us go straight to the heart of the matter. There are only two questions, namely:

1. Should Europe's war debt to the United States Government be paid as a matter of right?

2. Can it be paid as a matter of fact?

The first question has two aspects—a legal aspect and a moral aspect; and since the legal aspect is not final, let us now dispose of it.

Read first the face of one of those bits of I O U paper which the allied Governments left at the United States Treasury to represent the value of the things they borrowed from America during and after the war. It is understood that we speak of things. What we loaned was not money but things, such as food, steel, munitions, and cotton. As the allied Governments bought these things from the American farmers and manufacturers they got dollars from the United States Treasury to pay for them, and for those dollars they gave their I O U's, called certificates of indebtedness, which were temporary, identical for all borrowers, and recited an obligation as follows:

> This certificate will be converted by the Government of the * * * (United Kingdom of Great Britain) * * * if requested by the Secretary of the Treasury of the United States of America, at par, with an adjustment of accrued interest into an equal par amount of 5 per cent gold bonds * * * conforming to the acts of Congress.

It was as if a man in desperate haste came to a bank where he was known, saying: "I need some money out of the till—quick! My life is in jeopardy for want of it. I haven't time now to do more than write you an I O U. Later, whenever you say, I'll come in and make it regular by giving you a long-term promissory note."

Well, in that way, on their simple I O U's, the United States Government loaned Great Britain, France, Italy, and the other allied countries billions of dollars, which were the proceeds of our Liberty bonds; and the allied countries spent those billions of dollars for the food, the steel, the munitions, the cotton, and the like they required in order to continue their part in the war, while at the same time we were producing and requiring enormous quantities of the same things in order to do our part. We put $22,000,000,000 worth of things into the war on our own account, besides what we loaned in that way to the Allies.

The war was won, and there came the Peace Conference.

Almost the first concrete matter with which President Wilson was confronted at Paris was a proposal from Great Britain to cancel all interally war debts by an act of fantasy. What Mr. Lloyd-George proposed was that there should issue a great quantity of German bonds to be divided among the Allies and the United States; with those bonds the Allies would pay off their debts to each other and to the United States, and the slate should be clean. Cancellation of the interally debts at that time with German bonds would have come precisely to the same thing as now to cancel those same debts with air and gestures and was open to the same notable objection, namely, that the United States would sacrifice much more than any other country—$5,000,000,000 more than Great Britain—to the happy solution.

That was the formal beginning of an agitation that has continued up to this time. It has been a most consistent agitation, with one end steadily in view—an all-around cancellation of debts.

But before that, on December 4, 1918, less than a month after the armistice, we find in the record a cable message from Oscar T. Crosby, Assistant Secretary of the Treasury, to the Secretary of the Treasury in Washington, saying:

> Chancellor (meaning the Chancellor of the British Exchequer) revived suggestion made before of possibility of cancellation of all loans made by one associated government to any other for the conduct of the war.

And on the next day came a message from Norman H. Davis, special United States commissioner of finance in Europe, to the United States Treasury, saying:

> As I have already advised you, the British treasury has notified the French and Italian treasuries that they are through making advances to them. They have either done this in order to force them on us or for political reasons to force their opinions at the Peace Conference. * * * The British treasury attitude regarding relief has changed considerably. In discussing the question of relief to Belgium and Serbia Keynes told me substantially that he had changed from his original idea of dividing the financial assistance into three parts, because in view of the fact that they have advanced considerably more than we have to these countries we should be willing to finance practically all of the relief. I told him we might be willing to finance the relief. * * * But it would not be because they had advanced more or less to these countries than we have; nor should we take the position that the war should be continued for a year or two in order to enable us to loan as much to other governments as the British had loaned them.

CONTINUING CANCELLATION TALK.

And after this, after Great Britain had begun to move for the cancellation of all debts, after December 4, 1918, we advanced $500,000,000 more to Great Britain alone.

At Paris President Wilson was interested in German bonds just as much as the American people were interested in German indemnities or spoils or division or the arithmetic of victory, which was not at all. He said no.

His saying no did not stop the agitation for a cancellation of the debts. It continued at the Peace Conference, in conversations among the allied premiers, in private interviews, and in propaganda to the press. The record is full of it. On March 8, 1919, the American Treasury formally notified the French of its surprise, in view of their still receiving money from the American Treasury, that at a meeting of the financial drafting committee appointed by the executive council of 10 at the Peace Conference, one of the allied governments having proposed as a financial question affecting peace the reapportionment and consolidation of war debts, the proposal was strongly supported by the French representative, M. Klotz. The French replied March 18, 1919, that it was the Italians who had raised that question; all the French did was to ask that it should not be discarded a priori.

After that the American Treasury advanced $750,000,000 more to France and nearly $250,000,000 more to Italy.

Reflecting upon the spectacle of the American Treasury continuing to advance hundreds of millions of dollars, without security, to foreign governments which at the same time are debating a cancellation of those very loans! When did a Shylock lend money in that manner?

More than a year elapsed. Then Mr. Albert Rathbone, Assistant Secretary of the Treasury, was sent to Europe to ask our debtors to make their I O U's into regular loans. This you might think would be a purely formal consummation, seeing that all the borrowing governments alike were pledged in writing on the face of the paper to do this thing on request. The record speaks.

On February 2, 1920, there is a memorandum from Norman Davis, then Assistant Secretary of State, to President Wilson, saying:

> As you are aware, efforts beginning with the peace negotiations were made to bring about a cancellation of our debts against the allied governments, but the question was not presented in such a definite way as to require us to take any formal action. Much to the surprise of the Treasury, in connection with negotiations which have been under way with the British treasury regarding the funding of short-time obligations of the allied governments, the question has been formally raised by the British treasury, both in a communication to Mr. Rathbone and also in a message from the Chancellor of the Exchequer sent through the British Embassy, in which, among other questions, the chancellor, in effect, invites the American Treasury to a consideration of a general cancellation of all intergovernmental debts. * * * While the Allies have never bluntly so stated, their policy seems to be to make Germany indemnify them for having started the war and to make us indemnify them for not having entered the war sooner.

To these suggestions from the British Chancellor of the Exchequer the Secretary of the United States Treasury replied as follows:

> As to the general cancellation of intergovernmental war debts suggested by you any proposal or movement of such character would, I am confident, serve no useful purpose. On the contrary, it would, I fear, mislead the people of the debtor countries and arouse hopes the disappointment of which could only have a harmful effect. * * * The United States has shown its desire to assist Europe. Since the armistice this Government has extended to foreign governments financial assistance to the extent of approximately $4,000,000,000. Their need now is for private credits. * * * This Nation has neither sought nor received substantial benefits from the war. On the other hand, the Allies, although having suffered greatly in loss of lives and property, have under the terms of the treaty of peace and otherwise acquired very considerable accessions of territories, populations, economic and other advantages. It would, therefore, seem that if a full account were taken of these and of the whole situation there would be no desire nor reason to call upon the Government of this country for further contributions.

NEGOTIATIONS POSTPONED.

Well, after that there was nothing for it but to abandon the proposed cancellation plan and perform the obligation expressed on the face of the I O U or to refrain from doing so.

In May, 1920, the papers were all ready to be signed, and Mr. Rathbone was on his way from Paris to London to take the British signature, when suddenly he was notified by the British Chancellor of the Exchequer that he need not come. Negotiations were off. It appeared that it had been decided that the general situation must be further explored and Mr. Lloyd-George would write to President Wilson about it.

Mr. Lloyd-George did write to President Wilson about it, but not until the following August. He expressed regret for the delay, saying: "I come now to the other question I wish to write to you about, and that is the knotty problem of interally indebtedness. Indeed, I had promised Mr. Rathbone long ago that I would write to you about it, but I have had to put it off for one reason and another until now."

The British and French Governments, he went on to say, had been trying to fix the German indemnity at a reasonable sum, but the French could accept nothing less than all they had hoped for under the treaty, unless Great Britain would forgive them their debt to the British treasury, and this Great Britain could not consider except as part and parcel of an all-around settlement of interally indebtedness. He added: "I recognize that in the midst of a presidential election it is impossible for the United States to deal with this question in a practical manner; but I should very much welcome any advice which you might feel yourself able to give me."

To this President Wilson replied: "The United States Government fails to perceive the logic in a suggestion in effect either that the United States shall pay part of Germany's reparation obligation or that it shall make a gratuity to the allied governments to induce them to fix such obligation at an amount within Germany's capacity to pay."

A TARDY PROPOSAL.

All that has happened since has been monotonous. The campaign for a general forgiveness of debts has continued without cease and has culminated in the suggestion that the American people are treating the debts in the manner of traders who will have their due, though it ruins Europe.

This brings us to the moral and controlling aspect of the question: Should Europe's indebtedness be paid as a matter of right?

It is bound to be admitted that cancellation may be morally urged upon one ground only—that is, upon the ground that the war was a common enterprise in defense of civilization, wherefore no money account should have been kept at all, and no defender should charge another for things contributed.

Americans understand that view romantically. They might have accepted it, indeed, if it had been presented at the time, or

at any time before the war was won and the money account that had been kept of things contributed was as it is.

The amazing fact is that neither Great Britain nor any other allied government in Europe is proposing even now to take that view of the case actually. What is proposed only is that America shall uncharge Europe for the things Europe borrowed in the United States. It has never once been suggested that Europe should uncharge America for the things America bought and paid for in Europe during the war for the war.

While Great Britain, France, Italy, and the other Allies were giving us their I O U's for the war things they got in the United States, we paid at once for all the things we got in Europe. The difference between giving one's I O U for things as others gave us theirs and paying for things as we paid them is the difference between plus and minus. For example, there is an extra pair of shoes in England. General Pershing wants that pair of shoes for his Army and buys it because that will be a little quicker than to get it from home. Now, if he gives England an I O U for that pair of shoes it is just a matter of one pair of shoes some time to be settled for and nothing more. Instead he pays at once with an order on the United States Treasury for so many dollars. Britain spends those dollars in the United States for another pair of shoes and then there are two pairs of shoes for the soldiers in France.

Thus America's expenditures for war things in Europe gave Europe more dollars to spend for war things in the United States and increased the means to victory; and the aggregate of these expenditures was enormous—four or five billion dollars.

If now America's debtors, the allied countries, were proposing really to treat the war as a common cause in the faith of mankind, wherein no one should have been charged for the things consumed, they would be obliged to say: "Uncharge us for the war things we got on credit in the United States and we will uncharge America for the corresponding things it bought and paid for in Europe." Nobody says that. Why not? Why, for a very obvious reason. If you uncharge a nation for things that were bought on credit you simply tear up its I O U's. But if you uncharge a nation for things that have been actually paid for you have to return either the money or the equivalent in things. That is precisely what Europe has not been prepared to do.

There is no thought of uncharging all around. There is no thought of uncharging America. There is only the idea of cancellation all around, which would mean to uncharge the allied countries for what they borrowed in this country, enable them to forgive Germany and leave the United States holding the bag.

So far one discovers no shape to the idea, beautiful and romantic in itself, that to a common purpose all things were in common and not chargeable to one another.

Did this idea ever exist?

During the war we did not encounter it.

Did it exist when we were charged rentals and port taxes and rail mileage for our cars and locomotives and damages for the roads we built in France? It was all right. We paid and were good friends still. But we were charged and we did pay and we hear no suggestion that we should not have been charged or should not have paid or ought now to be uncharged.

Did the idea exist when the British charged us $90,000,000 for transporting 1,000,000 of our troops to France? That was all right, too. We do not owe for the service. We have paid.

THE JUTE AND SILVER EPISODE.

Clearly it did not exist when our War Industries Board was struggling with the British ministry of munitions and could not by persuasion fully open its eyes to see how unfair it was that we should be charged trade prices for the war things we bought in the British Empire while Great Britain on its purchases in the United States received full benefit of war-control prices.

The American Government had created price-fixing agencies, and these agencies not only determined the prices to be paid by the American Government to its own people for the things of war but those same prices applied also to the purchases of allied countries. These allied countries were charged exactly what the American Government paid for food, raw materials, and manufactures.

In the same way the British Government fixed prices for itself in its own country and throughout its empire, but those prices did not apply to American purchases in the British Empire. We were charged more. Our War Industries Board sent a mission to Great Britain to deal with these matters. On page 84 of its report we read:

The mission had an important struggle with the British Government on the question of jute. All the jute of the world comes from India, and the British Government urged that it could not control the price, because it was an affair of the Indian Government. The mission pointed out that our Government was supplying silver to the Indian Government through the mediation of the British treasury, and that if the British Government could not exercise control in India our Government might find it necessary to withdraw from the arrangement of supplying silver, and by thus causing a depreciation of Indian currency buy the jute at reasonable prices.

There is a story by itself—a story of silver and jute and deviltry. German propagandists started a rumor in India that the Indian Government could not on demand redeem those millions of paper rupees which the people of India had been taught to believe were as good as silver, because the silver was always there and they could get it when they wanted it. And the rumor was true! The Indian Government had let its silver hoard run down. The Indian people began to present their paper rupees and demand silver, and the Indian Government was embarrassed. It could get gold, but gold would not go. The people demanded silver, and if they did not get it their faith in Great Britain would be ruined. It was a very serious matter. Revolution might be the least of its consequences.

Jute comes from India and nowhere else, and jute was an essential war material. At that moment the only available supply of silver in the world was a pile of two hundred-odd million silver dollars in the basement of the United States Treasury, sacredly pledged to redeem an equal amount of silver certificates passing from hand to hand as currency in the country. Great Britain appealed to America. What was to be done? A conference was held. Leaders of Congress undertook to pass, and did pass, a law that no one could understand who did not have the secret, authorizing the Treasury to melt those silver dollars and lend them to Great Britain. Thus a calamity was averted.

But while we were melting a portion of those $200,000,000 and lending the silver to Great Britain, who made it into rupees and sent it out to India—it took some time—while we were doing that the War Industries Board came to an impasse with the British Government over the price of jute. We had to buy our jute in the English market because there was nowhere else to buy it, and the price we were charged for it was very much more than the price at which the British Government bought its own military supply of the same material. The War Industries Board insisted that the American Government should be permitted to buy jute at the British Government's military price because the British and all the allied countries were permitted to get anything they wanted in the United States at the American Government's military price.

The British Government was very sorry. But that was a matter for the Indian parliament to deal with, and the Indian parliament was deaf and independent. At last the War Industries Board, backed by the whole United States Government, in substance said:

All right. No more silver dollars to be melted up for rupees. Then we shall see what happens to the price of jute.

At that the British Government discovered in the Indian parliament a very acute and hitherto unsuspected sense of hearing, and within 48 hours the American Government was able to buy jute at a fair price.

So it was, to some extent, with wool, of which the British Government got a tight monopoly at the beginning of the war by taking the whole Australian and New Zealand clip at a low price on a yearly basis; and with tin, which is a natural British monopoly; and with practically everything else we bought in Great Britain or the British Empire.

THE 10 PER CENT SURCHARGE.

It came to an episode with the British in wool. The excuse for charging the United States more than Great Britain paid for the wool was that America had no original risk in the monopoly. That seemed a far point. However, we went on from there, and the American Army contracted with the British for a large quantity at the trade price. It was left to the War Industries Board to arrange transportation and other details. It sent two American ships to Australia for the wool, and they were there waiting when the foreign mission of the War Industries Board in London was suddenly asked to sign a contract to pay, above the purchase price, an additional 10 per cent for overhead and administrative expenses. The War Industries Board refused to be charged that extra 10 per cent. Whereupon it received an ultimatum. Unless it signed the contract the American vessels waiting in an Australian port, within the British Empire, would not be permitted to ship the wool.

The War Industries Board said: "We have got to have the wool. Maybe we will sign that contract to get it. But if we do 10 per cent will be added to everything you buy in the United States." That brought about a change in the British attitude.

After the war the United States sent a liquidating commission to square the books. Among the unexpected claims presented by Great Britain against America were what came to be known as hidden costs, proposed to be charged in addition

to the prices already paid. On page 58 of the commission's report we read:

An example of such indirect charges was an item covering bonuses paid by the British Government to manufacturers of silica brick for the purpose of stimulating their production, that the brick might be used in the building of furnaces for the production of steel for the manufacture of shells, some of which were sold to America. The commission pointed out how impracticable it would be for each Government to trace every remote and indirect element of cost which had entered into the production of materials furnished to the other. Attention was called to the fact that, under the principle which Great Britain was seeking to apply here, she might ask America to participate in the subsidy which she had paid on the bread which the workers in her steel mills had eaten.

Other incidents passed unmentioned. Before America got into the war allied vessels were exempt from port taxes in French harbors. After we got in the rule was changed. Our vessels were taxed in French ports.

We paid. We could afford to. We were not thinking of it in those terms at the time. It seems now very lucky that we had a War Industries Board that knew how to play this thorny game of trade, for otherwise our expenditures abroad for war things would have been perhaps $1,000,000,000 more.

The view changes. It is the record still.

What were the things—the things the allied governments bought in the United States with dollars borrowed from the American Treasury on their I O U's? They fall into several classes, to wit:

I. Things like food, cotton, and munitions directly consumed for military purposes.

II. Things, especially food, bought on credit in the United States by the allied governments and resold by them in their own countries for civil consumption.

III. Things such as steel, cotton, and other raw materials bought on credit in the United States by the allied governments and resold by them in their own countries to private manufacturers for the purpose of sustaining trade.

IV. Things of all kinds bought in the United States on private credit before the American people entered the war and afterwards paid for with dollars borrowed from the United States Treasury.

V. Things, both food and industrial commodities, bought on credit in the United States after the armistice for purposes of postwar relief and reconstruction.

That these different classes of things require different symbols is obvious.

GOODS FOR CIVIL ISSUE.

If there had ever been the idea that everybody's war things were in common, or if that idea now existed, so as to include their things as well as ours, and if in the fulfillment of that idea we were happily uncharging one another all around, then, of course, those things of the class first mentioned that were directly consumed in military uses would have to be charged off.

In the same way those things of the class next mentioned—food and other vital supplies taken from us on credit and resold for civil consumption—those also would have to be charged off. Civil welfare was essential to victory.

But when we come to class No. III—to the steel, cotton, and other goods and materials bought on credit in the United States by the allied governments and resold to private manufacturers for the purpose, so far as possible, of sustaining trade as usual—perplexities begin.

The effort to continue business as usual in England during the war was heroic. British Government and British business were almost as one. That was quite right. The survival of British trade was a matter of vital importance. Only that is not the point.

The Government of Great Britain took arbitrary control of essential raw materials as a military measure, and in its wisdom divided them between the uses of trade and the uses of war. Then when the United States came into the war private purchases for British trade ceased in the American market. The British Government did the buying for both military and trade necessities with dollars borrowed from the United States Treasury; and then there were two prices and two uses for the same things in Great Britain. There was one price for a thing resold by the British Government for military issue and a higher price for that same thing when resold for civil issue.

Things bought in the United States with borrowed dollars were resold in Great Britain for both military issue and civil issue. In what proportion we do not know. We could never find out.

We do know as to certain great groups of things, such as food products and cereals, that if the entire British Army had been sustained exclusively from what was bought in the United States less than half the total would be accounted for. The other half, therefore, was resold by the Government for civil issue. That applies only to food.

As to raw materials, such as cotton and steel, we can not guess in what proportions they were divided between military purposes and civil issue. The reason we can not guess is that the British Government lumped the figures and we accepted them. For example, in reporting to the United States Government how it had been spending the borrowed dollars it put in one item, as follows: "Exchange and cotton purchases, $1,682,419,875.31."

What did that mean? More than $1,500,000,000 for cotton and exchange! That item alone is more than the national debt of the United States before the war.

Well, the cotton means cotton, though how much cotton nobody knows; and the rest, maybe $1,000,000,000, represents things bought all over the world with pounds sterling—that is to say, with English money—and the dollars borrowed from the United States Treasury were used in the international exchange market to buy pounds sterling, the point of this being to keep business doing as usual in English money, which had been the paramount money of the world, and then to support the value and prestige of that money with borrowed dollars. Instead of purchasing American cotton at New York with American dollars the British Government bought American cotton at Liverpool with English money and then used dollars to redeem its own money at a fixed price in the international exchange market. But for this sagacity on the part of British finance the pound sterling would have declined in prestige and the dollar instead might have become the paramount money of the world. After the war, when dollars with which to support the pound sterling were no longer forthcoming, the exchange value of English money suffered a great fall.

To what extent the pound sterling, while sustained in value with borrowed dollars, was employed to buy things in other markets which were then resold to British trade we can not tell. We knew all the time, however, that materials bought on credit in the United States were replacing materials consumed in British trade. Our War Industries Board was continually vexed at the procedure of taking steel away from private industry in the United States while British steel makers, our competitors, continued to export steel products from Great Britain for profit.

These things are cited for illustration. What they illustrate is how impossible it is for us now to imagine that the war-time transactions between the United States and the Allies were governed by the sentimental idea of all things in common.

EARLY LOANS REFUNDED.

In the fourth class we spoke of things of all kinds—food, cotton, steel, and munitions—first bought in the United States on private credit before the American people entered the war and then afterwards settled for with dollars borrowed from the American Treasury. That is an interesting item. It appears in the record as "Maturities, $648,246,316.94," of which more than half was for Great Britain and nearly all the rest for France. It is thus explained:

In 1918 certain loans fell due that Great Britain had floated in Wall Street through J. P. Morgan & Co. before we got into the war. These were what are known as secured loans—that is, valuable British securities were pledged thereunder. It was thought better to pay them off than to renew them, because to renew them might hurt British credit and also conflict with the sale of Liberty bonds. The easiest way to pay them off, perhaps the only way, was to do it with dollars borrowed from the United States Treasury. That was all right again. Yet the fact stands out that the proceeds of Liberty bonds to the amount of more than a third of a billion dollars were loaned to pay off debts contracted by Great Britain with private bankers before this country had put itself into the war. And this now is a part of that debt owing by Great Britain to the American Government which we are urged to forgive. The securities pledged under those private loans were not received by the American Government.

In the same way French loans amounting to more than a quarter of a billion dollars, floated in Wall Street through private bankers before this country entered the war, matured while we were at war and were paid off with dollars borrowed by the French Government from the United States Treasury.

So our public loans to the Allies were retroactive. More than that, they continued for nearly two years after the end of the war. The armistice was signed on November 11, 1918.

After the armistice, down to July 1, 1919, the United States Treasury advanced $576,000,000 more to Great Britain.

After the armistice, down to May 11, 1920, the United States Treasury advanced $629,789,000 more to Italy.

After the armistice, down to August 26, 1920, the United States Treasury advanced $176,834,467 more to Belgium.

And after the armistice, down to September 28, 1920, the United States Treasury advanced $1,027,427,800 more to France.

The total of these postarmistice advances to Great Britain, France, Italy, and Belgium amounted to nearly $2,500,000,000. What did they represent? Things, to be sure. But things of what kind and for what purpose?

There is no definite accounting in this post-armistice period. Hundreds of millions of dollars went to settle contracts for war things that were running when hostilities suddenly ceased. The remainder—an undetermined amount—went for food, for relief in many forms, and for materials very urgently needed to make the swing from war to peace.

Directly and indirectly a very large proportion of these advances represented the loan of American things toward reconstruction. France, for example, the largest after-the-war borrower, got enormous quantities of American foodstuffs, and to the extent to which she was supplied with foodstuffs and other peace materials on American credit her own resources were released for works of reconstruction.

All of this is a good deal like the item received from the British: "Exchange and cotton purchases, $1,682,419,875.31." We can not break the figures up. Only the borrowers could do that.

Although the record in this respect is dim and confused, owing to the involved nature of the transactions, still it does reveal these "traders" in a very strange light. Having raised billions from taxation and Liberty bond sales to be advanced to the Allies explicitly for the purpose of the prosecution of the war, as provided by law, they strained the law and continued long after the armistice, long after the signing of the peace treaty to make advances, without security, to Great Britain, France, Italy, Belgium, and even to new and enemy countries, ostensibly for relief, but in effect to aid reconstruction.

THE DEBTS ANALYZED.

The Committee on the Judiciary of the United States Senate explored the record and reported:

That "millions of dollars of this Liberty loan money were loaned to Great Britain after all hostilities had ceased for the purpose of allowing her to build up her export trade."

That "millions of dollars of this Liberty loan fund were loaned to foreign Governments and by them loaned to various relief and reconstruction organizations."

That "money was loaned to these various Governments so that they could repay it to the United States as interest on loans already made."

That "millions of dollars' worth of products purchased with United States money loaned to foreign Governments were sent directly to Germany with our consent."

That "$48,000,000 of the American people's Liberty loan money were used for the purpose of sending supplies into Austria, which country was then our enemy."

Nowhere in the record is there one fleeting glimpse of an idea existing in Europe during the war that war things were everybody's in common and should not be finally charged for.

Nowhere in all the subsequent talk of cancellation of debts is there any suggestion that the things the American Government bought and paid for in Europe should be so regarded. There is only the idea that the things the allied countries borrowed in America should be treated as things in common.

America's debtors have never offered to make distinctions. They have never said: "There were things of many kinds. First, let us set apart those things (a) which contributed to the relief and reconstruction of Europe after the war, and (b) those things which contributed to the maintenance of trade during the war, and (c) those American things that we bought on credit before the United States got into the war and afterwards paid for with dollars borrowed from the United States Treasury. We propose that a commission shall be appointed to go into our accounts and trace out all those three kinds of things in order that we may put them aside and treat them for repayment. The remainder will be war things as such, consumed directly in the common effort, and so much of our debt as these represent we propose to you for cancellation."

No; they have talked only of a cancellation of the whole debt; they have talked of this as persistently and doggedly as during the war they resisted every suggestion that anything we got from them should be charged against their obligations to the United States, which is further proof that never did they regard their things in common with ours. There came a time, with 2,000,000 Americans in France, when the American demand for francs in France was greater than the French need of dollars in the United States. Instead of taking the opportunity to reduce their debt to the United States the French insisted upon charging us dollars for all the francs we needed and having the dollars they got in exchange and didn't need put aside in the United States Treasury as a special credit to be available after the war.

EUROPE MISINFORMED.

Since the only ground upon which the cancellation of war debts may be urged morally is that all war things were in common and not to be charged for, and since clearly that idea never in fact existed during the war and does not now exist except as to our things, not theirs, the question, Should the war debts be paid as a matter of right? is answered.

Then, shall it be supposed that Europe is willfully perverse and fills itself with rage against America in order to rid her conscience of a debt that can not be collected by force or otherwise than as a moral obligation voluntarily paid?

The record, remember, is not a popular document. It is written in a technical language. If Lord Balfour himself could be so misinformed as to fall deeply into error with the subject, how much more excusable it is for the people of Europe—without access to the facts, with no capacity for analyzing the facts—to get a wrong point of view. And Lord Balfour was misinformed on a vital point. There is no other way of accounting for his statement that:

> Our liabilities were incurred for others, not for ourselves. * * * The United States insisted in substance if not in form that though our allies were to spend the money, it was only on our security that they (the United States) were prepared to lend it.

What his countrymen did propose was that Great Britain should act as a conduit for all American loans to the allied cause. This arrangement the American Government declined to consider. It insisted always upon making its loans direct to the country requiring credit. On this the record is very clear. In a memorandum addressed to B. P. Blackett, Esq., of the British treasury, from Mr. Albert Rathbone, Assistant Secretary of the United States Treasury, November 8, 1919, the whole matter is summarized thus:

> You will recall that the reply of the Secretary of the Treasury to the then chancellor's communication, in which he referred to the British treasury acting as a conduit pipe, was delivered to Lord Reading in the late spring or early summer of 1918. This reply reviewed the situation and definitely refused to make reimbursement to your Government for any of its expenditures for France within the British Empire or for all its like expenditures for neutral purchases. This formal statement of the position of the United States Treasury was in effect a restatement of the position that had been taken during the previous months, as to which the representatives in Washington of the British treasury had been fully informed.

There is the hand of trade again. The advantage to Great Britain of converting billions of dollars into pounds sterling and spending those pounds throughout the British Empire and over all the world on behalf of the Allies is rather obvious. We had at least enough trade sense to see that.

There is yet that bleak other question: Can Europe's debt to the American Government be paid as a matter of fact?

If the answer to "can" is "no," we have only beguiled ourselves with "should." Shylock had done much better long since to write his rue upon those I O U's and post them back to their makers.

But consider what this debt represents—what it represents actually not in money but in things.

It represents a surplus of things produced in 19 months by the labor of 100,000,000 people above their own peace needs and war needs combined and loaned away to other people. That is all it can represent.

What would repayment represent? Merely a return of those things or the equivalent thereof.

Does anyone pretend to say that the 172,000,000 people of Great Britain, France, Italy, Belgium, Rumania, Czechoslovakia, Yugoslavia, and Greece, in 25 years, can not with their labor produce in excess of their own peace needs a surplus of things equivalent to the surplus of things produced in 19 months by 100,000,000 people in excess of their own peace and war needs combined?

It will be—has been—said: "That is all very well; but if we produced the things we could not sell them in the United States. They have raised a tariff wall against us."

The answer to that, if it needs to be answered, is that there is all the world in which to sell things. Besides, here comes Mr. Reginald McKenna, formerly chancellor of the British exchequer, with an argument for the cancellation of war debts that entirely disregards the tariff. In a speech before the American bankers' convention in New York he proposed the riddle that a country can not afford to receive payment of a large debt, and cited the fact that with the payment of the French indemnity to Germany after the Franco-Prussian War Germany suffered a depression of trade while France became more prosperous than ever. At this point the propaganda for cancellation of the debts becomes too complex for human understand-

ing. For if this thesis were true the way for Europe to become fabulously prosperous and lay the United States in commercial ruin is to pay her debts as fast as possible.

However, it is not always absolutely necessary for one country to pay its debt to another in things. It happens that our principal debtor is able to pay out of pocket. In that same speech Mr. McKenna said, "England still owns sufficient foreign securities to cover her debt to the United States two or three times over."

This means that the great bulk of Great Britain's foreign investments, probably $15,000,000,000, survived the war intact. Possibly, too, Mr. McKenna was thinking inaudibly of the fact that since the war, with interest accumulating on their debt to the United States Treasury, the British have made large new investments in Germany, Austria, the Balkans, and Asia Minor in banking, shipping, industry, and oil—oil particularly. During the war the Government of Great Britain bought into the Anglo-Persion Oil Co., that now, engaged in private trade, is blotting out American competition in Egypt. This investment has recently been referred to in Parliament as comparable to the Suez Canal.

It would be a great wrench, of course, for Great Britain to sacrifice a third of her foreign investments in order to pay her debt to the United States; but if she had not been able to borrow American dollars all those foreign investments would perhaps now belong to the late Imperial German Government.

If the allied countries did not owe us, they might be paying the Germans.

And if the allied countries do not pay us, we shall, to all intents and purposes, have paid the German indemnity.

REPRESENTATION OF AMERICAN LEGION ON PEACE CONFERENCES.

Mr. BROOKHART. I desire to present a statement and petition from the American Legion adopted at their national convention with reference to representation upon the international conference, and ask that it be printed in the RECORD.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

The following statement with the accompanying digest of manifesto was presented to President Harding at 12.30 p. m. to-day by H. Nelson Jackson, of Burlington, Vt., vice president of the Inter-Allied Veterans' Federation, and R. E. Condon, of New York, member of the national executive committee of the American Legion, and the executive council of the Inter-Allied Veterans' Federation.

The digest of the manifesto summarizes the resolutions on world peace presented by the F. I. D. A. C., and unanimously indorsed by the American Legion at its New Orleans convention, October 19, 1922.

The President is requested, in all future interallied and international conferences on peace—political, economics, or armaments—participated in by this country, to appoint a member of the American Legion, nominated by the national commander, so that those who know most about war may have a voice in the consideration of international efforts toward peace.

Resolutions of a similar nature have been presented to their own Government by the chiefs of other veteran organizations composing the Inter-Allied Veterans' Federation, where they have received favorable recognition.

To the PRESIDENT OF THE UNITED STATES.

MR. PRESIDENT: This committee representing the American delegation to the council of the Inter-Allied Veterans' Federation, wish to avail themselves of this opportunity to express to you the American Legion's and our allied comrades' appreciation for your courtesy and thoughtfulness in receiving the veterans representing more than 15,000,000 participants of the late war of eight allied nations, on the occasion of their recent visit to this country. As you are doubtless aware, Mr. President, the purpose of these distinguished soldiers' visit to this country was in the interest of world peace.

May it please you, sir, if we would read a summary of the manifesto which was signed by these delegates before they return to their homeland.

MANIFESTO.

DIGEST OF THE RESOLUTIONS ON WORLD PEACE PRESENTED BY F. I. D. A. C. AND UNANIMOUSLY INDORSED BY THE AMERICAN LEGION IN NATIONAL CONVENTION ASSEMBLED.

With an earnest desire to promote peace, tranquillity, and good will among nations; secure the institutions of organized society; preserve the sacred principles of liberty and democracy and transmit their blessings to posterity; and establish safeguards to prevent the recurrence of war, we, the undersigned, representing the ex-service men of the signatory countries, agree to submit and endeavor to secure the adoption of our societies represented and through them urge upon our respective governments the following declaration of principles:

1. That all international agreements among governments affecting the entire people shall be open and aboveboard, with full publicity.

2. That treaties make the law between the nations. They must be executed in good faith.

3. To oppose territorial aggrandizement.

4. To vigorously suppress within our own boundaries all persons and propaganda seeking to overthrow by force government existing by will of the people.

5. That the financial policies of the Allied Governments must have as their aim the stability of exchange and the resumption of international commerce, and we recommend the suspension of trade relations with countries maintaining armies organized for aggressive purposes.

6. In view of the distorted political reports tending to unbalance the public mind, we recommend that there shall be established by the F. I. D. A. C. a news-disseminating bureau with representatives in every member country; that this agency shall receive the official sanction of the governments of the respective countries; that it shall collect and issue news designed to offset destructive and inflammatory propaganda, particularly the propaganda put out by the proponents of Bolshevism with the intent to change other forms of government, this without in any way censoring or restricting the freedom of the press.

7. That an international court be established to outlaw war.

8. To proceed as rapidly as conditions permit and when the decrees of such court become operative (except for machinery necessary to maintain them and the minimum police forces) to entirely disarm and disband our land, sea, and air forces and destroy the implements of warfare.

This declaration signed by delegates representing eight allied nations, as follows: Belgium, Czechoslovakia, United States of America, France, Great Britain, Italy, Rumania and Serbia, Crotia-Slovenia, and soldiers' organizations similar to and associating with the American Legion under the consolidation known as F. I. D. A. C. (standing for Federation Interalliee Des Anciens Combattants), with a membership of more than 9,000,000 soldiers.

This, we can assure you, is not merely a grouping of phrases, but the result of a continuous series of conferences covering a period of more than two weeks. There can never be a more striking spectacle than the occasion of those deliberations. One witnessed these men approaching the peace table of our conference with empty sleeves, on wheel chairs, crutches, canes, and, being blind, guided by the hands of their fellow comrades.

1. The Allied Veterans are still the defenders of civilization and free people's rights. After having been faithful soldiers, they now want and strive to be their country's and the world's faithful citizens.

2. The respect of the constitution of their own countries is the basis of the Interallied Veterans' Federation.

3. The veterans are determined that no work in the name of peace shall be neglected. They presented their help to their countries and to the right-thinking world in the time of war and they now present themselves to their countries and to the same world for the furthering of peace. This is a privilege and obligation, but they have in mind also that if another war should occur soon they will be called on to furnish the man power.

4. In the aftermath of the war the allied governments have on several occasions had what at least appeared to be serious differences, and the peoples of the world have been fearful that there was a friction which might result in dangerous consequences. During these periods the allied veterans remained inseparable and sought to understand one another more than ever before. This they did do.

5. The peace that we want will not be a peace consented to at any price, but must be founded on justice toward the victims, individually and collectively.

6. In our associations with the chiefs of our allied veteran organizations we have come to respect and understand their unselfishness and worthiness of principle. We have no suspicions against them, as we know you have none against the eminent men the allied governments sent to represent their nations at interallied and international conferences.

7. We have to place before you to-day, Mr. President, one request in the name of the Interallied Veterans. We most respectfully ask your profound consideration of this subject, because after such we believe you will accept the principle and place it in effect at all the interallied and international conferences on peace—political and economics and on armaments. We ask that at all future conferences there be a true representative of war—a representative of suffering, one who can advise the eminent statesmen and experts on the really vital equation of the horrors of war. We modestly advance this suggestion, Mr. President, that it is needless to point out that there are men in our groups who are preeminently fitted for the peace councils of the world.

8. Our allied comrades have already approached the chiefs of state of their respective nations and received a most favorable consideration of the subject. We ask you in the name of the Interallied Veterans that at any future conferences which have to do with peace of the world that the American Legion, through their national commander, be accorded the opportunity to nominate to you the name of a man who would represent those millions of persons who were afforded the greatest privilege which ever can be bestowed upon citizenship, that of wearing the uniform of their country in the time of war.

H. NELSON JACKSON.
R. E. CONDON.

REPORTS OF COMMITTEES.

Mr. SPENCER, from the Committee on Indian Affairs, to which was referred the bill (H. R. 6294) promoting civilization and self-support among the Indians of the Mescalero Reservation, in New Mexico, reported it without amendment.

He also, from the Committee on Privileges and Elections, to which were referred the following bills, reported them each without amendment and submitted a report thereon as indicated:

A bill (S. 129) to provide for election contests in the Senate of the United States; and

A bill (H. R. 7761) to amend the Revised Statutes of the United States relative to proceedings in contested-election cases (Rept. No. 1014).

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, and I submit a report (No. 1015) thereon.

I give notice that on to-morrow I shall ask that the Senate may consider the bill, if it is agreeable.

The PRESIDING OFFICER. The bill will be placed on the calendar.

DEPOSITS OF RECLAMATION FUNDS.

Mr. MCNARY. I introduce a bill and ask that it be read and referred to the Committee on Irrigation and Reclamation.

The bill (S. 4349) authorizing the Secretary of the Interior to deposit in State and National banks and trust com-

panies funds accruing under the act of June 17, 1902, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, in his discretion, to deposit in State and National banks and trust companies funds which shall hereafter accrue under the act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto: *Provided*, That every such bank or trust company in which any such deposit is made shall pay interest thereon at a reasonable rate, the interest to be credited to the reclamation fund, and shall furnish to the Secretary of the Interior either an acceptable bond or collateral security in the form of United States bonds, guaranteeing the safety of the funds so deposited and the payment of the interest thereon.

The PRESIDING OFFICER. The bill will be referred to the Committee on Irrigation and Reclamation.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent the second time, and referred as follows:

By Mr. STERLING:

A bill (S. 4350) authorizing the Secretary of the Interior to erect a monument at Fort Pierre, S. Dak., to commemorate the explorations and discoveries of the Verendrye brothers, and to expend not to exceed $25,000 therefor; to the Committee on the Library.

By Mr. McKELLAR:

A bill (S. 4351) for the relief of Emma Grooms; to the Committee on Claims.

By Mr. McCORMICK:

A bill (S. 4352) to grant relief from unjust discrimination against importers at ports of entry other than at ports of first arrival under section 319 of the tariff act of 1922, and to authorize the assessment of duty under the tariff act of 1913 on merchandise actually arriving in the United States prior to September 22, 1922, and destined for a port of entry other than the port of first arrival; to the Committee on Finance.

By Mr. McKINLEY:

A bill (S. 4353) granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River; to the Committee on Commerce.

By Mr. GERRY:

A bill (S. 4354) granting a pension to Maria A. Ballou; and

A bill (S. 4355) granting a pension to Sarah Emma Garvin; to the Committee on Pensions.

By Mr. OVERMAN (for Mr. DIAL):

A bill (S. 4356) to provide a penalty for brokers and commission houses fraudulently neglecting to carry out their contracts; to the Committee on the Judiciary.

SPEECH OF MR. BOYDEN BEFORE THE REPARATION COMMISSION.

Mr. KING submitted the following resolution (S. Res. 407), which was referred to the Committee on Foreign Relations:

Resolved, That the Secretary of State, if not incompatible with the public interest, report to the Senate what instructions, if any, have been sent to Roland W. Boyden, representative of the State Department with the Reparation Commission at Paris, respecting the subject matter of the speech delivered by said Boyden at Paris on January 9, instant, dispatched either before or subsequent to the delivery of the same, and to further report to the Senate whether or not the speech of said Boyden represents the views of the Department of State in the premises.

ATTORNEYS EMPLOYED BY SHIPPING BOARD.

Mr. KING. I offer the resolution which I send to the desk, and I ask unanimous consent for its present consideration. I have submitted the resolution to the Senator from Washington [Mr. JONES], the chairman of the Committee on Commerce, and I understand he has no objection to it.

The PRESIDING OFFICER. The Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 408), as follows:

Resolved, That the United States Shipping Board is directed to report to the Senate the names of all attorneys who have at any time been employed by the board or by or for the United States Shipping Board Emergency Fleet Corporation or by or for any other agency for said board, specifying the attorneys who have been appointed or have acted upon the regular legal staff of the board or of said corporation or other agency, and attorneys who have been specially employed by the board or by or for the said corporation or other agency, together with a statement of all salaries, fees, and compensation which have been paid to each of the same, and also whether or not attorneys who have acted upon the permanent staff of the board or of said corporation or other agency have resigned their offices to enter private practice and have thereafter received retainers or fees from the board or said corporation or other agency, and the amount of the retainers or fees paid or promised to be paid such persons.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent for the present consideration of the resolution. Is there objection?

Mr. JONES of Washington. Mr. President, the information asked for by the resolution is, of course, entirely proper; the Senate and the Senator from Utah are entitled to it; and I am not going to make any objection to the passage of the resolution. I desire to say, however, that every such resolution which we pass calling for information more or less diverts the clerical force of the Shipping Board from the regular work and means that much additional expense in carrying on their work. Some of the resolutions which we have passed will cost a great deal of money. I merely make that suggestion with the hope that Senators when determining the matter as to whether or not they shall present resolutions for consideration and passage will take that into consideration. As I have stated, this information is entirely proper, and both the Senate and the Senator from Utah are entitled to it. I have no objection to the resolution.

The resolution was considered by unanimous consent and agreed to.

Mr. HARRISON. Before the Senator from Utah takes his seat I desire to ask him a question. I ask the Senator from Utah will the resolution which has just been adopted secure the names of the attorneys with whom either the chairman of the Shipping Board, Mr. Lasker, or Mr. Schlesinger talked in New York, when, as testified by one or the other before the House Committee on Appropriations, they sought to get some attorneys to represent the Emergency Fleet Corporation or the Shipping Board, and called a conference of attorneys in New York, some of whom had cases pending, and asked the heads of those firms of attorneys to recommend some attorney to defend such suits? Will the resolution obtain that information?

Mr. KING. I think this resolution, in connection with another resolution which has been adopted by the Senate, will secure all of the information contemplated in the question which has been propounded to me by my friend from Mississippi.

Mr. HARRISON. The Senator from Utah recalls the testimony to which I have referred which was given before the committee in the other House?

Mr. KING. Yes; I remember it.

Mr. HARRISON. And it seems to me it is quite necessary that that information should be incorporated in any response which may be made to the resolution by the Shipping Board.

Mr. KING. I agree with the Senator from Mississippi.

TAXATION OF STOCK DIVIDENDS.

Mr. BROOKHART. I present a resolution calling for information from the Secretary of the Treasury with reference to the taxation of stock dividends, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The Senator from Iowa presents a resolution, which the Secretary will read for the information of the Senate.

The reading clerk read the resolution (S. Res. 409) as follows:

Whereas the Federal Trade Commission reports 328 corporations have released surpluses by the stock-dividend plan during the calendar year 1922 reaching more than $2,149,151,425; and

Whereas section 220, revenue act approved November 23, 1921, provides:

"That if any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders or members through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 25 per cent of the amount thereof, which shall be in addition to the tax imposed by section 230 of this title and shall be computed, collected, and paid upon the same basis and in the same manner and subject to the same provisions of law, including penalties, as that tax": Therefore be it

Resolved, That the Secretary of the Treasury is hereby requested to furnish the Senate with the names of companies, amounts, and dates of penalties, if any, imposed by the Commissioner of Internal Revenue during said year of 1922, pursuant to the provisions of section 220, Internal Revenue Laws of 1921.

The PRESIDING OFFICER. The Senator from Iowa requests unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. CALDER. I ask that the resolution may go over until to-morrow.

The PRESIDING OFFICER. Objection is made, and, under the rule, the resolution goes over.

Mr. BROOKHART. As the resolution is to go over until to-morrow, I desire to have printed in the RECORD in 8-point type for the information of the Senate a letter from the chairman of the Federal Trade Commission embodying a statement of the stock dividends as reported to him from the commission.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

FEDERAL TRADE COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, January 4, 1923.

Hon. SMITH W. BROOKHART,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I am inclosing a list of stock dividends declared in 1922, similar to the one that I sent you the other day, but covering the whole year.

Yours truly,

VICTOR MURDOCK, *Chairman.*

—

FEDERAL TRADE COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, December 21, 1922.

Hon. SMITH W. BROOKHART,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I am writing in response to your letter of December 7, in which you request "certain information relative to stock dividends having been declared by various companies during the year 1922."

In response to your inquiry there are inclosed certain tabulations, compiled from public sources, of stock dividends declared from January 1, 1922, to December 17, 1922, showing the name of the company, the per cent of dividend, the amount, and the source from which the data was gathered.

The commission has not heretofore gathered any data along the line of your request, and to answer the inquiry it was necessary to rely upon readily available published sources, as to gather the information accurately and efficiently would involve a large expenditure of time and money. Consequently the commission can not and does not vouch for the accuracy nor the completeness of these data.

Yours truly,

VICTOR MURDOCK, *Chairman.*

—

STOCK DIVIDENDS, JANUARY 1 TO DECEMBER 17, 1922.

The sources consulted are noted below, and are followed by a code notation, which is used in the list of stock dividends declared to identify the source of information:

Poor's Cumulative Daily Digest of Corporation News, Poor.
Commercial and Financial Chronical, Chron.
Journal of Commerce, New York, J. of C.
Wall Street Journal, Wall.
New York Times, N. Y. T.
Washington Post, Wn. Post.
Christian Science Monitor, Ch. Sci. Mon.

If nothing is suffixed to the amount of the dividend, indicated in column 3, that amount was derived by computation from apparently full data. The suffix "e" means "estimated from incomplete data." The suffix "s" mean that the amount was stated in the source from which the whole item is taken.

—

The few instances of omission of per cent of dividend and amount may be explained by the fact that the public sources consulted did not give this information, merely stating that a stock dividend had been declared.

Nineteen companies list no dividends.

Stock dividends January 1 to December 31, 1922.

(328 companies—$2,149,151,425.)

[Data compiled from (1) New York Journal of Commerce, (2) Commercial and Financial Chronicle, (3) Cumulative Daily Digest of Corporation News.]

Name of company.	Per cent.	Amount.
Aberfoyle Mfg. Co	50	$833,500
Acushnet Mill	33⅓	500,000
Algonquin Printing Co	100	500,000
All American Cables Co. (Inc.)	20	5,000,000
Allegheny Steel Co	100	3,152,700
Allen Consolidated Oil	5	109,600
Alliance Realty Co	25	500,000
American Bank Note	10	449,570
American El. Heater	900	900,000
American Gas & Electric	25	1,401,120
American Laundry Machine Co	50	3,000,000
American Machine & Foundry	200	4,000,000
American Manufacturing	10	800,000
American National Ins. Co	100	50,000
American Radiator Co	50	6,903,113
American Screw Co	50	1,500,000
American Steel Foundries	18	3,672,180
American Stove Co	20	1,490,340
Arabol	700	350,000
Aragon Cotton Mills	33⅓	250,000
Arundel	6	278,238
Atlantic Monthly Co	----	(1)
Atlantic Refining Co	900	45,000,000
Ayres, L. S., & Co. (Indianapolis)	400	900,000

[1] 8,500 shares, no par value.

Stock dividends January 1 to December 31, 1922—Continued.

Name of company.	Per cent.	Amount.
Babcock & Wilcox	33⅓	$5,000,000
Baldwin Cotton Mills (S. C.)	100	400,000
Bank of Manhattan Co	100	5,000,000
Bank of New York	25	500,000
Bartapress Co	300	270,000
Bates Mfg. Co. (Boston)	50	900,000
Beacon Mfg. Co. (New Bedford)	200	800,000
Beatrice Creamery Co. of Iowa	75	2,100,000
Beechnut Packing Co	400	3,821,600
Belding Bros	100	3,000,000
Benz Kid Co	233	1,400,000
Berkshire Cotton	100	2,500,000
Bigelow-Hartford Co	100	3,350,000
Border City Mfg. Co	50	600,000
Borne, Scrymser Co	400	800,000
Boston Sand & Gravel	37	150,000
Boston Varnish Co	100	600,000
Bower Roller Bearing Co	33	200,000
Brewer (C) & Co. (Ltd.)	100	4,00 ,000
Brown & Sharpe	1,500	15,000,000
Buffalo Insurance Co	150	800,000
Buhl Sons Co	40	----
Burroughs Adding Machine	25	6,187,000
Bush Terminal	2½	168,055
California Tel. and Light	36	123,500
Canadian General Electric	20	2,150,000
Cannon Mfg. Co	200	7,000,000
Carbarrus Mills of Kannapolis	133	4,000,000
Casey-Hedges Co	20	150,000
Chapman Valve Co	50	500,000
Charlton Mills (Fall River)	50	400,000
Chelsea Fibre Mills	100	600,000
Chicago Railway Equipment Co	50	1,500,000
Chicago Title & Trust Co	40	2,800,000
Cincinnati Union Stock Yards	14⅔	219,000
City Ice & Fuel Co	35	1,260,000
Cleveland Union Stock Yards	60	750,000
Clifton (S. C.) Mfg. Co	25	5,000,000
Cole Motor Car Co	100	1,000,000
Commercial Credit Co	30 & 15	450,000
Commercial Investment Co	25	2,000,000
Commercial Trust Co., N. J	100	1,000,000
Commonwealth Finance	10	----
Connor (J. T.) Co	40	720,000
Consolidated Gas Co. of N. Y	100	1,150,000
Continental Can Co	33⅓	----
Cordingly Co. (Boston)	150	300,000
Cornell Mills	50	200,000
Corn Products Refining Co	25	8,500,000
Craddock-Terry Co	10	----
Crane Co	2	1,032,269
Cross Paper Feeder Co	400	400,000
Crowell Publishing Co	200	----
Cumberland Co. Power & Light	10	230,000
Cumberland Pipe Line Co. (Inc.)	100	1,500,000
Dartmouth Mfg. Co	100	2,000,000
Davis-Brown Woolen Co	3,333	485,000
Delaware, Lackawanna & W. Coal	40	4,513,490
Denver Dry Goods Co	900	4,500,000
Diebold Safe and Lock Co	100	----
Detroit Creamery Co	50	1,600,000
Detroit Motor Bus Co	25	----
Draper Bros., Canton, Mass	150	800,000
Dupont Chemical	112½	675,000
DuPont de Nemours Co. (E. I.)	50	31,689,150
Easthampton Thread	200	800,000
Eastern Felt Co	260	130,000
Elliott-Fisher Co	40	1,400,000
Ely & Walker Dry Goods	133⅓	----
Emerson Drug Co., Baltimore	400	1,000,000
Equitable Trust Co., N. Y	33⅓	4,000,000
Exchange & Buffet Corp	300	937,500
Federal Light & Traction	42	1,050,000
Federal Sugar & Refining Co	60	4,205,760
Felin (J. J.) & Co. (Inc.), Phila	50	375,000
Felters Co. (Inc.)	100	1,000,000
Fidelity & Casualty Co., N. Y	100	2,000,000
Finance Service	5	6,170
Flint Mills	50	580,000
Franklin Nat. Bank, Phila	50	----
Gas & Electric Securities	⅔	114,356
General Baking Co	200	40,000,000
General Electric Co	5	8,609,715
General Fire Extinguisher Co	20	1,500,000
General Tire and Tube Co	100	----
Gibson Art Co	25	125,000
Gillette Safety Razor Co	5	1,428,000
Globe & Rutgers Fire Insur	400	2,800,000
Goodman Mfg. Co	100	3,000,000
Great American Insurance	25	2,500,000
Great Northern Paper Co	200	16,544,000
Greylock Mills	100	700,000
Gruen Sons & Co	87	----
Gulf Oil Corp	200	80,000,000
Hamilton-Brown Shoe Co	25	1,000,000
Hamilton Emery and Corundum	400	160,000
Hanover National Bank, N. Y	66⅔	2,000,000
Hart and Cooley Co. (Inc.)	50	330,000
Hartford Electric Light Co	20	2,000,000
Hathaway Mfg. Co., New Bedford	25	250,000
Hawaiian Pineapple Co. (Ltd.)	55	2,000,000
Hayes Wheel Co	22	359,000
Hayward Woolen Co., Boston	200	400,000
Helme, G. W	200	2,000,000
Hercules Powder Co	100	7,150,000
Home Insurance Co	50	5,000,000
Houghton Mifflin Co	60	780,000
Humble Oil	75	18,750,000

Stock dividends January 1 to December 31, 1922—Continued.

Name of company.	Per cent.	Amount.
Humphreys Oil Co	100	$6,422,500
Hurley Machine Co	10	.....
Independent Oil and Gas Co	200	6,000,000
Ingersoll-Rand Co	100	10,900,035
Internatcombustion Eng Co	200	.....
International Harvester	2 & 2	3,782,975
Intertype Corp	10	.....
Jones (E. D.) & Sons Co	500	300,000
Kellogg Switchboard & Supply Co	15	825,000
Kellogg Toasted Corn Flakes	100	.....
Kilburn Mill, New Bedford	50	750,000
Landis Machine Co	2,000	950,000
Lanett (Ala.) Cotton Mills	100	1,000,000
Lawyers' Mortgage Co., N. Y	25	1,500,000
Lawyers' Title & Trust Co	50	2,000,000
Lederle Antitoxin	50	.....
Lewiston (Me.) Gas Light Co	12	50,000
Liberty Banking and Savings	100	.....
Lincoln Mfg. Co	40	625,000
Lit. Bros. Corp., Phila	100	3,500,000
Little Androscoggin Waterpower	100	340,000
Lloyds Plate Glass Insurance Co	100	250,000
Lockwood Co	44	1,800,000
Loeser (Frederic) & Co. (Inc.)	200	6,000,000
Louisville Home Telephone	20	.....
Lowe Bros., Dayton, O	100	1,000,000
Lowell Bleachery (Mass.)	50	400,000
Lowenstein, M., & Son (Inc.)	100	600,000
McCrory Stores Corp	10	700,000
Magnolia Petroleum Co	50	60,000,000
Manhattan Shirt Co	20	1,000,000
Manila Electric Corp	40	4,000,000
Manufacturers Finance Co	12	.....
Maryland Casualty Co	.....	1,500,000
Massachusetts Mohair Plush Co	.....	250,000
May Dept. Stores	30	6,000,000
Mellon Nat. Bank, Pittsburgh	25	1,500,000
Merrimac Mills (Inc.)	200	100,000
Michigan Copper & Brass Co	200	2,000,000
Millers Falls	200	600,000
Minute Tapioca	50	100,000
Moore Drop Forging Co	1,630	1,834,500
Mortgage Guarantee Co., Balto	100	200,000
Murray (J. W.) Mfg. Co., Detroit	50	.....
Mutual Bank, N. Y	150	300,000
Nash Motors Co	.....	16,380,000
National Biscuit Co	75	21,920,000
National Fire Insurance Co	50	1,000,000
National Fuel Gas Co	100	18,500,000
National Liberty Insurance Co	50	500,000
National Sewing Machine Co	50	1,050,000
National Sugar Refining Co	50	5,000,000
National Supply Co	50	13,000,000
National Surety Co	.....	3,000,000
Neild Mfg. Co., New Bedford	50	420,000
Neuss, Hesslein & Co	10	1,500,000
New Bedford Cotton Mills	200	700,000
New Niquero Sugar Co	200	3,000,000
New York Plate Glass Co	100	100,000
New York Title & Trust	12	500,000
Niagara Fire Insurance Co	50	1,000,000
North American Co	1	.....
Northwestern Yeast Co	100	3,000,000
Oakdale (R. I.) Worsted Co	800	480,000
Ohio Oil Co	300	45,000,000
Pacific Gas & Elec	2	680,081
Pacific Mills	100	20,000,000
Packard Motor Car Co	100	11,885,100
Paige Motor Car Co	100	4,000,000
Pan American Pet. & Transp't	25 & 20	35,088,350
Parke Davis Co	100	12,000,000
Parkhill Mfg. Co	400	1,200,000
Parks Shellac	2,400	960,000
Plainfield Trust Co. (N. J.)	66⅔	200,000
Pittsburgh Plate Glass	30	11,250,000
Plymouth Cordage Co	100	400,000
Pocahontas Fuel Co	300	13,560,000
Potomska Mills Corp	50	600,000
Prairie Oil & Gas	200	40,000,000
Prairie Pipe Line Co	200	54,000,000
Public National Bank (N. Y.)	16	500,000
Puget Sound Power & Light	20	.....
Pfd. Acct. Ins	100	700,000
Pure Oil Co., Columbus, Ohio	75	1,567,510
Putnam's Sons (G. P.)	150	200,000
Quabaug Rubber Co	100	125,000
Quissett Mill	60	750,000
Reading Rubber Mfg. Co	200	500,000
Reo Motor Car	100	6,937,230
Republic Cotton Mills	150	18,000,000
Reynolds (R. J.) Tobacco Co	33	20,000,000
Rice Stix Dry Goods Co	42	600,000
Richman Bros. Co., Cleveland	100	.....
Roxbury Carpet Co	100	1,000,000
Royal Typewriter	61¼	2,308,971
Ryder & Browns Co	100	.....
Saco-Lowel Shops, Boston	50	1,762,500
Sagamore Mfg. Co	65	1,200,000
St. Louis Globe-Democrat	100	500,000
Saks & Co., N. Y	800	4,000,000
Sanford Mills	200	5,000,000
Santee Cotton Mill	50	.....
Schrafft & Son Corp	300	1,500,000
Scotten-Dillon Tobacco Co	33	750,000
Scott & Williams (Inc.)	.....	1,000,000
Scovill Mfg. Co., Waterbury	200	10,000,000
Shattuck (F. G.) & Co	.....	1,498,500
Shuster Woolen Co	200	400,000
Simmons Co., Kenosha, Wis	100	.....
Singer Mfg. Co	33	$30,000,000
Solar Refining Co	100	2,000,000
Sorg (Paul A.) Paper Co	100	750,000
South States Oil	8	160,000
Southern Counties Gas (Calif.)	50	375,000
Spalding (A. G.) & Bro	100	2,606,900
Standard Milling Co	60	4,446,085
Standard Oil of Calif	.....	100,971,111
Standard Oil of Ind	100	140,000,000
Standard Oil Co. of Kans	300	6,000,000
Standard Oil Co. of Ky	66	2,000,000
Standard Oil Co. of N. J	400	393,353,200
Standard Oil Co. of N. Y	200,400	150,000,000
Standard Oil of Ohio	100	14,000,000
Standard Sanitary Mfg. Co	40	.....
Standard Screw Co	70	2,100,000
Standard Steel Car Co	900	36,000,000
Standard Steel Works Co	100	3,000,000
Standard Undergrd. Co	.....	1,050,000
Staples Coal Co	33	489,000
States Oil Corp	73	292,000
Sterling Salt Co	100	1,000,000
Stevens Linen Mills	50	350,000
Strathmore Paper Co	500	8,000,000
Stromberg-Carlson Tel. Mfg. Co	100	1,000,000
Studebaker Corporation	.....	15,000,000
Taber Mills, New Bedford	33	400,000
Tamarack & Custer Consol. Min	166	3,000,000
Telephone Investment Corp., Reno	100	581,580
Telling Belle Vernon Co	29	.....
Texon Oil and Ld	5	95,239
Tiffany & Co	40	.....
Timken Detroit Axle Co	150	11,711,165
Title Guarantee & Trust	33	1,500,000
Torrington Co	100	3,500,000
Truscon Steel	15	408,000
Union Cotton Mfg. Co	50	550,000
Union Mills (Inc.), Boston	100	.....
Union Natural Gas Corp	75	7,380,000
Union Oil of Calif	80	40,000,000
Union Tank Car Co	50	12,000,000
United Engineering & Foundry Co	.....	7,500,000
United Royalties Co	100	402,690
United States Bobbin & Shuttle	200	1,700,000
United States Casualty, N. Y. C	100	500,000
United States Guarantee	120	300,000
United States Gypsum Co	10	800,000
Vacuum Oil Co	300	45,000,000
Victor Talking Machine Co	600	29,994,000
Virginia Bridge & Iron Co	50	750,000
Virginia Iron & Coal Co	50	5,000,000
Wampanaug Mills	33	250,000
Wamsetta Mills, New Bedford	50	.....
Ward Baking Co	20	.....
Washburn Wire Co	200	.....
Wanskuck Co., Providence	1,500	7,500,000
West Side Trust	100	300,000
Westchester Title & Mortgage	15	.....
Westinghouse Airbrake Co	35	20,000,000
White (R. H.) Co	.....	1,500,000
White Eagle Oil & Refining Co	25	.....
Whitin Machine Wks. (Mass.)	1,400	8,400,000
Whiting & Davis Co., Boston	900	900,000
Whitman Mills Corp., New Bedf	50	1,000,000
Wilcox Gibbs Sewing Machine	200	1,000,000
Wiscassett Mills	200	2,400,000
Woodruff (S. C.) Cotton Mills	50	232,000
Worcester Salt Co	100	1,000,000
Wrigley (Wm.), jr., & Co	10	1,362,500
Wyman-Gordon Co	30	1,300,000
Yale & Towne	100	4,998,777
Yellow Cab Co	300	1,500,000
York Mfg. Co	100	1,800,000

OPERATION OF TRAMP VESSELS BY THE UNITED STATES.

Mr. FRELINGHUYSEN submitted the following resolution (S. Res. 410), which was considered by unanimous consent and agreed to:

Resolved, That the United States Shipping Board be, and it is hereby, directed to furnish the Senate at the earliest practicable date full information: First, as to whether or not tramp-vessel operations are being conducted and maintained with Government-owned vessels of the United States; if such operations are being maintained, the number of vessels so engaged, where operated, the character and amount of commodities transported, and the amount of tramp tonnage operated by foreigners to and from ports of the United States, and the amount of cargo so carried in foreign tramp ships in so far as such information is readily available, such information to extend back over a period of one year preceding the date of the adoption of this resolution.

Second, if tramp operations are not being conducted and maintained with Government-owned vessels of the United States, a full statement of the reasons why the said board is not so conducting such operations and maintaining such services.

Third, whether or not, in the opinion of the board, it has full and adequate authority under existing law to provide for the operation and maintenance of tramp services with Government-owned vessels of the United States.

INVESTIGATION OF GREAT LAKES–GULF OF MEXICO WATERWAY.

Mr. McCORMICK submitted the following resolution (S. Res. 411), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the President of the Senate appoint a committee to consist of five Members of the Senate, three from the majority party

and two from the minority party, to investigate the problem of a 9-foot channel in the waterway from the Great Lakes to the Gulf of Mexico. The committee shall make a final report of its investigations with recommendations to the Senate not later than May 1, 1924. For the purposes of this resolution, the committee is authorized to sit and act at such times during the sessions or recesses of the Sixty-seventh and Sixty-eighth Congresses and in such places within the United States to hold such hearings and to employ a stenographer and such other assistance as may be necessary. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The committee is further authorized to send for persons, books, and papers, to administer oaths, and to take testimony. The expenses of the committee shall be paid from the contingent fund of the Senate.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House disagreed to the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ANDERSON, Mr. MAGEE, Mr. WASON, Mr. BUCHANAN, and Mr. LEE of Georgia were appointed managers on the part of the House at the conference.

The message also announced that the House had passed without amendment Senate bills and a joint resolution of the following titles:

An act (S. 3177) declaring a portion of the West Fork of the South Branch of the Chicago River, Cook County, Ill., to be a nonnavigable stream;

An act (S. 4031) to authorize the construction of a bridge across the Little Calumet River, in Cook County, State of Illinois, at or near the village of Riverdale, in said county;

An act (S. 4032) granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32, township 31 north, range 13 east of the third principal meridian;

An act (S. 4033) granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian;

An act (S. 4069) to authorize the construction of a railroad bridge across the Colorado River near Yuma, Ariz.;

An act (S. 4096) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine;

An act (S. 4172) to authorize the building of a bridge across the Great Pee Dee River, in South Carolina; and

A joint resolution (S. J. Res. 258) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

The message further announced that the House had passed bills and joint resolutions of the following titles, in which it requested the concurrence of the Senate:

A bill (H. R. 3184) to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

A bill (H. R. 11475) to authorize the setting aside of certain tribal lands within the Quinault Indian Reservation in Washington for lighthouse purposes;

A bill (H. R. 12777) granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North;

A bill (H. R. 13128) authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz.;

A bill (H. R. 13139) granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania, doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi;

A bill (H. R. 13195) granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri;

A bill (H. R. 13351) authorizing the Secretary of the Navy, in his discretion, to deliver to the Daughters of the American Revolution of the State of South Carolina the silver service which was used upon the battleship *South Carolina;*

A bill (H. R. 13474) granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River;

A bill (H. R. 13493) to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River, near Ferry Pass, Fla.;

A bill (H. R. 13511) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

A bill (H. R. 13655) to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin;

A joint resolution (H. J. Res. 16) providing for pay to clerks to Members of Congress and Delegates; and

A joint resolution (H. J. Res. 261) for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

The message also announced that the House had passed the bill (S. 4131) granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak., with an amendment to the title, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 4133) granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kitson, Minn., or any one of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak., with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had adopted Senate Concurrent Resolution No. 30, declining Battell gift of land in Vermont for a national park, with amendments changing it to a joint resolution, in which it requested the concurrence of the Senate.

VIEWS OF SENATOR JOHNSON ON EUROPEAN SITUATION.

Mr. MOSES (Mr. LADD in the chair). I ask unanimous consent to have printed in the RECORD in 8-point type an article appearing in the New York Times of Sunday by the senior Senator from California, Mr. JOHNSON.

There being no objection, the article was ordered to be printed in the RECORD in 8-point type, as follows:

[From the New York Times, Sunday, January 14, 1923.]

WHY "IRRECONCILABLES" KEEP OUT OF EUROPE, TOLD BY HIRAM JOHNSON—NEED NEW SPIRIT THERE—SENDING OVER OUR MONEY WOULD NOT AID PEACE, BUT BRING WAR.

(By HIRAM JOHNSON, United States Senator from California.)

Just a century ago the new Republic of the Western Hemisphere enunciated a definite foreign policy which has withstood the vicissitudes of time and has become the historic bulwark of the Americas. When the Monroe doctrine was enunciated in 1823 it was substantially the answer to the persuasive appeals made to the United States to become a part of the European system. The Czar Alexander, strange mixture of mysticism, altruism, egotism, intrigue, duplicity, and deceit, had presented to a wondering world his Holy Alliance under which all governments in the administration of their respective States and in their political relations with other governments should be guided by the precepts of religion. Because he desired to extend the membership of the league, and because, too, he wished a counterpoise for Great Britain, Alexander by every persuasive art endeavored to entice the new Republic to his view. In a recent brochure on the Holy Alliance, Doctor Cresson remarks:

"During the great crisis of reconstruction following the Napoleonic wars, Emerson in voicing the liberal opinion of New England but repeated the warnings of Washington. Yet many reasons insistently urged a 'moral participation' in European affairs. Moreover, the invitation extended to the United States to share in the councils of Europe, as we shall have cause to note in the present chapter, was no less insistent than at the present day.

"The decision which the statesmen of the Washington Cabinet were called upon to take with respect to American participation in the affairs of Europe during the period from 1815 to 1818 recalls the no less momentous problems of the present time."

The Massachusetts Peace Society wrote the Czar enthusiastically. The New York Post of that day remarked concerning

one of Alexander's conferences—and Doctor Cresson states "conference" was a form of negotiation which Alexander seems generally to have found irresistible and never missed an opportunity of holding—"if discussions run upon the means of consolidating the peace of the world * * * and removing the burden of taxes and unwieldy military establishments which press at this moment upon every country, the members of the Holy League will establish an imperishable claim on the gratitude of mankind."

The Czar, in his secret instructions to his representatives as the means of seducing the young Republic from its national policy, told them to take the steps necessary to persuade public opinion in the United States, and to tell the people of the United States that "they were themselves a European people, Christians, and, therefore, like Europe, interested in questions of a general nature." How familiar it all sounds!

SHADOW OF THE CZAR.

Those were anxious days for Adams and Monroe and their companions at Washington. They plainly foresaw what Castlereagh and Canning, of Great Britain, learned by intimate touch with the Holy Alliance. The Czar's grandiloquent scheme finally degenerated into the doctrine of monarchial legitimacy and threatened interference with liberalism upon the American Continent. Castlereagh announced that Great Britain would intervene in the affairs of others only with "good offices," a policy subsequently characterized by Canning as "resuming her isolation."

"The ground I wish to take," wrote Adams in his diary, "is that of earnest remonstrance against the interference of the European powers by force in South America—but to disclaim all interference on our part with Europe."

"As the Holy Alliance has come to edify and instruct us with their principles," he continued, "it is due in candor to them and in justice to ourselves to return the compliment." Perhaps we may be pardoned if we follow Adams's advice.

As the crisis became acute and Britain's policy became known, Monroe issued his now justly celebrated pronunciamento, which, in reality, ended the pretensions of the Holy Alliance and presented in concrete form a definite American foreign policy forbidding the powers of Europe to extend their system to the American Continent or to control the destinies of its inhabitants, warning against any future attempts at colonization and conceding the corresponding obligation (obligation to the peoples concerned and to our own) not to interfere in the internal concerns of Europe. The policy indeed has been a cardinal one in America's life.

After a hundred years of successful operation, under which the infant Republic has become the greatest, richest, and most powerful country on earth, America is asked again, upon the doubtful plea of moral responsibility, to become a part of the European system. Those of us who have been called "irreconcilables" are resisting with such vigor and ability as we have the insidious attempt and are fighting with such force as we can muster to maintain our country in the path we know which has brought us to our present eminence and success.

The same arts of persuasion, the same sinister influences so valiantly resisted by our statesmen a hundred years ago, intensified a thousandfold by the complexities of our modern civilization, are now utilized again to compel us to enter upon the course we have always shunned. Propaganda, in our day practically an exact science, has been employed to the fullest extent. Civic and religious organizations, like the Massachusetts Peace Society of 100 years ago, have been wrought to a pitch of hysteria by appeals to their aspirations for general peace and the betterment of mankind. And the wickedest part of the present struggle is that the loftiest human attributes of good men and women are unconsciously distorted by cunning intrigue and persuasive, iniquitous propaganda for their country's undoing.

THE "INTELLECTUAL" STAND.

There is another class, too, contributing its share to our present hysteria. There are certain individuals who hug to themselves the title "intellectuals," who contemptuously scorn all petty virtues and who scoff at patriotism. In their superior wisdom and their all-embracing world desires they forget their country and would even leave us naked and defenseless. These "intellectuals" revel in the title of internationalists; and nationalism and patriotism are with them mere terms of reproach.

Great Britain a century ago, when her safety no longer was at stake, retired, as her statesmen termed it, into her "splendid isolation."

Great Britain to-day, if we read carefully the various conferences of the premiers, is again retiring into her splendid isolation, and until Great Britain is directly concerned and her material interests demand it, I venture to predict her policy in the future will be that which she adopted during the reconstruction period of the Napoleonic wars.

Three years ago the aspiration for our participation, as it was termed, in world affairs, performance of our moral obligation to all mankind, assumed the definite demand that we ratify the treaty of Versailles and enter the League of Nations. After literally months of acrimonious discussions and perfervid appeals we declined the invitation and, as some of us thought, reaffirmed the definite policy which had withstood the test of time and had been ours since we became a Nation. Time has demonstrated the wisdom of the Senate in failing to ratify the treaty of Versailles. How few are its advocates now!

The inexorable facts of the last three years have proved, too, the unwisdom of entering the league. Very recent events have demonstrated its futility. One of the treaties written contemporaneously with the treaty of Versailles has been rewritten in the blood of Christians in the Near East. Another has been revised in the tears of a starving people. The League of Nations, a living entity, has stood idly by while its two most powerful members fomented a war between peoples in the Near East, a war which, only when it threatened a general conflagration, caused the intervention of those who had contributed to it. But while peoples there were slaying one another, while one side acted with the aid of one member of the league and its opponent was urged to the slaughter by another, supine and indifferent the league itself sat, although the world knew and all the world now knows the culpability of the league's two most powerful members.

The hysterical demand that all wars would cease by our entrance into the league has changed to another hysterical plea. The appeals in the two instances are in the same generic phrases. Pictured to us now are the suffering of Europe, and starving peoples, and as the troubles and desolation harrow our feelings and arouse every sympathetic impulse the demand is made again that we enter the European system; and the same old phrases, "play our part in the world," "perform our obligation to humanity," "rescue civilization," and the like, are hurled at us from the press and the pulpit, from civic and religious bodies, and by good men and women wrought to a high frenzy by reiteration of the world's woe and anguish, hunger, desolation, and suffering. None can be indifferent to these appeals nor to the prevailing conditions, none so callous or so hardened that he would not willingly aid.

WHAT COULD WE DO?

The new appeal, however, for us to aid the world and save civilization, unfortunately, unlike the former, with its definite demand for entrance into the league, is wholly nebulous. How we "play our part," "perform our world obligations," "succor suffering humanity," and "save civilization" rests in mere aspiration. That we ought to do all these things is clear to our opponents; that they can not be accomplished they dimly see. But nevertheless they have heard so much of world concert and so detest "isolation" and "isolationists" that they would have us forego our old policies and, without counting the cost or reckoning the future, make our country a part of Europe.

What are we to do either in conference or upon the Reparation Commission? To advise, to extend our good offices? That, presumably, we are doing now, and that we can do without either conference or commission. The advocates of the "conference" would have us reach understandings and agreements for the solution of the world's economic ills. The advocates of membership upon the Reparation Commission doubtless see the same end. And perhaps the two suggested plans are not far different, because the crux of the economic situation in central Europe is the question of reparations, with its collateral problems. If we call a conference to reach understandings and agreements, of necessity we must be a part of that conference. If a part of it, we must see it through. If agreements are reached, we must do our part in their execution.

It would be contemptible to call a world conference and then stand aside and say to our guests, "Now settle your own problems; we'll have nothing to do with them." And when we agree upon the solution in good faith we must carry it out. What must be considered? Reparations, and not the amount but the method of collection and enforcement. Collection and enforcement require supervision—supergovernment.

Already there is just that in the Reparation Commission. Supergovernment requires power—power to enforce its decrees. The power now exists in the Reparation Commission. Shall the United States become a party to an agreement to furnish money and men for the enforcement of reparations? Baldly

put, this is where either of the proposed plans leads us. At once, if we undertake to carry out the decrees of a conference or become officially a part of the Reparation Commission, we are inextricably entangled in European controversies. We are the one going, solvent, national concern. Place us in a position where we may be used and the possibilities are obvious. It is true we might brave the perils; perhaps the obvious menace we could escape; but by endangering ourselves we endanger our ability to be of service. We do no more by tying ourselves to Europe's difficulties than deprive ourselves of the disinterested position which is our principal asset of world helpfulness to-day.

WOULD NOT HELP FARMERS.

Very cunningly in the present propaganda the plight of our farmers is invoked. If we can but have a "conference," if only we enter the Reparation Commission, if we will but throw in our lot with the rest of the world, the prices of agricultural products will soar and the distress of our farmers be alleviated. Never was there a more unwarranted or a meaner appeal. The internationalists pay our farmers a poor compliment when they imagine that by dangling the bait of higher prices farmers will forget their country's future. But the appeal to cupidity is wholly illusory. The present state of Europe is attributable in great part to the waste of war, which can only be made good by years of toil and frugal living; it is attributable in part to the ruin of Russia; it is attributable in part to the Balkanization of Europe; it is attributable in part to the ambitions and aborted policies of short-lived cabinets. No conference, no league, can re-create in one or many years the destruction which war has wrought. The tables of our exports demonstrate the falsity of the propaganda now so general among our farmers. Taking us into Europe will not aid our farmers. International bankers will reap the benefit and the farmers will pay the price.

There are just three forms of "assistance" which the United States can give in Europe. One is advice. One is force. One is money.

There are just two methods by which any one of these forms of "assistance" can be delivered. One is through action by the United States alone. The other is through action by the United States in a group or groups of European powers. For a century—and as firmly under Woodrow Wilson as under James Monroe—we have repudiated and rejected "assistance" from Europe. The friends of American intervention in Europe are after all seeking a "world organization" only in name. What they in fact are seeking is a European organization of which the United States shall be a member—a European rescue party in which the United States shall do the rescuing, a European settlement of which the United States shall be the guarantor.

Europe thus would be nothing in the Americas and the United States would be everything in Europe. If I were a European I would reject that prospect as vigorously as I now reject it as an American. The situation makes Europe, the motherland of America, the ward of her daughter.

Friendly advice and good offices, if desired, could always cheerfully be given. Advice certainly may not harm him who gives or him who takes. If we feel that we have wisdom which Europe needs, there is no impediment now to the dispatch of any desired quantity of it from Washington to any European capital. No league is needed, no international economic conference is required, no new cables need to be laid, in order to convey the helpful thoughts of our State Department to the European shore. If in America we have produced ideas not known in Europe, if here we have developed a mentality beyond that of Lord Balfour and the other statesmen of Europe, we are in full liberty now to communicate that fact and the fruits of it to an amazed and delighted European population.

The truth is that we have no ideas which are not equally current in Europe. A reading of the European press, a consideration of the speeches of European statesmen, must prove to every fair and calm mind that in the mental armory of America there is no weapon, there is no expedient, not equally known to the leaders of European politics. What Europe lacks is not good ideas. It has all of them that there are. What it lacks is the will to put them into operation.

How shall that will be supplied? It seems to be contended that it could be supplied by American force or by American money.

Every proposal for American intervention in Europe means—if it means anything at all except hypocrisy and deception—participation by America in European agreements; and the only forms of action for making those agreements effective are the forms represented by either force or money.

"MORAL MIGHT" DEFINED.

It is said that American force would never be in practice "needed." It is said that the "moral might" of America would hold European disturbers in awe without any use, actual or potential, of American force. Just what is it that produces this "moral might" of America?

The harsh fact—which our sentimental internationalists refuse to face—is that the overpowering "moral might" of America is only a polite phrase for the overpowering physical might possessed by the United States and available to the United States Government in the enforcement of its governmental will, whether in the Western Hemisphere or on the Rhine.

The situation, then, in one aspect which Europe presents to us, according to those who would have us enter into political agreements with European governments, is as follows:

Europe is unable by its own force to maintain peace within its own borders and it summons the force—the actual force or the potential force; the force exercised or the force threatened—of America.

It is shocking; it is an appalling conclusion. It means the abdication of Europe and its physical guardianship by America. I am unable to believe that Europe actually wants that guardianship; and even if I were finally persuaded that it did actually want it, I would, not only for America but for the sake of Europe itself, persist in believing that it should not be granted.

Europe for its own sake must establish its own modes of European peace. It must develop—even as we developed in 1789—a policy capable of maintaining friendship between jealous separate sovereign States. We made our Constitution not under the tutelage of European policemen but by exertions which, since they were our own, gave us a future stanchly and securely corresponding to our needs. Europe must accomplish a similar achievement in a spirit of similar self-reliance if European civilization is to continue to be European and if it is to be able accordingly to produce in Europe a genuinely sound and healthy European future.

I imagine, however, that while a few misguided Europeans and a few Americans may wish to fill Europe with American soldiers or with the coercive shadow of them, the great majority of Europeans and Americans who speak of American intervention desire not the help of our soldiers but the help of our dollars.

Indeed, I have no doubt of it, and in this I am confirmed by contemporaneous publications abroad. The Manchester Guardian recently said: "But until America is prepared to release Europe from a great part of her debts American 'intervention' must be confined to good advice. Advice, unfortunately, will not stabilize the mark or fill a hole in the French budget." Here's the definite mode of aiding Europe: Cancel the debt due or give money. I challenge those in official position who prate of "intervening" in Europe, economically or otherwise, to advocate cancellation of the foreign debt. They dare not do it. I challenge them to advocate additional governmental loans to Europe. Cancellation of the debt or giving more money are the only methods Europe suggests of economic aid. Is the American exponent of European interference really intending this, while cloaking his lachrymose utterances in general precatory phrases? If so, it's hypocrisy we have to combat, pretense and insincerity, for our people will not cancel the debt nor make additional advances.

I insist that whatever financial help is needed by Europe can be secured from our bankers without any "assistance" from our Government—at any moment when Europe will so rearrange its own political affairs as to make an investment in Europe a safe investment. Our Government has made its last loan for many a day to Europe. It will neither loan more public money nor underwrite the loan of private money.

WHAT MONEY WOULD DO.

One leading banker has already laid down to Europe the terms on which he would be willing to regard an investment in Europe as a safe investment. I speak now of investments on a large scale. Investments on a smaller scale—yet on a scale really, after all, most impressive—have been going forward by Americans in Europe continuously since the armistice.

Seven or eight billions of American dollars—probably ten billions—have gone to Europe in one sort of investment or another since armistice day. Has this investment produced European peace? Would a doubling or trebling of it produce European peace? The realities of the European situation answer an emphatic negative.

If a European Government becomes richer this year than it was last year, does it thereupon reduce its army and contract

its diplomatic adventures? Does it cease with new revenue to hate its rivals and to prepare to resist them and to ruin them? If Poland were solvent instead of bankrupt, would she cede to Russia the Russian territory which she now occupies? If Britain received from us a total cancellation of her debt to us, would she retire from her perilous situation with the Turks among the oil wells of Mosul? If France had all the money in the world, would she cease her armaments or love the Germans or ask them to unfurl the German flag once more over the German soil on the left bank of the Rhine?

These questions reveal the preposterousness of the idea that American money can produce European peace. American money poured into Europe—as Europe is to-day—would not retard the next European war. It would accelerate its advent. It would give Europe only the possibility of more soldiers, more cannon, more aggressions, more resistance, and a more rapid and assured arrival of the inevitable cataclysm.

What Europe needs is not rescue but regeneration; and regeneration can not be imposed by force or bought with money. It must proceed from within. In Europe it must be brought about by European self-examination, European contrition, European amendment. American intervention only delays that process. The isolation of America is not Europe's ruin. It is a necessity to Europe's salvation. I do not feel the need of apologizing to Europe for America's isolation. I think that Europe one day will thank America for it. By refraining from mingling itself in Europe's internal affairs, America will have hastened the reemergence into this world of a Europe soundly organized within itself and destined accordingly to be Europe and not an annex to America.

I therefore shall support—to the very end—the totally "irreconcilable" policy of refusing all American governmental force and all American governmental money and all American participation in conferences and agreements leading to the use—outright or implicit—of American governmental force or money for Europe. I maintain—and shall maintain—that this policy is both the wise and safe course for America and the shortest route to the great end which every American desires—the restoration, the revival, the renewed grandeur of the culture of the Continent from which we have our being.

THE "IRRECONCILABLE" POSITION.

The attitude of the "irreconcilable" is dictated, however, primarily by his love of America, his jealousy of the cherished institutions of the Republic, and his firm resolve that they shall endure. It is in some circles deemed trite now to refer to Washington—quotations from him excite there a derisive smile, but with a prescience peculiarly his, Washington foresaw and understood that the young Nation he nourished could only rise to greatness and reach permanency through a distinctive American character. As one eminent biographer has said, in his whole foreign policy, "the American spirit was his polestar." His aim, and that aim until recently every great American has emulated, was to be American and "make the people and the Government American."

We have seen the struggling little Republic of Washington, because of its American character, grow and grow until it is to-day the giant among the nations of the earth. We won respect abroad and happiness at home, and we won our success and renown because we maintained America free from political connections with other countries. Washington's policy and its corollary, the Monroe doctrine, made the United States neither hermit nor meddler. They insulated us against the intrigues of the political life of the Old World; and thus insulated, thus independent, America's participation in the life of the world can be larger and better, because united in its support will be all Americans enjoying in common "an American character."

Plain is our road, and known. If we but keep it, the future of our country is not uncertain. The true "irreconcilable" has dedicated himself to an America "independent of all and under the influence of none"; fulfilling all engagements which duty requires; maintaining a strict neutrality unless obliged by imperious circumstances to depart from it; doing justice to all nations, and from all nations demanding justice; cultivating friendly relations with every nation, and tolerating entangling alliances with none—in short, keeping the Republic free and unfettered, just American.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED.

The following bills and joint resolutions were severally read twice by title and referred as indicated below:

H. R. 3184. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 11475. An act to authorize the setting aside of certain tribal lands within the Quinault Indian Reservation in Washington for lighthouse purposes;

H. R. 13128. An act authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz.; and

H. R. 13655. An act to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin; to the Committee on Indian Affairs.

H. R. 12777. An act granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North;

H. R. 13139. An act granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania, doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximatley 1½ miles north of Georgetown, in the State of Mississippi;

H. R. 13195. An act granting the consent of Congress to the State highway commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River in the State of Missouri;

H. R. 13474. An act granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River;

H. R. 13493. An act to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River near Ferry Pass, Fla.; and

H. R. 13511. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River; to the Committee on Commerce.

H. R. 13351. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the Daughters of the American Revolution of the State of South Carolina the silver service which was used upon the battleship *South Carolina;* to the Committee on Naval Affairs.

H. J. Res. 16. A joint resolution providing for pay to clerks to Members of Congress and Delegates; to the Committee on Appropriations.

H. J. Res. 261. A joint resolution for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers; to the Committee on Military Affairs.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The PRESIDING OFFICER (Mr. LADD in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MCNARY. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MCNARY, Mr. JONES of Washington, Mr. LENROOT, Mr. OVERMAN, and Mr. SMITH conferees on the part of the Senate.

BIG SIOUX RIVER BRIDGE, S. DAK.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4131) granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak., which was to amend the title so as to read: "An act granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point about 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak."

Mr. NORBECK. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

BRIDGE ACROSS THE RED RIVER OF THE NORTH.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4133) granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any one of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak., which were, on page 1, line 6, to strike out "one"; and to amend the title so as to read: "An act granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak."

Mr. KELLOGG. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

FIRST REPORT OF UNITED STATES COAL COMMISSION.

The VICE PRESIDENT laid before the Senate a communication from the secretary of the United States Coal Commission, transmitting, pursuant to law, the first report of the commission, dated January 15, 1923, which was referred to the Committee on Education and Labor.

POSITIONS IN UNITED STATES VETERANS' BUREAU.

The VICE PRESIDENT laid before the Senate a communication from the Director of the United States Veterans' Bureau, transmitting, pursuant to law, a statement as of January 1, 1923, indicating the total number of positions at a rate of $2,000 or more per annum, the rate of salary attached to each position, and the number of positions at each rate in the central office, also a statement indicating corresponding information as of December 1, 1922, for the district and subdistrict offices, which was referred to the Committee on Appropriations.

RURAL MARKETING AND CREDIT FACILITIES.

The VICE PRESIDENT. Morning business is closed.

Mr. McLEAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 4280.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States; and for other purposes.

The VICE PRESIDENT. The Secretary will resume the reading of the bill.

The reading of the bill was resumed on page 15, line 10, as follows:

No permit to begin business in any State of the United States shall be granted to any corporation organized under the provisions of this act unless the Comptroller of the Currency shall determine that the laws of such State afford adequate protection to advances made upon the security of warehouse receipts covering agricultural commodities or chattel mortgages upon live stock with respect to (a) bonding, licensing, and inspection of warehouses; (b) recordation of chattel mortgages or deeds of trust on live stock; (c) recordation of brands or other identifying marks on live stock; (d) reporting and recording of interstate shipments and slaughter of live stock; and (e) right of mortgagee to release a portion of the mortgaged property without prejudice to the priority of lien as against junior lienors or other creditors of the mortgagor.

SUPERVISION BY THE COMPTROLLER OF THE CURRENCY.

SEC. 10. That all corporations organized under the provisions of this act shall be under the supervision of the Comptroller of the Currency, who shall be charged with the execution of all laws of the United States relating to the organization, regulation, and control of such corporations. The comptroller shall exercise the same general power of supervision over the operations of corporations organized under the provisions of this act as he now exercises over national banks under the laws of the United States.

In addition to the two Deputy Comptrollers of the Currency now provided for by law, there shall be in the Bureau of the Comptroller of the Currency a third Deputy Comptroller of the Currency, who shall be appointed in the same manner and shall take a like oath of office and give a like bond as the deputy comptroller now provided for by law. Under the direction of the Comptroller of the Currency such additional deputy comptroller shall have charge of the administration of the provisions of this act and shall perform such other duties as shall be assigned to him by the Comptroller of the Currency. The Comptroller of the Currency is hereby authorized to employ such additional examiners, clerks, and other employees as he shall deem necessary to carry out the provisions of this act and to assign to duty in the office of his bureau in Washington such examiners and assistant examiners as he shall deem necessary to assist in the performance of the work of that bureau. The salaries of the Deputy Comptrollers of the Currency and of such additional examiners, assistant examiners, clerks, and other employees shall be fixed in advance by the Comptroller of the Currency. The salaries of the two deputy comptrollers now provided for by law and of all national-bank examiners and assistant examiners assigned to duty in the office of the bureau in Washington in connection with the supervision of national banks shall be considered part of the expenses of the examinations provided for by section 5240 of the Revised Statutes, as amended; and the salaries of such additional deputy comptroller and of all examiners, assistant examiners, clerks, and other employees appointed under the terms of this act and assigned to duty in connection with the administration of this act shall be considered part of the expenses of the administration of this act: *Provided, however,* That the salary of the additional deputy comptroller provided for by this act shall be considered partly an expense of the examinations provided for by section 5240 of the Revised Statutes and partly an expense of the administration of this act in proportions to be determined from time to time by the Comptroller of the Currency with a view to a fair apportionment of such expense, until such time as it shall be necessary for such additional deputy comptroller to give his full time to the administration of this act. The Comptroller of the Currency shall have power to levy semi-annually upon the corporations operating under the provisions of this act, in proportion to their total assets, an assessment sufficient to pay the expenses of the administration of this act for the ensuing half year, together with any deficit carried forward from the preceding half year. Each such corporation shall pay the amount so assessed against it to the Treasurer of the United States subject to the order of the Comptroller of the Currency, to be disbursed by the comptroller in payment of expenses incurred in the administration of this act.

The comptroller shall have power to appoint and fix the compensation of examiners to examine corporations organized under the provisions of this act or to use national-bank examiners for this purpose. All examiners appointed by him shall be subject to existing provisions of law relating to national-bank examiners and to the provisions of the Federal reserve act which prohibit national-bank examiners from performing any service for compensation for any bank or officer and from disclosing the names of borrowers or the collateral for loans without obtaining the written consent of the comptroller, and such provisions shall be held to apply to examiners appointed to examine corporations organized under the provisions of this act.

Mr. SIMMONS addressed the Senate. After having spoken for some time,

The PRESIDING OFFICER (Mr. LADD in the chair). The hour of 2 o'clock having arrived, it becomes the duty of the Chair to lay before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. CURTIS. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Senator from North Carolina will proceed.

Mr. SIMMONS. Mr. President, I wish to submit for the consideration of the Senate some observations upon the pending bill, commonly known as the Capper bill. I do not wish what I shall say to be understood as importing opposition to its enactment, but as in the nature of criticism of it upon the ground of its insufficiency and inadequacy to accomplish the professed purpose of its sponsors.

I do not say that the proposed bill is bad legislation or that it will be hurtful legislation. I do not see any special harm to come from the enactment of it. Legislation of this character ordinarily might be treated with more or less indifference, but for the fact that the ineffectiveness of legislation intended to meet an emergency calling for prompt and effective action frequently operates as an embarrassment and hinders the adoption of necessary legislation. For this reason, while I see no special harm in the pending bill, I am very much afraid its enactment will be made the excuse for the postponement of proper and adequate legislation.

I regard the Capper bill as of very little consequence so far as it is designed in any way to help agriculture, to help the so-called "dirt" farmer, the man who makes his living by the cultivation of the soil. My reasons for this opinion are two-fold—first, because I do not believe that in the agricultural sections, as distinguished from the stock-raising sections, the machinery provided in this bill will be put into operation, because its provisions will be found impracticable of successful application to the conditions.

I do not doubt that the provisions of the bill relating to stock raising will be both practical and helpful in the great stock-raising sections of the country. I can readily conceive that in that portion of our country where the chief industry is stock raising upon a large scale there may be inducements sufficient to interest capital to invest in the establishment of the loaning corporations provided in this bill, notwithstanding their limited field of operation. My second reason for the belief that this bill will not be of help to agricultural interests is because the restrictions imposed upon advancements for this purpose make it valueless to the farmer.

With these general observations, I want to address myself to the provisions of this bill; and let it be understood now that I am not speaking of the Lenroot bill, and let it also be understood that I am not speaking of the provisions in the bill which propose to amend the Federal reserve act and the farm loan act. Provisions for the amendment of those two Federal agencies are contained both in the Capper bill and in the Lenroot bill. I think the amendments so proposed are very val-

uable and will be helpful to the farmer and the stock raiser. I am now addressing myself exclusively to the new system of agricultural credits which the Capper bill undertakes to create and put into operation.

The bill provides a system of primary credit corporations, corporations created for the purpose of lending money to farmers and stock raisers, corporations the capital of which is to be altogether furnished by individual subscription. These banks are each to have a paid-in capital of $250,000 before they are permitted to commence business. The bill also creates a system of rediscount credit corporations, each with a paid-in capital of not less than a million dollars, which capital must also be raised by private or corporate subscription.

These banks—and they are in a sense banks, though called in the bill corporations—whether primary banks or rediscount banks, are to be owned and operated entirely by private capital. The Government is not to invest a penny under the plan. The only thing the Government has to do with it is to maintain, through the Comptroller of the Currency and the board put in charge of the system, a general supervision and control over the operations of the institutions of the system, largely for the purpose of stabilization and safeguarding these institutions against mismanagement. My chief objection, as indicated, to the measure is the ineffective and misleading manner with which it deals with agriculture. First, so far as the farmer is concerned, as I have already said, the scheme is wholly impracticable and will not become operative in the agricultural States, and for two good and sufficient reasons.

First, it will be exceedingly difficult, if not impossible, to raise the capital with which to start the business and establish the banks. Two hundred and fifty thousand dollars is a large sum of money, especially when it must be raised in large part, if raised at all, by an industry which admittedly is not prosperous at this time, which is a borrower of money, and therefore without ability to furnish the cash capital required in the establishment of these institutions.

Mr. TOWNSEND. Mr. President——

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Michigan?

Mr. SIMMONS. I yield.

Mr. TOWNSEND. I have not studied the bill carefully, but I am curious to know whether under it the stockholders and incorporators would be confined to farmers.

Mr. SIMMONS. No; they would not.

Mr. TOWNSEND. Anyone could organize these corporations?

Mr. SIMMONS. I shall get to that within a few minutes. I said that if a farmer were able and had the money he no doubt would be tempted to invest it, because if established the system would furnish a source of credit which in some way might be helpful to him, and if he had the money he would have an interest in investing it in this way. But outside capital does not have that personal interest in the creation of such banks. Outside capital would only invest in it, therefore, when there appeared a profit-earning possibility.

The system is defective not only from the standpoint of the inability of the farmer, who is immediately concerned, to furnish the money, but it is defective in that it does not offer a sufficient profit inducement to tempt outside capital that might otherwise invest. Let me develop that. Why do I say that? I say that for the reason that according to the very terms and conditions of the bill these banks, located in agricultural districts, as distinguished from stock-growing districts, are so circumscribed and so limited as to the character of business they may do as to afford no adequate inducement to outside capital.

Mr. TOWNSEND. In order that the Senator may answer what I have in mind——

Mr. SIMMONS. Will not the Senator just let me finish developing that, and then I will be very glad to have him interrupt? I want the Senator to let me state the facts upon which I base that conclusion. I base it upon facts disclosed in the bill, and I want to state them, because I think probably they have not been called to the attention of the Senator or the Senate. Then I shall be more than delighted to have him interrupt me.

Let me call attention, in support of my contention, to section 4. It reads as follows:

That each corporation so organized shall have power under such rules and regulations as the Comptroller of the Currency may prescribe—

(1) To make advances upon, to discount, to rediscount, or purchase, and to sell or negotiate, with or without its indorsement or guaranty, notes, drafts, or bills of exchange and to accept drafts or bills of exchange, which—

I ask the Senator from Michigan [Mr. TOWNSEND] if he is following me, to note the word "which"—

which—

(a) Are issued or drawn for an agricultural purpose or the proceeds of which have been or are to be used for an agricultural purpose.

(b) Have a maturity at the time of discount, purchase, or acceptance not exceeding nine months.

(c) Are secured at the time of discount, purchase, or acceptance by warehouse receipts or other like documents conveying or securing title to nonperishable and readily marketable agricultural products.

Now, there is not a line in the bill authorizing the corporation to extend any relief to agriculture by direct loan except that provision, which provides that the loan must be for an agricultural purpose, the maturity must be not exceeding nine months, but that no loan for an agricultural purpose for nine months or any other length of time shall be made except it be secured by warehouse receipts upon nonperishable agricultural products that are readily marketable. So that the sole and exclusive function and business of the corporation in a purely agricultural section would be to lend to farmers for agricultural purposes only where the debt was secured by a warehouse receipt

That is all the business the bank can do. It can not lend to a farmer for the purpose of helping him to produce a crop. It can not make a loan to the farmer upon his land. It can not lend to the farmer upon his horses, his mules, his tractor, his wagons, his carts, or his farming implements, however valuable they may be. It can not lend to him upon his growing crop, although it may be planted and may be in a thriving condition and may promise large returns. It can not make a loan to the farmer upon personal security of any kind, or upon solvent indorsement. His character, his ability, and his reputation for thrift count for nothing in the transaction. The bank, so far as agricultural advances are concerned, can do no business under these provisions except to loan or discount paper secured by mortgage or lien for nonperishable, readily marketable agricultural products.

How does anyone expect a bank with no right to receive deposits, with such restrictions upon its power to do business, to get capital from the outside? If the farmers wish to raise money for the purpose of establishing a bank and desire the assistance of outside capital, they can go to the State and apply for a charter by the same general processes that are set up in the bill, and get it authorizing the creation of a bank for agricultural purposes in the main, with the right and privilege to do a general banking business, with less hampering requirements as to supervision, reserves, and so forth. Why should the farmer or why should outside investors in these circumstances invest their money in a bank of the sort proposed in the pending bill?

I now yield to the Senator from Michigan if he still desires to interrupt me.

Mr. TOWNSEND. I do not construe the bill as the Senator does. Subdivision (c), to which the Senator referred, under section 4, is a provision by which the bank can rediscount paper that is sent to it. It has the ordinary power, as I understand it, of the ordinary bank. It has the special privilege, which the ordinary bank does not have, of rediscounting such paper as that to which the Senator has referred. But that is only one subdivision relating to the powers of the bank.

Mr. SIMMONS. Will the Senator be so kind as to point out to me one word in the bill that authorizes them to receive deposits or do any kind of banking business except to lend money for agricultural purposes under conditions such as I have described? The provision with reference to advances on stock is more liberal, but I am now addressing myself to agricultural loans——

Mr. TOWNSEND. I think it refers equally to nonperishable agricultural products as it does to stock raising. That is my understanding of the bill.

Mr. SIMMONS. The power to lend money upon notes for agricultural purposes upon nine months' maturity is limited by the terms of the bill which I have read to paper secured by agricultural products.

Mr. TOWNSEND. The bill gives the banking corporation to be created the power to charge the same rate the ordinary bank does.

Mr. SIMMONS. Where it makes a loan of the kind it is permitted to make.

Mr. TOWNSEND. It has the same advantages as to interest rates, then.

Mr. SIMMONS. I submit that the chairman of the committee will not contend that under the bill a bank could lend money for agricultural purposes except as I have indicated.

Mr. McLEAN. A bank?

Mr. SIMMONS. The bank which is to be created under the Capper bill.

Mr. McLEAN. The Senator loses sight entirely of the new section 13a.

Mr. SIMMONS. At what page?

Mr. McLEAN. Page 35.

Mr. SIMMONS. That is with reference to loans by the Federal reserve banks.

Mr. McLEAN. Yes.

Mr. SIMMONS. I have already stated that I am not discussing at this time the proposed amendment of the Federal reserve act. I am discussing the provisions of the Capper bill outside of the amendments proposed to the Federal reserve act. I stated distinctly in the beginning that I would not at this time discuss the amendments which are proposed to the Federal reserve act and which I said are very valuable.

Mr. TOWNSEND. I beg the Senator's pardon. I supposed he was talking about the bill and the amendments which were reported to the committee and are now before the Senate.

Mr. SIMMONS. I am talking about the Capper bill.

Mr. LENROOT. Those provisions are in both bills.

Mr. SIMMONS. I know they are in both bills; but the bank which is authorized to be set up under the provisions of the Capper bill can not make an agricultural loan, as I understand it, unless that agricultural loan is secured by a warehouse receipt. Is not that true?

Mr. McLEAN. Yes; that is true so far as those corporations are concerned. But if the Senator will take into consideration the amendments proposed to the Federal reserve act it will be seen that what we call growers' paper—notes secured by nothing except the character of the farmer if he wants the money for the purpose of buying fertilizer or horses or mules or implements—may be accepted. He can go to any bank and get his note for nine months discounted, and thus that note is eligible for rediscount in the Federal reserve bank.

We have gone to all lengths in the matter of extending credit to growers, far beyond anything that was recommended by the commission of agricultural inquiry, because they insisted that the limit should be six months; and yet upon further deliberation the committee felt that they would go to all lengths in extending to growers an accommodation of nine months' maturity.

Mr. SIMMONS. Oh, yes; but that, if the Senator will pardon me, is a loan to be made by a Federal reserve bank.

Mr. McLEAN. Yes; by the bank.

Mr. SIMMONS. And not by the bank about which I am talking; not by the bank permitted to be set up under the bill.

Mr. McLEAN. Not by the Federal reserve bank, but by a member bank; any bank that is a member of the Federal reserve system.

Mr. SIMMONS. Yes; but these Capper bill banks are not to be members of the Federal reserve system.

Mr. McLEAN. No; we did not intend that they should be. They are finance corporations.

Mr. SIMMONS. Let me call the Senator's attention to section 13a, and that is very valuable. I will say to the Senator that I am exceedingly glad we are to have an amendment of that sort to the Federal reserve act. It reads:

> Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, any Federal reserve bank may discount notes, drafts, and bills of exchange issued or drawn for an agricultural purpose or based upon live stock and having a maturity, at the time of discount, exclusive of days of grace, not exceeding nine months.

That is a loan authorized to be made by the Federal reserve bank. That is not a loan authorized to be made by one of the agricultural credit banks. That is the point I am making. I am making the point that the credit banks are not authorized, under the terms of the bill, either expressly or impliedly, to lend money upon agricultural paper, except when secured by a warehouse receipt.

Mr. McLEAN. The Senator even there is confining the limits of the bill to chattel mortgages or other like instruments.

Mr. SIMMONS. That is as to live stock.

Mr. McLEAN. Not necessarily.

Mr. SIMMONS. The very language confines it to live stock, if the Senator will pardon me. The language then proceeds:

> Or by chattel mortgages or other like instruments conferring a first and paramount lien upon live stock which are being fattened for market.

That is the provision defining the powers of the proposed rural credit corporations or banks proposed to be created by the Capper bill with loans to stock raisers.

Mr. STERLING. Mr. President, if the Senator will yield——

Mr. SIMMONS. Certainly.

Mr. STERLING. There is other language in connection with the term "warehouse receipts" which the Senator from North Carolina does not seem to take into consideration.

Mr. SIMMONS. "Or other like documents."

Mr. STERLING. The language to which I refer is—

> warehouse receipts or other like documents conveying or securing title to nonperishable and readily marketable agricultural products.

Of course, there may be something else than the warehouse receipts, distinctively so known, upon which he may procure a loan—other documents conveying or securing title than warehouse receipts. A warehouse receipt is evidence of his title to so much grain in the warehouse. So a bill of sale is evidence of his title to the property.

Mr. McLEAN. The Senator is right in that the paper must be secured.

Mr. SIMMONS. Yes; the paper must be secured and it must be secured by warehouse receipts or other documents covering nonperishable agricultural products—warehouse receipts or other documents conveying or securing title. What is the difference? There is no difference, of course. We may have a warehouse receipt or some other document conveying the same title, but the point I am making is that it is confined to nonperishable, readily marketable agricultural products—things already produced. It makes no difference whether the pledge of the property is by warehouse receipt or other conveyance of title.

Mr. STERLING. My idea was simply that it should not be confined to warehouse receipts; and the Senator from North Carolina, I think, shares that impression.

Mr. SIMMONS. The same principle is applicable, no matter whether the particular paper taken is a warehouse receipt, chattel mortgage, or any other "like document." The language is "warehouse receipts or other like documents conveying or securing title to nonperishable and readily marketable agricultural products." So what I said holds. Not a dollar may be loaned by these proposed credit corporations for agricultural purposes, for nine months or any other length of time, unless the loan be secured by a mortgage or warehouse receipt upon "nonperishable and readily marketable agricultural products," which means, of course, that the crop must be produced, the thing must be in existence, it must be nonperishable, and it must be readily marketable. That is the limitation upon the power of these institutions to lend money for agricultural purposes.

Mr. TOWNSEND. Does the Senator believe that such loans should be made without security?

Mr. SIMMONS. They must be made upon this particular security the bill provides; they may not be made upon any other kind of property.

Mr. TOWNSEND. I ask the Senator does he believe that the banks should be authorized to loan without adequate security?

Mr. SIMMONS. Certainly not; but if the bank is to be of any service to the farmer, if it is to be sufficiently profit-earning to induce capital to enter into it, so as to make it feasible and practicable to establish such banks, if it is to be either beneficial to the farmer, in fact, if it is to ever come into existence, I think we shall have to broaden its lending powers and not limit them to lending money to farmers upon the conveyance of title to "nonperishable and readily marketable agricultural products" which have already been produced. We have got to extend the power of the bank to lend money to farmers upon any security which may be adequate and may be approved, for the purpose of enabling them not only to sell the crops they have already produced but to finance the making of the crops which will never be produced unless the farmers can finance their production.

Mr. CAPPER. If the Senator from North Carolina will yield, I desire to say that I hope he will keep in mind the fact that the agencies set up in title 1 are not banks, and it is not contemplated that they shall attempt to do what is commonly known as a banking business or to take care of production credits.

Mr. SIMMONS. I wish to have the Senator who introduced the pending bill or the chairman of the Committee on Banking and Currency to answer a question. It does not make any difference whether the $250,000 capitalized primary lending institutions which the bill authorizes to be established be called banks or corporations, for they are intended to perform some of the functions of a bank and some of the functions of a corporation, and may be called one or the other; but do the Senators or any of those who have interrupted me contend that under the terms of the pending bill those institutions will be able to advance money to farmers for agricultural purposes except it be upon security in the nature of a lien or a mortgage or a warehouse receipt upon "nonperishable and readily marketable agricultural products"? Do those Senators contend

that those institutions will have any power to lend money upon the security of any property other than that I have specified, or will have any power to receive deposits or to conduct general loaning or banking business? As I have indicated, by the very terms of this bill, which, of course, will be subject to strict construction, will not their lending power for agricultural purposes be restricted to the security upon the class of products to which I have referred? I ask the chairman of the Committee on Banking and Currency if that is not true?

Mr. McLEAN. I think the Senator from North Carolina is right.

Mr. SIMMONS. Then we have that point established. It is true that the committee has inserted in the bill—and I thank him for it and I thank the committee on Banking and Currency for it—an amendment greatly enlarging the functions of the Federal reserve banks and their member banks with reference to making loans to farmers. It is very valuable; but those are loans which the member bank of the Federal reserve system is authorized to make to farmers and not loans which are authorized to be made by the proposed rural-credit corporations which the Capper bill sets up. I am glad we now have that distinction well established.

Mr. President, I wish to ask as a practical business question, is it conceivable that outside capital would furnish the money to establish the proposed banks in view of their narrow and limited power to carry on business, for they are limited to loans to stock raisers and farmers and can only loan to a farmer on pledge or conveyance of nonperishable farm product already produced and ready for market.

The banks proposed to be created must have a paid-in capital of $250,000 each, and when the farmers succeed in getting the money for such a bank and it is paid in, one-fourth of it must be taken out and deposited with the Federal reserve bank as a reserve fund, and if the farm-credit bank creates an indebtedness it must increase its reserve fund in the Federal reserve bank, so that, including the 25 per cent, it will always equal 7½ per cent of the entire indebtedness of the corporation.

I am not going to stop at this point to criticize that feature, but it is a very strange thing to me that this provision with reference to reserves should have been put into this bill. If it were thought necessary to require these banks to use one-fourth of their capital as reserve, why did the bill require these funds of the farmers, so to speak, this money raised for the purpose of financing the operations of agriculture, to be placed in the Federal reserve banks, thereby using the farmers' money for the purpose of swelling the rediscount resources of the commercial system?

There is proposed to be set up here in juxtaposition with this primary bank a rediscount farmers' corporation with a capital of a million dollars. Its function, and its sole function under this bill, is to rediscount the paper of the primary credit corporation or bank; it is the reservoir from which the primary banks may draw their means to finance their customers, just as the Federal reserve banks constitute the reservoir from which the member banks of that system may draw in case of need. Why does not the bill permit the reserve fund of 25 per cent which is exacted from the primary corporations or banks of this new system to be deposited with the rediscount agricultual banks and thereby strengthen the reservoir from which they may by drawing rediscounts supply the cash requirements instead of putting it in the commercial banks?

Mr. McLEAN. As to the million-dollar bank, the rediscount bank, it is not required to have any reserve at all, and sound banking would require that there should be a liquid reserve for the system somewhere. So the bill requires that such reserve shall be kept by the smaller banks, and it might as well be kept in the Federal reserve system as anywhere else, because it can not be used.

Mr. SIMMONS. Mr. President, let me get another thought before the Senate. I was happy to make clear to the Senate the other proposition which I have presented. The system proposed to be set up for the farmers by the pending bill is championed by the chairman of the agricultural bloc in this body. It is analogous in its framework to the Federal reserve system. It has its member banks, namely, the $250,000 primary banks; it has its parent bank, to wit, the million-dollar rediscount bank. One is a local bank; the other is a rediscounting bank. The rediscount bank takes the place of the Federal reserve bank; the lending bank takes the place of the member bank in the Federal reserve system. When the member bank in the Federal reserve system is required to deposit a reserve, it deposits it with the Federal reserve bank. That is its discount bank; and that strengthens that bank.

Now, when we come to a farmers' system it seems to me—and if I am wrong about it I wish to be put right—if we are going to require the member corporation, so to speak, the primary lending bank, to take one-fourth of its funds and put them in a reserve fund to be deposited somewhere else, by analogy with the Federal reserve system, the bill ought to require that that reserve fund shall be deposited in this rediscount bank, thereby strengthening and augmenting its ability to aid the primary institutions of the system. It seems to me that the farmer is done an injustice when this reserve fund, which comes out of the capital he invests in his primary lending bank, is deposited in the Federal reserve bank instead of the rediscounting banks of the new system.

Mr. McLEAN. Mr. President, it is desirable to have a reserve somewhere.

Mr. SIMMONS. I am not objecting to a reserve; I am objecting to its diversion from the farm credit system.

Mr. McLEAN. The Senator will concede that there should be a liquid reserve somewhere.

Mr. SIMMONS. I am not objecting to a reserve. The Senator does not understand me as making any objection or any criticism as to the reserve. It is all right. It is intended to secure the creditors of these banks, and it is all right. The point I am making is that you ought not to take this fund that is part of the farmer's financing fund and deposit it in an agency of the commercial banking system. You ought to deposit it in the rediscounting bank which you have set up for the benefit of the farmer and as a part of your rural credit system.

Mr. McLEAN. It would not add to the rediscounting power of the smaller bank to require that its reserves be deposited with the parent bank. It would not add a dollar to its money-lending facilities or power. The Senator can see that.

Mr. SIMMONS. Does the Senator from Connecticut mean to say that all the reserves that are deposited in the Federal reserve banks do not in any way strengthen those institutions?

Mr. SMOOT. They do not weaken the banks, however.

Mr. SIMMONS. No; but they strengthen those institutions instead of strengthening the institution of the farmer. You have set up here one system for your commercial bank, and you are proposing to set up another system for agriculture. I do not want you to undermine that in any way. I do not want you to take any prop from under it. I do not want you to use the farmers' fund for the purpose of strengthening some other system.

Mr. McLEAN. The smaller banks can discount up to ten times their capital and surplus. No limit at all is put upon the parent bank. There is no trouble about the parent bank discounting any quantity of paper that is presented by the smaller banks, provided it is approved by the Federal Reserve Board; so that it would not strengthen the smaller banks a particle if they kept their reserves with the parent bank. Moreover, the law provides that the Federal reserve banks may purchase the acceptances of the parent bank, the million-dollar bank, and there you complete your chain; and it seemed to the committee that it was altogether proper that these reserves should be kept with the Federal reserve banks.

Mr. SIMMONS. Of course, I do not agree with the Senator, and I ask if he can show any reason why these reserves should not be kept with the farmers' rediscounting institutions?

Mr. McLEAN. I know of no reason why they should be kept with the parent bank. It would not benefit the smaller banks a particle; and in view of the fact, as I have just said, that the Federal reserve banks may purchase the acceptances of the large banks whenever they think the public interests require it, it is entirely proper that the reserves should be kept with the Federal reserve banks.

Mr. SIMMONS. Oh, Mr. President, that is beside the point. It is true, of course, that there is a provision in the amendment which the committee proposes to the Federal reserve system that authorizes the Federal reserve banks in certain conditions to purchase or to rediscount the paper of the rediscount agricultural credit associations; but that is the only provision there is in the bill for the rediscounting by the Federal Reserve Board of any of the paper of these agricultural banks, either the primary bank or the rediscount bank. Here is the provision:

> That the Federal reserve act, as amended, be further amended by adding at the end of section 14 a new paragraph, as follows:
> "(f) To purchase and sell in the open market, either from or to domestic banks, firms, corporations, or individuals, acceptances of corporations organized under the Federal agricultural credits act whenever the Federal Reserve Board shall declare that the public interest so requires."

There is not a line in this bill that directly provides that either the small bank or the big agricultural bank can discount

its paper with the Federal reserve banks, except the provision that in case the Federal Reserve Board shall find and declare that the public interest requires that that be done, it may then be done. In other words, if a war emergency or some other condition of things more distressing than the present doleful state of affairs in agriculture shall happen, then, to save the situation, as an emergency measure, the board may, if it can be persuaded and if the financial interests will permit it, declare that there is a public necessity for the rediscount of this paper by the Federal reserve bank, and then it may rediscount it, and not until then. With the rediscounting powers of the Federal reserve bank as broad as they are for the accommodation of commercial interests, when the farmer's paper comes there, and comes through a bank created by the Federal Government under the protection of the Federal Government, why should it be necessary to gather together that board and to convince them that a very exceptional and extraordinary situation has been created in order that the farmer's paper may enter the sacred portals of the commercial reserve banks of the country?

Mr. McLEAN. Of course, the Senator knows that we are not creating commercial banks. We are creating these new corporations.

Mr. SIMMONS. Yes; and why such iniquities, why such injustice, why such discrimination against the farmer?

Mr. McLEAN. We can not give them all the privileges of the member banks when they are in no sense banks. They can not accept deposits. They are organized merely for the purpose of financing particularly the cooperative marketing associations; and there is great need, as it seems to the committee, of establishing organizations for that purpose.

Mr. SIMMONS. If the Senator will pardon me, you permit them to lend money. You permit them to discount paper. You assume control and supervision over them. You have them examined. You require them to deposit with the Government a reserve fund to secure their obligations and their notes, and yet you say that they are not banks in the sense that the paper which has come into being through an instrumentality that you provide is not entitled to equal participation in the benefits of your Federal reserve discounting system.

Mr. McLEAN. We did not believe that it was sound banking or proper to give to these institutions all the benefits and rediscounting privileges that the member banks of the country have.

Mr. SIMMONS. Mr. President, that is beside the question. It may not be proper to confer upon them the broad functions of banking that you have conferred upon the commercial banks. I think it is, but in your judgment it may not be proper; but you have found that it was proper to confer upon them certain banking functions, the power to do certain things, and very important things, that banks do, and that power involves the issuance of paper and the discount of notes; and to carry on that system which you have inaugurated they ought to have the same privileges of rediscount with the Federal reserve system which is given to like paper and like business when carried on by the member banks of the Federal reserve system.

Mr. McLEAN. The committee felt—and I think the committee was entirely right in its conclusion—that these institutions, if they wanted to receive the benefits of the Federal reserve system, should organize banks, and not these finance corporations. If they want to do a banking business, let them organize as banks. Their capital of $250,000 renders them eligible, and there is no objection to their doing that; but we felt that it was a very promising experiment to try to organize these rediscounting corporations for the purpose of accommodating the cooperative marketing associations.

I know that in my section of the country the growers of tobacco have recently formed a large cooperative association. They have succeeded in getting their accommodations at the banks, to be sure; but had one of these large corporations been formed it is quite probable that they could have gotten their accommodations there, possibly at a lower rate of interest. It is unwise to invite a pyramiding of these rediscounts, first in the primary bank or the smaller bank, then to rediscount with the parent bank, and then for the parent bank to take it to the Federal reserve bank. It seemed to the committee that it was unwise to confer upon these corporations all the powers and privileges of rediscount which the national banks now have, and I think it is unwise.

Mr. SIMMONS. That is merely the Senator's opinion, of course, and I find no argument to support it in what he has just said. I have pursued that line of argument as far as I care to and I am satisfied to let it rest there.

Mr. President, when I was diverted into the discussion of this reserve provision of the bill I was laying down the proposition that it was perfectly evident from a business standpoint that this measure, so far as it seeks to help agriculture as such, probably would be found inoperative, and would seldom, if ever, be invoked. I think that is too clear to require further demonstration. There would be no way to get the money to set up these banks. The farmer does not have it. If he had it there would be very little inducement to put it in. The outside investor will not do it because the business which the corporation may do—and I am speaking of a strictly agricultural community, not of a stock-raising community—is so limited and so narrow that there is really no prospect of profit. Besides, if the farmer wants to establish an institution, and he can raise the money for the purpose for which these corporations are proposed to be created, he can get a charter from his State just as well as he can from the Federal Government, and a charter which will not so circumscribe and limit his activities.

Under this bill he is denied the right to receive deposits. Deposits constitute largely the money with which commercial banks do their business. The only means these banks have of increasing their capital is to sell more stock or to sell debentures, and incur debt. Whether those debentures will be salable in the markets or not, I think is exceedingly questionable. I doubt very much whether they would meet any ready response in the market unless the interest rates were exceedingly high, because the privilege of exemption from taxation, which is conferred upon the farm-loan banks, and even the joint-stock lands banks, is denied to these banks. The only source of funds, therefore, is through the creation of debts, and they can only borrow upon bonds. They can not borrow upon their notes at the commercial banks. They are not authorized to borrow money except upon debentures secured by such collaterals as they may take in the course of their business.

Denied these powers to do business generally, out of which great profits can be made in case they should get a charter for a State bank, does anybody believe that they would deliberately invest their money in a Federal bank with these limited powers, when by investing their money in a State bank they might do everything that is provided in this bill as permissible for the corporation to do, and, in addition to that, might carry on the general business of a banking and trust company?

But suppose we concede that these banks will be attractive investments, which they will not be, and that they will be established all over the country, which they will not be, and that they will furnish to the farmers of the United States abundant credits for the purpose of marketing and distributing their products. Even so, is that all the relief the farmers of this country are asking or are to get from the Congress? Is the financing of the distribution of the farmer's crop the main trouble with which he now struggles and labors?

Are there not outside of this system reasonably adequate facilities with which the farmer can finance this part of his operations? The cooperative associations which this bill permits to take the benefit and advantage of this act—these cooperative associations, created for the purpose of marketing and selling the farmer's products, are coming rapidly into being all over the country, and I take it that within a very short time especially the nonperishable crops of this country will be largely sold through those associations. They will become the great distributing agencies of farm products in this country. They largely are now, in some parts of the country. They are functioning splendidly. But I do not think they are in any great distress about getting money.

There is nothing I can see in the Federal reserve system which interferes with their getting relief through it. They have the farmer's products in their hands. Is it cotton? Is it tobacco? It has been turned over to them. The legal title has been vested in them upon the making of a small cash payment. They have a perfect right to mortgage or pledge it to secure money. They need to secure it at one time for only enough to make one payment—first the advance payment, then the first deferred payment, then the second deferred payment, and then the last deferred payment. These payments come in regular order. When they pledge the crop for the first payment, the whole crop is mortgaged and the security is superabundant. When they have sold off a part, the loan made to get the money for the first payment is canceled, and then they have the balance of the crop to secure the second deferred payment; and the process goes on until the end.

The point I am making is that there is in the hands of these associations an abundance of the very best security in the world, and all they need is a loan for three months for the next deferred payment, and that they can secure from the Federal reserve banks through their member banks or the War Fi-

nance Corporation, because their paper is eligible paper. But independently of the Federal reserve bank, I do not think these cooperative associations have found any difficulty in getting advances upon these products to finance their distribution by orderly marketing processes.

It is not a matter of borrowing money when the crop is made and harvested. When the crop is harvested the farmer has something to sell to get money. He has tangible security to offer for a loan, if he does not wish to sell. He is not in any particular distress with reference to borrowing money upon the pledge of his finished product. That is not the time when he is in need of money. The time when he needs money and can not get it is when he is making that crop. He needs money to buy his horses and his mules, to buy his tractors, to buy his trucks, to buy his farming implements, to buy the seed which he plants, to pay for the labor employed in the making of his crop. For nine long months, beginning with January and ending about October, the farmer is spending money from day to day, not little money, but big money, in the preparation of his land, in the cultivation of his crops, in the harvesting of his crops, and during that time no money is coming in from any source whatsoever. It is to meet these daily expenditures, when he is getting no money, when he has nothing to sell, when he is engaged in the intensive and expensive processes of production, that he needs help. He does not so much need help when his labors are finished, when his daily expenditures are over, when his product is ready for the market, and the market is ready to take it.

I want to ask the sponsor of this bill, who sits before me, Senator CAPPER, if there is one line in his bill, if there is one syllable in his bill, which provides for lending one dollar to the farmer for the purpose of enabling him to produce a crop? And I wish to remind him that it must be obvious to him and everybody that if the farmer can not finance the production of his crops there will be no products upon which he can borrow money.

Mr. CAPPER. I will say to the Senator that we do not undertake to handle production credits through the machinery set up by this bill. This measure simply undertakes to aid in the orderly marketing of the products of the farm by creating these agricultural credit corporations and the rediscount corporations which will handle the farmer's paper, and it liberalizes the banking machinery we already have with reference to agricultural paper, widens the door to the Federal reserve bank, and enlarges the opportunities for the marketing of a certain class of agricultural paper, which will probably be of longer maturity, and which as a rule banks now are not anxious to handle. They prefer the short-time, liquid paper, but we undertake now to find another outlet through these agricultural credit corporations and through these larger rediscount corporations for that large volume of paper which as a rule probably would run from six to nine months and which is confined largely to the marketing of the products of the farm and to the live-stock industry.

Mr. SIMMONS. Mr. President, I will concede that the bill is much more liberal in its terms with reference to financing the live-stock industry. The point I wish to bring to the attention of the Senate is that there is a strange omission in this bill. I had understood that the representatives of the farm bloc were proposing to deal with these problems in a broad and generous way toward the farmer, but there is a strange omission in the bill to provide any means by which the farmer can obtain credit to enable him to make his crop. After he has made his crop this bill provides, as do other bills, a source from which he can get credit. But when it deals with the farmer, even after he has made the crop, it allows him to discount his paper with his bank only upon his giving security upon his crop.

It does not even permit him to take advantage of this system for the purpose of borrowing money upon his own credit, upon his personal property other than his crops, or upon personal indorsement, in case it should be convenient for him to present solvent indorsements. It seems to me it deals very hardly with the real farmers.

The PRESIDING OFFICER (Mr. LADD in the chair). The hour of 2 o'clock having arrived, it becomes the duty of the Chair to lay before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. CURTIS. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. Without objection it is so ordered, and the Senator from North Carolina will proceed.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Montana?

Mr. SIMMONS. I yield.

Mr. WALSH of Montana. When the original draft of the bill under consideration was first presented to an assemblage of Senators, who heard it advocated by representatives of the National Live Stock Association, I called attention to the fact that while it did, as now suggested by the Senator from North Carolina, seem to make provision for the necessities of the live-stock growers, and also made provision for borrowing the money on crops that had already been made, it did not cover the entire ground, in that it contained no provision whatever, so far as I have been able to discover, that would provide for the financing of the producing of the crop.

Mr. SIMMONS. That is the point I am making.

Mr. WALSH of Montana. I do not imagine that the friends of the measure would contend for it that it meets that phase of the situation at all. I assume, however, that this is not to be considered as the complete legislation dealing with the subject of rural credits, and that the phase to which I have adverted, namely, the financing of the farmer in the producing of the crop, is to be taken care of in the bill which, as I understand, will follow the consideration of the pending measure.

Mr. SIMMONS. That may be true, but why wait? If the farmer is permitted in the pending bill to set up this sort of banking institution, why is he to be denied the benefit of going to it to secure credit for the expenses of crop production? I am a bit skeptical as to what further bills may be enacted to give the farmer the relief denied him in the pending measure. Of course, it may be that the farmer will be given access to some other agency under some other legislation intended for the purpose of financing his production, just as the stock raiser is given access to some other agency to aid him in financing his operations. But when we are setting up a system under which the farmer is to furnish the money in order to finance the bank or the corporation, why not permit him to go to that institution for credit as well as to the other institutions? The stock raiser is permitted to go to both, the cooperative association is permitted to go to both, but the farmer is not permitted to go to this institution, which he creates himself, except when he goes with a mortgage in his hand upon a crop already produced.

Mr. WALSH of Montana. I concede that it would be very much more satisfactory to me, and I dare say to most of those who are vitally interested in the financing of the producing of the farmers' crops, if the provisions to that end were incorporated in the one measure. It seems to me that they might very properly be so incorporated. It seems to me, though, that the pending bill, as it is framed, could not very well meet the conditions to which the Senator has adverted, namely, the financing of the production of the crop by the farmer. It seems to have an entirely different object. I would like to see incorporated in the pending bill, so we would not have to take chances upon some other bill which may not be as popular in the Senate as is the Capper bill, provisions for financing the farmers' operations in the production of crops. But if we dispose of the pending measure and then take up the other bill, I hope we may be able thus to take care of the situation.

Mr. SIMMONS. The Senator sees my point. Here is a Federal corporation that is proposed to be set up and the farmer is supposed to raise the money, either himself or through his friends, to finance it. It might be a very great benefit to the farmer provided it could be financed and provided its functions were sufficiently broad to accommodate his needs and requirements. If, by reason of the narrowness of the functions of the corporation we are endeavoring to create, the farmer loses the opportunity, of what avail would it be? What I have in mind is sufficiently to broaden the field of the operation of the corporation organized in an agricultural district so as to enable it to function and make money, and thereby create an inducement to capital to invest in it so that we may have some assurance that the institutions will be established and that the farmers will get the benefit of them.

I concede very readily there would be no trouble in the large stock-growing sections of the country in raising the money necessary to establish the institutions, and I concede the powers given to lend to stock raisers probably will be amply sufficient to meet their requirements. But in a section like my State, or like the whole South, for that matter, where there is relatively little stock raising, where it is altogether agricultural, I am convinced that unless we shall broaden those powers so as to let the bank do more business and let it cover all the requirements of the farmer we shall never be able to put it in operation in those sections, and, beneficial as it might be, as now written it will be of little or no benefit to the farmers in these States.

Mr. WALSH of Montana. Mr. President, if the Senator will permit an interruption——

Mr. SIMMONS. Certainly.

Mr. WALSH of Montana. I fully agree with him. I can not perceive that the bill would be of any particular benefit to the farmers in his section of the country, peculiar as is the system of agriculture there. We are in very much the same situation in our section. The bill would undoubtedly be of assistance to those of our people who are engaged in stock raising upon a relatively large scale. It would be of no assistance whatever, as I have indicated heretofore, to the very considerable portion of our population who are in exactly the same situation as are the farmers in the State of the Senator from North Carolina.

Mr. SIMMONS. And it would never be organized in those sections.

Mr. WALSH of Montana. That is quite right. I agree fully to that. But what troubles me is that it seems to me it would be scarcely practicable to so mold these corporations, the organization of which is provided for by the bill, as to afford the assistance needed in the financing of the crop-producing operation. The bill contemplates the organization of corporations which will take mortgages upon actual, tangible, marketable property, namely, live stock. That is a transaction which is quite different from the financing of the production of a crop, which can afford no real, substantial security and which must rest very largely upon the character and ability of the farmer himself. If he has live stock or if he has machinery, collateral of some sort that will afford a basis for a mortgage, or something of that kind, he will probably be able to raise the money; but in most instances the loans which are made to him are made simply upon the expectation that by his industry and application and his knowledge of the business he will be able to raise the crop and repay the money when it is raised. So it occurs to me that it would be difficult to mold these particular corporations so as to make them the instrumentalities for providing loans to farmers for the purpose of producing their crops.

Mr. SIMMONS. As I understand the Senator, the point that he makes is that the farmer has no security until his crop is made and put in the warehouse or in a condition that it may be covered by a mortgage which he can give and which ought to be accepted by these corporations. I think that is an erroneous assumption upon the part of the Senator.

Years ago, before the Federal reserve banks were created, before the war, I will say, the farmers of my section of the country were not having any particular trouble in financing themselves through the national banking system. They were not confined in the matter of loans to three-months paper, six-months paper, or nine-months paper. The banks could lend upon any maturity of paper that they saw fit to lend upon. They could lend upon any kind of good security. They could lend upon any kind of good security, and the farmers had no difficulty in going to those banks, and, by executing a mortgage upon their personal property, their mules, horses, farming implements, tools, vehicles, or growing crops, getting the money with which to plant and cultivate and harvest their crops. I happened during that period to be the attorney of a national bank in my city, and I know the portfolios and vaults of that bank were full of mortgages in the nature of crop liens and personal-property securities.

The difficulty arose when the Federal reserve system was inaugurated and when it became necessary in order to secure money through the Federal reserve bank to present that bank with paper of short maturity. Then the country bank that was created for the purpose of serving the farmer soon found that it could not do business on the farmers' paper with their correspondent bank in the nearest large city, because if it lent to the farmers on nine-months paper and carried the paper to the Federal reserve bank for the purpose of getting it rediscounted, it was held to be ineligible. So that old system was all broken up, and the farmer was no longer able to raise money through the banking instrumentalities in his section of the country for the purpose of financing his crops.

Mr. President, why should the argument be made here that such paper would not afford sufficient security? The banks of the South and of the agricultural sections did not, under the conditions I have recited, consider it insufficient security. The insufficiency of the security is not the reason that crop liens and personal-property mortgages are not eligible for loans now. The reason is because they are not "liquid" in the sense that they are 9 months' paper or 12 months' paper and for that fact ineligible for rediscount in the Federal reserve bank, which is now the great source of credit in the United States; indeed, it has become practically the only source of credit in the country.

Mr. McLEAN. Mr. President——

Mr. SIMMONS. Let me finish this sentence. The Senator will please pardon me until I shall have concluded the statement of this idea.

The banks of the country did not think such paper insufficient security; I do not think it now; and it is not true. Senators may say the crop has not yet been produced; that it is only in the process of production; that there is nothing in existence upon which to base the loan, and therefore the farmer is not entitled to any credit upon that.

But let us by way of comparison and analogy consider our commercial banking system. A great manufacturing plant is incorporated; it is mortgaged and bonded for every dollar, probably, that the plant is worth or that its tangible assets are worth; but it is a going concern; it is well managed; it has a big trade; there is a ready demand for its products, though they are not in existence. Such manufacturing institutions are among the greatest borrowers of money in the United States. Banks do not lend to them upon the face of their existent property only, of their plant, of their tangible assets, for those are practically all mortgaged and bonded for all they are worth. These banks lend and accommodate those great industries of the United States in part upon their credit; upon the fact that they are going concerns; upon the fact that it is estimated that when they shall have fabricated the material which they are engaged in producing and shall have put it upon the market there will be profits and big profits.

When, however, we come to the farmer the situation is different it seems, although he is equipped with his live stock; he is equipped with his lands; he is equipped with his agricultural implements; he buys his seed, and he plants his crop. Has agriculture failed in America? Do not the statistics show that the products of agriculture are in demand and readily marketable? Do not the facts show that agricultural products are still very valuable in the markets of the world to-day?

Why should the farmer not be entitled to credit upon his character as a man; upon his reputation for thrift; upon his reputation for ability in his business? Why should he not be entitled to the same treatment for those reasons as is the manufacturer? Why should it be assumed as to the thing which he is engaged in producing, to which he is lending his energies and incurring the production expenses for nine long months incident to planting, cultivating, and harvesting the crop, that it does not before production is complete furnish any safe security for credit? Why should the manufacturer be given, as he is given every day in the year, enormous credits based upon his prospective earnings in the fabrication and marketing of materials that may be at the time of the loan in the bowels of the earth and have no existence, or at most, in process, and the farmer be given no credit for the prospective earnings and the prospective output of his labors in the cultivation of the soil?

Mr. President, the farmer has at least just as good a basis for credit on the prospective earnings of his planted crops as has the manufacturer a basis of credit upon the prospects of earnings in the manipulation of the raw material which in some instances he has not yet purchased and which probably is where nature has placed it. There is no reason for this discrimination except the disposition to discredit agriculture and to place it and keep it under the ban of credit suspicion.

I say there is no foundation for such a discrimination, and it is a rank outrage and an injustice to the greatest and most vital industry in the world to say here upon the floor of the Senate of the United States that not a dollar may be safely lent by a bank which the Government is about to set up upon the faith of a nine months' expenditure and nine months' labor of a farmer who is engaged in the cultivation of the soil, but that it is perfectly safe and good banking for some other Federal bank to lend millions piled upon millions of dollars upon the faith of the earning capacity and the integrity of a manufacturing establishment.

Mr. McKELLAR. Mr. President, will the Senator from North Carolina yield to me for a moment?

Mr. SIMMONS. I yield to the Senator.

Mr. McKELLAR. I have been very much interested in what the Senator from North Carolina has been saying. Unquestionably the vice which he has pointed out in the bill, namely, that it will not help many of the producers of the country, absolutely exists. I think the bill virtually applies merely to the live-stock business, as the Senator has stated.

I now wish to call the Senator's attention to a situation which exists in his State and in mine in reference to this matter.

As the Senator knows, in our section of the country commission merchants, commonly called cotton factors, lend money all through the spring and early summer to the farmers for the purpose of enabling them to produce their crops. That is the universal system in my State, and I am rather inclined to believe that it is the universal custom in the State of the Senator from North Carolina. Under the original Federal reserve act it was thought that cotton factors' paper would be eligible for rediscount as the paper of any other merchant is so eligible,

and that act was so construed for the first five years of its existence, but later on, about two years ago, the Federal Reserve Board held that factors' paper was not eligible for rediscount; the right to discount was taken away from the factors, and in that way the farmers were deprived in a measure—and in a considerable measure—of the ability to obtain money with which to produce their crops. In that situation I offered an amendment here some time ago to another measure, and I intend to offer a similar amendment to the pending bill, which I will read to the Senator:

And the notes, drafts, and bills of exchange of factors making advances exclusively to the producers of staple agricultural products in their raw state shall be eligible for such discount.

That amendment was prepared by the Federal Reserve Board; it was indorsed by them, and it was indorsed by the Secretary of the Treasury; but I have never been able to prevail upon the Banking and Currency Committee to report it. So I shall offer it as an amendment to the pending bill. The question I wish to propound to the Senator is, Would not such an amendment be somewhat in line with the contention the Senator is making now, that we should make better provision for the producers of crops?

Mr. SIMMONS. Well, it would help. It may be, however, that there is a provision, not in the so-called Capper bill proper but in the amendments proposed to the Federal reserve system in the bill as it has been reported, that probably may reach that stiuation.

Mr. McKELLAR. No.

Mr. SIMMONS. I will not contend that it will, but I wish to call the attention of the Senator to it so that he may read it.

Mr. McKELLAR. I will be very glad to have the Senator do so.

Mr. SIMMONS. It is on page 37, beginning in line 3, and is among the proposed amendments to the Federal reserve act.

Mr. McKELLAR. I will examine it again, but my hasty examination led me to believe that it referred to something different.

Mr. SIMMONS. I am very much in favor of the suggestion of the Senator from Tennessee, but I think the provision to which I have referred may cover it. If it does not I shall be glad to cooperate with the able Senator from Tennessee in favor of a clear provision in that behalf.

Mr. GLASS. Mr. President, as a matter of fact, the Senator from Tennessee had an opportunity to propose his amendment last year and did propose it, but the Senate voted it down. The Federal Reserve Board approved the amendment.

Mr. McKELLAR. Yes.

Mr. GLASS. And the Senator offered it in the open Senate, but it was voted down. I voted for it.

Mr. McKELLAR. I recall that fact. I am going to offer it to the Senate again, because it will have the effect of providing in part at least for the very situation which the Senator from North Carolina has so well brought out during the course of the debate.

Mr. SIMMONS. I invite the Senator's attention to the section to which I have referred.

Mr. McKELLAR. What section is that?

Mr. SIMMONS. It is on page 37, beginning in line 3, and is, I believe, a part of section 13a.

Mr. McKELLAR. That provision would not apply.

Mr. SIMMONS. Probably it would not; I am not sure about that, but I have not time to read it now.

Mr. McKELLAR. I will not ask the Senator to read it. I am much obliged to him for allowing the interruption. I may say, however, that the language to which he refers on page 37 covers a different matter and relates purely to cooperative marketing associations.

Mr. SIMMONS. Probably that is true. I am in hearty sympathy, however, with the purpose of the Senator from Tennessee; and if the amendment to which I have referred does not cover the situation which the Senator from Tennessee desires covered, I hope his amendment may be adopted.

At the proper time—not now—I am going to propose an amendment to section 4 of the bill to which I have so often referred and from which I read the section relating to and limiting the powers of the corporations proposed to be created by this bill, and which authorizes loans to the farmers only when secured by warehouse receipts or mortgages upon nonperishable readily marketable agricultural products. The amendment I shall offer will be designed to enlarge those powers and afford the producer, as well as the distributor, of farm products some relief and some credit.

I was present during the hearings before the Banking and Currency Committee on this bill. A large part of the testimony, at any rate, before that committee was certain expert testimony furnished by the departments, chiefly by the Treasury Department. The witnesses dealt almost entirely in their statements with the necessity of financing the distributors of farm products. I tried, but did not succeed in my effort, to get them to give a bit of consideration to financing the production of farm products, which is a process that precedes distribution; indeed, without production there of course can be no distribution.

I desire to broaden the provisions of the bill so as to give to the corporations to be created the power to lend some money, at least, to the farmer that will help him in the production of his crop; and I propose to do that—I may change this language, but it gives my thought—by adding, after the words "securing title to nonperishable and readily marketable agricultural products," substantially the words "or by chattel mortgage on readily salable personal property, or by hypothecation of collaterals of adequate value, or approved personal indorsement of at least two persons."

Up to the present time no means for supplying the farmer's need has been provided, and even if the Lenroot bill should be passed it would furnish inadequate means. I want to see the farmer provided with ample funds in the production of his crop, because we all know that the economies which measure the difference between success and failure in any business depend very largely upon proper equipment and proper financing to enable the producer of the product, whatever its character may be, to employ not only the best and most economical methods and equipments of production, but the ability to purchase and supply those things that are requisite to that end at the lowest price. The farmer is not able in many instances to conduct his business successfully because he has not the means, the money, with which to conduct his business economically. If he buys—and he must buy extensively—he has to buy on time and pay excessive time prices. He has not the means to purchase for cash the modern improvements and implements that are essential to the most successful and economical cultivation of the soil; and therefore he is not able to conduct his business with economy and efficiency essential to enable him to realize from it the returns and profits to which he is entitled.

I wish to see him put in a position where he will have no difficulty about this—to him—most important matter. The only objection that has been urged heretofore to the broadening of the power of these corporations so as to enable them to accommodate the farmer in this respect is that he has no adequate security to offer; that he comes into possession of security only after his crop is produced. I am going to provide here that he shall be lent, not upon crop prospects—although I think that is very good security, just as good as a loan made upon the earning capacity of a manufacturing plant—but that if, in order to get this money to produce his crop, he can offer security of a character that is now recognized by the commercial banks of the country as perfectly safe, the reason that prevents these banks from lending to him for this purpose will be removed.

Certainly, Mr. President, under the terms of the amendment which I propose, the money which is lent to the farmer to enable him to make his crop may be just as well secured as the money which is lent to the farmer to enable him to distribute his crop after it is made. I can see no reason why the Senate should not readily adopt that amendment; and if that amendment should be adopted, then I think the probability of the establishment of these banks in the agricultural sections would be greatly increased, and I am sure that the operation of these banks where they are established in the agricultural country would be, in its benefits to the farmers, enormously enhanced.

As I said at the outset, I have not been discussing this bill from the standpoint of opposition to its passage by the Senate. I suppose it will be enacted. I suppose I shall vote for it, as other Senators who see its defects will vote for it, because there is some good in it. What I want to emphasize is that I object to having to vote for provisions in a bill that my judgment and my common sense tell me are a fake and a fraud and a pretense, a vain and foolish thing, that can not accomplish the purpose which it is professed it is desired to accomplish.

I hate fraud and I hate pretense. I hate the very idea of voting for legislation knowing that it will be deceptive, that it will mislead, that it will give rise to a hope that will never be realized, subjecting us to the imputation of legislating here only to placate a dissatisfaction in the country, and legislating in a way that is mere gesture and pretense so far as meeting the cause of discontent is concerned.

I do not think I would vote for this bill at all, Mr. President, if it were not for the amendments to the Federal reserve act and to the farm loan act, which form a sort of appendix to the bill, and which really bear no relation to and have no connec-

tion with the institution which the bill itself undertakes to set up. I realize, however, that the farmers are not going to get now, from this administration, what they want, what they are demanding, and what they are entitled to. I think we have all realized that for some time past. Great and powerful interests in America are determined that nothing is to be done for the farmer's relief which might perchance prejudiciously affect or interfere with their interests or purposes or in any way militate against the opportunities they now enjoy in the exploitation of the farmer. That is the reason farmer's relief legislation is granted, if at all, so grudgingly and with such measured circumspection.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. SIMMONS. I yield.

Mr. STANFIELD. Do I understand that it is the opinion of the Senator that the legislation that is pending here is for the purpose of deceiving the farmer, or that it is being influenced by interests adverse to him?

Mr. SIMMONS. What I said, and what I meant to say, is that if we should enact the particular provision to which I was referring—not the whole act but the particular provision to which I was referring, namely, the one that authorizes loans upon agriculture in the Capper bill—it would be a pretense, because it would not accomplish its purpose; that the farmer in some instances would be led to expect that he would get what he would not get, and therefore it is a fraud.

Mr. STANFIELD. I should like further to ask the Senator if he does not think that either legislators or interests that are attempting to deceive the farmer in that way are standing in their own light?

Mr. SIMMONS. I do, and they will eventually discover the fact. All I have said about that, and all I care to say about that, is that I know, and everybody in this Chamber knows, that such financial legislation in the interest of the farmers as we have sought to enact here, beginning with the creation of the War Finance Corporation, has been met with opposition from the great dominating financial interests of the country, and that in that opposition they have more often than otherwise had the sympathetic cooperation of the Treasury Department.

Mr. McLEAN. Mr. President——

Mr. SIMMONS. We all know that before the late election we were unable to pass adequate farmers' legislation because of the unsympathetic attitude of the administration, reflected in the attitude of the majority party in this body.

Mr. McLEAN. Mr. President——

Mr. SIMMONS. Just a minute, if the Senator please. But we had an election——

Mr. McLEAN. I wish the Senator would yield right there.

Mr. SIMMONS. Not yet. And in that election the electorate of this country made it clear that the American farmers are aroused upon the question of the neglect of the Congress to take appropriate action to meet their needs and demands in this behalf, and they registered their protest in the results of the November election. It was the result of that election which brought the Republican administration to a realization of the wisdom of giving heed to these demands and to hurriedly summon the leaders of that party to a conference to consider ways and means to placate and satisfy these outraged sons of toil, with the result that the Republican press for weeks was filled with assurances that the one consuming desire of the administration was to take care of the poor, oppressed farmer.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Connecticut?

Mr. SIMMONS. Yes; I yield.

Mr. McLEAN. I want to call the Senator's attention to the fact that if there was any opposition to the revival of the War Finance Corporation it was when a Democrat was Secretary of the Treasury, and that the bill itself passed the Senate, if my recollection is correct, without a roll call. There was no opposition whatever to it in the Senate.

Mr. SIMMONS. Mr. President, the opposition of the moneyed interests of this country was against this legislation under Wilson as it has been under Harding, and that in that particular they were simply reflecting the position of the financial interests of the country.

Mr. McLEAN. It seems the moneyed interests of the country had no influence whatever upon the Senate. The record shows that. It passed without a roll call.

Mr. SIMMONS. Mr. President, we did pass it, but the Senator knows that the first War Finance Corporation act was treated as a war measure, and open opposition silenced. It was after the war that the opposition of the interests was manifested when it was sought to continue and enlarge the powers conferred during the war to meet the emergencies of actual war. These enactments restoring or continuing and enlarging the war powers of this corporation met with opposition from the financial interests, just as the present movement for agricultural relief is meeting with vigorous opposition from the financial interests.

Mr. McLEAN. I know the Senator does not want to speak without authority, or to make a misstatement with regard to this. The American Bankers' Association passed a resolution in favor of this bill. I do not know of a bank in the country that is opposed to it. They are all in favor of it.

Mr. SIMMONS. Yes, certainly; but this bill does not give the farmer real or adequate relief. I have already shown, so far as relieving the real need of the farmer is concerned, it is a fake and pretense, and I insist—I am simply stating the fact—that the the big financial interests are still fighting any effort which would give adequate relief to agriculture and which would in any great degree prevent those interests from continuing their exploitation of the farmers. I am not speaking of the average banker but the big dominating groups of the great cities.

Mr. McLEAN. The Senator is speaking of the moneyed interests in this country opposing this legislation, and I want to call his attention to the fact that the American Bankers' Association passed resolutions in favor of it.

Mr. SIMMONS. That may be, and that fact, may I again remind the Senator, may find its explanation in the pending bill itself—that it furnishes the farmer no real or adequate relief.

Anyway, I will say to the Senator, I am not talking about the country banks or the banks of the relatively small cities; I am talking about the great banking groups of the big financial centers, which hold the purse strings of the Nation. There can be no question that we have had trouble about this legislation by reason of their persistent opposition. Of course, I am not charging any Senator or any committee with consciously yielding to it. But I am stating a fact well known to anyone who is familiar with the history of legislation of this character during the past few years.

I see that we are not going to get adequate legislation now. I am sure about that. We are going to pass the Capper bill and the Lenroot bill. They do not deal adequately with the situation. The farmers do not believe they deal adequately with the situation. The Norbeck bill probably does; at least, to a much greater extent. The bill I introduced possibly does; I do not say it does. But the latter two bills have had no consideration up to this time. I shall not press my bill, because I know the disadvantages a bill originating upon this side of the Chamber has in this body. But the Norbeck bill is largely a counterpart of mine. It deals with the same proposition, in some respects probably more effectively than mine does. I suppose it will be pressed, but it will not pass, because it goes too far in accomplishing the result of liberating agriculture from the other interests; because it gives to agriculture a full measure of relief, to attain financial freedom; because it puts the farmer, in the matter of financing his business and his operations in production, in marketing, in distribution, in the same independent position as that occupied by the financial interests and the commercial interests of the United States.

Mr. President, the reason we have in this country to-day an unbalanced condition of prosperity, the commercial interests and the manufacturing interests and the banking interests rolling in prosperity, while the agricultural interests, the farmers, are wallowing in the slough of despond and depression, is largely due to the fact that the one class is amply financed and able to protect itself, while the other class is unfinanced and unable to protect itself. For this reason the farmer is not an independent man. He is a commercial slave. He is the victim of everybody who wants to exploit him. He must sacrifice the products of his labor and the sweat of his brow at whatever price this more fortunate class are willing to pay. That is one of the chief reasons for this unbalanced condition of prosperity we see in this country to-day—high prices on the one side, low prices on the other side; overflowing prosperity on one side, and poverty, want, and distress on the other side.

Those of us who are here asking for financial legislation in the interest of the farmer want legislation that will make him as independent a man financially as the people with whom he has to deal in his business relations, and I say to the Senator from Connecticut that until the American farmers are put in that position they will continue to be drawers of water and hewers of wood for the balance of the population.

We will not get the needed agricultural relief legislation through at this time. We must again appeal to the electorate.

It seems that the lesson of last November was not quite sufficient. Mr. President, I warn Senators that the farming interests of the United States have been and are thoroughly aroused to the conditions of discrimination which exist, of the disadvantages under which they labor, of the persistent refusal to give them the relief they need, and in the next election, if I am not the worst mistaken man upon the face of the earth, the farmers of this country, before they cast their votes for any man to represent them in the Congress of the United States, are going to know his attitude toward adequate and full and equal financial opportunities for agriculture through the instrumentalities of the Government.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Bayard	Gerry	McKellar	Spencer
Borah	Glass	McKinley	Stanfield
Brookhart	Hale	McLean	Stanley
Bursum	Harris	McNary	Sterling
Calder	Harrison	Moses	Sutherland
Cameron	Heflin	Nelson	Swanson
Capper	Johnson	New	Townsend
Couzens	Jones, Wash.	Norbeck	Underwood
Curtis	Kellogg	Norris	Walsh, Mont.
Elkins	Kendrick	Oddie	Warren
Ernst	Keyes	Robinson	Watson
Fernald	Ladd	Sheppard	Williams
Fletcher	Lenroot	Shields	Willis
Frelinghuysen	Lodge	Shortridge	
George	McCormick	Simmons	

Mr. WILLIS. I again call attention to the unavoidable absence of my colleague [Mr. POMERENE] on account of illness.

Mr. McNARY. I wish to announce the absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE] on official business. He is engaged at a hearing before the Committee on Manufactures.

The PRESIDING OFFICER. Fifty-eight Senators having answered to their names, a quorum is present. The Secretary will continue the reading of the bill.

The reading clerk resumed the reading of the bill at page 19, line 3, and read as follows:

The expense of all of the examinations herein provided for shall be assessed by the Comptroller of the Currency upon the companies examined in proportion to assets or resources held by the companies upon the dates of examination of the various companies: *Provided*, That a minimum charge of $50 shall be made for each such examination: *And provided further*, That each corporation having branches shall pay in addition to the amounts hereinabove provided the actual cost incurred in examining each branch, which examinations shall be made only when deemed necessary by the Comptroller of the Currency.

The provisions of the Federal reserve act which prohibit any member bank from making loans or granting a gratuity to any national-bank examiner shall be applicable to corporations organized under the provisions of this act.

Corporations organized under the provisions of this act shall be required to make reports to the comptroller at the time and in the manner required by sections 5211 and 5212 of the United States Revised Statutes, and shall be subject to the provisions, so far as the same may be held to be applicable, of section 5213 of the United States Revised Statutes.

LICENSED INSPECTORS OF LIVE STOCK.

SEC. 11. That the Secretary of Agriculture may issue a license to any person, upon presentation to him of satisfactory evidence that such person is competent, to inspect live stock as a basis for loans. The Secretary of Agriculture may suspend or revoke any license issued by him under this act whenever, after opportunity for hearing has been given to the licensee, the Secretary shall determine that such licensee is incompetent, or has knowingly or carelessly made false or erroneous inspection reports with respect to any live stock, or has accepted any money or other consideration, directly or indirectly, for any neglect or improper performance of duty, or has in any other manner shown himself to be unfit to act as a live-stock inspector. Pending investigation the Secretary of Agriculture, whenever he deems it necessary, may suspend a license temporarily without a hearing. It shall be unlawful for any person other than a holder of a license duly issued under this section, or any person whose license has been suspended or revoked under the terms of this section, to represent that he is a Federally licensed live-stock inspector, and any violation of this provision shall be punishable by a fine of not more than $1,000, or by imprisonment for not more than one year, or both.

Any inspector licensed under the provisions of this section who makes any statement in any inspection report or to any person for the purpose of obtaining for himself or any other person any advance on the security of the live stock inspected, knowing the same to be false, or who willfully overvalues any security by which an advance is secured, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than five years, or both.

The Comptroller of the Currency shall allot to the Department of Agriculture from time to time such sums as may be estimated to be necessary for the administration of this section, and may ratably assess the same from time to time against the corporations organized under this act.

NATIONAL BANKS MAY BECOME STOCKHOLDERS.

SEC. 12. That any national banking association may file application with the Comptroller of the Currency for permission to invest an amount not exceeding in the aggregate 10 per cent of its paid-in capital stock and surplus in the stock of one or more of the corporations organized under the provisions of this act, and upon approval of such application may purchase such stock. The Comptroller of the Currency shall have discretion to approve or reject such application in whole or in part.

TAXATION.

SEC. 13. That taxation by a State of the shares in corporations organized or reorganized under the provisions of this act, or of dividends derived therefrom, or of the income of said corporations, shall be such only as is or may hereafter be authorized by law in the case of national banking associations.

FISCAL AGENTS AND DEPOSITORIES.

SEC. 14. That the moneys of corporations organized under the provisions of this act may be kept on deposit subject to check in any of the Federal reserve banks.

The Federal reserve banks are hereby authorized to act as depositories for and fiscal agents of any of the corporations organized under the provisions of this act in the general performance of the powers conferred by this title.

USE OF WORDS "FEDERAL AGRICULTURAL CREDIT" IN CORPORATE TITLE.

SEC. 15. That all corporations not organized under the provisions of this act are prohibited from using the words "Federal agricultural credit" as a part of their corporate name, and any violation of this prohibition committed after the passage of this act shall subject the party charged therewith with a penalty of $50 for each day during which it is committed or repeated.

CONVERSION OF STATE FINANCING CORPORATIONS INTO RURAL CREDIT CORPORATIONS.

SEC. 16. That any agricultural or live stock financing corporation incorporated by special law of any State or organized under the general laws of any State and having an unimpaired capital sufficient to entitle it to become a Federal agricultural credit corporation under the provisions of this act, may, by the vote of the shareholders owning not less than 51 per cent of the capital stock of such corporation, with the approval of the Comptroller of the Currency, be converted into a Federal agricultural credit corporation under this act, with any name approved by the Comptroller of the Currency: *Provided, however*, That the said conversion shall not be in contravention of the State law. In such case the articles of association and organization certificate may be executed by a majority of the directors of the corporation, and the certificate shall declare that the owners of 51 per cent of the capital stock have authorized the directors to make such certificate and to change or convert the corporation into a Federal agricultural credit corporation under this act. A majority of the directors, after executing the articles of association and the organization certificate, shall have power to execute all other papers and to do whatever may be required to make its organization perfect and complete as a Federal agricultural credit corporation. The shares of any such corporation may continue to be for the same amount each as they were before the conversion, and the directors may continue to be directors of the corporation until others are elected or appointed. When the comptroller has given to such corporation a certificate that the provisions of this act have been complied with, such corporation, and all its stockholders, officers, and employees, shall have the same powers and privileges and shall be subject to the same duties, liabilities, and regulations, in all respects, as shall have been prescribed by this act for corporations originally organized as Federal agricultural credit corporations.

CONSOLIDATION OF CORPORATIONS ORGANIZED UNDER THIS ACT.

SEC. 17. That any two or more corporations organized under the provisions of this act, with the approval of the Comptroller of the Currency, may consolidate into one corporation under the charter of either or any of the existing corporations on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each corporation proposing to consolidate, such agreement to be ratified and confirmed by the affirmative vote of the shareholders of each of such corporations owning at least two-thirds of its capital stock outstanding, at a meeting to be held on the call of the directors after publishing notice of the time, place, and object of the meeting for four consecutive weeks in some newspaper published in the place where the said corporation is located, and if no newspaper is published in the place then in a paper published nearest thereto, and after sending such notice to each shareholder of record by registered mail at least 10 days prior to said meeting: *Provided, however*, That the capital stock of such consolidated corporation shall not be less than $250,000 paid in if the corporations consolidated are organized to exercise the powers covered by section 4, and provided that the capital stock of such consolidated corporation shall not be less than $1,000,000 paid in if the corporations consolidated are those organized under section 8: *And provided further*, That when such consolidation shall have been effected and approved by the comptroller any shareholder of either of the corporations so consolidated who has not voted for such consolidation may give notice to the directors of the corporation in which he is interested, within 20 days from the date of the certificate of approval of the comptroller, that he dissents from the plan of consolidation as adopted and approved, whereupon he shall be entitled to receive the value of the shares so held by him, to be ascertained by an appraisal made by a committee of three persons, one to be selected by the shareholder, one by the directors, and the third by the two so chosen; and in case the value so affixed shall not be satisfactory to the shareholder, he may, within five days after being notified of the appraisal, appeal to the Comptroller of the Currency, who shall cause a reappraisal to be made, which shall be final and binding; and if said reappraisal shall exceed the value affixed by said committee the corporation shall pay the expense of the reappraisal, otherwise the appellant shall pay said expense; and the value so ascertained and determined shall be deemed to be a debt due and be forthwith paid to said shareholder by said corporation, and the shares so paid shall be surrendered and after due notice sold at public auction within 30 days after the final appraisement provided for by this act.

Where corporations consolidate under the provisions of this act, all of the rights, franchises, and interest of said corporations shall be consolidated in and to every species of property, personal and mixed, and choses in action thereto belonging, and shall be deemed to be transferred to and vested in the corporation into which it is consolidated without any deed or other transfer, and the said consolidated corporation shall hold and enjoy the same and all rights of property, franchises, and interest, in the same manner and to the same extent as they were held and enjoyed by the corporations so consolidated therewith.

INSOLVENCY, RECEIVERSHIP, AND LIQUIDATION.

SEC. 18. That whenever any corporation organized under the provisions of this act shall be dissolved and its rights, privileges, and franchises declared forfeited as prescribed in the preceding section, or whenever any creditor of any such corporation shall have obtained a judgment against it in any court of record and made application accompanied by a certificate from the clerk of the court, stating that such judgment has been rendered and has remained unpaid for the space of 30 days or whenever the comptroller shall become satisfied of the insolvency of such corporation, he may, after due examination of its affairs in either case, appoint a receiver who shall proceed to wind up the affairs of such corporation. The receiver so appointed shall exercise the powers and be subject to the restrictions of receivers of national banks; and the comptroller shall have the same powers and duties in connection with the administration of such receivership as he has in reference to the receivership of national banks.

Shareholders' agents for shareholders of corporations organized under the provisions of this act may be appointed in the manner prescribed by section 522 of the national bank act, being the act of June 30, 1876, as amended, and shall have the same general powers and duties and be subject to the same restrictions as shoreholders' agents of a national bank.

Any corporation organized under the provisions of this act may go into liquidation and be closed by the vote of its shareholders owning two-thirds of its stock. Whenever a vote is taken to go into liquidation it shall be the duty of the board of directors to cause notice of this fact to be certified under the seal of the corporation by its president or cashier to the Comptroller of the Currency and publication thereof to be made for a period of two months in a newspaper published in the city or town in which the corporation is located, or if no newspaper is there published, in the newspaper published nearest thereto, that the corporation is closing up its affairs and notifying its creditors to present their claims against the corporation for payment. All such claims shall be presented to and approved by a liquidating agent to be appointed by the board of directors of such corporation, with the approval of the Comptroller of the Currency, and the affairs of such corporation shall be liquidated by such agent and under the supervision of the Comptroller of the Currency.

PENALTY FOR VIOLATION OF THE PROVISIONS OF THIS ACT.

SEC. 19. That if the directors of any corporation organized under the provisions of this act shall knowingly violate or knowingly permit any of the officers, agents, or servants of the corporation to violate any of the provisions of this act, all the rights, privileges, and franchises of the corporation shall be thereby forfeited. Such violation shall, however, be determined and adjudged by a district court of the United States in a suit brought for that purpose by the Comptroller of the Currency in his own name before the corporation shall be declared dissolved, and in cases of such violation every director who participated or assented to the same shall be held liable in his personal and individual capacity for all damages which the corporation, its shareholders, or any other person shall have sustained in consequence of such violation.

PENALTY FOR EMBEZZLEMENT, FORGERY, FALSE STATEMENTS, ETC.

SEC. 20. That any officer, director, agent, or employee of any corporation organized under the provisions of this act who embezzles, abstracts, or willfully misapplies any of the moneys, funds, or credits of such corporation, or who, without authority from the directors, draws any order or bill of exchange, makes any acceptance, issues, puts forth, or assigns any note, debenture, bond, draft, bill of exchange, mortgage, judgment, or decree, or who makes any false entry in any book, report, or statement of such corporation with intent in any case to injure or defraud such corporation or any other company or person, or to deceive any officer of such corporation or the Comptroller of the Currency, or any agent or examiner appointed to examine the affairs of such corporation; and every receiver of such corporation who, with like intent to defraud or injure, embezzles, abstracts, purloins, or willfully misapplies any of the moneys, funds, or assets of the corporation, and every person who with like intent aids or abets any officer, director, agent, employee, or receiver in any violation of this section shall be deemed guilty of a misdemeanor, and upon conviction thereof in any district court of the United States shall be fined not more than $5,000 or shall be imprisoned for not more than five years, or both, at the discretion of the court.

Whoever (1) makes any statement, knowing it to be false, for the purpose of obtaining for himself or for any other person, firm, corporation, or association any advance, or extension or renewal of an advance, or any release or substitution of security, from a corporation organized under the provisions of this act, or for the purpose of influencing in any other way the action of such corporation, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

Whoever willfully overvalues any security by which any such advance is secured shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

Whoever (1) falsely makes, forges, or counterfeits any debenture, bond, coupon, or other obligation of any corporation organized under the provisions of this act, in imitation of or purporting to be in imitation of any such obligation issued by any such corporation; or (2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited bond, debenture, coupon, or other obligation purporting to be issued by any such corporation, knowing the same to be falsely made, forged, or counterfeited; or (3) falsely alters any such bond, debenture, coupon, or other obligation; or (4) passes, utters, or publishes as true any falsely altered or spurious bond, debenture, coupon, or other obligation, issued or purported to have been issued by any such corporation, knowing the same to be falsely altered or spurious, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

Whoever being an officer, director, employee, agent, or attorney of a corporation organized under the provisions of this act stipulates for or receives or consents or agrees to receive any fee, commission, gift, or thing of value from any person, firm, or corporation for procuring or endeavoring to procure for such person, firm, or corporation, or for any other person, firm, or corporation any loan from any such corporation or extension or renewal of loan or substitution of security, or the purchase or discount or acceptance of any paper, note, draft, check, or bill of exchange by any such corporation, shall be deemed guilty of a misdemeanor and shall be imprisoned for not more than one year and fined not more than $5,000, or both.

SEC. 21. That the right to amend, alter, or repeal this act is hereby expressly reserved.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The Secretary will state the amendment reported by the Committee on Banking and Currency at the top of page 32.

The READING CLERK. At the top of page 32 it is proposed to insert:

TITLE II.

AMENDMENTS TO FEDERAL RESERVE ACT.

SEC. 201. That paragraph 1 of section 7 of the Federal reserve act be amended by striking out all of said paragraph and substituting the following:

"After all necessary expenses of a Federal reserve bank have been paid or provided for the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative and may be paid out of any surplus in excess of 100 per cent of subscribed capital. Out of any net earnings remaining after the aforesaid dividend and surplus claims have been fully met there shall be paid each year to the United States as a franchise tax such an amount as will make the aggregate amount so paid for the year 1922 and subsequent years equal to the aggregate amount of the cumulative dividends paid to the stockholding member banks for such years. After the full amount of the franchise tax shall have been paid to the United States the balance of the net earnings of any year shall be paid into a surplus fund until it shall amount to 100 per cent of subscribed capital, and thereafter when net earnings exceed 12 per cent an extra dividend of not to exceed 3 per cent may be distributed to the stockholders and the remaining net earnings, if any, shall be paid to the United States as an additional franchise tax."

Mr. McLEAN. When that section was framed by the committee we supposed that all of the Federal reserve banks had accumulated a 100 per cent surplus, but we find that the bank at Dallas, Tex., has not accumulated such a surplus. It will, therefore, be necessary to make a slight modification of the amendment, which I shall now propose. Beginning on line 9, page 32, I move to strike out the words "and may be paid out of any surplus in excess of 100 per cent of subscribed capital."

Mr. FLETCHER. That, as I understand, would strike out the remainder of the sentence after the word "cumulative"?

Mr. McLEAN. I have another amendment to offer if the one I have offered shall be adopted, I will say to the Senator from Florida.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. McLEAN. On page 32, line 12, after the word "dividend," I move to strike out the words "and surplus," so that it will read:

Out of any net earnings remaining after the aforesaid dividend claims have been fully met—

And so forth.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. McLEAN. At the bottom of page 32, I move to strike out lines 24 and 25 and to insert in lieu thereof the amendment to the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Connecticut to the committee amendment will be stated.

The READING CLERK. At the bottom of page 32 it is proposed to strike out lines 24 and 25, as follows: "And the remaining net earnings, if any, shall be paid to the United States as an additional franchise tax"; and in lieu thereof to insert: "And 10 per cent of the remaining net earnings shall be paid into the surplus, and 90 per cent shall be paid to the United States as an additional franchise tax."

The amendment to the amendment was agreed to.

Mr. FLETCHER. I desire to suggest to the chairman of the committee that on page 32, line 22, after the word "earnings," there should be inserted the words "in any year"; so that it will read:

And thereafter when net earnings in any year exceed 12 per cent—

And so forth.

Mr. McLEAN. I shall be glad to accept that amendment.

The PRESIDING OFFICER. The amendment suggested by the Senator from Florida to the committee amendment will be stated.

The READING CLERK. On page 32, line 22, after the word "earnings," it is proposed to insert "in any year"; so that it will read:

And thereafter when net earnings in any year exceed 12 per cent.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The next amendment of the Committee on Banking and Currency was, at the top of page 33, to strike out section 201, as follows:

SEC. 201. That section 13 of the Federal reserve act, as amended, be further amended by striking out the proviso at the end of the second paragraph of said section, so that said paragraph shall read as follows:

"Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to

its own indorsement exclusively, any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the Federal Reserve Board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act. Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products or other goods, wares, or merchandise from being eligible for such discount, but such definition shall not include notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States. Notes, drafts, and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 90 days, exclusive of days of grace."

And in lieu thereof to insert:

SEC. 202. That section 13 of the Federal reserve act, as amended, be further amended by striking out the proviso at the end of the second paragraph of said section and inserting in lieu thereof the following:

"Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, and subject to regulations and limitations to be prescribed by the Federal Reserve Board, any Federal reserve bank may discount or purchase bills of exchange payable at sight or on demand which are drawn to finance the domestic shipment of nonperishable, readily marketable staple agricultural products and are secured by bills of lading or other shipping documents conveying or securing title to such staples: *Provided, however*, That all such bills of exchange shall be forwarded promptly for collection, and demand for payment shall be made with reasonable promptness after the arrival of such staples at their destination: *Provided further*, That no such bill shall in any event be held by or for the account of a Federal reserve bank for a period in excess of 90 days. In discounting such bills Federal reserve banks may compute the interest to be deducted on the basis of the estimated life of each bill and adjust the discount after payment of such bills to conform to the actual life thereof."

Mr. FLETCHER. I ask the chairman of the committee has he any amendments to offer to that amendment?

Mr. McLEAN. No.

Mr. FLETCHER. Then I suggest, on page 34, line 9, after the words "Federal Reserve Board," to insert the words "not inconsistent with law," so that the sentence would read:

and subject to regulations and limitations to be prescribed by the Federal Reserve Board not inconsistent with law.

I assume such regulations and limitations will not be inconsistent with law, but I rather think we ought not to permit them to legislate.

Mr. McLEAN. I do not think the amendment is necessary, but I have no objection to it.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Florida to the committee amendment.

The amendment to the amendment was agreed to.

Mr. FLETCHER. On page 34, line 14, after the word "documents," I move to insert the words "attached thereto," so that the language would read:

and are secured by bills of lading or other shipping documents attached thereto.

It seems to me such documents should be attached to the paper which is being discounted.

Mr. McLEAN. It would be natural to assume that such documents would accompany the paper.

Mr. FLETCHER. I know they accompany the paper, but it seems to me that the bill of lading or other shipping documents should be attached to such paper.

Mr. McLEAN. I see no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. FLETCHER. Then, on page 34, in line 23, I suggest to the chairman of the committee that the word "discount" might be improved on, and I propose that we strike out the word "discount" and insert the words "amount thus deducted," so that it would read:

In discounting such bills Federal reserve banks may compute the interest to be deducted on the basis of the estimated life of each bill and adjust the amount thus deducted after the payment of such bills to conform to the actual life thereof.

Mr. McLEAN. I see no objection to that.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to. The question now is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The next amendment of the Committee on Banking and Currency was, on page 34, line 25, to change the number of the section from 202 to 203.

The amendment was agreed to.

The reading of the bill was resumed and continued to the end of line 13, page 35, as follows:

SEC. 203. That the Federal reserve act, as amended, be further amended by striking out the fourth paragraph of section 13 thereof and inserting in lieu of said fourth paragraph the following:

"Any Federal reserve bank may discount acceptances of the kinds hereinafter described, which have a maturity at the time of discount of not more than 90 days sight, exclusive of days of grace, and which are indorsed by at least one member bank: *Provided*, That such acceptances if drawn for an agricultural purpose and secured at the time of acceptance by warehouse receipts or other such document conveying or securing title covering readily marketable staples may be discounted with a maturity at the time of discount of not more than six months sight, exclusive of days of grace."

The next amendment of the Committee on Banking and Currency was, on page 35, line 14, to change the number of the section from 203 to 204.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, at this point I have an amendment which I wish to offer. Is the bill being read merely for committee amendments?

The PRESIDING OFFICER. It has been agreed that committee amendments shall first be considered.

Mr. McKELLAR. Very well. There will be no objection, then, to my offering my amendment later on?

Mr. McLEAN. No.

The reading of the bill was resumed. The next amendment of the Committee on Banking and Currency was, on page 36, line 1, before the word "months," to strike out "six" and insert "nine"; and in the same line, after the word "months," to strike out: "*Provided, however*, That (a) such notes, drafts, or bills of exchange, when secured by warehouse receipts or other such negotiable documents, conveying or securing title to readily marketable, nonperishable agricultural products, may be discounted with a maturity, at the time of discount, not exceeding nine months, under regulations to be prescribed by the Federal Reserve Board. Such regulations shall be designed to insure that such notes, drafts, or bills of exchange were drawn or issued as a part of a program of orderly marketing of such agricultural products, and not for speculative holding of such products. (b) Such notes, drafts, or bills of exchange, when secured by chattel mortgage upon live stock, may be discounted with a maturity not exceeding nine months, provided such live stock is at the time of discount being fattened for market, under such conditions that it will be ready for market on or before the date of maturity of such note, draft, or bill. Notes, drafts, or bills of exchange secured by chattel mortgage upon breeding herds shall not be eligible for rediscount under this section." And insert: "*Provided, however*, That notes, drafts, and bills of exchange with maturities in excess of six months shall not be eligible as a basis for the issuance of Federal reserve notes unless secured by warehouse receipts or other such negotiable documents conveying or securing title to readily marketable staple agricultural products or by chattel mortgage upon live stock which is being fattened for market." So as to make the section read:

SEC. 204. That the Federal reserve act, as amended, be further amended by adding at the end of section 13 a new section, to be numbered section 13a, and to read as follows:

"DISCOUNT OF AGRICULTURAL AND LIVE-STOCK PAPER.

"SEC. 13a. Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, any Federal reserve bank may discount notes, drafts, and bills of exchange issued or drawn for an agricultural purpose, or based upon live stock, and having a maturity, at the time of discount, exclusive of days of grace, not exceeding nine months: *Provided, however*, That notes, drafts, and bills of exchange with maturities in excess of six months shall not be eligible as a basis for the issuance of Federal reserve notes unless secured by warehouse receipts or other such negotiable documents conveying or securing title to readily marketable staple agricultural products or by chattel mortgage upon live stock which is being fattened for market."

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. FLETCHER. Mr. President, I should like to ask the chairman of the committee if he does not think the language following the word "notes," on line 22, ought to be stricken out of the amendment? If we retain in the bill the words "unless secured by warehouse receipts or other such negotiable documents conveying or securing title to readily marketable staple agricultural products or by chattel mortgage upon live stock which is being fattened for market" would they refer back to the nine months' provision in the act, or would they leave the door wide open for paper thus secured to be made the basis of circulating notes, no matter when the maturity was?

I understand the effect of the provision is that "notes, drafts, and bills of exchange issued or drawn for an agricultural purpose or based upon live stock having a maturity at the time of discount, exclusive of days of grace not exceeding nine months," shall be eligible for rediscount, but in order to be eligible as a basis for circulating notes the time of maturity must be six months, unless there is a warehouse receipt or a mortgage or a transfer of title accompanying the note. In that case are they eligible as a basis for circulating notes, no matter when the time of maturity is fixed, or is there a nine months' maturity?

Mr. McLEAN. There is a nine months' maturity if they are secured, and if they are not secured they are limited to six months. I should be very glad to accept an amendment striking out all after the word "notes," because I do not think that any paper of more than six months' maturity should be used as collateral for the issuance of notes payable in gold on demand; but I had to subordinate my views to the views of the majority of the committee. I myself think it is an unwise extension, but it is clear enough what the provision means.

Mr. FLETCHER. I thought I would draw attention to that matter.

Mr. McLEAN. I want to say to the Senator that there was not a witness who appeared before the Commission of Agricultural Inquiry who recommended an extension longer than six months in any instance, whether secured or not. The committee decided to extend the time to nine months, but the committee put in the limitation that it should not be used for collateral for Federal reserve notes unless it was secured if the maturity was more than six months.

Mr. FLETCHER. And then, if thus secured, the maturity must be within nine months?

Mr. McLEAN. That is right.

Mr. FLETCHER. I shall not offer an amendment.

Mr. HEFLIN. Mr. President, I want to say just a word about the suggestion of the Senator from Florida. Nine months is very much better than six, but nine months is not long enough for some of the business of the farmers. We are running right into the commercial idea of banking. The Senator from Connecticut does not think that any of these loans should be extended over six months.

Mr. McLEAN. No; the Senator from Alabama is entirely mistaken.

Mr. HEFLIN. What was the Senator's position?

Mr. McLEAN. I do not object to the extension of the time from six months to nine months so far as the rediscount feature is concerned. My objection pertains to the right to use these notes as collateral for the issuance of Federal reserve notes; that is all. I do not object to the extension to nine months on the agricultural paper.

Mr. HEFLIN. Mr. President, nine months is not long enough. We have quite a hard time getting certain Members of the House, when we passed the Federal reserve act, to go up from three months to six months.

Now, we are having just as hard a time to get from 6 months up to 9 months, and the time will come when we will go to 12 months. We may not do it now, but the farmer needs 12 months' time. Whenever you fix it for a shorter time the danger is that they can take advantage of the farmer and the farmer's condition and force him to dispose of his stuff, and perhaps to do it on a dead market. That is not true with other collateral. In any other kind of commercial transaction you can go to a bank and keep on renewing your note and keep on getting an extension of time; but we have metes and bounds about the farmer, and restraints and restrictions, until he is forced right up against a hard proposition, and frequently is forced to sacrifice his property and suffer heavy losses. When he wants an extension of time, and wants to be aided so that he can hold his stuff off the market until the price will yield a profit, certain agencies are working not to aid him but to force him to dispose of his stuff, and he has to do it at a sacrifice. That is why the farmers of America are in such desperate straits to-day.

If this bill will not do the work, let us amend it so that it will. Of course, I am very much better pleased with the nine months' time than I was with the six months. This will be of considerable help, but for some farm transactions it is not long enough. I want to fix it so that the farmer will be the master of his business, just as people in the commercial world with other kinds of collateral are the masters of their business.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The reading of the bill was resumed, and the reading clerk read as follows:

Notes, drafts, or bills of exchange issued or drawn by cooperative marketing associations composed of producers of agricultural products shall be deemed to have been issued or drawn for an agricultural purpose within the meaning of this section if the proceeds thereof have been or are to be advanced by such association to any members thereof for an agricultural purpose, or have been or are to be used by such association in making payments to any members thereof on account of agricultural products delivered by such members to the association, or if such proceeds have been or are to be used by such association to meet expenditures incurred or to be incurred by the association in connection with the grading, processing, packing, preparation for market, or marketing of any agricultural product handled by such association for any of its members: *Provided, however*, That the express enumeration in this paragraph of certain classes of paper of cooperative marketing associations as eligible for rediscount shall not be construed as rendering ineligible any other class of paper of such associations which is now eligible for rediscount.

The Federal Reserve Board may, by regulation, limit to a percentage of the assets of a Federal reserve bank the amount of notes, drafts, acceptances, or bills having a maturity in excess of three months, but not exceeding six months, exclusive of days of grace, which may be discounted by such bank, and the amount of notes, drafts, or bills, or acceptances having a maturity in excess of six months but not exceeding nine months which may be discounted by such bank.

The next amendment was, on page 38, line 7, to change the number of the section from "204" to "205," and on line 12 to strike out "upon" and insert "under," so as to make the section read:

SEC. 205. That the Federal reserve act, as amended, be further amended by adding at the end of section 14 a new paragraph, as follows:

"(f) To purchase and sell in the open market, either from or to domestic banks, firms, corporations, or individuals, acceptances of corporations organized under the Federal agricultural credits act whenever the Federal Reserve Board shall declare that the public interest so requires."

The amendment was agreed to.

The next amendment was, on page 38, line 15, to change the number of the section from "205" to "206," so as to make the section read:

SEC. 206. That the Federal reserve act, as amended, be further amended by striking out the ninth paragraph of section 9 of said act and substituting in lieu thereof the following:

"No applying bank shall be admitted to membership in a Federal reserve bank unless it possesses a paid-up, unimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated under the provisions of the national bank act: *Provided, however*, That an applying bank organized in a place the population of which does not exceed 6,000 inhabitants may, in the discretion of the Federal Reserve Board, be admitted to membership if it possesses a paid-up, unimpaired capital of at least $30,000, and if the application is accompanied by adequate undertakings of such bank and of its principal stockholders that the capital of such bank will within three years be increased to $50,000: *And provided further*, That an applying bank, organized in a place the population of which does not exceed 3,000 inhabitants, may, in the discretion of the Federal Reserve Board, be admitted to membership if it possesses a paid-up, unimpaired capital of at least $15,000, and if it is accompanied by adequate undertakings of such bank and of its principal stockholders that such capital will within three years be increased to $25,000. If any such undertakings have not been fulfilled within three years the Federal Reserve Board may forbid such bank to enjoy any of the privileges of this act, and may require it to withdraw forthwith from membership in the Federal reserve system."

The amendment was agreed to.

The reading of the bill was resumed, and the reading clerk read as follows:

TITLE III.

AMENDMENTS TO WAR FINANCE CORPORATION ACT.

SEC. 301. That the time during which the War Finance Corporation may make advances and purchase notes, drafts, bills of exchange, or other securities under the terms of sections 21, 22, 23, and 24 of the War Finance Corporation act, as amended, is further extended up to and including February 29, 1924: *Provided*, That if any application for an advance or for the purchase by the War Finance Corporation of notes, drafts, bills of exchange, or other securities is received at the office of the corporation in the District of Columbia on or before February 29, 1924, such application may be acted upon and approved, and the advance may be made or the notes, drafts, or other securities purchased at any time prior to March 31, 1924.

SEC. 302. That the second paragraph of section 12 of Title I of the War Finance Corporation act, as amended, is further amended to read as follows:

"The power of the corporation to issue notes or bonds may be exercised at any time prior to January 31, 1927, but no such bonds or notes shall mature later than June 30, 1927."

SEC. 303. (a) That paragraph 3 of section 15 of Title I of such act, as amended, is amended by striking out at the beginning of such paragraph the words "beginning July 1, 1923," and inserting in lieu thereof the words "beginning April 1, 1924."

(b) Paragraph 4 of such section, as amended, is amended by striking out at the beginning of such paragraph the words "After July 1, 1923," and inserting in lieu thereof the words "After April 1, 1924."

TITLE IV.

AMENDMENT TO FEDERAL FARM LOAN ACT.

SEC. 401. That paragraph 7 of section 12 of the Federal farm loan act be amended to read as follows:

"Seventh. The amount of loans to any one borrower shall in no case exceed a maximum of $25,000, nor shall any one loan be for a less sum than $100."

Mr. McKELLAR. Mr. President, I had offered and had printed an amendment in reference to factors' paper, and suggested that it ought to come in on page 35. After consultation with the chairman of the committee, I have concluded to withdraw that amendment to this bill and offer it to the Lenroot bill.

Mr. HARRISON. Mr. President, I desire to offer an amendment on page 40, following line 8, as a new section.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 40, after line 8, it is proposed to insert the following:

SEC. —. That the War Finance Corporation act, approved April 5, 1918, as amended, is amended further by adding, after section 28 of Title I thereof, a new section to read as follows:

"SEC. —. That the corporation is hereby authorized and empowered—

"(a) To purchase, without recourse against the drawer thereof, and upon such other terms not inconsistent with this act as it may determine, from any person of the United States producing or dealing in foodstuffs or wool or cotton, or any articles manufactured therefrom in the United States, drafts or bills of exchange secured by bills of lading or other instruments in writing conveying or securing merchantable title to said foodstuffs or wool or cotton or any articles manufactured therefrom in the United States when such drafts or bills of exchange are drawn against sales of said foodstuffs, products, or manufactured articles by any such person to a foreign buyer or buyers established and doing business in foreign countries to be secured by proper and sufficient collateral or by the guaranty of a legally established foreign government, or by both such collateral and guaranty as may be deemed advisable in the judgment and discretion of the directors of the War Finance Corporation. No such drafts or bills of exchange or conveyance of title shall have a maturity of more than six months from the time of purchase: *Provided*, That in the discretion of the directors of the War Finance Corporation such maturity may be fixed not to exceed nine months.

"(b) To purchase, without recourse against the drawer or indorser thereof, and upon such other items not inconsistent with this act as it may determine, from any bank, banker, or trust company of the United States, drafts or bills of exchange or conveyance of title, secured by proper and sufficient collateral or by the guaranty of a legally established foreign government, or by both such collateral and guaranty in the manner described in paragraph (a) of this section, when said bank, banker, or trust company has purchased and guaranteed drafts or bills of exchange from a person of the United States producing or dealing in foodstuffs, or wool or cotton, or any articles manufactured therefrom in the United States, without recourse against such person.

"The said corporation shall provide for the registration with it of all contracts, bills of exchange, or conveyances of title entered into between said sellers of the United States and those foreign buyers whose purchase contracts and drafts and conveyances of title have collateral or guaranties as provided herein. Purchases of drafts or bills of exchange or conveyances of title may be made under this section at any time prior to February 29, 1924. The aggregate amount of such purchases authorized under the provisions of this section of the act shall not at any time exceed $250,000,000: *Provided*, That in no case shall any of the money so advanced under this section be expended without the United States.

"(c) That any provisions of the War Finance Corporation act, as amended, inconsistent with section 29 herein provided are hereby repealed."

The word "person" when used in this section shall be construed to mean an individual citizen of the United States, a partnership composed of such citizens, a corporation organized under the laws of the United States or one of the component States thereof, or an association composed of such citizens, partnerships or corporations.

Mr. HARRISON. Mr. President, the so-called Capper bill, which is now being considered, carries with it at least two propositions that in my opinion are very splendid. One is the amendment to the Federal reserve act extending the time for the discount or rediscount of agricultural paper from six months to nine months. The other is the extension of the life of the War Finance Corporation another year.

The amendment that I have offered applies to the War Finance Corporation and would operate during the life of the War Finance Corporation. In a sentence, it provides that the War Finance Corporation can make loans to interests here and abroad where they are purchasing agricultural products in this country, such as corn, wheat, cotton, or wool, or products made from cotton and wool, and where they can give good and sufficient security. You will note the money must be expended here and the collateral must be adequate and good.

Mr. President, this amendment I have offered is the same as the measure known as the Norbeck bill, with a slight change. A similar bill was introduced in the House. The agricultural interests of the country believed that the enactment of such a measure would greatly help them in their present distressed condition. One of the main troubles with agriculture to-day is a lack of markets abroad and a lack of credit in those markets. There are interests abroad which have the collateral with which to purchase these crops, be they wheat or cotton or what not, provided they could get the money, and the War Finance Corporation could easily loan the money. The limitation here is up to $250,000,000. There would be no more risk involved than has been involved in advancing the money in this country under the amendment to the War Finance Corporation act and under the original act. But it does offer an opportunity for the farmers of the country to sell their surplus crops for export and will greatly aid in helping them to get increased prices for their products.

Mr. McLEAN. Mr. President, I have not had an opportunity to study this amendment. It is apparently a bill prepared by Senator NORBECK, which has never been considered by the Committee on Banking and Currency. I would like to ask the Senator from Mississippi if this amendment permits the War Finance Corporation to purchase direct from individuals?

Mr. HARRISON. Their securities, yes; bills of exchange, as enumerated there, drafts secured by bills of lading, or other instruments in writing conveying or securing merchantable title to said foodstuffs or wool or cotton, or any articles manufactured therefrom.

Mr. McLEAN. Does it authorize the taking of the notes of individuals?

Mr. HARRISON. It does.

Mr. McLEAN. To that extent it enlarges very materially the present scope of the War Finance Corporation.

Mr. HARRISON. The present War Finance Corporation does not loan directly to individuals. It loans directly to associations, and to individuals only through the banks, and so forth.

Mr. McLEAN. To the banks.

Mr. HARRISON. To that extent it would enlarge the powers of the War Finance Corporation.

Mr. McLEAN. If I remember correctly, that proposition was brought to the attention of the Senate at the time the War Finance Corporation bill was before the Senate, and very serious objection was raised to the very provision which the Senator now advocates, because in the operation of the War Finance Corporation, the Senator will understand, very careful management is required.

If it had not been in the best of hands I am very certain that it would have done more harm than good; but fortunately it has been exceedingly well managed, and if the Senator had heard the testimony before the Committee on Banking and Currency he would have realized that under the operation of the law as it is these funds do go direct to the farmers, through the banks, in almost every instance where it has been necessary. As I said yesterday, in North Dakota the War Finance Corporation has loaned to 600 banks, upon the notes of 26,000 farmers. When you extend that power to the War Finance Corporation and give them the right to take notes from individuals, unless you have the very best of management, you are engaging in something which, to my mind, is exceedingly unwise.

With regard to the handling of our foreign exports, I would like to say to the Senator that one of the leading exporters of cotton from the South appeared before our committee and testified that at the present time Germany is consuming nearly her normal quantity of cotton, and paying for it without the least trouble. There is no difficulty to-day in financing our foreign exports where the foreigner has funds. There is no need whatever of extending in this country any additional facilities beyond those now exercised by the War Finance Corporation. I call these things to the attention of the Senator because I believe that his amendment is unnecessary and unwise.

Mr. LENROOT. May I add that the testimony shows not only is there no difficulty in farmers here securing credit if the foreigner has power to liquidate, but there is no difficulty of the foreigner himself getting the credit.

Mr. McLEAN. That is the idea I intended to convey. Germany sold in this country nearly a billion dollars worth of marks when they were far below par, and that credit is here now. We have purchased large totals of foreign securities, and we have loaned large sums of money, and credits are here, and this exporter from the South assured the committee that there was no difficulty whatever in financing the sale of goods to foreign purchasers.

Mr. HARRISON. The Senator thinks it is a perfectly sound business proposition; his only objection is, as I understand, that there is no necessity for it. Is that right?

Mr. McLEAN. I do not think it is sound to give to this corporation, a bureau here in Washington, the power to buy the paper of individuals. I should hope they would not exercise it. I think it much preferable that it go through a bank and carry a bank's indorsement.

Mr. HARRISON. This allows the banks to discount certain paper.

Mr. McLEAN. I do not object to that, where a bank will indorse the paper.

Mr. HARRISON. It also empowers and authorizes them to use their discretion in saying whether it is good or not.

Mr. McLEAN. I think Congress is going too far. I think we should require the indorsement of an established banking institution if we are to take money out of the Treasury of the United States and loan it to individuals.

Mr. HARRISON. Mr. President, it is very true that this proposition was advanced before. It was advanced when we amended the War Finance Corporation act. At that time we tried to incorporate a provision giving power to the War Finance Corporation to loan money directly to individuals. It is quite true that a majority of the Senate was at that time opposed to that proposal. I was very heartily in favor of it. I am in favor of a proposition such as that being incorporated in the Lenroot-Anderson bill, which will follow the Capper bill. I shall attempt to have it amended in that particular. So I have not changed my opinion about that proposition at all, and when we drafted the bill amending the War Finance Corporation act there was an amendment, not in the exact wording of this amendment, but the idea was there, that the War Finance Corporation could loan money either to foreign interests or foreign governments, where the security was good, where it was to go to purchase agricultural products in this

country, and the money was to be expended in the United States. That went out, not by a vote of the Senate but because of the compromise measure that was adopted it was thought wise by a majority of the Senate to leave it out.

I do not agree with the Senator from Connecticut or with the Senator from Wisconsin that there is not now a need for the sale of surplus agricultural products of this country and that there is now a sufficient credit among foreign nations for the purchase of them. I believe quite to the contrary, and I also believe that this amendment would furnish a safe and splendid channel by which the farmers of America could dispose of their surplus products either to a foreign Government or to foreign citizens, provided they put up the right kind of security. I would not stand for a moment for the proposition that the law should not provide that the security should be adequate, because I want to see the Government absolutely safeguarded. I do not want to see the Government go into an adventuresome proposition. But the trouble is that there are some of us who have more confidence and faith in the integrity and in the ability of the men who comprise the War Finance Corporation than others have. I have great respect for the personnel of that corporation. I think the reviving of that corporation and the manner in which it has discharged its duties has been the one thing done since this administration was inducted into power that has really given relief. I am sorry I can not say more things have been done, but that is one thing which, so far as my State is concerned, I am sure has brought a very large measure of relief to the farmers of Mississippi, and I believe it has been of benefit to farmers all over the country. Of course, the restrictive provisions of the law compelled individuals to seek relief through the banks, and in many instances, perhaps, individual wants were not taken care of, but, as a whole, the situation among farmers and bankers was helped, and thousands of communities felt indirectly, if not directly, its good effect.

Mr. McLEAN. May I ask the Senator if he has submitted it to the manager of the War Finance Corporation, and whether it is approved by the War Finance Corporation?

Mr. HARRISON. I think the War Finance Corporation would oppose it.

Mr. McLEAN. I think they would.

Mr. HARRISON. I have more faith in the War Finance Corporation than the War Finance Corporation has in itself.

Mr. McLEAN. I understood the Senator to say he had the highest regard for the personnel of the War Finance Corporation.

Mr. HARRISON. I have; but the trouble about it in the beginning was that the War Finance Corporation thought we were piling so much work on them and giving them such a vast opportunity that they were afraid they might fall down under the weight of the load placed upon them, so they protested and said, "Oh, do not enlarge the power to that extent." But the farmers of the great Middle West have surplus crops, the prices of their products have decreased, and it will never increase until they sell and dispose of their surplus crops. The same thing is true of cotton, although there is such a small crop of cotton, of course, that it is being sold, and sold at a fair price, though the producers ought to get more for it. But the corn farmer and the wheat farmer must dispose of their surplus crop, and here is an opportunity to give to this great agency of the Government, which has millions and hundreds of millions of dollars lying idle, an opportunity to loan it on good security and let it be distributed in that way among the farmers of the country, so that they can dispose of their crops, now piled high or stored away. I want to see some of this much-talked-of "return to prosperity" make itself felt among the farming classes. They can not feel it or see it, unless, sirs, you give them an opportunity to market their surplus crops by either finding a market or creating a system by which a lacking credit may be supplied. That is what this amendment will do. If it is sound, even though we may on this floor differ as to its necessity, why not resolve the doubt in favor of the agricultural interests. It can do no harm, and the possibilities for good are manifold.

Mr. McLEAN. If the Senator from Mississippi will permit, I want to insist that in order to sell their crops they must have markets, somebody who wants to buy them. The Senator will concede that.

Mr. HARRISON. Certainly.

Mr. McLEAN. My position is that if there is anybody who wants to buy, and has the wherewith to pay for the products, there is no difficulty whatever in managing the exchange.

Mr. HARRISON. The Senator does not think they have the cash at this time over in Germany, for instance, and in a lot of other countries of continental Europe?

Mr. McLEAN. I just said to the Senator that they are purchasing this year something like a million and a half bales of cotton. They are making their payments without any trouble at all.

Mr. HARRISON. Oh, yes; but they might be purchasing two or three million bales if they had more credit.

Mr. McLEAN. They are purchasing all they can consume, as much as they consumed in Germany before the war.

Mr. GLASS. The Senator will recall that perhaps the largest exporter of cotton in all the South appeared before our committee and stated that the people abroad had no difficulty whatsoever in getting all the credit and all the bank accommodations necessary for all the cotton they could utilize over there.

Mr. HARRISON. Let us pass cotton by. Let us assume that is true. That is not true of wheat, of corn, and of live stock.

Mr. McLEAN. Precisely the same situation exists. The trouble is that there is an excess of about 650,000,000 bushels of wheat above pre-war production.

Mr. HARRISON. That is the point. We have to dispose of that surplus.

Mr. McLEAN. Where are you going to sell it if nobody wants it?

Mr. HARRISON. The Senator just assumes that nobody wants it. He assumes that there is no market for it. I assume that there is a market if the people had the credit to buy, and I am trying to afford an opportunity for them to get some credit, provided they can offer good security. This does not compel the corporation to loan any money but only authorizes them to loan the money provided the demand is made.

Mr. McLEAN. They have all the credit they want now if they have the security.

Mr. HARRISON. The Senator may believe that, and the Senator from Wisconsin may believe it——

Mr. McLEAN. There is no doubt about it.

Mr. HARRISON. But there are millions of Americans who do not believe it. In Europe to-day there are millions of dollars' worth of good securities, but the owners of them find these securities worthless when it comes to borrowing money in those countries on them.

Mr. GLASS. My friend the Senator from Mississippi said something about hundreds of millions of dollars lying around idle. I would like to know where they are. Only day before yesterday the Government of the United States had to borrow $300,000,000 and issued Treasury certificates at 4½ per cent with which to do it. Where are these hundreds of millions of dollars lying around loose and idle?

Mr. HARRISON. I made that statement because the War Finance Corporation has $500,000,000. I think that is the amount.

Mr. GLASS. No; the War Finance Corporation has a credit with the Treasury Department, a book credit, of $500,000,000; but the Treasury Department has not any money lying around loose and idle. It is having to borrow money every day in the world at a pretty stiff rate of interest.

Mr. HARRISON. But that money is there, and was designated by Congress for a specific purpose. It is there. It is not used in any other manner.

Mr. GLASS. The Senator is mistaken in saying the money is there. There is no money there. There is nothing but a credit there. If the Government gets the money, it has to go out and sell Treasury certificates at 4½ per cent to get it. There is no money lying around idle. That is a fiction.

Mr. HARRISON. If there is no money lying around idle, I am in favor of going out and getting the money to loan to these farmers and to those who may buy their products on good security.

Mr. LENROOT. Mr. President——

Mr. HARRISON. I yield to the Senator from Wisconsin.

Mr. LENROOT. I would like to ask the Senator if he is not confusing purchasing power with credit facility. There is a very great lack of purchasing power in Europe, owing to the fact that the average individual is not employed or is not receiving such wages as give him purchasing power, and that individual has not the credit, very naturally. But the amendment does not propose to reach that individual. The people the amendment would reach now have the credit; but the trouble is they can not sell, because the purchasing power of the country is lacking.

Mr. HARRISON. I can not agree with the Senator wholly on that proposition. I think the amendment would aid very materially. It will strengthen and popularize the measure now being considered.

Now, Mr. President, if there is no other discussion on the amendment I am ready for a vote.

Mr. LENROOT. If the Senator will permit me, I would like to read a paragraph from the testimony of Mr. Howard, who appeared before the committee upon the subject. The Senator from Mississippi no doubt is acquainted with Mr. Howard. He is general sales manager for the American Cotton Growers' Exchange, composed of eight cotton States organized for cooperative cotton marketing. Among other things, he said:

I have charge, among other things, of the export sales of cotton.

He said further:

In regard to the present situation, in cotton particularly, that with which I am most familiar, I do not find that there is any proper demand from England or continental markets for special credits. I sell the Continent in dollars, payable in New York or payable on arrival of the steamer at the European port, and the buyers there seem to have no difficulty in securing credits to pay for all the cotton they wish to buy.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Mississippi [Mr. HARRISON].

Mr. HARRISON. On that I ask for the yeas and nays.

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The yeas and nays were ordered.

The VICE PRESIDENT. The yeas and nays having been ordered on the amendment, does the Senator from New Hampshire desire a quorum call?

Mr. MOSES. If the yeas and nays have been ordered, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll to ascertain the presence of a quorum.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Hale	McKinley	Spencer
Bayard	Harreld	McLean	Stanfield
Borah	Harris	McNary	Stanley
Brookhart	Harrison	Moses	Sterling
Bursum	Heflin	Nelson	Sutherland
Capper	Jones, N. Mex.	New	Swanson
Colt	Jones, Wash.	Nicholson	Townsend
Couzens	Kellogg	Norbeck	Underwood
Curtis	Kendrick	Norris	Wadsworth
Ernst	Keyes	Oddie	Walsh, Mass.
Fernald	Ladd	Overman	Walsh, Mont.
Fletcher	La Follette	Phipps	Warren
Frelinghuysen	Lenroot	Poindexter	Williams
George	Lodge	Sheppard	Willis
Gerry	McCumber	Shortridge	
Glass	McKellar	Simmons	

The VICE PRESIDENT. Sixty-two Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Mississippi on which the yeas and nays have been ordered.

Mr. JONES of Washington. Let the amendment be read.

The VICE PRESIDENT. The Secretary will report the amendment.

Mr. MOSES. The amendment of the Senator from Mississippi is a very long one and has been read once or twice. I suggest that the Senator from Connecticut [Mr. McLEAN] might state the purport of it.

Mr. JONES of Washington. I withdraw the request.

The VICE PRESIDENT. The Secretary will call the roll on agreeing to the amendment.

The reading clerk proceeded to call the roll.

Mr. CURTIS (when Mr. CAMERON's name was called). I wish to announce that the Senator from Arizona [Mr. CAMERON] is detained on official business.

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL], which I transfer to the junior Senator from Maryland [Mr. WELLER], and vote "nay."

Mr. WILLIS (when his name was called). I am paired with my colleague, the senior Senator from Ohio [Mr. POMERENE], who is absent because of illness. I transfer that pair to the senior Senator from Pennsylvania [Mr. PEPPER] and vote "nay."

The roll call was concluded.

Mr. SUTHERLAND (after having voted in the negative). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON], who is absent. I transfer that pair to the junior Senator from Arizona [Mr. CAMERON] and allow my vote to stand.

Mr. McKINLEY (after having voted in the negative). I have a permanent pair with the junior Senator from Arkansas [Mr. CARAWAY], who has not voted. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and allow my vote to stand.

Mr. HALE. I transfer my pair with the senior Senator from Tennessee [Mr. SHIELDS] to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. BAYARD (after having voted in the affirmative). I have a pair with the junior Senator from Pennsylvania [Mr. REED]. I thought he was present, but I find he is absent. I desire to transfer my pair with that Senator to the senior Senator from Missouri [Mr. REED] and allow my vote to stand.

Mr. KENDRICK (after having voted in the affirmative). Has the Senator from Illinois [Mr. McCORMICK] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. KENDRICK. I have a general pair with the Senator from Illinois [Mr. McCORMICK]. I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK] and allow my vote to stand.

Mr. McCUMBER (after having voted in the negative). I transfer my general pair with the junior Senator from Utah [Mr. KING] to the senior Senator from Vermont [Mr. DILLINGHAM] and allow my vote to stand.

Mr. JONES of Washington (after having voted in the negative). Has the senior Senator from Virginia [Mr. SWANSON] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. JONES of Washington. I promised to take care of him with a pair in his absence. I transfer that pair to the senior Senator from Iowa [Mr. CUMMINS] and allow my vote to stand.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry. Has the Senator from Indiana [Mr. WATSON] voted?

The VICE PRESIDENT. He has not voted.

Mr. WILLIAMS. I transfer my pair with that Senator to the senior Senator from Louisiana [Mr. RANSDELL], and I vote "yea."

Mr. COLT (after having voted in the negative). Has the junior Senator from Florida [Mr. TRAMMELL] voted?

The VICE PRESIDENT. He has not voted.

Mr. COLT. I transfer my pair with that Senator to the senior Senator from Maryland [Mr. FRANCE] and allow my vote to stand.

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from South Dakota [Mr. STERLING] with the Senator from South Carolina [Mr. SMITH].

The result was announced—yeas 21, nays 40, as follows:

YEAS—21.

Bayard	Heflin	McNary	Walsh, Mass.
Brookhart	Jones, N. Mex.	Norbeck	Walsh, Mont.
Capper	Kendrick	Norris	Williams
Fletcher	Ladd	Sheppard	
Harris	La Follette	Simmons	
Harrison	McKellar	Stanley	

NAYS—40.

Ball	Frelinghuysen	Lodge	Poindexter
Borah	George	McCumber	Shortridge
Bursum	Gerry	McKinley	Spencer
Calder	Glass	McLean	Stanfield
Colt	Hale	Moses	Sutherland
Couzens	Harreld	Nelson	Townsend
Curtis	Jones, Wash.	New	Underwood
Elkins	Kellogg	Nicholson	Wadsworth
Ernst	Keyes	Oddie	Warren
Fernald	Lenroot	Phipps	Willis

NOT VOTING—35.

Ashurst	Edge	Owen	Shields
Brandegee	France	Page	Smith
Broussard	Gooding	Pepper	Smoot
Cameron	Hitchcock	Pittman	Sterling
Caraway	Johnson	Pomerene	Swanson
Culberson	King	Ransdell	Trammell
Cummins	McCormick	Reed, Mo.	Watson
Dial	Myers	Reed, Pa.	Weller
Dillingham	Overman	Robinson	

So Mr. HARRISON's amendment was rejected.

Mr. NORBECK. Mr. President, I desire to offer an amendment to the pending bill. I am not opposed to the bill; I am satisfied with it and with all of its features, except that I think the title to the bill may be misleading. As a member of the Committee on Banking and Currency, I had an opportunity for two weeks to listen to the hearings on the bill, and it was plainly understood from the beginning that the bill was not an agricultural credit measure, but that it was a live-stock loan bill designed to provide for the formation and supervision of live-stock corporations; in other words, to obtain credit for the cattlemen of the West. In fact, the junior Senator from Kansas [Mr. CAPPER] stated before the committee the first day he appeared that the bill was not intended as a farm-credit bill; that it was not intended to help the man with 50 head of cattle or the man who had a hundred head of cattle; but that it was intended to take care of the big cattle concerns of the West which run a thousand head or so of cattle; and it may serve a very good purpose at that. Not much, however, is expected from the bill by its advocates. Some have said that they hoped a half dozen companies would be organized; some have said that

they hoped that the number might be 50; but, admitting that it might be 100, the bill after all will afford but a very small addition to the 30,000 banks that extend credit throughout the country.

My amendment simply goes to this question. Section 1 of the bill reads:

That this title may be cited as "the Federal agricultural credits act."

Thus it preempts the ground. One of the things we are contending for is a sane, practical farm-credits act; and I do not propose, so far as I am concerned, that a cattle loan corporation act shall be denominated "the Federal agricultural credits act." So I send to the desk an amendment and ask that it may be read.

The VICE PRESIDENT. The amendment proposed by the Senator from South Dakota will be stated.

The ASSISTANT SECRETARY. On page 1, section 1, in lines 5 and 6, it is proposed to strike out the words:

That this title may be cited as "the Federal agricultural credits act."

And in lieu thereof to insert:

That this title may be cited as "the Federal live-stock corporation loan act."

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from South Dakota.

Mr. McLEAN. Mr. President, if that change in the language of the bill shall be made, other changes ought to be made, because, as the Senator from South Dakota knows, the proposed corporations are denominated throughout the bill as "Federal agricultural credit corporations," and the title of the bill was framed to correspond with its provisions, which relate solely to Federal agricultural credit corporations. I hope, therefore, the amendment will not be agreed to.

Mr. NORBECK. Mr. President, I simply wish to say that the suggestion of the chairman of the Committee on Banking and Currency is correct, and I shall endeavor to have other amendments to the bill adopted if the one which I now offer shall be agreed to, which I hope it may. We do not wish to practice deception upon the farmers at this time, and to pass a bill which relates to something else and yet call it an agricultural credits act. I ask for the yeas and nays on the amendment.

Mr. McLEAN. The bill goes further than to provide credit for cattle companies; it includes all agricultural products. There is no exception made in favor of cattle companies. It includes them, but it also includes everything that is grown on the farm. I see no force whatever in the proposition of the Senator from South Dakota.

Mr. LENROOT. Mr. President, it seems to me that there ought to be some amendment to Title I of the bill. Unless there be an amendment, the people of the country are going to be very grossly misled concerning what the bill is, especially if this should be the only bill that should be passed upon the subject of agricultural credits at this session. However, may I suggest to the Senator from South Dakota that if he would strike out the words "live stock" from his amendment and insert "agricultural" it would meet the objection of the Senator from Connecticut and avoid any other and further amendments to the bill?

Mr. McLEAN. I should have no objection to the amendment in that form.

Mr. NORBECK. I will say that that would be satisfactory to me, if the word "corporation" should be retained in the bill, because that would describe what the bill is. It provides for the organization of and regulation of cattle credit corporations.

Mr. LENROOT. My suggestion is to leave the language as the Senator has proposed it, but to strike out the words "live stock" and to insert the word "agricultural."

Mr. NORBECK. Why not put them both in? I will accept any change that will leave the word "corporation" in, because the bill provides for regular corporations to be formed for the purpose I have indicated.

The VICE PRESIDENT. Does the Chair understand the Senator to desire to perfect his amendment?

Mr. NORBECK. Yes.

The VICE PRESIDENT. The amendment as modified will be stated.

The ASSISTANT SECRETARY. On page 1, in lines 5 and 6, it is proposed to strike out the words "the Federal agricultural credits act" and to insert the words "the Federal agricultural corporation loan act."

Mr. McLEAN. I have no objection to that.

The VICE PRESIDENT. Does the Senator desire the yeas and nays on his amendment?

Mr. LENROOT. Mr. President, the chairman of the committee has accepted the amendment.

Mr. LODGE. The Senator from Connecticut has accepted the amendment.

Mr. FLETCHER. I hardly think the chairman of the committee by accepting it assumes to preclude the Senate from voting upon it. The point has been made that he accepts the amendment and that that settles it. I hardly think that ought to follow.

Mr. McLEAN. The amendment which the chairman of the committee is willing to accept is that the title shall be "The Federal agricultural corporation loan act." I have no objection to that.

The VICE PRESIDENT. The question is on agreeing to the amendment as modified.

Mr. BROOKHART. Mr. President, it seems to me that the suggestion coming from the Senator from Wisconsin [Mr. LENROOT] does not meet the situation; and, so far as the farmers of the United States are concerned, I deem the matter an important one. This measure as framed will be of no value whatever to the farmers of my State, and it will not be used by them. It does not provide an agricultural credits system which will be practicable in the State of Iowa, nor do I believe it will be used in the neighboring States. Therefore I think the words "live stock" should be inserted in the title. The words "and other agricultural purposes" might also be in it, but the words "live stock" certainly ought to be retained,

I think the bill, if finally enacted, will be of some benefit, perhaps, to the Western States. They already have formed live-stock associations which, I understand, will fit into this legislation; and if that is true, I am willing that they should have the benefit of the measure; but I do not want to go back to the farmers of Iowa and say that I voted for an agricultural credits corporation act or anything of that kind when I feel at the same time that it will be of no benefit to them.

I wish to state further, Mr. President, with reference to this measure, that, in my opinion, we are off on the wrong foot in endeavoring to establish any kind of farm credit corporation. I think any farm credit system ought to be cooperative in its organization. This measure will not meet the purposes of the great farm movement in the United States. Anyone can go out to a farm organization anywhere, for instance, to Red Brick Local 659, and can ascertain from them all about what a cooperative association is. They will also say that the farmers are entitled to credit associations that are cooperative, and they will know immediately that this measure does not meet their demands.

In the State of Iowa there are 1,900 banks organized on the corporation system, and yet there is not a single bank in the State of Iowa that fits into the business of agriculture, although agriculture represents more than three-fourths of all the business of the State. The control of the credit system is such that the commercial idea dominates it. That idea runs clear up through our whole banking structure, and even dominates the policy of the Federal reserve system. That policy admittedly does not fit the business of agriculture.

Here we have all this talk about the length of time. Here is agriculture, the basic business of this country, with one-third of the capital investment of the whole country, and, as I have figured it out, agriculture is furnishing in this great banking organization about 40 per cent of the bank deposits of the country; and yet in the whole credit organization it is ignored, and it is not considered as a business at all, and our whole program is fixed from the commercial standpoint.

I see no reason, except the arbitrary reason that has gone with the banker's idea of the business turnover, against making this time limit all the way through up to the full length of time of the farmer's turnover. I feel, therefore, that we have started wrong. I believe we had better have worked out a real cooperative association, under cooperative control, and that would mean under the control of the farmers themselves. Bankers' associations of the State of Iowa tell me that there never has been a time when the farmers did not deposit more money in the banks of our State than they had back for use in agriculture. If that is true in Iowa, I believe it is more than true in almost every other State of the Union, because we are big borrowers out there.

The State of Iowa is the feeding ground for all the western country. Great numbers of range cattle are brought in to the Kansas City market and the Omaha market and the Sioux City market, and the Iowa farmers buy them and take them out on the farm and feed their crops to them. That takes a large amount of credit—more, I believe, than is required in any other

agricultural State—and yet in our State the farmers collectively have more bank deposits than they ever have used.

The whole trouble comes from the fact that we are organized on this commercial basis, and not on the cooperative basis. Since we are organized in that way and this flow of credit is controlled by the banking idea rather than by the agricultural idea, we are short of credits in our State; and in the whole United States I feel that the discrepancy is much greater. As nearly as I can tell on the basis of statements from officers of the Federal reserve bank, the farmers deposit more than 25 per cent of the total deposits in the banks of the United States; and yet, if you will take the report of 1920, which analyzes this, you will find that that would amount in the national banks to over $4,000,000,000, or about that, and yet they received back for use for agricultural purposes the total sum of $1,998,000,000.

The farmer is not permitted, I repeat, under the laws, either of the States or of the United States, to organize his own funds under his own control. They are organized on a commercial idea. Therefore, I feel that the title of this bill should be restricted to the particular purpose which it will more fully serve.

A motion having been prepared here in line with these suggestions, I move to insert the words "live stock and" before the word "agricultural," so as to read as follows:

That this title may be cited as "The Federal live stock and agricultural corporation loan act."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to strike out lines 5 and 6 on page 1 and to insert:

SECTION 1. That this title may be cited as "The Federal live stock and agricultural corporation loan act."

Mr. McLEAN. I have no objection to that amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Iowa to the amendment offered by the Senator from South Dakota.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. NORBECK. Mr. President, I have decided to offer another amendment in harmony with this. The first part of the title of the bill reads as follows:

To provide credit facilities for the agricultural and live-stock industries of the United States—

And so forth. I propose to amend it so as to read as follows:

To provide for incorporation and supervision of corporations formed for the purpose of making agricultural and live-stock loans.

The VICE PRESIDENT. The time to take up amendments to the title is after the bill is passed. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. FLETCHER. Mr. President, I suggest that on page 2, line 1, there ought to be inserted, after the words "United States," the words "to be known as Federal live-stock and agricultural loan corporations." That designates the names of the corporations to be formed under this act, in order to conform to the title.

Mr. McLEAN. I have no objection to that.

Mr. FLETCHER. I move, then, to insert after the word "States," in line 1, page 2, the words "to be known as Federal live-stock and agricultural loan corporations." Then I presume in line 23 the word "credit" ought to go out, so that the name of each corporation organized under this act shall include the words "Federal" and "agricultural loan."

Mr. McLEAN. I do not think there should be any amendment on line 23. We are simply naming the corporations there.

Mr. FLETCHER. It is inconsistent with the title.

Mr. McLEAN. I know it is inconsistent, but I think the Senator's amendment is entirely unnecessary.

Mr. FLETCHER. I make no point about it.

Mr. McLEAN. I hope the Senator will not insist upon it. I think it is entirely unnecessary and will tend to complicate rather than to clarify the language of the bill.

Mr. FLETCHER. I am not disposed to differ with the chairman on that subject. Since the words "agricultural credit" seem to be eliminated from the title, I thought perhaps they should not occur again in line 23 as a necessary part of the name. I do not, however, insist on the amendment, if the chairman prefers to leave it that way.

The VICE PRESIDENT. The amendment offered by the Senator from Florida will be stated.

The ASSISTANT SECRETARY. On page 2, line 1, after the words "United States," it is proposed to insert the following words:

To be known as Federal live stock and agricultural loan corporations.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. Then on line 5, page 4, I move that the word "regulating" be stricken out and that in lieu thereof the word "defining" be inserted, so that it will read:

To prescribe by its board of directors by-laws not inconsistent with law or the regulations of the Comptroller of the Currency defining the manner in which its general business may be conducted—

Instead of "regulating."

Mr. McLEAN. Why not put them both in?

Mr. FLETCHER. I do not think it is necessary to insert both. It is just a repetition.

Mr. McLEAN. Either word covers the subject completely, but I have no objection.

Mr. FLETCHER. I think the word "defining" is better than the word "regulating."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 4, line 5, it is proposed to strike out the word "regulating" and in lieu thereof to insert the word "defining."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, I shall not move to strike out paragraph (8), but I raise the question there whether or not it is advisable to establish these branches. The committee seems to have thought it was well to provide for establishing and maintaining branches or agencies of these corporations everywhere. It seems to me the provision is a very questionable one, but if the committee is satisfied with it I am. I make no point about it.

Mr. McLEAN. They are not banks. They will not compete with commercial banks of deposit. It seems to me it will be a great convenience for them to have branches, and I can see no possible objection to it.

Mr. FLETCHER. I move to insert, on page 6, line 13, after the word "market," the words "or by Federal farm-loan bonds as collateral."

Warehouse receipts or other like documents, or chattel mortgages, or other instruments conferring a first and paramount lien upon live stock which is being fattened for market, are considered sufficient security under the bill. I believe that farm-loan bonds are just as good security as a chattel mortgage on a cow or a thousand cows, depending upon the value of the face of the bonds, and I see no reason why Federal farm-loan bonds should not be accepted as security for paper of this kind. That is the object of the amendment.

Mr. McLEAN. Mr. President, what becomes of the theory that the Federal reserve notes shall be based upon self-liquidating paper, short-time paper? We went all through that controversy when we made United States bonds eligible for rediscount. We are trying to get that long-time investment paper out of the banks, and the law especially provides that no such security shall be eligible. It shuts out all manner of stocks and bonds. Farm-loan bonds are no better than municipal bonds; and when you let that class of paper into the Federal reserve system and make it eligible as security for the issuance of bank notes payable in gold on demand you are violating the basic principle upon which the Federal reserve system was founded.

Mr. FLETCHER. The difference between the chairman of the committee and myself is about this: He considers security liquid provided it matures within a certain length of time. I consider security liquid if it is good. If it is perfectly safe, if it has the value behind it and means cash whenever demand is made, in my judgment it is a liquid security. The farm-loan bonds are not only valuable, are not only secured, in the first place, by the obligation of the borrower, by the mortgage upon his premises to the extent of 50 per cent of the actual value of his land and 20 per cent of the value of the insured buildings upon his land, but back of that also is the indorsement of the national farm loan association of which he is a member. Back of that is the responsibility of the Federal land bank that issues the bond. Back of that is the approval of the Farm Loan Board authorizing the issue of the bond; and those bonds are by law made security for protecting the accounts of guardians and trustees and administrators and executors in practically all the States of the Union.

They are salable upon the open market. The last issue of $75,000,000 was taken in two hours after they were offered at 4½ per cent and above par, so that it seems to me that a bond of that sort is as good a security back of this paper as a mortgage on cattle, which may die the next week.

Mr. McLEAN. We lived for 50 years or more under a bond-secured currency and we got tired of it. We established the Federal reserve system for the purpose of securing an elastic

currency. If we should go back to the bond-secured currency, we might as well include Government and other bonds and abandon all idea that our Federal reserve system will continue as a system for the issuance of an elastic currency. We would deprive it of its elastic properties the moment we qualify bonds as security for the notes.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 6, line 13, after the word "market," the last word in the line, insert a comma and the following words "or by Federal farm-loan bonds as collateral."

The amendment was rejected.

Mr. FLETCHER. I may say that I will raise that question again at some other time, but will let that verdict, as to this particular bill, remain as it has been rendered.

On page 7, line 8, it seems to me there ought to be an express provision allowing the substitution. By inference it follows that there may be substitution, but I can see no objection to making it clear. After the word "securities," in line 8, page 7, we should insert the words "the right of substitution being hereby granted." The inference is that it would be granted.

Mr. McLEAN. Clearly so. I can not see any necessity for the amendment suggested by the Senator.

Mr. FLETCHER. It simply expressly authorizes the substitution of securities.

Mr. McLEAN. It is authorized under the language of the bill, is it not?

Mr. FLTECHER. I do not think it is clearly authorized.

Mr. McLEAN. It reads, "other instruments which may be pledged as security therefor, the provision which may be made with regard to release, substitution, or exchange of such securities," under the authority of the Comptroller of the Currency.

Mr. FLETCHER. Is there any objection to saying, "the right of substitution being hereby granted"?

Mr. McLEAN. No; I have no objection.

Mr. FLETCHER. I move that amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 7, line 8, after the word "securities" and the comma, to insert the words "the right of substitution being hereby granted."

Mr. LENROOT. May I suggest that if that language is adopted there will at once be raised the very serious doubt as to whether the exchange of securities will be authorized, unless we make the same amendment in the other place.

Mr. McLEAN. That is true.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. FLETCHER. The only point about that is that the right of substitution must exist, and "provisions which may be made with regard to release, substitution," and so forth, do not give that right. Obligations maturing prior to the debt for which the obligation is made may often be pledged as security; and without the right of substitution the borrower is at a disadvantage in the matter of interest, or the borrower may find it desirable to sell some of the live stock before the maturity of his debt. Unless we expressly allow substitution, I do not see that he has that right under the language as it is. I am not disposed to press it further.

On page 9, under the head of "Limitation," in line 3, I move to insert, after the word "incur," the word "direct," so that it will read, "No corporation organized under this act shall incur direct liabilities," and so forth, and strike out the words "whether direct or contingent, in excess of ten times its paid-in capital." There may come a time as to contingent liabilities when the entire amount of a loan will exceed ten times the capital. Then they would have to quit business; whereas I think we should restrict their limitation there to their direct obligations and not extend it to contingent obligations, which refers to the entire amount of outstanding business.

Mr. McLEAN. A contingent obligation might become as binding or interfere just as seriously with the solvency of the institution as a direct obligation.

Mr. FLETCHER. It seems to me eventually they might have to quit business when they got to the amount of their entire obligations, contingent on all the debentures they have issued, even ten times the amount of their surplus and capital. I do not think that is meant. I think it means the direct obligations.

Mr. McLEAN. Will the Senator give us an instance of a contingent obligation that might not impair the solvency of the corporation?

Mr. FLETCHER. Suppose one of these corporations should have such a business that the total borrowing during a three-year period, which is the life of the debentures, would be restricted to ten times the capital. Then, when the limit had been reached no current business could be done, because there is a contingent liability on the entire amount of the business done for the three years. It is presumed that obligations of others which are sold and transferred have within themselves sufficient security to find a purchaser. Contingent liabilities of banks, such as rediscounts, and so forth, are specifically excepted from reserves, and I do not see why as to these corporations contingent liabilities should not be excepted from the requirements above the 10 per cent of the paid-in surplus and capital.

Mr. McLEAN. The debentures would be a direct liability.

Mr. FLETCHER. They might not be if they are used simply to obtain money on, if they are simply indorsed.

Mr. McLEAN. If they indorse their own obligation, there is a direct liability, is there not?

Mr. FLETCHER. It seems to me if you broaden this so as to include all their liabilities—liabilities whether direct or contingent—you will reach a time in the operation of these corporations within the three years when they will have to stop doing any current business.

Mr. McLEAN. I dislike very much to consent to an amendment of that character, but if this passes the Senate and goes to the House the House committee can consider it, and if there is no objection to it it can be adopted there. But I dislike very much to increase the limit which these concerns may loan above ten times their paid-in, unimpaired capital and surplus. It seems to me that is as far as we should go.

Mr. FLETCHER. If the chairman of the committee feels that way about it and feels that this language is not too broad, so that it will not paralyze these institutions, I am not disposed to press the matter.

Mr. WALSH of Montana. Let me inquire of the Senator from Florida what kind of a contingent liability it is possible for one of these corporations to incur? It issues its debentures. It does not even indorse them. It issues them and sells them. Of course, a man may be contingently liable upon a bond for the faithful performance of an act by some one else. That is, if someone else does not perform the duty, he becomes liable on the bond. But I am unable to discover here that these corporations are entitled to enter into any kind of contract under which they would be contingently liable. I accordingly think that in a practical way the effect of the legislation would be just exactly the same whether the word "contingent" is left in or not.

Unless their effectiveness is going to be impaired by reason of the fact that they do incur extensive contingent liabilities, I would see no reason for taking it out. So I rose to inquire of the Senator from Florida if he can inform us what contingent liabilities such a corporation is authorized to incur that might, as he fears, limit its activities.

Mr. FLETCHER. This would mean that the total borrowings during three years, which is the life of the debentures, can not exceed ten times the paid-in and unimpaired capital and surplus.

Mr. WALSH of Montana. Quite so; but is not that the case if you take "contingent" out and leave it simply providing for the direct liabilities, and so on? All of these debentures are direct liabilities of the corporation, not contingent liabilities.

Mr. GLASS. The corporation is authorized, under the provisions of the bill, to engage in the acceptance business, which is strictly a contingent liability business.

Mr. LENROOT. To buy and sell notes, even without their indorsement.

Mr. FLETCHER. That is the kind of paper that would be contingent. It is supposed that that paper is secured when it is offered to the corporation. It carries its own security. The corporation sells it, and there is a contingent liability there. Of course, the corporation may be looked to eventually to take care of that paper, and that is a contingent liability in my mind. That is what I had in mind when I made the suggestion. It is a contingent liability, but the paper itself is secured originally, carries its own security, and the makers are primarily looked to. The corporation would be looked to eventually, perhaps, and that, as I said, is a contingent liability. The total volume of all that business during three years can not exceed ten times the paid up capital and surplus. If it does, the corporation must stop business. It can not take care of current business at all any further. It seems to me that provision makes it ineffective, unless you limit it to direct liabilities.

Mr. WALSH of Montana. Let me follow that a little further. Subdivision 2 authorizes the corporation "to make ad-

vances upon or to discount, rediscount, or purchase, and to sell or negotiate, with or without its indorsement or guaranty, notes secured by chattel mortgages conferring a first and paramount lien upon maturing and breeding live stock," and so forth.

There is a contingent liability, as a matter of course, upon obligations of that character. The direct obligation is the obligation of the makers of the instruments.

But would the Senator from Florida put no limitation whatever upon the liability of the bank, contingent as it may be, arising from the purchase and sale of paper of that character? Would the Senator allow it to go on and incur liabilities of that character, contingent though they be, to an unlimited amount?

Mr. FLETCHER. I think the provision is confined to direct liabilities and gives sufficient protection.

Mr. LENROOT. Does the Senator think anybody would buy the debentures if there were no limitation upon the amount of rediscount that may be made with the indorsement of the corporation? It seems to me no investor would think of doing so unless there were some limitation upon the contingent liability.

Mr. FLETCHER. We have a limit of 10 per cent upon the direct liability. It seems to me that is sufficient protection, so long as we confine the direct liability to 10 per cent.

Mr. LENROOT. How is it any protection to the investor in a debenture if there may be an unlimited contingent liability upon rediscounts?

Mr. FLETCHER. I do not think there would be an unlimited contingent liability there. It is not supposed, as I said, that the bank would primarily be liable upon any of the rediscounts. The law with reference to contingent liabilities of banks is that such matters as rediscounts are specifically exempted from the requirements as to reserve. I do not see why the same rule should not apply here.

Mr. McLEAN. If the maker of a note did not pay it, it might become a liability that would seriously impair the solvency of the corporation.

Mr. FLETCHER. I believe it will be found that the provision, if it remains in the bill as it is, will make almost ineffective the organizations. The business would be so limited that it would not amount to very much. Still I am not disposed to press the matter. I have called the attention of the chairman of the committee to it, and I hope he will think it over. I ask for a vote upon it anyway.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 9, line 3, before the word "liabilities," insert the word "direct," and after the word "liabilities" strike out the comma and the words "whether direct or contingent" and the comma after the word "contingent."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. FLETCHER. Mr. President, under section 6 the provision is that—

> Any corporation organized under the provisions of this act may take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidence of debt, interest at the rate allowed by the laws of the State in which such obligation is by its terms made payable.

I move to amend by striking out, on page 10, lines 1 and 2, the words "such obligation is by its terms made payable" and inserting in lieu thereof the words "its principal office is located."

For instance, we might have one of these corporations organized in one State making loans in other States. I saw a statement in the minority report, I believe it was, by the Senator from South Dakota [Mr. NORBECK] to the effect that a number of States have a contract rate of 12 per cent and a number of other States have a contract rate of 10 per cent. If we are going to be of any benefit to agriculture and to the live-stock raiser and to the producer generally, we must furnish the money, if we furnish it at all, at a reasonable rate. It does not avail the farmer to pay 12 per cent interest on the money which he must have. His business will not stand any such rate as that.

Under the bill all the corporation has to do is to take the paper in one State and make it payable in another State where such paper bears 12 per cent interest. Perhaps the borrower is doing business in a State where the legal rate is 6 per cent. That is where the principal place of business of the corporation is, and where its principal office is located, and there the legal rate of interest is 6 per cent. The bill would allow them to make the note payable in another State where the rate of interest is 12 per cent, and the borrower has to pay the rate of interest wherever the paper is made payable.

Mr. McLEAN. The borrower would know, of course, what interest he was bound to pay and would have something to say about it. If the rate were too high, he would go to some other source.

Mr. WALSH of Montana. The very purpose of the provision is to meet exactly that situation. It recognizes that the borrower, being pressed, will submit to an exorbitant rate of interest, and accordingly we put in a provision to help him so that an exorbitant rate of interest shall not be exacted of him. But the Senator has called attention to the fact that the purpose may be evaded very easily by making the obligation payable in a State that has the high rate of interest.

Mr. McLEAN. The borrower would have something to say about it.

Mr. WALSH of Montana. He would have something to say about it, but the provision is put in here because we know as a matter of experience that the borrower does not contract freely with respect to interest rates. Usury laws are founded upon the basis that he does not contract freely. Usury laws are founded upon the assumption that the lender has a power over him that he will exercise if he can, and, therefore, we have put in the provision limiting the rate which the lender may exact, but attention is called to the fact that the provision would be inoperative to accomplish the purpose that is intended to be reached.

Mr. FLETCHER. I can see no reason why the rate should not depend upon the rate in the State or locality where the principal office of the corporation is located.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. FLETCHER. Certainly.

Mr. LENROOT. Would it not be fairer if it were made dependent upon the residence or domicile of the borrower? Is it wise to have a Federal statute that would permit exaction of a higher rate of interest in a State than the laws of that State itself permits?

Mr. FLETCHER. The amendment I have offered would cover that.

Mr. LENROOT. We might have the principal residence of the corporation in a 12 per cent State, making loans in a 6 per cent State.

Mr. McLEAN. It might tie him up to 12 per cent when otherwise he could get a lower rate.

Mr. LENROOT. If it was made dependent upon the residence or domicile of the borrower, then the law would apply in every case, it seems to me.

Mr. FLETCHER. But the language is permissive. It says:

> Any corporation organized under the provisions of this act may take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidence of debt, interest at the rate allowed by the laws of the State in which such obligation is by its terms made payable.

I propose to have that last clause read—

> interest at the rate allowed by the laws of the State in which its principal office is located.

Of course, if one goes to a State where the principal office is located, he realizes he will in all probability be asked the legal rate. He may negotiate to get better terms if he can, but the rate may be that rate. I do not know, but I believe if the paper just read "with interest from such and such date" it would mean the legal rate in that State where the principal office was located, without expressly saying what the rate of interest was further than that.

But the vice of the provision, it seems to me, is to enable the paper to be negotiated in one State, that a corporation incorporated under the laws of a certain State, and then have it possible to make that paper payable in some other State where the rate of interest may be twice as high.

No one could be misled if he were making a contract with a corporation whose principal place of business was in a certain city in a certain State. He would expect the rate of interest of that State to control in the transaction. It seems to me the provision would give an advantage to the person furnishing the money to make it payable in some other State, perhaps, without the knowledge of the borrower of what the lender was up to and what was meant.

Mr. McLEAN. The rate would be a matter of contract below the State limit. Anything below the State limit may be agreed upon by the parties and the rate would be stated in the obligation. I confess I do not see any very serious objection to the language of the law as it is. If we do change it, I should hope it would be made to apply to the domicile or residence of the maker. It seems to me the suggestion made by the Senator from Wisconsin is a good one.

Mr. JONES of New Mexico. I do not know that it is a new thought at all, but if the idea suggested by the Senator from

Florida, as I understand it, were incorporated into the law it would be an inducement for these corporations to be organized in the State where they have the high limit on the rate of interest, and that would carry with it the right to charge the high rate in the other States.

Mr. FLETCHER. The right to do it, but not the obligation to do it.

Mr. JONES of New Mexico. There would be no obligation.

Mr. McLEAN. It is probable that there would be some competition in the money market in every State in the Union. If any one of the corporations undertook to exact an unreasonable rate, it would not do any business. It is a matter of contract below the State limit. The borrower knows what he is to pay. I think it would be safe to assume he would be pretty careful about it, and he would not borrow money at 12 per cent if he could get it for 6 or 7 per cent.

Mr. FLETCHER. I do not see why a corporation of this kind, incorporated under the laws of one State and having its principal office in a certain city in that State, should be permitted to make its paper payable in any other State, wherever it saw fit to make it payable, even though the borrower might be a resident of its own State. That, it seems to me, would be rather an anomalous situation, but the bill authorizes it. There is a corporation, we will say, incorporated in Maryland with its principal office in Baltimore. There is a farmer out near Rockville who negotiates a transaction with the corporation. That corporation may make his note payable in South Dakota or North Dakota under the provisions of the bill. I see no reason for a provision of that kind.

However, Mr. President, it is too late now to discuss the matter further to-night. I have several formal amendments which I desire to take up and which will take some little time. Therefore I suggest that we lay the bill aside for the present.

ORDER FOR RECESS.

Mr. JONES of Washington. I ask unanimous consent that when the Senate concludes its business to-day it recess until 12 o'clock to-morrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 20 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Wednesday, January 17, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 16, 1923.

COLLECTOR OF CUSTOMS.

Carey D. Ferguson, of Detroit, Mich., to be collector of customs for customs collection district No. 28, with headquarters at Detroit, Mich., in place of Richard I. Lawson, whose term of office will expire February 20, 1923.

UNITED STATES DISTRICT JUDGE.

Albert L. Reeves, of Missouri, to be United States district judge, western district of Missouri. (An additional position created by the act approved September 14, 1922.)

UNITED STATES ATTORNEY.

Oliver D. Burden, of New York, to be United States attorney, northern district of New York, vice Earl Gallup, resigned.

MEMBER OF THE BOARD OF CHARITIES FOR THE DISTRICT OF COLUMBIA.

William J. Kerby, of the District of Columbia, to be a member of the Board of Charities for the District of Columbia for a term of three years from July 1, 1922. (A reappointment.)

PROMOTIONS IN THE REGULAR ARMY.

DENTAL CORPS.

To be captain.

First Lieut. Forest Vernon Bockey, Dental Corps, from January 6, 1923.

MEDICAL ADMINISTRATIVE CORPS.

To be first lieutenant.

Second Lieut. William Harvey Kernan, Medical Administrative Corps, from January 12, 1923.

CHAPLAINS.

To be chaplains with the rank of captain.

Chaplain Thomas Joseph Lennan, from December 28, 1922.
Chaplain Claude Skene Harkey, from December 28, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 16, 1923.

UNITED STATES DISTRICT JUDGE.

William N. Runyon, to be district judge, district of New Jersey.

POSTMASTERS.

ARKANSAS.

Leon E. Tennyson, Arkadelphia.
Edna M. Reed, Bigelow.
Hiram S. Irwin, Clarendon.
Dennis M. Lee, Flippin.
Randolph M. Jordan, Fordyce.
Dennis M. Townsend, Mena.
O. John Harkey, jr., Ola.
Monroe J. Gogue, Rector.

HAWAII.

Andrew O. Henderson, Papaikou.

KANSAS.

Clarence W. Clothier, Ensign.
Charles H. Browne, Horton.
Carl O. Lincoln, Lindsborg.

MARYLAND.

James P. Gooch, Brentwood.
Thomas B. Griffith, Cockeysville.
Mary W. Tise, Hyattsville.
Hobart B. Noll, Woodstock.

MASSACHUSETTS.

Carl D. Thatcher, Housatonic.
John H. Baker, Marlboro.
Thomas Smith, North Grafton.

SOUTH DAKOTA.

Eugene E. Vroman, Mound City.

TENNESSEE.

William M. Brewer, Collinwood.
Norman Massa, Cookeville.
Alvin M. Stout, Greenfield.
John H. Wilson, Kingston.
Eva Shelton, Linden.
Charles K. Metcalf, National Sanatorium.
Robert O. Greene, Troy.

HOUSE OF REPRESENTATIVES.

TUESDAY, *January 16, 1923.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the Lord God of hosts, who forgiveth all our iniquities, who healeth all our diseases and whose holy purpose is to unfold the capabilities of the human soul. O Father of us all, in the season of prosperity may we be grateful and humble; in the times of adversity may we be patient and resigned. Grant us strength to withstand the temptation and pride that await upon power, and in all things may knowledge be seasoned with wisdom. Permit all good things to survive and succeed. Bless us with the evidence and the comfort of things not seen, for Thy name's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

AGRICULTURAL APPROPRIATION BILL.

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to take from the Speaker's table, disagree to the Senate amendments, and ask for a conference on the bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. ANDERSON, Mr. MAGEE, Mr. WASON, Mr. BUCHANAN, and Mr. LEE of Georgia.

EXTENSION OF REMARKS.

Mr. NEWTON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting in 8-point type my remarks before the Committee on Interstate and Foreign Commerce on alien property.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend in the RECORD, in 8-point type, his remarks delivered before the Committee on Interstate and Foreign Commerce on the subject of alien property. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. NEWTON of Missouri. Mr. Speaker, under leave granted me to extend my remarks in the RECORD, I insert a copy of the remarks which I made before the Interstate and Foreign Commerce Committee of the House of Representatives on the subject of alien property, as follows:

STATEMENT OF HON. CLEVELAND A. NEWTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI.

Mr. NEWTON. Mr. Chairman, I think the members of the committee know that I have been taking a good deal of interest in the subject of alien property for quite some time. I have heard a good deal of the discussions before this committee, and it seems that the general attitude has been to confuse the German national with the German Government. I think there ought to be a very marked distinction made between the German Government and the national whose property we hold. We owe the nationals of that country who invested here an obligation, which I think ought to be given serious consideration.

We had treaty relations with Germany at the time we went into the war with respect to the nationals; and as you read and reread the pledge that we made in our treaty, and upon which investments by German nationals were made in this country, you realize that those nationals came here and made investments relying upon that pledge, and many of them came through the inducements of our American consuls in Germany. Much of their money was invested in railway stock, and we were needing money for the capitalization of our railroads. Some of that property was invested because of the friendship of nationals over there for their relatives in this country; and when we talk about depredations that were committed during the war, they were depredations committed by the German Government which we were fighting and not by the nationals whose property we hold.

We declared our attitude toward them not only in our treaty but later in the message of the President which preceded the declaration of war. I do not see how we can reconcile holding on to this property now, after the war is over, with the attitude we took then.

There is no doubt on earth, from the information I have, but what the declarations made by the President before Congress as we went into that war, constituted the wedge, and was intended to be the wedge, which drove a division between the rank and file of the people of Germany on the one hand and the kaiser and the military government on the other. A member of General Pershing's staff told me that after the President had made his speech, and while the war was on, they had their airplanes distribute extracts from the speech printed in German over the trenches where the soldiers could read them. They were extracts from the President's message upon which war was declared and which read like this:

"We have no quarrel with the German people. [Applause.] We have no feeling toward them but one of sympathy and friendship. It was not upon their impulse that the Government acted in entering into this war. It was not with their previous knowledge or approval. It was a war determined upon as wars used to be determined upon in the old, unhappy days when the people were nowhere consulted by their rulers."

That was our declaration, and through the President we declared further:

"We are glad, now that we see the facts with no veil of false pretense about them, to fight thus for the ultimate peace of the world and for the liberation of its people, the German people included."

We made a distinction always between the kaiser's government and the German people. We declared that the people of Germany had no control over the war; that they did not start it; that they could not stop it; that they could only carry its burdens. Those people had nothing to do with the depredations committed by the kaiser's government, and yet it is those same people with whom we are dealing now.

The President, in his message to Congress, declared further:

"We are fighting for the rights of the nations, great and small, and the privilege of men everywhere to choose their way of life and obedience. We have no selfish ends to serve; we desire no conquest, no dominion; we seek no indemnities for ourselves, no material compensation."

And yet, in the face of this proclamation, our Government has permitted private property belonging to innocent German nationals, who had enough friendship for this country and enough faith to make their investments here, to be sold at public and private sale for sums infinitely less than the real value of such property. Not only that, but now, nearly four years after the war, we are permitting the custodian to hold the inadequate proceeds of such sales, together with other property belonging to German and Austrian nationals.

Our representatives at The Hague conference during all these years have been pioneers in standing for the rights of private property upon land in time of war, and our representatives have tried to induce the other nations to give this protection to private property upon the high seas. And now that we are holding the property of the nationals of a fallen foe it is distressing to see our Government so long delay in complying with the ideals which we have so long advocated.

If you can find any national in this country who owns property in the possession of the custodian and who committed or assisted in committing any of the depredations with which the kaiser's government is charged, then you should hold him to account. But, so far as I know, there are no nationals whose property we hold to whom we can charge any of the depredations of which we complain.

Repeatedly during the war we declared our hostility to the kaiser's government, and our sympathy and friendship for the German people. I have no doubt from all that I have learned but what this proffer of sympathy and friendship made the army lay down and caused the people of Germany to force the kaiser out, an achievement which brought the war to a close while their armies were still in foreign territory. Now that the people of Germany have eliminated that military government and established a Republic I think we should live up to our proffer of friendship, give that Government a helping hand, and keep faith with the nationals for whom we are acting as trustees.

It is interesting to study the provisions of Article XXIII of the treaty in force during the war between the United States and Germany. It reads as follows:

"If war should arise between the two contracting parties, the merchants of either country then residing in the other shall be allowed to remain nine months to collect their debts and settle their affairs and may depart freely, carrying off all their effects without molestation or hindrance; and all women and children, scholars of every faculty, cultivators of the earth, artisans, manufacturers, and fishermen unarmed and inhabiting unfortified towns, villages, or places, and in general all others whose occupations are for the common subsistence and benefit of mankind shall be allowed to continue their respective employments and shall not be molested in their persons nor shall their houses or goods be burned or otherwise destroyed nor their fields wasted by the armed force of the enemy into whose power by the events of war they may happen to fall; but if anything is necessary to be taken from them for the use of such armed force the same shall be paid for at a reasonable price."

The office of the Alien Property Custodian was created within six months after the declaration of war, and I do not know of any German national who was ever permitted to carry off any of his effects which happened to be in this country when war was declared.

The only justification for the creation of the office of Alien Property Custodian was to prevent the nationals who were then our enemies from using their property in this country against us during the war. That was the reason which justified our action at that time, but that reason ceased to exist over four years ago, and still we are holding the property, in the face of our treaty obligation to the German national—a treaty obligation entered into in time of peace when the blood was cool—a treaty obligation which the nationals of Germany and Austria had the right to assume we would faithfully keep, an obligation which plainly provides that the merchant has nine months to carry off all his property, without molestation or hindrance; that all women and children, scholars of every faculty, cultivators of the earth, artisans, manufacturers and fishermen, unarmed inhabiting unfortified towns, villages, and places, and, in general, all others whose occupations are for

the common subsistence and benefit of mankind should be allowed to continue their employments without molestation.

Every foreigner in this country engaged in a civil pursuit, manufacturing or anything else which was productive, certainly was included. Note the language: "In general, all others whose occupations are for the common subsistence and benefit of mankind shall be allowed to continue their respective employments, and shall not be molested in their persons, nor shall their houses be burned or otherwise destroyed, nor their fields wasted by the armed force of the enemy into whose power by the events of war they may happen to fall; but if anything is necessary to be taken from them for the use of the armed force the same shall be paid for at a reasonable price."

Could anything be clearer as to the obligation of this Government to protect the national who did not start the war, who could not control the war, who had no power to stop the war, and with whom the President said in his proclamation: "We have no quarrel, we have no dispute with him; we know that he had nothing to do with it." Upon this pledge and under this obligation, he brought his money here and invested it in this country.

I have read the debate at the time the alien property bill was passed, and the statements of those who contended that war terminates all treaties. I have read article 23 of the treaty with Germany. In order to show how determined they were that war should not terminate the treaty, let us read article 24 of that document:

"And it is declared that neither the pretense that war dissolves all treaties, nor any other whatever shall be considered as annulling or suspending this and the next preceding article, but on the contrary, the state of war is precisely that for which they are provided and during which they are to be as sacredly observed as the most acknowledged articles in the law of nature and nations."

Mr. LEA. Assuming that we stand by that agreement, that war shall not abrogate this treaty, and also that shortly after we entered into the war with Germany, contrary to the provisions of that treaty, they took the property of American nationals and assumed control of it, as we did subsequently in the case of German nationals, would you not regard that as having abrogated this treaty?

Mr. NEWTON of Missouri. We had many reports that have not been verified as to what they did during the war. My understanding of the facts are that there was about $100,000,000 worth of American property in Germany. They actually seized about $20,000,000. They merely listed the balance and permitted our nationals to use it. I have no evidence that in Germany proper they ever sold out or converted any of the property.

Mr. LEA. What I was really getting at was the principle. I will agree that we should dispose of this question on a high moral plane; that we should justify ourselves from the moral standpoint; but I think sometimes in our anxiety to do that we may misinterpret the law. Now, I would draw a distinction between the mere fact of war breaking a treaty and a violation of the terms of that treaty by the other nation with whom we are at war.

Mr. NEWTON of Missouri. I think there was enough to justify seizing the property and holding it during the war. I think that we were morally justified in doing that. I do not think, however, that we have lived up to our treaty fully. I do not think that we had the proof to justify us in going as far as we did. But the war is over now and I think we should fulfill our obligation to the nationals as quickly as possible. I think we should have done that long ago.

Mr. LEA. So far as the nations are concerned, if they violate the specific terms of the treaty after the end of the war, then that would release us from the reciprocal obligation, would it not?

Mr. NEWTON of Missouri. I do not think so.

Mr. LEA. If two parties, for instance, enter into a contract and one man breaks the contract in a material respect, that releases the other. He is not bound to stand by the terms of the contract which becomes unilateral.

Mr. NEWTON of Missouri. But you entered into a contract with Germany which affected the national and upon which the national relied and made his investment.

Mr. LEA. But the treaty was with the German Government.

Mr. NEWTON of Missouri. So far as the German Government is concerned; yes, sir.

Mr. LEA. I am discussing the Government, not the individual.

Mr. NEWTON of Missouri. But I am discussing the individual. I recognize the fact that we would have a right to break the treaty with the Government. If they broke their treaty we would have a right to ignore ours.

Mr. HUDDLESTON. I would like to call your attention to the provision in the next preceding section, which provides that a breach of the treaty or declaration of war shall not be used as an excuse for saying that the other party has violated it. Have you the language there?

Mr. NEWTON of Missouri. Yes.

Mr. HUDDLESTON. I would like to have the language put in.

Mr. NEWTON of Missouri. I have articles 23 and 24.

Mr. HUDDLESTON. What is the last sentence in 24?

Mr. NEWTON of Missouri:

"It is declared that neither the pretense that war dissolves all treaties nor any other whatever shall be considered as annulling or suspending this and the next preceding article, but, on the contrary, that the state of war is precisely that for which they are provided and during which they are to be as sacredly observed as the most acknowledged article in the law of nature and nations."

Mr. HUDDLESTON. The expression that you used was "any pretense whatsoever," which is about as broad as can be made, it seems to me.

Mr. HAWES. I was just going to suggest that if we proceeded on that theory, if a belligerent nation should use poisonous gas, murder women and children, and destroy private property, and if you follow the logic of that conclusion, then we would be justified in doing all these things that our traditional policy has opposed.

Mr. NEWTON of Missouri. That is the situation.

Mr. LEA. Excuse the interruption. That does not follow at all. That does not justify us in doing anything that is of an immoral character, but we simply refuse to be bound from our side of the agreement when the other side has failed to perform their obligation to us. That does not justify us in doing anything immoral.

Mr. NEWTON of Missouri. We have no evidence that the nationals ever violated the treaty. I think that the Government's violation of the treaty justified our action in creating the custodian's office, but when we had conquered the Government and the national had done nothing offensive, then we should live up to our treaty obligation with the national who made his investment over here upon a guaranty, an implied guaranty at least, from that treaty relation that his property would be protected, and I think his property should be turned back immediately on that ground. And I do not think we were justified under the treaty in selling out and in converting a lot of property that has been converted. I think the sales were not justified.

Mr. GRAHAM of Illinois. In other words, we took more property than we needed to take. We went to extremes in doing that, did we not?

Mr. NEWTON of Missouri. We not only went to extremes but I heard the Alien Property Custodian during the war in a speech before the Chamber of Commerce of St. Louis say:

I do not know—I am not in a position to say absolutely—how far Congress intended that I should go, but I propose that by the time I have finished the administration of my office there won't be a German who owns any property of any substantial character in the United States.

Mr. GRAHAM of Illinois. I think that is true.

Mr. NEWTON of Missouri. Now, the truth of the mafter was that during the war and a great part of the time since the war the custodian was not a custodian, a keeper, a trustee. The present custodian is performing his trust, in my judgment, as sacredly and fairly as a man could. He can not turn this property back without authority of law. I think he is faithfully performing the trust, but I think there were times when the war was on and since when the custodian was an auctioneer instead of a trustee—when he was selling property instead of preserving it, and to that extent we violated our trust. I was a prosecuting officer for about seven or eight years. I always made it a practice as a representative of this Government to conduct myself toward a defendant so that he could never say that his Government had ever taken an unfair advantage of him, and if we criticize Germany for violating her treaty, we should not violate ours.

But, regardless of that, when the war is over and after it has all passed, and we have come to deal with the national—and that is what I want to discuss to-day, the obligation to the national, who had no control over the war, who did not start it, who could not stop it, who had no voice in it, the fellow to whom we pledged our faith—I think we ought to keep faith with him as far as we can. I am not here advocating that we do anything which will violate the mature judgment of the State Department, but I think we ought to grant as much relief as we can.

Mr. DENISON. I want to ask a question right in that connection. The treaty does not put us under any obligation to the national as such. The treaty is an obligation between the two Governments, and the two Governments are the only parties to the treaty. If the nationals have an interest in it, it is incidental, and all the obligation is between the Governments and the Governments only.

Now, let me ask you this: The consideration for the agreement on the part of our Government was the agreement on the part of the German Government and vice versa, the agreement to mutually do certain things. Among other things they agreed mutually to respect the property rights of the merchants and others living in these countries, nationals of the other country. Now, the German Government did not observe this treaty from the beginning. It did not allow the Americans to get out of Germany and take their property, and the German Government has not yet paid Americans for the property losses in their country.

Mr. NEWTON of Missouri. Now, what is there that the German Government seized, except the bank deposits, that has not been turned back?

Mr. DENISON. I do not know myself.

Mr. NEWTON of Missouri. I do. I know that everything was kept intact; I got it from the State Department and I got it from the other sources that they sold nothing. They kept it, and where one of our banks had a million marks in a German bank the German bank tendered it back in kind. Now, the only thing that I have found to be left over there is the marks that were deposited in the banks. The rest of the property has been turned back more than two years—everything that was seized that was of a tangible nature. In fact, the only thing they seized was the money in the banks, and, as a result of the war, it depreciated in value, and the bankers here and the bankers there—or the German Government—have had a controversy on that account. But there is no evidence that they sold out anything like the Bosch magneto, or patents, or anything of that sort over there. They tendered American property back just like they seized it, except that the value of bank deposits went down.

Mr. DENISON. Of course, there is no use of trying to fool ourselves. When they took over gold and offered back paper that is worthless, that is not giving back the property. You can call it paying back in marks if you want to, but we know that as a matter of fact they took over something of value and offered back something without value. Not only that but they took property, destroyed property, of American citizens.

Mr. NEWTON of Missouri. In Belgium.

Mr. DENISON. Yes. Now, I want to ask you about this mutual obligation, this treaty obligation, the promise of each one, the agreement of each one depending upon the agreement of the other, where the German Government did not comply with the treaty, were we bound by it?

Mr. NEWTON of Missouri. Yes; we were bound by it so far as nationals are concerned. We entered into that agreement knowing that the national would probably rely on it. We watched him rely upon it. He came here and invested, relying upon that pledge, and by the inducement of our official consular representatives.

Mr. DENISON. But our nationals over there relied on it, too.

Mr. NEWTON of Missouri. Yes; and they have received their property back. But if they had not, what justification have you for holding all this property? As I understand it, there are around $400,000,000 in American claims against Germany. Ninety per cent of them consist of insurance claims. To whom are you going to pay those claims? The insurance companies received their premiums and the owner of the goods received his money.

Mr. DENISON. I do not know anything about those details.

Mr. NEWTON of Missouri. I am discussing that point. I want to discuss that feature of how much you are going to hold as a guaranty for $400,000,000 claims, and 90 per cent of them insurance claims.

Mr. DENISON. We are not a court to settle those things. That is up to the mixed claims commission.

Mr. NEWTON of Missouri. Yes; but you propose to hold a guaranty for them, and we know now that 90 per cent of the claims are insurance claims, and to whom are you going to pay these claims? If you pay them to anyone, he will be receiving payment twice.

Mr. DENISON. My own view is that there ought not to be very much of that paid to anyone.

Mr. NEWTON of Missouri. If you eliminate that, you have not more than $50,000,000 of claims.

The CHAIRMAN. We had testimony here that it was double that amount.

Mr. NEWTON of Missouri. Mr. Garvin made the statement before this committee about two years ago that the Secretary of State, Mr. Lansing, had advised him that, considering 100 years' experience of the United States in international claims, that on an average not more than 3 per cent has been allowed; 3 per cent of $400,000,000 would be $12,000,000, and 90 per cent of that is insurance claims.

The CHAIRMAN. But I was not referring to that point. The testimony is that we have about double $400,000,000 in claims.

Mr. NEWTON of Missouri. Well, suppose you have $800,000,000. Ninety per cent of that amount is insurance claims, and, according to the information which I have from the Shipping Board, we are holding ships valued at about $200,000,000.

Mr. GRAHAM. Let me ask you a question there. You are a Member of Congress, Mr. NEWTON, and this is partly your job as well as ours.

Mr. NEWTON of Missouri. I know it is.

Mr. GRAHAM. And you have got to help dispose of it. Would you advise settling and paying all this money to German nationals, disposing of that whole fund, under the present international circumstances, until we are assured that the claims finally determined by the mixed claims commission will be paid?

Mr. NEWTON of Missouri. I think it is all right to hold a reasonable amount, but I do not think we should hold three or four hundred million dollars to guarantee the payment of fifty million dollars.

Mr. GRAHAM. I agree with you.

Mr. NEWTON of Missouri. If you turn back up to $10,000, that would amount to how much, Mr. Miller?

Mr. MILLER. Under the provisions of this bill it would amount to about $44,000,000.

Mr. NEWTON of Missouri. Then there would be about $300,000,000 of these funds left. If you kept $150,000,000 of that amount with your $200,000,000 of ships, you would have $350,000,000. That should be a fairly good guaranty for our $50,000,000 of claims.

The CHAIRMAN. Mr. NEWTON, from an ethical point of view, have you any more excuse for keeping $150,000,000 than you have for keeping $350,000,000?

Mr. NEWTON of Missouri. As a matter of fact, when you come down to bedrock, I do not think that we have an ethical justification for keeping any of it. If we have a claim because of the depredations of the kaiser, it ought to at least be borne by all the people and not by a few; it certainly should not be taken from those who were friendly enough to come here to invest their money.

As a Member of Congress I am interested, just like the members of this committee, in dealing with these nationals, and there is one thing that has especially rankled in my system. I think the most despicable of all the Germans during the war was Count von Bernstorff, who abused our hospitality and carried on his propaganda here in violation of our neutrality. He has confessed in his book to many things that he did, yet we paid back a million dollars to his wife, an American woman who went over there and married a German title, and we have paid millions more to other women of her kind. I would have made those the last claims to be paid. And yet that was done under a special act recommended by this committee and passed by Congress.

Mr. GRAHAM. When was that?

Mr. NEWTON of Missouri. That was done about two years ago. We gave Mrs. Von Bernstorff $1,000,000, and we have paid out $75,000,000 more under that act.

Mr. MILLER. I refused to pay her claim when I came in, and she beat me in a court of law.

Mr. NEWTON of Missouri. Yes; and she did it because this Congress provided the authority which gave to those women the right to their money. You can not justify that on ethical grounds. I would rather pay the poor German girl who had nothing to do with this war and never had a chance to marry an American boy her full claim than to pay an American woman who had a million dollars and went over there to marry a Germant count or a title of some sort.

Mr. NEWTON of Minnesota. I agree with you.

Mr. NEWTON of Missouri. I do not think it makes so much difference whether you authorize the release of all the property or only a part of it. If you authorize the release of all claims up to $10,000 and 50 per cent of the balance of the property held, it will take more than a year to prove up all the claims and release the property. It is important, however, that speedy action be taken authorizing the release of a great number of smaller claims, in order to relieve the claimants, who are suffering from starvation in Germany and Austria. If you want to hold enough of the larger claims to guarantee the payment of

American claims against Germany, all right. I do not think you can justify that on ethical grounds, but if by doing that you can hasten the enactment of law for the release of the great mass of smaller claims, well and good. But some action should be taken soon.

Though the holding of the larger claims may be unethical and unjustifiable, it is not nearly as bad as a lot of the things which have been done by the custodian in the past. For instance, he sold the Bosch Magneto for a sum infinitely less than its real value; and the sale of 4,000 valuable chemical patents for a mere nominal price is, to my mind, a reflection upon our country's war record. If I had the salvarsan rights in the United States, I would think I had a property worth millions of dollars, and yet I am advised that the custodian put the salvarsan patent up, with some 4,000 other patents, and sold them for $260 each. Think of selling the salvarsan patent for $260 and holding that pitiful sum and refusing to turn it over to its owner!

Mr. DENISON. $260,000?

Mr. NEWTON of Missouri. No. Salvarsan brought only $260 in with a lot of other patents. They were all put up and sold together for a total sum of $260,000. Now, of course we can not justify that. I think it is a good deal more justifiable to hold the larger claims, though ethically I do not think you can justify holding any of them. Those people are starving over there—people who did not have anything to do with the war—and their property should be released at once.

I have received a lot of sympathetic appeals from the other side. I think I ought to call your attention to a few of them, because they illustrate points that you ought to take care of in the bill. For instance, there is a woman who used to live in Cincinnati, who taught school there for 45 years. She was born in Germany, but became an American citizen.

The CHAIRMAN. In Cincinnati or in Germany? Where did she teach?

Mr. NEWTON of Missouri. In Cincinnati. Some years ago the city of Cincinnati established an annuity for aged and superannuated teachers. After this woman taught for 45 years she broke down in health. She went to Germany to be treated and was caught in the war. The custodian, as the law requires, is today collecting that $100 per month from the city of Cincinnati, while the old woman, now past 80 years of age, after 45 years of service in the public schools of our country, is starving in Germany.

Mr. NEWTON of Minnesota. Had she changed her residence?

Mr. NEWTON of Missouri. No; she went to the American consul to keep up her citizenship and complied with the law in that regard.

Mr. NEWTON of Minnesota. Then why is she not an American citizen, entitled to the money, and why is any legislation needed to get that property back for her?

Mr. NEWTON of Missouri. Because the State Department declared that she was expatriated after the war came on and she did not get home. Now, I think there ought to be something done to release those annuities, and the custodian is still collecting many of them. The custodian ought not to be required to collect incomes after the war is over, and yet under the law he must do it.

Here is another illustration that I think you ought to take care of. After I introduced a bill for the release of German and Austrian property about a year and a half ago I got a letter from an old woman in Berlin. She said: "Here I am, an old woman, dying of hunger in a garret in Berlin, while the great United States holds my money. And I am no German." Then she told me that her father at one time was the largest shipowner in Cuba; that she was educated, with her sister, in a convent in New York and that her brothers were educated in a Jesuit school in New York. One of the girls became ill and the mother took them to Germany. The father died suddenly and the two girls later married German boys. The husband of the one who wrote me had been dead 20 years. She took her Cuban citizenship back, and under the law she is entitled to her property.

Realizing the pathetic condition that the old woman was in, I sent over to the custodian and got blanks and sent them to her and arranged for somebody to act for her with power of attorney over here, and I did this to try to help her get her property, because she had a right to it and was in want. After about four weeks I got a reply from her saying that she had tried diligently but could not raise the money to get the affidavits. Then she itemized the expense of such affidavits. The American consul wanted $5, American money; the counsellor had to have $5; somebody else so much, and the total was $18.50, which at that time was 9,500 German marks and now about 100,000 German marks; and she could not raise the money, and she told me that the only thing that had kept her alive was the fact that some kind people were permitting her to eat one meal a day at their table. There should be speedy relief and some provision made for those people.

I haven't any doubt but what there are a lot of scalpers who have been going around over there who have been practically taking claims away from people because they were so hard up that they would take almost anything for them, because they are starving to death. There should be some provisions to protect these claimants.

Professor Baessman, of Lombard College, Galesburg, Ill., held the chair of literature and English. He had taken out his first papers but had not perfected his citizenship—had not had time. He had four or five thousand dollars invested over here. His father in Germany died in the spring of 1914 and he went over there in June, 1914, to help his mother straighten out her affairs. He was to come back in September to take charge of his work. The war broke out and he could not get back. He is over there now absolutely without money and he can not get any of his money in this country. Not only that, but I believe there are cases where the taxes on the property held are not paid. Have you any provision, Colonel Miller, for paying the taxes on these estates?

Mr. MILLER. We pay them as administrative expenses out of the funds that I have in the trust. If I have no fund in the trust and it is going to sacrifice the property, I either have to sell it or make other arrangements.

Mr. NEWTON, of Missouri. I feel that there ought to be some action taken as speedily as possible upon these claims. To show you how serious the situation is over there, I wrote the Secretary of State a few days ago and asked him what the real conditions were in Germany and Austria. I asked him if he had any authentic information from our consuls or ambassador as to what the conditions were. I told him that appeals were coming in to me from Americans, stating that the people in those countries were on the point of starvation. I want to read from his reply, dated 5th instant:

"MY DEAR MR. NEWTON: I beg to refer to your letter of December 23, 1922, requesting that this department supply you with authentic reports and other information bearing upon the distress reported to be prevailing in Germany and Austria. The inclosed memorandum has been prepared by this department and contains information on the subject with regard to Germany. I will shortly be in a position to give you corresponding data and information relating to the situation in Austria."

The letter is signed "Charles E. Hughes." I will read part of the memorandum:

"The following information and statistics have been submitted to the Department of State by official American representatives in Germany charged with the compilation of such material."

A report dated September 20, 1922, gives a quantitative estimate of grain crops in Germany as follows:

November, 1913: The crop for 1913 was 3,532,617 tons of winter wheat. In 1922 it had fallen to 1,637,157 tons.

In 1913 the summer-wheat yield was 510,467 tons. That fell down in 1922 to 268,566 tons. These reports are from our American consuls.

In 1913 winter spelt—that is a species of rye growing in southern Germany—yielded 437,787 tons, which fell in 1922 to 127,957 tons.

Rye, which is their staple for breadstuffs, had a yield in 1913 of 9,087,150 tons, which fell in 1922 to 5,285,231 tons.

The Secretary of State says that in a report from the consul dated November 23, 1922, the following statement is made:

"It is now thought that the grain supply on hand in Germany will last until February instead of January, 1923, as heretofore reported."

I had information to the effect that the Reparation Commission had stated that the grain supply would only last until January, and it would take 2,000,000 tons of grain to feed the people and keep them from starving during the winter. They had evidently made the same statement in a former report, but later information indicates that their bread supply will last until February.

"This is due to the importation of large quantities of grain from abroad."

Now he makes the statement that they have a good supply of potatoes. That is the only thing they have plenty of. That helps with the breadstuffs, but they can not live on potatoes.

The report further reads:

"The latest official figures available show that during the month of November the cost of living in Germany, covering food, fuel, light, and rent, increased by 102.2 per cent." On November 23 the consul reports that "because of the steadiness of the exchange rate during the last two weeks it is not ex-

pected that living expenses will show such a tremendous increase for December."

The CHAIRMAN. Mr. NEWTON, do you base that increase in the cost of living on the actual value or the depreciation in the value of money?

Mr. NEWTON of Missouri. It is due to the exchange rate. That is what he says—the exchange rate.

The CHAIRMAN. So the intrinsic value has not gone up 100 per cent?

Mr. NEWTON of Missouri. Well, here is exactly what he says:

"The latest official index figures available show that during the month of November the cost of living in Germany, covering food, fuel, light, and rent, increased 102.2 per cent."

That is his statement. Then follows: "Because of the steadiness of the exchange rate"—of course, they are going to have to import their food supplies, their breadstuffs, which are about to run out, and hence the exchange rate has to be taken into account—"Because of the steadiness in the exchange rate during the two weeks previous." They thought it would remain steady, but since that time I think it has gone down about 1,000 per cent.

Our American consul, on November 23, goes on to say:

"No doubt much distress prevails in Germany. The papers are full of appeals for aid for the poor and the people are urged to do everything possible to relieve the great suffering. The fuel situation remains unsatisfactory. Coal prices have had to be increased, which is due in no small measure to the fact that about 1,000,000 tons of coal have had to be imported from England each month, the exact figure for October being 918,598 tons. Fortunately for the poorer classes, the winter so far has been quite mild, making the use of coal for heating purposes practically unnecessary. Should colder weather set in, however, the suffering of the poor and middle classes would probably be very great, since the price of coal is practically beyond their reach."

Mr. GRAHAM. It would seem from that, Mr. NEWTON, that while the French are complaining that the Germans are not furnishing them all the coal they agreed to furnish, at the same time Germany is obliged to import coal in order to exist.

Mr. NEWTON of Missouri. That is our American consul reporting from over there that a million tons a month is being imported from England, and I have information from other sources that their importations of coal from England, even at the high exchange rates, have been practically equal each month to the amount that was taken from them into France and Belgium. Our American representative on the ground reported to the State Department that the exact amount for October was 918,000 tons.

Now, on the milk supply the consul reports:

"While imports of preserved milk were not permitted before the war, the trade has now been released from all restrictions, owing to the reduced supply of fresh milk. The last animal census shows a decline in German cattle from 18,570,000 in 1913 to 16,839,000 in December, 1921. There has been a marked decline in the condition of German cattle as well as in their number. In recent years it has been impossible to import anything like the great quantity of oil cake used before the war for the sustenance of German cattle."

On October 2 last the consul reported:

"Exact figures are not obtainable, but it is doubtful if the present supply of milk in Germany exceeds 60 per cent of what it was before the war."

I will now read the last paragraph of the report from the State Department, which is the most up to date and comes from our ambassador, Mr. Houghton:

"Under date of December 21, 1922, the American ambassador at Berlin telegraphed in part that the milk supply of Berlin is only one-half of its former quantity; that the bread consumption per capita is 104 units to-day as against 240 units in 1914; that in many parts of the city more than half of the children are tubercular and that a considerable proportion of the population there are wholly without fuel. The ambassador adds that he believes there will be great distress among the population before the middle of February, when the food supply will run short, and regards the possibilities as appalling."

Now it seems to me that with that condition prevailing over there, when we have a quantity of property far in excess of anything necessary for security, that we ought to release to the nationals as much as we can of that property, and I think we could easily release everything up to $10,000 on all the claims, because that would release the greater number of them. As I remember, the average of the claims of less than $10,000 was about $700, and we are holding 30,000 of those claims. But think what $700 will do in Germany; how many people it would feed through the winter; and it seems to me that four years after the war is over, when we take into account the fact that those nationals came here in good faith, we should restore their property at once.

The CHAIRMAN. Mr. NEWTON, how much of that money due to the German nationals do you think would get over to Germany if the trusts were paid?

Mr. NEWTON of Missouri. Well, all the little claims will go, and a good part of the big ones.

The CHAIRMAN. Will you permit an interruption for a moment?

Colonel Miller, how much of the money which might be paid out under the provisions of this bill do you think would get over to Germany? I mean immediately.

Mr. MILLER. By an arrangement which I hope we will be able to make with the embassy or the legation it is our intent to have rules and regulations ready which will permit us to move with as much speed as we possibly can, and also at the same time to prevent its being necessary for small claimants that might come in under the provisions of this bill to have to go through individual lawyers and pay excessive fees, and that was the purpose of one of the sections in this bill.

The CHAIRMAN. You did not get my inquiry. How much of the money—say it is $44,000,000—that might be paid out under the provisions of any bill—how much of that do you think would forthwith get over to Germany?

Mr. MILLER. I should think very easily half of it could before the year is out.

The CHAIRMAN. I do not mean in that way, but how much would naturally gravitate there and get back into the hands of the owner, and how much would be held by nationals who would still be in this country and would keep the money in this country?

Mr. MILLER. That is impossible to estimate, Mr. Chairman.

The CHAIRMAN. As an offhand guess, we will say, how much of that do you think will be paid to people who are going to get it and use it in Germany immediately for their own relief?

Mr. MILLER. I should say approximately half of it. If a claimant wanted to leave his mortgage over here and go ahead earning interest and live on the interest, of course the principal would stay here.

The CHAIRMAN. I was trying to meet the interesting point which Mr. NEWTON raised, that they were suffering there and that the release of this money would relieve that suffering; and the query is, How much of it would ever get there to accomplish that relief?

Mr. MILLER. One of the points that I have continually made is that this proposition would relieve a large part of the economic distress among a good part of the population.

The CHAIRMAN. But you have no very accurate estimate in mind as to the amount?

Mr. MILLER. I would not venture an opinion. When I say 50 per cent, that is a random guess which you have asked me to make.

Mr. NEWTON of Missouri. As a matter of fact, most of the smaller claimants live over there, do they not?

Mr. MILLER. Yes, sir.

Mr. NEWTON of Missouri. If you considered it on the number of claims instead of the amount of dollars, the percentage would be much higher, would it not?

Mr. MILLER. Very much so.

Mr. NEWTON of Missouri. It looks to me like a very, very high percentage of that 30,000 claims, which average $700, would go to Germany.

It was reported that the large claimants did not want their money back, but representatives of some of the big steamship companies and other big industries came to me some time ago after I had introduced a bill and made a speech on alien property, and they found I was interested, and they said this report that they did not want their property back was all wrong; that they wanted it back, but that they wanted to continue to use it here, and I think the big bulk of it, the big blocks where it goes into millions, most of that will stay here. But I think that claims up to $10,000 and probably beyond in some cases will go over to Germany.

The CHAIRMAN. One more interruption, if you please. Did you state just a moment ago, Mr. Miller, that you have made a tentative arrangement with the embassy here, the embassies and legations of these various countries to do the work, the agents for these various owners of the trusts?

Mr. MILLER. Yes, sir.

The CHAIRMAN. So that it will be more expeditiously done and without material cost to the owners?

Mr. MILLER. Yes, sir. And I also have in mind recommendations that I want to make to the President, if you pass this legislation, that will enable him to amend the presidential

regulations and permit us to deal directly with them, rather than going through the Department of Justice.

Mr. NEWTON of Missouri. Can not you make some provision whereby, where affidavits have to be made, as in the case of the old Cuban woman, that credit can be given to them out of their estates?

Mr. MILLER. I have that in mind, and I am also permitted to waive this consular fee that is rather excessive on small trusts.

Mr. NEWTON of Missouri. From the information that I have, I am confident that two-thirds of those people over there are not able to pay for the affidavits that are called for, if they must pay for them in American money.

Mr. MILLER. I am ready to act, sir, immediately after the 4th of March if you pass this legislation.

Mr. NEWTON of Missouri. And there ought to be some provision—for instance, in the case of this old Cuban woman, she has only $2,000. It is in preferred stocks and bonds in the Frisco Railroad down in the Middle West. She invested her little savings in them, and yet it will be impossible for her, I presume, if she is still living, to raise that $18.50 over there, and there ought to be some way so that our American consuls could take all of those affidavits, and whatever the expense is have it charged up against the estates here.

Mr. MILLER. Our arrangement, Mr. NEWTON, does not contemplate going through the American consulate. I do not want to discuss our details here, but it is the most specific plan we can make.

Mr. NEWTON of Missouri. But you are planning, as I understand it, to fix some way so that they can get their property without having to advance money before they get it?

Mr. MILLER. Yes, sir.

The CHAIRMAN. Mr. NEWTON, am I right in thinking that the essence of your suggestion is that you approve this bill, generally speaking, as far as it goes, but you would commend to the committee's serious consideration the enlarging of its scope?

Mr. NEWTON of Missouri. Yes; but I think there should be some safeguards relative to that amendment in there about the patents. I think that legislation should not be put through that could be construed to mean that Congress was attempting to validate the claims of the Chemical Foundation to these patents. The Attorney General has filed suit to set aside those sales, and I think that this legislation should be so worded that it could not be in any way construed as indicating the view of Congress as to the title to the patents.

The CHAIRMAN. Would you go so far as to suggest that the question of patents be segregated and that the other adjustments be paid independent thereof?

Mr. NEWTON of Missouri. If you add there a provision declaring that this law shall not be construed as in any case affecting the litigation of pending suits heretofore filed by the Attorney General against the Chemical Foundation, and in the event that suit is decided in favor of the Government, that these patents should come under the provisions of this law, then I think your bill will be all right. Otherwise I can see how it might cause complications.

The CHAIRMAN. What about other patents not comprehended in the suit against the Chemical Foundation?

Mr. NEWTON of Missouri. I think the Government ought to treat them as trusts, and I think the patents should all be turned back.

The CHAIRMAN. Now, suppose it should appear to the committee that there were confusing conditions surrounding the patents so as to make it rather unwise to attempt to handle them just now, would you then favor the segregation of the patent proposition and go on with the rest of it?

Mr. NEWTON of Missouri. Yes. I would go ahead with the other and hold the patents, but I do think that the law should be so worded that there could be no doubt—so that no one could construe your act to mean that Congress is undertaking to validate that sale to the Chemical Foundation.

The CHAIRMAN. Now, would you feel that the provision that is in here now failed to comprehend the suggestion you have made?

Mr. NEWTON of Missouri. Yes. I have read that two or three times and I fear it would.

The CHAIRMAN. You think it will not apply?

Mr. NEWTON of Missouri. I fear that the specific exception of the patents without any reservation will be construed as indicating that Congress recognizes the validity of the sale to the Chemical Foundation, but if you added to that section a provision that patents may be held in abeyance until the litigation is settled, unless Congress otherwise directs, then, I think, the act will be sound.

The CHAIRMAN. I think that was the intention of the provision. You are the first person who has raised that point.

Mr. NEWTON of Missouri. I have read it over and I am afraid it will be misconstrued. I think the attorneys for the Chemical Foundation will contend that we specifically excluded the patents and thereby indicated that we recognized the validity of their title, and I think it ought to be clear enough so that there could not be any controversy about that point. With that correction I think the bill is good. I am certainly delighted that you are taking this matter up, and I think the conditions over there justify as speedy action as possible.

The CHAIRMAN. Are there any questions to ask the witness?

Mr. GRAHAM. Mr. NEWTON, the idea might be expressed by attaching to this section relative to patents language something like this: That nothing herein contained shall be construed as an expression of the final policy to be pursued in the matter of settling patents or patent rights.

Mr. NEWTON of Missouri. Well, I think you should add, "As in no way affecting the litigation."

Mr. GRAHAM. Yes; I agree with you.

Mr. HUDDLESTON. I would like to ask you one question, Mr. NEWTON. Would you not think a similar provision desirable as applicable to the property which is not returned to claimant, that the question should be expressly reserved and be an open question so that there will be no implications whatever?

Mr. NEWTON of Missouri. If you care to do it. To my mind the confiscation of this private property to pay for the depredations of the kaiser's government is unthinkable. There are a number of ways that you could handle it. You could leave it entirely alone for future action. In my judgment that is the best thing to do; leave it entirely alone.

Mr. HUDDLESTON. I will say this to you: There are two schools of thought even in the committee, one holding that to return part of this property and retain the other implies that the balance will be returned in due course when adjustment or something has happened, I do not know what; the other school holds that the return of part of the property with the retention of the balance affords a logical implication that the balance is retained for the purpose of being applied to these American claims, and I was wondering why it would not be desirable to simply preclude both of those implications by disaffirming them.

The CHAIRMAN. The Chair would like to ask you by what authority you assume to say that there are two schools in this committee?

Mr. HUDDLESTON. By the line of questions that have been asked and by private statements made to me, I may say. I do not think that anybody who has heard these hearings has any doubt that those implications diametrically opposed to each other are entertained by various members of the committee.

Mr. NEWTON of Missouri. I will say personally that after going into the provisions of the treaty and knowing something of the investments that came over here and the circumstances under which they came, that is, that they were induced to come by our American representatives, that the holding of any of that property longer is repulsive to me. The Secretary of State may have some reason which may be justifiable for holding a part of it, but he certainly has no right to hold any more than is adequate for security.

Mr. HUDDLESTON. Do you think it desirable to express in this bill that there will be no attempt of that kind?

Mr. NEWTON of Missouri. If you leave it silent in the bill, they can speculate on the future intent of Congress.

Mr. GRAHAM. As long as it is not stated in the bill what our policy is, any reason for withholding the present payment is a good one.

Mr. NEWTON of Missouri. You declare your policy now, and you don't know what the condition may be a year from now.

Mr. HUDDLESTON. May I say right on that point that it is argued because of the Knox-Porter resolution that there is already an implication that this property is to be retained for the payment of these claims and that a lien belongs to the claimants for their property, yet those things were made an express reservation.

Mr. NEWTON of Missouri. The trouble of it is, of course, they make their contentions and draw their conclusions as to the implication, but nobody can tell what the next Congress may do.

Mr. HAWES. I do not want to detain the committee or the witness. We have had before this committee, Mr. NEWTON, some very able lawyers who contend for a general principle what they call "the American principle," and some other very able lawyers who contend that this property should be held as se-

curity for American claims. Then there is another point of view suggested by Mr. HUDDLESTON of the release, say, of $10,000 and 50 per cent more, and some of us believe that that would set a precedent or establish a principle for the release of all of the property, and others contend that it would do just the opposite. Now, may I take your valuable time and the time of the committee just for a minute in reading the latest work on international law, written by an American, which seems to state the traditional American policy on international law, chiefly as interpreted and applied by the United States. This is by Charles Chaney Hyde. In volume 2, page 233, I find this statement—I am suggesting it because it seems to come from a disinterested source, and the book was published in 1921:

"Upon the outbreak of hostilities a belligerent may find large amounts of enemy property within its territory and remote from the field of military operations. It seems to be acknowledged that the bare existence of war does not serve in such a case to effect any change of ownership. Confiscation, whether rightfully or wrongfully, requires affirmative legislative action. According to Chief Justice Marshall the terms of the Constitution of the United States forbid the inference that a declaration of war operates by its own force to transfer title to property within the national domain. A belligerent possesses the broadest right to prevent enemy property of any kind within its territory from being so employed as to afford a benefit to the foe. While this right of prevention does not imply one also of confiscation generally, the scope of the former is such as to render otherwise unimportant the manner in which it is exercised, so long as there be no unnecessary destruction or impairment of the value of the property concerned. The procedure adopted may be designed with reference to the nature and location of the owner; thus, in case he is an alien enemy residing within the national domain and permitted there to remain without molestation, subject to good behavior, the belligerent may defer the assertion of control over his possessions until, through abuse of his privilege, he compels the State to intern him and deal with his belongings as if he were a nonresident. Prior to such event the belligerent may be disposed to deter by other means the enemy from gaining any benefit from what he owns and is permitted to retain. Where, however, the owner is the enemy itself and the property public property, or where in case of private ownership the owner is an enemy person outside the national domain and a resident of either hostile or neutral territory the belligerent may reasonably assert direct and exclusive control over the property."

That seems to indicate a distinction between the control of property of aliens residing in our country which we exercise—or, in other words, which we did not exercise—we gave them full liberty and property of the Government itself, and I find on page 237, discussing the policy of the United States, a very clear statement, which may be of interest to you:

"In the early days of the Republic a view found expression in the data of the Supreme Court of the United States, that the law of nations did not forbid the confiscation by a belligerent of enemy private property on land within the national domain. Even then there was evidence of a tendency of practice on the part of enlightened States to refrain from such conduct, for while the growth of such a practice was perceived its possible legal significance was not at first clearly understood. Somewhat later, however, it became apparent to Chief Justice Marshall that the usage of nations afforded the test of the private national conduct, and that such usage might destroy the existence of an old belligerent right. On that ground he did not hesitate to denounce as internationally illegal the act of a conqueror in confiscating private property."

That was, I believe, the Brown case. Then again on page 239 this law writer makes this statement:

"It is believed that on principle the right of confiscation should be denied a belligerent when the property is privately owned and not in fact connected with any military operation or employed for a hostile purpose, and provided seizure is not resisted. Under such circumstances the power of a belligerent to control or utilize it without interference should impose the duty, in case of appropriation, ultimately to compensate the owner."

That seems to be the undisputed American doctrine.

Mr. NEWTON of Missouri. That is the real American doctrine.

Mr. HAWES. That is the undisputed American doctrine.

Mr. NEWTON of Missouri. A custodian is a keeper of property; a trustee, whose duty it is to preserve, and to act for and on behalf of the owner thereof. He has no right to sell such property unless it be perishable, and such sale becomes necessary for the best interest of his trust. It is a source of painful regret to me that former custodians have not lived up to this standard. They have sold valuable properties, not for the purpose of conserving the trusts for which they were responsible, but for the purpose of divesting the owner of his title thereto. But regardless of what has been done in the past, it is the duty of Congress now, by appropriate legislation, to require the custodian to discharge his trust by returning all available property to its rightful owner, and where the property has been sold, if the owner thereof is not satisfied with such sale, he should be permitted to institute a suit in our courts, and the courts should be given the power either to set aside such sales or to determine upon proper evidence the reasonable value of such property. To do less, in my judgment, would be a breach of faith and a violation of our duty to the nationals who invested their money in our institutions.

Mr. MAPES. Assuming that this committee feels that this property ought to be turned back to the original owners as fully as it is possible to do, and also assuming that it feels that the Alien Property Custodian has held it as long as he ought to, bearing in mind the legislative situation and the fact that Congress adjourns on the 4th of March, what is your notion as a practical proposition the committee ought to do?

Mr. NEWTON of Missouri. I think the committee ought to bring out a bill authorizing the custodian to return all claims up to and including $10,000 and at least 50 per cent of all remaining claims. The people in Germany and Austria are perishing from hunger and cold, and in my judgment to hold their property longer is utterly indefensible.

Mr. MAPES. Do you think the committee ought to bring out a bill recommending the return of all of it now? I am asking now as a practical matter.

Mr. NEWTON of Missouri. Unless the State Department can give some good reason why a part of this property should be held, I think it should be returned in its entirety at once. I have heard many intimations as to the attitude of the Secretary of State, although I have heard nothing definite as to his position. I think his judgment, in matters of this kind, should be respected as far as reasonable, but I think that as much of the property as possible should be returned, and returned at once.

Mr. MAPES. As practical men we have got to determine on not only what is theoretically proper, but we have got to map out some practical procedure, keeping in mind all the legislative situations. Would you recommend that the committee report out a bill requiring the Alien Property Custodian to turn back all of this property as soon as he could?

Mr. NEWTON of Missouri. No; not unless the Secretary of State approves. I think, however, the State Department should give this committee all the facts from which it draws its conclusions. If the department thinks it unwise to state the facts in an open hearing, let it advise the committee in executive session. I do not think that in a matter of this character that Congress should be expected to rely entirely upon the conclusions of the State Department. I repeat what I have said before: That to me the holding of any of this property is repulsive. I feel that it is in utter conflict with the high ideals of this country in dealing with matters of this kind. I think, however, that the interest of the German claimants may be best conserved and legislation more speedily enacted if a reasonable amount of the larger trusts are held as security for American claims. As a matter of fact, I do not think that American claimants need such securities. I think the $200,000,000 worth of German ships is more than ample security for all our claims. Furthermore, after the mixed claims commission has allowed the just and valid claims, it will be easy enough to enforce the collection of such claims. Even if the German ships were released, all that this country would have to do would be to place an embargo on the importation of all German-made goods and I can assure you that the payment of all our claims would be forthcoming.

Mr. MAPES. Is it your personal view that we should hold a sufficient amount to secure the payment of American claims?

Mr. NEWTON of Missouri. If I were a member of the committee I do not think I would vote to totally ignore the request of the State Department. As I said awhile ago, it is repulsive to me to hold any of this property, but he may have some good reason for doing so, but certainly you ought to turn back as much as you can, after leaving any reasonable security. I think the holding of the property savors too much of the practice of holding a club to make them do what we want.

Mr. MAPES. Bearing in mind this further fact: Even assuming that the committee should take the position that you do, that it is repulsive to hold this property longer, and even assuming that no department of the Government asks the committee to hold any of it back; bearing in mind the fact,

as has been stated here before the committee, that prominent Members of Congress, either in one House or the other, are opposed to doing it; keeping in mind the fact that Congress adjourns on the 4th of March, what do you recommend?

Mr. NEWTON of Missouri. If the State Department did not request that part of it be held, I would turn every dollar of it back. I think that unless the State Department has some good reason for holding it we ought to discharge our trust.

Mr. MAPES. That is what you would do if you had your individual way about it?

Mr. NEWTON of Missouri. Yes.

Mr. MAPES. But for the purpose of my question——

Mr. NEWTON of Missouri (interposing). You mean whether or not a bill like that would pass? Is that what you have in mind?

Mr. MAPES. As a practical proposition, what would you recommend?

Mr. NEWTON of Missouri. I think any bill you bring into the House for the return of this property will pass. I think the danger is that the House might go too far, but I do not believe they will if you bring in a reasonable bill.

Mr. MAPES. It might pass the House, but would it pass the other side?

Mr. NEWTON of Missouri. I think it would pass the other body. I think the opposition will fade. I do not believe they can stand before the arguments in favor of the return of this property.

Mr. Chairman, we have in this country millions of people whose loyalty during the war could not be challenged. They bought Liberty bonds and thrift stamps to the limit of their ability; they gave their sons to fight upon the battle fields of France. Thousands of people of this class live in my district, and I know their loyalty and devotion to this country. Although they had relatives living upon the other side they never faltered when the call came. They were against the kaiser and his military government, and when the President said, "We have no quarrel with the German people; we have no feeling toward them but one of sympathy and friendship; we are fighting for the freedom of all the peoples of the earth, including the people of Germany." When the President uttered these inspiring declarations the people of German ancestry in all parts of the country took him at his word. Thousands of their young men volunteered, and the casualty lists from the battle front bear unmistakable evidence of their loyalty.

And now that the war is over those people who were loyal, who fought against relatives without faltering, contributed of their substance to sustain the Government, and gave their sons to fight and die for our flag, can not understand why the Government which they fought to sustain should continue to hold the property belonging to helpless and starving relatives upon the other side, with whom our President declared we had no quarrel, but for whom we had a feeling of sympathy and friendship. They can not understand why, as American citizens, they should find it necessary to dig down into their own pockets and send money to the other side while their Government continues to hold property belonging to those same relatives. Something should be done at once. This property should be released. I believe that when the facts are presented Congress will act, and I trust that action may be taken speedily.

FUNERAL SERMON ON THE LATE REPRESENTATIVE MANN.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the address delivered by the Reverand Doctor Freeman at the funeral services of Mr. Mann be incorporated, in 8-point type, in the memorial RECORD of last Sunday.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the address of Reverand Doctor Freeman, delivered at the funeral services of Mr. Mann, be inserted in 8-point type in the RECORD of the memorial proceedings of last Sunday. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, is the gentleman asking for its insertion in the CONGRESSIONAL RECORD again?

The SPEAKER. No; simply asking that it be inserted in the memorial volume.

Mr. GARRETT of Tennessee. That was the sermon delivered here, was it not?

The SPEAKER. Yes.

Mr. GARRETT of Tennessee. My impression is that that will be done anyway. I think that when they come to make up that memorial volume they will take all the RECORD.

The SPEAKER. Is there objection?

There was no objection.

WAR DEPARTMENT APPROPRIATION BILL.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department.

The SPEAKER. The gentleman from Kansas moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the appropriation bill for the support of the Army.

Mr. ANTHONY. And, pending that, Mr. Speaker, I would like to ask the gentleman from Mississippi [Mr. SISSON] if I can agree with him on the time for general debate on the bill? About how much time will the gentleman require?

Mr. SISSON. I have discussed this matter with the gentleman from Kansas, and I think five hours will be sufficient, to be controlled equally on each side.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent that the general debate on the bill be limited to five hours, of which two hours and a half shall be controlled by the gentleman from Mississippi [Mr. SISSON] and two hours and a half by myself.

The SPEAKER. The gentleman from Kansas asks unanimous consent that the general debate on the bill be limited to five hours, half to be controlled by the gentleman from Mississippi and half to be controlled by himself. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Kansas, that the House resolve itself into Committee of the Whole House on the state of the Union.

The motion was agreed to.

The SPEAKER. The gentleman from Connecticut [Mr. TILSON] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the War Department appropriation bill, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13793, the War Department appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. ANTHONY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Kansas is recognized.

Mr. ANTHONY. Mr. Chairman and gentlemen of the committee, this is the bill making the appropriations for the War Department. It carries a total of $314,000,000 in round figures, of which $248,000,000 is for the military activities—that is, for the support of the Army during the next fiscal year—and $65,000,000 is for the nonmilitary activities of the War Department. The amount for the military activities, or the cost of our Army, is $12,000,000 in round numbers less than for the current year. The amount for the nonmilitary activities is $3,000,000 less than for the current year, making a total of $16,000,000 less in the bill offered to the House here to-day than was carried in the current year's appropriation bill. In comparison with the figures submitted in the Budget the amount for military purposes is $14,000,000 less than the Budget, and the amount for nonmilitary activities is $8,000,000 more than the Budget, making a net reduction in the Budget estimate of over $5,000,000.

The provisions in this bill will provide for an Army of substantially the same size as we have during the current year. We are providing for the pay of 125,000 enlisted men and 7,500 Philippine Scouts. We are appropriating sufficient money for the pay of 12,000 commissioned officers, the full number of officers now authorized by law. We are also providing for an increase in the National Guard to a maximum of 215,000 men during the next fiscal year. The guard now numbers over 160,000, will be 190,000 in size by July 1, and under the amount we are placing in this bill will grow to a maximum of 215,000 during the next fiscal year.

In this connection it is well for the House to know that the National Guard is no longer a secondary military force in this country. It has so increased in size and in efficiency in the last few years that it is no longer our second line of defense from a military standpoint, but the National Guard is now composed of trained men and organizations which will be able to take their place and efficiently perform any military duty to which soldiers may be assigned. They are first-line soldiers now, so that our active military strength has been increased in recent years substantially 100 per cent over what it was a few years

ago, taking into consideration this new efficiency of the National Guard.

In addition to this active military force we have 69,000 men in the Officers' Reserve Corps, all men of military experience and qualified to perform the duties of commissioned officers in the field, should an emergency present itself. We train quotas of these men each year. This year we trained about 5,000 of them, and under the provisions of this bill we authorize the training of approximately 10,000 or more of these reserve officers during the coming summer.

In addition to this splendid military asset of officers in our reserve corps, we provide in this bill for the carrying on of the Reserve Officers' Training Corps work in the schools and colleges of the country, and the funds appropriated in this bill will provide for 110,000 of these boys being trained in the schools and colleges and Reserve Officers' Training Corps summer training camps, an increase over the present year. From this source there went into the Reserve Officers' Corps during the current year over 2,600 graduates of these schools. We are providing increased funds for the carrying on of civilian military training. We trained 22,000 in civilian military camps during the past summer, and with the increased appropriations in this bill we shall be able to train from 30,000 to 33,000 in civilian camps during the next summer.

So we consider that the committee have made ample provision for all of our essential military activities. There are no great changes made in the present establishment. We have provided equitably and in some cases liberally for all the activities recommended to us by the Budget and the War Department.

Mr. McKENZIE. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman.

Mr. McKENZIE. On the matter of the appropriation for training reserve officers in camps there seem to be a good many protests coming from the reserve officers over the country claiming that you have not made ample provision for that purpose. Will the gentleman kindly tell us just how he came to conclude that the amount named in the bill is the correct amount?

Mr. ANTHONY. We appropriate $1,700,000 and some odd in this bill. The amount appropriated for the current year was $1,000,000. In addition thereto they had the use of about $300,000 from other items in the appropriation bill. This year the expense of training reserve officers is confined entirely to the appropriation of $1,700,000.

During the current year they trained about 4,500 to 5,000 men, and on the estimate of the basis of cost given us at $100 per man as the expense we estimate that they will be able to train in excess of 10,000 men with the money we provide in the bill. The War Department wanted to train 15,000 men. There are actually 69,000 reserve officers. The committee regarded it as unwise to undertake to train anywhere near the entire number. We made 100 per cent increase in the number to be trained. We thought that was a conservative way to approach the question.

Mr. FESS. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Ohio.

Mr. FESS. I have had this matter up with the chairman of the committee before. I have a telegram here that is presumed to come from United States-wide interests on behalf of training asking for $5,750,000 for this purpose and stating that anything less would be a very serious deprivation. Will the gentleman make a statement about that for the benefit of myself as well as for the benefit of the House?

Mr. ANTHONY. Yes; I will make a statement in reply to the gentleman's question. He is voicing the result of a nation-wide propaganda for increased appropriations for this purpose. The great trouble that we had in the training camps for reserve officers during the current year was that, in my judgment, they were not all of them entirely efficient from a military standpoint. They were something new to the War Department. It was new work for them to take up, and they did not reach the maximum of efficiency. The only thing where they did reach 100 per cent was that in many of the lectures delivered by Army officers it was usual to wind up with an appeal to the reserve officers in attendance to go home and work for an increased appropriation for next year, and the gentleman is seeing the result of that propaganda.

Mr. DOWELL. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Iowa.

Mr. DOWELL. Is it not desirable to have these officers trained for a short time each year at the small expense which the gentleman has indicated?

Mr. ANTHONY. It is very desirable; and the committee, as I say, have made provision for an increase in the number to be trained—100 per cent more than during the present year.

Mr. DOWELL. Yes; but the number trained last year was very small. Is it not desirable to have these officers who have already had this experience take this training each year at small expense, and will we not get a better Army for much less cost than we could otherwise get?

Mr. ANTHONY. I think we had better undertake this work in a modest way, and not increase it too greatly in amount from year to year beyond the capacity of the Army to assimilate the job. I will say to the gentleman that they will have their hands full in carrying out the increased appropriations for all of the training activities this year.

Mr. DOWELL. I notice the gentleman designated this as propaganda. Is it not a fact that these officers desire the training?

Mr. ANTHONY. Yes.

Mr. DOWELL. Is it not for the general good that they are asking it?

Mr. ANTHONY. There are 69,000 officers, and 17,000 only have asked for training in replying to the questionnaires of the current year, and we are providing for the training of 11,000.

Mr. DOWELL. Should not we train the whole number that are asking to be trained?

Mr. ANTHONY. I have tried to tell the gentleman that we are providing for training activities that will absorb much of the energies of the officers of the Regular Army this summer, and it would be unwise to try to train more than the Regular Army can take care of.

Mr. DOWELL. Why is the Regular Army then asking for the training of 15,000 men if they can not take care of that number?

Mr. STAFFORD. Will the gentleman from Kansas yield to me?

Mr. ANTHONY. Yes.

Mr. STAFFORD. Perhaps the gentleman from Kansas does not grasp the idea under which the gentleman from Iowa is laboring—that the department plans to train the officers every year. As the gentleman from Kansas well knows, it is not the plan of the War Department to train the same officers every year. It is the plan to give them a training about once in three years. We are providing in this bill a larger quota of those who have applied for training than the quota of one-third.

Mr. HULL. The gentleman is wrong about that; at this rate they would not all be trained in six years.

Mr. STAFFORD. Let me say to the gentleman, a member of the Military Affairs Committee, that it is the plan to call the men into training camps about once in every three years.

Mr. HULL. But you are not providing a fund for training them all in three years. You have 70,000 of them, and you only provide enough to train them all in 10 years.

Mr. STAFFORD. That may be so with reference to the 69,000 men on the rolls, but the hearings show that only 17,000 have expressed a willingness to have the training. This is optional with them; it is not mandatory, unless the department so orders, let me say to the Representative of the Rock Island Arsenal district. [Laughter.]

Mr. FESS. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. FESS. On the question of propaganda, my telegram is signed by the secretary of the reserve officers of Ohio.

Mr. DOWELL. Will the gentleman yield again?

Mr. ANTHONY. Yes.

Mr. DOWELL. These officers want the training, and it seems to me we ought to give them the training that they ask for. It is my position that we ought to increase this amount and that we ought to train more officers. The gentleman from Wisconsin is mistaken when he says that we can do it in three years.

Mr. ANTHONY. The gentleman from Iowa had about a thousand reserve officers at the camp in his town this year. Will he not be satisfied with 2,000 this next year?

Mr. DOWELL. That is not the point. [Laughter.]

Mr. HULL. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. HULL. Am I not right in saying that at the rate you provide for the training in this bill you will not train the officers that are at present in the Reserve Officers' Corps in six years?

Mr. ANTHONY. That is, taking the maximum number; but as the gentleman from Wisconsin has informed the gentleman

from Iowa, there are only 17,000 out of the total number that asked for training this year, and we are giving an appropriation large enough to train about 11,000 this summer.

Mr. HULL. And you leave 60,000 without training, and there are 10,000 more at least that want training this year.

Mr. ANTHONY. There are 45,000 that have not asked for it. The War Department only trains those who ask for it.

Mr. HULL. Will an officer be of any value who is only trained two weeks once in six years?

Mr. ANTHONY. Well, when you come down to the training, I do not think that it is of any great value. I think it takes a longer period than two weeks to properly train an officer or a man, or even to refresh him.

Mr. MILLER. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. MILLER. If I understand the gentleman correctly, we are giving an increased number for training this year?

Mr. ANTHONY. From 4,500 to 11,000.

Mr. MILLER. Has the appropriation been increased this year in proportion to the increase in the number trained?

Mr. ANTHONY. Not in proportion, perhaps; but sufficient to take care of the training, in our opinion. The figures given us by the War Department are that it cost about $100 per man. Now, you can take the maximum that is outside of the mileage and the preparation of the camps. There is over $1,000,000 available for this—$1,200,000. Divide that by $100 and you will get in excess of 10,000.

Mr. MILLER. In other words, it will not cost as much to train the officers this year as it did last year.

Mr. ANTHONY. I do not think it will cost as much, because they have many of the camps already prepared, and I am informed by the gentleman from Wisconsin that there is an unexpended balance of $300,000 that will be carried over.

Mr. MILLER. And that will be available this year?

Mr. ANTHONY. Yes.

Mr. STAFFORD. Three hundred and eighty-one thousand dollars available November 30 unexpended that can be utilized for their training before June 30.

Mr. LITTLE. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. LITTLE. These 10,000 officers are supposed to be already trained men?

Mr. ANTHONY. Yes; they are trained men. This simply brings them into camp, gives them a refresher course, and should bring them up to date.

Mr. SPEAKS. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. SPEAKS. There are 60,000 reserve officers, and it will cost $100 per man to train them for two weeks, a modest expenditure of about $6,000,000. The gentleman appreciates the fact, does he not, that within this 69,000——

Mr. ANTHONY. Oh, it costs much more than that.

Mr. SPEAKS. The gentleman appreciates the fact that among the 69,000 officers there is an abundant number capable of conducting camps entirely outside of the Army. Does the gentleman agree with that?

Mr. ANTHONY. No; I think you can find many reserve officers capable of conducting camps, but I do not think it would be advisable to conduct camps outside of the control and instruction of the Regular Army under any circumstances.

Mr. SPEAKS. With the 160,000 National Guard maintained at an expense of about $25,000,000, and your 69,000 reserve officers, a large portion of which have served overseas and in the National Guard, have been continuously in the service for many years, and up and abreast with the Army, as the gentleman says in his report, is it not a useless procedure to continue the Army with an overhead expense of some $200,000,000, aggregating only 125,000 men, when we have 160,000 men and 69,000 officers which we can continue at an expense of about $31,000,000? Why not discontinue that whole system and at once put into operation the plan that was designed by our forefathers, and soon have an army of 500,000 men?

Mr. ANTHONY. The gentleman well knows that this surplus of very excellent military reserve material we have now as a result of the war will last us a few years—possibly 10 or 15 years—and that we would then have no more surplus of that kind, and we would have to depend on the Regular Army which trains its men from year to year and is the foundation of our military strength in this country. The overhead of our military machine in this country and our basis for organization has always been and always will be our Regular Army.

Mr. SPEAKS. Oh, no.

Mr. ANTHONY. Well, that is a matter of opinion. In regard to the civilian military training, as I stated before, we are appropriating $2,000,000 for that purpose in this bill. We find that about $500,000 is carried over unexpended from the current year, which we are making available for use next year. That amount will be expended in the preparation of camp sites and preliminary expense, so that there will be 31,000 civilians trained during the coming summer under the provisions of the bill.

Just a word now in regard to the commissioned strength of the Army. Congress was severely censured by the military service, by the War Department, and by a good many of the larger newspapers and magazines of the country for what they claimed was a very radical reduction it made in the strength of the commissioned personnel of the Army last year. In our bill we did reduce the number from 12,800, which was the number in June of last year, to a maximum of 12,000. I stated on the floor of the House at that time that in my opinion under the provisions of that law the War Department would be required to reduce the number of officers by not over 600 in order to bring it down to the 12,000, taking into consideration the loss from ordinary causes. What are the facts?

The facts are that in addition to the number of officers which we required should be eliminated, the War Department of its own volition has reduced the commissioned strength by over 600 below the maximum required by Congress. As a matter of fact, under the provisions of our bill, taking into account the natural losses of the commissioned personnel, it would be necessary in order to have carried out the provisions of our bill to have removed only about 375 officers. Yet, under the provisions of the law, they have taken out a total of 990 officers, and they have separated from the service by other means, largely by the use of the laws in regard to retirement, an additicnal number of 505 officers. So that about 1,400 officers in all have been separated from the service, and you have now 11,380 commissioned officers in the Army. The excuse given for this reduction below the number authorized by Congress is that they desire to make room for second lieutenants in the service. We tried to make a number of second lieutenants in the Army last year by providing for demotion, and we did largely fill up the grade of second lieutenant thereby, but I call the attention of the House to these figures to show you that the War Department evidently found that the reduction proposed by Congress was a very wise and a good thing, and they have gone 600 beyond the figure which we set for them in the legislation passed by the House to show how well they thought of it.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. McKENZIE. However, is it not just to say, in behalf of the War Department, that in carrying out the scheme, if we are to have only 12,000 officers in the Army and make it possible for the graduates from West Point coming in this year and coming in next year, and the young men that graduate from our technical schools who want to go into the Army as second lieutenants, that there should be some leeway or at least a place at the bottom to take care of them, and, therefore, for that reason they possibly went further in dismissing from the service than they would otherwise, owing to the fact that they wanted the flow coming in from the bottom?

Mr. ANTHONY. But the gentleman realizes, however, that for three or four years the War Department allowed the Army to exist with practically no second lieutenants, and they have gradually awakened to the fact that they need a few of them, but is it not a rather expensive policy to provide second lieutenants by putting 277 officers, largely in the higher ranks, on the retired list at three-quarters pay?

Mr. McKENZIE. I agree with the gentleman, but that situation was brought about by the action of Congress in reducing the number of commissioned officers.

Mr. ANTHONY. Oh, no. The gentleman is entirely in error. Without making any more vacancies in the service, there was room left for the graduates from West Point under the provisions of the legislation.

Mr. STAFFORD. And will the gentleman mention the usual number that enter from West Point—260?

Mr. ANTHONY. There was room for them.

Mr. STAFFORD. And yet there are three or four hundred more vacancies for which there is no possible source of supply. The gentleman from Illinois [Mr. McKENZIE] speaks of providing for the graduations two years from now. He fails to take into account the number that will be retired because of age, which is about 250 every year.

Mr. ANTHONY. I am very glad to have called the attention of the House to what I consider the real military strength that this country now possesses in time of peace, in view of the very serious statements made to the contrary which have ap-

peared in otherwise very truthful and reputable newspapers and magazines in this country.

It is a surprising thing to me that in newspapers like the New York Times, the New York Tribune, the Kansas City Star, and like a magazine published by the New York Times called "Current History" they will publish articles severely criticizing the Congress for reducing the number of commissioned officers "1,400," as all of these newspaper articles and magazines state, severely censuring the Congress for such action, when the total reduction in commissioned strength compelled under the legislation we enacted last year was approximately 500, and the reductions in addition thereto which have been made, wise or unwise as the case may be, have been made entirely by the War Department of its own volition. But it seems to be a popular sport to put upon the Congress the criticism or blame for conditions by these great newspapers which I feel are entirely unwarranted.

Mr. McSWAIN. Will the gentleman yield?

Mr. ANTHONY. I will yield.

Mr. McSWAIN. I will say to the gentleman I have noticed that disposition, and I wondered if the gentleman will not agree with me in attributing the tendency to the fact that those who are interested in maintaining a large officer personnel in the Army are the ones who write up these articles, having a special personal interest in it, and offer them to the magazines and newspapers, and the magazines and newspapers have only these personal views and ex parte statements furnished them, whereas, on the other hand, there is nobody having a special personal interest in circulating propaganda in the interest of "Old Man People."

Mr. ANTHONY. That is true. And I would say to the gentleman this article in Current History, to which I have just called attention, was written by an officer by the name of Myer who was one of those discharged under the provisions of the act of Congress. [Laughter.]

Mr. BLANTON. Will the gentleman yield for a question?

Mr. ANTHONY. I will.

Mr. BLANTON. In regard to the appropriations for the improvement of waterways and harbors, I notice that the Chief of Engineers recommended an appropriation of $56,000,000, which he deemed mandatory. The Budget cut that down to $27,000,000, and the gentleman's committee has brought in beyond the Budget estimate, not the estimate by the Chief of Engineers but the difference of what apparently is a compromise of $37,000,000.

Mr. ANTHONY. The gentleman from Texas has correctly stated those figures, and I intended to go into it when we reached that point in the bill. For the information of the gentleman and for the information of the House, I want to state that the subcommittee saw fit to increase the Budget estimate for rivers and harbors from $27,000,000 to $37,000,000, with the idea of making abundant and reasonable provision for river and harbor work in the country during the next fiscal year. Now, for the information of the House, I want to state, after a close examination of the state of appropriations for river and harbor work, we found there was going to be an excess of $12,000,000 carried over from this year into next year unexpended. We found the maximum of the engineers' estimate was $56,000,000 for the next fiscal year; that is, the engineer officers in the field were asked to give their estimate of what was required for next year in their different districts and reported that the maximum amount of money they would be able to expend on river and harbor work, providing they had 312 good working days next year, would be $56,000,000, and the committee appropriated 80 per cent of that amount, together with the unexpected money, and we believe it will provide amply for continuing a safe and sane policy of river and harbor improvement.

Mr. BLANTON. For every emergency proposition?

Mr. ANTHONY. It will provide for the continuation of all necessary work on every proper river and harbor activity, in my judgment.

Mr. DENISON. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. DENISON. In that connection, did the gentleman inquire of the Army engineers whether they would expend what they have on hand below $12,000,000 on river and harbor work?

Mr. ANTHONY. At the rate of expenditure now going on—and we are approaching the period of the year when they diminish instead of increase—we felt certain that there would be an excess of $12,000,000 unexpended.

Mr. DENISON. Yes; and the policy of the engineers always have been and is now never to reduce their balance on hand below that figure of $12,000,000, because of the possibility of an emergency; so even if they should have $12,000,000 on hand at the close of the year, they would not expend below that amount. They will stop the work before they expend it below that amount.

Mr. STAFFORD. If the gentleman will permit, the gentleman is in error in that particular. The hearings last year show that the policy of the War Department is to have from three to five million dollars on hand for emergency purposes, and this appropriation that the committee recommends provides for an emergency fund——

Mr. DENISON. No; the gentleman from Wisconsin, as usual, shows he is not informed on this subject. There is no Army engineer who will make the statement——

Mr. STAFFORD. That is a nice contribution by the gentleman, because General Taylor made the statement in the hearings of last year. I will have the gentleman eat his words as to that——

Mr. DENISON. I am perfectly willing.

Mr. STAFFORD. For I will get the hearings and prove that such testimony was given.

Mr. SISSON. [Applause.] Mr. Chairman, I expect this will be the last time I shall appear before the House of Representatives in the capacity of a minority Representative on any of the great appropriation bills of the House. I really would like to talk to the House at some length, but my physical condition is such that I do not feel equal to the task. I shall have but little to say about this bill, except to say that the bill taken as a whole meets with my approval. We made and won the fight on the bill last year. That was a real fight. There I, along with this same subcommittee, gained the ill will of big Army people and all the people who profited by vast military expenditures and gained the affection of the unselfish, patriotic Americans. The work done by the subcommittee and the full committee this year, I think, has made a very good bill for the country, and that is saying something when I even mildly praise an Army bill, because some people do not believe I would give anything for an Army. But they are mistaken, for I would be fair with the Army, but this bill contains a great deal more than that.

We have only discussed here the military features of this bill. I hope when the rivers and harbors items are reached that certain time will be allowed so that Members of the House may have an opportunity to discuss that portion of the bill and fully express their views on that subject. I feel sure that that can be done. The time for debate to-day has seemed to some to be somewhat long in a way, but when you think it is the last regular appropriation bill upon which Members can get time you really marvel at the moderation of Members in asking for time.

But, my colleagues, I want especially to take advantage of this opportunity to express my very deep appreciation of the very keen friendship between myself and, so far as I know, every Member of the House of Representatives. [Applause.] I have been here for 14 years, and the sweetest service I have rendered has been the service within the last few months, because the most gratifying hours of a man's life are those in which he knows that his friends appreciate him.

During my service I have had a good many tilts with Members on the floor, especially with my Republican colleagues. I recollect very well a thing which Andrew Jackson is alleged to have said, after, as a young man, he issued his first challenge to fight a duel. A very much older lawyer than he had rasped him considerably and made young Andrew very mad. Andrew thought the elder lawyer had taken advantage of his youth in making fun of his knowledge of law, and that it was done to humiliate him, that being his first lawsuit. So Andrew very promptly challenged him to fight a duel, and they went out and took a shot at each other, but both missed. Before they were ready for the second shot their friends intervened and convinced them that they were acting the fool. Andrew shook hands with the old lawyer after the old man apologized by saying, "I never intended to wound your feelings." They had a good time on the way back, and Andrew Jackson said then, "I made up my mind and swore to myself that I would never challenge a man to fight a duel for anything that was said in the courtroom, in open court, or in any legislative proceeding, either of the State or Nation, because," he said, "when spoken in such a place it usually is not done to insult, and if it was, it will afterwards develop and then it can be attended to."

I have thought of it many times since I read it when I was a boy. I take it that that ought to be true not only with men in the courtroom but in the House of Representatives. A controversy arises, and men who are strong, their minds virile, say many things on the spur of the moment in the heat of debate which a moment afterwards they wish they had not said. But I do not know but that sometimes even sharp conflicts

between strong and fair minds make better friends of us than if we had never had occasion to differ and take each other's measure.

But I want to say that as to the men with whom I have been associated here, in my judgment they have been as honest, as scrupulously honest, as any set of men it has ever been my good pleasure to associate with. I have been associated with but two men here, neither one of whom is now in Congress, of whom I have had the least suspicion as to their honesty and integrity. First and last I suppose I have been associated with more than a thousand men here. I do not believe that in the church, I do not believe that among physicians or among lawyers, you will find 435 men gathered together in one building and engaged in one undertaking where you will find as many honest, courageous, square, high-toned, elegant gentlemen as you will find in the House of Representatives. [Applause.] In saying that I am saying it when it will do me the least amount of good, inasmuch as I am going out. I tell you we have got to be of that sort, boys, because if we are not the people at home would destroy us; because, as it is now, the Congress of the United States is "the goat" for everything that is wrong. If anything goes wrong, they do not charge it up to the President, except very mildly, but they do charge it up to the Congress.

I think a great mistake is being made in the country; I do not believe that the people should lose confidence in the integrity of the House of Representatives or the legislative bodies of the Government. In other words, as long as the people have confidence in the Congress I think the Republic is very much safer. I think it makes for revolution, it makes for discontent, when the people throughout the country question the honesty and integrity of Members of Congress.

But let me tell you, gentlemen, that when a man goes through a party primary with severe opposition, and then goes through a general election, if they do not find out what he has done, then they have been negligent in that district. [Laughter.] You have heard the story of the gentleman who ran for sheriff, a very splendid man, who conducted his campaign hopefully for a week, and then came in and said to his friends, "I am going to get out of this race." "What is the matter?" they asked him. He answered, "They accuse me of stealing a mule." "You did not steal a mule, did you?" "Of course I did not." "Go ahead, then," they said. Thereupon he resumed his activities and ran on for about a week more, and then came back and said, "I am going to get out of this race right now." His friends asked him, "What is the matter?" His answer was, "They not only accuse me of stealing a mule but they are going to prove it on me right away if I do not get out." [Laughter.]

When they get to charging a candidate with every crime on earth a man is bound to be a pretty good one in order to come safely through many campaigns. So, after being in public life for quite a while, I have changed my entire mental attitude toward the membership of the House. They are not dishonest. They can not be bought.

A criticism, however, might be offered, which, I think, is a just one. But no man, I think, can truthfully charge the Members of this House with being dishonest. I believe that of the 435 Members of Congress there is hardly a one that would not smash your nose if you went and offered him a thousand dollars for his vote; and he ought to do it. I believe all the Members of this House are honest, but I tell you one thing: All the Members of the House are not as politically courageous as they ought to be. The trouble is we are afraid of the people back home. Here is another thing, and that is the weakness in us all; sometimes I do not know whether it is a weakness or not. Here are our friends, who have been so loyal and true to us. They have kept us in office, and when some issue comes up they are unanimous in wanting us to do something for them, and we are prone sometimes to yield to that influence. Gentlement of the House. I believe that is the greatest weakness of the Members of Congress.

I used to wonder sometimes why it is that so many Members of Congress after their defeat like to stay in Washington. I believe I know now. When you go to college and mingle with your mates there for four years you say those ties are very, very close, and they are. They are made when our minds are impressionable, when we are young; the ties are close, but youth forgets quickly and takes on new friends; so I do not know of any association that is closer than the association here in this House. My friend JOE BYRNS and I came here 14 years ago. There has never been a relationship in my life or in his where the associations have been any closer or more intimate; and when you think that that has extended over a period of 14 years, when will he or I in our future lives ever associate with men so closely for so long a period again? Even though I live to be threescore years and ten, I will not associate with any other men as intimately and as closely as I have associated with these gentlemen here. I think it was Champ Clark who called attention to the fact that within the last 14 years we have served each term of 24 months, about 22 months out of every 24, together here in Washington. That is to say, we have practically served the 14 years together. Some of these men were here when I came. Many of those who were here when I came have gone; but as I look over the House to-day I see the faces of many men who were here before I came or who came here with me. Some of them have been here many years. Now, it does not matter how long I may live or where I may be cast upon this earth's strand, there will never be men for whom I will feel closer friendship, there will never be men for whom I will have a higher regard or a deeper affection than for the men with whom I have served in Congress. [Applause.] And, so far as I know, I do not believe there is a Member of Congress who is not my friend. [Applause.]

I am going to make another confession. When I came here I was just as terrific a Democrat as I am now, but I am less of a terrific partisan than I was when I came here. I believe in the principles of Democracy as firmly as I did when I entered the door of the House for the first time, but I have found that men's friendship is not divided by that middle aisle; and thank God it is not. I do not know of a gentleman for whom I have a higher or a tenderer regard than I have for Uncle JOE CANNON, of Illinois. [Applause.] We all love him. I have been intimately associated with him on the committee. He is a great benediction to all of us. And may I say—it may be the last time I shall have the opportunity to pay this tribute to him—Uncle JOE CANNON is one of the few very great men whom I have ever known. [Applause.] He is a great man. When the history of the Speakerships of this House is written, Uncle JOE CANNON is going to stand out in bold relief as one of the Mount Pelions in the range of Speakers. In fact, it has been my good fortune to serve under two unique Speakers, Uncle JOE and the inimitable Champ Clark. I do not know of two men who were so much alike and yet so totally different as Champ Clark and Uncle JOE CANNON. They were both, as we might say, diamonds in the rough. Their rugged, honest souls caused them to be loved and respected, not only by their colleagues here but by the people of the Nation. When I mention Uncle JOE, I can not refrain from mentioning another great and much beloved man on the Democratic side of the aisle. He was born in the same State with Uncle JOE. Uncle JOE left; he remained in the State of their birth—that of North Carolina. I refer, of course, to most-beloved Member of the House, Maj. CHARLES M. STEDMAN, the Confederate soldier, now a Member of the House. There is not a Member of the House on either side who does not love, admire, and respect him, nor is there one who would not with pleasure render him a service. [Applause.]

My friends, I said that the center aisle does not divide our friendship. It does not. Take the chairman of the Committee on Appropriations, Mr. MADDEN. I have differed with him greatly. He has made some speeches here that I wish he had not made; but I have associated with him not only since he has been chairman of the committee but in many ways before, and I want to say for him now—the history of it is going to be written some day—this new reform, this new régime, has put upon him an extraordinary burden; that he has more than made good.

Those of you who have not been in close touch with this committee are not altogether familiar with the difficulties he has encountered. In the first place, these subcommittees had to be reorganized along new lines, and he had to deal with strong men, and they are hard to please. The House was torn asunder with conflicting elements and conflicting forces. I want to say of Mr. MADDEN, the chairman of this committee, that in my judgment he has made a magnificent job of it and is entitled to the thanks not only of the House but of the country, I do not care whether you are Republican or Democrat. [Applause.] He has demonstrated his capacity to do big things and do them well.

Now, I should like to mention the names of all these boys I love so well, but I can not do it. I can not mention them all. I see them around me. If they should happen to come to my town, I would never forgive them if they did not come to see me. I see my friend PAIGE, of Massachusetts, who buys cotton down in my country. If he should come to my town and not come to see me I would never forgive him in the world. I would haunt him all the days of his life. In serving on these committees, in dealing with the affairs of this great country, we learn to know each other very well. If I had not been on

this Committee on Military Affairs, one of the choicest spirits in this House would not have come so completely into my soul. I could say good things about all these boys, but I want to tell you that I would never have known and been so intimately friendly with DAN ANTHONY as I am if I had not served on this committee. [Applause.] I hardly know exactly what term to use to tell you how good he is, but there is not enough shadow in DAN ANTHONY'S soul to hide one sinister thought. [Applause.] If DAN ANTHONY were a Democrat, I would vote for him for President. [Laughter and applause.]

Then there is my friend STAFFORD—bless his heart. STAFFORD has gone in and out. Going out of Congress is a new and strange experience to me, but it is not new to you, STAFFORD. [Laughter.] STAFFORD has the capacity of coming back. [Applause.] He has demonstrated that repeatedly. No man ever served on a committee who was more faithful or who labored more zealously or more earnestly than my friend STAFFORD. [Applause.] He is not afraid of work. He is not afraid of opposition. He is not afraid of defeat, because he has demonstrated that in the House repeatedly as well as back in his district. [Applause.] That is the kind of man it takes to make good.

Much as I would love to talk about all these other folks here, I have got to tell you something about JOE BYRNS, because JOE BYRNS is the only man I ever was jealous of in this House. He is the only man that stood between me and the chairmanship of the Committee on Appropriations if the Democrats had got the House. I want to tell you how JOE got that. Mississippi did not have a member of the Ways and Means Committee. Tennessee did. There are several of us who came in at the same time and went on the committee together. Cordell Hull was on the Ways and Means Committee, and he put JOE BYRNS ahead of me. That is what happened. They tell me it was decided by drawing straws. But JOE had Cordell to fix the straws. [Laughter.] If I had had a member of the committee, it might have been different. I want JOE BYRNS'S district to keep him in Congress until he is chairman of the Committee on Appropriations, because, Mr. MADDEN, I believe that JOE BYRNS will make a great chairman of that committee.

Mr. MADDEN. He certainly would.

Mr. SISSON. Because he has not only had training under a good many good Members, but I want to say that he has had a magnificent example in you, Mr. MADDEN. [Applause.]

Mr. MADDEN. I want to say to the gentleman that no one has a higher appreciation of his services or yours, and I think he would make not only a good chairman of the Appropriations Committee but a good President of the United States. [Applause.]

Mr. SISSON. Now, Mr. BYRNS, you see how you stand and how high I have had you promoted, and you must walk circumspectly, uprightly, and with dignity henceforth. [Laughter.] Gentlemen of the House, I am not going to weary you much longer. There are men, however, in the House I must mention. I have been here with them so long. I do not believe there is a man in the House who has more real good friends than has FINIS GARRETT, all of whom appreciate his honesty, integrity, and ability. [Applause.] I do not know just what to say about him, except to say that he is not only honest but he is courageous. He is willing, when his convictions stand in the way, to take his political life in his hands and follow his convictions. [Applause.] I think FINIS GARRETT is one man I know that has absolutely voted his convictions on every measure. [Applause.]

I must not close without referring to one of the most distinguished and able Members of the House, who is absent on account of illness but one who is always in the minds and hearts of all of the Members of the House, our distinguished Democratic leader, CLAUDE KITCHIN. [Applause.] We all rejoice that the news is so good, and we all hope in a few days to see his strong face again. The country needs his strong right arm in its defense against its enemies. In conclusion, permit me to say of the delegation from my own State that each Member is my friend, and I love them all. They are all a fine and able body of Democrats, each having close to his heart not only the interests of his State but that of the whole people. God bless my Mississippi colleagues. I love you all. [Applause.]

Gentlemen of the House, I hope you will pardon me for this expression of my regard for the House. So far as the financial end of the matter is concerned, I have no regret in leaving. I do, however, have great regret in severing the ties of friendship that now exist between myself and this body of magnificent and good men, the closest in the world. Those of you who feel this sincere friendship and who have served here 14 years, when the time comes to sever these relations it is going to be hard. That is why men love to hang around Washington after defeat, because they do not like to leave these Halls and leave the Members they love so well. So, my brethren, I want to take advantage of this opportunity to say that I love every one of you, because you are worthy of being loved. I respect every one of you, because you are worthy of respect, and I hope that the standard of the House of Representatives will always be as high as it is now; that whatever may be the mistakes made the country is not going to suffer as long as it has men of this type and men of this character looking after the interests of the Government of the United States here in this House. You have the Ark of the Covenant of our liberties—the Constitution. Keep it safe. Guard it with your lives. When you do, our American liberty will always be safe. I thank you, my friends, for your attention, and again beg pardon for taking up so much of your time. [Applause. Members rising.]

Mr. ANTHONY. Mr. Chairman, I yield 10 minutes to the lady from Illinois [Mrs. HUCK].

UNIVERSAL PEACE AMONG THE NATIONS OF THE WORLD.

Mrs. HUCK. Mr. Chairman, representing as I do a State which is also represented by 26 Congressmen of unusual ability, I feel that it is my privilege to bring here and present as nearly as possible the woman's point of view in regard to legislation. If what I have to say seems to be too conservative in some parts and in other parts a bit radical, I will ask you to be tolerant of my ideas until you understand them not as conservatism or as radicalism, but as something approaching as near as possible the woman's point of view, a point of view that gradually is becoming as important a factor in our Government as the viewpoint of the farmer or the banker. And when I have put my ideas before you I hope you will compliment them with the same scrutiny and unbiased consideration that you give to the views of any Member.

I do not mean by this to put women in a class as distinct from others. We are fully aware of our oneness with the people as a whole—in fact, I believe that it is through our understanding of this oneness with all classes that it will be the women who will bring with dignity the much-needed harmony between men and most especially between their governments.

Women often take different mental routes from men, but arrive at their legislative conclusion a large majority of the times. There is one difference, however, that must be considered—we, as women, differ with men as to what we believe to be the more important issues before our country—and as we have often come to the man's conclusion in regard to what he believes to be the important issues, so I believe there are many men who will look upon the woman's conclusions in regard to her interests as fair and logical.

We are irrevocably opposed to war and never intend to rest until universal peace is forever established among the nations of the world. We are anxious for a more general equality between men and women; that marriage shall not take away the woman's right to choose her own citizenship; that married women shall not be discriminated against in the economic world; and that the mother shall have in all States an equal right with the father in the care, custody, and control of the child. It is the woman who is doing the best work in connection with the child-labor amendment and other welfare work. We want a universal marriage and divorce law of the right sort. We want more dignity and refinement in our local governments. This last, however, is more a matter of education than legislation, but it is the woman's desire. These are important to the women, and although we recognize the importance and the absolute necessity of appropriation and tariff bills we feel that these other issues are equally important and should not be put off year after year.

I will not go further into these subjects at this time, for it is my desire to speak more especially of but one phase of the woman's interest—that is, world peace. World harmony is a subject of such magnitude that I shall not even attempt to enumerate the many angles from which this most important goal must be approached. I am here to speak of but one of these angles—not that I believe this to be the most important angle from which to approach universal peace, or that an approach from this angle will insure world peace, but because to me it is the most logical preliminary step to take.

At the beginning of the nineteenth century there were only two Republics in the world—the United States and Switzerland. They represented less than 2 per cent of the people in the world and occupied about 2 per cent of the land. Their system of governmental activities was so beneficent and heartening to

the subjects of the monarchial form of government that the spread of democracy has been astonishing and is recognized as the greatest of all events in history tending toward human betterment and the amelioration of the condition of the people.

To-day, after the lapse of less than a century and a quarter, 80 per cent of the people of the world—if we consider the British Empire as a democracy, which it is in fact but not in theory—are self-governing. Even China, "the sleeping child of the Orient," quite recently threw off the yoke of the empire and now belongs to the sisterhood of Republics. It is altogether evident that in a country where the people control their government there is no opportunity for a war to originate. To support this statement it is only necessary to refer to the fact that there is no instance since the formation of our Republic where a republic has provoked a war or coveted the lands of another people.

The centralization of power in the hands of one man, or a small group of men, has been the proximate cause of many, perhaps all, of the wars of recent history. This is well illustrated by the fact that if Germany had been a republic instead of under the autocratic rule of the kaiser there would have been no World War, and the white race now would not be stricken morally, mentally, and financially in a way that it will take a century for normal conditions again to prevail.

All people agree that wars result in useless waste of life and treasure, and that the killing of men and the destruction of property is bound to be visited by Divine displeasure. Therefore I have introduced a resolution authorizing and directing the President to inform nations of the world that the United States will delegate to its people the sole and exclusive control over war with any nation or nations which delegates a like power to its people.

It may not be amiss in passing to remark that if such an agreement had been in existence between France and Germany both the German and French people would have voted against war.

I think it is safe to say that the majority of the people, especially among the self-governing countries, believe that the most vital of all things to them is the question of war, and that this should be decided by them and by them alone, but many are reluctant for the United States to take such an unprecedented step and thereby perhaps put itself at a great disadvantage in the time of a crisis, unless other nations agree to suffer a like disadvantage. This objection is met in the resolution; it is not to be effective except with nations that adopt the same policy.

I have carefully provided against a vote in any nation by an extremely limited electorate by allowing that nation, I think, very fairly, to select the election laws of any State in the Union fixing the qualifications of the electors and the manner of conducting the election.

The provision requiring the certification of the vote within 60 days is to prevent any willful delay on the part of any nation in announcing the result, and the prohibition against any hostile act within a year after an affirmative vote is for the purpose of giving the nations which believe that they have suffered some wrong from another a "cooling time" as provided in many of our treaties with foreign countries, and further for the purpose of preventing preparations for war during the time the election is being held. There is very little, if any, difference between a war between two nations and a street fight between two men; in both instances the parties lose their heads and a war or fight results. If time were allowed for them to cool off, it is likely the fight or war would not occur. At least, in my estimation, a provision of this kind is worthy of a place in any resolution which has world peace as its goal.

War between this country and another republic is impossible at this stage of our civilization, and in drafting this resolution I seriously had considered the advisability of emphasizing that point by notifying only the monarchies of this offer and concentrating our efforts in their direction; but because republics by virtue of their governmental experience will be quicker to understand and take advantage of such an offer and because the concurrence of any great nation with us in this matter will encourage other nations to take the step, I have included all nations with a population great enough to warrant a constitutional change on our part in order to live up to our agreement with them.

If time would permit, I would bring out the facts which substantiate my belief that now is the psychological time to press this matter of a war referendum, and that we, in view of our financial and moral position, are the psychological leaders in this movement for world betterment.

If it is my honor to be returned to Washington this spring to represent the second congressional district of Illinois, I will take up this resolution in the next Congress, and continue my fight for this war referendum from the floor of this House. [Applause.]

Mr. ANTHONY. Mr. Chairman, it is my understanding the gentleman from Mississippi will use some of his time.

Mr. QUIN. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Chairman, the Members of this House are accustomed to receive so many knocks that it gives me pleasure to say that in a service of 22 years I have not known a more faithful Member of this body than the gentleman from Mississippi [Mr. SISSON], who will not be a Member of the next Congress. He has been so faithful and so industrious that I think it can be said without undue praise that his retirement from this body is a national loss. [Applause.]

Now, Mr. Chairman, I arose to submit some remarks about a matter that has been discussed on a former occasion on this floor.

The presence of the British mission in this country at this time is assurance that Great Britain intends to pay the $4,200,000,000 and interest which Great Britain owes to the United States for money advanced during the great World War. The history of Great Britain proves that she is jealous of her reputation in respect to the payment of her obligations. The people of this Nation may now feel reasonably sure that this great debt of the British people to America will in course of time be paid in full. For my part, I would favor giving to the British people very liberal terms with one condition—that no part of the principal of the debt be canceled. I would favor giving to the American commissioners now engaged in negotiations with the British commissioners power to distribute the debt over a long period of years and to agree to a very low rate of interest. I would go as far as I reasonably could to satisfy the conditions of the British commissioners, reserving always the condition that no part of the debt should be canceled. Under this arrangement the people of America and the people of the world would feel reasonably sure that the British debt had been adjusted; that in course of time America would get every dollar of the money advanced to Great Britain during the World War.

I rose to-day for the purpose of making a suggestion to the majority side of this Chamber. You profess great love for the ex-service men. On Armistice Day you deliver patriotic speeches, praise the ex-service men to the skies, shed tears over the misfortunes of the wounded, and deliver eulogies over the dead. It seems to me the arrangement which is now in process of consummation removes the only obstacle which President Harding suggested to the payment of adjusted compensation to the World War veterans. President Harding declared himself in favor, in principle, of the adjusted compensation bill, but declared that the insuperable obstacle in the way of the measure was the failure of Congress to provide means for raising the money. With more than four billions of British bonds, every one of them worth eventually par, this obstacle ought to be considered removed.

The bonds would probably bring a fair price upon the market even if not indorsed by America. Certainly they would bring 100 cents on the dollar if America should indorse the more than four billions of bonds or any part of the four billions. It may be difficult to work out, but I confess I can not see where the difficulty lies in an arrangement whereby America would indorse enough of the British bonds to provide for the payment of adjusted compensation to the World War veterans. I have had my doubts at times whether some on the majority side of this Chamber were really enthusiastic about this question. Perhaps I have had the wrong impression. If I have had the wrong impression, there are others, many of them, who feel just as I do. However this may be, the presence of the British commissioners here and the determination of Great Britain to pay this debt gives to the Republican Party, now in control, opportunity to prove your faith by your works. You can remove the discrimination in respect to the treatment of our World War veterans as compared to the treatment that the World War veterans of other nations have received since the armistice was agreed to. Great Britain has done more for her World War veterans than we have done; Canada has given to every World War veteran approximately $600; New Zealand, Australia, have done more than we have. Even France has done what we have not done. Italy in her poverty has dealt more generously with her ex-service men. I wonder if we, the richest nation of all, are willing that this situation shall continue. Other nations have perhaps taken part of the very money we loaned them to satisfy their ex-service men. America alone of all the nations associated against the Central Powers

has done nothing for her ex-service men. Of course, I do not refer to the wounded. During the last Congress each of the Members of this body received a letter from one of our colleagues which told a tragic tale. We received a circular letter from one of our colleagues from the State of New York in which he declared that the necessities of the ex-service men for the coming winter were so great they would be glad, many of them, to receive our cast-off clothing.

I think he represented an organization known as the "Lest We Forget" organization. This colleague of ours invited us, in fact he urged us, to send all of our cast-off clothing to a certain address in this city, assuring us there were many ex-service men—men who saved the civilization of the world—who would be glad to wear our old clothes.

In the newspapers of yesterday I read an account of the arrest of an ex-service man who had received many decorations who, in his dire necessity, had taken an old secondhand overcoat. Of course, he was discharged, as he should have been, after he explained the circumstances in which he found himself placed. More than that, this man to whom I refer was one of the many shell-shock victims. Now, gentlemen of the majority side, I am perfectly serious. I would scorn to play politics about a question which is near to my heart and which I consider most sacred. I stand here ready to help you pass the measure I have suggested before the 4th of March next. I would not introduce such a measure myself, because I know it would stand no chance of becoming a law. I would not wish to see any Democrat introduce such a measure. I do suggest that my young Republican friend from South Dakota, ROYAL JOHNSON, who walked out of this Chamber to enlist as a private, and returned as a captain, wounded almost to the death, as well as other ex-service men on both sides of this Chamber, take charge of this matter and press it to final passage before the gavel falls on the 4th of March. I am a member of the Rules Committee. I promise you my vote as a member of that committee. I think I am safe in saying that every Democratic member of the Rules Committee feels about this matter just as I do. I will go further and say that I believe almost the solid minority on the Democratic side of the Chamber would enthusiastically support such a measure even if introduced by a Republican. You may have the glory, if that is what you are striving for, but let us not permit the 4th of March to come without removing this discrimination under which the American ex-service men live. Let us quit talking about how much we love them and how ready we are to shed tears while their Representatives on this floor are willing to beg for old clothing in order to keep warm during the rigors of the winter the young men who saved the civilization of the world from destruction.

Mr. ANTHONY. Mr. Chairman, I yield 15 minutes to the gentleman from Iowa [Mr. HULL].

Mr. HULL. Mr. Chairman, this bill—the Army appropriations—together with the naval bill, appropriates over $600,000,000 for national defense. Of this amount over $100,000,000 will undoubtedly be paid to private industries engaged in the manufacture of munitions of war. In other words, we are appropriating in these two national defense bills over $100,000,000 that will go to foster industries that promote war.

I appreciate the fact that it is impractical to cut out all military expenditures, or perhaps even to reduce them to any great extent. But certainly it is the duty of Congress to examine these estimates of expenditure with the most scrupulous care and endeavor to effect savings which will in no way impair real preparedness or curtail the effectiveness of our Military Establishment. To evidence that money paid to private industries is worse than wasted, permit me to quote a commission reporting to the League of Nations:

Six objections to the untrammeled private manufacture of the means of waging war were listed in a commission report to the League of Nations, September 15, 1921. They are weighty. Think about them.

1. That armament firms have been active in fomenting war scares and in persuading their own countries to adopt warlike policies and to increase their armaments.

2. That armament firms have attempted to bribe Government officials, both at home and abroad.

3. That armament firms have disseminated false reports concerning the military and naval programs of various countries, in order to stimulate armament expenditure.

4. That armament firms have sought to influence public opinion through the control of newspapers in their own and foreign countries.

5. That armament firms have organized international armament rings through which the armament race has been accentuated by playing off one country against another.

6. That armament firms have organized international armament trusts which have increased the price of armaments sold to governments.

The avarice of private industries engaged in the manufacture of war munitions does not permit a willing relinquishment of the huge profits derived from such manufacture. If one was permitted to prepare this country in a scientific, industrial way, I am sure that it could be better prepared with an expenditure of $300,000,000 than it will be with the expenditure of $600,000,000, as provided for in these two bills. As long as private industries are permitted to dictate the policies of the ordnance departments of the Army and Navy there will be no real preparedness. It is four years since the close of the World War, and it is time the people of this country applied the lessons of that war. One great lesson taught the American people at that time was that subsidized private industries were not prepared to furnish supplies to the Army and the Navy. The money we gave them was worse than wasted. They led us to believe that we were prepared, but when the time came we had practically nothing to fight the war with. We had given the Ordnance Department untold millions; they had the greatest facilities in the world, and they had taken our money and given it to private industries. Private industries had nothing on hand. We fought the war with borrowed material and paid billions of dollars for materials that were never used. Scientific industrial preparedness consists in having everything used in warfare made and perfected in small quantities, sufficient to demonstrate usefulness. After perfection the tools, jigs, and dies necessary to produce the article in large quantities should be made and kept constantly available. Plans for their allocation throughout the country should be ready always, so as to permit immediate quantity production should the need arise. With a system like this it would not be necessary to be constantly buying large quantities of articles that become obsolete within a very short time.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. WILLIAMSON. Has this country at the present time machinery and equipment with which to manufacture its own munitions?

Mr. HULL. It certainly has at the present time, publicly owned. There is not any question about it, and it has had for the last 20 years facilities to make everything we need in war, and make them better and cheaper than we can get them otherwise.

Mr. WILLIAMSON. And how much of a saving does the gentleman think we would make annually if we manufactured our own munitions?

Mr. HULL. I estimate that if you would adopt a scientific, efficient system of manufacturing not only the munitions of war but also all the supplies that the Government needs, you would have at least $100,000,000 every year; but that is not the most important part of the program. The important thing that I have in mind is that if you would adopt this kind of system you would be ready for war, and that is something that you are not when you adopt the idea of subsidizing private industries. You are never ready.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. McKENZIE. I have not paid as close attention to what the gentleman has said as perhaps I should, and I do not know whether he has mentioned the subject or not; but it is true, however, that Congress for a number of years made appropriations suggested by the gentleman from Connecticut [Mr. TILSON] to enable the Ordnance Department to secure jigs, dies, and master gauges, to be placed in the hands of the independent, private manufacturers, so that in case of war they could immediately begin to produce. Is it not a fact that up until the time of the war they had not spent any of that money, and it is not the private manufacturers' fault in that respect? That was due to the negligence of the Ordnance Department up to that time. Is not that true?

Mr. HULL. The gentleman is absolutely right. They were depending, however, on private industries to furnish these jigs and tools, and when the time came they found they did not have anything on hand. There is the entire trouble. We gave them $5,000,000 to manufacture rifles, and they have two of the greatest factories in the world manufacturing the best rifles in the world, one at Springfield, Mass., and the other at Rock Island, and they took that money and bought pistols with it, and our boys fought with an inferior rifle.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. McKENZIE. Is it not a fact that, according to the testimony before the Committee on Military Affairs, we do now have the jigs, the dies, and master gauges stored away, held for a future time, to be handed over to private manufacturers in case of necessity?

Mr. HULL. In some cases that is true, but in other cases it is not true. It is not the fault of Congress, because Congress has time after time indicated what it wanted done with the

money given to the Ordnance Department. It is due to the administration of the law by the Ordnance Department, both of the Army and of the Navy, and the Army is more guilty than the Navy.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. GARNER. Do I understand that the gentleman from Iowa [Mr. HULL], as well as the gentleman from Illinois [Mr. MCKENZIE], are in perfect accord, that the War Department has been guilty of neglect?

Mr. McKENZIE. I do not know that I get the gentleman's question.

Mr. GARNER. I understood the gentleman from Illinois a moment ago to ask the gentleman from Iowa if it was not the fault of the Ordnance Department and if it had not been negligent. I merely ask the gentlemen if they are both in accord that the War Department has been negligent?

Mr. McKENZIE. I will state to the gentleman that for the past two years the War Department has been very active in looking after these things, but that prior to that time there was some neglect.

Mr. GARNER. I thought the gentleman would want to modify his statement. I know that when the balance of the House contend that the War Department does not function as it should, the gentleman from Illinois is the first one to rush in here to the defense of the action of the War Department, and I did not think that he would want the record to indicate that he had charged the War Department with being guilty of neglect.

Mr. HULL. I do not know that I can answer for the gentleman from Illinois, but I myself have voiced the idea that the Ordnance Department of the Army has failed, utterly failed for the last 10 or 15 years, to prepare this country for war. Congress was not to blame.

We gave them the money. We told them how to do it as plainly as we could. It was the administration of the law by the Ordnance Department that was at fault.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. HULL. I will.

Mr. WILLIAMSON. Do I understand the gentleman to say that he is in favor of having the Government furnish the necessary jigs, dies, and other tools to private individuals and still rely upon them to furnish munitions in time of need?

Mr. HULL. No; not peace times, but to make them so that they can go out and commandeer private industry in war time and produce them within 30 days. It is easily worked out if they will go to work at the present time or in peace time. There is no use in trying to stop profiteering in war time when you can not stop it in peace time, and in these two bills you are not trying to stop it. Why, I had a provision in the Army bill—and I would like to have the attention of the chairman of the committee—for the last five years, a provision directing the Army, the Ordnance Department, the Quartermaster Department, that when they wanted an article and they could manufacture it cheaper than they could buy it that they should manufacture it, but I find in this bill you have stricken out that provision. I do not know why. Perhaps the chairman could tell us. Is there any reason why that provision was left out of the bill?

Mr. ANTHONY. The committee thought they had a very good reason for leaving it out. They thought the necessity for it had passed at this time.

Mr. HULL. But you left in another part of the bill a provision by which the Ordnance Department can go out and pay 25 per cent more than it cost to manufacture an article.

I feel it is high time to endeavor to check this menace of future wars. Last session I introduced a bill, H. R. 10967, which would go far toward doing so, besides saving the taxpayers of this country at least $100,000,000 a year, while also improving our general preparedness. This measure is designed to improve the efficiency of our arsenals and navy yards.

It is not generally recognized what an important and admirable series of manufacturing plants the Government possesses in its 13 naval and 11 Army establishments. The people's investment in these industrial facilities is conservatively estimated at $350,000,000. They are equipped with the most modern type of a great variety of machinery and tools, such as are contained in the best manufacturing plants which aim to turn out a large list of products. Their routine work for Army and Navy requirements covers many lines of basic manufacture, such as steel production, foundry operation, machine production, wood-products manufacture, clothing production, paint and varnish production, and so forth. The articles which these plants turn out include not merely the ordinary munitions of war, such as guns, ammunition, explosives, and battleships, but hundreds of items useful as well in civilian and peaceful pursuits, such as ships and boats of all kinds, engines, locomotives, autotrucks, lighthouse equipment, electrical equipment, chemicals, optical instruments, clothing, and so forth. Their systems of work embody the highest practice of engineering standards. Their personnel consists of at least 40,000 mechanics, many of them among the most highly skilled in the country, all American citizens, all competitively chosen and employed under the civil-service regulations.

It is unfortunate that we must still be in a condition to meet the sudden menace of war; but, admitting this necessity, every citizen has a right to be proud of the extent and the high industrial character of the Government plants maintained as the basis of preparedness. That pride would be without a regret or a flaw if plants of this character could be used to manufacture not instruments of destruction but articles contributing solely to the national peace and prosperity.

The world-wide desire for disarmament has already made progress, and we all hope that it will make much more progress in the future and that it may eventually render establishments to manufacture implements of warfare entirely unnecessary. Unfortunately, however, that ultimate goal still seems a long way from realization. We have started to scrap ships; we have reduced active forces; we are not building at an accelerated rate. All this achievement is to be commended. But we have not yet reached the stage where it is safe to scrap the means for making ships and munitions of war. That stage will be the last one on the long road to final disarmament. We must keep our plants; we must maintain our arsenals and navy yards in such a condition that in an emergency they may turn full production into military requirements. The plants, the equipment, the trained personnel must be maintained simply as a measure of military insurance, whether they are busy or whether they are idle. There is no serious proposal at present to do away with them, or even to make any great reduction in their capacity.

We have then a situation in which a vast and well-equipped plant capacity must be maintained, though for the time being there is little or no demand for the product which it was constructed to produce. The overhead involved in maintenance goes on just the same, and is paid by the taxpayers, even if a large part of the capacity is idle. It costs the taxpayers several million dollars a year to maintain these establishments, even if not a wheel turns in one of them.

Where can we find the orders with which to keep the arsenals and navy yards busy? Not in the channels of private trade. But there are many supplies currently needed by the various Government departments and agencies, including the War and Navy Departments themselves, which could be made in these governmental establishments, but are now bought from private contractors. This placing of private orders goes on while the Government plants are operating at a very much reduced pace. Now, if anyone should argue that a business man ought to allow an expensive plant to remain idle, without making efforts to keep it busy, it would be absurd enough. But if in addition the plea should be made that while doing this he should send orders to outside contractors for products which his idle plant could make, the answer is that only a madman would do so. Yet that is the kind of business man Uncle Sam now seems to be. So ridiculous is a policy of this sort that it is necessary to examine the situation more in detail to see if the Government of the United States really can be guilty of this folly without some good reason that does not appear on the surface.

A very careful and full engineering survey by O. S. Beyer, jr., a competent consulting engineer, has been made of the capacities of the Government plants and of the civilian requirements of the Government departments which might be manufactured there. It is noteworthy that this survey has not been controverted in any important point by the opponents of the bill. It establishes the fact of the adequacy of the equipment of arsenals and navy yards to manufacture a very wide range of supplies ordered by Government departments.

Besides additional material for the War and Navy Departments themselves, the orders of other governmental agencies which might be executed in arsenals and navy yards include a long list of articles, such as trucks, knives, shears, canceling machines, carriers' satchels, letter boxes, letter-box posts, and so forth, for the Post Office Department; air compressors, automobiles, boats, cars, carts, concrete mixers, excavators, graders, locomotives, motor cycles, plows, pumps, derricks, dredges, electric motors, engines, scrapers, wagons, and so forth, for the Interior Department; lightships, paint, and so forth, for the Department of Commerce; instruments, chemicals, fire-fighting supplies, road-building equipment, motor trucks, and

so forth, for the Department of Agriculture; coin machinery, dies, tools, steel safes, revenue cutters, and so forth, for the Treasury Department; ship repair and reconditioning work for the Shipping Board; a wide variety of miscellaneous supplies for the District of Columbia; hospital and other supplies for the Veterans' Bureau; equipment for the Government Printing Office; equipment and supplies for various special projects, such as canals, irrigation and reclamation projects. The estimated expenditure for 1923 on such products is $300,000,000. This total includes only those items which the arsenals and navy yards are well equipped to produce, and still leaves a vast sum for outside purchases.

Now, with 40,000 employees the arsenals and navy yards turned out in 1921 about $112,000,000 worth of orders. They had 102,000 employees in 1918, at the peak of production, or two and a half times as many as in 1921. Therefore, they could turn out at 1921 prices and with a full complement of men about twice and a half as much as they did turn out in 1921, or about $275,000,000 worth of work. Their actual production in 1919 amounted to about $210,000,000. There is therefore no doubt that the plants have the capacity to handle the greater part of the work enumerated above.

All this time there has been, I have no doubt, a question in the minds of my hearers on the cost of these products if made in Government plants compared with the cost in private plants. It is the habit of those with a stake in private ownership and operation to charge that governmental operation is wasteful and expensive. Even though the Government saved on overhead by keeping its plants busy, might it not lose through higher cost of production?

Let me silence this question at once by saying that it is not proposed in this bill to give any work to Government plants which could be done cheaper outside. The bill provides merely for competitive estimates, the job to be awarded to the Government if its estimate be the lowest. Surely there could be no better recognized or more businesslike practice than this.

An investigation of the plants themselves and of the work already secured by them through competitive bids shows that interested propaganda is mistaken in this case at least if it charges that governmental manufacture is less efficient and more costly than private manufacture. A survey of waste in industry, conducted by a committee of the Federated Engineering Societies, under the chairmanship of Secretary Hoover, made an evaluation of efficiency in private metal plants and found them on the basis of the standard set up 71.5 per cent efficient. Exactly the same standard was applied to the arsenals in the survey conducted by Mr. Beyer and they were found to rank as 81.3 per cent efficient. The navy yards were 84.8 per cent efficient. Thus, according to engineering standards, the Government plants are superior to private plants.

The proof of the efficiency is in the cost. The total prices on arsenal jobs of which competing private bids are known for the two years ended in May, 1921, was $407,097.05. The nearest competing prices submitted for the same jobs by private plants was $540,390.05. Thus a saving of $133,293 was effected on these jobs by governmental production, a saving of about one-third. Surely this evidence is substantial enough to convince anyone.

The actual costs were in many cases considerably below even the estimates given by the Government plants. A record of orders received through the arsenal orders section during the first eight months of its career shows that in 12 jobs the estimate exceeded the cost and that in only two the cost exceeded the estimate, the net saving under the estimate on these jobs being a very large percentage of the total charges made. Thus, even if the Government plants had been in business for profit, they would have made a substantial profit on the low estimates which they submitted in competition with private bidders.

So obvious are the savings to be made by awarding Government work to Government plants through competition that the former Director of the Bureau of the Budget, Charles G. Dawes, ordered on November 9, 1921, that the War Department should be given an opportunity to bid on all supplies needed by other departments. (Circular No. 46.)

The case is so plain and the order of Director Dawes is so explicit that the question naturally arises why any legislation is needed, especially since the arsenal orders section was created with the express purpose of building up this type of production. Congress itself has recognized the principle of doing as much Government work as possible in Government plants by clauses in appropriation bills. This bill introduces no new principle, no startling innovation. It merely aims to further a well-founded and authorized policy by removing certain obstructions, which seem trifling in the law, but which offer considerable resistance in practice.

There is, in the first place, the inertia and conservatism of bureaucratic officials, a characteristic with which Congress is only too familiar. The passage of this bill will be in great measure and educative process, an unmistakable expression of the will of the people, which will help to wear down such purely obstructive measures as prevented the arsenal orders section from realizing its full opportunities. Such measures are exemplified by the statement of the Chief of Ordnance in his annual report that "estimates are submitted on such articles as can be economically produced with available equipment, which is not altered or rearranged in any way which would interfere with its immediate use for military purposes." The possibility for "immediate" use in military manufacture is one that doubtless appeals to the trained Army bureaucrat, but it is carrying technical preparedness a bit too far. After all, we shall not find ourselves in a situation where the arsenals must be turned into full military production without more than a 24-hour warning. Even if we should, it would be a far greater handicap to find our efficient working force dissipated through lack of work than to have a few machines in a condition requiring a few days' or even weeks' rearrangement in order to produce munitions.

Another obstacle is directly traceable to lack of legislation. In our system of making appropriations we make no provision for meeting first costs necessary to enable arsenals and navy yards to enter upon new lines of manufacture. These first costs are not large in most instances; they consist of jigs, tools, and so forth; but if charged up to the first lot of goods manufactured, they might raise the estimate to a prohibitive figure, even though more than a compensating saving might be made on future orders. There is some doubt as well whether the department placing the order would have the legal right to devote any part of its appropriation to meeting this initial investment.

The arsenals and navy yards themselves can not build up any fund under existing law to meet such contingencies, for if they make a profit on any given job it must be immediately covered into the Treasury Department. The lack of what would correspond to a profit and loss fund in a private establishment also raises other difficulties. The Government plants can not make "firm bids," because if the work should cost more than the estimate they would have no reserve with which to meet the loss. They can not secure options on materials necessary for manufacturing goods on bids which have not yet been awarded and thus take advantage of the primary markets.

Another difficulty is the frequent limitation of appropriations to the end of the fiscal year, which forces work out of Government plants when it is only partly finished because the availability of the appropriation ceases in the middle of the job.

It will be seen and admitted by any fair-minded person that these difficulties, obstructive as they are, have to do only with minor technical matters and that their removal could only be in the interest of efficiency. No opposition to their removal could possibly be as weighty as the arguments for the main policy, which their removal would facilitate.

The bill provides, first, that all military supplies and equipment shall be manufactured in Government plants, at least in time of peace. This at one blow removes the dangers of a hand-fed private munitions lobby. The bill provides, second, that the Government plants must submit estimates on all supplies needed by Government agencies which they are fitted to make, and that wherever the Government estimate is the lowest the Government shall receive the award. This assurance of competitive bids among the Government establishments as well as between the Government on one side and private contractors on the other is pure common sense.

The third section of the bill provides that Government plants may retain any profit they may make through producing less than the estimate, such funds to be applied to meeting possible losses on firm bids, or in any of the various ways shown as necessary above. The fourth section of the bill creates an estimating bureau to coordinate and push the work. The last section of this bill provides that appropriations applied to the purchase of goods made in Government plants shall remain available until the job is finished, as they do in the case of orders placed with private plants.

I do not see how there can be any sincere or valid objection to any of the above clauses of the bill.

Section 5 of the bill makes a provision which in my opinion is equally desirable, though it is somewhat more difficult to understand. This provides that overhead charges necessary for maintaining Government plants in a condition of military preparedness, and not arising from the work done on specific Government orders, shall not be charged against those

orders. The soundness of this provision is established as follows: The overhead incidental to military preparedness must be borne by the taxpayer, whether the plants are idle or not. If, as a result of charging this overhead to individual jobs done for civilian Government departments the estimates should be so high as to send work to private firms, the taxpayers would have to pay the private overhead and profit as well. There would be an extra burden on the taxpayers as a result. It is, therefore, to the interest of the taxpayers not to include this portion of the overhead in the estimates. It should be borne in mind, however, that the savings which, as I have shown, have been made on work actually done by arsenals and navy yards were charged on the existing basis of overhead, not with overhead reduced in accordance with this provision. This provision would render more savings to the taxpayers than before.

One important result of the bill I have touched upon only lightly. It was suggested by the organizations of labor representing the mechanics employed in Government plants for the sake of stabilizing their employment and keeping the forces together. This would not only be an advantage from the point of view of human standards, but an advantage from the point of view of efficiency. By enlisting the active good will and cooperation of this highly skilled and intelligent body of men, production costs could further be reduced, and the waste of labor turnover and the training of new men in times of increased production could be minimized. It is noteworthy, I think, that while almost all other classes and factions are making appeals in their own behalf which would put burdens on the National Treasury, labor makes an appeal which would save the taxpayers at least $100,000,000 a year.

When the bill was first introduced, I could see opposition to this plan from only two groups: One is composed of those constitutionally unable to favor anything new; the other is composed of leeches who want no interference with their opportunity to suck juicy profits from Government extravagance. After postponement of the hearings for several months to allow the opponents of the bill to prepare their case, we have heard flimsy opposition from people who might rudely be classified as certain departmental bureaucrats, the attorney of the National Association of Manufacturers, and private contractors for the Government. Their objections fall into two mutually contradictory categories: First, that the bill is not necesssary for carrying out the prescribed policy; second, that the prescribed policy is unwise.

The bureaucrats object that one department might benefit by savings effected on work for another department; that the authorities and prerogatives of certain Cabinet officials might be interfered with; that the Government plants might be diverted from their primary war-making purpose; that it is desirable to place "educational" orders with private firms. One wonders how much such orders might "educate" such firms to an expectation of large profits from making war supplies. Such trifling objections need no answer to men of plain sense.

The representative of the Association of Manufacturers does not furnish a valid answer to a single one of the major arguments advanced in behalf of the bill. His objection he characterized as "fundamental" in that the bill would place the Government in competition with its citizens, a policy which he said was contrary to our theory of government.

I doubt very much whether the majority of the conservative manufacturers of this country as taxpayers would oppose a measure which would save them $100,000,000 a year on account of any such vague, theoretical consideration, if the issue were properly presented to them. No class is more eager for tax reductions than the manufacturers. None is more avid in seeking special favors from the Treasury. Yet in substance their attorney says that he wishes to keep artificial obstacles in the path of the efficiency of Government plants, and so not to allow them to compete for Government orders in a fair and open field, to compete with the comparatively few plants who would profit by governmental extravagance. I believe in prosecuting the profiteers of the recent war, but I think it would be a much surer and saner plan to stop profiteering in the peacetime needs of the War Department, and thereby better prepare our country and make profiteering in time of war only remotely possible. If we would stop war we should remove the great incentive for war.

Mr. SISSON. I yield five minutes to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Mr. Chairman, I find it strange indeed that so many who are liberal in the consideration of appropriations for railroads, on the ground that transportation is vital to the development and business of the country, are always stingy when it comes to appropriating for good roads and waterways, which are two of the big links in transportation. For instance, when Government control of the railroads was legislated back to private control these men were liberal in making provision for their operation. A few days ago when a bill was reported to the House by the Appropriations Committee it was discovered that they had not even provided for the work on the roads that had been contracted for and was about finished in the different States of the Union. It was only after an aggressive fight that we succeeded in getting the necessary appropriation to aid the States in their good-road building program.

To-day we begin the consideration of the bill which carries an appropriation for waterways. And what do we find. We find that while the Appropriations Committee has gone a little above the estimate of the Director of the Budget—which, I suppose, is to chloroform us—they have gone much under the estimate of the Board of Engineers, whose main function is to study and improve navigation. Again, those of us who believe that transportation is vital to the country and that transportation means not only the building of railroads but good roads and waterways as well will have to make a fight for an increased appropriation for our waterways. Certainly anyone who has given any thought to the subject of transportation must understand that the producers of this country, and especially the farmers, can not continue to do business unless we have better facilities for shipping and marketing and lower freight rates. While we can do a great deal by legislation, it should be plain to anyone who studies this problem that permanent relief can only come from the improvement and use of good roads and waterways in connection with railroads. Providence has given us the most magnificent system of waterways in the world and we have done practically nothing to develop them.

Let me say to those who want to practice economy that there are two kinds of economy—true and false economy. Appropriating money without a policy for roads and waterways is false economy. Appropriating money for roads and waterways under a policy that looks to the completion of the work is true economy. The people of this country are always liberal in appropriating money for important projects, and what they are demanding of their representatives is that the money be spent in a businesslike way, so that in the end they will get value received for their money. In conclusion, I want to appeal to this House to consider our system of transportation in a comprehensive way and to adopt a policy that will mean the improvement of railways, good roads, and waterways. With the adoption of a policy of this kind the United States will finally have adequate transportation facilities and the products from our farms, forests, mines, and factories can move from the places of production to where they are manufactured and back to where they are consumed at reasonable rates.

Mr. SISSON. Mr. Chairman, I yield to the gentleman from Alabama [Mr. JEFFERS].

Mr. JEFFERS of Alabama. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting in 8-point type a statement from the American Committee of the Interallied Veterans' Federation, addressed to the President of the United States, protesting against the proposed release from prison of certain men who struck at our Nation in the hour of peril. This is a statement that each Member of the House should, I believe, have opportunity of reading.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to extend his remarks by inserting in the RECORD a certain statement in 8-point type, to which he has referred. Is there objection? [After a pause.] The Chair hears none.

The statement is as follows:

The following protest against release of so-called political prisoners was presented to President Harding to-day by H. Nelson Jackson, of Burlington, Vt., vice president of the Interallied Veterans' Federation, and R. E. Condon, of New York, member of the National Executive Committee of the American Legion and Executive Council of Interallied Veterans' Federation:

To the PRESIDENT OF THE UNITED STATES.

MR. PRESIDENT: We, the American Committee of the Interallied Veterans' Federation, whose membership of 15,000,000, embracing the American Legion and the veterans of eight nations, wish to protest against that sentiment which calls for the release of so-called political prisoners.

We address ourselves to you, Mr. President, because you are the recipient of the pleas and protestations of those people who desire that our penitentiaries be freed of certain men who struck at our Nation in the hour of peril. They say that these men merely stood for the right of free speech and should not be punished for that. But Americans who have not forgotten the war, nor the crippled and the dead and the widows and orphans.

know that free speech is not the issue involved but the right of a free people to protect themselves against treacherous attacks from within. These attacks were an effort to undermine our established form of government, which all true and loyal Americans were unstintingly giving themselves and, if necessary, their all to defend. Such actions against our Government, whose existence has contributed so immeasurably to world peace, was a fundamental attack on all liberty-loving people.

The forces of international radicalism and anti-Americanism want these so-called political prisoners released. We who fought for true democracy and real freedom want them kept where they deserve to be—in prison.

H. NELSON JACKSON.
R. E. CONDON.

JANUARY 12, 1923.

MESSAGE FROM THE SENATE.

The committee informally rose, and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4260. An act to extend the time for the construction of a bridge over the Columbia River, between the States of Oregon and Washington, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon.

The message also announced that the Senate had concurred in the amendments of the House of Representatives to the joint resolution (S. J. Res. 251) providing for the filling of two vacancies that will occur on January 14, 1923, and March 1, 1923, respectively, in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress. The amendments were, on page 1, line 3, to strike out "two vacancies" and insert "vacancy"; on page 1, lines 7 and 8, to strike out "of John B. Henderson" and insert "that Frederick A. Delano"; on page 1, lines 8 and 9, to strike out "whose term will expire March 1, 1923," and insert "be appointed to succeed John B. Henderson, deceased"; and to amend the title so as to read "Joint resolution providing for the filling of two vacancies in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress."

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. MCNARY, Mr. JONES of Washington, Mr. LENROOT, Mr. SMITH, and Mr. OVERMAN as the conferees on the part of the Senate.

The message also announced that the Senate had passed the following resolution and the Vice President had appointed Mr. JONES of New Mexico, Mr. BURSUM, Mr. LODGE, Mr. UNDERWOOD, and Mr. CURTIS as the committee on the part of the Senate under the second resolution:

Senate Resolution 406.

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Hon. NESTOR MONTOYA, late a Representative from the State of New Mexico.

Resolved, That a committee of six Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the Senate do now adjourn.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to bills of the following titles:

S. 4131. An act granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak.; and

S. 4133. An act granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any one of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak.

WAR DEPARTMENT APPROPRIATION BILL.

The committee resumed its session.

Mr. ANTHONY. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. FREAR. Mr. Chairman, I shall not expect to speak at any great length on the subject I would discuss, but shall extend in the RECORD in full what will be a fair explanation of my position on taxation of undivided profits and an answer to the National City Bank's January circular. At this time I desire to say that the remarks of the gentleman from Mississippi [Mr. SISSON] just offered finds a warm response in the hearts of all Members on both sides of the aisle. He is right when he says that this aisle does not separate friends, and he is right when he says that Members of this House are honest in their convictions. We all know that very large bodies of men and interests are formed for the purpose of putting legislation through Congress. They are not always fair with Congress or with Members individually. They strike hard sometimes. We sit here in an effort to do what is right, legislatively, as judges. In our committees we get the viewpoint of people on all sides who come before us and we ought to be well informed. I believe the average Member is disinterested and acts so far as he can for the public interest. I hold in my hand a little pamphlet gotten out by the largest bank in the country possibly, the National City Bank of New York, which contains a number of pages answering an argument recently made by me on the floor and using my name a dozen times, and also the names of Senators and others. I have no personal objection to the criticisms, because they are mildly expressed, but we are obliged in our efforts on the floor to answer statements if they are wrong, and I desire to present the answer briefly. The Government to-day owes $23,000,000,000 and more. The Government to-day is at an expense of $3,000,000,000 and more in carrying on its annual work. That money must be produced in some way. Congress adopted what we supposed was the best plan imaginable when we took the income-tax principle during the war and embodied it into law to meet these heavy expenditures. The Secretary of the Treasury now informs us that $10,000,000,000 we supposed would be a source of profit for the Treasury in income taxes, are now wiped out through tax-free securities. Over $2,000,000,000 in stock dividends have been just declared. That action takes that enormous amount of money away from personal income taxes, so the surtax, which had been depended upon by Congress to raise this money, has been lost to the Treasury.

I desire to discuss the National City Bank position, will be glad to do so, not only now but in the future, its policies, its profits of 25 per cent last year, and the angle it pursues generally in criticizing public men who here seek to do what they think is right for their constituents and for the public. I have no private interest. I have no prejudice against wealth. Organized wealth is entitled to its rights, and we all recognize that, but when men dodge taxes, as the Secretary of the Treasury so well says, by putting $10,000,000,000 in tax-free securities, that loss has got to be met somewhere. How? The gentleman from North Carolina [Mr. POU] a few moments ago said that we ought to give to the soldiers their compensation and pay from English foreign debts to this country.

I have been in favor of that proposition from the outset, but I have suggested another means and a remedy, because I recognize the difficulties involved, and I know the opposition that will come from any effort to collect taxes that should be collected; I have embraced within the terms of the soldiers' compensation bill, recently introduced, a proposed retroactive tax on undistributed profits, a tax that is graduated, and also propose the reenactment of an excess-profits tax.

We have been told that the moment we put such a tax in force the industries of the country will lose the money that is necessary for their use.

Mr. Chairman, you may read in yesterday's papers a half page advertisement in practically all of them which asks the country to subscribe $50,000,000, for what? For Cuba. It is signed by the National City Bank; by Kuhn, Loeb & Co.; and by J. P. Morgan & Co. to send $50,000,000 to Cuba to be taken from our industries at 5½ per cent or 5.55. A tremendous amount of money to be invested abroad as well as in this country that our people are asked to subscribe with liberal commissions to the banks handling the deal. The gentleman from Iowa [Mr. GREEN], the man who will be chairman of the Ways and Means Committee next session, sits before me. We are trying to do what we can to aid Congress to reach a solution of this tax question. I am doing so in a very humble capacity, I am free to confess, but I believe there is a doubt in the mind of the average man that we should tax undistributed profits. That conviction is general, and that opinion is recorded by some of the ablest judges of the Supreme Court of the United States in their dissenting opinions on the stock-dividend case.

Every effort must be brought to bear on both sides of the aisle next session if we are to bring about curative tax legislation, because interests that are opposed will be just as strong in the future as they have been in the past. They will protest against every cure. They are looking for every weakness in the laws we pass—naturally so—and Congress, which is supposed to be unprejudiced—and I believe Members of Congress as a rule are unprejudiced—should bring every effort to bear to solve this tax problem next session.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes.

Mr. BLANTON. The people largely have to depend upon the Secretary of our Treasury Department for suggestions as to needed legislation to prevent tax dodging. As long as we have at the head of that institution a man who is as much interested as any other multimillionaire in tax dodging, how may we expect any relief along that line?

Mr. FREAR. I will say to the gentleman, if he has reference to my correspondence awhile ago about the 25 per cent penalties which have not been enforced, that I am seeking to reach that delinquent penalty in part by additional taxes on undistributed profits, so that neither the Secretary nor anyone else can have uncertainty as to the law; we propose to collect this tax if possible and to make it retroactive.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes; certainly, to the committee chairman.

Mr. GREEN of Iowa. I think my friend from Texas [Mr. BLANTON] is hardly fair. The Secretary of the Treasury has indorsed several propositions intended to prevent tax dodging, among which is the constitutional amendment to prevent the issue of tax-exempt securities and other measures that will be introduced later on.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes; I yield.

Mr. GARNER. What seems the strangest thing to me that has ever come up in my legislative life is that the very men who are dodging taxes, those referred to by the gentleman from Iowa throughout the country, including the Secretary of the Treasury, and also including the National City Bank and the Exchange National Bank of New York, and all the other rich men who are utilizing these securities that he speaks of, claim to be in favor of this action. I do not understand it. It is not in accordance with human nature.

Mr. FREAR. I yield to the gentleman from Iowa to answer, if he desires, why the proposal to abolish tax-free securities has the support of interests named.

Mr. GREEN of Iowa. I do not know why the gentleman from Texas makes that statement. The men to whom he refers have their money invested in active business enterprises which have to compete with these tax-exempt securities. That is one reason; and another reason is that almost everybody else throughout the country is in favor of that amendment to prevent the issuance of tax-exempt securities because it is founded on the natural law of right and justice.

Mr. GARNER. If these men, including Mr. Mellon, the Secretary of the Treasury, and these other financiers to whom the gentleman has referred, have not all got their money invested in tax-exempt securities, I would like to know who has their money. They all seem to be anxious to be relieved from this threat that they are saying now is made to keep them from being taxed. I say that is not in accordance with human nature.

Mr. FREAR. I will yield again to the gentleman from Iowa to answer that if he so desires.

Mr. GREEN of Iowa. The gentleman from Texas [Mr. GARNER] has seemed very desirous that this threat should not be carried into effect and that these securities should not be taxed, and a very able speech was made in favor of tax-exempt securities by the gentleman from Pennsylvania [Mr. GRAHAM]. While I would have hardly expected them to be in accord, I do not impugn the motives of either.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes; to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. I believe that no unbiased citizen of the United States who has followed carefully the recent correspondence between the distinguished gentleman from Wisconsin [Mr. FREAR] and the Secretary of the Treasury can escape the conclusion that we can not expect any adequate relief from tax dodging in the way of recommendations from the Treasury Department.

Mr. FREAR. I thank the gentleman from Texas. I did not know that my efforts had met with such approval. They did not from the Treasury Department, although I feel confident the penalties should have been imposed as a matter of law. I can understand the Treasury Department may find loopholes, if desired, in the law as it stands to-day. I believe, however, my bill, recently introduced, can collect that tax on undistributed profits, but it will require the joint action of both sides of the aisle constituting this Congress when the matter comes before us next session, and I hope that will occur. [Applause.]

Mr. Chairman, in a December pamphlet the National City Bank of New York, through its vice president, Mr. Roberts, enlightened Congress with the statement that "wealth employed in industry is social wealth no matter who owns it." Pursuant to its announced task of educating the people of the country on this subject of "social wealth" that ought not to be taxed, the same bank in a January pamphlet just received devotes several pages to the subject, and as chief cyclops of the big business bloc it criticizes Senators and Representatives by name who fraternize with the "farm bloc."

A great financial institution like this bank has a beautiful theory in economics that finds hungry appetites throughout the world should be appeased when visualizing a corpulent, full-stomached man whose anatomy has absorbed all food within reach. The bank, much like Mark Twain's Colonel Sellers, frankly wonders why the multitude is not filled with food by simply gazing on the rotund figure of a well-fed gormand.

On December 20 a modest effort was made to set forth what seemed to me to be the public's viewpoint of the subject of "social wealth," and I desire briefly to offer additional observations to make more clear the position of the average legislator compared with selfish interests that naturally do not want to pay taxes.

SOCIAL WEALTH DOES NOT PAY PERSONAL DEBTS.

To use the National City Bank's December statement for a concise text I quote from its circular sent to Congress:

> Wealth employed in industry is social wealth no matter who owns it. The soviet revolutionists of Russia had a theory that leadership counted for nothing. * * * The clamor for increased taxation of wealth is largely by people who favor it as a means of distributing the accumulation of wealth that exists. * * * The country will not be safe from such proposals until the fundamental fallacy that runs all through them is understood.

The "soviet" references were repeated in the January circular received with personal reflections.

A beautiful theory urged by the bank is that "social wealth" held by the few is owned by the public, and in response I suggested on December 20 that—

> The accumulation by one man in a lifetime through Standard Oil manipulations of wealth reaching, according to estimates, over $2,000,000,000 on an original capital of a sixpence is thus "social wealth no matter who owns it."

Theoretically it may be true he can not bury it or carry it off to some other planet, and therefore it figures in the total wealth of the country, but the average taxpayer finds little solace in that theory. Again I ask if the millions of thin, gaunt, hungry mortals who find life a grind and struggle, even in this prosperous country, will be comforted and stimulated through observing the well-rounded stomach of an overfed gormand who believes that all food is "social food" no matter whose stomach it fills?

The simile is lost in comparative appetites, because Rockefeller's $2,000,000,000 may be hoarded away, given to charity, or placed in business where the public will continue to contribute 10, 20, or even 75 per cent per annum of "social wealth," like the New Jersey subsidiary, to the one who holds the purse strings and the profits.

In my remarks before the House on December 20 I referred to the National City Bank officers and their policy not by way of criticism personally but to disclose the viewpoint of the bank's officers when seeking to teach Congress and the country through pamphlets and other propaganda placed on our desks why wealth should avoid taxes now provided by law. In the pamphlet for January, issued by the National City Bank, a statement from the viewpoint of the bank is entitled to consideration.

The statement complains that I misquoted or misconstrued Secretary Mellon's forceful letter to Congress protesting against further issuance of free-tax securities because he found over $10,000,000,000 of what the bank terms "social wealth" has been placed where it avoids taxation. The statement from Secretary Mellon to Congress came from a great financier who estimated that of possibly $30,000,000,000 in tax-free securities now floating around the country $10,000,000,000 or more are held by those who invested to dodge the income tax law. No other reasonable interpretation can be placed on his appeal to Congress to prohibit the issuance of tax-free securities through a constitutional amendment to that end.

DOES TAX DODGING EXIST? IF SO, BY WHOM?

As between Secretary Mellon and Vice President Roberts, of the National City Bank, Congress will accept the judgment of Mr. Mellon, who knows the facts. His statement is also supported by Jules Bache, a Wall Street broker, who may not be entirely wrong when stating that the average big business man now spends 11 months of the year seeking how he can legally avoid his taxes.

Mr. Roberts may remove a well-grounded suspicion in the minds of the public that a large part of the wealth of big business men to-day finds investment in tax-free securities, by stating facts within his own knowledge rather than by arguing against the merits of the Mellon proposition.

Secretary Mellon may be wrong on the 25 per cent penalty clause he has failed to enforce on corporation surpluses, but he and Bache are believed not far wrong on tax dodging, even though it may hurt the tender sensibilities of high financiers to have it so termed. The fact that income-tax returns on incomes of over $300,000 showed a decrease of from 1,296 in 1916 to 395 in 1920, or nearly 70 per cent loss, shows how rapidly tax dodging has become popular in New York's business circles and how Bache's disclosure is fulfilled by official figures.

THE TRUE BASIS OF PROFITS.

Standard Oil's net earnings of $775,000,000 in 10 years, or 77½ per cent annually (New Jersey subsidiary), is ingenuously reduced in the National City Bank article, by basing profits on the capitalization and enormous surpluses that recently went into stock dividends. Whether Mr. Rockefeller had 11 shares or 100 shares in 1912, 10 years ago, every share of stock, if retained, according to the company's report, returned 77½ per cent annually for 10 years, even when based on an inflated stock dividend capitalization of 1912. No sophistry can change those facts or figures.

$37,400 WAS PAID BY THE PUBLIC FOR EVERY $100 INVESTED.

The Senate oil investigation discloses that a $100 investment in Standard Oil stock (Indiana) before the dissolution increased by stock dividends of 2,900 per cent in 1912 is now worth $37,200 apart from large cash dividends paid throughout the period. The public paid the profiteering price, yet any demands for an adequate tax causes the National City Bank to cry "Sovietism." Undivided profits invested in business the bank insists must be bomb proof. Just taxes according to the purpose of the income-tax sixteenth amendment and acts of Congress should reach the surplus whether held in cash or invested in tax-free securities, oil pipe lines, or otherwise. A tax based on ability to pay graduated to 50 per cent personal surtax is now avoided by undistributed profits and tax-free securities so that Standard Oil and other trusts may extort from the public 37,400 per cent profits apart from generous cash dividends distributed. And the National City Bank complains of the "farm bloc."

Mr. Chairman, I will not split hairs over the basis of figuring beyond observing that a celebrated witness once said some equally celebrated things about "figures that lie," and so forth. What more preposterous economic situation can be presented than that shown by Standard Oil in Senate committee hearings? It fixes prices on oil for the country without any relation to production, reasonable profits, or any other matter ordinarily affecting trade. On its own showing one subsidiary company made $775,000,000 in net profits during the past 10 years, of which amount above taxes $220,000,000, or 22 per cent, annually was distributed among its fortunate stockholders and $400,000,000, or 40 per cent, additional annual average net profits are now laid away in cash or in increased investments or in development of oil fields from California to Mesopotamia or in some other form. When income taxes are assessed on its $400,000,000 stock dividends it responds that five Justices of the Supreme Court have held its profits when put in stock dividends are not taxable. In the other Standard Oil case the profits apart from cash dividends are said by the Senate committee to reach $37,200 on an investment of $100.

WHAT GOOD JUDGES SAY OF THAT DECISION.

To the stock dividend decision made in violation of the spirit of the sixteenth constitutional amendment, four justices dissented with two memorable statements. The first says:

The known purpose of this (sixteenth) amendment was to get rid of nice questions as to what might be direct taxes, and I can not doubt that most people not lawyers would suppose when they voted for it that they put the question like the present at rest. I am of the opinion that the amendment (sixteenth) justifies the tax.

Is not that statement of the judges unanswerable?

What answer, I submit, will stand against this second proposition quoted from the dissenting opinion of other judges in the same decision, who say:

If stock dividends representing profits are held exempt from taxation under the sixteenth amendment, the owners of the most successful businesses in America will be able to escape taxation on a large part of what is actually their income. So far as their profits are represented by stock received as dividends they will pay these taxes not upon their income but upon the income of their income. That such result was intended by the people of the United States when adopting the sixteenth amendment is inconceivable. Our sole duty is to ascertain their interest as therein expressed.

The National City Bank's protest against taxation through fear of "sovietism" did not affect four judges of the Supreme Court, who would have taxed stock dividends, but were outweighed by one vote in the decision of the court.

NATIONAL CITY BANK'S 25 PER CENT PROFITS.

Another case may be understood by Vice President Roberts. On January 9—last week—President Mitchell, of the National City Bank, according to the press, stated the net profits of that bank for 1922 were $9,708,894.74, from which amount dividends of 16 per cent were declared and paid in cash to stockholders; the balance, in undivided profits set aside as surplus, was $3,308,894.74. This latter amount will not pay any personal income tax because not distributed. The bank has an interest, a large interest, in the tax. In other words, $6,400,000, or 16 per cent, was distributed to the stockholders of the National City Bank for 1922 and $3,308,894.74 has been laid aside for investment, thus avoiding personal taxes, making net earnings for 1922 of about 25 per cent for the bank on a capital that may have been augmented and built up, so far as the public knows, largely by the same methods pursued by Standard Oil.

The 25 per cent net profit annually is only about one-third the rate of net profits annually collected from the people by Standard Oil, based on its capitalization, but even 25 per cent net profits seem rather large to the man who finds many laws throughout the country that prevent his notes from drawing over 7 per cent annually, without subjecting him to criminal prosecution. I do not question the legality of the bank's profits, but it is able to distribute 16 per cent to its stockholders and lay aside over 8 per cent that will pay no personal tax. The man who loans his "social wealth" at 7 per cent annually finds himself a penny piker when consulting his profit sheet compared to those who hold the country's "social wealth" as self-constituted custodians for the public.

THE TAX PROBLEM FACING THE COUNTRY.

Let us face the real problem squarely without evasion of either taxes or argument as briefly alluded to at the outset.

The Government owes $23,000,000,000 or more that must be paid, together with running expenses of the Government that are three times pre-war expenditures, reaching over $3,000,000,000 annually. Who will pay it? Certainly not the 100,000 farmers whose farms were sold for taxes in 1922. Certainly not the millions of unemployed, reaching 5,000,000 workers in 1921. If not these, then who will pay the bill? Legislators are interested in raising the funds from different sources, basing the tax on ability to pay.

Secretary Mellon has disclosed to the country where many billions of dollars in tax-free securities have been availed of to evade taxes by the holders of great wealth. These evasions or Treasury losses were not anticipated when the law was passed by Congress, and such losses or failures to meet estimated governmental expenses must be met.

Again, big business incorporates because of advantages thus given to it by law. It is now discovered that great corporations are furnishing a new avenue for tax dodging and consequent Treasury losses by distributing over $2,000,000,000 in stock dividends not subject to personal taxes but taken from the corporate undistributed profits. The following statements are illuminating:

Stock dividends declared during 1922 and totaling $2,149,151,425 as compiled by the Federal Trade Commission at the request of Senator Brookhart of Iowa.

	Dividend, per cent.
American Electric Heater Co	900
Atlantic Refining Co	900
L. S. Ayres Co., Indianapolis	400
Arabel Co	700
Bartapress Co	300
Beechnut Packing Co	400
Borne-Scrymser Co	400
Browne & Sharpe	1,500
Buffalo Insurance Co	150
Cannon Manufacturing Co	200
Carbarus Mills Co	133
Consolidated Gas, New York	100
Cross Paper Feeder Co	400
Dartmouth Manufacturing Co	100
Darris Brown Woolen Co	3,333
Denver Dry Goods Co	900
Draper Bros., Canton, Mass	150
Du Pont Chemical Co	112½
Du Pont de Nemours Co	50
E. Hampton Thread	200

	Dividend, per cent.
Eastern Felt Co	260
Emerson Drug Co., Baltimore	400
Exchange & Buffet Co	300
General Baking Co	200
Globe & Rutgers Insurance Co	400
Great Northern Paper Co	200
Gulf Oil Corporation	200
Hamilton Emory & Corundum	400
Hayward Woolen Co., Boston	200
G. W. Helme	200
Independent Oil & Gas Co	200
E. D. Jones & Sons Co	500
Landis Machine Co	2,000
Liberty Banking & Savings	100
Frederic Loser & Co	200
Merrimac Mills	200
Magnolia Petroleum Co	50
Michigan Copper & Brass Co	200
Moore Drop Forging Co	1,630
New Bedford Cotton Mills	200
Oakdale Worsted Co	800
Ohio Oil Co	300
Pacific Mills	100
Park's Shellac	2,400
Pocahontas Fuel Co	300
Prairie Oil & Gas Co	200
Prairie Pipe Line Co	200
Republican Cotton Mills	150
Saxe & Co., New York	800
Standard Oil of Kansas	300
Standard Oil of Kansas	800
Standard Oil of Indiana	100
Standard Oil of California	111
Standard Oil of New Jersey	400
Standard Oil of New York	400
Standard Oil of Ohio	100
Union Oil Co	50
Vacuum Oil Co	300
Victor Talking Machine Co	600
Wanshuck Co., Providence	2,500
Whitten Machine Co	1,400
Whiting & Davis Co	900
Yellow Cab Co	800

A partial list of industrial corporations with surpluses of $20,000,000 or more includes:

	Surplus, 1921.
United States Steel	$508,000,000
American Telephone & Telegraph	108,000,000
General Motors	83,000,000
Texas Co	83,000,000
Swift & Co	72,000,000
General Electric	70,000,000
Anaconda Copper	67,000,000
Corn Products Co	45,000,000
Westinghouse Electric	42,000,000
Utah Copper	38,000,000
American Car & Foundry	36,000,000
United Fruit	35,000,000
American Woolen	31,000,000
Pittsburgh Coal	30,000,000
Mexican Petroleum	25,000,000
Pan American Petroleum	25,000,000
American Locomotive Co	25,000,000
American Can Co	24,000,000
International Harvester	23,000,000
National Biscuit	22,000,000
Woolworth	22,000,000
Pullman Co	20,000,000
National Lead Co	20,000,000
American Smelting & Refining	20,000,000

Among the rails Southern Pacific had surplus of $283,000,000; Northern Pacific, $183,000,000; Union Pacific, $150,000,000; Atchison, $198,000,000; and New York Central, $100,000,000. A score of others had surpluses ranging from $35,000,000 to $90,000,000.

Mr. Chairman, the query arises, Why should not the following stock dividends, less than one-half the total, all pay a tax on the undistributed profits that were used to create the stock dividends?

CORPORATIONS AND DIVIDENDS.

Here are a few corporations that have declared stock dividends, with the amount of their outstanding stock and the value of the dividend:

Company.	Stock outstanding Jan. 1, 1922.	Stock dividend, par value.
Allen Consol. Oil	$2,192,095	$109,600
Alliance Realty	2,000,000	500,000
Am. Bank Note	4,495,700	449,570
Am. Gas & Elec	5,604,480	116,031
Am. Lt. & Trac	28,077,280	858,000
Am. Mach. Fdy	2,000,000	4,000,000
Am. Manufacturing	8,000,000	800,000
Am. Radiator	13,806,225	6,903,113
Arundel	4,637,360	278,238
Atlantic Refining	5,000,000	45,000,000
Bank of N. Y	2,000,000	500,000
Beech-Nut P'g	955,400	3,821,600
Belding Bros	3,000,000	3,000,000
Bigelow-Htfd. Carpet	13,550,000	13,550,000
Borne-Scrymser	200,000	800,000
Bost. Sand. & G. (pf.)	400,000	150,000
Burroughs Add. M	24,750,000	6,187,500
Bush Terminal	6,722,200	168,055
Cal. Tel. & Lt. (pf.)	343,887	123,500
Canada Gen. El	10,800,000	2,160,000
Cin. Un. Stk. Yd	$1,531,000	$219,000
City Ice & Fuel (Cleve., O.)	3,600,000	1,260,000
Commercial Credit (Baltimore)	1,500,000	450,000
C'mm'n'h Fin. (shs.)	59,354	
Crane	41,290,731	1,032,269
Cumberl'd P. & L. (pf.)	2,300,000	230,000
Detroit Creamery	3,200,000	1,600,000
Du Pont Chem	600,000	675,000
Du Pont Chem. (pf.)	2,942,710	3,310,549
Exchange Buffet (shs.)	62,500	
Fed. Lt. & Trac. (pf.)	2,500,000	1,050,000
Fidelity and Casualty	2,000,000	2,000,000
Finance Service	163,370	6,170
Gas & Elec. Sec	1,143,561	114,356
General Elec	147,536,814	8,609,715
Gibson Art	500,000	125,000
Gillette Safety Razor	23,320,000	1,428,000
Great Amer. Ins	10,000,000	2,500,000
Great North. Paper	8,272,000	16,544,000
Hanover Nat. Bank	3,000,000	2,000,000
Hayes Wheel	1,633,320	339,000
Hercules Powder	7,150,000	7,150,000
Helme, G. W	4,000,000	2,000,000
Humphreys Oil	8,577,500	6,422,500
Ingersoll-Rand	10,900,035	10,900,035
Int. Comb. Eng. (shs.)	59,000	
Int. Harvester	93,638,000	3,782,975
Intertype Corp. (shs.)	20,125	
Kellogg Switchboard & Supply	5,500,000	825,000
Manhattan Shirt	5,000,000	777,000
Minute Tapioca	200,000	100,000
National Biscuit	29,225,000	21,920,000
National Sugar	10,000,000	5,000,000
North-Am. (com.)	15,033,200	150,232
Ohio Oil	15,000,000	45,000,000
Pacific Gas & E	34,004,058	680,081
Packard Motor	11,885,100	11,885,100
Reo Motor Car	6,937,150	6,937,250
Reynolds, R. J	10,000,000	3,333,333
Reynolds, R. J. (pf.)	50,000,000	16,666,666
Royal Typewriter (pf.)	3,771,700	2,308,971
Saco-Low'll Shops	3,525,000	1,762,500
Schrafft, W. F., & Sons	500,000	1,500,000
Scotten, Dillon	2,250,000	750,000
South States Oil	2,000,000	160,000
Spalding, A. G., & Bros	2,606,900	2,606,900
Standard Milling	7,410,142	4,446,085
Stand. Oil, Calif	100,971,111	100,971,111
Stand. Oil, Ky	6,000,000	2,000,000
Stand. Oil, N. J	98,338,300	393,353,209
Stand. Oil, N. Y	75,000,000	150,000,000
Stand. Steel Car	4,000,000	36,000,000
Stand. Undgrd. C	5,250,000	1,050,000
Texon Oil & Ld	1,904,761	95,239
Torrington	3,500,000	3,500,000
Union Nat. Gas	9,840,000	7,380,000
Union Oil of Calif	50,000,000	40,000,000
U. S. Guarantee	205,000	300,000
Un. Royalties	250,000	402,690
Vacuum Oil	15,000,000	45,000,000
Va. Ir. C. & C	10,000,000	5,000,000
Victor Talking M	4,999,000	29,994,000
Yale & T. Mfg	4,998,774	4,998,774
Yellow Cab	500,000	1,500,000
Total par value of stock dividends		1,007,705,638

A FEW PERTINENT QUESTIONS.

With a great tax problem facing the country we find enormous and unexpected tax dodging and revenue losses reported by the Treasury on the part of those best able to pay. The average taxpayer asks:

Has any other government given to corporations equal rights and privileges? Does any other government report equal corporate business compared with its total business? Does any other government report equal corporate profits compared with total business capital invested?

Does any other government permit its corporations to escape personal taxation through stock dividends?

Does any other government permit tax-free securities?

Does not England, our largest business competitor, have far heavier taxes than ours?

Should not wealth pay taxes according to its ability?

Is not this an elementary tax principle with every government?

Has private wealth accumulations in any other country approached our own?

Are like tax-escape avenues for wealth found in other countries?

Is it not true that tax-free securities are used to avoid taxes to-day?

How many billions are so invested for tax-escape purposes?

How many billions are now invested in stock dividends to escape personal income taxes?

If 50 per cent income tax is needed on $200,000 personal incomes to collect sufficient taxes for Federal needs, what should be paid on undistributed corporate surplus?

How can tax-free securities be reached for taxation purposes except by inheritance taxes?

Does it justify a 50 per cent inheritance tax on great fortunes? If not, why not?

How can enormous corporate surpluses be reached for taxation purposes?

Is not a graduated tax on undistributed corporate profits fair in principle?

Many queries of equal or greater importance naturally will occur. Those who are asked to provide ways and means are charged with the necessity of raising funds and to find a just method of doing so. That is their problem.

CUBA'S CLAIMS OR THE UNITED STATES TREASURY'S—WHICH?

In to-day's press will be found a large advertisement signed by the National City Bank; J. P. Morgan & Co.; Kuhn, Loeb & Co., and other New York bankers offering $50,000,000 in Cuban bonds at 5½ per cent interest. Fifty million dollars will thus be taken from the industries of America to develop Cuba, but is it not significant that any effort to collect existing tax rates from tax-escaping agencies brings a howl of disapproval because industries are to be hampered?

A leading apostle of finance recently published the following news item:

More than two billion American dollars are working abroad earning dividends (in foreign investments) for their owners on this side of the Atlantic, according to computation of officials of the Federal Reserve Board.

Mr. Chairman, I am not complaining that the National City Bank can mark off its losses in foreign bonds or other securities and then make 25 per cent net profits, for this result may be due to efficiency or other legitimate causes which would speak well for the bank's management; but as a governmental proposition, after having earned 25 per cent net profits in 1922, I submit the bank should pay its fair share of taxes if we are to meet Government expenditures.

Secretary Mellon shows where $10,000,000,000 of tax-dodging funds have been laid away beyond the income-tax collector's reach. That amount we know is rapidly increasing. In my remarks of December 20 before the House I gave a list of stock-dividend melon cutting which covered several pages of the RECORD. This list did not include the National City Bank, but 328 corporations, according to the Federal Trade Commission, have distributed $2,149,151,425 in 1922 in stock dividends that will escape personal income taxes, whereas the average little fellow, the individual who has no high-priced attorneys, or partnerships that have earned a small net profit will scrape up every dollar levied on their nonescapable incomes.

MR. WANAMAKER ASKED TO LIMIT WEALTH.

Vice President Roberts's argument regarding sovietism he bolsters up with the statement that Mr. Wanamaker began business on $2,000 and saved $30,000,000 before his death. Mr. Wanamaker was a highly respected public citizen. In fact, he was such a good citizen he is reported to have said in June, 1921, regarding "distribution of wealth," that "no man ought to pile up money when there is no such need for it in the world. He can not take it with him beyond the grave. We have got to get nearer God—with less Christianity and more of the real thing." Mr. Wanamaker is gone, his wealth remains, but who possesses it to-day? Mr. Wanamaker was not a believer in sovietism, although he preached the doctrine of limitation of individual wealth. Many others have voiced the sentiments of Mr. Wanamaker regarding necessity for curbing the power of individual wealth.

The almighty dollar bequeathed to children is an almighty curse. No man has a right to handicap his son with such a burden as great wealth. That sentiment may sound to Mr. Roberts like teachings of the soviet, but Andy Carnegie, an eminent American of Scotch descent, so expressed a truth that would have been worth millions to a certain New York bank president if acted upon in time. Mr. Carnegie's wealth, running well into nine figures, is a guaranty against Russian sympathy to those who distinguish sovietism from common sense by the size of the bank account.

Another sentiment may seem strange to worshipers of wealth:

I feel that we shall ultimately have to consider the adoption of some such scheme as that of a progressive tax on fortunes beyond a certain amount * * * a tax so framed as to put it out of the power of the owner of one of these enormous fortunes to hand over more than a certain amount to an individual.

"MALEFACTORS" AND OTHER FACTORS.

About the time he was stirring up the beef trust and other trusts and "malefactors of wealth" generally, Roosevelt realized a public danger that might eventually submerge this Government in endless trouble. He knew history, for he was a historian, and he knew the hearts of men, the strength and weakness of Government. He never chanted the Lord's Prayer with pharisaical meaning, but preached the gospel of square dealing to men and nations alike.

In "malefactors" he included "criminals, felons, convicts" at heart because he knew the accepted meanings of words and was not afraid to use them. In this connection a well-known everyday philosopher, Dr. Frank Crane, said:

If one suggests the limiting of private fortunes, is he necessarily an anarchist, an upsetter, or a dangerous radical?

By no means, Doctor. The term "radical" or even "soviet" can not terrorize those who find eminent authority for the belief rather that "malefactors" may be responsible for anarchy. Attempts to circumvent law or disobey law, to flaunt public opinion and morality or shift governmental burdens on the weak and helpless, all these practices serve to undermine principles of government, whether they are termed anarchy or unrestricted license.

Those who measure the world by the atmosphere of the countinghouse or sound of the stock ticker do not take the right standards, Doctor, for we know better than they that the old-fashioned golden rule is as just now as it was when first given to men.

Let me again mention what was unintentionally overlooked by Mr. Roberts in his criticism of my remarks of December 20. In order eventually to reach wealth now tax free and laid aside by Mr. Roberts, Mr. Rockefeller, and other men of large means, including Mr. Stillman, I have offered a bill to increase inheritance taxes and a gift tax to prevent gift distributions made in order to avoid inheritance tax. The purpose of this bill is to help finance the Government's needs and to place in the Treasury a share of its accumulation of wealth that would otherwise go to heirs whether worthy or unworthy. This tax is apart from a bill to tax undistributed profits which was also introduced.

WHY AN INHERITANCE TAX?

Mr. Chairman, in my remarks to the House of December 20 I referred to ex-President Stillman, of the National City Bank, as an illustration to justify the purpose of the inheritance tax bill. I speak impersonally, because Mr. Stillman's standards of business and living morals are not exceptional if the public is correctly advised by the press, although they may not rule among his associates.

Mr. Stillman inherited a large estate from his father and also a great financial responsibility as the head of a large institution. A chapter from his life was recently revealed that furnished months of salacious reading, of such a character that men and women have been punished for offenses less serious. Is this not so when his reputed $536,000 annual income has been devoted to a judicially condemned mode of living? His resignation as head of the great banking institution was rejected, according to the press, by those who controlled the institution and who thereby set standards of business and virtue that measured their judgment by his. Public condemnation became so serious that finally they were compelled to accept the resignation. Many people have believed this country is in more danger from such practices and from such standards of business morality than from efforts to reach part of the wealth so inherited or from efforts to compel tax payments into the Public Treasury to meet needed expenses of Government. So much for the recent president of the bank. I offer to make full amends if I have not understated the facts or have not put the soft pedal on gross offenses against public morals, business morals, and public conscience that have been committed. Another phase of the Stillman case concerns the bank's policy that was influenced if not directed by a mind that stopped at nothing in effort to win a notorious lawsuit. That the resignation should have been refused for a long time speaks for the responsibility of those who refused to act in the matter.

ROBERTS WOULD GIVE AWAY THE OTHER FELLOW'S MONEY.

Still another phase of the discussion which affects the policy and purpose of the National City Bank and its officials comes from Vice President Roberts, quoted in my former discussion, in favor of cancellation of our $11,000,000,000 of foreign debts. He said:

Apparently a good many people are beginning to think that perhaps this country will do well to forgive its debtors and take advantage of whatever benefits are implied in the Lord's Prayer—

and much more to the same effect. Mr. Roberts was not asking forgiveness for the recent bank president or for refusal to accept his resignation for so long a period. The spirit he expressed when urging our Government to cancel its foreign debts was to forgive debtors "as implied in the Lord's Prayer."

The National City Bank that made 25 per cent net profits last year does not forgive its debtors, and international bankers of New York City, including the National City, may now

hold many foreign securities either by title or agency that will be vastly increased in value if this Government cancels its foreign debts. Secretary Mellon testified before our committee that foreign securities now held by private parties in this country are estimated at over $4,000,000,000.

It is the understanding that international bankers of New York City hold a goodly share of these foreign securities; that they are agents for a larger amount; and that these debts now are holding up recognition of the Russian Soviet Government, which has repudiated its bonds. Russia's private holdings are not subject to the Lord's Prayer. They are not to be forgiven. Only the debts of our Government are on the forgiveness list.

It is not improbable that if such cancellation of foreign debts could have been effected by Vice President Roberts, Mr. Otto Kahn, and others of like views and interests, that profits of all such bankers would have been far larger than the generous 25 per cent which was realized in 1922 by the bank.

WHEN A BANK'S POLICIES ARE OF NATIONAL CONCERN.

Mr. Roberts fails to discuss the National City Bank's policies in his last circular. Frankly, I am willing to leave to any disinterested jury a fair question, "Which is most calculated to promote sovietism in America, sane legislative efforts to compel wealth to pay its legal taxes or constant efforts by those best able to pay to dodge taxes?"

The bank by its opposition and assault upon the good faith of legislators naturally attracts attention to its own record. As the greatest bank in America it occupies a powerful position financially. Is it part of an alleged supergovernment? What is the answer?

Reference was made to the Liberian loan which passed the House by a close vote and was killed in the Senate. That bill proposed to validate worthless bonds issued by Liberia many years ago with money to be taken from the Federal Treasury. The National City Bank was among the holders of these defaulting bonds, and all parties were agreed to make that bank the "fiscal agent" for the bondholders and for exploiting Liberia at this Government's expense.

I examined different witnesses appearing before the committee favoring that loan, and leave the record, which caused the Senate's rejection, to speak for itself. The bank's mandate failed to move the Senate and $5,000,000 was saved to the Federal Treasury. When visiting Haiti several years ago I was there advised that the National City Bank had practically taken over the fiscal affairs of the Haitian Government. Hundreds of American marines were then held at Port au Prince to "maintain order." An imposing collection agency was maintained by the United States Government. Nicaragua, Costa Rica, and even our new possession, the isle of Cuba, we are told are all pouring water on the National City Bank's wheel, which stream American marines are expected to keep moving whenever and wherever needed. That stream helped furnish 25 per cent profits last year to the bank, some of whose officials have advocated the cancellation of $11,000,000,000 of the Government's foreign debts, while they hold private debts intact, excuse gross tax evasions, condemn legislators who urge tax enforcement, and employ governmental agencies to aid exploitations.

A PROFITABLE GOVERNMENT INVESTMENT.

Mr. Chairman, I submit Congress may well probe the activities of such great financial agencies that reach out over the Western Hemisphere and seek to distract attention by a wolf's cry that the "soviet goblins will get us if we don't watch out."

Amazing revelations concerning the Money Trust, interlocking directorates, and kindred subjects by the Pujo committee disclosed pre-war conditions of a decade and a half ago. With the rapid growth of centralization and big business activities throughout the world a new chapter undoubtedly could be written that would dwarf in importance the war fraud, Lockwood, and other probes. A $25,000,000 national-bank tax controversy in New York should insure active cooperation from the New York State administration, while the probe would be of immeasurable value to the country in disclosing the modern methods of pressure on State and National legislation through organized propaganda. It would not cost 10 per cent of the amount carried by the Liberian loan, and would prove a profitable investment to the country in many ways.

The average man, I submit, need not hesitate to measure his own ideals or course of conduct with the officers of these great business institutions, past or present. Big business has an important part to play in our economic system and has grown so large that, in my humble opinion, any attempt to crush it, however distant the day, will bring a train of evils, even as they have in Soviet Russia, as Mr. Roberts well says. But unrestricted growth in size and power with present-day standards, voiced by the statement that "all wealth is social wealth, by whoever owned," that we must obey the Lord's prayer by forgiving debts of other nations in order to enhance private holdings, is a queer religion and an economic teaching that deceives no one, not even those who preach one thing and practice another.

COMPARISONS WHETHER ODIOUS OR OTHERWISE.

Comparisons may be odious, but Mr. Roberts seems inclined to invite such course by his individual references to Members of Congress. Without now discussing his Chicago career or interests theretofore served in order to get a proper starting point and eliminating from consideration Mr. Stillman, the former directing head of the bank, with a record rarely approached even in this loose day and age, we find Mr. Roberts presumably voicing the policy of his bank advocating cancellation of foreign debts to this Government reaching $11,000,000,000. He has argued we can not absorb $500,000,000 of "social wealth" in foreign interest, notwithstanding one company, Standard Oil, has divided double that amount recently in stock dividends. The Roberts proposal inviting governments to repudiate their debts of course does not apply to private holdings of his own bank or other agencies.

Contrary to his proposals, I urged five amendments to the debt funding resolution that were accepted by the committee, the House, the Congress, and are now law. They provided for a Debt Commission instead of Secretary Mellon to settle the debts, prohibited cancellation or substitution of other obligations, and provided for publicity and termination of the committee's power.

England, we are now advised, will pay us between $4,500,000,000 and $5,000,000,000, or nearly one-quarter of our national debt, that was loaned her by the people of this country. When Roberts was preaching cancellation of this loan with his jughandled new version of the Lord's Prayer for the other fellow to forgive this debt, I was seeking to write into the law a provision that prevented its cancellation. In other words, the National City Bank's theory of "social wealth" belonging to the public depends on who holds the social wealth.

The average legislator or man of affairs, whatever his occupation, I again submit, need not fear comparisons of morals, ethics, or actions, either with the recent president of the National City Bank, Mr. Stillman, or its present publicity vice president, Mr. Roberts. I say this impersonally, whoever the officials may be, for when big business blocs largely control the press, our politics, and to some extent public conscience and legislation, there is always an element of selfishness in the dominating force beyond any public interest or care for general welfare.

NEITHER CZARISM OR SOVIETISM ACCEPTABLE.

To class those who do not subscribe to the bank's theory of "social wealth" as tinctured with sovietism seems to evidence a spirit of czarism in this country far more menacing than the 1 per cent of sovietism that may exist in New York or elsewhere. We may well ascertain how far big business would carry us from our ideals of government, how far it would embroil us in the controversies of other governments, how far it would place us in control of other governments of this hemisphere or other hemispheres in order to function its business and its collections from those governments; in fact, how far this country is prepared to accept control by social wealth held by a few self-appointed custodians for the remaining 98 per cent of our people. If it is to be a test of sovietism or czarism, neither will be acceptable to those who continue to believe in the aims and fundamentals of our own Government.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD with reference to the constitutional amendment concerning tax-exempt securities and its effect upon the interest rate.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD in the manner indicated by him. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. GREEN of Iowa. Mr. Speaker, it has been alleged by opponents of the amendment that the removal of the taxation privilege would greatly increase the rate of interest which borrowing States and municipalities would have to pay on future bonds issued.

Reference to the records of 50 years shows that the difference in rates has mainly depended on safety of principal rather than on exemption from taxation. Bonds issued by the most reliable and best-known borrowers always enjoy the lowest rates, while small municipalities and districts distant from the money centers pay as high or higher rates than that paid on high-class securities not tax exempt.

Reference to the market quotations for 1922, as reported for the New York Stock Exchange, prove beyond a possible doubt that the tax-exemption privilege is of little value to the borrower. The following quotations are the highest made on several taxable securities for the year 1922:

Atchison, Topeka & Santa Fe, convertible 4's issued 1910, due 1960	107⅞
Duluth & Iron Range first 5's, 1937	102½
Chicago, St. Louis & New Orleans gold 5's, 1951	104½
Louisville & Nashville gold 5's, 1937	102½
Nashville, Chattanooga & St. Louis 5's, 1928	103⅜
St. Paul & Duluth first 5's, 1931	100
Southern Pacific California guaranteed 5's, 1937	103½
Texas & Pacific first gold 5's, 2000	100¼
Brooklyn Edison Incorporation General 5's A, 1949	100⅛
Cincinnati Gas & Electric first ref. 5's, 1956	101
Great Falls Power first M. S. F. 5's, 1940	100
New York General Electric Light & Power Co. gold 5's, 1948	101⅜
Niagara Falls Power first 5's, 1932	101¼
Dominion of Canada 5's, 1952, subject to property tax and income tax in the United States of America	106½
Baldwin Locomotive Works first 5's, 1940	103½
General Electric debentures 5's, 1952	103
Indiana Steel 5's, 1942	103
American Telegraph & Telephone 20-year convertible 4½'s, 1933	104½
Pacific Telephone & Telegraph first 5's, 1937	100

In each case the quotations given in the foregoing are the highest for the year 1922. For the week ending January 12, 1923, the average price is lower than the peak prices of the year 1922, but in some cases the price is the same, and the quotations on several are within one point or less of the highest of 1922, with a few showing a greater difference.

A leading financial paper reported Chicago & Northwestern 4½'s as offered during the second week of January, 1923, on a 4.75 basis, Louisville & Nashville 5's quoted on a 4.75 basis, Norfolk & Western 4½'s on a 4.50 basis, and Southern Pacific 4½'s on a 4.75 basis.

Among other securities selling on a basis to yield less than 5 per cent the following may be mentioned: Illinois Central collateral trust 4's of 1952 to yield 4.97; Union Pacific refunding 4's of 2008 to yield 4.67; West Shore 4's of 2361 to yield 4.80; Chicago, Burlington & Quincy 3½'s of 1949 to yield 4.70. The Spring Valley Water Co., of California, sold $22,000,000 of bonds in 1922 on a 5.12 basis, which is better than the rate obtained on many tax-free issues.

These taxable securities of railroad and industrial and public utility corporations are gilt-edge and the best in the country. For safety of principal they compare favorably with the issues of States and municipalities, and for that reason they are readily marketable at rates closely approximating the rates paid by borrowing States and municipalities.

The stock exchange quotations cited, giving yields of the better grades of taxable securities, show that the difference in interest rates between the taxable and the tax exempt in many cases is not over one-quarter of 1 per cent and that it seldom reaches half of 1 per cent on securities approximating the same safety of principal.

A comparison of the interest rates paid on taxable and nontaxable securities over a period nearly 50 years prior to the enactment of the law creating the graduated system of income taxes shows that the State and municipal securities nearly always enjoyed a rate of interest of one-tenth to one-half of 1 per cent lower than industrials and railroads, this better rate being partially due to confidence of the investing public in the greater security of principal of the public securities and partly due to the exemption from taxation. This comparison is in accordance with researches made by the Institute for Research in Land Economics and Public Utilities, of which Prof. R. T. Ely, of the University of Wisconsin, is director.

Nearly all of the best tax-exempt State and municipal securities issued during the past year have been sold to yield 4 to 5 per cent. Some have sold on a basis higher than 5 per cent and a few have sold at prices to yield a little less than 4 per cent. Bonds of the larger cities have in many cases sold at a better rate than State bonds.

The investor in tax-exempt securities who receives an income of $1,000,000 a year is enabled by the ownership of the tax-exempt securities to evade the payment of an annual Federal tax of $550,640. This is a trifle over 55 per cent of his income.

Those who favor the tax exemption of bonds declare that the investor buys the bonds on an interest basis so low that it fully compensates the Government for the taxes which he evades paying. The market reports prove that this is not the case. Many States and municipalities pay interest on their tax-exempt bonds at rates that are comparable with the rates paid by private corporations on taxable securities. From the Commercial and Financial Chronicle of January 13, 1923, reports have been obtained of the rates at which tax-free securities have been sold in the year 1922.

Cases here cited are from widely scattered localities. It will be noted that all are equally tax free, but the rates are widely different, and none of them is sufficiently low to account for the exemption benefit received by the wealthier investors.

Typical sales of tax-free bonds in the year 1922 and the first two weeks of 1923:

Flagstaff, Ariz., $60,000 park bonds, on basis of	5.71
Howell, Nebr., $10,000 light and power bonds	4.99
State of North Dakota, $250,000 State bonds	4.50
City of Petersburg, Va., bonds due 1962	4.40
Wildwood, Cape May County, N. J., $25,000 park bonds	4.94
Vallejo, Calif., $62,500 water-district bonds	4.87
Union, Union County, S. C., $150,000 street-improvement bonds	4.98
Scranton, Pa., $1,000,000 school-district bonds	4.12
Orange Township, Cuyahoga County, Ohio, $34,556.45	5.30
Marathon, Cortland County, N. Y., $9,000 bridge bonds	4.97
Hookerton, Greene County, N. C., $35,000 water, sewer, and light bonds	6.00
Hubbard, Trumbull County, Ohio, $20,000	5.00
Dubuque, Iowa, $100,000 sewer bonds	4.30
Adamsville, McNairy County, Tenn., $5,000 sidewalk bonds	6.00
Alfred, Allegheny County, N. Y., $10,000 street-improvement bonds	4.96
Harding County, S. Dak., $135,000 bonds	5.50
Nampa and Meridan irrigation district, Idaho, $36,950	6.00
Froid, Mont., $10,000	6.00
New Rochelle, N. Y., $237,000	4.10
Plummer, independent school district, Nebraska, $8,200	6.00
Poughkeepsie, N. Y., $278,000	4.05
Reidsville, N. C., $300,000	5.23
Salem, Ohio, $41,307	5.00
Uinta County school district No. 6, Wyoming, $20,000	6.00
Worcester, Mass., $860,000	3.93
York rural school district, Ohio, $4,000	5.98
Zephyrhills, Fla., $37,500	5.98

It is obvious that the investor in tax-exempt securities does not pay a premium equal to the benefit he receives. Comparison of the reports of sales of taxable and tax-exempt bonds of the past year shows it to be equally apparent that States and borrowing municipalities would not be obliged to increase their interest rates more than one-fourth of 1 per cent to one-half of 1 per cent if the income from their bonds were made taxable, while for every dollar paid out in additional interest the Government would receive $3 to $5 in additional taxes.

The acid test of the stock exchange market demonstrates that the benefit of tax exemption to the borrower is very slight. The actual profit of the tax-exempt privilege goes into the pocket of the wealthy investor at the expense of the general taxpayer. The statement is sustained by the actual experience of the year just closed.

The wealthy investor, however, seldom buys the bonds of the small municipality or a far distant district. This partly because they are not considered as secure and partly because they do not have a definite market value. Such bonds are, as a rule, bought by the small investor, to whom the tax-exempt privilege is of little value. Consequently the borrower gets no benefit whatever from the tax exemption. It will be seen from the foregoing table that most of such issues pay 6 per cent.

One of the most conclusive and lucid demonstrations of the economic folly of the tax-exemption plan was worked out by Prof. G. E. Putnam, of Washington University, St. Louis, professor of banking and currency. It appears in Washington University Studies, Volume VII, Humanistic Series, No. 1, pages 21–23, 1919.

The revenue law has been amended since 1919, reducing the rate of taxation; but the arguments presented by Professor Putnam have never been refuted, and the same principles apply now as then. Professor Putnam's article has been rewritten, and the table showing profits of investors has been revised by a Treasury Department expert to adapt it to changes in the revenue law now in effect.

By far the most conspicuous evil of tax exemption is that it completely upsets the purpose of graduated taxes. In the first place, it enables those with property incomes to escape the burden of progressive rates, thereby causing the burden to be shifted to others less able to pay. Suppose, for example, that a married person without dependent children receives a yearly net income of $50,000—after paying State taxes—from real estate valued at $1,000,000. Under the revenue act in force in 1922 his Federal income tax would be $6,640. If he converted his real estate into 5 per cent tax-exempt bonds at par, his property and income taxes thereafter would be nothing, his net income would in no way be diminished, while the man who received the same income from personal services, from farms, from city real estate, or from taxable securities would continue to pay a tax of $6,640.

The injustice of tax exemption, however, does not stop here. It not only gives rise to unwarranted discrimination in favor of property owners, as opposed to wage earners, but it also confers a much greater favor upon the wealthy classes than

upon the investor in moderate circumstances. Under the Federal income tax law, for instance, a married person without dependent children is subject to a flat tax rate of 0.66⅔ per cent if his annual income is $3,000, 17.28 per cent if his net income is $50,000, and 55.064 per cent if his income amounts to $1,000,000. The yearly saving in taxes that each of these three classes might make through the purchase of a $1,000 bond yielding 5 per cent amounts to 33 cents, $8.64, and $27.53, respectively.

If the same bond were subject to taxation, the net annual yield to these investors after paying income taxes would be 4.96⅔ per cent, 4.136 per cent, and 2.247 per cent, respectively. Or, to put it another way, a 5 per cent nontaxable bond is the exact mathematical equivalent of a taxable bond yielding 5.035 per cent if the bondholder has an income of $3,000, 6.305 per cent if his income is $50,000, and 11.555 per cent if his income is $1,000,000.

The net loss to the Government on each thousand-dollar bond is shown by the figures in the last column of the table when the bonds are sold at par. When the bonds are sold at a premium the amount of that premium deducted from the capitalized value of the exemption shown in the last column will leave the net loss to the Government caused by the exemption.

Obviously the small investor has little to gain from the purchase of tax-exempt securities. If his income is exactly $3,000, it is immaterial whether he buys a 5 per cent taxable bond at par or a 5 per cent nontaxable bond, maturing in 20 years, at $100.415. The annual value of the tax-exemption privilege on his tax-exempt bond is only 33 cents, and the capitalized value $4.15. But with every material addition to his income, the incentive to buy tax-exempt bonds becomes greater. In the case of those having annual incomes of $1,000,000, the annual value of tax exemption on a $1,000 tax-exempt bond, bearing a 5 per cent rate, is $27.53. In 20 years the value of this exemption would amount to $550.60. The present worth or capitalized value of this exemption, on a 5 per cent basis, would be $343.08.

These and other significant facts relative to the unequal benefits conferred by tax exemption are shown in the following table:

Profits to investors on tax-exempt bonds, 1922.

Net income of married person without dependent children.	Total tax (calendar year 1922).	Tax rate on whole income.	Net yield of nontaxable 5 per cent bonds.	Net yield of taxable 5 per cent bonds.	Rate of interest required on taxable securities to yield 5 per cent.	Annual value of tax exemption on $1,000 5 per cent bond (annual loss to Federal Government).	Present value of tax exemption on $1,000 5 per cent bond maturing in 20 years (present value of total loss to Federal Government).
		Per cent.	*Per cent.*	*Per cent.*	*Per cent.*		
$3,000	$20	0.66⅔	5	4.96⅔	5.035	$0.33	$4.15
10,000	520	5.20	5	4.74	5.286	2.60	32.40
20,000	1,720	8.60	5	4.57	5.512	4.30	53.59
50,000	6,640	17.28	5	4.135	6.305	8.64	107.67
100,000	30,140	30.14	5	3.493	8.446	15.07	187.81
200,000	86,640	43.32	5	2.834	10.157	21.66	269.93
500,000	260,640	52.128	5	2.394	11.206	26.06	324.77
1,000,000	550,640	55.064	5	2.247	11.555	27.53	343.08

If the supply of tax-exempt securities should be materially diminished so that the available number was insufficient to satisfy the needs of the very wealthiest classes, the price of 5 per cent tax-exempt bonds would tend to rise toward $134.308; that is, to a premium representing the highest capitalized value of the tax-exemption privilege. In actual experience it always fails to reach that premium. Under present conditions, however, no such premium is possible. Owing to the large volume of State, municipal, and Federal bonds outstanding, bonds exempt in whole or in part from the progressive income taxes, it is unnecessary for the recipients of large incomes to pay a price for tax-exempt bonds that anywhere near covers the capitalized value of the tax-exemption privilege.

Reference to the market reports of sales of State and municipal and other tax-exempt bonds shows that the premium on 5 per cent tax-free bonds sold in 1922 is usually about one-tenth of the actual present worth of that exemption to the investor receiving an income of $1,000,000 per year.

The enormous increase in the volume of issues of tax-free securities during the five years preceding and including 1922 shows that there is no prospect of diminution of that output under existing laws.

It is for this reason that the main argument in favor of exempting Government bonds from the income tax breaks down. Under a system of proportional taxation, it is probably true that tax-exempt bonds of the Federal Government would sell at a premium corresponding roughly to the capitalized value of tax exemption, and thus yield a greater return to the Government. But under a system of progressive taxes the price of the bonds is not enhanced by the capitalized value of the exemptions, and therefore the amount that the Government can gain from a lower rate of interest will not be so great as the loss in revenue from the income tax.

What the individual gains from tax exemption represents, of course, a loss to the National Treasury. This loss can not possibly be accurately calculated because there is no way of ascertaining the exact distribution of tax-exempt bonds among the various classes of taxpayers. But sooner or later the loss in tax revenue will become prodigious for the reason that the ownership of tax-exempt securities tends to become concentrated in the hands of the wealthy classes. These are the classes who would normally pay the heaviest taxes and who, moreover, would be the most alert and proficient in ferreting out some means of shifting the tax burden. That their incomes are sufficiently large in the aggregate to enable them to absorb most of the tax-exempt bonds outstanding, either through direct purchase out of current income or through the conversion of income-producing property, is shown by the report of the Commissioner of Internal Revenue.

Mr. SISSON. I yield five minutes to the gentleman from Louisiana [Mr. SANDLIN].

Mr. SANDLIN. Mr. Chairman, I ask unanimous consent to insert in the RECORD a letter from the American Legion with reference to the Muscle Shoals proposition.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD in the manner indicated by him. Is there objection?

There was no objection.

The letter is as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., January 15, 1923.

Hon. JOHN N. SANDLIN,
Congress Hall, Washington, D. C.

MY DEAR CONGRESSMAN: The national legislative committee of the American Legion desires to lay before you a resolution concerning the Muscle Shoals plants and properties, and to urge that Congress adopt a definite policy at this session for the development and operation of this great national project.

This matter was given most careful and serious consideration at the national convention of the American Legion assembled at New Orleans, La., on Friday, October 20, 1922, and the following resolution adopted:

"Whereas at the beginning of the World War the United States Government was brought to a realization of the fact that it was wholly dependent upon the Chilean nitrate beds and German war-built nitrogen plants for its supply of nitrogen, which is absolutely necessary for the manufacture of high explosives; and

"Whereas the said United States Government did thereupon appropriate large sums of money for the erection and operation of nitrate plants Nos. 1 and 2 at Muscle Shoals for the manufacture of nitrogen in large quantities by extracting same from the air, which said plants were completed and successfully operated just prior to the armistice, or just after, and are the only air-nitrogen plants in the United States of America; and

"Whereas the above-mentioned plants have not only been left inoperative since the war, but have constantly fallen into a state of deterioration, at an expense of many thousands of dollars annually to the taxpayers of this country, while similar air-nitrogen plants in Germany were speedily converted so as to manufacture cheaply nitrogen fertilizers for the enrichment and reclamation of the arid farm lands of Germany, which has proven to be an untold blessing to the people of that country; and

"Whereas we believe that the continuance of our dependence upon foreign countries for the necessary supply of nitrogen for fertilizers in time of peace and for explosives in time of war is not only an unspeakable humiliation but is positively perilous from the point of view of the national defense: Now, therefore, be it

"*Resolved*, (1) That we, the American Legion in national convention assembled, do hereby call upon the Congress of the United States, upon the assembling of same, immediately to take up and act upon the measures pending in Congress or that may be introduced immediately upon the reconvening of same, on the subject, and to determine upon a fixed policy as to the disposition of same; and,

"(2) In determining upon the disposition to be made of said properties they may be governed by the following principles which we believe to be fundamental, namely:

"(a) No policy or plan should be accepted which does not provide for the operation of said plants in time of peace and the manufacture of fertilizer, and the test for acceptance of any offer should be the amount of fertilizer proposed to be manufactured;

"(b) No plan or policy should be adopted which is calculated to introduce Federal operation of the project;

"(c) The fertilizer production at Muscle Shoals shall have preferred supply of power in time of peace;

"(d) No plan or policy should be adopted which does not assure the Government that a research or experimental department will be maintained and conducted in connection with the plants for the purpose of keeping up with the most approved methods of nitrogen production, and that in the event of military emergency the said plants will be made available to the Government at the call of the Secretary of War for the manufacture of nitrogen for explosives.

"(3) That the national legislative committee of the American Legion be directed to use all possible legitimate efforts to the end that

the Congress of the United States immediately enact such legislation as aforesaid."

From the above-quoted resolution you will note that this great project should be—

First. Under private control and operation (not under Federal or governmental control and operation);

Second. That fertilizer production shall have preferred supply of power in time of peace and nitrogen production for high explosives in time of war; and

Third. That suitable legislation providing for the adoption of a permanent policy be immediately enacted by this Congress.

This entire matter has been before both Houses for some time and has been thoroughly considered and reported on by the committees after full and comprehensive hearings have been held.

As the American Legion has in national convention passed this very important resolution entitled "Reclamation and national defense," we are interested in having the matter considered at the earliest possible time, and we write you now to ask you when Congress expects to take the matter up with a view to giving careful consideration to the proposals that have been made and with a view to adopting a definite and comprehensive policy for the development and operation of this great project. In making some investigation in connection with our effort to ascertain the status of this question we have noted that on August 25, 1922, when this matter was under discussion in the House, Floor Leader MONDELL included in his remarks the following:

"I agree with the gentleman from Illinois that this matter ought to be considered and settled by this Congress and as soon as it can properly be done."

We urge upon you as a Member of this Congress immediate consideration of this legislation so vital to the national defense of our country should the country become involved in war, and so indispensable to our agricultural welfare.

Very truly yours, JOHN THOMAS TAYLOR,
Vice Chairman National Legislative Committee.

Mr. SANDLIN. Mr. Chairman and Members of the House, of course I will not try to give the membership of this body any information with reference to the pending appropriation bill, because very few Members of the House know anything about it. Under the rules of this House the subcommittee of the Committee on Appropriations are about all the Members who have any real information about what this bill contains. But it came to my mind that probably it might be well to suggest to this Congress that if they do not give to the American people some of the things which they desire the American people may give them something that they do not want. In my humble opinion, the manner in which this Congress has treated the very serious proposition of Henry Ford to take over Muscle Shoals is inexcusable, and it should have had careful consideration from the representatives of the American people. There is no doubt, my friends, that the farmers of this Nation and the laboring people of this Nation and many clear-headed business men believe that Mr. Ford's proposition should be accepted. Whether you agree with them or not, and I am frank to say I do, I believe that the membership of this House at the present time are possessed of all the knowledge that they will ever have with reference to this proposition.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. SANDLIN. No; I will not.

The CHAIRMAN. The gentleman declines to yield.

Mr. SANDLIN. You and your party have had quite a long time to operate on this matter, and I have only a short time yielded to me to protest against your failure to act. Please let me alone, with all due respect. [Applause and laughter.]

We come here to Washington and discuss various matters, and sometimes forget what the people at home are interested in and talking about. I dare say there is hardly a Member of this body to-day whose people at home are not discussing the proposition of Henry Ford with reference to Muscle Shoals, and they want us to take favorable action in the matter. I do not believe this Congress or this administration will accept Henry Ford's proposition, but in the interest of the whole people this matter ought to be settled one way or the other. Last August the gentleman from Wyoming [Mr. MONDELL], the Republican floor leader in this body, promised that this matter would be settled in a short time. Now we have come nearly to the day of adjournment of this Congress, and it is evident that no action will be taken.

I honestly believe that if the names of those men who are spoken of as candidates for President of the United States were written on a ballot to-day and put in the hands of the voters of this country you would be surprised at the number of votes that Henry Ford would receive to put him in a position to say who should take over Muscle Shoals. And while I know that Republican leaders will not accept my suggestions here, but will treat them lightly, mark my words: If this Congress does not accept the proposition of Mr. Ford, he is going to throw a monkey wrench into somebody's aspirations for the Presidency. [Applause.]

Mr. STAFFORD. On behalf of the gentleman from Kansas [Mr. ANTHONY], I yield five minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, the State of Kansas pays 10½ cents a bushel to send its wheat to Chicago. It costs 21 cents more a bushel to get that wheat to Liverpool. That is 31½ cents. We are shy just that much on every bushel of wheat that we ship to Liverpool. You can ship wheat from New Orleans to Liverpool for 8 cents. You can send it by barges and tugboats by river from St. Louis to New Orleans for 8 cents. That is 16 cents. If we could get the tugs and barges running from Kansas City to St. Louis and on down the river we could send our wheat to New Orleans for about 10 cents a bushel. Eight cents to Liverpool would make 18 cents. We would save the difference between 18 cents and 31½ cents, which is 13½ cents a bushel. In 1921 Kansas raised 128,000,000 bushels of wheat. At 13½ cents a bushel that would be over seventeen and one-half million dollars. It you will give us a million and a half dollars a year to fix the Missouri River for a few years we will have a 400-mile 6-foot channel to St. Louis, then save $17,500,000 a year for the farmers.

Mr. FREAR. We have already put $35,000,000 into the Missouri River. The Government has expended that much money on that river.

Mr. LITTLE. Yes; but you stopped it just as you got it well under way and a 6-foot channel for 350 miles of the 400 between Kansas City and St. Louis; and I want to say that the men who assassinated the Missouri River are the greatest enemies the western farmers in this country have ever had. That is the greatest river in the world—from the Rocky Mountains to New Orleans. The States that lie along it and are tributary to it raised 380,000,000 bushels of wheat in 1921, practically half the wheat raised in this country. If they could ship their wheat to New Orleans by that river it would mean a saving to them of $50,000,000 a year. Talk about what you do with your rivers and harbors! You will do more good by fixing the Missouri River than by any other money you spend on any other waterway or the ocean itself. It flows through the greatest wheat country in the world—the Missouri Valley. Half the wheat of your country comes from there. The people of that valley can not only greatly increase the value of their crops and add immensely to the resources of that great farming region, the greatest in the world, but they can sell wheat and flour to the world cheaper than in any other way the world can get it. Why is it not done?

When I was a little boy along the Missouri River it floated more steamers than any other river in the United States except the Mississippi and the Ohio. It ran bigger steamers than any other river in the world except those two. What has become of them? I can tell you. The railroads killed them. They began with a holler about a pork barrel. They got hold of three or four little rivers up here and proceeded to make a great fuss about them. The rivers of this country have never cost this Government more than $400,000,000 in all its history. Yet the railroads have taken from us, to start with, the wealth of half a world. They can not accommodate their customers, let alone doing it at reasonable rates. They are opposed to these cheap rates by water. The railroads had a pass in the pocket of every politician. They had a pass in the pocket of every editor; and they began by bringing out the little story about the pork barrel, and it got to be very funny, to ridicule taking care of the Missouri River, the pathway provided to the sea for the wheat country. It actually ruined the Missouri River. Seventeen million five hundred thousand dollars last year was taken from our State by that joke. That was not all; they also refused cars, and we lost millions because we could not get to market. The barges would have taken it down the Missouri and to market when wheat was highest. Kansas in 1921 lost $30,000,000 it could have made if it had 50 miles more of 6-foot channel on the river to St. Louis.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. STAFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MACGREGOR].

Mr. MACGREGOR. Mr. Chairman, there has been much said in this House upon the subject of State taxation of national banks. It is probable that very few of the Members know what the trouble is. To one not acquainted with the laws and procedure with reference to taxation in the various States the question seems to be hopelessly involved. Although I have listened to many witnesses, had the benefit of more or less illuminating speeches by various Members, have read the hearings and sought to comprehend what is being driven at, I confess that I am still somewhat hazy.

I want to state my conception of the situation. If I am wrong I want to be righted.

The war of words centers about the phrase in section 5219 of the Revised Statutes of the United States permitting the taxation by the States of the share of stock of national banks. This phrase is "that the taxation shall not be at a higher rate

than is assessed upon other moneyed capital in the hands of individual citizens of such State."

The statute has existed in this form since 1864.

Under the old general property method of taxation prevailing in most of the States up to recent years no trouble arose. Under that system there were two classes of property, real and personal, but both bore the same rate of tax. Personal property bore but a very small share of its burden because of the difficulty upon the part of taxing officers of finding the personal property. Much of that escaped and various methods and means were adopted to ferret it out without much success. In recent years many of the States have adopted the income tax and placed a low rate of taxation upon income, upon the theory that if a low rate was imposed there would not be such a great temptation to concealment. The present difficulty has arisen out of the fact that the income-tax States have sought to place a specific tax upon State and National bank shares as a separate class and considered that they were not violating any law by doing so. They conceived of "moneyed capital" as being confined to capital invested in State and National banks.

It is now conceded as established by decisions of the United States Supreme Court that "moneyed capital in the hands of individual citizens" includes all moneys as such used by banks, private or incorporated, or by individuals for purposes of profit.

Under some income tax laws individuals, copartnerships, or corporations engaged in the money business other than State and National banks are not taxed upon capital but only upon income.

Thus it is held that a discrimination exists against national banks contrary to the express provisions of section 5219 of the national bank act.

The question is of vital importance because millions of dollars are involved. It is of direct importance to local communities in some of the States, as the taxes derived from the taxation of these banks are used for local purposes. If Congress is powerless to validate taxes heretofore paid, millions upon millions of dollars must be paid back to the banks on account of taxes paid under protest. As to the future the question should be settled as the tax laws of the States must be amended to conform to the determination of Congress, and until that is done there will be a condition of great confusion in every village and county and town where a State or National bank is located.

The tax commissioners of the States come to Congress and ask that section 5219 be amended so that they may continue to tax State and National banks upon a different basis than is used as to "other moneyed capital."

The national banks oppose this request and ask that the statute remain the same or, if any change is to be made, that it only be altered to permit the taxing of income at the same rate as income from other moneyed capital.

The House has passed a bill—H. R. 11939—which simply adopts the definition of the Supreme Court as to "moneyed capital" and provides that in income-tax-bases States an income tax may be imposed upon the bank in lieu of a share tax.

The language is as follows:

(a) That the tax imposed shall not be at a greater rate than is assessed upon other moneyed capital in the hands of the individual citizens of such State coming into competition with the business of national banks.

(b) That in any State where a tax in lieu of a property tax is assessed upon the net income derived from such other moneyed capital such State may, in lieu of a tax on the shares, impose upon the bank an income tax assessed upon the net income of the bank, but such tax shall not be at a greater rate than is assessed on the net income of such other moneyed capital.

Thus the House declined to meet the argument of the State tax commissioners that it was not feasible to adapt their systems of taxation to the rule set up by section 5219. What the House virtually says is that if the States desire to tax national bank shares they must put in vogue the old method of using coercive or persuasive measures to ascertain how much Bill Jones, in Hicksville, has put out upon notes and what profit he has made and how much he made in shaving them, and place a tax upon that profit in addition to the income tax that he pays. It must be remembered that, at least in New York State, the holder of the bank share pays a tax of 1 per cent upon the shares in addition to an income tax upon the dividends. Business corporations pay a tax upon net income, and in addition the holder of the stock pays a tax upon dividends.

The opposition to the placing of the State and National banks in a class by themselves for taxing purposes are conjuring up the usual bugaboo of Wall Street.

The picture attempted to be painted by certain gentlemen upon the floor is that they are like knights of old clad in armor and bearing a spear engaged in a bitter contest with a dragon that would devour and destroy the substance of the people unless they were protected by these valiant defenders.

They remind one of Don Quixote fighting windmills. I suppose in southern and western hamlets they frighten children by telling them that if they do not look out Kuhn, Loeb & Co., J. P. Morgan & Co., Lee, Higginson & Co., or Midder, Peabody & Co. will get them, but when they want to bring some semblance of modern civilization into their communities they plead with these same blood monsters to help rescue them from barbarism.

These financial organizations are not local to New York or Boston. Their activities extend to the whole of the United States. They reach into the small community and across the seas; they bring prosperity and the blessings of civilization to the backward States and localities awaiting development; they gather together and invest the united capital of the whole Nation with the attending benefit of all of the people of the country.

When New York, howsoever feebly, demurs to the growing and disastrous practice of Federal aid in State activities the cry arises that New York makes its money out of the other States and therefore should not protest, but there seems to be a prevalent tendency upon the part of the other States which are the recipients of the bounty of New York to "bite the hand that feeds them."

In the anxiety of some gentlemen upon the floor of this House to pose as valiant knights engaged in hand to hand contest with money-thirsty monsters, they are willing that the State and national banks shall reap greater profits and build up greater surpluses. They would not spoil the picture by requiring the banks which take a greater toll from the people than anyone else to use a portion of it for the alleviation of the burdens of taxation from the backs of those who help to contribute to the swelling of bank surpluses.

Theoretically it is proper that State banks, national banks, private banks, financing institutions and private individuals loaning money for a profit should be upon the same basis of taxation. For untold years tax experts endeavored to do this very thing but failed. Many, many methods were tried to ferret out the concealed wealth of the country without success.

There is no possible objection to the taxing of the capital engaged in competition with banks, but we should be practical and not theoretical. It might be perfectly feasible to ferret out just how much capital is employed by the great financial institutions which have been inveighed against with so much gusto, but if you tax them upon their capital is it also necessary, in order to prevent inequality, to find every individual in the State who is using his capital or any portion of it to the same end?

The reason advanced for not permitting State and national banks to be placed in a separate class for taxing purposes is that it would be giving the power to States to tax the national banks out of existence. But why this sudden fear? No one seemed to think about this danger before some astute lawyer raised the question as to whether "other moneyed capital" did not extend beyond the capital used by banks. For 20 years the State and national banks in New York State have been taxed as a separate class. During all of this time there was no such fears as are now expressed that they were discriminated against.

The whole proposition seems to be that the banks desire to escape taxation. They have succeeded in securing an interpretation of words different than the heretofore accepted definition, and having secured their point of vantage they are beating tomtoms and raising wild fears of destruction to the banking system of the country by wolfish legislatures. I can picture the gleeful chuckle of the banker as he contemplates the shifting of taxation from himself to the backs of the people who are contributing to his pile of gold through many methods that partake of the nature of usury. I can contemplate the satisfaction of the farmer when he appreciates the fact that the village banker is going to load his part of the burden of local taxes onto his patrons and enjoy his profit from loaning money to them free and clear upon the theory that "If you can't get the other fellow, you can't get me."

It is perhaps not considered proper to discuss legislation contemplated by the gentlemen at the other end of the Capitol, but inasmuch as the etiquette has already been violated a little more violation will do no harm.

The Senate committee to which the House bill was referred has reported a substitute which provides for taxation of the shares of national banks in one of three ways:

1. By taxation of shares, provided that "the rate of taxation shall not be higher than the rate applicable to other moneyed capital employed in the business of banking within the taxing State," and provided further, that "said rate shall not exceed the average of the rates applied in said State to shares in mercantile, manufacturing, or business corporations doing business in said State or in such of said corporations as are taxed therein."

2. By including dividends derived from shares in the taxable income of an owner or holder.

3. Taxing the net income of the bank, providing that the rate of taxation upon the net income shall not be higher than the highest of the rates imposed by the taxing State upon the net income of mercantile manufacturing or financial corporations doing business within its limits.

Inasmuch as the time is limited within which Congress can act to give relief to the situation that is causing great confusion throughout the whole country I believe that it would be wise for the House to study the proposal of the Senate so as to be in position to act speedily in the event that the Senate passes it and sends it to the House. So far as New York State is concerned the settlement of the controversy is of vital importance to every community, as the tax is a local tax and the tax status of every village and town will be in confusion until it is settled. The question is a perplexing one because of the different methods of taxation in vogue in the various States of the Union. So far as I can see the House bill offers no relief to New York.

The Senate bill is a vast improvement over the House bill. The House bill gives no relief, but adopts a definition of the Supreme Court of other moneyed capital.

Mr. SNYDER. Will the gentleman yield?

Mr. MACGREGOR. Yes.

Mr. SNYDER. Does the gentleman understand that many banks are paying the taxes?

Mr. MACGREGOR. They always did pay the taxes without protest.

Mr. SNYDER. And many banks have paid it since the decision?

Mr. MACGREGOR. Yes; but the big banks have been paying it under protest.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SISSON. Mr. Chairman, I yield 45 minutes to the gentleman from New York [Mr. COCKRAN].

Mr. COCKRAN. Mr. Chairman, a speech delivered here a few days ago by the gentleman from Georgia [Mr. UPSHAW] embodied accusations of a very grave character against Members of this House. It charged them not merely with commission of lawless acts but with having made a building furnished by the Government to facilitate our task of enacting legislation the theater of gross violations of law. I have not taken the floor to answer that imputation. The ordinary presumption of law that public officers have performed faithfully their full duty surely extends to the building in which these duties are discharged and assumes that it is always occupied for the purpose that caused its erection. That particular speech, as far as I am concerned, which began with a rhyme and was continued without logic to a conclusion without reason, is completely answered by stating that doubtful as is the quality of its opening verse, yet nevertheless there was more poetry than truth in the whole production. [Laughter.]

But, Mr. Chairman, it was said by Herbert Spencer that as there is a soul of good in things evil, so also is there a soul of truth in things that are themselves untrue. And the late Monsignor Hugh Benson, as profound in philosophy as he was eloquent in speech, insisted that it was this soul of truth in a false statement which gave it any force whatever. A statement wholly untrue, he said, would fall completely stillborn from the lips that uttered it and never get into circulation at all. Now, even this speech of the gentleman from Georgia contains a soul of truth, and it is this; that so far prohibition has utterly failed to prohibit. All efforts to enforce it in certain localities have resulted in failure so complete as to evoke the extraordinary denunciations which the gentleman from Georgia scattered right and left on this floor.

Mr. Chairman, there is much stronger and much weightier testimony than that of the gentleman from Georgia to the completeness of this failure to enforce prohibition. It is the statement of the President that disregard of the eighteenth amendment and of the laws passed to enforce it has become so widespread and so open as to constitute a grave national scandal.

Now, Mr. Chairman, the bootlegger and the other sinister elements which have been called into existence by futile attempts to enforce this measure are regarded by most people as sources of amusement. I view them in a very different light. I think we have here one of the gravest conditions that ever confronted the American people. Persistent disregard of law by persons not habitually lawbreakers, who belong not to the class from which lawbreakers are recruited but to the best elements of our society, is a calamity so grave that unless it is remedied speedily and completely the authority of our Government will be undermined and its very existence seriously imperiled.

Everyone will admit that unless respect for the law be restored obedience to law is impossible. How is it to be restored?

Respect for law can not be restored by force. It is the unbroken lesson of all history that no law can be enforced in any locality against the opposition of a large majority of its inhabitants. And for that reason in certain localities of this country the prohibition amendment can not be enforced; even though its enforcement be attempted by all the resources which this Government can employ. Whether this be morally right or wrong, whether it be politically desirable or undesirable, it is a fact, I repeat, capable of demonstration. And as such it must be faced by the lawmakers into whose hands in large degree the task of providing for the safety of the country is committed.

I doubt if any gentleman here in his heart believes that this law can be enforced. History teems with instances of attempts to enforce obnoxious laws by governments in different parts of the world, and it records the failure of every one. It also tells in lurid characters the evil results of these attempts, constantly repeated through all the ages, always unsuccessful, but often causing the ruin of the governments that undertook them.

Mr. Chairman, our own country became free—it overthrew the authority of England—because of an attempt to enforce upon the people of the Colonies a statute, lawfully passed, entirely constitutional, but which was in conflict with their customs and against which their patriotism revolted. The great parliamentary revolution in England, which subverted the English throne and cost an English king his head, was caused by an attempt to enforce payment of ship money, a perfectly lawful tax—so declared by a majority of the 12 judges of England assembled in solemn tribunal—but which the people regarded as unjust and refused to pay. And in the domestic chronicles of every nation we read again and again of statutes passed with all proper formality, but disregarded generally, and of no actual authority whatever.

A great lawyer—I think the greatest of his time, if not the very greatest who ever adorned the professional life of this country—the late Mr. James C. Carter, for many years the undisputed leader of the American bar, devoted the last seven years of his life, after he had retired from active practice, to writing a series of lectures for the Harvard Law School upon the philosophy of law. The main proposition underlying them was that all law is merely custom, that no statute can have the force of law which does not enforce customs already established in the locality affected by it.

In every community there are some few elements hostile to the views of the majority and disposed to resist their customs. The function of law as he defined it was to impose on this recalcitrant minority obedience to customs already established by the great majority. Of course, he did not include in this definition of law statutes providing for what has been aptly called municipal housekeeping—the building of bridges, the cleaning of streets, the delivery of letters, and other facilities for developing commerce and promoting the general comfort. But every attempt to regulate by statute the relations of men toward their government or toward each other which did not embody a custom already established he held was incapable of enforcement. Instead of producing order, it was always a source of confusion and disorder. Surely no greater illustration of that truth can be found than in the experience of our own country with reference to the fourteenth and fifteenth amendments.

Mr. Chairman, the President has announced his intention of enforcing the eighteenth amendment by all the power that he can command. I am glad of it. I am glad the attempt will be made, because I believe that the result will be another demonstration of the utter futility of attempting to control the customs of men by enactments placed upon the statute books. He has asked, I believe, for $8,000,000 to carry out this purpose. I have voted for it. I would cheerfully have voted him $80,000,000 to prosecute the experiment to its utmost conclusion. But after he shall have employed all of the agencies with which $8,000,000

or $80,000,000 can supply him, will he have any greater resources at his command for this purpose than were actually invoked to enforce the fourteenth and fifteenth amendments?

I suppose there are some gentlemen here—I know there is one—who can recall the days after the Civil War when the fourteenth and fifteenth amendments were added to the Constitution, and all the power of the Government was exercised to enforce them. Not merely was it attempted to enforce them, but for a while they actually were enforced. The negroes were given the suffrage and they actually exercised it. They had all the power of government in their hands. They controlled the legislatures, the courts, the police, and the executives in the Southern States. And back of all these was the National Government in all its branches—both Houses of Congress, the Federal judiciary, the Army, and the Navy—every element and force that civilized government could organize, and all failed.

The amendments perished of their own weight. They are a dead letter in the States which were opposed to them. The negro is excluded from the suffrage. Over the fourteenth and fifteenth amendments the waters of defeat have rolled, and I believe their authors would rejoice if the waters of oblivion covered them also.

Mr. Chairman, since Mr. Harding can summon to his aid for the enforcement of this provision no agency that was not employed to enforce the fourteenth and fifteenth amendments, the results of his efforts will be exactly the same. The only question is how soon will the people of this country decide that their laws should conform to the customs of the people. It may take a long time, and during that period we will have bootleggers busier than ever; we will have them reaping larger profits; we will have people amusing themselves with violation of the law and treating it as an excellent source of humor and jest, to the grievous injury of morals and order. But when the demoralization which such conditions must necessarily produce shall have been remedied by abandonment of this attempt to invade the domain of personal liberty, then I think the people will turn to discovering the soul of good in the prohibition movement, which it undoubtedly contains, and to making it available for the welfare of society.

That it is utterly impossible to enforce the eighteenth amendment, no matter what agencies are invoked, may possibly be disputed by some gentlemen here. Well, by waiting we shall soon see. The appropriations we have made indicate that the experiment of attempting to enforce it by all governmental agencies will be pressed to the end.

Meanwhile I think this much is absolutely certain: If the eighteenth amendment should ever be made effective it will not be by this Government—not by this republican Government of ours—but by another Government which will be developed and called into existence by employment of the agencies which must be invoked to make enforcement successful. For the very idea that underlies this amendment is utterly repugnant to every element of democracy. And, therefore it can be enforced only by subversion of the Government, which is the embodiment of democracy.

What is the object, the real ultimate object, of prohibition? By the declaration of its advocates and its supporters themselves, its object is to make men good, to improve their morals. I do not think any prohibitionist will dispute that definition.

But this is precisely what no government can succeed in doing, and which no democratic government can undertake to do without violating principles that are absolutely fundamental.

Ever since government was established on earth some men have attempted through exercise of its coercive and punitive powers to improve the morals of people subject to its authority, and always with results the most distressing and, indeed, the most shocking in all human experience. Governments can not improve men. It is the task of men to improve governments. Government always reflects the quality of the men and women who are its subjects. Despotisms may and frequently do prescribe rules of conduct for individuals in all their avocations. Democracy can take no step in that direction without violating its essential principles so deeply as to imperil its existence.

It must be conceded—surely nobody will dispute—that the essential difference between a democracy and all other systems of government is that democracy assumes the people—not any number of them, or any class among them, but the whole people—are the safest depository of power. And this principle necessarily rests on the belief that the people—the masses of the people—are always governed by morality and love of justice.

All other governments are based upon the theory that men are naturally so debased and depraved that if each one were left free to dispose of his own energies he would refuse to work; preferring to trust for his subsistence to plunder of his fellow men rather than to the labor of his own hands; and that if control of government were intrusted to all men its powers would inevitably be abused and perverted by the poor, who are always a majority, to oppression and plunder of the rich, who are always a minority.

Democracy, on the other hand, is based on the belief that men if left free to dispose of their own energies will work just as diligently and much more effectively for a share of what they produce—that is to say, for wages—than men have ever worked through fear of the lash; and if all are given an equal voice in the control of government its powers will not be perverted to the oppression of any, but will be exercised for the protection of all subject to its authority. In a word, democracy is built on faith in human virtue; all other forms of government on distrust of human vices.

Until the establishment of this Republic democratic government did not exist in the world. All the experiences of our national life prove conclusively that while the people, being human, are liable to error, yet a government controlled by them will come nearer to establishing perfect justice and to be administered with wisdom than any other that has ever been organized by civilized man. Never has a political experiment been crowned with such success nor blessed with such valuable fruits; nowhere is property so secure; nowhere is justice so impartial or so effectively administered; nowhere has prosperity been so general nor happiness so unclouded as in this land, whose Government rests upon faith in the virtue of all men.

But what is virtue? Is virtue obedience to law enforced through fear of punishment? If that be the case, virtue is most extensive and at its highest in the penitentiaries. [Laughter.] What is virtue? It is voluntary observance of the moral law. No conduct, however irreproachable, can have any claim to merit unless it be the product of free will. That man deserves no credit for going right who has not been free to go wrong. It is the exercise of free will in obedience to the law of justice—the law of Heaven—which constitutes individual virtue; that virtue which is the sole foundation on which free institutions can securely rest.

It is the very essence of the Christian moral law that while man is capable of sinking to depravity that is indescribable, so also is he capable of rising to improvement that is immeasurable; improvement so vast that God Himself could assume human nature, not the semblance of it, nor the appearance of it, but the substance, the reality of it, without any injury to His Divinity. All experience shows that not until he has reached the degree of improvement which Christianity has made attainable is man fit to support the burdens or enjoy the privileges of democracy.

It is also an essential feature of the Christian moral law that no man can be improved in morals by government or by any agency except himself. The Christian revelation was not given to a government. Not a word of it was addressed to a ruler, nor to a senate, nor to a committee, nor to an aggregation of men. Every word was addressed to the individual, enjoining him to effect his own improvement by observance of its injunctions. He is commanded to govern himself but to refrain from attempts to govern anybody else; to judge himself with severity but he must never assume to judge his neighbor. From the lips of Divine Gentleness words of reproach seldom issued, except to those who violated the injunction, Judge not, lest ye be judged; be not critical of the mote in your brother's eye, but be careful to take the beam out of your own eye. Who, then, in a state of Christian civilization has any right to judge the morality of my own conduct but myself? If I choose to abstain from liquor or any other indulgence of my own free will, it is creditable to me. But if I observe the same abstinence under terror of the policeman's club, I am entitled to no credit whatever.

Of course, no one can question the right of the State to enforce obedience to all laws enacted within the scope of its legitimate domain. What is that domain? Democracy holds that everyone has an inalienable right to a certain measure of liberty. To defend that right is the object for which democratic government is organized. What is that measure of liberty? It is that measure which each man can enjoy equally with every other man. While government remains within the natural scope of its authority, leaving each man or woman free to do anything that does not injure anyone else, its laws will be obeyed without invoking any force to make them effective. But every attempt to enforce morality upon people through government has always been productive of disorder, frequently of the worst cruelties that have ever disgraced human nature.

Man has always been capable of doing violence to his brother; of killing him under the influence of passion. But where appetite, lust, fear, thirst for vengeance, moves the slayer he is

always satisfied by the death—the prompt death of the person standing in the way of gratifying his desires. He never becomes so perverted from all the instincts of humanity as to torture any man in addition to killing him, except under one influence and that is of fanaticism. And what is fanaticism? It is a purpose to make men good, not according to their own conscience and by their own free will but according to some rule prescribed by others. And this fanaticism, I repeat, has been the source of the most horrible enormities that have ever disgraced humanity.

I have read in history of awful cruelties practiced by some men upon others, but I have failed to discover a single one that was not the fruit of fanaticism—the attempt of some men to regulate by law the conduct of others. And if this eighteenth amendment can be made effective, to what extent may not government go in regulating every action of our daily lives?

There is nothing that can be said in favor of this scheme to regulate what men may drink that would not apply with equal force to regulation of what they may eat or what they may wear or what they may do. There are, indeed, some who seek to justify prohibition as a measure to guard public health, claiming that the use of alcoholic stimulants in any form is dangerous to physical well-being. I deny it. There is no evidence whatever to show that the use of light wines and beers has ever injured anyone, certainly none sufficient to outweight and overbalance the unbroken experience of mankind in all countries and in all centuries. But, however this may be, it is certainly true that alcoholic drinking has not caused half the injury to health that has been caused by excessive eating. Doctors differ about the effects produced by use of intoxicants, but they are absolutely unanimous in telling us that most men are actively digging their graves with their teeth long before the sexton becomes active in their behalf with a spade in the cemetery. About the truth of that statement I think there is no doubt whatever. Are we next to have a constitutional provision prescribing what men may eat? It would be just as reasonable, just as justifiable, as this eighteenth amendment. And when our food as well as our drink is regulated by law, there will still remain the fact that irregular hours of work is a fruitful source of physical disorders. How long will it be before the hours at which we are to rise and the hours at which we must go to bed shall be fixed by statute—the hours when we shall work and the hours when we shall rest? There are ten thousand times stronger justification for such enactments than for prohibition. Because in the case of unwholesome food and irregular hours there can be no question of the evil consequences they bear, while with respect to light wines and beers there is, as I have said, no evidence that anybody was ever hurt by them. And I do not think there is any evidence that anybody ever got drunk from use of them.

And then after our food and drink and our hours of labor are fixed by law, there will still remain the character of our occupations for our Government to regulate. For it is common knowledge that some employments are more trying to health than others. And when all these are regulated and prescribed by statute there are a great many people who believe that clothing—especially feminine clothing—is frequently a source of physical ills. And so we will probably have a statute prescribing the length of the female skirt, and perhaps the degree to which a lady may expose her shoulders to the admiration of her friends. And then, when all these measures are enacted, the conditions produced by them will not be original. There is nothing original in vice or in folly, as I have often pointed out on the floor of this House. We will have simply extended the domain of the penitentiary over the whole field of society. For all these things are regulated in the penitentiary. There the hours of labor, the nature of employment, the food, the clothing of its inmates—all are prescribed and determined by the Government.

What shred of democracy, what fragment of freedom would remain to a people in a country governed by such laws?

Mr. Chairman, I have said that attempts to regulate morals and improve them by statutes—well intentioned though they may have been—have caused the worst cruelties, the blackest persecution which stain the record of humanity. And this is mentioned not as an abstract reflection but as a warning against dangers which are very real and ominously imminent. Continued attempts to enforce prohibition—persistence in the effort to make men good by law—must in the very nature of things bear the same fruit here that it has always borne. It will light the fires of persecution in this country as it lit them in Smithfield more than three centuries ago and as it has lit them in every country where similar attempts have been made. Nay; it has already lighted them.

At the Democratic National Convention two years ago, in an effort to have a demand for modification of the most drastic features of the Volstead Act embodied in the party platform, I ventured to point out that attempts to regulate morals always resulted in aggravating the very immoralities they were intended to suppress, while at the same time they led inevitably to perpetration of enormities that were hardly conceivable. That statement was derided at the time as rhetorical extravagance. Well, the possibility against which I then sounded a warning is to-day an actual condition in our country.

In the newspapers during the last few days there have been accounts of a tragedy in Louisiana so unspeakably horrible that a great many of us found it difficult to believe that such enormities could possibly be perpetrated by human beings. In fact, a leading article in the New York Times, after the bodies—the mutilated bodies cast into Lake La Fourche—had been found and after the frightful injuries which had been perpetrated upon them before death had been proved by overwhelming evidence, expressed disbelief in the whole report as absolutely irreconcilable with human nature. And that statement was perfectly natural. It is irreconcilable with human nature except under the influence of fanaticism. Fanaticism—that is to say, government regulation of morals run mad—it is now clear can produce enormities worse than any ever yet perpetrated—so unspeakable that even human imagination can not conceive them.

I have mentioned the tortures with which we have become familiar through the study of history. I have read of Christians wrapped in cloths saturated with oil and then set afire, to light the footsteps of Cæsar on his way through the streets of Rome to the temple of worship or the scene of festivities in honor of the gods. Why? Because Christian men and women refused to burn incense before some tutelary deity of the pagan world, and this was considered gross depravity by the lawmakers of the time. To eradicate it from human society men and women of the purest lives and noblest characters were thrown to wild beasts, torn apart with red-hot irons, scalded in caldrons of boiling oil, roasted on gridirons, and all this, not by the rabble or the worthless, but by elements that were considered the best of the community. In later years the thumbscrew and the rack were employed with dreadful frequency, not to make men bad, but in a perverted notion of making them good.

I have seen at Nuremburg that metal figure known as The Maid, which when opened disclosed a chamber the sides lined with sharp spikes and these closing upon the victim of fanaticism made death as agonizing as it was slow. Yet in all history there is nothing recorded of ferocity and cruelty which parallels that hideous slaughter and torture in Louisiana. It excludes the torturers from all right to be classed among elements of humanity—to be classed even with the brutes. For the brute does not destroy his fellow brute and prolong the killing to enjoy his dying agonies. He kills that fellow brute because he fears him, or because he wants something which that brute holds or threatens to take; and when he kills him he does it as fast as he can, just as a human being perpetrating murder to gratify any ordinary passion or impulse accomplishes the crime as rapidly as possible and then in frantic haste flees from the scene of it. It is only under the influence of fanaticism this fanatical desire to make men good, not according to their own free will but according to the notions of others, that such fiendish enormities could have been possible as have been perpetrated here in our own country by men calling themselves apostles of morality and order. This horror can not be adequately described in words, because words are evolved from experiences, and, thank Heaven, the world has hitherto been free from any such experience. It can not be called savage, because no savage ever inflicted injury so fiendish. It can not be called bestial without grave injustice to the beasts. It can only be called Ku-Kluxism and left at that. [Applause.]

This is not the time nor the place to denounce in adequate terms that particular manifestation of unparalleled human ferocity. I mention it only to emphasize that these fiends in human shape who sank to such awful depths of ferocity were not the evil-disposed people of the community. They are said to be the best people. And I do not find, according to the testimony, now coming out that they ever undertook an act of violence for any other reason than to enforce what they conceived to be the moral law. A man is flogged or killed or tortured in ways that can not be described with decency because he is a bootlegger. A woman is taken from her home and sent adrift in the woods and the darkness of night because they think her morals are below the standard which they have prescribed for the regulation of human conduct. There is not a suggestion that the perpetrators of these outrages were moved by any desire to make men bad according to their notion of morals. And, indeed, it would have been impossible for any human beings—for any beings with the semblance of humanity—to have perpetrated these diabolical

enormities if they had not been under the mistaken but grossly perverted impression that they were advancing the cause of morality.

Mr. Chairman, this warns us, or should warn us, that Almighty God, who has specifically reserved to Himself the right to punish for violations of the moral law, will not suffer any man or society to usurp His authority. From the dawn of creation men have attempted to invade His jurisdiction in this respect, and the result has always been that they have turned into fiends by the awful deeds they perpetrated. It must now be perfectly clear that when the State or any of its members invades that domain which God Almighty has reserved for Himself, by undertaking to enforce any notion of morals on human beings by the club of a policeman, hideous results inevitably follow, of which this Louisiana butchery and torture are the latest examples.

Mr. BLANTON. Will the gentleman yield?

Mr. COCKRAN. Certainly, but I may have to ask for a little more time.

Mr. BLANTON. Concerning the nonenforcement of the Volstead Act, is not the great trouble, after all, in the fact that too many distinguished Members vote $8,000,000 to the President to enforce the law and then place $80,000,000 of obstacles in his way by obstructive speeches?

Mr. COCKRAN. I know of no such obstruction that could be created by any speech. The obstacle is not one that can be created. It is inherent in the scheme itself, as I have been endeavoring here to point out. [Applause.]

Mr. Chairman, the interruption of the gentleman from Texas has somewhat diverted the current of my argument. I will endeavor to resume it, but I may have to ask the gentleman from Mississippi to give me a little more time.

Mr. SISSON. How much time has the gentleman consumed?

Mr. COCKRAN. About 35 minutes, I think.

The CHAIRMAN. The gentleman from New York has six minutes remaining.

Mr. SISSON. I will give the gentleman five minutes more.

Mr. COCKRAN. I will perhaps be able to get through sooner than that.

Mr. SISSON. I will give the gentleman 10 minutes, if that will satisfy him.

Mr. COCKRAN. I ask for additional time, not to satisfy me but to satisfy the House so far as I can.

Mr. Chairman, I shall endeavor to utilize the additional time placed at my disposal by the kind forbearance of the gentleman from Mississippi, in pointing out the soul of good that can be found in this evil thing—the attempt to control men's morals and men's individual actions by the operation of law and the policeman's club. Here we can get a great deal of light from the experience of the Southern States in dealing with the fourteenth and fifteenth amendments.

It is not necessary to remind gentlemen that the fourteenth and fifteenth amendments have not been nullified throughout the entire country. In the vast majority of States they are in full operation now. Nobody would think of suggesting repeal of them. Why? Because in these parts of the country they do not conflict with any custom or usage or patriotic belief of the people. In the South conditions are different. There opposition to them is general and insuperable. I have already mentioned the failure of all attempts to enforce them. Let me ask attention now to the results of which these attempts caused more than two generations ago.

There are a few here probably who can recall the depth of that bitter contest. For 12 years the whole white people of the Southern States were diverted from the great task of restoring their industrial system to the vastly more urgent task of overthrowing and expelling the carpet-bag governments which were sapping their prosperity and threatening their civilization. When that was accomplished I doubt if in the whole history of mankind there was ever such a metamorphosis as followed immediately. Never had any people been called upon to face such a difficult situation. Not only had they been through the most devastating war ever waged, their fields laid waste, their towns destroyed, the majority of young men capable of labor either maimed or killed, the whole industrial system subverted by enforced change almost in a night from slave labor to free labor. But when at last the carpet-bag governments were overthrown that country blossomed like a garden as if at the touch of a magician's wand.

Mr. Chairman, that splendid result was achieved because no further attempt has been made to enforce these constitutional provisions in the States where they are repugnant to the conscience and desires of the community. Would the gentleman from Texas [Mr. BLANTON] or the gentleman from Georgia [Mr. UPSHAW] restore now the conditions that were abolished by overthrow of the carpet-bag governments? Would they restore suffrage to the negroes of the South, as the Constitution demands? Would they even go the lesser distance and support the proposal of the gentleman from Massachusetts [Mr. TINKHAM] to reduce the representation from Southern States where negroes have been excluded from suffrage, as the Constitution specifically directs? That is an injunction laid upon the Congress. Will the gentleman obey it? Will he lead the way in giving it force? No; he will not. I will answer for him.

Mr. BLANTON. I shall answer for myself if the gentleman will permit me. The fourteenth and fifteenth amendments are in force in the State where I live.

Mr. COCKRAN. Anything is possible in the State of Texas; the gentleman himself furnishes conclusive evidence of that. [Laughter.]

Mr. Chairman, the gentleman would not try to enforce these provisions and he ought not to try. Nobody would enforce them. Not even a Republican Congress would venture to renew the experiment that failed so dismally. Few Republicans here will vote even for Mr. TINKHAM'S bill punishing the South by a reduction of representation in Congress and in the Electoral College for the nullification of these amendments. Why? Because that nullification is justified by its results. It has borne the most valuable fruits that perhaps have ever yet justified a spontaneous movement among the people. The same will prove to be true with reference to this amendment. In a great part of this country prohibition will enforce itself. It embodies the judgment and conforms to the customs of the people in those localities. But in others it is repugnant to the people, and there it is not enforced and never can be. Attempts to enforce it may continue, causing confusion, increasing bootlegging profits, widening disrespect for the law and disobedience to it, but it will never be enforced—never can be. The whole history of the human race proves that to absolute demonstration.

What then will be the outcome of these conditions? Where is the soul of good in these futile efforts to make the eighteenth amendment effective all over the country? The soul of good in it all is the disappearance of the saloon.

It needs no provision of law to effect suppression of this serious menace to order and blot upon decency.

It is already effected—not by reason of the eighteenth amendment, but by a public opinion that is practically unanimous. The position taken by Governor Smith, of New York, in his last campaign with respect to this question will become, in my judgment, the position of the entire country. He seeks to harvest for the public welfare this general disposition to suppress the saloon. He pledges himself that, so far as he can control it, the saloon, which has already disappeared, shall never be suffered to return. Suppression of it is entirely within the legitimate powers of the State. It invades no right of personal liberty, because the State—the government—has always the right to control its markets, and every shop is a feature of the public market. The State has the absolute right to declare that the agencies which it furnishes for the improvement of commerce shall not extend to anything to which it does not wish to extend them. And if the State declares, as it has declared, that they shall not extend to the saloon—that the saloon may not abut on any of its highways—then the saloon is doomed. By the saloon I mean places where people consume liquor purchased on the premises. It was the consumption of liquor at the place where it had been purchased that has caused practically all the intemperance which good people have deplored. There may be some instances in which a man consuming whisky or brandy in his own house and at his own table got drunk, but if there be, such instances are exceedingly rare. The restraining influence of the family is generally sufficient to prevent excess when the temptation to false conviviality is absent. But however this may be, I challenge anyone to show a single instance where men have got drunk on wines or beers. To a great number of people wine or beer is as much an article of food as the meat and bread they eat. And they will have such articles, because they are free men, and, being free, they can not be deprived of any right which is an essential feature of freedom while they remain Americans. To insure them peaceable enjoyment of this elemental right by relaxation of the Volstead Act in its more drastice provisions is the object to which the New York Democracy was pledged.

I am sorry that Governor Smith's name was mentioned here the other day. His task in dealing with this question is an exceedingly difficult one. And it is made more difficult by the extraordinary excellence of his former administration. He must in this as in all other matters try to match his own record—that record which won such popular approval after

two years of actual service as chief executive that 1,000,000 votes were cast for his reelection in 1920 beyond those polled by the presidential candidate of his party. To fall below that record will be failure; to match it will be success; to exceed it would be a miracle.

We are not looking for miracles, although we are permitted to pray for them and therefore to hope for them. And if he succeeds in solving this problem in a way to win popular approval—and thus solve it permanently—it will be a miracle—perhaps the greatest of recent political history.

I have no right to speak for him. I know nothing of his plans or aspirations for the future beyond this: In a conversation with him just before he left New York City to assume, or rather to resume, the governorship of the State, reference was made to the fact that his name had been widely mentioned in connection with the Presidency, whereupon he said:

It would be ridiculous to decline publicly or privately a nomination that never has been tendered me and that very probably never will be. This much, however, I can say. Anyone who now talks to me about being a candidate for the Presidency may be well disposed but he is not well advised. I have here a task greater than my abilities—certainly difficult enough to demand the utmost exercise of them—and no man who suffers his mind to be diverted from the task before him to consider the possibility of attaining some other office can ever discharge effectively the duties actually at hand.

In the campaign of last November his position with respect to prohibition was made absolutely clear in his speeches and in the platform on which he stood without equivocation or reservation of any kind. It is this: The saloon has gone.

He stands pledged to invoke all the powers of government and of civilized society, so far as he can command them, to prevent its reappearance. And this means that the chief source of intemperance is removed.

With respect to light wines and beers, as I have said, the custom in certain parts of the country will continue, no matter what Congress may decree. By making the laws conformable to the customs of the people in this respect, there can be little doubt that drunkenness will be wholly prevented, temperance promoted, even total abstinence rendered ultimately possible.

On the other hand, persistence in attempting to change the customs of the people by coercive laws will aggravate drunkenness, retard the growth of temperance, and work serious if not irreparable injury to the supremacy of law and the safety of society.

If Governor Smith's program for New York should be extended to the whole country it would not seriously change conditions except in the States containing large cities. And in these communities the change would operate to make the whole body of law popular, and therefore effective. The liberty of each individual would be made secure by recognizing his inalienable right to be governed in matters of morals by his own conscience, and at the same time the authority of the State, by confining every exercise of it within the domain which properly belongs to it would be absolutely unchallenged. The bootlegger and every other violator of the law will be eliminated and punished with the assistance of public opinion spontaneously and effectively expressed.

Is this a fanciful picture? Is prompt and universal obedience to law a fantastic dream that can not be realized? Or is it a result capable of attainment by enlightened statesmanship?

In the city of New York during the most crowded periods of the day, when it is difficult to pass through the highways, where every vehicle is struggling eagerly with innumerable others for every inch of space in which some advance may be accomplished, an attempt by one to get ahead by means inconsistent with equal justice to all would meet with immediate and general resistance. If continued it would lead to riot.

But there is one vehicle before which all will give way, not in obedience to any force but spontaneously, unanimously, instantaneously. At the very moment when each one is attempting to crowd forward with all the energies at the command of its driver all will draw aside at the sound of a bell signaling the appearance of a car that is not bearing a millionaire to his pleasures nor a merchant to his enterprises nor a magistrate to his duties but is speeding on an errand of mercy, bringing succor and aid to some victim of an accident, whose identity is unknown to any of those who are making way for it, undisclosed even to the driver and the doctor who are hastening to his relief. That ambulance needs no law to give it the right of way. If any misguided person should attempt to obstruct it for a minute, or try to take precedence of it, no policeman would be needed to clear the obstacle away. Every pair of human hands in the neighborhood would spring spontaneously to the throat of the recalcitrant driver and pull him from the seat on which he was trying to obstruct or delay the mission of charity and of goodness. There is no reason why all the laws of the country, why every exercise of public functions, should not enjoy that same enthusiastic, spontaneous, irresistible support which is freely given to the ambulance. The disposition of this people is always sound. No higher standard of morals ever prevailed among men anywhere. Let us but respect in our laws the customs of our citizens; let us but give each one the right to do whatever he pleases—provided it does no harm to anyone else—let us realize the truth underlying our democratic system that to each individual must be intrusted the task of working his own moral improvement; and then this Government, like the ambulance speeding on its errand of mercy, will proceed on its errand of justice, facilitated and upheld by unanimous public support; the whole people gladly yielding to the laws of their country obedience as implicit as they yield to the laws of their God. [Applause.]

Mr. SISSON. How much time did the gentleman use?

The CHAIRMAN. The gentleman consumed 56 minutes, yielding back 4 minutes.

Mr. ANTHONY. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Chairman and gentlemen of the committee, to-day the United States is closing its third year under national prohibition of the manufacture, transportation, and sale of intoxicating liquors, and at this time we have before us in this House three expressions as to the great, tremendous pending problem of law and order. The gentleman from Georgia [Mr. UPSHAW] made a speech the other day which has aroused the gentleman from Maryland [Mr. HILL] and the distinguished gentleman from New York [Mr. COCKRAN]. What was the speech of the gentleman from Georgia that has so aroused these opponents of enforcement of the law? Simply that law and order should prevail in this country, and that if there are any among the citizens of this Republic who hold a higher duty to respect the law and to obey the law than another it is you and I and other gentlemen, officials of the Government, who have taken a special oath to obey and support the Constitution and the law. [Applause.] So the gentleman from Georgia [Mr. UPSHAW] urged that Members of this House and other high officials should obey and support the Constitution. Then my friend from Maryland [Mr. HILL] made his speech filled with evidence of irritation in his gentle system because of this appeal for the enforcement of the law, and he called attention to a resolution that he has for an investigation of Mr. UPSHAW and his speech, of things he said Mr. UPSHAW has said that might disturb Members of the House or reflect upon them. I will refer no more to my friend from Maryland just now other than to call to his attention another speech made by another Member of this House, and I hope he will broaden his resolution to have an investigation made of it at the same time he investigates what Mr. UPSHAW said.

In the St. Louis Globe-Democrat of Wednesday morning, May 10, 1922, Congressman HILL, of Maryland, is reported as making this statement:

There is nobody as thirsty as a prohibition Congressman.

[Laughter.]

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. If the gentleman will permit, let me read the other one also. If the gentleman will permit, I have only 10 minutes in which to correct an awful lot of errors. I do not want to be discourteous. The gentleman's resolution drawn as I suggest will accomplish all he desires. I read:

HILL told of communications sent by Wayne Wheeler to Congressmen who vote as he desires. "He doesn't send them to me," he said, "but I have a friend who lets me see them in return for an occasional drink. There is nothing so thirsty as some prohibition Congressmen. I have had to quit keeping liquor in my office because so many of the prohibition Congressmen came to see me that I had none left for my wet friends.

[Laughter.]

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. I regret that I can not. I want to be courteous. The gentleman is so considerate of the reputation of his colleagues that he was willing last May to spread that broadcast throughout the country from some place out in Missouri. Then our friend, the distinguished Member of the House from New York [Mr. COCKRAN], has spoken to us in the very interesting, polished, and eloquent manner with which he always delights the House. He spoke of "the soul of truth," the difficulty of finding it in the mass of error. It occurred to me, as I heard the gentleman from New York, how error itself—plain, unvarnished, vulgar error—could be taken by one so gifted with eloquence and presented as though it were truth itself. [Applause.] The gentleman from New York urged that the eighteenth amendment must be nullified. He solicits its nullification on the ground that no law should be enforced in

any community unless it accords with the desires and appetites of that community. And still he turns with horror to Louisiana. If no law is to be enforced in any community unless it conforms to the appetites and desires of that community, the converse is true, that that community can enforce as its will what it wishes to be the law of that community. [Applause.] How could it be said by the gentleman from New York in his eloquent presentation of error, if that is correct, where can there be ground for criticism because some community of Louisiana sought in a horrible way to execute what was the sentiment of that community but not the law of the State or the Nation? Oh, how did we enforce the draft in time of war? Did we say to these communities at that time, "If this law suits you, send your boys to the war?" No. We passed a law affecting every community in this country. We can also require in time of peace that there be loyalty to the Constitution of the United States. [Applause.] I say that the normal mission of this great democracy is not war but peace, and that both in war and in peace we must defend our Constitution and the things that democracy stands for. But the gentleman argues that in war only, an abnormal period which is only subsidiary to times of peace, we can require subordination from every citizen and not in time of peace, and that each community can act by itself and a little community may defy the Nation. My little town in Michigan has as much right as the great city of New York to defy the Constitution of the United States. But that is no right at all for his town or for mine.

Mr. HILL. Mr. Chairman, will the gentleman yield for a question?

Mr. CRAMTON. I regret I can not yield. I will yield only for an express denial or confirmation of the statement I quoted from the gentleman, not for a statement.

Mr. HILL. I want to ask you——

Mr. CRAMTON. I decline to yield.

The CHAIRMAN. The gentleman from Michigan declines to yield.

Mr. CRAMTON. The gentleman urges that prohibition fails to prohibit and then lends his eloquence and his prestige to the nation-wide effort to cause it to fail. He says the eighteenth amendment—the prohibition amendment to the Constitution—is repugnant to the spirit of our institutions. If I understand the lesson that the fathers of the Republic drew from history, it was that in all history those who have controlled a government have always controlled it primarily in their own interest, and so they established here a government in which all should control the government, in order that the welfare and happiness of all might be the chief concern of that government. "Oh," he says, "it should be a government in which I am to have the liberty to go wrong." Yes; but God forbid that this democracy, founded to secure the happiness and welfare of all alike—God forbid that that government should have a part in establishing all over the country institutions to help men to go wrong. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAMTON. Mr. Chairman, may I have two minutes more?

Mr. SISSON. Mr. Chairman, I yield to the gentleman three minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for three minutes.

Mr. CRAMTON. The gentleman from Mississippi is very kind. Overlooking some other things I thought to say—and I have put a whole speech into the discard to take this up—the gentleman from Maryland [Mr. HILL] is the chosen spokesman here of the Association Against the Prohibition Amendment, with headquarters at Baltimore. Their platform is "to get the Volstead Act out of the law and keep it out" and "endeavor to have the enforcement of the eighteenth amendment left to the several States." Well, he, as their spokesman—and likewise the gentleman from New York [Mr. COCKRAN], where the same association is much in evidence—are seeking to destroy the Volstead Act, the Federal enforcement act. There is in Maryland no State law whatever for the enforcement of the prohibition law. [Applause.] Yes; the gentleman from Maryland, who applauds, he and his friends oppose the enactment of any law in Maryland in reference to this. In the State of New York the gentleman from New York [Mr. COCKRAN] indorses the program of his party to repeal the State enforcement act.

Gentlemen of the House, the issue is clear before the country. On the one hand there are those who are friends of the eighteenth amendment and of law and order, who seek a strong Federal statute to cooperate with their State laws where they are available.

We have the opposition of such gentlemen here as would repeal the Volstead Act and would obstruct the passage of any State law for its enforcement. On the one hand it is law and order, with the Constitution supreme. On the other hand it is disorder, anarchy, nullification of the Constitution. [Applause.]

Mr. STAFFORD. I yield 10 minutes to the gentleman from Iowa [Mr. TOWNER].

Mr. TOWNER. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. TOWNER. Mr. Chairman, the subject of farm credits is one of the important matters that I think it is practically agreed upon shall be determined, in so far as possible, by the present session of Congress. Some time ago we established a Joint Commission of Agricultural Inquiry, composed of Members of the House and of the Senate, who entered into a most complete examination of the whole question of farm credits, and in a general way this is the result of their conclusions: They found that we had fairly satisfactory provisions of law by which long-time farm-loan credits were provided, and that under such provisions there had been a considerable reduction of interest, and that the system itself was fairly satisfactory, but recommended some amendments, which are now being considered and which will doubtless be passed upon before this session of Congress ends. The long-time credits extend from 3 or 5 years to from 30 to 35 years. Then we have, through the Federal reserve system, commercial credits which extend from 90 days to 6 months in some instances. This provides for the farmer as well as for the business man what may be called and classed as commercial credits. But the intervening period between the six months of the commercial credits and the long-time farm loans is not covered, and no provision is made with regard to it. This commission and all the farm organizations and probably most of the farmers of the United States join in asking that this omission be cured by this Congress. A bill was prepared which provided for a system of intermediate credits. It was introduced in the Senate by Senator LENROOT and in the House has been introduced by Mr. ANDERSON. It is a very complete bill and covers the subject in a way generally satisfactory. However, there are some difficulties with regard to the bill that ought perhaps to be considered by the House before they come to the consideration of the bill itself.

The main objection to the bill as it was introduced consists in the fact that the intermediate farm-credit system can be neither considered as a commercial system—and ought not, therefore, to be committed to the Federal reserve system—nor altogether considered as a farm-land loan system. Although the bill which was introduced in the House by the gentleman from Minnesota [Mr. ANDERSON] and in the Senate by Senator LENROOT carries the control of the intermediate system which they propose by the Federal Farm Loan Board, it was recognized by all who have given careful thought to the question that that probably ought not to be done if it can be avoided. The farm-loan system, based upon mortgages on real estate, is an entirely different proposition in its essentials from the intermediate credit system, which must neither be commercial in its nature nor be founded on mortgages or long-time loans on real estate security. In this bill there is proposed a system of securities and guaranties which perhaps will be fairly satisfactory. The general system for intermediate credits is very much like the system of long-time farm-loan credits, but the security is different. The debentures and bonds, if you may so call them, which are to secure the money that is to be loaned by this intermediate credit system, will be a different class of securities. They will require a different method of adjustment and a different method of administration. So it has been proposed and very strongly advocated by some of our agricultural associations, especially the Farm Bureau, that there should be a different board for passing upon the intermediate credit system, and this has been formulated into what may be considered as amendments to the original Anderson bill.

It was thought, however, that if the changes proposed were introduced as amendments their relation to the system could not be well understood or fully considered, and that the changes proposed could be better understood and considered if a bill embodying the proposed changes could be presented for consideration. This has been done, and yesterday I introduced a bill which carries the changes proposed, and it is now H. R. 13806. This bill in general terms provides that there shall be an intermediate farm-credit board which shall consider and pass upon this particular class of credits. However, the act is not to be

administered by separate organizations, but the administration of the act is committed to the Federal land banks scattered throughout the United States. The changes from the Anderson bill may be said to relate to the primary administration of the act, to the management of the ultimate securities, to the determination of those things that constitute the foundation upon which not only the loans shall be made but also the foundation and the security upon which the bonds are to rest that are to be issued to secure the funds for the system. So I have introduced this bill, and I ask the careful attention of those who are interested, and I hope all will be interested in this proposition before we are to consider—as I hope we will soon consider—the question of legislation for intermediate farm credits in connection with the bill introduced by the gentleman from Minnesota [Mr. ANDERSON]. [Applause.]

Mr. Chairman, I wish to submit as a part of my remarks, under the permission given me, a statement regarding the matter which has been prepared by the Farm Bureau Federation, and ask that it be considered as a part of my remarks.

The statement is as follows:

BRIEF FOR THE ESTABLISHMENT OF A SEPARATE FEDERAL BOARD TO ADMINISTER INTERMEDIATE CREDITS ACT.

There are only three solutions offered to the problem of administering the intermediate credits act. The first is to have this function through the Federal reserve system; second, to have it function through the Farm Loan Board; and third, to set up a separate board which shall supervise the working of the system.

The difficulties in extending this credit directly through the Federal reserve system are such that this method has been practically abandoned as a solution.

The Farm Loan Board has an entirely complete and separate function to perform. Their activities are solely connected with the safety of loans based on the absolute security of land values over a long period. If the intermediate credit system is to serve agriculture in advancing credits for production and orderly marketing of crops and the raising of live stock, it must be administered from an entirely different viewpoint than that under which loans based on land values over long periods of years are made. Furthermore, nothing should be done to in any way complicate the issuing of the Federal farm loan bonds based on this real estate, and a distinct difference should be made between the Federal farm loan bonds and the debentures or bonds to be sold on the basis of intermediate credit security. The two systems should be kept as distinct as possible.

We have attempted in the proposed amendments to the Lenroot-Anderson bill to utilize the already established Federal land banks for the purpose of the distribution of this credit, and at the same time provide a new head, which we have called the Federal farm credit board, which will supervise this new system of intermediate credits.

On page 2 of the bill, section 2, the Federal farm loan act is amended so that it "may be cited as the Federal farm loan and credit act." Then, we have left the administration of the act as set forth in Title I under the direction and control of the Federal Farm Loan Board, as it now stands, but we have placed the administration of the act under Title II, which deals exclusively with the intermediate credit act, under the direction and control of the Federal farm loan credit board.

Then, in section 3, on page 2, we have further amended the Federal farm loan act by inserting two additional sections, sections 201 and 203, and section 201 as set out in the Lenroot-Anderson bill then becomes section 203. Section 201 provides for the establishment of the Federal farm credit bureau, under the supervision of the Federal farm credit board, and the new board has been set up in exactly the same way as the Federal Farm Loan Board was set up, with such changes as make it deal with the new credit system. The Federal land banks shall report to this board a schedule showing the salaries or rates of compensation paid to the officers and employees of its farm credits department, and the Federal farm credit board will require examinations and report of the condition of the farm credit departments of the land banks and prescribe a standard form for the statement of the conditions of these farm credit departments.

Then, in section 202 we have provided for joint sessions of the Farm Loan Board and the farm credit board, to be called at the discretion of the Secretary of the Treasury or at the request of three members of said boards. This authority to hold a joint session is created for the primary purpose of allocating the expense to the proper board arising from the establishment of the farm credits departments of the various Federal land banks, but there may be other emergencies arising which jointly affect both systems which would require such a joint session.

Following these two new sections, we have kept exclusively to the wording of the Lenroot-Anderson bill, simply changing the jurisdiction of the farm credits department as set up in the Federal land banks from the Federal Farm Loan Board to the Federal farm credit board, and these are the only changes, other than the renumbering of the sections, until we come to section 203, new section 205, on page 6, line 11, when the $5,000,000 capital is increased to $10,000,000.

Section 204, on page 7, new section 206, provides for the joint session of the two boards to equitably apportion the joint expenses incurred, and further provides that the Federal farm credit board shall assess this expense so determined against the farm credits department; and in line 14 on this page strike out the words "any additional personnel in" as unnecessary under the changed supervision.

In line 19, page 7, we have provided that the capital stock held by the Government shall be entitled to no dividends; this is in accord with the present farm-loan system, and we see no reason why the credit departments should be handicapped by this expense, which is not assessed against the farm-loan system.

We realize that the particular objection that may be raised to this solution of the problem by those who have not familiarized themselves fully with the activities and functions provided in the act would be that we are creating two masters for the Federal farm-loan system. This criticism is not borne out by an examination of the functions of the separate departments in that, while the facilities of the Federal land banks are utilized, entirely distinct and separate departments with distinct and separate functions are set up in this bill, and in no way are their activities associated with those of the Federal land banks in their long-time mortgage lease but deal solely with the new intermediate credit system; consequently there is no overlapping in the Federal land banks, and the new board set up in Washington has absolutely no jurisdiction over the activities of the Federal land bank with regard to the long-time loans, nor does the farm-loan system have any jurisdiction over the farm-credit departments of the Federal land banks; so that we have two distinct and separate systems, simply functioning through the one existing agency, the Federal land banks. It is difficult to give any credence to the argument that such joint activity can not function properly when an examination of our present Federal reserve system shows a complete analogy of our proposed plans. For instance, the Federal reserve bank has two distinct functions to perform. One is that of a fiscal agency, and the other is its banking function. These Federal reserve banks, acting as fiscal agency, are directly and completely under the control of the Secretary of the Treasury, and the Federal Reserve Board has nothing to do with the fiscal agency in the Federal reserve bank. The other function of the Federal reserve bank is its banking function, which is directly under the control of the Federal Reserve Board, and the Secretary of the Treasury has nothing to say with regard to the banking functions of the Federal reserve bank. There are two separate and distinct functions of the Federal reserve banks, reporting to two separate and distinct heads. When we carry this further down to the national bank member we find that it is under the control of two separate and distinct heads, namely, under the Federal reserve bank and, also, it is supervised by and reports to the Comptroller of the Currency.

Furthermore, a State bank which is a member of the Federal reserve system is under the control both of the Federal reserve bank and under the State banking department of the State in which it operates, yet no one would hold that the Federal reserve system is handicapped by the fact that it is operating under distinct and separate heads, which it is.

We believe we have shown that this proposed solution is entirely feasible, is simple, and is preferable to the overlapping system which throws a double function on the Farm Loan Board, and the advantages are many.

When the character of the loans is carefully considered it must be remembered that they are so distinct and so different in their purposes that it would be difficult to supervise these joint systems under one head.

We further suggest, though we have not included as an amendment to the bill, that a Treasury credit should be provided for the use of the credit board which will be sufficient to enable the credit board to augment the credits in the districts as the need arises and will further provide the credit board with a substantial support when dealing in bank acceptances.

Mr. SISSON. I yield 30 minutes to the gentleman from Georgia [Mr. WRIGHT]. [Applause.]

Mr. WRIGHT. Mr. Chairman and gentlemen of the committee, I doubt if the gravity and seriousness and far-reaching effects of the destruction wrought by the ravages of the boll weevil in the South are very fully and generally appreciated. The boll weevil entered the United States from Mexico in 1892, and in 30 years has spread over the entire cotton belt, except the extreme northern boundaries of the cotton territory in Missouri and Tennessee. The official records of the United States Department of Agriculture show that from 1916 to 1920, inclusive, the boll weevil had destroyed each year from two and one-half to three million bales of cotton. In 1921 the quantity of cotton destroyed by the weevil, according to Government statistics, was over 6,000,000 bales, and in 1922 near that figure. In 1920 this country produced over 13,000,000 bales. In 1921 it made not quite 8,000,000 bales, and the crop of 1922 ginned up to January 1, 1923, was 9,598,907 bales, which practically includes the entire crop of 1922. In the past six or seven years, taking the average price of cotton, the producers have lost over $1,000,000,000 on account of the ravages of the boll weevil.

I venture to read some excerpts from letters which I have from constituents in my district and in the immediate section in which I live. I read from a letter written by Hon. J. P. Jones, sr., under date of December 13, 1922:

* * * The agricultural conditions in the remote rural districts are the worst that I have ever seen them since the days immediately following the Civil War. The average farmer in this section has not made cotton enough without the use of calcium arsenate to pay for the fertilizers he used. The average has been from one-half to one and one-half bales to the plow. * * * I can't see how the average farmer can make another crop at all next year. I have lost $30,000 the past three years trying to hold and to care for my tenants and stock, hoping that conditions would change and react for the better. I will mention one illustration, and all others apply in the same proportion. The mule dealers in Newnan told me that there have usually been about 25 carloads of good young mules shipped to Newnan annually before the wreck hit us; but this year not a single carload has been received there. But on the contrary, this year 15 carloads of the best mules in the country have been shipped away from Newnan. * * *

I now come to the second item of your inquiry—calcium arsenate and the methods of using it. I had 10 tenants this year who did not use calcium arsenate at all, and all they made won't pay for the fertilizers they used, which is a fair sample of this whole section where no poison was used. My boys and myself cultivated 250 acres in cotton with wages labor, and used calcium arsenate on all of it, strictly according to the instructions of our State board of entomology, applying it five to six times during July and August, using 25 to 30 pounds during the whole season per acre, each separate application being about 5 to 6 pounds per acre. We made five to six times more cotton per acre than any of our neighbors who did not use the poison. But for the unfavorable weather conditions here in July and August, we would have made a full crop. You know this was a very unfavorable year in this section for cotton.

I don't think the boll weevils damaged our crop but very little. If we had not made one mistake, by commencing with the poison two weeks too late, I don't think we would have had scarcely any

boll weevils. We commenced using the poison July 1 when we ought to have commenced June 15. The board of entomology instructed us to wait for a 10 or 15 per cent infection, whereas we had 100 per cent infection to start with.

I fought boll weevils this year all day and night, and learned a great deal about their habits and methods of operation, and I expect to be more successful next year than I was this year. * * * The machine for applying the poison is a very simple little machine covering two rows at a time, and ought not to cost over $10 or $12, and yet I had to pay $55 for every one I used. One machine will take care of 30 or 40 acres during one season. The dealers, who have the exclusive right to sell these machines in the State, made this year over $50,000 profits on their sales, and would have doubled that if they could have gotten the machines. Such an outrage ought not to be allowed by the laws of the country against an agricultural people struggling for their existence. * * *

My boys and myself have made and ginned more cotton from our farm where we used the calcuim arsenate than the public gin at Whitesbury has ginned in a circumference with a diameter of 6 or 7 miles around Whitesburg, where formerly they have been ginning 2,000 to 2,500 bales. The calcium arsenate I used this year was bought through the State board of entomology for 9 cents per pound f. o. b. Atlanta, Ga. The manufacturers have already contracted with the speculators for every pound they can make between now and the time for use next summer, and they won't sell a pound to anybody else. The prevailing price now f. o. b. is 15 to 18 cents per pound, and I expect by next season it will be 20 cents and perhaps more. * * *

* * * * * * *

In explanation I wish to say that in the Cotton Belt they speak about the size of a farm by the number of plows. The number of acres of an average plow is 20 to 30, 25 being the average acres. Formerly in a good cotton-producing section the average production a plow was 8 to 20 bales.

I also read some extracts from a letter from Mr. James S. Peters, of Manchester, Ga.:

* * * * * * * *

* * * Meriwether County once produced upward of 25,000 bales of cotton and our crop this year will fall below 6,000 bales. Talbot County, just to our south, is in a worse condition, and I am likewise informed that this is true about Harris. Much of the lands in these counties has been abandoned and the labor has either left the farms or gone North. It would be hard to tell you in a letter the conditions of the farmers in this section; however, you will get a very good idea when I tell you that few of our farmers are able to pay the interest on their indebtedness, borrow money at the banks, or buy supplies on terms; of course, you will find some exceptions among the more thrifty.

I have been trying to grow cotton for the past six years in the face of the boll weevil, and sometimes I get despondent; however, I expect to try again the coming year, and will try the following plan: It is my purpose to prepare the land as early as possible; fertilize, using about 400 to 600 pounds of high-grade fertilizer to the acre; plant shallow; and cultivate likewise as rapidly as possible. As soon as the leaves begin to show up I expect to begin spraying with a hand duster and continue as long as the weather conditions are favorable or the cotton gets large enough that spraying is impractical. This plan, in my opinion, on average land should produce from 500 to 1,000 pounds of cotton; on average land the variation, as you will note, is large and is a result of weather conditions.

* * * * * * *

This year we were able to secure arsenate at 9 cents per pound, and, in my opinion, we can very well afford to exchange 1 pound of lint cotton for 2 pounds of calcium arsenate, and when the price goes above this, whether or not it will pay depends upon too many conditions to mention; however, I might say that intelligence, soil, and weather conditions will in a large measure determine the result.

In thinking over the situation it looks now like spraying will eventually represent about the same outlay in making a crop as heretofore expended on fertilizer, and the cost of applying it will be heavier than the expense of scattering the fertilizer. The cost of the spray machines ranges from $15 for a hand machine to $275 for a power machine. * * *

* * * * * * *

I have several other letters along the same line. I want to read some extracts from a letter from Mr. H. H. North, of my city, president of the Manufacturers' National Bank there:

* * * * * * * *

* * * I beg to say that Coweta's normal crop was about 30,000 bales per annum; a few years it was much larger. I think the crop of 1919 was in the neighborhood of 32,000 bales. We had very few weevils that year. In 1920 the weevil appeared in what we considered a small way, and our crop that year was about 18,000 bales. In 1921 we had in the neighborhood of 8,000 bales, and the present year it will not much exceed 3,000 bales. This year's crop was made, but in a few instances, without the use of fertilizer or poison, as both of these commodities were sold only for cash and our farmers were so disheartened that very few of them used either. Every farmer who used good fertilizers and poison, as directed by the Agricultural Department, profited by it very much. * * *

* * * * * * * *

In regard to the condition of the farmers in this section brought about by the destruction of the cotton crop caused by the boll weevil, I can hardly describe it to you. You know our people so well. They have never been extravagant, but it is deplorable to see people who were the backbone of our country, and who held their obligations on a parity with their religion, placed in a position from the disaster wrought by the boll weevil that unless we can successfully raise cotton again will never be able to pay their debts. However, they are making every sacrifice and are ready now to make any application worked out by the Government to fight the boll weevil.

One of the worst features that I see in our present condition is the decline in our rural institutions. Our schools are declining and our farming population is barely able to support the churches. However, they are making every sacrifice to do this.

* * * The calcium arsenate prices quoted to us have been carload lots, 17 cents per pound; less than carload lots, 18 to 19 cents per pound. * * * This seems to be a pretty stiff advance from 9 cents per pound last year. The prices on the dusting machines were last year $18 for the hand machine and $55 for the mule-back duster, which carried two rows at a time. * * *

The present prices of arsenate and the machines, I am afraid, will keep a great many of our smaller farmers from using the poison another year, but they all seem anxious to use it, and I believe would give it a pretty thorough tryout if it were possible for them to do so. The banks would be very willing to furnish sufficient arsenate and the machines, but at the present prices and with the amount of fertilizer, that would have to be paid for cash, sufficient to make a crop, and the other necessary expenses, it would make an advance that we would be a little slow in furnishing except to people who have sufficient supplies and cash to make their crops above the expenses of poison and fertilizers.

* * * * * * *

I also have a letter from Mr. A. A. Reese, who in a very practical way points out the benefit resulting from the use of calcium arsenate, and some extracts from this letter are as follows:

* * * * * * *

The State board is at variance with the United States office of Louisiana in some respects. But the only one of much importance is the time to begin with the poison. Our board claims that the time to put it on is when the weevils first begin, and that is before the cotton has any squares, or fruit. The weevil commences in the young, tender bud of the stalk as soon as he comes out of his winter quarters. Now, I contend that I did the best work of the year by dusting the little cotton in the top just as soon as I chopped out to a stand and plowed it. The weevils were very numerous and sucking the bud, as that was all they could feed upon at that time. I got the first crop that came out of winter quarters before I had any fruit, or squares, on my cotton. I dusted this small cotton with little sacks that my wife made for me. I had her make about 100 of these. I will send you one. It is made of bedticking with a cheesecloth bottom, and the little negroes can go over an acre every two hours. I used the sack for two or three applications, because I could work the women and children and keep my plow hands and mules to the plow. Now, after the cotton begins to be full of squares and blooms the dusting machines are best.

Now for the Government's advice—I mean from the Louisiana office. They claim not to poison in the early season, not even at all until you have squares and blooms, and then wait until you see 15 or 20 per cent infestation. They claim we waste the arsenate and throw away our time by the early applications. I contend that is the best time to kill the weevil, because he must eat to live, and he can only live by eating the bud of the plant. I had two croppers that never did have any squares to pick up from the ground or off the stalk for no other reason than that they poisoned at the time to get the first crop of weevils as they came out. "A stitch in time saves nine." The first application should be as light as you can put it. I mean by that, just so you can see the dust in the top of the bud. And, too, that is enough at any time to dust, an amount that will show the dust all over the foliage. I used more than necessary this year, but had to learn.

Now, if you can put 1 to 2 pounds to acre for first application is sufficient. Then increase 1 pound per acre as the stalks grow larger. My plan this year will be 1½ to 2 pounds per acre, first application. Second application three weeks from first with 3 pounds per acre. If no rain for 24 hours after second application, wait two weeks for third and put 4 pounds per acre. Then, about same time, 5 pounds per acre; then, about same time, 6 pounds per acre; then, about same time, 7 pounds per acre.

Notice, now, I said if no rain within 24 hours after application to wait. But if it rained hard enough to wash off the dust, I would put on earlier. Now, here is how to tell: Go in the field. Count 100 squares on one row in same place; take 10 rows until you count 1,000. As you count pick off infested squares and hold in your hand until you count the 1,000. Now deduct the infested or punctured squares you found while counting the 1,000 and you have the percentage of infestation.

For instance: First 100 you have 2—2 per cent; second 100 you have 1—1 per cent; third 100 you have 5—5 per cent; fourth 100 you have 4—4 per cent; fifth 100 you have 3—3 per cent.

In 500 you have 15 punctured of 100, or 15 per cent.

* * * * * * *

I wish to say just here that all of us used too much arsenate. We thought the stalk had to be white with it. But that is not the way. Just enough to see the dust by looking closely is all that is necessary, and will do as much good as ten times that amount. Some of our farmers used 50 pounds per acre this year. I used 25 to 35 pounds. And am going to make a crop next year on less, if the rains do not interfere too much. I only made about 30 bales last year, 1921, without arsenate. This year I reduced my acreage and bought $450 worth of arsenate. I have ginned 85 or 90 bales for this year with less guano. My plan for next year is 400 to 500 pounds of fertilizer per acre and about 25 to 30 pounds of arsenate. I am going after 150 bales of cotton for 1923.

* * * * * * *

Our arsenate cost us 9 cents per pound, bought through our State board for 1922. As yet they have not been able to contract for 1923. * * * It was hard to get for 1921. Some farmers could not get any at all.

* * * * * * *

Mr. ABERNETHY. Will the gentleman yield?

Mr. WRIGHT. I will.

Mr. ABERNETHY. I understand the Senate has passed a resolution providing $10,000,000 for the purchase of nitrate of soda and calcium arsenate. That is now before the Agricultural Committee. Does the gentleman think that that would be a good thing to aid the farmer in getting calcium arsenate?

Mr. WRIGHT. I will come to that presently. I thank the gentleman for calling attention to it. Now, gentlemen, as a farmer I know something about the customs and ravages of the boll weevil. I believe the best method of fighting the boll weevil is this: First of all, for the southern farmer to produce

an abundant supply of foodstuff and feed stuff for his farm. Then to plant 5 or 10 acres to the plow in cotton and let the land be very fertile, the very best of the land. Prepare it thoroughly, plant it early, use the best seed, one that will mature the earliest, fertilize it heavily, cultivate it intensively and intelligently apply the calcium arsenate, and in an ordinary year if the seasons are reasonably favorable some cotton can be produced.

I want to say in that connection that some years in some sections a fairly good crop might be produced without the use of calcium arsenate, because if the summer is long and dry and the crop is properly fertilized and cultivated some cotton can be produced. But in the Cotton Belt, as a rule, it is unsafe to undertake the production of cotton without the use of calcium arsenate. It is the only remedy which the Department of Agriculture has discovered to effectively destroy the weevil after many years of research and experimentation.

So, you see, fertilizer and calcium arsenate are needed in the Cotton Belt. But the South is not the only section that uses fertilizer. It is used in the East and in the Northwest and the West, but it is more generally used throughout the Cotton Belt than in any other section of the United States. Now, the Senate of the United States last Saturday passed a joint resolution creating a revolving fund of $10,000,000, and authorizing the President to purchase with it sodium nitrate and calcium arsenate.

You ask my attitude about that. If that resolution comes before the House I will support it. I believe it would be a good thing for it to pass. Of course, there is a principle in legislation of that kind that ordinarily I would not stand for, but growing out of the emergency that confronts us and the gravity of the situation, I will support the resolution gladly.

Mr. ABERNETHY. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. ABERNETHY. I understand the purpose is to buy it and furnish it to the farmers at cost, so that it will not cost the Government anything.

Mr. WRIGHT. Yes.

Mr. GARNER. Will the gentleman yield?

Mr. WRIGHT. I will.

Mr. GARNER. I notice the gentleman said in one of the letters it stated that the machine that they were selling for $55 ought to be sold for $15. Had we not better amend the resolution and give the farmers the machine at cost, so that they will not pay these profiteers a $40 bonus?

Mr. WRIGHT. I think that would be a good idea, but when you start that kind of legislation the gentleman knows there is no end to it.

But I want to go on record as emphatically supporting the joint resolution adopted by the Senate for the purchase of calcium arsenate and nitrate of soda.

Mr. GARNER. About how much calcium arsenate is used in the course of a year in the way of eradicating the boll weevil?

Mr. WRIGHT. It is practically a new question and the statistics are difficult to obtain. The truth is there are not over fifteen to sixteen thousand tons available in the United States, and not over 8,000 of those are available for agriculture.

Mr. GARNER. How much would the 8,000 tons be worth at the market price?

Mr. WRIGHT. I believe the highest price at which I have heard it quoted is 20 cents a pound.

Mr. GARNER. Then you only need about $500,000 to buy that.

Mr. WRIGHT. Five or six hundred thousand dollars I undertake to say will purchase all of the calcium arsenate in existence available in the United States to-day.

Mr. ABERNETHY. Is it not the purpose of the resolution to protect the farmer against the profiteer in this absolutely necessary article to destroy the boll weevil?

Mr. WRIGHT. I think that is one of the principal elements involved.

Mr. GARNER. Do I understand that the principal thing to be gained by the resolution which the Senate passed is to enable the President to go into the business of purchasing calcium arsenate and to distribute it, to prevent profiteering?

Mr. WRIGHT. To make it available to the farmer. Of course, the farmer must pay the Government the full cost of it to the Government in cash.

Mr. GARNER. Is it not available if he has the money to buy it?

Mr. WRIGHT. The truth is that it is coming into such general use that, being comparatively scarce in this country, the profiteers and the speculators have exploited it, and cornered it, so that it is commanding a price wholly out of proportion to its intrinsic value.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. SISSON. I agree with the gentleman that the trouble is that there is a limited supply of it because there has been a limited demand, but this new use of it has made the demand so unlimited that the men with money find it profitable to buy it and charge unreasonable prices for it.

Mr. WRIGHT. That is the point that I make. They have cornered it, knowing the supply of the article and the demand for it. I am strongly in favor of the use of calcium arsenate, and in favor of the use of nitrate of soda, and those are some of the things I have in my mind in making these brief remarks. Let us take the question of nitrate of soda. The farmers of this country use only about 250,000 tons of Chilean nitrate. That is all that is available to them. The Government of the United States owns quite a supply of it down at Old Hickory, in the State of Tennessee. It has been there I presume for several years. The sacks have become eaten and are in somewhat bad condition. It is stored in warehouses. They had a sale a few weeks ago of 25,000 tons of it. I believe the average price at which it was sold was $47 a ton. They are now offering 28,000 tons for sale on the 30th of this month at the same point, Old Hickory, Tenn. If the $10,000,000 revolving fund is to be created for the purchase of nitrate of soda, it would seem a shortsighted policy for the Government to sell the surplus of this material it already has on hand and then go into the market and rebuy it. Of course, whoever purchases the surplus stock at Old Hickory or other points would want a profit on it if resold. It would seem that some provision should be made whereby this surplus stock of nitrate now owned by the Government should be handled or sold in such quantities as that the farmers of the country could buy it and thus let it be devoted to the production of crops, so much needed. Nitrate of soda is now commanding a pretty good price, but if you will take the 250,000 tons that are consumed by the farmers of the country and multiply that by $45 a ton you will see that $10,000,000 would nearly buy all that is annually imported into this country for the use of the farmers. Two things that the cotton planter needs to-day are fertilizer and calcium arsenate. Where do we get this nitrate of soda? It is imported from Chile, and in what way?

England controls three-fourths of those Chilean nitrate mines. What are we doing in this country? England transports coal in her ships from England and from Germany to Chile with which to operate those Chilean mines. By the time the coal is transported and the power generated by it is furnished to the nitrate mines the cost of mining it is about $8 a ton, and then when it leaves Chile to come to the United States the Chilean Government exacts an export duty of over $12 a ton, so that before it ever leaves the coast of Chile en route to the United States it has cost over $20 a ton. It has to go through the Panama Canal, and what do we do there? The American farmer helped to pay for that canal, and he is compelled to pay the toll to have this nitrate go through that canal. While we spend billions of dollars for Chilean nitrate, do you know that to-day down at Muscle Shoals, in the State of Alabama, there is standing idle and at great cost to the Government a nitrate plant built by this Government which is capable of producing 40,000 tons of fixed nitrogen annually, which is equivalent to every pound of Chilean nitrate which the farmers consume? Forty thousand tons of fixed nitrogen is the equivalent of 250,000 tons of Chilean nitrate imported into this country and used by the farmers. From the air over one acre of land there can be fixed 33,880 tons of nitrogen, and the supply is inexhaustible, as it is replenished in the air. Not only this, but nitrogen and fertilizers can be economically produced at this wonderful plant at Muscle Shoals and so that as a result of the operation of the plant the farmers of this country would be saved an almost incalculable amount during the 100-year period which Mr. Ford, in his offer, obligates the company to be formed to operate this plant. Mr. Thomas A. Edison, who has studied the question, gives it as his opinion that fertilizers can be produced at Muscle Shoals at about half the price at which they are now sold.

It should also be kept in mind that with 40,000 tons of fixed nitrogen a mixed, well balanced fertilizer can be made aggregating 2,000,000 tons.

Mr. GARNER. Then, if we could get the Ford proposition supported by our friends on the other side, we would only have to have $500,000 in order to get the other.

Mr. WRIGHT. In order to relieve the entire situation. So that we are in this attitude: For more than a year and a half Henry Ford has had pending a proposition to take over this

wonderful plant, to operate it to its full capacity. As early as June of last year a bill was reported to this House by a Republican committee of this House favoring the acceptance of the Ford offer, and yet not one move has been made toward the passage of that bill or making it possible for this great project to be turned over to Mr. Ford.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. BLANTON. Why? What is it that is standing in the way of Congress passing on this matter? I thought perhaps the gentleman would tell the people of the country.

Mr. WRIGHT. I will tell what I think about it. I believe that the great banks and trust companies of this country are fighting Mr. Ford's offer. I believe the great automobile concerns of the country are fighting it; that the great water-power companies of the country are fighting it; that the great fertilizer trusts are fighting it. I believe that practically every big industry and financial concern in the United States are fighting the Henry Ford offer.

Mr. GARNER. But probably the most important one is the gentleman who sits at the other end of the Avenue.

Mr. WRIGHT. Perhaps the gentleman is correct.

Mr. PARKER of New Jersey. Does not the gentleman know that I filed a report against the Henry Ford offer, in which I gave my reasons?

Mr. WRIGHT. Certainly; the gentleman filed a very able report. He is as much entitled to his views as any other Member of the House. In addition to that, I believe that if this great project were turned over to Henry Ford under his offer in addition to the manufacture of nitrogen and fertilizers at Muscle Shoals he would begin the manufacture of calcium arsenate.

Mr. CRISP. Mr. Chairman, as the gentleman knows, I am very much in favor of Mr. Ford having Muscle Shoals, but I would like him to tell the House on what authority he bases that statement that if Mr. Ford had the contract he would also manufacture calcium arsenate?

Mr. WRIGHT. I am not authorized to speak for Mr. Ford; but I say this to my colleague, that I have personally taken this matter up with the representative of Henry Ford, Mr. W. B. Mayo, and suggested to him the possibility of manufacturing calcium arsenate at Muscle Shoals as well as fertilizers, and also the manufacture of machines there which could be supplied to the farmers at reasonable prices to distribute this calcium arsenate, and he is intensely interested in it and is now actively engaged in working on the question to determine whether it is practical to manufacture calcium arsenate at Muscle Shoals.

It would seem, however, of doubtful propriety to ask Mr. Ford if he would manufacture calcium arsenate at Muscle Shoals, as his offer thus far has been ignored, and he might very properly ask this House what it proposed to do in reference to his present offer, which has been pending so long. I firmly believe if this great plant at Muscle Shoals should be turned over to him under his offer he would gladly manufacture calcium arsenate there as well as fertilizers. I believe he would do this not only because of the interest he has manifested in the prosperity of this country but because if for no other reason from a selfish standpoint. Henry Ford knows as well as any man living he can not sell trucks, tractors, and cars through the South unless there is a production of cotton. He knows without the use of fertilizer and calcium arsenate that cotton can not be successfully produced. I am persuaded that the manufacture of calcium arsenate at Muscle Shoals is entirely practicable. Upon the completion of Dam No. 2 an abundant supply of power will be available; that section abounds in unlimited supply of lime rock from which the best grade of lime can be produced, and if white arsenic can be secured, and it can be, certainly Mr. Ford is in a position to do so and thus all of the elements necessary to produce calcium arsenate could be easily brought together at the Muscle Shoals plant. It will be understood that pure lime and white arsenic are the necessary ingredients in the manufacture of calcium arsenate.

It occurs to me that while it is a fine proposition to create this revolving fund of $10,000,000 to buy nitrate of soda and calcium arsenate, that what we need in this country is production of both. It would seem the only present prospect of success along these lines is this offer of Henry Ford, an offer made by a man whose ability no one questions and whose offer is clear and explicit as to just what he will do for this country at Muscle Shoals if this vast property is turned over to him. Now, this is not a local question, it is not even a Cotton Belt question. It is national in its scope; indeed, I might say, it is world-wide. The South can not buy the splendid mules which are raised in Indiana, Missouri, and Illinois without the the production of cotton. The South can not buy the manufactured products of New England unless they can grow cotton. The South can not pay life insurance premiums and fire insurance premiums to the great companies in the East and North unless she can grow cotton. The great textile mills in New England can not run without cotton. Stop its production and the spindles are idle, thousands of persons thrown out of employment and the rich harvest of dividends cut off. And it is surprising to me that when this question comes up how many of my good friends from the East are opposing it. Now, my good friend, the gentleman from New Jersey [Mr. PARKER], who filed a minority report on the Muscle Shoals proposition. He is from the good State of New Jersey and he is opposed to the Ford offer. What section, my friend, has supported New Jersey or the East more than Georgia and the South. It is of mutual interest. You make certain things we want and we make certain things you want, and so it is with all sections.

Mr. HULL. Will the gentleman yield?

Mr. WRIGHT. I will.

Mr. HULL. The gentleman himself, I believe, signed the minority report on the committee?

Mr. WRIGHT. I did.

Mr. HULL. Then the gentleman should not censure the gentleman from New Jersey.

Mr. WRIGHT. I did not. I stated he had as much right——

Mr. FIELDS. But there is a difference between the two minority reports.

Mr. WRIGHT. I filed a report accepting the Ford offer as finally passed up by the committee. The gentleman [Mr. HULL] signed the majority report, which recommended the passing of a piece of legislation through this House for Mr. Ford to do something he never offered to do and which we have no assurance he will ever do.

Mr. HULL. The gentleman will be fair with me.

Mr. WRIGHT. Certainly.

Mr. HULL. The gentleman knows the reason I objected to the Ford offer was because it was to give him something we did not own; and as I look at it, that makes it an immoral act.

Mr. WRIGHT. He only proposed to take what interest the Government has in the Gorgas steam plant.

Mr. HULL. We have no right to give him something we do not own.

Mr. CRISP. Did not the legal adviser advise that the contract was not legally binding on the Government?

Mr. HULL. That may not be binding, but you can not transfer realty you do not own, and we did not own any realty within 90 miles of the Gorgas steam plant, as the gentleman knows.

Mr. CRISP. The proposition was simply to relegate the Government's interest, whatever that may be.

Mr. HULL. Let me ask this question.

Mr. WRIGHT. I hope this is not being taken out of my time.

The CHAIRMAN. The gentleman declines to yield.

Mr. WRIGHT. The truth about it is the matter to which my friend from Iowa [Mr. HULL] refers was the Gorgas steam plant in which the Alabama Power Co. has an interest. There is no inconsistency in accepting the Ford offer just as he made it, including the Gorgas steam plant, because he only asked that whatever interest, and no more, that the Government has in that plant be transferred to him.

Mr. HULL. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. HULL. Can a sovereign transfer a claim against another individual? Has it ever been done? If so, cite an instance.

Mr. WRIGHT. There is no doubt about the right of this Government to transfer whatever interest it does have in the Gorgas steam plant.

Mr. HULL. Certainly.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WRIGHT. Can I have five additional minutes?

Mr. SISSON. If I had it I would be glad to give it to the gentleman. I will yield the gentleman two additional minutes.

Mr. WRIGHT. I wish to add that white arsenic is produced in the United States as a by-product in the smelting of copper and other ores. Operations which have arsenic as their principal product were carried on during the high prices of the war years in Washington and in Virginia, but these operations were abandoned with the reduction in prices at the close of the war. In 1901 the production of white arsenic, according to the Geological Survey, the domestic production, reached its maximum of 11,502 tons. Added to which were imported 3,740 tons, making a total supply of 15,242 tons. In 1921,

according to the Geological Survey, the domestic production fell off to 4,786 tons, while the imports were 1,699 tons, making a total supply of 6,455 tons.

The total production and importations for 1921, if wholly available for the production of calcium arsenate, would have produced about 16,140 tons of this material.

The price between 1901 and 1915 averaged about 2.8 cents per pound. In 1920 it reached about 8.8 cents per pound, and in 1921 it averaged 7.5 cents a pound, or about $150 per ton. Since about 800 pounds of white arsenic are required per ton of calcium arsenate manufactured, the cost of the white arsenic alone at this rate would be about $60 per ton of calcium arsenate. With large-scale production, having white arsenic as the principal product, the cost might be reduced.

Although there are about 130 minerals containing arsenic, there are 3 minerals which form the principal commercial supply of white arsenic obtained from operations in which arsenic is the principal product:

Arsenopyrite, or mispickle, is a mineral containing 46 per cent arsenic and consisting of arsenic, iron, and sulphur. It is the most widely distributed of any of the arsenic minerals. The second mineral is realgar, a sulphide of arsenic, containing approximately 70 per cent arsenic; and the third mineral is orpiment, also a sulphide of arsenic, containing about 61 per cent pure arsenic. Realgar and orpiment are "replacement minerals," occurring in veins and fissures, and not massive deposits.

There are no large deposits of arsenic ores in the United States that are being worked primarily for their arsenic content. Arsenopyrite occurs in limited quantities in 22 States from Maine to California. A small deposit has been worked in New York State, where it is found in a narrow vein; lenses of limited size and undetermined as to number, and varying from a few inches to 14 feet in thickness, have been worked in a small way in Floyd County, Va., during the period of war prices. Commercially important deposits have also been found in the Black Hills of South Dakota. The principal occurrences of orpiment in this country are a thin, unworked bed in the Mercur district in Utah and the Monte Cristo deposit in the State of Washington, which was worked in a temporary way during the war. Realgar is not mined in the United States.

The principal foreign deposits of arsenic ores occur at widely separated points, some of which are remote from civilization. While information is meager, large amounts of arsenic are reported by the British vice consul in Corsica to exist on that island in the form of realgar and orpiment. From a similar source reports are had of realgar deposits in the Hu-nan Province in China, near the Yangtze River. A deposit of orpiment, which has been mined to more or less extent, is in eastern Kurdistan, between the Caspian Sea and the Mediterranean Sea. Small amounts of arsenic ore are produced in France and southern Rhodesia, and manufactured white arsenic is produced in Great Britain, Australia, Canada, Greece, Japan, Spain, Portugal, and South Africa. Japan is said to have fairly large deposits of ores containing copper and lead carrying from 15 to 30 per cent arsenic. The production, however, is small, amounting to about 1,067 tons in 1919, of which 911 tons were exported to the United States. It has been estimated that the possible annual production from known sources in Japan would amount to about 4,000 tons of white arsenic per year.

Arsenic compounds are used in industries for making dyes and wood preservatives, and as a means of removing hair from hides in tanning; they are used to decolorize glass and to harden shot, and as an alloy to harden certain metals. Railroads use large quantities as a weed killer, and stock raisers also use considerable amounts in sheep dips for killing ticks and preventing foot rot. It is used as the basis of Paris green as an insecticide on valuable crops. Medicinally it is used in the form of "Fowler's solution" to fatten horses, and, although from two to four grains are fatal, it nevertheless has many valuable medicinal uses. White arsenic is on the free list, while calcium arsenate has an ad valorem of 25 per cent. This should be removed. The agricultural consumer of calcium arsenate in this country derives no benefit from the fact that white arsenic is on the free list if this arsenic is manufactured into calcium arsenate. It is wholly inconsistent to levy an ad valorem of 25 per cent on calcium arsenic and place white arsenic on the free list. The thing the American farmer needs is calcium arsenate and when he buys this he pays the equivalent of the 25 per cent ad valorem on the white arsenic whether it is imported or produced in this country, and the manufacturer of calcium arsenate gets the benefit of and profits by the 25 per cent ad valorem on white arsenic.

Gentlemen of the committee, referring to cotton—when I think about the cotton plant I am always reminded of the beautiful tribute that the lamented and now immortal Henry W. Grady paid when he was in the very prime and vigor of his career.

I want to read these lines. They were penned by Mr. Grady at a time when a normal production of cotton was being made throughout the Cotton Belt. They are as follows:

> What a royal plant it is! The world waits in attendance on its growth. The shower that falls whispering on its leaves is heard around the earth. The sun that shines on it is tempered by the prayers of all people. The frost that chills it and the dew that descends from the stars is noted, and the trespass of a little worm on its green leaf is more to England than the advance of the Russian Army on her Asian outposts
>
> It is gold from the instant it puts forth its tiny shoot. Its fiber is current in every bank, and when loosing its fleece to the sun it floats a banner that glorifies the field of the humble farmer. That man is marshaled under a flag that will compel the allegiance of the world and wring tribute from every nation on earth. It is the heritage that God gave to this people forever as their own when he arched our skies, established our mountains, girt us about with the ocean, loosed the breezes, tempered the sunshine, and measured the rain.
>
> Our's and our children's forever! As princely a talent as ever came from His hand to mortal stewardship.

[Applause.]

Gentlemen of the House, I say those beautiful lines that I have read were penned when the production of cotton was normal. Since then the industry has practically been destroyed by the ravages, not of a little worm on its foliage but by a brown, rusty bug known as the boll weevil. I am appealing to the House to-day, to men of all sections, to come to our relief and accept this Henry Ford offer and aid in recrowning cotton as king and in bringing prosperity to the country. [Applause.]

Mr. GOODYKOONTZ. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. GOODYKOONTZ. I understand the gentleman is willing to take Henry Ford and grease him and swallow him whole? [Laughter.]

Mr. WRIGHT. I undertake to say to this House that I am in favor of accepting the Henry Ford offer for Muscle Shoals as reported in a bill that I introduced in this House last May or early in June last.

Mrs. HUCK rose.

The CHAIRMAN. For what purpose does the lady from Illinois rise?

Mrs. HUCK. I rise to ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the lady from Illinois?

There was no objection.

Mr. WRIGHT. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. STAFFORD. Was the request of the gentleman from Georgia submitted.

The CHAIRMAN. Yes.

Mr. STAFFORD. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. DEMPSEY].

Mr. DEMPSEY. I understand Mr. NEWTON is willing to yield me his 15 minutes.

Mr. STAFFORD. It is not customary for gentlemen who are yielded time to transfer their time. If it is agreeable to the chairman of the committee, I have no objection, but I have yielded to gentlemen who have taken up the time, and that will crowd me out of any time for myself. There are four gentlemen here who have each asked for an allowance of five minutes' time.

The CHAIRMAN. The gentleman from New York is recognized for 15 minutes.

Mr. DEMPSEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

RIVERS AND HARBORS.

Mr. DEMPSEY. Mr. Chairman, the pending bill appropriates $37,000,000 for the improvement and maintenance of the rivers and harbors of the United States for the next fiscal year. The amendment proposes to increase this amount to $56,589,910. The sole issue, of course, is whether the increased appropriation named in the amendment is necessary.

The object of the appropriation is to increase the transportation facilities of the country. And there never was a time when this increase was so sorely needed as it is now. This fall, at Buffalo, at the foot of the Great Lakes, 20,000,000 bushels of

wheat were tied up in the elevators, which were filled to overflowing, and even on vessels which were unable to start on their return trips because there was no place to receive the grain with which they were loaded. To-day, much of the wheat of the West is in the farmers' hands because they are unable to secure cars to transport it to market. All over the country there is a shortage of coal for manufacturing and even for the heating of homes. The infirmities of age and the helplessness of infancy are not protected from the rigors of the winter season because of the shortage of freight cars. When this country is prosperous; when its factories are running full time and a bountiful crop has been harvested by the farmer, the railroads are unable to carry the freight of the country and there is no prospect of railroad facilities being increased so as to overtake the transportation demands. The cost of transportation has increased enormously, so that it bears an undue proportion to the cost of production. For instance, the transportation of coal from the mouth of the mine is frequently more than the cost of the coal at the mine. While transportation costs are likely to remain relatively high and are sure to be higher than they were before the war, the cost of shipment by water is always lower than that by rail, and nonperishable products, such as grain, lumber, oil, coal, and ore, should be transported by water and the lighter and more perishable products be left for rail shipment.

The congestion in transportation exists in the interior of the country. There is no difficulty about shipment on the ocean. In fact, ocean tonnage is at the present moment tied up for lack of business, much of which would have cargoes if only they could be transported to the seaboard. So the most pressing question presented is one of the improvement of our interior waterways, of our lakes, and our rivers. There never has been a time when such congestion of transportation existed or when the price of transportation was so high as to-day. The farmer was never in such straits from inability to ship the products which have cost him a year's work and outlay as right now, and the industrial life and the physical well-being of the community were never as acutely menaced by the shortage of fuel as at this moment.

So we approach a consideration of the question whether the greater appropriation sought by the amendment is needed, having in mind the congestion and the high freight rates; the needs of the farmer and the consumer; and the critical condition of the manufacturer and of the householder. The situation differs so entirely from any conditions which have existed in the past that it is impossible to reach a fair solution of the question as to what amount is needed for the improvement and maintenance of our rivers and harbors by a comparison with the past.

It is easy to say that the $37,000,000 carried in the bill and the $12,000,000 in the Treasury make a total of $49,000,000, which is more than has been expended in any fiscal year for some considerable period. Those who urge this forget, however, that during the war we appropriated only for such projects as were necessary for war purposes, and that since the war and until a year ago we have been limited in our expenditures on account of the very great burden of taxation being borne by our people. For these reasons the appropriations and the expenditures have been kept down to a minimum. Indeed, not alone was the prosecution of waterway improvements abandoned, but even maintenance was neglected and harbors were allowed to silt and lose the depth which they had before the war. So at the present time we are met with such a necessity for the improvement of our waterways as never before existed, and at the same time our rivers and harbors are in worse condition than they have been for a long period of years.

The doubling of the transportation demands of our country each decade, the inability of the railroads to meet this enormous, rapid, and steady growth in property needing shipment, and the fact that the waterways alone can furnish the relief which this country needs now and will need to a greater extent and more seriously each year, if we are to avoid waste of our farm and manufactured products, is shown by the following statements of great transportation authorities.

RAILROAD COMMENT ON RAIL CONGESTION.

Mr. C. H. Markham, president of the Illinois Central Railroad, makes the following statement:

What is commonly called the "car shortage" is in reality a shortage of all kinds of railway facilities, including locomotives, freight cars, passing trucks, terminal facilities, etc. For a number of years the rate at which the railroads have been able to increase their facilities has gradually fallen off, while the ton-mileage hauled, which represents public demand for transportation, has been gaining steadily.

In the seven years ending with 1907 the number of locomotives increased 2,500 a year and the number of freight cars 90,000 a year. In the next seven years the number of locomotives increased only 1,500 a year and the number of freight cars only 50,000 a year. In the seven years ending with 1921 the number of locomotives increased only 275 a year and the number of freight cars only 6,000 a year. The increase in the number of locomotives in the seven years ending with 1921 was only one-ninth as great as in the seven years ending with 1907, while the increase in the number of freight cars was only one-fifteenth as great. The decline in the amount and capacity of the equipment provided has been accompanied by a corresponding decline in other facilities. This condition can not continue without causing frequently recurring losses of a serious nature to the country.

Vice President McCrea of the Pennsylvania Railroad Co., before the Pittsburgh Chamber of Commerce, on February 24, 1922, made the following statement:

In the United States during the 12 months ending December, 1921, but 400 miles of new line were built, while 700 miles were abandoned. Practically no railroads have built double track, increased their yard facilities, or taken steps to relieve congested points where they have had much of their trouble in the past few years and know they will have more trouble in the future. We have had no money for this; every dollar available and all of our energies have of necessity been expended in restoring our existing facilities to a safe and efficient operating condition.

Vice President Elisha Lee of the Pennsylvania Railroad, before the Manufacturers' Association of Philadelphia, recently stated:

Traffic on our American railroads, measured in ton-miles, doubles about once in a decade, or possibly a little longer. The next time our country has a real revival in business we shall in all probability be confronted with the most severe congestion of railroad traffic and the greatest inadequacy of railroad facilities ever experienced in our history.

When that happens rates will be lost sight of. Everyone will be clamoring for service, and our public highways will again be torn to pieces by huge truck loads of freight, carried over roadways never designed for such purposes, and at rates and costs of operation so high as to constitute economic waste.

Nothing could more quickly check a wave of prosperity than the inability of our railroad facilities to handle the traffic which good times would create.

The late James J. Hill, the greatest railroad builder and manufacturer the country has ever known, in an address which he made at Chicago 12 years ago, in which he took issue with objectors to waterways, said:

Nature indicates that the commerce of the Middle West, with the rest of the world, should be carried in part by the Mississippi River and its navigable tributaries. The burden, which the railroads can not carry, will be shared by the waterways. The congestion arising from a steadily increasing volume of commerce will be relieved by turning over a share of the business to the towboats and the barges. Here lies the most practical exit from our national transportation dilemma.

Seeing, as we do, the need of water transportation in order that the food and manufactured products of our country may reach the point of consumption and not be wasted and lost, we next come to the question whether the appropriation suggested by the amendment is necessary. The amount is based on a most careful itemized estimate prepared by the Chief of Engineers on consultation with the district and division engineers stationed throughout the country. As everyone knows, the country is divided for waterway purposes into divisions and they in turn into districts. Each district has an engineer, and they in turn are under a division engineer, who is subject to the Chief of Engineers. The district engineers are stationed in their several districts. They are on the ground, and they know the needs of the district. On the other hand, they are disinterested and are not affected by local ambitions, prejudices, or desires for the expenditure of Government money. They have only one object in view—the legitimate improvement of our waterways—and only one master to serve—the United States Government. They are men who have had the best educational opportunities and who have spent their lives studying our waterway problems. So from the standpoint of disinterestedness, ability, and familiarity with the subject, their estimates and reports are the best information which could possibly be obtained, and they are subject to check, too, by the review of the division engineer and again by the Chief of Engineers. In such ways and after all possible reductions have been made by the division engineers and the Chief of Engineers the estimates of what are needed for the coming fiscal year were prepared. They are as follows:

	Improvement.	Maintenance.
Principal seacoast harbors	$19,683,410	$7,375,400
Secondary harbors and coastwise channels	7,860,900	1,509,600
Lake harbors and channels	1,726,000	1,450,800
Principal rivers	13,726,000	2,249,000
Secondary rivers	181,820	826,980
Tota l improvement	43,178,130	13,411,780
Total, maintenance	13,411,780	
Grand total	56,589,910	

In all the time I have had the honor to serve in Congress no opponent of appropriations for waterways in our country has ever gone to the extent of attacking the spending of the

money necessary to put and keep our coast harbors and coastwise channels in condition to accommodate vessels and barges of the size and draft now in use. A few illustrations will serve to show that we are not to-day in our usual condition as to these harbors and channels, but that owing to the interruption of work during the war and to small appropriations made immediately following the war, because of the pressure of taxation, many of our great harbors are in a deplorable condition, with channels which have silted and filled so that they have not to-day the depth they had when the present projects for their improvement were adopted.

Congress adopted a project for the obtaining of a 35-foot depth in the Delaware River in June, 1910. In the succeeding six years this project was 45 per cent completed. In the five years since then only 28 per cent has been added, and to-day the project is only 73 per cent completed. It was estimated at the time that funds to the credit of the improvements from previous appropriations would complete a 30-foot project. Since that time there has been spent toward obtaining the 35-foot project the enormous sum of $15,428,586.26. Yet with all this expenditure the controlling depth to-day remains 30 feet, and this great waterway, with over 15,000,000 tons of traffic, will not have the benefit of the 35-foot depth until the remaining 27 per cent of the work is done, and every year of delay is causing the Government the loss of the interest on the amount already expended, a loss of $925,714 annually. At the same rate of progress at which the work has been prosecuted in the past it will take five years to complete it, and this would make a loss in interest of approximately $6,000,000. Could any private business stand such an enormous loss? Ought the Government to deliberately plan to make this loss by failing to complete the work at the earliest date possible?

Go south to the Gulf coast and take Mobile as another illustration. Congress adopted a project for a depth of 30 feet in the inner channel in 1917. In the five years which have elapsed since the adoption of the project only 24 per cent of the work has been done, and yet here is a city which has less commerce to-day by reason of the insufficiency of the depth of its channel than it had when the project was adopted. It has now 1,400,000 tons of freight, and it had then 1,800,000.

We come next to the Lake harbors and channels. Transportation of the Great Lakes has been the marvel of all times. It is the cheapest transportation the world has ever known, the average cost being 1 mill per ton per mile and the volume carried, varying from 70,000,000 to 100,000,000 tons, is staggering in its size. The amount estimated for the maintenance and improvement of all the harbors in the Great Lakes is only $3,000,000, a mere trifle, simply nothing in comparison with the value to the country of the enormous traffic carried each year.

The next group of estimates is for the principal rivers of the country, and the amount asked is approximately $15,000,000. This is divided among 12 rivers, and their needs and improvements are such that we will be benefited by a somewhat detailed examination of them.

The Hudson River is one of the greatest streams in the country, connected with the Great Lakes by the Erie and Oswego Canals. The two canals have been recently improved from a depth of 9 to 12 feet, and since the completion of this work there has not been time in which to construct canal barges, but none the less the river has been carrying from two to three million tons of freight annually, worth from $100,000,000 to $200,000,000. The traffic on the canals has grown by leaps and bounds the last two years. It will grow still more rapidly in the future, until the canals are carrying and the Hudson receives the full tonnage capacity of the canals—10,000,000 tons. Yet for this great river, with the present project incomplete, the engineers in the estimates on which the amendment was based ask nothing for the completion of the improvement and only a sum necessary to maintain it.

An 8-foot project for the Mississippi River from Cairo to St. Louis was adopted in 1910, with a provision that it should be completed in 12 years. The 12 years have passed but the project is only 34 per cent completed. At the same rate of progress it would take a quarter of a century to complete the work, and in all, 36 years instead of 12.

In 1907 Congress adopted a 6-foot project for the Mississippi River from the mouth of the Missouri—practically at St. Louis—to Minneapolis. In 1910 Congress declared that this work should be completed in 12 years. Twelve years have passed and the project is but 49 per cent completed. At the same rate of progress it will take 12 years to complete it, and 28 years altogether.

With practically no boats on the Mississippi, except 50 barges and 9 power boats owned by the Government, and with all the disadvantages and large expenditures incident to Government operation, this fleet has carried 1,279,270 tons of traffic during the past season, at an average saving to the shipper of $1.35 per ton over the cost of rail transportation. This was done, too, despite the added disadvantage incident to the lowest water in the river which has prevailed for many years and infinite and continued trouble owing to the fact that the Government has not completed the improvement, and in consequence the barges had to meet frequent shoals and sand banks in the channel.

The capacity of the river for the carrying of traffic is practically unlimited. Under all of these circumstances the engineers estimate only $1,625,000 for improvement and $525,000 for maintenance of the river. Surely no one will claim that a less appropriation should be made for the "Father of Waters" or that the great Middle West, with its farmers embarrassed from inability to ship and market their grain, should not have this additional means of reaching the sea and the centers of commerce.

The project for a 9-foot channel throughout the entire length of the Ohio River from Pittsburgh to Cairo was adopted in 1910, with a provision that the project should be completed in 12 years. The project embraces 53 locks and dams, of which 37 have been completed. The total cost of the improvement to this date is over $65,000,000. It will only cost $10,000,000 to complete the work. The distance from Pittsburgh to Cairo is 968 miles, yet with six-sevenths of the total cost already expended, only 278 miles of continuous channel are available from Pittsburgh west, and that is of value only for local transportation, because while it starts at Pittsburgh it ends nowhere. So that the interest on this $65,000,000 investment of $4,000,000 a year is largely lost until the project is completed. The Ohio and its tributaries tap and furnish transportation for the very heart and center of the country, for many of its great natural resources, for many and great coal mines, for vast forests, and for a great and rich agricultural area. Indeed, the natural resources and the developed industries of the upper stretches of the Ohio and of the region through which the Monongahela runs are so vast that it has been termed the greatest workshop of the world, and it has been said that it is the greatest freight-producing center of the country. If the Ohio, with less than a third of its channel completed, starting somewhere but ending nowhere, can carry over 8,000,000 tons of freight, as it does, what will it carry when its splendid length of nearly a thousand miles is all completed? When it has feeding it—furnishing it commerce—all of its great tributaries—the Cumberland, the Tennessee, the Kentucky, the Green and Barren, the two Kanawhas, the Allegheny, and last and greatest of all the wonderful Monongahela—when it will reach from the heart of the continent, from the greatest workshop of the world to the Father of Waters and on to the sea, what, then, will be the tonnage it will carry? The prospect staggers even the imagination.

The Monongahela in its very brief course of 125 miles carries in ordinary years nearly 25,000,000 tons of freight. New and great industries are springing up over night on its banks. The traffic is so congested and the facilities are so inadequate that transportation is dangerous in the extreme. Only $2,000,000 is asked to remedy conditions which are well-nigh intolerable and where one of the greatest volumes of commerce in the world exists. The improvement now so essential to the safety of the commerce on this great stream is the placing of double instead of single locks and the construction of guard and guide walls.

The Cumberland River divides into two projects—the first project, 192 miles in length, below Nashville, and the second, 133 miles long, above that city. Four million dollars has been spent on the lower project. Less than $700,000 is required to complete it. Only about 100 miles of this project has the project depth. That the project is a good one is evident from the fact that it carried over 263,000 tons of freight in 1921, in spite of the fact, as was said in the case of the Ohio, that the improved channel leads from Nashville toward but not even to the incomplete Ohio. And again, it may be asked if leading from somewhere to nowhere it carries its present tonnage, what will the tonnage be when it and the Ohio are both completed? Moreover, if the Congress was unwise which adopted the project, is there anyone who will contend that with $4,000,000 already expended and less than $700,000 necessary to complete the project, and with 263,000 tons of shipments under the present disadvantageous conditions, the project should not be completed as soon as possible? Four hundred and sixty thousand dollars only is asked for the project. The work on this project was started at Nashville and the completed channel is still 88 miles from the junction with the Ohio.

The Cumberland above Nashville has had two projects adopted—one for 8 locks and dams in 1886 and the other for

10 additional locks and dams in 1919. The two projects are now treated as one and 30 per cent of the united project has been completed at an expense of $3,600,000. It will require something over $7,000,000 to complete the work. The stream, when completed, will lead into a country with no rail transportation facilities and having untold wealth in forests and mines and a rich and productive agricultural region. While the traffic last year in its incompleted state carried only about 142,000 tons, in the prosperous year 1918 it carried 276,000 tons.

The Tennessee River is divided into three sections. The first section, between Riverton and the Ohio, was adopted in 1912. One million five hundred and fourteen thousand dollars has been spent on it and it is 79 per cent completed. The project is one for a draft of 6 feet, and only 4 feet is available for a considerable part of the year. It will only require $144,000 to complete the project and give the project depth all the year round. Under the present disadvantages the stream carried approximately 350,000 tons of freight in 1921.

The next section is from Chattanooga to Riverton, except Browns Island to Florence (Muscle Shoals), a distance of 211 miles. The project is for 6-foot navigation. Over $5,000,000 has already been spent. Four million six hundred and eighty thousand dollars is required to complete the work. Owing to the fact that the project itself is one partially completed, and that navigation through Muscle Shoals is not open as yet, the navigation is local, but in spite of that as high as 185,000 tons has been carried on this section of the river of diversified and valuable freight. Nothing is asked for maintenance and only $155,000 toward completing the project.

The next project is one above Chattanooga, 188 miles in length, for a 6-foot draft for 24 miles of the distance and for a less draft for the balance of the distance. The project is 58 per cent completed. Two million four hundred and thirty-eight thousand dollars has been spent and it will require $3,250,000 to complete the project. The river is navigable for a very limited draft, yet it carried in 1921 486,760 tons of freight. Nothing is asked toward completing the improvement and only $20,000 for maintenance. This is less than 5 cents a ton. Surely we can afford to spend that much for this great volume of freight. The traffic consists of a great variety of products, showing the country to be one worthy of improvement.

The Black Warrior, Warrior, and Tombigbee Rivers project was originally adopted in 1899, and is for an all year round 6-foot depth of water. Over $10,000,000 has been spent on the project, and all that is asked now is an additional expenditure of $77,800. In 1921 these rivers carried 784,967 tons of freight, largely coal, lumber, steel, and iron. All that is asked is $64,000 for the improvement, with nothing for maintenance.

The Ouachita and Black Rivers, Ark. and La., project for 6½-foot draft of water, for a distance of 360 miles, was adopted by eight different acts, the first in 1902. Four million nine hundred and five thousand dollars has been spent to date. Only $400,000 is necessary to complete the project. It has carried as high as 178,000 tons of commerce in a year. While we might differ with the eight Congresses which have passed favorably upon this project we are losing nearly as much in interest on this project as it will cost to complete it. Can there be any doubt whatever that it should be finished at once?

FOX RIVER, WIS.

The existing project was adopted in and prior to 1907. It provides for a 6-foot channel from Depere to Montello, 125 miles; and for 4-foot thence to Portage, 31 miles; also for 4-foot in the Wolf River from its mouth to New London, 47 miles. The project is about 93 per cent completed. Total expenditures to date are $4,014,000. It will take but $15,000 to complete the project. The commerce for 1921 was 285,590 tons of coal and building materials. Nothing is asked for completing the improvement; $160,000 is needed for maintenance.

ILLINOIS RIVER, ILL.

The project is for a channel 7 feet deep from its mouth to La Salle, 226 miles. It was adopted in 1880 and 1907. It is about 93 per cent completed. The total amount expended is $2,562,562. The amount necessary to complete the project is $312,300. The commerce for 1921 was 157,546 tons of grain, live stock, coal, logs, apples, and merchandise. The State of Illinois is now constructing an 8-foot waterway from Chicago to the head of this improvement at a cost of $20,000,000, and the two will furnish a through improved channel from the Great Lakes, at Chicago, to the Mississippi River. Only $65,000 is asked for continuing the improvement and $130,000 is needed for maintenance.

SACRAMENTO RIVER, CALIF.

The existing project, adopted in and before 1912, provides for improving this river for over 250 miles to a depth of 7 feet from the mouth to Sacramento, 61 miles, and for lesser depths above that point. The project has been completed. The commerce for 1921 amounted to 976,596 tons of farm products, canned goods, oil, and general merchandise. The total amount expended is $1,739,871. All that is asked now is $95,000 for maintenance.

My colleague, Mr. NEWTON of Missouri, is a profound student of waterway transportation problems, but he is especially familiar with the history of the improvement of the Missouri River and with the outlook as to future commerce being carried upon the stream. He is in position to inform the House as to this stream much better than anyone else and he has consented to place his information at the service of the House. I, therefore, leave this subject to be dealt with by him, feeling certain that we will all be instructed by what he has to say on the question.

The following table showing the project depth of the various rivers in the central part—in the heart—of the country, of the number of miles to be improved in each river, and of the progress toward completion of the various projects will be of interest:

Projects.	Project depth (feet).	Length (miles).	Per cent completed.
Mississippi River:			
New Orleans to Ohio River	9	1,947	Completed.
Ohio River to St. Louis	8	200	35.
St. Louis to Minneapolis	6	664	65.
Missouri River, Kansas City to mouth	6	398	34.
Ohio River	9	968	74.
Illinois River	8	226	
Illinois and Mississippi Canal		104	
Ouachita and Black Rivers, Ark. and La	6½	360	
Tributaries of Ohio River:			
Cumberland River	6	518	49.
Tennessee River	6	257	82.
Monongahela River	8	131	Completed.
Allegheny River	8	61	45.
Kanawha River	6	90	Completed.
Muskingum River	5½	91	Do.
Big Sandy River	6	57	Do.
Kentucky River	5	260	Do.
Green and Barren Rivers	5½	217	Do.
Rough River	4½	30	Do.
Little Kanawha River	4	48	Do.
Total mileage		6,627	

When this great wide-spreading chain of natural waterways has been completed it will have as its combined length 6,627 miles—more than twice the distance across the continent from the Atlantic to the Pacific.

Gentlemen who have had doubt about the wisdom and the value of improving the rivers of our country will, I believe, be astonished to learn that the 12 rivers which are listed by the Chief of Engineers as being the principal rivers and the improvements which I have described in detail carried, in 1921, one of the poorest years for a long time for traffic, the enormous total of 31,253,307 tons of commerce. Taking for each of these 12 rivers the year when it carried its largest amount of traffic, I have no doubt that the total of the commerce borne by these streams on such a computation would be found to be 40,000,000 tons. If the commerce on these rivers can reach such a magnificent figure with the channels incomplete, with capital waiting to construct barges and ships until the improvements have been completed and until the channels lead from one industrial and commercial center to another and through great centers of population and wonderful undeveloped resources, awaiting only a reasonable and certain means of conveyance to points of development and consumption; with the localities along the routes waiting to build terminals and warehouses; with railroads putting off the making of connections with the boat lines, what and how great will be the commerce when capital is encouraged to invest in ships, when people see that docks and warehouses will be used, and when railroads know that, if they connect with the docks, they will receive shipments. If the commerce is 40,000,000 tons to-day, what will it be when these projects have all been completed and these great changes take place? While we can not foresee the future we can look to a completed project like the harbors and channels of the Great Lakes and see the marvelous tonnage which has developed there and the low rate at which it is carried since the improvements on the Lakes were finished.

The engineer's estimate for what was denominated as "secondary rivers," in spite of the fact that many of them furnish the only means of transportation to the people who reside in their vicinity, is only $1,000,000. The total tonnage of these rivers in 1921, the poorest of recent years for transportation, as has been already pointed out, amounted to over 5,000,000 tons.

One of these secondary rivers alone carries over 1,000,000 tons of freight, and two others over a half million. There are altogether 58 of these secondary rivers. No one can believe that less than $1,000,000 should be appropriated for all of these rivers, carrying 5,040,921 tons of commerce. Only $181,820 is appropriated for improvements, and the balance of $826,980 is for maintenance.

It is obvious from the fact that we need for our seacoast harbors and coastwise channels $36,000,000; for our Lake harbors and channels $3,000,000, making $39,000,000, $2,000,000 more than the $37,000,000 proposed by the committee in charge of the bill for all of our rivers and harbors; that our rivers will have to go without any part of the $17,000,000 which they so badly need. Realizing, as we all must, that the appropriation problem is one from the interior to the seacoast, and from the West to the thickly settled East, by the Great Lakes, and over the nearly 7,000 miles of the Mississippi and its tributaries, who would be satisfied to appropriate nothing for the rivers of the country?

So one of the questions and a great question to be decided by each member is whether he is prepared to support the continuance of the improvement of our waterways which carry 45,000,000 tons of freight or wants to reduce the estimates of the engineers so that nothing there will be left for either maintenance or improvement of our great inland waterways.

And when each member has considered and decided this question, he will find himself confronted by another. In September last the House, by an overwhelming majority, passed a rivers and harbors project bill adopting 40 new projects, at an estimated cost of $43,792,100, and the Chief of Engineers has estimated that $13,547,920 can be spent profitably on these new projects in the coming year.

The adoption of these new projects grew largely out of the traffic necessities which have developed on account of the vastly increased and rapidly growing commerce of the country. For instance, during the World War freight cars were piled up, loaded for shipment, for 50 miles outside the city of New York owing to the traffic situation in New York City. Now, all of the commerce from the interior of the country and all that comes from abroad, whether destined for New York or beyond it, must pass through the most congested business district of the city of New York. This results in endless and long delays and in very great transfer and terminal charges, the combined effect being most burdensome to the shipper and the consumer.

The port of New York realized the seriousness and the necessity of promptly remedying these conditions. The municipalities around New York Harbor, in New York and New Jersey, have combined through legislation in the two States and of Congress to modernize the port by the construction of channels and the building of railroads, warehouses, and docks so that the traffic destined beyond New York either from abroad or from the interior and the traffic which is to be warehoused and distributed from New York shall pass through the outskirts of the city or through tunnels, and congestion, unreasonable expense, and delay be avoided.

To accomplish this end the port authorities will spend $500,000,000 or more. All of this work and this vast expenditure will, however, be unavailing unless the United States does its part, and so in the project bill of last September Congress provided for the deepening of the New York and New Jersey channels and of Newark Bay so that shipments by the numerous transcontinental railroads, which terminate in New Jersey, may be transferred direct from the railroad tracks to the ocean liners and shipments from abroad from the ocean liners to the railroad dock.

In the same way we provided for the improvement of Jamaica Bay, which will receive shipments from abroad and from the interior destined abroad, which will shorten the ocean voyage both ways by about 30 miles, as well as shipments to and from New England, and will provide as well new and great additional dock and warehouse facilities and rail accommodation, exchanges, and transfers.

All of the vast expenditure by the New York port authorities will go for naught unless the Federal Government does what the September bill provided for it to do—unless it digs the channels through Kill Van Kull and Newark Bay and in Jamaica Bay. All of Staten Island, too, is given a modern depth by the recent bill, and it will all become available for warehouse and dockage if the Staten Island project is completed within a reasonable time. The whole country is interested in relieving the congestion and in expediting the transfer and reducing the cost of it in and about New York City. The shipper and the consumer both suffer from present conditions, and that includes pretty much everyone in the United States. The amount to be expended by the Federal Government is a mere trifle compared with what the locality itself is ready and willing to expend. Is there anyone who doubt the advisability, nay, the absolute necessity, of the prompt completion of these three new projects?

Now, let us go down to the Gulf coast and we find that there the Sabine-Neches waterway is one of the marvels of modern commerce in the rapidity of its development and in the volume of its commerce. In 1901 this waterway carried only 150,000 tons of freight. In 1921 it had grown to over 11,000,000, including both that originating and that carried in transit, almost wholly oil, valued at $400,000,000. This waterway has a depth of only 25 feet, while the tankers which navigate it draw from 30 to 35 feet. So they can only be partially loaded and the cost of transportation is unnecessarily and unduly high. Nothing is of broader general use than oil and its products, and so the bill of last September provided for a depth in this waterway of 30 feet. Surely everyone will agree that, in the interest of as low a cost as possible for oil and gasoline, this project should be completed at the very earliest date possible.

Next, we go over to the Pacific coast and its two great ports—Coos Bay and Umpqua Bay—with countless billions of feet of Government timber, the best timber and greatest trees in the world. The forests of New England have long since been exhausted. Of late the East has been depending upon the South for its lumber. The peak of production was reached there several years ago. Since then the production has been declining. The local demand is constantly growing and the time is near at hand when the South will need all of its lumber for home consumption. There will remain then no place from which the East and the Middle West can secure a supply of timber except from the Government forests of Washington and Oregon, but the price will be prohibitive unless this lumber can be brought to us by water in deep-draft ships, and such transportation will be impossible unless great harbors like Coos Bay and Umpqua Bay are improved. The Government alone will receive a large amount in the increased value of its timber for whatever is expended in making these improvements. In the interest of the Government alone, as well as in the interest of the people of the country, these two bays should be improved without delay.

Yet, if the appropriation for rivers and harbors is only $37,000,000, as proposed in the bill, very little will be done on the great projects approved in the September bill, of which New York Harbor, the Sabine-Neches waterway, Coos Bay, and Umpqua Bay are only fair samples. It would be bad business judgment, when both the new projects and the old projects can not be prosecuted owing to the inadequacy of the funds available, to tear up the Government plants which are prosecuting the work of the old projects and transfer them to the new projects. Such a course would be expensive in the extreme and would not be warranted. And so, unless the amount recommended by the engineers is appropriated, all of the efforts to modernize the waterways and the waterway transportation system of the country to fit them to meet the present needs of the country—in oil, in lumber, in coal, in all of the great necessities—will fail and be deferred to some later and unknown day. Can the country afford this? Should not the judgment of the House deliberately expressed in the passage of the September project bill be respected and the $13,000,000 needed for the coming fiscal year for starting new projects be appropriated? Nothing will have been appropriated for these new projects unless the amount embodied in the amendment is approved by the committee and that amount is appropriated.

It is suggested that there is $12,000,000 in the Treasury which should be added to the $37,000,000 carried in the bill. This amount is very much less than the amount of the available balance in the Treasury at the end of most fiscal years, as will be seen from the following statement:

Fiscal year ending June 30—	Unexpended balance at end of fiscal year.	Contract obligations and outstanding liabilities.	Balance available at end of fiscal year
1917	$45,136,143.44	$17,317,432.45	$27,818,710.99
1918	49,790,388.19	15,866,560.64	33,923,827.55
1919	82,847,287.50	16,328,740.58	66,518,545.92
1920	65,196,675.83	26,071,973.55	39,124,702.28
1921	44,347,323.23	12,634,775.39	31,712,547.84
1922	17,076,321.67	7,339,934.57	9,736,387.10

This matter is placed in a still clearer light by the following table, showing the amounts available in the Treasury at the

times when the appropriations were made, in the years 1919, 1920, and 1921, as follows, viz:

Date of appropriation.	Unexpended balance at end of month prior to date of appropriation	Contract obligations and outstanding liabilities.	Balance available at end of month prior to date of appropriation.
Mar. 1, 1919	$58,414,366.87	$11,519,836.77	$46,894,530.10
June 5, 1920	55,583,809.15	25,881,894.93	29,711,914.22
Mar. 1, 1921	39,507,132.45	16,286,743.97	23,220,388.48

The opinion of the Chief of Engineers of the result of keeping less than $12,000,000 in the Treasury as an emergency fund is expressed as follows:

It would, of course, be practicable to have less than $12,000,000 available in the Treasury, but a lesser amount than this would mean practical cessation of all active river and harbor operations, as was the case on June 30 1922, when the available balance ran down to a little less than $10,000,000. Among the reasons why the operations will largely cease when the available balance runs below $12,000,000 may be mentioned the following:

(a) The number of improvements now carried on the books is approximately 500. The balance is not distributed equally among these improvements, but is concentrated among a few of the larger improvements, such as the East River, Delaware River, Ohio River, and a few others where conditions are such that it is impracticable to reduce the balances to low figures. This means that the greater number of the improvements will be without any applicable funds.

(b) The Engineer Department has a floating plant of which the first cost is between $25,000,000 and $30,000,000, and whose present value is considerably in excess of its first cost. Included in this plant are about 160 dredges, 175 snag and derrick boats, 200 towboats, and other valuable pieces of plant. The maintenance and operation of this plant amounts to a very considerable sum per month, and the funds can not be reduced to such a low point as to prevent proper care of the plant in case of its being necessarily laid up for lack of funds to operate it.

(c) During the fiscal year ending June 30, 1922, the number of employees of the Engineer Department varied from 10,618 to 24,888. The reduction of the available funds to a low point would necessitate the discharge of a very large number of these employees, many of whom, even in the unskilled positions, are men who have been employed for years and who are thoroughly conversant with their duties. The disorganization which would result from the discharge of these men and a complete cessation of work would cost the Government a very large sum of money. It can not be calculated in dollars and cents, but it would be a very material loss.

(d) It is always possible that emergencies may arise which may make it necessary to do some immediate work for the relief of navigation or the protection of Government works. For this reason a reasonable working balance is necessary.

5. As shown by the data above, the only time the available balance has been reduced to less than $12,000,000 in the past six years was in June, 1922, and, as stated above, at that time the river and harbor work was by this fact brought practically to a standstill, and the same will be true at any other time that the balance is reduced to that point. It can be confidently predicted that we can not safely permit the balance on June 30, 1924, to be less than this amount, and whatever sum may be appropriated at this session of Congress will be the amount that can be used during the next year.

In conclusion, if we are to increase the value of our rivers by multiplying the freight carried by them; if we are to realize the benefit of the wise expenditures we have already made and not continue indefinitely to lose the interest on the vast sum already spent; if we are to relieve congestion and enable the farmer and the manufacturer to send his product to market; if we are to avail ourselves of the only cheap transportation possible, we should help the engineers in their estimates and appropriate $56,000,000. [Applause.]

Mr. STAFFORD. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. JAMES].

Mr. JAMES. Mr. Chairman, ever since Henry Ford made his proposal to operate the nitrate plants and lease the water power at Muscle Shoals, there has been a great campaign of opposition on the part of certain interests and their friends, who are evidently determined to defeat the acceptance of the Ford proposal. Running through this opposition is the constant claim that the farmers will be disappointed who expect to secure any fertilizer benefits by the operation of Muscle Shoals under the Ford offer. It has been claimed that—

Those who favor the Ford offer are fooling the farmer when they claim that Henry Ford will use the plant at Muscle Shoals and the water power at Dams Nos. 2 and 3 for the manufacture of fertilizer.

The National Fertilizer Association, in a pamphlet of propaganda against the Ford offer, said on page 6:

Another misconception is that through the operation of the Muscle Shoals nitrate plant the farmer would receive a plentiful supply of fertilizer at reduced prices.

And the Kearns report, from a minority of the Committee on Military Affairs, states on page 3, with regard to fertilizer production under the Ford offer:

Our position is that this is a hollow promise made to enlist the support of the farmers and not absolutely binding on any fact contained in the contract or existing outside of the contract.

Mr. Chairman, if these statements are true there is a "joker" in the Ford proposal, and it must be a remarkable "joker"—a "joker" capable of misleading not only the majority of the members of the Military Committee of this House but the majority of the farmers of the United States.

NO "JOKER" IN SECTION 15.

There is one sure way to find the answer to these statements, and that is in the Ford offer itself. Paragraph 15 of Mr. Ford's signed offer says in plain English:

15. Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitutes one of the principal considerations of this offer the company expressly agrees that continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at Nitrate Plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of Nitrate Plant No. 2. If during the lease period said Nitrate Plant No. 2 is destroyed or damaged from any cause, the company agrees to restore such plant within a reasonable time to its former capacity * * *.

ENOUGH NITROGEN TO MAKE 2,000,000 TONS OF 2-8-2 MIXED FERTILIZER ANNUALLY.

I contend, Mr. Chairman, that this constitutes a definite binding agreement to produce at least 40,000 tons of fixed nitrogen annually, which is enough nitrogen to make 2,000,000 tons of 2-8-2 mixed fertilizer. I might say in passing that in 1921 there were only 5,000,000 tons of fertilizer consumed in the United States, so that Mr. Ford's obligation represented 40 per cent of the country's entire tonnage for that year.

WHAT THE ACTING JUDGE ADVOCATE GENERAL OF THE ARMY SAYS ABOUT IT.

It has been maintained, it is true, that the expression "except as it may be prevented by the reconstruction of the plant itself or by war, strikes, accidents, fires, or other causes beyond its control" offers a loophole, because the market price itself may be a cause beyond the control of Mr. Ford or his company, and that the inability to compete in the fertilizer market might be sufficient cause to warrant him in stopping the manufacture of fertilizer. Fortunately the highest legal authority in the Army has already passed on this point. On February 10, 1922, Col. John A. Hull, Acting Judge Advocate General, testified before our committee as follows:

Mr. PARKER. Then it is a serious matter of doubt whether he would have to go on and have to dispose of the goods at a loss if the market price was below what he could make it for?

Colonel HULL. He would have to do it, unless relieved either by Congress or a court of equity.

Mr. PARKER. But it says, "other causes beyond his control," and the price of the goods on the market would be beyond his control.

Colonel HULL. As I said, in my judgment the courts would not hold that price would be "other causes beyond his control."

Mr. PARKER. You think not?

Colonel HULL. No, sir.

The Acting Judge Advocate General also gave us the following testimony that day:

Mr. HULL. If we accept this contract with Mr. Ford, does that leave us free of any contract or liability with any other company?

Colonel HULL. I should say so.

Mr. HULL. You had something to do, as I understand it, with the drafting of this contract?

Colonel HULL. It was drafted in the office.

Mr. HULL. Then I presume you know something about the liability of Mr. Ford under that contract?

Colonel HULL. Yes, sir; it has been studied.

Mr. HULL. Would he be bound to produce fertilizer under that contract if it was found possible?

Colonel HULL. As now drafted?

Mr. HULL. As now drafted he would have to produce at least——

Colonel HULL (interposing). To the maximum capacity of plant No. 2.

Mr. HULL. There would not be any question about that?

Colonel HULL. There is not any, in my mind.

The CHAIRMAN. Under what section?

Colonel HULL. Section 14.

Mr. HULL. Suppose he could not produce it; that it was found physically impossible to produce the fertilizer compound in paying quantities; what would be the result so far as the contract with the Government goes?

Colonel HULL. If the Government insists, a court of equity would grant relief, and not compel the performance of the impossible.

Mr. HULL. What section of the second contract with Mr. Ford covers that?

Colonel HULL. Section 14.

Mr. HULL. If it was found impossible to produce this fertilizer, I presume of course he would be enabled to take the hydroelectric power that was supposed to go into the production of the fertilizer and use it or sell it as he saw fit?

Colonel HULL. Yes; but, of course, he would be obligated to maintain his laboratory and experiments and try to produce.

Mr. HULL. He would have to keep experimenting and trying to produce fertilizer?

Colonel HULL. Yes, sir.

OPPOSITION SAYS HE CAN NOT DO IT EVEN IF HE AGREES TO DO IT.

But the opposition maintains that even if Mr. Ford has agreed to make fertilizer at Muscle Shoals he will not be able to do so. Mr. J. O. Hammitt, vice president of the Air Nitrates Corpora-

tion, the designers and builders of Nitrate Plant No. 2, on February 20, 1922, testifying before our committee, said, regarding Nitrate Plant No. 2:

The plant can not be operated commercially, Congressman, because it is not capable of making anything that has a market on which you could get back the cost of production * * *. It is simply not a practicable commercial proposition.

WHAT THE PRESIDENT OF THE NATIONAL FERTILIZER ASSOCIATION HAS TO SAY.

On the following day, before our committee, Mr. C. H. MacDowell, president of the Armour Fertilizer Co. and president of the National Fertilizer Association, referring to the cyanamid process at Nitrate Plant No. 2, testified:

Inside of five years this method will probably be called obsolete—

And Dr. Charles L. Parsons, consulting chemist, member of President Wilson's nitrate commission, testifying before our committee on March 10, 1922, said:

You can never hope to do anything with plant No. 2, and anybody that runs it will lose money very rapidly. * * * I do not believe Mr. Ford or anyone else can operate plant No. 2 to make fertilizer.

And the National Fertilizer Association in their booklet against the Ford offer say on page 5:

The fact is that neither Mr. Ford nor anybody else could make any fertilizer or fertilizer material through the use of the Muscle Shoals nitrate plant in time of peace even with cheap water power, except at a cost of production substantially greater than the present wholesale market price.

"HE CAN'T DO IT! HE CAN'T DO IT! HE CAN'T DO IT!"

So the chorus goes. He can't do it! He can't do it! But, in the name of common sense, Mr. Chairman, if he can't do it what is all the fuss about? My contentions are that if Mr. Ford gets Muscle Shoals it not only will be done, but the price of fertilizer will be reduced even before a wheel is turned at Muscle Shoals.

The opposing interests know very well that Mr. Ford's offer does not tie him down to any given process, for in paragraph 15, which I have just read, Mr. Ford says that his company will produce 40,000 tons of fixed nitrogen annually "at Nitrate Plant No. 2, or its equivalent, or at such other plant or plants as it may construct, using the most economical source of power available."

Does that mean that Mr. Ford is compelled to use the present cyanamid process—a process which has recently failed in Norway, where they have the cheapest water power in the world—in order to produce 40,000 tons of fixed nitrogen, sufficient to make 2,000,000 tons of 2–8–2 mixed fertilizer? Not at all. On the other hand, he definitely agrees in paragraph 14, section (a), to determine by research whether improved processes are available, and if so found and determined, to reasonably employ such improved methods.

PRESIDENT OF AMERICAN CYANAMID CO. BELIEVED FARMER WOULD GET CHEAPER FERTILIZER.

What is the testimony, Mr. Chairman, about these improved methods? Throughout the hearings during the past six years there runs the definite statement that air-fixation processes do exist whereby fertilizers may be furnished to the farmer for about one-half of what he would otherwise pay for them. That was the statement of Mr. F. S. Washburn, president of the American Cyanamid Co., before the House Committee on Agriculture, on February 9, 1916, when he said:

My anticipation is that the establishment of the nitrogen industry as it can be established, with what I believe and what I believe would appeal to those who study the subject is the proper and legitimate Government cooperation, will give the farmer his fertilizer for one-half of what he would otherwise pay for it.

And in the same year Dr. L. H. Baekeland, one of the foremost independent American chemists, member of the United States Naval Consulting Board, member of President Wilson's nitrate supply committee, testified before the Senate Committee on Agriculture and Forestry, March 24, 1916:

The statement is made by the present Government monopoly in Germany that after the war is over and after what they know now about the synthetic manufacture of nitrogenous fertilizer from the air, after all the experience they have acquired during this war while making nitric acid, that they will be in such condition that they intend to furnish the farmers of Germany nitrogen fertilizer at about one-half the price it is costing the consumer here in the United States. If Germany can do that, gentlemen, there is not the slightest doubt in my mind that we can do the same here or that we can do better.

WHAT GERMANY HAS DONE.

How have these predictions been fulfilled? Germany is the great outstanding example of a country which, driven by the necessities of relentless warfare, was compelled to install and adopt these improved processes; and Doctor Parsons, testifying before our committee on March 10, 1922, said:

Ammonium sulphate is selling in Germany to-day, on our exchange, for approximately one-half the price it is selling in the market here.

And the Koppers Co., of Pittsburgh, in arguing for a duty on sulphate of ammonia to protect them, as they claim, against these war-built air-fixation nitrate plants of Germany, state on page 8:

The cost of operating these plants is relatively low, so that even to-day sulphate of ammonia is being sold in Germany at half the price in the United States, based on the present rate of exchange.

MR. MAYO THINKS FERTILIZER PRICES COULD BE CUT IN HALF.

This is all confirmed by Mr. Ford's representative, Mr. W. B. Mayo, in the following testimony before the Senate Committee on Agriculture (Hearings, p. 280):

Senator HEFLIN. The trust fixes the price of fertilizer to-day, Mr. Mayo, and it absolutely robs the farmers at the prices that it charges. I understand it is the purpose of Mr. Ford to manufacture fertilizers cheaper, so that the farmer will be able to buy fertilizers cheaper than he can buy them now under the trust control. Is not that the purpose?

Mr. MAYO. Well, offhand, we think we could make fertilizer at about half the price it is sold for to-day.

I want to say that I agree with Doctor Baekeland, that if Germany can do that, gentlemen, there is not the slightest doubt in my mind that with the resources and organization at his command Mr. Ford can do the same thing here, or that he can do better.

TWO MILLION TONS OF 2–8–2 MIXED FERTILIZER ANNUALLY FOR THE FARMERS.

Testifying regarding the advantages to agriculture of Mr. Ford's operations at Muscle Shoals, Mr. Mayo testified before our committee (Hearings, p. 977):

Nitrate Plant No. 2 will produce some 2,000,000 tons of completed 2–8–2 fertilizer, or somewhat more than 25 per cent of the annual fertilizer consumption of the United States. If Mr. Ford's economies result in saving only $15 per ton to the farmer, on only this amount of production, the annual saving would be $30,000,000, and the saving in 100 years, without interest, would be $3,000,000,000.

WHAT 40,000 TONS OF FIXED NITROGEN MEANS.

But, they say, Mr. Ford has not agreed to produce sulphate of ammonia. He has agreed to produce 40,000 tons of fixed nitrogen. What does that mean?

In brief it means enough nitrogen for the production of—

110,000 tons of ammonium nitrate, because ammonium nitrate contains 35 per cent nitrogen, or
160,000 tons of ammonium sulphate (which is the same thing as sulphate of ammonia), which contains 21 per cent nitrogen, or
220,000 tons of cyanamid, containing 21 per cent nitrogen, or
250,000 tons of Chilean nitrate, containing 15 per cent nitrogen, or
2,000,000 tons of 2–8–2 mixed fertilizer, containing 2 per cent nitrogen.

But the fertilizer which Mr. Ford would produce probably would not be any of these materials, but one of the more concentrated forms containing both nitrogen and phosphoric acid, which experts from the Department of Agriculture have testified could and should be produced at Muscle Shoals.

Since it has been shown before our committee, Mr. Chairman, that freight constitutes fully one-half of the cost of fertilizer delivered to the farmer, Mr. Ford would not need to produce improved products more cheaply than present products, but could greatly cheapen the cost of fertilizer if he merely produced fertilizer at present costs per unit of plant food, provided he produced the fertilizers in a more concentrated form and sold them, as provided in his offer, direct to the farmers and their agencies, thereby eliminating the greater part of the freight, handling charges, selling expenses, commissions, and so forth.

OBLIGATION TO MAKE FERTILIZER NOT CONTINGENT ON FORD'S MAKING A PROFIT.

But other opponents of the Ford offer state:

Mr. Ford, in his proposition to the Secretary of War, has not agreed to make one pound of fertilizer at Muscle Shoals unless he can make it at 8 per cent profit to himself.

Evidently these gentlemen have never read the definite written proposal which Henry Ford has signed. Whatever he may or may not have said in conversations with the Secretary of War or anyone else, Henry Ford finally signed and nailed down in his formal offer a definite obligation to produce the equivalent of 2,000,000 tons of 2–8–2 mixed fertilizer annually, and, as for the matter of profit, Mr. Ford states in his proposal:

In order that farmers and other users of fertilizer may be supplied with fertilizers at fair prices and without excessive profits, the company agrees that the maximum net profit which it shall make in the manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair actual annual cost of production thereof.

Here we have a clear, straightforward statement—not that the manufacture of fertilizer is contingent upon Mr. Ford's ability to make 8 per cent or any other per cent, but a voluntary limitation upon his profits.

THE WAY SENATOR NORRIS UNDERSTANDS IT.

This was made clear in the testimony of Mr. Ford's chief engineer, Mr. Mayo, before the Senate Committee on Agriculture, of which Senator NORRIS is chairman (Senate hearings, p. 301):

The CHAIRMAN. My understanding of this proposition is that under this offer Mr. Ford would have to make fertilizer whether he made a profit or whether he did it at a loss, but that he could not make more than 8 per cent. Is that your understanding?

Mr. MAYO. That is correct; yes, sir.

Senator KENDRICK. Would he have to continue to make a fixed amount without regard to profit?

The CHAIRMAN. To the capacity of this plant.

Mr. MAYO. The amount stated here is the minimum amount, too.

FAIR ACTUAL ANNUAL COST OF PRODUCTION.

If Mr. Ford makes any profits at all, they are not to exceed 8 per cent on the fair actual annual cost of production, and a board of farmers representing the three great American farm organizations—the American Farm Bureau Federation, the National Grange, and the Farmers' Union—determine what is meant by the words "fair actual annual cost of production." Could any sane, reasonable man ask more?

The farmers, say Ford's opponents, are being fooled by his offer to limit his profits to 8 per cent. But, Mr. Chairman, the farmers are not fooled about the Ford offer. Neither are they fooled about the profits that the fertilizer companies have made out of them. The farmers know that these fertilizer interests, who would protect the poor farmer against the deceptions of the Ford offer, have been engaged in an industry that is more than 50 years old. The farmers know well that in all that time not one of these fertilizer makers has ever offered to open his books and let his customers pass on the fairness of his business transactions or to limit his profits to 8 per cent.

FERTILIZER CLAUSES WRITTEN BY THE REPRESENTATIVES OF THE FARMERS.

It was the representatives of the farm organizations who themselves prepared the fertilizer clauses of the Ford proposal, and in order that there may be no doubt on this point I am inserting in the RECORD the following letters from the American Farm Bureau Federation:

JANUARY 15, 1923.

Hon. W. FRANK JAMES,
House Office Building, Washington, D. C.

DEAR MR. JAMES: In compliance with your request for the history of the writing of the fertilizer guaranty clause of the Ford proposal I wish to advise you that at the time the wording of this proposal was being drawn up Mr. Ford's representative asked that the farmers check over this provision and make such changes as they thought would best protect their interests. This was agreed to. At a conference in the office of the American Farm Bureau Federation there were present Mr. Milo Campbell, of the National Milk Producers' Federation, Mr. R. F. Bower, who for many years has studied the Muscle Shoals development, and the writer. These represented the farmers; Mr. Mayo and Mr. Worthington representing Mr. Ford. The following changes were recommended by the farmers and agreed to by Mr. Ford's representatives, who agreed that they would get the approval of Mr. Ford to these changes, which they subsequently did.

The changes asked by the farmers were as follows: That the manufacture of commercial fertilizer be definitely provided for in the contract; that any improvement which may result from the research should be reasonably employed. In paragraph 15 where it might have been interpreted that the cost limitation would seem to be only at Nitrate Plant No. 2, the phrase "at Nitrate Plant No. 2" was stricken out entirely, leaving the maximum cost to apply to all fertilizer production. The word "fair" was inserted in advance of "actual annual cost of production thereof," which would give the board of farmers power to question the cost as to whether it is fair or not and eventually land a decision on this matter in the Federal Trade Commission. The distribution clause with reference to the authority of the board was written by the farmers and we believe safeguards their interests entirely.

Since these changes were made, at the request of the Military Committee, other slight changes in this section have been made, especially with regard to setting up the farmers' board, and these changes have been approved by the farmers' organizations.

With reference to your request to advise whether the fertilizer guaranty is adequate, I am inclosing a copy of a careful analysis of this clause prepared by the Farm Loan Federation and sent to their membership, and since this has been done we have had no criticism from any farmer as to the guaranty to manufacture fertilizer.

It is very significant to us that all three of the leading farm organizations whose interest in fertilizer is paramount, and consequently whose interest in this fertilizer guaranty clause is most vital, have approved the Ford proposal, including this clause; while the questioning of this fertilizer guaranty clause comes largely from the fertilizer manufacturers and the opposition to the Ford proposal.

I trust this information will be what you desire.

Yours very truly,

AMERICAN FARM BUREAU FEDERATION.
GRAY SILVER,
Washington Representative.

—

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., August 15, 1922.

Due to the fact that Members of Congress and others honestly criticizing the Ford proposal for Muscle Shoals are uninformed as to what fertilizer is and of what it consists, there has been a contention raised by some with reference to the guaranty of the manufacture of fertilizer. In addition, there has been undoubted misrepresentation. Section 15 begins by setting out that "the manufacture, sale, and distribution of commercial fertilizers * * * constitute one of the principal considerations of this offer." This emphasis makes this section the most important of the terms of the proposal, upon the violation of any of the terms of which the Attorney General may institute proceedings for the purpose of canceling and terminating the entire lease (see sec. 19).

With this acknowledgment that the manufacture and the sale of fertilizer is one of the principal considerations, "the company expressly agrees that continuously throughout the lease period" (then follows the standard business proviso in all contracts), "except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand * * * using the most economical source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen * * *."

There is nothing whatever in this section that permits Mr. Ford to stop the manufacture of fertilizer at Muscle Shoals without violating a term of the contract which he has expressly indicated is the most important responsibility which he assumes. Should he fail in any year to manufacture an amount of fertilizer containing 40,000 tons of nitrogen, unless he had been prevented by any of the exceptions as set out above, he has violated a term of the contract, and the penalty is cancellation of the lease of the power. The failure to make 8 per cent profit, or the failure to make any profit, or the inability to manufacture this fertilizer at less than it is sold is not a "cause beyond its control" and would not give him the right to cease the manufacture of the full amount of fertilizer.

This statement is based upon the testimony of the Judge Advocate General's office of the War Department on page 186 of the House hearings:

"Mr. PARKER. Then it is a serious matter of doubt whether he would have to go on and have to dispose of the goods at a loss if the market price was below what he could make it for?

"Colonel HULL. He would have to do it unless relieved either by Congress or a court of equity.

"Mr. PARKER. But it says 'other causes beyond his control,' and the price of the goods on the market would be beyond his control.

"Colonel HULL. As I said, in my judgment the courts would not hold that price would be 'other causes beyond his control.'

"Mr. PARKER. You think not?

"Colonel HULL. No, sir."

Commercial fertilizers are nitrogen fertilizers, phosphate fertilizers, and potash fertilizers, or combinations of these materials suitable for use by farmers. Mr. Ford's proposal is to "manufacture nitrogen and other commercial fertilizers, mixed or unmixed and with or without filler, according to demand." "Other commercial fertilizers" must include phosphate or potash fertilizer ingredients, as distinguished from nitrogen commercial fertilizers. Mr. Ford will not fulfill his contract if in addition to the nitrogen fertilizers he does not produce either phosphate fertilizers or potash fertilizers, and the methods of producing phosphate fertilizers are well known, and the source of material is within 40 miles of Muscle Shoals plant in the Tennessee phosphate fields, and there are great possibilities in the production of potash from potash shales and other materials by the use of the electric furnace.

The nitrogen content of these fertilizers required to be manufactured—40,000 tons of fixed nitrogen—is simply a measure of the amount of nitrogen that shall be contained in these fertilizers. It must be borne in mind that this 40,000 tons of nitrogen is 100 per cent pure nitrogen. Nitrate of soda contains only 16 per cent of pure nitrogen, so that this 40,000 tons of pure nitrogen is equivalent to 250,000 tons of Chilean nitrate of soda, which is equal to the entire amount annually imported from Chile used by the farmers during the normal period just prior to the war, on which the farmers paid an export duty to Chile of $2,800,000. Ordinary mixed commercial fertilizers contain on an average less than 3 per cent of pure nitrogen. A fair figure for the average tonnage produced and consumed in the United States would be 2½ per cent of pure nitrogen content to each ton of fertilizer. The 40,000 tons at Muscle Shoals would furnish nitrogen for 1,600,000 tons of this average mixed commercial fertilizer. Furthermore, this is the minimum amount which Mr. Ford guarantees to make under his proposal; and, in addition to this content of nitrogen fertilizer, Mr. Ford agrees to make other commercial fertilizers, as we have shown above, which must necessarily increase the tonnage of fertilizer materials produced at Muscle Shoals under this contract.

To produce this amount of nitrogen at Muscle Shoals will require 100,000 continuous horsepower, using the process now provided there, or, should economy warrant changing this to the Haber electrolytic process, as advocated by the Ordnance officers, would require 125,000 continuous horsepower. The production of 110,000 tons of phosphoric acid, which amount would reasonably be required, "according to demand," to be combined with this 40,000 tons of pure nitrogen, will require 100,000 more of continuous horsepower. At Muscle Shoals, including the steam plants available, Mr. Ford secures only 240,000 continuous all the year around horsepower from the development covered by the contract, so that practically the entire amount of the continuous available horsepower at Muscle Shoals would, according to the contract, be utilized in the manufacture of fertilizer, without considering the power required for potash production, with regulation of profits agreed to and a board of farmers to determine the cost and regulate the price.

Very truly yours,

AMERICAN FARM BUREAU FEDERATION,
GRAY SILVER,
Washington Representative.

The ones most to be injured by a "joker" are the farmers, but they are the ones who drew up the language which, they are satisfied, protects them thoroughly. It is absurd to suppose that these interested parties would deliberately put a "joker" into the contract for the purpose of fooling themselves. No such thing is reasonable and no such thing was done.

PROFITS OF AMERICAN AGRICULTURAL CHEMICAL CO.

The farmers also know that these fertilizer people have made decidedly more than 8 per cent. In order that this House may know that the farmers are not mistaken, I would like to insert the record of just one of these fertilizer companies—not the largest one by any means. It is known as the American Agricultural Chemical Co.

The Secretary of War testified before our committee that the common stock of this concern was given as a free bonus to purchasers of preferred stock at par. An investment of $100 in their preferred stock in 1899 earned 46 per cent in the year 1918 alone, and since 1910 that $100 investment has earned a total of 243 per cent and has received a liberal dividend every year.

PROFITS IN THE FERTILIZER BUSINESS.

Secretary Weeks testified before the House Committee on Military Affairs (House hearings on Muscle Shoals, 1922, p. 29) that the American Agricultural Chemical Co. was organized about 20 years ago on a basis of "giving to every stockholder a share of preferred stock and a half share of common stock for $100." The par value of both kinds of stock was $100, so that this amounted to selling the preferred at par with the common as a free bonus.

The earnings of a $100 investment, therefore, were the earnings on one share of preferred stock plus the earnings on one-half share of common stock. Both having the same par value, the earnings were as follows:

Year.	On preferred.[1]	On common.[1]	Total earnings on a $100 investment.
	Per cent.	*Per cent.*	*Per cent.*
1910	15.45	10.42	20.66
1911	13.95	9.05	18.47
1912	9.43	7.34	13.10
1913	9.56	5.23	12.17
1914	11.31	7.68	15.15
1915	13.34	10.97	18.82
1916	19.80	20.58	30.09
1917	20.08	21.10	30.63
1918	29.33	35.01	46.83
1919	14.65	7.89	18.59
1920	14.62	7.66	18.45

[1] Statement of Hayden Stone & Co. and Moody's Manual.

Yet Ford agrees to limit his profits to a maximum of 8 per cent.

Profits since organization in 1899 of the American Agricultural Chemical Co.

[From annual reports of the company.]

ANNUAL PROFIT FOR YEAR ENDING JUNE 30.

1903	$1,398,895.05
1904	1,500,771.09
1905	1,635,187.39
1906	1,774,314.50
1907	2,152,620.55
1908	2,156,877.20
1909	2,394,498.13
1910	2,907,874.29
1911	2,679,917.27
1912	2,554,184.88
1913	2,592,725.56
1914	3,065,715.20
1915	3,675,145.39
1916	4,260,606.49
1917	5,546,355.69
1918	8,111,018.38
1919	4,158,670.09
1920	5,281,562.61
1921 (deficit)	11,158,442.34

TOTAL ACCUMULATED PROFITS FROM DATE OF ORGANIZATION TO JUNE 30.

1902	$4,087,375.83
1903	5,485,270.86
1904	6,987,041.95
1905	8,622,229.34
1906	10,396,543.84
1907	12,549,164.39
1908	14,706,041.59
1909	17,100,539.72
1910	20,008,414.01
1911	22,688,331.28
1912	25,242,516.16
1913	27,835,241.72
1914	30,900,956.92
1915	34,576,102.31
1916	40,021,629.59
1917	45,567,985.28
1918	53,679,003.66
1919	57,837,673.75
1920	63,119,236.36
1921	51,960,794.02

TOTAL DIVIDENDS DECLARED TO 1921.

Cash dividends on preferred stock	$29,165,694.80
Cash dividends on common stock	10,878,143.29
Stock dividends on common stock	1,290,426.00
Total	41,334,264.09

Colonel Hull testified before our committee February 10, 1922:

A careful study of the language convinces me that Mr. Ford is bound as well as the company, and he is not discharged the minute the company is organized and undertakes these matters. * * * Mr. Ford obligates his estate and the company when organized.

LEGAL FEATURES OF FORD OFFER PREPARED BY JUDGE ADVOCATE GENERAL—FERTILIZER FEATURES PREPARED BY FARMERS' REPRESENTATIVES.

The Standard Dictionary defines a guaranty as "the act of making sure." Mr. Ford in drafting his offer left nothing undone to make sure that his proposal would be carried out. As Colonel Hull testified, the guaranty clause of the Ford proposal was prepared in the office of the Judge Advocate General. Mr. Mayo, representing Mr. Ford before our committee, testified that the clause which gives the consumer the right to examine the Ford Company's books and see for themselves that his profits were limited to 8 per cent on the fair actual annual cost of production, was written by the representatives of the farm organizations themselves. It may be of interest to state that at no time throughout the negotiations did Mr. Ford have an attorney to look after his interests. As Mr. Ford publicly stated when making his proposal, he placed his offer in the hands of the farmers on the one hand and in the hands of the Government on the other.

But what sort of "joker" have these fertilizer interests—these self-appointed guardians of the welfare of the farmer—been perpetrating for these past years, coming forward as they now do and suggesting that Mr. Ford has a "joker" in his contract? They appear to be well acquainted with "jokers," and such we find to be the case.

18,888 DIFFERENT BRANDS OF FERTILIZER.

The Members of this House will recall that in 1916 the Federal Trade Commission made a report on the fertilizer industry. Among all industries of the country the one which has taken the lead in employing sharp practices for the purpose of confusing its customers regarding its products is the fertilizer industry, for this report shows that in the season of 1914 in four Southern States the fertilizer industry had registered no less than 18,888 different brands of fertilizer. (Federal Trade Commission Report on the Fertilizer Industry, 1916, p. 219.) What could be more confusing to the farmer trying to improve his soil and make a crop, or what could be more favorable to a sharp trader trying to give him as little as possible for his money, than to have available more than 18,000 different brands of fertilizer to choose from? To find the proverbial needle in the haystack would be child's play in comparison with choosing the correct fertilizer from such an assortment and knowing that you had the right one when you got it.

18,000 LITTLE "JOKERS."

This is the industry which was forced by the laws of all the principal fertilizer-using States to label the goods which it sold to its customers, and this is the industry which now comes forward to protect the farmer from injury at the hands of Henry Ford, who, they say, is attempting to deceive the farmer when he tells him that at Muscle Shoals he will undertake to reduce the cost of fertilizer. When he makes this statement these fertilizer people maintain that there must be a "joker" in the Ford offer.

The facts are that when Henry Ford put in his offer for Muscle Shoals, 18,000 little "jokers" got the shimmies, and those responsible for this army of "jokers" are merely trying to confuse the issue by raising a false alarm. Out of their own knowledge of the development of the air-fixation nitrate industry and the application of the electric furnace for the production of phosphoric acid, they very well know that the successful solution of the fertilizer problem at Muscle Shoals is a matter of capital and they also know that Henry Ford has the money and the disposition to use it in the interest of the farmer.

This is no mere assumption, for the president of the National Fertilizer Association stated in his address before the last annual meeting of the association:

There is a probability that a concentrated phosphoric acid can be made with cheap power at Muscle Shoals at less than it could be made there by the sulphuric-acid method—

and in that admission is the explanation of their alarm.

CAN THE FERTILIZER ASSOCIATION BANK ON THE SENATE?

The secretary of this fertilizer association in his last annual report shows a remarkable confidence that this Congress will protect the vested interests when the issue is between them and the farmer, for he says:

Certainly the Muscle Shoals bill will not be passed by this session of Congress, we may bank on that, although it may pass the House.

I am glad that he has to admit that the friends of agriculture are in the majority in this House, but it is my opinion that any man who undertakes to bank on the United States Senate to favor special interests and deny to agriculture the opportunity that is offered in the Ford proposal is reckoning without his host. [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, I yield eight minutes to the gentleman from Mississippi [Mr. QUIN]. [Applause.]

Mr. QUIN. Mr. Chairman and gentlemen of the committee, in the limited time at my disposal it would be impossible for me to discuss the bill, to tell my objections to it, and why I am against certain provisions, especially those providing for the number of enlisted men and officers in the Army. Therefore the few minutes that I have at my disposal I shall devote to

making a few observations touching the ingenious speech by the distinguished gentleman from New York [Mr. COCKRAN].

Mr. Chairman, I was sorry, indeed, that my friend was willing to lend his eloquent voice to such an obnoxious cause. The distinguished gentleman first made some statements of fact which I must contradict. He stated that the States of the South were openly violating the fourteenth and fifteenth amendments to the Constitution of the United States. For his benefit—and he is an able lawyer—I hope the gentleman will read Williams *v.* State of Mississippi, One hundred and seventieth United States Supreme Court Reports, and see that Mississippi is upheld in her constitution by the highest court of this land; and the other Southern States have followed that State, and they are functioning legally and constitutionally.

Then he says that the eighteenth amendment, devoting 45 minutes of his time to that subject, can not be enforced, and therefore it should be repealed. It occurs to me that a man of his age who served on this floor at various times for 40 years could well lend his eloquence to a better cause. The people of the United States after many years of struggle put upon the organic law the eighteenth amendment. All of the States of this Union except four ratified it. Forty-four States out of forty-eight ratified the eighteenth amendment. Yet the gentleman from New York and a few others will stand upon the floor of this House and even go out over the country speaking, stating that the eighteenth amendment and the legislation enforcing it should be nullified; and these are men who have been honored by the people, men who have been placed here with a commission in their hands, in part, at least, to represent 110,000,000 souls. They would want to do away with that sort of legislation and do away with the moral effect of it and again put this Government and her God-fearing people back in partnership with the manufacturers of beer, wine, and whiskies, and in the nefarious traffic and the trail of slime and crime that follows it.

The gentleman from New York and his cohorts claim they want light wine and beer. I know what they really mean: They want strong whisky and heavy wines and alcoholic beer.

Is it possible that men holding such honorable positions would want again to place the people of the United States in an attitude where the boys and girls who are growing up and those yet to be born would be debauched by the same methods that they were before the law went into effect? Yet we have it advocated on the floor of this House. The God-fearing Christian women of this country have been given the ballot since the eighteenth amendment was put on, and yet men will stand up and advocate that the prohibition amendment and legislation be repealed when 44 out of 48 States ratified that amendment, and if the good women had been able, by law, to vote I believe it would have been ratified by the other 4 States. So it occurs to me in advocating the repeal of the prohibition amendment—and restore the liquor traffic and debauchery—it is a slap in the face of womanhood, the morality and the godliness of the good people of the United States of America. That dreaded demon has put its curse in many of the homes of this Republic and now we have the remedy in the organic law and the legislation to enforce that law on the books, and it occurs to me that whether a man's appetite calls for liquor or not he would want to enforce that law and he would want to drive the manufacture of intoxicating liquors, the use of it, the drinking of it, the bartering, from the borders of the United States and even the soil over which our flag floats. We can not expect to have the people in the byways and hedges to respect the law if the men in high places do not respect it. [Applause.] That those who have the mission of a Congressman would want to stand up and say "Do away with this law, stamp it under your feet," and say you can not legislate against the appetites of a few people and therefore you should repeal this amendment to the Constitution and repeal all the legislation to enforce it is strange to me. It seems to me that a man who goes before the country with this responsibility resting upon him in the sight of his God and his fellow man would stop and think before he would advocate such an awful thing. Is it possible that after the people of the United States have fought from the church doors, from the fireside of every hamlet and every rural district, every town, and every city of this Republic to bring about this legislation that a few people in a few different States should ask a great political party to put itself under that corrupt, slimy banner and go staggering down to a drunkard's grave. God forbid. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANTHONY. Mr. Chairman, I yield four minutes to the gentleman from West Virginia [Mr. GOODYKOONTZ].

Mr. GOODYKOONTZ. Mr. Chairman and gentlemen of the committee, I ask unanimous consent to revise and extend my remarks on the subject of the rivers and harbors bill.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to extend his remarks on the rivers and harbors bill. Is there objection? [After a pause.] The Chair hears none.

Mr. GOODYKOONTZ. Gentlemen, the matter to which I wish to direct your attention at this time is a news article appearing in the Washington Post of January 15, 1923, reading in part as follows:

It was learned that Isadore B. Dockweiler, Democratic national committeeman from California, has been in Washington procuring a mailing list of members of the American Legion. At the same time he has been making personal contact with officers of the Legion known to have Democratic leanings and with Republicans known to be disgruntled over the veto of the bonus bill by President Harding.

FOR BONUS-TARIFF SPEECH.

It is assumed the mailing list is desired for the circulation of the bonus-tariff speech of Mr. McAdoo delivered at Fullerton, Calif., last armistice day. It was recently printed in the CONGRESSIONAL RECORD, which makes it available for mailing without cost.

The bill authorizing the issuance of a charter to the American Legion was passed by the Sixty-sixth Congress. This measure—granting a charter to the Legion—was the first act of its kind. Congress had always declined—had refused—to issue such a charter even to the Grand Army of the Republic, but the position was taken that this was the greatest war of all time; that there were no precedent for such legislation, and therefore we should charter the American Legion. Nevertheless the Committee on the Judiciary, of which I had the honor to be a member, recommended the charter, but incorporated in the bill, which Congress enacted into law, the following provision:

SEC. 6. That the organization shall be nonpolitical and, as an organization, shall not promote the candidacy of any person seeking public office.

The executive officers of the American Legion owe it to the country and to the great body of men who constitute the membership of that group to come forward with a statement, either corroborating or denying the allegations of the newspaper article that I have read before you, as to whether or not the American Legion is being used as an instrument to carry on political propaganda in the interest of an individual candidate of a particular party for office, high or low. Officials of the Legion, I respectfully submit, should—concerning the charge—explain without delay. The time has arrived when the American Legion should demonstrate to the country whether or not the charge is mere fiction or if, to the contrary, it proposes to forfeit its charter as a result of being a mere political tool.

Mr. BLANTON. Will the gentleman yield?

Mr. GOODYKOONTZ. I do.

Mr. BLANTON. If the distinguished gentleman from West Virginia, or anybody else, would ask them for a list of their membership, would the giving of the list to the gentleman be a participation in politics?

Mr. GOODYKOONTZ. Yes; certainly. The furnishing of the list of members has heretofore been refused to all candidates of every party; and if in the face of the express language of a statute mandatory in form the Legion officers should constitute themselves as an instrument working at the behest and to the advantage of a political candidate for office the membership of the Legion ought to know the fact and kick them out of office; and it is up to such executive officers to present to the public a statement on the subject. When the bill proposing the charter was pending it was argued that the great body of men proposed to be incorporated would become a powerful factor in politics, and that therefore a charter should not be granted. Such argument was brushed aside, but we did take the precaution to insert in the bill a provision that they should not, as an organization, promote the candidacy of any person seeking public office.

If the officers of the Legion have furnished to Dockweiler, agent of McAdoo, a list of members for his use in contesting with Cox, of Ohio, and Bryan, of Florida, they are guilty of violating the provisions of a statute that was enacted by Congress in the interest of the Nation's defenders; they have prostituted a patriotic act to an ignoble purpose. Let them explain.

If the newspaper report be all fiction, let us have the facts. One thing we confidently believe, and that is that neither W. G. McAdoo, Henry Ford, James M. Cox, nor William J. Bryan have an absolute mortgage on the organization known as the American Legion.

Mr. MOORE of Virginia. I yield four minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, there is in the membership of this House no Member more honorable, more truthful, more sincere, more fearless, or more upright than the gentleman from Georgia [Mr. UPSHAW]. There is no Member who has in his heart a greater amount of the milk of human kindness, of love for his fellow man, than has the distinguished Member from Georgia. The snappy snarl of a modern Baltimorean self-designated mother wolf, such as the one who suckled Remus and Romulus of famous mythical Rome, can not deter him or stand in the way of the progressive Christian civilization of this great Republic.

And neither can the speech of the distinguished gentleman from New York [Mr. COCKRAN] destroy him or his usefulness. Such a speech as was made by the gifted gentleman from New York does more harm and throws in the way of the President in law enforcement more obstacles than the plying of their hellish trade by all the bootleggers throughout the United States put together. He not only encourages them but many others to join them. He speaks of his having voted $8,000,000 to the President to enforce this law. I suggested to him that his speech this afternoon does more harm than $80,000,000 worth of law enforcement will be able to combat.

Such speeches ought to stop. The gentleman said that in the great State of Texas anything is possible. He asserted that the Constitution is not enforced there with respect to the fourteenth and fifteenth amendments. I cite to him my colleague from Texas [Mr. WURZBACH], from San Antonio. He will tell you that both the fourteenth and fifteenth amendments are enforced in the State of Texas. He will tell you that there were about a thousand negroes who voted in his district in the city of San Antonio during the last primary elections. Those two amendments are not violated in the State of Texas any more than any other amendments are violated. But, thank God, in the State of Texas we have a governor who has never yet made a statement like the one he quoted from the Governor of New York, "that so far as beer and light wine are concerned they are going to continue no matter what becomes of the Constitution and the law." Thank God, from the State of Texas we have not a single Member of Congress who would dare to make a speech like that made to-day by the gentleman from New York [Mr. COCKRAN], because every Member from the State of Texas believes as his constituents do in upholding the Constitution and the law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MOORE of Virginia. Mr. Chairman, I yield three minutes to the gentleman from New York [Mr. KINDRED].

The CHAIRMAN. The gentleman from New York is recognized for three minutes.

Mr. KINDRED. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated by him. Is there objection?

There was no objection.

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, the New York Academy of Medicine has recently very fittingly celebrated the one hundredth anniversary of the birth of that great humanitarian and scientist, Louis Pasteur. The word "pasteurized" alone, which has become a word of common household use, immortalizes the name and the great services to humanity of Louis Pasteur. This process of pasteurization, meaning simply the process of boiling suspected milk, liquids, and food, as discovered by Pasteur and prescribed by him, has saved the lives of millions of babies and adults.

Pasteur also was the originator and father of the great science of bacteriology, which established the basis of vaccine-therapy and the prevention and cure of hydrophobia, typhoid fever, and many other diseases, the fatality of which have been so greatly decreased by Pasteur's methods. It is due to the genius of this great scientist that so many millions of lives have thus been saved in the past and will be saved in the future.

I think, therefore, that it is fitting that I, as a physician, should pay some tribute to the life and work of this matchless man of science.

He was born at Dole, France, in a little house in the Rue des Tanneurs, December 17, 1822. His father was a noncommissioned officer of the Empire who had been created Chevalier of the Legion of Honor on the battle field; his mother, the daughter of simple market gardeners.

His first school was the Ecole Primaire, and later, at the College of Arbois, where he was merely an average pupil, with a marked taste for drawing, his career pointing rather to that of the artist than the scientist. However, the principal of the college advised him to enter Ecole Normale Superieure, and in 1839 he left the College of Arbois for that of Besancon, and it was here that he commenced the study of chemistry.

In 1849 he was appointed to the chair of chemistry of the faculty of Strasbourg, and on May 29 of the same year he was united in marriage to Mlle. Marie Laurent, daughter of the rector of the Academy of Strasbourg. He pursued the study of science diligently, and in September, 1854, he was nominated as professor and dean of the recently created faculty at Lille, where he served three years with distinction. In 1857 he was nominated as administrator of the Ecole Normale, also subdirector of science studies.

Stated briefly, the dates of his greater scientific triumphs are: In 1857, fermentations; 1860, spontaneous generation; 1865, diseases of wine and beer; 1868, diseases of silkworms; 1881, virus and vaccines; 1885, prophylaxis against rabies.

On July 6, 1885, he made his first successful operation for rabies on a child named Joseph Meister, describing it in an article read to the Academy of Science and Medicine on October 26–27, 1885, entitled, "Method of Preventing Rabies After a Bite."

I could hardly state in more appropriate terms some of the long list of facts relative to Pasteur and his inestimable services to humanity and science than to quote from an article appearing in the New Republic, of date January 17, 1923, contributed by Nicholas and Lillian Kopeloff, as follows:

Pasteur is being honored as perhaps the greatest scientific genius of all time. In the age of experimentation which marks man's mastery over his environment he was a pioneer. To him bacteriology, that science which permeates every aspect of health and disease, owes its very existence. To-day we are so familiar with bacteria as to contemptuously call them "bugs." We no longer pay them the courtesy of complete destruction, but have gauged their individual threats much as the finished boxer scorns to flee the blow which he so skillfully and imperceptibly turns aside. Indeed, it is a far stretch of the imagination to reconstruct that time 100 years ago when the activities of bacteria were unknown. The doctrine of spontaneous generation was solidly established and sanctified by tradition. This was no more nor less than the belief that living organisms could be produced from inanimate matter. Thus, Van Helmont in the sixteenth century gave a celebrated prescription for the creation of mice from dirty linen and a few grains of wheat or pieces of cheese. Similarly, all fermentation and all putrefaction were regarded as being strictly chemical phenomena.

Pasteur's brilliant experiments demonstrated conclusively the true nature of these everyday processes. Their simplicity is confounding. He began by a microscopic study of the air. "If germs exist in the atmosphere," he said, "could they not be arrested on their way?" Thereupon he drew a current of air through a tube plugged with cotton which contained sterilized broth. There was deposited on the cotton considerable detritus, in which were revealed bacteria upon microscopic examination. The nutritive fluid, thus protected, did not putrefy, but upon dropping some of the shreds of cotton into it putrefaction promptly set in. Not content with this experiment, he wished to show that sterilized liquids would remain uncontaminated even in contact with air, provided that the entrance of dust particles was prohibited. This was accomplished by devising flasks the necks of which had been drawn out into fine tubes bent in the form of a U. The ends of the U being left open permitted the sedimentation of dust from the air as far as the lowest angle of the tube, but no dust was carried up the second arm into the liquid. In such flasks no putrefaction occurred, but it could be induced by the simple expedient of slanting the entire apparatus until the liquid ran into the bent arm of the tube, where the dust particles containing bacteria had collected. Finally he took flasks containing sterilized fluid to different heights above sea level, climbing mountains and glaciers, and showed that the purer the air the less contamination took place.

Here was definite proof that putrefaction and decay were not the resultants of "spontaneous generation," but were the by-products of chemical decomposition caused by the metabolic activities of microorganisms. Not only did he point out that these fermentations were caused by microorganisms, but he investigated the spoilage of these products, discovering that bitterness or greasiness was due to a special ferment. In fact, the town of Arbois, famous for its Jura red and white wines, placed an impromptu laboratory at Pasteur's disposal during the holidays of 1864, so that he might discover the remedy for the acidity which ruined their "rosy and tawny wines." Pasteur's reply is characteristic of the modesty which has become proverbial. "This spontaneous offer from a town dear to me for so many reasons," he wrote the mayor and town council, "does too much honor to my modest labors, and the way in which it is made covers me with confusion." Accordingly he refused it, fearing his services might not be proportionate to their generosity. He preferred to camp out with his curators in an old coffee room at the entrance to the town, where they contented themselves with apparatus of the most primitive description, generally made by some local tinker or even blacksmith. And this problem terminated in the procedure which makes of his name an immortal adjective: "Pasteurized." He discovered that by heating the wines for a few moments at a moderately high temperature, 135° F. (212° being the boiling point of water), their good keeping qualities were assured. The principle of a short preliminary heating is now universally applied to milk in order to safeguard it against spoilage.

Pasteur is of the soil, and it is fitting therefore that he should have rendered agriculture inestimable service. Turning his attention to vinegar making he was soon embroiled with Liebig, the great German chemist, as to the very nature of this biological process. The latter contended that microorganisms were not responsible for the production of vinegar from beechwood chips, whereas Pasteur demonstrated that it was due to the presence of mycoderma aceti, which grew on the chips or wood shavings. Similarly he discovered the organisms which produce lactic and butyric fermentation.

His greatest contribution, however, was in behalf of the silk industry. In 1864–65 the silk districts of that region of France known as the Midi suffered such serious losses that the yield of cocoons fell from 26,000,000 to 4,000,000 kilograms, which entailed a loss of $20,000,000 and caused widespread distress and poverty. An epidemic had broken

out among the silkworms—that dread disease known as pebrine. Pasteur was employed by the stricken districts and the Minister of Agriculture to undertake an investigation. After several years of study, he found the organism causing the disease, suggested remedies, and brought back wealth to the ruined communities. But this was at the cost of impaired health and a partial stroke of paralysis.

It is due to Pasteur's memorable researches that bacteria and their microscopic allies emerged from their relative obscurity as organisms chiefly of interest to the professional biologist, and achieved a conspicuous position in natural science as a group of organisms whose activities were full of a far-reaching significance for all mankind. This opens the most spectacular chapter of his achievements, the one which has brought him universal recognition. Lord Lister, who devised the methods in surgery which rob it of so many of its former terrors, thus addressed Pasteur, whose ideas had inspired that work at the latter's jubilee celebration in 1892: "Truly there does not exist in the entire world any individual to whom the medical sciences owe more than they do to you. Your researches on fermentation have thrown a powerful beam, which has lightened the baleful darkness of surgery, and has transformed the treatment of wounds from a matter of uncertain and too often disastrous empiricism into a scientific art of sure beneficence. Thanks to you, surgery has undergone a complete revolution, which has deprived it of its terrors and has extended almost without limit its efficacious power." Prior to Pasteur's contributions, the *mortality* from blood-poisoning, gangrene, and other infections following surgery and childbirth was extremely high. This condition was summed up in the famous words of Valpeau, "the prick of a pin is the open door to death." To-day, what with the sterilization of instruments, sponges, ligatures; in a word, everything which comes in contact with the patient, a surgical operation is only a surgical operation, and not a preliminary to death by blood-poisoning.

It would be a difficult task to enumerate all the contributions to science made by Pasteur. Trained as a chemist, his initial researches dealt with the problems of the formation of molecules and their optical activities, as in his experiments with racemic and tartaric acids. These led him into a study of fermentation, which is essentially the decomposition of sugars through bacterial agencies. Mention has already been made of his fundamental work in establishing the existence and activities of bacteria, but one point requires further emphasis. Pasteur discovered that certain microorganisms could be active in the absence of free oxygen. This radically upset the conception of metabolic processes then prevalent since it was believed until that time that life could be supported only when a free supply of oxygen obtained. Yet here were these anaerobes, simple microorganisms, as incontrovertible proof.

Pasteur's notable investigations of anthrax, that dreaded disease, that dreaded disease which lurks in unsterilized shaving brushes, improperly tanned hides, etc.; of chicken cholera and of swine fever, which produce serious epidemics, culminated in the preparation of vaccines which are fundamental to our present knowledge of immunity.

The most spectacular application of this work has been to hydrophobia or rabies. This disease is one which primarily attacks animals, being most prevalent among the carnivora—dogs, cats, and wolves. But man is also subject to this disease, principally through the entrance of the saliva of rabid animals by bites or scratches. "Rabies is prevalent to an alarming extent in all civilized countries except England, where the careful supervision of dogs, enforcement of muzzling laws, and rigid legislation regarding the importation of dogs have caused a practical eradication of the disease in that country. The treatment, which is now prophylatically applied to patients with or suspected of infection with rabies, has been but little altered either in principle or in technical detail since it was first worked out by Pasteur." This consists of an active immunization with virus, i. e., the administration of gradually increasing doses of the actual virus capable of causing hydrophobia, but which has been attenuated by dryings. The body reacts by the formation of antibodies which combat the virus. The injections are continued until a strongly virulent virus produces no untoward effects. This indicates that the body has acquired an immunity capable of neutralizing the original virus introduced by the rabid animal. The efficiency of the Pasteur treatment for rabies is no longer problematical. Over 50,000 individuals have been treated within 10 years with an average mortality of 1 per cent.

The sweeping change wrought by Pasteur in all conceptions of disease has been forcibly characterized by Tyndall: "We have been scourged by invisible thongs, attacked from impenetrable ambuscades, and it is only to-day that the light of science is being let in upon the murderous domains of our foes." The master mind of Pasteur has dominated the realm of bacteriology since 1860. "His epoch-making discoveries were largely due to his intuitive vision, his skill in device, and in the adaptation of means to ends, his prodigious industry, and the enthusiasm and love with which he inspired his associates." His aphorism, "It is characteristic of science and progress that they continually open new fields to our vision," is indicative of his own life-work. Each advance in bacteriology is an added monument to his achievements. No one can fail to be inspired by the personality which made it possible. Vallery-Radot has immortalized it in the Life of Pasteur, and others have done him homage. But Pasteur belongs not to the biographers, not to the bacteriologists, not even to adoring France; he belongs to humanity for all time.

"The debt of biology, the debt of medicine, the debt of all science to Pasteur is a debt to that indefinable breath of which Renan spoke. No one branch of science can claim a monopoly of Pasteur's genius."

Reviewing from the vantage point of to-day the position which Pasteur occupies in the history of science, free now from the shocks to prejudice and superstition which followed in apparently endless succession from his work, it would seem that the greatest expression of his genius lay in the glorification of scientific method—observation, deduction, experimental proof—through these things his life work, in the words of Renan again, "is like unto a luminous track in the great night of the infinitesimally small, in that last abyss where life is found."

How is it possible to put in a few words an adequate expression of the debt of biology to Pasteur? A consummate master of the method of science; not a medical man, yet by his achievements establishing medicine in all its branches on a scientific foundation; not a biologist, yet by sheer force of scientific method able to shape and to securely place the keystone in the arch of our conceptions of living nature. And what a model for all men was his tolerance of the shabby quarters in the garret of the Ecole Normale in the Rue d'Ulm. Here, surely, he demonstrated the fact that achievement is not the reflected radiance of a palace of research but comes from within.

"Wherever he went," says Duclaux, "Pasteur was an initiator. Guided by an imagination so adventurous and at the same time so well controlled, we are constantly on the borders of new countries, but we journey in security." His mind worked progressively, always building a new edifice on the foundation of a principle which he had previously demonstrated. We irresistibly look back on his final achievements in preventive medicine to his earlier work on splenic fever, and from this, still back to that inspiration—the germ theory of disease—which grew up with his investigations on the cause and prevention of silkworm epidemics. Here again a great generalization was but the crystallization in a mind saturated with varied conceptions of the activities of minute organisms responsible, as he had shown, for the multiple phenomena of fermentation. And who shall say that the explanation of these phenomena was not the outcome of his early work on the rotary power of crystals and molecular dissymmetry?

Most of Pasteur's great discoveries were the results of investigations undertaken in response to economic or human needs. So it was with fermentation. * * * As a result of these experiments, a new road was opened, a road which was to lead him to some of the most important discoveries in the history of science.

* * * * * * *

Pasteur's solution of the problem of fermentation is typical of all his work. He struck first at the widely accepted view that fermentations are due to unknown molecular forces. He demonstrated experimentally, first with lactic fermentation, that different kinds of activities of similar nature are brought about through the vital activities of living organisms, and he showed that each type is dependent upon its own specific kind of microorganism. Nor was he content to rest here. His clear thinking mind reached beyond the horizon of fermentations to the intricate play of living things whereby the equilibrium of nature is maintained. He saw the part played by microorganisms in putrefaction and decomposition; he saw how, through their activities, the protein matter, and all substances composing the bodies of animals and plants, are ultimately reduced to ammonia, carbon dioxide, mineral salts, and water, and restored to the earth to be taken up by green plants where, through photosynthesis, they are brought back again to the realm of living protoplasm. He thus added the physical basis of life to Helmholz's principle of the conservation of energy and gave to biology for the first time a sense of the marvelous cycle of matter and energy in living nature.

His studies on fermentation opened up a new series of problems. On every side arose the inevitable question: Whence come these minute living organisms? Do they develop spontaneously, or do they come from preexisting organisms like themselves? In all ages spontaneous generation has been the refuge of the uninformed and the hopelessly ignorant. Even as late as the seventeenth century eels, salamanders, lizards, flies, bees, and various other forms of life were regarded as originating by spontaneous generation, and we find a noted chemist of that day gravely handing down to us an infallible recipe for making mice: "Place a piece of soiled linen in a vessel; add a few grains of corn; flavor with a bit of cheese; and in 21 days the mice will be there, fully adult and of both sexes." Such views strike us as too silly for belief. But in those days tradition and superstition were powerful factors which few dared to question. Redi, and later Vallisneri, both Italian physicians, were among the first to doubt and to follow up their doubts with experiments. The former proved that flies would not develop from rotting meat if the latter is covered properly by gauze. He noted that flies, attracted no doubt by the odor of meat, deposit eggs on the covering gauze. He saw that larvæ develop from the eggs, and flies from the larvæ. Vallisneri proved that the wormlike grub found in fruit does not develop from the fruit, but from an egg deposited there by an insect. Little by little the old traditions were replaced by facts, and so far as these larger animals are concerned, the theory of spontaneous generation was abandoned.

In 1675, however, the world of microscopic life was opened up by the Dutch naturalist, Leeuwenhoek. Minute living things were found to develop in pure rain water as well as in all moisture where organic matter is present. How could their origin be explained save through spontaneous generation? The old tradition, reenforced, came back, and experiments analogous to those of Redi and Vallisneri in the hands of Buffon, Needham, Pouchet, Joly, Bastian, and others, appeared to verify it. Other experiments, with conclusions opposed to spontaneous generation by Spallanzani, Schultze, Schwann, and others, were incomplete and failed to carry conviction. The idea that specific living germs are present in the air was inconceivable and partisans of spontaneous generation certainly had the best of it in argument. "We are mindful," they would say, "of a certain experiment of Gay-Lussac, where a small amount of the must of grapes when brought in contact with a few bubbles of air, would begin to ferment. You say these bubbles brought with them some germs of yeast, but they must bring something else. How could a bubble of air bring germs of yeast into one fluid, something else into an infusion of hay, and still other things into a meat infusion? That makes a great many germs." Pouchet added, "The air, thus peopled, would have the density of iron."

Armed with his previous experience, Pasteur was ready. With infinite patience, experiments were planned and carried out. Nutrient but sterile media in sealed flasks, exposed to heated or filtered air, in the great majority of cases remained sterile; so too, when exposed to rarefied mountain air. From his discussions with Pouchet and Joly, there followed the conclusive proof that germs are present in the air we breathe; from his discussions with Bastian came the proof that solids and liquids, as well as the air, are carriers of germs. It was from these discussions, particularly from those with Bastian, that the modern technique in bacteriology and in surgery has been developed.

The ghost of spontaneous generation, however, was not yet laid. Notwithstanding the fact that the media used by Pasteur were apparently sterile, and the air supplied was germ free, an active development of microorganisms occurred now and then. Such exceptions were eagerly seized by his opponents as evidence that in these flasks only were the proper conditions for spontaneous generation provided. Pasteur's experience had not brought to light the fact that the spores of some organisms have the power to resist prolonged heating at high temperatures which kill actively living germs. This fact was later demonstrated for the first time by Jeffries Wyman. These heat-resistant germs were the cause of fermentation in Gay-Lussac's must of grapes; they developed in Pouchet's sterilized hay infusion, and they were present in Bastian's samples. Gay-Lussac affirmed the phenomena to be due to oxygen; Pouchet and Bastian to spontaneous generation; Pasteur to germs of the air. All were mistaken. Later, it was shown that the heat-resisting spores develop only in the presence of air. Pasteur was right so far as the presence of the germ was concerned; Gay-Lussac so far as the need of oxygen was concerned; Pouchet and Bastian were hopelessly wrong.

Pasteur was by no means satisfied with his incomplete demonstration that, like high organisms, all types of germs are derived from

germs similar to themselves. He was planning further extensive experiments in this direction when he was called upon to undertake a new and an entirely different type of work. The great silk industry of southern France, already vastly reduced, was threatened with complete ruin by a deadly epidemic among the silkworms. Pasteur was asked to investigate the disease and if possible to provide a remedy. This is the point in Pasteur's career where, if at all, we can draw the line between his achievements in general biology and those in preventive medicine. During the six years from 1865 which he devoted to the silkworm problem there gradually developed in his mind the conviction that many human diseases are due to microorganisms. Duclaux writes of this period: "* * * Nothing can be more curious than to see Pasteur at close quarters with a bristling complicated problem, beginning by being deceived about it, by seeing things the wrong side to, but led back continuously to the truth by experiment, and ending by unraveling all the complications. I do not know a more beautiful example of scientific investigation. It is the first camp on a route wherein he found immortality; the earlier discoveries had given him only glory."

Pasteur's last summer was spent at Villeneuve-l'Etang, where he passed away on Saturday, September 28, 1895.

Valery-Radot, his son-in-law, quotes Pasteur as saying on one occasion: "A man of science should think of what will be said of him in the following century, not of the insults or the praise of one day."

In commemorating Pasteur's one hundredth birthday this year, audiences throughout the world will know nothing of the insults, but in this "following century" will unite in one great wave of praise. He did become a teacher, as his father so ardently wished, not indeed in the college at Arbois, not only in the universities of Strasbourg, Lille, or at the Ecole Normale, but a teacher at whose feet the civilized world still sits in grateful appreciation.

Perhaps the most notable of all the praise conferred upon Pasteur was bestowed on the occasion of his reception into the Academie Francaise by Ernest Renan, who on this occasion addressed the following words to Pasteur:

"That common basis of all beautiful and true work, that divine fire, that indefinable breath which inspires science, literature, and art, we have found it in you. Sir, it is genius."

The commemoration of Pasteur's one hundredth anniversary by the New York Academy of Medicine, including as it does an exhibition of a rare collection of photographs of Pasteur and of the surroundings amid which he lived and did his great work, is in itself one of the greatest tributes that could be paid to any man, even to one of Pasteur's matchless humanitarian and scientific achievements.

Mr. ANTHONY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, had come to no resolution thereon.

POST OFFICE APPROPRIATION BILL.

Mr. OGDEN. Mr. Chairman, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, with Senate amendments, disagree to the Senate amendments, and grant the conference asked for by the Senate.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to take from the Speaker's table, disagree to the Senate amendments, and grant the conference asked for by the Senate on the bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GARRETT of Tennessee. Mr. Speaker, is that agreeable to the minority Members?

Mr. OGDEN. That is agreeable to the minority Members.

The SPEAKER. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. SLEMP, Mr. MADDEN, Mr. OGDEN, Mr. TAYLOR of Colorado, and Mr. CARTER.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that January 10 they had presented to the President of the United States for his approval the following bills:

H. R. 12170. An act to revive and reenact the act entitled "An act to authorize the Commissioners of Lycoming County, Pa., and their successors in office, to construct a bridge across the West Branch of the Susquehanna River from the foot of Arch Street, in the city of Williamsport, Lycoming County, Pa., to the borough of Duboistown, Lycoming County, Pa.," approved August 11, 1916;

H. R. 10531. An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes;

H. R. 966. An act for the relief of the Tacoma Tug & Barge Co.;

H. R. 7658. An act to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department," and for other purposes";

H. R. 13374. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13615. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS.

Mr. ANTHONY. Mr. Speaker, I move that the House do now adjourn.

Mr. GARRETT of Tennessee. Will the gentleman withhold that motion for a moment?

Mr. ANTHONY. I will withhold it.

Mr. GARRETT of Tennessee. Has Calendar Wednesday been dispensed with?

Mr. ANTHONY. I do not believe it has. I feel quite sure that it was intended to ask that Calendar Wednesday be done away with to-morrow. So I ask unanimous consent, Mr. Speaker, that the business in order on Calendar Wednesday be dispensed with to-morrow.

The SPEAKER. The gentleman from Kansas asks unanimous consent that the business in order to-morrow be dispensed with. Is there objection?

There was no objection.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. CULLEN, indefinitely, on account of illness;

To Mr. TAGUE, indefinitely, on account of illness; and

To Mr. SMITH of Michigan (at the request of Mr. MAPES), indefinitely, on account of illness.

ENROLLED JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution (S. J. Res. 251) providing for the filling of two vacancies in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

ADJOURNMENT.

Mr ANTHONY. Mr. Speaker, I renew my motion to adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 17, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

910. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, United States Army, statement showing name and place of residence of each civilian engineer employed between July 1, 1921, and June 30, 1922, under appropriations made by acts of Congress for the improvement of rivers and harbors, the time so employed, the compensation paid, and the place where and works on which employed; to the Committee on Expenditures in War Department.

911. A letter from the Director of United States Veterans' Bureau, transmitting a statement as of January 1, 1923, indicating the total number of positions at a rate of $2,000 or more per annum, the rate of salary attached to each position, and the number of positions at each rate in the central office; to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WHITT of Maine: Committee on Merchant Marine and Fisheries. H. R. 13773. A bill to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes; without amendment (Rept. No. 1416). Referred to the Committee of the Whole House on the state of the Union.

Mr. WINSLOW: Committee on Interstate and Foreign Commerce. S. J. Res. 259. Joint resolution authorizing the President to abrogate the international agreement embodied in certain Executive orders relating to the Panama Canal; without amendment (Rept. No. 1417). Referred to the House Calendar.

Mr. FOCHT: Committee on the District of Columbia. H. R. 13834. A bill to amend the insurance laws of the District of Columbia; without amendment (Rept. No. 1419). Referred to the Committee of the Whole House on the state of the Union.

Mr. RODENBERG: Committee on Flood Control. H. R. 13810. A bill to continue the improvement of the Mississippi River and for the control of its floods; without amendment (Rept. No. 1420). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEENERSON: Committee on the Post Office and Post Roads. H. R. 11193. A bill to encourage commercial aviation and authorizing the Postmaster General to contract for air-mail service and prescribing rates of transportation and postage thereon; with amendments (Rept. No. 1421). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ANDREW of Massachusetts: Committee on Naval Affairs. H. R. 12158. A bill for the relief of Theodore F. Howe; without amendment (Rept. No. 1418). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SNYDER: A bill (H. R. 13826) to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883; to the Committee on Indian Affairs.

By Mr. GREEN of Iowa: A bill (H. R. 13827) relating to the sinking fund for bonds and notes of the United States; to the Committee on Ways and Means.

By Mr. MARTIN: A bill (H. R. 13828) to amend paragraph 11 of section 1001 of an act entitled "An act to reduce and equalize taxation, to provide revenue, and for other purposes," approved November 23, 1921; to the Committee on Ways and Means.

By Mr. DALLINGER: A bill (H. R. 13829) to determine proceedings in cases of contested elections of Members of the House of Representatives; to the Committee on Elections No. 1.

By Mr. WHITE of Kansas: A bill (H. R. 13830) to permit the admission into the United States of refugees from Turkish territories; to the Committee on Immigration and Naturalization.

By Mr. McFADDEN: A bill (H. R. 13831) to amend the last paragraph of section 10 of the Federal reserve act, as amended by the act of June 3, 1922; to the Committee on Banking and Currency.

By Mr. WINSLOW: A bill (H. R. 13832) to authorize the leasing of oil and coaling plants at Cristobal and Balboa, Canal Zone; to the Committee on Interstate and Foreign Commerce.

By Mr. ANTHONY: A bill (H. R. 13833) relating to sundry matters in connection with the administration of the War Department; to the Committee on Military Affairs.

By Mr. FOCHT: A bill (H. R. 13834) to amend the insurance laws of the District of Columbia; to the Committee on the District of Columbia.

By Mr. SNYDER: A bill (H. R. 13835) authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes; to the Committee on Indian Affairs.

By Mrs. HUCK: A joint resolution (H. J. Res. 423) authorizing and directing the President to inform other nations that the United States will delegate to its people the sole power to declare war against any nation that shall delegate the same power to its people; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Virginia: A bill (H. R. 13836) to provide for an examination and survey of Nomini Bay and Creek, Westmoreland County, Va., and channel connecting the same with the Potomac River; to the Committee on Rivers and Harbors.

By Mr. BROWN of Tennessee: A bill (H. R. 13837) for the relief of Victor M. Burris; to the Committee on Naval Affairs.

Also, a bill (H. R. 13838) for the relief of the widow of W. W. Rutledge; to the Committee on War Claims.

By Mr. CARTER: A bill (H. R. 13839) to authorize an examination of Boggy River, Okla.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13840) granting a pension to Mary Marker; to the Committee on Invalid Pensions.

By Mr. FAUST: A bill (H. R. 13841) granting a pension to Sue A. Thompson; to the Committee on Invalid Pensions.

By Mr. FOCHT: A bill (H. R. 13842) granting a pension to Ada Hunt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13843) granting a pension to George D. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13844) granting a pension to John H. Smith, alias Henry H. Smith; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 13845) granting an increase of pension to Mary E. Saner; to the Committee on Invalid Pensions.

By Mr. KETCHAM: A bill (H. R. 13846) granting a pension to Lydia Bedortha; to the Committee on Invalid Pensions.

By Mr. ROBSION: A bill (H. R. 13847) granting a pension to Nancy J. Grider; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13848) granting an increase of pension to Catherine Meece; to the Committee on Invalid Pensions.

By Mr. WHITE of Kansas: A bill (H. R. 13849) granting a pension to Irene S. Slagle; to the Committee on Invalid Pensions.

By Mr. WHITE of Maine: A bill (H. R. 13850) granting a pension to Almedia M. Flanders; to the Committee on Invalid Pensions.

By the SPEAKER (by request): Memorial of the Legislature of the State of South Dakota urging Congress to give careful and favorable consideration of House bill 13574; to the Committee on the Library.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6826. By the SPEAKER (by request): Petition of Detroit Lodge No. 160, Loyal Order of Moose, indorsing the movement for a conference of nations to be called by the President of the United States to seek restriction of the production of raw materials from which narcotic drugs are made; to the Committee on Ways and Means.

6827. Also (by request), resolution adopted by 2,500 citizens of St. Louis, memoralizing Congress to inquire whether the citizens of the United States are receiving that protection of the fourth amendment to which they are entitled; to the Committee on the Judiciary.

6828. By Mr. ANDREW of Massachusetts: Petition of citizens of Haverhill, Mass., and vicinity, for the abolishment of discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6829. By Mr. BECK: Petition of Mr. M. T. Drea and 83 other citizens of Sauk County, Wis.; also petition of Mr. C. W. Ward and 12 other citizens of Vernon County, Wis.; also petition of Mr. Lee Campbell, John Bliss, W. E. Andrews, and 40 other citizens of Monroe County, Wis.; also petition of Earl Bingham and 32 other citizens of Juneau County, Wis., protesting against the proposed Sunday observance legislation for the District of Columbia; to the Committee on the District of Columbia.

6830. Also, petition of George W. Powell and others of Genoa, Wis., protesting against so-called "Sunday legislation" and demanding the Constitution be left as it is with regard to privileges; to the Committee on the District of Columbia.

6831. By Mr. BLAND of Virginia: Petition of citizens of Elizabeth City County, Va., favoring the abolition of discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6832. By Mr. DENISON: Petition of various citizens of Cairo, Ill., urging support of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6833. By Mr. KELLER: Petition signed by 15 citizens of St. Paul, Minn., urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6834. Also, petition signed by 30 citizens of North St. Paul, Minn., urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6835. Also, petition signed by 16 citizens of St. Paul, Minn., urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6836. Also, petition signed by 31 citizens of St. Paul, Minn., urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6837. Also, letter from membership of St. Paul's Evangelical Church, St. Paul, Minn., urging support of joint resolution

extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6838. Also, petition signed by 24 citizens of St. Paul, Minn., urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6839. Also, resolution adopted at a mass meeting of citizens of St. Paul, Minn., urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6840. Also, memorial from St. Paul Unit, No. 34, Steuben Society of America, urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6841. Also, petition signed by 40 citizens of St. Paul, Minn., urging support of joint resolution extending aid to people of German and Austrian Republics; to the Committee on Foreign Affairs.

6842. By Mr. KINDRED: Petition of mass meeting of the citizens of Plattsburg, urging Congress to support national defense act by making appropriations as recommended by the President and Secretary of War; to the Committee on Naval Affairs.

6843. Also, petition of customs laborers of San Francisco, favoring House bill 13382; to the Committee on Ways and Means.

6844. Also, petition of Frederick Snare Corporation, favoring a change in the immigration law; to the Committee on Immigration and Naturalization.

6845. By Mr. KISSEL: Petition of Harry Boland Council, American Association for Recognition of the Irish Republic, Brooklyn, N. Y., urging the Government of the United States to protest against the barbarous executions of prisoners of war now being carried on by the so-called Irish Free State; to the Committee on Foreign Affairs.

6846. By Mr. LINEBERGER: Petition of 21 citizens of Long Beach, Calif., to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6847. Also, petition from 14 citizens of the ninth congressional district of California, opposing the Bursum Indian bill; to the Committee on Indian Affairs.

6848. By Mr. LITTLE: Resolutions of the Spring Hill (Kans.) Farmers' Union, Local No. 1784, in regard to the Federal reserve bank; to the Committee on Banking and Currency.

6849. By Mr. RADCLIFFE: Petition of 48 citizens of New Jersey, favoring a joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6850. By Mr. RIORDAN: Petition favoring a joint resolution to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6851. By Mr. ROSE: Petition of Cambria County Rural Letter Carriers' Association, Pennsylvania, urging passage of the Ketcham bill, H. R. 13297; to the Committee on the Post Office and Post Roads.

6852. Also, petition of the Republican Women's Organization of Cambria County, Pa., urging a more strict and impartial enforcement of the prohibition law in that district; to the Committee on the Judiciary.

6853. By Mr. SNELL: Petition of citizens of Plattsburg, N. Y., favoring national defense act; to the Committee on Military Affairs.

6854. Also, petition of citizens of Saranac Lake, N. Y., to abolish discriminatory tax on small arms, ammunition, and firearms, internal revenue bill, section 900, paragraph 7; to the Committee on Ways and Means.

6855. By Mr. SMITH of Michigan: Resolutions adopted by Hillsdale Pomona Grange, Hillsdale, Mich., protesting against the passage of House bill 13125, an amendment to the Federal farm loan act; to the Committee on Banking and Currency.

6856. By Mr. THOMPSON: Petition of 177 citizens, Putnam County, Ohio, urging action on House Joint Resolution 412, for the relief of the distress and famine conditions in Germany and Austria; to the Committee on Foreign Affairs.

6857. By Mr. YOUNG: Petition of the Benedict National Farm Loan Association, Benedict, N. Dak., protesting against the Strong bill and urging that it shall not be passed without amendments; to the Committee on Banking and Currency.

6858. Also, petition of the Carson National Farm Loan Association, Carson, N. Dak., protesting against the Strong bill (H. R. 13125), and urging that same shall not be passed; to the Committee on Banking and Currency.

6859. Also, petition of the Ellendale National Farm Loan Association, opposing amendments to the Federal farm loan act; to the Committee on Banking and Currency.

6860. Also, petition of H. Heitmann and others, of Martin, N. Dak., urging the passage of joint resolution now pending in Congress purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6861. Also, petition of F. W. Kalbur and others, of Ellendale, N. Dak., urging the passage of joint resolution now pending in Congress purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6862. Also, petition of J. R. Klundt and others, of McClusky, N. Dak., urging the passage of joint resolution now pending in Congress purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6863. Also, petition of Reo L. Knauss and others, of Bismarck, N. Dak., urging the passage of joint resolution now pending in Congress purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6864. Also, petition of Michael Schmierer and others, of Ellendale, N. Dak., urging the passage of joint resolution now pending in Congress purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6865. Also, petition of National Farm Loan Association, Bottineau, N. Dak., protesting against the passage of the Strong bill without amendment; to the Committee on Banking and Currency.

6866. Also, petition of the National Farm Loan Association, of Cando, N. Dak., opposing certain amendments to the Federal farm loan act; to the Committee on Banking and Currency.

SENATE.

WEDNESDAY, *January 17, 1923.*

(Legislative day of Tuesday, January 16, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Glass	McKellar	Smoot
Ball	Hale	McKinley	Spencer
Bayard	Harris	McLean	Stanfield
Borah	Harrison	McNary	Stanley
Brookhart	Heflin	Nelson	Sterling
Calder	Hitchcock	New	Sutherland
Capper	Johnson	Nicholson	Townsend
Colt	Jones, Wash.	Norbeck	Underwood
Couzens	Kellogg	Norris	Wadsworth
Culberson	Kendrick	Oddie	Walsh, Mass.
Curtis	Keyes	Overman	Walsh, Mont.
Dial	King	Ransdell	Warren
Fernald	Ladd	Reed, Pa.	Watson
Fletcher	Lenroot	Sheppard	Weller
George	Lodge	Shortridge	Willis
Gerry	McCumber	Simmons	

Mr. CURTIS. I was requested to announce that the Senator from Arizona [Mr. CAMERON] is detained on official business.

Mr. WILLIS. I desire to announce the unavoidable absence of my colleague [Mr. POMERENE] on account of illness. I ask that this announcement may stand for the day.

Mr. BROOKHART. I wish to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained at a hearing before the Committee on Manufactures.

The VICE PRESIDENT. Sixty-three Senators having answered to their names, a quorum is present.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate the following communications, in response to Senate Resolution 399, relative to the number and use of automobiles in the several departments, independent bureaus, and commissions, which were ordered to lie on the table:

A communication from the president of the Columbia Institution for the Deaf;

A communication from the secretary of the United States Civil Service Commission;

A communication from the secretary of the Board of Surveys and Maps of the Federal Government;

A communication from the acting secretary general of the Inter-American High Commission, United States section;

A communication from the Chief, United States Bureau of Efficiency;

A communication from the secretary of the Federal Narcotics Control Board;

A communication from the chairman of the International Joint Commission;

A communication from the clerk of the Commission on Navy Yards and Naval Stations;

A communication from the chairman of the Commission of Fine Arts;

A communication from the executive and disbursing officer of the Arlington Memorial Amphitheater Commission;

A communication from the secretary of the United States Railroad Labor Board;

A communication from the executive and disbursing officer of the Rock Creek and Potomac Parkway Commission;

A communication from the home secretary of the National Academy of Sciences;

A communication from the commissioner of the International Boundary Commission, United States, Alaska, and Canada;

A communication from the executive clerk of the International Sanitary Bureau, Pan American Union;

A communication from the secretary and chief clerk, Federal Board for Vocational Education; and

A communication from the Assistant to the Secretary of the Interior, stating that the information called for will be furnished at the earliest possible date.

HIGH PRICES OF HOUSE-FURNISHING GOODS.

The VICE PRESIDENT laid before the Senate a report of the Federal Trade Commission, in response to Senate Resolution 127, agreed to January 4, 1922, relative to price conditions in the principal branches of the house-furnishing goods industry and trade, etc., which was referred to the Committee on Manufactures.

SENATOR FROM MAINE.

Mr. FERNALD. Mr. President, I present the credentials of my colleague, Mr. HALE, chosen a Senator from the State of Maine for the term beginning March 4, 1923, which I ask may be read and placed on file.

The credentials were read and ordered to be placed on file, as follows:

STATE OF MAINE.

To all who shall see these presents, greeting:

Know ye that FREDERICK HALE, of Portland, in the county of Cumberland, on the 11th day of September, in the year of our Lord 1922, was chosen by the electors of this State a United States Senator to represent the State of Maine in the United States Senate for the term of six years, beginning on the 4th day of March, 1923.

In testimony whereof, I have caused the seal of State to be hereunto affixed.

Given under my hand at Augusta, the 15th day of November, in the year of our Lord 1922 and in the one hundred and forty-seventh year of the independence of the United States of America.

[SEAL.] PERCIVAL D. BAXTER.

By the governor:

FRANK W. BALL, *Secretary of State.*

SENATOR ELECT FROM TEXAS.

Mr. SHEPPARD. Mr. President, I present the credentials of EARLE B. MAYFIELD, Senator elect from Texas, for the term beginning March 4 next. I ask that the credentials may be read and placed on file.

The credentials were read and ordered to be placed on file, as follows:

CERTIFICATE OF ELECTION, STATE OF TEXAS.

This is to certify that at a general election held in the State of Texas on the first Tuesday after the first Monday in November, A. D. 1922, being the 7th day of said month, EARLE B. MAYFIELD having received the highest number of votes cast for any person at said election for the office hereinafter named, was duly elected as United States Senator for the State of Texas.

In testimony whereof I have hereunto subscribed my name and caused the seal of State to be affixed at the city of Austin, on this the 18th day of December, A. D. 1922.

[SEAL.] PAT M. NEFF, *Governor.*

By the governor:

S. L. STAPLES, *Secretary of State.*

PETITIONS AND MEMORIALS.

Mr. McCUMBER presented a petition of sundry citizens of Flaxton, Woburn, Bowbells, Coteau, and Niobe, all in the State of North Dakota, praying for the enactment of legislation to stabilize prices of wheat and other farm products, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of sundry citizens of Judson, New Salem, Almont, Bluegrass, Ellendale, and Anamoose, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

Mr. WARREN presented resolutions adopted by the Farmers' Central National Farm Loan Association of Basin, and of the Dubois National Farm Loan Association of Dubois, both in the State of Wyoming, favoring the passage of legislation amending the Federal farm loan act, which were referred to the Committee on Banking and Currency.

Mr. LADD presented a petition of 55 citizens of Taylor, Gladstone, and Lefor, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

He also presented resolutions of the Carson National Farm Loan Association, of Carson; the Benedict National Farm Loan Association, of Benedict; and the New Salem National Farm Loan Association, of New Salem; all in the State of North Dakota, protesting against the passage of House bill 13125, the so-called Strong bill, amending certain sections of the Federal farm loan act, which were referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 4283) to authorize the Commissioners of the District of Columbia to require operators of motor vehicles in the District of Columbia to secure a permit, and for other purposes, reported it without amendment and submitted a report (No. 1017) thereon.

Mr. TOWNSEND, from the Committee on Post Offices and Post Roads, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3773) to reduce night work in the Postal Service (Rept. No. 1018); and

A bill (S. 4248) to fix the compensation of employees in post offices for overtime services performed in excess of eight hours daily (Rept. No. 1019).

MISSISSIPPI RIVER BRIDGES.

Mr. CALDER. Mr. President, the junior Senator from Minnesota [Mr. KELLOGG] is exceedingly anxious to have a bridge bill passed, which I am authorized to report from the Committee on Commerce. It is in the usual form and is recommended by the War Department. I therefore report back favorably without amendment the bill (H. R. 13511) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River, and I submit a report (No. 1016) thereon. I ask unanimous consent for its present consideration.

Mr. JONES of Washington. That is with the understanding that it will take no time.

Mr. CALDER. Certainly.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of St. Paul, Minn., and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation at or near the point where Robert Street, in said city of St. Paul, crosses the Mississippi River, in the county of Ramsey, in the State of Minnesota, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. CALDER. The Senator from Louisiana [Mr. RANSDELL] is exceedingly anxious to have a House bridge bill passed, which I report back favorably from the Committee on Commerce with amendments. It is the bill (H. R. 11626) to extend the time for constructing a bridge across the Mississippi River at or near the city of Baton Rouge, La. I ask for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments were, in line 6, to strike out the words "three years" and insert "one year," and in line 7, before the word "years," to strike out the word "six" and insert "three," so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the bridge authorized by the act of Congress approved July 17, 1914, to be built across the Mississippi River at or near the city of Baton Rouge, La., are hereby extended one year and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WADSWORTH:

A bill (S. 4357) for the relief of the New York State Fair Commission; to the Committee on Claims.

A bill (S. 4358) to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada; to the Committee on Commerce.

By Mr. FRANCE:

A bill (S. 4359) for the relief of L. P. Kelly;

A bill (S. 4360) for the relief of John Henry Burgess; and

A bill (S. 4361) for the relief of Sallie Coleman; to the Committee on Claims.

A bill (S. 4362) to provide aid from the United States for the several States in prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes; to the Committee on Appropriations.

By Mr. RANSDELL:

A bill (S. 4363) providing for a survey of the Mississippi River from Baton Rouge to New Orleans, La.; to the Committee on Commerce.

By Mr. CALDER:

A joint resolution (S. J. Res. 269) authorizing the President of the United States, under the provisions of the first sentence of section 202 of the transportation act, 1920, to pay just and meritorious claims for loss of and/or damage to freight in transportation arising out of or incident to Federal control, and declaring the intent of section 206 (a) of said act in relation to the provision authorizing actions at law against an agent appointed by the President; to the Committee on Interstate Commerce.

AMENDMENTS OF INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. McKELLAR submitted an amendment proposing to strike from the bill the exception that six officers or employees of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation may be paid a salary or compensation at the rate of not to exceed $25,000 per annum each and two not to exceed $20,000 each, intended to be proposed by him to House bill 13696, the independent offices appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted sundry amendments providing that passenger-carrying vehicles of the United States Veterans' Bureau, the United States Shipping Board, the Potomac Park office buildings, the Smithsonian Institution, the National Advisory Committee for Aeronautics, the Housing Corporation, the General Accounting Office, the Civil Service Commission, and the Alien Property Custodian either shall be sold in the manner now prescribed by law and the proceeds covered into the Treasury or the appropriations therefor stricken out, or both, intended to be proposed by him to House bill 13696, the independent offices appropriation bill, which were ordered to lie on the table and to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House disagreed to the amendments of the Senate to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SLEMP, Mr. MADDEN, Mr. OGDEN, Mr. TAYLOR of Colorado, and Mr. CARTER were appointed managers on the part of the House at the conference.

ENROLLED JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 251) providing for the filling of two vacancies in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress, and it was thereupon signed by the Vice President.

POST OFFICE DEPARTMENT APPROPRIATION.

Mr. WARREN. I ask the Chair to lay before the Senate the action of the House of Representatives on the amendments of the Senate to the Post Office appropriation bill.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist on its amendments disagreed to by the House of Representatives, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TOWNSEND, Mr. STERLING, Mr. PHIPPS, Mr. McKELLAR, and Mr. HARRIS conferees on the part of the Senate.

TAXATION OF STOCK DIVIDENDS.

Mr. BROOKHART. Mr. President, I ask unanimous consent for the present consideration of Senate Resolution 409 submitted by me on yesterday.

The VICE PRESIDENT. The Senator from Iowa asks unanimous consent for the immediate consideration of Senate Resolution 409, which, for the information of the Senate, the Secretary will report.

The Assistant Secretary read the resolution (S. Res. 409) submitted yesterday by Mr. BROOKHART, as follows:

Whereas the Federal Trade Commission reports 328 corporations have released surpluses by the stock-dividend plan during the calendar year 1922, reaching more than $2,149,151,425;

Whereas section 220, revenue act approved November 23, 1921, provides:

"That if any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders or members through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 25 per cent of the amount thereof, which shall be in addition to the tax imposed by section 230 of this title, and shall be computed, collected, and paid upon the same basis and in the same manner and subject to the same provisions of law, including penalties, as that tax": Therefore be it

Resolved, That the Secretary of the Treasury is hereby requested to furnish the Senate with the names of companies, amounts, and dates of penalties, if any, imposed by the Commissioner of Internal Revenue during said year of 1922, pursuant to the provisions of section 220, Internal Revenue Laws of 1921.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. JONES of Washington. I understand the consideration of the resolution will take no time?

Mr. BROOKHART. I understand that it will not.

There being no objection, the Senate proceeded to consider the resolution.

Mr. WADSWORTH. May I ask the Senator from Iowa if it is the purpose of the resolution ultimately to make public the income-tax returns of individuals?

Mr. BROOKHART. Mr. President——

Mr. SMOOT. I understand that the resolution applies only to stock dividends.

Mr. BROOKHART. The resolution will apply only to those who have been punished by the imposition of penalties pursuant to law.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

RURAL MARKETING AND CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal reserve act, to amend the Federal farm loan act, to extend and stabilize the market for United States bonds and other securities, to provide fiscal agents for the United States, and for other purposes.

The VICE PRESIDENT. The pending question is on the amendment proposed by the Senator from Florida [Mr. FLETCHER], which will be stated.

The ASSISTANT SECRETARY. On page 10, in lines 1 and 2, it is proposed to strike out the words "such obligation is by its terms made payable" and to insert "its principal office is located," so that if amended as proposed the clause will read:

SEC. 6. Any corporation organized under the provisions of this act may take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidence of debt, interest at the rate allowed by the laws of the State in which its principal office is located.

Mr. FLETCHER. Mr. President, I have already stated the reasons why I think this change should be made, and I do not care now to elaborate them. I will merely add that my belief is that if the provision remains in the bill as now drawn it will mean that if any corporations are organized under the bill—and I assume that some will be organized—they will be organized in financial centers and make their paper payable in the

high interest rate States, for that will be allowable under the proposed law. It seems to be a very anomalous and extraordinary provision that if a farmer or stock raiser in Virginia should negotiate for a loan with one of these corporations in New York, the corporation could make the note payable in Nebraska, for instance. I do not know what the rate of interest in Nebraska is, but I merely assume that the interest rate there may be 12 per cent. That would be the kind of transaction which would be permitted under this proposed act as it now reads. I think that the rate of interest in the State in which the principal office of the corporation is located should be the rate of interest fixed or, as suggested by the Senator from Wisconsin [Mr. LENROOT], it might read "the State where the borrower resides." I should not have any objection to that; but it does seem to me that the provision as now drawn is unusual and is not justified. I have no further comment to make on it.

Mr. McLEAN. I do not object to that amendment.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. On page 12, in line 17, after the word "organized," I suggest an amendment by adding the words "or doing business." The purpose of that amendment is to allow corporations already existing to qualify under this proposed act, but if the provision is limited to those organized under the act they would not be included.

Mr. McLEAN. It might be assumed that corporations already organized could qualify, but I have no objection to the amendment.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. At the top of page 13, line 1, there is a mere clerical error, which I think should be corrected. The word "corporations" in that line ought to be "corporation" in order to make the language grammatical.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, we now come to an important section of the bill—section 9—which provides:

SEC. 9. That no corporation organized under this act, except corporations with powers limited, as provided in section 8, shall commence business until it has deposited with the Federal reserve bank of the district wherein it has its principal place of business, bonds or other obligations of the United States in an aggregate face amount at least 25 per cent of its paid-in capital stock.

I wish to propose an amendment, after the word "business," in line 22, to insert the words "Federal farm loan" and to strike out the word "other" in that line, so as to read:

Deposited with the Federal reserve bank of the district wherein it has its principal place of business Federal farm-loan bonds or obligations of the United States in an aggregate face amount of at least 25 per cent of its paid-in capital stock.

It seems to me that farm-loan bonds are just as good security as any other security that might be pledged or deposited as collateral with the Federal reserve banks.

Mr. McLEAN. Mr. President, that may be true; but there may also be a great many other varieties of bonds which are just as good as United States bonds. There are, however, plenty of United States bonds which may be obtained, and it seems to me unwise to enlarge in any way the character of security which shall be held as reserves. I object to the amendment. Farm-loan bonds are all right at present, and I hope they will continue to be; but, as there are plenty of United States bonds which may be used for this purpose, I do not see any need of the amendment.

Mr. FLETCHER. Mr. President, one purpose of the amendment would be to increase somewhat the demand for farm-loan bonds and to broaden to some extent the market for such bonds. I would not propose the amendment if I did not feel that farm-loan bonds are absolutely safe. All we want to do is to make the system safe and sound, and I think farm-loan bonds are just as good security as the obligations of the Government.

Mr. UNDERWOOD. Mr. President——

Mr. McLEAN. Mr. President, if the Senator from Alabama will pardon me for a moment, the last issue of farm-loan bonds, of which, I think, there were something like $75,000,000, sold in half a day, and they sold above par. I do not believe that it would be very easy to secure such bonds. It might be possible for corporations established under the bill to get them, but they are sold to private parties as a high-class investment; and I see no necessity whatever for making them eligible under this bill.

Mr. FLETCHER. Of course, the amendment would enlarge the scope of the deposit; that is to say, as the bill would read without the amendment I propose it would be necessary to secure Government bonds to make the deposit. The amendment would simply allow the corporation, if it sees fit to do so, to utilize either farm-loan bonds or Government bonds, whichever might best suit the corporation.

Mr. GLASS. Mr. President, it seems to me that there is no more valid reason why we should permit Federal farm loan bonds as security for loans negotiated than that we should permit to be so used the bonds and stocks of great railroad corporations which are just as good security as farm loan bonds. As a matter of fact, we should never have permitted United States bonds to be used as collateral security by the Federal reserve system if at the time of the enactment of the Federal reserve act anybody could have conceived that the day would ever come when there would be $24,000,000,000 of United States bonds outstanding. What we had designed to do for 50 years theretofore, ineffectually, was to get away from a rigid bond-secured currency which was never responsive to the commercial needs of the country in times of exigency.

The distinguished Senator from Florida [Mr. FLETCHER] said yesterday that any security that was good was elastic. I differ from him on that proposition. In 1907, for example, United States bonds were good, but without going through the process of getting a national-bank charter and taking out circulation they were not good for currency and not a dollar of currency could be obtained on them. The Pennsylvania Railroad stocks and bonds were secure; they were good; but there is not a bank in the United States that could have obtained a dollar of currency on them, because such securities are not liquid collateral for loans.

Federal farm loan bonds are not Government securities; they are the evidence of indebtedness of private corporations; and if we ever once open the door for this type of security as a basis for currency and credit issues there is no telling where we will stop. As I said awhile ago, if we could ever have conceived that there would be $24,000,000,000 of United States bonds outstanding at one time, we would never have made United States bonds a basis for loans of a quick commercial nature; and in the final analysis that is what this bill provides, namely, loans of a commercial nature.

Senators undertake to differentiate commercial banking from investment banking, but their differentiation is not altogether clear. They undertake to differentiate commercial loans from farm loans, although 95 per cent of the business of agriculture is of a commercial nature; it is sale and barter; it is not investment. A great deal of it is speculation; but nobody as yet has been able to define the line between speculation and investment.

So I sincerely hope that the Senate will not decide to permit this entering wedge, because if once we accept the securities of private banking corporations or corporations of a private nature engaged in any activity as security for quick credits and issue of currency there is no telling where we will stop.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was rejected.

Mr. FLETCHER. Mr. President, I am in favor of striking out this entire section down to line 10 of page 15, because I think it is unnecessary. I will not ask that, however, but I call attention to the provisions of this section.

None of these corporations can be permitted to do business until they shall deposit 25 per cent of their capital in United States bonds with the Federal reserve bank. This whole section—this whole bill, in fact—has been framed upon the basis and in the manner and after the form of the national bank act. You can take it from start to finish, and you will see that those who drafted it had before them the original national bank act, and they framed this law following that draft. The original national bank act provided for the deposit of United States bonds with the Comptroller of the Currency. A certain per cent of the capital of the bank had to be invested in United States bonds, and they had to be deposited here with the Treasury before the bank could do business.

The conditions to-day are altogether different from what they were in those times. When that act was framed it was important to find a market for United States bonds. That was done by giving the monopoly to the banks that were organized under the act to issue currency and circulating notes used as money against these bonds. The banks were "sweetened" in a way by the provision which enabled them to draw the interest on the bonds which they put up with the Treasury, and at the same time issue circulating notes against the bonds, pay no interest on the bonds, which were bank debts, and get in-

terest from the loaning of that as money. That satisfied the banks. That, together with the other provision which taxed out of existence State banks, created a market for Government bonds.

We do not need that sort of thing to-day. Now, why require these corporations to put up with the Federal reserve bank 25 per cent of their capital in United States bonds before they can begin business, and allow them no benefit of credit whatever by reason of that investment of their capital in those bonds, and then follow that with another provision which requires that 7½ per cent of their total liabilities shall be thus invested in Government bonds deposited with the Treasury while they are doing business? In other words, under section 5 the capital must be 10 per cent of the total liabilities. Here you say that 7½ per cent of the total liabilities must be kept always invested in bonds deposited with the Federal reserve bank. That means to say that 75 per cent of the capital of these corporations shall be invested in bonds deposited with the Federal reserve bank if they do a maximum business. They must have 25 per cent of their capital on deposit before they can begin, and then, as they proceed, they must keep 7½ per cent of their liabilities always on hand, which means 75 per cent of their capital when they are doing a maximum business.

Mr. McLEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Connecticut?

Mr. FLETCHER. I yield to the Senator.

Mr. McLEAN. The Senator understands that this reserve does not affect their loaning capacity at all. They can loan up to ten times their capital and surplus.

Mr. FLETCHER. Yes.

Mr. McLEAN. It does not affect the loaning capacity of these institutions a particle.

Mr. FLETCHER. I realize that.

Mr. McLEAN. Does the Senator claim that they should not have any reserve?

Mr. FLETCHER. I am going to offer an amendment, to which I am leading up, providing that 20 per cent of their capital shall be invested in these bonds to enable them to begin business, and then reducing the 7½ per cent to 5 per cent so that when they are doing a maximum business not over 50 per cent of their entire capital shall be tied up in the bonds deposited with the Federal reserve bank.

Mr. McLEAN. But, Mr. President, it is not tied up, so far as their ability to do business is concerned. This reserve does not affect their ability to loan and discount. It makes no difference whatever with their ability to do business. It is merely a reserve requirement which they ought to have.

Mr. FLETCHER. They can not, it seems to me, compete with corporations organized under State and Federal charter which are not hampered in this way, requiring 75 per cent of their capital to be invested in bonds.

Mr. McLEAN. I shall be glad if the Senator will indicate to the Senate wherein they are hampered.

Mr. FLETCHER. They are hampered because they have 75 per cent of their capital tied up in bonds.

Mr. McLEAN. It is not tied up, it is merely deposited—put in safe-keeping.

Mr. FLETCHER. I know. They are getting 4½ per cent, we will say, or 4 per cent, on that amount of money. They are entitled to earn more than 4 per cent on their capital.

Mr. McLEAN. That is another proposition.

Mr. FLETCHER. Here you have 75 per cent of their capital on which they can not possibly earn over 4 per cent—the rate of interest paid on Government bonds.

Mr. McLEAN. If they loan ten times their capital they earn on that.

Mr. FLETCHER. I understand that; but I submit that it is not necessary to require that these corporations shall keep on deposit with the Federal reserve bank 7½ per cent of their total liabilities, which may be ten times the amount of their capital.

Mr. McLEAN. I did not mean to say that they would earn 4 per cent on $2,500,000. I do not know what they would earn, but they would get their interest on their bonds wherever located, and the reserve deposit does not reduce their capital.

Mr. FLETCHER. Under the law as it stands the Federal reserve bank can issue circulating notes against Government bonds, so that when Government bonds are deposited there now by any bank they can get circulating notes on those bonds. This corporation will not be able under this bill to get any credits, any notes, or any benefits by reason of the deposit of Government bonds with the Federal reserve bank. It puts it in a different situation from other financial institutions.

Mr. SMOOT. Mr. President, under the law one of these banks with $100,000 capital can lend $1,000,000. Do I understand that the Senator does not want any security held as a reserve upon that amount of loans—$1,000,000?

Mr. FLETCHER. I am willing, as I said, to have this reduction to 20 per cent to begin with of the capital of the banks invested in bonds and held as general collateral with the Federal reserve banks, and then to require them always to keep on hand 5 per cent of their total liabilities in bonds, but not 7½ per cent. That would be 50 per cent of its entire capital, if it is doing a maximum business, invested in United States bonds deposited with the Federal reserve bank.

Mr. SMOOT. It is not on the capital, I will say to the Senator, as I think he knows. Every time they make a loan over and above their capital there is a liability; and I simply say that if their capital was $100,000, they are authorized to make $1,000,000 of loans. Therefore $900,000 of those loans have to be made on what? Not on capital; that is out entirely; but there ought to be a reserve at least of 7½ per cent on the $900,000 that may be loaned, with the $100,000 capital, making $1,000,000.

Mr. FLETCHER. Does the Senator believe that 5 per cent would not be ample protection?

Mr. SMOOT. I will say to the Senator that if I were running it myself, and had any responsibility at all as an officer of an institution, I would say that 7½ per cent was little enough. I would walk the floor many a night, even with 7½ per cent, if trouble came. Let us not make it less than 7½ per cent. It is not going to do the farmer any good at all, because he wants to be secure in whatever he undertakes, and I do not believe that the 5 per cent is ample.

Mr. FLETCHER. If the Senator were doing business as a member bank and put up 7½ per cent of his liabilities in United States bonds, that might be all right where you could call on the Federal reserve bank to issue to you circulating notes.

Mr. SMOOT. Oh, no; no more than the amount of bonds that you have.

Mr. FLETCHER. I know, to the amount of your bonds; and you get the benefit, therefore, of those circulating notes. This corporation gets no benefit of any credit or anything else by reason of its deposit of 7½ per cent of its total liabilities with the Federal reserve bank.

Mr. McLEAN. It sacrifices nothing.

Mr. SMOOT. It sacrifices nothing whatever.

Mr. McLEAN. They do not pay out cash over their counter. We want this reserve to meet losses, and it does not make any difference where it is; it might just as well be with the Federal reserve bank as in their own safe so far as their ability to do business is concerned.

Mr. FLETCHER. I do not know how they are able to put up United States bonds without having cash for it.

Mr. SMOOT. I should hate to see the Congress of the United States pass a law here as an example to the banks of the country that no security whatever should be held in order to pay losses.

Mr. FLETCHER. I am not proposing that. I am proposing 5 per cent.

Mr. SMOOT. This institution is not going to run without losses. It is impossible, and I think there is more chance for losses here, with the power behind the institution that is passing the law, than there is with men who put their money into an institution and watch out for the interests of that institution. So I am quite sure the Senator, if he will think it over very carefully—and he is a safe man, I know; he is not one of these fly-offs at all—will conclude that 7½ per cent is small enough. In fact, I would rather see it made 10 per cent.

Mr. GLASS. We have this rather singular situation. This bill is so peculiarly in the interest of the big live-stock people of the section of the country west of the Mississippi River that the Senator yesterday objected to its broad title as an agricultural credits bill, and he wanted to confine the title to the live-stock interests alone. It certainly is true that the bill was drawn in the interest of the live-stock business, and it was drawn in counsel and consultation with selected representatives of the great live-stock interests of the country. It is their bill, and they put this provision of security in the bill. They are perfectly content to put up this reserve as security, because they think and say that without it they can not conduct their business with facility, and can not engage the confidence of the moneyed interests of the country, to whom they have to look for the capital to assist in the organization of these corporations. It is their bill. They asked to be required to give this measure of security in the conduct of their business, and yet we hear objections to granting their request.

Mr. FLETCHER. Mr. President, I imagine the live-stock interests were told about what they would have to have in this bill. It was drawn not so much by the live-stock people as by those connected with the Treasury Department as far as its officers are concerned, who want to make it absolutely safe. I have no objection to making it safe. My contention is that you are discriminating really against these corporations you are creating, because you are requiring that when they get to a maximum in the conduct of their business, 75 per cent of their capital shall be invested in these bonds, and the bonds deposited as collateral with the Federal reserve bank. They get no credits by way of discounts, they get no benefits by way of issuing circulating notes, like other institutions which have on deposit Government bonds. Therefore you are hampering them. You are not giving them that latitude which they ought to have if they are to serve these interests they are intended to serve.

Mr. GLASS. If I may interrupt the Senator, perhaps he was not present at the meeting of the committee at which it was stated that the bill was drafted by the attorney of the War Finance Corporation, under the advice of the Director of the War Finance Corporation, Mr. Eugene Meyer, who has made not one but half a dozen trips through that whole territory, and it was through his personal efforts that at least 100 of these live-stock corporations were organized, and secured hundreds of millions of dollars of loans from the War Finance Corporation. So the bill was drafted in that way by these people to meet an emergency which the experience of the War Finance Corporation enabled them to meet. I have understood that it was entirely satisfactory to the representatives of the great interests out there which it is assumed to benefit.

Mr. FLETCHER. I recall the statement with regard to the origin of the bill. Of course, we are now providing a permanent system, or attempting to do so, and I am in hopes it will operate so as to be of some real and actual benefit. I am not going to continue the discussion further. I move in line 23, page 13, to strike out "25" and to insert "20." They are required to put up 20 per cent of their capital before they have a single liability.

Mr. McLEAN. If the Senator can point to a single disadvantage to the corporation which will result by reason of the deposit of 25 per cent, I will agree to his amendment, if he can point to a single disadvantage in the conduct of their business.

Mr. FLETCHER. Tying up from 20 to 75 per cent of their capital amounts to a reduction of the capital of these corporations.

Mr. McLEAN. I think the Senator is mistaken about that. Their capital would not be impaired.

Mr. FLETCHER. If the national banks, under the original act, had been required to put up 75 per cent of their capital in Government bonds the system would not have functioned at all, unless that had been followed with the privilege of obtaining notes on those bonds.

Mr. McLEAN. It does not require that these bonds shall be the bonds that carry the circulating privilege.

Mr. FLETCHER. No; it does not.

Mr. McLEAN. Consequently, there is absolutely no disadvantage.

Mr. FLETCHER. And they get no benefits whatever from that investment of their capital. In the case of the national banks, it would have been a reduction of their capital, if it had not been that as against that they were allowed the privilege of issuing circulating notes. But, as I said, I make the motion that the change be made and just submit it.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. FLETCHER. On page 14, line 2, I move to strike out "7½" and to insert in lieu thereof "5," so that there shall always be on deposit in the Federal reserve bank bonds to the amount of 5 per cent of the liabilities of these corporations, instead of 7½ per cent. That would mean 50 per cent of their total capital, if they were doing a maximum business.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. FLETCHER. On page 19, I suggest an amendment in line 5, to strike out the word "companies" and to insert in lieu thereof the word "corporations." That is simply a verbal change. We have been referring to corporations all along, and I move to change the word "companies" to "corporations."

The amendment was agreed to.

Mr. FLETCHER. I also suggest the correction of the spelling of the word "assets" in the same line.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. To strike out the unnecessary "s" in the word "assets."

The amendment was agreed to.

Mr. FLETCHER. I am a little inclined to think that the provision for a minimum fee of $50 for each examination is high; but I am not going to press that very far. It seems to me that in the case of many of these corporations an examiner could make the entire examination in one day, particularly in the case of smaller corporations, and I think a minimum fee of $50 is pretty high for that. I merely suggest that to the chairman of the committee.

Mr. McLEAN. I have had no personal experience in examining these corporations or banks.

Mr. FLETCHER. Of course, there would be nothing like the trouble experienced in examining a bank.

Mr. McLEAN. I fancy that if the examinations are to be thorough enough to be of any benefit, it would cost at least $50. I do not think we had better change that.

Mr. SMOOT. The examination of this paper is quite different from the examination of a bank where they hold bonds as collateral and can hand the bonds out. In many cases they would have to go and examine the stock which is collateral for the loan, the dairy herd, for instance. I think there would be very few of them that could be made for the minimum. Perhaps the examiner would have to travel hundreds of miles and go and see the stock.

Mr. FLETCHER. I do not know how that will work eventually. It occurred to me that the business of some of these corporations would not be very complicated, particularly for a while, anyhow, and that fixing the minimum fee at $50 would be a little out of reason. But we can tell when it gets into operation whether it is too high or not, and we will let it stand as it is.

Mr. McLEAN. I call the Senator's attention to the fact that having amended line 5, page 19, by inserting the word "corporations" instead of the word "companies" it will be necessary to amend lines 6 and 7 on the same page, where the word "companies" appears, by inserting the word "corporations."

Mr. FLETCHER. Yes; I think so.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 19, line 6, to strike out the word "companies" and insert the word "corporations," and in line 7 to make the same amendment.

The amendment was agreed to.

Mr. FLETCHER. I think it would make it clearer, if I may suggest to the chairman of the committee, if in line 22, page 19, after the word "held," we insert the words "by said comptroller." Of course, it is understood that the comptroller will hold these securities. It will be clearer if we insert the words "by said comptroller" after the word "held," in line 22, so that we will know precisely what officer is to make the decision. They are to make reports to the comptroller, and he is the one to know whether they conform to the law.

Mr. McLEAN. I do not object to that.

Mr. FLETCHER. I think it would be clearer.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 19, line 22, after the word "held," to insert the words "by said comptroller."

The amendment was agreed to.

Mr. FLETCHER. On page 21, I think the word "national," in line 12, should be changed to "member," because there are some of these banks which are not national banks, and yet they are members of the Federal reserve system.

Mr. McLEAN. I do not see any objection to that.

Mr. FLETCHER. I move to strike out the word "national," in line 12, and to insert the word "member."

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. In the subheading on page 21, line 12, to strike out the word "national," before the word "banks," and to insert the word "member."

Mr. WALSH of Montana. I do not understand that. This is a subhead, and this follows: "That any national banking association may file application with the Comptroller of the Currency for permission to invest," and so on.

Mr. FLETCHER. Why should not any member bank of the Federal reserve system do that? My idea is to make it available to the member banks of the system, and I was going to move to insert, on line 13, after the word "any," the words "member bank of the Federal reserve system," so that it will

read, "any member bank of the Federal reserve system may file application."

Mr. WALSH of Montana. Then the title should be changed from "national banks" to "banks members of the Federal reserve system."

Mr. FLETCHER. I have just proposed that.

Mr. WALSH of Montana. But it will not do to say "member banks may become," and so on. That would not signify anything.

Mr. FLETCHER. That is the general term used in the law everywhere referring to banks which are members of the Federal reserve system.

Mr. McLEAN. If we make it clear in the text of section 12 that they shall be member banks of the Federal reserve system, it seems to me that will cover it.

Mr. WALSH of Montana. It does not signify anything to say "member banks" in this bill. Of course, the phrase "member banks" in the bill creating the Federal reserve system was all right, because it referred continually to banks which were members of the system.

Mr. FLETCHER. We have already changed "national" to "member." I am moving to insert "member banks of the Federal reserve system." That would make it clear.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 21, line 12, after the word "banks," insert the words "members of the Federal reserve system."

The amendment was agreed to.

Mr. FLETCHER. In line 13, page 21, after the word "any," I move to insert the words "member banks of the Federal reserve system" and to strike out the words "national banking association."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 21, line 13, strike out the words "national banking association" and in lieu thereof insert "member banks of the Federal reserve system."

The amendment was agreed to.

Mr. FLETCHER. In line 17, on the same page, after the word "organized," I move to insert the words "or doing business," so as to take care of corporations already existing.

Mr. McLEAN. I have no objection to that.

The amendment was agreed to.

Mr. FLETCHER. In line 12 on page 22 the Senator from Michigan [Mr. COUZENS] calls my attention to the use of the words "Federal agricultural credit" in the corporate title. We have made the same change there, have we not?

Mr. McLEAN. No; not to interfere with that.

Mr. FLETCHER. In line 22 we have given the name of the corporations, to be known as Federal live-stock and agricultural loan corporations.

Mr. McLEAN. Yes; but that is the title.

Mr. FLETCHER. That is the name of the corporation.

Mr. McLEAN. No; that is the title. The corporations remain the same as provided in the law, agricultural credit corporations. We have not changed that.

Mr. FLETCHER. Do I understand the chairman to say that "rural credit corporations" is proper as a subhead in line 22, page 22? The subhead reads, "Rural credit corporations."

Mr. McLEAN. The Senator is right.

Mr. FLETCHER. That ought to be changed to conform to the name we gave them.

Mr. McLEAN. Yes; Federal agricultural corporations.

Mr. FLETCHER. I move to strike out the word "rural," on page 22, line 22, and insert the words "Federal agricultural."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. In the subhead on page 22, line 22, before the word "credit," strike out the word "rural" and insert the words "Federal agricultural."

The amendment was agreed to.

Mr. SIMMONS. I wish to call attention of the Senator from Connecticut to the language in line 2, page 23, "to entitle it to become a Federal agricultural credit corporation under the provisions of this act." Will not that have to be changed?

Mr. McLEAN. No; I do not think so. The amendment adopted by the Senate affected the title only. The corporations formed under the act are to be denominated "Federal agricultural credit corporations."

Mr. FLETCHER. I call the Senator's attention to the provision we had inserted yesterday:

SEC. 2. That corporations for the purpose of providing credit facilities for the agricultural and live-stock industries of the United States, to be known as Federal live stock and agricultural loan corporations, may be formed—

And so forth. We gave the name there.

Mr. SIMMONS. It ought to be changed all the way through the bill. It was so agreed yesterday in connection with that amendment.

Mr. FLETCHER. I think we will have to conform to that amendment. That is the name we gave them. The bill itself did not specify the name but the amendment I offered did specify it.

The ASSISTANT SECRETARY. An amendment was agreed to on that page which makes the section read as follows:

That corporations for the purpose of providing credit facilities for the agricultural and live-stock industries of the United States, to be known as Federal live stock and agricultural loan corporations, may be formed—

And so forth.

Mr. FLETCHER. In line 23 we have not attempted to give the name of the corporation, but simply said that it shall include the words "Federal agricultural credit." I think we will have to eliminate the word "credit" to conform to the name which we have given in line 1. It simply says it shall include the words "Federal agricultural credit." The name we have given does not include the word "credit." It includes the words "Federal agricultural." We could modify line 23 so as to provide that it shall include the words "Federal agricultural."

Mr. McLEAN. My recollection is correct. With regard to the title of the corporations in line 23, we did not amend that. Therefore it is unimportant.

Mr. FLETCHER. But the bill now specifies the name we shall give them.

Mr. McLEAN. I think it is unimportant, but I do not object to the amendment.

The VICE PRESIDENT. Will the Senator from Florida state the amendment?

Mr. FLETCHER. In the subhead, on page 22, line 22, I move to strike out "rural" and insert the words "Federal agricultural," so it will read "conversion of State financing corporations into Federal agricultural corporations."

The amendment was agreed to.

Mr. WALSH of Montana. Let me suggest to the Senator from Florida that he had better correct the language in lines 22 and 23 on page 2, while the subject is under consideration, to conform to the language inserted at the top of the page.

Mr. FLETCHER. Yes.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 2, line 23, strike out "Federal agricultural credit" and insert in lieu thereof "Federal live-stock and agricultural loan corporations."

Mr. McLEAN. I have no objection to that.

Mr. FLETCHER. The amendment I have proposed includes the words "live stock and agricultural" and to conform to the action of the Senate in reference to the amendment offered by the Senator from South Dakota [Mr. NORBECK] it includes both. It is known as a Federal live-stock and agricultural loan corporation. That is the name given in the amendment of the Senator from South Dakota, and I think we ought to have the subheads conform to that.

Mr. McLEAN. I have no objection.

Mr. FLETCHER. That ought to read "Federal live-stock and agricultural loan corporation."

The VICE PRESIDENT. Without objection, the vote by which the other amendment to the subheading was agreed to will be reconsidered and the amendment now proposed will be stated.

The ASSISTANT SECRETARY. On page 22, line 22, strike out "rural credit" and insert in lieu the words "Federal live-stock and agricultural loan," so it will read:

Conversion of State financing corporations into Federal live-stock and agricultural loan corporations.

The amendment was agreed to.

Mr. LENROOT. May I suggest that the phrase "Federal agricultural credit" occurs in other places throughout the bill. I ask unanimous consent that wherever the phrase "Federal agricultural credit" occurs in the bill it be modified in accordance with the phrase which has just been adopted.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. FLETCHER. I offer another amendment. At the end of section 401, page 41, line 7, I move to strike out the period, insert a colon, and the following:

Provided, That no loan in excess of $10,000 shall be made by any Federal land bank to any one borrower unless such bank shall at the time of closing such loan have funds on hand and available for lending sufficient to meet all applications pending in said bank, qualified under the provisions of this act, for loans not exceeding $10,000.

The object of that is to be certain that the man of moderate means, the small farmer, if you please, will be accommodated

first under the farm-loan system. Of course, at present the farm-loan bonds find a ready market and are absorbed within a few hours, practically whatever the Farm Loan Board offers, but we know there has been a time when at least the Farm Loan Board reported to us that it was a question whether the public would absorb the bonds as fast as the money was needed or any faster than they were offering them. It will be recalled that back in 1921 there was a general complaint all over the country that the farmers had applications pending for months and months, some of them where the appraisals had been made and approved and the applications approved, and they could not get the money.

Of course, all the money the Farm Loan Board has and that the Federal land bank can get arises from the proceeds of the farm-loan bonds, and unless the bonds are offered there can be of course no sales and no proceeds, and therefore no funds to accommodate applying borrowers. That situation continued for some months. I never had any confidence in the claim that the public would not take the bonds, but there was some apprehension that they would not, and of course the Farm Loan Board could not afford to see the bonds put on the market and no offering be made at par or above. They could not afford to have them sold below par, and therefore they did not offer the bonds. I never could find any quite reasonable explanation of that idea at all, but, assuming and believing that the Farm Loan Board was acting in good faith under those conditions, I reached the conclusion in my own mind that they were getting their information from the bond syndicates; that the bond syndicates were offering foreign securities and other securities in this country upon which they were getting from 5 to 10 per cent commission, and they therefore did not want the farm-loan bonds offered, on which they would only receive a commission of 1 per cent.

Therefore they wanted the market for themselves and advised the Farm Loan Board that the public would not take the farm-loan bonds readily if they were offered. I merely surmised that that was about the situation. At any rate, the Farm Loan Board did not offer the bonds in sufficient quantities to meet the needs of the farmer, and there was great delay and a lack of money. They said, as I have stated, that the public demands would not justify their offering the bonds, and that the public would not absorb them if they did offer them, or, at least, that they apprehended that would be the case. We may again come to that situation when the debentures to be offered under the Lenroot bill, which we shall consider next, I believe, and the debentures to be offered under the pending measure go on the market. It may be that the public will not absorb these farm-loan bonds as readily as heretofore, and the board may find itself short of funds to meet current needs.

My amendment is to the effect that the Farm Loan Board must not make loans of $25,000 or exceeding $10,000 until the people who want loans of $10,000 and less are supplied. That is all the amendment provides. If there are ample funds, there is no limitations; but if the funds are not sufficient to supply all applicants the needs of the small borrowers, the tenants who want to acquire homes, who are in a position to acquire homes and who will not want more than three thousand or four thousand dollars in any case, ought first to be supplied. When they are supplied, then the board may reach out for larger loans and larger amounts. That is the purpose of the amendment.

Mr. KING. I desire to ask the Senator from Florida a question.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield.

Mr. KING. I wish to ask the Senator from Florida, in view of the appeal which he has just made, as I understand his remarks in behalf of the small farmer who desires to be a borrower, if he perceives in this bill any relief whatever to the small agriculturist? I have tried to read into the language of the bill an interpretation from which it might be inferred that the small farmer or even the agriculturist of large means might get some benefit; but, as I understand the bill, it seems to me that it will aid, if it aids anybody, merely the live-stock man. If that be true, why this earnest appeal by the Senator from Florida in behalf of the marketing of securities which may be issued under this bill in behalf of the small agriculturist?

Mr. FLETCHER. Mr. President, in answer to the Senator's inquiry, I desire to say that I think unquestionably the benefits arising from this bill will accrue largely to the live-stock growers, particularly those who conduct the business on a very considerable scale. There are, however, some possibilities of benefit in certain provisions of the bill to those who are engaged in agriculture; but the matter under discussion arises in connection with section 401 of the bill, which proposes to amend the Federal farm loan act and provides that the present law, which limits the amount which any one borrower may obtain to $10,000, shall be changed so that he may obtain $25,000. I am simply proposing a limitation to the effect that the Farm Loan Board shall not raise the present limit and make loans exceeding $10,000 to any one borrower unless the board has funds available with which to take care of the smaller borrowers. It comes in connection with the provisions of the bill, and that is why it is pertinent here.

Mr. PITTMAN. Mr. President, may I ask the Senator from Florida a question at this point?

Mr. FLETCHER. I yield to the Senator for that purpose.

Mr. PITTMAN. I wish to know if the Senator from Florida does not fear that his amendment will simply act as an obstruction to loans over $10,000. The amendment reads:

Provided, That no loan in excess of $10,000 shall be made by any Federal land bank to any one borrower, unless such bank shall, at the time of closing such loan, have funds on hand and available for lending sufficient to meet all applications pending in said bank, qualified under the provisions of this act, for loans not exceeding $10,000.

There might be sufficient funds on hand to make loans of over $10,000, taking into consideration the applications for smaller loans which the board were going to grant; in other words, there is no limitation whatever on the amount which may be applied for, but it is hardly probable that all applications are going to be granted. The restriction proposed in the amendment is not based upon the obligations of the bank but upon the applications to the bank.

Mr. FLETCHER. But I call the Senator's attention to the fact that the applications must, first, be pending in the bank, and, second, they must be qualified under the provisions of the proposed act; that is to say, the applications must have been passed upon and approved. I am willing to make that perfectly plain and, if the Senator prefers, to use the words "approved loans"; in other words, the applications must be in a state to be closed, if the board have the funds to close them, and they must be passed upon and approved. That is what I mean when I use the words "qualified under this act"; that the loans shall have proceeded through all the stages until they are ready to be closed.

Mr. PITTMAN. I did not understand the phrase "qualified under the provisions of this act" to mean any more than that the applicants were qualified to receive loans if their applications were approved. If the Senator means that the loans that have been approved shall be paid before subsequent loans in excess of $10,000 may be approved, I would not have any objection to it in that form.

Mr. NORBECK. Mr. President, I was going to suggest that the words "approved applications" might remove the objection. I am afraid in its present form the meaning of the amendment is very uncertain, and if the Senator does not object I should like to have him accept the amendment to his amendment.

Mr. FLETCHER. Very well; I will insert the word "approved" before the word "applications," so as to read:

to meet all approved applications pending in said bank, qualified under the provisions of this act.

I have no objection to that.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Florida as modified.

Mr. HITCHCOCK. Mr. President, I desire to suggest to the Senator from Florida that the language in his proposed amendment is so drastic as practically to tie up the operations of the Federal land banks. A provision such as I am about to read would direct the policy without making such a questionable and excessive limitation:

Provided, That whenever a lack of available funds shall limit or delay the making of loans the Federal farm loan banks shall give preference to loans not in excess of $10,000.

I think the Senator from Nevada was about to make some such suggestion. It seems to me the language of the amendment of the Senator from Florida might indicate that the banks could not be permitted to make larger loans if the number of applications pending would exceed the available funds of the bank at that time. I know the Senator uses the word "qualified" in his amendment, but I doubt whether that would be a fact easily ascertained.

Mr. WALSH of Montana. The Senator from Florida has inserted the word "approved" in his amendment.

Mr. HITCHCOCK. Then I will inquire how the amendment now reads?

Mr. FLETCHER. The amendment reads:

Provided, That no loan in excess of $10,000 shall be made by any Federal land bank to any one borrower, unless such bank shall, at the time of closing such loan, have funds on hand and available for lending sufficient to meet all approved applications pending in said bank, qualified under the provisions of this act, for loans not exceeding $10,000.

Mr. HITCHCOCK. I think that probably cures the difficulty in another way; but I think the language I have suggested states the policy which undoubtedly will be pursued under the regulations of the Farm Loan Board. I think, though, that the amendment of the Senator from Florida will answer the objection.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Florida as modified.

Mr. McLEAN. Mr. President, the Senator from Florida knows that I have been rather slow to consent to any increase above $10,000 in the limit of loans which may be made by the Federal land banks. I have held that position because I remember that when the farm loan act was framed its purpose was to accommodate the farmer who possibly wanted to buy a small farm and who had not much capital, and it was thought that a loan of $10,000 was as far as the Government ought to go. I remember distinctly that Senator Gronna, who was at that time deeply interested in the operation of the act, was very much opposed to any increase above $10,000, and that at that time the directors of banks throughout the country were opposed to it for the reason that they felt, so far as the Federal farm-loan banks were concerned, that the limit of $10,000 should be retained to assist the small farmer, for fear if the limit were increased in a period of depression men with capital might take advantage of the situation and purchase mortgages or purchase farms that were mortgaged and foreclose, and in that way deprive many small farmers of their property and drive them to increase tenant farming. So we believed that with the joint-stock land banks, which could loan up to $50,000, the field would be wisely and fully covered. That was my view then, but a majority of the members of the committee felt the time had come when we could safely increase the limit to $25,000, and I have no objection.

While the members of the Federal Farm Loan Board do not feel like volunteering their opinions on matters of policy, I think it is safe to say that they would much prefer that it be left to their discretion. The Senate will remember that the committee considered this amendment very carefully and felt that under all the circumstances it was better and wiser to leave the section as originally drawn, because there might be an application for a loan of $10,500 or $11,000 that was exceedingly meritorious and that ought to be granted. So we believed that we could safely leave it to the discretion of the Federal Farm Loan Board and the directors of the banks. That was the feeling of the committee. Personally, I have no special objection to the amendment, but I think it wiser that it should be left to the discretion of the Farm Loan Board. I do not think it will be abused, and I think they will follow the custom that they have followed in the past of giving preference to the small loans.

The record shows, I think, that the average loan is only about $3,000, and I have no fear of the administration of the law if it is left to the discretion of the board. As the Senator from Nebraska has hinted, if the amendment should be adopted it might possibly indicate that it was the opinion of Congress that these loans ought not to be extended in any event where the amount was above $10,000 unless the loan was very pressing; and there might be an instance, as I have said, where a loan of eleven or twelve thousand dollars might be just as meritorious as a loan of $3,000 and one that ought to be granted.

Mr. PITTMAN. Mr. President, that would be a very unfortunate situation, and I want it distinctly understood that that is not the construction that the committee puts on it. Is that true? The committee does not place the construction on the amendment that the Senator from Florida has offered that it would be in the nature of an intimation to the banks that we did not generally favor loans of over $10,000.

Mr. McLEAN. Of course, the board would have to construe the law according to its terms. I do not know what construction they would put upon it; but we felt that it was better to leave it to their discretion, for the reasons I have stated.

Mr. PITTMAN. Does the Senator from Florida desire by his amendment to intimate to the banks that it is the sentiment of the Senate that we do not in general approve of loans of over $10,000 unless a great emergency exists?

Mr. FLETCHER. Not at all; but the bill itself provides that loans up to $25,000 are expressly authorized to any one borrower. I am simply proposing that that policy shall be pursued and that law shall go into effect, that we do authorize them to make such loans, but the limitation is that the people from $10,000 down must first be taken care of. That is to say, if the funds are ample to take care of those desiring loans of $10,000 or less, then, of course, the law authorizing loans up to $25,000 shall be observed.

Mr. PITTMAN. If the funds are ample, they will all be taken care of.

Mr. FLETCHER. I think so. I do not think there will be any trouble about it.

Mr. PITTMAN. Then, why the amendment?

Mr. FLETCHER. But we never can tell what may happen hereafter. This is only a contingency. At present all these current needs are amply provided for. They have ample funds, and there is no trouble about making loans. The law proposed by this bill is to authorize loans up to $25,000. That is a change in the present law. The present law limits to $10,000 the amount that may be loaned to any one borrower. Now, we say that the limitation shall be $25,000; and I am simply providing that only in case funds are not available to take care of the loans of $10,000 or less shall there be any question about their making the loans above $10,000.

Mr. PITTMAN. Mr. President, I am going to vote for the Senator's amendment, because I do not think it carries with it any such intimation as the Senator from Connecticut [Mr. McLEAN] stated might be considered by the bank. I think it is the plain intention of the committee to increase the amount that they may lend, and that a qualified borrower showing good cause for a loan of $25,000 shall have just as good a standing before the bank and just as much consideration as one borrowing less than $10,000; that there shall be no discrimination or distinction at all with regard to the amount. As a matter of fact, I think the amendment might apply to all loans, that they should not pay any loan so long as an approved application was pending for others ahead of it; but I have no objection to the amendment under those conditions.

Mr. SIMMONS. Mr. President, the movement to secure this change in the law, and increase from $10,000 to $25,000 the amount which may be lent in each case by the farm loan banks, came from the farmers of the country. It did not originate with Senators or with the committee. It has been for some time one of the most insistent demands that the farmers of the United States have been making with respect to the operations of these banks.

I assume that the farmers of the country, in insisting upon this increase in the amount that may be lent to one person, did so because they thought it was exceedingly important that these larger loans should be made, possibly as important in many instances that these larger loans should be made as that the smaller loans should be made; and I think any restriction or any limitation as to these loans, giving a preference to one class as against the other, probably would defeat one of the purposes of those who have asked for the legislation.

Personally, I believe as a rule that the smaller amounts should be preferred. I think that should be the general policy of the board. I think it will be the general policy of the board. I should not like, however, to see any provision adopted which would indicate to the board that the Congress, in the passage of the law, intended that they should put aside the applications for the larger amounts until they had accommodated those asking for the smaller amounts, because if that were done I am thoroughly convinced that there are many instances in which farmers who are confronted with a mortgage upon their property to be foreclosed unless they borrow a sum more than $10,000 would be put at a very great disadvantage, and that they are as much entitled to the benefit of this act as the farmer whose property is mortgaged for less than $10,000 and who is threatened with foreclosure proceedings.

Mr. President, in the circumstances I think it is very much better to leave this whole matter, just as the bill as now drawn leaves it, in the discretion of the board. The members of the board will exercise that discretion wisely, I am sure; and where a preference should be given to the smaller loan as against the larger loan applied for, I have no doubt they will give it.

I trust that the amendment will not be adopted. I do not think it is a good amendment.

Mr. KING. Mr. President, will the Senator permit an inquiry? Has he any information as to the applications which have been made for loans in excess of $10,000, or any information as to whether or not there would be any considerable number of them?

Mr. SIMMONS. I do not think any applications have been made for loans in excess of $10,000, because the present law expressly limits to that amount the power of the board to loan.

Mr. KING. Yes; I did not speak accurately. Has the Senator any information as to whether or not there has been any considerable demand for loans in excess of $10,000, and has he any information that would foreshadow that loans of that character might deplete the fund which was available for the smaller debtor, so that the smaller debtor might be denied the opportunity of getting loans?

Mr. SIMMONS. All I can say to the Senator about that is that I have heard a good many farmers say that the act was of no value to them because $10,000 would not relieve them; it would be necessary for them to have a larger amount to get any relief at all. I do know, further, that the bank in the district in which I live, the Federal Land Bank of Columbia, about a year ago was so flooded with applications for loans under the old law, the law as it now is, that they issued a circular stating that it would be six months before they would be able to examine the applications and, even if they had the funds, get ready to accommodate those who were entitled to accommodation. At the end of six months a further notice was given that it would be possibly three months before they would be in a position to accept new applications at all. I think in that case it would be quite a long time—I am speaking now only of that bank, which serves four States, however, North Carolina, South Carolina, Georgia, and Florida—if they had to give preference to applications for loans under $10,000, it would be quite a long time before they ever would be able to give consideration to the applications for loans above $10,000.

Mr. PITTMAN. I think the Senator is in error in regard to the language of the amendment. It does not say that they shall give attention to loans of $10,000 first.

Mr. SIMMONS. I will change that to "making the loans."

Mr. PITTMAN. It says that they shall pay the loans, not to which attention has already been given but which have been approved and are simply waiting for payment. I think it is very fair to pay them in the order of approval.

Mr. SIMMONS. I have no objection to paying them in the order of approval, but what I insist is that nothing shall be written in the law that would say to the board, "You must prefer one class of loans and you must hold another class in abeyance until you have accommodated the preferred class."

Mr. CAPPER. Mr. President, I will say to the Senator from Utah that within the last 30 days I have received resolutions and letters from more than 40 local farm-loan associations in Kansas urging this amendment extending the loan limit to $25,000. As the Senator from North Carolina says, the demand does come from the farmers themselves; and I think all the national farm organizations have gone on record in the last few months as believing that this amendment to the farm-loan act is very necessary.

Mr. SIMMONS. Let me ask the Senator a question. These farmers would not have asked for this increase unless they thought it was very important that these larger loans should be made, would they?

Mr. CAPPER. The Senator is entirely right.

Mr. HITCHCOCK. Mr. President, my first criticism of the amendment offered by the Senator from Florida was that it was too rigid; that it tied up the operations of the banks to too great an extent; but by his acceptance of the word "approved," his amendment practically loses all its controlling force, in my opinion. All the bank directors have to do is to delay the approval of small loans, and they can give preference to large loans; so that the injection of that word "approved" has taken his amendment out of the class of rigid amendments, too rigid to be desirable, and put it into a class where it seems to me it is almost inoperative. This leads me to renew the suggestion that the wise course is to lay down the policy that preference shall be given to loans not exceeding $10,000 whenever there is a shortage of funds; that is to say, whenever the funds at hand are not adequate to make all loans, and some loans have to be delayed and some loans have to suffer, you shall make the delay affect the big loans instead of the little ones.

Mr. President, it was the purpose of the law, undoubtedly, to provide loans of a comparatively small amount; and in drafting the law, as I well remember, we limited the amount of the farm-loan bank loans proper to $10,000, but we gave to the joint-stock banks a larger limitation, with the idea that they would take care of the big loans; that when a man wanted to borrow so much money, say $25,000, he had facilities, he had opportunities, which are not open to the small farmer. So the original intention undoubtedly was to confine these mutual banks to the small loans and open to them an exclusive field for procuring loans on desirable terms. I believe the farmers are justified in their demand that where the funds are abundant the restriction on the Federal farm-loan banks ought to be withdrawn and they ought to be allowed to compete with the joint-stock banks in making the larger loans.

So I suggest to the Senator from Florida that this proposition of mine will more nearly carry out that purpose—that whenever a lack of available funds shall limit or delay the making of loans the Federal farm-loan banks shall give preference to loans not in excess of $10,000. I think the amendment, in the form in which the Senator has it now, after he has injected the word "approved" into it, leaves the matter wholly within the power of the banks, and there is no preference given to the small loans whatever.

Mr. FLETCHER. Mr. President, I am inclined to think that the proposal of the Senator from Nebraska would meet the situation. I think he properly interprets my intention, and I understand his to be in accord with mine, namely, that we agree this system was originally established for the purpose of providing accommodation for those who could not get accommodations anywhere else really. We know perfectly well that under the old national bank law national banks were prohibited from making loans on real estate. The chief asset of the farmer was stricken down under the only financial system we had until we established this farm-loan system, and we organized this system to take care of those people who were unable to get accommodations through the commercial system we had or through any other means.

We wanted primarily to enable every man in this country to own his own home, and to do that we had to provide a plan for giving him financial accommodation that he could meet, and upon terms, rates of interest, and all that sort of thing, that he could bear, and we devised this system. It has worked admirably. Seven hundred million dollars have been found for the farmers of this country under this system, at 5½ per cent, with the right to pay off 1 per cent per annum on the principal, and practically on their own terms. It is working admirably, it is accomplishing great results, and, as the Senator from Connecticut mentioned a moment ago, in which statement I think he is entirely correct, the average loans up to this time have been something like $3,000.

At present there are ample funds to take care of the needs of agriculture, whether the limitation is raised or not. There may come a time when those funds would not be adequate to take care of larger loans, and we had that in view when we framed the act, as the Senator from Nebraska has mentioned, and for that reason we established the joint-stock land banks, to function so that those engaged in agriculture on a larger scale, who might require much more capital than the ordinary farmer would require or need, could be accommodated. Therefore we permitted the joint-stock land banks to be covered into the system. They have been covering the field of loans from $10,000 up. They are not limited to $10,000, and I am told they are now making loans of two or three thousand dollars. They were supposed to provide for accommodations in excess of $10,000. They are not obliged under the law, I think, to confine their loans to that amount, because, as I have said, I think they are making loans now in the field which has always been occupied by the Federal land banks.

That is another reason why I am not opposing the raising of this limit from $10,000 to $25,000. I think there has been quite a general demand over the country for this increase in that limitation, because farm values have increased, and where five or six years ago a man might be amply supplied with $10,000, he would probably need twice that to-day to accomplish the same purpose.

Mr. McLEAN. If the Senator will permit an interruption there, I am not opposing this increase in the limitation to $25,000, but when we increase it, I want it done in a way that will confer every benefit possible on the farmers of the country. I think the Senator loses sight of the point I made, and which the Senator from North Carolina reinforced, that there might be a farmer who has a mortgage to-day of $10,000 on his farm. Funds may be short. There may be two or three or more loans of smaller amounts which have been qualified and approved; yet they may not be very pressing, while this mortgage of $10,000 may be threatened with foreclosure, and unless the borrower can raise, perhaps, $5,000, or a few thousand dollars more, he may lose his farm. It seemed to the committee that it was wise to leave such matters to the discretion of the Farm Loan Board.

Mr. GLASS. Mr. President, after all, is it not a matter of administration?

Mr. McLEAN. It seems to me so.

Mr. GLASS. If we increase the limit to $25,000, is it not to be presumed that no well-conducted farm loan bank is going to make a loan of $25,000, if it has applications for half a dozen

loans of from two to five or ten thousand dollars? If we extend the limitation to $25,000, nothing we can put in the law will affect the matter, because it is a matter of administration and of banking judgment in the last analysis.

Mr. McLEAN. Yes; and it should be administered in a way that will confer the greatest possible benefit to the farmer.

Mr. GLASS. As a matter of fact, we know, Mr. President, that members of the Federal Farm Loan Board have come before our committee time and time again and stated, both orally and in writing, that they are opposed to the policy of making $25,000 loans when they have not sufficient funds to make the lesser loans. So, as I have said, in the last analysis, it is simply a question of administration, and it seems to me all we should do here, if that is the judgment of the Senate, would be to extend the limitation.

Mr. PITTMAN. Mr. President, it was my intention to vote for the amendment of the Senator from Florida, because I did not think it created any discrimination; I thought it was simply a fair amendment providing that the banks should pay in the order of approval. The amendment of the Senator from Nebraska would have an entirely different effect. The Senator from Florida has expressed a willingness to accept the amendment of the Senator from Nebraska, or, rather, he approved it.

Mr. FLETCHER. I have not accepted it. I want a vote on mine first.

Mr. PITTMAN. The committee which had charge of this bill gave it most careful and long consideration. In addition to the committee, a number of Senators who were interested in this matter had an opportunity and the pleasure of listening to the representatives of various farm organizations discuss this bill. They have approved this paragraph as it is written after long and careful consideration. It is a very dangerous thing to attempt to change those provisions on the floor of the Senate where there is any doubt as to the effect of the change. There is doubt as to the effect of this, because the Senator in his original amendment had one view of its construction, and upon suggestion that it might have another, he changed it. Now, the Senator from Nebraska says that the Senator's amendment, as amended and approved, does not have the meaning the Senator from Florida thinks it has, and he offers another.

Mr. HITCHCOCK. Mr. President, I am not offering any amendment. The fact is, I am willing to accept this as it stands, but it seemed to me that if anything were inserted, it should be a mere directory expression of the principle to be followed rather than a rigid and restrictive amendment such as the Senator from Florida proposes. I am not proposing any amendment.

I wanted to explain why I have changed my mind, and will vote for the committee amendment. I see the difficulty of trying to amend this matter on the floor, and get the meaning each Senator has in mind. It has been approved by the committee after long consideration, and it was approved by all the representatives of those directly interested in it.

I want to give one other reason for the raising of this limitation to $25,000. The loans in farming communities are generally by banks whose capital hardly ever exceeds $100,000. They are limited in their lending to $10,000. If a stock raiser meets an emergency, when he is about to suffer a great loss for the need for fifteen or twenty thousand dollars immediately, and there is no bank in his community with the legal authority to lend over $10,000, he suffers a loss. We all know that. It is the case in nearly all of the farming communities that the little banks which serve the farmers have small capital, and they are limited to lending 10 per cent of their capital to any one person. Some of the banks have entered into frauds to cover that, but it is not approved and it is a dangerous practice. For that reason it became necessary, if we are going to protect farmers against loss in an emergency, when they could not borrow money, to increase the limitation to $25,000. For instance, in Idaho bank after bank failed because they had loaned out a tremendous amount of money, in excess of what they should have loaned, in excess of the 10 per cent of their capital. They had to do that to carry these industries along, and they failed. The farm banks could not lend over $10,000, and they could not come and aid these people where they required twenty or twenty-five thousand dollars. It seems to me that is a very dangerous proposition.

Mr. McLEAN. Should we not leave with the board the discretion as to which emergency is entitled to precedence? A loan for $12,000 may be more deserving than any other loan that is approved, and yet unless the amendment still leaves with the board the discretion to qualify that loan in preference to the small loan, the man may lose his farm. If we are going to amend the law and give the farmers the benefit of it, I want to do it.

Mr. FLETCHER. Mr. President, ordinarily the farmer who wants more than $10,000 is not only able to resort to the joint-stock land banks but is able to resort to banks and other financial institutions and money lenders generally. He has a situation that is entirely different from the little man who is unable to get any accommodation anywhere except under this system.

Now, we have pretty well all agreed—the Senator from Virginia [Mr. GLASS], the Senator from Connecticut [Mr. McLEAN], the Senator from North Carolina [Mr. SIMMONS], and all—that speaking generally the applicants for small loans should be accommodated first. If that is true, why not say so? Why leave it to a board to say so? It may be that the present Farm Loan Board, in thorough sympathy with the act and its purpose, will carry out what we are hoping and believing they will carry out. But that board is a politically appointed board and its personnel may change any time. Why not put in the law just what we say the purpose of the law and the intention of Congress is?

Mr. GLASS. Because the board and not the Congress of the United States is in constant contact with all of these problems and very much better supplied with information for the guidance of their judgment than the Senate could possibly be. That is the policy which has thus far been pursued by the board. The board has time and again indicated that that would continue to be their policy, unless circumstances should arise which would alter their judgment. It seems to me that the matter is one of administration and not of legislation, and that we should leave it in the judgment of the board.

Mr. FLETCHER. The board at one time was opposed to any increase. They so stated, but at last said they would not oppose it. They do not particularly favor it, but they believe there is a demand for it from the farmers and farm organizations of the country, and they are willing that the increase should be made. I have no doubt they have in their minds the intention of taking care of the loans which are applied for up to the limit of $25,000, if they have the funds, but if the funds are limited they are going to take care of the smaller loans first. I believe they intend to do that, and all I expect to accomplish by the amendment is to authorize them to do it, so that when an application is made for $25,000 they can well say under the law, "You will have to wait because we have not adequate funds to accommodate you."

Mr. McLEAN. But, if the Senator will pardon me, suppose that a loan for $12,000 should have preference under all the circumstances? Among all the loans that are qualified and approved there may be one for $12,000 which is more pressing and is clearly entitled to preference. Why limit the discretion of the board?

Mr. FLETCHER. Oh, no; but until they have funds enough to meet them. They do not have actually to meet them. I do not think that sort of case will arise. The board will know how much each bank will have and will know what the approved applications are when this very precious loan of $12,000 is applied for. They will know whether they have adequate funds to meet the situation and, of course, they will not hesitate a minute if they have the funds.

It is not altogether true that every farmer in the country or every farm organization is indorsing the proposed increase. I am not opposing it. I am willing to concede that a majority of the people interested in the system are in favor of the increase. I am in favor of it. I am simply trying in a provision here to protect the little fellow who can not get his accommodation anywhere else but through this system. I want to see him safe before we go to take care of the people who have a medium elsewhere, namely, the joint stock land bank, to apply to for accommodation.

Here is a letter from Washington, Va., from a national farm-loan association, dated January 15, 1923, in which it is said:

> I am also inclined to think that the limit of the loan to any one person should not exceed $10,000, for there are very few farmers in my section who ought to owe more than $10,000. However, in other sections this may be different, but I believe with rare exceptions.

Here is another letter from another association:

> So far as this association is concerned, loans of $10,000 are big enough, and I believe if the farm-loan banks assist the small farmers they will be doing more good than by making the large loans of over $10,000. The question of obtaining money by sale of bonds is not at all difficult, and for all that one loan of $25,000 does not do as much good as ten of $2,500.

I think I agree with that. I am only offering to say so in the law.

Mr. SIMMONS. I think the Senator is absolutely right in saying that probably the policy which has been pursued up to this time under the present law, of giving the small man a preference, ought to be continued. I am quite sure it will be

continued. But if the Senator's amendment is adopted, then the board will lose the discretion to accommodate, except upon the happening of certain contingencies, the larger demand that may be made upon it, although the board may in its judgment believe that the borrower who wants $25,000 is much more in need of accommodation than the man who wants the lesser sum.

The amendment would take from the board all discretion, except under certain conditions, to accommodate the larger application, notwithstanding its judgment as to the merits of the application and as to the necessity of relieving him against a condition which would be absolutely disastrous and possibly ruinous to him. I want to preserve that discretion in the board, to be exercised upon its judgment. I assume that it will exercise that judgment in favor of the small man, where the conditions permit it, after we make the increase, just exactly in the same way as they have exercised it heretofore when they were under no compulsion or direction to prefer the smaller man. If they have preferred the smaller man under the present law where there is no direction to them to do it, and where they are acting simply upon their judgment, what reason has the Senator to believe they will not continue to pursue that same policy when we increase the amount?

Mr. FLETCHER. I do not think it would interfere with that question at all. I think it is just a question of fact. When they ascertain that they are limited in the funds on hand and have not sufficient on hand to meet the obligations which are qualified under the law, that is one instance in which they may withhold the larger loans.

Mr. SIMMONS. But when they do find the fact, and that fact is that they have approved of smaller loans to the extent that their funds would be exhausted, then by reason of that fact they are deprived of exercising the discretion to help the large applicants.

Mr. HEFLIN. Mr. President, when we were discussing the awful condition of the farmers and the cattlemen of the country during drastic deflation we were told the Federal reserve system was not intended to serve their needs. Now, when we come to make provision to reach these people and to serve their needs we are finding opposition. We were told at that time that we ought to create new agencies. Now we are undertaking to create those agencies, and yet it seems that restrictions are to be placed around the provisions looking to the relief of the farmer. Now, it seems that some want to do just as little as possible for the farmer.

I think there is great merit in the amendment offered by the Senator from Florida [Mr. FLETCHER]. I would like to see the amendment of the Senator from Nebraska [Mr. HITCHCOCK] accepted. I think that would clear the matter up entirely. It would still leave discretion in the hands of the board. The board could continue to make the $25,000 loans. The board has the discretion of saying whether the funds are too low to continue them or not. They are the judges, and nobody knows the condition better than the members of the board.

Now, Mr. President, I have had some letters from my State suggesting that the amount of certain loans ought to be increased; that there were people who needed $25,000; that $10,000 would not serve the purpose. I think that is true, and I am willing to increase it to $25,000. I know, and everyone who has had any business experience knows, that the man with $25,000 worth of collateral has more influence with any board with discretion than the poor fellow has who wants $500 or $1,000. I am trying to reach the man who has no entrée to any bank now. I want to reach the fellow who is not influential with these boards, which never come in contact with the struggling poor. Here is an opportunity to reach that very class.

The cattle industry had become a considerable industry in my State until it was slaughtered and sacrificed by the ravages of deflation in 1920 and 1921. If the cattlemen of my State could have borrowed money so they could have gone through that time, they could have saved their cattle and the cattle industry in Alabama would have been flourishing to-day. But as the result of deflation they were practically wiped out and were discouraged and cast down with tremendous losses on their hands.

Now, we want to prevent the recurrence of such a thing as that, and here is the opportunity to do it. The question is, Will Senators do it? I know that the proposition does not appeal to certain Senators. I am the friend of the commercial banking system. When I see the commercial banking system put to the test and it fails to reach a large portion of our people and permits their enterprise and industry to perish, I am in favor of amending the banking laws and going to the rescue of such people. This is their Government. They have a right to ask us to give them machinery that will take care of their interests. I want these little men who can get money nowhere else to be given the opportunity to get it. God knows they need it.

I wish to call the attention of the Senate to an incident which I once before mentioned here which illustrates the point I have in mind. A young man in the West purchased, I believe, in the fall of 1920, $2,000 worth of cattle, not many of them, and he borrowed the money with which to pay for them. He went out and started a little ranch. He had some increase in the number of his cattle, and the next year when his paper became due he tried to renew his note, telling the bank officials that he was not able to pay; but they forced him to the wall; they drove his cattle to market and sold them. They brought but $1,300, though he had borrowed the money and paid $2,000 for them. He went out of business; he went back to the city, with a $700 debt hanging over his head still unpaid. That is but one instance, Mr. President, among thousands and tens of thousands. Now we are trying to reach that needy class. Here is an opportunity to reach them through the amendment which has been offered by the Senator from Florida [Mr. FLETCHER], but we are told that we must not put that amendment in the bill.

I am not in favor of leaving too many discretionary powers in the hands of boards. I once saw a Federal Reserve Board use its discretionary power to the destruction of $15,000,000,000 worth of agricultural products, including cattle, to the ruin of millions of people, to the driving to death of thousands of men and women, who took their own lives, and to the driving of others to the madhouse. That result came through discretionary power which was exercised by a board under the control of Governor Harding and the big conscienceless financiers and speculators of Wall Street. I am not in favor of leaving discretionary powers in the hands of those who use those powers to the hurt and injury of the masses of the people.

Mr. President, when I advocated a credit system here I had in mind a bill that would provide for loaning money to the man with five head of cattle or three head of cattle. Any man who wishes to start business, I do not care how small it might be, in this great country, ought to be able to get the capital with which to start it and to aid him until he makes it a going business. Is not that a fair proposition? I wish to say to Senators who oppose this amendment that $500 to one of these poor struggling fellows is as much as is $25,000 to a man who has accumulated a fair share of this world's goods and has collateral through which he may get money from some other source. I wish this banking system to reach out and aid the little fellow to get on his feet and to make his business a going business. That ought to be the purpose of a statesman. We ought not to legislate special privileges into the hands of any particular class, but we ought to legislate for the masses and for the good of all. I want the man who needs $25,000 to get it; I want the one who needs $20,000 to get it, or the ones who need $15,000 or $12,000 or $10,000 or $5,000 or $3,000 or $1,000 to get it; and let us provide sufficient funds for that purpose.

There was not any question about funds not being sufficient when gamblers were speculating in cotton at 40 cents and beating it down to 10 cents. They got millions and hundreds of millions of dollars in New York for that purpose. Why should we now draw a picture of a situation showing that this Government is not capable of providing a financial agency by which money enough can be provided to keep the agricultural industry and the cattle industry going in the United States? There will come no such time if we shall have the right kind of men in this Chamber and in the other. It is the duty of the Government to see to it that the industries which feed and clothe the world are not crucified for the gain of a favored few. We might just as well face the issue plainly.

Mr. President, I hope the amendment of the Senator from Florida will prevail. I think it is a righteous amendment. It is all right to provide for those who desire to get $25,000; I am in favor of having the limitation increased to that extent; but I wish at the same time to specifically provide for the taking care of those who seek loans for amounts less than $10,000. That is the proposition in a nutshell.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Florida [Mr. FLETCHER] as modified.

Mr. HEFLIN. Let us have the yeas and nays on the amendment, Mr. President.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Arizona [Mr. CAMERON] and will vote. I vote "nay."

Mr. WALSH of Montana (when his name was called). I transfer my pair with the Senator from New Jersey [Mr. FRELINGHUYSEN] to my colleague, the senior Senator from Montana [Mr. MYERS], and vote "yea."

Mr. WATSON (when his name was called). I transfer my pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the senior Senator from Iowa [Mr. CUMMINS], and vote "nay."

Mr. WILLIS (when his name was called). I am paired with my colleague, the senior Senator from Ohio [Mr. POMERENE], who is absent on account of illness. I transfer that pair to the senior Senator from Pennsylvania [Mr. PEPPER] and vote "nay."

The roll call was concluded.

Mr. McKINLEY. I transfer my pair with the junior Senator from Arkansas [Mr. CARAWAY] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. FERNALD. I have a general pair with the Senator from New Mexico [Mr. JONES]. I transfer that pair to the junior Senator from Oklahoma [Mr. HARRELD] and vote "nay."

Mr. COLT. I transfer my pair with the junior Senator from Florida [Mr. TRAMMELL] to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. OWEN. I transfer my pair with the Senator from New Jersey [Mr. EDGE] to the Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. CURTIS. I desire to announce that the junior Senator from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

The result was announced—yeas 28, nays 43, as follows:

YEAS—28.

Ashurst	Harris	Ladd	Owen
Bayard	Harrison	La Follette	Sheppard
Borah	Heflin	Lenroot	Shields
Brookhart	Johnson	McCormick	Swanson
Bursum	Jones, Wash.	McKellar	Underwood
Dial	Kendrick	McNary	Walsh, Mass.
Fletcher	King	Norris	Walsh, Mont.

NAYS—43.

Ball	Hale	Nicholson	Smoot
Calder	Hitchcock	Oddie	Stanfield
Capper	Kellogg	Overman	Sterling
Colt	Keyes	Phipps	Sutherland
Couzens	Lodge	Pittman	Townsend
Curtis	McCumber	Poindexter	Wadsworth
Elkins	McKinley	Ransdell	Warren
Fernald	McLean	Reed, Pa.	Watson
France	Moses	Robinson	Weller
George	Nelson	Shortridge	Willis
Glass	New	Simmons	

NOT VOTING—25.

Brandegee	Edge	Myers	Spencer
Broussard	Ernst	Norbeck	Stanley
Cameron	Frelinghuysen	Page	Trammell
Caraway	Gerry	Pepper	Williams
Culberson	Gooding	Pomerene	
Cummins	Harreld	Reed, Mo.	
Dillingham	Jones, N. Mex.	Smith	

So Mr. FLETCHER's amendment, as modified, was rejected.

Mr. DIAL. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. It is proposed to add at the end of the bill a new section, as follows:

SEC. 304. That the second subdivision of section 5 of the United States cotton futures act, approved August 11, 1916, as amended, is amended to read as follows:

"Second. (a) Specify as the class of the contract one of the following classes:

"Class A, which shall include only middling fair, strict good middling, good middling, and strict middling grades;

"Class B, which shall include only strict middling, middling, strict low middling, and good middling yellow tinged grades;

"Class C, which shall include only strict low middling, low middling, strict middling yellow tinged, and good middling yellow stained grades.

"(b) Specify the basis grade for the cotton involved in the contract, which shall be one of the grades for which standards are established by the Secretary of Agriculture, and which shall be one of the grades included within a class in paragraph (a) of this subdivision; the price per pound at which the cotton of such basis grade is contracted to be bought or sold; the date when the purchase or sale was made; and the month or months in which the contract is to be fulfilled or settled.

"(c) If no other class is specified in the contract, or in the memorandum evidencing the same, the contract shall be deemed a Class B contract.

"(d) If no other basis grade be specified in the contract, or in the memorandum evidencing the same, good middling shall be deemed the basis grade incorporated into a Class A contract, middling shall be deemed the basis grade incorporated into a Class B contract, and low middling shall be deemed the basis grade incorporated into a Class C contract. It is further specified that in case delivery is demanded at least one-third of each contract shall be filled in the basic grades specified herein, and that the other two-thirds shall be filled either in that grade or in one of the other grades specified in said class."

That the third subdivision of section 5 of such act is amended to read as follows:

"Third. Provide that the cotton dealt with therein or delivered thereunder shall be of or within the grades for which standards are established by the Secretary of Agriculture, and of or within the grades included within the class so specified or incorporated as the class of the contract, and that cotton of any other grade or grades shall not be dealt with therein nor delivered thereunder."

That the fifth subdivision of section 5 of such act, as amended, is amended to read as follows:

"Fifth. Provide that cotton that, because of the presence of extraneous matter of any character, or irregularities or defects, is reduced in value below that of strict middling in the case of a Class A contract, strict low middling in the case of a Class B contract, or low middling in the case of a Class C contract, the grades mentioned being of the official cotton standards of the United States, or cotton that is less than seven-eighths of an inch in length of staple, or cotton of perished staple or of immature staple, or cotton that is 'gin cut' or reginned, or cotton that is 'repacked' or 'false packed' or 'mixed packed' or 'water packed,' shall not be delivered on, under, or in settlement of such contract."

That the second paragraph of the seventh subdivision of section 5 of such act, as amended, is amended to read as follows:

"The provisions of the third, fourth, fifth, sixth, and seventh subdivisions of this section shall be deemed fully incorporated into any such contract if there be written or printed thereon, or on the memorandum evidencing the same, at or prior to the time the same is signed, the phrase 'subject to United States cotton futures act, section 5, Class A,' if the contract is a Class A contract, or the phrase 'subject to United States cotton futures act, section 5, Class B,' if the contract is a Class B contract, or the phrase 'subject to United States cotton futures act, section 5, Class C,' if the contract is a Class C contract."

That the provisions of this act shall be effective on and after the thirtieth day after its passage, but such provisions shall not be construed as applicable to nor as affecting any right, power, privilege, or immunity under any contract entered into prior to such day.

Mr. DIAL. Mr. President, I am glad that we are about to pass a law to make funds more available for the agricultural interests of this country; but, while we are doing that, it is our duty to see if we can not benefit their interest in other respects.

I have an amendment, which has just been sent up to the desk and read, which is somewhat technical. I did not expect all Senators to grasp it from the reading, but it is very simple, as they will see when I explain it a little later.

To my mind, an amendment of that kind to this law would be of greater benefit to the people of the South than any other law that we could possibly pass. It is commendable to try to secure funds which shall be available to help people to farm, but it is useless for them to raise a crop and then turn around and be robbed in marketing that crop.

I do not like to use harsh language, such as "robbery" and similar phrases, because that is so common and sounds so demagogic. I have heard all my life that the South was robbed by Wall Street, and by this interest and that interest and the other interest. If I could not show where the wrong is, and if I could not point out the remedy, I would remain silent; but this matter of a cotton-future contract has simply deprived the people of my section since the Civil War of hundreds of millions of dollars every year. The trouble is that the public do not understand the law. They are afraid to look into it. They have different reasons.

Some will say that it is too complicated. Mr. President, I admit that it is a technical proposition; it is somewhat of a legal proposition; but it is not too complicated to look into and to correct when we see the wrong of it. Our A, B, C's were complicated until we studied them and learned them, and it is the same way with this cotton-future contract proposition.

Some Senators will brush it aside and say: "No; I do not understand it." Of course, you do not, unless you study it a little. I did not understand it for a long time in my life, but it is just simply legalized robbery—nothing short of it.

I realize that some of the Senators from the South differ on the proposition; but I am going now to appeal to every man in the Senate, and particularly to the Representatives of the South, to study this proposition and see what I am driving at. Of course, some of them already know, but I am afraid they do not realize, the great injustice that is inflicted upon our people. I ask them to lay aside any prejudice or favoritism and study the proposition as a business one, or as a legal proposition, or as a moral proposition.

It is not very pleasant to tell the world of our misfortunes and of our poverty, to be always whining about being poor. I hate to hear it, Mr. President; but when we look at the conditions that obtain in the South, there is no alternative except for our people to be poor. All my life I have been an optimist. I look on the bright side of life. I believe in work, and I believe in more work; but I have come now to the point where I am ready to strike for the cotton growers of this country, and I say that with all deliberation and after most thorough investigation.

I shall not read long to the Senate, and I shall not detain you long with my speech; but I have in my hand the report of the Joint Agricultural Commission of Congress, filed last year

some time. They go into a close analysis and a calculation of the cost of production of cotton. I desire to have inserted in the RECORD the parts that I have marked.

There being no objection, the matter referred to was ordered to be printed in the RECORD as follows:

It may be helpful at this point to give a typical illustration of the outlook for landowner and tenant. Let us take a 30-acre farm unit, valued at $1,500 and including 25 acres of cleared land. This is occupied by a tenant farmer who furnishes all the implements and labor, including mule power, and receives half the cotton and all the grain crop for his services. The landlord's account will appear about as follows:

Landlord's account:	
Debit—	
Taxes	$25.00
Interest and depreciation	150.00
Fertilizer for cotton	90.00
Cotton seed	10.00
Half of cost of ginning and baling	12.50
Supervision	100.00
Total	387.50
Credit—	
One-half of 5 bales of cotton, at 16 cents a pound	200.00
2½ tons cotton seed, at $30	75.00
Total	275.00
Landlord's loss	112.50
Tenant's account:	
Debit—	
Feed of mule	75.00
Depreciation and interest on mule	25.00
Taxes	5.00
Fertilizer for 10 acres corn and grain, at $3	30.00
Depreciation and repairs, implements	10.00
Half of cost of ginning and baling	12.50
Total	157.50
Credit—	
One-half of 5 bales of cotton, at 16 cents a pound	200.00
75 bushels of corn	50.00
100 bushels of oats	50.00
2 tons of hay	40.00
Total	340.00
Return received by tenant	182.50

The balance of $182.50 represents labor for the entire year for man, wife, and two children, which is 61 cents per day for 300 days. On a 365-day basis, this gives a total revenue of 10 cents per day for each member of the tenant's family of four. That these figures are not overdrawn can be readily proven by reference to the production statistics of the Department of Agriculture which are readily available. The Census Bureau reports 1,890,000 farms producing cotton in 1919. This for the crop of 1921 would give 4½ bales per farm. Assuming only one family per farm (a totally unwarranted conclusion) this would give each share-cropping farmer 2½ bales, or a revenue of $170 from cotton.

What would the cost of production of farm products be if farm labor were allowed a wage commensurate to that received by the coal miner, the railroad worker, the brick mason, or the factory operative? Your committee has not the data upon which to base this calculation, but states without fear of contradiction that no price received, even at the peak prices, will give the actual producer of farm products a wage comparable in any way with that normally received by all classes of union labor and even by most classes of farm labor elsewhere in the United States.

Mr. DIAL. Briefly, it says this, Mr. President: It goes into detail of the cost of a bale of cotton, the cost of a pound of cotton. It shows that a man and his wife and two children in an ordinary year, producing an ordinary crop of cotton, and marketing that cotton at 18 cents a pound, which is away above the average, reap the magnificent reward of 10 cents a day each. That is not my statement. That is the statement of the Joint Agricultural Commission of the House and Senate, composed of some of the best men in each of these bodies. It says, down there:

The balance of $182.50 represents labor for the entire year for man, wife, and two children, which is 61 cents per day for 300 days. On a 365-day basis, this gives a total revenue of 10 cents per day for each member of the tenant's family of four.

I will not bore the Senate by reading other extracts, but here is the situation. People talk about the pauper labor of Asia; but when we have any such condition as just read right here in the United States, it is time that this body was waking up and amending this law. Therefore I am ready to advise our people to stop planting cotton—and I do not like to use that term—but we have been raising cotton all these years at something under the cost of production, and we can not stand it any longer. In my State, two years ago, we raised 1,600,000 bales of cotton. Last year we raised less than 800,000 bales and this season we have raised only about 520,000 bales.

Mr. HITCHCOCK. Mr. President, I am among those who have never been able to understand the Senator's bill, and I hope he will make it clear.

Mr. DIAL. I am coming to that.

Mr. HITCHCOCK. I assume that it is not the price of the cotton which makes the remuneration of the raiser so small, but I do not know whether or not it is legislation that the Senator is complaining of——

Mr. DIAL. Yes, sir; it is.

Mr. HITCHCOCK. And I should like to know, if that is the case, when the adverse legislation began, and of what it consisted.

Mr. DIAL. I thank the Senator very much for interrupting me. I will come right to that, and I shall be glad to have any Senator interrupt me, because this is not a speech on my part. I do not like to speak if I can help it, but I do love to talk a little business; and when I see a wrong, if I can point out the remedy I will try to be specific, and I thank the Senator for interrupting me.

I want to show you first the condition that we are in. That is where we are now. We are getting that kind of pay for our cotton, and the reason why we are not getting any more is the unjust law on the subject.

You will say: "Why is the law unjust? When did you wake up and find out that it was unjust? How is it unjust?" and all that kind of question.

Mr. HITCHCOCK. When was it passed?

Mr. DIAL. In 1914. I will come to that presently, but I want first to show how it is that we live under this system.

I take it that a good many of the people who know anything about future contracts are afraid to say so, because they are afraid it will hurt their reputation, or hurt their credit, or something of that sort, and they go around and whisper about it. We have gotten beyond the whispering stage now. If you will excuse me for saying so, I know something about raising cotton, and I know something about warehousing cotton, and I know something about milling cotton, and I know something about the operation of the future contract, and I think I am familiar with what I am talking about.

There was no law on this subject until 1914. Before that time, from the Civil War, there was a custom of selling contracts. Before the Civil War there was no such thing as selling future contracts. At that time the actual cotton was sold on the spot, on the plantation or at the town, or shipped to commission merchants on the seacoast, principally, and the commission merchants sold the actual cotton. I am not fighting the Civil War over. I do not want to get your ill will on that ground, although I have no apologies to make for it. During the Civil War the question came up of selling cotton to arrive, making a contract to get cotton to come. Then they sold that contract. Then they got to dealing in the contract, and kept on selling contracts and contracts. That was the origin of future contracts in this country. In New York they had a kind of a joint-stock concern after the Civil War, for a year or two. In 1871 the New York Cotton Exchange was actually organized, in July.

About 1869 the cable was completed to Liverpool. A man named John Rue was a commission merchant handling cotton, and when the cable had been laid he could wire over here and buy cotton, and he would sell it there "to come." He could sell the contracts for the cotton "to arrive." That was the origin of the exchange in Liverpool.

They dealt in those contracts from time to time, and there was no law regulating it. The injustice of those contracts was this: Under the custom the man bought a contract, and he thought he bought middling cotton, but he did not buy middling cotton, he bought on the basis of middling. Then, when the delivery day came, they did not give him middling cotton; they gave him cotton better than middling or inferior to middling, and they regulated the price by the exchange price. They would give a discount off for cotton under middling, or a premium on for cotton above middling.

Mr. KING. I am trying to follow the Senator, but it is a technical subject——

Mr. DIAL. I realize it is a technical proposition, and dull.

Mr. KING. As I understand the Senator now, he is talking about the contract. He is describing the system after the introduction of the contract system of which he has been speaking.

Mr. DIAL. That is entirely correct.

Mr. KING. Would not the contract describe the character of the article which the vendor was to sell and the vendee was to purchase, and if it did not, could not the prospective vendee prescribe the terms, and say that he was to buy cotton of this grade or that grade or the other grade, so specify it that if the kind of cotton for which he contracted was not delivered, he could either repudiate the contract——

Mr. DIAL. No; and I thank the Senator for asking that question. I will explain it. He bought his contract, and that meant a contract on the basis of middling. That is where the trouble came in. A man did not buy middling cotton, he bought on the basis of middling, with the right of the seller of the contract to slide his contract down or up. It was left entirely

with him as to what grade of cotton he would deliver. The vendee had no rights whatever, except to accept what was tendered him, or to sell out his contract.

Mr. KING. If the Senator will pardon me, I can not understand why——

Mr. DIAL. Just a moment. Under this custom, down to 1914, until Congress passed a law on the subject, the vendor had a right to deliver any one of 32 grades on that contract, with the price adjusted up or down.

Mr. KING. Does the Senator contend that the courts would make a new contract and compel a vendee to take cotton he did not buy, which he did not describe in his contract? The Senator states that there were 32 grades. Suppose the vendee wanted to buy the thirtieth grade, and he contracted with the Senator for 50 bales or 1,000 bales of grade No. 30?

Mr. DIAL. They would not sell you less than 100 bales. They would only sell you on the basis of middling; not middling, but on the basis of middling. The price would be fixed at middling, but if he tendered you the thirty-second grade, you would get a discount; but you had no discretion as to what grade you should receive. That was in the contract. Of course the courts would have nothing to do with it. If the Senator will wait a moment, I will get down to the present law.

Mr. HITCHCOCK. Who dictated that contract?

Mr. DIAL. The exchange. That was a standard contract of the exchange.

Mr. HITCHCOCK. Where?

Mr. DIAL. New York and New Orleans, in this country, and they have one for Liverpool, Bremen, Havre, Alexandria, and other exchanges of the world; but I am dealing particularly with the contracts of New Orleans and New York. I am speaking of the custom now. That is not exactly germane to the point, except to show the contract and how we got into our present condition.

At that time the seller would sell on the basis of middling, and he had a right to deliver any one of 32 different grades of cotton. Assuming the price of middling was at 20 cents a pound, and if the seller delivered you below middling, you would get a discount. At that time the difference was fixed by arbitration through the exchanges. If a different grade than middling were tendered and the seller and the buyer could not agree on the price, an arbitration would be ordered and they would fix the price of that grade; and that is what you would have to settle at. That was the custom. I am trying to show how naturally we got into this condition and how unreasonable it was.

Mr. ASHURST. What is the reason why they did not change their contracts and, instead of saying on the basis of middling, simply saying middling?

Mr. DIAL. I will come to that when I come to the present law. The custom is not germane now, except to show the history of the thing.

Mr. ASHURST. Very well.

Mr. DIAL. That was the custom. Unfortunately, our people did not get it changed for many years. The South complained most bitterly. We appealed to Congress and had bills introduced from 1884 to 1914 before we could ever get that custom changed.

Mr. HITCHCOCK. Will the Senator explain why the South objected to that custom?

Mr. DIAL. The South objected to the custom because of the inequality of that character of contract. If the Senator will allow me, I am trying to help the grower of cotton, but not in a demagogic way. I do not ask for favors for any class of my constituents, but I am trying to have passed an honest, fair, equitable, just, and mutual law. I do not ask for any favors for any class. They submitted to it because they could not help themselves. If you can help the grower of cotton, then the exporter, the mill, and everybody else will regulate themselves accordingly. But the poor man who grows the cotton can not help himself. I do not ask Congress to favor him, but I say we have no right to keep a dishonest, one-sided law on top of him.

My contention is this: That the price of that future contract controls the price of the spot cotton. Unquestionably that is so; not absolutely in every case, but that custom prevailed over the world. As the future contract goes up or down, the price of spot cotton goes up or down. I ask Senators to get this in their minds. The interests of the grower of cotton and the buyer of contracts are identical. They both want the price of cotton to go up, of course. The man who sells the contract, who is called the "bear," wants the contract to go down. He does not care anything about the price of spot cotton, but he wants to run the contract down.

You naturally say, Why does he care anything about the contract if he has sold it? What has he to do with it? Is he not out of it? No; he did not have any cotton to sell. He merely sold a contract, and he expects to buy the contract in. Therefore he will do everything in his power to put the price of the contract down. He will use every argument in the world to get the price of the contract down, and when the contract goes down the price of spot cotton goes down in sympathy with it.

That is what I am complaining about. Therefore that contract ought to be an honest contract, it ought to be a mutual contract, it ought to be a contract like any other contract in the world, specifying exactly what you are trading in, and then the vendor should be required to deliver what he specifies. But that is what has not been done, or was not done before this custom went out of vogue, and is not being done now.

We from the South appealed to Congress for 30 years, and I say, to the disgrace of Congress, they turned a deaf ear to the South and allowed that nefarious custom to prevail and to control the price of cotton all the while.

About two weeks ago a cotton buyer came to my office here in the city and said that I was absolutely right in trying to get this corrected. He said that old custom was so outrageous that they would tender what we would call "dog-tail" cotton, cotton that was not spinnable, cotton hardly marketable. They would tender that on a contract. I will not go into details, as it is not necessary to do that, but he said he knew of men—and I knew them and I knew of the transactions before 1914—who thought they would buy contracts and demand delivery of cotton and see what they would get, and they did demand delivery. They made up a pool and shipped cotton from New York to South Carolina, and they could not spin it in the cotton mills. This buyer told me that they kept some of that cotton in their warehouses, and they could not get rid of it, and he bought the cotton for a waste mill and used it in a waste mill. If Senators are interested, I would be very glad to give the names and all about the contracts. That kind of a deal would depress the price of the commodity.

Mr. HITCHCOCK. I understood that the Senator and the South generally objected to the old custom.

Mr. DIAL. We did. We begged Congress to correct it.

Mr. HITCHCOCK. Finally legislation was passed, was it not?

Mr. DIAL. Yes.

Mr. HITCHCOCK. And now the Senator is objecting to the legislation?

Mr. DIAL. No; I want to have it amended. The legislation was one of the best laws that was ever passed for the South. It helped them wonderfully. I am coming to that. I just wanted to show how we inherited this proposition. We did not create it, but we were born in it. We could not help it It was there at our birth, and it was fastened upon us. We appealed to Congress. We did all that poor, suffering, downtrodden people could do, and I say, to the shame of Congress, not that I think Congress would then, and I know they would not now, legislate against us knowingly, but I must complain of the indifference of Congressmen on this question. Senators rise here and talk about trying to help foreigners, and this, that, and the other, and spend a great deal of time in long speeches, but when it comes down to a business proposition they do not want to sit down around a table and study it out and find a remedy. That is what I am complaining about.

If the Senator from Nebraska will give me his attention, we inherited this nefarious practice of the seller selling on the basis of middling and having the right to deliver any one of 32 different grades of cotton.

My father was a successful farmer, and he complained until the day of his death—he died before 1914—that the exchanges kept a lot of dog-tail cotton on hand, and therefore depressed the price of the contract; hence depressed the price of his actual cotton. If Senators will excuse me for saying it, he was the right kind of a farmer. He made his living on his farm and was self-sustaining and did not have to go to the Government or to the banks to borrow money

Of course, we need funds at certain times to help us over hard places, but it is frequently an injury to men to borrow money. If I had not borrowed a little in 1920 I would have been better off to-day.

Mr. HITCHCOCK. Is the Senator going to indicate what the legislation was and why he wants it changed?

Mr. DIAL. I am coming to that. As Judge Watts, on the bench of South Carolina, would say, that is "the milk in the coconut."

I want to say here that I accord to the framers of the present law every praise. It was perhaps the best they could do at the time. Senators can see how we were suffering before. They cut out 12 grades of this off-grade stuff, which was nontenderable, and the law made 20 grades tenderable on a con-

tract. Then later Congress cut out 10 grades more, and the law to-day provides that 10 grades shall be tenderable on a contract, instead of the old custom of 32 grades tenderable on the contract. Therefore Senators can see they improved it wonderfully.

I am afraid some of those gentleman think that that was a piece of perfection and that that legislation ought to stand for all time. It did help a great deal and they passed a good law, but they had two sections in it, which I will explain in a minute, which should be changed. They have no right to resent an attempt to amend that law. The original Constitution of the United States was a pretty good piece of legislation, but it has been amended, and I say with all reverence I believe if our Saviour had lived longer in the flesh the New Testament would have been added to. But some of our friends from the South think it is almost sacrilege to come here and say anything against that legislation.

Section 5, let me say to the Senator from Nebraska, provides that the seller of the contract has the right to deliver any one of 10 grades on the contract. You still buy and sell the contract on the basis of middling, but the seller of the contract has the right to deliver any one of 10 grades on the contract, as he sees proper, or mix it up and give you some of all the 10 grades. That is where our good friends, the legislators, "slipped up," to use the common street parlance.

I now call the attention of the Senator from Utah [Mr. KING] to the fact that under this present law they have only 10 grades tenderable on the contract. The contract is still made on the basis of middling. You do not buy middling, you understand, and that is where the trouble comes in. You buy on the basis of middling. You put up your money on the basis of middling, but the seller of the contract has a right to give you any one of 10 grades, or mix up all the 10 grades, as he sees proper.

Mr. KING. Mr. President, will the Senator yield?

Mr. DIAL. Certainly.

Mr. KING. I would like to know the Senator's view as to the power of Congress to go into the States and provide the kind of contract that may be written between the grower of agricultural crops and the purchaser of agricultural crops. Where is the authority? Is it under the interstate commerce power of the Constitution?

Mr. DIAL. It is.

Mr. KING. It seems to me that it is no business of Congress to say what kind of contracts shall be entered into between the grower of cotton and the purchaser of cotton, or the kind of the grades that may be classified in a certain category. It is not the business of Congress to say that I, if I buy a certain grade of cotton, shall be compelled to take some other grade. It seems to me when Congress seeks to interfere with the making of contracts between the vendor and the vendee it transcends its authority and its act is unconstitutional.

Mr. DIAL. The Senator is a great lawyer, but he does not know the facts. He did not buy a particular kind. The purchaser signed the sliding contract. The law could not change that. We were not wanting to come to Congress. We appealed to the State legislatures before 1914 and every Southern State passed a law on the subject, called the antibucket shop law. But the States were incompetent or powerless to cope with the evil and, therefore, we thought it better to have a national law, and we did appeal to Congress then. It was thought at the time, as the Senator said, that Congress would have no jurisdiction of the subject matter, but things have been creeping to Washington and crowding Washington pretty strong, absorbing or assuming jurisdiction where we did not have any here, and it is now pretty well admitted that Congress has a right to govern the subject of legislating on the subjects under three clauses of the Constitution, first, the interstate commerce clause, second, the Post Office clause, and, third, the taxing power clause. That matter has been pretty well adjudicated by the courts.

So we were glad to have Congress take care of it because of the iniquitous system in operation on the cotton exchange. They sell these contracts on the exchange and they flash it by wire over the country, and that quotation fixes the price of our actual cotton. Therefore, we tried to get an honest contract, a fair contract, and let it represent the actual value of the cotton.

Now, that shows some of the history of the matter. The framers of the present law did well. They improved the situation considerably, but unfortunately they put those two sections in the law. If they had not put section 5 in the law, but had let section 10 stand, which specified the grade, that would have been perfectly well. But unfortunately the New York Cotton Exchange never sold a single contract under section 10 and would not deal in that way. They will not make a contract specifying the particular grade of cotton.

Mr. STANLEY. Mr. President——

Mr. DIAL. I am glad to yield to the Senator from Kentucky.

Mr. STANLEY. Is the Senator advised—I am not—as to whether any Federal legislation on this question attempts to govern contracts affecting the sale of cotton except in interstate transactions?

Mr. DIAL. This particular law was based on the taxing power. They tax certain contracts, but they exempt everything else. It was not the object to raise revenue, to be candid, but it was for Congress to get jurisdiction of the subject matter. I think it could as well have been put under the postal clause as under the taxing clause. The particular law to which I have referred is based on the taxing law.

Mr. STANLEY. Is there a Federal tax on these contracts?

Mr. DIAL. Yes; but they exempt pretty much everything. It was just to get jurisdiction.

Mr. KING. Does the Senator have in mind the decisions of the Supreme Court dealing with the question?

Mr. DIAL. Yes. If the Senator will read the speech of Mr. Francis G. Caffey, who was solicitor for the Agricultural Department in 1914, he will find it a most interesting speech, which goes into all the details of the subject. He is a very fine lawyer, located now in New York.

Mr. KING. Yes; I know of him. I am speaking of the decisions of the Supreme Court of the United States.

Mr. DIAL. Yes; that is what I refer to also.

Mr. KING. Where will I find the speech?

Mr. DIAL. It will be found in the Agricultural Department, or my office will be glad to furnish it to any Senator who will telephone for it.

What I am complaining about is the indefiniteness of the contract. It is abnormal. There is no law, there is no custom in the world, that authorizes the seller of a commodity to select the quality for the purchaser. Any contract made on that basis necessarily depreciates the value of the commodity. Anyone can see how unjust it would be. To give a very plain illustration of the way it works, suppose the wife of the Senator from Utah told him to stop by the drygoods store this afternoon and bring her a spool of thread, No. 60 white. She had a fine needle on the machine, and was making a fine dress for the baby. The Senator would go to the store, and the clerk would say, "Yes; we have No. 60 white thread, all right, but you must take No. 10 white. It is good thread. We are the sellers, and under the cotton law we have the right to select the quality for you, and you must take that home. We are allowing you that at a discount." But the Senator does not want that particular quality of thread at all. It is not suitable for the particular use. But under the cotton law he is required to take it.

I beg Senators to bear in mind that there is no use having any prejudice against the cotton mill. There is nowhere else for our cotton to go but to the mills. We can not eat it. We can not wear it until it has gone through the mill, and the mills purchase in the open market in competition with the world.

Our friends out West have a little prejudice against the people in the East along that line. But there is no mill built where one kind of machinery can use the 10 grades of cotton. Certainly they could not do it advantageously. A mill is built to manufacture certain grades of cotton, and the other grades of cotton can not be used in that mill. It is necessary to have it all of one grade or of kindred grades of cotton. Therefore the contract I am discussing is not useful; it is abnormal. No man would pay as much for a contract when he would know that the other man had the right to give him any one of 10 qualities under the contract.

Some of my good friends from the South have said to me that it is unkind to growl about the contract. They say, "When one bought the contract he knew that his rights were not equal with the seller, and hence he did not pay as much for the contract as he would have paid if he had known what kind of cotton he was going to get. Therefore he got a discount and ought not to kick." Now, that sounds pretty reasonable and that, to be candid with the Senate, flabbergasted me a little bit, if I may use the term. But that is erroneous reasoning. He bought it at a discount; that is true. It is argued that if he bought it with his eyes open he ought not to complain.

Mr. KING. Caveat emptor!

Mr. DIAL. That is right; but here is the trouble about that. Here is a way to illustrate that. I am not complaining about the purchaser of the contract. He bought it knowing that the chances were against him and that the other fellow had his

cards marked, and so he ought not to complain. But here is what I am complaining about: The future market fixes the price of the spot market, and when that quotation goes out it fixes the price on the platform down in my little town and everywhere. It is like this:

I say, "Senator, you are a wheat man?" "Yes; I am selling wheat." "I would like to buy a thousand bushels and take a little chance with you on a contract. What is the price?" "Seventy-five cents per bushel." "That is pretty good; a little cheaper than I thought. Here is my check." "Wait a minute, now. I am only selling 3 pecks for a bushel." "I did not know that. I thought it was a little cheap. I thought wheat ought to be about a dollar a bushel." "I am selling 3 pecks for a bushel."

Now, the Senator and I would understand each other. I would be buying that wheat with my eyes open. We would be at arms length with each other. That is our little private transaction and nobody else ought to have anything to say about it. But what I am kicking about is that when it goes out in the afternoon paper that wheat was bringing 75 cents a bushel and that fixes the price of Jim Jones's wheat, who only raises 49 bushels and sells 4 pecks for a bushel and who knows nothing about this exchange dealing, then he is hurt and he is the man for whom I am complaining. The contract ought to be an open contract. It ought to be a mutual contract, a specific contract. It ought to be a contract representing the actual commodity, like every other contract in the world.

The quotations go down to my little town in the morning at 10 o'clock. I have some cotton in the warehouse myself. I say to the buyer, "John, I want to sell my cotton." "All right. What do you want?" "I want 28." "You are out of line. Here is a quotation for January cotton in New York, 27 cents a pound." Those quotations are all over the South every day in the year, from 10 o'clock in the morning until 3 o'clock in the afternoon. I look at the quotation and I say, "I want 28 cents." "But you ask more than the contract for the actual cotton in New York."

Now, that quotation is a lie, to use plain English language. I do not say that in a vicious way, but it is a falsehood; it is a misrepresentation; it is spurious. It is true if you can get your telegram there quick enough and your margin in the bank you could buy that contract at that price, but it is also true that you have not bought any particular grade of cotton. You have bought on the basis of middling cotton, and the other fellow can give you any other grade of cotton he wants to. They use that to deprive our people of a large proportion of the value of every pound of cotton they raise. It depresses the market and it hurts us in our buying power. It cripples all the people in the United States. It takes cotton out of the United States at less price than it should bring to other countries of the world, and they compete with us.

Mr. ASHURST. Then why does the Senator sign that kind of a contract?

Mr. DIAL. Exchange members will not trade in any other way.

In 1920 we raised in the United States less than 13,500,000 bales of cotton. On the New York and New Orleans exchanges alone in 1920 they contracted for over 128,000,000 bales of cotton. I am talking about the man who is not a member of the exchange, the man who never bought or sold a contract in his life and who knows nothing about an exchange, the honest man, the toiling man, who works on the farm and who raises perhaps only 10 or 15 or 20 bales of cotton a year.

Mr. ASHURST. Would not the Senator desire a law to prevent fictitious sales?

Mr. DIAL. Yes; and I am coming to that in a moment. I want to get the idea into the system of the Senator from Arizona and into the system of every Senator present; and I do not care whether he listens to what I am saying or not, if he will just go over the proposition in his own mind and in his own way and not be influenced by what I may say or by anything anyone else may say. Senators have the brains and the ability to make their own decisions on the question, and that is all I ask them to do. They do not need to know cotton or ever to have seen a bale of cotton in their lives or even to know anything about the cotton-future contract, but they can take the principle of the thing and see that here is a contract that allows a man to sell according to sample, to wit, according to middling. Then the law allows that man to change, to deliver some other grade under that contract.

Suppose there were 10 pocketknives over there on that table and a Senator made a contract to buy one and the seller had the right to select any one of them he wanted and deliver it, the Senator would not pay as much for that kind of an open contract as he would for a specific contract. More particularly is such a practice inappropriate when the commodity has to be used in machinery. The buyer will get some kind of good cotton, but he will not get the kind that he can use.

It has been suggested that if a man buys a contract he takes a chance on it and he ought not to complain. I am not caring anything about those who buy the contract, if we could keep them from affecting the price of spot cotton, whether they pay 10 cents a pound or 20 cents a pound or 49 cents a pound, but when that quotation goes out to the public I want it to be an honest quotation, a mutual quotation, one which will represent the actual commodity. That is what I am trying to get at. It is analagous to the case of wheat.

It is said if the man sells a contract and the buyer knew he had no choice under it, he ought to sell out the contract or take whatever is delivered. My good friend the Senator from Louisiana [Mr. RANSDELL] says: "Even if some other kind of cotton is delivered, you have obtained it at the market price. Will a man complain if he has to take something at the market price?" He said to me, "You are the hardest man to satisfy I ever saw." Let us see about that. I was again flabbergasted for a little while, but here is the fallacy of it, as I have indicated to the Senate heretofore.

I would not give $2 for a pair of brogan shoes; I do not want to wear brogans. They may be worth $2, and some people will pay $2 for them; but they do not suit me; and I do not want to go out and sell somebody a pair of brogans. Neither does the man who needs one grade of cotton want to take another grade and hunt up a purchaser for that other grade. He can not use it and he can not export it, but he has got to pay for it; and it takes a heap of money. The buyer has to pay storage charges and insurance; he has to take all the risk; he has got to run the risk of the cotton being burned up, and all that sort of thing. Therefore the man who has bought the contract does not want to take some other cotton even at the market price. When a man goes to a tailor and has a suit of clothes made and they fit him all right, he settles up with the tailor; but suppose the suit of clothes does not suit him, does not come up to specifications, does the tailor say, "What are you growling about? Pay me what you owe. They will fit somebody else. I made a mistake in making them for you; I slipped up on my measurements; but you get them at the market price." That is the proposition.

However, Mr. President, that is not the main point of my argument. Here is what I am talking about: When that cotton quotation goes out on the market, that false quotation fixes the price of the cotton of John Smith, who has raised 13 bales of cotton, and he can not help himself. I want that quotation to represent the actual cotton.

It is asked, "What are you kicking about? Did you not get the market price"? The point is, however, that the market price would have been higher if it had not been for this inequality in the contract. I hope Senators get that, for that is the gravamen of my argument. On account of the inequality in the contract, nobody will pay as much for that kind of contract as he would for a contract that specified the identical grade.

Mr. KING. Mr. President, as I understand the position of the Senator it is that the contract has so much flexibility that it permits compliance with it upon the part of the man who sells it by delivering a grade of cotton less valuable perhaps than that which the purchaser desires.

Mr. DIAL. It might be more valuable and yet not be the kind that he desires.

Mr. KING. But, at any rate, it is flexible, so that a great many grades may be sold under that particular contract?

Mr. DIAL. Exactly.

Mr. KING. So that, for illustration, if I should buy a contract, I have got to take into account that I may not get the kind of cotton that I desire. I may have foisted upon me an inferior or a lesser grade; and if I claim damage, that controversy is to be adjusted by some instrumentality set up by the exchange?

Mr. DIAL. Formerly it was adjusted by the exchange. The law, however, was changed. The law now provides that if the seller of the contract does not tender middling cotton but tenders some other grade, and he and the purchaser can not agree upon the price of that other grade, then they would submit the matter to the Secretary of Agriculture. That was flabbergast No. 3; that bothered me. I could not go back on the Secretary of Agriculture. So I thought "That is mighty nice," and I studied over it some. I am not very quick to anger, and so I endeavor to get my bearings on that proposition.

I thought the Secretary of Agriculture would fix the price, and that would be pretty good, for he would not be against us farmers. That, however, is not the law. The Secretary of

Agriculture does not fix any price, but he merely ascertains what the price was in the markets. So he wires to 10 "spot" markets and finds out what the particular grade of cotton was bringing on that day. Then he adds up the prices quoted and divides them by 10 and says the result of that process is the price at which the contract must be settled for that other grade of cotton. There is no virtue in saying the Secretary of Agriculture should do that. I have no ill will against the Secretary of Agriculture; he is a fine gentleman, I think, but we had just as well say that the stenographer of the Senator from Utah [Mr. KING] could do that. The Secretary of Agriculture had no right to change the price; he merely ascertained what was the price in the "spot" market.

What I am quarreling about, if the ministers will excuse me—and I almost feel like swearing [laughter]—is that the cotton would have brought more if it had not been for the unjust contract. They auction the contracts off all the time; it is an auction proposition. The auctioneer asks, "What will you give me? Going, going, going!" That fixes the price for the poor devil out yonder plowing in the rain; and he is the man in whom I am interested. The injustice in the contract, the inequality in the contract, is what I am complaining about. I have no complaint about those who play the contract; that does not bother me at all, but I do say, and I ask Senators to remember—and this is the main burden of my song—that the spot cotton would bring a higher price if that contract did not control the price and were not on top of the price. If the contract could be separated from its effect on the spot cotton, I would not so much care. Then they could dance and sing and play and gamble and raise all the Cain they want to on the exchange.

Mr. HITCHCOCK. Mr. President——

Mr. DIAL. I yield.

Mr. HITCHCOCK. Whatever the form of the contract is, the exchange price will fix the price all over the South?

Mr. DIAL. Almost absolutely.

Mr. HITCHCOCK. And the point of the Senator is that this form of contract tends unnaturally to depress the price all the time?

Mr. DIAL. Absolutely; because of the discrimination in the contract. Suppose I come to the Senator and say, "Senator HITCHCOCK, I hear you want to order an automobile," and you reply that you do, and I say, "Very well; I am selling them, and I have 10 grades of automobiles, and I have graduated prices." You reply. "Very well." I say, "I have them from a thousand dollars up to $10,000," and you reply, "Put me down for a certain-priced machine." Then I come back and say, "Senator, I have made up my mind to deliver your automobile, but I am going to deliver you a Ford," or, in your case, I would say, "I will deliver you a Rolls-Royce." You say, "Oh, no; I do not want that kind of an automobile; I want a Cadillac." But I say, "I am the seller, and under the cotton law I have the right to deliver any one of them to you." Would you give as much for a contract not knowing the kind of car that would be delivered?

Mr. STANLEY. Mr. President——

Mr. DIAL. I yield.

Mr. STANLEY. There is a provision in the law that if the seller agrees to deliver middling cotton, as it is called, and he does not deliver that cotton but delivers some other grade less valuable, then the Secretary of Agriculture may determine the difference between the grade delivered and the grade promised, and the buyer is required to pay that difference.

Mr. DIAL. Yes.

Mr. STANLEY. And the Secretary of Agriculture determines the difference by ascertaining the value of the spot cotton on that day?

Mr. DIAL. The price of that particular grade of spot cotton on that day; that is correct.

Mr. STANLEY. And that price is as much depressed as the price of the grade for which the contract calls?

Mr. DIAL. That is the idea exactly.

Mr. STANLEY. I do not know the terms, but, say, a man agrees to buy middling——

Mr. DIAL. There are low middlings and strict middlings, and so forth.

Mr. STANLEY. Then he agrees to buy middling——

Mr. DIAL. The purchase is made on the basis of middling. That fixes the price.

Mr. STANLEY. But the seller delivers low middling.

Mr. DIAL. He tells you he is going to deliver low middling.

Mr. STANLEY. Then the Secretary of Agriculture finds out the price——

Mr. DIAL. I will ask the Senator to wait a moment. Suppose I say "I am going to deliver to you low middling at, say, a cent less than middling," but the buyer says "No; I will not allow that." Then they can not agree.

Mr. STANLEY. I understand that; and in determining the actual loss the purchaser appeals to the Secretary of Agriculture, and the Secretary of Agriculture finds the price of low middling by spot sales on that day.

Mr. DIAL. On 10 spot markets on that day; that is correct.

Mr. STANLEY. And the average price of the cotton thus ascertained on that day is the measure of the compensation?

Mr. DIAL. That is it; he takes that grade at that price.

Mr. STANLEY. But, as I understand the Senator, the standard by which the loss is measured is depressed by the same legislative machinery by which the price of the original article is depressed?

Mr. DIAL. Absolutely. The Senator has the proper idea.

Mr. STANLEY. That is what I wanted to get at.

Mr. DIAL. That is the idea. Here is the trouble about the proposition: There is no limit to the selling; exchanges are allowed to sell any quantity they want. Whoever can put up a margin may buy or sell. In 1920 we raised in the South a little less than thirteen and a half million bales of cotton, yet two exchanges alone sold almost nine times as much as was ever raised. There are exchanges also in Bremen, Liverpool, and other places in the world, and they buy and sell contracts, not to help the farmer sell cotton, but they buy these paper contracts; they affect our exchanges, and the price thus quoted affects the spot cotton in the State of the Senator from North Carolina [Mr. SIMMONS] and the spot cotton in my State. That is what I am complaining about. Although I have not an amendment along that line, it seems to me there ought to be some limitation to the quantity that may be sold. The quantity of cotton that is sold is not in existence and will not be in existence in five years, perhaps, yet they keep on selling. Whoever can put up a margin and sell the longest is going to determine the way the price is going. I object to that. Before a seed is put in the ground the next crop is sold.

Mr. STANLEY. Mr. President, at that point will the Senator yield to me?

Mr. DIAL. I yield.

Mr. STANLEY. I want to get the attention of the Senator from Nebraska [Mr. HITCHCOCK] and also the attention of the Senator from Utah [Mr. KING] to this proposition. I am not a cotton expert; but following the interruption of the Senator from Utah and the statement of the Senator from South Carolina to the effect that the trouble is due to the unwarranted intermeddling in a contractual relation between people that have plenty of sense and technical knowledge of their own, and ability to attend to their own affairs, suppose the present law should be repealed; suppose the whole statute should be wiped out and men were allowed to make contracts to buy and sell cotton exactly as they make contracts to buy and sell the cloth made from the cotton or to buy and sell the land on which the cotton is raised or the mules that plow it, then if a man should agree to sell a certain grade of cotton he would either have to deliver it or go into a court and pay fair compensation?

Mr. DIAL. Absolutely. The Senator has come to the solution of the difficulty. In other words, I will say to the Senator from Kentucky, if our people had not inherited this situation and Congress should put it upon them, we would have a revolution if the people of the South understood it. I say, though, that I am glad Congress did take jurisdiction, and they passed the best law they could at that time.

Mr. KING. Mr. President, is the Senator willing now that Congress shall repeal the existing law?

Mr. DIAL. I prefer to amend the existing law. I will come to that in a little bit. We appealed to Congress to take jurisdiction of the subject matter, and we are glad that they did; but the Congress was inimical, I imagine, to our section of the country, and our friends got this law through the best they could at that time. Then our friends thought that they would deal under section 10 and would specify the identical grade of the cotton at the time the contract was made, and that would be perfect. So far as I know, I would have no objection in the world to that, and that is what ought to be done; but the Yankees were too smart for us. They never have sold one of those contracts on the New York Exchange, and but very few on the New Orleans Exchange.

Mr. KING. May I inquire of the Senator if there are not two kinds of exchanges, those that deal in spot cotton and those that deal in futures? And if there are two kinds of exchanges, does the indictment which the Senator is making cover both kinds?

Mr. DIAL. We have only two main exchanges in the United States, one in New York and one in New Orleans. The others are mere branches, I think, of those exchanges.

Mr. KING. Does the Senator think that, for instance, the exchange in Little Rock, Ark., is a branch of the New Orleans or the New York Exchange, which deals in futures exclusively?

Mr. DIAL. No; I am not certain about the Little Rock one; but they have one in Memphis and one in Charleston, and I think they are merely agents, perhaps, of these others.

Mr. KING. Do they deal in futures?

Mr. DIAL. They deal in futures.

Mr. RANSDELL. Pardon me. The Senator does not mean that they sell future contracts, does he?

Mr. DIAL. Yes.

Mr. RANSDELL. There are only two exchanges in the country which deal in future contracts, and they are the New Orleans Exchange and the New York Exchange.

Mr. DIAL. Yes; but they have branches all over the country. They have branches here in Washington, and they have branches in Greenville, S. C., and they have branches all over the country. These two exchanges fix the price of cotton.

Mr. RANSDELL. They may possibly take orders. I suppose the Senator could take orders here for a firm in Paris, to buy cotton or anything else, but he would hardly call himself a branch of a Paris firm. All the exchanges in this country except New Orleans and New York are known as spot exchanges, and if they get an order from some of their customers for a future contract they certainly have to send it to New Orleans or to New York for execution. They could not execute it.

Mr. DIAL. Very well. I do not know of any exchange which makes a future contract for a specific grade of cotton. The figures show that New Orleans did make a few, but I am told by the Agricultural Department—and I investigated this thing thoroughly—that New York had never made a single future contract specifying any particular grade of cotton.

Mr. KING. But they deal in futures?

Mr. DIAL. They deal in futures. That is their business. They do not deal in anything else.

Mr. KING. Has not the Supreme Court of the United States held, with respect to those contracts which deal in futures, that they are unenforceable?

Mr. DIAL. No; they held just the other way.

Mr. KING. That they were gambling contracts?

Mr. DIAL. No. I never read one of these contracts; but I am told that you sign a statement that you are prepared to take the actual cotton, and the Supreme Court held that where that is the intention of the parties the contract is binding.

Mr. KING. Has not the Supreme Court of the United States held, with respect to some of these cotton contracts, that they are so speculative and partake so much of the element of gambling that they are not enforceable?

Mr. DIAL. I think they did some time ago; but later they amended the form of the contract, and if to-day you or I were to sign one of these contracts it would be in the contract that we expected to take the cotton. I do not know the wording of it exactly, but the idea is that they intend it as an actual transaction, to be delivered, and the Supreme Court held that it is valid.

Mr. KING. Is the Senator willing for these exchanges to sell cotton or contract to sell cotton that they do not have and can not deliver?

Mr. DIAL. I will come to that in a little bit.

Mr. OVERMAN. Mr. President, the court has repeatedly held that this kind of contract is a species of gambling and is unenforceable.

Mr. DIAL. They have been recovering judgments on them.

Mr. OVERMAN. I have had cases of that kind and lost out on them—$26,000 in one case.

Mr. KING. Why do they not close up the exchanges if they are engaging in a species of gambling?

Mr. OVERMAN. That is what ought to be done.

Mr. DIAL. Anyway, I know there have been some decisions, and I think they have varied; but I think they amended the form of the contract later, and the court held that that would stand. They collected some debts, I know, in my State, and got judgment against the debtors where they sold out contracts and there was a deficiency in the contract.

Mr. SIMMONS. Mr. President——

Mr. DIAL. I yield to the Senator.

Mr. SIMMONS. I should like to ask the Senator whether the Supreme Court did not hold that a contract which did not require specific performance in the delivery of the cotton contracted was unenforceable?

Mr. DIAL. That is correct. They held that.

Mr. SIMMONS. Then, did not the exchanges change the form of their contracts, and are they not now selling under a contract that does stipulate for the actual delivery of the cotton upon the demand of the buyer?

Mr. DIAL. That is my understanding; and the party has the right to get the actual cotton, to deliver the actual cotton. I think the courts have held that that is all right; that is a contract; but what I am kicking about is the indefiniteness in the contract.

Mr. SIMMONS. And under the contract the actual delivery of the cotton can be enforced?

Mr. DIAL. That is my understanding.

Mr. SIMMONS. I understand that the Senator from South Carolina is now claiming that while the contract is made upon the basis of middling, under the contract the seller has the right to deliver in satisfaction of that agreement any cotton within 10 grades.

Mr. DIAL. That is correct, under the law. The law fixes 10 grades now. He can give the purchaser some cotton of all grades.

Mr. SIMMONS. Now, I want to ask the Senator this question: Does the Senator propose in his bill that the contract shall specify that none but middling shall be delivered under that contract?

Mr. DIAL. Oh, no. I will come to my bill in a little bit. I had not gotten to that point, but I do not provide that at all.

Mr. SIMMONS. I understand, under the present law, that while the contract is upon the basis of middling the vendor can deliver any of 10 grades of cotton in satisfaction of that contract.

Mr. DIAL. That is correct; at a discount below middling and a premium above.

Mr. SIMMONS. And he pays either a discount below or a premium above.

Mr. DIAL. That is correct.

Mr. SIMMONS. My understanding of the Senator's amendment—and I am going to ask him if I am incorrect—is that his bill would allow the same sort of contract to be made, but it would require that the delivery, instead of being extended to 10 grades, shall be limited to 6 grades of cotton. Am I correct about that?

Mr. DIAL. No; the Senator is not correct.

Mr. SIMMONS. I should like to ask how many grades of cotton may be delivered?

Mr. DIAL. Ten. I do not interfere with the present law.

Mr. SIMMONS. The seller can deliver within 10 grades?

Mr. DIAL. He can deliver within 10 grades, but I want to segregate the grades; group them. I will come to that in a little bit. I have no objection to extending the number of grades that are deliverable, but you must separate the grades and have them in separate contracts. The West, beyond the Mississippi River—they have not very many mills out there—think that the East gets the advantage of them in some way, although that is erroneous, in that they can not tender other grades below the tenth grade. We need not go into the names of them here—strict middling, and low middling, and middling tinges. It is confusing. Just say 10, you can not deliver on contracts below the tenth grade, and they think that is unjust. I should have no objection to making 12 grades tenderable, if you want to, but you must separate the grades, and be more specific in your contracts. My complaint is about the indefiniteness in the contract, and my remedy is to make it more definite. I will come to that in a little bit; but I was trying to get my good friend the Senator to see the wrong first, and see how we got into that wrong, how natural it was, and how we unintentionally and unknowingly and ignorantly got into this proposition, and how helpless we have been all the time, and how we appealed to Congress and begged and besought Congress to give us relief, and they have not done it. Then I will come to the remedy, and the remedy is very simple, I think.

I think I have inoculated the Senate pretty well with the wrong in the contract and have shown that it is a depreciated contract, thereby depressing the price of the actual cotton; and the man who produces the actual cotton is the man I am complaining in behalf of and trying to help. Furthermore, Senators, the injury of the proposition is that when maturity day is approaching the owner of the contract may need a particular grade of cotton in his business, but not knowing within 10 grades what he will get he almost universally sells out his contract. Therefore that makes the market top-heavy. He will not stand up and demand delivery, because he does not know what he is going to get. Hence he would prefer to sell out and pocket the loss. No man ever bought a future contract unless he thought it was at the bottom and would not go any lower and bought it at an auction price, dirt cheap. When maturity day is coming, if he knew what he could get, if the price of that contract was not satisfactory to him, instead of putting it on the market and thereby depressing other contracts and putting the price of cotton down, he would say: "Give me my actual

cotton." This contract, however, is of no account for a cotton mill and is of no account for an exporter, and they are the only two people that use cotton.

What I am trying to get is such a contract that an exporter can stand up and say: "Give me my cotton under my contract"; or a mill can say: "Give me my cotton under my contract." I am told that an exporter, if he gets an offer for one grade of cotton, under the custom of the trade can fill it in either of two contiguous grades, but he can not skip down to the seventh or eighth grade. He can use kindred grades of cotton. That is what I am trying to get at. I am trying to make the contract specify what is to be delivered under it, just as you would if you were buying books, pocket handkerchiefs, chairs, or any other commodity. This law reverses the laws of common sense, it reverses the laws of merchandising, it reverses the law of all kinds of decency in trade, and we can not stand it any longer.

Now, Senators, I come to the remedy. Then my next head will be the objections to the remedy, and I will try to cover the situation as best I can. I shall be very brief.

My amendment has been mixed up with one that was introduced by former Senator Comer, of Alabama. Senator Comer proposed an amendment, to wit, to let the purchaser of the contract have a right to take one-half of the quantity in middling and above middling, the seller of the contract to select the other half. In order to be brief, with all due deference to Senator Comer—I apologize to him; he is a great business man, and I believe a conscientious, honest man, trying to get a better price for the farmer's cotton—I told him that his bill was in the right direction, but I thought he annulled some of the benefits that were to be derived thereunder. I requested him to say, let the purchaser select half of the quantity, and let the seller select the other half; but he did not do that. He said he had a reason for it. My objection to it was that he limited the purchaser to taking middling cotton and above middling, whereas the purchaser might want below middling. Therefore, he meant well, and that would have helped the price of cotton, and would have helped the farmer to some extent, but he annulled a good deal of the benefit of his amendment.

For instance, a coarse-goods mill would not want above middling. They would want coarse cotton; and if they had a contract, and if the contract was so low that it did not suit them, they would necessarily sell out. If, however, they knew they could get cotton below middling suitable for their use, if the price of the contract did not suit them, they would say, "Give me my cotton." Under Senator Comer's proposition they could not get below middling; they would have to take above middling, and that is unsuitable for the use of a coarse-goods mill, for making denims, duck, and a few things like that, sheetings, awnings, and so forth.

On the other hand, take a print-cloth mill; they do not want cotton under middling, and they want, say, above middling of a suitable grade. Anyway, Senator Comer's bill passed the Senate. I helped him. I thought it was on the right track and would help the farmers some. It passed the Senate and was killed in the House.

At that stage, in 1920, being greatly interested in trying to help my people, after Congress adjourned I went to the Agricultural Department, and they brought in all their experts, and I told them to get around the table and let us talk this matter over.

I said, "Now, in order that we may understand each other, let us brush the cobwebs away. Why were you opposed to Senator Comer's bill? I know you were opposed to it. But I want to see if we can not get our minds together." They said, "Senator DIAL, the objection to Senator Comer's bill was this: If the purchaser of the contract had a right to select one-half the quantity in middling and above middling, he would select all that half in middling fair, and there was not much middling fair grown, and then he would call for the actual cotton and he would corner the market, run the price sky high. There would not be enough of that kind of cotton to go around, and he would run the price up and they would have to settle with him at an exorbitant price."

I said, "That is true. I know that. I am not trying to break the exchange. I am not trying to corner the market."

The reason I helped Senator Comer was this: I can not see as much sin, as much wrong, if wrong there be, in letting the purchaser select one-half and thereby run the price away up—which would help bring up the price of the other grades, in sympathy—hence the price of all cotton would be higher. I can not see as much wrong in doing that under the present law, I will say to the Senator from Kentucky [Mr. STANLEY], as letting the seller select the whole quantity, and keep the price at the bottom. It is inequality, thereby injuring the price of spot cotton. Now, gentlemen, what do you say to this: "I do not want to corner the market, up or down." Let the purchaser select one-half of the quantity of the contract—I say to the Senator from Utah [Mr. KING]—and the seller the other one-half, but in order to prevent a corner up or down, make them divide it equally between two grades. Then you get kindred cotton, and you know to an extent what you are doing. I knew that was not the best solution of the proposition, but it was a compromise, and that was as much as I thought I could get through the Senate at that time. I did not believe there would be a breath raised against that solution.

My objection to it was, because the purchaser could then use the half he would select, but the seller might select his half in something the purchaser could not use. Therefore that contract would not be at as low a price as it would be if the particular grade of cotton were specified. I thought at that time that that was fair between the buyer and the seller. I did not realize fully that the public would be affected to such an extent as I thought later, and think now. But when the price of that contract would go out into the market, it would depress the price somewhat, because there were not equal rights; but I was willing to accept that as a compromise and get it through, and I believed that would bring up the price several cents a pound.

With all due deference I introduced a resolution to that effect and made a statement in the Senate, and Senators were kind enough to ask me many questions and looked into it considerably, and without any praise of myself, I think it put some of them to thinking, I am glad to say. After that I conferred with some of the other cotton Senators, all I could get together, and we concluded that that was not the best remedy, that was not the complete remedy, that the complete remedy would be to specify the particular grade you were trading in, and make them deliver what they specified. There is no question about that being honest. That is the chronological history of the proposition.

At that stage it was thought I was an enemy of the exchanges. I am not an enemy of the exchanges. I believe the exchanges serve a good purpose. Heretofore we exported about half the cotton we raised, and a proper exchange would be a very good place to bring the buyers and the sellers of the world together to trade in cotton, if we had a fair, honest contract, a definite contract, which would fix a definite price of a specific grade. Therefore I dispelled any accusation that I was fighting the exchanges. I would vote to-day to abolish them if the law is not changed, but if we pass a fair law I think they can serve a very good purpose.

After very great consideration, and after a conference with my colleague and others, I concluded that we should repeal section 5, which gives the seller 10 rights and the purchaser none, leaving section 10, which will practically convert the exchange into a spot exchange. That was the point made by the Senator awhile ago.

Therefore, the man who sold the contract would specify the one grade he was selling, and if he had to do that he would be very slow to contract to sell a great quantity of one grade, because he would have difficulty in getting that quantity together; hence he would ask a better price, and when he asked a better price that would bring up the price of the actual cotton. Then you would have 10 quotations every day instead of 1 quotation. The quotation they have to-day is on the basis of middling. Then you would have a quotation for each grade, and it would be confusing. Then you would run a great many people out of the exchange. They would not contract, because a man who would know what he was doing would say, "Give them the cotton." What is the reason a mill in Massachusetts or in Maine could not buy its future supply in contracts and say, "Give me the cotton"? The reason they do not do it is because they do not know the kind they are going to get, and you might give them the very grade they could not use in their machinery.

Talk about hedging. That was not intended as a spot-cotton proposition. It was intended as a hedging proposition. I know something about hedging. Say a mill gets an offer for all the goods it can make for the next four months at a certain price. The management figures on that order at a pretty good price. But they say, "We have not the cotton." They say, "Let us accept that offer at so much a pound." Immediately when they accept the offer for the goods to be made in the future, I will say to the Senator from North Carolina [Mr. SIMMONS], they wire to their broker in New York to buy them that many bales of contract.

They sold the goods four months ahead, and they buy the cotton in one, two, three, or four months delivery. They call

that hedging. What I would like to do would be to let that represent the actual cotton, and when maturity day comes, let them say, "Give me my cotton under the contract." But they can not do that because of the indefiniteness of the contract. Hence, this is the way they work it. The mill says, "We will not commence the order until next month. Buyer, go all over town. We want high-grade cotton." We will suppose they are running on high-grade cloth. Or they will say, "We are running a coarse mill, and we want coarse cotton. Go to town and buy us a thousand bales of cotton, all the cotton we need." So they bought the contract at 25 cents a pound, and sold the goods on that basis. The buyer goes over town. They say, "Buyer, every time you buy 100 bales of actual cotton, you wire to Jim Jones, our broker in New Orleans, to sell out one contract." The mills are absolutely oblivious of the price they will have to pay for that cotton. If he goes over town, he may find the contract has gone down, the price of spot cotton has gone down, and he buys it, for instance, at 24 cents a pound. He has lost $500 on that 100 bales of futures he bought, but he has bought his cotton $500 cheaper on the 100 bales than he figured.

Now you get your 1,000 bales. Wait 30 days, get the warehouse empty, and a little more money in the bank. They will say, "Well, John, we are going to need some more cotton. Go out and buy another 1,000 bales." He buys another 1,000, but the price has gone to 26 cents by that time. The mill does not care anything about that. He has paid a cent more a pound for his 100 bales, but he has made that $500 back in his contract. That is hedging, and some of our good exchange friends will holler, "Oh, that is the object of the exchange."

That does pretty well for the mill and I am not kicking the mills.

I have some little interest in mills, and I am proud of it. There is no room for any difference of opinion between the farmers and the mills in my State and in the South. The last South Carolina Democratic convention adopted a resolution reciting that the interests of the mills and the farmers are identical, and I ask leave to print that as a part of my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From platform adopted by South Carolina State Democratic convention, held at Columbia, May 17, 1922.]

A condition unparalleled in our history now confronts the people of South Carolina. From the time of our organization as an independent State the foundation of our economic structure has been agriculture. For over a century our supply of money has been largely dependent upon the supply of cotton and its by-products. Of late years the manufacture of cotton cloth has become inseparably linked with the production of the raw material, so that the two now form the basis of our prosperity. It behooves all good citizens to look to the welfare of the cotton farmer and the cotton manufacturer as a matter of self-preservation and for the life of our institutions.

Mr. DIAL. But who is hedging for the poor farmer? This indefinite contract has depressed the price of his actual cotton, and I will say to the Senator from Utah [Mr. KING] it is just as the negro said about his dream. He said, "Boss, I had a mighty bad dream last night."

The boss said, "What was it?"

"I dreamed that all the white folks went to hell."

"That's mighty bad."

"Yes sir, boss; but that wasn't the worst of it."

"What was the worst of it?"

"Boss, I dreamed every white man had a nigger twixt him and the fire."

That is the way with the farmer. He is between the speculator and the fire.

I do not object to specifying the identical grade, in the wisdom of the Senate, if the Senate thinks that is proper, and certainly it is honest, and, of course, I am for honesty. That would restrict trading tremendously, and some of my exchange friends would get a little tenderfooted on that proposition, and complain. They ought to be run out of business. They do not raise any cotton. They never saw a bale of cotton. Yet they take advantage of the toiling masses of the South.

I own farms. I have them worked, and I know how those people work. I went down home in my car in June, and I got out at a little town in the morning, early in the morning, about 6 o'clock, and by the time I would get out to the field there would be women and children in the fields working. I would sometimes drive out there as late as half past 7 in the evening, and they would still be there working. I knew this before, of course. That is the kind of people I am trying to help. We have never given sufficient consideration to the services of the women and the children. I do not oppose them working; they ought to work. I have no sympathy with some of the resolutions which are designed to keep people from working.

God Almighty intended that they should work. But there, when Saturday night comes, it is not necessary for the father or the husband to pay those children and the wife in actual dollars and cents for the services they rendered in working that week on the farm. I do not say it is necessary to do it at the end of the month, but I do say, with all the power that is in me, that their services ought to be reflected in the price of the cotton when it is sold, and that family ought to be that much better off on account of it.

Not long ago I heard an ex-demonstration agent from Texas make a speech. He said he was trying to get the people to organize to market their cotton. He went to a German. That German had his little wife on a sulky plow, plowing up the ground, getting ready to plant cotton, and he asked him to join the association, so that they could market the cotton together, as I am glad a great many of our people are doing. That man said, "I will not do it. I can raise cotton for 8 cents a pound." He said that in about four months he went back there, and there was that same little woman, weighing perhaps less than 100 pounds, running that same sulky plow, a little basket in front of her with a baby in it, with an umbrella over it. He said, "To hell with such agriculture." And I say, "amen." That is the kind of people I am trying to help.

The remedy is simply to make their infernal contract definite. If you repeal section 5, then you will close the exchanges in a great measure, as they ought to be, and a lot of those speculators ought to be wearing stripes to-day. There is in New York a tremendous band of crooks and thieves known as the odd-lot crowd. There are people there with the most outlandish names who have discarded their original names and assumed American names. Do not think I exaggerate, because I am not given to making assertions I have not investigated.

I have in my office, and I can show to anybody who wants to read them, the names of such people—one that sounds like Gorowitz, or something else that I can not pronounce, going by the distinguished name of Gorman. Others have names that I never heard of in this country, and they now go under Americanized names. The crowd send out the most lurid circulars over the country and are inducing clerks and chauffeurs and cooks to invest a little money with them, and then they turn around and steal it from them.

The other day I got a letter from a friend of mine in South Carolina, a most excellent gentleman, who said they had robbed him out of $5,000. I got a letter from North Carolina from a South Carolinian who made a mistake and moved over to North Carolina, who had invested with that thieving crowd, and had lost a lot of money I got a letter from a friend of mine who went to the State of the Senator from Alabama [Mr. HEFLIN] and settled, and they had gotten $500 out of him. I have prepared a bill, which I hope to get passed in a few days, and under which I hope to have a few of those crooks put out of business. I took the matter up with the Department of Justice, and one of them has been arrested One of these thieving crowds went into bankruptcy, it being claimed that they had collected over a hundred thousand dollars from our people and would not turn back the profits and would not even send back the margins they had deposited with them. He had himself put in bankruptcy, and the petition was filed by his clerk.

That is what we are up against, and yet Senators sit down here and when I get up and want to take a little time they say I am filibustering against the ship subsidy bill or something like that. My bill is worth more to my people than every other bill passed through Congress in many years. I have no doubt about that. It is worth the time of every man here. I am going to appeal to the men of the South. If we can not get the law amended, let us have a caucus on Sunday. I am a pretty good Presbyterian, but I will waive that and discuss the matter on Sunday if we can not meet any other time. We ought to get together on it. There is no ground for any difference between us. I care nothing about the exchange. I am trying to get an honest law enacted, and if the exchanges can not exist under an honest law, let them go out of business.

Do not say you do not understand cotton. You do not need to know anything about it. Just take the principle and apply it to any commodity in the world. Let a man sell cotton by sample and let him deliver any one of 10 grades under that sample. That is all there is to it. One man wants one class of goods and another man wants another class. We take away from the purchaser the right to select. A man would not give as much for that sort of contract as he would for a definite contract. To illustrate:

Suppose I go to the Senator from Utah and say, "Senator, you are a hat man, I believe?" "Yes; I am running a big store up here." "I have here a line of hats that I will sell you, ranging from $6 to $60 a dozen. There are 10 different

kinds of them." "All right; I want some of those hats. Here is your check." That is the way in which the cotton is bought. Now, I come back to the Senator and say, "Senator, I am going to send those hats over to your store, but I am going to give you all $6 a dozen hats, hats at 50 cents apiece." "Good gracious, I don't want to litter up my store with that stuff. Go and sell them to some darkey on the back street, and save me whatever you can out of my check."

That is what is done with the cotton-future contract. Not knowing what we are going to get, we say, "If you can not get one price get another, but save me what you can." The hat drummer would come back to the Senator and say, "Save you a little bit out of that check? All right. Now I want to sell you some more hats."

"Wait a minute. The only way you can get me to buy hats is by naming the quality you are going to give me. You must put those hats down so I will know what I am going to get in a definite way. You handed me a lot of stuff before that I couldn't use, and I lost money on it." The Senator would not give as much for a contract of the first kind as he would for a contract definitely stating the quality of the hat. That is the proposition we are up against.

Now let me state my remedy. It is technical, and I shall not go into the details. The different grades are known, for instance, as middling fair, strict good middling, good middling, strict good middling, and so forth, things we do not understand ordinarily. Here is what I am trying to do: I am trying to make the contract more definite. I think if we were to repeal section 5 of the law and let section 10 remain, which specifies the identical grade of the contract, it would be all right.

There is no reason why exchanges should not deal fairly. Why humor those people and pet them up and give them the advantage to get them to trade? If they do not want to trade, let them stay out of the business. We do not care whether they trade or not. If we were to make one specific grade, the man purchasing it would get the identical grade he purchased. The trouble is we do not, under the present law, allow the law of supply and demand to function. It is hobbled; it is tied by this constant settlement difficulty under the difficult contract system now in use.

I think the most practical remedy would be to group the 10 grades. I am not interfering with the grades. Nature provided the grades and the law named them; that is satisfactory to me. I would not object to changing that in some way or other if it were thought proper to do so. The amendment was prepared by the Agricultural Department. I am not a great expert along that line. They have prepared the wording of it, and it merely carries out my idea of what is wanted in the law.

My idea is simply to take the four highest grades which are kindred. There is but little middling fair grown, and it would not do any harm to strike that out, but I do not care to do that. If that were struck out there would be some propaganda or wrong information go out about it, so therefore let that stay and make three classes of the 10 grades—high grade, class A; medium grade, class B; and low grade, class C—with one grade in each class as the basis of that class. Then one-third of the contract must be filled in that basic grade, and the other in that grade or in either of the other grades in that class, but not in some other class. If anyone wants high-grade cotton, he will buy class A. He would know he was getting all of the contract in that class. He would know the basic grade in that class is good middling. He would know he would get what is called good middling cotton in that class to the extent of at least one-third of his contract, and would know that he would get the other part of it in kindred cotton. If he wants a low grade of cotton, he would buy class C, and would then get one-third of the basis mentioned in that class, and get all of his contract in that class. He would know he could use that in his business. He would know he could export that under his contract.

Mr. SIMMONS. Let me understand the Senator. The Senator would retain the 10 grades?

Mr. DIAL. Yes.

Mr. SIMMONS. He would divide those 10 grades into three classes?

Mr. DIAL. Exactly.

Mr. SIMMONS. Each class would have three grades?

Mr. DIAL. Two classes would have three grades each and one class would have four grades.

Mr. SIMMONS. The Senator's contract, or the contract which he would authorize to be made, would specify a particular class, one of the three classes?

Mr. DIAL. That is correct.

Mr. SIMMONS. And the delivery under that contract would have to be from some one of the grades catalogued under that class?

Mr. DIAL. I would have one grade mentioned as the basis of that class, and one-third of the contract would have to be in the basis grade, and it would all have to be catalogued in that class.

Mr. SIMMONS. The balance would have to be selected from that class?

Mr. DIAL. Yes.

Mr. SIMMONS. That would mean that the purchaser would have to take his cotton for his actual delivery in one or the other of those grades. He could not select the one grade and demand that all the cotton he should receive should be of that grade?

Mr. DIAL. No. I am willing to say that he shall get one-third of it in the basic grade and that in the delivery of the remainder he should get of either of the other two grades in that particular class, just as it is done now, but more limited. If there is no grade mentioned in class B it is assumed to be the class traded in.

Mr. KING. Mr. President, will the Senator yield to me?

Mr. DIAL. Certainly.

Mr. KING. I did not hear all of the colloquy between the Senator from South Carolina and the Senator from North Carolina [Mr. SIMMONS], but as I understand the Senator's proposition, it is that he classifies all vendable cotton into three classes. Then he divides those classes into 10 grades and in one class would have four grades, in another class three grades, and in the last class three grades. If I were a manufacturer and I wanted grade 10 of cotton for a particular cloth which I manufactured, and made a contract with the Senator from South Carolina for cotton in the class that would more nearly represent the grade that I wanted, I would enter into contract with him to deliver me 1,000 bales of class C or class 3, and if I wanted grade 10 the Senator would be compelled to furnish me with one-third of the 1,000 bales in grade 10, but as to the other two grades the Senator from South Carolina could determine whether it should be grade 8 or grade 9, or whether it should be grade 8 and grade 9.

Mr. DIAL. The basis mentioned in that class is the middle of the class; that is, in the class to which the Senator is referring the basic grade would be grade No. 9. So the Senator would get one-third of his 1,000 bales in grade 9 and the other two-thirds in either No. 9 or No. 10 or No. 8.

Mr. KING. But suppose the grade I wanted in my factory was grade 10 only. I could not then contract for grade 10 exclusively, could I?

Mr. DIAL. If I would make a contract under section 10 of the existing law, but not under the amendment which I have offered to-day.

Mr. KING. I am speaking of the Senator's amendment.

Mr. DIAL. No. However, that would not prevent me from giving the Senator grade 10 if we should agree upon it, but he could not demand it under the contract.

Mr. KING. Under the contract, if I contracted to buy 1,000 bales of cotton and wanted a certain grade I would not get that grade; I would get only one-third of it in that grade?

Mr. DIAL. That is right.

Mr. RANSDELL. There is no objection in the world, I will say to the Senator from Utah, to his making a specific contract for just the grade he might desire for his mill. If the cotton grower or cotton factor or cotton merchant having the cotton to dispose of has the particular grade of cotton and the Senator, as a spinner, desired that particular cotton, I would contract to deliver to him the number of bales he desired of that specific cotton. That is a specific contract between the Senator and myself. There is no future business in that contract.

Mr. KING. That would be a contract between the manufacturer and the cotton farmer.

Mr. RANSDELL. As a matter of fact, that is the kind of contract made between the person desiring cotton and the person having it to sell. But suppose I, the seller, wanted to insure; that is, when I sell him that cotton at a certain price, at his mill, I want to be sure that I can buy it at that price and deliver it to him with a small profit to myself. I then would go into the future market and buy a contract for the same number of bales, and that is called the hedge or the insurance. But the Senator, who desires the cotton, would bind me to give him the exact cotton he wants, and I am obliged to do it.

Mr. DIAL. But he would not get that under the future contract.

Mr. RANSDELL. Not under the future contract. We have the future contract as an insurance. It is a means of carrying on the business in that way.

Mr. DIAL. The 10 grades are divided into three classes. The Agricultural Department fixed up those classes and put the kindred grades in each class.

Mr. SIMMONS. But under the contract the man who wants middling and only middling would get but one-third of the amount that he bought in middling cotton.

Mr. DIAL. That is right.

Mr. SIMMONS. He would have to take the other two-thirds in a grade that he did not want.

Mr. DIAL. That is true; but he could use them—mix them.

Mr. SIMMONS. So the proposition involves an element of uncertainty as well as the contract made under the present law involving the same element of uncertainty.

Mr. DIAL. That is true; but not to the same extent.

Mr. SIMMONS. But the extent of the uncertainty is simply less.

Mr. DIAL. Yes. I am coming to that just now. I do not say that my solution is the only solution of the proposition, but it is much better than the present law. It is about as far, I think, as Congress should go at this time. I would be willing to accept it as a compromise. What I want is a contract elastic enough to be traded in. I do not object to trading. Let them go to it. I am willing to give some latitude to it.

I also want it to be definite enough to be practicable. Here is the point. I am not an expert cotton man nor a cotton-mill man but I know something of the business generally. I am told that a mill does not have to have all of its cotton in one identical grade. It would like to have it in that grade, but if it can not get it in that particular grade it can use the kindred grades, and the Agricultural Department has fixed those kindred grades in the amendment which I have offered, and no serious harm would result from the use of those kindred grades. They could mix the cotton and use it satisfactorily in making any particular kind of cloth for which their machinery is set. It would suit the machinery and would suit the cloth they are making. Therefore I am willing to group it in the three classes or in any other way the Senate may desire to make it, just so we get a good solution of the difficulty. If it is desired to add more grades that is all right, but classify it. If it is desired to strike out section 5 of the present law and have section 10, which is the only section of the law on the subject that is satisfactory to me, I am very glad to have it; in fact, I would prefer to have it, but I doubt whether the Senate is going to do that.

As I said a while ago, I am told, in Liverpool, when they go to make delivery of the cotton they are not allowed to spread it out over 10 grades, but they must deliver within 3 grades. That makes the cotton usable and makes the contract more valuable and useful. That is what I am trying to do. I am trying to get a better price for cotton. If I could secure the adoption of the amendment, it would stabilize the price of cotton. An increase of even 1 cent a pound in the price of cotton would mean on a 12,000,000 bale crop $60,000,000 a year for our people. I believe as firmly as I believe the sun shines it would bring up the price of cotton several cents a pound. I believe we are deprived of hundreds of millions of dollars every year because of the operations of the present law. We are simply imposing upon people who can not help themselves and who appeal to Congress here to help them.

Senators, that is the remedy that I offer. I need the help of Senators from the South who represent cotton growers as I do. The question is of as much importance to your constituents as it is to mine, and I appeal to you to study the matter and to vote for my amendment. Unless we get some relief at once, there is no use allowing our people to work and then go deeper into debt simply to raise cotton, because they will have to take whatever they can get for it. Cooperative marketing is one of the best things that has ever been proposed for our people. Such a system is helping and will aid them wonderfully; but with this law on top of them the price of cotton would still be depressed.

Mr. SIMMONS. Mr. President, before the Senator concludes, I should like to interrupt him. The Senator's colleague [Mr. SMITH] is one of the two joint authors of the present law, I think. Am I mistaken about that?

Mr. DIAL. That is my understanding. I was not here at the time the law was passed, but my understanding is that it was called the Smith-Lever bill.

Mr. SIMMONS. The Senator's colleague, as I know, has very positive ideas about this matter. He has talked with me about it. I may not altogether have comprehended his exact position, but my recollection is that he entertains the idea that the adoption of the scheme proposed by the Senator from South Carolina might possibly very greatly depress the price of certain very low grades of cotton that are somewhat extensively raised in some parts of the South.

Mr. DIAL. They are not included in the present 10 grades, as I understand.

Mr. SIMMONS. It is possible, because they are not included in them, that he has that view; but I do not know the ground, and I am going to ask the Senator if there is anything in the contention that, while his proposal might possibly tend to enhance the price of certain grades, it might also, on the other hand, depress the price of certain other grades?

Mr. DIAL. By no means. We can not make a man buy what he does not want. Since the Senator has mentioned my colleague, I will say that I am sorry he is not here to-day; I wish very much that he were here, but he is detained on official business. I would not have brought this matter up in his absence—in fact, I have been waiting for him, as other Senators, to be here—but I realize that I can offer my amendment to the present bill and a point of order may not be made against it. So I want to bring it to the attention of the Senate. I do not take much of the time of the Senate, but I would feel that I were derelict in my duty and almost a traitor to my people if I did not do everything in my power to get my amendment adopted.

My colleague is one of the best-known cotton men in the United States; indeed, he has an international reputation as a cotton expert. He grows large quantities of cotton and knows the cotton situation very well indeed. He is, perhaps, the best-known southern cotton expert in the United States. I am not here to speak for his private views. I have talked with him about the matter. He made a speech on the floor of the Senate some time ago, and I was certainly hopeful for a long time that he would agree to my solution of the difficulty. I hold him in the highest respect. I said in the first speech I ever made that the framers of the present law deserved the thanks of the people of my section every day of the year. They thought they had enacted a perfect law, and they did have a law, if the exchanges had dealt under and followed the provisions of section 10, which would have been very beneficial. It was thought, no doubt, that the exchanges would operate under that section, but they simply declined to trade in that way and will not so trade now; so that the law has fallen short of expectation, as I see the situation.

Mr. SIMMONS. The Senator says the exchanges will not trade under section 10?

Mr. DIAL. The New York Exchange, the Agricultural Department tells me, have never traded under section 10.

Mr. SIMMONS. What was the contract under section 10?

Mr. DIAL. It specified the identical grade.

Mr. SIMMONS. Without any play at all or any margin?

Mr. DIAL. It is in section 5 where the play comes—sliding options I call it. Some of our southern friends thought we ought to repeal section 5 and leave section 10. I have no objection to that. If that were done, the price of cotton might be 50 cents or 75 cents a pound; in other words, the law of supply and demand would regulate the price; but the law of supply and demand is simply hog tied under the present circumstances, because the operators on the exchanges can go on selling more cotton than there is in existence or will be in existence for many years.

Mr. SIMMONS. Does the Senator think if we limit them to three grades, requiring them to deliver one-third of the contract in one grade and the other two-thirds in the other two grades, the exchanges would trade on that basis?

Mr. DIAL. They would go out of business; and I do not care whether they would come out or not. That would, however, help the price of cotton.

Mr. SIMMONS. The Senator thinks that his bill, then, might possibly break up the exchanges?

Mr. DIAL. No; I do not think it would. I think it would limit the trading a good deal; and trading ought to be limited. I will illustrate my position by saying that we are taught that overproduction decreases the price of the commodity; that is elementary. If that is true, then does not overselling have the same effect? Suppose we were using in Washington a hundred thousand eggs, say, at 50 cents a dozen, and a man in Alexandria comes over here and says, "I want to sell eggs at 48 cents a dozen"; and a man from Baltimore comes and says he wants to sell eggs here at 46 cents a dozen, and some other man comes and says he will sell eggs at 45 cents a dozen. Cotton is selling at auction; but in the case of eggs, when the customer goes to the grocery store and the storekeeper asks him 50 cents a dozen for them, he says, "Oh, no; I will not pay more than 45 cents a dozen."

That is what they do with the quotations in the case of cotton. Every few minutes all over the South the quotations on the New York market are posted, and that fixes the price. If overproduction decreases the price of a commodity, in all common sense does not overselling have the same effect? It is presumed the cotton is right there behind the contract to be delivered; and that is the iniquity of the proposition.

Mr. SIMMONS. The Senator, I think, does not understand me as opposed to his amendment; he does not understand me as defending or championing the methods of the cotton exchanges or dealings in cotton futures.

Mr. DIAL. No; I understand the Senator.

Mr. SIMMONS. I think the evil of which the Senator speaks, that of unlimited selling of a commodity that is produced only to a limited extent, is bad.

Mr. STANLEY. Mr. President, is not that true of all products, such as grain, meat, corn, eggs, and so forth?

Mr. SIMMONS. That is what I was going to ask the Senator from South Carolina. The Senator seems to think that the exchanges, if properly restricted and restrained, would serve a good purpose. Does the Senator believe that cotton exchanges could exist if they were limited in their transactions to the sale and purchase of only the number of bales of cotton that are actually produced in the country?

Mr. DIAL. I do not think there would be much of an exchange under those conditions.

Mr. SIMMONS. There would not be any exchange at all.

Mr. DIAL. I doubt if there would be. That brings up the point that I am driving at. I do not object to them selling more, but I want them to specify what they are selling.

Mr. STANLEY. Mr. President, as I understand the Senator from South Carolina, it is absurd that there should be a right—and I do not yet see how they ever secured it by law—in the face of the common law and common sense and the universal trade customs of all civilized peoples, to make a contract for the sale of one commodity and legally to satisfy that contract by the delivery of another, with the Secretary of Agriculture adjusting the alleged loss by virtue not of a breach of contract but of the exercise of an option under it conferred by law. I do not know much about cotton; but when the Senator urges the propriety of having men keep their contracts and sell the thing they agreed to sell in quality and character, it strikes me it is a very sensible and apparently a very just proposition; it is almost self-evident, to my mind. However, as the Senator from North Carolina has indicated, I am not inclined to agree, though the Senator knows much more about it than I do, in the assumption of the Senator—I did not understand him to state it as a fact—that several sales of the same commodity necessarily depress the price of that commodity. For instance, I may have a dozen eggs on a farm; I may sell those eggs to a wholesaler; he may sell them to a retailer; the retailer may sell them to my neighbor; and my neighbor may sell them to me.

The value of those eggs is going to be fixed by the number of eggs consumed and the number of eggs produced. A series of sales of the same commodity may tend rather to raise the price of the commodity to the ultimate consumer, because the middleman has to be paid. I do not see how a multiplicity of sales will necessarily depress the price, nor can I see where a cotton exchange will be materially interested in the value of the product it handles, for it will make just as much money when the prices go up as when they go down. The Senator, however, is much better qualified to judge as to that than am I.

Mr. DIAL. That is the difficulty, Senator. I would not care how much selling there was if the sales represented specifically what was being sold, but when a dealer can sell milk and deliver buttermilk, that is what I object to. That is the point I am making.

Mr. STANLEY. I entirely agree with the Senator as to that.

Mr. DIAL. I am not opposed to the exchanges selling to their heart's content; but when maturity day comes I want to give the right to the buyer to say to them, "Deliver me specifically what you have sold me; I am not satisfied with the price; give me my commodity."

He says, "Oh, no; I am going to give you something else, and at a different price." Now, as I understand, when maturity day comes the seller of the contract says, "Here is your cotton," and I understand that the buyer of the contract has to express his acceptance in 15 minutes, and if you take it you possibly have to pay for it in two days; you have to accept it right away; but in case you accept the cotton they give the seller 30 days to go down South and hunt it up and deliver it to you. That is my understanding of that proposition.

The point that is made by the Senator from North Carolina [Mr. SIMMONS] is that this thing is wrong between the buyer and the seller because the indefiniteness of the contract does not induce the buyer to pay as much for that contract as he would if he knew what he was going to get. You depreciate the value of any commodity in the world if you make contracts of that kind in regard to it. The contract ought to represent the actual price. The actual price is governed by supply and demand.

Now, let us take this proposition:

Before the war the world consumed about 21,000,000 bales of cotton a year.

Mr. KING. Did that include India?

Mr. DIAL. Yes. We raised about thirteen and a half million bales on an average of 10 years. Now, let us assume this proposition: The Senator from North Carolina [Mr. SIMMONS] and the Senator from Kentucky [Mr. STANLEY] are appointed by the mills of the world to contract for their supply of cotton, and they go out and contract for 21,000,000 bales. The mills then have all they want contracted for and they withdraw from the market.

These people kept on selling contracts, however, in 1920, up to over 128,000,000 bales in the United States, and by the time you count the other exchanges of the world possibly many times that much over. They put contracts on the market, and the mills, having been supplied, will withdraw, and the price will go down, and yet they will keep on selling. There is nothing else for it to do but to go down. You auction it off, and that affects the poor devil that raised it. He has to take his cotton in to market, and he supplies the actual cotton at the price of that contract. You see, that is what fixes his price. The buying power has dropped out from under him. That is the iniquity of the proposition—consumption can not be stimulated.

Suppose a man should come to the Senator from North Carolina and say to him: "Senator SIMMONS, you live down here in North Carolina. You have a pretty good cotton State down there. I sold out my interests some time ago, and I have some money. I believe I will buy some cotton. You say you are likely to get a short crop, and the boll weevil is bothering you a little, and so you say you think the price will go up. I do not know a thing in the world about cotton, and I want you to tell me about it."

"Well, all right, my friend. I think cotton will go up, maybe. Everybody thinks so. You go down and buy a thousand bales—it will take a good deal of money—and put it in the warehouse. You will have to pay carrying charges, interest, and all that kind of thing. It is a pretty expensive proposition."

He says: "Well, Senator, I have heard something about this future business. Tell me something about that. I do not need the cotton until next March or May. I have a good friend who is a big cotton-mill man, and he can use the cotton, and if you think the price is going up I believe I will just buy some futures, 1,000 bales of futures. What do you think about it? I have the money, and will put up the margin."

You say, "Well, my friend, that would cost you a good deal less than carrying the actual cotton; it would be a heap less trouble, and all that sort of thing."

He says, "My friend is making print cloth, a fine quality of goods, up in New England, and he will take the cotton off my hands if I accidentally have to take the cotton."

"Yes; that will be all right. Now," you say, "it is my duty to tell you, my friend, that you can contract to buy futures, but you have not contracted for any particular kind of cotton. You have contracted on the basis of middling. The seller will give you strict low middling, the lowest grade that there is, and your friend needs the highest grade, and therefore he would not take that cotton off your hands."

"What? Is that the way you make contracts? Can I not specify the kind of cotton I want?"

"Oh, no; the law says he can sell you on the basis of middling, and deliver whatever he chooses."

He says, "Well, I will not buy. I will not buy at all or I will wait and buy cheap, away down yonder"—a depreciated commodity, at a discount.

You see, not knowing what he is going to get, of course he would not pay as much as the cotton is worth. Therefore you do not allow people who have money and who otherwise would come to the rescue of the South to contract for the commodity, because they do not know what they are going to get under their contract. Just think about Congress allowing any such law as that to remain on the statute books! It is wrong in the sight of God, and our people ought not to stand it for two days, and if our constituents at home understood it as it is they would rise up and demand that we change it or that we send in our resignations, and they ought to do it.

To make a practical illustration of it: Some time ago a farmer came into my office—a very intelligent man, a graduate of a college. He said, "DIAL, I have been reading in the paper what you have been saying, and I am very much interested in your proposition." He said, "Of course, you are right. The contract ought to specify the particular grade." He said, "Now, you need not make any fuss about it; you need not call my name, but I lost some money in 1920"—and we all have a sad recollection of that year. He said, "I lost some money then, and I thought I would make a little back, and I bought two contracts. I thought I would get 200 bales of cotton." He said, "I keep a pretty good account down at the ——— bank." He is a cotton-mill man, and he said he would take that cotton off my hands. I told him I had 200 bales of cotton. He did not know anything about my buying the contract"; and he said, "I thought I bought middling cotton, but I found out that I did not know what kind of cotton they were going to give me. The price went away down, and," he said, "I went down to ———, the mill man, and I said 'I want to see you about my cotton.' He said 'What kind of cotton have you?' I have not any cotton. I bought a contract. I do not know what kind of cotton I am going to get.' 'Well, we are making print cloth here. We need fine cotton, and we can not use your kind of cotton at all.'" He said, "I could not blame him when I looked into it and understood what he said about it. Therefore, I sold out my two contracts and lost $8,000."

That is the way it is. Hence your contract market is always top-heavy. The interests of the buyer of a contract and the owner of cotton are identical. They expect the price to go up—that is, for the present. When maturity day comes, however, the buyer of the cotton puts his contract on the market, and that makes the market top-heavy, because he can not stand up and demand delivery. It is just like water running over a dam; a little fish down there at the bottom starts up, and here is more coming, and it hits him on the head. The man can put up the margin and keep selling. That is the way the market goes; and then the people who raise the cotton, who labor, who work, who are honest people, can not help themselves, and we allow any such thing as that to remain on the statute books.

The Senator from North Carolina [Mr. SIMMONS] brought up here awhile ago a question about my colleague. I said I would much prefer that he were here. I want to accord him all the credit for just as much honesty as I claim for myself, but I do not yield to anybody in my efforts to try to do good for my people. His objection to my proposition as stated here on the floor was this, as I recollect it, that there was not much difference between the value of these 10 different grades of cotton. Well, now, in that he deserved great credit, because he helped to cut out or possibly did the main work in cutting out 22 grades of sorrier cotton than that. They meant to leave the 10 grades, all good, strong, sound, spinnable cotton, and that is what it is. It is all good, strong, sound, spinnable cotton. He said, however, that there is very little difference in the value of those grades.

Senators, I did not make the 10 different grades of cotton. Nature made them. That was in the law when I came here. That has been recognized ever since we have been growing cotton, so far as I know. I heard about it when I was a boy. Congress appropriated money and had a test made of the strength and the bleaching qualities of cotton, and there is not such a tremendous difference between the adjacent grades of cotton, but there is a difference.

I think the farmers have been robbed of millions of dollars by too great a difference between the grades of cotton. A year or two ago the difference between one grade and another was something like 1,900 points. They bought it on the contract for middling, for instance, so many points off of middling, and it went down to practically nothing at the time the slump came on; but, anyway, I want to call your attention briefly to this situation: I did not fix the 10 different grades of cotton. I do not know any way to make a man buy one grade of cloth if he does not want to buy it. That is not my part, but my bill does not interfere with that at all. I take the 10 grades as I find them in the law and group them together. A man would pay more for the group, because he knows what he is going to get, and he is not going to buy the other group, because he can not use it. As I illustrated to you awhile ago, he has to go out and sell it and get rid of it the best he can. Therefore I am trying to make it a practical contract, a workable contract.

I will ask the Senator from Kentucky [Mr. STANLEY] this question: If he is in Kentucky, and perhaps they do not raise any cotton there——

Mr. STANLEY. Yes; they raise some.

Mr. DIAL. Or very little, at any rate. Suppose you have a mill where you do not raise it; what is the reason why you can not sell your goods ahead, buy your contract, make arrangements at the bank, go to Europe, if you want to, and have a good time—I know you would enjoy yourself—and leave your superintendent to demand delivery of the cotton, make the cloth, and deliver the cloth under the contract? Your superintendent would tell you that you are using a certain grade of cotton in that cloth—you had forgotten about that—and he could not use this other grade. That fellow would deliver him the other grade, and he would have to shut down his mill and go out over there in the other part, where you say they raise that cotton—I did not know you raised much—and get the right kind of cotton, and bring it over to the mill. You could not rely upon the contract.

Now, do you know any other contract that you can make and carry out in that way? Why does the law want to come in here and favor these—I do not want to use harsh terms—dealers who have no interest in our people, who do not raise cotton, who would not know a bale of cotton if they were to see it? Yet you humor them, you give them an option or a preference to sell you one kind of stuff and deliver you something else. Ten options to the purchaser's none.

That is one proposition of my colleague, that there is not much difference. I do not know what is in his mind, but I do not see how you can make a man buy one quality of goods when he wants another.

If you will allow me to be a little personal, a year or two ago a friend of mine lunched with me one day. He and I were in college together. He is a mill president. He runs two very large mills. We went down on the train that night, and I said to him, "What is the reason you mill folks do not just go on and buy these 10 grades of cotton and mix them up and make cloth out of them?" He said, "DIAL, we can not do it." I said, "What is the reason?" I am not an expert. I said, "I think you discriminate too much." He said, "Well, I can not do that." I said, "Well, why? Tell me the practical part of it."

He said: "Over here in Georgia, in our mills, we have a trade-mark on some goods that we sell in China. We had a great run on them, and we are doing a good business in China, and we had to have certain grades of cotton to make that cloth. Over here in South Carolina, at our other big mill, orders began to get a little slack, and we commenced to make that trade-mark out of a different kind of cotton. We shipped that cloth to China, and the first shipment we made they sent back a claim on us for $20,000, and we had to pay it."

That is what that man told me. If you want his name, I shall be glad to give it to you. That is the practical part of the proposition. Therefore, I do not see that my colleague has any complaint along that line. A mill is not going to buy another grade if it can not use it, and I do not see how you are going to make the same price for it. If the purchaser discriminates between the prices, I can not help that. Anyway, I did not make the distinction in the grades. Nature made that. The law—my colleague's own law, that he put on the statute books—recognizes these 10 different grades. I have the technical names here if any Senator wants to see them.

That is one of his propositions. My amendment does not interfere with that at all, except that it puts them in classes. If you wanted all of them, you could buy three contracts, and you would get some of each grade, or practically so, you see; or, if you wanted one particular kind, you would buy that particular character.

Here is another argument that my colleague presented here that evening, at the time I offered this amendment to the tariff bill. I wanted to sound out the Senate and see how you all felt about it. Another point my colleague made was that it was for the benefit of the farmer that 10 grades were made tenderable, in that the farmer could contract to sell his cotton before he harvested it, even before he planted it, and then, when he did harvest it, he would take it up to the contract man and say, "Here are my 10 different grades on the contract," and my colleague says that was done for the benefit of the farmer. That sounds pretty well, but let us analyze it a little.

In the first place, not one man in a hundred makes 100 bales, and that is the unit. In the next place, our kind of farmers—not the rich ones they have farther West on those palatial prairie ranches—our people, where they plow with a little bit of a gray mule, and raise 5 or 6 bales to the plow, have not enough cotton to tender on a contract. Not only that, Senators, but I venture to say that not one farmer in a thousand in the South

who actually grew the cotton ever made a contract to sell his crop before he harvested it.

Not only that, if you take the whole crop, there are more than 10 grades, and he could not tender the grades below the 10th grade on the contract. Not only that; he would not ship his cotton to the exchange, because it would cost him perhaps a cent and a half a pound to ship it, to pay the freight on it, and then he does not know how they would treat him in the grades. Therefore, he will do just exactly as a rich farmer who lives here in Washington, who owned land in my State, told me he did some time ago, when we were talking about this proposition. He said he would venture that not one in a thousand ever sold a contract; then he said that he would venture that if one in a thousand sold it, not one in a thousand ever delivered the cotton on the contract. He said, without calling names, that he sold a contract some time before that, and he said he wanted to test out this proposition, and he wrote to his broker, "I want to ship you my cotton on the contract. I want to ship you my cotton, and you tender it on the contract." He said the broker wrote back and "raised Cain" with him and replied that he did not want to handle his cotton, to take his cotton and sell it to a mill or to an exporter, and close out the contract "instanter"; and that is what he did, and that is what anybody else would do. They would not deliver cotton on the exchange.

That is a false hope to hold out to the farmer. That is simply a promise that you are going to help him. Even if you supply him a market for it, you put the price of the market down. My hat illustration a little while ago covers that.

You might provide a market, I will say to the Senator from Arkansas [Mr. ROBINSON], for a man to handle the hats that would be manufactured; but if the purchaser let the manufacturer select them, he would not pay as much as if he knew the quality he was going to get. If they were making only 10 grades of hats and the cotton law applied, contracts could be sold, and a market *made* by the price would be lower.

You may provide a market, but with all due respect to everybody I call that a false hope, a false promise, without any substance or reality in it, and the farmers can not avail themselves of it. Possibly a few very rich men do, but not one in a thousand, or possibly ten thousand.

I could talk from now until to-morrow night on this subject. Those are just a few preliminary thoughts I had in my mind. I appeal to the fairness of the Senate. I want the southern men to get together and talk this thing over, if they will. Most of them have been here much longer than I have. They raise cotton, and they know something about it, but I must say, with all due respect, I do not think they have studied the effect on the poor man who grows the cotton.

I am not here as the mouthpiece of the poor man alone, hollering poverty, but I have a heart as big as the Atlantic Ocean for the man who creates something, who digs it out of the ground, who adds to the wealth of the world. He is to be encouraged, and it is not right, it is not fair, it is not honest, for the United States Senate to keep a one-sided law on him, and to depress his product, and to deprive him of a great proportion of the value of his crop. I believe we have paid out many billions of dollars since the Civil War by reason of this unjust practice. I explained before the Senator from Arkansas came in that we inherited it. We should get together and set it aside. It is not right to try to bolster up one class at the expense of another class. As I said before, I am a long-suffering man. I have tried all my life to make one dollar go where two dollars could go, and have advised my people to work hard, but I would be glad if they would not plant another seed of cotton until Congress amends this law.

There is not going to be enough cotton to go around another year. Some mills will have to shut down, and if we do not do something here to help our people, they will be in despair. They are leaving the farms by the hundreds and by the thousands. I have a friend in my little county who this last year ran 34 plows, and is now going to run 2. I have a brother-in-law who ordinarily raises 1,000 bales. This last year he raised 125.

I want to appeal to my good friend from Louisiana [Mr. RANSDELL]. He is a seasoned Senator. He is a fair man, and he owns cotton farms. He raises cotton. He is just as honest in his views as I am in mine. I feel the highest regard for him. He is a country lawyer, as I am, and I want him to forget about the New Orleans Cotton Exchange. I have no particular ill will against those gentlemen. I do not know that I know any of them. But they toil not, neither do they spin, and yet they live on the fat of the earth. The Senator is fair until he gets down to that point, but the point I make is this: That the price of the actual cotton on the street would have been more if it had not been for the superstructure on top of it.

Mr. RANSDELL. Will the Senator kindly tell me why the price of beeves is not higher right now? There is no future market for them. I had a lot of beeves, and I had to practically give them away. I believe that has been the experience of pretty nearly everybody else who has had any. There are numerous agricultural products not dealt in on the future market, and you can not get anything for them.

Mr. DIAL. Too much supply and too high a freight rate.

Mr. RANSDELL. The Senator always finds some excuse.

Mr. DIAL. I do not deem it necessary to have a cotton exchange. We have no exchange for coal, we have no exchange for iron, we have no exchange for steel, no exchange for lumber and plenty of other things that are marketed. I do not mind an exchange for cotton if you have it as you have it with regard to wheat, where the grade is specified, and then the seller required to deliver what is specified. There can not be anything wrong with that proposition. You need not be uneasy. Nobody is going to accuse you of gambling. Study the proposition and forget about cotton. Then apply the principle to any other commodity.

I offered this amendment I have here, which I say is elastic enough and broad enough to be workable, and yet definite enough to be practical. I offered this and asked that it be taken as a substitute for the other amendment which I had offered. The committee did not report for a long time, something like a year; I moved to discharge the committee. I had no disrespect for the committee, of course; in fact, I have no disrespect for any Senator here, have the kindliest feeling for everyone in the Senate. But I thought they kept my bill unnecessarily long. I represent in part a large cotton State, and I offered the amendment in good faith. I believed it would help our people, and then at last I moved to discharge the Committee on Agriculture, and said I had hoped they would make a favorable report on my amendment, but if they would not do that to be kind enough to report it without recommendation, and if they would not do that to report it back with an unfavorable report, because I wanted to get it on the calendar and bring it to the attention of Senators and see what they would do with it.

So the Committee on Agriculture had a meeting, and the Senator from Louisiana [Mr. RANSDELL] was appointed a subcommitteeman to make a report. I presumed, since I had been so fair with them, that they would send it back without recommendation, but it comes back with an unfavorable report. That unfavorable report, however, deals almost exclusively with the amendment which I had withdrawn, knocking that amendment after I had withdrawn it. But, as I have already said several times this afternoon, that was a considerable improvement over the present law.

Senators sitting over on the other side perhaps will not look into it. They will say it came here with an unfavorable report from the Committee on Agriculture. I recognize your power, but I say that the Senate is too big to listen to any one man or to any one committee. I do not believe there are four men on the Committee on Agriculture who would report the amendment unfavorably if they studied the subject. I say that with all due respect to them, and I have faith in them, and I believe they would not unfavorably report it if they would look into it.

The Senator from Louisiana [Mr. RANSDELL] sort of twitted me here on the fact that I did not bring any witnesses to talk about my amendment. I did not have an opportunity that night to reply to him. I did not bring any witnesses—and I hope Senators will listen to this—because from 1884 to 1914 the South had had bills introduced in Congress looking to a change in this law, or to put a law on the books relating to this subject at that time, and witnesses were brought here, and thousands of pages of testimony were taken. That testimony is just as germane to-day as it was then. The exchanges are just the same now as they were at that time. So if anybody wanted to read up on the exchanges, all he had to do was to go down in some of the musty old files and get out the testimony and read it.

I did not bring witnesses for the further and more potent reason that I did not need any witnesses. I represent my State, in part, and I assume the responsibility in this Chamber, if I can assume it, and I assume it to the extent of my ability and limitations. I assume it for the South, so far as I can.

I did not bring any witnesses here, furthermore, because this is not a question of fact. I did not want witnesses here to testify what they think about it—this, that, or the other. My friend from Louisiana brought them all the way from Texas to New York. I paid no attention to them because I knew what they were going to say. The farmers sent me here to look out for their interests, and it is not necessary for me to bring

them here to testify about this. The crowd they brought here were speculators or members of the exchange—very clever people, perhaps—but I suggest that Senators read some of their testimony. A man by the name of Harris said that before this law went into effect the exchanges just did the public going and coming. That was his own testimony.

You will not find one exchange member in the United States, or one man who deals in futures in the United States, so far as I know, who will approve of my amendment, and I am not expecting them to do it, but the main reason I did not bring any witnesses here was this: That this is not a question on which to take testimony. This is a moral proposition; this is a legal proposition; this is a business proposition; and I know that Senators have the fairness to look into it and the ability and nerve to decide.

I merely want Senators to take this thought home with them. Here is a contract that authorizes a man to sell by sample, and here is a law that authorizes him to sell by sample that says he can deliver some other goods in 10 qualities under that sample. What would anyone give for that kind of a contract? No one would give value for that contract, and anyone can see what the result would be.

My friends will get up here and say, "Why, you are the wildest man I ever heard." My good friend, the Senator from Indiana [Mr. WATSON], is listening to me, and I am glad. Some Senator said, "If there is a seller, is there not also a buyer?" There is a buyer, of course, but he is not a buyer for value when he does not know what he is going to get. He is buying a pig in a bag, as we say.

The Senator from Indiana and other Senators from his section are not interested in the matter to the extent we are in the South. Our people are in straitened circumstances. We never have gotten anything like we ought to have for our cotton, as I have shown by the reports of the Joint Agricultural Commission. Our country would bloom, our people would thrive, if Senators would help us pass a fair law; but if we take the quotations and buy on the quotations that is buying on false pretense and false representation, and the cotton is purchased and shipped out to Japan, India, Germany, France, Spain, and all over the world, and is made into cloth and sent back here to compete with our people.

All I ask is to make a fair law, an honest law. Do not give any favors. I do not want any favors. I do not ask for any favor. It is not right to have favors. It would not inure to our benefit. Our farmers do not want that, but it is not right to put a one-sided law on the statute books and confiscate the labor of our people. It deprives us of our wealth and of the common necessities of life. We can not buy the goods we otherwise would buy. It takes the wealth out of the United States and cripples our home people.

We pay our taxes, we bought bonds, we helped to fight the war. I want each any every Senator to study the proposition for himself and see if I am not right morally, legally, and in a business way.

Mr. President, I have said a great deal more than I intended to say, but with these few extemporaneous remarks I believe I am about through for to-day. I do hope that there will be no difference between my Southern friends and myself on this question. If they have anything better than I have offered to relieve the suffering of our people and help us get a just compensation or reasonable compensation for our work, I would gladly accept it; I would gladly tear up my amendment and throw it in the basket. But I do insist that we are here as business people after the war to try to get back to normalcy, to try to help readjust things in behalf of the whole country. Nothing could be done that would be more of an act of justice, of fairness, and of right, that would be a greater blessing and would be received with more favor than the proposition which I have presented. I do not know what is going to become of it.

As I said, our labor is leaving, we are shipping our mules away by the carload, and have quit farming. Many places are idle. I am a law-abiding man, a peaceful man, a good-natured man, but the time has come to fight. If I can do nothing else about it, if I can not get the measure through in some way, I am going to talk all over the country next spring and next summer. I would rather run than make a speech, but I know the principle involved is wrong. There is no excuse for it except to help the exchanges to gather in whatever they please. Can anyone tell me any reason why cotton should bring 25 cents a pound at 10 o'clock in the morning and in the afternoon at 3 o'clock bring 23 cents a pound? Everyone knows that is not honest. The reason for it is that the price of the spot market is following the price of the future market, fluctuating. The farming man can not know how to plan for his crop, and the banks do not know how to plan to lend him money to help him. Nobody can plan ahead with any degree of certainty. Conditions are unstable.

Cotton is a commodity that does not depreciate by reason of the passage of time when properly housed. If I may be pardoned for another personal allusion, there is in a warehouse in my town, a warehouse which I built twenty-odd years ago, a bale of cotton which was raised in 1862, the year I was born. It is just kept there as a matter of curiosity. The staple is good to-day. We know that cotton would not rapidly fluctuate in value. There is no reason for it in the world, and yet with this gambling business permeating the whole country, people running around in little towns and villages of 500 inhabitants watching the market quotations all the time, what are we going to do about it? They watch the telegraph quotations every minute of the day. We ought to have staple and regular prices. Let the law of supply and demand function.

Mr. President, I feel that I have done about the best I could do in 15 minutes or more of talk. If I had more time I could do more, but I leave the matter with Senators in the hope and belief that they will vote for my amendment. I leave the subject for you, your conscience, and your constituents.

Mr. RANSDELL. Mr. President and Senators, if I can secure the attention of the Senate for about 15 minutes I will promise not to take longer than that, and I will try to explain just a few points about the amendment which my friend, the Senator from South Carolina [Mr. DIAL], has discussed with so much eloquence for, I believe, about four hours.

The measure which he has offered in the nature of an amendment to the pending bill is not a new one in the Senate. It has been repeatedly before Congress. For the past 40 years, aye, more than 40 years, future trading in cotton and other commodities has been engaged in. Future trading has been engaged in not only in the big marts of America but throughout the world. At the present day there are great future contract markets at Havre and Liverpool in the Old World. If the amendment of the Senator from South Carolina were adopted and we were stopped from contracting here, the contracting would go on abroad.

This is merely an agency for carrying on business transactions. The Senator rang the echoes upon the fact that a man makes a contract and when he goes to get delivery he does not get delivery of the cotton that he bought. Why, Senators, he overlooks the fact, which he ought to know as a millman, that when a man desires cotton he makes a specific contract for that cotton. He desires, let us say, for his mill 1,000 bales in February, 1,000 bales in March, 1,000 bales in April, 1,000 bales in May, 1,000 bales in June, 1,000 in July, and so on down the line. The millman, as I understand the business transactions, goes to the brokers in cities like Little Rock, Dallas, Houston, Galveston, Memphis, Montgomery, Ala., Savannah, Ga., Atlanta, Ga., Charleston, S. C., and Wilmington, N. C. He goes throughout the great Cotton Belt of the land, and there he makes specific contracts with the men who deal in cotton, who handle cotton, cotton merchants, if you please, cotton brokers, men who represent the producers of cotton. He buys from those men, to be delivered so much in the various months, the kind of cotton that he needs, be it middling cotton or strict good middling or low ordinary or any other grades that he needs for his mill. Those are specific contracts.

What does the broker do before he sells the cotton for delivery at some time in the future? Why, sir, that broker goes into the future exchange market of New Orleans or New York and buys there the same number of bales that he has agreed to deliver, and, buying that cotton at a set price, he knows at what price he can deliver to the mill. It is called a hedge; it is called an insurance. Senators, it is just as much a legitimate insurance as the great Lloyd's, which in England for years has been insuring every kind of business that a man can enter into, especially the business of shipping that carries our commerce throughout the world. Lloyd's insures that business. So the cotton exchanges issue a great many of these contracts as legitimate hedges, as legitimate insurance, for the actual transactions that the mills enter into.

I grant that there is a certain amount of speculation carried on in the future market. There is no doubt about it. We speculate in all sorts of things. I have been speculating all my life in real estate. I have been interested in real estate. Whenever I got hold of a little money I would buy a piece of land, expecting to sell that land. We speculate in cattle and hogs and in other things, but we all speculate more or less. There are a lot of gentlemen "gamblers" who go into the future market, buying grain or cotton or coffee or sugar or anything else, but that does not militate against the legitimate, businesslike features of the trade.

I wish to repeat that this agency of commerce has been practiced very much throughout the last 40 years. Senators, it has been well recognized, well established, and yet the Senator from South Carolina comes in here just as we are winding up the bill and proposes to disestablish, to destroy, to break down, one of the best-established modes of business known to commerce.

Let me show what happened to his measure recently. He introduced his bill some time ago, I believe in February, 1922.

Mr. DIAL. Nineteen hundred and twenty-one.

Mr. RANSDELL. Was it 1921?

Mr. DIAL. I think so, though perhaps I am wrong.

Mr. RANSDELL. As a matter of form, the bill was referred to the Committee on Agriculture and Forestry of this body. That committee held elaborate hearings. The committee invited the Senator from South Carolina and all other interested parties to come before the committee and testify. That committee appointed a subcommittee to hold hearings, and a great many witnesses appeared. I hold in my hand a copy of the hearings. I am not going to detain the Senate by reading at length from them, but I shall be glad to furnish any Senator with a copy of the document. The print is very fine; it covers 175 pages. We went into every phase of the subject; we considered and discussed it with the greatest care; and here is the result of our labors:

The Committee on Agriculture and Forestry, to which was referred the bills (S. 385 and S. 3146) to amend section 5 of the cotton futures act, approved August 11, 1916, as amended—

Those were the two bills introduced by the Senator from South Carolina [Mr. DIAL]—

having carefully considered the bills, respectfully reports them back with an unfavorable recommendation. Both bills are attached hereto and made part hereof.

Mr. DIAL. Mr. President, will the Senator yield to me?

Mr. RANSDELL. I yield to the Senator.

Mr. DIAL. I withdrew the first bill when I introduced the second one.

Mr. RANSDELL. But the committee did not know that; both bills were before us, and we were trying to treat the Senator from South Carolina with all possible courtesy. I continue the quotation from the report:

These bills have a common authorship, S. 3146 being in the nature of a substitute for S. 385—

So if Senate bill 385 had been withdrawn, there is no harm done in referring to it—

and broadly stated is intended to revolutionize the method of trading in cotton for future delivery as now conducted under the supervision of the United States Department of Agriculture.

Your committee wishes to emphasize the fact—

Please listen to this, Senators—

that with the solitary exception of their author, not a witness appeared in support of these bills from the time the hearings started on Friday, January 20, until they closed on Friday, June 2—

From January to June not a single, solitary witness appeared in behalf of the measures except their author—

although ample opportunity was afforded everyone interested to be heard.

In striking contrast with this showing—

Senators, I dislike to read this, but it is not my statement. It is the unanimous report of the committee—

In striking contrast with this showing some of the most representative planters, spot-cotton merchants, exporters, and bankers from the cotton-producing States either appeared in person or notified the committee in writing of their unalterable opposition to these bills. Resolutions were received from the spot-cotton exchanges located throughout the South, whose members were no less emphatic than the witnesses for the New Orleans Cotton Exchange in opposition to these bills, or to any material change in the future contract now operating under the supervision of the Secretary of Agriculture.

Now, listen to this:

And finally, representatives from the Department of Agriculture, which is primarily concerned with the welfare of the small cotton farmer—

Just as much as my friend from South Carolina is concerned or as I am concerned or as any other Senator is concerned about the welfare of the small cotton farmer—

appeared before the committee and placed the stamp of the unqualified disapproval of the Department of Agriculture on S. 385 and S. 3146.

Mr. President and Senators, late as is the hour, I do not wish to take the time of the Senate to read more than I have read, but the report of the committee is very brief; it embraces only four pages; and I will ask to append it to my remarks as a part thereof, and that it may be printed in 8-point type.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. RANSDELL. Mr. President, the Senator from South Carolina has referred to the existing cotton futures law. Let me remind those Senators who have been in Congress for some time that this is not the first occasion when we have had this question before us. It was before us in 1914; it was before us in 1916; it was before us in 1919; and legislation was enacted in each instance. The State of South Carolina was ably represented in both Houses when those laws were passed. The law which is known as the Smith-Lever Cotton Futures Act reflects credit upon its authors and it reflects credit upon the great State of South Carolina, whence those two distinguished men came. I was here at the time, and I know Congress gave the most painstaking and earnest consideration to this extremely difficult business question. It was conceded generally that there should be some legislation thereon, and, after earnest investigation and the taking of a great deal of testimony in both Houses of Congress, the law was passed in 1914. It was amended in 1916, and again slightly changed in 1919. We did not enact the legislation in any instance as an amendment to some other bill. The measures were not proposed without having been considered in committee; we did not attempt to pass them when the committee in charge of it had reported adversely to them; but in each instance we had the fullest, fairest consideration of the subject, and the bill was reported to the Senate; we threshed it out here and made the proper changes.

Senators, this is a most important matter. Are you willing to break down the ordinary means of conducting business in one of the most valuable commodities of America—the cotton crop, a crop which this year is worth considerably over $1,000,000,000; a crop which for years has given to America the balance of trade between the United States and the Old World? More than to any other commodity we owe our balance of trade to cotton.

As I have three times previously said, for more than 40 years the trading in futures has been a recognized agency in disposing of the cotton crop and is considered an essential means of handling the crop, as a hedge, as an insurance to the actual transactions which are taking place between the consumers of cotton and its producers.

Mr. President, if it were necessary I should be glad to discuss this question for two or three hours or for two or three days. A great man from my State, one whom Louisiana and the Nation delights to honor, Edward Douglas White, made a remarkable speech on this floor on this very subject in 1892, about 31 years ago; and, as a cotton grower, as a representative of the cotton section, whose home is 300 miles from New Orleans, who has nothing in common with the exchange, who has nothing in common with the mills, every fiber of whose being is filled with love and interest for the cotton farmer—for that is my sole business at home—I say to you, sirs, that I am proud to emulate White and other men from that section who have stood for the continuance of the exchange under proper regulations.

Senators, all human institutions are faulty; I do not claim perfection for the exchanges; perhaps their methods should be somewhat changed; but, if so, let us approach the change in an orderly and proper manner. We have passed the three bills to which I have referred; we have found it necessary to make slight changes in the law from time to time. Let us approach other modifications in the same way. When the time comes, if it can be shown that changes are needed but not destruction, I promise to help. The men best informed on this subject say that the Dial bill means destruction; your committee in its report says, in substance, that it means destruction. Now, I appeal to the Senate to vote the amendment down, and let us take up the question in regular and proper order at the appropriate time.

APPENDIX.

[Senate Report No. 841, Sixty-seventh Congress, second session.]

TO AMEND SECTION 5 OF THE COTTON FUTURES ACT.

Mr. RANSDELL, from the Committee on Agriculture and Forestry, submitted the following adverse report to accompany S. 385 and S. 3146:

"The Committee on Agriculture and Forestry, to which was referred the bills (S. 385 and S. 3146) to amend section 5 of the cotton futures act, approved August 11, 1916, as amended, having carefully considered the bills, respectfully reports them back with an unfavorable recommendation. Both bills are attached hereto, and made part hereof.

"These bill have a common authorship, S. 3146 being in the nature of a substitute for S. 385, and broadly stated is intended to revolutionize the method of trading in cotton for future delivery as now conducted under the supervision of the United States Department of Agriculture.

"Your committee wishes to emphasize the fact that with the solitary exception of their author, not a witness appeared in support of these bills from the time the hearings started on

Friday, January 20, until they closed on Friday, June 2, although ample opportunity was afforded everyone interested to be heard.

"In striking contrast with this showing, some of the most representative planters, spot-cotton merchants, exporters, and bankers from the cotton-producing States either appeared in person or notified the committee in writing of their unalterable opposition to these bills. Resolutions were received from the spot-cotton exchanges located throughout the South, whose members were no less emphatic than the witnesses for the New Orleans Cotton Exchange in opposition to these bills, or to any material change in the future contract now operating under the supervision of the Secretary of Agriculture. And finally, representatives from the Department of Agriculture, which is primarily concerned with the welfare of the small cotton farmer, appeared before the committee and placed the stamp of the unqualified disapproval of the Department of Agriculture on S. 385 and S. 3146.

"The evidence adduced by the committee developed that the contract-delivery system as conducted on the New Orleans Cotton Exchange consists of the buying and selling of cotton for future delivery under the United States cotton futures act, as amended March 4, 1919, and regulations of the Secretary of Agriculture pursuant thereto.

"The contracts are known as section 5 contracts, as that section of the United States cotton futures act and the regulations of the Secretary of Agriculture constitute the limitations thereof. These provide that—

"All contracts made for future delivery on any exchange, board of trade, or similar institution or place of business not in conformity with the United States cotton futures act are subject to a tax of 2 cents per pound;

"The contract must specify the basis grade of the cotton involved, which shall be one of the 10 grades for which standards are established by the Secretary of Agriculture; middling shall be deemed the basis grade if no other grade be specified in the contract;

"All cotton dealt with shall be of or within the grades specified by the Secretary of Agriculture;

"Cotton delivered on such contracts above or below the basis grade must be settled for at actual commercial differences above or below the contract price for the basis grade;

"No cotton shall be delivered that is below low middling or that is reduced below the value of low middling because of defects, and so forth, and is of less than seven-eighths of an inch in length of staple;

"Tenders on contracts must be the full number of bales involved or the equivalent weight thereof, and the person making the tender shall give written notice five business days before delivery to the receiver, and in advance of final settlement must furnish the receiver a written notice or certificate stating the grade of each individual bale and by means of numbers identifying each bale with its grade;

"All cotton delivered must be classed in accordance with the classification, made under the regulations of the Secretary of Agriculture, by officers of the Government designated by the Secretary for that purpose.

"Under the authority vested in it the Department of Agriculture has standardized spinable catton tenderable on contracts into 10 grades, and subject to the above regulations cotton tendered on future-delivery contracts is inspected and classed by Government officials who issue certificates therefor; in other words, under the law the Government becomes a party to the final settlement of the contracts, insuring the honesty, correctness, and uniformity of such deliveries.

"The author of S. 3146 says frankly that both the old custom, under which future trading in cotton was developed, and the present statute 'have always been wrong,' and in lieu of the present law and the regulations promulgated thereunder by the Secretary of Agriculture he would divide 9 grades into 3 classes, to wit, A, B, and C, with 3 grades in each class, and make the middle class the basis, with a discount for a grade below and a premium for a grade above. He can see no objection whatever to this proposition which limits the tender of the seller from 10 grades to 3 in a given contract; he would require the specific grade to be specified at the time the contract is made; and, finally, he would allow the purchaser and the seller of a contract to each select half of the quantity; but in order to avert the possibility of a corner, either up or down, let them divide each half equally in two or even three grades.

"As has been stated, with the exception of the author not a solitary advocate of this plan appeared to urge its substitution for the existing law. It was pointed out, however, that the present law permits the trading in specific grade contracts under section 10, although such contracts are never made across the future ring, and such contracts are stronger than those provided for in S. 3146.

"With the exception of the author, every witness heard orally and every communication received by mail from representative cotton interests condemned that feature of S. 3146 which would reduce the number of grades allowed in the future contract from 10 to 3. The spot merchants, who deal directly with the growers, pointed out that their purchases necessarily covered a wide range, embracing some 20 or more grades known to the spot trade, and if they were compelled under this bill when selling futures to insure these purchases, to be limited in those future contracts to only 2 or 3 grades, then the future contract used as a legitimate hedge or insurance would cease to function.

"But by far the more vigorous attack upon the proposition to reduce the number of grades and revise the form of contract came from representatives of the United States Department of Agriculture.

"It was pointed out that the present law calls for one form of contract which is the basis of all transactions and provides a continuous market that the spot-cotton trade argues from. It was problematical if the volume of business could be reduced and still provide a continuous market, yet the bill under consideration proposed to divide the present form of contract up into three. If this were done, then the volume of business would be cut into fractions of its present size or there would be a tremendous increase in business to provide the same volume of business in any one of these three forms of contract. The opinion of the departmental spokesman was that the trade would not adopt three forms of contract, and the fact was stressed that the adoption of any form of contract which would reduce the number of tenderable grades would vastly increase the number of bales annually left on the hands of the "aggregate producer." As an illustration of the awful menace threatening the smaller farmer which is involved in any plan which would reduce the number of grades tenderable upon future contracts the department pointed out that in the comparatively recent past when the Senate called upon the Census Bureau for figures showing the quantity of spinable cotton on hand it was shown that there was in storage in the warehouses of the country cotton that was untenderable on future contracts to the extent of 24 per cent of the total.

"The same unanimity of adverse opinion was expressed by all branches of the cotton trade upon the third and remaining feature of the bill, which provides that the purchaser and the seller of a contract each select half of the quantity involved in the contract. The effect of this arrangement, it was contended, would be to restrict the contract to a point where the spot-cotton merchant could not make use of it in connection with his business, and trading in futures as a hedge or insurance for legitimate business transactions would be automatically discontinued.

"As disclosed by their titles, neither S. 385 nor S. 3146 were intended to suppress the two exchanges in this country where future contracts in cotton are dealt in, irrespective of what their ultimate effect upon the trade might be. But in view of the very general interest that has recently been manifested in the subject of future trading in agricultural products and because of the attention that has been bestowed upon certain phases of the question by the judicial as well as the legislative branch of the Government the committee decided to conduct a broad and comprehensive inquiry in the operation of the cotton futures act as amended.

"It is believed that the hearings, embracing a volume of 175 pages, will prove a valuable and timely contribution to the information on a subject that promises to engage the attention of Congress for some time to come.

"The witnesses from the various cotton States, and who were very largely engaged in the spot-cotton business, are recognized throughout the trade as qualified to speak for the interests they represented.

"The communications from the New Orleans Cotton Exchange, dealing with the other phase of the cotton trade, are from officials of that institution whose long and distinguished service in the cause of future trading have made their names household words throughout the civilized world wherever cotton future contracts are traded in.

"The committee has also deemed it advisable to include in the hearings, for the convenience of those who wish to study this question, a summary of the exhaustive discussion of the Comer amendment to the cotton futures act on the floor of the Senate, Friday, April 30, 1920, by Senator JOSEPH E. RANSDELL, of Louisiana, together with the speech of Hon. Edward D. White, of Louisiana (subsequently Chief Justice of the Supreme Court of the United States), in the Senate of the United States, Thursday, July 21, and Friday, July 22, 1892."

[S. 385, Sixty-seventh Congress, first session. By Senator DIAL.]
A bill to amend section 5 of the United States cotton futures act, approved August 11, 1916, as amended.

"*Be it enacted, etc.*, That section 5 of the United States cotton futures act, approved August 11, 1916, as amended, be, and the same hereby is, amended as follows:

"In the fourth subdivision of section 5 of said act insert '(a)' after 'fourth' and before 'provide' and add at the end of such fourth subdivision:

"'(b) To provide that unless cotton in the basis grade be tendered in settlement of such contract, the buyer shall have the right to demand that one-half of the amount deliverable under the contract shall be delivered in equal quantity in two grades, to be specified by him, and that the seller shall have the right to tender one-half of the amount deliverable under the contract in equal quantity in two grades to be specified by such seller.'

"The foregoing amendments shall be effective on and after the thirtieth day after the approval of this amendatory act, but nothing herein shall be construed as applicable to contracts entered into prior to the effective date of this amendatory act, or to affect rights acquired or powers exercised thereunder."

—

[S. 3146, Sixty-seventh Congress, second session. By Senator DIAL.]
A bill to amend section 5 of the United States cotton futures act.

"*Be it enacted, etc.*, That the second subdivision of section 5 of the United States cotton futures act, approved August 11, 1916, as amended, is amended to read as follows:

"'Second. (a) Specify as the class of the contract one of the following classes:

"'Class A, which shall include only middling fair, strict good middling, good middling, and strict middling grades;

"'Class B, which shall include only strict middling, middling, strict low middling, and good middling yellow tinged grades;

"'Class C, which shall include only strict low middling, low middling, strict middling yellow tinged, and good middling yellow stained grades.

"'(b) Specify the basis grade for the cotton involved in the contract, which shall be one of the grades for which standards are established by the Secretary of Agriculture, and which shall be one of the grades included within a class in paragraph (a) of this subdivision; the price per pound at which the cotton of such basis grade is contracted to be bought or sold; the date when the purchase or sale was made; and the month or months in which the contract is to be fulfilled or settled.

"'(c) If no other class is specified in the contract, or in the memorandum evidencing the same, the contract shall be deemed a class B contract.

"'(d) If no other basis grade be specified in the contract, or in the memorandum evidencing the same, good middling shall be deemed the basis grade incorporated into a class A contract, middling shall be deemed the basis grade incorporated into a class B contract, and low middling shall be deemed the basis grade incorporated into a class C contract.'

"SEC. 2. That the third subdivision of section 5 of such act is amended to read as follows:

"'Third. Provided that the cotton dealt with therein or delivered thereunder shall be of or within the grades for which standards are established by the Secretary of Agriculture, and of or within the grades included within the class so specified or incorporated as the class of the contract, and that cotton of any other grade or grades shall not be dealt with therein nor delivered thereunder.'

"SEC. 3. That the fifth subdivision of section 5 of such act, as amended, is amended to read as follows:

"'Fifth. Provided that cotton that, because of the presence of extraneous matter of any character, or irregularities or defects, is reduced in value below that of strict middling in the case of a class A contract, strict low middling in the case of a class B contract, or low middling in the case of a class C contract, the grades mentioned being of the official cotton standards of the United States, or cotton that is less than seven-eighths of an inch in length of staple, or cotton of perished staple or of immature staple, or cotton that is "gin cut" or reginned, or cotton that is "repacked" or "false packed" or "mixed packed" or "water packed," shall not be delivered on, under, or in settlement of such contract.'

"SEC. 4. That the second paragraph of the seventh subdivision of section 5 of such act, as amended, is amended to read as follows:

"'The provisions of the third, fourth, fifth, sixth, and seventh subdivisions of this section shall be deemed fully incorporated into any such contract if there be written or printed thereon, or on the memorandum evidencing the same, at or prior to the time the same is signed, the phrase "subject to United States cotton futures act, section 5, class A," if the contract is a class A contract; or the phrase "subject to United States cotton futures act, section 5, class B," if the contract is a class B contract; or the phrase "subject to United States cotton futures act, section 5, class C," if the contract is a class C contract.'

"SEC. 5. That the provisions of this act shall be effective on and after the thirtieth day after its passage, but such provisions shall not be construed as applicable to nor as affecting any right, power, privilege, or immunity under any contract entered into prior to such day."

Mr. KING. Mr. President, will the Senator from Louisiana permit me to ask him a question?

Mr. JONES of Washington and Mr. DIAL addressed the Chair.

The VICE PRESIDENT. The Senator from Washington.

Mr. KING. I desire to ask the Senator from Louisiana a question.

Mr. JONES of Washington. I merely wish to see if I can not get an agreement. I had hoped that we should be able to dispose of the pending bill to-night. I do not wish to try to bring Senators here now; so I was going to ask unanimous consent that the Senate take a recess until 11 o'clock to-morrow, with the understanding and an agreement to that effect that the Senate shall vote on the pending amendment not later than 11.30 o'clock. Could I obtain an agreement of that character?

Mr. DIAL. No; and I hope the Senator will not make the request.

Mr. KING. I suggest to the Senator that he ask that a vote be taken at 1 o'clock.

Mr. JONES of Washington. Will the Senator from South Carolina be willing to fix a time when we shall come to a vote?

Mr. DIAL. I do not desire to take up much longer the time of the Senate; but I have been absent for four or five days, having been called out of the city, and have just returned. I am very tired and can not proceed to-night. The reason I have not previously offered the amendment is because I have been away. To-morrow I shall only want 10 or 15 minutes, if the Senator from Washington will give me that much time.

Mr. JONES of Washington. Would the Senator from South Carolina be willing then to take a vote not later than 12 o'clock?

Mr. DIAL. I suggest that the Senator make it 1 o'clock, as some other Senator might wish to speak.

Mr. ROBINSON. If the Senator from Washington will yield to me, I desire to say that I do not think the pending amendment will consume a great deal of time in discussion to-morrow. I think, perhaps, it would be better to take a recess now and to-morrow resume the consideration of the bill, without an attempt to agree upon a time for a vote upon the amendment.

Mr. JONES of Washington. Might we not fix a later hour at which to vote on the pending amendment?

Mr. ROBINSON. I shall not object to voting at 1 o'clock or even before that time.

Mr. JONES of Washington. I suggest that the vote be taken not later than 1 o'clock.

Mr. ROBINSON. If the discussion shall have been concluded prior to that time, so far as I am concerned, I shall not object to a vote, but I do not believe it will be necessary to take a recess until 11 o'clock.

Mr. JONES of Washington. We have had this amendment under consideration now for about three hours, although it is a proposition that really is not germane to the bill. I do not want to press the matter unduly, and I do not think I have, but I think that the Senate ought to be willing to recess until 11 o'clock.

Mr. ROBINSON. I shall object to any unanimous-consent agreement for a recess until 11 o'clock; but I shall not object to any arrangement the Senator from Washington may be able to effectuate if he contemplates a recess until 12 o'clock.

Mr. WARREN. Mr. President, I wish we might agree upon the proposition which has been made by the Senator from Washington [Mr. JONES]. I gave notice last night that I wished to have taken up to-day an important appropriation bill, and I had hoped that it might be considered. It is rather necessary that the appropriation bill should be passed to-morrow, but I do not wish to move to displace any other measure.

Mr. ROBINSON. There is no objection to the Senator taking up the bill at 12 o'clock; but I think it unnecessary to begin at this time the practice of recessing until 11 o'clock and I shall object to it.

Mr. JONES of Washington. I will say to the Senator that if the Senate shall agree to vote on this amendment at not later than 1 o'clock I am willing to propose a recess until 12.

Mr. ROBINSON. I have no objection to that arrangement.

Mr. JONES of Washington. I ask unanimous consent, then, Mr. President, that when the Senate closes its session to-day it recess until 12 o'clock to-morrow, and that we vote on this amendment not later than 1 o'clock to-morrow.

Mr. HEFLIN. Mr. President, I want to say only a very few words. The senior Senator from South Carolina [Mr. SMITH] is not here; I understand that some members of his family are sick; and I want to say a few words. I do not think I shall consume over 10 minutes.

Mr. ROBINSON. I suggest that the Senator get recognition now and go on to-morrow, and take such portion of the time as he desires.

Mr. HEFLIN. Then, Mr. President, I ask for recognition now, that I may be recognized in the morning, so that I can proceed the first thing in the morning.

The VICE PRESIDENT. The Senator from Alabama. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and the unanimous-consent agreement is entered into.

The agreement was reduced to writing, as follows:

It is agreed by unanimous consent that when the Senate concludes its business to-day it recess until 12 o'clock to-morrow, and that at not later than 1 o'clock p. m. on the calendar day of Thursday, January 18, 1923, the Senate will proceed to vote without further debate upon the pending amendment of the Senator from South Carolina [Mr. DIAL] to Senate bill 4280.

Mr. FLETCHER. Mr. President, I have only one other amendment that I want to offer to this bill. So far as I know, it will not take a very great while.

Mr. JONES of Washington. Does the Senator desire to offer the amendment now?

Mr. FLETCHER. No; I simply want to let the Senator know that there is another amendment pending.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 5 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 35 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Thursday, January 18, 1923, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 17 (legislative day of January 16), 1923.

COLLECTOR OF CUSTOMS.

Oscar E. Dahly to be collector of customs, district No. 36.

POSTMASTERS.

CALIFORNIA.

Henry De Soto, Kentfield.

IOWA.

Jesse A. Barnes, Brooklyn.
Lorenzo D. Haworth, Dunlap.

MICHIGAN.

Carl A. Anderson, Menominee.

MISSOURI.

Alva C. Boyd, Milan.

NEBRASKA.

Edith E. Peterson, Eddyville.
Otto Dau, Yutan.

NEVADA.

Mary V. Fox, Gold Hill.

NEW MEXICO.

Timothy B. Baca, Belen.
Canuto C. Sanchez, Santa Rosa.

NEW YORK.

Herbert R. Foshay, Mamaroneck.

TENNESSEE.

Joseph C. Hale, Winchester.

TEXAS.

Fred H. Ligarde, Laredo.
James M. Sloan, Navasota.
Raymond G. Johnson, Rockwall.
Edward N. Mulkey, Sherman.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *January 17, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

By faith, by love, and by hope, our Heavenly Father, may we be joined to Thee. As Thou art an infinite God, we believe that all good work is immortal. As through Thy mercy our days are renewed, O renew our strength unto all good things that make for righteousness and peace. May each morning be a new call to duty, and help us to blend all our privileges with gratitude and humility. Spare us from being afraid of our deepest convictions. Bless all who sow in tears, and some happy moment may they reap in joy. Through Christ, our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

WAR DEPARTMENT APPROPRIATIONS.

On motion of Mr. ANTHONY, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, with Mr. TILSON in the chair.

The CHAIRMAN. When the committee rose last evening there were 11 minutes remaining to the gentleman from Kansas [Mr. ANTHONY].

Mr. ANTHONY. Mr. Chairman, we will not use that time. I ask that the Clerk read the bill.

The CHAIRMAN. The Clerk will proceed with the reading of the bill.

The Clerk read as follows:

CONTINGENCIES OF THE ARMY.

For all contingent expenses of the Army not otherwise provided for and embracing all branches of the military service, including the office of the Chief of Staff; for all emergencies and extraordinary expenses, including the employment of translators and exclusive of all other personal services in the War Department or any of its subordinate bureaus or offices at Washington, D. C., or in the Army at large, but impossible to be anticipated or classified, to be expended on the approval or authority of the Secretary of War, and for such purposes as he may deem proper, including the payment of a per diem allowance not to exceed $4, in lieu of subsistence, to employees of the War Department traveling on official business outside of the District of Columbia and away from their designated posts, $62,980: *Provided*, That not to exceed $34,980 of the money herein appropriated shall be expended for the payment of salaries of civilian employees connected with the sale of war supplies and the adjustment of war contracts and claims: *Provided further*, That none of the funds appropriated in this act shall be used for the payment of expenses connected with the transfer of surplus property of the War Department to any other activity of the Government where the articles or lots of articles to be transferred are located at any place at which the total surplus quantities of the same commodity are so small that their transfer would not, in the opinion of the Secretary of War, be economical: *Provided further*, That none of the funds appropriated or made available under this act shall be used for the payment of any salary in excess of $5,000 per annum to any civilian employee in the War Department, unless otherwise specifically provided by law.

Mr. SISSON. Mr. Chairman, on page 11 of the bill I notice that the Clerk read "$34,980." On my copy of the committee print of the bill, which originally provided not to exceed $67,000, I have it marked that we reduced it to $30,000.

Mr. ANTHONY. If my memory is correct, we reduced the item $15,000 and changed the figures from $49,980 to $34,980 to reflect that reduction of $15,000.

Mr. SISSON. The gentleman may be correct about it. I have it marked $30,000 in my copy of the bill.

The CHAIRMAN. The Clerk will proceed.

The Clerk read as follows:

MILITARY POST EXCHANGES.

For continuing the construction, equipment, and maintenance of suitable buildings at military posts and stations, for the conduct of the post exchange, school, reading, lunch, amusement rooms; for the conduct and maintenance of libraries, service clubs, chapels, and gymnasiums, including repairs to buildings erected at private cost, in the operation of the act approved May 31, 1902, and including salaries and travel for civilians employed in the hostess and library services, and for transportation of books and equipment for these services; for the rental of films, purchase of slides, for and making repairs to moving-picture outfits and for similar and other recreational purposes at training and mobilization camps now established, or which may be hereafter established, $75,000: *Provided*, That not to exceed $30,000 from this appropriation may be expended for the conduct and maintenance of libraries and not to exceed $30,000 may be expended for the conduct and maintenance of hostess houses: *Provided further*, That no person paid from this appropriation shall receive a total salary at a rate exceeding $3,500 per annum and not more than two may be employed at $3,500 per annum each.

Mr. McKENZIE. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MCKENZIE: On page 9, line 19, after the word "each," change the period to a colon and add the following: "*Provided further*, That hereafter civilians employed in the hostess and library services and paid from the appropriation for military post exchanges may be appointed by the Secretary of War without reference to civil-service rules and regulations."

Mr. McKENZIE. Mr. Chairman and gentleman of the committee, the incorporating of hostess houses in the Military Establishment is something rather new and novel, but it has been found to be a very great advantage, and the War Department feels that it should be continued. The Committee on Appropriations have appropriated the money for the continuance of the same, but when it comes to selecting the proper persons to be put in charge of these hostess houses they have found that it would be infinitely better if they had the privilege of making that selection without having to apply to the Civil Service Commission to have some one certified. That is the only purpose of this amendment. I think it ought to be adopted.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. MCKENZIE].

The amendment was agreed to.

The Clerk read as follows:

ORGANIZED RESERVES.

Officers' Reserve Corps: For pay and allowances of reserve officers called to active duty for 15 days' training, $900,000; for pay of reserve officers called to active duty for more than 15 days in accordance with law, $200,000; for mileage, $250,000; in all, $1,350,000.

Mr. HULL. Mr. Chairman, I offer an amendment, on page 9, line 25, to strike out the figures "$1,350,000" and insert "$5,000,000."

The CHAIRMAN. The gentleman from Iowa offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL: Page 9, line 25, strike out the figures "$1,350,000" and insert "$5,000,000."

Mr. HULL. Mr. Chairman, of all the appropriations which we make for the national defense that which we make for the Officers' Reserve Corps accomplishes more for less money than any other appropriation. We have to-day in the Officers' Reserve Corps 69,000 officers. Of that number we ought to train one-half every year, so that every officer in the corps would receive training every two years. Unfortunately, as I understand it, only 17,000 of the 69,000 have applied for training next year. To train the 17,000 men will take $5,000,000. If you cut that to $1,350,000 you can not train one-half of the men who have applied for training next year. At that rate you would not give training in six years' time to the 69,000 men that you have in the corps. It is the testimony of all experts—and with that testimony I agree—that unless you train these officers every two years they become obsolete and practically of no value. The lesson of the recent war was that we did not have trained officers. The great cost of the war in the lives of our boys was due to the fact that many of them went out to fight under officers who were not properly trained. If you do not train these reserve officers you must train regulars, and regulars cost fifteen to twenty times as much money as it costs to train these officers in the reserve corps. The training lasts only two weeks. Surely if these men who come out of civil life and offer to devote two weeks to the training that is necessary for them to remain efficient trained officers, we ought to give them the money that will make it possible for them to receive the training. I do not think it is necessary to have any lengthy debate on this. It is admitted by the chairman of the committee that they have not provided enough money in the bill to take care of the men who have asked for training. The amount of money that I propose will simply train the men who have asked for the privilege.

Mr. ANTHONY. Mr. Chairman, the gentleman from Iowa [Mr. HULL] is exceedingly generous in his application of Treasury funds. He has only asked to raise this item from a little over $1,000,000 to $5,000,000, about double what the War Department is asking for, for this activity. I do not know where he proposes to get the money. Probably he proposes to raise it out among his Iowa farmers.

Mr. BLANTON. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Texas.

Mr. BLANTON. The inmates of the Rock Island Arsenal might help the gentleman.

Mr. ANTHONY. Probably that would be a very good source of revenue. But in regard to training of reserve officers I want to call the attention of the House to the fact that of the $1,000,000 appropriated for the purpose of the Organized Reserve last year there is $381,000 remaining unexpended to-day. The committee has increased the appropriations available for training the reserve officers until we are going to train nearly double the number who were trained during the current year; and with our experience during this year, when the department was unable to use all the funds we appropriated, we feel sure that we have been exceedingly liberal in the treatment of this activity. There is no disposition on the part of the committee to hamper a reasonable amount of training for reserve officers, but we think it would be extremely inadvisable to go to the limit suggested by the gentleman from Iowa [Mr. HULL.]

Mr. HULL. Will the chairman state the full amount appropriated for training camps for reserve officers under the bill? It occurs in several items.

Mr. ANTHONY. Yes. I want to call the attention of the gentleman from Maryland to the fact that last year the mileage for the reserve officers was taken out of the mileage of the Army, but this year we appropriate directly for the mileage of the reserve officers, so there is an appropriation of $250,000 and over for that purpose.

Mr. HILL. I understood that this year there would be money available for training about 11,000 reserve officers.

Mr. ANTHONY. I think that is about the number that will be covered.

Mr. HILL. I want to say that I propose to offer an amendment on page 9, striking out $900,000 and inserting in lieu thereof $1,746,709. I would like to ask the gentleman how many the War Department plans to train under that request.

Mr. ANTHONY. About 15,000, and the gentleman from Iowa wants to train 35,000. The committee proposes to train about 11,000.

Mr. ROACH. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. ROACH. I understood the gentleman to say yesterday that this item provided for sufficient funds to enable the department to train all the men that it was in a position to train at this time.

Mr. ANTHONY. In connection with all the other training activities, we thought it was a full program for the Army.

Mr. ROACH. There would be no necessity, then, for increasing the amount carried in the bill.

Mr. ANTHONY. I think if we go on at 100 per cent increase it is very liberal.

Mr. ROACH. I agree with the gentleman.

Mr. HULL. Mr. Chairman, I ask unanimous consent to modify my amendment by making it read "$3,000,000" instead of "$5,000,000."

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Page 9, line 25, strike out the figures "$1,350,000" and insert "$3,000,000."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was rejected.

Mr. HILL. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 9, line 23, strike out the figures "$900,000" and insert in lieu thereof the figures "$1,746,709."

Mr. HILL. Mr. Chairman, the printed hearings show that the committee went very fully into the matter of training the Reserve Corps. My proposed amendment is the amount the War Department asked for, providing training for 15,000 officers. I understand from the chairman of the committee that the amount recommended by it will train over 11,000 officers. I think there should be 15,000 trained, but I am glad to see that the committee has doubled the number of officers to be trained next year over those trained this year.

Mr. STAFFORD. It is hardly necessary, Mr. Chairman, for me to add anything to what has been said by the chairman of the subcommittee. The proposal of the gentleman from Maryland would increase the estimates of the department by more than $200,000. The hearings before the committee show that the total was $1,746,000, and that not only included the training at the small camps but also the training at the Army school for more than 15 days, for which we appropriate $200,000.

Mr. HILL. And the $200,000 is included in that amount?

Mr. STAFFORD. It is.

Mr. HILL. Mr. Chairman, I ask unanimous consent to reduce the amount in my amendment by $200,000.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Page 9, line 23, strike out the figures "$900,000" and insert in lieu thereof the figures "$1,546,709."

Mr. SNYDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not certain whether the amount carried in this paragraph is sufficient to train 11,000 reserve officers or not. I sincerely hope that it is. My judgment in regard to this matter is that we should provide sufficient money to train every reserve officer who desires to be trained. I think that is money well spent. There is nothing that we can do in this country that will do so much in preparedness for war as to have a well-organized and trained body of officers, and you can not do that, you can not keep the morale of the officers who desire to be trained to a proper standard, unless you give the officers the training that they are entitled to and need. I think it is fair to assume that the propaganda we have been hearing about on this matter is a fair and honorable propaganda. It is brought to us on the part of the men themselves.

There is no question but what we are penny-wise and pound-foolish unless we provide sufficient money to train all of the officers who desire to be trained.

Mr. STAFFORD. Will the gentleman permit?

Mr. SNYDER. I will yield to the gentleman.

Mr. STAFFORD. Of the sum total appropriated last year there is to-day remaining $381,000 unexpended.

Mr. SNYDER. That may be true.

Mr. STAFFORD. If the officers were not trained it was not due to lack of appropriation by Congress.

Mr. SNYDER. That may be so. It may be that last year arrangements could not be made so quickly to take care of the great number of reserve officers we found in the Reserve Corps, but there can not be any question about that now, and if the managers of our Army down here are not keeping in step with this situation it is not the fault of the reserve officers. They should take the money we provide for that purpose and put themselves in a position to use it, and if they do not do it they ought to be reprimanded for it. Everyone in this House knows that I have always been an advocate of preparedness. The first thing I did when I came into this House eight years ago was to drop a bill into the basket authorizing the expenditure of a half billion dollars to be divided equally between the Army and the Navy for the purpose of preparing the country for war that was imminent at that time, and if that had been done and the money had been expended for the necessaries of war this country would have saved a few years later more than a billion dollars in the purchase of the same items.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. CHINDBLOM. Is it known how many officers will want training during the next year?

Mr. SNYDER. My understanding is that 17,000 have applied for training now.

Mr. CHINDBLOM. Is that the information of the committee?

Mr. ANTHONY. I do not think that 17,000 have directly applied, but a questionnaire has been sent out and they have endeavored to recruit the number of officers for training purposes, and either 17,000 or 19,000 have indicated their desire to be trained.

Mr. CHINDBLOM. What does the committee propose to do with the seven or eight thousand not covered by the appropriation?

Mr. ANTHONY. We think they can well wait another year to get their training, and that in training 11,000 it is a very good start.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman permit me to pursue the inquiry a little further?

Mr. SNYDER. Yes.

Mr. CHINDBLOM. How long since those seven or eight thousand men have had any training?

Mr. ANTHONY. I presume most of them got their training during the war, but 2,900 have come in during the last year, fresh from the schools and colleges, graduates of the Reserve Officers' Training Corps training. I do not think there is any necessity for training these men every year.

Mr. CHINDBLOM. That is not the purpose of my inquiry. I am trying to find out whether there are seven or eight thousand men who want training and have not had it since the war.

Mr. ANTHONY. I do not think there are seven or eight thousand men who are clamoring for training.

Mr. SNYDER. Mr. Chairman, I have great confidence in the ability of the distinguished chairman of this subcommittee. I have no doubt that he has made a careful study of this proposition, but it seems to me there is no activity of the Army wherein we can get so much for so little as we can by keeping our reserve officers trained as they should be for service, and I think we ought to provide every year to give training to not only those who are desirous of having training but as many more as this Congress believes should be trained, so that they may be in a position to train troops at any time they might be called upon to do so. I am in favor of the amendment of the gentleman from Maryland [Mr. HILL] unless it can be shown that sufficient money is provided here for the purpose of training all officers who decide to be trained this year.

Mr. DOWELL. Mr. Chairman, I heartily agree with the gentleman from New York [Mr. SNYDER]. According to the statement made by the chairman of the committee, there will be at least eight or nine thousand of these reserve officers who can not be trained and who have received no training since they went out of the service. If we are to take advantage of the opportunity we now have of keeping these reserve officers in training, we should give them an opportunity each year to continue the work. If they have the opportunity now, they will take advantage of it and do this work. If you postpone it for four or five years, it may be possible they may lose interest in it and you will not get their service.

I want to say a word about the statement of the chairman of the subcommittee relative to this propaganda. This is not propaganda. As stated by the gentleman from New York [Mr. SNYDER], it is an honest desire on the part of these reserve officers to take their training every year and to keep abreast of the latest there is in military matters.

As suggested by the gentleman from New York, I believe we will make a mistake if we refuse to give these officers the opportunity to continue this training. It has now been more than three years since some of them have had this training, and at least 9,000 of them can not have any training this year. My judgment is that you can multiply that 9,000 several times and still be within the limit of those who desire to continue the training. I am heartily in favor of the amendment suggested by the gentleman from Maryland, and I believe if these officers are willing to devote their time to the interest of the Government we can afford to pay their expenses in order to keep these reserve officers well trained.

Mr. ANTHONY. Mr. Chairman, I want the House to know and understand the liberal spirit with which the committee has treated the growth of these requests for training activities outside of the Regular Army. In the year 1916 there was appropriated the sum of $4,000,000 all told for training camps, reserves, Reserve Officers' Training Corps, and training in the National Guard. During last year there was appropriated $35,895,000 for this purpose. This year the amount will be greater, so that it is a continual growth and augmentation of these activities, and we must not complain of the increased cost in this bill if we allow these expenses to expand beyond a reasonable amount each year. The committee has endeavored to meet this growing demand for training in a reasonable way. It does not believe that the matter should be allowed to get entirely out of control.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. PARKER of New Jersey. As I look through the list of Officers' Reserve Corps, enlisted reserve corps, divisional and regimental headquarters, camp maintenance, reserve officers' training camp, ordnance stores, military supplies, and civilian military training camps I find there is a total in the Budget estimate of $10,200,759. That has been reduced by the committee to $7,140,220. The committee seems to have taken off a third from almost every item, and from the Officers' Reserve Corps the allowance is reduced from the Budget estimate of $1,746,709 to $1,100,000.

Mr. ANTHONY. That is correct.

Mr. PARKER of New Jersey. It seems to me the committee has been much less liberal than the Budget.

Mr. ANTHONY. That is true. We have pruned the figures of the Budget.

Mr. PARKER of New Jersey. I should think the committee has.

Mr. ANTHONY. On this question of the reserve officers the Army wants to train 15,000; and the committee thinks that 11,000, 100 per cent more than were trained this year, will be sufficient.

Mr. BLANTON. Will the gentleman yield?

Mr. ANTHONY. I will yield.

Mr. BLANTON. Has Camp Des Moines, Iowa, been shortpotted or mistreated in any way by the committee?

Mr. ANTHONY. I think not. There is no specific appropriation for the camp, but I understand there will be another reserve officers' camp at Des Moines, Iowa, this coming summer.

Mr. SNYDER. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. SNYDER. It was stated, I think, by the gentleman that only slightly over 5,000 officers were trained last year?

Mr. ANTHONY. A little less than that. There is $318,000 of the appropriation unused.

Mr. SNYDER. But from now until next July the balance will be used up or could be used? Does the gentleman know whether all the officers who desired to be trained last year were trained or not?

Mr. ANTHONY. No; it was a new activity, and undoubtedly they did not train all the officers who desired to be trained.

Mr. SNYDER. I recall during the periods of 1916 and 1917, when we were getting ready to go to war, we fellows who were in favor of preparedness met up with this same sort of proposition in regard to things that ought to have been done to get us ready for war. Now, I do not see any war on the horizon at the present time, but I think this is the cheapest way we can go ahead and prepare for war.

Mr. ANTHONY. Does the gentleman from New York realize that with the appropriation in this bill the Regular Army during the coming summer will have about 250,000 men on its hands to train, including the National Guard; and there will be tremendous training activities going on in this country, more men under arms than ever before in the history of the country? Now, do not let us overdo it.

Mr. SNYDER. That sounds well; but when we get back home and see how difficult it is to get these fellows in the Army to train, and everything, I fear there is going to be less than 250,000 this year under proper training.

Mr. ANTHONY. The money is here for them.

Mr. SNYDER. Unless they are encouraged to do it by reasonable treatment on the part of the Military Committee.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. NEWTON of Minnesota. How does this appropriation compare with the request made of the subcommittee?

Mr. ANTHONY. The Budget estimate, as I have stated, provided training for about 15,000 and this appropriation we make will train about 11,000.

Mr. HILL. The difference in amount between my amendment and that carried in the bill is $646,709.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUSTED. Mr. Chairman, I move to strike out the last two words for the purpose of asking the gentleman a question. I would like to ask the chairman if he does not think it would tend to discourage men from entering the Officers' Reserve Corps and remaining in the Officers' Reserve Corps if we do not make reasonable provision for the training of those officers who want training and whom the War Department say they have the facilities to train? If men enter the reserve corps and want training, men who are really interested and want to become efficient officers, and they are told by the War Department they can take care of, say, 17,000 officers, and you make provision for only 11,000, does not the gentleman think these officers will be rather discouraged? Desirable men will not want to stay in and other men will not want to come in. They will realize they can not be trained in the reserve corps. They may be willing to accept the situation if they are convinced that the Army can not assimilate them rapidly enough to furnish training for all who want it, but if they are told by the Army that they can take care of them and Congress refuses to make the necessary appropriation, it seems to me it would have the tendency to discourage them and to weaken interest in the Officers' Reserve Corps.

Mr. ANTHONY. I think the gentleman hit the nail on the head when he said "reasonable provision," and that is what the committee has tried to do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

Mr. CHINDBLOM. Mr. Chairman, may we have the amendment again reported? Was the amendment changed?

The amendment was again reported.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced the ayes seemed to have it.

On a division (demanded by Mr. ANTHONY) there were—ayes 27, noes 33.

Mr. DOWELL. Mr. Chairman, I ask for tellers.

Tellers were ordered.

On the vote by tellers, Mr. DOWELL and Mr. HILL reported there were—ayes 29, noes 58.

So the amendment was rejected.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate by Mr. Crockett, one of its clerks, announced that the Senate had insisted upon its amendments to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. TOWNSEND, Mr. STERLING, Mr. MCKELLAR, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment the bill (H. R. 13511) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River.

WAR DEPARTMENT APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

RESERVE OFFICERS' TRAINING CORPS.

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, and to forage at the expense of the United States public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue when necessary; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein, so far as appropriations will permit; or in lieu of transporting them to and from such camps and subsisting them while en route to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for pay for students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920, $3,250,000, to remain available until December 31, 1924: *Provided*, That uniforms and other equipment or material issued to the Reserve Officers' Training Corps in accordance with law shall be furnished from surplus or reserve stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue, in so far as said stocks are in excess of actual requirements of the Regular Army for the fiscal year 1924: *Provided further*, That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished to the Reserve Officers' Training Corps from stocks under the control of the War Department be in excess of the price current at the time the issue is made: *Provided further*, That none of the funds appropriated in this act shall be used for the organization or maintenance of additional mounted, motor transport, tank, or air units in the Reserve Officers' Training Corps: *Provided further*, That not to exceed $10,000 of the total appropriated by this act may be expended for the transportation of authorized Reserve Officers' Training Corps students who may be competitors in the national rifle match, and to subsist them while traveling to and from said match and while remaining thereat.

Mr. HILL. Mr. Chairman, I move to strike out the last word. The appropriation contained in this section for the Reserve Officers' Training Corps is $3,250,000. I would like to ask the chairman how many that will train under the plan submitted?

Mr. ANTHONY. This is an appropriation to take care of training in schools and colleges; and the figures show that during the current year there were 103,999 in training, of which 9,796 were in the advanced course.

It is estimated that there will be 110,000 in training during the next fiscal year; and this appropriation will take care of that number, because we provide for the use of reserve stocks of the Army in addition to these appropriations.

Mr. HILL. This takes care of what are known as the "red, white, and blue" courses, does it not?

Mr. ANTHONY. No. You have civilian military training in your mind. It is for schools and colleges entirely, and for the summer training camps of those who are being trained in schools and colleges.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

CIVILIAN MILITARY TRAINING CAMPS.

For furnishing, at the expense of the United States, to warrant officers, enlisted men, and civilians attending training camps maintained under the provisions of section 47–d of the national defense act of June 3, 1916, as amended by the act of June 4, 1920, uniforms, including altering, fitting, washing, and cleaning when necessary, subsistence, and transportation, or in lieu of such transportation and of subsistence for travel to and from camps, travel allowances at 5 cents per mile, as prescribed in said section 47–d; for such expenditures as are authorized by said section 47–d as may be necessary for the establishment and maintenance of said camps, $2,000,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1923, to remain available until December 31, 1924: *Provided*, That the funds herein appropriated shall not be used for the training of any person who is over 27 years of age: *Provided further*, That uniforms and other equipment or material furnished in accordance with law for use at civilian military training camps shall be furnished from surplus or reserve stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue, in so far as said stocks are in excess of actual requirements of the Regular Army for the fiscal year 1924: *Provided further*, That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished in accordance with law for use at civilian military training camps from stocks under control of the War Department be in excess of the price current at the time the issue is made.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Maryland moves to strike out the last word.

Mr. HILL. This appropriates $2,000,000 as against $2,972,150 asked for, but the report of the committee states that in addition to the $2,000,000 there is an unexpended balance from the appropriation for 1923. How much is that unexpended balance?

Mr. ANTHONY. There is an unexpended balance from the current year's appropriation of approximately $500,000, which the committee makes available for use next year in addition to this $2,000,000 appropriation; and in addition to that we give them authority to use the surplus and reserve stocks of the War Department, so that there is approximately $3,000,000 available.

Mr. HILL. So that this item is really more than the department asked for, or is it practically the same?

Mr. ANTHONY. The department asked for $2,972,150. It is simply a question of how much they will get out of the surplus and reserve.

Mr. HILL. But you do give them about $500,000 of an unexpended balance, which makes approximately $2,500,000 without the reserve stocks?

Mr. ANTHONY. Yes; and it is our understanding that the department will use it in preparing the camps this year in anticipation of the summer work.

Mr. HILL. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn.

The Clerk read as follows:

FINANCE DEPARTMENT.

PAY, ETC., OF THE ARMY.

Pay of officers: For pay of officers of the line and staff, $31,214,358.

Mr. HULL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL: Page 16, line 9, after the figures "$31,214,358," insert: "*Provided*, That no part of the money herein appropriated shall be used to pay for the allowance or subsistence of any captain promoted after the passage of this act in the Army until all first lieutenants in the Army otherwise eligible who were demoted from the grade of captain under the provisions of the act of Congress approved June 30, 1922, as amended by the act of September 14, 1922, shall be promoted to the grade of captain in advance of officers who were serving in the grade of first lieutenant on June 30, 1920, notwithstanding the names of some of those demoted captains are carried on the promotion list below the names of some first lieutenants."

Mr. HICKS. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from New York reserves the point of order on the amendment.

Mr. HULL. Mr. Chairman, I do not think it is necessary to argue the point of order. I am sure that this amendment comes within the Holman rule. It is a limitation and will save money.

I want to say, however, that that is not the main object of the amendment. The real object of this amendment is to do an act of justice to about 200 officers who have been demoted. It comes about in this way: In 1920 we passed the Army reorganization act, and, due to that act, they reorganized the Army and placed certain men in certain grades and with compensating rank. We permitted them to place men who had had World War experience as they saw fit, according to the efficiency that those officers had shown during the war. Now they took a great number of National Guard officers and others and placed them above some who had had longer service records. It was due to their actual efficiency as officers, as demonstrated in the World War. I am sure you will all agree that this was wise.

Now, we passed later on a single list line of promotion. It is a very complicated affair. I believe that it is a good piece of legislation. It was designed to do away with the jealousy between the different corps in the Army, and all the Army officers were placed on a single list line of promotion. Now, when they placed them there they placed them according to length of service. Some who were captains in the Army at that time were placed below certain first lieutenants. Afterwards we passed what was known as the Anthony bill, which called for demotions, and they had to demote some of these captains.

Now, when they demoted these captains to first lieutenants they were on the single list, and in some 200 cases, as I understand it, they were placed below men who had never been a captain. Now, unless you adopt an amendment like this, this will happen in the Army: Some who have never been captains will be promoted to captains before those captains who have been demoted have been restored to the rank they held. I am sure all gentlemen will admit that this is a rank injustice.

Mr. MACGREGOR. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. MACGREGOR. Is this amendment introduced for the purpose of preventing maladministration in the War Department?

Mr. HULL. No. It is to remedy a condition that was not contemplated when the original acts were passed. I do not think that anyone can blame the Committee on Military Affairs or the Committee on Appropriations or the War Department. It is just one of those things that happen, an actual injustice that should be corrected by a piece of legislation like this. And I want to say that this will save money, but I am not asking it on account of the saving of money. I am asking it simply as an act of justice.

Mr. KINDRED. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. KINDRED. I am in favor of the gentleman's proposal, but does not the gentleman think this would be a good time to rearrange and do justice to other classes in addition to the classes he has mentioned wherein injustice has occurred along the same lines?

Mr. HULL. I will vote for any amendment that the gentleman will propose that will correct an act of injustice if it is not within a point of order. But I have given up the idea of the possibility of correcting in a million years all the injustices that have been committed in time of war.

Mr. KINDRED. Then the gentleman is not an optimist?

Mr. HULL. Not as to correcting injustices done in war. War is always wrong and unjust.

Mr. McKENZIE. Mr. Chairman, I desire to discuss the amendment offered by the gentleman from Iowa.

The CHAIRMAN. There is a point of order reserved. Without objection, the gentleman from Illinois will be recognized for five minutes.

Mr. McKENZIE. Gentlemen of the committee, this is a rather important proposition, and one that has in it a very great deal of justice to a certain class of Army officers. The gentleman from Iowa [Mr. HULL] was a little mistaken when he said all of the officers in the Army were put upon the single list. That is not correct so far as the chaplains and the medical officers are concerned, but the officers of the other organizations were placed upon the single list, and they were placed in the order of their length of service, time being the measure by which they were placed upon that single list.

Mr. BRIGGS. Will the gentleman yield?

Mr. McKENZIE. I yield to the gentleman from Texas.

Mr. BRIGGS. When they were placed on the single promotion list according to length of service, that was irrespective of the branch of the service, too, was it not?

Mr. McKENZIE. Oh, yes. When the Anthony amendment was adopted, requiring the elimination from the commissioned personnel of the Army of a certain number of officers and the demotion of others in order to bring the number within 12,000,

it was found necessary to demote a great many captains. Their commissions as captains were surrendered, and they were commissioned as first lieutenants, and they now find themselves in the grade of first lieutenants. But there was a provision attached to that which provided that their pay should not be reduced, and under the pay bill the grade does not control the pay of an Army officer, but the length of service now controls.

The only point really involved in this matter is that when a vacancy occurs in the grade of captain under the law the senior first lieutenant moves into that vacancy. I do not know how the gentleman has his amendment prepared, whether he has the language just as it should be or not, but the purpose of it is to promote one of these men now serving as first lieutenants who was demoted from the grade of captain, and that they shall proceed along that line until all of these officers now serving as first lieutenants and who were formerly captains shall be promoted into the grade of captain over the officers who are serving in the grade of first lieutenant. That is all there is to this amendment.

Mr. BLACK. Will the gentleman yield for one question?

Mr. McKENZIE. I yield to the gentleman from Texas.

Mr. BLACK. I wish to see if I understand the principle of the single list correctly. Suppose a man is serving as captain in the Cavalry and he dies and a vacancy is created by reason of his death. Would a man who is serving in the Infantry be promoted to fill that vacancy?

Mr. McKENZIE. My good friend from Texas is thinking of days long since gone by, when officers were commissioned in the Artillery or the Cavalry or the Infantry. Now they are commissioned in the Army of the United States and detailed to these various branches.

Mr. BLACK. I know, but a man who had served in the Cavalry might have a special qualification for that service. I understand that under this proposition they might take a man out of the Infantry or take him out of the Quartermaster's Department and commission him to fill that vacancy caused by the death of a captain in the Cavalry.

Mr. McKENZIE. No; it means this, that if a captain who has served in the Cavalry dies, that makes a vacancy in the grade of captain, and the senior first lieutenant will move up into that grade.

Mr. BLACK. Regardless of what branch he has been serving in?

Mr. McKENZIE. Regardless of the branch.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. McLAUGHLIN of Michigan. Let me see if I understand it. There are some men now holding commissions as first lieutenants who were formerly captains?

Mr. McKENZIE. Yes.

Mr. McLAUGHLIN of Michigan. When they were given the rank of captains originally they were selected on account of merit?

Mr. McKENZIE. That is the understanding.

Mr. McLAUGHLIN of Michigan. And then it was found necessary to demote them after the war?

Mr. McKENZIE. Under the Anthony amendment.

Mr. McLAUGHLIN of Michigan. Now, in filling these vacancies the idea is to take these men who have shown their ability and capacity to be captains, who have earned their standing by merit, instead of promoting over them or instead of them some first lieutenants who have never shown any capacity?

Mr. McKENZIE. Yes. I will simply say to the gentleman from Michigan that there has been a proposal made to reinstate those captains, but to carry them on a single list of their own as surplus captains. You will remember that the legislation that we enacted on the appropriation bill provided for the arrangement of the officers in all of the grades within 12,000. Now, if we should put these men in as captains, we would have more captains than are provided for in the law, but the proposition has been made that they be carried as surplus. That would increase the expense of the Government; but the plan suggested by the gentleman from Iowa [Mr. HULL] simply provides that as vacancies occur in the grade of captain, those captains who are now serving as first lieutenants, having been demoted from the grade of captain, shall have the first right to promotion into the vacancies as captains.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. McKENZIE. I yield to the gentleman from Texas.

Mr. GARRETT of Texas. As I understand, those captains who were demoted are now drawing the pay of captains?

Mr. McKENZIE. Yes.

Mr. GARRETT of Texas. And this does not change their pay, but simply puts them back to their former status and rank?

Mr. McKENZIE. That is it.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HICKS. Mr. Chairman, in regard to the point of order which I reserved, I want to make this statement, with the Chair's permission: I have no comment to make on the merits of the proposition, but will address myself to the point of order. I sincerely believe that we are making a mistake in the committee and in the House by repeatedly incorporating legislation on appropriation bills. I think we should curtail the power of the Committee on Appropriations rather than enlarge it; decrease rather than increase the practice which has been growing of placing legislation on appropriation bills in the guise of limitations or as direct legislative enactments. I grant that the effort to incorporate legislative provisions upon these bills when made from the floor by Members not members of the Appropriations Committee is not so distasteful as when the effort is inaugurated by the committee itself, but in either case it is unwise, in my opinion, and contrary to our practice and procedure.

In my judgment, this amendment is clearly subject to a point of order. I do not think it can be shown, as argued by its sponsor, that it makes on its face such a saving to the Federal Treasury as to bring it within the protection of the Holman rule. I think the amendment, by including directions for the conduct of officers, makes it not a limitation as such, but legislation and therefore repugnant to the rule. According to section 3854, of volume 4, Hinds, a proposition to establish affirmative directions for an executive officer constitutes legislation and is not in order on a general appropriation bill. My own feeling is that the time has come when we should look with disfavor upon these provisions which propose in reality legislation in substance, if not in form, on appropriation bills. If I were voicing my own sentiments merely, in view of my personal feeling and in line with decisions of the Chair, I would make a point of order against the amendment, but my friends on the great Military Committee who have studied the needs of this proposition have convinced me that it is absoutely essential, and, therefore, I am going to be inconsistent, and instead of making the point of order, which I think should be made, I make a protest instead. In view of the persuasive appeal of my friends and in deference to their knowledge of the necessity of this amendment, I withdraw the reservation of the point of order.

Mr. ANTHONY. Mr. Chairman, the committee has no objection to the amendment that has just been offered. I would like, however, to have the House understand that this legislation comes from outside the committee, and if the gentlemen who offer it desire to use this appropriation bill as a vehicle for what I consider is a meritorious amendment I am glad to accept it. [Applause.]

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 16, line 9, after the figures "$31,214,358," strike out the period and insert a colon and add the following: "*Provided*, That no part of this appropriation shall be expended to pay any officer who in peace time permits any man under 21 years of age to be enlisted without the parents' knowledge or consent.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I reserve a point of order to that. This amendment can not be placed in the bill at the point suggested, because there has been another amendment adopted at that place.

Mr. BLANTON. My amendment should come in after the other amendment.

Mr. ANTHONY. Mr. Chairman, I reserve a point of order. May we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk again reported the amendment, as follows:

Page 16, line 9, after the last amendment, strike out the period, insert a colon, and add the following: "*Provided*, That no part of this appropriation shall be expended to pay any officer who in peace time permits any man under 21 years of age to be enlisted without the parents' knowledge and consent."

The CHAIRMAN. The gentleman from Michigan and the gentleman from Kansas reserve points of order. The Chair will hear the gentleman from Kansas on the point of order.

Mr. ANTHONY. Mr. Chairman, it is my opinion that the amendment is a limitation.

Mr. BLANTON. It is clearly a limitation, and it would be in order if it were not.

The CHAIRMAN. Does the gentleman from Kansas withdraw his reservation of a point of order?

Mr. ANTHONY. I do.

Mr. BLANTON. Mr. Chairman, I started this fight some time ago with my friend from New York [Mr. HICKS] against enlisting men under 21 years of age against the consent of their parents, and I think we ought to carry the fight on to a finish. There is hardly a week passes that I do not get a communication from some parent objecting to their minor son being in the service. In war time the Government has the right, if they are needed, if the Government exhausts the man power and needs the minor, it has a right to take my minor boy or yours, but in peace time the Government ought not to have that right. I do not know of any State that denies to the mother and father of the youth of this land the supervision of their boy until he is 21 years of ago. I think every State gives that right to the parents. Every State gives to the parents the right of the service of their sons until they are 21 years of age, and yet in peace time we let the Army officers go into the homes of our constituents and enlist their boys under 21 years of age continually without the knowledge and consent of the parents.

The parents are holding us responsible and they ought to hold us responsible. I know the present law permits the Army and Navy to enlist boys 18 years of age, but they enlist them under 18 years of age. I had that question up here with the distinguished gentleman from New York [Mr. HICKS] some weeks ago over a boy who had been enlisted at the age of 15 years, and his parents had tried for months to get him out without success. After I had those several colloquies with my friend from New York here on the floor, I am thankful to say that within the last two weeks they have sent the young boy Bradshaw home, and he is at home now with an honorable discharge.

Mr. KINDRED. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KINDRED. Has the gentleman had within recent times any great deal of trouble in securing the release of boys who have gone into the Navy who have lied about their ages?

Mr. BLANTON. That is an unkind reference to these boys by the gentleman from New York. If the gentleman knew some of the mothers that I know he would not make that statement. Here is what happens. A slick-tongued recruiting officer goes to your or my home town. He has all sorts of advertisements about the sea and the world that appeal to the unsophisticated country boy 15, 16, 17, or 18 years of age. By the blandishments of this recruiting officer he is persuaded to enlist. When the boy goes to enlist he reads down the paper and note, "This says that I am swearing that I am 18 years of age." "Oh, that is all right," says the recruiting officer, "go on and sign." That has happened in many cases, and so far as the oath is concerned, there is no oath administered lots of times. There is no oath administered to impress the boy that he is swearing to a lie. He does not realize that he is swearing to a lie. He is imposed upon. He wants to see the world and goes and enlists, and his mother later appeals to the officers—if it is the Navy, to the Bureau of Navigation—to discharge him, and the bureau says your boy swore to a lie, we probably will have to take action against him, and intimates that he may be tried and given a dishonorable discharge.

Mr. KINDRED. May I suggest that I have had a number of cases where I am much concerned to secure the release, and I have found the Government in recent times has been very desirous to comply with the wishes of the dependent parents.

Mr. BLANTON. Not on the question of dependency, but if you can show that they are under 18 years of age and you get up here and fight, as I did, you can get them released finally; but suppose they are over 18 years of age, what is the fact then? Just this morning I received a letter from a farmer in my district. He owns a little farm and he owes a debt upon it. He can barely make a living. His main dependence was a boy just over 18 years of age. The boy enlisted not long ago, and now he wants that boy.

Mr. SNYDER. Does the boy want to get out?

Mr. BLANTON. Yes; the boy wants to get out, since now he finds out that the glamour of travel is gone. I can not get that boy out, because the man can not make the proper affidavit of dependency. I have just written him to say that his boy can not be gotten out, because the father is not dependent upon him in the sense the Army requires he should be, in that he has a farm—although he owes debts upon it, he is not dependent on this boy entirely for his support—notwithstanding he is a youth only 18 years of age. I want to reach just such cases as that.

Mr. KINDRED. May I ask if the department has not been liberal in its construction of those conditions?

Mr. BLANTON. It has stood on the letter of the law in many cases.

Mr. KINDRED. I have found it has not.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ROSE. I would like to bring to the attention of the gentleman for what it is worth a case of the kind that he has been describing. I know of a woman at home who has three sons. All entered the Army. She asked me to get her son released. I found the boy was just 17 years of age. I sent for the boy and I told him that he had made an affidavit that he was 18 years of age. He told me that he told the officer he was not 18, and he said the officer told him, "That is all right; we will take care of that."

Mr. BLANTON. Oh, that has happened, I dare say, in every district in the United States. There are hundreds of just such instances. If they are over 18 years of age you can not get them out in most cases unless the parents are absolutely dependent upon them. Therefore, my amendment reaches just such cases. It provides that if they want to enlist boys under 21 years of age they must get the consent of their parents first, and if their parents are willing, well and good. Lots of parents are willing to have their boys go in. That is all right, but unless their mothers and fathers are willing to have those minor boys go into the service they ought not to be taken by the Government in time of peace, and that is as far as my amendment goes. What excuse are we going to offer our constituents at home for not stopping this? My amendment will stop it. Why not adopt it? When you go back home and some mother comes to you and asks you why you did not stop it, stating that you had an opportunity, what excuse are you going to offer for permitting the Army to take their minor boys without their knowledge and consent?

Mr. FOCHT. Is it correct that these recruiting sergeants get paid so much per head?

Mr. BLANTON. Oh, no. They used to, but they do not now; but the business of a recruiting sergeant is to recruit. He takes a pride in it. He wants to get the men for the Army and the Navy. He wants to get action; he wants to do like Congressmen do, take back the bacon.

Mr. KINDRED. Does it not add to the merit of his record?

Mr. BLANTON. Of course it does.

Mr. KINDRED. And to his probable promotion?

Mr. BLANTON. Of course it does. If he goes out and gets no men recruited, he comes back with a black eye, but when he comes back with a number of recruited men he gets a little better standing, because every time you increase the enlistment personnel it sort of pushes up some officer a little higher in rank. We ought to stop this. We ought to stop putting these young minors in the Army and the Navy against the knowledge and consent of their parents, and I hope my colleagues will help pass this limitation and let the Army understand that we do not want in peace time boys under 21 years of age taken in unless their parents are willing. If my amendment is not broad enough amend it, but it ought to be passed in this bill.

Mr. HUSTED. Mr. Chairman, I rise in opposition to the amendment. I have had a number of cases in my office of boys who have been enlisted under 18 years of age. I have never had the slightest trouble in securing a prompt dismissal, and I have not had a case where any deception was practiced by the enlistment officer. In all of these cases the boys represented themselves as being over 18 years of age, and, so far as I know, the enlisting officers believed the boys' statements. I do not think any Member of this House is having trouble at the present time in securing the prompt discharge of a boy from the Army or the Navy or the Marine Corps if it can be shown that the boy was under legal age at the time of enlistment.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. HUSTED. Yes.

Mr. JONES of Texas. Would it not be just about as easy and efficient for the recruiting officer to require the proof at the time he enlists a boy, as at the time of dismissal? If you attempt to get one of these boys out, the Army requires a birth certificate or the affidavits of disinterested witnesses. Why

should not the enlisting officer require those things at the beginning and save all of this trouble?

Mr. HUSTED. I do not see any objection to that, but that is not covered by this amendment.

Mr. JONES of Texas. This would in effect reach the same thing, because they would either have to get the consent of the parents or the recruiting officer would have to satisfy himself that the boy is over 21 years of age. He would require this proof under this amendment. It would require a birth certificate or some very strong affidavits if the boy did not have the parents' consent.

Mr. HUSTED. This amendment goes a good deal further. The legal age at the present time is 18. This would raise the legal age from 18 to 21. Under the present law if a boy is under 18 years of age, he is absolutely entitled to dismissal on his own application or upon the application of a parent or guardian. If he is over 18 years of age he is not entitled to dismissal, and under the rules and regulations he can not secure dismissal unless the dependency of the parents upon the boy's services can be shown.

Mr. JONES of Texas. Let me make this suggestion in this connection. In practically every State in the Union, I take it, the parents are entitled to the boy's services and any earnings he may make until the boy is 21 years of age. During peace times does not the gentleman think that before the United States Government utilizes the services of these boys it should secure the consent of those who are entitled to these services?

Mr. HUSTED. I do not think that is necessary; but if it were necessary, this amendment should not be adopted in the form in which it has been drawn. It provides that no part of this appropriation shall be used to compensate any officer who permits the enlistment of a boy under 21 years of age without the consent of his parents. Now, it says "anyone" who permits enlistments. Does that apply solely to the enlistment officer, or to whom does it apply?

Mr. CLAGUE. If the gentleman will permit, I understood him to say that the gentleman had no trouble in getting boys under 17 years of age discharged. Did not they receive a dishonorable discharge?

Mr. HUSTED. No; they did not receive a dishonorable discharge.

Mr. JONES of Texas. He did not receive an honorable discharge. They received a discharge without honor.

Mr. HUSTED. Well, it does not say without honor; I think I am correct about it.

Mr. JONES of Texas. It is a blue discharge, which shows on its face it is not a discharge with honor.

Mr. HUSTED. Well, if a boy under 18 years of age is enticed to enlist in the Army I think he is entitled to a discharge without any implication, at least, of dishonor. I agree to that absolutely; but I am talking about the amendment before the committee and not the changes in substantive law or in the rules and regulations of the War Department and the Navy Department, which are not covered by this amendment. This amendment penalizes any officer who permits the enlistment of a boy under 21 years of age without his parents' consent. Now, that might be construed to apply to a great many more officers than the enlistment officer, and it will be penalizing him even though there is no wrongful intent upon the part of the enlistment or other officer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUSTED. I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HUSTED. The amendment does not even provide that the officer must knowingly and willfully permit the boy to enlist. The officer may be absolutely innocent. A large boy may come and represent himself to be over 21 years of age, and the officer accept him. He believes him to be over 21 years of age, and yet under the provisions of this amendment he would be penalized. No part of this appropriation could be used to compensate an officer even though that officer was absolutely innocent and accepted that boy in good faith.

Mr. HILL. I would like to ask the gentleman if this is not the case: Might not the point be raised if this amendment were passed that any officer would have to prove they did not violate the law before he drew pay? That is a very possible ruling the comptroller might make.

Mr. HUSTED. I think that is a very possible ruling.

Mr. BLANTON. What would happen if this amendment is passed is they would quit enlisting minors. If we forbid any officer enlisting them, they would not enlist minors in peace times.

Mr. HUSTED. Well, I think it would be very unwise by an amendment of this kind to change the legal age of enlistment, an age which has existed in our law for many years. Now, there are many boys who have not any parents, or if they have parents do not know who their parents are, between 18 years of age and 21 years of age who might want to enter the Army, and who are big enough and strong enough to enter the Army, and the Army might be a very good place for them to enter under the circumstances of their lives; and yet under the provisions of this amendment these boys are absolutely barred from enlistment in the Army, because it provides that no boy under 21 years of age can be enlisted without the consent of his parents. I think that objection alone is enough to show the folly of an amendment of this kind.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that all debate upon the pending amendment and all amendments thereto close in eight minutes.

Mr. JONES of Texas. I would like to have some time.

Mr. STAFFORD. I will make it 18 minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that all debate on this amendment and all amendments thereto close in 18 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. STAFFORD. The gentleman from New York [Mr. KINDRED] desires three minutes.

Mr. KINDRED. Mr. Chairman, I desire to add in a very few words one or two thoughts to this discussion which are not original, but by way of emphasizing some matter which has already been brought out here. It is very desirable that the recruiting go on as rapidly and under as favorable circumstances as possible, but it does seem that there should be some limitation placed upon the present activities of the recruiting officers who do entice our boys by the allurements of travel, and so forth. It is known that many boys have enlisted under age whose parents would have objected to their enlistment and whose parents are entirely dependent upon the services of those boys. Now, I believe that the amendment in principle is good, but it should be altered and modified to read in the common form of such an amendment, to the effect that if such recruiting officer willfully does this act and entices the boy and causes him to enlist under age, some limitation should be placed upon the recruiting officer, and at the proper time I desire to offer an amendment to the amendment of the gentleman from Texas with such a qualification to his amendment, and with that qualification I believe that we can go on and make the amendment workable in the form which I propose and at the same time relieve the parents and ourselves of a great many unnecessary complications in this matter.

Mr. BLANTON. If the gentleman will permit, the amendment had to be drawn to make it not subject to the point of order. If I had placed in the matter of which the gentleman speaks it would have been subject to the point of order.

Mr. KINDRED. Let us have it out on that proposition.

Mr. BLANTON. It would be ruled out on a point of order.

Mr. KINDRED. Is the gentleman sure it would be ruled out?

Mr. BLANTON. I am sure.

Mr. CONNALLY of Texas. Mr. Chairman, I offer a substitute to the amendment of the gentleman from Texas.

The Clerk read as follows:

Mr. CONNALLY of Texas offers a substitute for the amendment offerred by Mr. BLANTON: Page 16, at the end of the amendment previously adopted, insert "*Provided*, That no part of the funds herein appropriated shall be utilized for the recruiting or enlistment of boys under the age of 21 years without the written consent of the parents or guardians of such boys."

Mr. BLANTON. Mr. Chairman, I am willing to accept that, and I ask leave to withdrawn my amendment.

The CHAIRMAN (Mr. MICHENER). The gentleman from Texas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Chairman, is the time exhausted on this amendment?

The CHAIRMAN. No. By unanimous consent the time has been limited to 18 minutes, to be divided as follows: Three minutes to the gentleman from New York [Mr. KINDRED], five minutes to the gentleman from Iowa [Mr. DOWELL], five minutes to the gentleman from Wisconsin [Mr. STAFFORD], and five minutes to the gentleman from Texas [Mr. JONES]. The gentleman from Texas is recognized for five minutes.

Mr. JONES of Texas. Mr. Chairman, I desire to offer an amendment as a substitute at the end of that. Add this at the end of the Connally amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. JONES of Texas offers an amendment to the amendment offered by Mr. CONNALLY: At the end of the Connally amendment add the following: "or unless the applicant furnishes a birth certificate or the affidavit of two disinterested witnesses showing such applicant for enlistment to be 21 years of age."

Mr. JONES of Texas. Mr. Chairman, I do not care to take up much time, but the only objection that was offered during the argument to the amendment that has been under discussion has been the fact that there might be some boy who had no parent or guardian—some boy who desired to enter the Army—and that the officers might be deceived in some instances.

Now, this would take care of the boy who has no parent or guardian, and it would also protect the officer in this, that in all cases where there could be any possible doubt of the boy being 21 years of age he could either require the written consent of the parents, or if that were not obtainable, he could require the boy to produce a birth certificate showing that he is 21 years of age, or the affidavit of two disinterested witnesses who actually know the age of the boy. That would protect the officer. That is exactly what is required now before a discharge can be secured. Why not have that before you start in?

Mr. HUSTED. I think there is but one case that should be covered which is not covered. It does not cover the boy under 21 who has neither parent nor guardian. Now, if the amendment provided that no money should be used for enlistment purposes for the enlistment of boys under 21 without the consent of their parents or guardians, if any, that would cover the case; but I think your amendment should provide for the case of a boy who has no parent or guardian.

Mr. CONNALLY of Texas. Mr. Chairman, I accept that.

Mr. JONES of Texas. I think that is correct. I ask unanimous consent, Mr. Chairman, to insert those words "if any" after the words "parents or guardians." That is at the end of Mr. CONNALLY's amendment.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Modified amendment offered by Mr. CONNALLY of Texas: Page 16, at the end of the amendment previously adopted, insert: *"Provided,* That no part of the funds herein appropriated shall be utilized for the recruiting or enlistment of boys under the age of 21 years without the written consent of the parents or guardians, if any, of such boys.

The CHAIRMAN. Is there objection to the modification?

There was no objection.

Mr. JONES of Texas. Now, there is a further suggestion in connection with this matter: It is frequently more or less humiliating to the boy after he is in. He gets a discharge without honor. It is an expense to the Government. It is a trouble to the Government. All these things that are required by this amendment are required before you get the boy out. Why not take time by the forelock and require it before the boy enters the Army? I can not see how there can be a legitimate objection to the amendment as finally prepared.

Mr. Chairman, I reserve the balance of my time.

Mr. DOWELL. Mr. Chairman, the governor of my State has forwarded to me a copy of a letter received by him from the mother of a boy who has just been enlisted in the Navy. From the statement in the letter received from the governor and from the statement in a copy of the letter received from the mother of the boy it appears that the boy was taken from the high school and enlisted in the Navy without any knowledge whatever on the part of the mother. I want to ask the Clerk to read the copy of the letter of the mother, addressed to the governor of the State.

The CHAIRMAN. Without objection, the Clerk will read the letter.

The Clerk read as follows:

ADEL, IOWA, *January 5, 1923.*

Hon. N. E. KENDALL,
Governor State of Iowa.

DEAR SIR: I am writing you in regard to my son, Raymond Marker. Thursday there was a Navy recruiting officer came to Adel and got my son with another boy to run away from home and enlist. Got the boy to go to the high-school superintendent and tell him a falsehood to get their age, and also got them to come to their own homes to take their insurance policy, not letting me know one thing about it. As soon as we found it out our sheriff called the recruiting station to find them. We asked them to hold the boy till we got there and the captain said he would do so, but instead he turned right around and sent the boy out on the 5.15 train, only giving us 40 minutes to make the trip in, and they were gone when we got there, and they only laughed and made fun of us. Does this Government approve of such work? I have been left alone with my family on my hands to support and I have did it by washing and daywork. Now I am sick and broke down when my boy was trying to help me along, then to have some officer come and do as he certainly has done surely can't be the ways our Government should do. Is there any way I can get him out, as I sure need him, as you will find? I have lived right in this town and people here know. Would you please do what you can to help us get the boy? I will sure appreciate it more than I can tell.

His mother,

Mrs. MINNIE MARKER STEELE.

Mr. DOWELL. Mr. Chairman, after taking this matter up with the Navy Department I find that the Navy Department has approved the action of the recruiting officer. I read from the last paragraph of a letter which I received from the department this morning:

Before the bureau can consider the question of discharging young Marker it will be necessary that he present a written request by way of his immediate commanding officer with affidavits from disinterested person testifying as to the circumstances of the case.

And so forth.

Now, this case is just one of a kind that happens nearly every day, where these officers go to a town and take a boy and get him out of school and enlist him without his parents knowing anything about it. It is an outrage on the people of the country. [Applause.] And the higher officers here, instead of putting the heel down on the officer who perpetrates this thing apparently approve the action of the officer.

Mr. RANKIN. Mr. Chairman, the gentleman from Iowa [Mr. DOWELL] is a member of the party in power. Unless we are going to have a military government, where the military runs over the civil end of the Government, somebody on that side of the House, or somebody who is close to the administration, ought to take up that matter and see that this recruiting officer is dealt with. And if you can not handle him through the War Department, then we ought to go after the War Department. This is only one of thousands of cases like this.

Mr. DOWELL. I innocently assumed that all that would be necessary to do would be to take up with the department here the facts with reference to the conduct of this recruiting officer, and the matter would be instantly corrected. Now, I find the department here approved of the conduct of the recruiting officer, and the boy can get out only in the regular way.

Mr. KINDRED. Does the gentleman think it is unreasonable that the Navy Department, through the proper channels, makes the requirement that the gentleman has just indicated, in view of the fact that the boy has already sworn to a lie in order to get into the Navy?

Mr. DOWELL. Yes; but that boy was under the control of the officer who was trying to recruit him; and instead of going to the boy's mother, as he ought to have gone, he went to the school to get the age of the boy and found that he was over 18 and then took him away without his parents knowing anything about it.

Mr. KINDRED. Has not the gentleman found that uniformly the department has released these boys when that formula has been followed?

Mr. DOWELL. I am reading you exactly the reply I received from the Navy Department after they had received a copy of this letter. I take it, they do not intend to release him.

Mr. CONNALLY of Texas. Mr. Chairman, Congress and Congress alone is responsible for the situation presented by the gentleman from Iowa [Mr. DOWELL]. Congress is responsible for what happened out in Iowa, because heretofore we have permitted by law the enlistment of boys above the age of 18 without the consent of their parents. So the officer in the case mentioned by the gentleman from Iowa [Mr. DOWELL] did what the law authorized him to do, did what he had a right to do under the law; and if anybody is to blame for it, it is Congress. If you want to correct that situation, adopt the amendment which I have offered and tell the War Department that it shall not enlist any boy under 21 years of age without the written consent of his parent or guardian. [Applause.] We have recently reduced the size of the Army. We have no urgent need for a large military force, and I do not believe that the Army needs men so badly that the Congress should authorize recruiting officers to invade high schools in Iowa and drag recruits from the schoolroom and place them in some military camp, where they may acquire habits of idleness and spend their youth without the advantage of pursuing their studies. I do not believe that we need men so badly that we should go out on the farms and into other useful occupations where a boy is earning a livelihood or learning a trade and perhaps contributing to the support of his family and drag him off to a military camp against the protests and against the walls of their mothers and their fathers. If you will adopt my amendment, you will put a stop to it in the Army of the United States. [Applause.]

Mr. STAFFORD. Mr. Chairman, instances have been cited, and we are all acquainted with them, both in the Army and the Navy, where boys under 18 years of age have misrepresented their ages to recruiting officers and then some difficulty is en-

countered in securing their release. Of course, any young man under 18 years of age who enlists in either the Army or the Navy upon the misrepresentation of his age can secure an honorable discharge upon it being shown to the War Department, prior to his reaching the age of 18 years, that such misrepresentation was made.

Mr. FIELDS. Will the gentleman from Wisconsin yield?

Mr. STAFFORD. I yield to the ranking Democratic member of the Military Committee.

Mr. FIELDS. The boy does not secure an honorable discharge.

Mr. STAFFORD. I have just confirmed my impression by calling up the office of The Adjutant General, who states that such a boy receives an honorable discharge.

Mr. FIELDS. Regardless of any statement of the department, that is not the fact.

Mr. MICHENER. I can confirm the statement of the gentleman from Kentucky [Mr. FIELDS] that that is not the fact. That is, I have a case now pending.

Mr. HICKS. In the Navy Department they give the boy an honorable discharge.

Mr. STAFFORD. By adopting this amendment the House will virtually raise the age of enlistment from 18 to 21 years.

Mr. MICHENER. Will the gentleman yield?

Mr. STAFFORD. My time is limited. I have only five minutes. We have heard many protests here against legislation on appropriation bills. In this matter you are attempting to legislate without a committee having given any consideration to the proposition. Criticism has been lodged against the Appropriations Committee, which gives consideration in some degree at least to the legislation which it inserts in appropriation bills, but neither the Appropriations nor the Military Affairs Committee has given this proposal any consideration. There are numerous instances where young men who have left home in early childhood to make their own living and who are 19 or 20 *years of age* will not be able to enlist in the Army because of this drastic provision. If the gentleman would make it 18 years, of course, it would merely carry into effect the existing law. The argument of the gentleman from Texas [Mr. CONNALLY] is that you want to hamper the Government in its enlistment of young men. I remember when I was 19 or 20 years of age I was earning my own living. Why should I not have had the right to go and enlist if I were 19 years old and earning my own living as I was then? In some States the age of consent is 18. This is hastily considered legislation. The average age of the young men attending the citizens' military training camps is but 17 years. That is voluntary, and I assume with the approval of the parents of the boys. It is up to the House whether in a spell of enthusiasm and sentimentalism they want to adopt a provision which will practically change the age of enlistment. We have heard of a number of instances where boys have enlisted under the age of 18 by misrepresenting their ages. But that is not the question before the House—to make certain that boys under 18 should not be accepted. If you want to make difficult the enlistment of our young men in cases where there is no misrepresentation, go ahead and adopt this amendment. I am opposed to it because it has not been given the consideration that it deserves, and also because it virtually restricts voluntary enlistments of all persons under 21.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. JONES] to the amendment offered by the gentleman from Texas [Mr. CONNALLY].

Mr. ELLIS. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will report both amendments.

The Clerk again reported the amendment offered by Mr. CONNALLY of Texas and the amendment to the amendment offered by Mr. JONES of Texas.

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were 42 ayes and 29 noes.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is now on the amendment of the gentleman from Texas [Mr. CONNALLY], as amended.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were 51 ayes and 26 noes.

So the amendment as amended was agreed to.

The Clerk read as follows:

For aviation increase to commissioned and warrant officers of the Army, $950,000.

Mr. FIELDS. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, I am gratified by the statement of the gentleman from Wisconsin [Mr. STAFFORD] that the War Department has just notified him that the department is now issuing an honorable discharge to the young men who have enlisted in the military service who are not of military age but who have been in the main enlisted through the influence of the recruiting officer.

Members of the House will recall that I have been fighting this proposition for a long time. I have fought it here when I did it with but little assistance. I have fought it not only here but in the department, and I am gratified to learn that the department has at last decided to grant an honorable discharge in cases of this character.

The gentleman from Texas [Mr. CONNALLY] well said a moment ago that many of the things that occur in the department, especially in regard to the enlistment of young men, are chargeable to Congress, and that is true. There is no other branch of the military service that touches the homes of the civil population as does the recruiting service of the Army. Just so long as Congress looks lightly upon the conduct of recruiting officers who continuously endeavor to exert their energies in recruiting into the service children under the legal age, just so long as Congress refuses to take any action upon that subject, and, moreover, when it is discussed here and Congress refuses to take action, these recruiting officers feel that they are licensed to continue their course.

I take this opportunity, now that the amendment has been adopted in Committee of the Whole, to express the hope that it will remain in the bill when it leaves this Chamber and that it will be retained in the bill by the conferees. And I want to give notice now, Mr. Chairman, that, having succeeded thus far, if the bill shall come back from conference with this proposition eliminated it will result in a further fight on the floor of the House. I believe that the conferees will fight to retain it in the bill in conference, and in the event that they fail to do so, I trust that the membership of the House will reject the conference report and send it back to conference with instructions to the conferees to rewrite it into the bill. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Pay of enlisted men: For pay of enlisted men of the line and staff, not including the Philippine Scouts, $53,494,207: *Provided*, That the total authorized number of enlisted men, not including the Philippine Scouts, shall be 125,000.

Mr. McKENZIE. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, I rise at this time to say that the chairman of the Committee on Military Affairs, the Hon. JULIUS KAHN, is not physically able to be present during the consideration of this bill. He had intended to appear at this time and make a speech in general debate, but his health will not permit him to attend the sessions of the House. He asked me, as one of his colleagues on the committee, if I would not state to the House that he is still of the belief that Congress made a mistake in the cutting of the enlisted personnel of the Army down to 125,000 and cutting the commissioned personnel from 13,000 to 12,000. He said that he wanted me to state to the House that he did not favor a large standing army; and indeed I know that that is true, for my association with him on the committee has convinced me that he is not in favor of a large standing army. When the Secretary of War and General March and others appeared before the committee and asked us to give them an army of 525,000 men, or something over 500,000 men, Mr. KAHN opposed it and said that he favored an army of 175,000. He favors it now. He said that it was with much regret to him that with his long service on the committee and the study he has given matters of this character, realizing the condition of the world to-day when there are more armed men in Europe than ever before, our country should cut its military force down to the point where it now is, and that it gives him great concern. I told him that I would be very glad to make this statement to his colleagues in the House, and I am sure we all regret that he is not able to be here and speak for himself. [Applause.]

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On page 16, line 18, strike out the figures "$53,494,207" and insert "$45,000,000." And in line 20 after the word "hundred," strike out the words "and twenty-five."

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Chairman, a year ago the House adopted as the enlisted force of the Army 115,000 men. The Senate, as I now recall, adopted an amendment providing for a force of 140,000 as a maximum, with an average strength of 130,000 men. In conference the limit was fixed at 125,000 men. That limit as carried in the existing law is recommended for adoption in the pending bill. That does not mean that there are 125,000 enlisted men at any one time in the year. It is impossible under the arrangement of enlistment to have that number. The maximum number as figured by the War Department is 95 per cent of the total enlisted strength, or 118,500. But the 118,500 men are not all enlisted men. Technically they are enlisted men, but that also includes all of the noncommissioned officers, and those noncommissioned officers in the various five grades numbered on October 31 last 28,970. On October 31 last the number of enlisted men proper was about 86,000 men, and all the others of the total enlisted strength of 114,800 were men in the noncommissioned-officer grade. So it will be seen that we are not even providing for an Army of 125,000 men. We had on October 31 last a skeleton Army of enlisted men of 86,000, and that is the lowest, in my opinion, that the Army can possibly have to act as a skeleton Army for the various activities of the Government.

We waged the fight as to the size of the Army and we waged it strongly in the committee of conference for three weeks. Never before in my legislative service here have I known of an appropriation bill being so long in conference as the Army appropriation bill last year. For three weeks, every day, morning and afternoon, your conferees were contending for a lower military personnel, and we won. The personnel of this House has not changed. The Constitution provides that we shall not provide for a Military Establishment for a longer period than two years. Your subcommittee accepted the action of the House, which was agreed upon as the policy at least for this Congress, and decided that we would not go into the discussion of a question of that kind this session.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CONNALLY of Texas. The only reason for my interrupting the gentleman is that he limited the time for debate to five minutes and then took it all himself.

Mr. STAFFORD. Oh, if the gentleman had asked, I should have been glad to give him 10 minutes or 5 minutes, or even an hour, because, for one, I like to hear the gentleman expatiate on any topic.

Mr. CONNALLY of Texas. Is it the gentleman's intention, in lines 18 and 19, to change the authorized strength of the Regular Army to 125,000 men instead of the number fixed in the defense act of 1920?

Mr. STAFFORD. The gentleman from Texas offered the amendment.

Mr. CONNALLY of Texas. Is the gentleman trying to modify the number of the enlisted strength of the Army?

Mr. STAFFORD. The gentleman's colleague, Mr. JONES of Texas, is attempting to change the fixed law determined upon in the War Department appropriation act of last year, that the Army should be 125,000.

Mr. CONNALLY of Texas. Is that permanent law?

Mr. STAFFORD. Yes.

Mr. CONNALLY of Texas. Then you changed the act of 1920?

Mr. STAFFORD. We did.

Mr. CONNALLY of Texas. What is the necessity for providing that the total authorized number shall be 125,000 men if that is already existing law? Why does the gentleman want to risk modifying it at this time?

Mr. STAFFORD. Because we do not know that the appropriation of $53,494,000 might not be utilized some time during the year for a larger number than 125,000 men.

We have accepted the estimates of the department that that will be what is required to maintain an Army of 125,000 as carried in the law, but so there will be no question it is the intention of Congress to have only 125,000 as the enlisted strength of the Army we iterate the present strength.

Mr. CONNALLY of Texas. Then under the existing law the Army could not have over 125,000 enlisted men?

Mr. STAFFORD. It could not.

The CHAIRMAN. The time of the gentleman has expired; all time has expired. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For aviation increase to enlisted men of the Army, $200,000: *Provided*, That this appropriation shall not be available for increased pay on flying status to more than 500 enlisted men.

Mr. HILL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 16, line 25, after the word "men," change the period to a colon and add the following: "*Provided further*, That hereafter the authorization for increase in flying pay, contained in section 13–A of the act of June 4, 1920, shall be construed to include warrant officers of the Army who may be ordered by proper authority to perform duty requiring them to participate regularly and frequently in aerial flights."

Mr. HICKS. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. Does the gentleman make the point of order?

Mr. HICKS. I reserve it.

Mr. HILL. Mr. Chairman, the provision of pay to men and warrant officers for aviation increase has already been passed by the committee. I am of the opinion that that covers the ground that this amendment of mine covers, but we know that the comptroller is very apt to raise questions that are not absolutely clear. Now, the purpose of this amendment is to provide increase aviation pay for those warrant officers, and I understand there are very few of them, and there are not more than 10 or a dozen who are entitled to it.

Mr. STAFFORD. Many more than that.

Mr. HILL. I would like to ask the gentleman, acting chairman of the committee, to tell us how many there are.

Mr. STAFFORD. The hearings show there are 1,040.

Mr. HILL. I would like to ask the gentleman if he thinks the amendment is already provided for in lines 12 and 13?

Mr. STAFFORD. Mr. Chairman, as to the question of the point of order, of course it is subject to the point of order. I may say for the benefit of the gentleman who reserved the point of order that in last year's bill no provision whatsoever was made to allow aviation increase to warrant officers. The aviation increase, which is 50 per cent, as the gentleman knows, only applies to enlisted men and commissioned officers. This year, for the first time, we have added to this item the pay not only for commissioned but also for warrant officers, and so far as this year is concerned warrant officers will be entitled to aviation increase. General Patrick, head of the Aviation Service, explained at some length showing that these warrant officers should not be denied the privileges extended to commissioned officers or to enlisted men. There are many instances where warrant officers should be entitled to the 50 per cent increase. The provision offered by the gentleman from Maryland was considered in committee and acted on favorably. It should be so that hereafter it would not be subject to the point of order, there being substantive provision of law authorizing it. In my opinion there should be no objection to warrant officers receiving the additional 50 per cent increase.

Mr. HICKS. Mr. Chairman, I am in great sympathy with the aviation officers and with aviation generally, as most members of the committee know. I believe in aviation and want to encourage its development in every way. My opposition to provisions in this bill is not founded on the merits of the proposed legislation, but on the fact that our procedure and our rules are being violated. I feel that if these warrant officers are taken care of for this year, as admitted by the gentleman from Wisconsin, we will not be doing them any injury if we throw this amendment out and then let the Military Committee bring in the proper legislative bill which should provide for these men for the future. On the ground that this amendment in using the word "hereafter" clearly indicates that it is legislation for the future, to operate beyond the life of this bill, I think it is subject to the point of order, and on that count I make the point of order.

Mr. SISSON. I think it is a limitation and it has been on the bill before.

The CHAIRMAN. The language of the amendment as it stands is clearly subject to the point of order. It provides for permanent legislation, and that is the purpose of it, and the Chair therefore sustains the point of order.

Mr. STAFFORD. Mr. Chairman, I reoffer the amendment with the word "hereafter" left out.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 16, line 25, after the word "men," change the period to a colon and add the following: "*Provided further*,"—

Mr. STAFFORD. I ask to have the amendment changed by striking out the word "further."

The CHAIRMAN. Without objection, the amendment will be so modified.

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 16, line 25, after the word "men," change the period to colon and add the following: "*Provided*, That the authorization for increase in flying pay contained in section 13–A of the act of June 4, 1920, shall be construed to include warrant officers of the Army who may be ordered by proper authority to perform duty requiring them to participate regularly and frequently in aerial flights."

Mr. HICKS. I reserve a point of order, and I would like to ask the gentleman from Wisconsin this question: What is the permanent law in reference to aviation pay, and so forth, as now provided for?

Mr. STAFFORD. The permanent law, as found in the Army reorganization act of June 4, 1920, provides for granting 50 per cent increase of pay to officers and enlisted men. It reads as follows:

Officers and enlisted men of the Army shall receive an increase of 50 per cent of their pay while on duty requiring them to participate regularly and frequently in aerial flights.

Then, in section 20 of the pay bill, which was passed at the last session of Congress, it is provided:

That all officers, warrant officers, and enlisted men of all branches of the Army, Navy, Marine Corps, and Coast Guard, when detailed to duty involving flying, shall receive the same increase of their pay and the same allowance for traveling expenses as are now authorized for the performance of like duties in the Army.

Mr. HICKS. Does this amendment change the old law?

Mr. STAFFORD. I am not in the chair. I am submitting it to meet the objections that have been made.

Mr. HICKS. If it does not change existing law, what is the object of the amendment?

Mr. STAFFORD. To make it clearer, providing for the pay of warrant officers, to make it clear that they shall be entitled to this 50 per cent increase.

Mr. HICKS. If the amendment changes existing law, it is legislation, and therefore contrary to our rule. If it does not change the law or attempts to interpret it, why advance the proposition? In other words, the amendment has for its purpose the interpretation of the law, which is obnoxious to our practice in the consideration of appropriation bills.

A provision proposing to construe existing law is in itself a proposition of legislation and therefore not in order on an appropriation bill. (Vol. 4, Hinds' Precedents, sec. 3936.)

I make the point of order that this is legislation on an appropriation bill.

The CHAIRMAN. The amendment heretofore had in it the word "hereafter," which made it permanent legislation. The amendment as modified is still subject to the point of order, because it changes existing law, and the Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For pay of retired enlisted men, $7,000,000.

Mr. LINEBERGER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LINEBERGER: Page 17, line 5, after the word "status," insert:

"That all persons who have served as officers of the United States Army during the World War other than officers of the Regular Army, and who have incurred physical disability in line of duty and who have heretofore or may hereafter be rated at not less than 30 per cent permanent disability by the Veterans' Bureau shall, upon application, be placed upon the retired list of the Army in the grade last held by them when in the service of the United States with the same privileges as now provided by law for officers of the Regular Army who have been retired for physical disability incurred in line of duty, and shall thereupon receive the retired pay provided by section 1274, Revised Statutes, computed on the pay provided for officers of the Regular Army in the pay readjustment act of June 10, 1922: *Provided*, That all pay and allowances to which such persons or officers may be entitled under the provisions of this law shall be paid solely out of the military and naval compensation appropriation fund of the Veterans' Bureau and shall be in lieu of the disability compensation benefits provided in the act creating the Veterans' Bureau and amendments thereto: *And provided further*, That such officers of the United States Army as shall have incurred disability of less than 30 per cent and more than 10 per cent permanent disability as may have been, or may hereafter be, rated by the Veterans' Bureau, shall, on application, be placed on the retired list of the Army under the same conditions as now provided by law for officers of the Regular Army who have incurred physical disability in line of duty but without retired pay and shall be entitled only to such compensation and other benefits as may now or hereafter be provided for by law.

"No person shall be entitled to benefits under the provisions of this act except he make application as hereinbefore provided within 12 months after the passage of this act."

Mr. STAFFORD. Mr. Chairman, I make a point of order on that amendment.

Mr. HICKS. Mr. Chairman, I am going to reserve a point of order on that amendment, and I do so in courtesy to my Los Angeles friend in order that the gentleman from California [Mr. LINEBERGER] can speak upon it. It seems to me so full of legislative provisions that there is no question but that it is subject to a point of order.

Mr. STAFFORD. I made the point of order, but at the request of the gentleman from California I will withhold it.

Mr. LINEBERGER. Mr. Chairman, I thank the gentleman from Wisconsin [Mr. STAFFORD] and the gentleman from New York [Mr. HICKS] for reserving the point of order. I had hoped that no one would make it. I recognize the fact, however, that, according to the rules of the House, it is probably subject to a point of order. However, I do not think that my position in attempting to attach legislation to an appropriation bill is altogether unprecedented, inasmuch as it has often been attempted and often with success. Legislation much less justifiable than this has been attached to an appropriation bill by our genial friends who compose the Committee on Appropriations itself. The power which is theirs, however, is not mine. As the humble sponsor of legislation affecting the lives and welfare of the disabled emergency officer—long-suffering and patient as he is—I only wish his cause to-day were in more able but no less willing hands.

However, that is not the question in point. The particular amendment which I have offered is for the purpose of bringing to the attention of this body the fact that 11 months ago, or, to be exact, on February 20, 1922, a bill (S. 1565) of very similar import to the amendment which I have just offered, passed the Senate. That bill has been slumbering for a period of practically 11 months in the House Committee on Military Affairs. Had these officers, affected by this bill, acted when at the front with the same lack of celerity the outcome of the war would have been different from what it was. I am not going to discuss the merits or demerits of this legislation here at this time. I wish, however, to bring to the attention of the House the fact that I have been reliably informed that approximately 250 Members of this House, a clear majority—a clear majority, I will say further, of both the Democrats and Republicans of this House—have petitioned the Committee on Military Affairs, respectfully requesting the committee to report this bill in time for it to be considered by the present Congress. This, of course, in order that its merits or demerits may be determined by this body. Otherwise, as Members well know, the Senate bill will automatically die on March 4, 1923, when this Congress adjourns. That request, in view of the fact that there are many disabled emergency officers throughout the country patiently awaiting the outcome of this legislation, is one which I think in no way presumes upon the prerogatives of the great Committee on Military Affairs. But we believe, gentlemen, that the time has now arrived—if, indeed, it did not arrive months ago—when the House should have an opportunity to pass upon the worthiness of this legislation.

Certain amendments have been suggested to the Committee on Military Affairs which will make the legislation effective in those respects in which the committee considered the Senate bill lacking. Those suggested amendments come from no less an authority than the Comptroller of the Treasury of the United States. Whether or not the bill should be adopted in its present form, which is that covered by my amendment, or with further amendments, or whether or not it should be passed or be defeated on the floor of this House, is a question which alone the Members of this body can determine; and they have expressed their desire for that opportunity. I therefore again entreat the gentlemen in charge of the machinery of the great Committee on Military Affairs to give heed to the respectful request of the majority of the membership of this House. Both as a request from the House and in deference to the desires of the majority of the membership of the two great parties which go to compose it, I hope that these gentlemen in charge of this legislation will see fit to report the bill at an early date, in order that its merits or demerits may be passed upon by this House. Any other action by the committee will place upon it the responsibility of the prevention of the free consideration of this bill by the House, amounting in effect to its death by strangulation by the Military Affairs Committee. [Applause.]

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. STAFFORD. Mr. Chairman, under the reservation of the point of order I wish to say briefly that although the subcommittee in the consideration of the War Department appropriation bill has had submitted to it in the past two years by the many officers who came before it almost every conceivable phase of retirement pay, yet never was any mention made of the proposal suggested in the amendment offered by the gentleman from California. Being entirely in the dark as to it, as I suppose a great number of other Members are—although there may be members of the Committee on Military Affairs who are properly versed in it—I feel impelled to insist on the point of order.

The CHAIRMAN. The amendment offered by the gentleman from California is clearly legislation. Therefore the Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

None of the funds herein or heretofore appropriated shall be used for payment of the six months' pay (authorized by the act of December 17, 1919, to be paid to certain specified beneficiaries of officers or enlisted men of the Regular Army who died from wounds or diseases not the result of their own misconduct) to any child of a deceased officer or enlisted man who is not actually a dependent of such deceased officer or enlisted man.

Mr. ANTHONY. Mr. Chairman, on page 19, line 18, I offer the following amendment: After the word "herein" strike out the word "or" and insert a comma in lieu thereof, and after the word "heretofore" insert the words "or hereafter." This is a correction.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ANTHONY: Page 19, line 18, after the word "herein," strike out the word "or" and insert a comma in lieu thereof, and after the word "heretofore" insert the words "or hereafter."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DICKINSON. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: On page 19, after line 25, insert a new paragraph as follows:

"None of the funds appropriated in this act shall be used for payment of any officer of the Army on the active or retired list while such officer is engaged in the business of selling supplies or services to the United States, or is employed by any individual, partnership, or corporation which engages in such business."

Mr. DICKINSON. Mr. Chairman, the provision of the Navy bill of June 10, 1896, carries this provision with reference to retired and active officers in the Navy. Just now we have put in a similar provision as to the retirement of General Crowder. Now we have the retirement of General Harbord, who immediately becomes president of the Radio Corporation of America, not because he is an expert in radio but on account of the influence that they hope he will have in selling their products to the United States Government. I have no objection to his getting a good job, but I do say that if he is going to be engaged in the manufacture of articles for sale to the Government he ought not to be entitled to any retired pay in the Army. [Applause.] For that reason I want to see a provision of this kind put in with reference to retired officers or active officers in the Army, and I call attention to a clipping in the Chicago Tribune of the other day:

The Radio Corporation, now headed by General Harbord, formerly Assistant Chief of Staff of the Army, is one of the most powerful aggregations of capital in the world. Behind it are the General Electric Co. and the J. P. Morgan interests.

ALLEGE CONTROL OF PATENTS.

The activities of the Radio Corporation, some of which are now undergoing investigation by the Federal Trade Commission, are alleged to be in the direction of establishing a wireless communication monopoly through control of patents, through exclusive traffic agreements, and through direct governmental grants and provisions conferring exclusive rights to valuable bands of wave lengths.

The Radio Corporation is reported to have closed a large number of exclusive contracts which will prevent any serious competition in domestic and foreign wireless communication. In the case of a country where radio is a government monopoly such an exclusive contract would give the Radio Corporation a monopoly of wireless communication from that country to the United States.

The purpose of getting General Harbord in this job is on account of his acquaintance with the people who are occupying positions in the Army and Navy whom they hope to influence, that is all. If he is going to occupy this position and draw a salary for it, all right, but he should not receive a dollar of Government money out of the Public Treasury while he is so engaged, and I hope this amendment will be adopted. [Applause.]

Mr. GRAHAM of Illinois. I did not hear the amendment read. May it be again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again read.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

CLAIMS FOR DAMAGES TO AND LOSS OF PRIVATE PROPERTY.

For payment of claims of not to exceed $500 in amount for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army that have accrued, or may hereafter accrue, from time to time, $40,000: *Provided*, That settlement of such claims shall be made by the General Accounting Office, upon the approval and recommendation of the Secretary of War, where the amount of damages has been ascertained by the War Department, and payment thereof will be accepted by the owners of the property in full satisfaction of such damages.

Mr. WATSON. Mr. Chairman, line 19, page 20, I move to strike out the word "of" where it occurs the second time. The word does not strengthen the meaning of the paragraph nor give grace to the grammatical construction.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WATSON: Page 20, line 19, strike out the word "of" where it occurs the second time.

Mr. ANTHONY. Does not the gentleman think that second "of" is necessary?

Mr. WATSON. I do not.

Mr. STAFFORD. Mr. Chairman, we all recognize that the gentleman from Pennsylvania [Mr. WATSON] is one of the leading grammarians of the House.

Mr. WATSON. I do not profess to be.

Mr. STAFFORD. The gentleman is so modest that he never admits either his worth or his wonderful attainments; but I think if he will study that sentence closely he will come to the conclusion that the second "of" is necessary.

Mr. WATSON. We all recognize that the gentleman from Wisconsin is a philosopher, and we also recognize his claim as an expert in grammatical construction.

Mr. STAFFORD. I am as modest in disclaiming to be a philosopher as the gentleman is a grammarian. I have nothing further to say. I am opposed to the amendment. This wording is carried in existing law.

Mr. HILL. Mr. Chairman, I rise in opposition to the amendment. The existing law uses this phraseology, and the comptroller is likely to consider this a change in existing law. I agree with the gentleman on the grammar, but it is sure to make trouble if we change it.

Mr. WATSON. If an error were made in writing a paragraph 100 years ago, I do not understand that is any argument in favor of its being continued. The question is the grammatical construction of the paragraph.

Mr. STAFFORD. I ask unanimous consent that all debate on this amendment and all amendments thereto close in two minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that all debate on this amendment and all amendments thereto close in two minutes. Is there objection?

There was no objection.

Mr. PARKER of New Jersey. Mr. Chairman, it seems to me that "for payment of claims of not to exceed $500 in amount" means that each claim must not exceed that amount, but that "for payment of claims not to exceed $500 in amount" means that all the claims together must not exceed $500. It seems to me it is dangerous to leave out the second word "of." [Applause.]

Mr. STAFFORD. The gentleman from New Jersey has shed considerable light on the erudition of the gentleman from Pennsylvania.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

None of the funds appropriated in this act shall be used for payment of expenses of operating any utility of the War Department selling services or supplies at which the cost of the services or supplies so sold does not include all customary overhead costs of labor, rent, light, heat, and other expenses properly chargeable to the conduct of such utility.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I call attention of gentlemen to the word "customary," in line 8, page 24, where it says "selling services or supplies at which the cost of the services or supplies so sold does not include all customary overhead cost of labor," and so forth, otherwise there may be added the overhead cost of some expensively conducted private operation.

Mr. ANTHONY. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. ANTHONY. I think the use of the word "customary" is intended to convey the usual overhead charges—those expenses which are usual.

Mr. McLAUGHLIN of Michigan. Usual to whom?

Mr. ANTHONY. To the conduct of business. The funds are to apply to utilities operated by the War Department on a business basis.

Mr. McLAUGHLIN of Michigan. The usual overhead expenses may be the expense in private business where unreasonable charges are made.

Mr. ANTHONY. I think they are set out here. They are the overhead cost of labor, rent, light, and other expenses properly chargeable to the conduct of the utility.

Mr. McLAUGHLIN of Michigan. The words "such utilities" do not mean anything, because there are no overhead charges attached to or taken into consideration in public business. In order to find the customary charges, in order to find any value of the use whatever for the word "utility" we must go outside of the public business and find private business comparable to the business that is Government conducted.

Mr. ANTHONY. This paragraph refers to the utilities, such as ice plant and similar utilities for the business of the entire garrison.

Mr. McLAUGHLIN of Michigan. Is it not true that in all public utilities no account is taken of overhead costs?

Mr. ANTHONY. We do this to compel them to take into account the overhead cost. The principal utilities are the laundries and ice plants, and the purpose is to put the thing on a business basis. The idea was to make them pay their way.

Mr. McLAUGHLIN of Michigan. If that is true, I doubt the advisability of using the word "customary," because we have to go outside altogether and ascertain the overhead charges of a private concern.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Provided, That from this appropriation not to exceed $710,000 shall be expended for the pay of civilian employees; not to exceed $1,250,000 shall be expended for power, heat, and electric current; not to exceed $40,000 shall be expended for maintenance and repair of buildings (including repair of machinery) for laundries; not to exceed $200,000 shall be expended for the maintenance and repair of heating apparatus (other than stoves); not to exceed $150,000 for maintenance and repair of electric wiring and fixtures; not to exceed $10,000 for the repair and exchange of typewriters; not to exceed $3,750,000 for fuel; not to exceed $4,500,000 for forage, including salt and vinegar and bedding for animals, and straw for soldiers' bedding; not to exceed $200,000 for ice; and not to exceed $100,000 shall be expended for stationery.

Mr. ROACH. Mr. Chairman, I move to strike out the last word. In the paragraph just read, page 26, line 23, is carried an appropriation of $710,000 for paying the civilian employees. Would the gentleman mind stating what some of the principal items are of this expenditure?

Mr. ANTHONY. These are civilian employees handling and carrying the supplies of the Army in a quartermaster's corps. The number of civilian employees of the Army has been greatly reduced in the last year until now the number is about normal as compared with pre-war times.

Mr. ROACH. I am sure the gentleman can give us that assurance.

Mr. ANTHONY. For instance, on December 31, 1921, there were 36,396 civilian employees, excluding the Engineer Corps, handling river and harbor matters. The Budget allows for 21,259, exclusive of the Engineer Corps, and we figure there will be 23,000 under the river and harbor. So on August 31, 1922, the number of civilian employees, exclusive of the Engineer Corps, was 29,000; so you see that under this bill we are cutting the number 8,000.

Mr. ROACH. I am glad to know that these reductions have been made.

Mr. ANTHONY. The employees of the War Department have been reduced. At the time of the armistice there were 37,500; and there are now 29,740, and after this bill goes into effect there will be 26,080.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I want to call the attention of the gentleman from Georgia [Mr. UPSHAW] to the fact that his friends, the gentleman from Maryland [Mr. HILL] and the gentleman from New York [Mr. COCKRAN], possibly may be putting one over on him. Since their speeches on yesterday, for the first time since I have been in Congress, the House restaurant's menu down stairs to-day has the following: "Premium ham glace, sauce shampagne."

Mr. KNUTSON. Did it taste good? [Laughter.]

Mr. STAFFORD. That is only a sham, the gentleman knows it is not real.

Mr. BLANTON. There seems to be about as much pain as there is sham.

Mr. CRAMTON. Gentlemen will notice that it is spelled s-h-a-m.

Mr. BLANTON. Oh, there are various shams in spelling, as well as there are in enforcing the law.

Mr. KNUTSON. That is the way they spell it in Texas. [Laughter.]

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read the paragraph providing for transportation of the Army and its supplies, including the following proviso on page 31, line 9:

Provided further, That in expending the money appropriated by this act a railroad company which has not received aid in bonds of the United States and which obtained a grant of public land to aid in the construction of its railroad on conditions that such railroad should be a post route and military road, subject to the use of the United States for postal, military, naval, and other Government services, and also subject to such regulations as Congress may impose restricting the charge for such Government transportation, having claims against the United States for transportation of troops and munitions of war and military supplies and property over such aided railroads, shall be paid out of the moneys appropriated by the foregoing provisions only on the basis of such rate for the transportation of such troops and munitions of war and military supplies and property as the Secretary of War shall deem just and reasonable under the foregoing provision, such rate not to exceed 50 per cent of the compensation of such Government transportation as shall at that time be charged to and paid by private parties to any such company for like and similar transportation; and the amount so fixed to be paid shall be accepted as in full for all demands for such service.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word for the purpose of inquiring of the chairman of the subcommittee in respect to the word "and" in line 11, page 31. My understanding of that proviso is that it is intended to limit the charge that a railroad company may make for transporting troops, a reduction being made, and a limitation put upon the amount that can be received, if the railroad company had been aided by the Federal Government in a substantial way. If this language is to stand as it is, if the word "and" is to remain, then a railroad company would not be limited unless it had received both bonds and a grant of public land. We all know that some of the railroads have been very materially aided by the grant of public lands, lands very valuable at the time they were granted, and that have increased to a very great value since that time. We also know that bonds in large amounts have been issued, or that the Government has guaranteed railroad bonds. There are two very material aids that have been given, and in my judgment—at least it occurs to me at this time—if aid has been given to the railroad in either way, through bonds or by the grant of public land, then the Government should be in a position to ask this concession, this reduction upon the part of the railroad; but as the language of the bill is at present, no concession, no reduction, could be demanded unless the road had been aided in both ways—by bonds and by the grant of public lands. If I am right in my understanding of the provision, I suggest an amendment striking out the word "and" and inserting in lieu thereof the word "or."

Mr. ANTHONY. Mr. Chairman, this language in reference to the land-grant railroads has been carried in the bill for a great many years, just as written in the bill now pending. My information is that the original language was prepared by the law officers of the War Department. It has evidently accomplished its purpose all of these years, although it is open to the construction of the gentleman from Michigan [Mr. McLAUGHLIN]. Whether it be advisable to change it now without making some investigation as to just what legal aspects the amendment would have, I do not know. Would the gentleman be willing to have the matter passed over so that we may make inquiry of the War Department to find out just what effect it would have?

Mr. McLAUGHLIN of Michigan. I am not urging it now. I call the attention of the gentleman to the matter.

Mr. ANTHONY. I think the gentleman's suggestion is entirely reasonable.

Mr. McLAUGHLIN of Michigan. I presume the gentleman can easily get information as to what railroads are affected by this provision, and the relation of each railroad to the Government, as far as aid from the Government is concerned. I suggest that the gentleman look that matter over and see if the interest of the Government will be properly served by the amendment I suggest.

Mr. ANTHONY. I would be very glad to look into it.

Mr. SISSON. Mr. Chairman, I suggest to the gentleman that it seems to me the word "or" ought to be inserted. The matter ought to be looked into. However, we do not know just exactly what effect it will have. I ask unanimous consent that the paragraph be passed over without prejudice until the matter can be investigated.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that the paragraph be passed over without prejudice, to be returned to later. Is there objection?

There was no objection.

Mr. KEARNS. Mr. Chairman, I rise to offer an amendment.

The CHAIRMAN. The paragraph has been passed over without prejudice and the gentleman will have his right when the paragraph is again called up.

The Clerk read as follows:

HORSES FOR CAVALRY, ARTILLERY, ENGINEERS, ETC.

For the purchase of horses of ages, sex, and size as may be prescribed by the Secretary of War for remounts for officers entitled to public mounts for the Cavalry, Artillery, Signal Corps, and Engineers, the United States Military Academy, service schools, and staff colleges, and for the Indian scouts, and for such Infantry and members of the Medical Department in field campaigns as may be required to be mounted, and the expenses incident thereto (including $25,000 for purchase of remounts and $150,000 for encouragement of the breeding of riding horses suitable for the Army, including cooperation with the Bureau of Animal Industry, Department of Agriculture, and for the purchase of animals for breeding purposes and their maintenance), $200,000: *Provided*, That the number of horses purchased under this appropriation, added to the number now on hand, shall be limited to the actual needs of the mounted service, including reasonable provisions for remounts, and unless otherwise ordered by the Secretary of War no part of this appropriation shall be paid out for horses not purchased by contract after competition duly invited by the Quartermaster Corps and an inspection under the direction and authority of the Secretary of War. When practicable, horses shall be purchased in open market at all military posts or stations, when needed, within a maximum price to be fixed by the Secretary of War: *Provided further*, That no part of this appropriation shall be expended for the purchase of any horse below the standard set by Army Regulations for Cavalry and Artillery horses, except when purchased as remounts or for instruction of cadets at the United States Military Academy: *And provided further*, That no part of this appropriation shall be expended for polo ponies except for West Point Military Academy, and such ponies shall not be used at any other place: *And provided further*, That the Secretary of War may, in his discretion, and under such rules and regulations as he may prescribe, accept donations of animals for breeding and donations of money or other property to be used as prizes or awards at agricultural fairs, horse shows, and similar exhibitions, in order to encourage the breeding of riding horses suitable for Army purposes: *And provided further*, That the Secretary of War shall report annually to Congress, at the commencement of each session, a statement of all expenditures under this appropriation, and full particulars of means adopted and carried into effect for the encouragement of the breeding of riding horses suitable for the military service.

Mr. HUDSPETH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: Page 35, line 6, after the word "war," strike out the colon and insert a semicolon and add the following: "All purchases shall be made by the Secretary of War or his agent direct from the owners or agents of owners of said horses."

Mr. ANTHONY. Mr. Chairman, I reserve the point of order upon the amendment.

Mr. HUDSPETH. Mr. Chairman, I think it is clearly a limitation upon the purchase of these horses. If the committee will adopt this amendment, we will save the Government at least one-half the sum formerly expended for the purchase of these horses, for this reason: The contract for the purchase of these horses heretofore has been farmed out to Tom, Dick, and Harry. They have then sublet it to some one else, who goes to the owners and buys the horses at a much less sum than the contract with the agents of the Government calls for, thereby depriving the owner of the horses from getting what the Government actually pays for the horses, and also giving to some agent a contract to go out and buy these horses at an exorbitant sum, much more than is paid the owner for the horses. I know of many instances during the war where men were given contracts for the purchase of Cavalry horses. They went to the owners and bought the horses for half the contract price which the Government had to pay. The owner of the horses was deprived of receiving all that the Government paid and the Government, on the other hand, was defrauded out of thousands of dollars by that sort of procedure.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. HUSTED. Am I to understand that the object of the gentleman's amendment is the prevention of subletting of these contracts?

Mr. HUDSPETH. Absolutely.

Mr. HUSTED. For the purchase of these horses for the Government?

Mr. HUDSPETH. Yes. If the amendment be adopted, it will save the Government at least half the appropriation in the purchase of the horses.

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. ANTHONY. As I understand it, it is not the practice of the War Department to sublet contracts of this nature.

Mr. HUDSPETH. They have been doing it in the past.

Mr. ANTHONY. As I understand it, they advertise for bids for horses to come up to certain specifications, and anyone is at liberty to go out in the country and gather those horses up and present them to the purchasing officer of the Government.

Mr. HUDSPETH. Yes; but they have been farming out these contracts to men who go through the country and buy the horses at half the price that the Government has to pay for them.

Mr. ANTHONY. Did not the abuse the gentleman speaks of occur during the time of war?

Mr. HUDSPETH. Well, it is being done, I will say to the gentleman, at the present time.

Mr. ANTHONY. There are no horses being purchased under this appropriation except a few remount colts, and also about 200 ponies, in the Philippine Islands, so there are no horses being purchased under this.

Mr. HUDSPETH. I will say to my friend horses are purchased, and you will see contracts will be farmed out. A man will go to the owner of the horses and buy at a less price than the Government agrees to pay. There is no question but what that is the practice all over the State of Texas, where they raise horses. Adopt this amendment and you compel the agent of the Secretary of War to select a man to go to the owners, and you save the charges of the middleman, and you will save thousands of dollars.

Mr. STAFFORD. Will the gentleman yield?

Mr. HUDSPETH. I will.

Mr. STAFFORD. Why should the gentleman compel the Government to go to the man who has something to sell rather than that the man who has something to sell should come to the Government?

Mr. HUDSPETH. This does not prevent the man having something to sell from going to the Government, but compels the Government to purchase direct from the owner. It does not prevent the man owning the horses from going to the Government, but it cuts out the middleman.

Mr. STAFFORD. Why can not the person owning the horses do that to-day?

Mr. HUDSPETH. No; but our contracts are let to middlemen. Men contract for horses of a certain standard at a certain price. Then they go to the owner and buy them at less and turn them in to the Government and make an exorbitant profit.

Mr. ANTHONY. Will the gentleman yield?

Mr. HUDSPETH. I will.

Mr. ANTHONY. I am afraid the gentleman's amendment would handicap the War Department if it desires to purchase any considerable number of horses, for the reason it is impossible for the War Department to go to every farmer who has a colt or a horse that comes up to the standard of the War Department.

Mr. HUDSPETH. I will say to the chairman, in every case they will send out agents to purchase these horses, and they are purchased as a rule in large lots from the man who raises a large number of horses. You simply cut out the middleman and you will see there will be a saving to the Government of thousands of dollars.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANTHONY. Mr. Chairman, I ask to be recognized. I want to say to the gentleman that it appears that this amendment would increase the cost to the Government of the horses purchased, as he would compel the War Department to go to the farmer who has horses and enter upon negotiations to buy his horses. In other words, you put the responsibility upon the Government. Under the present conditions the Government says it is on the market for a certain number of horses, and the farmer who has a large number brings his horses to the Government.

Mr. HUDSPETH. I will say to the gentleman that does not prevent the farmer from going to the agent of the Government and selling those horses, but it does this alone: It cuts out the middleman and his profits, the man who has been making millions of dollars.

Mr. ANTHONY. I will say that the middleman is in a position to save the Government money, is in a position to go and collect those horses and sell 30 or 40 to the Government at a price the Government could not get if it had to go out in the market and get them.

Mr. HUDSPETH. If you advertise at Fort Bliss or El Paso for 1,000 horses, you would have 5,000 there before night from the farmers and stock raisers.

Mr. ANTHONY. That is because they are a drug on the market.

Mr. HUDSPETH. They are a drug on the market all over the country, but if the Government advertised in any part of the Southwest that they wanted 1,000 head of horses the whole country would be swamped with horses in 24 hours.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. ANTHONY. I will.

Mr. GREEN of Iowa. I notice that there is this provision: "When practical, horses shall be purchased in open market at all military posts or stations, when needed, within the maxi-

mum price to be fixed by the Secretary of War." I do not see why the farmer can not sell under that provision.

Mr. ANTHONY. He has absolute access to the Government for the sale of horses at any time.

The CHAIRMAN. There is a reservation of the point of order.

Mr. ANTHONY. I withdraw the reservation, but I am opposed to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. HUDSPETH) there were—ayes 16, noes 22. So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. My colleagues voted down the amendment of my colleague from Texas [Mr. HUDSPETH] because they did not understand the situation. His amendment would have saved this Government at least 40 per cent of the cost of these remount horses. Some of the best Cavalry horses in the world are raised on just such Texas ranches as is owned by my colleague [Mr. HUDSPETH]. These ranch horses make the finest Cavalry mounts in the world. Some speculators will go there and buy those horses at $80 or $90 and then turn them over to the Government at $150 to $250 each—that is the profit they make from the Government—and it was to meet that situation that my colleague offered his amendment, but it was defeated.

The distinguished chairman [Mr. ANTHONY], whom we all love, said that there was just a small part of this sum to be used in purchasing horses, and he said that was limited to remount colts. He is mistaken. He is not often mistaken, but he is in error one time. Here is $25,000 for the purchase of remounts. That means remount colts and other horses, and "$150,000 for the encouragement of the breeding of riding horses" suitable for the Army.

Mr. ANTHONY. Now, out of that $150,000 we are informed that $30,000 will be used to buy ponies in the Philippine Islands for remounts and the rest is for the encouragement of the breeding of riding horses.

Mr. BLANTON. But under the language it says, "$150,000 for the encouragement of the breeding of riding horses suitable for the Army," and so forth, and "for the purchase of animals for breeding purposes and their maintenance, $200,000." The gentleman knows what the Army can do under that language if it wants to, and I will tell him some of what it does.

My colleagues from Texas, Mr. JONES and Mr. HUDSPETH, and myself tried to defeat this item here a couple of years ago. The debate showed that they took a great amount of money and bought fine stallions and turned them over to certain individuals and let them breed them without cost for their own private business. They could sell the progeny to the Government if they wanted to, and they need not do so if they did not want to, and we three objected to it, although we come from horse-raising sections which could be benefited by it. We tried to defeat it. What happened? We did not defeat it, but now we three Texans have had quite a deluge of fine stallions sent to our districts. The gentleman from Texas [Mr. HUDSPETH] had several very fine ones sent to his district. The gentleman from Texas [Mr. JONES] had several very fine ones sent also to his district, and I have had some very fine ones sent to my district. Why? But I am still fighting it because I do not believe in it. I believe the Army can get horses in some other way.

Do not you ever fret, our cowmen are going to raise all the horses they need. Whenever the Government needs those horses for Army purposes those cowmen are patriotic enough to see that the Army gets them. You do not need this provision.

I noticed in the paper the other day what they are fixing to do. The Army is hoping to send a great big string of these remount horses to Europe, to display them, and to compete in horse shows abroad. The people of this country are not interested in that kind of foreign enterprise. I submit that it is a waste of money. I submit that an economical Government, of which we hear so much on that side of the House, ought not to stand for a thing of that kind.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DEMPSEY. Does not the gentleman think that a horse show abroad would have the same effect, only on a larger scale, as the county fair, such as the gentleman has in his own State, and such as we all have in our own States?

Mr. BLANTON. County fairs in America are all right——

Mr. DEMPSEY. It is a large county fair——

Mr. BLANTON. It is all right for a large county fair to be held in New York or down in Texas or over in Maryland, or somewhere else in the United States, as an American enterprise; but we do not pull them off over in Europe. We should let Europe attend to its own county fairs and furnish its own displays. I want to see a stop put to spending money in wasteful ways. All this is the foolishness of a lot of Army officers who want to straddle fine pacers and fox trotters in our American parks and then go abroad and ride their fine mounts at competitive horse shows in Europe, displaying themselves as well as their horses, at the expense of this Nation. I hope it will stop. I hope the gentleman from Kansas [Mr. ANTHONY] in the future will curtail it, as he has attempted to do in the past.

Mr. McKENZIE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. McKENZIE. I do so, Mr. Chairman, for the purpose of asking a question of the gentleman from Kansas [Mr. ANTHONY], in charge of the bill. I find myself in agreement with the gentleman from Texas [Mr. BLANTON] in regard to this appropriation. I think it is a mistake. I would like to ask the gentleman from Kansas, the chairman of the subcommittee, how many of these stallions are now owned by the War Department and distributed throughout the country?

Mr. ANTHONY. My understanding is that the War Department now owns 254 stallions, of which 90 were acquired by donation and the balance were purchased under appropriations made from year to year for the encouragement and development of the breeding of horses for Army use.

Mr. McKENZIE. I assume that those that were donated are rather old and infirm?

Mr. ANTHONY. No. My understanding is that very valuable animals have been given to the Government by some of the largest breeders of horses in this country.

Mr. McKENZIE. Does the War Department employ an attendant known as a manager for each one of these horses?

Mr. ANTHONY. My information is that these horses are placed over the country under a system by which a horse is placed in a community in charge of what is known as a "manager." This manager looks after the horses in the community, and a fee, a standard fee of $10, a nominal fee, is charged, and this nominal fee is turned into the Treasury by the manager, and in turn the War Department, out of this appropriation, allows the manager a reimbursement of $10 for his labor.

Mr. McKENZIE. Another point I am interested in is this: Do they do enough business, is the increase sufficient, to pay the manager's salary? That is, do they collect enough money to pay the manager's salary, or is it an additional expense on the Government to employ these managers?

Mr. BLANTON. I will answer the gentleman's question, if I may. Say the gentleman had a stock farm in his district with 50 fine blooded mares on it. He makes an application to this remount station and they send him one of these stallions and he takes care of it, and when he gets through with it he repays the remount station.

Mr. ANTHONY. I understand this activity is self-sustaining.

Mr. BLANTON. The stockman charges himself $10 each and credits himself $10 each, so that it is all a book account. No money is paid in or out.

Mr. ANTHONY. I think the gentleman is in error when he states that these horses are placed on large ranches. My information is that they are placed in communities available to the large horse breeders.

Mr. McKENZIE. The gentleman from Kansas well knows that I have endeavored to be a consistent friend of the Military Establishment of our country, and I have been in earnest when I sought to have all these auxiliary expenses cut out and taken away from the Military Establishment in order that the Military Establishment may stand on its own merits. So far as I am personally concerned, I feel that the War Department is making a mistake when it engages in any of these civic pursuits, and certainly this is a character of itinerant activity for which I have no use whatever in the War Department. If the Department of Agriculture wants to handle it, all right.

Mr. STAFFORD. Was not this activity wished upon the War Department by the Department of Agriculture?

Mr. McKENZIE. I believe so.

Mr. STAFFORD. The Department of Agriculture desired to get rid of it, and wished it on the War Department.

Mr. McKENZIE. I have sometimes thought it was a conspiracy brought about by those who have it in for the War Department to try to break it down.

Mr. STEPHENS. I should like to ask the gentleman from Texas [Mr. BLANTON] whether any of the stallions distributed in Texas were white stallions?

Mr. BLANTON. All of that particular color are reserved for Baltimore. [Laughter.]

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn.

Mr. KEARNS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. KEARNS: After the word "service," in line 26, page 35, insert a new paragraph, as follows:

"That section 2 of the legislative, executive, and judicial appropriation act approved July 31, 1894, is amended by adding at the end thereof a new sentence to read as follows:

"'Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard shall not be construed to hold an office within the meaning of this section,' and that payments heretofore made to retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard under appointments to civil offices with a payment of $2,500 or more per annum are hereby validated."

Mr. BLANTON. I reserve a point of order on the amendment.

Mr. JONES of Texas. Mr. Chairman, I offer a preferential amendment.

The CHAIRMAN. The gentleman from Texas offers a preferential amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 34, line 14, after the word "thereto," insert the figures "$50,000" and strike out the remainder of the paragraph, except the first proviso.

Mr. KINDRED. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman will send up his amendment.

Mr. KINDRED. After the provision for the stallions already made in the bill, I want to offer a proviso that one of these stallions shall be kept in the State of New Jersey.

The CHAIRMAN. The gentleman will reduce his amendment to writing and send it to the Clerk's desk.

Mr. KINDRED. I will do that, but I do not want to lose my opportunity to debate the amendment.

The CHAIRMAN. Does the gentleman claim the floor?

Mr. KINDRED. I do.

The CHAIRMAN. The gentleman is recognized.

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, the object of my amendment is that one of the stallions provided for in this bill, and I think very properly provided for in order to secure better mounts for the Cavalry service of our Army, shall be kept in that part of New Jersey which is noted for its blue grass, as fine as any in the blue-grass region of Kentucky, where I have the good fortune to own 400 or 500 acres and where I undertook to raise horses, but had to go out of the horse-raising business, in which I hoped to better the mounts for the Army, but had to relinquish that hope because we could not get the proper stallions. So I had to raise mongrels, mules, instead. I understand on the authority of the gentleman from Texas [Mr. BLANTON] that as this provision in the Army bill has worked out heretofore it has resulted in the locating of three stallions in his district. I do not know why the gentleman who is so virile should require so many stallions to reinforce him in that district; but I understand that the no less virile gentleman, my good personal friend [Mr. JONES of Texas], has also three stallions in his district.

Mr. BARKLEY. That explains the opposition of the gentleman from Texas [Mr. JONES] to this bill.

Mr. KINDRED. Mr. JONES of Texas will withdraw his objection if it rests on that, because he can send two of them up into the blue-grass region of New Jersey if you will agree to my amendment. It is a perfectly fair proposition that we should encourage the improvement of the breed of our horses in the East as well as in the Southwest and South. As I have already said, we have unusual conditions and facilities for the raising of good horses in that part of New Jersey.

Mr. JONES of Texas. I understand they have sent more of these horses to Virginia than any other State; and I understand there are a number of States that have better facilities for raising horses than does Virginia, as they do not seem to be handling it very efficiently. I am not reflecting on the State of Virginia, but there are other States that grow just as good horses.

Mr. MOORE of Virginia. The gentleman from New York is himself an honored native of Virginia and is a good witness for that State.

Mr. KINDRED. I want to make the point clear that there is no objection coming from me to any particular State having a stallion in order to improve the breed of mounts for the cavalry.

Mr. JONES of Texas. Neither have I any objection, but I think they ought to handle it in an efficient manner.

Mr. KINDRED. I agree with the gentleman on that proposition. But we in the East require some encouragement to improve the breed of our horses. As I have outlined, that portion of the State of New Jersey along the line of the Philadelphia & Reading Railway around Bellemead, about midway between New York and Philadelphia, has a very fine soil for grasses, just as good as any in the blue-grass regions of Kentucky, and we should have encouragement to improve the breed of our horses.

Mr. WINGO. Is that need any more pronounced in horses than in other ways?

Mr. KINDRED. I do not quite get the gentleman's question. The need is pronounced among the horses; and, from the standpoint of quality and distribution, we ought to get some benefit from this appropriation.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANTHONY. Mr. Chairman, I am of the opinion that it is very desirable to continue the encouragement of improving the breed of riding horses in this country. The testimony in the hearings on that subject is very interesting. The House ought to know the story of the hearings, which shows that the motor has driven the horse off the farms of the country except for the heavy labor and drudgery of farm work. Nobody breeds riding or driving horses any more, and the result is that the Army has extreme difficulty in getting proper riding horses. Let me read the testimony of Major Scott in the hearings last year. He says:

Major SCOTT. In 1919, after the war, and during the war, it was found that riding horses in this country were practically extinct. You could not secure them in any large numbers. We had great difficulty in buying enough to supply the Infantry and Artillery, although we used practically no Cavalry during the World War. This is further substantiated by the reports of all foreign officers, who reported to their Government that the type of horse required for riding purposes did not exist in any appreciable numbers. In 1919 the Secretary of War appointed what was known as the remount board, consisting of 10 officers and 10 prominent civilians. The officers were such as chiefs of Cavalry and Artillery, one from the Quartermaster General's office, and one from the office of the Chief of Staff, and distributed through the various services. The civilians were prominent well-known breeders throughout the United States. This board recommended an appropriation of $250,000, which appropriation was secured from Congress, for the fiscal year 1921. This board directed that the Quartermaster General's office draw up a scheme for the encouragement of breeding, which it did, and it was finally approved by the Secretary of War. Last year the appropriation was reduced from $250,000 to $150,000, and this appropriation is to carry on that work.

This year Major Scott again says:

The idea of this breeding is not to raise more horses but better horses. For instance, on the ranches out West they have two or three hundred scrub mares producing colts worth $10 or $15 per head, and we have induced some of those breeders to take 40 of their best mares and raise 30 or 40 colts that will be worth $200 or $300 per head and which will not eat any more than a horse worth only $15 per head.

Now, unless the Government does take a hand and does something to rebuild the standard of riding horses in this country there will be no longer any place for the Government to get the good horses it needs.

Mr. WINGO. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. WINGO. If you are going to subsidize the breeding of saddle horses, does not the gentleman think it ought to be under the Department of Agriculture?

Mr. ANTHONY. It was under the Department of Agriculture, but three years ago it was transferred to the War Department.

Mr. WINGO. What is the need of having fine saddle horses? Does not the gentleman think that if they would train the officers in riding it would overcome the difficulty of trying to breed saddle horses?

Mr. ANTHONY. In my own country saddle horses used to be plenty.

Mr. WINGO. Oh, the gentleman means fancy saddle horses.

Mr. ANTHONY. The gentleman would not have them ride farm horses, would he?

Mr. WINGO. That is the only kind of a horse I ever rode.

Mr. ANTHONY. But the gentleman would not want to ride that kind of a horse and be in the saddle all day.

Mr. WINGO. I have been in the saddle all day long, and for the kind of work I did I did not want a fancy saddle horse with a saddle about as big as a pancake. [Laughter.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment of the gentleman from Ohio, to which a point of order has been reserved.

Mr. KEARNS. Mr. Chairman, this amendment seeks to make clear a provision in an appropriation bill passed back in 1894. This provision reads as follows:

No person who holds an office the salary or annual compensation attached to which amounts to the sum of $2,500 shall be appointed to or hold any other office to which compensation is attached unless specially heretofore or hereafter specially authorized thereto by law; but this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate.

The amendment I have offered, should it become a law, would take care of 12 retired enlisted men who are now employed in the Veterans' Bureau. These men are employed at salaries of $3,000 or $3,500, and they receive a retired enlisted pay of about $1,200 per annum, perhaps some as high as $1,400. If these men were retired Army officers and could get the ear of the President and be appointed by the President to some job, and confirmed by the Senate, this Congress has made that action upon the part of the President and Senate legal. I mean by this the retired Army officer could in that event draw his retired pay and the salary of his office.

Mr. WINGO. Will the gentleman yield?

Mr. KEARNS. Yes.

Mr. WINGO. What kind of retired officers are these?

Mr. KEARNS. They are not retired officers, they are retired enlisted men, but the Comptroller General has made the astounding ruling that these men are officers.

Mr. WINGO. How many of these retired enlisted men are there?

Mr. KEARNS. Twelve, employed in the Veterans' Bureau at $3,000 to $3,500.

Mr. WINGO. Does the gentleman mean to leave the impression with the House that there is a large class of retired enlisted men who draw $1,200 a year?

Mr. KEARNS. Oh, yes; I think that is true, is it not, Mr. ANTHONY?

Mr. ANTHONY. No; I think very few draw salaries as high as that.

Mr. WINGO. I thought a retired lieutenant or a captain would not draw as much as that.

Mr. ANTHONY. They must have been retired at a very high grade.

Mr. KEARNS. They were retired as noncommissioned officers.

Mr. WINGO. I hardly think they could be drawing that much.

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. Yes.

Mr. ANTHONY. The evidence shows that the average retired pay of enlisted men on the retired list is $92.54 per month. I am somewhat surprised at that.

Mr. WINGO. Has the gentleman any idea of how many there are on the retired list?

Mr. ANTHONY. Five thousand nine hundred and seventy-three, largely through the operation of the 30-year service law.

Mr. KEARNS. However that may be, there are 12 of these men, I will say to the gentleman from Arkansas, who have been brought into the service in the War Risk Bureau, and they have been working there at a salary of $3,000 to $3,500 per annum for a year and a half. The Comptroller General has written an opinion recently, in which he holds that their employment is void from the beginning, and asks that these men pay back to the United States Treasury all of the money that they have received from the Government as employees in the Veterans' Bureau.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. Yes.

Mr. BLACK. That calls to mind the fact that some employees were put into the Government service who retired under the civil service retirement act, and Congress passed a law permitting them to draw the pay of the position to which they had been appointed, but I recall very distinctly that we put into the law a provision that they should not draw the retirement pay and the pay of the position. Would not that negative the idea that the gentleman has?

Mr. KEARNS. No; I do not think it would. We have many pensioners in the various bureaus who are drawing a pension from the United States and also a salary for the work they do in whatever position they happen to be.

Mr. BLACK. Does the gentleman take the position that retirement is a pension?

Mr. KEARNS. I do, indeed.

Mr. BLACK. In the sense of our pension laws?

Mr. KEARNS. It is not a pension under the pension laws, but it is nothing more nor less than a pension. These men, as retired enlisted men, can not be called back into the military service at the whim of the Military Establishment.

Mr. BLACK. That is true; but it is granted, for example, if a man has served 30 years. He may not be disabled in any way, but out of the gratitude and appreciation of that long service the Government retires him. I do not look upon it, however, as a pension.

Mr. KEARNS. These men are employed in the War Risk Bureau at salaries of $3,000 to $3,500 per annum.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KEARNS. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KEARNS. They have been employed there because of their technical knowledge. If you bar them from employment the Government will be required to go out, or the bureau will, and get other men at the same salary who have not the technical knowledge. Consequently the War Risk Bureau will suffer. These men are not taking anything from the Government that some other man would not have taken had he been employed.

Mr. BLANTON. Oh, yes; but they are taking jobs away from other men who probably want them and who could fill them just as well.

Mr. KEARNS. Oh, not as well, because they have a technical knowledge.

Mr. BLANTON. When they are also drawing retired pay themselves. Is that right to the rest of the population of the country?

Mr. KEARNS. What would the gentleman say to this: These men have been employed there for over a year and a half. The Comptroller General has rendered an opinion only recently, and under that opinion the order has gone out that these men shall pay back every nickle that they have received under their employment there for a year and a half.

Mr. BLANTON. That is exactly what the Members of Congress did when they enlisted in the service during the war. They did not draw the two salaries; they waived one.

Mr. KEARNS. But this Congress has enacted into law this provision that I have read caring for the retired officers. Congress always does take care of the man higher up.

Mr. BLANTON. We applied this to General Harbord this morning in this very bill.

Mr. KEARNS. The general law does not apply to these retired officers; but if he be a poor enlisted man, then there are some men in this House who are always found ready to object to the enlisted man getting anything.

Mr. BLACK. Inasmuch as I interrupted the gentleman with a question, I would say that I would not favor the provision in the law. I did not vote for it. I do not believe in a man drawing more than one salary from the Government. If he is drawing a retired salary and has gone back on the active list, then I think he ought to get the pay of the active list.

Mr. KEARNS. Then why permit men who are on the pension rolls at a high pension to draw salaries? Some men are on the pension rolls for more than these men receive as retired salary, and yet they are employed throughout the Government service.

Mr. BLACK. I do not look upon a pension in the same way as I look upon retired pay.

Mr. KEARNS. The effect on the Treasury and the principle are the same. These men have gone into the service and as enlisted men have gone through the Spanish-American War, the Philippine insurrection, and have rendered valuable service to their country, for which they have been retired. This amendment ought to become a law at once, because if not these 12 men will be required to pay back something like $4,000 each, something that none of them is able to do. As employees of the War Risk Bureau they have rendered service to the United States, a better service than any other 12 men could have rendered because of their peculiar knowledge.

Mr. BLACK. If the gentleman will allow just this suggestion, I will not interrupt him any more and will get him more time if he wishes it. As far as I am concerned, I would be perfectly willing to vote for a provision such as we adopted in reference to the pay of civilian employees who had been retired under the civil service retirement act—that is, permit men to draw the salary of the active position which they were holding but not retired pay.

Mr. ROACH. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. ROACH. These 12 employees in the Veterans' Bureau coming within the decision which the gentleman says was rendered by the comptroller to repay their salaries, if they elected to pay back to the Government their retirement pay instead of their salaries, would not that remedy the situation?

Mr. KEARNS. No. That official has rendered a decision that the employment in the Veterans' Bureau from the beginning was void.

Mr. ROACH. It seems to me if they elected to pay back their retirement pay rather than the salary that would remedy the situation.

Mr. KEARNS. It will not cure the opinion rendered by the Comptroller General, and he seems to be the highest authority on that subject—the last word, I should say.

Mr. FIELDS. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. FIELDS. I understood the gentleman to say that commissioned officers on the retired list had been extended the same protection of law that he now seeks for these men?

Mr. KEARNS. Absolutely.

Mr. FIELDS. And the policy Congress has adopted has extended that protection——

Mr. KEARNS. Discriminating in favor of the retired officer.

Mr. FIELDS. In favor of the commissioned officer as against the enlisted man who has served 30 years?

Mr. KEARNS. The gentleman from Kentucky has grasped the point entirely.

Mr. FIELDS. Well, I am never in favor of discriminating against the enlisted man in favor of the man who has the better job.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BLANTON. Mr. Chairman, I ask for recognition on the reservation of the point of order. Mr. Chairman, if it were not for discriminating against the enlisted man as in favor of the officer, I would make the point of order against this amendment, because I am not in favor of any man drawing two salaries. But I am in favor of amending that law that the gentleman read and providing like we did this morning in reference to General Harbord, who has joined this big corporation and is to be its head when he retires. We have kept him from drawing his salary then from this Government. We ought to prevent any employee of this Government from drawing two salaries, but, as the gentleman says, it is an inequity that we are holding against the enlisted man in favor of the officer, and I am not willing to continue that inequitable action against the enlisted man. But I want to call the attention of the gentleman from Ohio to this fact that he has opened the doors not merely to these 12 men in the Veterans' Bureau, but he has opened the doors to 5,793 other men who might be in the same fix. There are 5,793 of them who could keep on drawing their $92 per month from this Government in retired pay and then hold their other office at $3,000 to $3,500 a year from the Government in another department, and thereby deprive other deserving American citizens from taking those jobs.

Mr. KEARNS. But they have a job; there are only 12 in the service.

Mr. BLANTON. There could be 5,793 of them, if they could get such offices, because there are 5,793 enlisted men on retired pay.

Mr. KEARNS. Hardly that. All of these 12 men are retired noncommissioned officers, and they have the technical knowledge that the ordinary enlisted man has not.

Mr. BLANTON. Yes; and because of that I am not going to make a point of order.

Mr. KEARNS. I thank the gentleman.

Mr. BLANTON. I want to say this, however, that the gentleman from Ohio ought not to stop until he gets that statute repealed that permits any officer on retired pay to hold another big job and draw another big salary from the Government. The fundamental idea of retired pay is to reward a man who is not able to make his own way. That is the idea, that after a long service, when he gets to where he can not earn his own way, to take care of him. It does not contemplate an able-bodied man; an able-minded man shall leave the service on retired pay and then draw a big salary in another department of the Government. It is not right and ought to be stopped.

Mr. FIELDS. Mr. Chairman, I am of the opinion we should have a general statute that would provide that when any retired officer or enlisted man accepts a position with the Government of the United States that he should receive the compensation for that position less his retirement pay, to go back to his retired status when his services are concluded in that position; but, as I understand it, that is not the law at this time. But here is an emergency. Here are 12 men who served the Government in the capacity of enlisted men until they gained their retirement right. They were employed in the Veterans' Bureau because of their particular knowledge of that character of work which they were called upon to perform. They are performing that work and have received the compensation, and I suppose like the most of us have expended it for living, and now because of this ruling they are called upon to return this money to the Treasury. It is a hardship upon them that the Congress should not pass over lightly.

As I said in the beginning, I think we should have a general statute that where any officer or enlisted man accepts a Government position he should receive the compensation that goes with that position less his retirement pay, to revert back to his retired status when his services in that particular position are discontinued. As I previously stated, that is not the case, and if Congress does not extend relief to these 12 men they are confronted with a great hardship, a hardship that doubtless they are unable to meet. I trust that in the interest of fairness and justice the amendment of the gentleman from Ohio [Mr. KEARNS] will be adopted.

Mr. STAFFORD. Mr. Chairman, on the reservation of a point of order, I wish to say that it has been the policy of the Government always that where an Army officer, retired or active, fills a civilian position the money that he is receiving by reason of his holding an Army position should be credited to that attached to the civilian position.

There is a principle involved in the amendment offered by the gentleman from Ohio [Mr. KEARNS]. He seeks not only to validate the salaries that have heretofore been paid to these men—these retired noncommissioned officers—but he seeks to recognize a principle never before recognized by the Government—that where a man is on retired pay he shall not only receive the civilian salary, but he shall receive the civilian salary plus the retired pay.

What is the rule, so far as the War Department is concerned, when retired Army officers come back into active service? He gets not the retired pay and also the active pay; he gets merely the pay of the rank he fills while he is performing active duty. Take, for instance, the case cited by the gentleman from Texas [Mr. BLACK]. If you allow this amendment to go into effect, these men when they become of retired age will be entitled to a double retirement pay—retirement by reason of their having served 30 years or more in the Army as enlisted men, and also retirement under the general civil list retirement law.

This is a matter of too broad a scope to be considered at this time, and I feel constrained, for the reason stated, to make the point of order that it is legislation upon an appropriation bill.

The CHAIRMAN. The gentleman from Wisconsin [Mr. STAFFORD] makes the point of order against the amendment. It is clearly and avowedly legislation, and therefore the Chair sustains the point of order.

Mr. WINGO. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Arkansas moves to strike out the last word.

Mr. WINGO. Mr. Chairman, the discussion that has just taken place suggests to my mind some facts that sooner or later Congress is going to have to face. There are over 5,000 of these retired enlisted men drawing an average retirement pay of over $90 per month. I wonder who on the Committee on Military Affairs or who on the Committee on Appropriations can tell me how many retired officers we have and what the total pay is for them per year?

Mr. STAFFORD. There were 1,659 retired officers on June 30 last. At the present time there are 1,708.

Mr. WINGO. What is the total salary drawn?

Mr. STAFFORD. Last year the total pay was $6,000,000, and now they have asked for an additional amount, which will make $7,000,000, as recommended by the subcommittee.

Mr. WINGO. How many reserve officers not on active duty?

Mr. STAFFORD. I said there were 1,708. That was on June 30. There were on December 31, 2,192.

Mr. WINGO. Now, can the gentleman tell me how many reserve officers there are now who are drawing salaries, and what the total pay of that group is?

Mr. STAFFORD. It is estimated that next year the appropriation for that purpose—commissioned officers we are speaking about, not noncommissioned—will be $7,000,000 for retired pay, not for reserves but retired pay.

Mr. WINGO. I am talking about reserve officers in civil life now drawing salaries.

Mr. STAFFORD. There are no reserve officers, or very few, drawing retired pay, or pay while filling a civilian position. The only time when reserve officers are paid is while attending military camps. They get the pay of their grade. Or they are paid when they go to Army schools for three months. They then get their pay and allowances.

Mr. WINGO. In other words, take a lawyer, practicing law in my own town, a reserve officer. You say he gets no salary except when he goes to a camp?

Mr. STAFFORD. He does not.

Mr. WINGO. The gentleman is sure of that?

Mr. STAFFORD. Yes. There are a few reserve officers assigned to military camps and camps of instruction.

Mr. WINGO. How many persons are retired under the civil service law, and what is the total pay roll on that, estimated for next year?

Mr. STAFFORD. This committee has not jurisdiction over the civil-service list.

Mr. WINGO. I am not trying to get into controversy with the committee. I want to call attention to the fact that you have a growing number of people who, by reason of some connection with the Federal pay roll, become for all practical purposes pensioners, whether they be disabled or not, by reason of length of service or other things. That is growing. It is going to continue to grow. And yet Congress, which has done that, says that men who in the early days out in the Indian Territory performed a practical military service are not eligible to pensions. They throw up their hands in holy horror when there are some who wish to pension those men, among whose ranks there was a greater casualty in percentage than in any Army that the United States has ever placed upon the field of battle.

You say to them, "You can not be pensioned in your old age, when helpless and crippled, although you risked your life out in the Indian Territory under a special law and under the orders of a special court and did a special service in place of military troops," and yet you have one of the sons of such a man drawing pay as a retired civilian employee. Oh, you say, it violates the democratic principle of government when you say you are going to put an ex-United States marshal, for example, on a pension roll. I wonder what these gentlemen are going to do who are building up this civil retirement list. I wonder what they will do about old-age pensions. Do you think you can pension those who have been favored by holding public positions and hope to escape the demands of those who have become broken and disabled upon life's far-flung battle line and have become public charges upon the charity of their communities? I wonder how you are going to meet that.

A few days ago we saw in the paper the statement of a coal dealer or some one else in the city of Washington with reference to the Government fuel yard. We put through a proposition for the joint purchasing of fuel for the departments of the Government. This newspaper article stated that over 600 private families in this city are served with coal from this Government coal yard simply because of their connection with the Army and the Navy. Another case of special favors for a special class. You are going to have to meet these propositions sooner or later, and you are going to have to put on greater restrictions or else provide a general law that will provide old-age pensions equal to that you pay those who have been favored by public office, either civil or military.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SIGNAL CORPS.

SIGNAL SERVICE OF THE ARMY.

Telegraph and telephone systems: Purchase, equipment, operation, and repair of military telegraph, telephone, radio, cable, and signaling systems; signal equipment and stores, heliographs, signal lanterns, flags, and other necessary instruments; wind vanes, barometers, anemometers, thermometers, and other meteorological instruments; photographic and cinematographic work performed for the Army by the Signal Corps; motor cycles, motor-driven and other vehicles for technical and official purposes in connection with the construction, operation, and maintenance of communication or signaling systems, and supplies for their operation and maintenance; professional and scientific books of reference, pamphlets, periodicals, newspapers, and maps for use in the office of the Chief Signal Officer and the Signal Corps School, Camp Alfred Vail, N. J.; telephone apparatus, including rental and payment for commercial, exchange, message, trunk-line, long-distance, and leased-line telephone service at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, excepting local telephone service for the various bureaus of the War Department in the District of Columbia, and toll messages pertaining to the office of the Secretary of War; electric time service; the rental of commercial telegraph lines and equipment and their operation at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, including payment for individual telegraph messages transmitted over commercial lines; electrical installations and maintenance at military posts, cantonments, camps, and stations of the Army, fire control and direction apparatus and matériel for Field Artillery; salaries of civilian employees, including those necessary as instructors at vocational schools; supplies, general repairs, reserve supplies, and other expenses connected with the collecting and transmitting of information for the Army by telegraph or otherwise; experimental investigation, research, purchase and development or improvements in apparatus, and maintenance of signaling and accessories thereto, including patent rights and other rights thereto, including machines, instruments, and other equipment for laboratory and repair purposes; tuition, laboratory fees, etc., for Signal Corps officers detailed to civilian technical schools for the purpose of pursuing technical courses of instruction along Signal Corps lines; lease, alteration, and repair of such buildings required for storing or guarding Signal Corps supplies, equipment, and personnel when not otherwise provided for, including the land therefor, the introduction of water, electric light and power, sewerage, grading, roads and walks, and other equipment required, $1,875,000: *Provided*, That not to exceed $475,000 from this appropriation may be expended for salaries and wages of civilian employees, the foregoing limitation not to apply to temporary labor necessary in carrying out authorized construction or repair projects nor mechanics or labor employed on the manufacture or repair of Signal Corps apparatus in Signal Corps shops or laboratories; not to exceed $475,000 may be expended for commercial and existing Government-owned telephone and telegraph service; not to exceed $500,000 may be expended for signal equipment for organizations; not to exceed $5,000 may be expended for pigeon service; not to exceed $75,000 may be expended for photographic and cinematographic service; and not to exceed $75,000 may be expended for the operation and maintenance of Camp Alfred Vail.

Mr. ROACH. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman of the subcommittee for some information. This section for the Signal Corps carries a number of large appropriations for the signal service of the Army. I should like to ask how the appropriations under this subdivision compare with the appropriations for last year.

Mr. ANTHONY. Under the different items of the paragraph the gentleman refers to there has been an increase in research work from $60,000 to $70,000. In meteorological work there has been an increase from $20,000 to $30,000. For equipping Army transports with improved radio we have increased the appropriation from $6,000 to $16,000.

Mr. ROACH. What is the expenditure for radio service now?

Mr. ANTHONY. All through the Army?

Mr. ROACH. Yes.

Mr. ANTHONY. It would be very difficult to arrive at that. For the information of the gentleman I will state that in former years the expense of the telephone and telegraph service of the Army was tremendously large. It reached over half a million dollars. We have been pruning down these appropriations from year to year, and the Signal Corps has met the necessity for lessening this expense by installing radio communication to supplement the commercial telegraph and telephone, so that now in this country the Army transacts its business from post to post almost entirely by the use of radio. It has a complete interdepartmental radio system installed, operated by the Signal Corps.

Mr. ROACH. I only wanted to bring out what developments and improvements had been made in the radio service within the last year.

Mr. ANTHONY. I can not give the gentleman the information from the scientific standpoint, except from statements made to us by officers of the Signal Corps, that practically all the radio equipment we acquired during the war is out of date, and they claim that they are under the necessity of replacing with up-to-date equipment much of that which was acquired within the last few years.

Mr. ROACH. I take it that the gentleman's committee will look with favor on liberal appropriations for radio service.

Mr. ANTHONY. I believe we should keep up to date in that respect.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment. I will say to the gentleman from Missouri that the proposed appropriation of $1,875,000 for the Signal Corps is the estimate of the department.

I was greatly interested in the exposition that was made by the representatives of the Signal Corps as to their elaborate system of radio communication reaching from Washington to the Pacific coast. They have a main trunk line established right across the country, with branch headquarters, with one main artery leading to Indianapolis and another one to Leavenworth and going on right across the country through Chicago, Omaha, and across the mountains to San Francisco. The radio, however, has not been found to be successful in communication between the State of Washington and Alaska, because of atmospheric conditions there. In this bill later on you will find that the committee have recommended an appropriation of $750,000 for the laying of a new cable, and an authorization for an additional $750,000. Last year members of the subcommittee were rather skeptical as to whether a new cable was necessary to replace the old one. The advances that

had been made in radio communication would, some thought, supplant the use of the cable system. But upon special inquiry made of representatives of the Signal Corps it was stated that it would cost more to establish sufficient radio service to do the work of communication between Seattle and Alaska than the cost of a new cable would be.

The Signal Corps service of the Army is one of the most interesting branches. In fact, all the activities of the War Department are most interesting to a sitter-by as the officers in charge of the various branches testify to the improvements that are going on from time to time. No improvements are so marked and rapid as those in the radio service. The testimony is that the invention of to-day is virtually obsolete to-morrow, so rapid have been the strides. It will be interesting to the gentleman and to the House to know that even in ordnance many of the bombs that were used in air attacks during the World War are absolutely obsolete. Most of the munitions that were in use in the World War have become obsolete for present use. We have availed ourselves to the full of all the valuable information that our Army officers obtained in their observations in the World War, and we are going on only in the slightest experimental way to take advantage of all these modern improvements.

Mr. ROACH. I am glad to have the benefit of the observation which has just been made by the gentleman from Wisconsin and to know that the members of the committee are likewise interested in this important work. I am glad to know that it is receiving the attention of the committee and at the hands of the department as well as at the hands of the committee.

Mr. STAFFORD. We have not cut down the appropriation one cent.

Mr. ROACH. I was interested to know, and felt that the country would be interested to know, that the appropriation for adequate installation has been made.

Mr. SISSON. Mr. Chairman, I want to make one single observation. The radio of last year as compared with the radio of this year is about like comparing a wheelbarrow to a Pierce-Arrow. [Laughter.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

AIR SERVICE.

AIR SERVICE, ARMY.

For creating, maintaining, and operating at established flying schools and balloon schools courses of instruction for officers, students, and enlisted men, including cost of equipment and supplies necessary for instruction, purchase of tools, equipment, materials, machines, textbooks, books of reference, scientific and professional papers, instruments and materials for theoretical and practical instruction; for maintenance, repair, storage, and operation of airships, war balloons, and other aerial machines, including instruments, materials, gas plants, hangars, and repair shops, and appliances of every sort and description necessary for the operation, construction, or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith and the establishment of landing and take-off runways; for purchase of supplies for securing, developing, printing, and reproducing photographs in connection with aerial photography; improvement, equipment, maintenance, and operation of plants for testing and experimental work, and procuring and introducing water, electric light and power, repair of such utilities at such plants; for the acquisition of land or interest in land by purchase, lease, or condemnation where necessary to explore for, procure, or reserve helium gas, and also for the purchase, manufacture, construction, maintenance, and operation of plants for the production thereof and experimentation therewith; salaries and wages of civilian employees as may be necessary, and payment of their traveling and other necessary expenses as authorized by existing law; transportation of materials in connection with consolidation of Air Service activities; experimental investigation and purchase and development of new types of aircraft, accessories thereto, and aviation engines, including patents and other rights thereto, and plans, drawings, and specifications thereof; for the purchase, manufacture, and construction of airships, balloons, and other aerial machines, including instruments, gas plants, hangars, and repair shops, and appliances of every sort and description necessary for the operation, construction, or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith; for the marking of military airways where the purchase of land is not involved; for the purchase, manufacture, and issue of special clothing, wearing apparel, and similar equipment for aviation purposes; for all necessary expenses connected with the sale or disposal of surplus or obsolete aeronautical equipment, and the rental of buildings and other facilities for the handling or storage of such equipment; for the services of such consulting engineers at experimental stations of the Air Service as the Secretary of War may deem necessary, including necessary traveling expenses; purchase of special apparatus and appliances, repairs and replacements of same used in connection with special scientific medical research in the Air Service; for maintenance and operation of such Air Service printing plants outside of the District of Columbia as may be authorized in accordance with law; for publications, station libraries, special furniture, supplies and equipment for offices, shops, and laboratories; for special services, including the salvaging of wrecked aircraft, $12,426,000: *Provided*, That not to exceed $2,500,000 from this appropriation may be expended for pay and expenses of civilian employees other than those employed in experimental and research work; not exceeding $500,000 may be expended for experimentation, conservation, and production of helium; not exceeding $3,000,000 may be expended for experimental and research work with airplanes or lighter-than-air craft and their equipment, including the pay of necessary civilian employees: *Provided*, That not less than $50,000 of this amount shall be used for continuation of airplane bombing tests against obsolete naval craft; not exceeding $500,000 may be expended for the production of lighter-than-air equipment; and not exceeding $300,000 may be expended for improvement of stations, hangars, and gas plants for the Regular Army: *Provided further*, That not less than $2,646,000 shall be expended for the production and purchase of new airplanes and their equipment, spare parts, and accessories: *Provided further*, That claims not exceeding $250 in amount for damages to persons and private property resulting from the operation of aircraft at home and abroad may be settled out of the funds appropriated hereunder when each claim is substantiated by a survey report of a board of officers appointed by the commanding officer of the nearest aviation post and approved by the Chief of Air Service and the Secretary of War: *Provided further*, That claims so settled and paid from the sum hereby appropriated shall not exceed in the aggregate the sum of $4,000: *Provided further*, That section 3648, Revised Statutes, shall not apply to subscriptions for foreign and professional newspapers and periodicals to be paid for from this appropriation.

Mr. ROACH. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee if he will make some statement and give the committee some information in relation to the activities of the Air Service work that is being carried on in this subdivision.

Mr. ANTHONY. In regard to the appropriation for the Air Service, we have allowed the estimate submitted by the Budget, except that we have reduced the item for experimental development at the Dayton plant about $200,000. We allowed them in full the amount they asked for new production.

Mr. ROACH. To what degree of success and improvement is the work being carried on?

Mr. ANTHONY. The work at the Dayton plant has been toward the development of a new engine. They have made a marked advance in the development of airships along the line toward an all-metal type of plane. The plane of the future, that will be manufactured under this appropriation, will be an all-metal type. For instance, it is proposed to expend for new production—the major item will be 48 pursuit planes that will cost $15,000 each. This will be one of three types they have under consideration at this time. There will be 152 observation planes costing $12,500 each that will involve a total of $2,640,000. In addition to that they are going to build three lighter-than-air ships, type C, of 200,000 cubic feet capacity, costing $72,000 each, and another costing $70,000. They are for observation purposes. The total for lighter-than-air ships is $350,000. To remodel Liberty engines they will utilize a considerable amount. It costs about $1,000 to remodel a Liberty engine. That is in substance how they propose to expend this appropriation.

Mr. ROACH. I thank the gentleman for the information.

Mr. ANTHONY. It is interesting to know that last year we found that in reference to the previous year's appropriation of $3,000,000 for new production for Air Service the War Department was frank enough to tell us that they had not been able to expend the money because they had been unable to decide on the proper type of plane. Now they feel that they have reached a point where they are able to go ahead. They have obligated the money they had last year, and together with that of this year they will use in this work.

Mr. ROACH. I thank the gentleman.

Mr. HILL. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. HILL: Page 49, line 19, after the word "appropriation," change the period to a colon and add the following: "*Provided further*, That hereafter actual and necessary expenses of warrant officers and enlisted men traveling by air in connection with aviation shall be paid from the appropriation for the work in connection with which the travel is performed."

Mr. HICKS and Mr. BLANTON reserved a point of order.

Mr. HILL. Mr. Chairman, I should like to ask the chairman of the committee in reference to this amendment—it is clearly a limitation and a proper limitation. Would not that be the effect of it?

Mr. ANTHONY. In my opinion, the amendment along the line of a proper accounting by charging to the individual appropriation the expenditure pertaining thereto is desirable. All the other branches of the service have the right to charge the traveling expenses attached thereto, except the Air Service. It is a new form of travel and communication, and this is being asked for by the Air Service.

Mr. HICKS. Mr. Chairman, I am in great sympathy with the merits of the proposition. I believe it is one that should be enacted into law. I have investigated it as far as the Navy is concerned, and I think the proposition is fair and just; but in protecting as well as I can the procedure of the House in regard to legislation on an appropriation bill, I shall make the point of order on the ground that the word "hereafter" provides for permanent legislation in violation of the rule against legislation on appropriation bills.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

The services of aeronautical engineers, skilled draftsmen, and such technical and other services as the Secretary of War may deem necessary may be employed only in the office of the Chief of Air Service to carry into effect the various appropriations for aeronautical purposes, to be paid from such appropriations, in addition to the foregoing employees appropriated for in the office of the Chief of Air Service: *Provided*, That the entire expenditure for this purpose for the fiscal year 1924 shall not exceed $90,000, and the Secretary of War shall each year in the Budget report to Congress the number of persons so employed, their duties, and the amount paid to each.

Mr. ANTHONY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13793, the Army appropriation bill, and had come to no resolution thereon.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 3384. An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Paiute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service; to the Committee on Indian Affairs.

S. 4029. An act amendatory of and supplemental to an act entitled "An act to incorporate the Texas Pacific Railroad Co. and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Thursday, January 18, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

912. A letter from the Comptroller General of the United States, transmitting a draft of proposed legislation to amend section 1709 of the Revised Statutes of the United States as amended by the act of March 3, 1911; to the Committee on Foreign Affairs.

913. A letter from the Secretary of War, transmitting a draft of proposed legislation fixing the total cost of officers' quarters at $18,000 for a general officer, $15,000 for a colonel or an officer above the rank of captain, or $12,000 for an officer of or below the rank of captain (H. Doc. No. 534); to the Committees on Military Affairs and Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FOCHT: Committee on the District of Columbia. S. J. Res. 247. A joint resolution authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia, June 5, 6, and 7, 1923, and for other purposes; with amendments (Rept. No. 1422). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEENERSON: Committee on the Post Office and Post Roads. H. R. 13714. A bill to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes; without amendment (Rept. No. 1423). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HICKS: A bill (H. R. 13851) providing for the purchase of a site and the erection of a public building at Sayville, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13852) providing for the purchase of a site and the erection of a public building at Sag Harbor, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13853) providing for the purchase of a site and the erection of a public building at Riverhead, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13854) providing for the purchase of a site and the erection of a public building at Port Jefferson, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13855) providing for the purchase of a site and the erection of a public building at Northport, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13856) providing for the purchase of a site and the erection of a public building at Huntington, N. Y.; to the committee on Public Buildings and Grounds.

Also, a bill (H. R. 13857) providing for the purchase of a site and the erection of a public building at Greenport, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13858) providing for the purchase of a site and the erection of a public building at Patchogue, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13859) providing for the purchase of a site and the erection of a public building at Bay Shore, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13860) providing for the purchase of a site and the erection of a public building at Babylon, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13861) providing for the purchase of a site and the erection of a public building at Amityville, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13862) providing for the purchase of a site and the erection of a public building at Port Washington, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13863) providing for the purchase of a site and the erection of a public building at Hicksville, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13864) providing for the purchase of a site and the erection of a public building at Farmingdale, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13865) providing for the purchase of a site and the erection of a public building at Oyster Bay, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13866) providing for the purchase of a site and the erection of a public building at Mineola, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13867) providing for the purchase of a site and the erection of a public building at Rockville Center, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13868) providing for the purchase of a site and the erection of a public building at Hempstead, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13869) providing for the purchase of a site and the erection of a public building at Freeport, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13870) providing for the purchase of a site and the erection of a public building at Glen Cove, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13871) providing for the purchase of a site and the erection of a public building at Flushing, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13872) providing for the purchase of a site and the erection of a public building at Woodmere, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13873) providing for the purchase of a site and the erection of a public building at Long Beach, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13874) providing for the purchase of a site and the erection of a public building at Lynbrook, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13875) providing for the purchase of a site and the erection of a public building at Lawrence, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13876) providing for the purchase of a site and the erection of a public building at Cedarhurst, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 13877) providing for the purchase of a site and the erection of a public building at Great Neck, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. McFADDEN: A bill (H. R. 13878) to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922; to the Committee on Banking and Currency.

By Mr. HICKEY: A bill (H. R. 13879) to amend paragraph 1101 of Schedule 11 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922; to the Committee on Ways and Means.

By Mr. ROGERS: A bill (H. R. 13880) for the reorganization and improvement of the foreign service of the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. LINEBERGER: A bill (H. R. 13881) to exempt from cancellation certain desert-land entries in Riverside County, Calif.; to the Committee on the Public Lands.

By Mr. WINSLOW: A bill (H. R. 13882) to amend the act entitled "An act to establish a commission to be known as the United States Coal Commission for the purpose of securing information in connection with questions relative to interstate commerce in coal, and for other purposes," approved September 22, 1922; to the Committee on Interstate and Foreign Commerce.

By Mr. SINCLAIR (by request): A bill (H. R. 13883) to provide adjusted compensation for veterans of the World War, and providing revenue to pay claims that may arise and be made valid and payable by this act, and authorizing and directing the Secretary of the Treasury to purchase silver bullion at a market value hereby fixed, and coin standard silver dollars therefrom, and setting aside the seigniorage arising out of the proportion of difference between the bullion value thereof and the coin value thereof, providing for issuing legal-tender coin certificates, and providing means for redemption thereof; to the Committee on Ways and Means.

By Mr. BALDWIN: A bill (H. R. 13884) to amend the Federal highway act of November 9, 1921, as amended by the act of June 19, 1922, extending the provisions thereof to the Territory of Hawaii; to the Committtee on Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 13885) granting an increase of pension to Mary L. Cory; to the Committee on Invalid Pensions.

By Mr. BURDICK: A bill (H. R. 13886) granting a pension to Marie F. Manns; to the Committee on Pensions.

By Mr. CHALMERS: A bill (H. R. 13887) granting a pension to Maude L. Vinson; to the Committee on Invalid Pensions.

By Mr. COLE of Ohio: A bill (H. R. 13888) granting a pension to John Herndon; to the Committee on Invalid Pensions.

By Mr. FAIRFIELD: A bill (H. R. 13889) granting a pension to Caroline M. Fleming; to the Committee on Invalid Pensions.

By Mr. GORMAN: A bill (H. R. 13890) for the relief of Thomas Mabury or Mebri; to the Committee on Military Affairs.

Also, a bill (H. R. 13891) appointing Charles H. Slack to the grade of chief engineer on the retired list; to the Committee on Naval Affairs.

By Mr. GREENE of Massachusetts: A bill (H. R. 13892) for the relief of Mary C. Busiere; to the Committee on Claims.

Also, a bill (H. R. 13893) for the relief of Ralph W. Clapp; to the Committee on Claims.

By Mr. KELLER: A bill (H. R. 13894) for the relief of the Canadian Pacific Railway Co.; to the Committee on Claims.

By Mr. LAWRENCE: A bill (H. R. 13895) granting a pension to William Schuetz; to the Committee on Invalid Pensions.

By Mr. LUHRING: A bill (H. R. 13896) granting a pension to Annie M. Fay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13897) granting a pension to Nancy A. Gordon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13898) granting a pension to Minerva Lane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13899) granting a pension to Aaron N. Montgomery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13900) granting a pension to Caroline K. Nester; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13901) granting a pension to Sophia Skaggs; to the Committee on Invalid Pensions.

By Mr. McPHERSON: A bill (H. R. 13902) granting a pension to Matilda D. Bell; to the Committee on Invalid Pensions.

By Mr. MAGEE: A bill (H. R. 13903) for the relief of the New York State Fair Commission; to the Committee on Claims.

By Mr. MAPES: A bill (H. R. 13904) granting a pension to May Edgeler; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 13905) granting an increase of pension to Catharine Anderson; to the Committee on Invalid Pensions.

By Mr. WATSON: A bill (H. R. 13906) granting a pension to Wilhelmina S. Brand; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6867. By the SPEAKER (by request): Resolution adopted by the Illinois State Federation of Labor, urging the United States to recognize the present Government of Mexico; to the Committee on Foreign Affairs.

6868. By Mr. CLAGUE: Petition of the citizens of Brown County, Minn., and of Watonwan County, Minn., to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6869. Also, petition of citizens of the counties of Brown, Blue Earth, Jackson, and Watonwan, that relief be extended to the peoples now residing in the famine-stricken districts of the German and Austrian Republics; to the Committee on Foreign Affairs.

6870. By Mr. COLE of Ohio: Petition of citizens of Crawford County, Ohio, requesting the Government of the United States to aid the indigent people of Germany and Austria; to the Committee on Foreign Affairs.

6871. By Mr. HOCH: Petition signed by Conrad Vogel and 139 others, residents of Marion County, Kans., urging the passage of joint resolution now pending in Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6872. By Mr. KINDRED: Petition of John J. McKee, of the United States Immigration Service, favoring legislation to facilitate commerce by providing extra pay for officers stationed at the borders when they are on duty at unusual hours; to the Committee on Immigration and Naturalization.

6873. Also, petition of New York Harbor Protective and Development Association, urging a larger appropriation for the maintenance and construction of the necessary waterway developments of the whole country; to the Committee on Rivers and Harbors.

6874. Also, resolution adopted by the Society of Colonial Wars in the State of New York, favoring a Regular Army at not less than a minimum of 13,000 officers and 150,000 enlisted men; to the Committee on Military Affairs.

6875. By Mr. KISSEL: Petition of New York State Division, the Association Against the Prohibition Amendment, New York City, N. Y., urging repeal of the Volstead Act; to the Committee on the Judiciary.

6876. By Mr. LAYTON: Petition of citizens of Delaware, for the abolition of the discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6877. By Mr. MAPES: Resolutions of Arthur J. Thomas and others, of Grand Rapids, Mich., for the repeal of the tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6878. By Mr. NEWTON of Minnesota: Petition of Mr. H. F. Wernecke and other residents of Minneapolis, Minn., petitioning support of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6879. By Mr. SINCLAIR: Petition of George Barrow, Joseph Fitzgerald, and W. A. Priess, on behalf of the Garrison Farm Loan Association, Garrison, N. Dak., condemning House bill 13125, excepting the section providing for an increase in loan limits; also expressing disapproval of House bill 13196; to the Committee on Banking and Currency.

6880. Also, petition of Benedict Farm Loan Association, Benedict, N. Dak., condemning the Strong bill (H. R. 13125) excepting as to the section increasing the limit on loans from $10,000 to $25,000; to the Committee on Banking and Currency.

6881. Also, petition of Bergen National Farm Loan Association, Bergen, N. Dak., opposing the passage of House bill 13125 and Senate bill 4130, to amend the Federal farm loan act; to the Committee on Banking and Currency.

6882. Also, petition of Bowbells National Farm Loan Association, Bowbells, N. Dak., condemning the Strong bill, H. R. 13125, which seeks to amend six sections of the Federal farm loan act; to the Committee on Banking and Currency.

6883. Also, petition of Cando Farm Loan Association, Cando, N. Dak., opposing legislation to amend the Federal farm loan act, except as to permitting an increase of the limits of loans; to the Committee on Banking and Currency.

6884. Also, petition of the Carson National Farm Loan Association, Carson, N. Dak., protesting against the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6885. Also, petition of Columbus National Farm Loan Association, Columbus, N. Dak., protesting against the passage of any legislation which would take control of the Federal land

bank system out of the hands of the members who furnished the capital stock, and in particular against House bill 13125; to the Committee on Banking and Currency.

6886. Also, petition of Ellendale National Farm Loan Association, Ellendale, N. Dak., opposing parts of House bills 13125 and 13196; to the Committee on Banking and Currency.

6887. Also, petition of Frank Frank and 54 others, of Taylor and Lefor, N. Dak., in favor of extending aid to the famine-stricken peoples of Germany and Austria; to the Committee on Foreign Affairs.

6888. Also, petition in the form of a letter from O. A. Hagen, secretary-treasurer of the Berthold National Farm Loan Association, Berthold, N. Dak., on behalf of the members of the association, protesting against the passage of the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6889. Also, petition in the form of a letter from S. G. Hedahl, Alamo, N. Dak., on behalf of the stockholders of the Alamo Farm Loan Association, opposing the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6890. Also, petition in the form of a letter from S. H. Hesla, secretary-treasurer of the White Earth National Farm Loan Association, White Earth, N. Dak., on behalf of that association, protesting against the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6891. Also, petition in the form of a letter from Nick A. Lefor, Lefor, N. Dak., secretary-treasurer of the Lefor Farm Loan Association, expressing the disapproval of that organization of the Strong bill, which proposes certain changes in the Federal farm loan act; to the Committee on Banking and Currency.

6892. Also, petition of J. B. Meyers, secretary-treasurer of the Grano National Farm Loan Association, Grano, N. Dak., opposing House bill 13125; to the Committee on Banking and Currency.

6893. Also, petition in the form of a letter from John T. Neville, secretary-treasurer of the Eastern Bottineau County Farm Loan Association, Bottineau, N. Dak., expressing the opposition of that association to the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6894. Also, petition of the members of the New Salem National Farm Loan Association, New Salem, N. Dak., unanimously opposing the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6895. Also, petition of Northern Griggs County National Farm Loan Association, Binford, N. Dak., opposing the passage of House bill 13125, known as the Strong bill; to the Committee on Banking and Currency.

6896. Also, petition in the form of a letter from A. J. Ross, secretary-treasurer of the Stanley Farm Loan Association, Stanley, N. Dak., requesting Senators and Representatives in Congress to oppose all changes in the Federal farm loan act except one which would increase the loan limit from $10,000 to $25,000; to the Committee on Banking and Currency.

6897. Also, petition of the directors of the Southeast Slope National Farm Loan Association, Scranton, N. Dak., protesting against the passage of the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6898. Also, petition of A. F. Thompson, J. A. Bartell, and A. N. Wing, of Van Hook, N. Dak., a committee appointed to represent the Van Hook National Farm Loan Association, urging the establishment of a Government agency which will assure farmers the cost of production; also protesting against any legislation looking to changes in the Federal farm loan act, and especially the Strong bill; to the Committee on Banking and Currency.

6899. Also, petition of the directors and stockholders of the Glen Ullin National Farm Loan Association, Glen Ullin, N. Dak., protesting against the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6900. Also, petition of Underwood Farm Loan Association, Underwood, N. Dak., favoring the passage of rural credits legislation for the relief of agriculture; also protesting against the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6901. By Mr. TINKHAM: Resolution adopted at convention of Sportsmen's Clubs of Massachusetts, favoring the passage of House bill 5823; to the Committee on Agriculture.

6902. By Mr. WILLIAMSON: Petition of Elmer Stabenow and other citizens, of Dupree, S. Dak., favoring a joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6903. By Mr. WYANT: Petition of Fort Ligonier Chapter, No. 349, members of Order of Eastern Star, and citizens of Pennsylvania, asking for passage of the Towner-Sterling bill for the creation of a department of education; to the Committee on Education.

6904. Also, petition of Knights of Malta, members of Export Commandery No. 501, and citizens of Pennsylvania, asking for the passage of the Towner-Sterling bill for the creation of a department of education; to the Committee on Education.

6905. Also, petition of sundry citizens of Pennsylvania, favoring a joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6906. Also, petition of Order Eastern Star, members of Greensburg Chapter, and citizens of Pennsylvania, asking for the passage of the Towner-Sterling bill for the creation of a department of education; to the Committee on Education.

SENATE.

THURSDAY, *January 18, 1923.*

(Legislative day of Tuesday, January 16, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

INVITATION TO ARMY WAR COLLEGE.

The VICE PRESIDENT laid before the Senate a communication from the commandant of the Army War College, extending an invitation to the Members of the Senate to attend conferences and lectures at the War College on the campaigns and battles of the World War, which was read and ordered to lie on the table, as follows:

THE ARMY WAR COLLEGE,
Washington Barracks, D. C., January 17, 1923.

The VICE PRESIDENT,
Senate Chamber.

MY DEAR SIR: On January 25, 26, and 27 the program of conferences and lectures at the Army War College includes subjects which, I believe, will be of special interest to Members of Congress as indicating the character of work that is being done at this institution.

These conferences will cover some of the phases of the more important campaigns and battles of the World War. While the doors of the college are always open to Members of Congress and we are glad to have them visit us at any time, I am sending the program of these three days with a special invitation to you and the Members of the Senate to be present at some or all of these conferences. The program has been arranged in the hope that it will meet the convenience of the Members.

Very sincerely yours, E. F. MCGLACHLIN, Jr.,
Major General, United States Army, Commandant.

THE ARMY WAR COLLEGE,
Washington Barracks, D. C., January 17, 1923.

COURSE AT THE ARMY WAR COLLEGE, 1922–23.

PROGRAM FOR DISCUSSION OF BATTLE FRONTS.

Thursday, January 25: 9.05 to 10.20 a. m., Nivelle's attack of 1917; 10.30 to 12 m., the Dardanelles.

Friday, January 26: 9.05 to 10.20 a. m., Rumanian campaign; 10.30 to 12 m., the Battle of Jutland.

Saturday, January 27: 9.05 to 10.20 a. m., the situation on the western front in July, 1918, from the German high command viewpoint; 10.30 to 12 m., the March, 1918, offensive, from the viewpoint of the German high command.

SUPPLY OF WHITE ARSENIC IN THE UNITED STATES (S. DOC. NO. 290).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, in response to Senate Resolution 377, agreed to December 6, 1922, a joint report on the available supply of arsenic to meet the demand in 1923, by Mr. B. R. Coad, of the Bureau of Entomology, Agricultural Department, and Mr. G. F. Loughlin, of the United States Geological Survey, Interior Department, which, with the accompanying papers, was referred to the Committee on Agriculture and Forestry and ordered to be printed.

BRIDGE BILLS.

Mr. CALDER. From the Committee on Commerce I wish to report one Senate and several House bills giving permission for the erection of bridges over navigable streams. There is no objection to them; they are in regular form; and I shall ask unanimous consent for their present consideration.

The VICE PRESIDENT. Without objection, the reports will be received.

MERRIMACK RIVER BRIDGE.

Mr. CALDER. I report back favorably from the Committee on Commerce without amendment the bill (S. 4288) to grant the consent of Congress for the special commission constituted by an act of the Legislature of Massachusetts to construct a bridge across the Merrimack River. I ask unanimous consent for its present consideration.

There being no objection, the bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted for the special commission constituted by chapter 507 of the acts passed by the Legislature of Massachusetts during the session of 1922, and the county commissioners of Essex County, in the State of Massachusetts, acting jointly or separately, and their successors and assigns, to construct or reconstruct, maintain, and operate a bridge and approaches thereto across the Merrimack River at Main Street, in the city of Haverhill, in the county of Essex, in the State of Massachusetts, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, said bridge to replace the present or Haverhill lower bridge, so called, at said location.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DAM ACROSS RED RIVER OF THE NORTH.

Mr. CALDER. I report back favorably, without amendment, from the Committee on Commerce the bill (H. R. 12777) granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North, and I submit a report (No. 1020) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate, at a point suitable to the interests of navigation, a dam across the Red River of the North at or near the cities of Grand Forks, N. Dak., and East Grand Forks, Minn.: *Provided*, That the work shall not be commenced until the plans therefor have been filed with and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate electricity.

SEC. 2. That this act shall be null and void unless the actual construction of this dam hereby authorized is commenced within two years and completed within four years from the date hereof.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PEARL RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably, without amendment, the bill (H. R. 13139) granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi, and I submit a report (No. 1021) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Great Southern Lumber Co., a corporation of the State of Pennsylvania doing business in the State of Mississippi, its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto across the Pearl River at a point suitable to the interests of navigation approximately 1½ miles north of Georgetown, in the State of Mississippi, and in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ST. FRANCIS RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably, without amendment, the bill (H. R. 13195) granting the consent of Congress to the State highway commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri, and I submit a report (No. 1022) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State highway commission of Missouri and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, at a point suitable to the interests of navigation on the county line between Butler and Dunklin Counties, on the south line of section 3, township 22 north, range 8 east, in the State of Missouri, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ROCK RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 13474) granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River, and I submit a report (No. 1023) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River, at a point suitable to the interests of navigation, on the extension of Auburn Street, in said city of Rockford, and in section 13, township 44 north, range 1 east, of the third principal meridian, in the county of Winnebago and State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ESCAMBIA RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 13493) to authorize the State Road Department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River near Ferry Pass, Fla., and I submit a report (No. 1024) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That authority is hereby granted to the State Road Department of the State of Florida, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across Escambia River, Fla., and its tributaries, between Pensacola and Milton, near Ferry Pass, Fla., at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CLERK HIRE OF MEMBERS OF CONGRESS AND DELEGATES.

Mr. WARREN. Mr. President, I ask consent to report from the Committee on Appropriations favorably a House joint resolution.

The VICE PRESIDENT. Without objection, the report will be received.

Mr. WARREN. From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 16) providing for pay to clerks to Members of Congress and Delegates. It is a measure of only a few lines, and I ask for its immediate consideration.

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read as follows:

Resolved, etc., That hereafter appropriations made by Congress for clerk hire for Members, Delegates, and Resident Commissioners shall be paid by the Clerk of the House of Representatives to one or two persons to be designated by each Member, Delegate, or Resident Commissioner, the names of such persons to be placed upon the roll of employees of the House of Representatives, together with the amount to be paid each; and Representatives, Delegates, and Resident Commissioners elect to Congress shall likewise be entitled to make such designations: *Provided*, That such persons shall be subject to removal at any time by such Member, Delegate, or Resident Commissioner with or without cause.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REPORT OF THE COMMITTEE ON AGRICULTURE AND FORESTRY.

Mr. HARRISON, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4324) to amend "An act to authorize association of producers of agricultural products," reported it without amendment and submitted a report (No. 1025) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE (by request):

A bill (S. 4364) for the relief of the widow of Capt. Benjamin D. Cotter (with an accompanying paper); to the Committee on Claims.

By Mr. SPENCER:

A bill (S. 4365) to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883; to the Committee on Indian Affairs.

By Mr. BALL:

A bill (S. 4366) for the relief of W. Ernest Jarvis (with accompanying papers); to the Committee on Claims.

By Mr. McKINLEY:

A bill (S. 4367) for the relief of Mary B. Jenks; to the Committee on Claims.

A bill (S. 4368) granting an increase of pension to Emma J. Eley; to the Committee on Pensions.

By Mr. FRELINGHUYSEN:

A bill (S. 4369) for the relief of Wilhelmina D. Holman and the estate of M. Samuel; to the Committee on Claims.

By Mr. SMOOT:

A joint resolution (S. J. Res. 270) concerning lands devised to the United States Government by the late Joseph Battell, of Middlebury, Vt.; to the Committee on Public Lands and Surveys.

RANK AND PAY OF NAVAL OFFICERS.

Mr. KELLOGG submitted an amendment intended to be proposed by him to the bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, which was referred to the Committee on Naval Affairs and ordered to be printed.

THE SILVER SITUATION.

Mr. WALSH of Montana. Mr. President, much anxiety has been felt in certain sections of the country in which the silver industry is important concerning its future when the Pittman Act shall have spent its force. I have here a letter addressed to me a few days ago by one of the officers of the Anaconda Copper Mining Co., a large producer of silver, which is an instructive and interesting discussion of the general subject, regarding which Congress will doubtless be called upon to legislate in the future. I ask unanimous consent to have it printed in the RECORD, and in 8-point type.

The VICE PRESIDENT. Without objection it is so ordered.

The letter is as follows:

ANACONDA COPPER MINING CO.,
OFFICE OF THE PRESIDENT,
New York, December 20, 1922.

DEAR SENATOR WALSH: In accordance with our conversation of the other day, I submit a general outline of the silver problem as it appears to the American producers, assuring you that we are keenly alive to the importance of the matter and anxious to avail ourselves of the proffered cooperation of yourself and your associates upon a subject that so vitally affects the mining industry in Montana and other States where precious-metal mining constitutes a basic industry.

It is rather difficult to confine even the briefest digest of the silver situation within the proper space of an ordinary letter. There are so many ramifications to the subject that one is tempted, no matter from what angle an approach is made, to digress along lines that inevitably lead into a maze of social, economic, and financial problems, through which no clear pathway is marked and regarding which no definite opinion can be expressed, as the ultimate solution is dependent upon the policies adopted and carried out by the more important Governments with reference to their fiscal requirements and currency systems.

The situation may be summarized by inviting answers to two queries:

First. What, if any, plan have the silver producers, as being the most directly interested, to offer in meeting the situation which will confront the industry upon the termination of purchases of domestic silver under the Pittman Act?

Second. What, if any, assistance can be extended by the Government in connection with the problem?

In answer to the first inquiry, I know that while the matter has been the subject of discussion among the principal producers, they have been unable to formulate a definite plan, principally because they have been and are dealing with a subject embracing many unknown factors; and, second, it has been felt that before any plan is adopted there should be indicated the extent to which cooperation on the part of the Government may be depended upon to enable a proper study of the situation to be made.

In order to explain these rather cryptic statements, a general review of the situation may aid. Whatever differences of opinion there may have been in the past upon the subject of bimetallism or the establishment of a fixed ratio between the coinage value of gold and silver, it will probably be conceded that it would be neither wise nor expedient to attempt a revival of this discussion, nor to undertake to solve the question by the adoption of such a remedy. Issues of controversial economics must be avoided if possible; political economics will destroy, not assist, constructive effort.

If these conclusions be accepted, the position of the American silver producer, in the absence of special legislation, is dependent upon the demand for his product in the markets of the world; and the price should be the reflex of such demand, freed from any effort to artificially increase, decrease, or "fix it." The significance of this statement will become more apparent as the text of this letter is followed.

I have read recently with interest the speech of Senator PITTMAN with reference to the Pittman Act and his prediction as to the future of the silver-producing industry, printed in the CONGRESSIONAL RECORD of August 26 last. I regret, while mindful of his great ability, that I am unable to be as unqualifiedly optimistic about silver's future as is the Senator. Neither can I bring myself to complete agreement with the economics of the situation as outlined in his instructive speech.

It is true that there is not "an unlimited supply of silver in the world ready for mining." It is also true, generally speaking, that the "problem, i. e., the price of silver, is governed by the law of supply and demand for silver throughout the world," but it must be remembered that the current production of silver is not the measure of the supply and that fiscal legislation very largely controls the demand. No one knows how much available silver there is in the world, but experience teaches that at a sufficiently high price, i. e., when it reaches a value as bullion in excess of its value as coin, enormous quantities flow from unexpected sources. During the exceptionally high prices of 1921, tens of millions of ounces in foreign coin were shipped to the refineries of the United States for remelting and refining. On the other hand, had it not been for the fact that the paper-note issue of India was convertible immediately into silver rupees—a demand of fiscal law—the crisis that confronted the British Government in 1917 and 1918, so graphically described by the Senator, would not have occurred; there would have been no necessity to have furnished the enormous quantity of bullion required to meet that emergency, nor to have enacted the Pittman Act as an enabling measure.

The release from the Treasury vaults of 209,000,000 ounces of silver melted under the act, as well as the dumping by European, Central and South American Governments during the period of high prices, has not depleted the silver supply of the world, but merely added to free stock. The bullion has changed hands, but it is still available; on the other hand, a volume of legislation has been enacted during the past three years, intended to, and which will have an important effect upon the demand for silver, none of it tending to an improvement of its market position.

It is because of these important factors, the effect of which can not be accurately measured, that the American producer is unable, unaided, to form definite opinions as to the future of his product.

We do know that upon the expiration of the Pittman Act we will face a new situation, and that unless intelligent study is given the matter we will be at sea until time and tide teach us that which to some extent we should endeavor to anticipate. It is in furthering the practical study that should be made of the situation that I think you and your colleagues, whose constituencies are interested, can be of invaluable assistance.

To develop what I have in mind, I wish, at the risk of perhaps repeating what you already know, to review the situation:

Without discussing the details of the transition from bimetallism to monometallism, which occurred world-wide during the last quarter of the nineteenth century, it is in accord with the facts to assert that the disintegration of the Latin Union was responsible for conditions that led to the enactment of the Bland Act, and, later, the Sherman law, under which more than 400,000,000 ounces of silver were compulsorily purchased by the United States Government; that the effect of these measures was to support the price; and that, following the repeal of the latter law in 1891, America, although by far the most important, if the not the largest, producer of silver, practically ceased to have any influence in fixing the price of the metal until the modus operandi of the London market became disturbed by war conditions.

The enormous increase in the export trade of China and India during the last 25 years, coupled with the fact that silver was by tradition, adaptation, and legislation the money-metal needed by those countries, resulted in the Far East being the most important market for the world's output. The cessation of legislative purchases by the United States was followed by an increased flow of the metal to India, with the inevitable result that the exchange value of the rupee declined, until in 1895 it was quoted at about 50 per cent of the normal rate. It is

maxim of oriental exchange that when it is bought, silver is sold. In other words, when one buys and pays for oriental exports, silver must be sold to liquidate the balance. The Government, as a protective measure, closed the Indian Mints to free coinage and finally established the sterling value of the rupee at 16 pence or 15 rupees to the pound sterling. From that time on London absolutely fixed the price of silver throughout the world.

In order to understand just how London has been able to fix the price of silver without consulting the producers of the metal certain prevailing conditions must be kept in mind:

(a) London has been and is the principal financial center of the world.

(b) It is the capital of the British Empire, whose possessions and the trade incident to them extend around the world.

(c) It is the clearing house through which the world's balance of trade is adjusted, and its financial sway is even greater than the political domination affecting more than 600,000,000 people.

The demand governing the price of silver is that which arises from its use as a money metal. This demand is affected not so much by the volume of current production as by the relative prosperity or adversity of peoples scattered to the remotest sections of the globe. A favorable monsoon in India, a flood or famine in China, are of infinitely greater effect on demand and price of the metal than is the discovery of a new or the failure of an old mining district.

Inasmuch as the volume of trade between China, India, and the balance of the Orient, on the one hand, and the other British possessions, on the other, greatly exceeds their respective trade balances with the rest of the world, and, moreover, as this trade is financed and the balances adjusted between these essentially silver-using countries and those whose currency is based upon the gold standard through the medium of the great Anglo-eastern banks, with headquarters in London, it is apparent why that center has such a predominating influence in the situation.

In ordinary times, since the repeal of the Sherman law and prior to the disturbance of the late war, every ounce of silver produced in the world was sold on the basis of a London quotation, as was also the purchase of every ton of silver ore by custom smelters throughout the United States.

The London quotation is arrived at in the following unique method:

Four silver-brokerage firms in London "fix the market." Representatives of these firms meet every business day. They hold in hand the orders to sell bullion and also the orders to buy silver to meet the exchange balances drawn upon London accounts. The price is adjusted to meet this situation, advancing when the exchange demand exceeds the supply, declining when the reverse is the case. This operation is known to the market as "fixing the price." The result is cabled all over the world, and a miner in Butte selling a load of ore is settled with upon the price so fixed, repeated by wire from New York through the medium of Handy & Harmon, silver brokers, and the Western Union Telegraph Co.

Without questioning the integrity of the participants to the "fixing" of the price, as it is universally acknowledged that a very high degree of honesty has marked this transaction, and conceding further that the exchange requirements in London will, until trade channels follow new courses, be the dominant factor in the situation, still the American producer has felt a dissatisfaction with the prevailing method and has entertained a desire for a change that would afford him opportunity to know the facts that govern the situation that he might exercise some function in connection with the disposal of his product. It may be akin to the desire of a Republican in Mississippi wishing to vote; nevertheless we conceive it to be his right.

I will be pleased to furnish you with greater detail as to the operations of the London silver market should you desire me to do so.

I think it unnecessary to enlarge upon it in this letter.

In addition to the lack of opportunity to participate actively in the silver market, a further cause of dissatisfaction—I am not here discussing the merits of the matter—has been caused by what has been regarded as the unreasonably large profit made by the Government as seigniorage in coining silver for use in India.

A word of explanation is necessary. The silver rupee has been the standard unit of value in Indian currency. Its weight is three-eighths of an ounce eleven-twelfths fine. During the period of violent agitation in the early nineties the price of silver was marked by wide and rapid fluctuations. Following the closure of the Indian mints to the free coinage of silver in 1893 the exchange value of the rupee rose to 1s. 4d., the equivalent in United States currency of 32.4 cents, where it remained until the upset caused by war conditions. In 1899 the British sovereign was declared legal tender for Government taxes at the rate of 15 rupees to the pound sterling.

The Indian rupee equals in weight 180 grains eleven-twelfths fine silver. The British sovereign equals 123.27 grains, of which 112.9975 grains is fine gold. Therefore in Indian currency 2,475 grains of silver is the equivalent of 112.9975 grains of gold. There are 480 grains in a troy ounce. A troy ounce of gold is the equivalent of $20.67 in United States currency. Therefore the value of silver at the above ratio is equal to 94.368 cents per ounce.

During the period from 1900 to 1915, inclusive, the average quoted price of silver by years was 57 cents an ounce.

The number of rupees coined by the Indian mints during the same period was 1,651,583,784, indicating that a profit of $212,150,066.11 was made as seigniorage, collected largely from the American miner.

The profit made under the Indian coinage act was partially deposited in the currency reserve in gold or gold securities, the balance was used for approved purposes. A British authority (White, p, 259) states in December, 1915, nearly £16,000,000 sterling in gold, or gold securities, were held in London, and £10,000,000 in gold or gold securities in India, equivalent to a total of $126,360,000, at a normal rate of $4.86 for the pound sterling. The same author is authority for the statement that in a representative year, such as 1912, when approximately 150,000,000 rupees were coined, a profit of approximately £3,000,000 sterling, or $14,580,000, was made by the mint.

In China the currency is silver without a gold reserve. A number of coins circulate. Among the more important are the British dollar and the Hongkong dollar coined at the Bombay mint. These coins weigh 416 grains, 900 fine. A seigniorage charge of 2 per cent is made by the mint, and the number of dollars coined runs into the hundreds of millions.

I have given this brief outline for the purpose of emphasizing the importance of the Orient, and particularly its two chief countries, from the standpoint of population and the coinage of silver, and without criticism have pointed out some practices in connection with the handling of the London market that have caused the American producer to feel that the market price "fixed" has not been a fair one determined by the free working of the laws of supply and demand, or through the unhampered operation of existing economic factors, but, on the contrary, that by reason of the direct interest which Great Britain, the Indian Government, and the great Anglo-Eastern banks have had in the situation the market has been handled to depress the price to the producer, thus enhancing the margin of profit to the Governments involved. All this has more to do with the past than with the present situation.

So far as action has been taken by Governments, there has been little to encourage silver producers since the cessation of the war.

Summarized, the story is largely a record of debasement or abandonment.

Sweden, Norway, and Denmark have abolished silver coin for all fractions of the krone, substituting an alloy of nickel and copper in lieu thereof.

The program of debasement of silver coinage to an alarming extent has taken place. England leads the procession in this respect also, having debased its silver coinage from 925 to 500 fine; the Netherlands and the Dutch Indies have debased their silver coin from 945 to 720 fine; Canada from 900 to 800 fine; Honduras from 900 to 500; San Salvador from 900 to 500; Singapore or Straits dollar from 900 to 600 first, then to 550; Mexico and Peru have both debased their respective currency to 500 fine.

As a result of the disturbed economic conditions prevailing in Europe, silver has disappeared as a circulating medium in Austria, Belgium, Bulgaria, Czechoslovakia, Finland, France, Germany, Greece, Hungary, Italy, Yugoslavia, Poland, Portugal, Rumania, Russia, Turkey, and many of the smaller countries.

At the present time an intensive propaganda is being conducted in India for the purpose of popularizing paper issues of the rupee and its fractional denominations. Under these conditions it is quite remarkable that the price of silver has held as firmly as has been the case during the past two years. The significance, however, of the trend toward abandonment and debasement has been to place silver, where now used at all, in the position of a mere token money.

In England I am advised that the two classes of English coin, old silver, readily distinguishable in color from the new and

containing 80 per cent more silver, circulate together without discrimination.

In considering the effect of a decline in silver upon the mining industry it should be kept in mind that not only will silver mining suffer, but inasmuch as the greater part of the output is mined in connection with zinc, lead, and copper, and forms an important element of value that helps to carry these branches of mining, the very serious effect of a collapse in the silver market upon the American mining industry can be readily appreciated.

To meet this situation it is believed that cooperative effort between the Government and the producers is essential. As to the form which the ultimate endeavor might take, I am not prepared to now make a suggestion. Recently a committee has been appointed by the American Mining Congress to give consideration to the matter. We have had several informal meetings, and the consensus of opinion seems to be that the first step should be to secure, if possible, the passage of a joint resolution by Congress providing for the appointment of a commission consisting of, say, two Senators, two Representatives, and possibly two representatives of the industry, to study the subject and submit recommendations.

There are a number of definite steps that such a commission might take. Its official character would give it access to information and secure for its representation abroad greater weight than if the work is undertaken without official sanction and backing.

If it is agreeable, I ask that you fix a date as soon after January 1 as may be convenient when two or three members of the committee may go to Washington to discuss the matter with you and some of your colleagues.

Yours very sincerely,

C. F. KELLEY.

Senator THOMAS J. WALSH,
Washington, D. C.

RURAL MARKETING AND CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4280) to provide credit facilities for the agriculture and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States; and for other purposes.

Mr. HEFLIN. Mr. President——

Mr. JONES of Washington. Would the Senator from Alabama like to have a quorum?

Mr. HEFLIN. I would.

Mr. JONES of Washington. I suggest the absence of a quorum, Mr. President.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	McLean	Smoot
Ball	Hale	McNary	Spencer
Bayard	Harreld	Moses	Stanfield
Borah	Harris	Nelson	Sterling
Brookhart	Harrison	Nicholson	Sutherland
Calder	Heflin	Norbeck	Townsend
Capper	Hitchcock	Norris	Trammell
Colt	Johnson	Oddie	Underwood
Couzens	Jones, Wash.	Overman	Wadsworth
Culberson	Kellogg	Owen	Walsh, Mass.
Curtis	Kendrick	Pepper	Walsh, Mont.
Dial	Keyes	Phipps	Warren
Fernald	King	Ransdell	Watson
Fletcher	Lodge	Reed, Pa.	Weller
Frelinghuysen	McCumber	Robinson	Williams
George	McKellar	Sheppard	Willis
Gerry	McKinley	Shields	

Mr. HALE. I wish to announce that the junior Senator from Washington [Mr. POINDEXTER] and the senior Senator from Nevada [Mr. PITTMAN] are detained on official business.

Mr. CURTIS. I was requested to announce that the Senator from Arizona [Mr. CAMERON] is detained on official business.

Mr. WILLIS. I desire to announce the unavoidable absence of my colleague [Mr. POMERENE] on account of illness. I will let this announcement stand for the day.

Mr. BROOKHART. I wish to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained at a hearing before the Committee on Manufactures.

The VICE PRESIDENT. Sixty-seven Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from South Carolina [Mr. DIAL], which proposes to amend the cotton futures law. The Senator from Alabama [Mr. HEFLIN] is entitled to the floor.

Mr. HEFLIN. Mr. President, this amendment presents a very important question. The subject was discussed here at some length on a former occasion during the month of August, I believe, and at that time it was decided not to place the amendment proposed by the Senator from South Carolina upon the law. The Committee on Agriculture and Forestry, which has had the amendment before it, was not satisfied with its provisions and did not report it favorably. Upon that committee is the senior Senator from South Carolina [Mr. SMITH]. The principal business of that Senator is that of a cotton producer. He is wonderfully well informed on this subject; I think that he is the best-informed man on the subject who has been in either branch of Congress since I have been a Member. He is not in favor of this amendment.

I am heartily in favor of doing everything that can be done to give the producer a fair deal, but I am afraid of certain provisions of the pending amendment. I now wish to call attention to one of its features which is objectionable to me; it is the one that adds two grades of cotton to the grades which we now have. We never hear more than six or seven grades of cotton mentioned in the spot markets of the country, though we have 10 grades. We put those additional grades in in order to cover the various shades of grades, but under the amendment of the Senator from South Carolina two new grades are proposed, making 12 grades in all. I was opposed to increasing the number of grades to 10. I wanted the number to remain at nine. As a Member of the other House, 12 or 14 years ago, I was instrumental in reducing the number of grades of cotton on the exchanges from 28 to 9.

Mr. DIAL. Mr. President——

Mr. HEFLIN. I yield to the Senator from South Carolina.

Mr. DIAL. I beg the Senator's pardon, but, if he will allow me, I desire to say that my amendment does not propose to increase the grades; it merely groups the grades. I do not propose to interfere with the 10 grades except to group them.

Mr. HEFLIN. It may be that the Senator does not mean to do it, but I am confident that his amendment does increase the number of grades to 12. I requested the Senator from Arizona [Mr. ASHURST] to look over the amendment and to see how many grades he thought the Senator's amendment created and he came to the conclusion, without our discussing it together, that there were 12 grades provided for in the Senator's amendment.

Mr. DIAL. The amendment provides that one grade may be provided for in two classes because it is kindred cotton. The amendment was prepared by the experts from the Agricultural Department. I am not myself an expert, but I did not intend to increase the number of grades beyond 10, which is the existing number. It only groups the grades into three classes.

Mr. HEFLIN. I did not know that was the Senator's intention, but since he has stated that he did not intend to increase the number of grades, I accept his statement. I am convinced, however, that the amendment as framed would provide for 12 grades, and I am opposed to increasing the number of grades.

I was about to say, Mr. President, that in the other House we fought to reduce, and did reduce, the number of grades of cotton from 28 to 9. I fought very earnestly for that change, and when we got it we scored a victory for honest dealing in cotton so far as the grades were concerned. The use of the 28 grades cost our farmers many millions of dollars. Under the old system all sorts of cotton were tendered, and the more grades there are the more confusing the situation becomes and the easier it is to impose upon the buyer and the producer. When the grades are reduced to a few, say 10, that number covers the whole field and it is harder to manipulate the market when the grades represent the kinds of cotton produced.

I agree with the Senator from South Carolina in many things he has said. The exchanges frequently do not comply with the law as it now stands. I have previously stated that. Their noncompliance with the law, however, is not the fault of the law; the law ought to be enforced. If desirable provisions are now in law, I think we ought to be very careful about eliminating them.

I have also been afraid, Mr. President, that if the Senator's amendment should be adopted it would outlaw the low grades of cotton in the spot markets of the country. I fear that it would put in the hands of the buyers for the spinner the power of going into the market and saying, "We will take so many bales of this grade and so many bales of that, but we can not use the others." What would be the effect of that in the market? What would happen to the producer if the buyer for the spinner were to say, "I will take these four bales, but I can not use the other six bales"? The seller would say, "I have been selling all my cotton to the same buyer; I have sold him all for an all-

around price at a certain figure, the whole 10 bales of cotton." If the law provides that certain grades which are designated shall not be tendered on contract, it seems to me that there would be an injustice done to those grades of cotton.

In line with the fight which is now being made by the Senator from South Carolina, I wish to lay down the proposition that there is but very little difference in the tensile strength of the various grades of cotton. That has been tested out by the Agricultural Department. Some cotton which may have been rained on and stained or discolored from the leaves or from some other cause may be picked out, ginned, put into the lint, and it may then be dyed red or brown or any other color, and then no man except an expert could tell whether it was strict middling or low middling cotton when bought. If that be so, then such grades of cotton ought to bring nearly as much as the higher grades. There ought not to be such a large difference in the price paid for the various grades.

Mr. McKELLAR. Mr. President——

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. I presume the Senator from Alabama is aware of the fact that there are new processes, some of which have been patented, by which stained cotton and other cotton which has been soiled may be cleaned?

Mr. HEFLIN. And all foreign matter removed?

Mr. McKELLAR. The foreign matter may be entirely removed. I myself have seen some specimens of that kind of work. It is splendid work, and I have not a doubt it will cause quite a revolution in the grading of cotton.

Mr. HEFLIN. That is true, and I am glad the Senator from Tennessee has called my attention to the fact that machines are now in use by which the cotton is renovated and cleaned and foreign matter is removed. After that is done and the cotton is dyed, I say again that no one but an expert can tell whether the cotton was low middling or middling fair. Sometimes the middling fair will bring 25 cents, perhaps, and low middling 18 cents. That is an unreasonable difference that ought not to obtain, but the amendment of the Senator from South Carolina does not cure that defect.

I agree with him that frequently the exchanges do not comply with the law, but they ought to be forced to comply with it. I have introduced a joint resolution which, in my opinion, if enacted would cure that defect. It is Senate Joint Resolution 92, introduced by me, and reads as follows:

Resolved, etc., That hereafter whenever the conduct of the cotton exchanges, or any one of them, of the country shall, in the judgment of the Secretary of Agriculture, become detrimental to the interests of the cotton producers of the United States, it shall be his duty to suspend the action of any one or all of said exchanges.

SEC. 2. That whenever as many as two commissioners or secretaries of agriculture and two governors in the cotton-growing States shall complain to the Secretary of Agriculture of the conduct of any cotton exchange, he shall immediately notify such exchange and require the conduct complained of to cease pending the hearing and disposition of the case or cases.

SEC. 3. That the authority and power are hereby conferred upon the Secretary of Agriculture to carry out the provisions of this joint resolution.

Mr. President, I hold that if the exchanges to-day will comply with the law as it is written the situation would be better, and if they do not comply with the existing law the joint resolution to which I have referred would enforce such compliance.

I advocated and had put in the law a provision to the effect that whenever a dispute arose between the buyer and the seller as to the grade offered or tendered either party to the contract could appeal to the Secretary of Agriculture, and then the experts in his department, without knowing either party to the contract, would take those grades and determine what they were and settle the controversy.

I also urged another provision, as did others, which was put into the law. I wish to read that provision to Senators as it is found in the law now on the statute books. It is as follows:

The parties to such contract may agree, at the time of the tender, as to the price of the grade or grades so tendered, and that if they shall not then agree as to such price, then, and in that event, the buyer of said contract shall have the right to demand the specific fulfillment of such contract by the actual delivery of cotton of the basis grade named therein at the price specified for such basis grade in said contract.

There are the two points at issue. We already have the provision in the law that if a dispute should arise between the buyer and the seller, if the buyer says, "That is not the cotton I contracted for; that is not low middling; this is not strict middling; that is not middling fair," and so on through the grades, "and I do not propose to take it;" and the seller says, "They are the grades specified in the contract;" the buyer may say, "I am not going to submit to your judgment. I am going to take the question to the Secretary of Agriculture and have his experts determine which one of us is right." So that matter is also taken care of and the department has settled scores and scores of disputes of that character.

On the other hand, if the buyer does not want the cotton and they have to effect a settlement in money, that situation is provided for in the law. If the buyer says, "I will not take that difference;" and the seller says, "I will not pay you any more;" and the buyer says, "Give me the cotton; I will take the cotton," there is a provision that makes him deliver the cotton specified in the contract. Those were the two points that we had particularly in mind when we framed the present law to take care of the interests of the producers of the cotton and to give the buyer the right to have the contract complied with. I want such a contract that when cotton is dealt in the producer will be called on for the cotton with which to fill the contract.

There are evils in connection with the exchanges; but I fear the amendment of the Senator from South Carolina. I know that he thinks it will accomplish the result desired, and I am sorry that I can not agree with him; but I fear that if ever we put it in the power of any buyer to go into a market and take the cream off of it and allow him to say "I only want the four highest grades, I do not want the others," the low grades of cotton will be thus outlawed, it is going to force the farmer to take a lower price for that cotton, and the tricks of the trade will be resorted to so that the farmer will be robbed right and left, although the low grade of cotton, when cleaned by machines, as suggested by my friend from Tennessee, and dyed, will make just as good cloth as the top grades, for which perhaps $30 or $40 more a bale is paid than for the low grade of cotton. I fear that advantage will be taken of this amendment, if it shall be adopted, to outlaw the low grades and very injuriously affect the business of the cotton producers.

Mr. NORRIS. Mr. President——

Mr. HEFLIN. I yield to the Senator from Nebraska.

Mr. NORRIS. I was particularly struck with the last quotation the Senator read from existing law. If I understand it, that law would give the buyer of cotton a very great advantage. If the seller of the cotton was unable to supply him with the exact grade specified in the contract, and they had a dispute about it, then the purchaser of the cotton, as I heard it read, would be able to say to the seller: "Give me the cotton exactly as it is specified in the contract." Would not the result of that be that the buyer would have complete control of the transaction? The seller would have to agree with him. If they did not agree, he could demand his pound of flesh.

Mr. HEFLIN. No; here is the advantage in that: The buyer says: "The difference between this grade and that grade ought not to be more than a certain number of dollars." The seller says: "Yes; it ought. There ought to be $10 a bale or $15 or $20 difference in the grades." The buyer says: "I will not accept a settlement like that." Now, he has the buyer in his hands if the buyer will take his tender; but the buyer has the right to say to the seller: "I will not do it. You produce the cotton." Then the seller says, "I have not got it"; and the buyer says, "You go out and get it"; and there is where the producer comes in. He furnishes the cotton. Then they have to go out in the spot market and buy cotton with which to fill these contracts.

Mr. NORRIS. That seems to me to be the weakness of that law. I may be entirely wrong about it, of course, but it looks to me as though in the very case the Senator puts the seller is at the mercy of the buyer. As I understand, they make a contract for the delivery of cotton before the cotton is produced. Nobody knows at that time what the cotton is going to be. It may not be a possible thing to supply the cotton named in the contract; but the law provides for different grades, and that if the seller can not supply the grade specified he can supply other grades at a differential in price, it is true; but it seemed to me that the clause which the Senator read from the law would give the purchaser the right to say whenever there was a dispute and they could not agree, "Then give me the exact cotton that is named in the contract."

Mr. HEFLIN. Well, that is absolutely fair.

Mr. NORRIS. Would not that often make it impossible for the producer of cotton to comply with his contract, because he could not supply the exact cotton named in the contract?

Mr. HEFLIN. But he can supply it. They have no right to name grades that he does not produce. The farmer rarely ever sells any cotton on the exchange.

Mr. NORRIS. He would have to go out and buy it somewhere.

Mr. HEFLIN. That is right, and when he does that he is patronizing the producer. He is calling for that which the farmer has to sell, wants to sell, must sell—and the more

people we force into the spot market to buy the farmer's cotton the better it is for the cotton farmer.

Mr. NORRIS. Yes; but he is a producer himself. As I understand the cotton business, there may be times when, on account of bad weather or something like that, it would be an impossibility to get cotton to supply the contracts if a literal interpretation of the contract were insisted upon. Is not that true?

Mr. HEFLIN. No; that never happens.

Mr. NORRIS. I supposed that existed.

Mr. HEFLIN. They always have the grades. Now, what we are trying to get at, and what I had in mind when we framed this law originally, was to make those who deal in cotton on the exchange go out and buy cotton from the producer with which to fill the contract. If the buyer who patronizes the exchange does not get a fair deal he has the right, and it is the only club he has, to tell the exchange: "If you do not settle with me fairly with money, you go out and get the actual cotton named in the contract and tender it to me. I will not accept anything else."

Mr. NORRIS. If that be true, why would we not improve it if we should wipe out all these differentials and let them rely entirely on the contract, and when a man has made a contract to sell cotton of a certain grade, compel him to do that? Instead of having any different grades, let him be compelled under the law to sell the cotton that he has contracted to sell. Would not that relieve it all?

Mr. HEFLIN. That would, in a way.

Mr. NORRIS. Then why not obliterate all these different grades?

Mr. HEFLIN. No; we do not want to do away with the present grades. What the Senator is suggesting is in line with what I have advocated with reference to the establishment of spot exchanges in the South where actual cotton—what we call spot cotton—would be bought and sold and delivered; but these are future contracts, where they deal in futures and the law prescribes the sort of contract they can make. They enter into a contract, and they ought to be made to live up to it. The Senator from South Carolina takes the position—and he is right about that—that frequently they do not comply with the contract. I agree with that part of his speech, but I want us to do something that will make them comply with the contract; and if you do that, here is the law that governs it and takes care of it, if we can make them do it, and they ought to be required to do it. The chairman of this committee knows, however, as I know, that when these fellows up there agree to a certain proposition and say that it is satisfactory, they already know in advance how they can evade it and slip and slide around it, and what we want to do is to put enforcement provisions back of this thing and enforce the law as it is. My resolution will do that.

Mr. McKELLAR. Mr. President——

Mr. HEFLIN. I yield to the Senator from Tennessee.

Mr. McKELLAR. I claim to be somewhat practical in my views and in my actions, and I think on a great question like this we ought to be extremely practical. As the Senator knows, we have frequently made cotton in the South at as low a price as 8 cents. The price of cotton now is about 27 cents.

Mr. HEFLIN. It has sold for 4 cents in the South.

Mr. McKELLAR. Of course, it has sold for that, but I am talking about ordinary, normal conditions. There have been many crops of cotton made in the South which sold at 8 cents a pound.

Mr. HEFLIN. For years and years 7 and 8 cents was the prevailing price.

Mr. McKELLAR. Yes. It is now bringing 27 cents a pound, and the chances are that it is going up. Apparently the market seems to have that upward trend. As plain, practical men, ought we not to hesitate about passing any law that would be likely to change a condition under which our farmers are now getting 27 cents and upward for their cotton? I want to say to the Senator that I shall be very loath to vote for any law on the subject at this time because of the splendid position that the cotton industry is now in.

Mr. NORRIS. Mr. President, if I may make a suggestion, of course the Senators know that I am not an expert on cotton, and my sympathies are entirely with the man who produces it. I should like to help him; but, if the argument of the Senator from Tennessee is right, then if this bill were pending here when cotton was down to 7 cents, he probably would favor it.

Mr. McKELLAR. I do not know.

Mr. NORRIS. If it were pending when cotton was up, he would be opposed to it.

Mr. McKELLAR. I should want to consider it very carefully if it were low.

Mr. NORRIS. We ought to do that.

Mr. McKELLAR. But when it is very high I do not know whether we ought to be going around hunting for a way to change the condition, and I am not hunting for it; I am that practical.

Mr. DIAL. Mr. President——

Mr. HEFLIN. I yield to the Senator from South Carolina.

Mr. DIAL. I should like to say to the Senator from Alabama that the reason why the contracts do not call for the cotton is because they do not know what quality they will get within 10 grades. For instance, in 1920, out of 128,907,500 bales of cotton contracts sold on the New York and New Orleans exchanges only 267,700 bales of actual cotton were delivered in New York and only 106,600 bales were delivered in New Orleans. That is the reason why I say you would help the farmer, the man who actually produces the cotton, if you would make them go out and get the cotton and comply with the contract.

Mr. HEFLIN. The Senator from South Carolina and I are in hearty agreement on that. I agree with him that frequently they do not comply with the contract; but what I have called to the Senator's attention is that the law is here; the provision is in the present Smith-Lever Act that if there is a dispute as to the grade tendered, either party can come to the Secretary of Agriculture and have the matter settled, as they have done in scores and scores of instances, as I have said; and if they are not in agreement as to the price, the purchaser can say to the seller, as I stated a moment ago, "You give me the cotton. Here are the grades set out. I stand on my contract," and the law says he has to do it. Now, then, the seller says: "I have not got the cotton." The Senator from South Carolina has called attention to that. "But you contracted with me to deliver to me certain cotton. You have no business dealing in cotton unless you can deliver cotton. Why do you contract to deliver me cotton when you have not got it? You go out and get it. I stand on my contract." Then the seller has to go out in the market, and hundreds of others go out in the market, and they commence buying, because he has to get the cotton right now to fill that contract, and this produces competitive buying in the spot market, and that puts up the price and the producer is helped. That is the situation in a nutshell. That is as it should be.

Mr. President, I hold in my hand a paper published at Dallas, Tex., in the greatest cotton-producing State in the Union, called the Cotton and Cotton Oil News. It is a paper devoted to the interests of the cotton industry. This editorial suggests that—

> We sincerely hope that no Member of either House or Senate will disturb existing conditions. Let well enough alone.

There is another paragraph here that reads in this way:

> Our advice to Congress, now in session, is to study well all measures aimed at cotton or grain future dealing, because futures in both commodities are so indivisibly connected with and so vital to the spot interest of both that any interference with existing rules may be fraught with grave consequences to the producers of grain and cotton; and that class of our citizens are, as a rule, less able to stand any adverse condition that might arise from injurious legislation.

This paper circulates all over the Cotton Belt, and, as I said, it is devoted to the interests of the cotton industry. It is sounding a note of warning.

Mr. President, I am going to urge the passage of my resolution. I want to cooperate with the Senator from South Carolina. It may be that we can put some of the provisions of his amendment or some of the ideas contained in it in a joint resolution and work out something that will correct the evils now practiced on the exchanges; but I want to repeat that if his amendment should be adopted as it stands it will put a premium on high grades and widen the breach between the high grades and the low grades and give the market manipulators a chance to strike dead the low-grade cottons throughout the Cotton Belt and work a great injury to the cotton producer. I have championed the cause of the cotton producer ever since I have been in public life. In fact, when I came to Congress I determined to make a special study of the cotton industry. I have done it, and I hope I have been of some value to that industry.

I have received scores and scores of letters from farmers, merchants, and bankers saying that the situation had been improved by legislation with which I had to do, and I want to do whatever is best for the producer of cotton, because he is so widely scattered through the cotton-producing section of the United States. It is difficult for him to organize and have unity of purpose and concerted action, as the spinners

can have them. The Senator from South Carolina is a cotton spinner and also a cotton producer.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. Has the Senator had any petitions or letters from any of his cotton-producing constituents asking him to favor this amendment? I live in a cotton State. The city where I live is one of the largest cotton markets in the world. I have had no letters from any cotton producer asking me to support this measure, and I am sure that if they thought it was a wise measure they would communicate with me. In answer to the suggestion made by the Senator from Nebraska a moment ago, my sympathies are entirely with the producer. I live in a cotton country, and my sympathies are all with those who actually produce cotton, and in my judgment if they thought this amendment would help their interests they would be writing to their Representatives in Congress. For these reasons, I am going to vote against the amendment.

Mr. HEFLIN. Mr. President, I will say to my friend from Tennessee that I have not had but two or three letters from my State urging the adoption of this amendment.

I want to say this, in conclusion, that the price of cotton is now advancing. It ought to be bringing 30 cents. It will go above 30 cents. The thing that helped cotton to go up in price was the revival of the War Finance Corporation, which enabled many farmers, especially in the cooperative associations, to get money with which to keep their cotton off the market. That is the point always. If the producer is his own master, and can keep his cotton from going upon the market when the price is low and unprofitable, prices are bound to advance.

Why do I say that? Because there are one hundred and fifty and odd million spindles in the world. Those spindles must be fed on cotton. There are hundreds of thousands of people—men and women—operating them. There are millions of money invested in the spinning industry. All of that mighty machinery has to keep running, and it can not run unless they can get the cotton that the producer makes, and if you enable the producer to sell his cotton sparingly, so as to keep the market keen and hungry, meeting the demands of the spinner as they arise, cotton will always bring a good price.

Mr. President, I am glad of the part I took in reviving the War Finance Corporation. After we revived it some of the witnesses who testified before our Committee on Agriculture, in response to questions propounded to them by me, showed that when we commenced sending money out into the States through the War Finance Corporation, the Federal reserve banks immediately commenced to loosen up and rediscount paper at the member banks of the Federal reserve system. So it was that condition which caused cotton to advance—the farmer's ability to get hold of a little money to enable him to hold his cotton off the market until the price improved.

The cooperative associations have accomplished much in joining together and getting these funds, and keeping their cotton from being thrown upon the market without regard to the price. That has helped to put the price of cotton up.

Mr. President, with cotton around 27 cents to-day and with a threatened cotton famine standing right out in front of us, cotton is bound to go to 30 cents and higher. Not only are the high grades of cotton up now, but the average price of cotton has improved somewhat, and if we will help the producer of cotton to keep his cotton off the market when the price is low and unprofitable, we will have solved the problem that vexes him to-day.

I am hoping that we can amend the legislation that is pending, the bill which has been reported and the Lenroot-Anderson bill, so as to make it workable, and fix it so that the Federal Reserve Board shall not say whether cotton is eligible at the bank or not, that that board shall not have the discretionary power to say whether wheat or corn or cattle can be used as the basis for a loan, but that the law itself shall say it and give specific directions so that reasonable loans can be had. I do not want the cotton producers of my section of the country to be left any more in the hands of the discretionary power of this board and have that board used as the instrument of Wall Street to beat down the price in order that they may make a killing on speculation from the bear side of the market.

I have witnessed that. I saw the farmers of my State literally slaughtered under that grinding process. In 1920 it robbed the cotton farmers of my State of $103,000,000.

I saw the South lose $1,625,000,000 in 1920 under that process; and I am not going to remain silent in the Senate and permit any farm credits bill to pass if I can help it that does not specifically set out the authority to take care of those people. It is an outrage that a great free Government like ours will permit its instrumentalities to be so used that one class of people are stricken down and robbed to greatly enrich another class of people.

I want to say this in conclusion: The Senator's amendment can be offered in another form as an amendment to the present law, the Smith-Lever Act, as it now exists, and thoroughly considered again by some committee, and we can see if some agreement can not be reached upon it. I would not like to see this amendment hitched onto a farm credit bill. I have stated that the present law is pretty good, if they will comply with it, and the power mentioned in my resolution authorizing the Secretary of Agriculture to close these exchanges if they do not comply with the law would give us a very satisfactory situation.

Mr. DIAL. Mr. President, yesterday the senior Senator from Louisiana [Mr. RANSDELL] seemed to find fault with me because I had just offered this amendment. I was called out of the city a few days ago on a sad mission, and I returned yesterday morning at 11 o'clock. At 12 o'clock I was in my seat with my amendment ready to offer, and I offered it as soon as I could get the floor.

I am glad to say that the differences between the southern Senators in this matter are growing less and I hope that we will be able to agree ere long. There are just a few points I want to clear up. The Senator from Louisiana complains that I am trying to rush this amendment through. My amendment was offered a year or two ago in the form of a bill, and I went before the Committee on Agriculture and Forestry and made a talk, and when I got through the chairman, the junior Senator from Nebraska [Mr. NORRIS], a fair man, an able man, a friend of the people, said he thought there was great merit in my bill, and that he was ready to report it. The Senator from Louisiana [Mr. RANSDELL] said he wanted to be heard. I told him I had no objection to his being heard, in fact, that I had no right to object to his being heard, but I had nothing more to say, and if he wanted to be heard, to be heard.

That was along about May, according to my recollection. On June 11, 1921, the Senator from Louisiana sent me a telegram. I was pressing for a hearing all the time before the Committee on Agriculture and Forestry. He said in this wire:

Senator DIAL,
Washington, D. C.:

Please do not press action on your cotton-futures amendment until I return on the 19th. Friends insist that your amendment will destroy the exchanges, and I agree with them. Therefore it should receive closest consideration. Am detained here by very important business.

Of course, I postponed the matter until the Senator from Louisiana got back. I also received a letter from the Senator from Louisiana, dated July 7, 1921, in which he asked me again not to press the amendment, and in which he said, among other things:

I am convinced that if your amendment should be adopted it would practically destroy the exchanges.

It seemed he was not so anxious about the farmers at that time. It is immaterial to me whether it will destroy the exchanges or not. I am trying to get a fair law passed.

There is no argument made now against my amendment, and there never has been. I read the speeches of the Senator from Louisiana at the time Senator Comer offered his amendment, and, with all due respect, the Senator from Louisiana did not discuss the merits of the proposition at that time, and he never yet has discussed them.

I defy any man in the United States, inside or outside of Congress, to debate the merits of this proposition and find any defect in the amendment which I have proposed. There is nothing similar to it on the statute books or in the customs of the world in trading.

My amendment would not interfere with the number of grades of cotton tenderable. I can not make grades. Grades are grown. Nature fixes grades of cotton, and the law has recognized those grades, and the law has recognized 10 grades tenderable on the contracts. I do not interfere with that at all, except that I group them in classes and provide that at the time people who have any cotton sell contracts they must specify the kind of cotton they propose to sell. It is in line with what the distinguished senior Senator from Alabama [Mr. UNDERWOOD] said here some time ago, that he saw no reason why the members of the exchanges should not specify what they sold and deliver what they specified. That is all I ask.

Because cotton fluctuates up and down is no reason why we should not have a correct law. Cotton is now bringing only 27

or 28 cents. I hope and believe it will go higher, but that does not influence me at all. This proposition was pending here when cotton brought about 11 cents a pound. That has been the argument of the exchanges in their propaganda, and yet some Senators say, "Oh, let us soft pedal the proposition; we will interfere with the rising price," or something of that sort. Pass an honest law, and the law of supply and demand will take care of the proposition.

The Senator from Louisiana complains that more cotton is not delivered on the contracts. The reason it is not delivered on the contracts is because the owners of the contracts do not know within 10 grades what they will get, and no mill can use all of those grades of cotton.

Mr. President, the Senator from Louisiana yesterday spoke about mills buying their cotton, and said they would go to some actual broker and make contracts for cotton. That is true. I have not been in harmony with the methods of some of the mills, and probably all of them, for a long time in buying cotton. I would like to have them buy on the future market if they are going to buy ahead at all, and then be prepared to demand delivery of their cotton. Hence, the contract would bring a higher price and that would help the farmer.

Now, there are about four principal spot brokers in cotton in the United States. It is all supposed to be sold on future contracts. But now the mills go to these spot dealers, about four of whom control the whole market, and who are about as powerful as the Packer Trust, or the Steel Trust, or the Oil Trust, or any other trust in this country. Perhaps all Senators know who they are.

A mill will go to them and contract for a large quantity of cotton to be delivered in a future month, at so many points of the exchange price. Then these brokers, with these great powers of contract in their hands, will sell the contracts, will sell the future market, will depress the future market, and at the same time go out and pick up the cotton from the actual farmers, because they have a place to put it. That is the way it is worked.

They sell down the contract. The mill has already made a trade with them at so many points. To-day, while the price is about 27½ cents, I am told that good grade cotton in the South is selling 2 or 3 cents a pound higher than that. The contract does not represent the true value.

I was told the other day of a transaction at 230 points above the current month's market. So it is simply spurious, it is fictitious, it is artificial, and this method would depress and oppress and almost confiscate any business in the world. If the Creator had not favored us with the climate and the soil and the rainfall that He has, and with the best people on earth, we could not have existed.

So, Mr. President, I hope the Senate will vote for the amendment. Senators need not be afraid about changing the off-grade cotton. The amendment does not interfere with that at all except that it groups it and tries to make the contracts specific within certain classes of the cotton. They ought to specify the identical grades of cotton.

I hope the Senate will put the amendment on the bill. It is not a question of looking wrong or having a ragged bill. Consider the poor people of the South struggling over this situation. It is immaterial to them whether the bill is symmetrical or not. They are the ones who ought to be given help.

The VICE PRESIDENT (at 1 o'clock p. m.). The time for debate has expired. The question is on the amendment offered by the Senator from South Carolina [Mr. DIAL].

Mr. DIAL. On that I ask for the yeas and nays.

The yeas and nays were ordered and the Assistant Secretary proceeded to call the roll.

Mr. OWEN (when his name was called). Has the junior Senator from New Jersey [Mr. EDGE] voted?

The PRESIDING OFFICER (Mr. LADD in the Chair). That Senator has not voted.

Mr. OWEN. I transfer my pair with that Senator to the Senator from Montana [Mr. MYERS] and vote "yea."

Mr. STERLING (when his named was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Arizona [Mr. CAMERON] and vote "nay."

Mr. WILLIS (when his name was called). I am paired with my colleague [Mr. POMERENE], who is absent on account of illness. I transfer that pair to the Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

The roll call was concluded.

Mr. McKINLEY. I transfer my pair with the junior Senator from Arkansas [Mr. CARAWAY] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. HARRIS. I have a general pair with the junior Senator from New York [Mr. CALDER]. In his absence I withhold my vote.

Mr. GLASS. I have a pair with the senior Senator from Vermont [Mr. DILLINGHAM], but having his permission to vote as I may prefer on this question I vote "yea."

Mr. KENDRICK. I transfer my pair with the Senator from Illinois [Mr. McCORMICK] to the Senator from Massachusetts [Mr. WALSH] and vote "nay."

Mr. CURTIS. I wish to announce the following general pairs:

The junior Senator from Kentucky [Mr. ERNST] with the senior Senator from Kentucky [Mr. STANLEY]; and

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON].

The result was announced—yeas 21, nays 46, as follows:

YEAS—21.

Borah	George	McCumber	Underwood
Brookhart	Glass	Norris	Walsh, Mont.
Dial	Johnson	Overman	Williams
Fernald	Jones, N. Mex.	Owen	
Fletcher	King	Poindexter	
Frelinghuysen	La Follette	Shields	

NAYS—46.

Ball	Kendrick	Nicholson	Sterling
Bayard	Keyes	Oddie	Sutherland
Capper	Ladd	Pepper	Swanson
Couzens	Lenroot	Phipps	Townsend
Culberson	Lodge	Ransdell	Trammell
Curtis	McKellar	Reed, Pa.	Wadsworth
France	McKinley	Robinson	Warren
Hale	McLean	Sheppard	Watson
Heflin	McNary	Shortridge	Weller
Hitchcock	Moses	Smoot	Willis
Jones, Wash.	Nelson	Spencer	
Kellogg	New	Stanfield	

NOT VOTING—29.

Ashurst	Cummins	Harris	Reed, Mo.
Brandegee	Dillingham	Harrison	Simmons
Broussard	Edge	McCormick	Smith
Bursum	Elkins	Myers	Stanley
Calder	Ernst	Norbeck	Walsh, Mass.
Cameron	Gerry	Page	
Caraway	Gooding	Pittman	
Colt	Harreld	Pomerene	

So Mr. DIAL's amendment was rejected.

Mr. FLETCHER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 41, following section 401, add the following two sections:

SEC. 402. That section 11 of the Federal farm loan act as amended April 20, 1920, be amended by adding the following:

"Fifth. To cooperate with other farm loan associations and to form among themselves State or national unions or associations, or both, for the purpose of lawfully advancing the general welfare of all farm loan associations as they may deem best, and to contribute toward the support and maintenance of such unions or associations from the general funds of each association or by voluntary contribution of the members thereof as each association may determine for itself through its board of directors not to exceed $25 annually."

SEC. 403. That the last paragraph of the first section of amended section 32 of the Federal farm loan act, approved January 18, 1918, be further amended to read as follows:

"That the temporary organization of any Federal land bank, as provided in section 4 of said Federal farm loan act, shall be continued until the subscriptions to stock in such bank by national farm loan associations shall equal the amount of stock held in such bank by the Government of the United States. That whenever the total subscriptions to the stock of any Federal land bank made by national farm loan associations shall exceed the amount of the stock held in such bank by the United States Government, it shall be the duty of the Farm Loan Board to proceed with and perfect the permanent organization of said bank in accordance with the provisions of section 4 of the farm loan act as approved July 17, 1916."

Mr. FLETCHER. Mr. President, on April 12, 1921, the junior Senator from Montana [Mr. WALSH] introduced in the Senate the bill (S. 273) to amend section 11 of the Federal farm loan act, as amended April 20, 1920, and section 32, as amended January 18, 1918. The bill was referred to the Committee on Banking and Currency. There were hearings on the bill and some considerable attention was given to it, but the committee never acted upon it. I was always cordially and earnestly in favor of it, and have been anxious to have the legislation put upon the statute books as proposed by the bill introduced by the Senator from Montana, as I have stated. I have assumed, with his consent, to appropriate the language of his bill in offering the amendment which has just been stated. He agrees with me that it is entirely appropriate in connection with legislation where we are attempting in the last section to amend the farm loan act, and I think it is important that it should be made a part of the bill and become the law.

The reason for this proposal is, in the first place, that the present situation is not at all satisfactory to the farmers of the country, and in the next place it is unfair and unjust to the stockholders of the Federal land banks. The act of

January 18, 1918, amending the farm loan act, provides in its last clause:

The temporary organization of any Federal land bank as provided in section 4 of said Federal farm loan act shall be continued so long as any farm loan bonds purchased from it under the provisions of this amendment shall be held by the Treasury, and until the subscriptions to stock in such bank by national farm-loan associations shall equal the amount of stock held in such bank by the Government of the United States.

In pursuance of that amendment of the farm loan act, the Secretary of the Treasury purchased $200,000,000 of farm-loan bonds. As we all know, those bonds run for a period of about 30 years; so that so long as the Treasury holds any of those bonds the temporary organization of the Federal land banks must continue. The "temporary organization" means that provided in the farm loan act, which authorizes the Farm Loan Board to name five directors for the Federal land banks; so that every Federal land bank to-day is operating under the same temporary organization provided for in the original act which was passed in 1916, and the five directors in each of the Federal land banks are appointed by the Farm Loan Board. The amendment to the law perpetuates that temporary organization and keeps it in effect so long as the Treasury holds any of the bonds which have been purchased under the provision referred to. That means that the Farm Loan Board names five directors in the Federal land banks and that such organization may continue for a period of something like 30 years; so long as the Treasury holds any of the bonds.

The system has been operating successfully from the beginning, except that when mortgage companies instituted suit attacking the constitutionality of the act, which suit was pending in the United States Circuit Court and then in the Supreme Court of the United States for a period of something like 18 months, during which time the system was paralyzed. The Supreme Court, however, rendered its decision in February, 1921, sustaining the constitutionality of the farm loan act in its entirety. After that time there was apparently considerable delay, and, in my judgment, unnecessary delay, for it was not until June that funds were provided for farmers who had put in their applications prior thereto and were in great need of accommodations. Notwithstanding the decision was rendered in February, 1921, it was not until June of that year that funds were provided as a result of the offering of farm-loan bonds. Since then the offerings have been more frequent, and in the last sale which took place $75,000,000 worth of bonds were sold in two hours at a price above par, at 4½ per cent. So some $700,000,000 has been found for the farmers of this country at 5 and 5½ per cent under that system.

During the course of the development of the system as originally contemplated by the framers of the act, the stock which the Government originally furnished the banks to begin with has practically all been paid back to the Government. In four of the largest of these banks the Government does not own more than a nominal amount, if any, of the stock, the stock all practically being owned by the national farm-loan associations. Eighty-seven per cent of the stock now held by all the 12 Federal land banks is owned by national farm-loan associations. Very soon in the natural course of events, within a year or less, the Government will not own one dollar of stock in any of these banks, but all the stock will be owned by the national farm-loan associations.

Did Senators ever hear of a situation where the stockholders of an institution, a corporation existing and doing business, had no voice whatever in the management or conduct of that business? In this case the national farm-loan associations are not given a voice in the selection of a single director in a single Federal land bank, although they own the stock in those banks.

Mr. OWEN. Mr. President——

Mr. FLETCHER. I yield to the Senator from Oklahoma.

Mr. OWEN. Mr. President, what the Senator from Florida says with regard to the ownership of the stock in these banks, of course, is true; but there is another consideration of very great importance. The Senator has just called attention to the fact that over $700,000,000 worth of farm-loan bonds are outstanding. I suggest to the Senator that the United States is morally responsible for that enormous indebtedness, and that for that reason the power of the Government in connection with the Federal land banks should not be lost sight of, although a representation, and an adequate representation, of those who are participating might well be provided for.

I merely wished to make that suggestion to the Senator from Florida so that the real responsibility of the Government in the premises might not be overlooked. In modifying the law in reference to the temporary organization, I think it ought to be done with that in view. I merely rose to make that suggestion to the Senator.

Mr. FLETCHER. I fully appreciate what the Senator from Oklahoma has said, but the framers of the act had that all in mind when it was under consideration and passed. Originally the framers of the act saw exactly what is happening and what they hoped would happen, namely, that as the system developed the time would come when the stock of the banks would be owned entirely by the national farm-loan associations. They knew perfectly well also that whereas there was no legal obligation on the part of the Government respecting farm-loan bonds, there was a consideration to be kept in mind, a duty and responsibility, growing out of the fact that a bureau of the Government had absolute supervision over the entire system.

The Farm Loan Board is a bureau of the Treasury Department; it is politically organized; that is, the members of the Farm Loan Board are appointed by the President and confirmed by the Senate. That board has supervision over all of the land banks, over all the farm loan associations, over the issue of bonds, and has direction generally as to the entire system. There will be no interference with that arrangement if the amendment which I have proposed shall be adopted.

In the next place, the framers of the act realized this quasi responsibility, and that the bonds would be regarded as being issued under the supervision of governmental authority, and that, therefore, the Government would be morally bound to see that the laws were carried out and that the system should function in accordance with law and as it should function. Therefore, it was provided that three of the directors of every Federal land bank should be named by the Farm Loan Board. That provision is made in the original act, and the amendment proposed by me will not change it. Always, in every instance throughout the country as to every Federal land bank, the Farm Loan Board is authorized and empowered and directed to name three directors. The amendment proposes no change in that law at all.

The suggestion of the Senator from Oklahoma has been kept in mind at all times. It was in mind when the law was framed, and the proposed amendment in no way will interfere with it. The Farm Loan Board will name three directors on the board of directors of every Federal land bank throughout the country continuously and permanently and forever, as the law now stands, and that is not changed if this amendment I propose is agreed to. That was put in the original act, but when in 1918 the Secretary of the Treasury was authorized to buy $200,000,000 of these bonds a provision was inserted to the effect that so long as the Treasury held any of such bonds that "temporary organization," under which the Federal Farm Loan Board names all of the directors in every land bank, should continue. That is the situation which we wish to correct. We wish to get rid of this temporary organization and put in force the permanent organization plan as provided in the original act, by which the directors are to be nine, six of whom the national farm loan associations shall elect.

Mr. President, it is an unheard-of proposition, that the stockholders of a corporation, owning all the stock of the corporation or even a majority of the stock of the corporation, shall have no voice in the selection of the directors of that corporation. It never was heard of in any country or any government or in connection with any institution of which I have ever read; and all we are asking now is that the stockholders of the Federal land banks, namely, the national farm loan associations, shall have the right to select six of the directors of the Federal land banks, leaving the Farm Loan Board full power to name three of the directors.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from New Mexico?

Mr. FLETCHER. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. It occurs to me that the suggestion of the Senator from Oklahoma does not affect the amendment which the Senator from Florida is now proposing. The amendment which the Senator from Florida now proposes is to relieve the banking situation of the country of a condition which was brought about on account of the Government's holding of farm-loan bonds. The temporary organization of the land banks was to continue for the purpose of securing the investment of the Government in such bonds, but was not to be a permanent arrangement to protect the bondholders generally of the corporation. The Senator is now of the opinion that there is no longer any necessity for retaining in the Farm Loan Board the absolute control of the land banks for the sole purpose of securing the Government investment in bonds. Am I right about that?

Mr. FLETCHER. The Senator is absolutely correct as to that. There is no need at all of a continuance of complete governmental control of these banks. I do not know how many

of the bonds which the Treasury originally acquired have been taken up by the Farm Loan Board; but I know that they have taken up some of them, because in the case of the last three sales of bonds, amounting to $75,000,000 each—and I am certain as to two of the sales, because I have a letter to that effect from the chairman of the Farm Loan Board—the subscriptions were far in excess of the offering, and those subscriptions have been utilized and applied to the purchase of bonds held by the Treasury. I am sure that some of those bonds—how many I do not know—have been taken up already, having been acquired through the sale of bonds offered by the Farm Loan Board. I know also that they are 5 per cent bonds, and the Farm Loan Board is to-day selling those bonds at 4½ per cent at a premium, so that there is no possible risk on the part of the Government; and I do not see why the Farm Loan Board does not take them all up at 4½ per cent, instead of paying the Government 5 per cent.

Mr. JONES of New Mexico. My understanding is that the Farm Loan Board have actually taken up nearly one-half the holdings of the Government of the United States.

Mr. FLETCHER. I think that is quite true.

Mr. McLEAN. Mr. President, will the Senator permit an interruption?

Mr. FLETCHER. Yes; I yield.

Mr. McLEAN. The point made by the Senator from Oklahoma was that they are instrumentalities of the Government, and that there is a moral obligation, possibly, to protect these bonds under all circumstances. That was the point he made if I understood him.

Mr. FLETCHER. His suggestion extended beyond the suggestion of the Senator from New Mexico, but it included that, I think.

Mr. McLEAN. As a matter of fact, the Government to-day owns a hundred million of those bonds. They are now in the Treasury.

Mr. FLETCHER. And they can demand payment at any time they like. I think the act provides for that.

Mr. McLEAN. In addition to that, it owns four millions of the capital stock of these banks to-day.

Mr. FLETCHER. Yes.

Mr. McLEAN. Not only that, but these obligations are joint and several obligations. Every bank in the system is responsible for the obligations of every other bank; so that you can see the necessity of very careful management of all these banks.

Mr. JONES of New Mexico. Mr. President, I think the Senator from Connecticut is quite right in his contention that the Government should have an interest in the management of these banks; but, as the Senator from Florida has well stated, that is provided for in the permanent provisions of the act.

Mr. FLETCHER. That is correct.

Mr. JONES of New Mexico. And this absolute control of these banks is only because of the circumstance that the Government of the United States owns some of the bonds, or has purchased some of the bonds. It does seem to me, inasmuch as these banks have taken up substantially all of the stock of the banks—80 per cent of it—and the purchasers of the bonds will always be safeguarded by three of the directors on these farm-loan banks, that was intended by the framers of the bill and by the Congress which enacted it to be sufficient guaranty to the bondholders. Here, however, is a mere changing situation. It is only by the circumstance that the Government has purchased some of these bonds that it retains complete control of the board of directors of the banks themselves, and the reason for that act seems to me no longer to obtain.

Mr. McLEAN. Whatever might have been the view of the framers of the act, the fact remains that the temporary management has been exceedingly satisfactory, and it has been largely due to the fact that the directors have been wisely chosen that the system has been such a success. It is my firm opinion that the board should continue to appoint a majority of the directors having the management of these institutions. If you have six of these directors representing the association and only three appointed by the Federal Farm Loan Board, they are in the minority and absolutely unable to control its policy. The fact that these bonds are selling above par is due to the administration of the system, which has been satisfactory to everyone, and it seems to me a most unfortunate time now to change the management. Why not let well enough alone?

Mr. FLETCHER. Mr. President, the purchasers of these bonds in the first instance, Series A, No. 1, bought the bonds knowing what the law was. The law was that there should be nine directors of every one of these Federal land banks, that the Farm Loan Board should name three of them and that the national farm loan associations should select six of them. That was the law, and everybody bought the bonds knowing that that was the law. It was not until 1918 that this amendment was made making the temporary organization permanent, at the time when the Government acquired $200,000,000 of the bonds. The "temporary organization" meant that the Farm Loan Board should appoint five directors to have charge of the affairs of the banks, respectively, under the supervision of the board.

Mr. McLEAN. And it was a very wise amendment.

Mr. FLETCHER. I am not disposed now to make any complaint about the management of the banks. We can go into that at some other time if necessary; but there has not been altogether full and complete satisfaction and assurance that these farmers were getting what they were entitled to under the present management. There have been delays all over the country, sometimes of six months to a year when waiting on appraisals and waiting on attention to the applications. Farmers have not been always able to get the accommodation to which they were entitled. The Farm Loan Board said first they thought the public would not absorb the bonds faster than they were issuing them. They were mistaken in that, because they found subsequently the public was ready and eager to take them just as fast as they put them out. They offered that as a reason for not having sufficient funds to cover the meritorious eligible applications; and then a little later they said: "We have not force enough to attend to the business fast enough to keep up with it." In reply to that the farmers could well say: "Why do you not supply the force? This stock is earning dividends everywhere. There is plenty of money to pay the people—to supply the necessary force to transact this business promptly."

Mr. McLEAN. Mr. President, I should like to ask the Senator a question. It is very likely that the issue of bonds will very soon exceed a billion dollars, and the amount will constantly increase. There is a widespread impression that the Government is morally bound to protect these obligations. Does not the Senator think that the board ought always to select a majority of the board of directors?

Mr. FLETCHER. I most emphatically do not. I say the people who own the stock in these banks ought to have at least a majority of the directors of those banks. The Government has three of them always there, selected by the Farm Loan Board.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Virginia?

Mr. FLETCHER. I can not yield just now. I will in a moment. Let me answer this question first, without trying to answer two or three at once. The Government has three of these directors there all the time. The Government has absolute supervision over the whole system through the Farm Loan Board, overseeing all of the directors. No matter who has a majority of the directors of these banks, there is the Farm Loan Board having supervision over the whole field, the whole subject, the whole system, every detail of it. Every national farm-loan association has to be chartered by it. It can deny charters. It can refuse to issue bonds.

No bonds can be issued by any Federal land bank until the Farm Loan Board approves the issue. So they have absolute supervision over the whole system, anyhow; and I say it is an outrageous proposition to claim that the Government could further insist that they must not only have general and complete supervision and control over the whole system but they must dominate and control the detailed operations of every Federal land bank in the system. It is a monstrous proposition.

The Senator from Connecticut on yesterday, together with the Senator from Virginia, when I offered as an amendment to this very bill a proposal to include farm loan bonds along with United States bonds as a proper investment for 25 per cent of the capital of these corporations organized under the provisions of this bill before they could begin business, made light of the idea and stated that the next step would be to allow Pennsylvania Railroad bonds or some other industrial or private bonds to be included in that investment. They denied that these were Government bonds. They denied that there was any Government responsibility respecting these bonds.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. The Senator declines to yield at present.

Mr. FLETCHER. In one breath it is said that the Government is morally responsible and that these bonds are instrumentalities of the Government and in the next breath it is asserted that they are private affairs and on a par with industrial, railroad, or such other securities.

Mr. GLASS. Mr. President, if the Senator from Florida will compose himself sufficiently to permit me to interject, that criticism does not apply to me at all.

Mr. FLETCHER. The Senator from Florida is entirely composed.

Mr. GLASS. I did deny that these banks were Government institutions, and I do deny that they are Government institutions, and I deny the proposition that their bonds are instrumentalities of this Government.

Mr. FLETCHER. Then the Senator takes issue with the Senator from Connecticut. That was his statement.

Mr. GLASS. Suppose I do take issue with the Senator from Connecticut? What I am saying is that if the Senator from Florida will compose himself sufficiently I will assure him that I am not antagonistic to his proposition now.

Mr. FLETCHER. I am very glad to hear that.

Mr. GLASS. But why does the Senator from Florida ascribe to me opposition to his proposed amendment?

I think his position is absolutely logical. I do not think any other position is defensible; but if the Senator wants my judgment, I will give it to him, and say that I do not think these banks will be nearly so efficiently managed by their owners as they have been managed by picked agents of the Government who understand all of the minutiæ and administration of the banking business. However, I say that these banks do belong to their stockholders. If they shall insist upon it, their stockholders are entitled to manage their own property; but if you ask me if I think they are going to manage them as efficiently as they have been managed in the past, I do not. I know it is unpleasant to tell farmers that they are not bankers. I do not know whether I should be courageous enough to go among them and tell them that or not; but I say here, in the discussion of this question, that they are not bankers and they can not manage banks as bankers can.

Mr. FLETCHER. Mr. President, in the first place, there is no reason why the farmers can not select bankers as directors of this board if they want to do it. There is no obligation that all of these six directors to be chosen by the national farm-loan associations shall be farmers. There is no requirement of that sort. They may select anyone—lawyers, bankers, business men—but I am far from assuming that the successful farmers of this country, interested in this great institution for the benefit of agriculture, have not intelligence enough to elect a board of directors for these banks. I will never concede that. They have sense enough to elect Members to this body. They are competent to elect directors of banks created and established for their benefit, in which they own the stock and in the proper conduct of the affairs of which they are vitally concerned.

Mr. GLASS. They apparently have had sense enough to elect United States Senators who have not, upon the test, made very good Senators.

Mr. FLETCHER. I will say to the Senator from Virginia, if he will excuse me just one minute, that my reference to him grew out of the fact that I supposed he was in harmony with the Senator from Connecticut about these farm-loan bonds being instrumentalities of the Government.

Mr. McLEAN. That is what the law says.

Mr. GLASS. Oh, the law does not say that. The law says, if the Senator will permit me, that these banks shall be instrumentalities of the Government, agencies of the Government, just as a national bank is an agency of the Government; but the Senator does not contend that the Government is in anywise, either legally or morally, responsible for the stock of a national bank, does he?

Mr. McLEAN. If I said bonds, I meant banks. I did not say "legally" obligated. I said there was a moral obligation there, and you will find that if these bonds are ever defaulted the Government will come to the rescue.

Mr. GLASS. Mr. President, I do not think the Government is under any legal or moral responsibility whatsoever to come to the rescue of these banks. It has become fashionable when nobody has a legal claim that he can establish against the Government to talk about the moral responsibility.

Mr. WILLIAMS. The Senator is now speaking of the stock, is he not? The Federal Government, of course, has a moral responsibility in the case of the bonds.

Mr. GLASS. I do not think the Federal Government is at all responsible for the bonds. They are the bonds of a private corporation.

Mr. WILLIAMS. The bonds are fiscal instruments of the Government, and are made to escape taxation for that reason.

Mr. GLASS. Is the Federal Government responsible for the indebtedness of any national bank? National banks are instrumentalities and agencies of the Government. Senators who are members of the Banking and Currency Committee know full well, because it has been there confessed time and time again that this provision of the bill was simply put in to make the bill itself constitutional. Strike that out and the act itself will be declared an unconstitutional enactment by the Supreme Court.

Mr. WILLIAMS. I beg the Senator's pardon. I happen to know why the provision was put in. I made the suggestion myself, and I made it upon the force and strength of the great decision in the case of McCulloch against Maryland——

Mr. GLASS. Which decided everything.

Mr. WILLIAMS. In which John Marshall said that a fiscal agency of one of our dual forms of government could not be taxed by the other, and this provision was not put in to make the bill constitutional. It was put in to make the bonds exempt from taxation by the States and the municipalities of this country.

Mr. GLASS. That provision does not make the bonds exempt. A specific provision of the act exempts the bonds, and this provision was put in to make the exemption constitutional; that is all. It was never intended that the United States Government should be pecuniarily responsible for the bonds of these private corporations.

Mr. FLETCHER. That was the main feature of the law that these private money lenders and bankers attacked—that is, the provision for tax exemption—and its constitutionality was brought into question.

Mr. GLASS. Does the Senator from Florida contend that the United States is morally responsible for the bonds issued by the joint stock land banks?

Mr. FLETCHER. I do not think there is a legal or moral responsibility.

Mr. GLASS. Certainly not.

Mr. FLETCHER. But I do say that inasmuch as the Government supervises and controls the whole system through a bureau, without raising the question of responsibility, they ought to stand back of the system.

Mr. GLASS. Does not the Government supervise and control the entire national banking system of the United States by a czar here in Washington? Is it in any sense, either legally or morally, responsible for the obligations of the national banks?

Mr. FLETCHER. The Government generally exercises diligence and makes every possible effort to see that the depositors in those banks are taken care of. They watch that pretty closely.

Mr. GLASS. Oh, yes; but from time to time a national bank fails. Does the Senator know of one single, solitary instance in which it has been seriously contended that the Government has any responsibility whatsoever for the indebtedness of such a bank?

Mr. FLETCHER. No; I think the Government is not responsible in such a case as that. But I want to complete this statement. When I referred to the statement of the Senator from Virginia I had in mind his observation yesterday, when I proposed that amendment allowing the investment of the capital of these corporations provided for in this bill in farm loan bonds, as well as Government bonds. The Senator made some reference to the proposition as being equivalent to a proposal to make railroad bonds eligible as investments for the capital of such corporations, to be deposited with the Federal reserve bank before they could do business and in the nature of reserves.

Mr. GLASS. I did. I was denying on yesterday, and I am denying now, that these banks are Government institutions.

Mr. FLETCHER. But they stand altogether on a different basis——

Mr. GLASS. I was opposed to the Senator's amendment, of which he is now speaking.

Mr. WILLIAMS. Mr. President, the stock of these banks is one thing, and the bonds are another thing. There is not a man in America who bought those bonds who did not believe, and who was not justified in believing, that the Federal Government was behind them. The Senator from Virginia says, very truthfully, of couse, that the Federal Government never made good any losses of a national bank to its depositors, but the Federal Government made good the bonds, which were the basis of the circulating notes of the national banks, and was behind those bonds, and therefore indirectly behind the circulating currency based upon the bonds. When the question came up in the committee the chairman of the committee talked to me about it, and asked me how we could secure the exemption of these bonds from State and municipal taxation. I called his attention to the great case of McCulloch against Maryland, and told him that John Marshall had based his decision in that case upon an utterance to the effect that they were fiscal

agencies of the Federal Government, and therefore the State of Maryland could not tax the United States Bank, as it was then called, and that if Congress pronounced them to be a fiscal agency of the Federal Government, surely no court would go behind its pronouncement. That is the history of the transaction.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield.

Mr. SMOOT. Mr. President, I doubt very much whether it is not believed generally by the people of the United States that the Government is responsible for the issue of the bonds by the joint-stock land banks. I agree with the Senator from Virginia that the Government is not responsible, but when I see these joint-stock land banks advertising in all of the great papers of this country, virtually telling the American people that the Government of the United States is responsible for the issue of those bonds, I know that if any failure comes the losers would immediately say that the Government took no action at all to deny the advertisements in these great papers.

Mr. FLETCHER. They have no right to advertise in that way.

Mr. SMOOT. I am aware of that, and I say now, as I said here a few years ago, that I think it ought to be stopped. I think the Government of the United States ought to tell those joint-stock land banks that they can not advertise as they have done in the past.

Mr. FLETCHER. I think if that sort of advertisement is brought to the attention of the Farm Loan Board, the Farm Loan Board will stop it, because they have control over the matter of the security back of and the issuing of those bonds.

Mr. WALSH of Montana. I venture to say that the Federal Trade Commission would have jurisdiction in that case.

Mr. SMOOT. I have in my office advertisements from all parts of the country along that line.

Mr. GLASS. May I ask, right at this point, if the contention here that these bonds are instrumentalities of the Federal Government, and that the Federal Government is morally bound to redeem them, is correct, why may not these banks advertise the fact? Senators want to prosecute them for advertising the very fact they assert is a fact and which I assert is not a fact.

Mr. SMOOT. I agree with the Senator.

Mr. GLASS. I know, but the Senator from Florida does not agree with the Senator from Virginia, and he is proposing now to prosecute these banks for doing what he says they have a right to do.

Mr. FLETCHER. I have agreed with the Senator that there is no obligation on the part of the Government in respect to these joint-stock land bank bonds.

Mr. GLASS. And in respect to the others?

Mr. FLETCHER. And in respect to the others.

Mr. GLASS. If I may intervene right there, the Senator from Mississippi, who, I am sorry to say, has left the floor, referred to the fact that the Government is responsible for the bonds of national banks. I call his attention to the fact that since the adoption of the Federal reserve system the national banks no longer have to buy United States bonds, and he can not apply his argument to national banks which have been organized since the passage of the Federal reserve act.

Mr. NORRIS. I think the Senator ought to include in that that the bonds he referred to were not the bonds of the national banks at all.

Mr. GLASS. They were bonds of the United States Government.

Mr. NORRIS. They were bonds of the United States, hence there can be no application of that argument to them.

Mr. GLASS. The requirement that national banks should buy them as a basis of their circulation was contended by the national banks to be a hardship rather than an advantage. So we have abolished that system entirely, under the Federal reserve act, and since the adoption of the Federal reserve act, in 1913, no national bank which has been organized has been required to supply itself with United States bonds. Therefore the argument falls.

Mr. FLETCHER. I have never contended that either the Federal land bank bonds or the joint-stock land bank bonds were obligations of the Government.

Mr. GLASS. Then there is no difference between the Senator and me.

Mr. FLETCHER. None at all. I was pointing out that the objection was raised yesterday to my amendment to include farm loan bonds as a part of the investment of the capital of these corporations to be organized under this bill, which they are required to deposit with the Federal reserve bank, and the Senator from Connecticut joined with the Senator from Virginia and objected, and the Senator from Virginia said that you might as well propose Pennsylvania Railroad bonds. I do say they stand on a different footing from bonds issued by a private concern, a railroad or any other private enterprise, because there is a certain responsibility here on the part of the Government growing out of the fact that the law gives a bureau of the Treasury power to supervise and control this entire system, and out of the fact that the Government, through the Farm Loan Board, names three directors of every one of these Federal land banks, permanently and continuously.

There is a certain consideration to be given to that situation, and I am not objecting to it. I am willing to continue that, but I am not willing to perpetuate a board of five directors in each of these Federal land banks, every one of whom is named by the Farm Loan Board, while no national farm loan association, although they own the stock of these banks, has a voice in the selection of a single director in a single bank. That is a situation that is intolerable.

I have on my desk over a hundred letters, from every State in the Union, from various secretaries and treasurers of farm loan associations, complaining about that situation and insisting that the farm loan associations owning the stock of these banks ought to be permitted to exercise the functions prescribed in the original act, and they should. That is what we are trying to accomplish, and that is what we are asking—that we go back to the original act providing that three directors shall be named by the Farm Loan Board and six directors be elected by the national farm loan associations whenever they own a majority of the stock in these banks, and that today embraces all the 12 land banks.

I venture to say that three directors who would undoubtedly be named by the farm loan associations would be those very capable men, those trained and experienced men, who have thus far been managing these banks. They will undoubtedly be continued in those positions. The president, the vice president, and the secretary or treasurer, three of whom at least have had to do with the management of these banks, will undoubtedly be continued as directors by the Farm Loan Board wherever they are giving satisfaction. Nobody can complain about it or would complain about it. We rather wish that may be done. As far as I am concerned, I think it ought to be done. It does seem to me that if you have three capable, experienced men in every one of these banks—the president of it and the other two strong men—they ought to be able to convince any six new men you might select as members of that board that they are discharging their duties faithfully and well, and they ought to be able to control that board as to its policies and as to its operations.

Mr. LENROOT. Mr. President, I would like to ask the Senator what benefits he thinks would accrue to the stockholders from the control of the banks by the stockholders?

Mr. FLETCHER. In the first place, we get rid of this dissatisfaction; we get rid of this feeling that the stockholders are not being fairly and justly dealt with. That would be a helpful thing—a demonstration that you want to be fair and just in the conduct of this great enterprise.

In the next place, while I would not venture to go into all the details of the conduct of the business of these banks, I can see a good many ways where the stockholders might be benefited if they had a voice on the board of directors. I might mention at the moment there is the matter of dividends. The stockholders are interested in the dividends. If these banks hold back the dividends and do not pay them out, that is a question the directors would have some voice in. I am advised these dividends have been held back in some instances.

Mr. HITCHCOCK. Will the Senator state where that is being done? My information is just to the contrary.

Mr. FLETCHER. I can give the Senator the details of that from letters.

Mr. HITCHCOCK. Will not the Senator do it now?

Mr. FLETCHER. It would take a little examination, and I have not my files all here now. I have referred to letters, and I have a hundred or more of them here. Some of them mention that the dividends are not being paid in the way to give the benefits to the people who are entitled to them.

Then this situation has arisen: Here is a national farm-loan association. One of the members of that association has failed to keep up his interest payments. Out goes the word from the Federal land bank, "We will receive no more applications from that association until that default is made good." Notwithstanding the fact that the Federal reserve bank has in

its hands in the form of dividends on the stock that should go to the national farm-loan association far in excess of the amount of that default in interest, they stop the business of the farm-loan association because one member is in default, although his obligation is indorsed by the whole association and is a perfectly safe asset. He may have defaulted a few months in his interest, but there is no danger of any loss, because the farm-loan association of which he is a member is obliged to make it good if he does not. In addition to that there are dividends held by the farm-loan bank to which that association is entitled exceeding the amount of the default, and still they say, "We will entertain no more applications from that association until that default is made good."

That is just an illustration. If the farm-loan associations were represented on the board of directors they would have something to say about that situation. That is an answer to the question as to kind of benefit the stockholders might get if they were represented on the board of directors.

Mr. HITCHCOCK. Mr. President, the Senator takes the position that if the farmers were represented and had control of the board of directors, the board of directors would not enforce the collection of interest.

Mr. FLETCHER. Not at all; but they would not paralyze the association until it was necessary to do it in order to secure the payment that was due and as to which there was no danger of loss.

Mr. HITCHCOCK. Let me ask the Senator if when the individual is at fault the association is not responsible?

Mr. FLETCHER. Yes; that is what I said.

Mr. HITCHCOCK. Suppose it fails to pay, what would be done? The bank has to pay the interest on the bonds.

Mr. FLETCHER. The association would pay.

Mr. HITCHCOCK. The Senator was citing a case in which the association does not pay.

Mr. FLETCHER. The association in that instance was not called on to pay, as I recollect. It was simply notified that they would receive no more applications from that association; but even if the association were called on to pay and did not pay, if the bank had dividends in its possession belonging to the association far in excess of the amount due, why should the business be stopped?

Mr. HITCHCOCK. Does the Senator think the bank should take that money and apply it upon that loan?

Mr. FLETCHER. Yes; they have the right under the law to do that very thing.

Mr. HITCHCOCK. To credit that individual with his interest?

Mr. FLETCHER. They can charge that dividend up to any default by the association. They can protect the bank fully under the law without destroying the association.

Mr. HITCHCOCK. But the Senator thinks they should not enforce collection from the association?

Mr. FLETCHER. I think they should, but I think they ought to be reasonable about it.

Mr. HITCHCOCK. Was it not the very fundamental basis of the act when we passed it that the strength of it was that if the individual defaulted the association would pay?

Mr. FLETCHER. Precisely.

Mr. HITCHCOCK. That is what makes the bonds good.

Mr. FLETCHER. There is no risk or danger anywhere; but to take an arbitrary position with respect to the transaction of the business of the bank, just because they have the power to do it and are able to do it, is a thing they ought not to be permitted to do, and they would not be permitted to do it and they would not attempt to do it if the farm loan associations were represented properly on the board of directors. I do not think that is general, but it has happened.

Other times there are delays, tremendous delays. I have complaints upon my desk showing that unquestionably that is true in various parts of the country. It was particularly true a year ago where farmers made applications, and the applications were passed upon and there was no question about the security, but they were simply notified by the bank: "We do not know when we will get to your application. It may be three months or it may be six months. As soon as we can we will take it up." That is not the proper way to treat the people who are entitled to the facilities and the benefits from the system, and they would not treat them that way if they had a voice on the board of directors which runs the affairs of the bank.

Mr. HITCHCOCK. I want to say to the Senator that the complaint he makes does not apply at least to the eighth district, which bank is located in Omaha. In that district no such complaints are made, and the associations are overwhelmingly in favor of leaving the law as it is at present.

Mr. FLETCHER. Without any representation on the board of directors?

Mr. HITCHCOCK. Yes. The association in the eighth district is very highly satisfactory. The only interest the members have in the operation of the bank is the paying of the dividends upon the stock. They have received in one year 6 per cent, 6 per cent in another year, 8 per cent, 10 per cent, and now a dividend of 15 per cent. They have had a splendid investment in the stock in the operations of the bank.

Mr. FLETCHER. Well, they ought to have.

Mr. HITCHCOCK. The associations are composed of the people who have the loans. They are not interested in the making of the loans.

Mr. FLETCHER. They ought to be receiving new members all the time. They do not wind up their business in that way. They require 10 farmers or more to meet and qualify and organize the association. As soon as they are supplied with loans that is not the end of the association. They are supposed to take in other members, and it is supposed to be a going concern.

Mr. HITCHCOCK. I realize that it is supposed to be a going concern, but the statistics show that only one-tenth of the members attend the meetings. They are satisfied when they have made their loans. All the associations are run by the secretary-treasurer.

Mr. FLETCHER. Right on that point I will ask the Senator if he knows of any corporation, any great life-insurance corporation, any railroad corporation, any banking corporation, any corporation at all where the stockholders meet and act regularly upon the business of the corporation. He knows perfectly well that they elect a board of directors and depend upon their directors to run the affairs of the corporation. At the annual meetings the stockholders rarely attend in person. They are generally represented by proxies.

Mr. HITCHCOCK. I am now talking about the annual meeting of the stockholders where the directors are supposed to be elected. The statistics show that only one-tenth of the members attend. Why? It is because they are satisfied with the way things are going and are satisfied with the dividends. They have their loans and have not any further interest in the matter.

Mr. FLETCHER. I think the Senator underestimates the interest which the members of the associations take generally in their organizations. I can see perfectly well how there is no occasion for the members to go great distances to attend a meeting of the National Farm Loan Association when they have elected directors and a secretary-treasurer to look after it.

There is another rule of the Farm Loan Board which has been laid down and for which I can find no authority in the law. That is, that members are not allowed to vote by proxy at the meetings. Under the national banking act they are expressly given the right to vote by proxy. Under the various other organizations it is my understanding they can vote by proxy.

Mr. HITCHCOCK. Is not that due to the fact that the law does not allow a man to sell or hypothecate his stock? He can not assign it, but must hold it in person.

Mr. FLETCHER. I do not think that has anything to do with it. Why can not the members of the farm loan associations, scattered over a great area, long distances from headquarters, say, "Here, Mr. Secretary-Treasurer," or anyone else, eliminating the officers and designating some one else, "go and attend that meeting. Here is my proxy. Represent me at that meeting"? Why can they not be allowed to do that? There is no law against it, nor is there any law upon which a regulation of that kind can be based. Why should the Farm Loan Board lay down the rule that proxies are not allowed in the meetings and that the members must personally attend the meetings in order that the business may be transacted?

That is just one more thing which is an illustration of the domination of the whole system by a politically appointed board here in Washington. I think it is not a satisfactory situation, and I can see perfectly well how the farmers all over the country should feel as they do about it. I have not had the time to examine all these letters. I have checked over the general effect of them. I do not question the Senator's word as to what has taken place in Nebraska.

They are having a very successful organization there and doing good business, but I remember some time ago when the matter was up the Senator said everything was perfectly satisfactory out there and I produced a letter from one of the secretary-treasurers representing a farm loan association which was a member of that bank, and at the time that letter did not agree with the Senator's view. Now here is the letter which I just happened to run across from Farnam, Nebr., from the

secretary-treasurer of the Farnam National Farm Loan Association. He writes me as follows:

If there is anything the farmers do want, it is freedom from political control, and this is especially true of this loan system. It is becoming more popular every day as they get to see the advantages of it, and it seems a shame it can not be left unchanged.

That is, he opposes any change in the original act, and this amendment simply proposes to take us back to the original law.

I have no doubt I could show plenty of similar letters.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. FLETCHER. Certainly.

Mr. LENROOT. I would like to ask the Senator if the primary object and purpose of the law was not to afford money to the farmer, upon the terms laid down in the law, at the lowest possible rate?

Mr. FLETCHER. Yes; I think so.

Mr. LENROOT. That was the primary purpose and object of the law?

Mr. FLETCHER. And on terms adapted to the needs of agriculture.

Mr. LENROOT. Now, ought not the test of the action upon this amendment to be just this: Will the farm loan bonds, if the management be under the local association, be as attractive an investment and will they carry as low a rate of interest as they are carrying under the present system?

Mr. FLETCHER. I think so.

Mr. LENROOT. If any Senator believes otherwise in the interest of the farmer, is it not his duty to vote to continue the present system?

Mr. FLETCHER. Of course each Senator can pass on that to suit his own conscience and judgment. My judgment is that the bonds would be every bit as good in the market and the whole system would be just as thorough and just as good when the national farm loan associations have the voice that the law originally prescribed they should have, namely, to elect six of the directors of the bank, leaving the farm loan association to name three, as obtain under the temporary organization when the Farm Loan Board appointed a board of five directors as now. The intimation is the national farm loan associations are borrowers, and the borrowers ought not to elect directors in these banks. I submit that these borrowers have their homes and everything they possess at stake. They are vitally interested in seeing that the bonds are fully secured, the affairs conducted in an honest and efficient manner, and that the system be a pronounced success in every detail. There is no comparison between their interest and their responsibility and the interest or obligation of five political appointees named by a bureau in Washington.

Mr. WALSH of Montana. I think the answer to the question addressed to the Senator from Florida by the Senator from Wisconsin is tested by the rate of interest which the original issues bore prior to 1918.

Mr. FLETCHER. I had referred to those.

Mr. WALSH of Montana. Those were issued under the law then existing, which contemplated that as soon as $100,000 capital was subscribed by the association, the association should control two-thirds of the directors. I do not remember that there was any difficulty about negotiating the bonds nor that they were obliged to pay any exorbitant rate of interest upon them.

Mr. FLETCHER. The bonds sold readily. I said a few moments ago they were sold when the purchasers knew precisely what the law provided respecting the permanent organization of the banks, which, if the law had been put into operation, would have given long ago six directors chosen by the National Farm Loan Association and others by the Farm Loan Board in each Federal land bank.

Mr. NORRIS. Speaking from recollection only, I think the rate of interest on those bonds was a little less than it has been under the new management. There may be other causes, of course, but my recollection is that they were 4 per cent bonds straight. I may be wrong.

Mr. FLETCHER. I think there is no sort of foundation for any notion that the bonds would not have the confidence of the public and be just as salable on the market at as low a rate of interest under the management prescribed by that act as under this temporary management, and my judgment is they ought to be better. They ought to be safer. The temporary management is a part of the purely political management of the entire system.

No political appointees can be as vitally concerned and have as much at stake as the men who are directly related to the business involved, and all they have depends practically on the success of the whole enterprise.

Mr. McLEAN. Only yesterday a gentleman spoke to me about that very point. He said, "I intended to buy some of those bonds, but if the control is going to be taken out of its present hands I shall not buy them."

Mr. FLETCHER. Of course, he may have had some purpose in making that statement. There will be no lack of buyers.

Mr. McLEAN. Investors are pretty sensitive. That is why I am opposed to the amendment. I do not see any need for it. The Senator from Florida knows that the member of the Federal Farm Loan Board who appeared before the committee testified that the minute a member of an association obtained his loan he lost all interest in the association and that he could not be induced to take any further interest in it. I think that is true to a large extent. Out of the membership of farm loan associations throughout the United States the Senator from Florida may have received 100 letters.

Mr. FLETCHER. Such letters are coming in every day, a dozen or more of them a day.

Mr. McLEAN. I know that some gentlemen who represent the agricultural interests of the country seem to be intensely interested in this matter. That is their business. They are good men; they draw large salaries, and when they get one bill through in the interest of the farmer they must have another pending at once or they will be out of a job. I do not criticize them; they mean well, and many of them are fine men; but they have got to have something to propose all the while. So as soon as we pass one bill on comes another. It is very easy for those men, representing various associations, to accumulate a large number of letters such as the Senator from Florida has received. I do not know that the men to whom I have referred are responsible for them, but it is easily done.

Now I wish to say to the Senator from Florida that the member of the Federal Farm Loan Board who appeared before the committee testified that he did not believe we could get the associations to take the interest which they ought to take in order to appoint directors; that the selection would be left to some politician in the district, who would work the thing up; that the real farmers did not care anything about it; and I think he was right in reference to that.

Mr. FLETCHER. In reference to the observations of the Senator from Connecticut, I desire to say that no farm bureau is back of these letters. I have been receiving inquiries from various farm-loan associations in different parts of the country with regard to legislation which is pending here. Of course, they are interested in that subject. The letters came in such quantities that I could not answer in detail every single letter which came to me, so I prepared a kind of circular letter which was an answer, as I saw it, to inquiries as they were put to me. I manifolded it, and I sent it out. Other letters and suggestions have come in response to my letter. That, however, has nothing whatever to do with the matter. The Senator from Connecticut can ascertain, if he desires to do so, or I can furnish him proof, that the national farm-loan associations desire representation on the boards of directors of the Federal land banks.

Mr. McLEAN. Right there I will say to the Senator from Florida that I think the wise solution of this problem would be to give the associations two directors and let three of them remain appointees of the Federal Farm Loan Board. I think the majority should be appointed by the board; but I am perfectly willing that the farmers, if they desire representation, should have it. The Senator's amendment, however, goes too far; it proposes to give six directors to the associations and that only three shall be retained by the board.

Mr. FLETCHER. Going back a little further than the present situation, I desire to say that when the act was originally framed it was provided that the permanent organization should consist of nine directors for the Federal land banks, three to be named by the Farm Loan Board and six to be selected by the national farm loan associations. I do not see why that is not the right number. I know that during the pressure following the decision of the Supreme Court of the United States the Farm Loan Board complained about the inadequacy of their force in disposing of the business that had been put up to them. I think the Federal land banks need nine directors instead of five, and I think they ought to have nine directors.

Then, as to the control, even when the system was in its infancy the original act provided that whenever $100,000 worth of the stock in any one of the Federal land banks should be owned by national farm loan associations the permanent organization should then immediately take place and those associations should then select six directors. The amendment provides that

when a majority of the stock is held by the national farm loan associations the permanent organization shall take place. It modifies the original act to that extent.

Mr. McLEAN. A change has not been made, because experience has shown that the temporary management has been so good and so satisfactory that the probabilities are if we undertake to improve upon it we shall make a mistake.

Mr. FLETCHER. No; I do not think that follows at all. One reason, at least to my mind—and I am going to defer to the Senator from Montana [Mr. WALSH] as to that—is that there is not a single land bank of which the national farm loan associations do not own a majority of the stock.

However, Mr. President, I have dwelt longer than I intended on this subject. I know the Senator from Montana has examined it very thoroughly; it is his original proposal; and I am not going to take up much further time. The fact is that the interruptions have rather interfered with the logical order of the remarks which I intended to make and have consumed more time than I feel was warranted.

I might, however, allude to just one other thought with reference to the farm loan associations as to which I have not yet said anything. I refer to the first section of the proposed amendment which provides that the National Farm Loan Associations shall be permitted to use not exceeding $25 a year of their funds in furthering their own welfare by establishing unions or assemblies or holding meetings or conventions or doing whatever they may see fit to do in looking after their interests. They need to look after those interests. They are a long way from Washington. Proposals are being made at various times affecting the farm loan act and the system generally. They need somebody to keep them informed about what is going on here and to advise them with reference to these various moves. There is a proposal now being presented which, if agreed to, would destroy the tax-exempt feature of their bonds. Situated as they are in remote portions of the country, they are not prepared to oppose that sort of movement, and yet the movement is inspired from purely selfish motives, in my judgment. It is a matter of vital importance to the National Farm Loan Associations. The provision in the first paragraph of the amendment would enable them to make this expenditure for the purposes indicated. I think they, perhaps, have the right to do it now; but their right to do it has been questioned by the Farm Loan Board. I think the Farm Loan Board made a mistake; that they ought to welcome the cooperation and enthusiastic interest of every farm loan association in this country; but their effort seems to be to shackle the farm loan associations. The farm loan associations embody the cooperative principle of the act; the whole system is founded upon the National Farm Loan Associations. They represent the purely cooperative spirit behind the legislation, and they ought not to be destroyed; they ought to be stimulated; they ought to be encouraged; they ought to be helped everywhere.

Not only was it my contemplation that they should constitute the basis of the system in connection with their financial operations but that they might be the nucleus around which cooperative organizations generally might be formed by those engaged in agriculture, organizations looking to cooperative marketing, cooperative distribution, civic improvement, and various other movements affecting the welfare of the people of the country, tending to make life more attractive in the rural sections, and promoting their advantage and benefit in wide fields which concern their daily life.

The national farm-loan associations are important. They themselves ought to be able to cooperate and organize in a way that would protect their interests, and in that way protect the welfare of the various communities in which they exist.

Mr. President, I will not take any further time. As I have said, I know the Senator from Montana is familiar with this question, and I hope he will discuss it.

Mr. WALSH of Montana. Mr. President, the amendment offered by the Senator from Florida consists of two distinct paragraphs, apparently unrelated to each other, and yet, as the discussion develops, it will be perceived that there is a principle common to both of them. The first paragraph provides that farm-loan associations may devote of their general funds a sum not to exceed $25 annually to meet the expenses of membership in a national association of farm-loan associations.

When this law was in its infancy and the bill was before Congress for enactment, those who were its friends felt that it was the most important experiment in cooperation. It was believed the cooperative principle was the correct principle upon which a Federal farm-loan law should be enacted. It was believed that the farm-loan associations would be cooperative in character and that the land banks would be cooperative banks, owned by the local associations representing their farmer members. No one can doubt that that was the purpose of the framers of the law; and that eventually the operations of the land banks, as well as of the associations themselves, would be controlled by the farmer stockholders. That there would be common interests between the various land banks and between the various members of the association, of course, is entirely obvious. They are interested necessarily in the law itself, in the administration of the law, and, more particularly, in the numerous amendments which from time to time Congress is asked to enact to the law.

Having this matter in mind, a number of the associations and persons more or less directly interested in their welfare organized what was known as the National Union of Farm Loan Associations, with headquarters in the city of Washington. It was an organization through which the wishes and desires of the members of the local associations could find expression.

It was an organization through which the Congress could learn what the various members were thinking of in connection with this legislation and with the enforcement of it. Quite a number of these local associations were desirous of becoming members of the union, which required the payment of annual dues to the amount of $10 per year. They were desirous of becoming members of the association and of contributing to its treasury, for the purposes indicated, that small sum of money. The Farm Loan Board, however, frowned upon this organization and lent it no encouragement. They even went so far as to send out a notice, circular in nature, carrying plainly an intimation that the devotion of even such a small sum as $10 per year toward the expenses of this organization would be regarded by the Farm Loan Board as a misapplication of the funds of the association which would subject the officers authorizing it to prosecution criminally for embezzlement or some related offense.

The pertinent provision of the law is found in section 7 and reads as follows:

> The reasonable expenses of the secretary-treasurer, the loan committee, and other officers and agents of national farm-loan associations, and the salary of the secretary-treasurer shall be paid from the general funds of the association, and the board of directors is authorized to set aside such sums as it shall deem requisite for that purpose and for other expenses of said association.

It would, I think, require no very liberal construction of the statute to which I have referred to justify the making of these payments, notwithstanding the Farm Loan Board felt impelled to take the course which I have indicated; and consequently express authority for making these expenditures is asked by the first paragraph of the amendment offered by the Senator from Florida.

Mr. President, that simply indicates the disposition concerning this matter which is also made manifest in the other paragraph of the amendment offered by the Senator from Florida, to which I shall presently address myself. The idea is that these people ought not to be permitted to handle this business for themselves; that the whole institution, instead of being cooperative in its character, as was contemplated at the time the law was passed, should be paternalistic in character; and that their interests should be taken care of by the Farm Loan Board here in the city of Washington, who could manage their business for them very much better than they could themselves. They wanted to get together in the form of a national association so that they could confer together conveniently and effectively, but the Farm Loan Board apparently thought that was a very unwise thing to do, and consequently, as I say, put its ban upon the expenditure.

I do not think that feature of the matter needs any further consideration. I entertain no doubt that the Congress will be very glad to allow this trifling expenditure for the purpose indicated.

The other matter, however, is one of some very considerable consequence. As I have indicated, the law was enacted as an expression of the cooperative principle. If it had not been thought that that was a wise principle upon which to enact the legislation and to found these institutions, we would have adopted some other plan. It will be recalled very well that at that time it was proposed that the Government itself should loan the money directly to the farmers or through some such intermediate agency as the bank, the thing having no cooperative features whatever; but no one really gave very great support to that idea. The cooperative principle was regarded by all as the correct principle upon which the institutions were to be founded. Accordingly the law provided that each one of the local associations should be obliged to subscribe for stock in the land banks to the extent of 5 per cent of their capital stock, respectively. The Government set the institutions going by providing the initial capital, required by the law to be not

less than $750,000, the provision of the act with respect to that being as follows:

That every Federal land bank shall have, before beginning business, a subscribed capital of not less than $750,000. The Federal Farm Loan Board is authorized to prescribe the times and conditions of the payment of subscriptions to capital stock.

* * * * * * *

Stock owned by the Government of the United States in Federal land banks shall receive no dividends—

And so forth.

In view of that situation, the Government of the United States, providing the initial capital, it was provided, and very properly provided, that the Government of the United States, having provided the capital under which the banks were to operate, should have control of the board of directors; and so it was provided as follows:

Each Federal land bank shall be temporarily managed by five directors appointed by the Federal Farm Loan Board. Said directors shall be citizens of the United States and residents of the district.

They conducted the business of the bank when it began its operations, but it was further provided as follows by the same section—section 4:

After the subscriptions to stock in any Federal land bank by national farm loan associations hereinafter authorized shall have reached the sum of $100,000 the officers and directors of said land bank shall be chosen as herein provided and shall, upon becoming duly qualified, take over the management of said land bank from the temporary officers selected under this section.

How were those officers to be selected? The next paragraph prescribes:

The board of directors of every Federal land bank shall be selected as hereinafter specified and shall consist of nine members, each holding office for three years. Six of said directors shall be known as local directors, and shall be chosen by and be representative of national farm loan associations; and the remaining three directors shall be known as district directors, and shall be appointed by the Federal Farm Loan Board and represent the public interest.

Bear in mind, the Government of the United States provides $750,000 of the capital, and when the capital thus subscribed by the Government is retired to the extent of only $100,000 the temporary arrangement is to cease, and the control is, as indicated, to pass to the subscribing associations. Under that law all of the bonds of these associations were issued until we got into the war, when the bond market was in such a situation, in view of the fact that the Government was putting out its Liberty bond issues and that kind of thing, that it was deemed inadvisable to offer in the market these farm loan bonds, and a law was passed authorizing the Government of the United States to subscribe for the bonds of the farm loan banks to the extent of $250,000,000. That was the act of January 18, 1918, the pertinent provision reading as follows:

The Secretary of the Treasury is further authorized, in his discretion, upon the request of the Federal Farm Loan Board, from time to time during the fiscal years ending June 30, 1918, and June 30, 1919, respectively, to purchase at par and accrued interest with any funds in the Treasury not otherwise appropriated, from any Federal land bank, farm loan bonds issued by such bank.

Such purchases shall not exceed the sum of $100,000,000 in either of such fiscal years. Any Federal land bank may at any time repurchase at par and accrued interest for the purpose of redemption or resale any bonds so purchased from it and held in the Treasury.

The bonds of any Federal land bank so purchased by the Secretary of the Treasury, and held in the Treasury under the provisions of this amendment one year after the termination of the pending war, shall, upon 30 days' notice from the Secretary of the Treasury, be redeemed or repurchased by such bank at par and accrued interest.

Now:

The temporary organization of any Federal land bank as provided in section 4 of said Federal farm loan act shall be continued so long as any farm loan bonds purchased from it under the provisions of this amendment shall be held by the Treasury, and until the subscriptions to stock in such bank by national farm loan associations shall equal the amount of stock held in such bank by the Government of the United States.

Accordingly, by virtue of the provisions of this act, the temporary organization of these land banks was continued so long as the Government should hold any of these bonds. The land banks were given the opportunity to call in these bonds; but so long as the land banks are controlled by six directors appointed by the Farm Loan Board these bonds will not be repurchased, nor will they be called in until, of course, the Farm Loan Board gets ready to have them called in. Now, it is perfectly well understood that the Farm Loan Board does not want the control of these land banks to pass into the hands of the associations. It wants to control these land banks itself, to select six of the directors of the banks, who, of course, will be obliged to conform their policy to the policy of the Farm Loan Board.

It is also here provided, as will be observed, that the control of the Farm Loan Board shall continue not only until these bonds thus held in the Treasury are disposed of, but also as long as the Government of the United States remains the owner of as much as one-half of the stock of the land banks. Observe the original law provided that the control should pass into the hands of the associations when the amount of the stock owned by the associations was $100,000. If the stock was $750,000, by this amendment the temporary organization would continue until the associations held not only $100,000 but one-half of $750,000, namely, $375,000; and that feature, Mr. President, is continued in the amendment offered by the Senator from Florida. That is to say, by the amendment offered by the Senator from Florida the law is made more unfavorable to the associations than was the original law itself under which the original bonds were issued.

Something was said about whether these bonds could be sold at as low a rate of interest if the law were changed. Why, Mr. President, as has been disclosed here in the course of the debate, the original bonds issued by these farm loan banks under this law which gave the associations control of the affairs of the banks when they were the owners of only $100,000 of the capital sold readily upon the market, and at rates of interest that were entirely satisfactory and as low as they ever have been sold; but it is not proposed to go back to that. It is not proposed to go back and to pass control of these banks to the associations until at least $375,000 of the capital is subscribed by these associations. What is the situation with respect to this stock? The last report of the Farm Loan Board which is available to me is that returned to the Congress under date of January 7, 1922, by the Secretary of the Treasury. It is there disclosed that the Government of the United States originally subscribed for stock in these land banks to the amount of $8,892,130, and that there has been retired of that stock $2,293,360, leaving the Government of the United States now the owner of $6,598,770 of that stock, the retirement having taken place under this provision of the law, namely:

After the subscriptions to capital stock by national farm loan associations shall amount to $750,000 in any Federal land bank said bank shall apply semiannually to the payment and retirement of the shares of stock which were issued to represent the subscriptions to the original capital 25 per cent of all sums thereafter subscribed to capital stock until all such original capital stock is retired at par.

That is to say, Mr. President, it was contemplated in the original act that the associations should eventually absorb the stock originally contributed by the Government. How much of this have the associations contributed? The same report shows, as I have indicated, that the Government now owns of the stock of these land banks $6,598,770 and that the national farm loan associations own $21,109,215, and it is proposed to continue this arrangement, under which the owners of six millions of stock have six representatives upon the board of directors and the owners of twenty-one millions of stock have but three.

It is said that that is a good arrangement; that is to say, the Government of the United States ought to remain in the control of these banks; that we ought to abandon altogether the cooperative principle; that it is not sound; that we can not trust to the operation of the cooperative principle, and that we ought to adopt the paternalistic idea of the Government running and controlling these banks through its control of two-thirds of the directors of the banks.

I know there are many people who do not believe that the people of the United States are wise enough to govern themselves. There is a school of statesmen in this country who are convinced that our system of government is not founded upon sound principles, that the people generally are unaware of what is for their best interests, and that there is some class of people in the country who, by reason of education and general intelligence, ought to be intrusted with the management of their affairs. I do not believe that is a sound principle.

It is said that the farmers are not bankers. Of course that is true, and I do not suppose there is one in a thousand of the farmers who belong to these farm loan associations who believes that he is competent to run the business of a Federal land bank; but I doubt if you can find one of them who is not perfectly confident, as I am confident, that he is perfectly able to select some man who is competent to run them. As has been indicated, that is the principle upon which our whole Government is based.

The State governments have become great big business institutions. A man is obliged to consult his own individual financial interests every time he casts a vote for the governor of his State, or for the State officers, or for members of the legislature of his State. Why should he not be as competent to select a man as director of a Federal land bank? I simply want to add this statement, that there is no man, I believe,

who is so well competent to take care of his own business as the man who has his money invested in that business.

Mr. KING. Mr. President, I am very much interested in the viewpoint of the Senator, but I inquire for information, first, is it not a fact that the strength of the land banks has rested largely upon the conception of the people that they were controlled by the Treasury Department, through proper agencies, and by reason of the selection of men of profound knowledge upon fiscal and banking affairs?

Another question; if that view is conceded, if a different policy is executed, and the views of the Senator prevail, and the banks are put largely, if not wholly, under the control of the owners of the stock, will there not be a diminution of the confidence of the people in the business integrity and stability of these institutions?

Mr. WALSH of Montana. I can only answer, as Patrick Henry said, in the light of experience. Our experience in the matter, when it was not doubted that they were going to have control of the banks in accordance with the provisions of this law, when they became the owners of only $100,000 of capital, clearly demonstrates, to my mind, that that view is not correct and that there was no apprehension in the public mind of the solvency of these institutions or of the manner in which they would be conducted. It will be borne in mind, in the first place, that the Farm Loan Board was constituted by the act as a general supervising agency over the whole thing, every member of which is appointed in accordance with the provisions of the Constitution—by the President, and confirmed by the Senate. They are the supervising agency.

Quite naturally and quite reasonably, the directors of the banks, the managers of the banks, will consult with the board, and generally, if they can, conform their policy to the policy of the Farm Loan Board. In the second place, one-third of the members of the board of directors of the bank, even when the Government of the United States does not own a dollar of the stock in it, are appointed by the Farm Loan Board, the other six members being appointed by the associations, and it was believed at the time the act was passed that that would be assurance enough to the investor that the Government of the United States would exercise a careful supervision and control over the operations of the banks.

Mr. President, that leads me to the subject of the moral obligation of the Government of the United States in this matter. Of course, no one contends that there is any legal obligation upon the United States, so far as the bonds of these land banks are concerned, but it is said that in some way or other there is a moral obligation upon the Government of the United States. Upon what basis is there a moral obligation upon the United States? These bonds are the bonds of the land banks, the stock of which is entirely owned by these local private associations who will eventually control the corporation and its destiny, the capital originally contributed by the United States, and eventually displaced by the subscriptions of the various associations.

The Government of the United States, at the time this law was enacted, expressly declared its purpose, by the very form of these instruments, not to make them the obligations of the Government of the United States. Every man who bought the obligations knows, if he knows anything, that they are not obligations of the United States and do not on their face purport to be obligations of the United States any more than national-bank currency is an obligation of the United States.

Under those circumstances, where does the obligation of the United States, from a moral standpoint, come in? As has been indicated, they stand exactly upon the same footing as the notes of a national bank. The Government of the United States assumes no obligation whatever in respect to the currency thus issued by the national banks under the original national bank act.

They are secured by bonds deposited with the Comptroller of the Currency, but if those bonds shall be depressed in value so that they will not realize the face of the currency, that is the loss of the man who takes the national-bank bill. The Government of the United States assumes no liability in the matter at all. But if the Government of the United States should pass a law by which it should assume the right to appoint six directors of a national bank out of nine, and thus control the bank, it might very reasonably be said that the Government of the United States is under a moral obligation in connection with it.

So, Mr. President, in this matter, when the occasion for the law of 1918 has entirely passed and the Government of the United States still insists upon controlling these banks, whether their control is satisfactory to the members of the association or not, it may very justly be said that the Government of the United States becomes morally obligated for the payment of the bonds issued by that bank.

It is said also in this connection that the present management has been excellent; that it is entirely satisfactory to the great majority of the associations who are members of it. That, happily, is true. They have been very admirably conducted. They have been conducted by directors chosen from the various districts within which the banks do business. But what reason is there for supposing that if the members of the associations were permitted to select the directors, instead of their being appointed by the Farm Loan Board, they would not elect the very directors who have been appointed and who have so successfully conducted and managed the business of the bank?

It is a common thing for stockholders in a corporation which has been successfully managed to reelect the directors year after year. Ordinarily, the stockholder is interested only in getting his dividends. If he gets his dividends he is satisfied with the management, and he reelects the directors. Take the Omaha district. I think it not at all unlikely that if the stockholders in the Omaha Land Bank were permitted to vote for directors in that bank in all probability they would reelect most of the men who have served so admirably under appointment by the Federal Farm Loan Board.

The fact that the thing has worked successfully under the appointments made by the Farm Loan Board does not by any means demonstrate that it would not have worked successfully under the original law.

Mr. McLEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Connecticut?

Mr. WALSH of Montana. I yield to the Senator.

Mr. McLEAN. I have just been informed that the committee of the House, which has had this bill under consideration for three weeks or more, and considered this proposition very carefully, has received communications from 1,400 of the farm-loan associations objecting to the proposed change.

Mr. WALSH of Montana. What does that signify?

Mr. McLEAN. It signifies that they are intelligent men, exceedingly well satisfied with the situation as it is, and very apprehensive that the amendment offered by the Senator from Florida is objectionable and unwise.

Mr. WALSH of Montana. Does the Senator know how many farm-loan associations there are?

Mr. McLEAN. There are about 4,100.

Mr. FLETCHER. Then may I interrupt the Senator from Montana, to say that I will venture that not a single one of the people who wrote had the measure before them to pass upon at all?

Mr. WALSH of Montana. No; they did not know anything about it.

Mr. FLETCHER. What they probably did was to write in favor of another plan, and not this one.

Mr. McLEAN. That is not my information.

Mr. FLETCHER. I have never sent out this plan to anybody.

Mr. WALSH of Montana. What they had in all probability was the idea that the present arrangement has been successful, and they are entirely satisfied with it.

Mr. NORRIS. I would like to ask the Senator, because he probably knows and I think it would throw some light on the question, whether the bill which the Senator from Montana introduced in the Senate, and which is embodied in the amendment that is now pending, has been introduced in the House?

Mr. WALSH of Montana. The Senator from Florida [Mr. FLETCHER] has given the history of it. I have no knowledge that it ever was introduced in the House. I introduced it in the Senate nearly two years ago. I sought to get a hearing on it. It was referred to a subcommittee and something like a year ago I appeared before the subcommittee, but so far as my information goes no report has ever been made.

Mr. NORRIS. The Senator misapprehends the object of my inquiry, which was to ascertain whether the replies of which the Senator from Connecticut spoke refer to this particular measure? If it has not been introduced in the House it could not have been this measure about which they were writing.

Mr. McLEAN. The proposition has been agitated for two years or more and members of the association thoroughly understand it, and there are some of them who are in favor of it.

Mr. WALSH of Montana. I question the right of the Senator from Connecticut to speak for the associations.

Mr. McLEAN. The Senator may do that, but——

Mr. NORRIS. I am rather inclined to believe that the inquiries which came to the House committee had reference to a bill that was pending there which sought to make a change of a different kind from this. The same thing was referred to here

in the letter which was read in part by the Senator from Florida emanating from Farnam, Nebr. The writer asked the Senator from Florida to prevent the change, if possible, but he had reference to an entirely different proposition from the one which is pending here. That was a proposition that I know was pending in the House.

Mr. FLETCHER. He had reference to what is known as the Strong bill in the House, which proposes that the farm-land banks name three directors, the national association name three, and they agree upon a seventh, and if they are not able to agree, the farm-land commissioner shall name the seventh.

Mr. NORRIS. That is a matter that has been agitated, and I wondered whether it was not the one to which these replies referred?

Mr. McLEAN. The thing that has been agitated is the question of control of the system.

Mr. NORRIS. That gives control of the system.

Mr. McLEAN. The question has been agitated. The Senator from Montana may question my right to express the views of the association. I was merely repeating the view of a Member of the House committee who communicated it to me, which was that they did understand the situation and that they are opposed to any change.

Mr. WALSH of Montana. That needs a little explanation.

Mr. McLEAN. That may be, I think it would be proper that the association should choose a minority of the directors.

Mr. WALSH of Montana. Did the Senator vote for the bill as it originally stood?

Mr. McLEAN. Oh, yes; I voted for the bill and heartily advocated it.

Mr. WALSH of Montana. The Senator then must have changed his mind about it.

Mr. McLEAN. I do change my mind frequently. As I said the other day, some men learn from their own experiences and nothing else, and some learn from the experience of others.

Mr. WALSH of Montana. What experience has the Senator had that led him to believe it was unwise to carry out the original plan?

Mr. McLEAN. The operation of the system has been so successful and satisfactory to everyone that I believe as long as the Government extends the nontaxable privilege to the bonds, and as long as there is a general understanding that there is an obligation on the part of the Government to save them from depreciation or loss, it is the duty of the Government and in the interest of the farmer to have the system conducted under the present management, or at least permit the Government to be represented by a majority of the directors.

Mr. WALSH of Montana. I do not want to enter into a discussion with the Senator on that subject. I merely want to conclude by saying that if we are to adopt the policy advocated by those who are opposed to the amendment, what we ought to do is to modify and amend the original law to conform to it and to provide that hereafter the directors of the Federal land bank shall consist of nine members, six of whom are to be appointed by the Farm Loan Board, and not resort to the subterfuge—and that is all it is—of continuing in force the law of 1918 to the effect that so long as the Government of the United States shall hold any of these bonds the temporary organization shall be continued.

Mr. McLEAN. If we amend the law, let us not go to extremes that are indefensible.

Mr. WALSH of Montana. I agree with the Senator about that.

Mr. McLEAN. That is what the amendment would do.

Mr. WALSH of Montana. It is simply a question as to whether this is an extreme or not when we make it even better, so far as the view of the Senator is concerned, than the original law itself.

Mr. McLEAN. The joint-stock land-bank bonds, I understand, are selling below par. They have the same tax exemption. These banks are under private management.

Mr. WALSH of Montana. That is, I understand the Senator to say now, that the farm-loan banks, controlled by directors appointed by the Farm Loan Board here in Washington, are conducted more successfully than the joint-stock banks, the directors of which are elected by the stockholders of the banks.

Mr. McLEAN. I know that the bonds are selling for less, and we might have the same result with regard to these instruments if we changed the management, and I think the investors in the country would agree with me.

Mr. WALSH of Montana. Conditions under which the bonds of the joint-stock banks were issued are quite different from conditions under which the bonds of the land banks are issued, and it might easily be that the latter would command a better price in the market without any reference whatever to the relative efficiency of the management.

Mr. FLETCHER. May I interrupt the Senator to suggest that the joint-stock land banks are conducted for profit by individuals, where the Federal land banks are founded upon the cooperative principle, which is absolutely based upon the national farm loan associations exercising their proper functions, and that is the reason why the Federal land banks can offer their securities and get a better price for them than the others.

Mr. WALSH of Montana. In line with that and in conclusion I want to say that no purchaser of bonds that have been issued since 1918 can imagine for a moment that the law of 1918 is going to be the permanent policy of the Government of the United States with reference to these matters. It is on its face a temporary expedient. The Government of the United States during the war bought these bonds. Everybody knows now that the bonds are selling for par, and the Government may dispose of them at any time without the loss of a dollar; and yet, notwithstanding that fact and notwithstanding the fact that the purchasers of the bonds recognize that at any time the control of those banks may go into the hands of the associations, the bonds are commanding a premium upon the market at the present time.

Mr. NORRIS. If the Senator will permit me, it must be apparent to every purchaser of bonds that if the law stands unchanged, that long before the bonds are due and before they are paid the control of the association will be in the hands of the people who own them.

Mr. WALSH of Montana. Undoubtedly.

Mr. NORRIS. So that it can not be that they buy the bonds because of the fact that the Government has temporary control of them.

Mr. WALSH of Montana. I think that reasoning can not possibly be maintained in the light of the law.

Mr. KING. Mr. President, will the Senator from Montana permit an inquiry?

Mr. WALSH of Montana. Certainly.

Mr. KING. Is the Senator in favor of issuing tax-exempt securities by the Federal Government or by such agencies as the Federal land banks?

Mr. WALSH of Montana. I voted for the law and I defended upon the floor of the Senate the provision exempting from taxation the bonds issued by the banks. I have not changed my mind about the wisdom of that policy.

Mr. KING. Obviously the bonds and debentures issued by land banks find their ready market largely because of the tax-exempt provision. Now, if the views of the Senator prevail and the authority of the Federal Government is diminished over the banks, as it would be diminished if all the directors were selected by the stockholders, does not the Senator think that a demand would be made or that the demand would be strengthened that the law be amended so that no tax-exempt securities may be issued by Federal land banks?

It seems to me that one of the reasons for the tax-exempt securities prompts the Government to have control over the banks or at least people will associate the two together, and if we deny to the Federal Government the almost complete control which it has exercised in the past, then there will be an increase in the tide which is moving forward now in favor of removing the tax-exempt provision from the law.

Mr. WALSH of Montana. I would not think that apprehension would have very much foundation, in view of the fact that the tax-exempt feature was there in the beginning. It was a part of the original system under which it was clearly contemplated that very speedily the control should pass into the hands of the association stockholders. The law with that feature in it was so popular at the time and has grown so much in public favor since that time that I can not believe that to recur to the original principle would in any wise strengthen or intensify whatever sentiment there is in the country in favor of the tax-exemption feature of the bonds.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Borah	Frelinghuysen	Kendrick	Nicholson
Brookhart	George	Keyes	Norbeck
Bursum	Gerry	King	Norris
Calder	Glass	Ladd	Oddie
Cameron	Hale	La Follette	Owen
Capper	Harreld	Lenroot	Pepper
Couzens	Harris	Lodge	Phipps
Culberson	Harrison	McKellar	Pittman
Curtis	Heflin	McKinley	Poindexter
Dial	Hitchcock	McLean	Ransdell
Elkins	Johnson	McNary	Reed, Pa.
Fernald	Jones, N. Mex.	Moses	Robinson
Fletcher	Jones, Wash.	Nelson	Sheppard
France	Kellogg	New	Shields

Simmons	Sterling	Wadsworth	Weller
Smoot	Sutherland	Walsh, Mass.	Willis
Spencer	Swanson	Walsh, Mont.	
Stanfield	Townsend	Warren	
Stanley	Trammell	Watson	

Mr. GERRY. I desire to announce that the Senator from Maine [Mr. HALE] is absent on account of attendance on a committee.

The VICE PRESIDENT. Seventy-three Senators having answered to their names, a quorum is present.

Mr. FLETCHER. Mr. President, in order to get the figures accurate, if possible, some statements having been made with regard to the present holdings of stock in the Federal land banks, I wish to read the following extract from hearings before the Committee on Banking and Currency on December 21, 1922:

The borrowers, through farm loan associations, now own and hold $30,866,995 of the capital stock of the Federal land banks. The Government's subscription has been reduced to $4,264,880. The balance of the Government stock will soon be retired and the borrowers will own all of the stock.

The respective stockholdings of the Government and the national farm loan associations in several of the banks are as follows:

Federal land bank.	Stock held by Government.	Stock held by national farm loan associations.
St. Paul	$150,965	$3,596,355
Omaha	44,740	3,638,735
Houston	177,885	3,332,090
Spokane	127,080	3,622,910

That, of course, is being reduced all the while.

Notwithstanding the fact that the borrowers own 87.5 per cent of the stock, are liable for all the losses, and the whole system was designed to make agriculture independent of all outside influence, the borrowers have so far had no voice in the management of the banks.

I merely wish to have those figures appear.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Florida [Mr. FLETCHER].

Mr. FLETCHER. I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the senior Senator from Delaware [Mr. BALL], who, I believe, is absent. I transfer that pair to the Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. MCKINLEY (when his name was called). I transfer my pair with the senior Senator from Arkansas [Mr. CARAWAY] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Vermont [Mr. DILLINGHAM] and vote "nay."

Mr. WARREN (when his name was called). I have a general pair with the junior Senator from North Carolina [Mr. OVERMAN], whom I do not see in the Chamber. I transfer that pair to the senior Senator from North Dakota [Mr. MCCUMBER] and vote "nay."

Mr. WATSON (when his name was called). Transferring my general pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the senior Senator from Iowa [Mr. CUMMINS], I vote "nay."

Mr. WILLIS (when his name was called). I am paired with my colleague, the senior Senator from Ohio [Mr. POMERENE]. I transfer that pair to the Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

The roll call was concluded.

Mr. LODGE (after having voted in the negative). I understand that my general pair, the Senator from Alabama [Mr. UNDERWOOD], is not present. I transfer my pair with him to the junior Senator from Idaho [Mr. GOODING] and allow my vote to stand.

Mr. STANLEY. I inquire if the junior Senator from Kentucky [Mr. ERNST] has voted?

The VICE PRESIDENT. The Chair is informed that Senator has not voted.

Mr. STANLEY. I have a general pair with the junior Senator from Kentucky, and for that reason withhold my vote.

Mr. GLASS. Making the same announcement as on the previous roll call with reference to the transfer of my pair, I vote "yea."

Mr. KING (after having voted in the negative). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. I am advised that on this question he would vote, if present, as I have voted, and I will therefore permit my vote to stand.

Mr. KENDRICK (after having voted in the negative). I inquire if the Senator from Illinois [Mr. MCCORMICK] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. KENDRICK. I have a general pair with the Senator from Illinois, which I transfer to the Senator from Missouri [Mr. REED], and let my vote stand.

Mr. CURTIS. I desire to announce that the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 24, nays 46, as follows:

YEAS—24.

Borah	Glass	La Follette	Shields
Brookhart	Harris	McKellar	Simmons
Culberson	Harrison	Norris	Swanson
Dial	Heflin	Pittman	Trammell
Fletcher	Jones, N. Mex.	Robinson	Walsh, Mass.
George	Ladd	Sheppard	Walsh, Mont.

NAYS—46.

Bursum	Harreld	McNary	Smoot
Calder	Hitchcock	Moses	Spencer
Cameron	Johnson	Nelson	Sterling
Capper	Jones, Wash.	New	Sutherland
Couzens	Kellogg	Nicholson	Townsend
Curtis	Kendrick	Norbeck	Wadsworth
Elkins	Keyes	Oddie	Warren
Fernald	King	Pepper	Watson
France	Lenroot	Phipps	Weller
Frelinghuysen	Lodge	Poindexter	Willis
Gerry	McKinley	Ransdell	
Hale	McLean	Reed, Pa.	

NOT VOTING—26.

Ashurst	Cummins	Myers	Smith
Ball	Dillingham	Overman	Stanfield
Bayard	Edge	Owen	Stanley
Brandegee	Ernst	Page	Underwood
Broussard	Gooding	Pomerene	Williams
Caraway	McCormick	Reed, Mo.	
Colt	McCumber	Shortridge	

So Mr. FLETCHER's amendment was rejected.

Mr. SIMMONS. Mr. President, I desire to offer an amendment to the bill which I forecast in some remarks made by me on the bill a few days ago.

On page 6, line 11, after the words "agricultural products," I propose the following amendment:

Or, under regulations prescribed by the Farm Loan Board, by chattel mortgage or lien upon personal property, or hypothecation of collaterals adequate in amount and value.

I hope the chairman of the committee may see his way clear to accept that amendment.

Mr. MCLEAN. Will not the Senator send it to the desk and have it read again?

Mr. SIMMONS. Yes.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 6, line 11, after the words "agricultural products," it is proposed to insert the following:

Or, under regulations prescribed by the Farm Loan Board, by chattel mortgage or lien upon personal property, or hypothecation of collaterals adequate in amount and value.

Mr. KING. How will it read?

The ASSISTANT SECRETARY. So that, if amended, it will read:

(c) Are secured at the time of discount, purchase, or acceptance by warehouse receipts or other like documents conveying or securing title to nonperishable and readily marketable agricultural products, or, under regulations prescribed by the Farm Loan Board, by chattel mortgage or lien upon personal property, or hypothecation of collaterals adequate in amount and value, or by chattel mortgages or other like instruments conferring a first and paramount lien upon live stock which are being fattened for market.

Mr. SIMMONS. Mr. President, a few days ago, in discussing this bill, I showed that under the terms of the bill—and that was conceded, I believe, in the discussion—these rural-credit banks or corporations would not be permitted to make advances for agricultural purposes unless secured by a warehouse receipt or some document conveying title to nonperishable and readily marketable agricultural products; that the bill, having limited and circumscribed to this extent the loans to be made to agriculture, then proceeded to provide that these loans might be made in the interest of the stock raiser upon chattel mortgage given upon live stock.

I contended then, and I contend now, that these banks would be of very little practical benefit to agriculture if they can lend for agricultural purposes only upon warehouse receipts or mortgages upon agricultural products already produced, nonperishable and readily convertible into money, and I suggested that

the lending power of these institutions for agricultural purposes ought to be broadened.. I have proposed and do propose in this amendment to broaden it by permitting these rural-credit banks to lend not only upon nonperishable agricultural products but, under the regulation and supervision of the Farm Loan Board, to lend for agricultural purposes upon personal property or collateral of adequate amount and value.

I do not see why that can not be done and why it should not be done. It is the only way under this bill in which a farmer will be able to get any money at all to finance the making of his crop. As the provisions in the bill now are, he can only borrow upon the crop after it is made and after it is ready for market. The exigencies of the farmer for money are not so great after he has made his crop, harvested it, and gotten it ready for market.

If he can not do anything better, he can sell it and get the money, and, being a readily salable, marketable product, he can hypothecate it under the present system; but if he wants money for the purpose of making that crop, if he wants money while he is expending money every day in large sums and while no money is coming in, he is not permitted to obtain it from these banks, although he may offer security ever so good.

I do not see why the restriction upon loans to agriculture should be confined solely to loans made for the purpose of marketing or distributing the crop, and why, if he is able to furnish adequate and sufficient security, the farmer should not be permitted to get some advances from this institution to help him finance the making of that crop.

Mr. McLEAN. Mr. President——

Mr. SIMMONS. I do not want to discuss this amendment. I discussed it very elaborately a few days ago, and I do not wish to repeat what I said then.

Mr. McLEAN. I should like to have the Senator's idea as to what security could be offered and would be accepted under his amendment.

Mr. SIMMONS. Why, any good personal property security, or any good collaterals adequate in amount and adequate in value. That would be a matter for the decision of the board.

Mr. McLEAN. Furniture, watches, overcoats, anything a pawnbroker would take?

Mr. SIMMONS. The Senator understands perfectly well what is embraced in the words "personal property." He understands perfectly well what is included in the word "collateral." I want to say to the Senator that before the adoption of the Federal reserve system practically all of the money which the farmer in the section of the country in which I live obtained by loan for the purpose of aiding him in making his crop was upon personal property security. It was generally a mortgage upon the farmer's stock—his horses, his mules, his farm implements, his tractors, his trucks, his wagons, his carts, and upon the crop which he was cultivating.

Mr. McLEAN. That is all covered now under the amendment, section 13a, of the Federal reserve act.

Mr. SIMMONS. Those are loans made by the Federal reserve banks.

Mr. McLEAN. Yes.

Mr. SIMMONS. This is a loan to be made by the banks we are setting up now under this bill for the purpose of helping the farmer, ostensibly. Can not the Senator understand the difference?

Mr. McLEAN. Helping agriculture.

Mr. SIMMONS. Helping agriculture, ostensibly. Therefore, I say, let us not make a pretense of it. If we are going to set up these banks for the professed purpose of financing agriculture, let us not make the provision so narrow and so restricted that there will be no chance, there will be no power, to lend for the purpose of helping the farmers make their crops. It is in making the crop that the farmers need help, rather than in selling the crop. When a farmer or a manufacturer has carried his process of production to the point where the finished product is ready to be marketed, then he does not need anything like as much money as he does when he is making the product, spending money upon it and getting no money in return.

Mr. McLEAN. I do not know what regulations would be prescribed by the Farm Loan Board.

Mr. SIMMONS. I had in mind, when I used that language, that the Farm Loan Board would indicate the amount of personal property or the amount of collaterals upon which the banks might lend, just as in the War Finance Corporation act we provided that not more than a certain per cent of the face value or the market value of the property sought to be pledged should be lent. I thought some regulation with reference to that would be advisable, and that the Farm Loan Board would prescribe what per cent might be lent upon the market value of certain personal property, and what per cent might be lent upon the market value of certain collaterals which might be offered.

Mr. McLEAN. If the Federal Farm Loan Board interpreted the amendment as it reads, it would be their duty to permit any kind of personal property to be accepted, to permit the acceptance of a chattel mortgage on anything.

Mr. SIMMONS. Oh, no; the Senator is wrong.

Mr. McLEAN. My point is this, that if the Farm Loan Board followed the direction of the amendment it would be their duty to permit loans secured by any kind of personal property, no matter what it is.

Mr. SIMMONS. To be loaned by what—by these corporations?

Mr. McLEAN. By these corporations.

Mr. SIMMONS. By the corporations to be created under this bill?

Mr. McLEAN. Yes.

Mr. SIMMONS. The Senator is entirely wrong about it.

Mr. McLEAN. Let me read it:

Or, under regulations prescribed by the Farm Loan Board, by chattel mortgages or lien upon personal property or hypothecation of collaterals adequate in amount and value.

Mr. SIMMONS. Of course, "under regulations prescribed by the Farm Loan Board." I think we can trust that board to prescribe regulations that will guard against reckless loans.

Mr. McLEAN. I am very well satisfied that you could not sell 10 cents' worth of your debentures under such a provision as that.

Mr. SIMMONS. I am sure the Senator's statement is not well founded. The Senator's words seem to me to be a deliberate declaration on his part that while a mortgage or a warehouse receipt upon certain nonperishable products is perfectly good security when offered by the farmer, if a farmer shall offer a chattel mortgage upon personal property of marketable value, or upon collaterals which are of adequate value, that security would not be sufficient to enable him to obtain money. That statement is manifestly absurd, I say, with all due respect to the able Senator from Connecticut.

I say to the Senator that before restrictions were imposed upon loans at the time of maturity, excluding certain classes of security from eligibility, securities offered by farmers upon a maturity of nine months—and they can not safely borrow money upon a shorter maturity than that—the farmers of the South were able to borrow from the national banks all the funds they needed for the purpose of cultivating their crops, upon mortgages executed upon their personal holdings, including a lien upon their crops. That kind of security constituted a large part of the security behind the loans of the national banks in certain purely agricultural sections, and I think the experience in that section of the country will show that as small losses were made in loans upon that class of security probably as upon any other.

Mr. LENROOT. Mr. President, could a farmer in the South secure such a loan from a bank located two or three hundred miles away? Did it not depend upon the personal supervision of the banker, having the security right under the eyes of the officers of the bank?

Mr. SIMMONS. Mr. President, I do not know of an instance where a bank has exercised any personal supervision over the making of the crops in my section of the country. Of course, these institutions would want to make inquiry through agents whom probably they would have, as to the value of the property, and would make it before they would make a loan. But can the Senator tell me why, if a farmer comes with good, marketable collateral to an institution set up for his benefit, his proposition should be turned down?

Mr. LENROOT. I am only saying that in contemplation of this bill, a general chattel mortgage upon growing stock, farm machinery, and so forth, is not marketable collateral.

Mr. SIMMONS. The provision of my amendment includes loans upon collateral of adequate amount and value.

Mr. LENROOT. That is true.

Mr. SIMMONS. If the Senator feels that the first provision as to mortgages upon personal property is not safe and sound, if that were eliminated, would he allow the farmer to borrow upon collateral of adequate amount and value? Would he not allow him to borrow upon indorsements of two solvent persons? The point I am making is that in your bill you do not allow him to borrow a cent in any way in the world in order to get money to make his crop.

You confine the lending of this institution, which is supposed to be a farmer's institution, altogether to mortgages upon his crop after it is produced. I want to extend the bill so that he can get some money while he is making the crop, when he actually needs the money most. You say you do not regard

his personal property, consisting of horses, mules, wagons, carts, farming implements, tractors, and trucks, as anything. I can not see why, when a farmer has planted a hundred acres in tobacco or cotton, and it is in thriving condition, that crop should not be the best of security, as good as the unfabricated material of a manufacturing plant, which is made the basis of security. You lend the manufacturer upon the basis, not that he pledges any particular property, but that he is engaged in a business ordinarily profitable; he has good ability; he is the head of a going concern. You lend him money upon the faith of the proposition, and the banks are doing it every day, upon the faith of the earning capacity, the profits he will make when he converts the raw material, which may be, as I said, in the bowels of the earth when he borrows the money, into the product which he is fabricating.

Why should not the farmer's crop be worth something as a basis of security? I say that but for the limitations as to maturity, the farmers in my section of the country would be able to borrow from the national banks and the State banks, members of the Federal reserve system, all the money they need, upon the basis of their personal holdings and their crops. Agriculture has not broken down in the United States. All value has not been taken out of wheat, and cotton, and tobacco, and the other staple products of the country. Crop failures from boll weevils may occur to some extent, but they have not resulted in preventing the cultivation of cotton, and will not prevent its cultivation, and I hope in the near future its very profitable cultivation.

Mr. LENROOT. I quite agree with the Senator, but I am sure the Senator realizes that unless the business of these corporations be confined to their capital stock alone, if the major part of the credit is to be provided through the sale of debentures, those debentures must have back of them some security that will be attractive to investors, and if you have provisions in this bill, or in any other bill, which are of such a character that the investor will be doubtful about that, he is not going to buy any of the debentures. That is the whole question, it seems to me.

Mr. SIMMONS. I understand the position of the Senator, as I understand the position of the Senator from Connecticut. But what I am asking is this, if you think it would be unsafe for these institutions to advance money upon this security, consisting of a mortgage on the farmer's personal property and his crop, if you think that is unsound, is there no other security which a farmer may give which you will agree the institutions may accept as security for a loan to be made to him to help him make his crop? You provide no way in your bill by which he can obtain a cent. You say the bill is designed to aid farmers, but when you begin to analyze the bill you find that it is impossible under the terms of the bill. The farmer might even bring Government bonds and put them down as collateral, but he could not borrow anything on them from his own bank to help him cultivate his crop.

I want the farmer to have some access to his bank or to his own corporation to get money to help him make his crop, because if he can not make his crop there will not be any crop to pledge or mortgage, as you have provided may be done in the bill.

I know I am not going to get any amendment through unless Senators on the other side consent to it. The agricultural bloc, so-called, seems to have gone to pieces, so far as agricultural legislation is concerned, and they can not be relied upon any longer. Then will Senators not consent? I am appealing to them now in the interest of the farmer; I am trying to get Senators to let him have access to his own bank to get money to make his crop, and I ask Senators, as they have excluded the farmer in the bill altogether, if they will not accept the amendment I have offered and will they not designate some sort of security they think would be safe which the farmer may offer to get money to make his crop?

Mr. McLEAN. But these institutions are not intended as banks. The Senator insists upon calling them banks.

Mr. SIMMONS. It is intended to aid agriculture. I say when we limit the loans that we make for agricultural purposes to loans to market and distribute the crops, we are not accomplishing in the bill the purpose which the Senator is professing to have.

Mr. McLEAN. If he has a Government bond, if he has anything upon which he can borrow, there are 30,000 banks in the country, and he could go to a bank.

Mr. SIMMONS. I want him to get the benefit of the bank which it is proposed to set up for his benefit. I am trying to put it to the test whether we are setting it up for his benefit, whether we are saying to him that "while we pretend this is for your benefit, if you want to borrow money you will have to go somewhere else to borrow it." I think if this is for his benefit, he ought to be permitted in some way or other to get some money out of it to enable him to finance his crop. It is beside the question to say, "If you can not get it here, you can get it somewhere else." He knows that. Everybody knows that without being told.

Mr. LENROOT. I suggest to the Senator that the bill will be of no value either in his section of the country or mine.

Mr. SIMMONS. I am trying to make it of some value.

Mr. LENROOT. I do not think it would be even then, because I do not believe in the Senator's section or in my section any of the corporations provided for in the bill would be organized.

Mr. SIMMONS. I do not think so, either, but the majority party is passing the bill, and I am only trying to provide for contingencies if the organizations are set up.

Mr. LENROOT. I think it would be of value to the live-stock States.

Mr. SIMMONS. I argued that, so far as the agricultural section of the country, the paucity of benefits of the corporations which the bill proposes are so meager that they will never be brought into operation in the agricultural sections of the country.

Mr. McLEAN. But if they are——

Mr. SIMMONS. If they are brought into operation—I am trying to arrange it so that if perchance one of them may be established anywhere in an agricultural district, which I think is very doubtful, when it is established it will be able in some way or other to help the farmer make his crop.

Mr. McLEAN. It never will be established unless it is organized on a sound basis. The Senator's proposition to permit the corporation to accept chattel mortgages on any kind of personal property satisfies me that none of them would ever be organized, because they could not sell their debentures.

Mr. SIMMONS. But it is said in the bill that it would be perfectly safe to make advances to the farmer upon the basis of the crop after he has made his crop. Now, suppose before he makes his crop he comes in and says, "I need money right now. My crop is not ready yet and I can not get money under that provision of the law. But while I can not give that security upon which you say you will lend money, I can give just as good security of another character." That would be his attitude, I think. That is my opinion about it, that he could give just as good security of another character.

What I am trying to get the Senator to do is to designate what kind of security he is willing to have taken for loans made to the farmer to finance the growing of his crop. Is the Senator willing that he may borrow the money upon the faith of solvent collateral, of approved amounts and values, or upon the indorsement of two or more solvent persons? I am willing to be content if the Senator will suggest any sort of security that would be acceptable in that way.

Mr. McLEAN. But it is entirely inconsistent with the idea of the corporations which are organized for the purpose of financing the distribution and sale of crops.

Mr. SIMMONS. Is there anything in the declared purpose of the bill that says this is to be an institution set up solely for the purpose of financing the distribution of farmers' crops?

Mr. McLEAN. That is the purpose, of course, of the corporations.

Mr. SIMMONS. Does the Senator think it more important to finance the distribution of the crop than it is to finance the making of the crop?

Mr. McLEAN. That is another proposition entirely.

Mr. SIMMONS. Of course it is. The Senator states an obvious fact which everybody knows.

Mr. McLEAN. That must come under some other proposal than this measure. We can not make banks of these institutions. We can not make pawnbrokers of these institutions. They would not be organized if we undertook to do that.

Mr. SIMMONS. It is not pawnbroking when the farmer comes and says, "Here is a mortgage upon my crop," and you say, "All right"; but if he comes and says, "I want $100 and here is collateral that will sell on the market to-day for $500," you say, "That is a pawnbroking proposition and we will not consider it."

Mr. McLEAN. It might not be, but he does not need to come to this institution to get accommodations under such circumstances. As I have said a great many times, he could go to any bank and on his nine months' paper he could put up his collateral.

Mr. SIMMONS. Then, if the farmer can get all the help he needs from other banks, there was not any particular reason for attempting to set up this system. The excuse and the only excuse on the part of the Senator for the establishment of these banks is that he is establishing them for the purpose of

aiding agriculture. That is one of the chief excuses—agriculture.

Mr. McLEAN. Especially to encourage the formation of cooperative marketing associations, because I believe that therein lies the solution of the problem—an invitation to the producers of the country to cooperate and control the market for their products.

Mr. SIMMONS. That is a marketing proposition, a distributing proposition, solely and exclusively.

Mr. McLEAN. If the farmers are willing and have ambition enough themselves, as is true in many sections of the country, the cooperative associations would be formed throughout the country. They are now having difficulty in getting accommodations from the banks, and so we establish these organizations and invite and encourage the farmers of the country to get together and cooperate to control the markets for their products. That is the primary purpose of the bill so far as it relates to these organizations. Its benefits reach the individual farmer if his notes are properly secured.

Mr. SIMMONS. I think I have thrashed that out with the Senator about as thoroughly as there is any necessity for doing. I see what the majority have resolved to do. I now offer the amendment. I shall not call for a yea-and-nay vote on my amendment, but I want a quorum here to vote on it. The excuses given by the proponents of the pending bill for their opposition to my amendment are not such as to command my respect, and they conclusively show the utter futility of our entertaining any hope to see here now a genuine effort and desire on the part of the majority to legislate in the interest of the farmer.

Mr. SMOOT. Mr. President, years ago it was thought proper to advise not only business men but farmers and everyone else to keep out of debt. There has not been a piece of legislation enacted here in the last five or six years but what has been an invitation to every business man and every farmer to go into debt. I remember when it was a very unusual thing for a mortgage to be put upon a farm in my State. To-day there are thousands and thousands of them. It was not because in the earlier days there was more money. It was because of the fact that the people were taught to take care of their money and save it, and by all manner of means to avoid a mortgage upon their homes. Now we read in the public press and hear in the legislative halls of the States and of the Nation as well that what is going to settle all these questions and make everybody happy and rich is to advance money to them and get them into debt.

I think we ought to have legislation, under the conditions existing to-day and the railroad freight rates that are charged, that would enable the farmer temporarily to hold his product so as to have at least a chance of saying when he shall sell it and not be forced to put it upon the market as soon as it is harvested.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. I yield.

Mr. ROBINSON. I heartily agree with the implication contained in the Senator's last statement—that the railroad freight rates now imposed upon the transportation of commodities, particularly agricultural products, are so high that it is in many instances difficult, if not impossible, for the producers of such products to reach a market that will yield them even the cost of production and transportation, not to say a reasonable profit.

Mr. SMOOT. All within a very short time, too.

Mr. ROBINSON. Yes; within a very short time. But does the Senator anticipate that that condition respecting freight rates will be relieved within the early or immediate future?

Mr. SMOOT. I took occasion the other night to look up the percentages of the moneys obtained from all sources which went to each particular source of expense. I was very much surprised to find that in 1914, as I remember, 40.3 per cent of all the expense of maintaining the railroads was for labor. Last year there was 50.9 per cent of all the expense of maintaining the railroads paid to labor. It is really remarkable, if anyone will take the trouble to look it up, to see the percentages of each of the items of the total expense of the railroads.

I will say to the Senator that since I made that examination I am rather convinced that whatever reduction there may be in freight rates will be small in comparison to what it should be in order to meet the present situation affecting agriculture.

Mr. ROBINSON. That is in part the answer I anticipated. So that, in so far as freight rates affect the prices of agricultural products, or rather the profits to be derived by the producers of them, we can not expect that condition to be mitigated in the early future. The questions which it involves are so complicated and numerous and beset with so many difficulties that it will, to say the least, require a long time to work them out.

It does seem to me, however, that the railroad managements of the country have been slow, in many instances to a point deserving censure, in readjusting their rates to meet the economic necessities of the United States. In the Esch-Cummins law they were given liberal treatment and afforded every possible opportunity to so conduct their business as to treat the public with consideration and at the same time earn a fair profit upon the investments in railroad properties. The manner in which they have handled the subject of freight cars, the total failure to cooperate in the use of freight cars so as to make them quickly available where the business of the country demands it, is an illustration of the inefficiency evidenced by lack of cooperation, widespread and far-reaching, of some of the railroad managements of the country. A day of reckoning is coming if they do not improve service and reduce rates.

Mr. SMOOT. Mr. President, I did not rise to discuss the question of railroad rates. I simply felt as though I wished to say a few words as to the tendency of the age, not only as evidenced by our Government but by all the governments of the world, to go into debt. I say there is not a greater bondage into which a person or a government can enter than the bondage of debt. I should like to see not only our Government but every Government in the world, instead of issuing more obligations, begin immediately to redeem their obligations and endeavor to return to normal conditions.

Mr. President, I should like to see every family and, if it were possible, every farmer and every business man, have sufficient capital to operate without borrowing. I should like to see every farmer, if it were possible, when he garners his crop, receive enough from its sale to carry him through for the succeeding 12 months, instead of, as happens in so many cases, having the proceeds spent before ever the crop is garnered. The present system is one continual round of borrowing, and the farmer himself is in debt all the time.

I wish to say that much because I think the policy should be to encourage the farmer and all the people in general to keep out of debt rather than to go deeper into debt.

Mr. JONES of New Mexico. Mr. President, I should like to say merely a few words in connection with the remarks of the Senator from Utah [Mr. SMOOT]. I can not believe that the distinguished Senator really means precisely what he has said; that he wants the farmers of the country to stop utilizing credit; that he hopes the time will soon come when the farmers at the beginning of the year will actually have on hand money enough to carry them through the succeeding year. That has been the condition in the past. It was the condition, however, because of the legislation of this Government of ours.

What would be the effect if the hopes of the Senator from Utah were realized? It would mean that the farmers of the country would have their money in the banks of the country, to be used solely by the speculative interests of the country.

Mr. SMOOT. Not at all. The Senator from New Mexico is mistaken.

Mr. JONES of New Mexico. I ask the Senator from Utah, then, where would he expect to find use for the surplus funds of the farmer?

Mr. SMOOT. The farmer would be enabled to dispose of his products as he desired, and the proceeds could be used for his own purposes. It would not necessarily follow that a dollar of his earnings would go into the banks, other than, perhaps, a small amount, for he could afford to hold his products until some particular time when he actually needed the money.

Mr. JONES of New Mexico. Yes; Mr. President, that is what the Senator from Utah has stated; but, carried to its logical conclusion, what does it imply? In the case of a man who is running a ranch, the expenses of which per annum amount to $50,000—and there are many such in this country—the idea of the Senator implies that at the beginning of the year the ranchmen must have on hand $50,000 in cash.

Mr. SMOOT. No; that is not my idea, I will say to the Senator. I am not talking about a farmer who has an expense account of $50,000 a year; and I do not think that is the man for whom we are legislating. In this instance we are legislating for the man who has a small farm; we are not legislating for one who has a million acres or hundreds of thousands or even tens of thousands of cattle. I do not understand that we are legislating for such a man at all.

Mr. JONES of New Mexico. Nor do I, Mr. President. I simply used the illustration which I did for the purpose of showing that the whole matter is relative, as the Senator from

Utah must very well know. The Senator's suggestion simply means that there should be taken away from the farmers of this country a very valuable asset—that of credit. Credit is what the world has a right to use if it shall go forward as rapidly as it should go forward. The vice of the financial situation in the past has been that we have had legislation which enabled the so-called commercial interests of the country to avail themselves of credit; but credit has been denied to the farmers of the country.

I hope, Mr. President, that we shall not go back to any such period of normalcy as that, when the liquid assets of the country, together with the credits of the country, are to be made available only to one class of people. That was the trouble with the situation when we had nothing but the national banking law for the service of the whole country, under which loans upon real estate were prohibited and there was no provision made whereby the holders of farms could utilize credit at all under any sort of system fostered by the Federal Government. It is to remedy that evil that we have been building up credit systems for the farmer, but the Senator from Utah has stated that we ought not to utilize them.

The history of the farm-land banks shows that there has been a demand for loans already carried into execution and satisfied to the extent of $700,000,000. Would the Senator from Utah say that was wrong; that the farmers who borrowed that money did not know what they were doing when they borrowed it? Is he willing to say that he will put his judgment up against theirs and state that they have done wrong in wanting to borrow any money with which to carry on their business?

Mr. SMOOT. Mr. President, the Senator from Utah has made no such statement. From what the Senator from Utah said, I do not think the Senator from New Mexico had any right whatever to gather that impression. I simply stated that it would be a splendid thing if the farmer were in such a position that he would not have to borrow money to carry him on immediately after he had gathered or garnered a crop for the year; and I think the Senator from New Mexico also will admit that to be true.

I do not think the Senator would like to have the farmer in a position where he is always living 12 months ahead of time and where everything he has on earth may be in jeopardy for 12 months out of the year. I do not think that is the proper way to live. I do not say that the farmer should not borrow money when he needs it; nobody has made any such statement as that. My statement was that it would be far better for the farmer if he could place himself in a position where he did not have to pay interest on indebtedness; and I still maintain that statement to be sound.

Mr. JONES of New Mexico. The Senator from Utah has merely reiterated what he said a few moments ago when he was addressing the Senate. His statement clearly shows that he thinks it is bad for the farmer to utilize any credit, but I do not think so. I believe that the farmer has just as much right to use his credit as has any other man in business.

Mr. SMOOT. He has.

Mr. JONES of New Mexico. And I think that if the farmer handles his credit judiciously he can make it profitable just as well as can any other man in business. The Senator from Utah well knows that the farmers and stockmen of the West have been borrowers for a generation or more; in fact, ever since the West was attempted to be settled we have had to depend upon money from the East; and we have faced the condition that upon the short-term loans in the West which were floated in the East when the time came that the farmers and stockmen really needed the money the eastern lenders withdrew it from that section of the country. We do not want that to happen again.

I recall very well that in September, 1920, when I appeared with a committee of western stockmen before the Federal Reserve Board to discuss the question of the withdrawal of funds from the West I was told by the representatives of eastern bankers that all they wanted was that when their paper became due it should be paid; they were not willing to recognize that in ordinary times at least $100,000,000 of credit were being furnished by the West, that source of supply of foodstuffs, which enabled the eastern people to carry on their business.

For the Senator from Utah to deprecate the idea that any farmer is going to use his credit is simply to inveigh against progress, to advocate a policy which can only work to the detriment of the farmer and relegate him to a class which it might be said were incapable of conducting their own affairs. That is the criticism which I would extend to conditions which have prevailed in the past—that the financial system of the country has been built up only for special interests, for a special or particular class of the people of the Nation. We are now approaching the time when the farmers of the country who need credit and who have the basis of credit shall be furnished with some means whereby they may avail themselves of it to carry on their business profitably, just the same as other classes of people carry on their business. That we need such a system I have not the slightest doubt.

I do not know that this bill is going to be of very much benefit to the farmers of the West. There have been already organized in the West live-stock associations, capitalized by private money and conducted by private individuals, which indorse and transmit western paper to the East. The one benefit which will, in my judgment, come from this proposed legislation is, if the institutions contemplated by the bill shall be organized at all it will enable them to gather together the short-term and the intermediate-term paper, properly secured, and make that the basis of debentures or bonds for a definite and rather an extended period of time, so that when the day of stress comes the people of the East who will buy the bonds will not be able to cash them in at their will as the individual paper may become due. I think I can see that great advantage in this measure.

My thought, however, is that there may be not a sufficient number of these institutions organized to do very much good. There are not many private institutions now organized for that purpose, although there are a few. I am supporting this measure wholly upon hope that it will be availed of by private capital. I can not say that that hope is very strong; but at least we shall provide the opportunity and furnish a means whereby there may be some relief afforded from the situation which has prevailed in the past. We want, in some manner, to provide definite credit, not credit which may be taken away from one section of the country by another section when the latter section sees fit to use its funds in some other way. I maintain that to say that the farmers of the country ought not to use their credit is hardly consistent with modern progress, and the man who so contends is certainly not in harmony with the spirit of this generation.

Mr. HEFLIN. Mr. President, I want to indorse most of what the Senator from New Mexico [Mr. JONES] has just said, and also to support the amendment of the Senator from North Carolina [Mr. SIMMONS].

I can not see any good reason why the farmer or anybody else can not get money on cattle and on any other personal property that he has that is of value about his premises.

Mr. SIMMONS. Mr. President, let me say to the Senator that this bill expressly allows him to get money on a mortgage on cattle.

Mr. HEFLIN. I understand that.

Mr. SIMMONS. But it will not allow a farmer not engaged in stock raising to get money on anything except on a crop that is made and in the warehouse.

Mr. HEFLIN. Does the Senator's amendment provide that he can borrow on a growing crop?

Mr. SIMMONS. It does not say on the growing crop; it says "personal property."

Mr. HEFLIN. On any personal property?

Mr. SIMMONS. Personal property or approved collaterals adequate in amount and value.

Mr. HEFLIN. Mr. President, why should not a man be able to borrow money on anything he has that is of value? Are we running the banking institutions in this country for one class of people alone? If so, let all these other people quit their occupations and try to go into the occupations of the favored class, go and do what these others are doing whose produce and whose business is recognized as eligible collateral at the banks. We want people to engage in every kind of helpful and needful business in this country.

There are so many different kinds of enterprises and industries, and we want to encourage them to engage in all of them; but here is one man who goes out, and he is a man of small means, and he wants to support his wife and children and produce a worthy livelihood for himself and them, and because he is producing a certain kind of product he is shut out from the bank. That has been the cry heretofore—that the commercial banking system was not suited to this sort of thing. Now we are trying to create a system that is suited to this sort of thing, and these Senators who do not want to get away from the old commercial idea are trying to frame this bill by their preconceived notions of what a commercial banking system is.

If we will make it possible for the small farmer to borrow from these banks on his property of various kinds, that very fact will enable him to borrow from the banks already in existence, and his opportunity for getting the money needed to carry on his business will be greater. That is what happened when we arranged to furnish him with money through the War Finance Corporation.

After that many of the banks advanced money to aid him. Many of them would have done that before if such collateral had been made eligible by law. This amendment simply makes it possible for the small farmer to get money through this system if he can not get it anywhere else.

I want to say a word in reply to the Senator from Utah [Mr. SMOOT], who suggests that the farmer does not want to get into debt any more; he wants to get out of debt.

Mr. SMOOT. I did not say that. I did not say that the farmer did not want to get into debt.

Mr. HEFLIN. That he ought not to get into debt, then.

Mr. SMOOT. No; I stated that it would be a very splendid thing if he were not compelled to go into debt. That is the position I take, and I am quite sure the Senator will agree with me.

Mr. HEFLIN. Oh, I agree that I am sorry that he has to go into debt any more. I am sorry that he has been driven into debt so deeply as he has; but the deflation policy inaugurated by the leaders of the Republican Party, armed and equipped with the amendment to the Federal reserve act allowing the progressive interest rate to be applied, and which was applied to the agricultural section alone, is what got him into debt.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. HEFLIN. Yes; I am glad to yield to the Senator.

Mr. BROOKHART. I understand that the Senator claims that the deflation policy of the Federal reserve bank was organized by the Republicans.

Mr. HEFLIN. Yes, sir.

Mr. BROOKHART. The policy that hit us out in Iowa happened in the fall of 1920.

Mr. HEFLIN. That is right, and the Republican Congress passed the amendment that I speak of in the spring of 1920.

Mr. BROOKHART. At that time Mr. Wilson was President of the United States, and every member of the Federal Reserve Board was a Democrat.

Mr. HEFLIN. Oh, no; not all of them were Democrats then, and none of them were Democrats when they came from under the spell.

Mr. BROOKHART. I think myself there was only one real Democrat on the board. The others were Wall Street men.

Mr. HEFLIN. John Skelton Williams was ex officio member. He was and is a Democrat, then Comptroller of the Currency, and the best member of the board. He was an honest man, faithful to his trust, and rendered great service to his country during that time and since.

Mr. BROOKHART. But I think a Wall Street Democrat is just as bad as a Wall Street Republican.

Mr. HEFLIN. So do I.

Mr. BROOKHART. I can not see any difference in them.

Mr. HEFLIN. I have no disagreement with the Senator upon that question; but what I am pointing out is that the Republicans had the Congress in 1920, both Houses, and they passed through the House this progressive interest rate, and they passed it through the Senate, and that progressive interest rate was applied to the South and applied to the West, and all sorts of interest rates were charged—15, 20, 30 per cent, and even higher. As I have frequently said before, one little bank in my State paid 87½ per cent. These are the things that drove the farmer into debt. The farmer was not responsible for it. This deadly deflation was what did it, and the Senator from Utah and others now say that the farmer ought to get out of debt, instead of getting more deeply into debt. He has to borrow money to get out; and what I am trying to do is to so hedge him about with the rules of right and the laws of justice that he can not be driven to surrender his stuff to any speculator in Wall Street or elsewhere until the price justifies the sale of it. I want to enable him to hold his products off the market until the price will yield him a profit. He is entitled to that.

I want to enable him to borrow money on such property of value as he has to offer. Time was when he was able to get money on it, but when the paper become due he was frequently forced to sell, and he had to turn loose his products and let them go upon the market without regard to the price. I want to fix it so that he can hold his products and have some say in fixing the price. He has a right to that. That is what we are trying to do here.

I called attention here once before to this illustration: A farmer in my State got $200 for a bale of cotton. He had 10 bales of cotton. That was $2,000. He owed $2,000. He could pay that $2,000 with the 10 bales, and wipe that debt off the books; but when deflation struck him, cotton went down, down, down in a hurry to 10 cents a pound, and then he was forced to sell his cotton, and it paid only one-fourth of that debt, and left him owing $1,500, and at that price it would have taken four crops to pay that debt. That is the sort of outrageous performance that has been carried on against the farmers of the South, and the same thing applies to the farmers of the West. I called attention here before to the statement of Congressman SWING, of California, that in a bankers' convention in southern California he heard a Federal reserve agent in that convention tell the bankers: "Don't you loan any more money on agricultural products"; and several bankers got up and said: "Why, we do business with the farmers. We have to carry them, or they are ruined, and we are ruined"; and this agent replied: "If you do loan them any more money, we will not rediscount your paper."

That is what happened, and that word went quickly from the Federal Reserve Board to the banks in the agricultural South and West, and the farmer was shut off entirely. That is the treatment that was accorded to him; and then Senators come here and stand on this floor and others send in periodicals and say the farmer ought not to get more deeply in debt—that he should try to get out of debt. Farmers do not want more debt, but they want a way to get out of the debts piled on them by deflation. Pray tell me, How is the farmer going to get out of debt without getting money from somewhere and without being given time to work it out and square his debts?

I will tell you what happened out in the Northwest. The testimony showed it before our committee:

"How many of your farmers are mortgaged?"

"Practically all of them."

"What have they mortgaged?"

"Their homes and farms."

"Have they any live stock?"

"Yes."

"Are they mortgaged?"

"Yes, sir."

"What else have they mortgaged?"

"They have mortgaged their growing crops."

Now, what else has the farmer to mortgage? Talk about going into debt! We want to give him a fair deal with what he has. We want to say to every man and woman in America: "We do not care how humble your calling is, we do not care how obscure you are or how far removed you are from the bustle and stir of the city, if you are an enterprising, law-abiding American citizen, the arm of this Government reaches out to you. You have the benefit of all of its great instrumentalities to help you in your business, it makes no difference how small it is." That is the spirit of America responding to the needs of all her children.

Mr. President, I view with alarm the tendencies that I have witnessed since I have been in the Senate, the encroachments made upon the rights and liberties of the people. The underlying cause of the fall of every government that has gone down in the past can be traced directly to the control of the money supply of the country. Any astute student of history will tell you that that is true, if he is honest. The manipulation of the money supply is the underlying cause of the downfall of every government on the globe. Go back and read your history and see if that is not true. Here we have it in the United States.

I saw this Federal reserve system, under the reign of the Republican Party, taken away from the beneficent uses to which we had put it, and I saw Wall Street get hold of it and absolutely monopolize it and run it to suit their interests until the Wall Street Journal had an editorial in which it said, "The control of this system is not in Washington but in Wall Street, where it belongs." The money changers of Wall Street have boasted of the degeneration of this system, and of their control over it; and when we come and ask that provisions be put in this bill—a farmer's bill, a cattleman's bill—that will enable every man who is interested in the fruits of the soil to have aid, we find all sorts of objections and oppositions coming from Senators who guard with intrepid vigilance the interests of Wall Street's financiers.

Mr. President, Senators had better wake up and get on to what is going on here. I saw an amendment voted down here to-day which, if it were properly presented in the States of Senators who opposed it, would greatly embarrass every one of them before the farmers of their State. I saw the Senate vote down the amendment of the Senator from Florida [Mr. FLETCHER], which simply provided that the farmers, the stockholders in the bank itself, should have some say in selecting their directors, and it was solemnly voted down in this Republican Senate, and the farmer has no voice in it at all.

Talk about passing legislation for the benefit of the farmer! Somebody ought to tell him the truth about it. It is as much my duty to do it as it is anybody else's. I commend the Sen-

ator from Florida for the gallant and able fight that he has made.

That record will rise up to haunt somebody if the farmers of their State have the courage and the sense I think they have. They deny to a farmer who has been invited to bring his money up, his hard earnings, and put them into the system and create the system and set it up for business—they deny him the right to say who shall direct it and run it. That is what they have done. Then they talk about passing a farm credits bill in the interest of the farmers.

The Senator from North Carolina is seeking to provide for the little man. God knows he needs our aid—the little fellow who would go up to one of these big banks and say, "I have yearlings out here, and I have a tractor plow that cost me so much money and is a thing of value, and I have some other things here that are of value. I have to have some money. I want $250 or $300." That amount means much to him. I want to provide a place where he can go and get it. Why should not he have aid? Are we going to say to that man, "You are on too low a plane financially to be reached"? Is that the purpose of democracy? Is that representative government working in the true American spirit? No; it is not.

Every man and woman who is willing to wrok, who is striving to produce something and establish a going business, I do not care how small it is, ought to be able to get the money needed to carry on such work.

Mr. SIMMONS. Let me ask the Senator a question.

Mr. HEFLIN. I gladly yield to my friend from North Carolina.

Mr. SIMMONS. If the farmer has no property that is sufficient security for the money that he needs to finance the making of his crop, how will it be possible for the industry of agriculture in this country to survive?

Mr. HEFLIN. It will not be possible, unless they will permit him to mortgage other things or to get money in some other way.

Congressman SWING, of California, told us how the word went out to strike the farmer down and refuse to aid him in the hour of his great distress. A banker invited him to come in and sit with him in the bankers' convention, and he was sitting among the bankers, and when this Federal reserve agent said that, he did not know anybody but bankers were hearing him. He delivered his message, and Congressman SWING had the courage to repeat it on the floor of the House, and I have repeated it here a number of times and sent it out in the RECORD to 40,000 people in the country.

After they sent word out that they must quit loaning on agricultural products, the farmer just stood helpless in the market place, and they literally robbed him of all he had. They not only robbed him but they said to him after they finished robbing him, "You owe us so many thousand dollars. You go to work and pay it in the next 5 or 10 years"; and he is working now under the bondage of deflation debt to pay off what they left hanging over him. We are trying to provide that he can obtain money on the little things the big bankers will not recognize. We want to say in this law that that stuff is eligible at a bank. We are meeting with opposition.

I simply wanted to say that much in support of the Senator from North Carolina and in reply to the speech of the Senator from Utah. If a man owes money and is tied up to the neck, he has to get money somewhere to get something to work with in order to pay; and they stand up and say, "Let him get out of debt. Don't let him get more deeply in debt." How is he going to get out of debt with nothing with which to pay off his debt? We are going to give him a new deal. We ought to give it to him. We may not be able to give it at this session, we may not be able to give it entirely in the next, but the day is not far distant when a majority of right-thinking and courageous American people are going to have their say registered in this Chamber and in the one at the other end of the Capitol. They will if those who are already here are faithful and will fight to the end, and that is what should be done. I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. SIMMONS].

Mr. HEFLIN. I ask for the yeas and nays.

Mr. SMOOT. The Senator from North Carolina said he did not want the yeas and nays.

The yeas and nays were not ordered.

Mr. HEFLIN. I ask for a division.

On a division, the amendment was rejected.

Mr. TRAMMELL. Mr. President, I desire to offer an amendment.

Mr. SIMMONS. I happened to be temporarily out of the Chamber just now. I desire to present my amendment in a modified form later.

The PRESIDING OFFICER. The Secretary will state the amendment submitted by the Senator from Florida [Mr. TRAMMELL].

The READING CLERK. On page 6, line 13, after the word "market," strike out the period and insert a comma and the following words:

Or upon a note secured by a mortgage on real estate, in an amount not exceeding 50 per cent of the value of said real estate.

Mr. TRAMMELL. Mr. President, the amendment proposed by me carries with it to a degree the policy advocated by the Senator from North Carolina [Mr. SIMMONS] in his amendment, except that my amendment goes further and specifically provides that a mortgage upon realty shall be considered good security upon which a farmer may obtain a loan under the provisions of the pending bill.

I have studied the bill, and if I construe it correctly as it is now drawn, it does not afford the farmer an opportunity to borrow money upon real estate secured by a mortgage. In the financial world, through our banking institutions, real estate is regarded as one of the very best classes of security. If anything, it is better security than chattel-mortgage security. I was in hopes that the Senate was going to formulate and enact a farmers' banking measure in the interest of our great agricultural industries throughout the country in general, and that it was not going to be restricted to only one or two classes of those engaged in agricultural industry. The measure before us is quite restricted in its beneficent provisions. Under the pending bill, if a farmer is able to finance and produce a nonperishable crop, harvest the crop and obtain his warehouse receipt, he can then secure a loan upon it. That is one class of security authorized. The only other class reached by the provisions of the bill applies to those engaged in stock raising, who may obtain money for the purpose of carrying on their operations in fattening stock for the market. I do not know just how this provision of the measure would be applied. We know the loan is extended only upon cattle being fattened for market.

If it is right and just that we should assist a cattle raiser in building up his stock for the market—and I think it is—is it not right and just that we should also assist the farmer in the production of his crop, whether perishable or nonperishable? I can not see where you draw the line of demarkation. I am unable to see why the Government will assist a man in holding his crop after he has produced it, so that he may receive probably a higher market price for his products, and not, on the other hand, assist him in its production. The proposition seems to be one of trying to assist him in conserving his resources after he has produced them, but not to assist him in the production of those resources. Certainly he needs even more aid in growing the crop than after he has already produced it.

If the policy is right, and our real object and purpose is to assist agriculture, why not assist the farmer in the production of his crop? How can we assist him in the production of the crop and have the banking institution amply secured? We know of no better security than that proposed by the amendment I have offered; that is, notes secured by mortgage upon real property in an amount not exceeding 50 per cent of its value. May not a farmer encounter as much or more rough sailing and trouble in financing in the production of his crop as he does in conserving it after harvested in order that he may market under favorable conditions?

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. TRAMMELL. Certainly.

Mr. LENROOT. I would like to ask how long it takes in the State of Florida to realize on real estate security after default?

Mr. TRAMMELL. It does not take any longer than to realize on chattel mortgages, or but very little longer. The system of foreclosure is very largely the same. If the Senator wants to try to complain that real estate security is undesirable, I will say to him that we have thousands of money lenders in Florida who will not have any other kind of security.

I will put their judgment up against the Senator's as to the value of that kind of security, as far as my State is concerned. Of course, in order to have short-time loans and expedite the handling of business, some of the banks prefer loaning on so-called liquid assets; but the banks regard real estate as a safe security, and the reason banks do not handle real estate security any more than they do is on account of the fact, as a rule, loans based upon that character of security are desired for a longer period of time than 90 days, and the banks do not get an opportunity to turn their money over quite

so often. Real estate is the very best character of security. If I were a money lender—and I will say that I never happened to be, as I have always been on the other side of the ledger—I would far rather have a real estate mortgage in an amount not exceeding 50 per cent of the value of the real estate than a mortgage upon a herd of cattle, even though I would regard the latter as a perfectly safe loan. You are willing to recognize a mortgage upon cattle, and I think that is proper. I desire to see the stock raisers of the country assisted, but it seems to me that in a large measure the bill is more in the interest of the cattle raiser than any other class of our people. I want to see them assisted and I desire to commend the author of the bill and the committee for the beneficence extended in that direction.

But why not extend a similar policy to our agricultural interests in general? In my State we produce largely perishable crops. Our citrus fruit crop runs into many millions of dollars each year. We ship about $60,000,000 worth of perishable fruits and vegetables each year and the output is on the increase.

Those perishable products are produced upon real estate that is as good security as can be offered or afforded, and that same condition exists in other States as well where large amounts of perishables are produced. Yet under the provisions of the pending bill no system of credit is afforded, except for those fattening cattle for market and upon crops already harvested, and then only to nonperishable crops. I am glad to see the cattle industry assisted. It is an important industry, and Florida, I think, has great possibilities along that line. My State, on account of its mild climate, its adaptibility for the production of a number of feed crops annually, should become one of the greatest cattle-raising States in the Union. I appreciate that feature of the bill; but we have in my State our fruit growers and farmers producing and marketing over $60,000,000 worth of perishable products each year; yet they are to be told if they go to the bank and want to borrow $2,000, secured by a mortgage on real estate worth $10,000, that the law does not authorize the bank to accept that character of security. What a shock this would be to the farmer who thought Congress had enacted a law to provide credit facilities for the agricultural industries of the country.

In the West the grain farmer if he wants to produce a crop may, so far as the bill is concerned, see a rainbow with no end to it; but in order to be able to call upon this banking institution to assist him he must have given his labor and provided his own capital to produce a crop and to harvest it before he is entitled to a loan from what is called a farmers' banking institution or system. What do you think the corn and wheat producers will think of such system? Will he not think he asked for bread and you gave him a stone? Now, why should not the farmer of the West, with his farm worth $20,000, needing, probably, $3,000 to plant, produce, and harvest his crop, and willing to give a mortgage upon that $20,000 farm, be allowed the privilege of borrowing through this banking system? No; it is said he can just sort of paddle along in his own way and do whatever he wants to do. The money sharks, the speculators, if they want to, can prey upon him and crush him while he is producing his crop, and this institution will not recognize his security, even though he is asking a loan not exceeding 15 per cent of the actual value of the security.

He is told, "The Government thinks you are a very good fellow after you have produced the crop, but will not help you to produce it, will not loan you money on real estate security, it matters not how valuable your farm." I do not see why the farmer should be left under that handicap during that crucial time while he is producing his crop and not be allowed the opportunity of borrowing from this system until after he has produced his crop and is able to give a chattel mortgage upon it with warehouse receipts attached. Of course, as to any section of the country where perishable crops are produced, there is no provision in this bill whatever to assist those engaged in that character of agriculture or horticulture.

Now, I propose that if the mortgage is upon real estate in an amount not exceeding 50 per cent of the value of the land, then they may obtain a loan upon that class of security. I add this class of security as another that may be recognized through this system. Certainly we could have no kind of security that would be any safer than a mortgage on real estate. Certainly if we do not extend the provisions of the bill to that class of security, we will have precluded the grain growers of the West, the cotton producers of the South, and the perishable fruit and vegetable producers throughout the entire country from obtaining any of the benefits authorized under the provisions of the bill; that is, of course, up to the point where his crop—if nonperishable—has been produced and harvested. Of course, so far as perishable products are concerned, they would be precluded entirely. They are not given the opportunity to come in and obtain a loan through this system, subject to the regulations and provisions of the bill, at any time during the period of production or after harvest or at any time whatever. They are absolutely precluded and barred from the benefits of the system, although they have as good and even better security to offer to the banks for the money they may require.

I would like to help the grain producers of the West. I would like to help the cotton producers of the South and the stock producers throughout the country. But if we do that, let us help all agricultural activities. The grain producers of the West can furnish just as good security for the money they want six months before they harvest their crops as they can afterwards, and the cotton producers of the South can furnish just as good security six months before they harvest their crop as the can afterwards, so why should we not assist them at the time when many most need it; that is, in the production of the crop? I think that, if anything, it would add strength to the whole system and would certainly do much to further the intentions which were in mind when this bill was first discussed to adopt my amendment. If I thought it would impair the financial security involved, of course I would not advocate having the provision suggested by me embraced in the measure.

Mr. President, I hope the amendment will be adopted and that we will go all the way in endeavoring to assist the grain producers of the West, the cotton producers of the South, the stock growers, and that we will bring within the provisions of the bill the fruit growers, the truck farmers—the great producers of perishable fruits and vegetables throughout the entire country, who are amply able to furnish ironclad security to the banks contemplated upon which to obtain their loans. In my opinion, if we fall short of this we will be recreant in the full performance of our duty to the agricultural interests of our country.

The VICE PRESIDENT. The question is upon agreeing to the amendment offered by the Senator from Florida.

Mr. TRAMMELL. Let us have the yeas and nays.

The yeas and nays were ordered.

Mr. JONES of New Mexico. Mr. President, I want to say a few words in regard to the amendment proposed by the Senator from Florida. I do not see how there can possibly be any objection to the amendment. Without it the measure places the stockman himself in the following predicament: He has to go to one place for a loan where the land is security and to another place where his live stock is security. If we are going to aid the stock grower, we should provide that he can utilize all the credit that he has at the same place. Moreover, a herd of cattle is worth a great deal more in connection with the ranch where it is located than it is if we have to move the herd of cattle off the ranch. Are we going to force the stockman to go to different tribunals to obtain credit?

If that result is not involved here, I would like to have some one point it out. I think it must be recognized that such a result as that would be unwise. It simply means that if a man wants to borrow money upon his live stock he is limited to a very small percentage of the value of his live stock, even though he may have ranches and other securities of very large additional value. If that is not so, I would like to have some one point it out.

Mr. McLEAN. Mr. President——

Mr. JONES of New Mexico. I am glad to have the Senator from Connecticut express himself upon the proposition.

Mr. McLEAN. It is entirely inconsistent with the purpose for which the associations are organized. They deal with self-liquidating commercial paper. It is assumed that the paper will be retired from the proceeds of the sale of the products. When we make a farm-loan bank of this system, we are defeating the main purpose of the bill.

There may be a great many things that are good security, but the idea of the bill was to finance the marketing of crops. The crops are pledged as security, and when they are sold the notes will be retired. We have a Federal farm-loan system to take care of the land mortgages. The man who has a farm that is not mortgaged can raise money, but not through these corporations. They are not intended for that purpose. I question very much whether a single one of them would be organized if it was understood that they were to go into the farm-loan business. I do not think that Congress ought to set up another farm-loan system in competition with the Federal farm-loan system. That is what it would amount to.

Mr. JONES of New Mexico. The Senator, I think, is in error. Under division 2 of section 4 of the bill it is provided that the corporation shall have power—

To make advances upon or to discount, rediscount, or purchase, and to sell or negotiate with or without its indorsement or guaranty, notes secured by chattel mortgages conferring a first and paramount lien upon maturing and breeding live stock and dairy herds, and having a maturity at the time of discount, rediscount, or purchase not exceeding three years.

Now, the hope is held out to the live-stock man that here is an institution organized for the purpose of helping him raise cattle or sheep. We are going to loan him money for a period of three years, if he wants it. It is to be an institution supposed to occupy the field between the ordinary national banks which can loan money under the provisions which have been incorporated up to nine months, and, on the other hand, the farm-land bank, which can not make a loan upon real estate for less than five years. It is proposed to occupy that field by limiting the security to personal property, to the live stock itself, but not enable the ranchman to use the real estate which he has in connection with the live-stock business as a part of his security for the loan.

Mr. GLASS. I would say to the Senator that the ranchman, under the national bank act, can borrow money on a farm mortgage for any period from six months up to five years.

Mr. JONES of New Mexico. But, under the national-bank act, only a limited amount of the resources of the bank can be utilized for the purpose of such loans. The Senator quite understands that. We are providing another agency; but, assuming that the national banks have an adequate money supply for making loans upon real estate, we are, by not incorporating in the bill a provision that this concern may take a mortgage upon real estate, forcing the stockman to do business with two different institutions.

Mr. GLASS. As a matter of fact, we are not proposing to set up here a land-mortgage bank. We have already a land-mortgage system, and as I pointed out a moment ago, in addition to that national banks are authorized to make loans on improved farm lands up to a period of five years. Under this bill the Government is not proposing to make loans; but the organizers of the discount corporations, the credit corporations to be created, propose to make loans on liquid assets which in their very nature will liquidate the indebtedness in a period of from 9 months to 3 years. This is not assumed to be a land-mortgage system at all.

Mr. JONES of New Mexico. All I can say is that if the view just expressed by the Senator from Virginia [Mr. GLASS] and the Senator from Connecticut [Mr. MCLEAN] prevail, we shall be entering upon a vain thing; we shall be setting up here an absolutely worthless proposition to the stockmen of the West. There is not a stockman in the West who would go out simply to borrow money on the cattle themselves. If he is to have a going ranch—a going business—he wants to use as a part of his credit the ranch itself and his other property.

Mr. GLASS. I will say to the Senator, if he will permit me, that if there is any fooling involved in the pending measure, it is the Committee on Banking and Currency, which reported this bill, that is being fooled; for the representatives of the stockmen of the great western section of the country are the men who are responsible for the bill. Their selected representatives came here to Washington, and in conjunction with the Director of the War Finance Corporation and the attorney for the War Finance Corporation, based upon the experience of that corporation in making similar loans in the West over a period of two years, drafted this bill and presented it to our committee for our acceptance. On that committee sat the Senator from Wyoming [Mr. KENDRICK], himself a stockman and large owner of ranches. He did not tell us that this was a worthless proposition, and that we were proposing to fool the stockmen of the United States.

Mr. JONES of New Mexico. Mr. President, I venture to assert that the Senator from Wyoming does not believe that this measure is going to be of any material benefit to the West. It may be in a few instances; here and there it may help out a little, but so far as meeting the situation is concerned, my humble judgment is that it will not do so.

Mr. GLASS. I do not assume to say that the Senator from Wyoming has not changed his opinion, but I know he said to our committee, of which he is a member, that he thought it would be of very great service to the stockmen of the West; that there were more than 100 loaning corporations already organized, inspired by the advice of the director of the War Finance Corporation; that they were not asking any Government funds, but that they were proposing to help themselves; that they simply wanted Government supervision and examination to add prestige to corporations which were already formed or which might hereafter be formed; and that would give them readier and more confident access to the money markets of the East.

Mr. STANFIELD. Mr. President, will the Senator from New Mexico yield to me?

Mr. JONES of New Mexico. I shall yield in just a moment, if the Senator will pardon me.

I do not mean to say that this measure will not supply the wants of certain stockmen in the West; I do not mean to be understood in that way at all; but I am simply pointing out how it will not serve the great demand in the West and, in my judgment, the greatest demand in the West and of the stockmen of the country. From the standpoint of reason, can not anyone see that if the stock grower wishes to utilize his credit for the purpose of carrying on his business he would like to utilize all his credit, and not merely part of it?

Mr. HITCHCOCK. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Oregon, who first requested me to do so.

Mr. STANFIELD. I should like to say to the Senator from Virginia [Mr. GLASS] that of the 100 corporations which the War Finance Corporation has organized very few would be eligible under this bill, for their capital is below the minimum of $250,000 that is permitted under the bill.

Mr. GLASS. Very likely that is true, but a great many of them have a capital far in excess of the requirements of the bill.

Mr. STANFIELD. A few of them have.

Mr. GLASS. And the director of the War Finance Corporation and gentlemen who confidently assumed, because they were ranchmen and stockmen themselves, to speak for those people, assured us that it would be a comparatively easy matter to have the smaller corporations expand their activities and increase their capital. It was confidently asserted there that, instead of the 100 corporations now organized, there would be a great many more organized if we would erect this instrumentality which they proposed and presented to us. I submit that it is not exactly a fair suggestion which has been made by the Senator from New Mexico [Mr. JONES] that we are presenting here a worthless proposition, and an act, if not so intended, the effect of which would be to fool those who are supposed to represent the great live-stock industry of the country.

Mr. STANFIELD. The limitations of the bill are very rigid, and I am inclined to agree with the Senator from New Mexico [Mr. JONES] that the relief which the live-stock men are anticipating will not be accorded to them under the restrictions of the bill.

Mr. GLASS. Perhaps that may be so.

Mr. JONES of New Mexico. Mr. President, I, of course, acquit the members of the committee and the framers of the bill of any intention to deceive the people of the country, and I have no doubt the provisions of the bill may be availed of by some people; but my prediction is that it will not go very far and that the benefits derived from it will not be general.

Mr. HITCHCOCK. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. I think, perhaps, the Senator from New Mexico does not appreciate the difficulties which the committee encountered. It realized that there ought to be some provision offered to enable men with large real estate holdings to use their credit; and that was one of the reasons why there was incorporated in this bill an amendment to the farm loan bank act so as to increase the limit of loans under that act to $25,000. Such loans, of course, will have to be made through the Federal farm loan bank machinery. We could not set up duplicate machinery. The Senator says that a man ought not to be compelled to go to two places to borrow money, but it would be equally bad for the Government to establish two competing institutions to lend money on real estate.

The Senator must realize that there is going to be considerable difficulty in securing the money under this bill. The corporations are to be organized with a comparatively small capital, $250,000 being the minimum, and then back of them are the discount corporations. Where is the money coming from? The money has got to be procured by selling their debentures. There can not be found a market for such debentures if they are given a real estate basis. In many States it takes more than two years to foreclose a mortgage on real estate. It is necessary to have back of the debentures liquid securities of some kind that may be realized on. That is one of the reasons why the committee provided securities of the kind mentioned in the bill. The bill, however, already carries in another provision an opportunity for the ranchmen to secure, through the proper Government agency, large loans on their ranches. I

think that ought to answer the objection which the Senator makes.

Mr. JONES of New Mexico. Mr. President, I feel quite sure that the Senator thinks that is a complete answer, but as a practical proposition I do not think that it is. I do not think so for this reason: Thus far we have provided no machinery of the Government whereby the farmer may secure a loan upon his ranch for less than five years, unless it be through the national banks, only a limited part of whose capital and surplus may be invested in such loans. I take it that all will agree that that facility is not adequate to meet the situation; that the national banks do not want to tie up much of their money in real estate, for the reasons very well stated by the eminent Senator from Virginia. They want short-term loans and liquid assets, and all that sort of thing. They are permitted only to loan, I believe, 10 per cent of their capital and surplus upon real estate, and the loans which they are permitted to make are short-term loans. They are not permitted even to loan the limit of 10 per cent for three years upon real estate, if I am correctly advised.

Mr. GLASS. Oh, they are permitted to loan for five years on real estate.

Mr. JONES of New Mexico. Then, I withdraw the statement. Just for the moment I did not think that was the case.

Mr. GLASS. The Senator will recall that under the national-bank act they were not permitted to make loans on real estate at all.

Mr. JONES of New Mexico. I recall that.

Mr. GLASS. But the Federal reserve act so amended the national-bank act as to permit national banks to loan a certain percentage of their assets upon real estate for a period of not exceeding five years.

Mr. JONES of New Mexico. They are permitted to loan up to 10 per cent of their assets, as I understand.

Mr. HITCHCOCK. Mr. President, if the Senator will permit me, he complains that there is no opportunity for the cattle raiser to borrow money on a five-year mortgage, but that is not correct The real evil that existed before the establishment of the Federal farm loan act was that the farmers could only borrow money on short-time loans, from three to five years, and they were compelled to renew them, often at great loss. So the Government stepped in and provided an agency by which they could borrow money at a low rate of interest on long time, which is just the very thing they needed and the thing needed by the West, where the Senator from New Mexico and I live.

Mr. GLASS. And under a system of amortization.

Mr. HITCHCOCK. Under a system of amortization, as the Senator from Virginia suggests. It was the very thing that was needed by the West, and that system is in successful operation. The Senator says we ought to provide some system whereby the farmer may obtain upon his lands loans for less than five years. Let me call the attention of the Senator to the fact that the presence in the local market for real estate loans of the Federal farm-loan banks has resulted in compelling the insurance companies that loan on short time, such as the Senator refers to—from three to five years—to reduce the rate of interest practically to match the Federal farm-loan rate. In my State at this time those agencies are meeting that rate and loaning money at 5 per cent or less on good farm mortgages. So the presence of the Federal farm-loan bank system has resulted in regulating the rates of interest that other agencies charge, and has added that much to the lending machinery of the United States.

I think that the pending bill in increasing the amount that may be loaned to any one borrower by the Federal land banks to $25,000 is a boon which the ranch owners of the United States ought to appreciate. It will give them on long time an amount of credit which will be of tremendous value in their business. Instead of complaining that they can not pay their loans off in five years, they ought to congratulate themselves that they can get them on long time.

Mr. JONES of New Mexico. I hope that the Senator has not any idea that I do not realize that the farm-loan banks have been performing a very distinct service to the farmers of the country. I am not casting any reflections upon that system; but that system, as the Senator knows, merely provides for loans not less than five years in time. A great many ranchmen may avail themselves of that system and get money upon their lands through it, and then come to the institutions provided for by this bill to get some money upon their cattle. The Senator must realize, however, that a great many people would not care to do that sort of thing; and, moreover, the mortgage upon your cattle is worth very much less if that mortgagor has mortgaged his ranches and real estate to another institution.

When a man loans money upon stock cattle he necessarily must have in mind some place where he can run those cattle in the event that he should be required to foreclose the mortgage. You can not put a herd of stock cattle on the market and realize anything like its value. A ranch property as a going concern is worth far more than the material property itself, considered separate and apart from the active, forward-going business; and you destroy the value of your cattle whenever you force the cattle owner to borrow money upon his real estate from another institution.

I do not believe that the objections here to having this institution loan money upon real estate are sufficient to overcome the other objections. I, of course, quite appreciate what the Senator from Virginia has said about liquid assets; but the fact of being liquid is based as much upon the time of the obligation as it is upon the security of the obligation. It is true that it may take some little time to foreclose a mortgage upon real estate in most of the States of the country; I think that is the case; but is that a sufficient objection to warrant us in going ahead in a way which has other objections to the other system? The very fact that the paper can not be for longer than three years' time will have a great deal to do with it. I submit that there can not be a ranchman in the whole country but who would say that he would be better off if he could get a mortgage upon his ranch and his stock together than if you confine him simply to giving a mortgage and getting a loan upon the cattle themselves, as distinct from the ranch.

Mr. GLASS. That might be, Mr. President; but when the loaning corporation has to procure its funds by the sale of its debentures in the open markets of the East, principally, the question arises as to whether or not the facility with which that may be done will be interrupted by the amendment proposed, and whether the amendment proposed will not prove a real obstacle to the sale of these debentures. If the man holding a debenture is likely to become involved in the litigation incident to the foreclosure of mortgages, the debentures in those circumstances is made that much less liquid and that much less valuable, and he invests his money rather cautiously than liberally in an enterprise of that sort.

Mr. JONES of New Mexico. Mr. President, of course the purchaser of the debentures of the associations to be organized under this act must feel secure. There is not any question about that, and there is no attempt upon my part to render them less secure; and my judgment is that if you will include with the stock the ranch itself you will have them more secure than if they are based solely upon the personal, moving property which may possibly be destroyed. You can steal the one, you can not steal the other. You can starve the one, you can not starve the other; and it seems to me that it would give a basis of security here very much more desirable by the purchaser of the debentures of the associations to be organized.

Mr. GLASS. Of course, the Senator knows that the bill is not entirely oblivious to the fact that cattle may be stolen and that we have put in it provisions for frequent and vigilant inspection.

Mr. JONES of New Mexico. I realize that safeguards have been thrown around the transaction, and, so far as I am able to judge, they will be helpful; but the fact remains that the one class of security certainly is not any better than the other.

Mr. LENROOT. Mr. President, does not the Senator realize that that amendment would shut off entirely a field of investment where the investment is made only upon the assurance and belief that the debenture will be realized upon when due?

Mr. JONES of New Mexico. I do not think so.

Mr. HITCHCOCK. Mr. President, suppose the Senator were an investor in the East, and a company came to him and offered him debentures. "What are these debentures? What is their security?" "Their security is cattle that have a market value that can be realized on, that can be sold in 10 minutes." "Why, yes; I will buy the debentures, because if the debt is not paid the cattle will be sold, and the debentures will be good." But suppose he is told that the debentures represent all sorts of security, personal and real, on a ranch; that here is a $10,000 debenture, substantially, that represents a $10,000 loan on a ranch out West, of which the ranch represents $5,000, and the cattle represent $5,000. Suppose the man does not pay. The cattle can be sold, but you have to go to foreclosure to sell the mortgage. How long will it take? It will take two years. Now, they do not know that until the debt is due. Do you think those debentures will find a market?

It will be impossible to sell those debentures in the East. The man who buys a debenture wants to put it in the bank and know that it will be cashed in when it becomes due. He does not want to feel that the company will have to wait until it has foreclosed the mortgage before it may be able to

pay. Of course in a single case that would not be so; but if a company undertook to loan a lot of money to a great many real-estate people, it might in hard times find itself with a lot of mortgage foreclosures on hand, and in some straits to meet its debentures. That is the difference.

Mr. JONES of New Mexico. Mr. President, I hope that after these institutions are organized, if there are any, they may avail themselves of some agent to dispose of their debentures who has as much confidence in the security as the distinguished Senator from Nebraska evidently has. This thing of having a mortgage upon stock cattle which can be thrown upon the market in 10 minutes or 10 days does not exist. If the mortgage is upon cattle practically ready for slaughter, the Senator from Nebraska is quite right about it.

Mr. HITCHCOCK. Mr. President, that is what this measure proposes—to lend the money to the owner of the stock until they are ready to slaughter. Then they will have a market value and a market, and can be realized on and liquidated immediately. That is the very purpose of the bill—to lend the money to the man until the time comes when the cattle are marketed.

Mr. JONES of New Mexico. Mr. President, if the Senator from Nebraska has ever been upon a stock ranch, he will quite understand that at the end of three years, if you have a stock of cattle, a comparatively small proportion of your herd will be ready for market. That is not the way in which the ordinary stock ranch of the West is conducted. You do not expect in three years' time to grow your herd to the point where the whole of it is ready for market. A very small proportion, indeed, will be ready for the ordinary market at the end of that time—that is, for slaughter.

I sincerely hope that Senators will think seriously of this amendment, and try to do what is best for the class of people for which this bill was intended to furnish benefit. It seems to me it is not going nearly far enough; and in the case mentioned here by the Senator from North Carolina, if a man has other personal property on his farm, and wants to borrow money with which to grow a crop, would it not be a safer thing, or at least as safe, to have a mortgage upon that personal property and the ranch as well, as upon the personal property alone?

It is a question here, it seems to me, of the time of the loan, with ample security, for which you want to make provision; and to say that you can not have a three-year loan amply secured by mortgages on real estate is not convincing. If you are going to issue debentures now for a term of years based upon personal property—some of that personal property in the warehouse, some of it roaming upon the range—why should you not go a step further, and say that when you are going to take care of a man who wants to engage in that industry you are going to take care of him and let him utilize all the credit that he can furnish?

A man can not afford to engage in the live-stock business with a credit of only the amount which he might get upon his stock, upon his cattle. You force such a man to have behind him his real estate and the margin of cattle required by this bill. I submit that it is not within reason that you should set up here a machinery which will not do as much for that man as should be done for him.

You are only going halfway, if I may so express it.

I feel keenly about this subject. If you are going to do anything for the ranchman, do what you should reasonably be expected to do; and I submit that there is no private concern in the country dealing with the ranchmen who would not do just that thing. He will lend it himself on a small mortgage upon the cattle, and perhaps the small mortgage which could be paid by throwing into the general market such parts of them as might be suitable for that market; but if you are going to help the industry, why not at least go as far as you might reasonably be expected to go? Why not deal with it as a sensible proposition?

Of course, I understand how this bill was prepared, and I have not the slightest doubt but that it was prepared in this way because the framers thought it was all that could be gotten out of the Congress; but when we are faced with this situation, why should we not deal with it? It must be one perfectly apparent to every practical farmer or ranchman, and to go only halfway seems to me unworthy of thoughtful men.

Mr. GLASS. May I suggest to the Senator from New Mexico that there could have been no possible motive in the minds of the Banking and Currency Committee of the Senate to withhold any ample facility of relief for western ranchmen in the construction of this bill. The Government of the United States does not have a dollar at issue in the operation of these corporations; it does not provide one cent of the capital. Congress is simply asked to set up an instrumentality under Federal charter to give to corporations already organized, or which may be organized, facilities for the flotation of their debentures and the acquirement of capital hitherto gotten from the eastern money market. They simply ask us to give these corporations already organized, or which hereafter may be organized, the prestige which comes from Federal examination and Federal supervision. The Government has no risk in the matter, and the Committee on Banking and Currency nor the Congress itself could have any reason in the world to withhold any ample facility in setting up this corporation.

Just exactly what the Senator means by saying that it was only intended to go halfway, because the proponents of the measure supposed that Congress could not be induced to go the whole way, I am unable to determine, because I think all of us may be induced to go the whole way in providing safe facilities for this purpose. I do not think there is anything sinister in the action of the Banking and Currency Committee of the Senate, and I can not conceive that there would be anything sinister in the action of this body. We want to do the best we can for this interest. I am not so concerned about it personally. While a large part of my State has a great export cattle industry, I do not think they are suffering for credit facilities, and there is nothing in this bill which would preclude any western ranchman from mortgaging his ranch if he so pleases, if he can get somebody to loan him money on it. After hearing the testimony of the Director of the War Finance Corporation and others speaking for this particular interest, I very much question whether the Congress would be doing this interest a service by enabling these corporations to engage in a business that will not facilitate the sale of their debentures upon which they must rely for their operating capital.

Mr. CURTIS. Mr. President, I desire to submit a unanimous-consent request, that when the Senate closes its business to-day it take a recess until 11 o'clock to-morrow, and that all debate on this bill and all amendments close at 1 o'clock to-morrow.

The VICE PRESIDENT. Is there objection?

Mr. JONES of New Mexico. Mr. President, personally I do not intend to delay this measure at all, but I think it is certainly desirable that the senior Senator from Florida [Mr. FLETCHER] should be consulted about the matter, and I notice he is not in the Chamber just now.

Mr. LENROOT. He has no further amendment to offer.

Mr. CURTIS. I understand he has no further amendments, and I have talked with a good many Senators on the other side and they seem to agree that this course shall be taken. It would give two hours to-morrow.

Mr. JONES of New Mexico. I do not intend to discuss the measure any further myself or consume any time on any other provisions of the bill, so far as I know. I observe the Senator from Florida has now entered the Chamber.

Mr. FLETCHER. I have nothing further.

Mr. JONES of New Mexico. Will it not be necessary to have the roll called?

Mr. CURTIS. Not on this agreement. It is not a request for a final vote. I ask unanimous consent that when the Senate closes its business to-day it take a recess until 11 o'clock to-morrow, and that all debate on this bill and all amendments close at 1 o'clock.

Mr. McKELLAR. Will not the Senator make the meeting hour 12 o'clock?

Mr. CURTIS. I am willing to make it 12, if it be agreed that all debate shall close at 1.

Mr. McKELLAR. Let us take a recess until 12 o'clock and let the debate close at 2.

Mr. CURTIS. Very well; I ask that all debate close at not later than 2 o'clock, and that the Senate take a recess at the conclusion of its business to-day until 12 o'clock to-morrow.

Mr. FLETCHER. That will be satisfactory.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kansas? The Chair hears none, and it is so ordered.

The agreement was reduced to writing, as follows:

It is agreed by unanimous consent that when the Senate concludes its business to-day it recess until 12 o'clock m. to-morrow, Friday, and that all debate on the bill (Senate bill No. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal reserve act, to amend the Federal farm loan act, to extend and stabilize the market for United States bonds and other securities, to provide fiscal agents for the United States, and for other purposes, close at not later than 2 o'clock p. m. on the calendar day of Friday, January 19, 1923.

EFFECTS OF CITIZENS DYING ABROAD.

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, a draft of proposed legislation respecting the disposition of effects of citizens of the United States dying abroad, which was referred to the Committee on the Judiciary.

EXCESSIVE INTEREST RATES OF FEDERAL RESERVE BANKS.

The VICE PRESIDENT laid before the Senate a communication from the acting governor of the Federal Reserve Board, transmitting, in response to Senate Resolution 335, agreed to December 6, 1922, information relative to interest charges of the Federal reserve banks of Atlanta, St. Louis, Dallas, and Kansas City, etc., which, with the accompanying papers, was ordered to lie on the table.

PETITIONS.

Mr. KENDRICK. I present a resolution adopted by the Chamber of Commerce of Casper, Wyo., urging the Government to undertake the construction of the Casper irrigation project and calling attention to the fact that the Federal Government annually derives about one-half million dollars in oil royalties from the territory immediately adjacent to the project. I move that the resolution be referred to the Committee on Irrigation and Reclamation.

The motion was agreed to.

Mr. KENDRICK. I present a resolution adopted by the Washakie National Farm Loan Association, of Worland, Wyo., favoring the passage of the so-called Strong bill, providing for amendments to sections 3, 4, 6, 9, 12, and 15 of the Federal farm loan act. I move that the resolution be referred to the Committee on Banking and Currency.

The motion was agreed to.

Mr. KENDRICK. I present a resolution adopted by the Dubois National Farm Loan Association, of Dubois, Wyo., favoring the passage of the so-called Strong bill, providing for amendments to sections 3, 4, 6, 9, 12, and 15 of the Federal farm loan act. I move that the resolution be referred to the Committee on Banking and Currency.

The motion was agreed to.

Mr. KENDRICK. I present a resolution adopted by the Farmers' Central National Loan Association, of Basin, Wyo., favoring the passage of the so-called Strong bill, providing for amendments to sections 3, 4, 6, 9, 12, and 15 of the Federal farm loan act. I move that the resolution be referred to the Committee on Banking and Currency.

The motion was agreed to.

REPORT OF NATIONAL SOCIETY DAUGHTERS OF THE AMERICAN REVOLUTION (S. DOC. NO. 289).

Mr. MOSES. I ask unanimous consent to report a resolution from the Committee on Printing.

The VICE PRESIDENT. Without objection, the report will be received.

Mr. MOSES. I ask further unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 412) was read, considered by unanimous consent, and agreed to as follows:

Resolved, That the report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1922, transmitted to Congress by the Secretary of the Smithsonian Institution, pursuant to law, be printed as a Senate document, with illustrations.

RECESS.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow, according to the unanimous-consent agreement.

The motion was agreed to, and (at 5 o'clock and 55 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Friday, January 19, 1923, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 18, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

To our loving Father in heaven we offer our tributes of praise and gratitude. We bow before Thee in contrition and trust. We know that Thy ear is not closed, nor Thy arm shortened. May it always be our delight to expend our strength and skill and zeal on the very best themes of human thought and life. We beseech Thee, O Lord, that this warring, weeping world may not go back to its trenches. O bring a fresh redemption to it that shall honor Thee and save humanity. May it return to its rest and prove the promises of the Most High God. To the troubled in spirit, to those cumbered with heavy cares, and unto all this day be a sweet blessing. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, Mr. SCOTT of Michigan was granted leave of absence for 10 days, on account of illness.

AMENDING REVENUE ACT IN REFERENCE TO CREDITS AND REFUNDS.

Mr. GREEN of Iowa. Mr. Speaker, by direction of the Committee on Ways and Means I present a privileged report on the bill (H. R. 13775) to amend the revenue act of 1921 in respect to credits and refunds.

The SPEAKER. The gentleman from Iowa presents a privileged report on a bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13775, Rept. 1424) to amend the revenue act of 1921 in respect to credits and refunds.

The SPEAKER. Referred to the Union Calendar.

Mr. STAFFORD. Mr. Speaker, I think it better to reserve all points of order on the bill.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4260. An act to extend the time for the construction of a bridge over the Columbia River, between the States of Oregon and Washington, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon; to the Committee on Interstate and Foreign Commerce.

WAR DEPARTMENT APPROPRIATIONS.

Mr. ANTHONY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 13793) making appropriations for military and nonmilitary activities of the War Department.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13793, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13793, the War Department appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The Clerk read as follows:

LIBRARY, SURGEON GENERAL'S OFFICE.

For the library of the Surgeon General's office, including the purchase of the necessary books of reference and periodicals, $15,000.

Mr. ROACH. Mr. Chairman, I move to strike out the last word. I am a little curious to know, Mr. Chairman, just how we spend over $1,000 a month on the library in the Surgeon General's office. I would like the opinion of the Chairman on that subject.

Mr. ANTHONY. For the information of the gentleman I will state that the library of the Surgeon General's office is quite an institution. It has the largest collection of medical books there is in the country in any place.

Mr. ROACH. It evidently must be.

Mr. ANTHONY. And is used by physicians and surgeons all over the country by correspondence as well as by personal visits, and it necessitates the employment of quite a force of clerical help. Now, another thing that will necessitate an increase of the clerical force, and which I propose to ask for in an amendment in a few minutes, is during the last year the Prudential Insurance Co. of New Jersey has made a present to the Government of 50,000 volumes of medical works which they want to place on their shelves now and classify, a very valuable addition.

Mr. ROACH. That does not cost us anything.

Mr. ANTHONY. No, that is a present, but it costs money to place those books in position and take care of them.

Mr. ROACH. We are appropriating $215,080 in the next item for that purpose. What I was particularly interested to know—

Mr. ANTHONY. This is a $15,000 appropriation.

Mr. ROACH. Per annum by Congress for supplying the books of the library of the Surgeon General.

Mr. ANTHONY. Eight thousand dollars of the $15,000 goes to purchase the books each year and $7,000 is expended for medical journals.

Mr. ROACH. It does occur to me that it is a rather large item in the bill, and I was wondering if the committee had gone into that matter carefully to determine whether the amount was necessary.

Mr. STAFFORD. If the gentleman will permit——

Mr. ROACH. I will.

Mr. STAFFORD. As the chairman of the committee has stated to the committee, the library connected with the Surgeon General's office of the War Department is the largest technical surgical and medical library in the country.

Mr. ROACH. It does not justify extravagance in Army expenditures, and there is a good deal of complaint in that respect.

Mr. STAFFORD. If the gentleman will make a visit to this wonderful library of technical books, he will become impressed immediately with its extensiveness and the advisability to keep it extant. In connection with the Library of Congress, I call the gentleman's attention to the annual appropriation of $200,000, or thereabouts, for the purchase of rare collections, and the Librarian of Congress does not utilize that full amount at one time.

Mr. ROACH. That seems to be an altogether different proposition. Here is but one officer of the Army, where we are expending more than $1,000 a month for his library.

Mr. STAFFORD. The gentleman realizes, however, that it is an immense library for the medical profession of the country, and he would not favor a policy of stagnation, but he would vote the small sum of $8,000 for the acquisition of new books so as to keep that library up to date.

Mr. ROACH. There does not seem to be any danger of it becoming stagnant with the expenditure of $15,000 a year.

Mr. STAFFORD. Fifteen thousand dollars on a library that is worth several million dollars, comprising several hundred thousand volumes! Does not the gentleman wish that this rare corps of surgeons connected with the Army, comprising 1,000 men, shall be kept posted——

Mr. ROACH. Considering the careful provision that is made by this library, as stated by the gentleman from Kansas [Mr. ANTHONY], I doubt whether this appropriation is justified.

Mr. STAFFORD. Does not the gentleman wish to have these thousand men kept posted right to the minute by having at their command several thousand professional journals? This library is available to the medical profession of all the country and is resorted to by them.

Mr. ROACH. I will ask the gentleman this question: Who disseminates this information from the library out into the country, and what does it cost?

Mr. STAFFORD. It is disseminated through the librarian.

Mr. ANTHONY. I think I can give a concrete illustration of the work that is being done by this medical library. General Ireland stated that a surgeon had written to him from one of the States in regard to some recent medical developments, some serum, or something, and they immediately put their force to work collaborating the latest information on the subject, and they sent that information that is priceless to him; information that otherwise he would have had no opportunity of getting unless he attended one of the big hospitals or clinics in the country. They are constantly doing that work.

Mr. STAFFORD. Not only do physicians call upon it, but Members of Congress frequently avail themselves of this wonderful collection of scientific volumes.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. STAFFORD. Only in the past year, when I had a near relative who was afflicted with a kidney disorder, I called up the library of the Surgeon General's office to furnish me with an elementary work, and I was regaled and enlightened by reading a small manual published by a teacher at the Yale medical school describing the various disorders of the kidneys. Then, having been furnished this elementary work, of readable character, I asked for some other elementary works on other disorders, just as a means of diversion, because it was so interesting. I want to emphasize the fact that this complete library is in one respect just like the Library of Congress, but more so—subject to the call of the medical profession of the country. It is, in fact, a monument illustrating the scientific work of the War Department.

I wish to call attention to the generosity of the Prudential Life Insurance Co. in transferring their 50,000 volumes, containing very valuable statistics, to this library, not only without expense of transportation, but even providing the file cases and the stacks. When they found that the stacks they had in use in New York were not available, they provided new stacks.

Mr. ROACH. Considering that contribution to the library that the gentleman has mentioned, it seems to me that with an appropriation of $1,000 a month you would have all the medical works in the United States for this library.

Mr. STAFFORD. If this library consisted of only a few thousand volumes I would admit that the upkeep of $15,000 might be a little extravagant. Even if it were a small library, even the gentleman from Missouri, knowing his desire to advance scientific knowledge throughout the country along every line of activity, would not, I know, be so grudging as to wish to have the medical profession and the medical officers connected with the Army deprived of the use of this $7,000 worth of journals.

Mr. ROACH. I know; but I know that these Army officers usually get all that is coming to them in the way of appropriations.

Mr. STAFFORD. This is no donation to the Army officers. It is for their enlightenment.

Mr. HUDSPETH. Is not this library the most complete medical and surgical library in the United States?

Mr. STAFFORD. Yes.

Mr. ROACH. Where is it located?

Mr. STAFFORD. At Seventh and B Streets SW. A whole building is given over to it. If the gentleman wants to go down there immediately, I will give him the exact location.

Mr. ROACH. No. I was wondering whether or not these gentlemen who are patronizing that library so extensively could not get the same information out of the Congressional Library?

Mr. STAFFORD. No; and for this reason: The Congressional Library, in the way they operate that wonderful institution, transfers to the Surgeon General of the Army all the technical and medical books that come to them in their line—thousands of books of a scientific character.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FESS rose.

Mr. HUSTED. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair will first recognize the gentleman from Ohio.

Mr. FESS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I would like to have the attention of the committee on this side of the aisle. The topic that is being discussed, I think, is of extreme importance. The library that is under consideration is down here in a red brick building on the Mall, in the southwestern part of the city. It houses the most important collection of technical works touching surgery that can be found anywhere in the country.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield in that particular?

Mr. FESS. Yes.

Mr. STAFFORD. I stated in colloquy with the gentleman from Missouri [Mr. ROACH] that the library was located in a building at Seventh and B Streets SW., just as the gentleman has stated.

Mr. ROACH. The gentleman was referring to the hearings.

Mr. STAFFORD. No. I stated in my first remarks where it was located.

Mr. FESS. The gentleman from Ohio does not need to refer to the hearings. The gentleman from Ohio has looked into this library a number of times. What I want to call to the attention of the committee is that it is housed in a building that is not fireproof.

I would not say it is a tumble-down building, for it is not, but it is far from being fireproof. Only a short time ago a distinguished visitor from another country in the Capital made the comment that there under that roof was, so far as he knew, the most important collection of scientific works applicable to the professions of medicine and surgery to be found anywhere in the world.

Mr. DOWELL. Mr. Chairman, will the gentleman yield for one question?

Mr. FESS. I yield.

Mr. DOWELL. The gentleman from Wisconsin said these scientific works were sent down there from the Library of Congress. Are there duplicates of these books in the Congressional Library?

Mr. FESS. There is no duplication in the sense that every book found in this technical library is also found in the Library of Congress.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. STAFFORD. In response to the question propounded by a member of the committee, General Ireland states in the hearing that the Library of Congress gave them the surplus copyright books, and that they have other exchanges.

Mr. FESS. That would only apply to the publications in the United States on which there are copyrights.

Mr. DOWELL. Does the gentleman mean to tell the committee that the Congressional Library is not purchasing all these books?

Mr. FESS. That is true. The Congressional Library is not purchasing all the scientific books available in the world because of lack of funds. I think we have not been as responsive as we should be to the needs of the Library. They get all the copyright books without purchase, as the gentleman knows, and many of the world's publications through exchanges by the Smithsonian Institution. I am referring to books that are published in other countries, many of which we do not secure for the Library of Congress.

Mr. DOWELL. What I am getting at is this: We are providing here a special appropriation for the purchase of scientific works.

Mr. FESS. Yes; that is not a duplication.

Mr. DOWELL. Are those purchased books also in the Congressional Library?

Mr. FESS. No; I think not; especially not all of them.

Mr. DOWELL. That is the point I wanted to bring out.

Mr. McKENZIE. Will the gentleman yield?

Mr. FESS. Yes.

Mr. McKENZIE. My question is suggested by the statements made by the gentleman from Iowa. Even if it were true that the books that are placed in this medical library were also placed in the Congressional Library, it would not answer the purpose.

Mr. FESS. That is true.

Mr. McKENZIE. The medical library disseminates information. It is the place where the medical men of the country look for medical information rather than the Congressional Library.

Mr. FESS. There are certain classes of books of which they ought to have duplicates, and others they do not need.

Now I should like to ask the gentleman, a member of the Military Committee, whether there is any thought of removing this library from these quarters to any better quarters where there is more fire-proof protection?

Mr. McKENZIE. I want to say to the gentleman from Ohio in that connection that it is the expectation that this library will be removed to the grounds of the Walter Reed Hospital, and we consider that a part of the plan; and unless Congress undertakes to destroy that great tract out there by building street-car lines through it, and so on—if we will permit it to go on, in my judgment it will become eventually the greatest center of medical knowledge and information in the world.

Mr. FESS. That is precisely what it is intended to do, and the suggestion is a very good one. All I wanted to do was to commend the committee for the appropriation which is keeping up with the demands of this tremendous research work, and I wish individual members of the committee would visit that library. There is no field of investigation or research so widely important and so wonderful in results as the field of surgery. We should not hesitate to keep up to the times in this important investigation.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Chairman, I would not wish to have the impression go abroad that these most valuable scientific books are housed in a building that is lacking in fireproof protection. The building down here on the Mall, with which I am quite well acquainted, in front of which is the statue of Dr. Samuel Gross, a noted Philadelphia surgeon, is, as testified by General Ireland, a practically fireproof building. He states that it is what would be called a very slow-burning building. Of course, it is not modern. It was built probably 40 years ago, but it is not built of combustible material. It is not a shack or anything like that. It is practically a fireproof building. It is not the character of fireproof building of to-day which is proposed to be built out on the Walter Reed Hospital grounds, where the Army Medical School is to be transferred the coming year, and where ultimately this library is to be transferred when the building is erected.

Mr. DALLINGER. Does the gentleman think these priceless books should be kept in a slow-burning building?

Mr. STAFFORD. No; but I wish to dissipate the impression that this library is in a combustible building that is in immediate danger. It is not the up-to-date fireproof building that would be constructed to-day, but it was regarded as a fireproof building when it was constructed 40 years ago. Improvements have gone on so rapidly in that line that it can not be considered as meeting the requirements of fireproof protection as understood to-day.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment of the gentleman from Ohio. When General Ireland was before the committee this proposition shocked the conscience of the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Far be it from having any such effect upon me.

Mr. BLANTON. I was just judging from what happened, because the gentleman from Wisconsin immediately began to pounce upon him. He said, "You asked for only $12,000 last year. We gave you $12,000 last year. What do you want with an increase?"

Mr. HUSTED. That is what the chairman of the subcommittee always says.

Mr. BLANTON. General Ireland said, "Why, 50,000 volumes have been given to us by the Prudential Life Insurance Co." "Has it cost you anything for those books to be transmitted to you?" "No; they have been transmitted to us free of cost. We have not paid out anything." "Well, are the stacks going to cost you anything?" "No; we decided that we could not use our stacks, that we need a different kind of stack." "You have to pay for them, don't you?" "No; we do not have to pay for them, because the Prudential is furnishing them to us free. They are building new stacks in accordance with our estimates and requirements, and it is not costing the Government a cent." "Why did you mention the 50,000 volumes then if that had nothing to do with the transaction?" My friend from Wisconsin [Mr. STAFFORD], who wants to know all about these matters in the committee, asked him these questions. Then he asked him this question, on page 539 of the hearings:

How much do you estimate the Prudential is expending in the furnishing of new stacks for this special library?

General Ireland said:

$4,750 for books and $6,200 for journals.

That makes a little over $10,000. That is what we are expending this year for that magnificent library, but we are giving them in this bill $15,000. If we already have the finest library in the world for scientific research, and if we only had to spend $12,000 this year, and if on top of that the Prudential Co. made us a present of 50,000 of fine volumes for the library and are putting in the stacks at their own expense, why should we have to expend more this year than we did last?

Now, the gentleman from Missouri is exactly right. The committee asked a few general questions, and the distinguished general before the committee gives a few general answers and satisfies the gentleman from Wisconsin. He shuts up and $15,000 goes into the bill when there is no reason shown for it.

Mr. KLINE. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KLINE. Would it not require some help to take care of these 50,000 volumes and to arrange them for the benefit of those who need the information?

Mr. BLANTON. We are giving $215,000 in the next paragraph for the dissemination of scientific knowledge. The gentleman from Missouri called attention to that. We are giving them a great army of employees to help them.

Mr. STEPHENS. Does the gentleman know about the location of this building down on the Mall?

Mr. BLANTON. Yes; it was stated by the gentleman from Wisconsin and the gentleman from Ohio.

Mr. STEPHENS. Does the gentleman know anything about the character of the building as to its being fireproof?

Mr. BLANTON. That was stated by the distinguished General Ireland. He said it was one of those buildings that is partly fireproof. He said it is one of those slow-burning buildings. It burns slowly. It is not exactly fireproof, but practically fireproof. He said it had been condemned as one of the buildings that must be removed from the Mall. But what has that got to do with this $15,000 appropriation?

Mr. STEPHENS. The gentleman says it was a slow-burning building. I would like to ask if it was burning slowly when he was there.

Mr. BLANTON. No; it was not burning at all. The distinguished general said that it was slow burning, and having convinced the gentleman from Wisconsin he quit asking general questions and General Ireland quit giving general answers, and the $15,000 went into the bill. That is the way these bureau chiefs get big appropriations year after year before our committees. They come in and the committee will make a little fight, the smoke will go up, the fight stops, the money goes into the bill to be expended. I am with my colleague from Missouri if he will try to stop it. I have been trying to stop it

ever since I have been here, but we can not do it as long as the distinguished gentleman from Wisconsin, who is generally persistent, lies down.

Mr. HUSTED. Mr. Chairman, this item of $15,000 instead of being extravagant is a very modest one for the maintenance of this library. The books they purchase are scientific books and cost relatively a large amount of money. Fifteen thousand dollars will not go very far in acquiring the annual publications of medical and surgical books and pamphlets which are issued throughout the world. This is not an ordinary library. This is the most perfect and complete medical and surgical library in the United States. It is one of the places where any surgeon or any doctor in this country can go and be sure of obtaining the very latest scientific medical and surgical results. It is the one library where they maintain a force of experts to file and digest and distribute this information to anyone who applies for it whether he be a doctor or a surgeon.

The Bureau of the Budget, which we know is a pretty close organization and which cuts down estimates sometimes to points that we think are not reasonable, allowed for this library this year $18,000. So that the Committee on Appropriations has not even equaled in its appropriation the amount estimated by the Budget Bureau, but has cut it $3,000. They say they expended $12,000 this year. That does not mean that that was all the library could usefully expend. It means that it was all that Congress allowed them to expend. I have no doubt that they could usefully expend the full amount of $18,000 allowed by the Budget Bureau, and as far as I am concerned I wish they had the full amount of $18,000. I believe the Surgeon General could make the very best use of it. I do not think there is an item in the bill that will do more for the health and comfort of the people of the United States than this small item of $15,000.

Mr. HICKS. Will the gentleman yield?

Mr. HUSTED. Yes.

Mr. HICKS. Is not it proper and eminently fit that the Federal Capital should have the finest library of this kind it is possible to obtain?

Mr. HUSTED. Absolutely.

Mr. STAFFORD. Will the gentleman permit me to read a statement of General Ireland?

Mr. HUSTED. I yield.

Mr. STAFFORD. General Ireland said that the appropriation last year does not allow us to keep up with the literature of the world.

The subcommittee did not go to the extent of making an appropriation that would allow them to keep up with the literature of the world.

Mr. HUSTED. It is manifest that the committee did not.

Mr. FESS. Will the gentleman yield?

Mr. HUSTED. Yes.

Mr. FESS. Is there any field in which there are more remarkable developments than there is in medicine and surgery?

Mr. HUSTED. If there be any, I certainly do not know of it.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. HUSTED. Certainly.

Mr. CONNALLY of Texas. Going back, I notice on page 52, in lines 12 and 15, there is a proviso that no part of this appropriation shall be used for the payment of any expense connected with the publication of the medical and surgical history of the war with Germany. What is the reason for that?

Mr. HUSTED. I am not sure, but I think the reason is that it is being done under some other item of appropriation.

Mr. CONNALLY of Texas. I think the gentleman is mistaken. I understand from a surgeon and physician that this is one of the most valuable medical works that has been compiled by anybody, and on inquiry at the Surgeon General's office I find that it is out of print.

Mr. ANTHONY. I will say that this is in process of preparation. It consists of 15 volumes, and 1 or 2 volumes have been completed. Nine will be completed this year. We have previously appropriated a total of about $277,000 for that purpose. Congress originally limited this cost to $150,000, I think, but it has exceeded that, as these figures show, and $15,000 is provided further on in the bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CONNALLY of Texas. Mr. Chairman, I move to strike out the last two words. I yield to the gentleman from Kansas.

Mr. ANTHONY. Mr. Chairman, I simply wanted to give the gentleman the information that we are asking for $15,000 more to carry on the work of the completion of the publication of the medical history later on in the bill.

Mr. CONNALLY of Texas. So that the work of the publication of that history will go forward?

Mr. ANTHONY. It will be carried forward to completion.

Mr. CONNALLY of Texas. I think it very important that that be done, because I see no use in compiling this great mass of information if the profession is not to get the benefit of it.

Mr. ANTHONY. In addition to the $15,000, which will take care of the editorial work, the actual cost of the volumes will be taken out of the general appropriations for printing in the War Department.

Mr. DOWELL. How many copies of that will be printed?

Mr. ANTHONY. I do not think that has been determined as yet, but I understand the number will be 3,000 sets, for distribution only to libraries in this country and abroad.

Mr. DOWELL. Will it be where it can be secured by those who desire to get it?

Mr. ANTHONY. I do not think there has been any method of distribution positively decided upon.

Mr. DOWELL. Will there be enough volumes printed so that it can be distributed, so that this information can be obtained outside of the Army?

Mr. CRAMTON. Mr. Chairman, I rise in opposition to the amendment. I am not in opposition to the proposed appropriation for the Army library. I have been advised by physicians that it is by all means the greatest medical library in the country. I do, however, want to call attention to a very interesting illustration of the different treatment which we accord to things military and to things civil. We are now appropriating for the medical library for the Army, which has grown until now, though the finest in the country, it still requires from twelve to fifteen thousand dollars a year. We have a Patent Office which is more than self-sustaining, whose officials are constantly called upon to pass on very fine technical questions, questions of mechanics, chemistry, engineering, and if the library that they have were given $15,000 in one year, I presume they could double the library. We have been giving them $3,000 a year, and for next year $8,000 for new books for that library. I hope a time will come when there will be some sort of readjustment, and if it does continue to be true that we have untold thousands to give for military activities in time of peace, that we may come to the point where we can say that we have similar sums to take care of such important agencies as the Patent Office, which is self-sustaining. Very recently in the Patent Office a decision was made involving a question of chemistry. After the decision was rendered the latest works on chemistry were referred to and it was demonstrated that the decision was wrong, and it was made in that way because the Patent Office did not have at hand the latest work on chemistry. We gave them this year all that the Budget asked for, but I hope that in the Budget office and in Congress there may come a time when the spirit of generosity will become such as to treat the scientific libraries which are used for civil purposes as well as we treat the scientific library in the War Department.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. WINGO. Do I understand the gentleman that at this particular time he questions the infallibility of the Budget?

Mr. CRAMTON. Oh, not at all; and I would not avowedly question the wisdom of Congress, but sometimes thoughts drift through my mind carrying doubt as to whether we are all wise in our extreme liberality for military activities, and the closeness with which we hold down civil activities.

Mr. WINGO. Mr. Charman, I rise in opposition to the pro forma amendment. As I understand the gentleman from New York [Mr. HUSTED], he said that the committee really had been very economical, because it has allowed $3,000 less than the Budget recommended, and, as I caught the "drift of the thought that was floating through my mind" of the gentleman from Michigan, he was somewhat resentful of the limitations of the Budget with reference to the particular library that he discussed, and what he seemed to think was a correspondingly relative overliberality for this particular medical library. I asked him if he questioned the infallibility of the Budget at this time, because, as I recall, it is not very long since the gentleman was resisting the "onslaughts of an ignorant and incompetent Congress," to use a pet phrase of the pink tea philosophers, in its efforts to exercise some independent thought and not submit to the limitations of the Budget.

I picked up a paper this morning, one of the greatest in America, and read an interesting editorial in it that is somewhat in keeping with what the gentleman from Michigan intimated might be drifting through his mind.

The editor of this newspaper is a brilliant man, and a patriotic man, and he seemed to be very much distressed that in the handling of these supply bills this year Congress seemed to be

disposed to exercise some independent discretion in the appropriation of moneys, and was not willingly submitting to the limitations of the Budget. The editorial in substance said that the people of America should wake up, that Congress was absolutely about to override the limitations of the Budget, and some Congressmen were insisting that the House of Representatives had the right to increase an appropriation beyond the amount the Budget had told them was proper. Reading the record of the proceedings of another body a few days ago, and I want particularly to direct the attention of the House to this proposition, I discovered that the rules of that body have been so amended that an amendment increasing by a few thousand dollars an item which had been put on the bill in the House went out on a point of order because the amendment would make the item larger than that which had been estimated by the Budget.

Now, you may smile, gentlemen, but it is a serious proposition. Oh, of course, all of us saw the wisdom of having a budget that would make the departments make their estimates more intelligently and more economically. There was never any doubt in the minds of thoughtful, intelligent, informed men that the House of Representatives especially was careful in appropriating public money. Why, it was penurious, that being the contention of the departments, so penurious that the custom had grown up in making the estimates to make them larger than they really wanted on the theory that the House of Representatives in its niggardly policy, as it was described, would cut them down. So I say the real intelligent agitation for a budget was for many years for something, not to control the House of Representatives, but it was to control the improvident and extravagant and wasteful estimates of the executive branch of the Government, and so to provide a budget that would make it impossible for the President of the United States to pass the buck, but made it his duty intelligently, through a budget system and organization, to go into the real needs of the departments and try to cut down their estimates to a point where there could be an intelligent consideration of those estimates by the House of Representatives. But, of course, the country, listening to these great uplifters, who regard the House of Representatives, and practically every other constitutional agency of our Government, as one of the necessary evils that they have to put up with because the Constitution requires it, fed the country upon the idea that the Budget is infallible, and that this House has no right to create any agency of Government or to provide for the expenditure of any money unless the executive department, with the approval of the Budget Bureau, urges it. But you are enamored with that idea, gentlemen, and those who protest against such a vicious overthrow of our real theory of Government are abused when we call attention to the fact, but the day will come when the people will wake up to the fact that our system of government is not a failure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. I would ask for five minutes additional.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. I was saying the people will wake up to the fact that our system of government is not a failure, that the greatest safeguard for economy is that the House of Representatives, the direct representatives of the taxpayers, should exercise their independent judgment, under the weight of their responsibility, in determining how the taxpayers' money shall be expended. I for one am resentful of this idea, which some Members of this House encourage, that constitutional government has broken down and the House of Representatives has not the capacity to frame supply bills, but that we should sit here like a bunch of young jay birds in a nest with our mouths open and swallow any revenue or expenditure worm that the Budget Bureau condescends to stick in our mouths. I say I am resentful of that theory, which is asserted with enthusiasm, of this new idea that another body has rules by which it has tied itself so that if the House of Representatives puts upon a bill an item of $5,000 and some Member of that body who has investigated the question and believes that $6,000 is necessary for that particular item and offers to increase it $1,000, that body is tied hand and foot, and its Presiding Officer rules it out of order because the lords of the Budget have not estimated as much as $6,000. Those who contend for that kind of a rule in this House and in the other body indict the capacity of the Congress to discharge its constitutional duties, and that is to hold the purse strings of the Nation, decide what revenues shall be raised, and how the moneys that flow from those revenues shall be expended. But you are drifting along to-day. Why, the reason these supply bills have gone through so rapidly is twofold. One is to prevent an extra session and the other is a mistaken idea that the poor, ignorant mortals of the House and Senate should not question the wisdom of the gentlemen who made up the estimates and set the boundary. We ought to discharge our constitutional duties. Bolshevism! I am not afraid of Bolshevism that finds expression on a soap box in New York, Chicago, and Milwaukee, but I am afraid of that high-browed Bolshevism that treats with contempt and irritation our form of government, that has no respect for or confidence in the capacity of the American people to govern themselves through their established constitutional agencies. If they had their way to-day they would have a director of railroads, and they would have a director of fuel, and a director of mails, and a director of steel, and a director of cotton, and a director of wheat, and a director of everything. In other words, they have no faith in the capacity of the people to govern themselves and they want an autocrat in this country, an autocrat that is as vicious and as contemptible as either the autocracy of the Czar or the autocracy of Lenin and Trotski. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CARE OF INSANE SOLDIERS OF SIXTY-FIFTH REGIMENT OF INFANTRY.

For care, maintenance, and treatment at asylums in Porto Rico of insane soldiers of the Sixty-fifth Infantry, formerly known as the Porto Rico Regiment of Infantry, $50.

Mr. HICKS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. HICKS. I do so merely to secure information. The amount of $50 is a very commendable sum to put in an appropriation bill, so far as size is concerned, but it is so extremely small that I am wondering how much care can be given to the insane soldiers for $50 a year.

Mr. ANTHONY. My recollection is that this sum used to be $15,000, but we are so fortunate now that Porto Rico has no insane soldiers. This item is put in there simply to keep that appropriation alive. They might have some next year.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ORDNANCE STORES, AMMUNITION.

For the development, manufacture, purchase, and maintenance of airplane bombs; of ammunition for small arms and for hand use for reserve supply; of ammunition for burials at the National Soldiers' Home in Washington, D. C., and of ammunition for firing the morning and evening gun at military posts prescribed by General Orders, No. 70, Headquarters of the Army, dated July 23, 1867, and at National Home for Disabled Volunteer Soldiers and its several branches, including National Soldiers' Home at Washington, D. C., and soldiers and sailors' State homes; for manufacture and purchase of ammunition, targets, and other accessories for small arms, hand and machine gun target practice and instruction; and ammunition, targets, target materials, and other accessories which may be issued for small-arms target practice and instruction at the educational institutions and State soldiers and sailors' orphans' homes to which issues of small arms are lawfully made, under such regulations as the Secretary of War may prescribe, $574,000.

Mr. HICKS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. HICKS. I do so for the purpose of asking the gentleman from Kansas a question, because we are, all of us, interested in having our Army kept in the highest state of efficiency. Of course, there must be on hand vast quantities of guns and rifles of modern construction, and mounts and materials of all kinds. I find here items running into the millions for new equipment, and while I approve of keeping our Army properly equipped I am not prompted in asking why so much money is required? I am not criticizing it, because I believe in it.

Mr. ANTHONY. The item which the Clerk has just read calls for $574,000 for the development, manufacture, purchase, and maintenance of airplane bombs.

Mr. HICKS. I was speaking more of the other items that follow—the manufacture of arms, and overhauling ordnance stores, and supplies and automatic rifles, and so forth.

Mr. ANTHONY. The item that has just been read is probably the largest and most important of that type in the bill, and it is a field where there is ample room for development. The use of the airplane bomb is likely to occupy such a prominent part in future warfare that we felt it wise to go ahead and allow them ample money for the development of that type of bomb.

We have immense quantities of war material on hand, and it is going to be useful for probably a good many years to come; but it is necessary to allow a reasonable amount of money for the development of new types of artillery and new types of ammunition in order to keep our workmen at the arsenals and Government plants abreast with the progress of the times in these arts of manufacture.

Mr. HICKS. Do I understand the gentleman from Kansas, then, desires to have the impression that as to the items of manufacture of arms, $374,000, and $224,000 for automatic rifles, these sums will, probably, largely be for experimental purposes rather than for the procurement of new arms?

Mr. ANTHONY. Take, for instance, the manufacture of small arms. That will allow the Springfield Arsenal, which is our standard factory for the manufacture of that class of weapons, to proceed on the basis of turning out 40 rifles a day. The alternative presented to us was either to produce such a small quantity as that or else to leave the plant lying idle.

Mr. HICKS. These appropriations, then, will be to prevent our factories from becoming stagnant and in order that the plants shall be kept in a "stand-by" condition, so that we can call upon them when necessary?

Mr. ANTHONY. Yes.

Mr. HICKS. I think that is a commendable policy to adopt.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. HULL. I am very much interested in seeing that these factories are kept in a stand-by condition, especially with reference to the manufacture of rifles. But will the gentleman say whether they are developing the Springfield rifle from what it was to a modern rifle? I presume the gentleman knows that the Springfield rifle we used in the World War was the model of 1903. It is probably the best rifle that is manufactured in the world to-day, but the model is 20 years old. There are several improvements that have been proposed to make this rifle a modern rifle. I am very much interested in having the rifle brought up to date and then manufactured in small quantity, to see whether they have a better rifle than the present one, and when it is perfected the jigs, tools, and dies necessary to produce them in large quantities should be made and kept on hand. I have urged this on the Ordnance Department, but unfortunately there seems to be somebody putting on the brake somewhere, so that this rifle is not brought up and made modern.

Mr. ANTHONY. In reply to the gentleman's question I will say that the opinion of the military experts who came before our committee is to the effect that our service rifle, even though its general design may be about 20 years old, is still regarded as superior to any other military rifle in the world.

Mr. HULL. There is no question about that; but it is also true that the military experts agree that the rifle should be changed in many ways to make it even a better shooting rifle than it is to-day. Why do they not bring it up to the maximum of efficiency? That is the question.

Mr. HICKS. Could the Rock Island Arsenal bring it up to date?

Mr. HULL. They could bring it up to date if they wanted to, and they should be compelled to do so.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. I wish to call the attention of the subcommittee to what I believe to be the improper form of some of these items, grouping together matters radically different from one another. In framing an appropriation bill the aim is, or should be, to get similar matters together, instead of mixing different propositions all up in one paragraph and providing a very large appropriation to be spent just as the officer in charge of the matter may wish. I call the attention of the committee to the item on page 62:

For the development, manufacture, purchase, and maintenance of airplane bombs; or ammunition for small arms and for hand use for reserve supply.

This is a large and very important activity.

And we find it hooked up with a proposition to provide for firing salutes over deceased soldiers at soldiers' homes. When appropriation bills came from the committee of which I am a member we were severely criticized if we did not separate items that were different or for grouping dissimilar matters together and providing one great big appropriation for all of them without any division or distinction.

Mr. ANTHONY. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I yield to the gentleman.

Mr. ANTHONY. I think the criticism is a good one; but the gentleman will bear in mind that the ammunition for firing certain guns at national military homes has to be furnished by the Government, and this paragraph would authorize the purchase of such ammunition, if necessary, and its transfer to the soldiers' home authorities. So it is related to the paragraph.

Mr. McLAUGHLIN of Michigan. And here is a provision for target practice at sailors' orphans' homes hooked up with one of the largest propositions that the Army has anything to do with. That is, we find here authority and a large amount of money for the development, manufacture, and purchase of airplane bombs, the development of firearms, inventions, and discoveries, their better use, and all that, hooked up with a small and radically different matter at a sailors' orphans' home.

Mr. HICKS. Will the gentleman yield for a question?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. HICKS. Would not the gentleman think that we have enough powder and ammunition on hand to fire salutes for the next thousand years without buying any new powder?

Mr. ANTHONY. If the gentleman will yield, there is no item in here for buying new powder. This is the language that has been carried for years, and the Government undoubtedly is turning over powder which it has on hand to these institutions to be used for this purpose.

Mr. HICKS. It says "for the purchase of ammunition for salutes."

Mr. ANTHONY. They do not actually buy the ordinary powder for that purpose if they have stocks on hand, which they undoubtedly have.

Mr. McLAUGHLIN of Michigan. I respectfully suggest that paragraphs of the bill be arranged in such a way that the Congress can give some direction as to how the money of the Government is to be spent, and later have information as to how it has been spent.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

AUTOMATIC RIFLES.

For the purchase, manufacture, test, repair, and maintenance of automatic machine rifles, or other automatic or semiautomatic guns, including their mounts, sights, and equipments, and the machinery necessary for their manufacture, to remain available until June 30, 1925, $224,000.

Mr. HULL. Mr. Chairman, I offer an amendment, on page 63, line 7, after the word "the," to strike out the word "purchase."

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL: Page 63, line 7, after the word "the," strike out the word "purchase."

Mr. HULL. Mr. Chairman and gentlemen of the committee, there is no argument that I know of that can be used for the retention of the right to purchase automatic rifles at the present time. There may be some reason for this appropriation. Certainly there is no reason to leave in the bill the right of some one to buy something with which we are overstocked to-day. The curse and scandal of the recent war was the purchase of material during the war and after the war. I think we ought to go over these appropriation bills very carefully and hereafter take out wherever we can the word "purchase." It is left in, and then some one finds an appropriation that is unexpended, and gets hold of a man who has the right, and they purchase something. Billions of dollars of the people's money were worse than wasted in the recent war by this right to purchase.

Mr. ANTHONY. Will the gentleman yield?

Mr. HULL. Certainly.

Mr. ANTHONY. I hope the gentleman does not want to shut off the purchase of any improved or newly developed automatic rifle. For instance, the Browning automatic rifle probably represents the highest type of development of that arm; and if the Government acquires any of those weapons it has to acquire them under the Browning patents, as I understand it.

Mr. HULL. Certainly not. They have a great supply on hand at the present time; and not only that, but they have in their arsenals facilities to manufacture them if they want them.

Mr. ANTHONY. Will the gentleman yield?

Mr. HULL. Certainly.

Mr. ANTHONY. General Peirce, of the Ordnance Department, when before the committee on this item was interrogated as follows:

Mr. ANTHONY. What else do you intend to produce?
General PEIRCE. Some antiaircraft machine-gun mounts and some antiaircraft machine-gun adapters, model of 1917 tripods.

Mr. STAFFORD. Does the Government pay Mr. Browning anything as a royalty for the use of this new machine gun?

General PEIRCE. The 50 caliber?

Mr. STAFFORD. Yes.

General PEIRCE. We do not pay Mr. Browning directly. We procure these guns from the Colt Patent Firearms Manufacturing Co., who are Mr. Browning's licensees in this country, and an element of the cost is a royalty per gun.

The Army is short of 50-caliber machine guns. We produced none during the war, and the 50-caliber machine gun is the gun that we intend to mount upon our new planes for warfare in the air. I hope the gentleman does not want to prevent the acquirement of these Browning guns.

Mr. HULL. I think it is very questionable whether they ought to purchase these guns, but upon the gentleman's explanation I will withdraw the amendment.

The CHAIRMAN. Without objection, the amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

TANKS.

For the purchase, manufacture, test, maintenance, and repair of tanks and other self-propelled armored vehicles, to remain available until June 30, 1925, $169,000.

Mr. HULL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL: Page 63, line 13, after the word "the," strike out the word "purchase."

Mr. HULL. I should like to inquire of the chairman of the committee what is the reason why they want to be buying tanks at the present time?

During the war we developed tanks that were, some of them, too light, but for the most part they were too heavy. The tendency now is to develop a mobile tank that will have a speed of 25 or 30 miles an hour, enabling them to go over any country. There are two lines of development. There is the so-called Cristy tank, the development of which the War Department is closely following; and then they may want to build some tanks at the Government arsenals, and I presume at Rock Island. They are developing a tank that they have confidence in and which they feel may fulfill these requirements for the new tank.

Mr. McKENZIE. Will the gentleman yield? I want to say that I sympathize with the purpose of the gentleman from Iowa in undertaking to curb the War Department in the use of appropriations for the purchase of unnecessary material for the Army of any kind. However, is it not a fact that the word "purchase" carried in the various items is a word that has been carried for many years, and does it follow that because the word "purchase" happens to be in the paragraph that the War Department must engage in the purchase of the articles mentioned? It is only carried as a matter of legislation in case the necessity should arise. I assume the gentleman from Kansas has investigated this matter and ascertained whether or not this power has been abused by the War Department. If not abused, then we ought to carry it.

Mr. ANTHONY. It has not been abused in regard to tanks.

Mr. HULL. I do not know about that; I rather think it has. I think if the gentleman will look it up he will find that you have purchased a number of tanks at an enormous outlay of money since the close of the war.

Mr. ANTHONY. Not out of new appropriations.

Mr. HULL. Yes; out of new appropriations or lump-sum appropriations given to them. That is the trouble. You leave the word "purchase" in, and when the time comes they find the money and they go out and buy a lot of stuff that they do not need. Take the harness that you bought during the war——

Mr. ANTHONY. If it will assure the gentleman I will read the itemization of what they intend to do under this appropriation. It is all to be handled at the arsenal, which, I suppose, will be in line with the gentleman's desire.

Mr. HULL. If that is the case there is no use in leaving the word in the bill.

Mr. ANTHONY. But suppose the Rock Island Arsenal should fall down in the production of the type of tanks that the Government requires, and the Christy folks should bring out a tank that the Government did want, the gentleman does not want to prevent the War Department from the acquisition of a desirable tank?

Mr. HULL. I do if there is no use for it.

Mr. SEARS. Will the gentleman yield?

Mr. HULL. Yes.

Mr. SEARS. We all know of our experience during the war. Does not the gentleman think that some time we can reach a state of development that would get us a tank that would kill people fast enough without squandering money on other tanks?

Mr. HULL. I have no objection to the War Department experimenting. The trouble is they have a lot of grafters, or did have during the war, that took our money and bought material that they knew at the time we did not need. I think it is time that Congress should put a curb upon these grafters. If you strike the word "purchase" out of the bill, they will have no right now or at any future time to buy stuff that they do not need. The chairman of the committee has made a plain and open confession that the use of this word in this paragraph is not necessary because they do not need it.

Mr. ANTHONY. If they build tanks at Rock Island Arsenal, they will have to buy the raw material, and the gentleman does not want to shut them off from buying raw material.

Mr. HULL. They have all the raw material in every arsenal that they want. They are filled up with a surplus of material and let them use it.

Mr. ANTHONY. There is steel and other material that is necessary to go into the tanks.

Mr. HULL. Well, you are throwing your money away.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. I am not able to agree with the chairman of the subcommittee or the gentleman from Illinois [Mr. McKENZIE] when they say that an unnecessary or improper word in an act should be retained simply in the belief that the officer in the exercise of his discretion will act wisely and that he will not abuse that discretion. It is a slothful and improper manner of legislation. If the Congress of the United States knows what it wants to do, we ought to write it in the law, and if it knows what it does not wish to do, it should write that into law. There are many cases in which an executive officer must be vested with a large discretion, and where that is necessary let the law carry proper words giving the discretionary power. But where Congress has information, knows what it wants to do, where it determines what it does not wish to do and can find words to express its wishes, then the words should find a place in the law. But this giving an executive officer discretion to use money with the idea that it will not be abused is very slothful and improper legislation, too much indulged in by Congress, and it ought to stop.

Mr. DALLINGER. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. DALLINGER. I want to ask the gentleman from Kansas to point out on page 63, lines 14, 15, or 16, anything about material for tanks. It says for the purchase, manufacture, test, repair, and maintenance of tanks.

Mr. ANTHONY. In the manufacture of tanks the material would be involved.

Mr. DALLINGER. If we strike out the word "purchase," they can manufacture all of the tanks they want to.

Mr. ANTHONY. The committee does not desire to strike that word out. It would be a mistake to do it. This is a technical matter. This committee does not want to arrogate to itself the authority to direct the War Department as between two types of tanks which to purchase. We have not that technical knowledge. I think it would be a great mistake for Congress to direct them in the purchase of military arms, in respect to the patent or the type or the invention that they must spend the money for.

Mr. HUSTED. Is it not true that if we strike that word out, they may go ahead and manufacture tanks out of any material they have on hand, but if they do not have some particular material on hand, absolutely necessary in the construction of one of these modern tanks, even though a small amount, insignificant in price, it could not be purchased, and the construction of the entire tank would be impossible?

Mr. ANTHONY. That is true.

Mr. HULL. Where do they get any authority to buy any material in that paragraph?

Mr. HUSTED. "For purchase."

Mr. HULL. It is the purchase of tanks; it is not the purchase of material.

Mr. HUSTED. That allows them to purchase a tank or to purchase material that goes into the manufacture of the tanks.

Mr. HULL. If it does, then we ought to reform our legislation. They could not buy material with that.

Mr. HILL. Mr. Chairman, I move to strike out the last two words. This item reads as follows:

For the purchase, manufacture, test, maintenance, and repair of tanks.

That does not exclusively apply to the purchase but to the repair of tanks, and you must have material to repair tanks and purchase that material.

Mr. HULL. But when you strike out the word "purchase" you simply take away the right to purchase tanks and not anything else. They can go ahead and repair and manufacture. They can go ahead and experiment. There is no right under that but the right to purchase, and that is the right I want to take away; and I appeal to this Congress to take away that right, which has proven a scandal in the Army.

Mr. LITTLE. Mr. Chairman, I rise in opposition to the amendment. As far as the word "purchase" is concerned, I am half inclined to the opinion that we would save a lot of money if it were stricken out of all of the Army appropriations for the next 12 months, and the country might be just as well off, but before I would go that far I would like to get a little more information. A good many wars are going on. I do not know just how many there are, but if this committee would tell us in the course of these debates just how many are going on, and whether there is being developed anything new and useful along these lines, it would be satisfactory to the House.

Mr. ANTHONY. I explained a few moments ago that this money would be used for the development of a new type of tanks, a tank that would be mobile and faster than any tank that we have.

Mr. LITTLE. I heard the gentleman. Is that the result of his conclusions or the result of observing other wars?

Mr. ANTHONY. It is the result of the opinions of technical men from the War Department.

Mr. LITTLE. Without intending to be unkind, permit me to say that I have not such a high regard for the opinion of these technical men. What I am trying to get at is this: There are wars going on all of the time everywhere. Can not we find out how many there are and find out if anywhere in these wars there is being developed practically anything new?

Mr. ANTHONY. Yes; the English have developed a tank of the type I speak of, which is capable of going across the country at from 25 to 30 miles an hour.

Mr. LITTLE. Is that developed in battle?

Mr. ANTHONY. I do not know that they have had it in battle. They have made the most marked advance in the development of the tank, and we are endeavoring to follow in their footsteps and keep abreast of this work. If the gentleman will permit, for the benefit of the gentleman from Iowa [Mr. HULL], of this total item of $169,000 which is proposed to be spent for experimental and development work, $85,000 is to go for maintenance and $85,000 for repairs. Out of those two items $48,000 or thereabouts would go for salaries and $52,000 for wages, all of which I understand will be expended at the arsenal. They have no particular tank in view that they want to purchase outright. They think they will be able to manufacture at the Rock Island Arsenal a better tank than they will be able to buy, but I do not want the language so hedged about that if somebody does build a better tank than they can build they will be precluded from buying it.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the gentleman's amendment. If the gentleman from Iowa [Mr. HULL] by striking out the word "purchase" could stop all of the waste and all of what he denominated graft in connection with the purchase and acquisition of Army supplies, I would be with him. He confined most of his statements to waste concerning war purchases during our recent war, but the most commendable thing that I know of—and there are a good many commendable things—attached to the valuable service now being rendered by our colleagues, Mr. Reavis and Mr. McCullough, and a few of their associates is going after the waste and leakage that has occurred not only since the armistice was signed but that has occurred since the present administration has been in complete charge. I understand the indictments will be due next week on this great meat scandal, involving millions of dollars, that has arisen during the life of the present administration, and they are going to get action on that, and they ought to get action. If reports are true, there are men connected with it that ought to be in the penitentiary. These gentlemen who left this House and are now in the Department of Justice are doing splendid work, and I commend them for it.

Mr. HULL. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. HULL. The gentleman says I did not mention the graft that occurred after the war. I certainly did.

Mr. BLANTON. I accept the gentleman's statement.

Mr. HULL. I reiterate that that has been the most fatal of all, the graft that occurs after.

Mr. BLANTON. And ought to stop.

Mr. HULL. It occurs because we permit the use of words which are not necessary. This word is not necessary in this bill.

Mr. BLANTON. This applies to a certain kind of tank for offensive warfare. It reminds us of the evidence that has been accumulated concerning the purchase and acquisition of water troughs, which is absolutely disgusting to any decent individual.

Mr. HULL. The gentleman knows that that comes about because we leave words in bills that ought not to be left there, the right to purchase. All this scandal comes because of the right to purchase.

Mr. BLANTON. I am with the gentleman on protecting legislation and appropriations with every safeguard.

Mr. ANTHONY. Mr. Chairman, I ask for recognition. I think the gentleman from Iowa [Mr. HULL] should be explicit when he uses the word "graft" in connection with the expenditure of an appropriation. As I understand, he uses that word in connection with the expenditure of appropriations made for the Ordnance Department since the armistice. Personally I have no knowledge of any questionable purchase or transactions that have been made by the Ordnance Department in recent years. I do know that General Williams and General Peirce, who are the heads of that department, are as honorable and as high types of Army officers as I have ever come in contact with, and they are both men in whom I have implicit confidence in reference to the expenditure of public funds; and if the gentleman from Iowa has any information which the House ought to have, he certainly should give it to us.

Mr. BLANTON. I will give the gentleman some reference. If he will go to our colleagues, Mr. JOHNSON of South Dakota and Mr. WOODRUFF, and our former colleagues, Mr. Reavis and Mr. McCullough——

Mr. ANTHONY. I am referring——

Mr. BLANTON. They will give him enough evidence to keep him awake at night for two months thinking about it.

The CHAIRMAN. The question is upon the amendment offered by the gentleman from Iowa.

The question was taken and the amendment was rejected.

The Clerk read as follows:

FIELD ARTILLERY ARMAMENT.

For purchase, manufacture, and test of mountain, field, and siege cannon, including their carriages, sights, implements, equipments, and the machinery necessary for their manufacture, $400,000.

Mr. HULL. Mr. Chairman, I offer an amendment: Page 63, line 17, after the word "for," strike out the word "purchase."

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report:

The Clerk read as follows:

Page 63, line 17, after the word "for," strike out the word "purchase."

Mr. ANTHONY. Will the gentleman yield?

Mr. HULL. Certainly.

Mr. ANTHONY. I will say for information that no purchases are contemplated under this. It is all for development and experiments——

Mr. HULL. I understand it, and that is the reason I want the word stricken out. It is not necessary; it is superfluous to carry this word in there. If we should get into a war somebody would use the right to purchase a lot of material that is not necessary.

Mr. ANTHONY. If the gentleman will take for sights and equipment for field artillery, there is liable to be an invention to-morrow, some great improvement over what we have now, and it might be desirable to acquire some. We ought not to be precluded from that.

Mr. HULL. And somebody will come down here and get hold of somebody and work through an order. I do not say that General Williams or General Peirce are negligent. Somebody is, and somebody was negligent in the Ordnance Department and in the Quartermaster Department. It was not confined to our Army; it ran through every bureau of this Government; and this right to purchase is abused, frightfully abused, and I propose to offer at least to the Congress the opportunity to strike out that word. When you do not need it, let us strike it out.

Mr. STAFFORD. Will the gentleman yield?

Mr. HULL. Certainly.

Mr. STAFFORD. Does the gentleman charge on his responsibility as a Member of this House that graft has been engaged in during the present administration in connection with these activities?

Mr. HULL. What does the gentleman mean by administration?

Mr. STAFFORD. The present Republican administration under President Harding.

Mr. HULL. I refer you to the Graham committee for their report on this graft——

Mr. STAFFORD. I am asking a direct question, whether the gentleman makes the charge of graft against the present Republican administration in the administration of these items? The gentleman can answer yes or no.

Mr. HULL. I want to escape and avoid the incentive for graft. Now we have the opportunity, and it will hurt nobody, because the chairman says the word is superfluous; so let us take it out.

Mr. ANTHONY. It is not superfluous. It is to carry on experiments and developments, and they have to buy material of all kinds.

Mr. HULL. They can not buy materials; they can only buy things. They do not buy material with it; they buy finished products; that is what they buy. Under these authorizations they buy the finished article. It is not experimental work that we want to stop. I am perfectly willing that they should experiment; but, for goodness' sake, let us stop the right to purchase the finished article because somebody has an industry which is going to be fostered. That is what you are doing.

Mr. HUSTED. Mr. Chairman, if the officers of the Army are as crooked and dishonest in the administration of these funds as the gentleman from Iowa seems to think they are, then we should strike out not only the word "purchase," as advocated by the gentleman from Iowa, but we should strike out the item itself and every other item in this bill which calls for the expenditure of money.

What does this item provide for? It provides for the purchase, manufacture and test of ammunition for mountain, field, and siege cannon, including their carriages, their sights, implements, equipment, and machinery necessary for their manufacture. If the word "purchase" is stricken out of this item, it would be impossible to buy any of those things which now may be necessary or which may hereafter become desirable for use in connection with the manufacture of field artillery. It would prevent the purchase of improved sights or equipment which may be patented during the year by parties outside of the War Department.

The gentleman from Iowa [Mr. HULL] intimates that these officers are so dishonest that we should not vest in them any purchasing authority. I do not believe it. I do not believe anything of the kind. I believe absolutely in the statement of the gentleman from Kansas [Mr. ANTHONY] that the officers at the head of the Ordnance Department of this Government are men of the highest character and that they would not permit any act of dishonesty to be committed in this department under their administration. I think we safely can trust them. If we can not trust them to the extent of investing them with this necessary purchasing power, then we certainly can not secure efficient results in the administration of this branch of the Army.

Mr. SISSON. Mr. Chairman, I had not intended to say anything at this time or consume any of the time of the committee in its consideration of this bill, because I am reasonably well satisfied with its status. But I do feel at this time that somebody at least on this side of the aisle should say something for the Army officer. He does not need any defense against the charge of dishonesty. Whatever may be the fault of an Army officer or a Navy officer, it is not that he is dishonest.

I want to say for the Army and the naval officer, having been in close touch with him for 12 years and having heard him before the committee not only before the war but during and since the war, that I have yet to see a single Army or Navy officer, a graduate of either of the academies, whose honesty and integrity has ever been questioned.

There are two things that you can say of the Army or Navy officer. He will not lie and he will not steal. That is not the trouble with Army and Navy officers. General Goethals tells us of the trouble and the weakness of the Army and Navy officers. They have been working all their lives for a client with an unlimited supply of money at their disposal, and they have never had to give the question of money any consideration, because that is not a thing that is demanded of them. The only thing demanded of an Army or Navy officer is results. We want results. Therefore he may be extravagant, for he spends money ruthlessly. That is not the case with all, but that is the rule generally, that he spends money ruthlessly, with a view only to obtaining results.

I believe there is no man who can truthfully say that the Army or Navy officer is not as a rule the most honest fellow in the world. These men are taught at West Point and Annapolis to hate a liar. They are taught to hate a thief. These young men go through that four-year course, and when they come out they despise a thief and they despise a liar. Those two things are emphasized in their instruction. They believe in manhood and courage, and manhood and courage are always accompanied, as a rule, with honesty and integrity.

Therefore, this present debate having assumed this angle to this extent, I thought it proper that these men, who can not speak on this floor themselves, should have some one speak for them who knows them, and I am delighted to bear testimony here to the fact that they are as truthful and as honest a bunch of fellows as ever served a government on earth. [Applause.]

Mr. DALLINGER. Mr. Chairman, will the gentleman yield?

Mr. SISSON. Yes.

Mr. DALLINGER. Assuming that everything the gentleman says is true and assuming that the gentleman says correctly that they are extravagant with the use of public money, does the gentleman think he ought at this time to give to Army officers the authority to expend millions of dollars for material when we already have on hand material enough to fight another war?

Mr. SISSON. If the gentleman is stating a fact, I would unquestionably say "No"; I would not give it to them.

Mr. DALLINGER. It is a fact that we have this stuff on hand.

Mr. SISSON. It may be true that we have on hand more stuff along certain lines than we ought to have, and yet they may have a dearth of material of other kinds which are needed. I have given several years to the study of this question as a member of the committee, and it has been with us a great problem to know what they did have on hand and what they did not have on hand. Where they have had this material on hand it has been my belief and the policy of the committee—and the Congress has sustained us in it—not to have them buy more material. But when the testimony shows that the supply of material is exhausted, we can not, in my judgment, afford to assume a standstill policy in war material, any more than in all the other things necessary to put us in a posture of defense.

You know I am one of those fellows who believe that the United States Government ought to have the most deadly instrumentalities of war in its possession. I was criticized in the press because I once stated on the floor of this House with reference to the development of gas, poisonous gases—I was criticized because I wanted the United States Government to have the most deadly gas on earth.

I did not want any government to have more deadly gas than we have. I want to repeat that. If I could have my way, I would put in the hands of the American soldier a wand like that described by Bulwer Lytton in his Coming Race, where his hero would take the wand and by waving it once produce the substance which he calls vrillia and destroy the whole army of the enemy with one swoop of the wand, with absolutely no danger to the man who waved the wand. If I had such a wand, I would put it in the hands of Uncle Sam and I would enjoin him to keep the secret, and I would tell him: "When these other nations pester you, wave that wand and destroy every enemy of Uncle Sam and not lose a single American life." That is how much I love the American boy and his wife and his child. I want our Army to have the most deadly instrumentalities on earth, and when we are trying to keep pace with the balance of the world I am willing to spend a little money. I do not think it is extravagant. When by my vote I send out our boys to fight on the battle field, I want, if I can, to have the assurance in my own heart and mind that they are equipped with the most efficient and reliable instrumentalities of death that the ingenuity of man up to date has devised, and that is why I am for these appropriations. [Applause.]

Mr. HULL. Mr. Chairman, I offer an amendment, on page 63, line 21, after the word "for," to strike out the word "purchase."

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL: Page 63, line 21, after the word "for," strike out the word "purchase."

Mr. HULL. Mr. Chairman and gentlemen of the committee, during the eight years that I have been in Congress I have had a great deal to do with the Army officers. I admire them. I consider them on the whole honest. I do not, however, want to say that they are always well advised. I hope they are my friends. There is nothing personal in this matter with me. I know that it is hard to associate with these Army officers as my friend from Mississippi [Mr. SISSON] has, and listen to their stories and not believe that all is well. But I listened to their story before they went into the World War. I heard them say, "Oh, we have plenty of material. We have Springfield rifles sufficient to fight this war." We gave them untold millions to prepare this country, and the amazing thing to me is, what did they do with the money that they had before this war? Is there any gentleman in Congress who can answer

that question? They had millions of dollars and the greatest facilities in the world to manufacture the things to fight with, and when we came to fight we had to manufacture cannon out of old logs to practice with. What did they do with the money? I ask you gentlemen who want to defend the Army officers to answer that question—what did they do with the money? That is what the American people would like to know of you. I will tell you what they did. They stalled about preparedness. They camouflaged, they smoke-screened Congress and got away with it. But when you wanted material you had to borrow it, and for two years you turned the Treasury of the United States over to them and they spent $8,000,000,000 and never got one piece of fighting material on the firing line. That is the kind of preparedness you have when you let Army officers purchase material. When some gentleman says everybody is honest, I want him to explain that to the American people.

Mr. McKENZIE. Will my colleague yield for a question?

Mr. HULL. Certainly.

Mr. McKENZIE. I am sure my colleague does not want to be unfair to the officers of the Army.

Mr. HULL. I certainly do not.

Mr. McKENZIE. I want to ask him if it is not a fact that the greater part of that $8,000,000,000 was spent, not under the supervision of officers of the Regular Army but under the supervision of representatives of the Council of National Defense, civilians who were brought in and given authority to expend that money?

Mr. HULL. That is absolutely true; but we spent millions of dollars to educate those boys in West Point to know how to conduct a war. The gentleman speaks about the money that was spent. Let us take one item. You spent about $2,000,000,000 for cantonments, and yet we spent all this money at West Point in educating boys to be engineers.

Why was it impossible for the engineers to go out and build those cantonments? They had the authority in the War Department somewhere to send those boys to build those cantonments instead of paying contractors 6, 8, and 10 per cent cost plus. That is one of the things I have wondered at. Why did they do it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HULL. I ask unanimous consent for two minutes more.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. HULL. I am not trying to dig up ancient history. I am simply trying to call attention to some things so that they will not be repeated. Let us prepare this country as it should be prepared and not take the word of Army officers always. I will take them just as far as anyone will. When they are right they are all right, but when they are wrong, and we know they are wrong, let us analyze what they want and let us curb them. The gentleman from Mississippi [Mr. SISSON] himself says that they admit that they are easily influenced.

Mr. LINEBERGER. Will the gentleman yield?

Mr. HULL. Yes.

Mr. LINEBERGER. The gentleman said a few minutes ago that the Regular Army officers told this country before the World War that we were prepared. Did I understand the gentleman correctly?

Mr. HULL. We had assurances in the Committee on Military Affairs that we were prepared, as far as Springfield rifles were concerned, and certain other articles, and I remember very well that we were assured that we were to have 20,000 airplanes in May of 1918. We did not have them.

Mr. LINEBERGER. It was my experience and, I think, the experience of the country generally that at that time the Regular Army officers were preaching our lack of preparedness, and such men as General Wood were making speeches and trying to arouse the people of this country to prepare for the emergency that they saw was about to arise.

Mr. HULL. They preached preparedness of man power.

Mr. LINEBERGER. I think they preached preparedness and told of our unpreparedness in material as well.

Mr. HULL. So far as I know, the General Staff of the American Army never studied a supply system that would furnish supplies.

Mr. HILL. Will the gentleman yield for a question?

Mr. HULL. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HULL. I ask for five minutes more to answer the gentleman's question.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that his time be extended five minutes. Is there objection?

Mr. STAFFORD. Reserving the right to object, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 13 minutes.

The CHAIRMAN (Mr. MACGREGOR). The gentleman from Wisconsin asks unanimous consent that all debate on the pending amendment and all amendments thereto close in 13 minutes. Is there objection?

There was no objection.

Mr. HILL. The gentleman just stated that the General Staff of the Army had not made any study of supplies previous to this war and that the Regular Army officers had allowed the public to believe that we were adequately prepared with material. The gentleman is an experienced member of the Committee on Military Affairs, and I ask him if he does not recall the report of the Chief of Staff, General Wotherspoon, made to the Secretary of War November 15, 1914, in which he said the United States Army, from the point of view of material, was so absolutely unprepared that it was like a house afire and nothing to put it out?

Mr. HULL. I presume that is true. I know we had reports on certain things—artillery, and so forth, and certain other matters. I referred to the Springfield rifle situation.

Mr. HILL. The gentleman's statement was a broad general statement which I think was a reflection on the Regular Army officers. As the gentleman from Mississippi [Mr. SISSON] said, the Regular Army officers can not defend themselves. I was glad to hear the remarks which the gentleman from Mississippi [Mr. SISSON] made on that subject from his experience. I do not think it is fair for us in the House to make general statements unless we are prepared to support them by facts.

Mr. ROACH. If the gentleman will yield, I did not understand the gentleman from Iowa to make any such general statement. I understood the gentleman said that prior to the war the Army officers were making claims that they had plenty of material, but that when the war came on they sang a different song.

Mr. HULL. I did not make the broad statement; I said prior to the war the officers said that we were prepared with Springfield rifles.

Mr. HILL. The gentleman said that we were unprepared in material, and that included everything. General Wotherspoon said that we had nothing adequate, from the point of view of world conditions and our lack of preparedness.

Mr. HULL. I know the gentleman is mistaken, because I offered on the floor of the House, year after year, amendments trying to prepare them with artillery. We wanted them to have a great deal of artillery.

Mr. HILL. The gentleman was speaking of the Springfield Arsenal——

Mr. HULL. I introduced an amendment—I understand the Army officers called attention to the lack of material, but what I can not understand is why with all the money we gave them and the great facilities they had we were not better prepared in this war.

Mr. HILL. I refer the gentleman to the report of General Wotherspoon, of November 15, 1914, which answers his question.

Mr. HULL. I am calling attention to the fact that we gave them the money in 1914 to manufacture dies, jigs, and tools, and the money was not expended. We gave them $5,000,000 to manufacture Springfield rifles, and they did not use it.

Mr. HILL. I am sure the gentleman does not want it understood by his remarks as to graft and grafters that the Army officers of to-day are doing anything of that kind.

Mr. HULL. I am not trying to charge the present Army officers with graft, but I am trying to remove all temptation to graft by striking out of the bill the word "purchase," which, as admitted by the chairman of the subcommittee, is a superfluous word.

Mr. SEARS. Mr. Chairman, a few moments ago I asked a question that might be construed as an inference of graft. I took the position that when the Democrats were in power the grafters should be named. I wanted to find out when we would finally perfect deadly weapons to be used in the case of war, when we are bragging about peace so far as we are concerned and about the wonderful progress our Nation is making with other nations. Unfortunately, the chairman of the subcommittee, in response to the gentleman from Iowa, said—I am sure he did not intend it and only spoke in a general way—that he knew of no graft in recent years. Of course, that would mean during the present administration, but he left the inference that he knew of graft in former years. I think the chairman of the subcommittee, if he does know, ought to give to the country such information as he may have

along that line. I only desire to say, and I trust I may make myself clear, that I have the utmost confidence in such Army officers as I have met. I have found them to be perfect gentlemen, and whatever fight I may make is simply for economy, in an effort to reduce the taxes that the people are complaining of. We are unable to get a public building bill; we are unable to get a river and harbor bill, and by that I mean one for new projects; we are unable to make internal improvements, which I fought for during the war and since the war. We appropriate millions and millions of dollars to perfect deadly weapons, thereby adding to the tax on the people of the country, which they are now staggering under. That is what I was complaining of when I asked the gentleman from Iowa the question, and did not mean to indorse the word "graft" or "grafters" either in the past or in recent years.

Mr. STAFFORD. Mr. Chairman, in fairness to the officers of the Ordnance Department it should be said—and I make this for the special benefit of the gentleman from Massachusetts, who represents the Watertown Arsenal, and the gentleman from Iowa, who represents in part the Rock Island Arsenal—that the Ordnance Department with these various appropriations will be able to carry on the experiments in the various arsenals with the smallest organization. It is not, as the gentleman from Massachusetts [Mr. DALLINGER] infers, for the purchase of material that is now possessed by the Government. I am rather surprised that the gentleman should have any such thought, because he certainly must be conversant with the activities that go on at that great arsenal in his district, which is so dear to his heart. These various appropriations are merely for experimental purposes. The item under consideration, which is for the purchase of powder for experimentation to test some of our large improved 75-millimeter guns, has not any especial interest to the representative of the Rock Island Arsenal, because it applies to Picatinny Arsenal, where the Government powder plant is located, and does not apply, except remotely, to Rock Island. I know how solicitous the gentleman from Iowa [Mr. HULL] is about bringing everything to Rock Island. He is a monopolist in that particular, and that is the only particular in which he is a monopolist. He is very vociferous about it.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. In a few minutes. He is always alert to magnify the activities of the arsenal which is so close to his district, across the river. One never sees him rise trying to pare down the appropriations for that arsenal, but I say in all candor that of all the officers who appeared before the subcommittee on the War Department appropriation bill there was no set of officers who knew their estimates better than the head of the Ordnance Bureau and his subordinates. They impressed the committee with their frankness; they impressed the committee with their thoroughness. They stated that these appropriations were the minimum that could be had to keep the work at a skeleton basis, and perhaps that is the reason why the gentleman from Massachusetts [Mr. DALLINGER], who represents the Watertown Arsenal, and the gentleman from Iowa [Mr. HULL], who represents so largely the Rock Island Arsenal, are protesting here. However, the policy of the administration and the policy of the War Department is to keep employed only a skeleton force, so that in case of trouble we will be prepared; we will have the dies and all of the other equipment to go ahead and multiply on a large scale the latest designs. I yield to the gentleman.

Mr. HULL. The gentleman knows that the Rock Island Arsenal is in Illinois, and I hope that he is not trying to convince the House that I am from Illinois.

Mr. STAFFORD. Oh, no. And I have never made a special study of the number of Rock Island Arsenal employees who live across the river in Davenport, Iowa, which is in the gentleman's district. I can not explain the gentleman's solicitude for the workers at the Rock Island Arsenal except upon the hypothesis that a very great number of them live in his district. It would be absolutely inexplicable to me otherwise. I can not otherwise conceive of the gentleman being so energetic, even going to the extent of casting reflection upon the administration of his own party in his effort to espouse the cause of the workers and to increase their work, when there is no necessity for it in peace times.

Mr. Chairman, I call for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The Clerk read as follows:

Proving grounds, Army.

Mr. BLANTON. Mr. Chairman, I move to strike out line 9.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 64, strike out all of line 9.

Mr. BLANTON. Mr. Chairman, that is for a proving ground for the Army. It has been well said that our Army officers and our naval officers as a whole are absolutely honest and truthful. There is no question about that, but just as there is with all rules applicable to any other class of individuals, there is an exception once in a while. It is amusing to remember how the gentleman from Illinois [Mr. GRAHAM] would get up here under the applause of every Republican Member of this House some time back and speak of the stupendous frauds upon the country that were possible only because of the dishonesty of some officers. I say that it is amusing to think of that, and to now have it asserted by orthodox Republicans that it was all buncombe, and to have the gentleman from Illinois sit silent when he is attacked upon it. It is especially amusing when we remember the present conditions. The most important investigation in the Department of Justice right now is on the alleged great meat fraud. Every bit of this late scandal has occurred since the gentleman had his investigation, and since his party has been in complete power in the White House, in the House of Representatives, and in the Senate. Every feature of that meat transaction has occurred since that time, and if the allegations are true it shows dishonesty upon the part, not of the great force of Army and Navy officers—no; because, as I say, as a rule they are honest to the core—but upon some officer or officers; that they have a black sheep in their flock occasionally. So we can not dismiss this proposition, either Republicans or Democrats, by getting up here and speaking of the general rule and forgetting that there is an exception. These investigations must continue to go on whether Democrats or Republicans are in power. It is only by just such careful investigation and watchfulness that we can safeguard the sacred money of the taxpaying people of America.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. BLANTON. Mr. Chairman, that was offered as a pro forma amendment.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEACOAST DEFENSES, UNITED STATES.

ARMAMENT OF FORTIFICATIONS.

For purchase, manufacture, and test of seacoast cannon for coast defense, including their carriages, sights, implements, equipments, and the machinery necessary for their manufacture, $403,500.

Mr. DALLINGER. Mr. Chairman, I move to strike out the last word for the purpose of asking the committee with reference to where it is contemplated that this money will be spent.

Mr. STAFFORD. I may say that principally this appropriation will be expended in the gentleman's district, at the Watertown Arsenal, particularly that part which applies to the 16-inch and the 14-inch mounts.

Mr. DALLINGER. How many of these mounts are going to be manufactured?

Mr. STAFFORD. There are four 14-inch railway mounts that are in course of construction. That is something new in ordnance development. During the war, as the gentleman knows, we had some experimental railway mounts. These are now being developed so as to provide for four 14-inch portable railway mounts. The full scheme has not been developed, and I am not supposed to divulge matters of some secrecy as to where they are to be used, and I hope the gentleman will not press me in that particular.

Mr. DALLINGER. May I ask the gentleman from Wisconsin if he will tell the committee how much the Budget estimate was for this item?

Mr. STAFFORD. The Budget estimate was the identical amount that has been recommended by the committee.

Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in three minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that all debate upon the paragraph and all amendments thereto close in three minutes. Is there objection?

There was no objection.

Mr. HULL. Mr. Chairman, I offer an amendment. Page 65, line 13, after the word "for," strike out the word "purchase."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 65, line 13, after the word "for," strike out the word "purchase."

Mr. HULL. Mr. Chairman and gentlemen of the committee, I hope no one thinks I impugn the motives of the great mass of Army officers. I do not. I think, however, that the Ordnance Department of the United States is mistaken, was mistaken before this war, and so far as I know they are still mistaken in advocating one policy, and it is with that policy that I am at war, and that is the policy of openly advocating and openly encouraging the building up of industries which must make a profit out of war munitions. We talk about taking the profit out of the manufacture of war munitions in war times. How much better and how much easier it is to lay the foundation now and take it out in peace times. There are in this country to-day some industries which must receive orders to exist for material to make war, which is the murder of people in mass, and I think it is one of the most contemptible things that Congress ever does to make an appropriation to give to somebody an opportunty to profiteer upon the manufacture of material to murder people in peace time when it is not necessary. That is what you are doing by this bill. Every Army bill and every Navy bill that you present to this House carries with it millions of dollars of the people's money that you are giving to some industry to manufacture something with which to murder people. You say we must do that to prepare this country. I say to you that it is not necessary and when you carry out that principle you have less preparedness than if you manufacture those things in your public arsenals where the people know that they are being manufactured and not sold to some other country with which to murder their neighbors. That is the thing I am trying to strike out of your bill.

The CHAIRMAN. The time of the gentleman has expired; all time has expired. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was rejected.

MESSAGE FROM THE SENATE.

The committee informally rose, and the Speaker having taken the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 12777. A bill granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North;

H. R. 13139. A bill granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania, doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi;

H. R. 13195. A bill granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri;

H. R. 13474. A bill granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River;

H. R. 13493. A bill to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River, near Ferry Pass, Fla.; and

H. J. Res. 16. A joint resolution providing for pay to clerks to Members of Congress and Delegates.

The message also announced that the Senate had passed with amendments the bill (H. R. 11626) to extend the time for constructing a bridge across the Mississippi River at or near the city of Baton Rouge, La., in which the concurrence of the House of Representatives was requested.

WAR DEPARTMENT APPROPRIATION BILL.

The committee resumed its session.

Mr. EDMONDS. Mr. Chairman, I ask unanimous consent to return to page 49 for the purpose of offering an amendment.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to return to page 49 for the purpose of offering an amendment.

Mr. SISSON. One moment. I would like to know what the amendment is. Report it first.

The CHAIRMAN. Without objection, the Clerk will report the amendment offered by the gentleman for information. Is there objection?

Mr. SISSON. I object until I know what it is.

The CHAIRMAN. Is there objection to its being reported for information?

Mr. SISSON. No; not for information.

The Clerk read as follows:

Amendment offered by Mr. EDMONDS: Page 49, line 19, after the word "appropriation," strike out the period and insert a semicolon and add the following: "*Provided further*, That none of the funds appropriated under the title shall be used for the purpose of giving exhibitions to the public upon Government flying fields, and no public exhibition shall be given unless a bond of indemnity from damages to person or property shall be furnished the Government by the parties desiring the exhibition."

Mr. SISSON. I have no objection to that amendment.

The CHAIRMAN. Is there objection to returning to page 49 for the purpose indicated by the gentleman from Pennsylvania? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. EDMONDS: Page 49, line 19, after the word "appropriations," strike out the period and insert a semicolon and add the following: "*Provided further*, That none of the funds appropriated under the title shall be used for the purpose of giving exhibitions to the public upon Government flying fields, and no public exhibition shall be given unless a bond of indemnity from damages to person or property shall be furnished the Government by the parties desiring the exhibition."

Mr. EDMONDS. Mr. Chairman, I offer this amendment with the idea that if public exhibitions are desired by different exhibitors of flying machines of the Government that the Government should not be responsible for any accident that may occur. On yesterday, or last night, I went over a claims bill which will carry over $200,000 of damages against the Government, and which undoubtedly the Government will have to pay. Twenty-two people injured, several automobiles burned up, and five people killed. We had another accident in Florida a short time ago where three people were killed, and another out in Texas. It is manifestly unfair to let exhibitors use these machines for advertising purposes or for the purpose of making money by charging admission without protecting the Government at least by giving a bond of indemnity against any loss.

Mr. BANKHEAD. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. BANKHEAD. I am in thorough sympathy with the gentleman's amendment, but does not the gentleman think we ought to provide the bond should be given in such sum as the Secretary would require?

Mr. EDMONDS. I would have no objection. The intention was, of course, to require a sufficient bond.

Mr. BANKHEAD. I assume that would be inferred, but I thought that would make it clear. However, I do not offer——

Mr. SISSON. Mr. Chairman, I think the suggestion of the gentleman from Alabama is a good one, because that designates specifically the person responsible for the fixing of the bond and the regulations governing the bond.

Mr. EDMONDS. Could that be added to my amendment?

The CHAIRMAN. The amendment can be modified or an amendment can be offered.

Mr. BANKHEAD. I offer the amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD to the amendment offered by Mr. EDMONDS: After the word "indemnity" insert the words "in such sum as the Secretary of War may require."

Mr. STAFFORD. May we have the entire proposed amendment reported as it would be modified by the amendment of the gentleman from Alabama?

The CHAIRMAN. The Clerk will report the amendment as modified by the amendment of the gentleman from Alabama.

The Clerk read as follows:

Page 49, line 19, after the word "appropriation," strike out the period and insert a semicolon and add: "*Provided further*, That none of the funds appropriated under the title shall be used for the purpose of giving exhibitions to the public upon Government flying fields, and no public exhibition shall be given unless a bond of indemnity in such sum as the Secretary of War may require from damages to person or property shall be furnished to the Government by the parties desiring the exhibition."

Mr. STAFFORD. Mr. Chairman, I question whether we should go to the extent that would be possible under the gentleman's amendment. The gentleman's amendment would forbid flying under Army auspices, such as was undertaken a few months past at Selfridge Field near Detroit. No money whatsoever, under this proposed amendment, could be used for such purposes. I do not think it is the intention of the gentleman to forbid such exhibitions as that.

Mr. EDMONDS. Let me relate the incident that happened in West Virginia.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BUTLER. What sort of an exhibition has the gentleman in mind? How about the ordinary training of these men upon the flying fields? I am heartily in favor of the gentle-

man's amendment, providing there is nothing in it which in any way precludes the training of men as flyers upon these fields.

Mr. EDMONDS. There is nothing in it that would preclude that.

Mr. BUTLER. There is nothing in it that would preclude that?

Mr. EDMONDS. No. I would like to call the attention of the gentleman from Wisconsin [Mr. STAFFORD] to the fact that this is a public exhibition that I am complaining about; not the ordinary work in the field, but giving a public exhibition on a governmental field. In this case in West Virginia it was advertised that they were going to bring in a new kind of plane, and the people were assembled on the property next door, and the machine went up and fell down and struck a bunch of automobiles, and the automobiles were burned up.

Mr. STAFFORD. The gentleman's amendment would forbid such exhibitions as were given at Selfridge Field.

Mr. EDMONDS. They have no business to give public exhibitions on Government flying fields.

Mr. STAFFORD. That was interesting to thousands of persons.

Mr. EDMONDS. Yes; and those thousands of persons were in trouble.

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. ANTHONY. Would the gentleman from Pennsylvania accept an amendment which would permit exhibitions on Army fields?

Mr. BUTLER. If the gentleman will put in the word "official," that would make it all right. Otherwise they might be precluded from giving exhibitions to their own officials.

Mr. ANTHONY. Mr. Chairman, I move to amend the amendment by inserting the words "except such exhibitions as those under the control and direction of the War Department."

The CHAIRMAN. Will the gentleman from Kansas indicate to the Clerk where his amendment would come in?

Mr. STAFFORD. Mr. Chairman, while they are perfecting the amendment, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Chairman, a moment ago the gentleman from Iowa [Mr. HULL] stated that we were spending millions of dollars in the purchase of munitions from private establishments for murdering people. I fear the gentleman from Iowa is not speaking by the card. I know, after listening to the hearings on the estimates for these various appropriations, of no case where we are purchasing munitions from private plants to the extent even of hundreds of thousands except in the case of aircraft; and I differ with the gentleman from Iowa that we should manufacture everything in Government establishments. It is fair to say to the committee that the policy adopted by the aircraft service is to develop private aircraft establishments. In European countries commercial aircraft has gone away beyond what has been attempted in this country, and the only way we can develop that wonderful activity in this country is to give some encouragement to these large private manufacturing establishments for the development of the latest and best in aircraft machines.

It is not difficult to understand the view of the gentleman from Iowa. He lives close by the Rock Island Arsenal, and has large numbers of people living in his district who are employed at that arsenal. He is solicitous to have everything manufactured in the Rock Island Arsenal. But I think he will agree with me that it is not a good economic policy or good governmental policy, especially as this new art of flying is in its infancy, relatively, to have every available development effected in aircraft done in his establishment.

Mr. FIELDS. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. FIELDS. I want to ask the gentleman this, that if this country should become involved in war, does he not think we would have to depend largely upon private industries?

Mr. STAFFORD. Yes. One of the main purposes in keeping this word "purchase" in the various items is that when Congress is not in session in the event of any warlike trouble they shall have the authority to go ahead, and when Congress meets for the Committee on Appropriations to recommend appropriations of money in large amounts to carry out the authority given to the War Department in these various paragraphs. It is to keep alive these authorizations that these items are inserted.

Mr. FIELDS. Should we not give them sufficient encouragement to keep intact their organizations?

Mr. STAFFORD. The work now is done mainly in Government establishments. Only in aircraft are we pursuing a different policy.

The CHAIRMAN. The Chair would call the attention of the gentleman from Pennsylvania [Mr. EDMONDS] to the fact that the amendment is not capable of being amended in the third degree and would not be in order at this time.

Mr. EDMONDS. Mr. Chairman, I offer this as a substitute.

The CHAIRMAN. The gentleman from Pennsylvania offers a substitute, which the Clerk will report.

The Clerk read as follows:

Substitute amendment offered by Mr. EDMONDS: Page 49, line 19, after the word "appropriation," strike out the period and insert a colon and "*Provided further*, That none of the funds appropriated under the title shall be used for the purpose of giving exhibitions to the public other than those under the control and direction of the War Department upon Government flying fields, and no public exhibitions shall be given unless a bond of indemnity in such sum as the Secretary of War may require shall be furnished to the Government by the parties desiring the exhibition."

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Alabama [Mr. BANKHEAD] to the original amendment.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, it seems to me that the latter part of the amendment of the gentleman from Pennsylvania [Mr. EDMONDS], as read, would negative the earlier part of it. It says that no public exhibition shall be given except under the direction of the War Department, and then it goes on to say that no exhibition shall be given unless a bond is given.

Mr. EDMONDS. There are two kinds of exhibition. One is on a governmental flying field and the second one is a public exhibition, like those given around in villages and towns.

Mr. McLAUGHLIN of Michigan. Does it say that?

Mr. EDMONDS. It does. The modification is as to the exhibitions given on governmental flying fields. The other is an exhibition given to the public.

Mr. McLAUGHLIN of Michigan. I only heard the amendment read. I have not looked at it. It did not strike me as meeting the point that gentlemen discussing it had in mind.

Mr. EDMONDS. Yes; it does.

Mr. BANKHEAD. Mr. Chairman, as I understand the parliamentary situation, the gentleman from Pennsylvania [Mr. EDMONDS] obtained permission to offer the whole as a substitute.

The CHAIRMAN. As a substitute for the other; but unless the gentleman from Alabama withdraws his amendment, it will have to be put.

Mr. BANKHEAD. I want my amendment incorporated into the other.

The CHAIRMAN. The Chair understands that it is incorporated into the substitute.

Mr. BANKHEAD. Then I withdraw my amendment.

The CHAIRMAN. Without objection, the amendment to the original amendment will be withdrawn and the question is on the substitute amendment offered by the gentleman from Pennsylvania.

Mr. SISSON. Mr. Chairman, a parliamentary inquiry. Is the amendment of the gentleman from Alabama incorporated in the substitute?

The CHAIRMAN. The Chair understands that it is incorporated in the substitute offered by the gentleman from Pennsylvania [Mr. EDMONDS].

Mr. SEARS. I ask that it be read again.

The CHAIRMAN. Without objection, the amendment will be again reported.

The substitute of Mr. EDMONDS was again read.

Mr. BULWINKLE. Mr. Chairman, I offer an amendment to the amendment to insert after the word "exhibition" in both places where it occurs the word "flights," so that it will read "exhibition flights."

The CHAIRMAN. The gentleman from North Carolina offers an amendment to the substitute which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BULWINKLE to the substitute: After the word "exhibition" strike out the letter "s" and insert the word "flights."

Mr. MacGREGOR. Mr. Chairman, my understanding is that under this proposed amendment a private manufacturing concern like the Curtiss Airplane Co. could not conduct an exhibition without giving a bond to the Government to protect those who might be injured by reason of any accident that happened during the exhibition.

SEVERAL MEMBERS. Oh, no.

Mr. ANTHONY. It covers only exhibitions conducted under the auspices of the War Department.

Mr. MacGREGOR. I understood the gentleman from Pennsylvania [Mr. EDMONDS] to say it is divided into two parts, and that it is intended to cover every exhibition.

Mr. EDMONDS. No; it does not do that. Frankly if the Curtiss people want to make these flights I wish they would put up a bond, but this does not provide for that.

The CHAIRMAN. The question is on the amendment to the substitute offered by the gentleman from North Carolina [Mr. BULWINKLE].

The amendment to the substitute was agreed to.

The CHAIRMAN. The question is on the substitute as amended.

The substitute as amended was agreed to.

The CHAIRMAN. The question now is on the amendment as amended.

The amendment as amended was agreed to.

The Clerk read as follows:

For the purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas-warfare purposes, including all necessary investigations, research, design, experimentation, and operations connected therewith; purchase of chemicals, special scientific and technical apparatus and instruments; construction, maintenance, and repair of plants, buildings, and equipment, and the machinery therefor; receiving, storing, and issuing of supplies, comprising police and office duties, rents, tolls, fuel, gasoline, lubricants, paints and oils, rope and cordage, light, water, advertising, stationery, typewriters and adding machines, including their exchange, office furniture, tools, and instruments; for incidental expenses; for civilian employees; for libraries of the Chemical Warfare Service and subscriptions to periodicals which may be paid for in advance; for expenses incidental to the organization, training, and equipment of special gas troops not otherwise provided for, including the training of the Army in chemical warfare, both offensive and defensive, together with the necessary schools, tactical demonstrations, and maneuvers; for current expenses of chemical projectile filling plants and proving grounds, including construction and maintenance of rail transportation, repairs, alterations, accessories, building and repairing butts and targets, clearing and grading ranges, $650,000.

Mr. WILLIAMSON. Mr. Chairman, I move to strike out the last word.

I desire to take this opportunity to call the attention of the House to a bill which I introduced some time ago, known as H. R. 13574, authorizing the Secretary of the Interior to erect a monument at Fort Pierre, S. Dak., to commemorate the explorations and discoveries of the Verendrye brothers.

History records that in the year 1742 Francois de la Verendrye and Joseph Louis de la Verendrye, sons of Pierre Gaultier de Verennes Sieur de Verendrye, of Three Rivers, Canada, set out from the Mandan villages of the upper Missouri on an extensive tour of exploration into that vast and unknown region lying between the Missouri River and the Pacific. The specific object of their quest was the "sea of the West." While the "sea of the West" does not seem to have been discovered by them, they did make some exceedingly important discoveries and explorations, which added enormous stretches to the territory of New France and gave to the French nation most of that territory embraced in what later came to be known as the Louisiana Purchase.

After enduring innumerable hardships and privations they returned from their expedition in the early spring of 1743 and on the 30th day of March solemnly took possession of the huge territory covered by their explorations in the name of the King of France. In commemoration of their act and as an evidence of physical possession they deposited in the earth on a high bluff on the west bank of the Missouri River a leaden tablet, suitably inscribed, and erected over it a stone monument. This bluff is now a part of the city of Fort Pierre, S. Dak. The point on the crest of the bluff where the tablet was buried commands a most magnificent and awe-inspiring view of the valleys of both the Missouri and Bad Rivers. It also overlooks the beautiful State capitol building just across the river. It would be difficult to find a more sightly place for a public memorial, and certainly none could be more appropriate at which to commemorate the discoveries of these cavaliers of France.

While it was known to the delver into the history of the great Northwest that such a tablet had been placed, no one had been able to find it, as the stone monument erected over it must have disappeared within a few years after its erection. On the 17th day of February, 1913, some school children, while playing upon the bluff, accidentally stumbled upon it Nearly two centuries of erosion and wash had finally bared it to the elements. Fortunately it fell almost immediately into the hands of the secretary of the State department of history and now rests in the archives of the Commonwealth at the State capitol.

This bill proposes the erection of a permanent memorial, at a cost not to exceed $25,000. The erection is to be done under the supervision and direction of the Secretary of the Interior after the model and design of the proposed monument shall have been passed upon by the Fine Arts Commission.

As a part of my remarks I ask to have printed in 8-point type Senate concurrent resolution of the Legislature of the State of South Dakota asking the Congress of the United States to provide the necessary appropriation.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent to extend his remarks as indicated, in 8-point type. Is there objection?

There was no objection.

The concurrent resolution is as follows:

Senate concurrent resolution memoralizing Congress to give careful and favorable consideration of House bill No. 13574.

"Whereas on the 30th day of March, 1743, the Verendrye brothers, commissioned by the King of France, did at the present site of the city of Fort Pierre, S. Dak., make formal claim to the region now embraced in the Northwestern States of our Union, and in witness of such claim did bury in the earth a plate of lead upon which was inscribed the evidence of such claim; and

"Whereas while history records such event, the exact place of the burying of such evidence of claim remained a mystery until Sunday, the 17th day of February, 1913, a period of 170 years, when some school children while engaged in play accidently discovered and secured same, which evidence is now the property of South Dakota; and

"Whereas while this matter is, of course, of interest to the State of South Dakota, but in a broader sense of national historical moment, not, of course, in a class with Plymouth Rock, but of far more moment from a national historical event than many others which have been recognized; and

"Whereas a bill is now pending in Congress, known as H. R. 13574, providing for the properly marking of the site as an event in national history worthy of consideration: Therefore be it

"*Resolved by the senate of the State of South Dakota (the house of representatives concurring)*, That it is the desire of this body that a careful and conscientious consideration of the merits of H. R. 13574 be given by the Members of Congress, individually and collectively, and if your honorable bodies find that the event from a national historical standpoint warrants your favorable consideration, the citizens of this great State will ever cherish the memory of your acts, but if upon such careful consideration you deem the matter unworthy of your favorable consideration, we will abide by your decision uncomplainingly: Be it further

"*Resolved*, That engrossed copies of this preamble and resolution be prepared by the secretary of the senate, signed by the presiding officers of the senate and house of representatives and forwarded to Congressman WILLIAMSON, the Secretary of the Senate, the Chief Clerk of the House of Representatives of the United States, and to his honor the President of the United States, Warren G. Harding.

"CARL GUNDERSON,
"*President of the Senate.*
"A. B. BLAKE,
"*Secretary of the Senate.*
"E. O. FRESCOLN,
"*Speaker of the House.*
"WRIGHT TARBELL,
"*Chief Clerk of the House.*"

The Clerk read as follows:

NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE—QUARTERMASTER SUPPLIES AND SERVICE FOR RIFLE RANGES FOR CIVILIAN INSTRUCTION.

To establish and maintain indoor and outdoor rifle ranges for the use of all able-bodied males capable of bearing arms, under reasonable regulations to be prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War, for the employment of labor in connection with the establishment of outdoor and indoor rifle ranges, including labor in operating targets; for the employment of instructors; for clerical services; for badges and other insignia; for expenses incidental to instruction of citizens of the United States in markmanship, and their participation in international matches, $20,000.

Mr. HUDSPETH. Mr. Chairman, I should like to ask my friend from Kansas [Mr. ANTHONY] if this contemplates the purchase of any additional land for rifle practice?

Mr. ANTHONY. I understand it does not.

Mr. HUDSPETH. What is the purpose of the expenditure of this $20,000?

Mr. ANTHONY. It is practically all for clerical services and employees.

Mr. HUDSPETH. You have a number of rifle ranges throughout the West?

Mr. ANTHONY. Yes.

Mr. HUDSPETH. Is it the purpose to keep up those rifle ranges and continue target practice upon them?

Mr. ANTHONY. It is. The appropriations are made for conducting National Guard target practice and target practice of other branches under the different items of the bill.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

FIELD ARTILLERY SCHOOLS.

For the purchase of textbooks, books of reference, scientific and professional papers, instruments, and matériel for instruction; employment of technical, special, clerical, and temporary clerical services; and for other necessary expenses of instruction, at the Field Artillery Schools at Fort Sill, Okla., $18,000.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD.

Mr. STAFFORD. Reserving the right to object, I would like to ask the gentleman if it is his own remarks?

Mr. CRAMTON. My own remarks, with some few clippings. It is a speech that I had prepared to give a few days ago but was diverted, and I still have it in my system.

Mr. STAFFORD. I have no objection to the gentleman extending his own remarks, but I would like to protect the RECORD from a mass of press clippings.

Mr. CRAMTON. I will submit it to the gentleman from Wisconsin.

Mr. STAFFORD. Oh, no; I do not want to act as censor.

Mr. CRAMTON. They are my own remarks, as I say, with a few clippings.

Mr. STAFFORD. I have no objection to the gentleman's own remarks, but otherwise I object.

Mr. CRAMTON. Mr. Chairman, I withdraw the request.

The Clerk read as follows:

For expenses, sergeant-instructors, $500,000.

Mr. HILL. Mr Chairman, I ask unanimous consent to go back to line 5, page 76, to offer an amendment.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to return to page 76, line 5. Is there objection?

Mr. BLANTON. I reserve the right to object until the amendment is reported.

The CHAIRMAN. The Clerk will report the amendment for information.

The Clerk read as follows:

Page 76, line 5, strike out $1,250,000 and insert $1,465,000.

Mr. BLANTON. I object.

Mr. HILL. I am glad the gentleman from Texas has reserved the objection.

Mr. BLANTON. I will reserve the objection if the gentleman wants to speak. I did object.

Mr. HILL. I was talking with the chairman of the subcommittee at the time the item was read.

Mr. ANTHONY. Will the gentleman yield? Mr. Chairman, I feel rather guilty, because I was engaging the gentleman in conversation while the Clerk was reading the item in which the gentleman from Maryland is much interested.

Mr. HILL. Mr. Chairman, at the moment this particular item was read I was talking with the chairman about what would be a reasonable amount for me to offer from the point of view I expect to present to the House for this item. This year the bill provides for the procurement of forage, bedding, and so forth, for animals for the National Guard, $1,250,000. Last year the House provided $1,400,000. The War Department now asks for $1,465,000. The situation in reference to the National Guard horses is this: There are at present on hand 7,703 horses. The National Guard has arranged to receive from the Regular Army 2,445, which will make a total of 10,148. They have on hand 7,703 horses to-day which are allocated in units of 32, 4,145 to the National Guard Infantry, 3,403 to the National Guard Field Artillery, 55 for the Signal Corps, and 40 mules.

The Milita Bureau states that they have 26 troops of Cavalry and 90 of Field Artillery that have no horses, and it needs 32 to a troop.

Out of the appropriation which they had last year there were $375,000 not expended, because of insufficient appropriations for caretakers. I would like, at the rate of $160 per horse, to put in such an amount as will take care of the horses for the existing units. We gave them 8,022 horses last year.

Mr. BLANTON. For Cavalry?

Mr. HILL. Cavalry and Field Artillery.

Mr. BLANTON. How many Cavalry horses did we use in France during the recent war; any?

Mr. HILL. We used the Cavalry on the Texas border.

Mr. BLANTON. How many did we use in France?

Mr. HILL. The British used thousands of Cavalry horses in the Battle of the Marne with great effect.

Mr. BLANTON. How many did we use?

Mr. HILL. We used horses on some fronts, but there were no actual American Cavalry engagements.

Mr. BLANTON. If we did not use them in the late war, why do we need them in peace times?

Mr. HILL. We did use them in the late war, and we could have used Cavalry in October, 1918, in France, north of Verdun. We need them in peace times, we need Cavalry to patrol the Texas border. There has been formed in the National Guard field artillery and cavalry units, and they need 32 horses per unit. We have no National Guard Cavalry in my district, I want to say to the gentleman.

Mr. BLANTON. We have plenty of Cavalry on the Texas border.

Mr. HILL. In the Regular Army.

Mr. BLANTON. Yes.

Mr. HILL. These are National Guard troops, and you needed National Guard Cavalry on the border in 1916. All we ask for is to give as much money as they had last year in order that there may be no——

Mr. BLANTON. Mr. Chairman, there seems to be a secret conspiracy between the gentleman from Maryland and others on the committee, and I object.

Mr. PARKER of New Jersey. Mr. Chairman, I ask unanimous consent to speak on the same subject.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. PARKER of New Jersey. Mr. Chairman, it has been a common thing for some years to say that cavalry is out of date. At the time of the great attack made by General Mangin on the flank of the German Army there was not an American present who was not longing for a cavalry division to charge in at any risk and complete the victory. The Germans would never have gotten out if we had had cavalry there.

The end of the war developed a strange fact, probably not very much known. In Palestine, under General Allenby, the English Army started the capture of Beersheba. It was far away from any water, and they had to do it in one day. They fought all day in front of Beersheba, and all of their infantry attacks were repulsed. Finally they sent a division of cavalry forward, which charged the entrenchments and the ditches and the walls, and captured that town at the end of the day. I am talking now of what was told me by an eyewitness, an American observer, who was there from our Army. From that time afterwards, attacks on trenches where there was not too much barbed wire were always conducted by cavalry and not by infantry. A very strange thing took place at one fortified hill where the attack was made by cavalry with orders not to dismount. One of the units in that attack thought that it was safer for the men to dismount and fight on foot. Those men were almost wiped out, while the others came with little loss into their place at the top of the hill. The reason is that where a machine gun is playing over a field and there is, say, half a mile to go, the cavalry can do it in a single minute at a gallop, while the infantry take from 10 to 20 minutes going forward in a slow skirmish line. The cavalry, therefore, get through without loss, while the infantry are destroyed.

I speak for this supply of forage. We are losing all of our horses because of the automobile. The only way that we can maintain a fitting army for the future, in the face of all the modern machine guns, is to grant abundant supplies to our cavalry.

Mr. FROTHINGHAM. Mr. Chairman, will the gentleman yield?

Mr. PARKER of New Jersey. Yes.

Mr. FROTHINGHAM. Is it not well known that the American Army suffered from the great lack of horses upon the western front during the war?

Mr. PARKER of New Jersey. I think that is true, but I was not there, unfortunately. The gentleman was and can speak. There are men who can tell you. Horses were used to carry ammunition to the front. It could not be carried by wagons. After they got to the muddy roads that were always on the front, horses took the ammunition on each side and carried it up to the front.

Mr. BLANTON. But we are not engaged in European conflict now. We are at peace, and we are hoping for peace for 25 years.

Mr. PARKER of New Jersey. What is the gentleman's question?

Mr. BLANTON. Why should we be so fearful about not having enough horses in peace times?

Mr. PARKER of New Jersey. Because it takes at least three years to train a cavalryman.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. PARKER of New Jersey. Yes.

Mr. CHINDBLOM. What is the purpose of all this appropriation, of all this legislation, if not to prepare us for war which may come?

Mr. PARKER of New Jersey. Yes; it is preparedness. I urged that upon this House before this last war. I got no response then, and I have been keeping silent now, because I see that men all over the House are beginning to realize that if we wish peace we must prepare for war and be ready to defend ourselves.

Mr. ANTHONY. Mr. Chairman, on this item of forage for the National Guard I want to remind the House how easy it is for the House in its enthusiasm to respond to local sentiment or request and appropriate more money than is necessary for the purpose. Last year when we were on this bill the committee brought in, I think, $800,000 for forage for the National Guard. The House in its enthusiasm increased the amount over the protests of our committee to $1,400,000. The evidence taken by the committee this year shows that the War Department will not expend all of that amount by $375,000. The Militia Bureau reports that of the $1,400,000, to which amount you gentlemen increased the item, $375,000 will revert to the Treasury on July 1.

Mr. NEWTON of Minnesota. What was the item recommended by the committee to the House?

Mr. ANTHONY. Eight hundred thousand dollars.

Mr. NEWTON of Minnesota. So that they did spend considerably more than the amount the committee recommended?

Mr. ANTHONY. Yes; a little over $100,000.

Mr. NEWTON of Minnesota. So both the committee and the House were wrong?

Mr. ANTHONY. The committee wanted to cut down expenses.

Mr. NEWTON of Minnesota. Does not that indicate that the confidence which the House placed in them was well founded, because they did not spend it all, they economized?

Mr. STAFFORD. They spent $200,000 more than we thought they should spend.

Mr. ANTHONY. They economized because the House placed a limitation upon the bill that they should not recognize any more mounted units?

The Clerk read as follows:

For office rent, etc., instructors, $5,000.

Mr. HILL. Mr. Chairman, I move to strike out the last word. In connection with the amendment which I offered in reference to National Guard horses, I want to insert in the RECORD a brief extract from a letter written by Maj. Gen. George C. Rickards, Chief of the Militia Bureau in the War Department, to the gentleman from Kansas [Mr. ANTHONY], chairman of the subcommittee, and I ask unanimous consent to incorporate it in my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

The extract referred to is as follows:

3. In order that I may not be misunderstood, I shall discuss each item in detail.

a. Forage, etc., for animals: The estimate is decreased by $215,000, or $150,000 less than the amount provided for 1923. The Guard has now 7,703 animals, and the War Department has agreed to furnish 2,445 horses as free issue after June 30, 1923. The $1,465,000 allowed by the Budget will barely forage the above animals under the most rigid measures of economy. The development, training, and growth of the guard is now seriously hampered as to field artillery and cavalry because of lack of animals, there being, at the present time, 90 field batteries and 26 cavalry troops without any horses, while many of the other units have much less than authorized allowance. The National Guard can not accept the 2,445 horses from the Regular Army unless we have sufficient funds with which to provide forage and caretakers for them. The States have gone to considerable expense and much trouble to organize field artillery and cavalry in order to play their part in the scheme of national defense. Many of the mounted units to which horses have not been furnished are now verging on a state of disintegration. That many of them will disintegrate, if not furnished their proper equipment, is beyond doubt. In this connection you are informed that the program necessary to bring the National Guard up to a total strength of 215,000 will require a sum total of 511 horsed units, and the 10,148 animals which the National Guard would have, after the War Department has turned over to us 2,445 more, would provide less than 20 animals per unit. Wastage between now and the end of the fiscal year 1924 will very materially reduce this number. So that, at the end of the period for which appropriations are being made, we can safely estimate that each horsed unit will have only about 50 per cent of its allowance of animals.

Mr. HILL. The National Guard should have the horses they require for their essential mounted units.

The Clerk read as follows:

Miscellaneous: Travel allowance due enlisted men on discharge; interest on deposits due enlisted men; warrant officers and two staff sergeants, for duty in the Cadet Corps headquarters; two master sergeants; staff sergeants; additional pay for length of service; in all, $15,418.

Mr. CONNALLY of Texas. Mr. Chairman, are the appropriations for enlisted men in the Military Academy in addition to the appropriation for the enlisted strength in the other portions of the bill?

Mr. ANTHONY. They are included in the strength of the Regular Army.

Mr. CONNALLY of Texas. So the appropriation for pay of the Army in the other sections of the bill does not cover them?

Mr. ANTHONY. They are put under the West Point appropriations, although their strength is included in the strength of the Regular Army.

Mr. CONNALLY of Texas. That appropriation in the other section eliminated them, so far as the estimates are concerned?

Mr. ANTHONY. I understand that is the case.

Mr. CONNALLY of Texas. Now, while the gentleman is on his feet I would like to ask a question. On page 78, line 22, "Constructing quartermaster, in addition to his regular pay, $1,000." Why is that provision made in the case of the constructing quartermaster and not in reference to other quartermasters?

Mr. ANTHONY. Because of the important work going on for the last 8 or 10 years this appropriation has been made to give the quartermaster in charge of construction $1,000 a year extra. He has easily saved the Government, in my opinion, fifty times the amount of his extra salary in the work which he has done in personally supervising the construction of that work. We have given him that much liberty in doing the work. On every job to my knowledge in the last few years he has completed it at a less cost than any of the bids submitted at the time for the construction.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

For the supply, maintenance, and upkeep of athletic grounds and stands, $20,640.

Mr. HILL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HILL: Page 84, line 2, after the amount "$20,640," change the period into a colon and add the following: "*Provided*, That hereafter the authorities at the United States Military Academy are authorized to charge admission to all athletic contests in which the cadets take part, and the funds received from such charge shall be used solely for the improvement of the athletic facilities at the United States Military Academy."

Mr. MACGREGOR. Mr. Chairman, I desire to raise the point of order on the proposed amendment.

Mr. HILL. I ask the gentleman to reserve his point of order for a moment.

Mr. MACGREGOR. I will.

Mr. BLANTON. Will the gentleman yield?

Mr. HILL. I will.

Mr. BLANTON. I notice that Mr. MCKENZIE's name was on the top of the amendment and was scratched out. I notice the letter which the gentleman introduced a moment ago with his other amendment had been written to the distinguished chairman of the committee. I heard something the other day about "wet nurses." There is no "wet nurse" for this committee, is there?

Mr. HILL. No. I will say to the gentleman that that question could not be raised on the facts; but the gentleman's remark gives me an opportunity to say something which I very much wish to say. I am very glad to say that, although there are, in my opinion, certain needed increases for national defense, yet there is most excellent cooperation on this bill between the subcommittee of the Committee on Appropriations and the House Military Affairs Committee.

And I wish to take this opportunity to say another thing, and that is this: At various times on these appropriation bills I may perhaps have been too enthusiastic last year for certain provisions of national defense, and I came into some clashes with some members of the committee, but I want to say I think the two members of this subcommittee, whom, I regret, will not be Members of the next House, and who, I hope, will be Members of the following House, have rendered this country splendid service by their conscientious endeavor to give the best kind of national defense, and I personally regret very much that the gentleman from Wisconsin [Mr. STAFFORD] and the gentleman from Mississippi [Mr. SISSON] will not be on this Appropria-

tions Committee next year. [Applause.] I hope they will be back soon. To the extent that that is "wet-nursing," make the most of it, I say to the gentleman from Texas [Mr. BLANTON]. [Laughter and applause.]

Mr. SISSON. Did the gentleman withhold his point of order?

Mr. MACGREGOR. I reserved the point of order.

Mr. SISSON. Mr. Chairman, I desire to say that I indorse very heartily the amendment offered by the gentleman from Maryland [Mr. HILL], because it meets with the hearty approval, so far as I know, of the authorities of the Military Academy. Now, it is necessary for you to understand a little bit about this matter, because it has been heretofore rather contrary to the rule of both academies to charge anything for admission to athletic sports. Athletic games have reached a proportion in the expenditure of money now so that to meet the demands of the public and build a stadium that will be sufficient amply to take care of these throngs of people that come from all over the United States to attend these great athletic sports the expenditure runs up into the millions, and with a charge of a very reasonable fee the authorities at the academy would be able to build a magnificent stadium, a stadium like the ones which are being built by other schools—one in Chicago and other great cities—costing millions of dollars, and yet not one dollar is appropriated from the institution, not one dollar is appropriated directly from the State universities. Simply an authority is given by the authorities of the universities to make a reasonable charge to these great athletic fields to those people who desire to see the athletic sports. That makes it self-sustaining and takes it out of the field of taxation. Now, I am not in favor of appropriating vast sums out of the General Treasury to furnish entertainment for the comparatively small percentage of people who may attend these great athletic games, but I am in favor of giving the authorities of the institutions, whether the academy at West Point or the authority to any State university or any private school under the management of individuals or under the management of eleemosynary institutions—as church schools are—as I say, I am more than willing that they be given the opportunity to make their athletics self-supporting. Now, I do LOT believe that it is absolutely essential and necessary that this provision should go into the bill, except that the custom has been that at this academy—and has almost grown into law—that the Army officers there in charge of it say they would feel very much better about it if they had the authority of the Congress.

I think Congress ought to give its authority. I do not believe the gentleman from New York [Mr. MACGREGOR] wants to tax the American people for a fund of a million dollars to build the right kind of a stadium to take care of the vast throngs of people that will come. I think the gentleman is mistaken, as usual [laughter], but he has the right to make the point of order. I hope he will withhold his point of order and let this very much needed and very much pressed for and very much sought for activity go on.

Mr. BLANTON. You can not very well blame the gentleman from New York since the last game that was played in Philadelphia.

Mr. BANKHEAD. Mr. Chairman, is the gentleman from New York going to insist on his point of order?

Mr. MACGREGOR. I am.

Mr. BANKHEAD. Then I think we should have it now.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For furnishing slate boards for six reitation rooms in West and East Academy Buildings, $2,100.

The CHAIRMAN. Without objection, the Clerk will correct the spelling of the word "recitation" in line 9. Is there objection?

There was no objection.

The Clerk will read.

The Clerk read as follows:

For general incidental repairs and improvements to the cadet store building, including storerooms, office, tailor shops, shoe-repairing shops, $1,500.

Mr. CRAMTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Michigan moves to strike out the last word.

Mr. CRAMTON. I ask unanimous consent, Mr. Chairman, to be allowed to speak out of order.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to be allowed to speak out of order. Is there objection?

There was no objection.

Mr. CRAMTON. And also, Mr. Chairman, to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Chairman, I want to call attention at this time to the fact that the time has come when the people of the United States must, as a sovereign Nation, assert their rights and require foreign nations to observe a domestic policy that has been fixed after a political struggle of more than 50 years' duration, or else have such law of the people of the United States subordinated to the demands of the whisky interests of Europe.

The press for the past few days has been filled with dispatches relative to the activities of rum smugglers along the Atlantic coast. Undoubtedly many of the accounts which are being published and circulated are grossly exaggerated and the extent of the evil greatly magnified as a part of the propaganda which is being circulated to discredit prohibition. Yet the extent to which the smuggling trade in liquor, narcotics, and aliens has recently grown is sufficient to challenge the consideration of every thoughtful citizen.

I have examined the press reports for the past 12 months in an effort to discover the extent of this evil and in order to learn something of the methods which are being used by these smugglers as well as something of the difficulties which confront the enforcement officers. Discarding those reports which may be regarded as mere rumor or propaganda, the report of actual seizures made by the enforcement officers shows the amazing growth of this trade and reflects credit upon the officers charged with this difficult task. The following items will show something of the extent of these activities. They are selected at random from the press reports for a period of 12 months and disclose that while the greatest difficulties in this respect are encountered along the Atlantic coast with the liquors being smuggled in from the British possessions, the Bahama Islands, and from the French possession, the Island of St. Pierre, off the coast of New Foundland, yet these problems are not confined solely to the Atlantic coast; smuggling is also carried on on the Pacific coast and along the Canadian and Mexican borders.

Every conceivable device which modern science and invention have provided are being utilized by these smugglers in their attempt to frustrate the laws of the United States. Airplanes, submarines, radio, high-powered automobiles and motor boats have all been brought into use.

NEW YORK, January 18, 1922.—Conviction in United States Federal Court of certain persons alleged to be guilty of smuggling liquor from the ship *Javery:*

"The *Javery* arrived here on December 10 with 250 drums of alcohol, containing a total of 27,500 gallons, from Baltimore and consigned to Constantinople, Turkey. During the night 36 drums of alcohol were emptied into casks on the pier and carted away."

—

NEW YORK, March 23, 1922.—News item. The steamer *Javery*, seized last December when the Government confiscated grain alcohol valued at $500,000, was sold at auction yesterday by United States Marshal Hecht at Stapleton, S. I., for $15,000 to the Garland Steamship Co., 511 Fifth Avenue, which had a lien on the vessel. The *Javery* was built 14 years ago at a cost of $300,000.

—

NEW YORK, January 19, 1922.—Reports of what was alleged to be an organized plot to smuggle imported liquors off the *President Wilson*. Police boats pursued four well-built, fast-engined motor boats that had been scuttling about the *President Wilson*. When pursued these boats sought to reach the Thirty-ninth Street pier. In the gloom in the rear of the bulkhead the police found a Ford automobile the tonneau of which was piled high with whisky. Three arrests were made.

—

NEW YORK, January 19, 1922.—Customs officers yesterday seized the motor schooner *Bertha A*, 25-ton registry, and its cargo of 1,900 packages of assorted liquors, valued at $150,000, bootlegger prices, when the craft put in shore with her bow stove in as a result, it was said, of being struck by the British steamship *Sheffield* while at anchor 15 miles southeast of Atlantic Harbor. * * * The *Bertha A* cleared from West End, Grand Bahamas January 3 for St. Johns, New Brunswick, with liquor aboard, according to Mr. Sanders. The vessel had no manifest, he said, and there was nothing to show to whom the liquor was consigned.

—

WINDSOR, CANADA, January 21, 1922.—Joseph D. Brean, of Detroit, arrested at the ferry, was charged with trying to smuggle 52 bottles of American moonshine into Ontario, where the sale of liquor for use within the Province is prohibited. His automobile was seized.

—

HOBOKEN, N. J., January 27, 1922.—Two arrests for smuggling liquor were made yesterday at Hoboken Pier by customs officials. Aliens charged with smuggling four and one-half cases of liquor were removed from the steamship *Marengo*, which arrived last Monday from Helena.

NEW YORK, January 8, 1922.—Alleged attempt by six men to smuggle liquor ashore from the *St. Marie*, of the United Fruit Line, at South Fourth Street, Brooklyn, last night resulted in the shooting of one of the men by customs officers and the arrest of two others. The wounded man fell into the river, but was rescued by his companions. Three men escaped in a motor boat with several hundred bottles of whisky. * * * The men wore short jackets, the inside of which had eight pockets to carry liquor, the police say.

—

MINNEAPOLIS, MINN., January 19, 1922.—Coconuts which contained not their own natural milk but a pint each of strong Jamaica rum were seized by the Federal agents to-day at the Minneapolis railroad station.

—

SEATTLE, WASH., January 12, 1922.—Reports that a submarine built here years ago and later turned over to the Canadian Government, by which it was sold for junk, has brought large shipments of liquor into Seattle from British Columbia ports are being investigated by Federal authorities here to-day.

—

WASHINGTON, D. C., January 17, 1922.—Seizure of the first liquor-running airplane this year was announced by prohibition authorities. The plane, with 120 bottles of Mexican tequila, was seized on the Mexican border at Del Rio, Tex., and the pilot and two men arrested.

—

NEW YORK, March 4, 1922.—Police officers seized 54,000 bottles of hooch, valued at $500,000, which had been brought into Westchester Creek, The Bronx. This liquor was stolen by a rum runner from a vessel of English registry outside the 3-mile limit at Cape May, N. J., and brought into New York in two scows. The flock of automobiles and trucks at the wharf aroused the suspicions of the officers, which resulted in the seizure.

—

NEW YORK, March 7, 1922.—Customs Inspector Hokensen and a squad of special agents yesterday raided the steamer *Iroquois*, of the Clyde Line, in her berth at Christopher Street, in the Hudson River, and found 30 cases of contraband liquor in the coal bunkers. Seven men arrested Friday night when they were alleged to have been unloading whisky from two scows in Westchester Creek at One hundred and seventy-seventh Street were held on $1,000 bail each for the action of the grand jury, after examination yesterday before Magistrate Judge W. Simpson in the West Farms court.

—

NEW YORK, March 10, 1922.—The auxiliary schooner *Victor*, 95 feet long, was seized as a rum runner in the lower bay by customs agents who said she did not have a manifest for her cargo of more than 3,000 cases of American and Scotch whisky valued between $300,000 and $400,000. * * * About the time the schooner was being seized the little British steamer *Granville* with a cargo of 2,200 cases of whisky which arrived off Twenty-third Street in the East River about three weeks ago, cleared and sailed for Nubitas, Cuba. The *Granville* arrived here under escort of Coast Guard cutter *Gresham* detailed to see that none of the cargo was diverted. Coast Guard cutters will keep the *Granville* under convoy as long as she keeps within the three-mile limit.

—

MARCH 11, 1922.—Word came from Cape May, N. J., last night that 3,000 cases of whisky were found on the British tug *Neville* bound from Cuba to Portland, Me., and forced by rough sea to put in at the breakwaters. Men from the Coast Guard cutters *Kickapoo* and *Gresham* seized the tug.

—

BOSTON, MASS., March 15, 1922.—"Proceedings against the *Grace and Ruby* and the half million dollar cargo of liquors as the result of the capture of this boat in this port as a rum runner recently, will take the form of a civil libel," said C. P. Curtis, jr., assistant Federal attorney, to-day.

—

NEW YORK, March 18, 1922.—The following heading appears: "$500,000 in Scotch seized in battle on liquor ship. Fifteen customs men board schooner and capture the jewelled crew. Riverside Drive men, two real estate men, and two jewellers picked in this raid." The foregoing heading appears over the report of the seizure of the two-masted schooner *Clara*.

—

NORFOLK, VA., March 21, 1922.—Three men and two women were under charges to-day in connection with the discovery of a quantity of Scotch whisky aboard the United States ship *Henderson* at the naval base Sunday.

—

NEW YORK, March 24, 1922.—Rear Admiral Rodman has ordered that all Navy vessels except contraband craft arriving at Hampton Roads from foreign ports be searched and that only shore boats carrying authorized Government agents be allowed to approach them because liquor had been found concealed in bunkers and elsewhere.

—

NEW YORK, March 24, 1922.—Federal agents last night raided Pier No. 20, Clifton, Staten Island, near which the Japanese steamer *Toba Maru* is anchored. * * * A thousand bottles of Japanese whisky done up to look like so many bottles of cologne were seized on the pier. It was believed that the liquor had been smuggled. Four Japanese were arrested.

—

NEW YORK, March 29, 1922.—The steam yacht *Edith* which was seized by a sheriff, Charles W. Smith, Nassau County, Bayville, Long Island, had on board, the officers said, 1,500 cases of rye whisky and 3,000 bags of six bottles of whisky each, the value of the appraisers being about $300,000. Much of the liquor had already been loaded on six automobile trucks. The liquor had just arrived, the authorities said, from Nassau, in the Bahama Islands. Three arrests were reported to have been made.

—

MARCH 29, 1922.—In Federal court in Trenton, N. J., Capt. Joseph Ray, of the schooner *Pocomoke*, a liquor-running vessel operating between the Bahama Islands and this country, pleaded guilty to a charge of conspiracy to violate the Volstead Act.

NEW YORK, April 6, 1922.—American Deep-Sea Traders Association plans rum-running steamship line between Liverpool and port outside of 3-mile limit. Postal authorities put stop order on mail addressed to concern. J. V. Martin says organization has no connection with floating palace.

—

MAY 5, 1922.—A raid yesterday by customs agents of the Belgian *Ampetco* netted 350 bottles of whisky. The vessel was lying at a point near Bayonne, N. J.

—

MONDAY, May 22, 1922—Rouses Point, N. Y.—Customs officers seized 100 cases of imported liquors found secreted in a cargo of lathes to-day in the railroad yards here.

—

CALIFORNIA.—News despatches report the capture at Point Lobos, on Monterey Bay, of 14 automobiles and 1,000 cases of Canadian whisky, valued at $250,000; also the arrest of eight alleged booze smugglers. Prohibition officers had been notified that a mysterious ship, carrying liquor, had passed Vancouver and was proceeding toward Mexico. The prohibition agents kept a close watch, being aided by members of the Coast Guard. The boat kept outside of the 3-mile limit until Sunday night, according to the agents, when it turned inshore and lowered anchor. * * * At the arrival in the vicinity of Point Lobos, according to the officers, they noticed that a score of motor boats were plying between the vessel and the Point Lobos wharf. Automobiles were on the wharf, and into these men and women were seen piling cases of liquor.

—

NEW YORK, July 28, 1922.—The press reports liquor, worth $250,000, and three rum-running vessels were seized with their crews to-day. The three vessels seized were the *Marion Mosher*, the sloop *J. H. B.*, also of British registry, and the small auxiliary schooner *K—10706*. Two members of the crew of the schooner told a story of "shanghaiing" and ill treatment.

—

NEW ORLEANS, LA., June 3, 1922.—Thirty shots were exchanged in a rifle and pistol battle at dawn Saturday between Lake Ponchartrain rum runners and three United States prohibition agents near Bayou St. John. The Federal men captured one boat, a 30-foot speed launch, named *Wayfarer*, arrested its skipper, and used it to chase two other booze runners into the marshes. * * * The cargo seized aboard the *Wayfarer* was valued at $300,000.

—

NEW ORLEANS, LA., March 13, 1922.—Four hundred sacks of bottled whisky were taken from the good ship *Honest Clay* Monday and destroyed by Federal prohibition agents. Tony Vashan, the skipper, was arrested, but the crew escaped. The cargo was valued at $20,000.

—

NEW BEDFORD, MASS., March 7, 1922.—To-night the British schooner *Pesequid*, which was brought into the harbor this evening by the Coast Guard cutter *Acushnet* with most of her cargo of 3,000 cases of liquor still aboard, was still anchored off the State pier. * * * The schooner's commandant, Capt. B. W. Latham, stated that he was bound from Nassau to St. Pierre with 3,000 cases of liquor, but it was not all on board when the men from the *Acushnet* boarded her, although how much is missing can not be definitely stated until there is an official check.

—

NEW JERSEY, May 17, 1922.—The 75-foot sloop *Grace and Edna* was captured Monday night about 5 miles off Monmouth, N. J., and six members of the crew were arrested. * * * Going aboard the sloop the hand crew found 1,063 cases of Scotch whisky. Burlap bags containing bottles of whisky were found in every imaginable place, some being suspended from the mast and hanging over the sides of the vessel. The liquor, it was said, was loaded at Nassau, Bahama Islands. One of two sets of clearing papers showed the vessel was bound for a Canadian port. The destination given in the other set was not announced.

—

NORFOLK, VA., March 2, 1922.—The Nova Scotian schooner *Emerald* loaded with liquor was captured by the Coast Guard cutter *Manning* after a chase off the Virginia capes Saturday, and was taken over to-day by the United States marshal.

—

PORTSMOUTH, VA.—The Nova Scotian schooner *Emerald*, of Dibgy, Nova Scotia, flying the British flag, was seized by the Coast Guard cutter *Manning* 9 miles southeast of the Cape Charles Lighthouse as a rum runner. Her cargo, it is alleged, consisted of more than 1,000 cases of liquor for New York delivery.

—

NORFOLK, VA., June 10, 1922.—Approximately 1,000 quarts of liquor, valued at more than $10,000 were seized by marine guards of the navy yard to-day in a raid on the Navy ship *Sirrius*. Under orders of Rear Admiral Phillip Andrews, commandant of the navy yard, the officers and men are confined to their ship under guard.

—

NEW YORK, September 16, 1922.—The press reports the seizure of the British schooner *Buema*, 40 tons, out of Rockport, Nova Scotia, and the *Etta B*, 30 tons, out of Nassau. Four hundred packages of whisky, mostly in bags, and 5 kegs of rum were found on the *Buema* and seized. Even the lifeboat was full of them. Capt. John Sims had $19,793 cash in a tin box, and First Mate John McNeil had $2,150.

—

NEW YORK, September 22, 1922.—The press reports the capture of the tug *Kehoe* and the confiscation of 2,112 cases of Scotch and rye whisky found in the engine room. The seized liquor is valued at $25,000.

—

NEW YORK, August 31, 1922.—The British three-masted schooner *Gamma*, with $200,000 worth of Scotch whisky aboard, and the steamer *Smithfield*, alleged to have been carrying a floating bar, were seized by customs and prohibition authorities to-day.

NEW JERSEY, September 15, 1922.—Suspected of having delivered all but 65 cases of her cargo of 2,000 cases of whisky at ports along the Jersey coast in violation of the customs laws and Volstead Act the two-masted fishing sloop *M. M. Gardner*, 130 tons, of British registry, was seized late Wednesday night by the Government rum chaser *Taylor* about 7½ miles off Long Branch, N. J. * * * The clearance papers showed, the report said, that the vessel left Nassau, Bahamas, with 2,000 cases of whisky for St. Pierre de Miquelon, while at the time of seizure there were on board only 131 packages, or 65½ cases. * * * Captain McDonald and his men found aboard the fishing sloop three books said to contain the name and address of big hotel keepers at Asbury Park, Atlantic City, and Long Beach, as well as names of New York hotel and café keepers, with code markings showing where motor boats could be met for unloading purposes was also found, according to the Government officials. With the vessel was also seized $50,886 in gold.

—

NEW YORK, September 16, 1922.—Three alleged rum-running boats were added yesterday to the list of craft seized by the prohibition navy's rum chasers, making the fourth important capture for the week. The *Hahn*, in command of Capt. George V. Tawes, brought in two 2-masted vessels, both of British registry, with a combined cargo of 1,450 cases of Scotch whisky, while the *Newberry* seized a crewless motor boat with 40 cases of whisky.

—

ATLANTIC CITY, N. J., September 17, 1922.—The auxiliary schooner *Pittsburg*, now lying in Cape May, was the boat seized on the orders of Mr. Pearse, and her captain, George Jeffrie, 54 years old, of this city, has been arrested. * * * According to the information which the customs agents have secured the *Pittsburg* succeeded in landing between 300 and 400 cases of Scotch whisky here.

—

NEW YORK, September 15, 1922.—The 60-foot two-masted schooner *Glendover* * * * with her cargo of between 750 and 800 cases of whisky was seized in East River yesterday morning. * * * Some of the cases were marked "Canada." Included in the consignment were Haig & Haig, Black & White, and other well-known brands of Scotch. The police estimates the value of the vessel at $50,000, and the whisky, at bootleg prices, at $70,000 to $80,000.

These excerpts show clearly the devices which are being used in an attempt to circumvent our laws. They also show that it is a problem coextensive with our territorial boundaries.

The practices of these bootleggers and rum pirates tend to undermine the morale of the American seamen. In many instances law-abiding and patriotic citizens of the United States who are attempting to keep the American flag afloat on the high seas are being victimized by these unscrupulous criminals. The following letter from four officers of the ship *Korona*, written from Cadiz, Spain, to the New York Times of September 22, 1922, illustrates the manner in which these men, many times unsuspectingly, are lead to accept employment on these vessels and when beyond communication with the shore are forced by thugs and gunmen to do the bidding of these modern pirates. The letter reads as follows:

[From the New York Herald, Saturday, September 23, 1922.]

ACTS IN SMUGGLING OF $1,000,000 RUM—GOVERNMENT TO TRANSPORT THE "KORONA'S" OFFICERS HOME TO TELL WHAT THEY KNOW.

The prayer of four officers of the liquor-toting steamship *Korona*, who have appealed to the world from Cadiz, Spain, for "justice and assistance," is likely to be answered. The Department of Justice probably will transport the stranded mariners home and use them as witnesses at the trial of 14 indicted men and 2 corporations accused of smuggling nearly $1,000,000 worth of alcohol and whisky into this country and landing it on a pier in Newtown Creek, off the East River.

The four officers, in a letter published here, told a long and circumstantial story of the voyage of the *Korona* under the Peruvian flag, which began at New York in March and ended at Cadiz, where the vessel was seized by order of the United States Government. Their tale coincides with and also supplements information already in the Department of Justice. The officers are Nolan B. Harris, chief steward and purser, of Lyons, N. Y.; Zachary Taylor Jones, second mate, of 55 Forest Avenue, Verona, N. J.; Arthur B. Anderson, wireless operator, of 155 East Eighty-fourth Street; and A. E. Andrea, second engineer, of 5223 Second Avenue, Brooklyn.

They told how the ship, owned by the Globe Line, whose real control the Government is trying to identify, cleared from New York on March 19 last for Greece, and how it stopped off the Rhode Island coast and transferred to a barge 40,200 gallons of grain alcohol, which was towed back to New York and landed in Newtown Creek with the assistance of 18 uniformed policemen. Then, they said, the *Korona* steamed to St. Georges, Bermuda, got a load of 2,200 cases of whisky and 74 barrels of liquor and, returning to Block Island, transferred the stuff to the barge, after which the *Korona* actually started across the Atlantic and got as far as Cadiz.

The rueful officers now at Cadiz say that the *Korona* had gunmen aboard, with orders to watch the chief steward, wireless operator, and second officer and to shoot anyone who might try to signal for help or halt or leave the ship. They say that the gunmen did beat up one of the firemen and threaten to throw him overboard. They make charges of "graft, rum running, and modern piracy."

The Globe Line, owner of the *Korona*, was bought from Gaston, Williams & Wigmore about a year and a half ago. It closed its offices at 150 Broadway about the time Federal indictments were filed, which was on July 5.

I do not vouch for the accuracy of these statements, but have merely selected this as one from among many such stories now being told by those who navigate the high seas.

These bootleggers and rum pirates are utilizing the near-by possessions of foreign nations as a base from which to attempt to smuggle liquors and other contraband articles into this country. Something of the growth of this business can be learned from an article appearing in the Literary Digest of December 30, 1922, wherein is quoted an article by Mr. Dolan, of the New York Daily News. In speaking of the growth of the liquor business in the Bahama Islands, Mr. Dolan is quoted as saying:

When Uncle Sam added prohibition to the other 17 constitutional amendments, the government of the Bahamas, always behind in its fiscal affairs, owed the Imperial Government of Great Britain about $500,000. Now Great Britain owes the Bahamas more than $5,000,000 and the old loan has been paid off. How? By taxing the rum runners' cargoes.

The business of transporting liquor from the Bahama Islands to the high seas, a destination for which the rum boats are allowed to clear, owing to a peculiar kink in Bahama maritime law, is perfectly legitimate.

The smugglers violate no Bahama law by purchasing millions of dollars' worth of liquor in the colony each year, and, as far as the local government of the Bahamas is concerned, the destination of liquor which leaves the island is the joint affair of the United States Government and the rum runners.

A similar situation is reported to exist in the Miquelon Islands, just off the Newfoundland coast. In speaking of this place, it is said in the Literary Digest article:

And the Miquelon Islands, just off the Newfoundland coast, have built a liquor traffic that is now second only to the Bahamas. St. Pierre is the chief shipping point from the Miquelons, and this town has grown in the past three years from a small fishing harbor to a commercial center. There is no concealment of rum traffic there, for St. Pierre is under the flag of France, and French merchants have yet the legal right to buy liquor of whom they choose and sell it to whom they can in return for coin of the Republic, which has not depreciated. It is said that even the dry-goods merchants of St. Pierre carry stocks of liquor.

The reports contained in this article are confirmed by investigations made by other newspapers and periodicals of this country. Collier's Weekly of June 24, 1922, contains the report of a similar investigation. The Christian Science Monitor during July and August, 1922, also contains a report of investigations made by representatives of that paper.

The question of the right of vessels of the United States to transport and sell liquor on the high seas, also the right of foreign vessels to transport intoxicating liquor for beverage purposes within the territorial waters of the United States, is now pending before the Supreme Court. For this reason I shall not touch upon the legal aspects of this question, but in this connection I would call attention to the fact that the privilege which has heretofore been accorded foreign vessels of listing liquors as sea stores under our customs regulations has also been abused. This is pointed out in the brief filed by the United States district attorney of the southern district of New York in the cases recently decided by Judge Hand, involving the right of foreign vessels to possess beverage intoxicants within the territorial waters of the United States.

In the Government's brief, in reply to the contention of counsel for the shipping interests, the case of the British steamer *Harbinger* is cited with reference to sea stores. The facts in that case were:

The British vessel *Harbinger*, of 70 tons, purporting to have sailed from Halifax bound for Nassau, entered the port of Eastport, Me., having on board 300 cases of liquor, which were listed as sea stores. The vessel was detained by customs officials and subsequently released. On January 25 the vessel entered the port of Newport, R. I., accompanied by the Coast Guard cutter *Acushnet*. It was later escorted down Long Island Sound from a point off Bridgeport, Conn., by the Coast Guard cutter *Gresham*. Subsequently, on February 5, the vessel was seized at Perth Amboy, N. J., after an alleged attempt to smuggle liquor into the United States. The Government brief, in referring to this case, said:

* * * He claimed * * * the right to transport liquors as sea stores into the ports of Portland, Me.; Boston, Mass.; and New York. * * * He was accorded the privilege under the regulations then in force. All courtesy extended to him as a foreign master short of coal. Three Coast Guard cutters spent a lay or more with their expensive crews escorting the polished gentleman down the coast. Other customs officers tenderly watched him for days, until at last, after nearly a month of solicitous surveillance, the polished gentleman started to smuggle his cargo and boat and crews were seized.

According to the statement appearing in the New York Times of January 15, 1922, Maj. John Haley Clark, jr., assistant United States attorney, is quoted as saying:

Another frequent and large source of liquor in the country is from foreign ships which come in with their cargo of liquor apparently sealed. With about a hundred floating saloons daily and probably a thousand constantly in the port it would be surprising if a lot of liquor did not get ashore unnoticed. Customs officers have found liquor in almost every part of the vessels that arrive from a port in a foreign country, and generally it is without the knowledge of the master of the vessel.

These illustrations are sufficient to show the character of the problem which confronts the American people. The people of the United States have, by an amendment to their Constitution, written the policy of prohibition into their fundamental law. As the Government has tightened up on the withdrawal of liquor from the bonded warehouses of the United States, and

as they have improved their facilities for suppression of illicit distilling, additional incentive is given for smuggling.

The time has come when the people of the United States must, as a sovereign Nation, assert their right to require foreign nations to observe a domestic policy, adopted after a political struggle of more than 50 years' duration, or else confess that the will of the people of the United States is to be subordinated to the dictates of the mercenary demands of the whisky interests of Europe.

A similar situation confronted this Nation many years ago with reference to the slave trade. The people of the United States did not hesitate to exercise their sovereign rights to suppress this outlawed traffic, so, as at that time, the people of the United States must insist that foreign nations respect our laws; that the fraudulent practice now obtaining in some quarters of issuing double clearance papers and of registering vessels of the United States, who seek to transfer their allegiance to another flag in order to engage in the business of rum running, be suppressed.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

Under the authorizations contained in this act no issues of reserve supplies or equipment shall be made where such issues would impair the reserves held by the War Department for two field armies or 1,000,000 men.

Mr. BLACK. Mr. Chairman, I move to strike out the last word.

Mr. HULL. Mr. Chairman, I have an amendment which I wish to offer.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLACK. I will yield to the gentleman from Iowa later.

Mr. Chairman, I want to ask the chairman of the subcommittee [Mr. ANTHONY] a question about this particular appropriation which I see on page 77. It is that particular provision of the bill which provides for the procurement, purchase, manufacture, and use of certain supplies for the National Guard. The Secretary of War is directed to issue from surplus or reserve stores or material as much of this equipment as he is able to issue. On reading the hearings I find that when the estimates were sent to the committee by the Budget Bureau the language "or reserve stores" was omitted, and that those in charge of the militia department called that fact to the attention of the committee and also brought to the attention of the committee the fact that the omission of such language would make a much larger appropriation necessary for the support of the National Guard.

Mr. ANTHONY. That is correct.

Mr. BLACK. Down that far the situation is clear enough to me. Now, the question in my mind is, What effect will the adoption of the paragraph just read in the bill have upon the National Guard authorization to which I have called attention?

Mr ANTHONY. As the gentleman just stated, there is an authorization carried in the appropriation for the National Guard and for the training of several of the reserve activities for them to invade the reserves of the stores of the Army to get supplies instead of our appropriating the money for that purpose. The committee believes that abundant stores are now carried as reserves, more than the necessities of the Government demand, and which can be profitably used for supplying these services. But there is a limit attached to the amount of these reserves. The War Department says it is necessary to keep on hand material sufficient to equip three field armies. That would mean a million and a half men. The committee thought if they keep a sufficient reserve for two field armies, or a million men, that would be enough, and that we should use all reserves in excess of that requirement.

Mr. BLACK. The point I have in mind is this: Has the committee made a sufficient investigation of the matter to determine to its own satisfaction that a provision allowing the Army to keep a sufficient reserve for two field armies, or 1,000,000 men, will still permit the Secretary of War to issue to the National Guard a sufficient amount of equipment to comply with the estimates of the Militia Bureau?

Mr. ANTHONY. Yes. Take the question of uniforms and uniform materials: Now, our hearings showed that the Army had on hand four or five million uniforms—or parts of uniforms, or yards of uniform cloth on hand—much more than necessary for reserve purposes, and that it would be good business to use up some of that reserve.

Mr. BLACK. Of course, I am in thorough accord with the idea of the gentleman from Kansas to use all this surplus material possible, because we all realize that a great deal of the equipment becomes obsolete, and if we go ahead and spend our good money to buy new equipment and allow this other material to become obsolete the loss would be complete in some cases and very heavy in the aggregate.

Mr. ANTHONY. There is other equipment in which the War Department is short, and they said that unless there is a limit put on it we would invade their reserves very seriously; for instance, in the case of cartridge belts, in which they have no surplus. On such things we want to be within reason.

Mr. BLACK. If the gentleman feels certain that the provision in the bill, to which I have referred, will not impound so large a quantity of equipment and supplies now in the hands of the War Department as to make it unable to comply with the National Guard request I shall be satisfied.

Mr. ANTHONY. As the gentleman will notice, we are cutting down the amount that the War Department wants to hold in reserve 33 per cent.

Mr. BLACK. Yes; and I am in entire agreement with that policy and think it might be wise to go even further. That was the reason for my inquiry.

Mr. HULL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL: Page 92, line 7, after the word "men," insert a new paragraph as follows:

"No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment that it is legislation unauthorized on an appropriation bill; and regardless of what has been done heretofore, in all sincerity I make the point that it is not a limitation. It does not come within the Holman rule. It does not retrench expenditures, and it is against the rule just the other day suggested by the distinguished gentleman from from Connecticut [Mr. TILSON] to the gentleman from New York [Mr. HICKS], who was then in the chair presiding, and adopted by him as his decision on the question.

Mr. HULL. Mr. Chairman, I hardly think it is necessary to argue the point of order very long with the chairman of this committee. I think he was in the chair a year ago when the same point of order was made against identically the same amendment, and he held it in order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. HULL. I do not know how anyone can claim it is not in order at the present time, when it has been held in order for eight years. I am sure the present occupant of the chair was in the chair once, and I think he has been in the chair several times when this identical amendment has been held in order. It has been held in order by the best parliamentarians in this House.

Mr. BLANTON. Mr. Chairman, I want to be heard on the point of order when the gentleman gets through.

Mr. HULL. I am through on the point of order.

The CHAIRMAN. The Chair will hear the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, it is time that all these recent parliamentary cobwebs should be wiped out and that we should get back to the sane rulings that have been made in this House heretofore. They all run back to the ruling suggested the other day by the distinguished present occupant of the chair, made by Mr. Speaker CANNON, when he said that a limitation which is legislation, which directs affirmative action, which restricts the discretion of an executive, should be ruled out of order on appropriation bills. That the Members of the House have the right to expect when an appropriation bill comes on the floor in charge of a committee that it contains no legislation, and that when it does contain legislation or when legislation is offered from the floor and a point of order is made against it, it should be sustained. I am sure that the Chair is not going to be carried away by what has happened heretofore. Garden seed amendments have been held in order time and again in the Committee of the Whole in former Congresses, and usually on committee rulings the Speaker of the House follows the decisions of the Chairman of the Committee of the Whole House on the state of the Union. Every year since I have been in Congress the Chairman of the Committee of the Whole has held the garden seed amendment in order. Yet the other day when that proposition was put directly up to the Speaker of the House he held that it was legislation on an

appropriation bill and that it ought not to be permitted. I submit to the Chair that this costs money to the Government. I submit to the Chair that the evidence is before our committee showing that where you prevent any kind of supervision over the employees of the Government in these various arsenals you do not get that degree of efficiency which this Government has a right to expect and that it is a wastage of at least 40 per cent of the money spent in these supply bills because of a lack of such supervision. Hence, it is not a retrenchment and does not come within the Holman rule, but a direct additional expenditure that is called for by this amendment; and I submit that the point of order should be sustained.

The CHAIRMAN. Does the gentleman from Iowa wish to be heard?

Mr. HULL. If it is necessary, certainly.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. HULL. There is no question about the retrenchment that this amendment would call for.

The CHAIRMAN. Is that the gentleman's point, that the Holman rule sustains it?

Mr. HULL. The point is that under the Holman rule it is a retrenchment. It would take 1,000 additional officers to enforce the Taylor system in our present Government factories. There is no question about that. Now, if you have to pay 1,000 officers you have to increase the expenses of the Army. This is the Army bill, and it is a retrenchment under that bill. It is also a clear limitation.

Mr. DENISON. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Iowa yield?

Mr. HULL. Certainly.

Mr. DENISON. As I understand the point, this is a limitation on the appropriation. It does not necessarily have to be a retrenchment to be within the rule. It is a limitation on the appropriation, and the point of order ought not to be sustained. It is clearly a limitation.

Mr. HUSTED rose.

The CHAIRMAN. Does the gentleman from New York wish to be heard?

Mr. HUSTED. Very briefly, Mr. Chairman. This provision has been held in order so many times by Chairmen of the Committee of the Whole House on the state of the Union that I supposed no Chairman would attempt to disestablish the precedents. But I believe there is good parliamentary ground for holding this provision out of order. This is a clear direction which interferes with executive discretion in the management of a department of the Government and is not really within the confines of a proper limitation. It is in effect a provision of substantive law, saying to this department of the Government: "You must not use a stop watch; you must not use any time-measuring devices; you must not pay a bonus." It does not come within the reasoning that applies to a proper limitation.

The CHAIRMAN. The Chair is ready to rule. It is my belief that nothing is ever finally settled until it is settled right. The amendment now offered by the gentleman from Iowa [Mr. HULL] has been ruled upon a number of times during my experience in this House and has been decided both ways. The greater number, however, and all of the later decisions have been one way, holding that it is a limitation. The present occupant of the chair, quite probably, was one of those who guided entirely by recent precedent held it to be a limitation. However that may have been, he now believes in the light of a more thorough consideration that such rulings were fundamentally wrong, that it is not a limitation of an appropriation but a positive restriction upon Executive authority, and to the extent of such restriction a change of existing law.

In a decision of Mr. Speaker CANNON, to which I referred a few days ago when a somewhat similar question was pending before the Chair, the effect of the language was held to be decisive, and this became the point upon which the decision in that case turned. Fourth Hinds' Precedents, section 3935.

What is the effect of the language in the case before us? It is to prohibit the officials in charge of our arsenals and other governmental establishments from doing what they might legally do if this restriction were not in force. For instance, without a restriction of this character they could make a time study with a time-measuring device. If this amendment is added to the bill, as it has been for many years past, then it will not be permissible for these time studies to be made. This is clearly and admittedly the effect and purpose of the language.

It is not the province of the Chair to say whether the time studies ought or ought not to be made. That is a question for Congress to decide by appropriate legislation. It is the duty of the Chair to determine whether this amendment is a proper limitation on an appropriation bill under the rules of the House and to say whether the proposed language simply limits the appropriation or whether as a matter of fact it changes existing law, and is, therefore, legislation. The Chair believes that it is not a mere limitation on an appropriation but in effect is legislation, and therefore sustains the point of order.

Mr. HULL. I respectfully appeal from the decision of the Chair.

The CHAIRMAN. In order to relieve the Chairman from any possible embarrassment the gentleman from Oregon [Mr. HAWLEY] will please take the chair.

Mr. HAWLEY took the chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

Mr. GARRETT of Tennessee. Mr. Chairman, I will ask for tellers.

The question was taken, and tellers were ordered.

Mr. LONDON. Mr. Chairman, I make the point that no quorum is present.

The CHAIRMAN. The gentleman from New York makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and nine Members present—a quorum. The Chair will appoint as tellers the gentleman from Iowa [Mr. HULL] and the gentleman from Texas [Mr. BLANTON].

The committee divided; and the tellers reported that there were 66 ayes and 26 noes.

So the decision of the Chair was determined to be the judgment of the committee.

Mr. HULL. Mr. Chairman, I have another amendment.

The Clerk read as follows:

Page 92, after line 7, insert a new paragraph as follows:

"No part of the moneys appropriated in each or any section of this act shall be used or expended for the purchase or acquirement of any article or articles that at the time of the proposed acquirement can be manufactured or produced in each or any Government navy yard of the United States for a sum less than it can be purchased or acquired otherwise."

Mr. SNYDER. Mr. Chairman, I make the point of order against that amendment that it is legislation on an appropriation bill.

Mr. HULL. Mr. Chairman, it has been held in order for six years on both Army and Navy and fortification bills. I know that it does not make much difference any more whether you follow precedents or not. We seem to be setting up a new rule of running things to suit ourselves. But, gentlemen, that will not always last. It has been held in order by the best parliamentarians. It is a clear limitation and will save the Government money. There is no question about that. If you can not put on a limitation of that kind that will save money and save money on the face of it, I know of nothing you can put on in the way of retrenchment on any appropriation bill.

The CHAIRMAN. The Chair has not had time to examine any of the decisions, but if the gentleman from New York has any authority or precedents he may present them.

Mr. SNYDER. I have no precedents, but it is not a limitation or reduction of expenditure.

The CHAIRMAN. It is not a reduction of expenditure; it is a question whether it is a strict limitation or whether this is a requirement as to the qualification of things to be purchased.

Mr. GARRETT of Tennessee. May we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk again read the amendment.

Mr. SNYDER. The point I make is there is no possible way that it can be determined at the time the purchase is made whether it can be produced for less in an arsenal, so that the point made, that it is a saving, is clearly a guess or an estimate.

Mr. GARRETT of Tennessee. That is not a parliamentary proposition; whether it can be ascertained or not I do not know, but it does not affect the parliamentary situation.

Mr. SNYDER. But the gentleman from Iowa said that it was a saving to the Government. I question that. I think it is clearly new legislation and has no place on an appropriation bill.

Mr. GARRETT of Tennessee. It occurs to me that it is in order as a limitation and is in order under the Holman rule.

Mr. GRAHAM of Illinois. Mr. Chairman, just a suggestion. Why is not this a limitation? Can not Congress now, if it legislates for a certain amount to be expended in general terms, put a limitation on it and say that no part can be used for the construction or building of 6-inch guns? Can not it put on a limitation by saying that no part shall be used for the purchase of articles from private persons? It is purely a limitation. I think there can be no question about it.

Mr. BLACK. Mr. Chairman, it seems to me that the gentleman from Iowa has offered an amendment very similar in character to the following provision already carried in the bill. On page 92 will be found this provision:

No part of the moneys appropriated in this act shall be used for paying to any civilian employee of the United States Government an average daily wage or salary larger than that customarily paid by private individuals for corresponding work in the same locality.

I recall that when the provision which I have just read was offered as an amendment to this same Army appropriation bill in the session of Congress in which the appropriation bill for the fiscal year 1923 was passed a point of order was made against it upon the ground that it was new legislation. The Chair overruled the point of order upon the ground that it is a limitation, and therefore in order. I can see but very little difference, if any, between the language which I have just read and the amendment offered by the gentleman from Iowa [Mr. HULL].

Mr. HULL. Mr. Chairman, the gentleman has made a very good argument, but as a matter of fact that is not the point that my amendment covers. This is to save money in the purchase or manufacture of articles appropriated for by this bill, and in no case can the language apply unless it saves money. The language itself says that the articles shall only be manufactured in the navy yards when it may be done at a saving to the Government.

Mr. BLACK. Yes; I understand the effect of the amendment. I understand the gentleman from Iowa contends that his amendment is in order upon two grounds. One is under the Holman rule, and the other is that it is a limitation. I think the gentleman's amendment is in order, because it is a limitation and is very similar to the one to which I called attention.

The CHAIRMAN. The point of the gentleman from Texas [Mr. BLACK] seems to be well taken. The same principle that would apply to the paragraph already in the bill would also apply to this amendment. It is a limitation because it is simply a description of a class of articles that may be purchased, if the articles to be purchased can be brought under the classification made. It seems to the Chair that it is a proper limitation upon an appropriation bill. It prescribes no new duties for any official, and it does not restrict any official except in a negative way by preventing him from expending appropriations. It seems to the Chair that it is only a limitation, and therefore is in order. The Chair overrules the point of order.

Mr. HULL. Mr. Chairman, this amendment is designed to save money to the Government in the procurement of any article which may be procured under the authorizations in this bill. There are a great many Government factories making things, and there are a great many bureaus buying things. This amendment requires them to find out before they procure an article, before they make the contract, whether it can be made more cheaply out of the material already on hand in their own Government-owned factories.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. BEGG. The gentleman knows that the Government arsenal to-day is about 6 cents a pound on steel castings higher than private bids?

Mr. HULL. I know that the Government is making almost everything much more cheaply; and I know this, that to-day, yesterday, we had a bill asking for this very thing to be carried out in the other bureaus of the Government, and already the great manufacturers of the country are here protesting against letting the Government even make an estimate on their own work, for fear they will get the job away from them, and they claim to be efficient; and in this bill there is another provision trying to give them 25 per cent more when they buy.

Mr. BEGG. Last April the Government arsenal advertised for bids for a good many thousand pounds of castings. They received 13 bids from private foundries. One was from the Government. The Government bid was 17¼ cents and the lowest bid was 10¼ cents. Every other bid was lower than the Government. Yet the Government gave the contract to the arsenal. It is the old story of high prices for Government operation. I took the matter up with the Secretary of War myself, and his reply was that they had to give them something to do, even if it costs more, and I will give the gentleman the Secretary's letter, if he wants to see it.

Mr. HULL. That does not apply to this amendment. This amendment provides that it must be done more cheaply. I have no objection to their purchasing articles outside, if they cost less, but I do have objections to their going outside and buying when it can be manufactured more cheaply in the arsenals or navy yards. If it is cheaper, then let them manufacture it in their own arsenals. Mr. Chairman, I ask unanimous consent to modify my amendment. I introduce the amendment from the naval bill, and the words "arsenal or Government-owned factory" should be included in the amendment.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Modified amendment: Page 92, after line 7, insert a new paragraph as follows:

"No part of the moneys appropriated in each or any section of this act shall be used or expended for the purchase or acquirement of any article or articles that at the time of the proposed acquirement can be manufactured or produced in each or any of the Government arsenals or Government-owned factories of the United States for a sum less than it can be purchased or acquired otherwise."

Mr. BEGG. Mr. Chairman, I oppose this amendment because under the amendment, if adopted, there is not any way to stop any ambitious operator of a Government factory from advertising for bids for anything they use in the way of Government supplies, and then saying, "We can make that more cheaply in our own factories," and even though they have not manufactured an article of its kind theretofore, and, after they have made it, it costs twice as much as the Government could obtain it otherwise, the Government has no recourse.

I am not enthusiastic about the Government going into the manufacturing business beyond a very minimum point. The case cited happened last April with the Government foundries or arsenals. They advertised according to law for so many castings of various kinds. There were 18 bids submitted. The lowest bid was the bid submitted by an electric foundry, 10¼ cents a pound. The highest bid was 17¼ cents a pound. That was the Government bid. The contract was awarded to the Government. When I took it up with them, because the foundry happened to be located in my city, to ascertain why the bid was not given to the lowest bidder the answer that I received was that they had to have something to keep the men at work. I have another institution in my town that is the only institution that does centrifugal casting of steel, and it makes castings that have never been equaled by any other process. That institution gave to the Navy Department permission to use that process without the payment of royalty during the war. Yet to-day, to get a job from the Government, when he is a low bidder, we have to appeal to the highest authority and go over the heads of the men in charge.

And I know, because we did it less than a month ago. These men who were doing this business for the Government are not out to get the lowest price. They are only interested in keeping the factory going and the men employed. Now, I prefer to employ the men in private industry rather than have the men on the Government pay roll, and therefore I am opposed to the amendment.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. BEGG. I will gladly yield.

Mr. BLANTON. One of the main obstacles in the amendment is this: Suppose the Government needs a certain lot of items and it wants to buy them, and it wants to get them right away. If the ones in charge of these arsenals will say, "We can manufacture these for less than you can buy on the outside," it would prevent the Government from buying it there.

Mr. BEGG. Certainly.

Mr. BLANTON. The Government would have to wait for them to be manufactured. If you will read the amendment carefully, it will prevent the Government from buying if they can be manufactured at the same or a less cost in an arsenal.

Mr. BEGG. And add to that if the men in charge of the arsenal would merely make the statement that they can make them for less than they can go on the outside and buy; and then they make it, costing twice as much, the Government is the goat.

Mr. HULL. Will the gentleman yield?

Mr. BEGG. I will yield the floor.

Mr. SNYDER. Mr. Chairman, I move to strike out the last word. If there be any real merit in this proposition presented by the gentleman from Iowa, there would be no necessity for this legislation at all. If the arsenal could make the items cheaper than they could be purchased, there is no law against their buying them now; and this is but an attempt to throw into the arsenals and Government factories of the country items now being made throughout the country and sold to the Government at proper prices under extreme competition. If the

very fact that he is trying to legislate was a necessity, there would be something to it, but if the Government arsenals can make these items cheaper than they can be bought for on the outside at present, they need no law to do it. They can already make them. But the gentleman from Texas has raised a potent point. Suppose the Government wants to buy some item which it needs quickly, and just as it was about to purchase the item the Government said, "We can make this cheaper, if we have the time." Under that amendment, as I understand it, and I listened to its reading, the purchase could not be made if the officer in charge of the arsenal said he could make the item, and the Government would have to wait until it was made. It is nothing more or less than trying to take into the arsenals and Government factories of this country items which could be made by private institutions of the country at fair prices, and have always been sold at fair prices and in large quantities, and deliveries promptly made as they were wanted by the Government. I oppose the amendment on that basis.

Mr. SNELL. Will the gentleman yield?

Mr. SNYDER. I will.

Mr. SNELL. Is it the policy of the Government to go into the general manufacturing business?

Mr. SNYDER. That is what they are trying to do, to put the Government into the general policy of manufacturing of military equipment.

Mr. SNELL. Are not those articles made in navy yards for a special specific purpose, for the manufacture of definite things for the use of the Army and Navy?

Mr. SNYDER. Everybody else except a few fellows who are trying to shift the policy.

Mr. SNELL. Shift a policy that has always been followed?

Mr. SNYDER. That is what it means, and nothing else.

Mr. DALLINGER. Mr. Chairman, this amendment does not mean what the gentleman from New York says it means. It only applies to things purchased by the War Department. The arsenals operated by the War Department are intended to make things for the Army, and they should make those things for which they are equipped if they can make them more cheaply than they can be purchased from private concerns; and that is all that this amendment provides.

Mr. SNYDER. How many items for the Military Department does the gentleman think the Army buys in this country; how many different items?

Mr. DALLINGER. Mr. Chairman, every Government I have ever known about maintains arsenals and navy yards. They are essential parts of the military and naval establishment in time of peace. The provision that the manufacture of munitions of war in time of peace should be confined to government arsenals and navy yards is the one thing in the covenant of the League of Nations that everybody approves. If there had been a provision before this late war that no government should purchase munitions of war in time of peace, but that they should be manufactured in its own arsenals, we would not have had the Krupps and other great munition manufacturers exerting their powerful influence in trying to bring about war among the nations of the world in order to make money out of the destruction of their fellow men.

Mr. SNYDER. It does not mean merely war materials——

Mr. DALLINGER. What?

Mr. SNYDER. But everything from collar buttons to horse collars.

Mr. DALLINGER. If the arsenals are equipped to make anything the War Department needs, when you have hundreds of millions of dollars of the people's money invested in these arsenals—in real estate, in buildings, in equipment, and in machinery—and are paying a large overhead expense for running them, I submit it to the sane judgment of this committee that an amendment of this kind, which proposes that if you can get that thing made cheaper in these arsenals, that it is in the interest of the American taxpayer.

Mr. BEGG. Now, will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. BEGG. The War Department needs automobiles. Would the gentleman recommend that it manufacture automobiles?

Mr. HULL. There is no appropriation here for automobiles, and the gentleman knows it.

Mr. DALLINGER. The question that the gentleman from Ohio asked has nothing to do with this amendment, any more than the speech of the gentleman from New York [Mr. SNYDER] had nothing to do with the amendment. [Applause.]

Mr. GARRETT of Tennessee rose.

The CHAIRMAN. The gentleman from Tennessee is recognized.

Mr. GARRETT of Tennessee. Mr. Chairman, in response to the suggestion of the gentleman from Iowa [Mr. HULL] as to the question of automobiles, let it be said that this amendment adds nothing, nor does it propose to add anything, to the present manufacturing facilities. If I understand the amendment proposed by the gentleman from Iowa correctly, it simply means that the existing facilities of the Government shall be utilized for the manufacture of things purchased by the War Department where they can be manufactured more cheaply in these existing facilities than they can on the outside. I have no objection to that.

Mr. BEGG. Mr. Chairman, will the gentleman permit a question there?

Mr. GARRETT of Tennessee. Surely.

Mr. BEGG. The amendment, if I understood the reading, says that they shall not buy anything that can be made cheaper otherwise. Now, if they should decide to make automobiles cheaper, for less, could they not, under the amendment, buy machinery and start in on the manufacture of automobiles?

Mr. GARRETT of Tennessee. No. I do not think the amendment is capable of that construction.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. HULL].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. HULL. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 40, noes 46.

Mr. HULL. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Tellers are demanded.

Tellers were ordered, and the Chairman appointed Mr. HULL and Mr. ANTHONY to act as tellers.

The committee again divided; and the tellers reported—ayes 52, noes 53.

The CHAIRMAN. On this vote the ayes are 52 and the noes are 53, and the amendment is not agreed to.

Mr. HULL. Mr. Chairman, there is one more in the affirmative.

The CHAIRMAN. That makes ayes 53 and noes 53, and the amendment is not agreed to.

Mr. CHALMERS. Mr. Chairman, I move to strike out the last three words.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes.

Mr. CHALMERS. Mr. Chairman, this bill carries appropriations for construction and repairs at the Naval Academy running into hundreds of thousands of dollars, and in the first paragraph on this page that we are reading it removes the limitation as to advertising for bids. I would like to ask the chairman of this subcommittee to make a statement to the general committee and put it in the RECORD—the statement that he made to me privately that this provision does not contemplate any large contracts. Large power is granted to the superintendent and architect to let the contracts without advertising for bids, but I understand that these are for small contracts only.

Mr. ANTHONY. The gentleman refers to the authority granted to the superintendent at West Point in certain instances to waive advertisements?

Mr. CHALMERS. Yes.

Mr. ANTHONY. I told the gentleman that this applies largely to repair jobs, where the experience has been that where bids are asked for these affairs they are two or three times, in many instances, what it costs them to go ahead and do the work, and they made such a good showing to us as to the money expended in that way that we continued this authority.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

No part of the moneys appropriated in this act shall be used for paying to any civilian employee of the United States Government an average daily wage or salary larger than that customarily paid by private individuals for corresponding work in the same locality.

Mr. GRAHAM of Illinois. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Illinois: Page 92, line 8, strike out lines 8 to 12, inclusive.

Mr. GRAHAM of Illinois. Mr. Chairman and gentlemen of the committee, this seems to be a bad day for arsenals and navy yards. The committee in its enthusiasm in looking after the contractors of the country ought not to go so far as to forget a few things that happened during the last war.

This particular amendment is unjust and unfair. I have an arsenal in my district, as you all know, and therefore I suppose I am counted as interested. But this particular amend-

ment, which was originally offered by the gentleman from Massachusetts [Mr. LUCE], is unfair in its operation.

Look at it for a moment. It provides that nobody in an arsenal shall be paid an average daily wage that is larger than that customarily paid in the same kind of industry outside. It does not say he shall receive as much, but that he shall not receive more than the average daily wage.

Let me show you how it works. I only want these people that work in the arsenals to receive the same kind of treatment that other men get who work in similar institutions; but the Luce amendment, which I have moved to strike out, is unfair in this particular. Let us take the case of a man who earns $1,500 a year. Suppose he works in an institution outside of an arsenal and works an average of 26 days a month. That is a large average. In the course of a year he works 312 days. That man makes on an average $4.80 a day. Suppose he is working in an arsenal. He does not make the same number of days, because by act of Congress we have given him 30 days without work, for which he gets paid. So that you see he works only 282 days. Divide $1,500 by 282 and it is $5.30 a day, which is his average daily wage.

Mr. ANTHONY. Will the gentleman yield?

Mr. GRAHAM of Illinois. In just a moment.

Mr. ANTHONY. I want to make just one inquiry. Does not the gentleman think that any fair-minded board in the War Department would take into consideration the statement of the gentleman in regard to the day's wage?

Mr. GRAHAM of Illinois. They ought to, if it were not for the express language of the law, which says that the workman in a Government arsenal shall not have a greater average wage than a similar man who works outside. The law we have made says that. Therefore, those who run the arsenals of the country are entirely justified in following the law that we have laid down. If the wages of those who work in arsenals are fixed by a labor board, as was the custom before this law went into effect, they will get the same wages as those who work outside, but under this provision they do not get it, and it is because of our law which Congress has passed.

Mr. HUSTED. Is there not an administrative reason why this should go out? It seems to me it is utterly impossible to determine with any reasonable degree of accuracy what the average civilian wage is that is paid in kindred employment in the same locality.

Mr. GRAHAM of Illinois. Oh, absolutely.

Mr. HUSTED. As a matter of administration it is an impossible provision.

Mr. GRAHAM of Illinois. It is an impracticable provision. It was offered here by the gentleman from Massachusetts [Mr. LUCE] at the close of a day, very hurriedly adopted without consideration, and has been written into this bill. It ought to go out. These men ought to have the same pay, no better, no worse; but they ought to have the same pay; and in order to avoid confusion this provision should be stricken out.

Mr. SISSON. Mr. Chairman, let the amendment be reported again.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Amendment by Mr. GRAHAM of Illinois: Page 92, line 8, strike out lines 8 to 12, inclusive.

Mr. SISSON. That is all right.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

All material purchased under the provisions of this act shall be of American manufacture, except in cases when, in the judgment of the Secretary of War, it is to the manifest interest of the United States to make purchases abroad, which material shall be admitted free of duty.

Mr. CONNALLY of Texas. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The Chair recognizes the gentleman under the reservation of the point of order.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I call on the gentleman from Ohio [Mr. BEGG] and the gentleman from New York [Mr. SNYDER] to rally to my assistance in eliminating this section from the bill. A little while ago those gentlemen insisted that the Government ought to buy its supplies wherever they could be purchased most cheaply, irrespective of the fact that perhaps at the very same moment the Government might possess a plant erected at Government expense and maintained at Government expense which might be made idle by the purchase of such materials from private manufacturers. Here we have a provision that all material purchased under this bill shall be of American manufacture except in cases when in the judgment of the Secretary of War it is to the manifest interest of the United States to make purchases abroad. What does that mean? This bill contains large appropriations for ordnance supplies; for steel and armament. It contains large appropriations for seacoast cannon of heavy caliber. It contains large appropriations for the purchase of munitions, gunpowder, explosives, chemical gases and chemical warfare supplies. What does it mean unless it means that the Secretary of War must buy his steel from the United States Steel Corporation or some of its subsidiaries? What does it mean unless it means that for munitions and ammunition he must buy those supplies from the Du Pont Powder Co., or some of its subsidiaries?

Mr. SNYDER. Or somebody else.

Mr. CONNALLY of Texas. "Or somebody else" the gentleman says. Yes; somebody else; but I would like to know who else in this country is engaged in the manufacture of munitions on any scale comparable or sufficient unto the needs of the Government unless it be the Du Pont Powder Co. or its subsidiaries? The gentleman does not answer, of course.

Mr. SNYDER. There are many of them.

Mr. BANKHEAD. And where are we to get our oil?

Mr. CONNALLY of Texas. As is suggested by the gentleman from Alabama, where are we to purchase the oil consumed by the various agencies of the War Department? Of course, everybody knows where it will be purchased.

Mr. SNYDER. In Texas.

Mr. CONNALLY of Texas. No; it will not be purchased from Texas. The oil may come out of the ground in Texas, but most of the beneficiaries of the purchases of oil will reside in the gentleman's State. Whether it comes from Texas or Pennsylvania, whether it be purchased from people in my State or the gentleman's State, the Government ought to buy it where it can be purchased most cheaply.

Mr. Chairman and gentlemen, why should we pay a bonus? The Chair ruled that the Hull amendment, which would prevent the payment of bonuses, was not in order because it was not a limitation; but here the Government is going to pay a bonus on its steel purchases, on its oil purchases, on its munition purchases, and that bonus will go to American companies. I want to patronize American industry, but I want American industry to be able to compete with the industries of the world. I want to be fair to American industries, but I want American industries to be fair to the Government. And if such great combinations in this country that, according to the statement of the gentleman from Wisconsin [Mr. FREAR] published in the RECORD of this morning, have been accumulating such enormous dividends and surpluses, are not willing to compete with similar manufacturers in other portions of the world, I am unwilling to further increase those surpluses by bonuses from the Treasury of the United States. If the section is eliminated it will not be necessary to buy materials abroad. But if we tie the hands of the Secretary of War and tell him he can not buy abroad, then steel and munition industries will fix their own prices. If they know that the Secretary of War may go into the markets of the world, domestic manufacturers will meet competition, they will meet competitors in foreign countries, and we shall not have to go abroad to make such purchases.

I want to ask the Republicans in the House of Representatives if they are unwilling to trust the Secretary of War to make purchases under the present law? Do you fear that he will not be just and fair? If you are willing to trust the Secretary of War, why do you want to put him in a strait-jacket? Why do you want to say that he may not buy in the markets of the world?

Mr. SNELL. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. SNELL. Will the gentleman interpret lines 15, 16, and 17 of this section?

Mr. CONNALLY of Texas. I shall if the gentleman will agree to abide by my interpretation.

Mr. SNELL. I will if the gentleman interprets it rightly. What does this mean, "When in the judgment of the Secretary of War it is to the manifest interest of the United States to make purchases abroad"?

Mr. CONNALLY of Texas. What does the gentleman say it means?

Mr. SNELL. It means that he can if it is for the benefit of the country to do it.

Mr. CONNALLY of Texas. All right, accept that.

Mr. SNELL. Then what is the gentleman hollering about?

Mr. CONNALLY of Texas. I know that everybody who disagrees with the gentleman from New York is simply hollering. Everybody who has a mind that can not be precisely fitted to the procrustean standard of his own is uselessly taking up the

time of the House. The gentleman emerged from the cloakroom a few minutes ago when he heard the interests of the manufacturers were imperiled by the amendment offered by the gentleman from Iowa. The gentleman rushed in to protect the interests of the manufacturing concerns. Because gentlemen have the effrontery to rise here and try to look after the interests of the American people who must pay the bills the gentlemen exclaims that we are hollering about something.

Mr. SNELL. Will the gentleman answer my question?

Mr. CONNALLY of Texas. Yes; according to his own construction. The gentleman from New York says that when in the judgment of the Secretary of War it is for the manifest interest of the United States he can purchase abroad. If that is true, why do you want to limit him at all? If you know he will purchase it abroad only when it is for the best interest of the United States, then it follows he ought to purchase it at home only when it is for the best interest of the United States. Why hog tie him by a statute and why provide that he shall be limited at all? Let him go out into the markets of the world and let him buy anywhere. But it does not mean that. It is merely a refuge for the man who seeks to meet the argument such as I am making on the floor. It is not the intention of the gentleman who drafted the amendment to permit the Secretary of War freedom in making purchases, but the real purpose is to deliver the War Department to a noncompetitive market. Whenever there is a great contract to be let for ordnance, you will find the manufacturers and their friends will go to the War Department, with a list of fixed prices in one hand and this bill in the other hand, and they will call the attention of the Secretary of War very carefully to the language of this paragraph and to the fact that Congress intended that such purchases should be made in the United States, and, the gentleman ought to know, that that will be the case. But in order to meet the argument they say, "Except, however, in those cases in which it is for the manifest interest of the United States," and those cases will be mighty few and mighty far between. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HUSTED. Mr. Chairman, this provision is merely a general declaration in favor of the purchase of American goods, and nothing more than that. I do not see how any American can take exception to such a declaration. It is a declaration on the part of Congress that where American goods can be purchased by the War Department consistently with the best interests of the United States American goods shall be purchased.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. HUSTED. I will.

Mr. GARRETT of Tennessee. Is the gentleman quite sure that he is accurate in that statement?

Mr. HUSTED. I feel quite sure about it.

Mr. GARRETT of Tennessee. Under existing law is it not a fact that except in cases of emergency bids are required; that the War Department when it makes a contract shall require bids?

Mr. HUSTED. That is the general policy, except in cases of emergency and of small purchases such as we have referred to here to-day.

Mr. GARRETT of Tennessee. Is it not the law that bids must be required?

Mr. HUSTED. Yes; but we make exceptions in cases of small items. We had a case here to-day, alluded to on the floor, of certain repairs to buildings for which we specifically provided that no public bids are required.

Mr. GARRETT of Tennessee. Congress made that exception. Now, the law of the country, as I understand it, is that bids must be asked upon these contracts, unless exception be made by the law. Under this provision you are repealing that law; you are providing that the Secretary of War may not consider bids.

Mr. HUSTED. I do not agree with the gentleman.

Mr. GARRETT of Tennessee. He must confine his consideration wholly to American articles.

Mr. HUSTED. I do not agree with the gentleman. The Secretary of War, under this provision, in the case that goods he wants to acquire can not be purchased in this country at a reasonable price or in sufficient quantities or of the character and quality desired, must permit bids on foreign goods. There is nothing to prevent that. On the contrary, the law requires it.

Mr. GARRETT of Tennessee. Of course not; but, under the law as it exists now, he has to consider the offering of bids.

Mr. HUSTED. After all has been said, this is simply a general declaration in favor of American goods. I do not see how any American can reasonably take exception to such a declaration. There is ample provision here, made in the very terms of this paragraph, for the acquirement of goods abroad if American goods can not be obtained in sufficient quantities or at a reasonable price or of the desired quality.

Mr. HICKS. Mr. Chairman, what is the status of this? Is the point of order made or reserved?

The CHAIRMAN. It is reserved.

Mr. BANKHEAD. Mr. Chairman, I call for the regular order.

Mr. HICKS. Let us have the regular order.

The CHAIRMAN. Does the gentleman make the point of order?

Mr. CONNALLY of Texas. Mr. Chairman, I make the point of order that this is legislation on an appropriation bill, and it is not a limitation in that it interferes with the discretion of an executive officer in the purchase of material, which he has now under existing law, as I understand it, and it changes existing law.

The CHAIRMAN. Does the gentleman from Kansas wish to be heard upon the point of order?

Mr. ANTHONY. I merely call the attention of the Chair to the fact that all of the language of the paragraph is undoubtedly in order with the possible exception of the last line containing the words "which material shall be admitted free of duty." All of the language preceding that is a limitation.

The CHAIRMAN. As the Chair reads this amendment, the first part of it, excepting the last line referred to, is merely a limitation, though not stated in the language of a limitation. The remaining phrase, "which material shall be admitted free of duty"——

Mr. STAFFORD. Mr. Chairman, before the Chair makes the final decision, may I make this observation?

The CHAIRMAN. Yes.

Mr. STAFFORD. I am advised by the gentlemen of the Ways and Means Committee that that is now existing law, carried in the tariff law.

The CHAIRMAN. If it effects anything at all, it certainly is a change of law, and therefore would make the paragraph subject to a point of order. The Chair sustains the point of order.

Mr. STAFFORD. Mr. Chairman, I reoffer the paragraph with the last clause eliminated.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 92, after line 7, insert: "All material purchased under the provisions of this act shall be of American manufacture, except in cases when, in the judgment of the Secretary of War, it is to the manifest interest of the United States to make purchases abroad."

Mr. CONNALLY of Texas. Mr. Chairman, I make the point of order that it is not a limitation; that it is legislation on an appropriation bill; and that it is not germane to this part of the bill.

The CHAIRMAN. As to the limitation, the Chair has already expressed his opinion.

Mr. GARRETT of Tennessee. Mr. Chairman, will the Chair hear me on the subject?

The CHAIRMAN. The Chair will be very glad to hear the gentleman from Tennessee.

Mr. GARRETT of Tennessee. I thought I had before me the provision with respect to the making of contracts, but I find that I am mistaken. However, the gentleman from Kansas can correct me if I make any mistake about what the law is. Under the law now, except in cases of emergency, the War Department, in order to secure materials, is required to advertise for bids, and it is required to accept the lowest bid made under all of the conditions laid down, no matter where that bid comes from. If it be made by a foreign manufacturer, it has to be accepted if the conditions are complied with. Am I not correct in that?

Mr. ANTHONY. I think so, except in such specified instances where Congress has waived that requirement.

Mr. GARRETT of Tennessee. Yes. This, therefore, is a proposition on an appropriation bill to change that existing law.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. HUSTED. Does not the gentleman think it would be entirely within the law relating to the purchase of materials by the War Department to provide in the advertisement for bids, in any particular case, that the goods on which the bid is asked must be of American manufacture?

Mr. GARRETT of Tennessee. Oh, that is on the merits of the proposition. This is a point of order which is pending now, and not the merits of the proposition that we are discussing.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. MOORE of Virginia. It appears that the existing statute is as stated by the gentleman from Tennessee. The act of March 2, 1901, reads in this way:

Hereafter, except in cases of emergency, or where it is impracticable to secure competition, the purchase of all supplies for the use of the various departments and posts of the Army, and of the branches of the Army service, shall only be made after advertisement and shall be purchased where the same can be purchased the cheapest, quality and cost of transportation and the interests of the Government considered.

The CHAIRMAN. In the mind of the Chair that does not touch the question. The only question in the mind of the Chair is whether this is strictly a limitation. Suppose it were phrased in this language—suppose the paragraph read—

no part of the moneys appropriated under the provisions of this act shall be used to purchase any but American material—

We have a right to make that limitation—

except in cases where in the judgment of the Secretary of War—

And so forth. Would not that mean exactly the same as the language as it now stands?

Mr. GARRETT of Tennessee. I will say very frankly to the Chair when you bring in the exception it will fall within the ruling the Chair made a few minutes ago on the stop-watch proposition. That is not what this provision in the bill says. With all possible respect to the Chair, the provision of the bill does not say anything about any part of the money appropriated, but says everything appropriated under the provisions of this act. This changes existing law in an appropriation bill.

Mr. BLANTON. May I make this suggestion to the Chair?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BLANTON. That while it is evidently intended that this amendment should be a limitation, it is not couched in such language as would make it a limitation, and until it is so drawn in language that makes it a limitation it is certainly out of order.

Mr. MONDELL rose.

The CHAIRMAN. The Chair will examine more carefully the exception referred to by the gentleman from Tennessee.

Mr. BEGG. If the gentleman is correct in the statement that the basic law compels them to accept the lowest bid, how do you explain the illustration I gave, which happened last April, where they accepted castings at 7¼ cents a pound higher than the lowest bid and higher than 11 other bids? How do you explain that?

Mr. GARRETT of Tennessee. Of course, I have no explanation for it; I did not do it.

The CHAIRMAN. The Chair is attempting to reduce the language in the form of a limitation and has encountered the very difficulty to which the gentleman from Tennessee calls attention, that in the exception there lurks one additional requirement that gives to the Secretary of War a discretion which the Chair understands he is not clothed with at the present time. That is the difficulty, with a more careful investigation of the exception.

Mr. MONDELL. Mr. Chairman, it is not necessary to clothe a limitation in any particular form in order to make it a limitation if when applied to the legislation and its appropriation it does place a limitation on expenditures.

The CHAIRMAN. The Chair thoroughly agrees to that.

Mr. MONDELL. That is what this paragraph clearly does, although it is not in the usual form of a limitation.

The CHAIRMAN. Will the gentleman go one step further and take the other point? Is not the Secretary clothed with additional power than that which he now has? In other words, at the present time would he under existing law have the authority to buy in the way that this would authorize him to buy, and if that is true, it changes the Secretary's authority to the extent that it is legislation.

Mr. MONDELL. Mr. Chairman, the Secretary of War must under the law and in good conscience make purchases in such a way as he believes to be in the interest of the United States Government. We do not modify that authority or that duty.

The CHAIRMAN. But is not the gentleman widening his authority—an authority he would not have now under the law?

Mr. MONDELL. Not at all, because except for this limitation that is exactly what the Secretary would have to do now under the law. He would be compelled to make his contracts with the lowest and best bidder in the interest of the United States, and now we are making an exception to that, and we say that he shall purchase in the United States, except he must still have regard for the interest of the United States in the matter.

Mr. HUSTED. Will the gentleman yield?

Mr. MONDELL. If I have the floor.

Mr. HUSTED. Is it the contention here that the Secretary of War is compelled to accept foreign-made goods if he does not want them and does not believe it is in the best interest of the Government to buy them? I do not believe there is such a thing in the law.

Mr. MONDELL. That is the only logical construction you can place on the statement of the gentleman from Tennessee.

Mr. GARRETT of Tennessee. Oh, no, Mr. Chairman; under the law, as I read it, the Secretary of War would have ample authority to make it a condition of any public letting if in his judgment the best interests of the United States Government required it, and specify right in the bid itself that the goods must be of American manufacture.

Mr. MONDELL. If the Chair will allow me again for a moment to call his attention to the language referred to by the gentleman from Tennessee, "except in cases when in the judgment of the Secretary of War it is to the manifest interest of the United States to make purchases abroad"; the law at the present time requires the Secretary of War to make purchases as it appears to the interest of the United States to do. Now, we make an exception in the first part of the paragraph by providing that the Secretary shall purchase materials in the United States unless—and the word "unless" could be used in lieu of the word "except," the meaning would be the same—unless he finds it to the interest of the United States to buy abroad. It does not change the character of the limitation by adding that additional language.

Mr. HICKS. Mr. Chairman, while I am opposed to the point of order, so far as it strikes at the merits of the proposition, I believe it is subject to a point of order from the parliamentary standpoint. This amendment gives to the Secretary discretionary powers that he does not now possess. By granting him functions in addition to those now enjoyed it is legislation under our precedents and under our rulings. This limitation, so called, is so in form, but in substance it is legislation, and is put into this bill for the purpose of allowing certain things to be done that can not now be done. This makes it legislation. Therefore I think it is clearly subject to a point of order.

Mr. MONDELL. Mr. Chairman, I think the gentleman is entirely in error. A limitation may add to the authority or discretion of the Secretary; it may take from.

Mr. HUSTED. Mr. Chairman, it is manifest that the Secretary of War, if he properly performs his duty to our Government, must exercise his own best business judgment. The claim is made that under the language of this provision the discretion of the Secretary of War would be broadened. I fail to see how it is broadened in the slightest degree.

The CHAIRMAN. Will the gentleman allow the Chair to ask him a question?

Mr. HUSTED. Certainly.

The CHAIRMAN. Just what is the purpose of this paragraph?

Mr. HUSTED. The purpose of this paragraph is to make a general declaration in favor of American goods. It is really wholly ineffective except as viewed from that standpoint. It does not grant any additional discretion. It does not limit any authority. It is simply a reenactment of the general power of the Secretary of War coupled with a specific declaration in favor of American goods. It is a declaration of a policy, and nothing else. There is no limitation placed on the Secretary of War. There is no increase of his discretion. The paragraph provides that the Secretary of War may purchase foreign goods if, in his opinion, the interest of the Government requires such action. He can do that now. Wherein is there a limitation on his authority or discretion?

Mr. CONNALLY of Texas. Mr. Chairman, the gentleman from New York [Mr. HUSTED] is very candid about this proposition. He admits that the amendment is no limitation. He says its only effect is to make a declaration of a general principle, a glittering generality. If it is not a limitation, then it is not in order.

Of course, it does not come under the Holman rule, because it does not reduce expenditures; but, on the other hand, in all probability it will increase expenditures, because the present law requires competition by bids. This amendment destroys that, because it limits competition to the United States, except in certain particular cases.

Now is it a limitation?

The CHAIRMAN. Will the gentleman read that part of the law?

Mr. CONNALLY of Texas. The present statute is—

Hereafter, except in cases of emergency, or where it is impracticable to secure competition, the purchase of all supplies for the use of the various departments and posts of the Army and of the branches of

the Army service shall only be made after advertisement, and shall be purchased where the same can be purchased the cheapest, quality and cost of transportation and the interests of the Government considered.

Now the present statute requires the Secretary of War to buy under advertisement where he can buy cheapest. But if this amendment is adopted, that law, to the extent of the limitation, if it be a limitation, must give way.

Now, the Chairman this afternoon very courageously overruled a long line of decisions in passing upon the amendment offered by the gentleman from Iowa [Mr. HULL], and the Chairman said that it was the duty of the Chair to look beyond the clouds and the dust and to see what was the real purpose of an amendment, whether it be a limitation or legislation, when offered to an appropriation bill.

What is the purpose, whether it is avowed or admitted? What is the purpose? The purpose is to prevent the Secretary of War from purchasing any goods except American goods, with the little exception made in this provision. The Chair knows that that is the purpose of it. The Chair knows that the gentlemen who offered this amendment are not concerned with the limitation merely as to the expenditure of funds.

The CHAIRMAN. Suppose it simply said, "No part of the appropriations in this act shall be used for the purchase of articles made abroad." Would not that be a limitation?

Mr. CONNALLY of Texas. In all candor to the Chair, I really think that would be a limitation.

The CHAIRMAN. No. I wish to have the gentleman from Texas help the Chair, in order to creep around these points.

Mr. CONNALLY of Texas. I say that would be a limitation.

The CHAIRMAN. Now show what would happen.

Mr. CONNALLY of Texas. Unfortunately that has not been offered. We are passing only upon what has been offered. If this is not in order it seems to me it is the duty of the Chair to rule on what is before the House, and then, if the gentlemen in their anxiety to put this through will offer something else, we can meet that when we come to it. But the difference between *that provision* and this provision is that at present the Secretary has a discretion to purchase at home or abroad. At present he has that discretion in that he must consider not only the interests of the Government, but he must buy where it is the cheapest.

The CHAIRMAN. That is just the point the Chair wishes to hear the gentleman upon.

Mr. CONNALLY of Texas. I am glad that in stumbling around I finally ran into what the Chair was trying to put in my mind. Under the present law the Secretary of War is required by law to buy where he can buy the cheapest, and if this amendment is adopted, unless American prices are lower than abroad he can not buy at all. The law would still require purchases in the cheapest market, but a limitation, such as the Chair suggests, would deny to him the money with which to pay for the purchase, except in the case of the purchase of American goods.

Mr. LONDON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONDON. Is it not in order on an appropriation bill to make a declaration in favor of a protective tariff? [Laughter.]

The CHAIRMAN. The Chair does not think that is a parliamentary inquiry.

Mr. LONDON. That is what it amounts to.

The CHAIRMAN. If it is the intention of the gentleman from Kansas to move that the committee rise, the Chair will ask the privilege of reserving his decision until morning, because the Chair realizes that this is an important matter.

Mr. ANTHONY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, had come to no resolution thereon.

ENROLLED BILL SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 13559. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to the following:

To Mr. MORIN, for the remainder of this week, on account of illness.

To Mr. FUNK, for one week, on account of important business.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p. m.) the House adjourned until Friday, January 19, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

914. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a draft of legislation which will allow transportation to reserve officers of the Army when called to duty, was taken from the Speaker's table and referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HAWLEY: Committee on Ways and Means. H. J. Res. 422. A joint resolution permitting the entry free of duty of certain domestic animals which have crossed the boundary line into foreign countries; without amendment (Rept. No. 1425). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMICK: Committee on the Public Lands. S. 1878. An act to permit the State of Montana to exchange cut-over timberlands granted for educational purposes for other lands of like character and approximate value; without amendment (Rept. No. 1426). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMICK: Committee on Indian Affairs. S. 3790. An act authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the disposal of the surplus waters of Milk River, Two Medicine, Cut Bank, and Badger Creeks not needed by the Indians of the Blackfeet Indian Reservation for domestic or irrigation purposes; with an amendment (Rept. No. 1427). Referred to the Committee of the Whole House on the state of the Union.

Mr. MONTAGUE: Committee on the Judiciary. S. 1016. An act to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States"; without amendment (Rept. No. 1428). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. H. R. 13835. A bill authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes; without amendment (Rept. No. 1429). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA of California: Committee on Interstate and Foreign Commerce. H. R. 13882. A bill to amend the act entitled "An act to establish a commission to be known as the United States Coal Commission for the purpose of securing information in connection with questions relative to interstate commerce in coal, and for other purposes," approved September 22, 1922; without amendment (Rept. No. 1430). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MILLS: A bill (H. R. 13907) to provide for refund of certain estate taxes erroneously collected; to the Committee on Ways and Means.

By Mr. MUDD: A bill (H. R. 13908) fixing the pay for the officers and men of the United States Naval Academy Band, and for other purposes; to the Committee on Naval Affairs.

By Mr. WILLIAMSON: Memorial of the Legislature of the State of South Dakota, urging Congress to give careful and favorable consideration to House bill 13574, authorizing the Secretary of the Interior to erect a monument at Fort Pierre, S. Dak., to commemorate the explorations and discoveries of the Verendrye brothers, and to expend not to exceed $25,000 therefor; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLACK: A bill (H. R. 13909) granting a pension to Willie A. Mankin; to the Committee on Pensions.

By Mr. CABLE: A bill (H. R. 13910) to remove the charge of desertion from the record of George T. Silvers; to the Committee on Military Affairs.

By Mr. COLE of Iowa: A bill (H. R. 13911) granting a pension to Lusania V. Center; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 13912) granting a pension to Lillian Ensminger; to the Committee on Invalid Pensions.

By Mr. HENRY: A bill (H. R. 13913) providing for the purchase of a suitable site for the erection of a post office for the village of Canisteo, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON of Kentucky: A bill (H. R. 13914) granting a pension to Eliza Forbes; to the Committee on Invalid Pensions.

By Mr. KENNEDY: A bill (H. R. 13915) for the relief of Daniel A. Spaight; to the Committee on Claims.

Also, a bill (H. R. 13916) for the relief of Elizabeth Tabele; to the Committee on Claims.

By Mr. KOPP: A bill (H. R. 13917) granting an increase of pension to Elizabeth E. Lanam; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 13918) granting a pension to Wallis Bailey; to the Committee on Pensions.

Also, a bill (H. R. 13919) granting a pension to Henry E. Booth; to the Committee on Pensions.

Also, a bill (H. R. 13920) granting a pension to Robert McQueen; to the Committee on Pensions.

By Mr. McDUFFIE: A bill (H. R. 13921) authorizing the President to appoint George C. Scherer to the position and rank of captain in the Quartermaster Corps of the United States Army; to the Committee on Military Affairs.

By Mr. NELSON of Maine: A bill (H. R. 13922) granting a pension to William L. Ross; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 13923) granting an increase of pension to Essie Pursel; to the Committee on Invalid Pensions.

By Mr. ROACH: A bill (H. R. 13924) granting a pension to Elizabeth M. Griffith; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 13925) granting an increase of pension to Jennie E. Moore; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6907. By Mr. BACHARACH: Petition of sundry citizens of Atlantic City, N. J., protesting against the passage of the compulsory Sunday observance bill; to the Committee on the District of Columbia.

6908. By Mr. BULWINKLE: Petition of Father Felix, O. S. B., Belmont Abbey, Belmont, N. C., and others, praying that the Congress of the United States extend aid to the famine-stricken people of Europe; to the Committee on Foreign Affairs.

6909. By Mr. BURTNESS: Petition of sundry citizens of Fargo, Cogswell, Hatton, Sarles, Finley, Hankinson, Hunter, Mayville, Churchs Ferry, Lidgerwood, Walhalla, Milton, Endelin, Sheldon, Bisbee, Hoople, Fairmont, Page, Hannah, Forest River, Hamilton, Forman, St. Thomas, Inkster, Park River, Milnor, Lakota, Northwood, Bathgate, Cavalier, Lisbon, Hillsboro, Pembina, Larimore, Tower City, Casselton, and Grand Forks, all in the State of North Dakota, favoring the passage of the Towner-Sterling bill; to the Committee on Education.

6910. Also, petition of sundry citizens of Forman, N. Dak., Hunter, N. Dak., and Grand Forks, N. Dak., favoring the abolition of discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6911. By Mr. CULLEN: Resolution adopted by the American Legion in national convention assembled, calling upon Congress to take up and act upon measures pending in Congress regarding the disposition of Muscle Shoals; to the Committee on Military Affairs.

6912. Also, petition of a mass meeting of citizens of New York City, favoring a first-class Army and Navy at all times; to the Committee on Military Affairs.

6913. By Mr. FULLER: Resolutions of the Illinois State Federation of Labor, favoring the recognition by the United States of the soviet government of Russia; to the Committee on Foreign Affairs.

6914. Also, petition of the National Council of Farmers' Cooperative Marketing Associations, concerning credits and increase of maximum loans by farm-land banks from $10,000 to $25,000; to the Committee on Banking and Currency.

6915. By Mr. KELLEY of Michigan: Petition of Cleo E. Baker and 21 other residents of Lansing, Mich., favoring repeal of the tax on small arms and ammunition; to the Committee on Ways and Means.

6916. Also, petition of the Hall & Downie Hardware Co. and 20 other residents of Flint, Mich., favoring repeal of the tax on small arms and ammunition; to the Committee on Ways and Means.

6917. By Mr. KINDRED: Petition of Port of New York Authority, E. H. Outerbridge, chairman, opposing any reduction of appropriations for rivers and harbors maintenance and improvement as recommended by the Chief of Engineers for the port of New York; to the Committee on Rivers and Harbors.

6918. By Mr. KISSEL: Petition of United States Customs Service, San Francisco, Calif., favoring better pay for customs laborers in the United States; to the Committee on Ways and Means.

6919. By Mr. MacGREGOR: Petition of sundry citizens of Buffalo, N. Y., favoring aid to Germany and Austria; to the Committee on Foreign Affairs.

6920. Also, petition of H. H. Koehler and five other citizens of Buffalo, N. Y., favoring help for Germany and Austria in regard to food which is to be bought from the United States; to the Committee on Foreign Affairs.

6921. By Mr. MORIN: Petition of Bavarian National Association of North America, Section No. 41, Pittsburgh, Pa., urging the passage of House Joint Resolution 412, purporting to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6922. By Mr. PERKINS: Petition signed by Theo. H. Mulch, Westwood, N. J., and others, in support of legislation extending immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6923. Also, petition signed by Max Rumain, Hasbrouck Heights, N. J., and others in surrounding towns, in support of legislation extending immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6924. Also, petition signed by H. J. Schubert, Hackensack, N. J., in support of legislation extending immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6925. By Mr. RIORDAN: Petition of 25 citizens of New York, to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6926. By Mr. THOMPSON: Petition of 15 citizens of Convoy, Ohio, urging action on House Joint Resolution 412, for the relief of famine conditions in Germany and Austria; to the Committee on Foreign Affairs.

6927. By Mr. YOUNG: Petition of Olaus Johnson and others, of Bergen, N. Dak., protesting against House bill 13195 and Senate bill 4130; to the Committee on Interstate and Foreign Commerce.

SENATE.

FRIDAY, *January 19, 1923.*

(Legislative day of Tuesday, January 16, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

SPEECH OF MR. BOYDEN BEFORE REPARATION COMMISSION.

Mr. LODGE. Mr. President, I ask unanimous consent to present from the Committee on Foreign Relations, in reply to the resolution submitted by the Senator from Utah [Mr. KING], the authentic text of the remarks of Mr. Boyden on January 9, 1923, together with a memorandum showing the differences between that text and the version contained in the New York Times, which was printed in the RECORD. I ask that the text I present may be printed in the RECORD in the usual RECORD type, and the matter indicated in parallel columns.

The VICE PRESIDENT. Without objection, it is so ordered.

The errata and the text are as follows:

BOYDEN.	CONGRESSIONAL RECORD.
Page 1, paragraph 2, line 7:	
Who though in fact not a judge expressed his own personal view.	*And* though in fact not a judge *to express* his own personal view.
Page 2, paragraph 2, line 5:	
That the action or the failure this act might reasonably have * * *.	That action or failure *to* act might reasonably have * * *.
Page 2, paragraph 3, line 9:	
And do not realize at the time.	And *did* not realize at the time.
Page 3, Boyden's word "juridical," in paragraph 2, line 1, and paragraph 3, line 1, becomes "*judicial*" in the RECORD.	
Page 4, paragraph 1:	
"With regard to the letter of March 21, Mr. Boyden considered that the commission did not by its terms abandon its right under the treaty to report a voluntary default. *At the time when the letter was drafted he had called the attention of his colleagues to the danger which existed from the language used which had been quoted.* He did not remember exactly what views his colleagues then held, but it might be taken for granted that the language would not have been accepted by certain delegates if they *had* thought it eliminated the possibility of reporting a voluntary default."	"With regard to the letter of March 21, Mr. Boyden considered the commission did not by its terms abandon its right under the treaty to report voluntary default. He did not remember exactly what views his colleagues then held, but it might be taken for granted that the language *used* would not have been accepted by certain delegates if they thought it eliminated the possibility of reporting voluntary default."
Page 4, last paragraph:	
The argument would have weight if urged to show that the commission's decision upon the amount of coal which Germany could supply without undue interference with its industrial requirements was incorrect.	*This* argument would have weight if *used* to show that the commission's decision upon the amount of coal which Germany could supply without *due* interference with its industrial requirements was incorrect.
Page 5, paragraph 2:	
But having expressed his view of the legal situation Mr. Boyden desired to add that several of the foregoing considerations, particularly Germany's need for coal * * *, reported a default.	But having expressed his view of the legal situation Mr. Boyden desired to *add several to the foregoing* considerations, particularly *in regard to* Germany's need for coal * * *, reported *the* default.
Page 5, paragraph 3:	
The report by the commission of the wood default seemed to him to be very defective. When reporting a voted default it was of the utmost importance. * * * The commission was the tribunal which found the accused guilty; * * *	The report by the commission *on* wood default seemed to him to be very defective. When reporting *voluntary* default it was of the utmost importance. * * * The commission was *a* tribunal which found. * * *
Page 6, last paragraph:	
It was understandable that Germany's opinion of her own requirements should affect her attitude. Her opinion on this point and the facts on this point were both of great importance in connection with the extent of *her culpability. In that connection it would seem with all fairness to Germany that* the report should emphasize the percentage which expressed the real extent of the default—while the default was important from the financial point of view, as Mr. Delacroix had explained—*the percentage of demand which Germany had not supplied was small, and this must be recognized as proving that* Germany had made a very considerable effort in a very difficult matter and had attained a very large measure of success.	It was understandable that Germany's opinion of her own requirements should affect her attitude. Her opinion on this point and the facts on this point were both of great importance in connection with the extent of *Germany's default.* The report should emphasize the percentage which expressed the real extent of the default—while the default was important from *a* financial point of view, as Mr. Delacroix had explained—Germany had made a very considerable effort in a very difficult matter and had attained a very large measure of success.
Page 7, last paragraph, line 5:	
* * * of the failure of Germany in the execution of her obligations.	* * * of the failure of Germany in *executing* her obligations.

(Conjunctions and articles added and omitted, but they do not change sense.)

TEXT OF MR. BOYDEN'S REMARKS ON JANUARY 9, 1923.

Mr. Boyden stated that not being one of the official judges, as were his colleagues, it would be easy for him to remain silent, but he preferred to assume his own responsibility in his personal capacity, as they assumed theirs in their official capacity. In English and American courts it was not uncommon for a person of judicial education to sit with the official judges as an "amicus curiæ," who, though in fact not a judge, expressed his own personal view. Mr. Boyden had endeavored to form an opinion upon the judicial aspect of the situation.

Paragraph 17 of annex 2 referred to default and paragraph 18 referred to voluntary default. Mr. Boyden was in agreement with the decision of the commission that in both cases voluntary default was intended.

What was voluntary default? One excuse for nonperformance would be recognized by all, viz, "force majeure," but in Mr. Boyden's view the expression "voluntary default" included other excuses. It meant the doing or the failure to do something with the knowledge at the time that the action or the failure of this act might reasonably have the effect of resulting in default.

There was in Mr. Boyden's view a very considerable difference between the question then under discussion and the question as it had arisen in connection with deliveries of timber. The demand for timber was a single demand. The main reason for the timber default seemed to consist in the difficulties which arose from the depreciation of the marks. These difficulties were of an extraordinary nature such as had never before arisen in Germany and it was easily conceivable that the persons who had to meet them did not at once see how to meet them and did not realize at the time that their failure to do certain things promptly would result in default. Nevertheless, Mr. Boyden was inclined to think that even in connection with wood there had been a voluntary default within the meaning of the treaty. The difference between the timber question and the coal question lay in the fact that the coal requirements were monthly requirements. The Germans, faced with deficits in any month, ought at once to have taken whatever precautions were necessary to see that those difficulties, whatever they had been, were avoided during the next month. They had failed to do this and the deficits had continued month after month.

One further juridical point arose to which Sir John Bradbury had referred in connection with the purpose of paragraph 17. In Sir John Bradbury's opinion the purpose of that paragraph was to enable the commission to appeal to the governments only when the measures at its command had proven inadequate to enforce obedience. That was a perfectly comprehensible interpretation and explained in a large part the difference between Sir John Bradbury and his colleagues as to the action to be taken. Mr. Boyden's own reading of paragraph 17 was, however, different. In his view the commission was required to report any voluntary default forthwith, partly for the information of the governments and partly to enable the governments to take such action as they thought fit. Mr. Boyden recognized that the previous action of the commission with respect to coal defaults had not been consistent with that interpretation, for the commission had not automatically reported defaults as they had arisen. Although this previous practice did not, in his view, represent the waiver of a right, it was, nevertheless, a practical fact which should be taken into account, particularly by the governments themselves, in whatever action they might take.

From the juridical point of view, he was of opinion that the argument put forward by the German delegation to the effect that in private contracts a deficiency of 10 per cent did not constitute a default was of no value. The treaty did not con-

template the application of any such commercial custom to its provisions.

With regard to the letter of March 21, Mr. Boyden considered that the commission did not by its terms abandon its right under the treaty to report a voluntary default. At the time when the letter was drafted he had called the attention of his colleagues to the danger which existed from the language used which had been quoted. He did not remember exactly what views his colleagues then held, but it might be taken for granted that the language would not have been accepted by certain delegates if they had thought it eliminated the possibility of reporting a voluntary default.

The argument to which the German delegation attached the most weight was that concerning the needs of Germany as indicated by her importation of nearly as much coal as she was delivering to the Allies. Legally that argument seemed to him to be applicable not to the question of a voluntary default but to the decision of the commission as to the demands made on Germany.

The argument would have weight if urged to show that the commission's decision upon the amount of coal which Germany could supply without undue interference with its industrial requirements was incorrect. But the commission's decision remained a decision unless changed and Germany's industrial requirements had nothing to do with Germany's obligations to carry out the decision so long as it was not changed.

But having expressed his view of the legal situation Mr. Boyden desired to add that several of the foregoing considerations, particularly Germany's need for coal and her importation of coal from abroad, the previous practice of the commission with respect to coal default and the commission's letter of March 21, had a practical bearing on the situation which would naturally be taken into account by the governments after the commission reported a default.

The report by the commission of the wood default seemed to him to be very defective. When reporting a voted default it was of the utmost importance for the commission to report the extent of the intention which had entered into that default. The commission was the tribunal which found the accused guilty; punishment would be meted out by another tribunal. It was therefore of the greatest importance that the exact nature of the crime should be reported by the commission so that the punishment by the governments might fit the crime. Mr. Boyden agreed with Sir John Bradbury that the word "punishment" was not appropriate, and that the real purpose of the provision was constructive. The real point was that the report should be made in such a way as to aid the governments in adopting methods which would lead to constructive results. But it was of equal importance that the quality of the crime should be made plain in the report whether the results were to be punitive or constructive. The commission in its report on coal deliveries should set forth not only the fact of default but also the causes of the default and all extenuating circumstances. It was only upon such a basis that the governments could fairly perform their duty in the matter.

If Mr. Boyden were asked to express in a few words what Germany had failed to do, he would say that Germany had failed to take those exceptional and rather extraordinary measures month by month which were necessary to cope with the difficulties which the experience of previous months had shown would arise.

It was understandable that Germany's opinion of her own requirements should affect her attitude. Her opinion on this point and the facts on this point were both of great importance in connection with the extent of her culpability. In that connection it would seem, with all fairness to Germany, that the report should emphasize the percentage which expressed the real extent of the default. While the default was important from the financial point of view, as Mr. Delacroix had explained, the percentage of demand which Germany had not supplied was small, and this must be recognized as proving that Germany had made a very considerable effort in a very difficult matter and had attained a very large measure of success.

Mr. Boyden had hitherto confined himself to the voluntary default on the part of Germany and the reasons which tended to lessen her culpability. If, however, he were making a report, he would go further and would deal with the whole question of the failure of Germany in the execution of her obligations under the treaty and would explain that the conditions imposed by the treaty had been demonstrated by experience to be impossible and that that impossibility had affected not only Germany's financial situation and her financial obligations to the Allies but also her obligations like these in respect of coal and wood. He would further express the opinion which he had already expressed before the commission that the continuance of these conditions had already resulted in a great loss of money to the Allies and would result in still further loss so long as they were maintained.

SOME RURAL CREDIT CONTROVERSIES.

WALL STREET VERSUS THE FARMERS.

Mr. LADD. Mr. President, on November 22 I addressed this body relative to activities in connection with rural credits legislation. Prof. Samuel McCune Lindsay, president of the Academy of Political Science, has taken some exceptions to what I said. He has released his letter to the press and has suggested that I place his letter in the RECORD so that it may have the same recognition as had my speech. I request unanimous consent to insert in the RECORD the letter of Professor Lindsay, together with a news item in reference to same which appeared in the Washington Star on January 15, 1923, and my reply to Professor Lindsay, together with a short editorial from the Manufacturers Record for January 4, 1923, entitled "Propaganda of New York banking interests to control the appointment of a new governor of the Federal Reserve Board," and that these may be printed in the usual 8-point type.

There being no objection, the matter referred to was ordered to be printed in the RECORD in 8-point type, as follows:

THE ACADEMY OF POLITICAL SCIENCE
IN THE CITY OF NEW YORK,
January 10, 1923.

Hon. EDWIN F. LADD,
United States Senate, Washington, D. C.

DEAR SENATOR LADD: On November 22 you addressed the Senate in order, as you said, "to raise a warning voice" concerning the meeting of the Academy of Political Science which was to take place on November 23 and 24 at the Hotel Astor in New York City. You also said that you addressed the Senate in order to warn it in time before it was "too late" to appreciate the "tremendous import to the people of this country" of the discussion of the money problem, under the auspices of the academy, which might lead to recommendations to the Senate concerning the purport and origin of which the Senate ought to be forewarned.

As a scientist, teacher, educator, former college president, and editor, you might be supposed to be better informed as to the purposes and impartial scientific character of meetings like those of the academy and also to know that no resolutions or recommendations are made at such meetings, neither do they lend themselves to propaganda of any kind, but have for their sole purpose untrammeled public discussion looking to the enlightenment and education of public opinion on economic, social, and political problems of national interest and concern.

As proof of the dangerous character of this meeting and of others which you imagine are being planned and engineered by what you call the influence of bankers and Wall Street, you cited the personnel of the committee on program and arrangements, which, according to your description, consisted of 10 economists, college presidents or professors, one Assistant Secretary of the Treasury, the president of the Chamber of Commerce of New York, a lawyer and former Postmaster General of the United States, the governor of the Federal Reserve Bank of New York, a Congressman from New York, a journalist, a retired banker, three bankers [Mr. Lamont, Mr. Catchings, and Mr. Warburg], "and a son of another financier," George W. Perkins, jr. You sum up your comment on these persons by saying:

"It seems to me * * * that anyone who had given any serious study to economic conditions in this country would find no hesitancy in reaching the conclusion that this committee on program and arrangements—with the possible exception of a few who might be mingled in for 'trimmings'—is constituted of minds entirely in accordance with the banking interests. Any program arranged by this committee for the discussion of the money problem would naturally be arranged with a viewpoint of developing the ideas of the big bankers."

If that conclusion is justified, it is very strange that none of the three bankers you mention took any part themselves in the program of this meeting.

You then single out for special comment the program of one session of the meeting presided over by Prof. Edwin R. A. Seligman, the program of which you cite in full, as follows:

"1. Introductory address of the presiding officer.

"2. Agricultural financing. Eugene Meyer, jr., managing director War Finance Corporation, Washington, D. C. SYDNEY ANDERSON, Congressman from Minnesota, chairman Joint Commission on Agricultural Inquiry.

"3. Fall in agricultural prices, causes and remedies. George E. Roberts, vice president National City Bank, New York City.

"4. Should the farmer have additional credits to enable him to hold his crops for better prices? Jesse E. Pope, Washington, D. C.

"5. Discussion. Thomas P. Gore, former United States Senator from Oklahoma."

You state that you are "heartened that the name of former Senator Gore appears" and "to learn that the farmers will have a friend in court * * * because of his presence."

It would not seem that any fair-minded person should find cause for alarm in that program with such a background. I am, therefore, prompted to ask myself what was the real reason for your warning to the Senate and your lengthy address at an unusually busy time in the Senate, devoted to what is obviously a phantom of your imagination. It can hardly be accounted for by lack of information nor as a willful attempt to deceive. The proceedings of the meeting will be published in full, as is customary, and, in fact, are now in press. That volume will best answer the insinuations which you so unjustly make concerning the program and the men connected with it. It will include speeches of some men like Prof. Irving Fisher, who discussed the theory of "the stabilized dollar," with which most bankers are wholly in disagreement. You may be interested to know that Henry Ford was invited to speak at this meeting or to send a representative of the staff of the Dearborn Independent, in order that his views of the money problem should be authoritatively presented for consideration. From the whole trend of your speech I am led to assume—but would be glad to be corrected if I am mistaken—that you are in sympathy with Mr. Ford's theory that the solution of agricultural financing is to be found in the issue of "soft" money. In fact, you say in one place:

"I wish to place the farmers on guard at this time that if they are to get any legislation which will be of lasting benefit to them it must be on a basis of real money. No system of loaning of bank credits or rural credits, or whatever alluring name that will be offered, will serve to do anything else than to push the farmer into the quagmire of debt."

Following the usual methods of the Dearborn Independent you begin an attack upon Paul M. Warburg and Eugene Meyer, jr., in an attempt to show that the work that both of these gentlemen have done as servants of the public has been done or is being done in the interests of Wall Street by misstatement of facts, insinuations, and fallacious reasoning based on assumed false premises. You introduce Mr. Warburg as "a prince of the house of Kuhn, Loeb & Co., another money-trust firm of international bankers. It is asserted Warburg is the father of the present financial system known as the Federal reserve system. He is the gentleman who devised the trap into which was led the entire American Nation," and so forth. You may know, because it is a matter of public record, that Mr. Warburg left the firm of Kuhn, Loeb & Co. eight years ago when he entered the Federal Reserve Board.

I am informed that he has had no connection or interest in Kuhn, Loeb & Co. since he withdrew from it in 1914. You may also know that he left the Federal Reserve Board in 1918, and has devoted himself for a year and a half to the development of an acceptance corporation. He had urged the creation of corporations of this type for many years as essential to the development of our foreign trade and our discount market, and the chief function of such a corporation is to facilitate the transportation of American farm products to foreign countries. You know, of course, how easy it is to awaken the farmer's suspicion and antagonism by reference to Wall Street, and so you have rehashed the threadbare tale of the wicked Money Trust and the international bankers, headed by J. P. Morgan & Co. and Kuhn, Loeb & Co., and have not hesitated, untruthfully, to associate Mr. Warburg's name with the latter in order to discredit him with the farmer and also to fan the farmer's distrust of the Federal reserve system and of banks in general.

It is useless to answer your attack on the Federal reserve system when you reiterate arguments so often contradicted that the collapse of prices for agricultural products is due to operation of the Federal reserve system. How often has it been pointed out that the prices for farm products rose and fell simultaneously in all markets of the world? Canadian and Argentine wheat, not subject to the policies of the Federal Reserve Board, fell in price at the same time as American wheat. All began to decline long before the Federal reserve system began to contract its loans. I think the American farmer is beginning to see that he is suffering chiefly from the crippling of European markets which can not absorb our surplus and from a maladjustment of wages. All the credits in the world can not permanently boost prices unless the purchasing power of the world is restored. If it had not been for the protection afforded by the Federal reserve system both business men and farmers of the United States would have been exposed to far greater suffering. Our quick return to the gold standard and the placing of business on a solid basis in which the forces of supply and demand are working unhampered, while Europe is still in the throes of violent economic disturbance, is largely due, in my judgment, to the excellent functioning of the Federal reserve system. It is also true that the bulk of complaints concerning lack of credit comes from sections of the country served by country banks unwilling or unable to make use of the Federal reserve system.

To the best of my knowledge Mr. Warburg has never claimed to be the "father of the Federal reserve system." Together with many others, he has contributed his share in its creation, and he has every reason to be proud of it. I am told, however, that he may lay claim to a more exclusive right of authorship when it comes to the War Finance Corporation, which, it is said, was substantially his creation. Shortly after the armistice, and after he had left the Federal Reserve Board, in a speech before the United States Chamber of Commerce in November, 1918, he was one of the first to advise the conversion of the War Finance Corporation into a peace finance corporation. Not all the banks were in sympathy with the organization of the War Finance Corporation and most of them opposed very openly and strenuously the continuation of its operations after the conclusion of the peace. Whether they were right or wrong, the fact remains that it was an instrument of Mr. Warburg's creation under Mr. Meyer's active operation, which has rendered substantial aid to the farmers during a period of acute distress, and the farmers have expressed themselves as highly appreciative of this.

One of the outstanding progressive moves made by the farmers has been the development of cooperative selling of agricultural products, and in this Aaron Sapiro is said to have been one of their most helpful advisers. The banks are not at all unanimous in support of this idea; indeed, there is a good deal of skepticism and distrust with regard to the scheme. You go out of your way to stigmatize Mr. Meyer—"another Wall Street manipulator"—and Mr. Sapiro—who took no part in our academy meeting—as men of whom the farmer should beware because they might be instrumental in delivering control of these cooperatives to the banks. "Forbid the time may ever come when the unseen hand of Wall Street or any special group of financiers has the control of organized farmers in their grasp. If such come true, then their organization will prove a boomerang to come back and strike, a viper to curse and wound them in their adversity."

I have gone into these details at such length because, unless you were talking in amazing ignorance, an analysis of your arguments leads to the conclusion that in attacking these three men you could not honestly have singled them out because they represented the banks, nor that you could have attacked the program committee because you really believed that it formed the background for some dastardly attempt to be made on the farmers by the bankers. It seems more logical to suppose you desired to attack three men whom the Dearborn Independent would single out as representatives of what it calls "international finance" of the Hebrew faith. I am writing this letter in order to put the question point-blank to you, so that you may answer it and so that the Senate that you addressed and the farmers for whose benefit—or misguidance—your speech was made should not be left in any doubt as to what you really meant. Are you a proponent of Mr. Ford's theory that strives to supplant interest charges by the issue of "soft" money, and do you think that the country is best to be served by attacks on men of the Jewish faith, when such attacks are based entirely on the propagation of malicious lies?

In your future speeches if you should wish to draw on the Dearborn Independent for the statement of facts, let me warn you in advance that it is a good source of reference for willful or negligent misstatements. Let me give you only two illustrations so that you may have no doubt as to the correctness of my statement. The Dearborn Independent told the farmers that Paul Warburg took part in the peace negotiations at Versailles on the American side, while his brother was a representative on the German side. This is an absolute lie. Paul Warburg did not go to Europe during the war, and not until long after the conclusion of the treaty of Versailles. In a similar manner the Dearborn Independent, in order to prove its thesis of the danger of the world domination to be exercised by the Jews, has stated to its innocent readers that Millerand, Kerensky, and many similar prominent Gentiles are Jews.

I am frank to admit that I am using this opportunity of stating these facts to you because, I hope that in doing so some of those may be reached whose minds have been willfully poisoned

by the Dearborn Independent and also because I think that men in Congress should be warned to watch and fight attempts of this sort to stir up class and race prejudice. If I should be mistaken in my assumption and should you disapprove of the policies of the Dearborn Independent as much as I do, nothing would give me greater pleasure than to have you state this on the floor of the Senate.

Inasmuch as your speech, with its unfair interpretation and incorrect statements concerning the purposes and character of our academy meeting has been given wide publication in the columns of the CONGRESSIONAL RECORD and has been reprinted elsewhere, as I note in the columns of the Call Magazine (New York Call, December 17, 1922), I am giving copies of the letter in reply to the press, and you are at liberty to publish it in the CONGRESSIONAL RECORD if you wish to bring it to the attention of the Senate in the same manner as you raised a voice of warning.

Yours truly, SAMUEL MCCUNE LINDSAY.

—

[From the Washington (D. C.) Star, Monday, January 15, 1923.]

CHARGES SENATOR LADD BACKS "FORD THEORIES"—REPLY TO SPEECH AGAINST FARM-CREDIT LEGISLATION BASED ON FEDERAL RESERVE SYSTEM.

NEW YORK, January 15.—Replying to a speech in the Senate last November by Senator LADD, Republican (North Dakota), in which he warned against any farm-credit legislation based on the Federal reserve system and favored by the large banking interests, President Samuel McCune Lindsay, of the New York Academy of Political Science, suggested in an open letter to the Senator that the latter's alarm was occasioned evidently by his "sympathy with Henry Ford's 'soft' money theories" and his adoption of Mr. Ford's "unwarranted attacks" on international bankers of the Hebrew faith.

Pointing out that Senator LADD referred to the program of the annual meeting of the academy, then about to take place, which provided discussion of agricultural financing among other things, Mr. Lindsay said:

"As a scientist, teacher, educator, former college president, and editor, you might be supposed to be better informed as to the purposes and impartial scientific character of meetings like those of the academy and also to know that no resolutions or recommendations are made at such meetings, neither do they lend themselves to propaganda of any kind, but have for their sole purpose untrammeled public discussion looking to the enlightenment and education of public opinion on economic, social, and political problems of national interest and concern."

—

REPLY TO PROFESSOR LINDSAY.

MY DEAR PROFESSOR LINDSAY: In response to your very interesting communication of the 10th instant, wherein you take issue with a certain speech delivered by me in the Senate on November 22, 1922, in which I took occasion to point out to the Senate and the country a certain conference called by the Academy of Political Science in the city of New York for the purpose of considering "The money problem," and in which I also discussed certain of the problems facing the farming interests of this country, I make this hasty reply in order that you may clearly understand that I take great pleasure in replying to you. It is quite interesting to note that it took you two months to prepare and post your letter of exceptions to my speech. Also I might note that it seems a strange coincidence that at about the same time I received other communications from other parties relative to the same matter and couched in somewhat the same vein of argument. But, of course, my dear Professor, it is a mere coincidence, and I do not mean to imply that you have been in conference with anyone relative to the subject matter of your communication. In the due course of events I would expect it to take about two months for the big banking groups of this country to formulate a reply to the speech about which you seem to be so unnecessarily sensitive. If you do not choose to drag our correspondence, it might be that we can develop a very profitable discussion for the American people. Due to the press of other official matters, I regret that I am compelled to make a limited reply to you at this time.

You seem to be interested as to the manner in which I have reached some of my conclusions. I will say that when I commenced my study of the money question I approached the study with no view of proving any particular theory or advocating any special cause. My single purpose was to find out where the trouble lay. I wanted to know what was fundamentally wrong. I had no ax to grind and no pet theories to defend; I simply wanted the truth.

Shortly after my election to the United States Senate, and before coming to Washington to take the oath of office, I was casting about trying to ascertain the causes that were responsible for the economic conditions that have played such havoc to the agricultural interests of this country. First, I started out with the idea that our transportation facilities were largely responsible for our troubles. With that in view, I made several trips to different points in the country in order that I might study the situation in detail. I did not follow that lead very long before I became convinced that I was on the wrong track, and that the banking system of the country was, more than any other factor, responsible for the situation in which we now find ourselves—a condition in which the agricultural interests of the greatest Nation on earth are almost reduced to a state of peasantry while certain banks are piling up untold wealth.

Acting upon my convictions, I arranged for conferences with representative bankers in the Twin Cities and in Chicago for the purpose of canvassing the situation. From the standpoint of a layman, I prepared a series of questions that I wanted to ask the bankers, which questions—being honestly answered—might throw light upon the situation. Before I had finished talking with the bankers of the above-mentioned cities my suspicions had become verified, and from that time on I have felt that I was following the right lead.

After coming to Washington I continued to investigate and study the money and banking problem and am now fully convinced that our financial system, and especially as it has been administered, is at the bottom of the major portion of our troubles. In order to bring the question squarely before the public I introduced a bill bearing on the subject early in the special session of the Sixty-seventh Congress. It is Senate bill 2604. I am somewhat surprised that you have not known my position on the matter since my bill has been before the Senate for so long a period, and since that is so do you not think it is either a confession of ignorance on your part or a matter of presumption to seek to define my position on the question as other than the record shows it to be? I have made several speeches on the subject, and I do not see how they have escaped the attention of one who claims to be so thorough in his study of current issues and economic questions. I might add, the bill is still before the Banking and Currency Committee of the Senate.

Shortly after the bill was introduced I noticed through press reports that the President of the National City Bank of New York was becoming somewhat alarmed with regard to the possibility of legislation of that kind. In an address before the Chamber of Commerce in Boston, Mass., he referred to the legislation and appealed to members of the chamber of commerce to use their influence to counteract any movement along the line indicated in the bill. His position was simply another confirmation of the fact that I was on the right track. Incidentally, he mentioned the names of Mr. Ford and Mr. Edison in connection with the same subject. I think this was the first time I ever knew that Mr. Ford was interested in the money question.

Since that time I have noticed a great many statements in regard to Mr. Ford's position on the money question, but I have not seen where he himself has taken any definite stand as to a complete monetary system for the United States. Therefore it is impossible to answer your question as to whether or not I am in sympathy with Mr. Ford's theory. I do not know what his theory is. I understand he is in favor of the abolition of the present false gold-basis standard, with that I am in thorough accord. As to the clever reference to "soft" money we will pay a little more attention. It occurs to me that a great many people are trying to define Mr. Ford's position for him, just as you evidently tried to do with me in your letter to me, but I am more interested in knowing just what Mr. Ford's position is rather than what you or anyone else say it to be. There can be but little doubt that Mr. Ford has caused a great deal of worry in the camps of special privilege and predatory interests. It would seem to me that his success should recommend his methods to other industrial leaders instead of a constant attempt from all sources at their command to destroy him. Since you choose to line yourself up with those who would destroy him, it is no concern of mine, and is really a matter of small moment. You attempt to prove to me the fairness of your organization in dealing with your recent discussion of the money problem and seek to leave the impression with me that the conference was for the purpose of developing information and learn something of the problem, and you cite the fact that Mr. Ford was invited to join in the discussion, yet in the same remarkable document you declare, in effect, that Ford is all wrong and you attempt to ridicule him. Indeed, it seems that Mr. Ford showed rare wisdom in refusing to come before a jury stacked against him. Had he come I suppose you would hold him up to the public as an

illustration of your "broadmindness," just as you sought consolation in the statement relative to Prof. Irving Fisher, although I am at a loss to understand just what satisfaction you get out of his connection with the conference.

My speech called for no criticism from you, or anyone else, relative to the racial or religious issue. My criticism of Mr. Warburg and others was a criticism of their acts and connections, and without thought of race. You evidently would like to sidetrack the issue to a question of race and religion. I have found that to be one of the favorite weapons of those who dare not face the real issue. I want you to distinctly understand that I have treated the money problem and the problems of the farmer with a view of the economic issues involved and without reference to race or creed. You, the international bankers, or any of the representatives of their system, will not sidetrack me upon a racial or religious issue, no matter how fascinating it may be to you. I want it fully and definitely understood that you are the gentleman who has raised this question, apparently as a subterfuge for lack of argument, and it is to your everlasting discredit and to the discredit of your organization that you should resort to such methods. I do not wish to appear harsh, but I do want you to understand, my dear Professor, that since you have attempted to raise this issue, which can be for no other purpose than beclouding the real issue, you must bear the responsibility for it. As for your defense of Mr. Warburg, Mr. Meyer, and others, I will have more to say. It matters not to me whether they are Warburgs or Morgans, whenever I feel that their policies and actions are detrimental to the American people I expect to voice my protest and do not propose to be scared off by any bugaboo of a subterfuge argument. Since receiving your communication I have had on my desk several of the back numbers of the publications of your society. I am absolutely unable to agree with you that you do not indulge in propaganda. You warn me against depending upon the Dearborn Independent for my facts. I have never yet done so. But your letter also caused me to look over some of the back numbers of that publication, and I am quite free to admit that it strikes me as being an authority of less prejudice, and of more sound facts than the publications of your society.

You seem to be worried about the statement relative to Mr. Warburg's connection with the Federal reserve system.

I wish to quote the introduction to one of the publications of your organization—the same being a compilation of Mr. Warburg's "Essays on banking reform in the United States." The introduction was written by your noted friend, Prof. Edwin R. A. Seligman, and I feel sure you will accept him as an authority. It is as follows:

"The essays which are here collected and published in book form not only are valuable in themselves, but form a landmark in the history of American contributions to the banking problem. It is in a general way known to the public that Mr. Warburg was in some way connected with the passage of the Federal reserve act, and his appointment to his present responsible position on the Federal Reserve Board was acclaimed on all sides with a rare degree of approval and congratulation; but I fancy that it is known only to a very few exactly how great is the indebtedness of the United States to Mr. Warburg. For it may be stated without fear of contradiction that in its fundamental features the Federal reserve act is the work of Mr. Warburg more than of any other man in the country.

"Up to a very few years ago, virtually all the efforts of the banking reformers in this country were directed to securing what was called elasticity of the currency through the abolition of the bond reserve for bank-note circulation. Neither the report of the Indianapolis monetary conference nor the schemes of the committee of the New York Chamber of Commerce a decade later attempted to do anything more than that; and no single plan seemed to approve itself to the country. The two new ideas which were injected into the discussion by Mr. Warburg were, first, the shifting of the emphasis from the currency problem to the reserve problem, and, second, the advocacy of the principle of rediscounting a new kind of commercial paper.

"The first point is fully explained in the essay on the United States Reserve Bank of the United States. Mr. Warburg recalled to our mind what had been forgotten by most of us, that the real pith of modern banking is the question of the reserve, and that the essential weakness of the American system was the extreme decentralization of resources, resulting in the time of stress or trouble in every individual bank attempting to secure its own solvency in disregard either of the welfare of other banks or of the needs of the business community. In essay after essay Mr. Warburg hammered on this one idea until he got it firmly fixed in the opinion, first of the experts and then of the general public. Without some method of combining the scattered resources of the individual banks it was clear that no essential progress could be made.

"The second point was equally new to the American public, although, like the first, it was a familiar achievement of modern banking reform abroad. Mr. Warburg pointed out that the absence of proper two-name commercial paper and the nonexistence of any central bank or banks at which such paper could be instantly rediscounted for cash, compelled the banks either to invest their money in illiquid securities or to loan the funds on the stock exchange, thus producing the remarkable variations in the money rate and bringing about the periodical stringency in the money market.

"After his lucid exposition of what might be accomplished by a rediscounting and thus introducing into the United States the so-called discount policy of European countries, it was gradually realized that this was the second essential feature of banking reform.

"Mr. Warburg also called attention to the advantages of a new currency not based upon the deposit of Government bonds, but he made it clear that this reform, which was the sole objective of all previous schemes, was of only minor importance and that it would follow as a necessary consequence from the adoption of the two fundamental points mentioned above. These two principles form the real backbone of the new Federal reserve law. When the Aldrich commission was appointed it was not long before Senator Aldrich—to his credit be it said—was won over by Mr. Warburg to the adoption of these two fundamental features. The Aldrich bill differed in some important particulars from the present law. It went further in the direction of centralization and it involved less control by the Government of banking operations. The new act is in some details superior to the Aldrich bill; in others inferior. The concession in the shape of the 12 regional reserve banks that had to be made for political reasons is, in the opinion of Mr. Warburg, as well as of the writer of this introduction, a mistake, for it will probably, to some extent at least, weaken the good results which would otherwise have followed. On the other hand, the existence of the Federal Reserve Board creates in everything but in name a real central bank, and it depends largely upon the wisdom with which the board exercises its great powers as to whether we shall be able to secure most of the advantages of a central bank without any of its dangers.

"In many minor respects also the Federal reserve act differs from the Aldrich bill, but in the two fundamentals of combined reserves and of a discount policy the Federal reserve act has frankly accepted the principles of the Aldrich bill, and these principles, as has been stated, were the creation of Mr. Warburg and of Mr. Warburg alone.

"It is this fact which gives especial interest to the present collection of essays which are printed just as they were originally published and which show the gradual development in unimportant points of Mr. Warburg's thought. In weighing the merits of these essays it must not be forgotten that Mr. Warburg had a practical object in view. In formulating his plans and in advancing slightly varying suggestions from time to time it was incumbent on him continually to remember that the education of the country must be gradual and that a large part of the task was to break down prejudices and remove suspicions. His plans therefore contain all sorts of elaborate suggestions designed to guard the public against fancied dangers and to persuade the country that the general scheme was at all practicable. It was the hope of Mr. Warburg that with the lapse of time it may be possible to eliminate from the law not a few clauses which were inserted, largely at his suggestion, for educational purposes.

"As it was my privilege to say to President Wilson when originally urging the appointment of Mr. Warburg on the Federal Reserve Board, at a time when the political prejudice against New York bankers ran very high, England also, three-quarters of a century ago, had a practical banker who was virtually responsible for the ideas contained in Peel's bank act of 1840. Mr. Samuel Jones Lloyd was honored as a consequence by the British Government and was made Lord Overstone. The United States was equally fortunate in having with it a Lord Overstone. And while it is not the custom for America to confer peerages upon its distinguished citizens it is fortunately beginning to become the practice to induce them to accept positions of great public responsibility in which they can at once serve the community and honor themselves.

"It is my special pleasure to be able to write these few words of introduction because it was in my study that Mr. Warburg first conceived the idea of presenting his views to the public. When he began to chat familiarly on the subject he at once impressed his listeners by the importance and novelty of his views. His modesty and his shrinking from public

controversy were so pronounced that it was only with the greatest difficulty that he was persuaded to put his ideas on paper. But having once set out on the task, there was no stopping, and from year to year essay upon essay flowed from his facile pen, giving more precision and point to his fundamental principles, until he was recognized as the real leader in the new movement. The Federal reserve act will be associated in history with the name of Paul M. Warburg, and the Academy of Political Science deem it a rare privilege to be able to present to the public this volume of his collected essays."

It seems to me that this should satisfy you on this point. However, evidence is cumulative. Professor Seligman apparently made every claim he could for Mr. Warburg without offending the sensibilities of those who thought they had some real part in developing the fundamentals of our present currency system.

It is worthy of note, however, that Mr. Warburg, in testifying before a Senate committee on his nomination to the Federal Reserve Board, said that "I have had the success which comes to few people, of starting an idea and starting it so that the whole country has taken it up, and it has taken some tangible form."

It is also worthy of note that in that same hearing Mr. Warburg refused repeatedly to give the committee any information concerning the affairs of his partners, but did testify that different members of his firm supported all three candidates for the Presidency—Wilson, Taft, and Roosevelt. Did that not strike you as being a policy of "safety first."

A BANKERS' TRUST.

Referring to my criticism of certain bankers you state "If that conclusion is justified, it is very strange that none of the three bankers you mention took any part themselves in the program of this meeting."

It is not "strange that none of the three bankers mentioned took any part themselves in the program of this meeting." International bankers have never been known to come out personally and tell the people their real plans or ulterior purposes, and as a rule act through agents and mercenaries, hoping to avoid personal responsibility.

You also state, "You know, of course, how easy it is to awaken the farmers' suspicion and antagonism by reference to Wall Street, and so you rehashed the threadbare tale of the wicked Money Trust and the international bankers, headed by J. P. Morgan & Co., Kuhn, Loeb & Co., and have not hesitated, untruthfully, to associate Mr. Warburg's name with the latter in order to discredit him with the farmer and also to fan the farmer's distrust of the Federal reserve system and of banks in general."

Professor, you have evidently overlooked the fact that a committee, appointed by the Congress of the United States, found that a Money Trust did exist, controlling the money and credits of the United States, composed of the following banks: J. P. Morgan & Co., Kuhn, Loeb & Co., the First National Bank, the National City Bank, all of New York; and Lee Higginson & Co., of Boston and New York; and Kidder, Peabody & Co., Boston and New York. You have also overlooked the fact that Paul M. Warburg was one of the principal members of the firm of Kuhn, Loeb & Co. at this time.

In your anxiety to defend Paul M. Warburg and Eugene Meyer, jr., and the fraudulent gold basis Federal reserve system, you make a gratuitous attack upon Henry Ford, saying that Mr. Ford has "a theory that the solution of agricultural financing is to be found in the issue of 'soft' money." I know of no such statement being made by Mr. Ford, but since you have used the term "soft money" I should like you to explain what you mean by "soft money."

The time for "soft concealments" on the money question has passed. International bankers will have to face the issue of real money against false money. Will you answer the following questions?

Do you believe in real money; that is, lawful money issued by the Government of the United States? Or do you believe in false money, bank credits, created and loaned by banking corporations for their private gain?

A frank answer will show whether you stand on the side of the banks or the side of the people.

QUICK RESULTS.

I notice your statement, "Our quick return to the gold standard and the placing of business on a solid basis, in which the forces of supply and demand are working unhampered." Professor, it would seem that you and your organization have not realized that over 90 per cent of the debts placed upon the resources and people of the different countries of the world have been created by banks and banking corporations creating debts by the loaning of a bank created and bank controlled false and fictitious substitute for lawful money; called in Europe "money of account," and in this country "bank credits," which means money having no existence, and represented only by credit and debit figures on the books of banks.

It would seem that you gentlemen are looking so hard at the gold fly on the barn that you fail to see the barn of "bank credits," and that gold is the fly in the ointment of civilization.

You do not seem to realize the fact that the value of the dollar, or money, is not in the gold but in the purchasing power of the dollar.

Irving Fisher, professor of political economy at Yale University, whom you mentioned, after teaching for many years that gold was the standard of value and "that 25.8 grains of gold fixes the purchasing power of the dollar," has made the following admission: "In fact, I am very strongly of the opinion, based on considerable study, that the present high cost of living is largely ascribed to this check inflation, which is going on all over the world. They are increasing daily all over the world. I believe the rise in price is about half due to that alone. I am very glad you mentioned that, Senator, because, while I think the expansibility and contractibility of the currency, of the money, is important, the expansibility and contractibility of the 'credit' is the much more important."

To refresh your memory and to prove that the dollar and not the 25.8 grains of gold is the unit of value, I will quote from the law that established the dollar as the money unit of value in the United States, passed by Congress April 2, 1792, section 9: "Eagle, each to be of the value of $10 or units; half dollars, each to be of half the value of the dollar or unit.

"*And be it further enacted*, That the money of account of the United States shall be expressed in dollars or units, dimes or tenths, cents or hundreds, mills or thousands. A dime being the tenth part of a dollar, a mill a thousandth part of a dollar, and that all accounts in the United States shall be kept and had in conformity to this regulation."

This act establishes $1 as the legal unit of value in the United States, and says that when gold is coined into a dollar, or money unit, it shall contain 25.8 grains of gold, and that this gold shall be weighed according to the standard used at the mint for weighing gold before being coined into money units or dollars.

There is only one standard of value in a money system, and it has been fully recognized by all honest and reliable authorities on money. Plainly stated, the standard of value in a money system is regulated by the number of dollars, or money units, in circulation in the monetary system of the country issuing them. "The value of money in any one country is the present quantity of the current money in that country in proportion to present trade."

Your expression "Our quick return to the gold standard" is erroneous, as there is no such thing as a gold standard; you evidently meant our quick return to the gold basis of our money system, which enables banks, under the pretext of protecting their gold reserves, to limit the supply of money in actual circulation and say how much or how little credit the people shall have. This puts our money system absolutely in control of international bankers and banking corporations.

Gov. W. P. G. Harding, of the Federal Reserve Board, exercised this infamous power and plainly stated to the representatives of the farmers that he could do nothing to help agriculture, because the gold reserve had fallen to 40 per cent and that he had to protect it as provided in the Federal reserve act. This meant that deflation had to go on to protect this fraudulent gold basis of our present money system. In other words, about $8,000,000,000 in the value of farm products had to be destroyed; yea, more than this, the entire legitimate business of over a hundred million people had to be paralyzed, followed by bankruptcy and ruin, to protect this fraudulent gold basis Federal reserve system.

You refer to Europe still being in the throes of violent economic disturbance. These disturbances are due to the efforts of international bankers to put Europe back on the fraudulent gold basis and protect the billions of debts that have been dishonestly created upon the people of Europe by the loaning of bank credits, a fictitious substitute for money.

The best way for the United States to help Europe is to establish an honest money system, as provided in the Constitution of the United States, and call upon the people of Europe to follow our example.

SERVANTS OF THE PUBLIC.

You speak of Mr. Warburg and Mr. Meyer as "servants of the public." Mr. Warburg admits that he started his public work for financial reform in this country in 1906, and admits

that he did not become an American citizen until 1911, filing his first papers in 1908. That fact does not seem to me to be consistent with your testimony of his great public-spirited Americanism. It was officially found that since Mr. Warburg became a member of Kuhn, Loeb & Co. in 1902, up until 1912, that Kuhn, Loeb & Co. acquired an interest in 23 banks and trust companies, in addition to what they already held. Was Mr. Warburg engaged in great public service when he was engaged in this amalgamation, or was he after the dollar and its power? Was he engaged in great public service when the Pujo committee found his firm to be one of those that constituted the Money Trust? The elections of 1910, 1912, 1918, and 1920 did not seem to indicate that the people held the situation as lightly as you seem to when you speak of "the threadbare tale of the wicked Money Trust." The elections of 1922 should also bear some message to those who persist in those same kind of policies.

You deplore any effort to "fan the farmer's distrust." You economists, theorists, and bankers have held the financial destiny of this Nation in your hands for over half a century. To where have you led the farmer? Since the inauguration of the Federal reserve system in 1914 the mortgage indebtedness of the farmers in this country has increased over 25 per cent, and the farmers are less able to pay a debt to-day than they were in 1914; on the other hand, the assets of the banks have increased in an amount in excess of our war indebtedness. Do you not think it time that the farmer begins to look with suspicion upon his "financial saviors"? If that is the kind of help you propose for the farmer, it is high time that some one "fan his distrust."

How do you account for the increasing prosperity of the banks, prosperity on such a large scale, while at the same time, under the same law, the farmer is consistently going into debt and now faces a condition where papers all over the country are carrying full-page advertisements of notices of foreclosures on farm property? Even now the authorities on the Federal reserve act are admitting that it was not framed to meet the needs of the farmers, and there are even those who decry any amendment the purpose of which is to meet the needs of the farmers. Do you believe in denying him on every hand? What have you offered him that is constructive? Yet you seem to think that instead of warning him against his enemies that we should lull him into security.

For fear that you may think I am ignoring it, I will state that I do not agree with your conclusions that the War Finance Corporation has been such a tremendous aid to the farmer. I am glad to get your admission, however, that it is the creature of Mr. Warburg. Some time I hope to give that organization a full discussion, and think that I will be able to show that primarily it has been operating for the benefit of the banks. Neither do I agree with your conclusions about the little State banks. It is a great pity that all of our banking institutions are not imbued with the same spirit of service as are these little State banks.

As evidence of Mr. Warburg's continued interest in the Federal Reserve Board, I refer you to the Manufacturers' Record for January 4, 1923.

If you have any doubts about the connections of certain financiers and about the present existence of a Money Trust, I invite your attention to a resolution introduced by Representative SINCLAIR, of North Dakota, which proposes and investigation of that very question. If the bankers feel that they have been maligned, why do they not get behind the passage of this resolution, instead of being content that it slumber in the committee?

Can it be possible, Professor Lindsay, that you have again been looking through the colored glasses until your vision has become more distorted than when you appeared before the Lockwood committee in the interests of the New York landlords, maintaining there was no serious housing problem in New York? Certainly as a propagandist you are now rendering greater service to Wall Street bankers and financiers than was given the landlords, for which propaganda they should give you a far more substantial retainer than that alleged to have been allowed by the landlords.

I assure you, my dear professor, I should not have made any reference to propaganda had you not sought by implication at least to indicate that I had, "as a scientist, teacher, educator, former college president, and editor," deserted my former high standard to employ propaganda.

You may criticize my humble effort in behalf of the farmers as bad propaganda and myself as a disciple of worthy men who, like both of us, from time to time may be misguided by well-greased and insidious propaganda where we had least expected it.

[From the Manufacturers' Record, January 4, 1923.]

PROPAGANDA OF NEW YORK BANKING INTERESTS TO CONTROL APPOINTMENT OF NEW GOVERNOR OF FEDERAL RESERVE BOARD.

On December 15 the presidents of some national banks in the South, possibly most of the leading ones and probably others throughout the Union, received the following telegram, incorporated in a letter asking them please to take action along the line suggested:

(Copy.)

"Have received following telegram from Mr. Paul Warburg, which I most heartily indorse, and hope you will act accordingly:

"'Saw Harding here yesterday, who stated to me that in view of congressional situation we must consider his name as definitely eliminated. Under these circumstances think it is most important that letters or telegrams be sent to Mr. Mellon, or possibly to the President, urging the vital importance of appointing to the board and to the governorship a man who would have the confidence of the people as being conversant with and trained in the handling of large banking affairs. A man of independence and strength is an absolute necessity unless the confidence in the system and its integrity is to be entirely destroyed. There is growing alarm concerning this amongst all business men and bankers, and I think the Secretary, and possibly also the President, ought to be immediately advised as to this. I suggest that you send telegrams yourself as chairman of the council on these lines, and also communicate with the other council members to take prompt steps in their districts.'"

The council referred to in this telegram is the advisory council of the Federal Reserve Board. To any man of intelligence the telegram explains itself. It should be remembered that it was sent by Mr. Paul Warburg, an international banker of New York, and to a southern member of the Federal reserve advisory council. This telegram shows that Mr. Paul Warburg is definitely, continuously, and aggressively attempting to perpetuate his practical domination over the banking situation in the United States as far as that is feasible through the Federal reserve system. It shows that having despaired of landing Mr. W. P. G. Harding to succeed himself as head of the Reserve Board, Mr. Warburg has been endeavoring to obtain some substitute who, if he under Mr. Warburg's influence should be put at the head of the Federal Reserve Board, would naturally be subservient to Mr. Warburg's wishes.

It will be remembered that this Mr. Warburg has a rather interesting history in connection with the Federal Reserve Board. When the reserve board act had been passed the country suddenly became filled with a propaganda emanating apparently from New York, and through New York newspapers, to the effect that the only man in this country who was sufficiently acquainted with international banking affairs to become the governor of the Federal Reserve Board was Mr. Paul Warburg. Mr. Warburg, it may be remembered, had only recently become a citizen. Indeed, he had not been a long resident of this country. He was a brother of the Warburgs, the great banking firm of Germany which was so largely identified with the financing of Germany during the war. It was an amazing proposition that this country in the organization of its great banking system, supposed by the public to be for the purpose of freeing the country from the domination of international banking interests, should select as the first governor of the Federal Reserve Board and the active man in its organization work a former German banker so recently a citizen of this country and so intimately identified with a German banking firm, which for many years has been one of the most conspicuous banking houses of Germany.

When the most amazing propaganda which we have ever seen put forth in behalf of any one man flooded this country in behalf of the nomination of Mr. Warburg, the Manufacturers' Record expressed its astonishment and marveled that the newspapers of this country should so easily fall into the trap of accepting such propaganda. Among the things said of Mr. Warburg, whose citizenship was of such recent origin, was that though he had an income of $500,000 from his interest in the firm of Kuhn, Loeb & Co., he was, out of a spirit of patriotism, willing to give up that princely income and take a salary of $12,000 as a member of the Federal Reserve Board. There are some things that happen in this world that tax credulity and which on the very face one would think would cause newspapers to refuse to swallow such stuff; and yet that statement was published by some American papers. We can not for a moment imagine that Mr. Warburg could have been responsible for putting forth so asinine a statement, and yet it was published and some people believed it.

During Mr. Warburg's term of office in the Federal Reserve Board he was able very largely to shape the operations of that

board. Indeed, the record shows that Mr. Warburg was particularly active in the formation of the Federal reserve act and that from the day of the institution of the Federal reserve system until the present time he has either directly or indirectly been a large factor in controlling its administration.

Mr. Warburg's telegram, sent to a member of the council in order that he might send it broadcast to bankers and urge them to wire or write to the President and Secretary Mellon, is a piece of impertinence to the President and to the country. Perhaps Mr. Warburg had the idea that the public would not know that the letters and telegrams which would be sent to the President and to Secretary Mellon were the outcome of his propaganda, and were worth less than the paper upon which they were written. It was an insult to the President to undertake in this way to create a propaganda in order to give the President an impression that the country was insisting that he should be guided by the views of Mr. Warburg and his associates who had so largely dominated the Federal reserve system. Indeed, it looks as though Mr. Warburg and his friends having found that it was impossible to have Mr. W. P. G. Harding confirmed if renominated, have been seeking to impose upon President Harding. Perhaps they desired to secure some other man who would pose as a patriot willing to sacrifice large financial interests for the sake of public service, whom Mr. Warburg might indeed have put forward to save large and avaricious groups who have thrived, and who doubtless hope to continue to thrive, in manipulating the finances of this country.

The administration of the Federal reserve system is not so much a training in large banking affairs, as Mr. Paul Warburg suggested in his telegram, as it is one of common sense and common honesty. Unquestionably this view has been presented to the President by men who are sincerely interested in stopping the wave of distrust which has manifested itself throughout the country as to the administration of the reserve system in the past few years. Many leading bankers as well as business men everywhere realize that the Federal reserve system is at stake, not for the reasons stated by Mr. Paul Warburg, but because of the mismanagement of that system, now almost universally recognized by the leading economists of this country and Europe as having been responsible for the business chaos of the world.

Mr. Warburg need not worry about "the confidence in the system and its integrity" being destroyed unless he should succeed in naming the governor of the board. That is the one thing that would destroy whatever confidence is left in the system. The public has had all it wants of Warburg control and all it wants of the management of the Federal Reserve Board in the interests of the big international banking houses of New York whose influence over the board has aroused such a storm of protest as to endanger the very existence of the whole system. The W. P. G. Harding régime, following shortly after the control of the board by Paul Warburg, who still is chairman of the Federal reserve advisory council, has well-nigh destroyed all faith that the American people had at the start in a Federal reserve system as a method to relieve the Nation from the domination—and we might say, damnation—of the international banking houses of New York.

We repeat that Mr. Warburg's telegram seeking to have bankers throughout the country write or wire the President is a piece of impertinence and an insult to the President and to the country.

INTEREST RATES OF FEDERAL RESERVE BANKS (S. DOC. NO. 291).

Mr. SMOOT. Mr. President, a communication from the Acting Governor of the Federal Reserve Board, transmitting, pursuant to Senate Resolution 335, information relative to interest charges of Federal reserve banks located in Atlanta, St. Louis, Dallas, and Kansas City, was handed down yesterday and now lies on the table. I ask that it be printed as a public document.

Mr. HEFLIN. Mr. President, I have not had a chance to examine the report. I wrote to the acting governor of the board, telling him what sort of minute detail I wanted him to go into in making the report; that I did not want averages given as to the per cent charges of the banks but I wanted the specific information in each particular instance. I have not had an opportunity to see whether that has been done or not. Of course, that would not interfere with the request made by the Senator from Utah. If the reply is not what I wanted, I can take it up later and require the Federal Reserve Board to obtain the information desired.

Mr. SMOOT. I think the Senator will find it is most complete.

Mr. HEFLIN. Does it give the names of the banks and the rate of interest charged to each bank on loans and discounts?

Mr. SMOOT. It gives the amounts charged but it does not give the names of the banks. I think it would be very unwise to do that. The Senator, I suppose, could get the names of the banks. In fact, if the names of the banks were given in the report submitted here, I think it would cause a panic in the cities in which they were located, so far as the particular banks were concerned. I know the Senator from Alabama does not want to bring on any trouble in any bank, no matter where located in the United States.

Mr. HEFLIN. No; the trouble has already been brought on, and that is what I have been saying here for months, that the financial distress and business disaster were produced by the taking of money out of circulation and calling loans, and also by charging high and oppressive interest rates during the terrible drive of deflation.

Mr. SMOOT. The report will speak for itself. I think it is worthy of publication, and I think the Senate will be very much interested in it.

Mr. HEFLIN. What I was seeking and what I have in mind is that if the report is not as full as I want it to be and does not comply fully with the resolution, I am going to make an effort to have a resolution passed to make the board comply and give all the information that was sought. I am frank to say to the Senator from Utah that I intend to seek to have the money wrongfully collected from various individuals and banks paid back to them.

Since I condemned the unconscionable rates charged to people in Alabama and other States of the South and West in some instances, the interest above 12 per cent has been returned. It ought to be returned in all cases.

Mr. SMOOT. The money has already been paid back to the banks.

Mr. HEFLIN. No. I understand the interest charged above 12 per cent has been paid back in several cases.

Mr. SMOOT. The Senator is wrong again, but I do not want to get into any discussion with him about that now. I ask that the communication may be printed as a public document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it will be printed.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, as chairman of the Council of National Defense, in response to Senate Resolution 399, agreed to January 6, 1923, relative to the number and use of automobiles by the Council of National Defense, which was ordered to lie on the table.

PETITIONS AND MEMORIALS.

Mr. LODGE presented the petition of Michael Cashman, mayor, and sundry citiens of Newburyport, in the State of Massachusetts, praying for the enactment of legislation to admit Armenian refugees to the United States, which was referred to the Committee on Immigration.

Mr. CAPPER presented a resolution of Lodge No. 1212, United Brotherhood of Carpenters and Joiners, of Coffeyville, Kans., protesting against the passage of legislation amending the immigration laws so as to admit foreign labor until the unemployed in the United States secure employment, which was referred to the Committee on Immigration.

Mr. LADD presented the petition of Mrs. Adolph Samuelson and 20 other citizens of Sheyenne, N. Dak., praying for the enactment of legislation reviving the Government Grain Corporation, so as to stabilize the prices of wheat, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by Powers Lake National Farm Loan Association, of Powers Lake; Dunn Center National Farm Loan Association, of Dunn Center; and Central Farm Loan Association, of Dickinson, all in the State of North Dakota, protesting against the passage of the so-called Strong and Norbeck bills amending certain sections of the Federal farm loan act, which were referred to the Committee on Banking and Currency.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4370) granting a pension to Clara Morilon (with accompanying papers); to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 4371) granting a pension to Margaret Hardesty (with accompanying papers);

A bill (S. 4372) granting a pension to Emma J. Berry (with accompanying papers);

A bill (S. 4373) granting a pension to M. L. Ralston (with accompanying papers);

A bill (S. 4374) granting a pension to Albert F. Ponath (with accompanying papers);

A bill (S. 4375) granting an increase of pension to Caroline Bemore (with accompanying papers);

A bill (S. 4376) granting an increase of pension to Harvey C. Myers (with accompanying papers); and

A bill (S. 4377) granting a pension to Jesse Dobyns (with accompanying papers); to the Committee on Pensions.

By Mr. LENROOT:

A bill (S. 4378) granting a pension to Fannie N. Brooks; to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 4379) to amend section 1709 of the Revised Statutes of the United States, as amended; to the Committee on the Judiciary.

By Mr. LENROOT:

A bill (S. 4380) granting a pension to Emma L. Perry; to the Committee on Pensions.

By Mr. WADSWORTH:

A joint resolution (S. J. Res. 271) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

AMENDMENT OF RURAL CREDITS BILL.

Mr. McNARY. I submit at this time an amendment intended to be proposed by me to Senate bill 4280, which is pending. The amendment I submit is on page 10, line 18, to strike out "$250,000" and to insert "$150,000," so as to read:

SEC. 7. That no corporation organized under the provisions of this act shall be permitted to commence business with a paid-up capital of less than $150,000.

I simply submit the amendment at this time and ask that it may lie on the table.

The VICE PRESIDENT. The amendment will lie on the table.

THE MERCHANT MARINE.

Mr. McKELLAR submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, which was ordered to lie on the table and to be printed.

STANDARDS FOR HAMPERS, BASKETS, ETC.

Mr. KING submitted an amendment intended to be proposed by him to the bill (H. R. 7102) to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

AMENDMENTS OF INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. POINDEXTER submitted an amendment providing for the construction of a national archives building in Washington, D. C., on square east 88, including mechanical equipment, and the drafting of plans and specifications, which plans and specifications shall provide for a building not to exceed $2,500,000 in total cost, $500,000 of said sum to be disbursed and the building to be erected under the direction and supervision of the Supervising Architect of the Treasury, intended to be proposed by him to House bill 13696, the independent offices appropriation bill, which was ordered to lie on the table and to be printed.

Mr. McNARY submitted an amendment proposing to appropriate $10,000 to enable the United States Geographic Board to begin the preparation of a gazetteer or dictionary of place names in the United States and Alaska, to comprise the names of mountains, rivers, valleys, canyons, and other natural topographic and relief features, and also the names of all towns, cities, counties, and political divisions, and so forth, intended to be proposed by him to House bill 13696, the inpendent offices appropriation bill, which was ordered to lie on the table and to be printed.

INVESTIGATION OF CROP INSURANCE.

Mr. McNARY submitted the following resolution (S. Res. 413), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the time for making report required of the committee appointed under Senate Resolution 341, agreed to September 9, 1922, is hereby extended to January 1, 1924.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

S. 3177. An act declaring a portion of the West Fork of the South Branch of the Chicago River, Cook County, Ill., to be a nonnavigable stream;

S. 4031. An act to authorize the construction of a bridge across the Little Calumet River, in Cook County, State of Illinois, at or near the village of Riverdale, in said county;

S. 4032. An act granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32, township 31 north, range 13 east of the third principal meridian;

S. 4033. An act granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian;

S. 4069. An act to authorize the construction of a railroad bridge across the Colorado River near Yuma, Ariz.;

S. 4096. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine;

S. 4131. An act granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point about 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak.;

S. 4133. An act granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak.;

S. 4172. An act to authorize the building of a bridge across the Great Peedee River in South Carolina;

H. R. 13559. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes; and

S. J. Res. 258. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

CALL OF THE ROLL.

Mr. HARRISON obtained the floor.

Mr. UNDERWOOD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McKinley	Smoot
Bayard	Hale	McLean	Spencer
Borah	Harreld	McNary	Stanfield
Brookhart	Harris	Moses	Sterling
Calder	Harrison	Nelson	Sutherland
Cameron	Heflin	New	Swanson
Capper	Johnson	Nicholson	Trammell
Colt	Jones, Wash.	Norbeck	Underwood
Couzens	Kellogg	Norris	Wadsworth
Culberson	Kendrick	Oddie	Walsh, Mass.
Curtis	Keyes	Overman	Walsh, Mont.
Dial	King	Owen	Warren
Ernst	Ladd	Pepper	Watson
Fernald	La Follette	Phipps	Weller
Fletcher	Lodge	Reed, Pa.	Williams
France	McCormick	Sheppard	Willis
Frelinghuysen	McCumber	Shields	
George	McKellar	Simmons	

Mr. WILLIS. I wish to announce that my colleague [Mr. POMERENE] is absent on account of illness. I ask that the announcement may stand for the day.

Mr. DIAL. I desire to state that my colleague [Mr. SMITH] is detained on account of illness. I will let this notice continue through the day.

The VICE PRESIDENT. Seventy Senators have answered to their names. A quorum is present.

PROBLEMS RELATING TO REFORESTATION.

Mr. HARRISON. Mr. President, conservation of our natural resources is vital to the life of the Nation. No natural resource is more susceptible to depletion or destruction than is our supply of timber. Within the last half century our forests have been cut with recklessness and magnitude experienced by no other country. Certain sections that once embraced vast, beauti-

ful, and valuable forests have been denuded; other sections, with a supply of timber once thought to be inexhaustible, are being invaded and destroyed without thought of present or future.

It is estimated that five millions of acres of forests in the United States are cut and ten millions of acres are burned annually. It is estimated that in the United States there are 460,000,000 acres of forest lands, and that already 70 per cent of it has been logged of its virgin timber; that 24 per cent contains to-day only a partial and irregular growth of culled timber of useful sizes; 29 per cent has been stripped clean of merchantable products; and that 17½ per cent of our forest area, or an aggregate of 81,000,000 acres, has been stripped of its merchantable timber, burned over, and is lying practically idle, being known as unproductive land.

Sawmills that once operated in the great northern section and in New England found it necessary more than two-score years ago to move their base of operations to the States bordering along the South Atlantic and Gulf coast, and have now found it necessary to remove into the great forests of the far West. At the present rate and the present policy it will be only a few years until the supply of timber in this once wooded country will be exhausted and our home builders and industries will be compelled to go to Siberia or South America for their supply of timber. Under these circumstances the question of the conservation of our forests and of reforestation looms up as one of the big and pressing problems of to-day.

Our Government has done less than any civilized country in the world toward the conservation of our forests and the adoption of a comprehensive and wise policy of reforestation. We have had in the Department of Agriculture a bureau on forest service, and that bureau, with the funds that have been allotted to it, has performed the responsibilities incident to it in a very praiseworthy manner. The situation does not grow out of the fact that the Forest Service has not performed its mission. The trouble is, and has been, that this great Government, rich in its vast natural resources and the ability and ingenuity of its people—a country that has led all others in so many lines and in the development of industries and the broadening of influence and the advancement of civilization—has never adopted, so far as our timber resources are concerned, any fixed policy of conservation and reforestation.

The Forest Service of the Agriculture Department has procured much valuable data with reference to the progress made by other countries in conserving their timber resources; but it has in the most part confined its operations to the administration of our national forests. What this Government must do is to realize the necessity of dealing with this great problem in a large, comprehensive way, and to adopt a policy that will meet the approval of economists, as well as persons who are interested in the timber, and that will appeal to the good sense, justice, and progressive spirit of all the States. It is a question that should appeal to the Federal Government in a larger degree than to any State, because the question of a supply of lumber or timber or wood pulp affects those citizens of the United States who live in sections that were never or may not now be possessed of any forests the same as those who live in the great forest States of the country. It affects the person who reads his newspaper, or builds his home in a city, or the railroad magnates who construct their railroads through the plains of the great Middle West the same as it does the man who might be interested directly in the forest from which the wood pulp, or crossties, or timber, or lumber is cut.

Although it has been demonstrated that through a policy of planting new trees, keeping forest lands free of débris and accumulations, or fire protection, a forest can be maintained through its gradual growth at high value and, at the same time, insure large returns from economic cuttings, there are few States that have given any thought to the matter of legislation, either to protect the forests from fire, or tending toward a policy of reforestation. There is no better time than to-day for the Congress to begin a thorough investigation and study of the many questions involved in this great problem, and to recommend a comprehensive and broad and wise economic policy of conservation and reforestation, so that the National Government can cooperate with the States, and those States in which forests are located can enact uniform laws, so far as the conditions will warrant, toward conserving the timber we have and making possible more in the passing of the years.

The delay thus far has cost the timber owners and the home builders and the lumber users and the American people as a whole billions of dollars. I tremble at the thought that the day may come when we must depend on foreign countries for the lumber to shelter our people and the materials that go into the maintenance and development of our many industries.

The resolution submitted by me some days ago, and which has received the unanimous approval of the committee, will come before the Senate to-day or to-morrow, and I hope that it may receive the unanimous indorsement of this body, so that this great problem may be studied, that the recommendations of any committee appointed under the resolution may be adopted by the Congress, and that a fixed policy upon the part of this Government of conservation and reforestation may be inaugurated.

RURAL MARKETING AND CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4280) to provide credit facilities for the agriculture and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States; and for other purposes.

The VICE PRESIDENT. The pending amendment is the amendment proposed by the Senator from Florida [Mr. TRAMMELL], which will be stated.

The READING CLERK. On page 6, in line 13, after the word "market," it is proposed to strike out the period, insert a comma, and add—

or upon a note secured by a mortgage on real estate, in an amount not exceeding 50 per cent of the value of said real estate.

Mr. TRAMMELL. Mr. President, the amendment submitted by me proposes that mortgages upon real estate in an amount not exceeding 50 per cent of the value thereof shall be acceptable as an additional class of security by the banks created by the pending measure. As stated on yesterday, the bill in its present form, without such an amendment, will restrict the proposed banks to the acceptance of warehouse receipts upon nonperishable products—that is one class—and to the acceptance of chattel mortgages upon live stock which is being fattened for market. Those are the only classes of securities which the banks that are contemplated under the provisions of this measure will be allowed to accept as collateral upon which to make advances to the agricultural interests of the country. I submit that the bill restricts too greatly the character of collateral which may be accepted by the proposed banks.

As stated yesterday, the measure is heralded as one designed to provide financial facilities to assist the agriculturists of this country, and yet there is not a line or a provision in the entire measure which will render any assistance whatever to those engaged in the production of perishable products. I could see some reason for such a discrimination if it were true that those engaged in the production of perishable products could not furnish ample security upon which to obtain advances from the banks contemplated under the proposed system, but such condition does not exist. Those engaged in the growing of fruits and of vegetables, which of course are perishable products, have their real property which is utilized in connection with their operations and which furnishes ample security for advances that might be made to them through this system.

I have proposed that they may give mortgages upon their realty, making the maximum amount not exceeding 50 per cent of the value of such realty, and in that way receive some assistance in carrying on their agricultural industry through the system which is proposed. I can not comprehend why such a plan should meet with opposition. If we shall not adopt a measure of this character, we will leave absolutely without any assistance those who are engaged in the production of fruits and vegetables.

The growing of fruits and vegetables is not a great industry in some States, but in others it is the principal agricultural industry. In my State, for instance, when we refer to agriculture we embrace thousands and thousands of growers engaged in the production of citrus fruits and vegetables. Considerable staple farming is done in Florida. These farmers are deserving of encouragement.

In the northern part of the State, where there is as fine farming lands as are to be found in any of the States, cotton is produced to a considerable extent. This measure, I hope, will assist the cotton growers in that part of the State. It will assist them to the extent, at least, of enabling them to obtain advances when they have produced their cotton and placed it in warehouses and received warehouse receipts for it; but probably 80 or 90 per cent of all those engaged in agriculture within the borders of my State will derive no benefit whatever under the system proposed to be established by the pending bill.

They are precluded entirely; and this will apply in many other States where the production of nonperishables constitutes a very large part of the agricultural industry.

I think the security authorized under my amendment would be just as good security as any that is required under the other provisions of the bill. To authorize a bank to accept security of such a character would in no way impair the stability of the bank, and instead of detracting from the system in localities where they have diversified industries, as in my State and in many other States of the Union, it would help to strengthen and build up the system, because it would bring in a much greater number of those engaged in agricultural pursuits. It would help to develop those industries. Those engaged in the production of nonperishables would cooperate with those engaged in the production of perishables, and a strong, stable institution would be built up; whereas, upon the other hand, if we limited the benefits to furnishing advances upon nonperishable products after they are produced, we probably would have a weak institution.

I have been unable to see, also, why the measure denies the privilege of securing loans to those who are engaged in the production of nonperishables during the period of the planting, the growing, the producing, and the harvesting of those nonperishable products. In some States it takes practically a year to produce a crop. In fact, in some States, referring to staple crops, it is said that it takes 13 months to produce a crop. If the farmer is left during all that period without any financial assistance, he is very greatly hampered in the matter of producing the products to the point of harvesting and depositing them in a warehouse so that he may come under the system proposed by this measure and obtain advances from the banks authorized by the bill.

We say, "We will not assist you financially until after your crops have been harvested and stored in the warehouse." The farmer, unless he is a man of means and has a lot of idle capital, necessarily has to obtain financial assistance during the time that he is growing the crop. If he can not go to what are called the farmers' banks to be created under this measure and obtain advances during that period upon ample security, then necessarily he is forced to go into other financial channels for the purpose of obtaining the money to produce and harvest his crop. Then he would be subjected to the payment of such interest as may be required in financing his crop through other channels; he would be subjected to the greed of the speculator and the buyer who makes advances with a view to purchasing crops, and frequently purchases them while they are in course of production. We would say to him, regardless of his security, that security is not made eligible for an advance through the banks contemplated by this system throughout the entire period of production. Then, we only extend that privilege to him after the crop has been harvested and deposited in the warehouses. Even upon a perishable crop, during a period of more or less financial depression and hardship to the farmer, by the time he reaches the time for marketing his crop he is very largely crippled. He already is probably bound down hand and foot with his financial obligations necessitated in the production of that crop, and we refuse to throw him a lifeline, even at the eleventh hour, under the provisions of this bill.

That is what it amounts to. In many instances it will not be a life line until the eleventh hour has passed, who has been compelled to go through the most trying and distressing time because he has had to finance his entire operations during the period that he is creating the wealth represented in the crops which later on we say we will accept as security. Under the amendment proposed by me, if he has realty, and it is ample security, he will be authorized to go to the bank and get an advance, of course being subjected to the requirements and the regulations of the bank, to assist him in carrying on his operations during the period of production.

I am unable to discern the difference between making an advance during that period and making it after the crop has been harvested and has been placed in the warehouse. Certainly the advance should be authorized when he can furnish ample security.

This is not a question of any gift by the Government to anyone. The Government is not engaged in making charitable donations and contributions to the agricultural interest of our country under this bill. The agricultural interest of this country does not seek any such policy on the part of the Government. The farmer has to pay interest when he gets his loan, and it is contemplated under the provisions of this bill that he shall pay interest at the legal rate required in the State in which he is doing business. He is not given a loan at any less rate of interest than that provided by law for all other banking institutions within the State. So, if we are making him pay for what he gets, and then if we are going to announce that we are enacting legislation to facilitate the financing of the agricultural interest of this country, let us take some action worth while, some action that will really benefit the farmer and assist him in carrying on his agricultural pursuits. We will give him a very small measure of relief if we restrict it to the character of securities authorized and made negotiable under the provisions of this bill; so why not give him an opportunity to get an advance upon his real estate, secured by a mortgage, which constitutes as good security as can possibly be furnished?

On reading the bill, I find that the committee is not so adverse to the idea of mortgages on real estate. Some contention was made here yesterday in opposition to the idea of real-estate mortgages, probably on account—it was so alleged—of the length of time that it would take to foreclose and make collections. The committee, however, did not seem to find that objection in writing a certain clause in the bill on page 8, when they referred to securities given for herds of cattle. We find, in the paragraph to which I am referring on page 8, that it is provided that if the herd of cattle upon which the chattel mortgage is given represents in value an amount equal only to the amount of the loan, additional security can be given in the way of a mortgage upon real estate; so it is recognized already in the provisions of the bill that a mortgage upon realty constitutes at least some character of security that shall be recognized under those circumstances.

I should like to ask, How is a mortgage upon realty to be enforced under those circumstances? If it is to be contended that we should not have a mortgage upon realty on account of the delay in enforcing it, then why should the committee ever have recognized the policy of accepting mortgages upon real estate under any circumstances? The committee has recognized it in the instance of mortgages upon herds of breeding cattle. What I desire is for the Congress to pass some legislation of real help and benefit to the great agricultural interests of the country; and we can do it, in my opinion, without jeopardizing sound financing. We can do it without jeopardizing the interests of the Government in the least. Then why not do it? Why should the Senate try to hedge about this measure so as to give but a very limited degree of relief to our agricultural interest? Why establish a system of banks for the purpose of assisting agriculture, and then so circumscribe that institution with provisions with regard to the character of securities that will be accepted that the banks can not perform their full function and give the relief which should be given to the American farmers?

Take the West, with its great territory engaged in the production of grain. I do not imagine that the farmer of the West is going to feel that Congress has quite measured up to the full demands of his industry when we pass legislation that does not authorize him to use a mortgage upon his farm to secure advances with which to produce his crop. I should like to know why it was that the committee would not give him that opportunity and privilege through this banking system that they claim is for the interest of the agriculture of the United States.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER (Mr. FERNALD in the chair). Does the Senator from Florida yield to the Senator from Connecticut?

Mr. TRAMMELL. Certainly.

Mr. McLEAN. The Senator was present yesterday when the chairman of the committee and others answered several times the question which the Senator has just propounded. These organizations are not created for the purpose of handling investment paper, real-estate loans. They are created for the purpose of financing these cooperative marketing associations and individuals who have crops that are marketable. If the Senator will turn to page 38 of the bill, he will find a provision which authorizes the Federal reserve bank to purchase the acceptances of these corporations.

I would like to ask the Senator how many of these acceptances he thinks Federal reserve banks would purchase if they were secured by real-estate mortgages?

Mr. TRAMMELL. Mr. President, among the securities that are made eligible for rediscount by the Federal banks of the country under the present Federal reserve banking system are mortgages upon real property. That class of security is acceptable. Has it been held it was not acceptable? I would like to know if the Federal reserve system has held that loans secured by mortgages upon real property are not acceptable for rediscount purposes?

Mr. McLEAN. As collateral for the issuance of Federal reserve notes?

Mr. TRAMMELL. No; they are acceptable through the banks for rediscount.

I do not know about the details. That is just what I am trying to get away from. The banking system of this country has been very largely carried on upon the policy of accommodating commercial interests only, and not the agricultural interests of this country. If we are going to depart from that and try to give the agricultural interests of the country a system which will facilitate the financing of the agricultural industry, as the title of the bill seems to indicate is the purpose, I say let us do so, and practice no deception. That is the whole situation. Let us do something to assist the farmer instead of trying to carry on this magic-wand performance, telling our farmers that they have something when they have not. They will find out later they have but little relief. The title of the bill says the purpose of the bill is to facilitate the financing of the agricultural interests of the country. While there has been such eagerness in guarding against a provision authorizing the farmers to obtain loans except in the restricted way provided under this bill, I find it has been recommended in an amendment proposed to the pending measure that the Federal reserve regional banks shall be authorized not only to obtain 6 per cent interest upon their investment but an additional 3 per cent. I do not know that the necessity for that has been explained. It looks as though this bill in part may be termed a measure for the relief of the Federal reserve regional banks. They have heretofore been authorized to make 6 per cent. Under the provisions of this bill that has been increased so that they can accumulate an additional 3 per cent, giving them 9 per cent.

I do not see how a provision of that character would assist agriculture or any other industry, except the regional reserve banks, which have in many instances already been making rates of interest which are astounding. It was startling when it was developed here upon the floor of this body some few months ago that they were making rates of interest that permitted them to build palaces in New York and in other cities throughout this country, spending money with such a lavish hand that it constitutes a disgrace upon those who have been guilty of doing it; spending money that has been exacted from the people. Yet some seem to think there is not enough interest being paid now, and we find that there are amendments to the bill permitting increases. On page 32 we find an amendment proposed by the committee providing that when net earnings exceed 12 per cent, an extra dividend of not to exceed 3 per cent may be distributed to the stockholders of these Federal reserve banks. I do not see how agriculture gets anything out of that proposal.

This Federal reserve banking system is a great financial institution. Within it we have found stability that has tided us over one of the greatest and most distressing financial storms in the history of the world, and the American people very greatly appreciate the system. But, as I understand, the purpose and object of the Federal reserve system, it was never intended to be set up as a money-making institution. That is what it has been turned into, however, a money-making institution, and an institution to provide funds for lavish expenditures in the way of building palaces in New York and other cities, in the way of paying exorbitant salaries, salaries which are indefensible, increasing the salaries of men who were receiving $4,000 a year to $10,000, and of some who were receiving $2,400 to $7,000 and $8,000 a year. The American people, who have necessarily to do banking business, have been required to contribute money to carry on these extravagant and high-handed expenditures.

The banking institutions of this country, outside of very few that are manipulating, are not in sympathy with such conduct on the part of the Federal Reserve Board. I have had more than one successful banker tell me that the banking people of this country did not approve any policy which enabled those who were controlling the situation to gather in the millions and millions of money throughout the Nation for the purpose of expending $25,000,000 on a building in New York, for the purpose of paying some man a salary of $25,000 a year, who never before in his life made $10,000 a year. Such conduct as that meets with the commendation of very few people, I dare say, except those who have been participating in the benefits. Yet we find in this same bill, where any large measure of relief is denied to the farmers a provision which authorizes an increase in the rate of interest to regional banks of 3 per cent, to be distributed to the stockholders. I think we should enact legislation along sound financial lines; that we should be doubly sure that the banking system authorized under a measure of this character would be secure and would be a safe institution.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Connecticut?

Mr. TRAMMELL. I yield.

Mr. McLEAN. The Senator knows that, in round numbers, there are about 10,000 national banks, and double that number of State banks. The committee was anxious to frame the bill so that it would be as inviting as possible to the State banks to come into the system. It was for that reason that we inserted the provision to which the Senator objects. After the surplus required by the law has been earned by these banks, then a certain portion over 12 per cent—that is, 3 per cent—may be added to the 6 per cent rate, making it 9 per cent. The Senator knows that that would probably be below the average of the dividends earned by the banks throughout the country; and we felt that it might be inviting to the State banks to come into the system, and if it should operate as anticipated, it would be a very great benefit to the farmers of the country, because the one difficulty with the system is that it has not been inviting enough to the State banks. There are some 20,000 outside. If they should enter the system by reason of this provision, it would permit them to earn 9 per cent instead of 6, as is now the case with member banks, and they would then have the advantages of the Federal reserve system, rediscount advantages, and it might be of great benefit to the farmers.

Mr. TRAMMELL. Mr. President, I do not know how permitting these banks to come into the system and get a greater rate of interest would benefit the farmers. How many banks did the Senator say are already in the system?

Mr. McLEAN. About 10,000.

Mr. TRAMMELL. Does not the Senator think the increase in the rate from 6 to 9 per cent will benefit the 10,000 already in the system far more than it will serve as an inducement to State banks to enter the system?

Mr. McLEAN. Certainly; and that is advisable, because there are reports that some of the banks in the system are reorganizing under State laws because of the advantages which they think the State banks have. We want to remove those advantages, and we want to get State banks into the Federal reserve system. The Senator knows that if they join the system it adds to their loaning capacity, and to that extent it will be a benefit to the farmers who need and desire accommodation.

Mr. TRAMMELL. Mr. President, in my own State I have lots of friends engaged in both national banking and State banking, and it is rather a controverted question as to which system affords the greatest facilities for agricultural interests. The State bankers say they can afford better facilities; the national bankers say they can afford better facilities. As a matter of fact, I really do not know which does, but I know that a great many of the banks have incorporated as State banks for the very reason that they felt they had a greater latitude and opportunity for affording facilities to the farming interests and fruit growers in my State than the national banks.

I do not really know which has the better system, or which has the greater latitude within reasonable and sound financial banking limits. One thing I know, no State has better or more stable and strong banks than we have in Florida. I do not know that the amendment would afford any particular inducement, but it does seem to me that in an effort to try to induce State banks to nationalize, if that is the idea, we should not provide for an increase in the interest rate from 6 to 9 per cent by the regional banks, many of which have been making startling incomes and have accumulated already a hundred per cent under the present law in addition to the 6 per cent. That is the point I am making. I want to see the banking institutions of the country treated absolutely fairly, but I do not care to have undue privileges and benefits extended to them which will be placed as a burden upon the American people, necessitating them to have to meet further and more onerous financial obligations in carrying on the other industries of the country, and particularly agriculture, which is the subject under consideration at the present time.

I would like to see the bill so amended that agriculture can get the full measure of benefit to which it is entitled. It seems to me we could make eligible for security mortgages upon real property. If we do not do that, then we are only helping the farmer who is fortunate enough to produce his crop, to harvest his crop, and deposit it in the warehouse and get a warehouse receipt. That is the sole aid provided by the pending bill, except so far as the live-stock industry is concerned. There seems to have been a little more consideration for those engaged in cattle raising. I am heartily in sympathy with that portion of the bill, so far as it goes, but it does not go

far enough even in assisting them. The amendment proposed by me would be of even far greater assistance to the cattle industry of the country, because it would enable those engaged in the cattle industry to use their real property as security upon which to obtain advances to carry on their cattle operations.

I very much hope the amendment will be adopted. If it is not adopted, we will have only very partially assisted the producers of nonperishable products, and the Congress will have withheld, unless we adopt my amendment, absolutely any relief whatever for the great agricultural interests of the country carrying on the production of perishable products. I see no reason why there should be discrimination against them, why they are not entitled to relief just the same as the others who are engaged in a different character of agricultural industry throughout the country. They can furnish ample security, security that is recognized by those who loan money as among the very best of collateral; and yet, if the amendment is not adopted, Congress will have absolutely refused to allow them any benefit whatever under a system, so called, for furnishing facilities to finance the agricultural industries of the country. Mr. President, I hope the amendment will be adopted.

Mr. CALDER. Mr. President, I think there are few men in the Senate who have given more attention to the question of creating some facility to loan money on improved real property than myself. As chairman of a special committee of the Senate, I conducted a rather wide investigation of the subject two years ago.

The pending bill is for the purpose purely of encouraging credits for agriculture. It seems to me the amendment of the Senator from Florida [Mr. TRAMMELL] proposes to put these organizations in the business of loaning money on improved real estate in the cities and villages of the country. I can not for the life of me see how we can justify a provision of that kind in a measure like the bill now before us. We ought to keep the bill in the line it was intended from the beginning if we hope to have it of real value to agriculture.

The Senator from Florida made a statement in his remarks a moment ago about the Federal Reserve Bank of New York. I have taken the pains to examine the plans of that building, I will say to the Senator, and I am sure from my knowledge of him, because I have served with him some six years, that he would not designedly create the misapprehension he may have by his remarks. That bank building will not cost $25,000,000. When the plans were first drawn it was expected it would cost about $15,000,000. Through competition the cost is going to come down to about $12,000,000. It is not a great palace like the Congressional Library here in Washington or like some other great buildings erected purely because of their beauty and architecture. As I recall, it is a 14-story office building, built with the greatest of care and with the idea of being valuable only for the purpose intended. In my consultation with the officers of the bank I have learned that in the beginning it is the intention to rent a very large portion of the building for office purposes. They have no immediate use for perhaps more than three-fourths of the building. But with the great growth of the Federal reserve system, particularly in the financial center of New York, where the great market place and financial center of the country is located, we must not build for to-day but for next year and the year after, so that in 3 or 4 or 10 years from now, when property in the great financial center of New York City becomes exceedingly valuable, we shall have a building that will meet the needs of the banking interests of the country.

It is a plain office structure erected for the purpose intended. I should be very glad at some time to go very carefully over the whole subject with the Senator, because I am sure I could convince him that the money is not being extravagantly spent.

It is worthy of note that the building in New York City will cost 80 cents per cubic foot, while the building in Richmond, for instance, much more of a palace, has cost in the neighborhood of $1.35 or $1.40 a cubic foot.

I repeat that while I thoroughly sympathize with the purposes undoubtedly intended by the Senator from Florida in endeavoring to do something to increase the banking and credit facilities where money can be obtained on improved real estate, I doubt very much the wisdom of placing his amendment on the pending measure.

Mr. STANFIELD obtained the floor.

Mr. TRAMMELL. Mr. President, will the Senator from Oregon yield to me for just a moment?

The PRESIDING OFFICER (Mr. COUZENS in the chair). Does the Senator from Oregon yield to the Senator from Florida?

Mr. STANFIELD. I yield.

Mr. TRAMMELL. There is just one point I want to bring out in connection with the Federal reserve banking system. Under the language that is proposed, it apparently was not deemed satisfactory to make the bill apply to the future, but the amendment is to be retroactive. It goes back to 1922, having reference to the amendment with regard to interest. It works back to 1922. How will that bring any State bank into the system? The State banks are not national banks. We can not bring them into the system and give them the benefits of it when they were not members in 1922. Therefore, that part of the provision specifically in the interest of those already in the system retroactively covers the year 1922.

Mr. CALDER. Mr. President, will the Senator from Oregon yield to me a moment?

Mr. STANFIELD. Certainly.

Mr. CALDER. Referring to the statement of the Senator from Florida just made, the purpose of increasing the interest upon the stock in the Federal reserve banks was to encourage the smaller State banks to enter the system. I am quite confident, I will say to the Senator from Florida, that if we could get the smaller State banks throughout the country into the Federal reserve system we would solve the whole question of additional credits for the farming interests of the United States.

The trouble is that when the farmer needs credit to plant or harvest or move his crop, or to do as he may find necessary to relieve his financial needs, the little banks in the outlying sections of the country have not the money with which to help him. The Committee on Banking and Currency have been trying to find some way to induce the smaller banks to come into the Federal reserve system. It seemed that this was a good way, and if we could show where it was more profitable to come into the system than to remain out of it, then much good would have been accomplished.

Mr. TRAMMELL. Admitting that that was the purpose and object, and doubtless it was, though I disagree with the methods by which the Senator is seeking to attain the object, why was it that the amendment has been so framed as to apply retroactively to 1922 when those banks were not in the system and could not get the benefit of it? The amendment says it shall apply to the year 1922.

Mr. STANFIELD. Mr. President, I do not care to yield for any extended debate, though I am willing to yield for a question.

The PRESIDING OFFICER. The Senator from Oregon is entitled to the floor and will proceed.

Mr. STANFIELD. I have some amendments which I propose to the pending bill. The first amendment is on page 6——

The PRESIDING OFFICER. The Chair would suggest to the Senator from Oregon that there is an amendment pending.

Mr. STANFIELD. I intend to offer the amendments and have them lie on the table, but I would like to discuss them briefly at this time.

The first amendment which I offer is in paragraph (c), on page 6, line 10, after the word "nonperishable," to strike out the words "and readily marketable." The language of the section now reads:

(c) Are secured at the time of discount, purchase, or acceptance by warehouse receipts or other like documents, conveying or securing title to nonperishable and readily marketable agricultural products.

If there is any time when credit is needed, it is when a market is not ready and when the products would not be readily marketable. The time that they need the credit is to enable them to carry the products along until there is a ready market. Therefore I offer the amendment proposing that those words be stricken out and ask that the amendment lie on the table.

I now offer another amendment, which I ask to have lie on the table, proposing to reduce the minimum capital provided for in the bill.

Mr. McLEAN. Mr. President, if the Senator will pardon me right there——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Connecticut?

Mr. STANFIELD. Certainly.

Mr. McLEAN. There may be no opportunity to discuss these amendments before they are voted upon unless I do it now. I would like to call attention to the fact that the words "readily marketable" refer to any staple product that has a large consumption. It is naturally assumed that such products are marketable products within the meaning of the act. I do not think that the amendment offered by the Senator is necessary. On the contrary, I think they should be designated as readily marketable products that are recognized as marketable in nor-

mal times under ordinary circumstances. It does not mean that they shall be marketable at a profit to-day or to-morrow.

Mr. STANFIELD. Oh, yes, Mr. President, "normally marketable" is the idea exactly, but this is to provide for an unusual time, and I maintain that there are times when the products are not readily marketable.

Mr. McLEAN. Yes; but if credit conditions are not normal that will not affect the character of the security. The products that are ordinarily readily marketable will be eligible as security for these notes. There is no question about that.

Mr. STANFIELD. Why should the language then prescribe something that will be interpreted differently than the author of the bill intends?

Mr. McLEAN. It does not say they shall be secured by products that are already sold.

Mr. STANFIELD. The language is "readily marketable."

Mr. McLEAN. That are readily marketable under normal conditions of consumption.

Mr. STANFIELD. In my experience with staple products I can recall many times when there was not a market for the products, and that is the very time when credit was needed. I understand the purported object of the bill is to extend and liberalize the credit.

Mr. McLEAN. I do not think the Senator can instance a case where a bank would refuse a loan upon the theory that the law did not permit it because the particular product at that time could not be sold at a profit satisfactory to the producer.

Mr. STANFIELD. No; I do not think so, either. I think the wording of the bill should be as concise as we can possibly make it.

Mr. McLEAN. I will say to the Senator that this is the language used all through the Federal reserve act. I am confident that it is a mistake to strike out the words referred to by the Senator from Oregon, but if the author of the bill, who is present, thinks they ought to be stricken out, I do not propose to stand here and fight the friends of the bill. The bill was carefully drawn and conforms to the language used in the Federal reserve act.

Mr. STANFIELD. I desire now to make an inquiry of the Senator. He says that he knows that the bill was carefully drawn and who drew the bill. May I ask the Senator who did draw the bill?

Mr. McLEAN. The author of the bill is present, and he can tell the Senator from Oregon who drew the bill.

Mr. CAPPER. Mr. President, there is no secret about that. The bill was originally drawn by Mr. Meyer, the managing director of the War Finance Corporation. The bill, of course, has been quite materially revised by the Senate Committee on Banking and Currency after careful consideration. I think the bill a good bill.

Mr. STANFIELD. I think the Senator from Kansas has correctly stated the history of the bill. I think it was drawn by Mr. Meyer, who has been the director of the War Finance Corporation, whom we empowered a year and a half ago or thereabouts to make loans for the relief of agriculture to the extent of about $1,400,000,000. Mr. Meyer has gone over the country and held himself up as having done a wonderful act; but I wish to maintain at this time that he has done only one-fourth of the good which he could have done, because he has only loaned about $350,000,000.

Mr. McLEAN. The correctness of the statement of the Senator from Oregon depends upon whether or not a greater total of loans was necessary.

Mr. STANFIELD. They were necessary, because the country was suffering, and suffering most severely. I have witnessed on all the principal live-stock markets of the United States undue liquidation and sale of live stock that should not have been sold.

Mr. McLEAN. Mr. Meyer was handling money which was taken from the pockets of the people in taxes and put into the Treasury of the United States, and undoubtedly he thought it was wise to insist upon security for the loans he made.

Mr. WADSWORTH. Does the Senator from Oregon know of any legitimate application for a loan which had adequate security back of it which the War Finance Corporation after investigation refused?

Mr. STANFIELD. I know of many cases where, in my estimation, loans were improperly refused, where the War Finance Corporation set up such requirements as to securing the loan that the relief could not be granted, and where the live-stock industries of the country, by reason of the inability to meet the conditions, have suffered very materially.

Mr. WADSWORTH. If the Senator will allow me, I desire to say that I have had occasion to look into a good many applications which were made for loans to the War Finance Corporation, and to consult from time to time with officials of that corporation as to those loans; and I have found their attitude has been most liberal on the side of the borrower, still keeping in mind, however, the necessity for having some measure of security which in the end would protect the people of the country who contributed the money. I may say that the Senator from Oregon is the first person I have heard who in a public place has expressed a criticism of the kind which he has just uttered, and I have talked with any number of cattlemen on this very subject. In fact, I think it will be found that the cattlemen of the great West have very generally commended Mr. Meyer.

Mr. STANFIELD. It may be and is true that a great good was done, but what I say is that those who have commended him have overlooked the fact that a much greater good could have been brought about than that which has been accomplished. It is not a matter of the doing of good, but what should be considered is the measure of good that could have been done and yet has been denied.

Mr. CAPPER. Mr. President, let me add, in connection with the inquiry as to the origin of the pending bill, that, as a matter of fact, the American National Livestock Association had probably more to do with the framing of the bill than had anyone else. Probably the Senator from Oregon is aware that the American National Livestock Association appointed a special credit committee nearly a year ago, of which the president of the National Livestock Association, Mr. Bixby, was chairman. On that committee were some of the strongest and best known cattlemen of this country. They gave very careful attention to the whole subject of credit legislation, especially for the live-stock industry. They came here to Washington; they spent several weeks with Mr. Meyer and others here who were studying the subject. As a result of their inquiry and study the pending bill was developed.

As I said a few moments ago, the actual work of drafting the bill was done by Mr. Meyer, but it was done in cooperation with the credit committee of the National Livestock Association. They came before the Senate committee; they unqualifiedly indorsed the bill, and expressed the desire and the hope that the Senate would see fit to enact it into law practically along the lines drafted by Mr. Meyer and those associated with him.

Mr. STANFIELD. I do not question the Senator's statement.

Mr. SIMMONS. May I interrupt at this point?

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Oregon yield to the Senator from North Carolina?

Mr. STANFIELD. I yield.

Mr. SIMMONS. I should like to ask the chairman of the Committee on Banking and Currency if Mr. Meyer, who drafted the bill, did not attend the meetings of the Finance Committee almost continuously while the bill was under consideration, and if he did not evince great interest in maintaining the bill just as he had written it?

Mr. McLEAN. Mr. President, Mr. Meyer appeared before the committee at the invitation of the committee, as did the Secretary of Agriculture, the Secretary of the Treasury, and the Secretary of the Interior. I do not remember that Mr. Meyer was insistent that the bill should not be amended; I do not think he was particularly interested, except to express his general approval of the bill and his desire that it be sound in principle. I am sure that he wanted the corporations created by the bill to be of benefit to the farmers. He did not want to create corporations that would handle investment securities. He wanted them formed for the purpose of assisting farmers and cooperative marketing associations and discount their paper based upon farm products.

Mr. SIMMONS. I should like to ask the chairman of the committee further if Mr. Leffingwell, who occupies a very important position in the Treasury Department, who has been the adviser of the Secretary of the Treasury in financial matters, to my knowledge, ever since the beginning of the World War, and who is a very great authority upon financial questions, a man of broad grasp and comprehensive information in reference to all questions pertaining to finance, was not also notified by the chairman of the committee to appear before the committee?

Mr. McLEAN. We did notify Mr. Leffingwell.

Mr. SIMMONS. Mr. Leffingwell came and testified and went back to the Treasury Department; but did not Mr. Meyer come and testify, and then stay with the committee from day to day, injecting himself into the committee hearings, replying to witnesses who appeared before the committee, and making suggestions to the committee about the proposed legislation, show-

ing the interest of championship and advocacy and resisting efforts in any direction to enlarge and increase the powers of the system so as to give the banks or the corporations which it sets up the privilege and the power to grant loans not only to the stock raisers, not only to the farmers upon their products already made, but to grant farmers accommodations for the purpose of enabling them to make their crops?

Mr. McLEAN. I think the Senator from North Carolina has an exaggerated view of Mr. Meyer's interest in the bill.

Mr. SIMMONS. I will say to the Senator that I was present at a great many of the hearings, and the impression created upon my mind was that Mr. Meyer not only had written this bill but had become its champion and wanted to preserve its integrity.

Mr. McLEAN. Mr. President, I know that on several mornings I telephoned Mr. Meyer and expressed the hope that he would be present, if convenient, as there were a good many questions coming up which he might be able to answer with regard to the operations of the War Finance Corporation. I think the information he gave the committee was valuable as it pertained to the work of the War Finance Corporation. Of course, he did not insist that the committee should not give impartial consideration to the provisions of the bill and amend them in any way it saw fit.

Mr. SIMMONS. I do not mean to say that he did.

Mr. STANFIELD. Mr. President, I should like to ask the chairman of the committee——

Mr. SIMMONS. Mr. President, may I say a word further?

The PRESIDING OFFICER. The Senator from Oregon has the floor. Does he yield to the Senator from North Carolina?

Mr. STANFIELD. I yield.

Mr. SIMMONS. Mr. President, I did not mean to impugn or impeach the motives of Mr. Meyer; but it has developed here that he wrote the bill; it has developed that he championed it before the committee, and that he remained with the committee after he had given his testimony in response to their invitation. Mr. Meyer, I think, has served the country well on the War Finance Corporation; I have the very highest opinion of his ability as a financier. I am sure he is connected with some great financial institutions in one way or another, or, at least, he is deeply interested in big business of a certain character in New York, and that his experience has been very great and his abilities are commensurate with his experience; but it seems to me that he has had a very big hand in this matter. I regret very much that Mr. Meyer has never shown the same sympathy for financing the farmers as he has for financing the stock raisers, or the same sympathy for financing the farmer for the purpose of making his crop as he has shown for financing him for the purpose of selling his crop.

Mr. STANFIELD. Mr. President, I should like—and my time is limited—to ask the chairman of the Committee on Banking and Currency if any representatives of the live-stock loan associations, or men who have been engaged exclusively in the live-stock loan business, appeared before the committee during the time the hearings were held in considering the pending bill?

Mr. McLEAN. The committee heard a good many witnesses, but my impression is that our information with regard to the activities of live-stock associations and loan companies was largely received from the Senator from Wyoming [Mr. KENDRICK], who is a member of the committee, as the Senator knows, and is very familiar with the situation. I think the committee relied upon his experience and advice.

Mr. STANFIELD. But there were no cattle loan men who appeared before the committee?

Mr. McLEAN. I think so; I do not remember as to that.

Mr. STANFIELD. The Senator does not recall that there were. I hardly think that there were.

Mr. McLEAN. I wish to say to the Senator that we did hear several representatives of the cooperative marketing associations. Mr. Sapiro, I remember, was one such witness. He had been instrumental in organizing a great many cooperative associations, and was heartily in favor of this bill.

Mr. STANFIELD. Did he testify as to the live-stock loan features of the bill? Did he have any experience along that line?

Mr. McLEAN. Not especially; I do not think that he did.

Mr. STANFIELD. I am inclined to think that he has not had any experience along that line.

Mr. LENROOT. Mr. President, in response to the query of the Senator from Oregon, I will remind him that Mr. Sheehan, a banker, testified before the committee and stated that he represented 60 per cent of the bank deposits in the State of Nevada, and appeared in behalf of the American Livestock Association in support of the bill.

Mr. STANFIELD. Mr. Sheehan is a banker, and he probably appeared as a banker; but I am speaking of the live-stock loan companies with which this bill largely deals.

Mr. McLEAN. If the Senator will pardon me, while I am on my feet—I do not want to interrupt the Senator, because the time is getting short, but I want to call his attention to the fact that in the new section, 13a, which we add to the Federal reserve act, on lines 20, 21, 22, 23, and 24 of the bill, page 36, we use this language:

Provided, however, That notes, drafts, and bills of exchange with maturities in excess of six months shall not be eligible as a basis for the issuance of Federal reserve notes unless secured by warehouse receipts or other such negotiable documents conveying or securing title to readily marketable staple agricultural products—

And so forth. So that term is used throughout the bill.

Mr. STANFIELD. It is used in the two places, and I shall later propose an amendment to strike it out in that section of the bill.

Referring to the author of this bill, and as to its conception, I think the bill was drawn by Mr. Meyer, and that Mr. Meyer did invite Mr. Bixby, the president of the American Cattle Growers' Association, to come here and consider the bill with him; but I can not agree with the Senator from Kansas that the bill was seriously and well considered, because I find in it so many things that tend to restrict the credit of the live-stock men. The tendency of this bill is not to liberalize credit to the live-stock industry but to restrict it, to place around it such restrictions that the existing live-stock loan companies will be compelled to go out of business or will be compelled in many instances to reduce their loans. It is all good and well to say that the live-stock loan companies are not compelled to come under the terms of this bill. It is true that there is nothing in the bill that is mandatory that they should come under it, but the psychology of it is that the present market for live-stock paper, largely with eastern bankers, will demand that the paper they receive shall come through live-stock loan companies that are under Federal supervision. Therefore these loan companies will automatically be compelled either to come under Federal supervision or to pass out of existence. The present bill provides for a capital stock of $250,000. I am going to propose an amendment, to lie on the table, to reduce the minimum to $100,000.

Most of the present live-stock loan companies in the United States have a less capital stock than $100,000. It is through these live-stock loan companies that the live-stock industry is largely being financed to-day. If they are unable to increase their capital stock to $250,000 I maintain that it will be necessary for them to go out of business, because they will be unable to find a rediscount market for their paper, and the credit of the live-stock man will be curtailed to that extent, and it will mean enforced liquidation of the securities that are back of the loans that are now outstanding. It will mean adding more handicaps to an already unduly disturbed market situation, it will mean more marketing, and it will mean the lowering of the prices of the live stock that are already below the cost of production.

I am going to propose another amendment and ask that it lie on the table, and that is that the limitation upon the amount that this loan company may loan to an individual or corporation be changed so as to read "50 per cent of their capital stock" instead of "20 per cent of their capital stock." I call your attention to the fact that this is not a concern that is loaning simply the money that it has on hand, but it is acting as a rediscount agency. It is only an intermediary between the borrower and the real creditor of the borrower.

Many of these live-stock loans are far in excess of any such limitation as that, because the policy of the present live-stock loan companies is to loan as much as 100 and 200 and 300 per cent of their capital or to indorse paper that bears that proportion to their capital. If they come in under this act, they will necessarily be compelled under this limitation to reduce these loans to 20 per cent of their capital stock. If it is the minimum capital, $250,000—which is a large capital to be raised in a community for the purpose of creating a live-stock loan company—it naturally would follow that the loans would have to be reduced, and that means a liquidation of the security. It means more marketing of live stock.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah?

Mr. STANFIELD. I do.

Mr. KING. Does the Senator think that with a capital of $250,000 a loan of $125,000 ought to be made to any one individual or any one corporation?

Mr. STANFIELD. Yes; I do, because the loan corporation herein provided for is simply a rediscount corporation.

The argument has been used that they may divide these loans. I am going to say to the Senator from Utah that no one buying the paper of the live-stock grower wants to take a divided loan. He wants to have the entire loan there, and thereby have entire control; and it is a long-established rule and principle among live-stock loan companies that a 50 per cent limitation is extremely conservative. I never heard of such a limitation until the recent hard times and panic developed, and then the more conservative live-stock loan companies said that they would reduce their loans to a point where no single loan that they were underwriting was in excess of 50 per cent of their capital and surplus.

Again, I want to reiterate that while this law is not mandatory that these loan companies shall come under the act, the psychology of it is such that they will be compelled to come under the act. This is not a bill in the interest of the live-stock grower. It is not a bill to liberalize credit for the live-stock industry. This is a restrictive bill, and it is going to restrict the credit of the live-stock industry; and I can see—and I view it with grave apprehension—a considerable disaster that is going to come to the live-stock business if we enact this bill.

There is one thing in the bill that is commendable and favorable, and I dare say that it has been the largest factor in securing an indorsement of the bill or any provision in the bill, and that is the provision for the extension of the rediscount period of agricultural paper to a period of nine months.

I say to you, Mr. President, that that is like a bait in this bill, and it has perhaps induced live-stock men to favor the bill; but otherwise than that this bill is mainly a banker's bill, and not a live-stock banker's bill, either. There is no limitation as to the interest rate that may be charged under this bill by one of these corporations excepting the statutory limitation in the State where the loan is made. It is true that large interest rates are charged on live-stock loans. The rate of interest is commensurate with the hazard attached thereto. While this will tend to remove any hazard of live-stock loans—that is to say, that is the purpose of it—there is no provision here to make an interest rate that is commensurate with the hazard that is attached to it.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Connecticut?

Mr. STANFIELD. I do.

Mr. McLEAN. Has the Senator read the amendments that have already been submitted?

Mr. STANFIELD. Have I read all the amendments?

Mr. McLEAN. Yes. I notice that the Senator has just sent some amendments to the desk. Are they the amendments to which he referred? Have they been read?

Mr. STANFIELD. Yes; I have read them.

Now I am going to propose another amendment and ask that it lie on the table, and that is a limitation of the interest rate—an amendment that will read as follows: On pages 9 and 10, beginning with line 24 on page 9, strike out:

the rate allowed by the laws of the State in which such obligation is by its terms made payable—

and insert in lieu thereof—

a rate not in excess of 3 per cent more than the rediscount rate then being charged by the Federal reserve bank of the district in which such obligation is by its terms made payable.

Mr. KING. Why does not the Senator make that 2 per cent?

Mr. STANFIELD. Three per cent would be a reduction over the rate that could be charged to-day. Most of the live-stock States have a statutory limitation of either 10 or 12 per cent. The prevailing rediscount rate to-day is, I think, about 4½ per cent, and the difference between 4½ per cent and 12 per cent is 7½ per cent. There is a vast difference between the 3 per cent that I have proposed and the 7½ per cent that might be charged.

The history of the conduct of loan companies is that it costs about 1¼ per cent to do business. The difference between 1¼ or 1⅝ per cent and 3 per cent, if this provision should be enacted, would be the profit that these rediscount concerns would make on their loans.

A corporation of $250,000 capital stock may receive rediscounts to ten times the amount of its capital, or $2,500,000. Of course, we can not conceive of those concerns rediscounting to the full extent that they are permitted to rediscount under the law, but it is fair to presume that they will carry at least $2,000,000 of rediscounts. That would mean that on an investment of $250,000 they would have an income of $35,000, or about 14 per cent return, which is not unreasonable nor very much out of line with the profits that are being made by banks and other institutions in the loan business.

Mr. President, I am going to vote for this bill with a great deal of reluctance, even though the amendments that I have proposed are accepted by the Senate, and I most sincerely hope that these amendments will be accepted. I am sorry, indeed, that it is not in order at this time for me to make a motion to recommit this bill. It should be recommitted and further hearings should be held on it, for I am certain, and I speak from a knowledge which extends over a lifetime—for the greater part of my lifetime I have been engaged, directly or indirectly, in the live-stock loan business—it has been my lifelong undertaking to develop the live-stock industry, and I say again that I view this bill with the gravest of apprehension. I fear that it is going to destroy to a large extent the avenues of credit that the industry is at present enjoying.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah?

Mr. STANFIELD. I do.

Mr. KING. The Senator has just stated that he was sorry he could not move to recommit. I think under the rules, notwithstanding the unanimous-consent agreement to vote at 2 o'clock to-day——

Mr. TRAMMELL. Not to vote; to close debate.

Mr. KING. Even if it were to vote, a motion to recommit would be entirely proper.

Mr. STANFIELD. If a motion to recommit is in order, I should like to make that motion.

The PRESIDING OFFICER. There is a motion pending at this time, but at the proper time a motion to recommit will be in order, or the Senator can make the motion to lie on the table and be acted upon at the proper time.

Mr. STANFIELD subsequently said: I ask unanimous consent to have two telegrams inserted in the RECORD immediately following my remarks to-day when we were considering, and just before the passage of, Senate bill 4280.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *January 18, 1923.*

C. L. MCNARY,
United States Senate, Washington, D. C.:

If you find the Capper bill has a chance of passage do not fail to amend the capital requirement of loan companies authorized, reducing same to one hundred thousand. Larger capital requirement means organization of very few companies in the West.

W. L. THOMPSON.

UNION STOCK YARDS, ILL., *January 19, 1923.*

Senator ROBERT N. STANFIELD,
Washington, D. C.:

In my judgment, 20 per cent limitation of the capital stock as a maximum amount that can be loaned to one person or corporation, as I understand is provided by Capper bill, is impractical and would seriously limit or practically destroy any possible benefits of bill. If attempting to pass a bill of psychological rather than practical benefit, then let 20 per cent limit stand. Have discussed this matter with Traylor, who agrees fully with me on this point, and is wiring Myers, of corporation, accordingly.

S. T. KIDDOO,
President Live Stock Exchange National Bank.

Mr. KENDRICK. Mr. President, referring to the amendments offered by the Senator from Oregon, in the order proposed:

First, the amendment to reduce capitalization. In the interest of the borrower such capital should be increased rather than decreased. The effect, or fair effect, would be a proportionate reduction in cost of administration. It would tend to strengthen financially the organization and would thus result in increased confidence on the part of those who purchase its securities in the way of notes and debentures.

For more reasons than one increased capital would mean a proportionate increase of credit facilities and confidence in the corporation. For the benefit of the borrowers of my State I would greatly prefer to have one corporation organized with a capital of $500,000 than to have two corporations with a capital of $250,000 each.

The amendment to increase the amount of outstanding acceptances or other forms of credit to any person or corporation in an amount exceeding 20 per cent of the paid-in, unimpaired capital or surplus of such corporation is, in my opinion, inadvisable, if not dangerous. The Senator suggests there is no parallel to such provision of law. I call his attention to the fact that this bill is to be under the supervision of the Federal Government, and under the banking act 10 per cent of the

capital and surplus earnings represents the limit which may be loaned to either an individual or a corporation.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. KENDRICK. I would rather not yield, because I have only a few moments of time in which to discuss the different phases of the bill.

No doubt the Senator would suggest that in one case the bill has to do with banks of deposit and in the other with loan companies. Even in that event I believe he will agree that the element of safety is increased, other things being equal, when there are numerous borrowers, rather than where excessive loans are made to a limited number of borrowers. In other words, it is unsafe to lend too large a proportion of the liquid assets—that is, the capital—of a bank or loan company to one individual.

I have been more than surprised at the criticisms of this bill. I have been unable to believe that those who have indulged in such criticism have carefully studied the bill. It has been charged that even the stockmen themselves do not favor the legislation. While the incident occurred during my absence from Washington, I am informed that a delegation of the representatives of some of the principal live-stock associations of the West, including the president of the American National Livestock Association, came to Washington and recommended the preparation and introduction of such a bill and then approved the provisions of the bill after it had been prepared.

Even a superficial study of this measure will disclose the fact that it calls for no appropriation; it imposes no burden of either expense or tax upon the Treasury; it even requires the corporations to pay the Federal Government for such examination and inspection as the Government may find necessary to make in the administration of the law. It does not establish a new agency of credit, but its purpose is to make more reputable an agency already existent by placing such increased safeguards around the conduct of the business as will more adequately protect the investor of stock in such corporation and bring not only increased confidence but security to those who purchase and deal in its notes and debentures.

The intent and purpose of this bill are to enable the credit system of this industry to put its house in order.

Everyone knows that under favorable conditions this industry has no difficulty whatsoever in financing itself, but it is only in the emergencies that the sacrifices must be made, when through the arbitrary withdrawal of credit there is enforced liquidation, oftentimes resulting in congested markets and ruinous prices.

It is hoped by surrounding this system of credit with reasonable safeguards that in the future in this kind of emergency the credits of this industry may compel the same confidence as the credits of any other form of securities.

The Senator from Oregon has pointed out that the restrictions imposed by this law would serve to limit rather than promote the extension of any form of credit on live stock and farm products.

Mr. President, in connection with the restrictions which may be imposed, I would remind the Senator that if there is one piece of counsel we could safely give to the bankers of this country, and particularly those bankers who have endeavored to finance the live-stock industry of the West, it would be an injunction to exercise more of caution in times of easy credits and more of courage in times of financial distress.

In spite of all that may be said to the contrary, anyone familiar with the facts must know that both live stock and marketable farm products constitute liquid assets. They are liquid for the reason that they may be readily and even quickly converted into cash, even under enforced sale.

The important features required by stockmen and farmers in connection with credits are, first, a dependable supply of legitimate credits; second, reasonable rates of interest; and, third, an extension of time over the old system sufficient to include the full period involved in the process of production.

If you make your security good and if you make your security liquid, you will not fail to have the same avenue of satisfactory credits for this industry that is extended to any other industry. If you fail in that, the entire purpose of your legislation is ineffective.

In the discussion of this legislation doubt has been frequently expressed as to whether or not this legislation, because of its permissive character, would prove far-reaching in its effect or general in its application. This all depends upon how far those who promote loan companies already organized, and those to be organized in the future, are willing to go in the way of assuming increased obligations and rational restrictions for the purpose of bringing to the whole credit situation a more wholesome and satisfactory condition.

The eligible banks which continue out of the Federal reserve system do so because of, as they term them, the irksome and unnecessary restrictions.

To illustrate, there has been some criticism here this morning as to the provision for increasing the interest rate to the Federal reserve bank. I think everybody who listened to that discussion must have been impressed with the fact that, after all, the best available source of unlimited credits in this country would be found through increasing the facilities of the Federal reserve bank. Such potential credits for every line of industry would be vastly increased through any change that would induce the banks of the country eligible to membership to join the Federal reserve system.

If these live-stock companies and corporations, providing for loans on live stock and farm products, refuse to come in and accept this opportunity to benefit the situation, to increase the security, and bring confidence to the whole condition of things where there is now distrust, the benefits of the bill will be limited in that proportion.

As stated before, the law provides for no new agency; it will not conflict with any other financial form of credits whatsoever. It is in no sense of the word mandatory; it is merely permissive. It is simply a plan to improve and change the system of credits already existing, and for such reasons it could hardly be harmful, but will be extremely helpful.

I hope the amendments here proposed will be rejected and that we shall have favorable action upon the bill.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, under the unanimous-consent agreement further debate upon the pending bill and amendments is suspended. The question is upon the amendment offered by the junior Senator from Florida [Mr. TRAMMELL].

Mr. TRAMMELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McCumber	Simmons
Bayard	Hale	McKellar	Smoot
Borah	Harreld	McKinley	Spencer
Brookhart	Harris	McLean	Stanfield
Bursum	Harrison	McNary	Sterling
Calder	Heflin	Moses	Sutherland
Cameron	Hitchcock	Nelson	Swanson
Capper	Johnson	New	Trammell
Colt	Jones, N. Mex.	Nicholson	Underwood
Couzens	Jones, Wash.	Norbeck	Wadsworth
Culberson	Kellogg	Norris	Walsh, Mass.
Curtis	Kendrick	Oddie	Walsh, Mont.
Dial	Keyes	Overman	Warren
Elkins	King	Phipps	Watson
Ernst	Ladd	Poindexter	Weller
Fernald	La Follette	Reed, Pa.	Williams
Fletcher	Lenroot	Sheppard	Willis
France	Lodge	Shields	
George	McCormick	Shortridge	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present. The question is upon the amendment offered by the Senator from Florida.

Mr. TRAMMELL. On that I ask for the yeas and nays.

Mr. WALSH of Montana. I ask that the amendment be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 6, at the end of line 13, and before the period, insert the words:

or upon a note secured by a mortgage on real estate in an amount not exceeding 50 per cent of the value of said real estate.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. MCKINLEY (when his name was called). I transfer my pair with the junior Senator from Arkansas [Mr. CARAWAY] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. MOSES (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. He being absent, I transfer the pair to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. STERLING (when his name was called). Transferring my pair with the Senator from South Carolina [Mr. SMITH] to the senior Senator from Pennsylvania [Mr. PEPPER], I vote "nay."

Mr. WALSH of Montana (when his name was called). I inquire if the Senator from New Jersey [Mr. FRELINGHUYSEN] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. WALSH of Montana. I have a pair with the Senator from New Jersey, which I transfer to my colleague [Mr. MYERS] and vote "nay."

Mr. WILLIS (when his name was called). I am paired with my colleague [Mr. POMERENE], who is absent on account of illness. Not knowing how he would vote on this question, I transfer my pair to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

The roll call was concluded.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Vermont [Mr. DILLINGHAM] and vote "nay."

Mr. FLETCHER (after having voted in the affirmative). I have a general pair with the Senator from Delaware [Mr. BALL]. I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and allow my vote to stand.

Mr. SUTHERLAND (after having voted in the negative). I transfer my pair with the senior Senator from Arkansas [Mr. ROBINSON] to the senior Senator from Michigan [Mr. TOWNSEND] and allow my vote to stand.

The result was announced—yeas 23, nays 47, as follows:

YEAS—23.

Ashurst	Harrison	McKellar	Swanson
Brookhart	Johnson	Norris	Trammell
Dial	Jones, N. Mex.	Overman	Underwood
Fletcher	Ladd	Sheppard	Walsh, Mass.
George	La Follette	Shields	Williams
Harris	McCumber	Simmons	

NAYS—47.

Bayard	France	McKinley	Shortridge
Borah	Gerry	McLean	Smoot
Bursum	Hale	McNary	Spencer
Calder	Harreld	Moses	Sterling
Cameron	Hitchcock	Nelson	Sutherland
Capper	Jones, Wash.	New	Wadsworth
Colt	Kellogg	Nicholson	Walsh, Mont.
Couzens	Kendrick	Norbeck	Warren
Curtis	Keyes	Oddie	Watson
Elkins	Lenroot	Phipps	Weller
Ernst	Lodge	Poindexter	Willis
Fernald	McCormick	Reed, Pa.	

NOT VOTING—26.

Ball	Edge	Owen	Robinson
Brandegee	Frelinghuysen	Page	Smith
Broussard	Glass	Pepper	Stanfield
Caraway	Gooding	Pittman	Stanley
Culberson	Heflin	Pomerene	Townsend
Cummins	King	Ransdell	
Dillingham	Myers	Reed, Mo.	

So Mr. TRAMMELL's amendment was rejected.

The PRESIDING OFFICER. The junior Senator from Oregon [Mr. STANFIELD] has an amendment lying on the table which will be stated.

The READING CLERK. The junior Senator from Oregon offers the following amendment: On page 6, after the word "nonperishable," in line 10, strike out the words "and readily marketable" in lines 10 and 11.

Mr. SIMMONS. Let us have the yeas and nays.

The yeas and nays were ordered.

Mr. BURSUM. Mr. President, I do not believe that Senators generally know precisely what is the question before the Senate. I ask that the pending amendment may be stated.

The PRESIDING OFFICER. The Secretary will state the pending amendment.

The READING CLERK. On page 6, line 10, after the word "nonperishable," it is proposed to strike out the words "and readily marketable," so that the paragraph if amended as proposed would read:

(c) Are secured at the time of discount, purchase, or acceptance by warehouse receipts or other like documents conveying or securing title to nonperishable agricultural products.

The reading clerk proceeded to call the roll.

Mr. MCKINLEY (when his name was called). Making the same announcement as on the previous vote in reference to my pair and its transfer, I vote "nay."

Mr. MOSES (when his name was called). Making the same announcement as to my pair and its transfer as on the previous vote, I vote "nay."

Mr. STERLING (when his name was called). Making the same announcement as to my pair and its transfer as on the last vote, I vote "nay."

Mr. SUTHERLAND (when his name was called). Making the same announcement as before relative to my pair and its transfer, I vote "yea."

Mr. WALSH of Montana (when his name was called). I transfer my pair as announced upon the preceding roll call, and vote "nay."

Mr. WILLIS (when his name was called). Making the same announcement as to the transfer of my pair with my colleague as on the previous vote, I vote "nay."

The roll call was concluded.

Mr. ERNST. Making the same announcement as before in reference to my pair and its transfer, I vote "nay."

Mr. CURTIS. I desire to announce that the Senator from New Jersey [Mr. EDGE] has a general pair with the Senator from Oklahoma [Mr. OWEN].

Mr. FLETCHER. Making the same transfer of my pair as on the preceding roll call, I vote "yea."

The result was announced—yeas 21, nays 51, as follows:

YEAS—21.

Ashurst	Heflin	Ransdell	Swanson
Brookhart	Johnson	Sheppard	Trammell
Culberson	Jones, N. Mex.	Shields	Underwood
Fletcher	Ladd	Simmons	
Harris	La Follette	Stanfield	
Harrison	McNary	Sutherland	

NAYS—51.

Bayard	Gerry	McKellar	Shortridge
Borah	Hale	McKinley	Smoot
Bursum	Harreld	McLean	Spencer
Calder	Hitchcock	Moses	Sterling
Cameron	Jones, Wash.	Nelson	Wadsworth
Capper	Kellogg	New	Walsh, Mass.
Colt	Kendrick	Nicholson	Walsh, Mont.
Couzens	Keyes	Norbeck	Warren
Curtis	King	Norris	Watson
Elkins	Lenroot	Oddie	Weller
Ernst	Lodge	Phipps	Williams
Fernald	McCormick	Poindexter	Willis
George	McCumber	Reed, Pa.	

NOT VOTING—24.

Ball	Dillingham	Myers	Pomerene
Brandegee	Edge	Overman	Reed, Mo.
Broussard	France	Owen	Robinson
Caraway	Frelinghuysen	Page	Smith
Cummins	Glass	Pepper	Stanley
Dial	Gooding	Pittman	Townsend

So Mr. STANFIELD's amendment was rejected.

The PRESIDING OFFICER. The next amendment proposed by the junior Senator from Oregon [Mr. STANFIELD] will be stated.

The READING CLERK. On page 10, line 18, it is proposed to strike out "$250,000" and in lieu theerof to insert "$100,000"; on page 11, line 19, to strike out "$200,000" and to insert "$100,000"; and, on page 25, line 4, to strike out "$250,000" and to insert "$100,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment proposed by the junior Senator from Oregon will be stated.

The READING CLERK. On page 9, line 9, before the words "per cent," it is proposed to strike out "20" and to insert in lieu thereof "50," so that it will read:

in an amount exceeding 50 per cent of the paid-in and unimpaired capital and surplus of such corporation.

The PRESIDING OFFICER. The question is on the amendment proposed by the junior Senator from Oregon.

Mr. STANFIELD. I ask for the yeas and nays, Mr. President.

The yeas and nays were not ordered.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment offered by the junior Senator from Oregon will be stated.

The READING CLERK. Beginning in line 24, on page 9, it is proposed to strike out the words "the rate allowed by the laws of the State in which such obligation is by its terms made payable" and to insert in lieu thereof "a rate not in excess of 3 per cent more than the discount rate then being charged by the Federal reserve bank of the district in which such obligation is by its terms made payable."

The PRESIDING OFFICER. The question is on the amendment proposed by the junior Senator from Oregon.

Mr. WALSH of Montana. I understand that some amendment has already been made to the language of the bill at that point.

The PRESIDING OFFICER. That is true. The amendment heretofore agreed to will be stated.

The READING CLERK. The amendment heretofore agreed to was, on page 10, line 1, to strike out the words "such obligation is by its terms made payable" and to insert "its principal office is located."

Mr. WALSH of Montana. I inquire of the Chair if I am right in the supposition that the amendment is to strike out the provision as already amended and to insert?

The PRESIDING OFFICER. That is the proper procedure. The question is upon the amendment of the junior Senator from Oregon.

Mr. NORRIS. I ask for the yeas and nays, Mr. President.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). Making the same announcement as to my pair and its transfer as before, I vote "yea."

Mr. McKINLEY (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "nay."

Mr. MOSES (when his name was called). Repeating the announcement with reference to my pair and its transfer, I vote "nay."

Mr. STERLING (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "nay."

Mr. SUTHERLAND (when his name was called.) Making the same announcement as on the previous votes with reference to my pair and its transfer, I vote "nay."

Mr. WILLIS (when his name was called). Repeating the announcement concerning the absence of my colleague [Mr. POMERENE] and the transfer of my pair with that Senator, I vote "nay."

The roll call was concluded.

Mr. CURTIS. I desire to announce that the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 23, nays 48, as follows:

YEAS 23.

Ashurst	Heflin	Lenroot	Sheppard
Borah	Johnson	McKellar	Stanfield
Brookhart	Jones, N. Mex.	McNary	Trammell
Bursum	Kendrick	Nicholson	Walsh, Mass.
Culberson	Ladd	Norris	Walsh, Mont.
Fletcher	La Follette	Ransdell	

NAYS—48.

Bayard	George	New	McLean
Calder	Gerry	Oddie	Moses
Cameron	Hale	Overman	Nelson
Capper	Harreld	Phipps	Sutherland
Colt	Harris	Poindexter	Swanson
Couzens	Hitchcock	Reed, Pa.	Underwood
Curtis	Jones, Wash.	Shields	Wadsworth
Dial	Kellogg	Shortridge	Warren
Elkins	Keyes	Simmons	Watson
Ernst	King	Smoot	Weller
Fernald	Lodge	Sterling	Williams
Frelinghuysen	McCumber	McKinley	Willis

NOT VOTING—25.

Ball	France	Owen	Smith
Brandegee	Glass	Page	Spencer
Broussard	Gooding	Pepper	Stanley
Caraway	Harrison	Pittman	Townsend
Cummins	McCormick	Pomerene	
Dillingham	Myers	Reed, Mo.	
Edge	Norbeck	Robinson	

So Mr. STANFIELD's amendment was rejected.

The ASSISTANT SECRETARY. The senior Senator from Oregon sends to the desk the following amendment:

On page 10, line 18, strike out "$250,000," the amount of the paid-in capital, and in lieu thereof insert "$150,000"; and the same amendment on page 11, line 19.

The PRESIDING OFFICER. The question is upon the amendment of the Senator from Oregon.

The amendment was rejected.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read three times, the question is, Shall the bill pass?

Mr. STANFIELD. Mr. President, at this time I should like to move that the bill be recommitted to the Committee on Banking and Currency.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon that the bill be recommitted to the Committee on Banking and Currency.

Mr. STANFIELD. On that I call for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon.

The motion was rejected.

The PRESIDING OFFICER. The bill having been read three times, the question is, Shall it pass?

The bill was passed.

Mr. SWANSON. Mr. President, I desire to announce that my colleague [Mr. GLASS] has been unavoidably detained from the Senate to-day. If he were present, he would vote for the passage of the bill.

Mr. NORBECK. Mr. President, I offered an amendment to the title the other day, and the Chair held that that could be considered only after the bill had passed.

The PRESIDING OFFICER. That is correct.

Mr. NORBECK. The bill having reached that stage, I wish to offer an amendment to harmonize the title with the rest of the bill.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to strike out the following words from the title as printed:

To provide credit facilities for the agricultural and live-stock industries of the United States—

And insert in the title, in lieu of those words, the following:

To provide for the incorporation and supervision of corporations formed for the purpose of making agricultural and live-stock loans.

The amendment was agreed to.

TEMPORARY RED CROSS BUILDINGS IN WASHINGTON—CONFERENCE REPORT.

Mr. FERNALD submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 43) to grant authority to continue the use of the temporary buildings of the American Red Cross headquarters, in the city of Washington, D. C., having met, after full and free conference have agreed to recommend and do recommend to their respective Houses that the Senate recede from its disagreement to the amendments of the House numbered 1 and 2, and agree to the same.

BERT M. FERNALD,
J. S. FRELINGHUYSEN,
HENRY F. ASHURST,
Managers on the part of the Senate.

SIMEON D. FESS,
ROBERT LUCE,
FRANK PARK,
Managers on the part of the House.

The report was agreed to.

INDEPENDENT OFFICES APPROPRIATIONS.

Mr. WARREN. I ask unanimous consent that the Senate take up House bill 13696, the appropriation bill for the independent offices.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13696) making appropriations for the Executive office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. WARREN. I ask that the formal reading of the bill may be dispensed with, and that the bill may be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. Is there objection?

Mr. KING. I make no objection, providing the full text of the bill is read for amendment.

The PRESIDING OFFICER. That includes the reading of the text. If there is no objection, the formal reading of the bill is dispensed with and the committee amendments will be first considered.

The Secretary will read the bill.

The Assistant Secretary proceeded to read the bill.

PROBLEMS RELATING TO REFORESTATION.

Mr. CALDER. Mr. President, I ask unanimous consent to report back favorably, with amendments, from the Committee to Audit and Control the Contingent Expenses of the Senate, Senate Resolution 398.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the report will be received. Does the Senator desire immediate consideration of the resolution?

Mr. CALDER. I should be glad to have immediate consideration of it, if there is no objection.

Mr. BORAH. I should like to have it read. I sought to get a copy of it awhile ago and was unable to do so. That is a matter of some concern to us.

Mr. WARREN. Reserving the right to object, I have no objection to its being read.

Mr. BORAH. Reserving the right to object, I will ask to have it read.

The PRESIDING OFFICER. The Secretary will read the resolution.

The ASSISTANT SECRETARY. The resolution (S. Res. 398), submitted by Mr. HARRISON on January 5, 1923, reads as follows:

Resolved, That the President of the Senate appoint a committee to consist of five Members of the Senate, three from the majority party and two from the minority party, to investigate problems relating to reforestation, with a view to establishing a comprehensive national policy for lands chiefly suited for timber production in order to insure a perpetual supply of timber for the use and necessities of citizens of the United States. The committee shall make a final report of its investigations with recommendations to the Senate not later than December 2, 1924.

At this point the committee proposes an amendment to make the date April 4, 1924.

For the purposes of this resolution the committee is authorized to sit and act at such times during the sessions or recesses of the Sixty-seventh and Sixty-eighth Congresses and in such places within the United States, to hold such hearings, and to employ such clerical and stenographic assistants as it deems necessary. The cost of stenographic service to report such hearings shall not be in excess of $1.25 per printed page.

Which it is proposed to amend to read "25 cents per folio."

The committee is further authorized to send for persons, books, and papers, to administer oaths, and to take testimony. The expenses of the committee shall be paid from the contingent fund of the Senate.

Mr. BORAH. Mr. President, has the Senator from Mississippi any objection to this resolution going over for a day?

Mr. HARRISON. None.

Mr. BORAH. I should like to look at it a little.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

INDEPENDENT OFFICES APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

Mr. HARRISON. Mr. President, may I inquire from what page the Secretary is reading?

The PRESIDING OFFICER. (Mr. LADD in the chair). Page 2.

Mr. HARRISON. Are the committee amendments being considered first?

The PRESIDING OFFICER. They are. That order has been made.

Mr. HARRISON. Then any amendment I may offer will have to wait until after the committee amendments are disposed of?

Mr. WARREN. It should wait, if the Senator please, until the committee amendments are disposed of.

Mr. HARRISON. Mr. President, before we proceed further I just want to say that "day by day in every way," so far as the country leaning toward the Democratic Party is concerned, it is getting better and better.

Mr. McCORMICK. Mr. President, will the Senator yield?

Mr. HARRISON. Just as soon as I have told the Senator how his party is being defeated as the days come and go.

In November of last year up in the great State of Pennsylvania in one of the districts where two gentlemen were contesting for the right to serve the people of that district in the Pennsylvania State Senate there were some twenty-odd thousand votes polled. In that district in the race between the present junior Senator from Pennsylvania [Mr. REED] and the Democratic candidate, Mr. Shull, Mr. REED received 12,682 votes and Mr. Shull 10,317 votes, about 2,500 majority. In the race between the Republican and the Democratic candidates for the State senate there was a tie, both receiving approximately 12,000 votes. They ran off this tie yesterday. I have waited now some three hours to-day to hear an explanation of the result from some one on the other side and for the information of the returns to be given. In the race yesterday between these two candidates who tied a short while ago for the State senate the Democrat received 2,500 majority; and thus it is that the Republican Party "day by day in every way" is getting deader and deader.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The first amendment of the Committee on Appropriations was, under the subhead "Executive Mansion and grounds," on page 3, line 19, after the word "grounds," to strike out "(within iron fence), $5,000" and insert "$10,000," so as to read:

For improvement and maintenance of Executive Mansion grounds, $10,000.

The amendment was agreed to.

The reading of the bill was resumed and continued to line 24, page 3, the last paragraph read being:

For extraordinary repairs to and refurnishing the Executive Mansion, $20,000.

Mr. KING. I would like to inquire of the Senator from Wyoming whether the evidence before the committee showed the necessity of $50,000 for the refurnishing of the Executive Mansion, and also $20,000 for extraordinary repairs and refurnishing?

Mr. WARREN. Fifty thousand dollars is the sum usually spent in taking care of the ordinary wear and tear and providing for the repairs, refurnishing, and so on. Now necessity has arisen for making the building as nearly fireproof as possible. They will have to go through the roof of the building, which is said to be a fire trap, and the $20,000 is for extraordinary repairs to put it in better shape. At the time the White House was rebuilt the upper part of the structure was scarcely touched, and when Mr. Wilson was about to become President some money was spent in the upper story, but at the same time all of the underroof and some of the upper story were unfinished, and the $20,000 is for finishing that part of the building, and also to bring heat over from the State, War, and Navy Building.

Mr. KING. Then $20,000 is to be spent solely for repairs and for furnishing of a part of the building which heretofore has not been furnished?

Mr. WARREN. It is not for furnishing, but it is for repairing and reconditioning. Fifty thousand dollars covers all of the refurnishing.

Mr. SMOOT. Ten thousand dollars of the $20,000 is for the purpose of putting a heating system in by running a tunnel from the State, War, and Navy Department Building over to the White House and heating the White House and the offices there from that one boiler. Two thousand one hundred dollars a year will be saved by expending this $10,000 of the $20,000. Four thousand dollars is for the construction of an ice box and refrigerator, which is now located in the passage between the offices and the White House. This would provide for a permanent improvement of the refrigerating system used in the White House, instead of having the refrigerator in that passage, which the Senator has no doubt seen a number of times. That would make up the $20,000.

The next amendment was, on page 4, line 3, after the figures "$5,000," to strike out "*Provided*, That this work shall be done by the Office of the Supervising Architect," so as to make the paragraph read:

For preparing plans and estimate for fireproofing the Executive Mansion, including plans for the renovation of the second and third stories and the roof, $5,000.

The amendment was agreed to.

The reading of the bill was continued to line 2, page 5, the last paragraph read being:

ALIEN PROPERTY CUSTODIAN.

For expenses of the Alien Property Custodian authorized by the act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; including personal and other services and rental of quarters in the District of Columbia and elsewhere, per diem allowances in lieu of subsistence not exceeding $4, traveling expenses, law books, books of reference and periodicals, supplies and equipment, and maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $280,000: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commisson.

Mr. KING. May I inquire of the Senator whether or not there has been an increase in this appropriation for the use of motor-propelled passenger-carrying vehicles; and, secondly, if there is any necessity for furnishing the Alien Property Custodian vehicles of the character referred to? It seems to me that a vice has been developed in the Government service of furnishing automobiles to too large a number of Government employees and too large a number of Federal agencies. A large number of the employees of the Government feel that they must have automobiles. I think we should restrict the number to the President, the Vice President, Cabinet officers, the General of the Army, and a few others, but this indiscriminate employment by Federal officials of automobiles, it seems to me, is a vice which ought to be corrected, because the use of the automobile carries with it the employment of a chauffeur, a large sum annually for repairs, and a large amount annually for the purchase of gasoline, so that in the aggregate a very large burden

is imposed upon the Treasury of the United States by our providing motor-propelled vehicles for the hundreds of Federal employees who enjoy the luxury of their use.

Mr. WARREN. Replying to the inquiry of the Senator as to the Alien Property Custodian, that particular appropriation has not been increased. It is the same as before. The general appropriation for that institution is greatly decreased. However, they have a great many industries, really, which have to be superintended and visited, and there is considerable running about to be done. They have to have some means of transportation, and it would require still more expense in travel in the way of taxis and other means of transportation if they did not have the automobiles.

As to the general observation in his zeal in these matters, which I acknowledge, the Senator probably will hardly spend a tenth of the time I have spent in opposition to any increase in the number of automobiles, the expense for them, and so forth. Nevertheless it comes down to the fact that we must either maintain them or spend still more money in other directions. Formerly, commencing, I think, at the time Andrew Jackson rode to the White House on horseback, there were appropriations for horse-drawn vehicles for various departments, and they were very much more expensive than motors. Another thing: Formerly the activities of the Government of the United States were carried on in very few buildings, covering a very small area of the city. At the present time it would seem as though the departments and Congress together had insisted upon making a crazy quilt of the Government buildings. They are located in all parts of the city, and I might say outside of the city proper, and in sending papers from one to another to be signed, and doing the work that has to be done, a great many more men even than the number we have now have been required.

We have been cutting down the supply of help very largely. As to whether we are giving too much, the Senator must judge, the same as I do.

We have not increased a single item in the bill as it passed the House regarding that. The Senator from Tennessee has offered six or eight different amendments in regard to motor-driven vehicles, to cut out all expenses of automobiles, the expense of the care of them, and other expenses. I do not see that Senator in the Chamber now, but I am perfectly willing to submit every one of those amendments to a vote of the Senate, although, of course, if that means of locomotion is done away with, there will have to be some means of transportation provided. But when the amendments come up I shall not object to their coming to a vote.

Mr. KING. In view of the information conveyed by the able Senator from Wyoming to the effect that the Senator from Tennessee has offered a number of amendments dealing with this subject, I shall pretermit any further discussion at this time and wait until those amendments are offered.

The reading of the bill was continued to line 16, page 5, the last paragraph read being as follows:

BUREAU OF EFFICIENCY.

Salaries and contingent expenses, including traveling expenses; per diem in lieu of subsistence; supplies; stationery; purchase and exchange of equipment; not to exceed $100 for law books, books of reference, and periodicals; and not to exceed $150 for street car fare; in all, $144,500: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum except the following: One $7,500, 1 at $6,000, 3 at $4,250 each, 8 at $4,000 each, 3 at $3,600 each, 1 at $3,500, 2 at $3,250 each, 5 at $3,000 each, 2 at $2,750 each, 3 at $2,400 each, and 5 at $2,000 each.

Mr. KING. Mr. President, I desire to direct an inquiry to my colleague, because I know he has given a great deal of attention to this particular agency of the Government. I would like to inquire of him whether, in view of the passage of the Budget law and the fact that the Budget organization is functioning, he believes it is necessary to perpetuate this organization, and whether he believes the benefits so far derived, and those which possibly may be obtained in the future, warrant this expenditure. It seems to me the number employed is rather large, and the compensation for some of them seems to be rather excessive.

Mr. WARREN. That question has come up a number of times, and I will say that this is one of the most efficient bureaus we have in the entire Government service. In connection with the various bills handled by our committee, covering many interests, we have to consult the bureau. I will ask the Senator's colleague, the senior Senator from Utah, to reply to his inquiry, as in his line of duty he has more to do with the Bureau of Efficiency than has any other Senator.

Mr. SMOOT. Mr. President, in answer to my colleague, I will state that I know of no agency of the Government which, in proportion to the amount of money appropriated for it, saves to the Government what this bureau does. I thought I had here a statement of the savings made in the last year in the different departments of the Government through the recommendations of the Bureau of Efficiency. It is not $100,000, but it is hundreds of thousands of dollars, and it runs every year to three and four and sometimes ten and twenty times the amount appropriated.

In order to find out really whether those savings have been made, I have taken occasion to go to the department and check up the reports, and I know, not from the Bureau of Efficiency, but from the department heads, that the recommendations made by the Bureau of Efficiency have saved the amounts of money given in their statements. The Budget Bureau is using the Bureau of Efficiency for the very purpose of securing the information necessary to enable the Director of the Budget to make recommendations to the President of the amounts that should be carried in any recommendation he may make to Congress.

Mr. KING. Then, as I understand my colleague, in a number of bureaus and executive departments of the Government recommendations, after investigation made, have been offered by this Bureau of Efficiency which have been accepted by the governmental agencies examined and which have resulted in savings?

Mr. SMOOT. In great savings. In relation to the salaries, of course the salary of the director is $7,500. The salary of Mr. Graves is $6,000. I do not know whether my colleague has met Mr. Graves or not, but I want to say that he is one of the brightest men in the public service, and his whole heart and soul are in this work. I know of no one who is doing better work or working more hours in the Government service than Mr. Graves, of the Bureau of Efficiency. I want to say that much for a man who I do know is working early and late, and I know of no man who has a greater interest in his work than has Mr. Graves.

Mr. KING. May I inquire of my colleague whether the number of employees has been increased?

Mr. SMOOT. It has been decreased.

Mr. KING. Is the compensation allowed each the same, substantially?

Mr. SMOOT. It is the same as under existing law.

Mr. KING. The Senator will recall that a year or two ago complaints were made by some members of the Bureau of Efficiency, with which I sympathized, that in their efforts to get into the departments for the purpose of examining the modus operandi of conducting business, and making recommendations, if they found recommendations were necessary, they encountered a great deal of hostility. May I inquire whether or not that hostility still exists, or has the Bureau of Efficiency been permitted free opportunity for a full and exhaustive investigation for the purpose of making recommendations?

Mr. SMOOT. Instead of that opposition existing to-day, Mr. President, the heads of the departments have realized what the work of this bureau has done for other departments in the Government in the past, and every member of the bureau is kept busy all the time responding to requests of the heads of the various departments.

I want to give credit here to a former Postmaster General, because he was the first man who really realized the importance of the work of the Bureau of Efficiency.

Mr. KING. Does the Senator refer to Postmaster General Burleson?

Mr. SMOOT. I refer to former Postmaster General Burleson. He asked the Bureau of Efficiency to come into his department and study the organization from every standpoint, with a view of cutting out all classes of duplication and doing away with unnecessary work. That was done. I wish I had now the letter which I received from former Postmaster General Burleson telling of the results of the work of the bureau and commending it to every department of the Government.

I want to repeat what my colleague has stated, that in the inception of the organization of the bureau there was opposition. The head of every department and every division and every bureau of the Government thought that he knew more about how to run his particular department than somebody else who would come in and tell him what to do, but I do not think any of them feel that way now. I am very much pleased to say to my colleague that the work of the bureau has been all and more than was expected when we first created it by law.

Mr. McKELLAR. Are we now reading the bill regularly?

The PRESIDING OFFICER. Yes; for action on the committee amendments.

Mr. McKELLAR. Very well.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, in the items for salaries, Civil Service Commission, on page 6, line 3, after the word "each," to strike out "Custodian force: Engineer, $840; general mechanic, $840; telephone switchboard operator, $720; 2 firemen, at $720 each; 2 watchmen, at $720 each; 2 elevator conductors, at $720 each; 3 laborers, at $660 each; 4 charwomen, at $240 each; in all, $305,420" and to insert "; telephone switchboard operator, $720; in all, $296,480"; so as to make the paragraph read:

CIVIL SERVICE COMMISSION.

Three commissioners, at $5,000 each; chief examiner, $3,500; secretary, $2,500; assistant chief examiner, $2,400; chiefs of divisions—1 (who shall act as assistant secretary) $2,400, 2 at $2,000 each; certification clerk, $2,000; examiners—7 at $2,400 each, 3 at $2,000 each, 6 at $1,800 each; clerks—6 of class 4, 28 of class 3, 39 of class 2, 52 of class 1, 34 at $1,000 each, 22 at $900 each; messenger, $840; assistant messenger, $720; skilled laborer, $720; 4 messenger boys, at $420 each; telephone switchboard operator, $720; in all, $296,480.

Mr. KING. Mr. President, may I inquire of the Senator having the bill in charge whether there has been a transfer of the officials provided for in lines 4, 5, 6, 7, and 8, page 6, to some other part of the bill?

Mr. WARREN. I expected the Senator to make that inquiry, and I am very glad to advise him that that amendment reduces the amount from $305,420 to $296,480, although it is a small reduction. In the bill as we go along we shall cover four or five different departments which have been a care in the way of watchmen and janitors, and so forth, and have now been turned over, the same as some of the departments before have been, to the department presided over by Colonel Sherrill, Superintendent of Public Buildings and Grounds. He has shown great economy and excellence of service. There is carried a reduction in the bill of some forty-odd thousand dollars in all. There are two of the departments provided for by lowering the total sum like this one, but there are four as to which we state in the bill that there shall be paid back to the Treasury a certain amount of money from the surplus funds.

Mr. KING. I am not sure that I followed the Senator, but as I understand his explanation it was that heretofore some of the agencies and bureaus in Washington have had the care of their own buildings, whereas now the care of the buildings has been consolidated under the head of one man, Colonel Sherrill.

Mr. WARREN. Yes. The head of the department. Colonel Sherrill will probably be followed by an equally good man when his tour of duty has expired, as that is always provided for by appointing an Engineer officer.

May I state to the Senator, correcting my former statement, that two of the departments have been lowered in the main sum. We have stated it in what appears to be an amendment, though it is really the same general subject, but we strike it out in order to make it plainer in the way we have now incorporated it in the bill. In four or five of the departments we save $40,508. I think in this connection I ought to insert in the RECORD a brief statement coverng the matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Saving effected by Senate committee amendments.

Buildings.	Salaries.	Bonus.	Fuel, lights, etc.	Total.
Department of Commerce	$5,520	$2,880	$950	$9,350
Department of Labor	5,760	2,352	900	9,012
Wardman-Justice	3,860	2,688	4,750	11,298
Civil Service Commission	180	96	1,700	1,976
Interstate Commerce Commission	3,760	2,112	2,800	8,672
Total	19,080	10,128	11,100	40,308

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 6, lines 3 to 9.

The amendment was agreed to.

Mr. McKELLAR. As I understand it, we are merely passing over the various sections of the bill. I have an amendment I want to propose to the second paragraph under the heading "Civil Service Commission," but it is an independent amendment and I presume I shall have the right to offer it later on.

The PRESIDING OFFICER. The Senator may offer the amendment later.

Mr. KING. It may avoid offering an amendment to strike out the entire paragraph if the chairman of the committee would make an explanation now as to the item on page 6, lines 10 and 11:

For additional employees for the Civil Service Commission, $107,500.

Mr. WARREN. I think the Senator will remember that about a year ago the President of the United States and the heads of departments associated with him made it the duty of the Civil Service Commission to examine postmasters reappointed or newly appointed. It is necessary for them to have this appropriation largely for that purpose. It is considerably smaller than they thought they ought to have for the additional work. We have appropriated heretofore even much more than we are appropriating now for the work. We put the item in the bill as for special work because, after this flood of changes has taken place, we hope we may cut down expenses much more. As long as it is additional, it is much easier to get it out than it would be if it were associated with the other and larger regular appropriation.

Mr. KING. May I invite the attention of the able Senator to the provision found in lines 1 to 4, page 8, which carries $32,500 for examination of presidential postmasters, including travel, stationery, and so forth, additional examiners and investigators, and other necessary expenses of examination?

Mr. WARREN. That is for travel, stationery, contingent expenses, and so forth.

Mr. SMOOT. The Senator will notice that we have reduced the item further down on the page from $45,000 to $39,540, and we have increased the amount referred to by the Senator; that is, we increased the amount of the estimate of the Budget from $90,000 to $107,500, so it is a transfer from page 8, so far as the amount of increase is concerned. We are not taking the exact Budget estimate into consideration.

Mr. KING. I would like to ask my colleague or the chairman of the committee, in view of the very large staff possessed by the civil service organization and the rather generous appropriations which have been made, what is the necessity for giving $107,500 for additional employees, and also $32,500 for the examination of presidential postmasters?

Mr. WARREN. Does the Senator know how many postmasters have to be examined? They constitute a tremendous number.

Mr. KING. I do not know, but I imagine it would be in the neighborhood of between 7,000 and 10,000 that will have to be examined from now on.

Mr. WARREN. That would nowhere nearly cover it.

Mr. McKELLAR. From now on it would not be anything like that.

Mr. KING. I think that I am within the bounds not only of reason but of accuracy when I say it will not exceed 10,000 postmasters to be examined for the coming year. I am not complaining, but our Republican friends have managed to get rid of a large number of Democrats, and I think 10,000 will cover the number that will be gotten rid of in the next year, because that will comprise substantially all.

Mr. WARREN. Would it be any comfort to the Senator's feelings if I should say to him that a great proportion of this is for investigation of character; that is, they propose to determine not only the educational qualifications of the candidate but his character, because it has developed—and I say this without any political bias—that we have found convicts released from a penitentiary holding post-office appointments at times. Instances of that sort have caused a revulsion of feeling. That part of the examination is, I think, very valuable and adds to the needs of the commission, and of course we have to provide accordingly.

Mr. KING. May I make one further observation? I do not think, because a man has been convicted of some offense, that he ought to be debarred from becoming a candidate for any position, for that matter. If the bar which a conviction would raise to his holding the office is removed by pardon or some other method, I think he ought to be given an opportunity to become an applicant for a position. In other words, I do not think it should be held against a man forever that he has made a mistake and been convicted, if by his subsequent course in life he has exemplified to the world a penitent spirit, if he has made reparation, and if he is pursuing an honorable course in life. If that be true, progress and position ought to be accorded him.

Mr. WARREN. May I say to the Senator that I feel very much about that as he does, so far as he has gone; but I think the Senator would do as I would do in a case like that. He would want to find out something about the man and what his conduct was afterwards. He would desire, through some agency, to examine the doings of the man. That is exactly what the Civil Service Commission proposes to do and is instructed to do. I do not believe anything has occurred yet that would bar those who may have been considered sufficiently penitent, who have exempted themselves from further suspicion; but a great deal of money has been lost and a great

many loose things have been done in connection with the post-office service itself.

Mr. SMOOT. May I call my colleague's attention to what the House did? On page 8, the item referred to by my colleague is for examination of presidential postmasters, including travel, stationery, contingent expenses, additional examiners and investigators, and other necessary expenses of examination, $32,500. The existing law carried $75,000 for that purpose. The Budget estimated $50,000. The House took $17,500 off of the $50,000 and added it to the Budget estimate for additional employees of the Civil Service Commission, making the item on page 6, lines 10 and 11, a total of $107,500. So my colleague will see that the amount appropriated for the coming fiscal year for the examination of presidential postmasters is less than half of what it was this year, or $75,000. As I said, the Budget cut that to $50,000, and the House cut it to $32,500, but took $17,500 and put it in the item for additional employees of the Civil Service Commission, making $107,500, or a reduction from existing law, but an increase over what the Budget allowed because of the transfer of employees.

Mr. KING. Let me inquire of the Senator if it is not a fact that the provision for additional employees of the Civil Service Commission is intended to give temporary employment to individuals, or at least employment for the current year only, and to employ individuals who are not upon the general roll and are not provided for in the general law?

Mr. SMOOT. I will say to the Senator that the existing law reads as follows:

For additional employees for the Civil Service Commission, $100,000.

That is the existing law to-day. The existing law for examination of presidential postmasters provides $75,000. The existing law provides $175,000 for the two purposes.

Now, the House gave $32,500 for examination of presidential postmasters and $107,500 for additional employees in the Civil Service Commission, and that makes only $140,000 instead of $175,000, as carried in the existing law.

Mr. KING. When was the existing law to which the Senator has called my attention enacted?

Mr. SMOOT. It was enacted on the appropriation bill of a year ago, and continues in effect until July 1 of this year.

Mr. KING. The point which I attempted to make, but perhaps I did not make myself clear, was that this provision for additional employees was made during the war.

Mr. SMOOT. No. It has been carried in the bill ever since the law was passed, which was, I think, about 10 or 11 years ago, authorizing and directing the Interstate Commerce Commission to begin the valuation of the railroads of the country. Ever since that time the appropriation bill has invariably carried a great deal more than the sum now proposed to be appropriated for additional employees. The reason for that is that more employees may be needed at one season of the year than at another and in that way may be used to advantage. That is the reason also why the appropriation has been made as a lump sum. I am happy, however, to state to the Senate that the officials of the Interstate Commerce Commission have advised the committee that at a very early day they are hopeful of winding up the work of the valuation of the railroads, which they began so long ago.

Mr. KING. I should like to ask one other question which seems to me to be pertinent. If the Interstate Commerce Commission and other commissions do not call for additional employees, then this entire amount of $177,500 plus $32,500 may not be expended?

Mr. SMOOT. If they do not need the employees, certainly the appropriations will not be expended.

Mr. KING. Do I understand that the Civil Service Commission, under the authorization found in lines 10 and 11, page 6 of the bill, makes temporary appointments as the exigency arises, and when the exigency ceases the employees are separated from the service?

Mr. SMOOT. Absolutely.

Mr. KING. They do not, then, remain on the permanent roll of the department from year to year?

Mr. SMOOT. No; and that is why they are appropriated for in the manner now proposed.

Mr. KING. Does the Senator from Utah know whether from the appropriation which has been made for the current year there will be any money covered back into the Treasury?

Mr. SMOOT. I will say to the Senator that there will not be. An increase of $7,500 was asked for in order to enable the work to be completed, if possible. So there will be nothing covered back this year, for which only $100,000 were appropriated.

Mr. KING. Of course the Senator will perceive that in the next paragraph, found at the bottom of page 6, there is a field force authorized for the Civil Service Commission for which an appropriation of $272,000 is proposed?

Mr. SMOOT. Yes.

Mr. KING. Is not that field force employed in conducting examinations?

Mr. SMOOT. That field force will always have to be appropriated for because it is used for the regular work of the commission.

Mr. KING. I understand.

Mr. SMOOT. And we shall never get rid of that so long as the Civil Service Commission exists.

Mr. KING. It occurred to me that with that very large field force, in view of the fact that there are so many employees in the Government service, with the understanding that some will be separated from the service, the ordinary field force would be competent to deal with all examinations that may be made during the coming year.

Mr. SMOOT. The Civil Service Commission say that that can not be done. I will say, further, to the Senator that $272,000 is the exact amount which we appropriated for this purpose for the fiscal year 1923.

Mr. McKELLAR. Mr. President, if the junior Senator from Utah [Mr. KING] shall offer an amendment to strike out the provisions of the bill from line 10 to line 18, inclusive, on page 6, and lines 1 to 4, inclusive, on page 8, I shall support the amendment.

I make that statement because the examination of third, second, and first class postmasters by the Civil Service Commission is an entirely useless and vain thing. I was interested in the statement made by the Senator from Wyoming [Mr. WARREN] a moment ago that one of the reasons why it took so many employees for this service was that they were going into the character of the applicants. Mr. President, the Civil Service Commission does not in all cases go into the character of the applicants; neither does the Senate consider the character of nominees. For instance, there was a man who was recommended by the then patronage dispenser of Tennessee, John W. Overall, himself collecting money from various applicants for post-office appointments in Tennessee and assessing charges against them. Checks were submitted showing that he had received the money, but he claims that it was to reimburse him for expenses incurred in coming to Washington to arrange concerning the appointments. I recall also the case of Mr. Overall's nephew, a man by the name of Whaley, who was alleged by his neighbors to be a man of bad character. I think it was alleged he was guilty of all kinds of offenses and that he had been prosecuted a number of times and probably convicted once. I have forgotten the exact circumstances, but some of his neighbors testified as to his bad character. Nevertheless he was appointed postmaster. The Civil Service Commission did not find out anything about him and made no report, as I recall; in fact, the Civil Service Commission did not pay any attention to the matter when it was called to their attention, and the Senate confirmed that man afterwards, over my protest, of course. So if the Civil Service Commission are searching into the character of applicants it is a useless and vain thing; there is no use to do it. There is no use of our furnishing money to do it.

I believe that what we ought to do would be to strike this provision out entirely. The Republican Party is in power, and they ought to have the right to appoint postmasters. I, for one, should not object to their doing so. Let them appoint the best men.

The Civil Service Commission is supposed to select three eligibles; but if there are two Democrats and one Republican, it makes no difference what the character of the Republican may be, it makes no difference what his qualifications are, it makes no difference what the facts and circumstances about his efficiency may be, the Republican will be appointed. So why should we spend this vast sum of money for the purpose of establishing an eligible list, when no attention is paid to the eligible list, even if they have all Republicans on it?

I will give the Senate an illustration of the situation. At the little town of Gainesboro, on the Cumberland River in my State, there were quite a number of candidates for postmaster. That county is fairly evenly balanced between Democrats and Republicans, there being good people in both parties. There was an eligible list of three, as I recall; at least two of them were Republicans, and, indeed, I think all three of them were Republicans, but a man was first appointed acting postmaster who was not on the list, and then the department turned down all three of the eligibles and appointed a man who had failed utterly in his examination. I think he made about 60 per cent out of a possible 100, while the other candidates all made over 70 per cent. He was wholly disqualified, but

it seems that at one time he had been a rural carrier and under some sort of a rule he was appointed over the three eligibles because it was claimed he was already in the civil service.

Mr. President, any such system as that is worse than a farce, and we ought not be parties to it. As reasonable men, we ought to disregard it, and we ought not to appropriate the money to establish eligible lists under such circumstances. The majority party appoints the officers; it is their duty to do it; it is their right to do it; it is their privilege to do it. All we ask that they appoint decent and honorable men. Do not, however, let us resort to the miserable subterfuge of pretending to be fair about it and having examinations held, all to no purpose.

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I wish to call the Senator's attention to the fact that the same practice was followed all during the last administration, when the Democrats were in power. Let me say further I was quite surprised to hear the Senator refer to a man of very poor character being confirmed by the Senate, although I recall that during the last administration a man was appointed a postmaster in a certain State as to whom there was no question that he had raped a little 14-year-old girl. That, however, did not cut any figure at all, and he was confirmed.

Mr. McKELLAR. Was he confirmed by a Democratic Senate?

Mr. SMOOT. Yes.

Mr. McKELLAR. He ought never to have been confirmed by a Democratic Senate, by a Republican Senate, or by a Senate of any political complexion.

Mr. SMOOT. That is what I say.

Mr. McKELLAR. But two wrongs do not make a right.

Mr. SMOOT. That is true.

Mr. McKELLAR. My proposition is that there is no use in our spending the people's money for the purpose of establishing eligible lists when no attention is paid to such lists. To give another illustration, at the little town of Rutherford, in my State, a Democratic community where I believe there are very few Republicans, there were a number of applicants for the position of postmaster. When the eligible list was established it was found that there were two Democrats and one Republican on the list, but the Republican was not the kind of Republican that those in power wanted to have in the office. There was, however, another Republican whom it was desired to place in the office. So that Republican got Mr. Overall—and I presume paid his expenses—to come here to Washington and make application for reexamination, and on the reexamination the wife of this applicant for postmaster who had failed to get on the eligible list was put at the head of the list and given the appointment.

Why should there be resort to proceedings of that kind? The Republicans are putting their friends in office. I do not object to that; they ought to do it; but why spend the people's money for a purpose which, while on its face it seems to have some evidence of fairness, in reality is a mere subterfuge? Why make the claim that the appointments are nonpolitical, when every appointment that is made is political?

If the Senator from Utah does not offer an amendment to strike out the two provisions to which I have referred, I am going to offer such an amendment, for the provisions ought to be stricken out. I do not know that it will do any good, for the majority party may continue to resort to this subterfuge. I do not think the Civil Service Commission is particularly to blame in this respect. They do not appoint. They go ahead and establish an eligible list; but, after the list has been established and certified to the department, I think it is reprehensible for them to permit one of the applicants who has failed in the examination to come to Washington and ask to be regraded and put first on the list merely because he or she is backed by the Republican boss who is selling the office. We ought not to agree to the continuation of any such system. We are paying out the people's money for purposes for which we ought not to pay it out.

Numerous instances of the kind to which I have referred have occurred in my State. So far as I know, no Democrat has been appointed. So far as I can now recall, in nearly every instance in my State a Democrat has been first on the eligible list—I doubt if there have been a score in the whole State where a Democrat has not stood first on the list if any took the examination—but never in any instance has the Democrat received the appointment, so far as I recall, if there was a Republican on the list. Is that a proper administration of the civil service? If it is, God save the mark! Is that the kind of civil service that we ought to have if we are going to have one? The civil service, so far as these postmaster examinations are concerned, is a miserable farce.

I have heard here a great deal about the Committee on Civil Service Reform and their demand that we should have an honest, efficient, and straightforward civil service; but if what we have now is such a civil service, I do not understand what an honest and efficient civil service is.

I want to say to the Senator from Utah that I am not complaining. I think the party in power should have the offices and should make appointments to them, but I do not think we should spend the people's money to determine eligibles when no attention is paid to the eligibles after they are determined, and even the three on the list are disregarded and persons who have failed are appointed, as in the case of Mr. Dudney at Gainesboro. He utterly failed. There were three eligibles declared. They were all disregarded and the man who had failed was appointed, and his nomination is pending now. It ought not to be confirmed, but, of course, the Senate will go ahead and confirm him regardless of his character, regardless of his failure, regardless of his inefficiency. It is going to be done. Then, why spend the people's money in a matter of this kind? I do not think it ought to be done, and I hope it will not be done.

The VICE PRESIDENT. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 8, line 11, to increase the appropriation for necessary traveling expenses, Civil Service Commission, including those of examiners acting under the direction of the commission, etc., from "$18,000" to "$20,000."

The amendment was agreed to.

The next amendment was, on page 8, line 15, after the word "charges," to strike out "fuel, heat, light, and power; window washing"; in line 23, after the word "rent," to strike out "maintenance and repair of electric conduit"; and on page 9, at the end of line 2, to reduce the total appropriation for contingent and miscellaneous expenses, Civil Service Commission, from "$45,000" to "$39,540," so as to make the paragraph read:

For contingent and miscellaneous expenses of the Civil Service Commission, including furniture and other equipment and repairs thereto; supplies; advertising; telegraph and telephone service; freight and express charges; street-car fares not to exceed $200; stationery; purchase and exchange of law books, books of reference, directories, newspapers, and periodicals, not to exceed $500; charts; purchase, exchange, maintenance, and repair of motor trucks, motor cycles, and bicycles; maintenance and repair of a motor-propelled passenger-carrying vehicle to be used only for official purposes; garage rent; postage stamps to prepay postage on matter addressed to Postal Union countries; special-delivery stamps; and other like miscellaneous expenses not hereinbefore provided for; in all, $39,540.

The amendment was agreed to.

The next amendment was, under the head "General Accounting Office," on page 14, after line 6, to insert:

The General Accounting Office is hereby authorized to destroy all paid United States Government checks that have been issued three full fiscal years, after all unpaid checks have been properly listed as outstanding as now required by law. Hereafter all claims on account of checks appearing as having been paid shall be barred if not presented to the General Accounting Office within three full fiscal years after the issuance thereof.

Mr. WILLIS. Mr. President, I do not think I desire to oppose the amendment. I should, however, like to ask a question of the Senator in charge of the bill, the able Senator from Wyoming [Mr. WARREN].

In the course of business with different departments I happen to have in mind just now two or three cases in which the existence of these old checks became very material in protecting the rights of the Government. I wonder whether the committee has fully considered that?

Mr. WARREN. Fully; but this is a matter of checks, and thousands of cubic yards of these checks—all the pension checks and all others—have accumulated to such an extent that they give rise to danger of fire not only for themselves but for their surroundings. It is considered that after the three years additional here and the three years that we have heretofore provided there will be hardly any opportunity to make use of them in any valuable way. In fact, the records would show everything that the checks could show.

Mr. WILLIS. I am disposed, of course, to accept the judgment of the experienced chairman of the committee; but one of the cases I had in mind was just such a case as this would apply to—that is to say, under this provision, if it had been the law, the very evidence that was relied upon successfully to protect the interests of the Government would have been destroyed. I understand, of course, the difficulty presented by the accumulation of these old checks. It is quite a problem;

but it does seem to me that it might destroy evidence of great value to the Government.

Mr. SMOOT. Mr. President, I want to say to the Senator that we are now holding every pension check that was issued from the day the first check for the first pension became a reality. We have not simply a room like this full of them, but we have rooms full of them; and since the law was passed requiring the payment of these pension checks monthly, with the great number now being paid, we shall have to find space somewhere to take care of them. If they are going to be of any use at all they must be in a fireproof building, or else there is danger of all of them being destroyed by fire; and I think there will not be one case in ten million such as the Senator is referring to.

Mr. WILLIS. I think that is true; but I submit for the consideration of the Senator whether the relief which he very properly seeks from this accumulation of old papers and documents can not be obtained without making the limitation period quite so brief—say 5 years or 10 years?

Mr. SMOOT. The period is six years under this provision. The existing law requires that they shall be published the first three years, and this is in addition to that.

Mr. WILLIS. I have no desire to be contentious about it. I just call attention to the matter.

Mr. KING. Mr. President, I should like to inquire of the chairman of the committee or of my colleague in regard to the matter that has just been considered, the General Accounting Office. As I recall, for the current year a very liberal appropriation was made because it was contended that this organization was new, and that a good deal of work was involved in getting all of the machinery into efficient operation. I wish to inquire whether or not there has been any reduction in the pending bill over the appropriation for the current year? The expenses of the Government ought to be less next year than this year, because we are receding from the war period.

Mr. WARREN. They are less. I think I ought to say to the Senator that this bill carries a great deal less—in fact, more than $10,000,000 less—than the estimates, and the estimates in the first place cut down former appropriations very materially. In some cases they did not cut them, but generally speaking, all of the expenses have been cut, and that applies to what the Senator has just brought up. It has been cut down as low as the Budget seemed to think it could be cut down—something between thirty and forty thousand dollars—$36,904, the Senator from Utah [Mr. SMOOT] says.

Mr. KING. I can not see how you can readily get an estimate of the cost, because some of the appropriations here have been heretofore carried in a number of bills.

Mr. WARREN. That has all been figured out. Formerly we undertook to provide in a lump sum for this rather new matter, under the late changes, of general accounting. As the Senator knows, that office assembles all the auditors that we formerly had to appropriate for in detail. The auditors for all of the departments are now in that one establishment, and we have cut it down, as I say, $36,904, which is all that the House and all that the Senate committee felt it could be cut down at this time.

Mr. SMOOT. Speaking of transfers from other sources that are appropriated for in existing law, I want to say that there was $211,477 of deficiencies and transfers, and the existing law is $175,261; and, as the Senator from Wyoming says, there is a saving this year over last year in all of the items mentioned of $36,904.

Mr. KING. Does not my colleague think there ought to have been a greater reduction in view of the decreased expenses of the Government and the smaller amount of business that has to be carried on because we have liquidated so many of the War Department's activities?

Mr. SMOOT. That is a reduction of about 12 per cent, and I will say to my colleague that I wish we could have reduced them all in the same proportion.

Mr. KING. Yes; I regret that we can not.

I want to say, in reply to the Senator from Wyoming about estimates, that I think predictions were made when the Budget bill was passed, and predictions and statements have been made frequently upon the floor of the Senate, that whatever economies are effectuated in the Government will be largely the result of the work of Congress itself; that the executive departments, no matter how they may be flagellated and condemned and criticized, will always ask for more than they ought to have, and more than Congress will give; and my experience here in the Senate, short as it is, has revealed the fact that, extravagant and wasteful as Congress may be, it is still more economical than the executive departments of the Government. If it were not for the earnest work of a number of Senators upon the Appropriations Committee—and I commend them for their courage and their zeal—the appropriations would be very much larger than they are. I think the Senator from Wyoming [Mr. WARREN], my colleague [Mr. SMOOT], and others are entitled to great credit for their assiduous efforts to keep down the expenses; but let me say that with all of their zeal I think they ought to have made deeper cuts in the recommendations of the Budget. I think the expenses, notwithstanding the reductions which may be reflected in the various bills, are too high, and the burdens of taxes resting upon the people are entirely too great.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. WARREN. Mr. President, in the next paragraph, the committee offers the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 14, line 17, after the word "Memorial" and the comma, it is proposed to insert the words "to be immediately available," so as to read:

GRANT MEMORIAL COMMISSION.

For printing and binding report on construction and dedication of the Grant Memorial, to be immediately available, $1,800.

The amendment was agreed to.

Mr. KING. Mr. President, there is no amendment called for in the next item—the Housing Corporation. I am going to trouble the chairman of the committee to give an explanation in regard to that activity. A number of Senators have asked me to do so. They are not on the floor, but they will want the information and will be glad to read it in the RECORD. May I say to the Senator that several Senators have said to me that in their opinion this organization ought to be abolished, that it ought to go into voluntary liquidation—and if it will not voluntarily liquidate, involuntary liquidation—and whatever of these houses and properties are now controlled by the organization ought to be disposed of, the proceeds covered into the Treasury of the United States, and the organization cease entirely.

Mr. WARREN. I agree with the Senator perfectly. That is exactly what they are doing, with the exception of this inn keeping here in the city, which has been made inevitable, we may say, by the lack of housing in the city—that is, for the present. The houses are being sold and, of course, some of those that have been sold have been taken back under mortgage because of the changes that were bound to happen. They had an extensive hearing before the House committee, and that evidence was also before the Senate committee, but we had the chairman of that board before us; and I have sent now for the Senator from Maine [Mr. FERNALD], the Senator who makes this his particular business.

Of course this appropriation covers not only the handling of these buildings, which house nearly 2,000 women and girls, but there are some thousands of houses and some business properties which have to be cared for. On the other hand, this end of the housing proposition here in the city is really making money for the United States. Seventy per cent of the income covers the Government expense. As the Senator will remember, we appropriate for all of the expenses and care of the buildings, and the money that is earned goes directly into the Treasury; but it shows a profit. If the Senator will let us pass over that, I will turn back to it when the Senator from Maine comes in, and it will be explained more fully.

The next amendment was, under the head "Interstate Commerce Commission," on page 17, line 14, to strike out "$2,100,000" and insert "$2,239,360, and no part of this sum shall be available for the care, maintenance, protection, fuel, light, and so forth, for the Interstate Commerce Commission Building"; so as to read:

For all other authorized expenditures necessary in the execution of laws to regulate commerce, including per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act, approved August 1, 1914, $2,239,360, and no part of this sum shall be available for the care, maintenance, protection, fuel, light, etc., for the Interstate Commerce Commission Building, of which sum there may be expended not exceeding $50,000 in the employment of counsel, not exceeding $3,000 for necessary books, reports, and periodicals, not exceeding $100 in the open market for the purchase of office furniture similar in class or kind to that listed in the general supply schedule, and not exceeding $75,000 for rent of buildings in the District of Columbia.

Mr. KING. I would like to have the Senator explain the increase of more than $139,000 over the allowance made by the House.

Mr. WARREN. That raise was made as the result of a hearing granted to two members of the commission, and it was felt that it was necessary to close up pending business in order to avoid greater expenses hereafter. There are two raises of a considerable amount; in fact, they are the only two raises of consequence for any of the purposes of the commission.

The Senator is a good lawyer, and he understands what the Interstate Commerce Commission has to do. Among other things, we have spent—and I have had many a heartache over it—millions and millions and millions of dollars in the last 10 or 15 years, I have forgotten just how long, in the valuation of the railway properties; and I have no doubt that a good deal of that expenditure at first was foolishly made, simply because the information gets very old and out of date before it is used. Now, there has come a time when there should be a full survey made, to become the basis upon which they can conduct their business for the present and hereafter until there is some reason to change. They solicited this very urgently. The committee was unanimous in thinking that we ought to give them this larger amount for this year, and then ask the effect of it and, if possible, reduce accordingly hereafter.

The amendment was agreed to.

The next amendment was, on page 19, line 10, to increase the appropriation to enable the Interstate Commerce Commission to keep informed regarding and to enforce compliance with acts to promote the safety of employees and travelers upon railroads, etc., from "$350,000" to "$400,000."

The amendment was agreed to.

The next amendment was, on page 20, line 9, to increase the appropriation for the valuation of property of carriers, etc., from "$1,000,000" to "$1,250,000."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 20, line 18, the committee proposes from the floor to insert, after the word "Memorial," the words "to be immediately available," so as to read:

LINCOLN MEMORIAL COMMISSION.

For printing and binding report on construction and dedication of the Lincoln Memorial, to be immediately available, $3,600.

The amendment was agreed to.

The next amendment was, under the heading "National Advisory Committee for Aeronautics," on page 21, at the beginning of line 6, to strike out "$270,000" and insert "$247,000," so as to read:

For scientific research, technical investigations, and special reports in the field of aeronautics, including the necessary laboratory and technical assistants; traveling expenses of members and employees; office supplies and other miscellaneous expenses, including technical periodicals and books of reference; equipment, maintenance, and operation of a research laboratory, known as the Langley Memorial Aeronautical Laboratory; maintenance and operation of one motor-propelled passenger-carrying vehicle; personal services in the field and in the District of Columbia; in all, $247,000.

Mr. KING. I call the attention of the chairman of the committee to this item, and I would like to inquire whether upon further consideration he does not think that it would be unwise to eliminate it. I have made some inquiry and have discovered that the amount which has been subtracted from the House appropriation was to be devoted to a very important matter.

The Senator knows that there have been some fatalities growing out of the destruction of our dirigible aircraft, and that the War Department or the Navy Department, or both, have purchased or are having constructed a very large craft of the kind just referred to, and experiments obviously are necessary to demonstrate the safety or the wisdom of that kind of craft, and this amount was to be devoted to investigation and research work. I have felt for some time that we have not been sufficiently concerned about aircraft, we have not coordinated the Government activities making researches and investigations into aircraft, and anything within reason the committee may provide for the necessary investigation in regard to aircraft I think is proper, and I would heartily support.

Mr. WARREN. I individually had some doubt, after we had stricken a part of the item out, and I undertook to get further evidence concerning it. I recall that the Senator who is now on his feet called my attention to this matter some days ago, and I have a letter, written yesterday by the chairman of the bureau, which I will ask to have printed in the RECORD. I shall make no objection to this amendment being disagreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The VICE PRESIDENT. The Senator from Wyoming asks to have the letter referred to inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS,
Washington, D. C., January 18, 1923.

Hon. FRANCIS E. WARREN,
Chairman Committee on Appropriations,
United States Senate, Washington, D. C.

DEAR SENATOR WARREN: I earnestly request that the decrease of $23,000 made by your committee in the appropriation for the National Advisory Committee for Aeronautics in the independent offices appropriation bill be restored, making the appropriation for scientific research and investigations $270,000, as passed by the House.

Our executive committee carefully prepared a research program for next year, based on its own knowledge of the needs of aeronautical science and on the admitted needs of the Army and Navy for the scientific study of certain fundamental problems in aeronautics. The Bureau of the Budget went over this program and approved an estimate of $247,000. By stretching that sum as far as we could we found that there were still two problems in the program that could not be undertaken at all. We convinced the House Appropriations Committee of this fact, and they allowed an additional $23,000 to undertake a thorough investigation of the problem of the aerodynamic forces on a rigid airship for the Navy, which means an accurate measurement and study of the air pressures over the entire surface of an airship envelope and the variations in these pressures during maneuvers.

Nothing whatever is known of these forces by any nation at the present time. The Navy is building a large rigid airship at Lakehurst, N. J., and the Army a large semirigid airship at Akron, Ohio, and both the Army and the Navy have asked our commitee to make the necessary scientific studies before these experimental airships are placed in service. The Navy's first fleet airship, the *ZR–1*, will be completed next summer, and the investigation of aerodynamic forces should be the first thing undertaken in order to insure its safety.

We have only to recall the shocking disaster to the *R–38*, when it broke in two in the air over Hull, England, with a loss of 42 lives, to profit by the British experience and appreciate the need of making the scientific studies which they omitted to make. I am confident that your committee and the Senate would not hesitate to agree to this proposition if they reflected on the American lives that will be risked and the millions of dollars invested by the Army and the Navy in this important military development.

As evidence of the importance of scientific research generally in the development of aeronautics, and of the value of the work of our committee to the Army and the Navy, I attach copies of letters addressed to the Bureau of the Budget by General Patrick and Admiral Moffett, the heads of the Army and the Navy Air Services, respectively.

Sincerely yours,

CHARLES D. WALCOTT, *Chairman.*

—

NAVY DEPARTMENT,
BUREAU OF AERONAUTICS,
Washington, September 23, 1922.

The DIRECTOR OF THE BUREAU OF THE BUDGET,
Treasury Department, Washington, D. C.

SIR: Scientific research in aeronautics is essential to the continued development of aircraft for naval purposes. The Naval Bureau of Aeronautics relies upon the National Advisory Committee for Aeronautics to conduct the necessary investigations on fundamental problems and to furnish original information and data not otherwise obtainable.

The increased importance of aircraft in naval warfare is recognized by the General Board of the Navy, and plans for the greater development of naval aviation have been approved. Unless the National Advisory Committee for Aeronautics has the requisite funds and facilities for providing fundamental information, it will not be possible to keep abreast of the development of naval aviation in other countries.

The attached memorandum sets forth some of the more important problems which the advisory committee has undertaken for the Navy.

Respectfully,

W. A. MOFFETT,
Rear Admiral, United States Navy,
Chief, Bureau of Aeronautics.

—

SOME OF THE FUNDAMENTAL INVESTIGATIONS NOW BEING CONDUCTED BY THE NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS AT THE REQUEST OF THE BUREAU OF AERONAUTICS, NAVY DEPARTMENT.

SEPTEMBER, 1922.

Investigation to determine the pressure distribution over the envelope of a C-class airship when the airship is being maneuvered at different air speeds and in different atmospheric conditions.

Pressure distribution over the rudders and fins when these control surfaces are in their normal, intermediate, and extreme positions.

The effect on lateral controllability of a biplane of variation of the dihedral angle.

Investigation of the comparative stability, controllability, and maneuverability of the SE–5, Fokker D–VII, Spad VII, and the MB–3.

Theoretical analysis of the design and construction of the Navy rigid airship ZR–1.

Investigation leading to the development of a high-speed fuel-injection engine to operate on fuel oil instead of gasoline; to be of lightweight construction and suitable for use as a power plant in airplanes and in airships.

Investigation to determine the distribution of loading between wings of biplanes and triplanes of varying gap chord ratios and with various degrees of stagger for airfoils of several types.

—

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF AIR SERVICE,
Washington, September 22, 1922.

The DIRECTOR OF THE BUREAU OF THE BUDGET,
Treasury Department, Washington, D. C.

SIR: The National Advisory Committee for Aeronautics conducts laboratories at Langley Field, Va., in which studies and investigations are made on the more fundamental problems of flight. The programs for these investigations are prepared with the cooperation of Army and Navy experts. The results of practically all the investigations carried on by the committee are of great interest and value to the Army Air Service.

Aeronautics is progressing rapidly, and greater technical knowledge is necessary if we are to keep pace with developments abroad. Engineering experimentation conducted by the Army and Navy, and based upon existing knowledge, will contribute measurably to the general development of aviation, but, in my judgment, well-directed scientific research, as conducted by the National Advisory Committee for Aeronautics, is essential to substantial progress. The Army Air Service depends upon the advisory committee for the study and solution of the more difficult problems. I believe, both as chief of the Air Service and as a member of the National Advisory Committee for Aeronautics, that it would be unwise economy to curtail or postpone the research programs of the advisory committee.

Very truly yours, MASON M. PATRICK,
Major General, Air Service, Chief of Air Service.

Mr. SMOOT. On behalf of the committee I submit the following amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 21, after line 13, insert the following:

PUBLIC BUILDINGS COMMISSION.

The Public Buildings Commission is authorized, after public advertisement and public hearings, to order the destruction of old Government records for which there is no longer any need and which have no value from an historical point of view.

The amendment was agreed to.

Mr. WARREN. I will ask that we turn back to the question of housing, now that the Senator from Maine [Mr. FERNALD] is here, and if the Senator from Utah would like further information I will ask the Senator from Maine to reply to his interrogatory.

Mr. KING. I am very much obliged to the Senator from Wyoming. May I say to the Senator from Maine that I challenged attention to the provisions of the bill dealing with the Housing Corporation and stated that a number of Senators had asked me to make inquiry concerning that corporation and to propound the question as to when the corporation would be wound up, and particularly was I enjoined to inquire as to the necessity of this $800,000 for expenses for housing here in the District of Columbia. I am expressing no opinion, but I would like to get a full explanation from the Senator.

Mr. FERNALD. Mr. President, I will endeavor to give the Senator the information. I am quite familiar with all of the proceedings in regard to this particular activity, especially respecting the dormitories. We are asking for $800,000, and I want to say that last year the receipts were $967,160.12, and made a profit to the Government of $86,000.

We are taking care of 1,900 girls, approximately, and have a large number on the waiting list. We are supplying board to those girls for about $45.50 a month. We are trying to liquidate and wind up the affairs of the corporation.

The Senator will recall that we had an appropriation of $100,000,000 for the United States Housing Corporation. We expect to get about $64,000,000. We now have 37 different projects in 17 different States, comprising 6,000 buildings, and, of course, the winding up of the affairs of that corporation is a pretty large undertaking.

We have another project down at Norfolk, Va. I have taken special pains in regard to this, as it came to my committee. The president of the corporation has called on me often, and I have had statements from him regarding all the affairs of the corporation. I always regret to have to make this statement, because I am so opposed to Government operation of any kind of business, but we made $116,000 on that project the past year.

When I began to get interested in this, and to take some activity in its management, we had over 200 employees in the United States Housing Corporation. We have reduced that number to 27, with 9 outside whom we have to look after the projects all over the country, which is, I believe, a very commendable way of handling the project.

Mr. KING. Does not the Senator think that the economies to which he has referred resulted not because of any inherent virtue in the corporation, but because of the splendid Yankee ability and shrewdness of the Senator from Maine, managing the corporation?

Mr. FERNALD. I appreciate the compliment very much. I have tried to handle the business as I would my own, and have given it almost my undivided attention, because I realized what an undertaking it was, particularly this dormitory proposition. It is a good deal of an undertaking to look after 1,800 girls.

However, we have been exceedingly fortunate in the management of the corporation. We are exceedingly fortunate in having at the head of the institution one of the most remarkable women in the country. First, we started out with a man at the head of it, but we did not feel that it was a very good idea to have a man there as much as it was necessary for the head of the institution to be there. Then we procured the services of a woman, whom we kept a year or a year and a half, but the business was almost too much for her health. Then we secured a woman who was perfectly competent, vigorous, strong, able, and of the right age, and they are going along pleasantly down there and everybody is satisfied. I would be glad to give any information I can, because I am very familiar with the working of the corporation.

Mr. KING. May I inquire of the Senator if in estimating the profits he took into account the capital invested?

Mr. FERNALD. Oh, no.

Mr. KING. Nor the deterioration?

Mr. FERNALD. No; nothing like that, nor insurance, although in all of the projects outside which we have sold to individuals, of course, we insist that they keep the property insured. We are carrying a large amount of insurance, something like $25,000,000 worth, on property outside.

The Senator will recall that in the resolution it was suggested that if it were possible, instead of selling the large projects to a corporation to speculate on, they be sold to individuals, which we have tried to do in every instance. We are selling the properties as rapidly as we can. I agree with the Senator that we ought to wind up the affair. We have about $20,000,000 worth of property and $7,000,000 worth of notes secured, so we are on the last turn.

We have one project down in my State. We had a very large shipbuilding industry there, and not only did the United States Housing Corporation build a great many houses but the Navy Department also did. Then we lost the Texas Co.; they withdrew, which practically closed up all of the industry there, and we have had those houses left on our hands. Houses which cost from $6,000 to $10,000 to build we have been unable to sell at any price or at anything that would be considered reasonable. We have some houses there that cost $8,000 and we have been offered $300 for them, and we have concluded to keep them. We have another project in California of like character. As I said, we have 37 of the projects scattered over 17 States.

I want to stress particularly the decrease in the number of employees of the Housing Corporation. I believe to-day that it is carried on by a less number of people than any project of its size in the United States. Here is $60,000,000 worth of property, and we have 27 employees and only one attorney in the system.

Mr. KING. I suppose there are caretakers?

Mr. FERNALD. Oh, yes; we must have caretakers, but there are only nine of those, as I recall.

Mr. KING. Most of the property is inactive and is simply awaiting demolition or sale?

Mr. FERNALD. A good deal of it has been sold. The business having been withdrawn from a town or the surrounding country, the people have been unable to meet their payments in many places. We have been trying to carry them on and to make arrangements so they could remain.

Mr. KING. I would like to inquire of the Senator what is his purpose and what is the purpose of the corporation with respect to the dormitories here in the District of Columbia?

Mr. FERNALD. So long as they were going on without any expensive repairs on buildings which would last a year or two longer without any extensive repairs, and so long as we do not have to make repairs and were making a little money, I have felt that perhaps until we could close up all the business of the corporation we had better continue the operation of the dormitories.

Mr. KING. Then as I understand, with the Government paying the taxes, or the property not being taxed at all in some instances, and not taking into account the insurance, not taking into account the aid given by the Government, and not taking into account the capital invested, there is some little profit on the enterprise in the District?

Mr. FERNALD. In the dormitories. That is being closed out as rapidly as possible.

Mr. KING. In respect to the other properties under the control of the corporation there is no profit?

Mr. FERNALD. In Norfolk, Va., for instance, we have a project on which we made $116,000 last year.

Mr. KING. But I suppose the same conditions exist there.

Mr. FERNALD. There is not much of anything in the way of business there. It was money loaned and we get interest on the money besides that. In that particular proposition it was a paying project. We got about $100,000 for the property.

Mr. KING. The corporation has loaned some money and taken security on the real estate?

Mr. FERNALD. We took security and were unable to close it out and had to operate it. I went over the matter very carefully with the committee, because I am entirely familiar with every single activity of the United States Housing Cor-

poration. As will be recalled, we had an investigation about as soon as I was made chairman of the committee, which I reported to the Senate, and since that time, finding a great many loopholes that I felt should be closed, I began to get interested and brought it up to the present time. I went over it very carefully and was very carefully questioned about all these matters. I am very glad to answer any questions about it. I know the Senator agrees with me about the proposition. I am as much opposed to a Government activity operating the business of the country as a man can be. At the proper time I shall be glad to close out this business and all other similar businesses.

Mr. WARREN. I may state to the Senator from Utah that all of the amounts covered in the last housing appropriation bill have been cut down in the present bill. Here is one in the matter of salaries where the amount was reduced some $11,000, and in another matter $2,000, and in another place $125,000.

Mr. FERNALD. Yes; I can state one instance where the amount was reduced from $65,000 to $54,000.

Mr. KING. Liquidating the corporation; that ought to be done.

Mr. FERNALD. But, as a rule, all the bureaus are increasing their operations all the time. This is one instance where we have reduced from more than 200 down to 35 employees.

Mr. KING. The other bureaus of which the Senator speaks are continuing bureaus, and perhaps are permanent appendages to the Government.

Mr. FERNALD. They think they are.

Mr. KING. This is merely a concern created as a war measure, and with the termination of the war it ought to go out of business.

Mr. FERNALD. I think it is more useful than many of the other bureaus we have.

Mr. KING. I inject no comparisons. I believe we have many unnecessary governmental organizations.

Mr. McKELLAR. Mr. President, may I ask the Senator a question? He may have answered it before I came into the Chamber; and if so, he will be good enough to tell me.

Mr. FERNALD. I shall be glad to answer any question I can.

Mr. McKELLAR. Is it proposed to make any change such as this? I have noticed occasionally in the papers mention of a proposition of some scheme of razing the buildings and doing away with them entirely. Is there any such intention?

Mr. FERNALD. Of course, that is for the Congress to say. I have felt that, inasmuch as the buildings were there, and inasmuch as they were causing us no extra expense, and inasmuch as we have 1,900 girls well cared for who need housing facilities, perhaps it would be better to continue to operate them.

Mr. McKELLAR. And especially so long as rents are so very high in the District of Columbia.

Mr. FERNALD. Exactly.

Mr. McKELLAR. And so long as the Government rents the buildings to the tenants on such reasonable terms, too. It seems to me the Senator's position is entirely right, and I am glad to hear what he has said about it. I indorse it absolutely. I think as long as it can be done without loss to the Government, we ought surely to continue the project.

Mr. FERNALD. That is the way I felt about it.

Mr. McKELLAR. I would like to ask the Senator in reference to the houses outside of the District. I remember that while taking a trip during the war I saw a great many of these houses which had been built and which it seemed probably would be entirely useless after the termination of the war. What has been done with reference to those buildings?

Mr. FERNALD. We are selling those just as fast as possible. In some places we have been able to do very well. On the whole, I think we will get back two-thirds of the appropriation of $100,000,000 for the whole proposition, but it is a tremendous thing. With all the houses we have sold, we still have 6,000 on hand in 27 different cities and towns scattered all over the country from Bath, Me., to Vallejo, Calif. In some cases where the cities are busy and there are industries operating we have closed out the houses at very good prices, while in other places, like Bath, Me., we have been unable to sell anything at any kind of a price.

Mr. McKELLAR. Of course, if the Senator and his commission are able to get as much as 66⅔ per cent back, I think he should be congratulated, and I for one want to congratulate him. I hope that we can obtain that much from the houses. I think it is fine work, if he is able to do that.

The reading of the bill was continued to line 4, page 23, Smithsonian Institution.

Mr. WARREN. At that point I wish to insert a committee amendment. It costs no money, although there is considerable language involved.

The VICE PRESIDENT. The Secretary will report the amendment.

The READING CLERK. On page 23, after line 4, insert the following:

The Regents of the Smithsonian Institution are authorized to prepare preliminary plans, to be approved by the Commission of Fine Arts, for a suitable fireproof building with granite fronts for the National Gallery of Art, including the National Portrait Gallery and the history collection of the United States National Museum, said buildings to be erected when funds from gifts or bequests are in the possession of the said Regents, in sections or completely on the north side of the Mall, between the Natural History Building, United States National Museum, and Seventh Street, leaving a space between it and the latter of not less than 100 feet, and a space of not less than 100 feet between it and Seventh Street, with its south front on a line with the south front of the said Natural History Building.

Mr. KING. Mr. President, I would like an explanation of that and to know whether the Senator deems it sufficiently circumscribed to preclude the possibility of the Government being called upon to erect the building. Is it expected, in other words, that it is to be built entirely from contributions?

Mr. WARREN. It must come entirely in that way, from funds other than those of the United States. There is no proposition on the part of the Smithsonian Institution to erect the building unless they get some bequests, and they think they have in mind the sources from which they will get them.

Mr. McKELLAR. It is not intended to ask the Federal Government for any appropriation for the purpose?

Mr. WARREN. Not a cent.

Mr. KING. What is to be the approximate cost?

Mr. SMOOT. About $2,500,000.

Mr. WARREN. The building is to be erected in such way that sections can be added to it. Its total cost may be a million dollars or half million dollars, but it is made to conform to the National Museum Building. It is to be on land which the Government owns, and this is merely a permission for somebody to give the amount of money necessary to erect the building. Then it is tied up in such way that it must be in accordance with the plans of the existing buildings.

Mr. SMOOT. I have a photograph of the class of building that will be erected. A little while ago the Director of the Smithsonian Institution telephoned me that he had just received a $35,000 bequest since the papers announced that the plant was to be put in operation.

I will say to my colleague that there is no likelihood the Government of the United States ever being asked for a single cent. The plan is somewhat after that of the Free Building. I do not know whether Senators have been down to that building.

Mr. McKELLAR. That is the National Museum Building. The photograph which the Senator has is very much like the National Museum.

Mr. SMOOT. Yes; and it will certainly be a wonderful ornament.

Mr. KING. Is it intended to supplement the building which is already on the Mall?

Mr. SMOOT. It is just east of the new United States National Museum, which is also called the Natural History Building. This is to supplement that; and is to be erected by donations. The Commission on Fine Arts has approved of the project.

Mr. McKELLAR. This building, as I understand, is to be east of the new United States National Museum Building?

Mr. SMOOT. It is to be just east of the new United States National Museum Building.

Mr. OVERMAN. Has there been any determination of the purpose for which the building is to be used?

Mr. SMOOT. The amendment states for what it is to be used.

Mr. McKELLAR. Is the building to be located near where Ninth Street runs into the park?

Mr. SMOOT. No; it is to be located nearer Seventh Street.

Mr. KING. Mr. President, I desire to inquire of my colleague whether the proposed building has any relation to the building to which reference has been made in the newspapers recently which is to be erected by the Fine Arts Commission?

Mr. SMOOT. I presume the junior Senator from Utah has reference to the building which Mrs. Dimock is endeavoring to have erected on ground in the same vicinity.

Mr. McKELLAR. That building is to be an auditorium, is it not?

Mr. SMOOT. That is to be an auditorium. The pending amendment has nothing whatever to do with that.

Mr. McKELLAR. Has permission to erect the building ever been granted to Mrs. Dimock?

Mr. SMOOT. Oh, yes; and she has already collected a great deal of money for the purpose.

Mr. McKELLAR. It is a very worthy enterprise, and I hope it may succeed.

Mr. KING. I recall reading in the newspapers about a building which was to cost a very large sum of money.

Mr. SMOOT. The structure contemplated by the amendment is not that building. The junior Senator from Utah has reference, I think, to the plan to erect certain buildings on the Mall. It is, of course, intended that those buildings shall be erected by the Government; but the Government will not pay a single cent in this instance.

Mr. KING. I ask that the amendment may be again read, in order that we may understand its full significance.

The VICE PRESIDENT. The amendment will be again stated.

The READING CLERK. On page 23, after line 4, it is proposed to insert:

The regents of the Smithsonian Institution are authorized to prepare preliminary plans, to be approved by the Commission of Fine Arts, for a suitable fireproof building with granite fronts for the National Gallery of Art, including the National Portrait Gallery, and the history collections of the United States National Museum, said building to be erected when funds from gift or bequests are in the possession of the said regents, in sections or completely, on the north side of the Mall, between the Natural History Building, United States National Museum, and Seventh Street, leaving a space between it and the latter of not less than 100 feet and a space of not less than 100 feet between it and Seventh Street, with its south front on a line with the south front of the said Natural History Building.

Mr. KING. Mr. President, it is not clear to me from the reading of the amendment as to who is to pay for the plans which are to be prepared. It is proposed to authorize certain plans to be prepared. Who is to pay for them?

Mr. LODGE. Mr. President, I happen to be one of the regents of the Smithsonian Institution, and so I am familiar with the purposes of this amendment. The idea is that the proposed building shall be erected entirely from gifts or bequests. It is quite possible that the Smithsonian Institution will receive a gift for this art gallery, and the amendment is drawn in such a way as not to obligate the Government at all in any manner, for an appropriation. That is not the idea of the regents at all. The reason that the amendment is proposed at this time is simply to prevent the land from being used for any other purpose, and it is very important that that shall be done.

As the junior Senator from Utah [Mr. KING] probably knows, the Smithsonian Institution has received a great many very large gifts, for instance, there is the Frear Gallery. Mr. Frear not only gave his great art collection, but he gave the building, which cost $1,200,000, and made provision for its care. He has also left a fund which at present market prices amounts to more than $2,000,000 and yields an income of $163,000. I think it is quite probable that the Smithsonian Institution may receive another gift for the purposes of the art gallery mentioned in the amendment.

The amendment is offered with a view, in case such a gift or bequest shall be received, that the land in question shall be secured for the uses of the Smithsonian Institution and of the gallery. There is no idea of getting any appropriation at all from the Government. The regents of the institution were entirely against any such plan as that, because they knew that probably such an appropriation at this time could not be obtained.

Mr. KING. I had in mind the funds to meet the expenses of preparing the plans; whether the regents had ample funds or whether those funds were to be obtained from the Government.

Mr. LODGE. The amendment does not involve an expenditure at the present time—not a cent.

Mr. KING. The regents are authorized to prepare plans, and that would involve some expenditure.

Mr. LODGE. It would not involve an expense to the Government, for the cost will be paid out of the donations.

Mr. KING. So far as I am concerned, I should have no objection to the Government paying it.

Mr. LODGE. There is no idea on the part of the regents at all that the Government shall do that. The matter has been submitted to them and has been determined. There is no idea on the part of the regents of asking any appropriation from the Government at all. As I have stated, the purpose is simply to secure this piece of ground against other uses.

Mr. KING. I have no objection to that at all.

Mr. LODGE. It will not cost the Government anything.

Mr. McKELLAR. It seems to me the amendment ought to be adopted by all means, and I have no objection whatever to it.

Mr. WARREN. Question!

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). The question is on agreeing to the amendment submitted by the Senator from Wyoming on behalf of the committee.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, under the subhead "State, War, and Navy Department Building," on page 25, line 7, after the word "repairs," to insert "uniforms for watchmen," so as to read:

For fuel, lights, repairs, uniforms for watchmen, miscellaneous items, and city directory, $54,000.

The amendment was agreed to.

The next amendment was, under the subhead "Walker-Johnson Building," on page 25, line 14, after the word "repairs," to insert "uniforms for watchmen," so as to read:

For fuel, lights, repairs, uniforms for watchmen, and miscellaneous items, $8,480.

Mr. FLETCHER. Mr. President, I notice a number of amendments similar to that. Heretofore we have never provided uniforms for watchmen, as I understand.

Mr. WARREN. Mr. President, I will say to the Senator that similar amendments are suggested in six or seven different places in the bill, but they involve no additional appropriation, as the cost comes out of the funds mentioned before the amendments were inserted, and, as I have stated, on account of the rearrangement and readjustment that has been made in the management of the force of watchmen, and so forth, a sufficient saving has been made more than to cover the item of uniforms.

As to the desirability of providing uniforms, I think the Senator from Florida, as well as all other Senators, will appreciate, on a moment's thought, that we ought not to have watchmen in charge of fine Government buildings, night and day, going around in various togs, ragged and dirty, perhaps, and at times even looking like hoboes. Especially is that true in the night. The uniform of the watchman is notice to the potential marauder at once that he can not expect to trifle with him, and the one seeking for information recognizes in a moment the watchman in his uniform and his authority.

Mr. FLETCHER. According to the language of the bill, it would seem the Government will have to pay for the uniforms.

Mr. WARREN. Certainly; just as the Government pays for the uniforms of the watchmen in the Capitol. I think the Senator would hardly desire to see all of our watchmen and policemen in ordinary clothes that might be proper for a private individual.

Mr. FLETCHER. I agree with the Senator as to that. I was wondering, though, whether the watchmen did not provide their own uniforms.

Mr. WARREN. Oh, no.

Mr. OVERMAN. They only receive about $70 a month, and how could they buy uniforms?

Mr. WARREN. The Government in buying numbers of uniforms secures them at a reduction. Furthermore, the watchmen, as indicated by the Senator from North Carolina, receive only a trifling pay, amounting to about $70 a month or so.

Mr. FLETCHER. I agree that the pay provided would warrant the Government in supplying the uniforms, but I was wondering if that had been the custom heretofore. This language was being added all through the bill, in six or seven places, as if it were something new.

Mr. WARREN. The Senator was not in the Chamber, perhaps, when I explained that various Government buildings one by one have been placed under the care of the Superintendent of Public Buildings and Grounds, until most of them are now under his care. He has perfected an organization which has brought about great economies in that particular service; so that, notwithstanding the Government pays for the uniforms for the watchmen, a saving of more than $40,000 has been brought about in the appropriations carried by this bill.

Mr. FLETCHER. I think the amendment entirely proper; but it seems to me that the provision should have been carried in the bill as it came over from the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. KING. I notice, Mr. President, in line 19, page 25, an item of $2,000 for a disbursing clerk, and then provision is made for a large number of clerks following. I was wondering what was the necessity for having a disbursing clerk and a large number of assistants merely to pay out funds to employees who

care for the buildings. Let me illustrate what I have in mind. Take, for instance, the Interior Department. There are a large number of employees of the Interior Department; I presume there is a clerical force and there is a disbursing force, which has to do with the payment semimonthly or monthly of all the employees. Obviously they could pay the watchmen who look after the building as well as they could pay the clerks.

Mr. WARREN. Mr. President, the Senator is in error, because the watchmen and janitors are already under the supervision and control of the Superintendent of Public Buildings and Grounds.

Mr. KING. If they have been withdrawn from the jurisdiction of the Interior Department, at least for the purpose of payment, then I can see the correctness of the Senator's position. But, now, coming to the Potomac Park buildings.

Mr. WARREN. Mr. President, the disbursement, let me say, amounts to $2,000,000 per annum, and it is necessary to have the employee provided by the bill in order to take care of that disbursement. It seems to me entirely proper. Of course, the disbursing officer may be bonded. He is not, however, confined to the particular duty of a disbursing officer, but must perform any duty which may be assigned to him, although his particular duty, of course, is to disburse the funds. He has to make payment to an almost innumerable number of employees, as the Senator will realize when he takes into consideration the total amount disbursed and the meagerness of most of the salaries.

Mr. KING. Mr. President, I should like to inquire what are the duties of this disbursing clerk and the clerks allotted to him, to which reference is made in the paragraph under the heading "Potomac Park Buildings." The Senator said $2,000,000 will be expended by the disbursing officer.

Mr. WARREN. I will read a paragraph from the testimony in the hearings of Colonel Sherrill, who was asked about this disbursing clerk. I read as follows:

Mr. WOOD. I see you have a new disbursing clerk at $2,000 in here?
Colonel SHERRILL. Yes. The reason for that is that the Comptroller General, under a recent decision, has compelled the payment of all employees by cash instead of by check and, while there has always been an urgent need for a disbursing clerk, this change in the method of payment of 1,500 employees makes it absolutely imperative that such a clerk be authorized. The salary of $2,000 is a low one, on account of the fact the pay roll will exceed $100,000 a month and the total disbursements $2,000,000 a year.

Mr. KING. May I inquire of the Senator what employees are comprised in the category to whom payment is made by this disbursing officer?

Mr. WARREN. They are almost innumerable, but they cover all of the working force employed in taking care of this large number of buildings. The Senator knows, if he will take a look in the southern part of the city, that there are acres and acres and acres of public buildings there, and in every one there are watchmen and policemen and janitors and charwomen and all of that.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the head "Potomac Park office buildings," on page 26, line 13, after the word "items," to insert "uniforms for guards," so as to read:

For fuel, lights, repairs, miscellaneous items, uniforms for guards, and city directory, including maintenance, repair, exchange, and operation of one motor-propelled passenger-carrying vehicle to be used for official purposes only, $164,000.

The amendment was agreed to.

The next amendment was, under the subhead "Mall office buildings," on page 27, line 19, after the word "items," to insert "uniforms for guards," so as to read:

For fuel, lights, repairs, motor cycle and truck repairs, supplies, and exchange of same, miscellaneous items, uniforms for guards, and city directory, $100,000.

The amendment was agreed to.

The next amendment was, under the subhead "Temporary buildings (1800 Virginia Avenue)," on page 28, line 6, after the word "rent," to insert "uniforms for guards," so as to read:

For fuel, light, repairs, ground rent, uniforms for guards, and miscellaneous items, $19,000.

The amendment was agreed to.

The next amendment was, under the subhead "temporary buildings," on page 29, line 16, after the word "rent," to insert "uniforms for guards," so as to read:

For fuel, lights, repairs, ground rent, uniforms for guards, miscellaneous items, and city directory, $81,000.

The amendment was agreed to.

The next amendment was, under the subhead "Interior Department buildings," on page 30, line 11, after the word "repairs," to insert "uniforms for guards," so as to read:

For fuel, lights, power, repairs, uniforms for guards, window washing, miscellaneous items, and city directory, $60,000.

The amendment was agreed to.

The next amendment was, in the items for contingent expenses in connection with the maintenance, operation, and protection, etc., of the Pension Office, Patent Office, and General Land Office buildings, on page 31, line 5, after the word "repairs," to insert "uniforms for guards," so as to read:

For contingent expenses in connection with the maintenance, operation, and protection, including fuel, lights, repairs, uniforms for guards, and miscellaneous items, $74,000.

The amendment was agreed to.

The next amendment was, on page 31, after line 6, to insert:

For installing 15 stories of filing stacks in the interior court of the Pension Office Building, including elevators, lighting system, and foundation, personal services, labor and materials, to be immediately available, $1,000,000, said sum to be disbursed under the direction and supervision of the Superintendent of the State, War, and Navy Department Buildings.

Mr. McKELLAR. Mr. President, will the chairman of the committee tell us the facts about this item?

Mr. WARREN. Mr. President, it is a matter that has been under consideration for a long time. As the Senator knows, we have perspired and shed blood for years about archives buildings, and still these papers and documents accumulate and are not cared for. This is proposed to take care of certain classes of papers and documents and place them in the unused portion at present of the Pension Office Building. Perhaps the Senator will remember that formerly we had stacks of a lesser degree than this and, for that matter, clerks working all over the floor there. We had to take them out once in four years and have an inaugural ball for the President, and so forth, and then put them back again. Now it has occurred to those having charge that it would be a good plan to put in these stacks.

I will ask the Senator from Utah [Mr. SMOOT] if he will go further into the matter, as he has had it under his special charge in connection with his duties on the Public Buildings Commission.

Mr. McKELLAR. Mr. President, May I ask the Senator from Utah, before he begins, whether the Pension Building is a fireproof building?

Mr. SMOOT. Absolutely; and I want to say to the Senator now that the statement in this prepared article that has been furnished to a good many of the Senators is not correct. I have the statement from Colonel Sherrill and the engineers of the different departments that there is no building that is more fireproof than that. The roof is of tile and cement, and the only wood that there is in it is the little wooden pins that were used while the roof was being constructed; and the statement that it is made of wood covered with tin is an absolute falsehood.

Mr. McKELLAR. It is a brick building, is it not?

Mr. SMOOT. It is a stucco and brick building; yes.

Mr. McKELLAR. From the outside—I have never examined it critically at all—it would appear not to be a fireproof building. How long has it been built?

Mr. SMOOT. I think it was built near the end of the sixties.

Mr. LODGE. I think it was built in 1869.

Mr. SMOOT. Eighteen hundred and sixty-nine, as I remember. It was in the sixties.

Mr. McKELLAR. I should have my doubts, just speaking generally, as to whether a building constructed that far back would be fireproof.

Mr. SMOOT. Oh, it has been repaired many, many times. We have had concrete floors and concrete steps and stairways put in in the building, and I do not know of any Government building that is nearer fireproof than that.

Mr. McKELLAR. Mr. President, I should like to ask the Senator about what is proposed to be done. I notice that the amendment says:

including elevators, lighting system, and foundation, personal services—

What does that include?

Mr. SMOOT. Perhaps I had better explain it, and then, perhaps, in the explanation I will answer all the questions.

Mr. McKELLAR. I hope the Senator will. The explanation may answer the questions that I have in mind. I know nothing about it, and I am just asking for information.

Mr. POINDEXTER. Mr. President, I should like to ask the Senator from Utah if he is personally informed about the ques-

tion as to the roof of this building not being of wood? I have been told by people whose statements are entitled to credit that the roof is a wooden roof—I suppose not referring to the outer covering of the roof but to the inner support of the roof.

Mr. SMOOT. I will say to the Senator that it is not a wooden roof. I had Colonel Sherrill call again yesterday, and I had him here not two hours ago; I let him read this statement, and I asked him if that was true, and he said it is not true, that it is a tile and cement roof.

Mr. POINDEXTER. Of course, Mr. President, the committee indicated by putting this amendment in the bill its belief of the need of a repository for archives. That being the case, I should like to ask the Senator if it is his judgment that the expenditure of this amount of money, $1,000,000, for what after all is a sort of a makeshift archives repository is advisable? Would it not be better to take this $1,000,000 and apply it toward the construction of an archives building modern in every respect, without any question as to its being fireproof, and one that would be an ornament to the city?

Mr. SMOOT. The Senator from Washington is no more interested in building an archives building than I am. I am in absolute accord with him. I have stood upon this floor now for two years pleading that an appropriation be made for starting the construction of an archives building.

Mr. OVERMAN. It has been more than two years. The Senator from Washington [Mr. POINDEXTER] introduced a bill here nearly ten years ago, seven years ago at least, and I supported him then, and so did the Senator from Utah, but we never could get it enacted. How do we know we are going to do it in the future?

Mr. POINDEXTER. That bill was passed first, if the Senator will permit me, in the public buildings act of 1913. Then there was some question as to the location and some question as to the effect of the legislation, as to the extent to which it went—that is, as to whether or not it really authorized the construction of the building. In order to remove that doubt, I offered an amendment to that act expressly authorizing it, using the word "authorized"; and that was enacted into law and is now the existing law.

Mr. SMOOT. That is true.

Mr. POINDEXTER. Under that legislation, when the late distinguished Senator from Virginia, Mr. Martin, was chairman of the Appropriations Committee, without any hesitation he attached to an appropriation bill an appropriation of money, $5,000, for the preparation of preliminary plans. Those plans have been prepared; and if this $1,000,000, or even $500,000, should be appropriated, which would be all that could be expended in the coming fiscal year, there is no doubt available public land owned by the Government in the city upon which work could be commenced toward the construction of the building under that authorization.

Mr. SMOOT. Let me assure the Senator that the adoption of this amendment has nothing whatever to do with the archives building. Let us consider it a temporary matter, and if the improvement is made in the old Pension Building we will save about $600,000 a year worth of space that we need very badly. It is a serious situation. We must have space somewhere, or else go out and pay high rates of rent.

Mr. McKELLAR. Mr. President——

Mr. SMOOT. I put in the RECORD here the other day the plans showing just what it would save. We can not get an archives building constructed in less than two years and a half, and we will save more than the million dollars in the two years and a half, and we can use in the permanent archives building every stack that goes into the Pension Office Building.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Utah yield to the Senator from Ohio?

Mr. SMOOT. I will ask the Senator to wait just a minute. I have here, Mr. President, the plans of this whole scheme; and I want to say to the Senator from Washington—because I know how vitally interested he is in this building, and so am I—that every one of these stacks can be used in the archives building when we get it built; and in the meantime we will save about $600,000 each year in space that we can utilize through taking these records and putting them into the filing cases and stacks that we intend to erect with this money.

Mr. POINDEXTER. Will the Senator inform us what portion of the million dollars will be used in the purchase of the stacks and what portion will be used in the work of erecting them and putting them in the building?

Mr. SMOOT. Of course, as to erecting them, that is simple; the main work will be to bolt the stacks together and build the new foundation in the building.

Mr. POINDEXTER. What will the stacks themselves cost? What will have to be paid for them?

Mr. SMOOT. Approximately $950,000 for the stacks themselves. Here are the plans, showing where every bolt goes; and the other $50,000 will be used to build a foundation in the court, in order that it can sustain the weight of the stacks and the weight of the papers that will go in them. Outside of that, the labor itself is very little, indeed.

They are brought in and put up, beginning at the foundation. The bolt will fit exactly, and each story of the stack will be about 9 feet high. There are 15 stories of those stacks. The stacks are placed upon one another, and fit exactly, just the same as the steel frame of a window is made.

Mr. WILLIS. Mr. President, I think we ought to have an archives building. It is little short of a national scandal that documents that are absolutely priceless and which could not be replaced are stored down in the vaults of this Capitol, where they can not be protected; so I am in favor of the archives building. I want to suggest, in addition to what the Senator has said, in reply to the Senator from Washington, that if we had one it would not be presently practicable to transfer the papers from the Pension Office to that building, because, as the Senator knows, in the work in looking after pension cases access must be had to those papers every day, and they have to be stored there for many years to come. So this proposition does not in any way interfere with the archives proposition.

Mr. POINDEXTER. I do not understand that these stacks to be put in the Pension Office are to be used exclusively for Pension Office papers.

Mr. WILLIS. They are to be used in part for those papers.

Mr. POINDEXTER. Of course, the Pension Office papers are all in the Pension Office.

Mr. SMOOT. They are only a small part of the papers that will be filed. There are 230 miles of these stacks. That is what they figure.

Mr. POINDEXTER. I am fully aware of the enormous volume of Government papers. One feature of the present condition in which they are kept that is very important, in addition to the injury they are receiving from moisture in some places and some extremely hot and dry atmosphere in others, causing them to crumple up, is the fact that they are not accessible; and the advantage of an archives building is not only in the preservation of the papers but in the opportunity to classify them and make them accessible for those who have occasion to search among them.

Mr. SMOOT. I want to say to the Senator now that in the transfer of these papers they will be taken from boxes that have been put in space that we want for office space. When they go into these stacks they will all be cross indexed, and a person can readily get any paper he wants.

As I said the other day when we were discussing this question, if at the present time one asks for a paper a few years old, those in charge will say, "It is in building so-and-so. It is in box number so-and-so." They will send four or five people up where the papers are stored, where there are boxes stacked upon boxes, all wooden boxes. They have to take them off each other, and they have to go into the boxes, and they know that in a certain great big box is the paper they want; and sometimes it takes days and days and days to find the paper.

What we want is provision so that every paper that goes into storage shall be cross indexed so that a person can go to the stacks any time and get a paper in two minutes, just as he can get a book in the Congressional Library, and have it for whatever purpose it is desired for.

In this letter it is stated that the place where these papers will be stored is a fire trap, and that if a fire starts in one of the stacks, all the stacks will go, and it will be a fire flue, and more than likely cause great loss of life as well as of records. The stack itself is 9 feet high. The stacks are all in little steel sections, just wide enough to take in the ordinary paper; and in those little sections the papers are put into spaces, I suppose, 3 or 4 inches high, and numbers are given to the papers themselves.

No fire can start among the papers in any of those stacks, they are so small, that a hand grenade would not put out. A serious fire never could get started. I think Mr. Jameson is making a mistake when he makes the statements attributed to him, and he should not be fearful that I am trying to interfere with what he is so deeply interested in; that is, building an archives building. I know the worth of an archives building. I know the Government of the United States has to build one. I know that the records of this Government, precious as they are, are going to decay, and if our present practice continues very much longer some of the most valuable records

the Government has will never be in condition so that they can be of public service. They are dropping to pieces now.

I was surprised when this objection to these stacks was handed to me by one of the Senators. After the Engineers have made an examination of this question, after they have been requested by the Public Buildings Commission to make an examination of the old Pension Office with a view of establishing these stacks in that building for the purpose of affording a place for keeping certain records now and to relieve the space they are occupying, which we so greatly need, is it possible Senators think I would ask the Congress of the United States to make an appropriation to put in something that was not fireproof and dangerous to life?

Anyone who will go down into the buildings now and observe the records we intend to preserve will find them in stacks of wood, none of them in stacks of steel. In some of the best buildings we have there are stacks of wood, and if a fire ever starts in them, nothing on earth can prevent their being destroyed. Not only that, but more than likely the building itself would be destroyed.

Mr. POINDEXTER. Will the Senator from Utah, as a member of the committee, accept an amendment, not to interfere in any way with his amendment, providing half a million dollars to begin work upon an archives building?

Mr. SMOOT. I would be delighted to do it. I stood here and asked for $500,000 two years ago. The chairman of the committee agreed with us at that time. We were to locate it between Twelfth and Thirteenth Streets and between B and C.

Mr. POINDEXTER. That was on square 88?

Mr. SMOOT. Square 88.

Mr. POINDEXTER. I think that is the place for it.

Mr. SMOOT. There were objections to it. I say now to the Senator that he can not go further than I will in an effort toward securing an appropriation of $500,000 to begin that building.

Mr. POINDEXTER. I am very glad to hear the Senator say that. I think that at the proper time I will offer an amendment to the bill for that purpose.

Mr. SMOOT. I will be glad to support it. Another thing, if I did not know it would save the Government of the United States half a million dollars every year, I would not ask for this million-dollar appropriation.

Mr. FLETCHER. Did I understand the Senator to say that this is to be a permanent thing?

Mr. SMOOT. No; after the archives building is built we can take the stacks out, and use every single steel stack we will have in the new building.

Mr. FLETCHER. Does the Senator contemplate that these stacks would go into the archives building?

Mr. SMOOT. If the archives building is large enough, every one of them will go into it. I say now that no business man in all the world would allow the space that is occupied to-day by the records of this Government, space that is worth $2 a square foot, to be so occupied. We are hunting all over this city for space, and the commission is going to get the Government employees out of every rented building in the District, and we are not going to be content until they are out. We have already saved $650,000. I think this is one of the best amendments that could be possibly put in the bill to save a little money.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. POINDEXTER. I want to offer an amendment to that amendment. If it has been acted on, I ask for a reconsideration.

Mr. SMOOT. Let the Senator offer his amendment as a separate amendment.

Mr. POINDEXTER. I offer the following amendment to the committee amendment, to come at the end of the committee amendment just adopted.

Mr. WARREN. Mr. President, under the circumstances, I have no objection to that going in.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. Following the amendment just agreed to, the Senator from Washington proposes to add the following:

For the construction of a national archives building in the city of Washington, District of Columbia, on square East 88, including mechanical equipment and the drafting of plans and specifications, which plans and specifications shall provide for a building not to exceed $2,500,000 in total cost, $500,000 of said sum to be disbursed and the building to be constructed under the direction and supervision of the Supervising Architect of the Treasury.

Mr. KING. I ask the Senator from Washington not to press his amendment to-day. I think the Senator from Alabama would be profoundly interested in that.

Mr. POINDEXTER. I think the Senator has in mind another piece of property in which the Senator from Alabama was interested, and he made objection to the location of the archives building upon that property because it necessitated the closing of a street. This is an entirely different piece of property, and there is no street involved in it at all. I hope, now that the chairman of the committee has announced his favorable attitude toward the amendment, that the Senator will allow it to be adopted at this time.

Mr. KING. Under the rule that we were to dispose of committee amendments first, I fancy that the amendment offered by the Senator from Washington would not be in order.

Mr. WARREN. The Senator offered it as an amendment to the committee amendment and asked for a reconsideration of the vote by which the committee amendment had been agreed to. Therefore it is in order.

Mr. POINDEXTER. I will say to the Senator that if he finds that this property is the property that he has in mind in which the Senator from Alabama was interested, I will have no objection to a reconsideration of it; but I know it is not the same property at all.

Mr. KING. Let me ask the Senator to pass that by until we get through with the bill, and then recur to it. I wish he would give some of us a chance to look into it.

Mr. McKELLAR. I hope the Senator will permit that to go over.

The PRESIDING OFFICER. Objection is made.

Mr. SMOOT. The reason the Senator from Alabama objected to it before was because it would have closed Eighteenth Street. That was the objection, and the only objection, the Senator from Alabama had. He was not opposed to building an archives building, but he was opposed to closing Eighteenth Street. This will not close Eighteenth Street, and I do not believe the Senator from Alabama would object to it for a moment.

Mr. POINDEXTER. In fact, the Senator from Alabama announced that he was in favor of building an archives building.

The PRESIDING OFFICER. Objection has been made to the present consideration.

Mr. McKELLAR. I will ask the Senator just to let it go over until to-morrow. I would rather do that than object to its consideration.

Mr. POINDEXTER. Very well.

Mr. WARREN. I do not care to agree just now to let anything go over until to-morrow; but we shall let it go over for the time being, and go on with the bill.

The reading of the bill was continued.

The next amendment of the Committee on Appropriations was, under the subhead "1800 E Street NW.," on page 31, line 18, after the word "items," to insert "uniforms for guards," so as to read:

For fuel, lights, repairs, and miscellaneous items, uniforms for guards, $4,000.

The amendment was agreed to.

The next amendment was, under the subhead "Lemon Building, 1729 New York Avenue, NW.," on page 31, line 23, after the word "repairs," to insert "uniforms for guards," so as to read:

For fuel, lights, repairs, uniforms for guards, and miscellaneous items, $4,100.

The amendment was agreed to.

The next amendment was, at the top of page 32, to insert:

DEPARTMENT OF COMMERCE BUILDING.

The responsibility for the care, maintenance, and protection of the Department of Commerce Building and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter from the Secretary of Commerce to the Superintendent of the State, War, and Navy Department Buildings.

Department of Commerce Building—Salaries: For the following employees, for maintenance and protection: Engineer and electrician, $1,400; carpenter, $1,000; electrician, $1,000; three elevator conductors at $720 each; five guards at $720 each; three firemen at $720 each; assistant forewoman, $720; 21 laborers at $660 each; toilet attendant, $480; in all, $26,380.

For fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, $18,650: *Provided*, That amounts aggregating $51,500 of the appropriations made to the Department of Commerce for the fiscal year 1924 for care, maintenance, protection, fuel, light, and so forth, for the Department of Commerce Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of $45,030 for payment of the salaries and expenses herein set forth, and the remainder ($6,470) shall be covered into the Treasury to the credit of miscellaneous receipts.

Mr. WARREN. On page 33, in line 2, I move to amend the committee amendment by striking out the words "miscellaneous receipts" and inserting "surplus funds."

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 33, line 2, after the word "of," strike out the words "miscellaneous receipts" and insert in lieu thereof the words "surplus funds."

Mr. McKELLAR. What does that difference mean?

Mr. WARREN. There is no fund called "miscellaneous receipts."

Mr. McKELLAR. The money, however, will go into the Treasury?

Mr. WARREN. It is a miscellaneous fund, but it immediately becomes "surplus funds."

Mr. McKELLAR. It is not subject to be paid out by the department?

Mr. WARREN. Oh, no.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 33, after line 2, to insert:

DEPARTMENT OF LABOR BUILDING.

The responsibility for the care, maintenance, and protection of the Department of Labor Building, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter from the Secretary of Labor to the Superintendent of the State, War, and Navy Department Buildings.

Department of Labor Building—Salaries: For the following employees, for maintenance and protection: Engineer, $1,200; general mechanic, $840; 3 elevator conductors at $720 each; 3 firemen at $720 each; 4 guards at $720 each; 12 laborers at $660 each; toilet attendant, $480; in all, $17,640.

For fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, $9,000: *Provided*, That amounts aggregating $33,300 of the appropriations made to the Department of Labor for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Labor Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of $26,640 for payment of the salaries and expenses herein set forth, and the remainder ($6,660) shall be covered into the Treasury to the credit of miscellaneous receipts.

Mr. WARREN. On page 34, line 3, in the committee amendment, I move to strike out the words "miscellaneous receipts" and insert the words "surplus funds."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 34, after line 3, to insert:

WARDMAN-JUSTICE BUILDING.

The responsibility for the care, maintenance, and protection of the Wardman-Justice Building, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith shall be transferred on July 1, 1923, and thereafter from the United States Attorney General to the Superintendent of the State, War, and Navy Department Buildings.

Wardman-Justice Building—Salaries: For the following employees, for maintenance and protection: Engineer, $1,200; electrician, $1,000; carpenter, $1,000; 3 firemen, at $720 each; 5 elevator conductors, at $720 each; 5 guards, at $720 each; 15 laborers, at $660 each; toilet attendant, $480; in all, $22,940.

For fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, $11,000: *Provided*, That amounts aggregating $42,550 of the appropriations made to the Department of Justice for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Wardman-Justice Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of $33,940 for payment of the salaries and expenses herein set forth, and the remainder ($8,610) shall be covered into the Treasury to the credit of miscellaneous receipts.

Mr. FLETCHER. I am not sure that I can identify the building by the name "Wardman-Justice Building." Is it at the corner of Vermont Avenue and K?

Mr. SMOOT. It is where the Attorney General's office is.

Mr. FLETCHER. Where the Department of Justice is located?

Mr. SMOOT. Yes; and I want to say to the Senator that every effort is going to be made possible by the building commission to get the department out of that building.

Mr. McKELLAR. Will the Senator tell us how much rent we pay for that building, and how much we have been paying for a number of years?

Mr. SMOOT. We paid $37,500 for the building for five years, and then our lease expired. Then they made a demand upon us so great that I do not even want to state it; but I said here one day to the Senate that we were going to appropriate $75,000 for the rent of the building and if they ever got any more than that they would have to go to the courts and carry it to the Supreme Court of the United States.

Mr. McKELLAR. Is there anything in the report that they asked the enormous sum of $300,000 a year for that building?

Mr. SMOOT. There is something in the report, I will say to the Senator.

Mr. McKELLAR. I do not know how we can control it.

Mr. SMOOT. Without discussing the question further, I will say to the Senator that the Government is trying in every way possible to make the move now. We will have to make a number of moves in order to get the space required, because they must have 130,000 square feet, and that is a lot of space for one department. I think we can arrange it before long so that, by various moves which we are now trying to make, we can perhaps obtain the space so we can move the department out of that building.

Mr. McKELLAR. That is, between now and the 1st of July? When does our lease expire at the rate of $37,500 a year?

Mr. SMOOT. It expired a year ago.

Mr. McKELLAR. What rental are we paying for the building this year?

Mr. SMOOT. We appropriated $75,000, and we do not pay more than that.

Mr. McKELLAR. That is double what we paid before.

Mr. SMOOT. I want to say to the Senator that it is a little less than 75 cents a square foot, and we are paying a great deal more than that now. Of course, they are asking a great deal more.

Mr. McKELLAR. I think they are asking more than the building would cost.

Mr. WARREN. The question is not at issue now, I understand.

Mr. McKELLAR. It is at issue in this way, that if we are going to move between now and July 1, of course there is no necessity for appropriating these sums for the necessary superintendence of the building. I think we ought to move if we can. We have a world of space down in the Army and Navy buildings in Potomac Park. It seems to me we ought to be able to find space enough in the building in order to look after the Department of Justice and take care of their needs. Those are enormous buildings. I was down there some time ago, and I noticed a very large number of rooms which were not being utilized at all. I believe if the Senator from Utah, who is a master hand at making these changes so as to save the Government money, would go down there and look over those buildings, he would very soon find there was ample room in the two buildings to make such changes as would avoid the payment of the enormous increase in rent which the Wardman-Justice Building now demands. The Government ought not to be required to pay any such rental as that.

Mr. SMOOT. The Senator from Utah had the plans of every room before him. He has been in every single room. He has been through those buildings so often that he knows every room in them. We are trying now, room by room, to crowd them up so as to get space enough to care for the Department of Justice. I will say to the Senator from Tennessee that the Public Buildings Commission is going to utilize every single solitary foot of space the Government owns.

Mr. McKELLAR. It is a very important matter. I understand our rent bill runs up to nearly a million dollars a year in the city of Washington alone.

Mr. SMOOT. About $750,000.

Mr. McKELLAR. The Senator from Utah suggests it is $750,000 a year. That is an enormous rental where we have so many buildings and when we are constantly adding to the number.

Mr. WARREN. As I have notice of quite a number of amendments on various subjects, I think we will hardly be able to conclude with the bill to-day, although I desire to conclude with the committee amendments. Therefore, I ask unanimous consent that when the Senate concludes its business for the day it take a recess until to-morrow at 12 o'clock.

Mr. FRELINGHUYSEN. I would like to ask the chairman of the committee if the item on page 36 under the head of "Tariff Commission" will be passed over? I have an amendment to offer to that item and should like to have an understanding as to when it will come up.

Mr. WARREN. That is the House proposition, and of course is open to amendment when the time comes.

Mr. FRELINGHUYSEN. As I understand, it will not be taken up to-night?

Mr. WARREN. We will pass it as it stands to-night, but of course the amendment will be as much in order to-morrow as it would be to-day.

Mr. FRELINGHUYSEN. There will be an opportunity to offer the amendment to-morrow?

Mr. WARREN. The same opportunity that exists to-night.

The VICE PRESIDENT. Is there objection to the unanimous-consent request proposed by the Senator from Wyoming? The Chair hears none, and it is so ordered.

Mr. McKELLAR. I hope the Senator will permit us to take a recess now until to-morrow.

Mr. WARREN. Oh, no; we want to finish the committee amendments. There are only a few more.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee on page 34, under the heading "Wardman-Justice Building."

Mr. WARREN. I desire to offer an amendment to that amendment before it is agreed to. On page 35, line 4, I move to strike out the words "miscellaneous receipts" and insert in lieu thereof the words "surplus funds."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 35, after line 4, to insert:

CIVIL SERVICE COMMISSION BUILDING.

The responsibility for the care, maintenance, and protection of the Civil Service Commission Building, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter, from the United States Civil Service Commission to the Superintendent of the State, War, and Navy Department Buildings.

Civil Service Commission Building—Salaries: For the following employees, for maintenance and protection: Carpenter, $1,000; general mechanic, $840; 2 elevator conductors, at $720 each; 3 guards, at $720 each; 4 laborers, at $660 each; toilet attendant, $480; in all, $8,560; for fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, $4,000; in all, $12,560, which sum is hereby appropriated.

The amendment was agreed to.

The next amendment was, on page 35, after line 21, to insert:

INTERSTATE COMMERCE COMMISSION BUILDING.

The responsibility for the care, maintenance, and protection of the Interstate Commerce Commission Building and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter, from the Interstate Commerce Commission to the Superintendent of the State, War, and Navy Department Buildings.

Interstate Commerce Building—Salaries: For the following employees, for maintenance and protection: Assistant superintendent, $2,000; engineer, $1,500; electrician, $1,600; carpenter, $1,400; 3 firemen, at $840 each; 6 elevator conductors, at $720 each; 5 guards, at $720 each; assistant foreman, $1,000; assistant forewoman, $720; 24 laborers, at $660 each; toilet attendant, $480; for fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, $19,000; in all, $54,080, which sum is hereby appropriated.

Mr. WARREN. On page 36, line 8, I move to amend by striking out "$1,500" and inserting "$1,600." There was a mistake in the print.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, under the subhead "United States Veterans' Bureau," in the items for vocational rehabilitation, on page 46, line 1, after the word "repairs," to insert the following additional proviso:

Provided further, That this appropriation shall be available for the purchase and distribution of embossed literature in Revised Braille for the use of blinded ex-service men and for procurement of equipment and supplies for the production of such literature.

The amendment was agreed to.

Mr. WARREN. Mr. President, I have a further committee amendment which I desire to offer, which was presented by the senior Senator from Ohio [Mr. POMERENE] and was duly considered by the committee. I ask that it be inserted at the proper place in the bill.

The PRESIDING OFFICER (Mr. HALE in the chair). The amendment proposed by the Senator from Wyoming will be stated.

The READING CLERK. At the proper place in the bill it is proposed to insert the following:

For the Perry's Victory Memorial: For improvements of the grounds and approaches to the memorial, parking, retaining walls, facing the upper and lower plazas with tile or other suitable material, etc., $99,185.

Mr. WILLIS. Mr. President, I shall not take the time at this late hour to make any extended observations in support of the amendment. I simply wish to say that I very cordially approve of the amendment which the chairman of the committee has offered on behalf of my colleague [Mr. POMERENE]. It is a very worthy amendment and provides for a very worthy purpose. I ask unanimous consent, however, to have inserted in the RECORD at this point a brief excerpt from the report of the Perry's Victory Memorial Commission stating the reasons for the adoption of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

The economy with which the memorial is operated would be indicated by any analysis of the items in the treasurer's report relating to "salaries of employees," etc., and salary of the custodian. The latter is in constant attendance at the memorial the year round, and receives but $750 per annum. During the period when the memorial is open to the public, an expert electrician receives $120 per month. From two to four guides receive $95 and $90 per month, and a cashier $45 per month. No other salaries are paid, and members of the commission serve without compensation. Their necessary expenses in attending meetings will be reduced in the future, as their number decreases, due to the provision of the law that the commissioners representing each State engaged in the construction of the memorial shall finally be limited to three members. Extra labor is required at the memorial to keep it in perfect condition, and on the reservation of 14 acres, the latter exceeding what it would be if the grounds were in a creditable condition. But all such labor costs have been most reasonable as compared with the work necessary to be performed.

The report of the treasurer also proves that the memorial continues to be not only self-sustaining but earning an annual net revenue. This has been the case every year since the memorial was opened to the public in 1915. Since taken over by the Federal Government in 1919 it has not cost the Government a cent for maintenance, operation, repairs, or improvements. We doubt that there is any other self-sustaining public work of a monumental or memorial character in America or in the world. It seems most extraordinary that this great memorial, the property of the United States Government, but for which the Government paid but one-third of its cost for actual construction and nothing for the cost of organization necessary to erect it, now is, and always will be, dedicated to the national uses for which it was accepted in perpetuity by Congress, without cost to the National Treasury for maintenance.

* * * * * * *

We urge that the proposed appropriation is immediately necessary as an emergency and economy.

FIRST, AS TO THE EMERGENCY.

The sea wall on the south side of the memorial must be supplemented by a second wall, some feet farther out into the lake, extending the length of the upper terrace. Great financial loss will result and ruin to all the protective work already carried out at this point unless this is done. Measures must also, before long, be adopted to reinforce the present sea walls on both sides of the memorial, one 1,400 and the other 800 feet long, both of which were built by the commission and paid for out of the net earnings of the memorial. No funds for such purposes are now or will henceforth be available to the commission except by congressional action.

The lower terrace, a great plaza 75 by 183 feet, leading to the steps of the second terrace, 75 feet wide, has as its facing only rough, loose stones. There is no other approach to the entrance of the memorial. These stones are dangerous to limb and life. Every year the commission is obliged to construct temporary paths over this plaza, thus depleting its net revenue.

While the memorial is self-sustaining, its average net revenue of approximately $3,000 a year should go to create a surplus to provide against accidents and emergencies. Under present circumstances no such surplus can be created, because the woeful condition of the terraces and grounds require constant expenditures out of the earnings for the protection of the public. At any moment an accident to the elevator might cost $10,000. A single winter storm might cause great damage to the retaining walls. If the Government will complete the property, it will have no further apprehension about maintenance. But even a self-sustaining memorial can not guarantee so continuing unless placed in the condition of safety and fitness for use contemplated by the original plans.

SECOND, AS TO ECONOMY.

The revenues of the memorial are derived from the fees paid by the public for ascending to the top—25 cents for adults and 10 cents for children. Approximately 40,000 people have patronized the elevator in each of the past two seasons. If the approaches were in a presentable and safe condition and the memorial reservation a park instead of a swamp amidst 14 acres of waste land, this patronage would be doubled or greatly increased. Under present circumstances temporary paths have to be constructed across the reservation, only to be damaged or washed away in the winter. The public has no use whatsoever of the grounds. Neighboring groves, forests, and island retreats draw visitors away from the memorial. The state of affairs is a continual loss to the Government as compared with the gross receipts that would ensue if the property were in a condition consistent with the beauty, impressiveness, and appealing interest of the memorial itself.

The people are being denied their rights in the premises. Congress accepted the property for their use, but they are prevented from enjoying it. We have no doubt that if the memorial and reservation were completed the Government would receive an annual net revenue from its investment. That investment is now only one-third of the total cost of the memorial, and if the proposed appropriation of $100,000 were made for the purposes herein recommended the Government would still have paid less than one-half of the cost of the memorial and the national park surrounding it.

Respectfully submitted.

GEORGE H. WORTHINGTON,
President, 712 Hippodrome Building, Cleveland, Ohio.
A. E. SISSON,
Treasurer, Marine Bank Building, Erie, Pa.
WEBSTER P. HUNTINGTON,
Secretary, Columbus, Ohio.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Wyoming is agreed to.

Mr. WARREN. Mr. President, I ask unanimous consent that the Secretary may correct all of the totals in the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRISON. I desire to offer an amendment to come in on page 3 under the item of "Contingent expenses of the Executive Office," following the numerals "$36,000" in line 2.

The PRESIDING OFFICER. The amendment proposed by the Senator from Mississippi will be stated.

The ASSISTANT SECRETARY. On page 3, at the end of line 2, it is proposed to insert a comma and the following proviso:

Provided, That no part of this appropriation shall be expended until the President shall have complied with the request of the Senate as expressed in Senate resolution 258, adopted April 24, 1922.

Mr. HARRISON. I should like to have that amendment pending in the morning. I do not wish to address myself to it to-night.

Mr. WARREN. If the Senator from Mississippi wishes to discuss his amendment to-morrow, I have nothing further to say. I do not wish by any act of mine, however, to indicate that I shall accept it, although I shall be glad to hear from the Senator.

MEMORIAL SERVICES FOR THE LATE SENATOR WATSON OF GEORGIA.

Mr. HARRIS. Mr. President, I ask unanimous consent that the order of the Senate of date February 24, 1905, prohibiting the bringing of flowers into the Senate Chamber may be suspended for the day of Sunday, January 21, 1923, the occasion of memorial services for my late colleague, Senator THOMAS E. WATSON. His widow, who is ill and not able to be present, has requested me to have flowers placed on his former desk for her and her granddaughters, and I sincerely hope her request may be granted.

The VICE PRESIDENT. The Chair hears no objection, and leave is granted.

RECESS.

Mr. KING. I suggest to the Senator from Wyoming that we now take a recess.

Mr. WARREN. Mr. President, there being no necessity for an executive session to-night, I move that the Senate take a recess, the recess being under the previous order, until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess until to-morrow, Saturday, January 20, 1923, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *January 19, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord, we pray to Thee, to whom we owe our first, our last, and our eternal allegiance. May nothing stand between us and obedience to Thy holy will. Let Thy sympathy make us social, Thy love make us charitable, and Thy grace make us cheerful. So order our lives that they shall respond to hope and love, to the call of service and sacrifice. Endow us with the mind that sees the heights and the soul that sounds the depths. In all things keep us in harmony with the purposes of our blessed heavenly Father, for the sake of Jesus, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEGISLATIVE APPROPRIATION BILL.

Mr. CANNON, from the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 13926, Rept. 1431) making appropriation for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, which was read the first and second times and, with accompanying papers, referred to the Committee of the Whole House on the state of the Union.

Mr. BYRNS of Tennessee reserved all points of order.

EXCHANGE OF PROPERTY.

Mr. GREEN of Iowa, by direction of the Committee on Ways and Means, presented a report (No. 1432) on the bill (H. R. 13774) to amend the revenue act of 1921 in respect to exchange of property, which was referred to the Committee of the Whole House on the state of the Union.

Mr. GARNER. Mr. Speaker, I do not think this bill is a privileged bill. Under the rules, must I reserve all points of order now, or can I make a point of order when the bill is taken up?

The SPEAKER. The Chair thinks the gentleman can make a point of order when the bill comes up.

Mr. GARNER. To be on the safe side, I reserve all points of order.

EXTENSION OF REMARKS.

Mr. BLANTON. Mr. Speaker, in order to present a request for unanimous consent, I ask to proceed for a quarter of a minute.

The SPEAKER. The gentleman from Texas asks to proceed for a quarter of a minute. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, among the several addresses before the Washington Board of Trade last night was one delivered by Gen. Merton E. Lewis, who was formerly both Senator and Attorney General of the State of New York. It contains some suggestions to our Interstate Commerce Commission and to our Committee on Interstate and Foreign Commerce, and is of such value to the country generally that I think it ought to be in the RECORD. I ask unanimous consent that I may extend my remarks by inserting it in the RECORD.

The SPEAKER. The gentleman from Texas asks unanimous consent to insert the speech referred to in the RECORD. Is there objection?

Mr. SNELL. Reserving the right to object, it seems to me that this is going pretty far in putting matter in the RECORD. Although the gentleman comes from my State, for the present I think I will object.

Mr. BLANTON. If the gentleman will yield, this railroad question is one of the main problems that is to be solved, not only by Congress but by the Interstate Commerce Commission.

Mr. SNELL. I know, but it seems to me that we have gone too far in inserting such matter in the RECORD. I have been waiting for a case where it came from my own State, and I feel that I must object.

Mr. BLANTON. But Gen. Merton E. Lewis is a distinguished gentleman from the State of New York——

Mr. SNELL. I know, I know him personally, but I feel that we have gone far afield in allowing extraneous matter to go into the RECORD. If it is matter that relates to something that has taken place on the floor of the House I would not object.

Mr. BLANTON. This has special reference to a matter that is to be settled by Congress.

Mr. SNELL. I feel that I must object.

Mr. HICKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the suggested national park at Mount Baker, Wash.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. STAFFORD. Are they the gentleman's own remarks? If so I have no objection.

Mr. HICKS. They will be my own remarks.

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. HICKS. Mr. Speaker, through the courtesy of my friend, Mr. HADLEY, the distinguished Representative of the district, and of a number of public-spirited citizens of Bellingham, last summer I was afforded the opportunity of visiting that wonderful section of northwestern Washington known as the Mount Baker-Shuksan district.

Having visited most of our great public reservations, I realize that the magnificence of forest growth and the majesty of mountain scenery gives to this part of the great State of Washington a just claim for consideration as one of the wonder spots of the Nation. It is a pleasure for me to attest to its grandeur, to commend the Agricultural Department for their foresight in opening the domain to the public, and to congratulate the generous impulse of the citizens of Washington for giving their financial and moral support to a project which is destined to be one of our greatest national parks.

Permit me briefly to describe this district of the far Northwest, bounded by British Columbia on one side and by Puget Sound on the other, with snow-capped Mount Baker dominating sea and land and sky.

This area, embracing about 1,000 square miles, is one of the most interesting territories in all of North America. Besides the more notable Mount Baker, whose ancient name is "The Kulshan," meaning "The Great White Watcher," there are in this district and visible at almost every point of one's visit at least 10 other mountains, most prominent among which is Shuksan. This rugged mountain is one of the most aged in the world. It was never a volcano, as was Baker. It was projected through the outer crust of the earth from one of the lowest stratas millions of years, perhaps, before the volcanic mountains were fashioned. Its substance is such that its glaciers do not have a perceptible effect upon its form, whereas the mountains that were formed from lava and ash are being rasped to pieces by the glaciers, and their substance sluiced to the lowlands through the numerous rivers that spring from their many sides. One can not contemplate the history of these mountains without thinking of Shuksan as immutable and without realizing that the more noted neighbors, like Baker, Rainier, Hood, St. Helena, Adams, and Olympus, will pass away.

The Mount Baker-Shuksan district is being opened through the joint effort of the United States Forestry Department and Whatcom County of the State of Washington. A highway, commencing 37 miles from Bellingham, will be completed to

the heart of the scenic district, a distance of about 26 miles, to Austin Pass, during the summer of 1924. It will not be ready for traffic, however, until a year later, when ample accommodations for the comfort of visitors will be provided such as is found in the already developed recreational districts of this country.

This highway will penetrate a section of one of the most wonderful forests in North America, passing along turbulent streams and through canyons into meadows of bewildering beauty. Dozens of lakes add to the attractiveness of the section, several of which are almost as deep as some of the mountains roundabout are high. Wild flowers are in abundance, and in season there are thousands of acres of blueberries and other wild fruits upon which the bear, grouse, ptarmigan, marmots, deer, and other wild life thrive.

This section heretofore has been inaccessible except to those of the more venturous type. It has been reached by numerous trails that lead into the district from almost every point of the compass. It is so vast and so rugged that it will never become accessible to automobiles, but the highway of easy grade and broad curves will carry one to the heart of the district and open most of the major points of interest to motor traffic, while trails are being constructed for the use of those who would explore farther.

Glaciers and immense snow fields will be but a few moments' journey from the hotel and highway; so will numerous lakes, waterfalls, natural flower gardens, and elevations that will give one a view that is indescribable. From a point near the terminal of the highway one may see not only the mountains of the Mount Baker Range, but also numerous peaks of the Cascades and a procession of them in British Columbia. The terminus of the highway is but 5 or 6 miles from the international border, and overlooks a stretch of forest in three directions so vast as to be almost impenetrable. Indeed, when here one is at the last frontier in America and but a short journey from some of the least frequently visited regions of British Columbia.

There is no country, say some of the forestry engineers, that contains such a variety of scenery as does this. Nor is there a section that will prove more attractive to the seeker for nature in the full majesty of her unbroken grandeur. The development is not being made under the direction of the National Parks Bureau, but it is an enterprise of the Forestry Bureau, and I desire to commend most heartily the efficiency of the work being done by the Department of Agriculture, under whose jurisdiction the project is being forwarded. The chief objective of the forestry department is the development of the area for recreational purposes and the preservation of its scenic beauties, but the highway will also serve as a public utility for extension of the road system. It will make more accessible the rich mining districts and will enable the department to dispose of such tracts of timber as has matured and should be put to use. This does not mean denudation nor a sacrifice of any of the wonderful tract through which the highway passes. But as a tree like man ceases to develop and in season will fall, so it is a matter of sound policy to have the matured giants removed in order to make way for the development of the younger growth and thus promote the policy of conservation while providing for public use trees that would soon die and thus become a menace to the forest and a loss to commerce.

Profiting from the experience of those who have caused highways to be built into the mountain fastnesses of the Pacific Northwest, the forestry and county officials decided upon a penetration of the higher elevations of the Mount Baker-Shuksan meadows from the north. It has been found that the snowfall on the north side is much less than on the south and west sides.

This will assure a season that will extend from about May 1 to November 1. Indeed, it is now believed that the Austin Pass meadows will be accessible throughout the year, save for the exceptional seasons, and thus afford opportunity for development of the country for winter sports. It is feasible to add another feature in the development of a golf course at an elevation of about 4,200 feet. If this project matures, the golfer will play amidst surroundings that are unmatched in their grandeur.

The new highway will contain no grade exceeding 7 per cent, and this but for a short distance. The last section, now under contract, and leading from the canyon of the Nooksack River to Austin Pass, will not exceed 6 per cent. There will be no part of the highway closed to traffic one way, as on some mountain roads, nor will any part of it be classed as more hazardous than the average country highway.

Ultimately it is proposed to circle the district in order to make it possible to drive to the sections to the east, south, and west of Mount Baker, but funds are not yet available for the more ambitious plan. On the completion of the present project it will be possible to motor to the heart of the wonderland in less than three hours from Bellingham and within six hours from Seattle, thus opening up to these rapidly growing centers of population with their excellent hotels, scenic beauties that will attract an ever-increasing number of nature lovers from all parts of the world.

Mr. GOODYKOONTZ. Mr. Speaker, I am introducing to-day a bill for the establishment of an industrial home for women at Mount Weather, Va., and I ask unanimous consent to extend in the RECORD a memorandum made by the Attorney General for the superintendent of prisons in connection with the bill.

The SPEAKER. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD by inserting the statement referred to. Is there objection?

Mr. STAFFORD. Reserving the right to object, I can not see any great value that may come by incorporating papers that should be embodied in the hearings and reports. I do not think that is a proper practice, and I object.

ARMY APPROPRIATION BILL.

Mr. ANTHONY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13793, the Army appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. TILSON in the chair.

The CHAIRMAN. When the committee rose yesterday there was pending a point of order to an amendment offered by the gentleman from Wisconsin [Mr. STAFFORD]. The Chair is now ready to rule.

It is a well-settled interpretation of the rule that Congress may appropriate for one object authorized by law and refuse to appropriate for another object equally authorized by law. If the amendment in this case simply provided that a certain part of the appropriation might be used for the purchase of certain goods described, and might not be used for certain other goods described, there would be no question. But it seems to the Chair, upon a more careful examination than he was able to make yesterday, that this amendment goes further. The amendment is not in the form of a limitation, and therefore it is necessary for the Chair to turn the amendment into a limitation in form in order to determine whether it conforms to the rule. Upon doing this the Chair is unable to bring the amendment within what he believes to be a proper interpretation of the rule.

Does it change the power, authority, or discretion of the Executive? If this amendment be adopted, will he have greater discretion, power, or authority than he had before, or will he have less? In either case it would be repugnant to the rule.

The gentleman from Virginia [Mr. MOORE] read into the RECORD yesterday a statement of the law to which the Chair desires to refer. At the time the gentleman read it, it did not occur to the Chair as meeting the situation, but the Chair has changed his mind. The gentleman from Virginia read the law as it now exists, and the Chair will repeat a part of it:

> Hereafter, except in cases of emergency, or where it is impracticable to secure competition, the purchase of all supplies for the use of the various departments and posts of the Army and of the branches of the Army service shall only be made after advertisement, and shall be purchased where the same can be purchased the cheapest, quality and cost of transportation and the interests of the Government considered.

The proposed amendment is as follows:

> All material purchased under the provisions of this act shall be of American manufacture, except in cases when in the judgment of the Secretary of War it is to the manifest interest of the United States to make purchases abroad.

Does the proposed amendment mean exactly the same as the law just read by the Chair? In the opinion of the Chair, while in a very general way it accomplishes the same thing, there is a shade of difference which the Chair thinks he ought to recognize. The Chair, therefore, sustains the point of order.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. STAFFORD: Page 92, after line 7, insert a new paragraph as follows:
> "No part of the money appropriated in this act shall be used for the purchase or acquirement of any article or articles unless they are of American manufacture, except in cases when in the judgment of the Secretary of War it is to the manifest interest of the United States to make such purchases abroad."

Mr. CONNALLY of Texas. Mr. Chairman, I make the point of order against the amendment; first, that it is not in the proper place; second, that it is not a limitation, because it

changes existing law; third, because it interferes with the discretion of an executive officer; and, fourth, it is legislation on an appropriation bill. For the reasons which the Chair gave in the decision of a moment ago, the exception stated in the amendment destroys its character as a limitation. It would be competent to provide that no part of the appropriation should be expended for goods made anywhere except in the United States, but whenever you introduce the exception, then you remove the limitation, because it would be possible under that amendment for the Secretary of War in certain contingencies to expend every dollar of the money abroad.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. HICKS. Personally, I have been unable to follow the amendment, so as to compare it with the amendment that was just ruled out of order. Does the gentleman from Texas know how this differs from the amendment just ruled out of order?

Mr. CONNALLY of Texas. I could not distinguish any difference, except it uses the language "that no part of this appropriation," and so forth, instead of the language "all material purchased under the provisions of this act shall," and so forth.

Mr. HICKS. Just that clause?

Mr. CONNALLY of Texas. Just that clause.

Mr. STAFFORD. Mr. Chairman, the proposed amendment follows the language of the amendment offered by the gentleman from Iowa [Mr. HULL] yesterday, which was ruled in order, but which the committee defeated; that is, restricting the expenditure of funds for articles except when manufactured at arsenals for a sum less than that for which they can be procured otherwise. This amendment is in the customary phraseology of a limitation. It limits the purchase of any article under the appropriations carried in this bill unless they are of American manufacture. It in nowise restrains the discretion that is now in the Secretary of War, so far as the purchase of articles abroad is concerned, when it is to the manifest interest of the United States, because he has that authority to-day.

The CHAIRMAN. Will the gentleman permit the Chair to ask him a question?

Mr. STAFFORD. Certainly.

The CHAIRMAN. Does the gentleman interpret the following language in his amendment—

except in cases when in the judgment of the Secretary of War it is to the manifest interest of the United States to make such purchases abroad—

to mean the same as this language in the existing law:

Hereafter, except in cases of emergency, or where it is impracticable to secure competition, the purchase of all supplies for the use of the various departments and posts of the Army, and of the branches of the Army service, shall only be made after advertisement and shall be purchased where the same can be purchased the cheapest, quality and cost of transportation and the interests of the Government considered.

Does the gentleman interpret these two provisions to mean exactly the same?

Mr. STAFFORD. I take it that this is virtually the same. The language—

except in cases of emergency, or where it is impracticable to secure competition—

is the same as—

except in cases where in the opinion of the Secretary of War it is to the manifest interest—

And so forth.

To me it seems that it has the same purport as the authorization in the existing law, the latter not being as broad as in existing law.

Mr. CONNALLY of Texas. If it is the same as existing law, why does the gentleman want to change it?

Mr. STAFFORD. Just to call the attention of the Secretary of War to the fact that it is existing law.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. WOODRUFF. What is proposed to be purchased abroad under this provision?

Mr. STAFFORD. This provision has been carried in the bill for years. No point of order was ever raised against it. It seeks to establish the American policy that as far as articles to be used by the Army are concerned—steel, necessary rifles, and all of the various supplies and equipment—they shall be of American manufacture; that no funds in this appropriation shall be used unless they are of American manufacture.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield further? I do not think the gentleman has answered my question. Just what articles are proposed to be purchased abroad under this provision as it is there now?

Mr. ANTHONY. My impression is that about the only articles they used to purchase abroad were lenses and optical instruments. The articles themselves are superior to those manufactured in America. Lenses are the principal thing I have in mind.

Mr. WOODRUFF. Well, if that is the purpose of the amendment, I can understand why it should be in the bill, because everyone who knows anything about optical instruments knows we can not get the high grades in this country that we can abroad.

Mr. HUSTED. Mr. Chairman, I think nobody would contend, and in fact nobody does contend, that the first paragraph of this amendment down to the exception is not in order. That is a clear limitation within the rules. It simply provides that no part of the money appropriated shall be used for the purchase or acquirement of any article or articles unless they are of American manufacture. Now, if an amendment is in order which excludes all goods which are not of American manufacture, then it certainly follows as a logical, inescapable conclusion that an exception which removes a part of the goods from the exclusion is in order. That is all the second clause does, simply provides for a modification. The first clause excluded the whole; the second clause provides for an exception permitting the purchase of a part of the whole. It is clearly in order if it be true that the whole includes a part of the whole.

Mr. HICKS. Mr. Chairman, I agree with my colleague from New York so far as he says that the first part of the amendment is not subject to the point of order. There are ample precedents which state that when it is specified that a recipient of an appropriation shall have certain qualifications it is in order. That applies in the amendment up to and including the word "manufacture," which specifies that these manufactures must be of American origin. As this is a qualification, then I think up to this point the amendment is in order. But from there on it seems to me that the amendment is subject to the point of order, because it is legislation; it possesses new duties and gives additional powers to the Secretary of War. Our friend from Wisconsin says that it is "practically" the same proposition as existing law. If it is the same, why put it in? If it changes law, then it is legislation. If it attempts to interpret law, then it is legislation, and open to impeachment. I call the attention of the Chair to the ruling in Volume 4, Hinds' Precedents, paragraph 3936, "A provision proposing to construe existing law is in itself a proposition of legislation and therefore not in order on an appropriation bill as a limitation." Now, if this amendment interprets the law, it is legislation and out of order. If it is the law now, a repetition is not needed. If it does change the law, then it is a violation of our precedents, on the ground that it imposes new duties and grants additional discretionary powers upon an executive officer, both of which are repugnant to our practice. (Vol. 4 of Hinds', 3966. Ruling of Chairman CRISP, March 11, 1916.) I maintain that the point of order is well taken.

Mr. MOORE of Virginia. Will the gentleman yield for a question?

Mr. HICKS. Yes, sir; with pleasure.

Mr. MOORE of Virginia. Has the gentleman any doubt—and here is the test, I think, that the point of order is well taken—that if we adopt this provision it would be construed by the court as repealing the existing law—the act of 1901?

Mr. HICKS. I do.

Mr. MOORE of Virginia. Any court would so construe it?

Mr. HICKS. It seems to me so.

Mr. MOORE of Virginia. And if this be true, you can not avoid the conclusion that it is a legislative provision.

Mr. HICKS. I agree with the gentleman from Virginia.

The CHAIRMAN. The amendment now offered by the gentleman from Wisconsin is almost word for word the one which the Chair had formulated in converting the amendment offered by the same gentleman on yesterday into the form of a limitation. It was to meet substantially this very amendment that the Chair made his ruling a few moments ago looking through the form to the substance, for it seems to the Chair that this amendment is the same in substance as the other. The adoption of this amendment will modify the discretion or authority of the Secretary of War as now provided by existing law. Therefore, the Chair sustains the point of order.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 92, after line 7, insert a new paragraph, as follows:

"No part of the money appropriated in this act shall be used for the purchase or acquirement of any article or articles unless they are of American manufacture, except in cases of emergency or where it is impractical to secure competition."

Mr. CONNALLY of Texas. Mr. Chairman, I make the point of order that the amendment changes existing law, that it is

not a limitation on an appropriation bill, and that we have passed the section of the bill to which it is offered.

The CHAIRMAN. The Chair thinks that the gentleman from Texas is in error as to the last statement.

Mr. CONNALLY of Texas. The Clerk read down from line 13 to line 17.

The CHAIRMAN. The Clerk informs the Chair that he read down to line 18 and that all these paragraphs went out beginning with line 8, so that there is nothing now in the bill between line 7 and line 18. Therefore that part of the gentleman's statement is based on a misapprehension of the facts. What is the gentleman's point of order?

Mr. CONNALLY of Texas. The point of order is that it changes existing law, that it is legislation on an appropriation bill, and that it is not in fact a limitation because it does not meet the requirement in that regard.

The CHAIRMAN. The gentleman from Wisconsin has embodied in his amendment a part of the statute.

Mr. CONNALLY of Texas. If he does not embody all the statute, it changes the law. Now, I would like to address myself to the question. I would like for the Chair to read the amendment again.

The CHAIRMAN. The gentleman from Wisconsin has placed in his amendment this portion of the law, "except in cases of emergency or where it is impractical to secure competition."

Mr. CONNALLY of Texas. Now, if the Chair pleases, the same reason upon which the Chair based his decision a moment ago applies to this amendment.

The Chair can not make any distinction as to whether the law is changed substantially or not. The rulings are that even if you reenact a statute you have got to reenact it with all the "i's" dotted and the "t's" crossed, because if you do not it is a change of existing law.

Now if the Chair please, my understanding of a limitation of an appropriation is as follows: In the face of a point of order Congress can only appropriate in an appropriation bill for purposes already authorized by law. The Congress can appropriate for all purposes authorized by law or appropriate for none of the purposes authorized by law. Within those limits Congress can limit an appropriation. Congress can say that no part of an appropriation shall be expended for a part of the purposes which the law authorizes. But a limitation must be absolutely negative. It must be in the nature simply of a veto. It can not direct an executive officer in the discharge of his duties under existing law. Whenever it does, it ceases to be a limitation and becomes legislation, in violation of the rule.

Now what do we find? Under the present law the Secretary of War must buy goods wherever he can buy them the cheapest; they shall be purchased where the same can be purchased the cheapest, the cost of transportation and the interests of the Government considered. Now, if the amendment offered by the gentlemen from Wisconsin [Mr. STAFFORD] is adopted, instead of purchasing them anywhere that he desires, he is required to purchase them in the United States except in cases of emergency. The law requires, "Hereafter, except in cases of emergency, or where it is impracticable to secure competition, the purchase of all supplies for the use of the department shall be," and so forth.

The gentleman's amendment does not change existing law because at present, except in those cases, the Secretary of War may buy the goods anywhere. If this amendment is adopted, except in those cases, the Secretary will be limited to buying them in the United States, and to that extent this is not a limitation on the funds appropriated by this act, but it is a direction to the Secretary of War to purchase all goods in the United States except in cases of emergency. The present law is that he must purchase them where they are the cheapest, except in cases of emergency. This amendment substitutes for the language "where they are cheapest" the language "in the United States of America."

I am sure the Chair is acquainted with the rulings rendered heretofore, that where the language is changed in the slightest respect it is legislation. A great number of rulings have been had on this question. I shall refer to some in Hinds' Precedents. For instance, under section 3956, volume 4, the naval appropriation bill was before the House and an amendment was offered by the gentleman from Maryland [Mr. MUDD], and here is what the Chair ruled. An appeal was had from the ruling of the Chair, and here is what the Chair said in addressing the House, and his ruling was sustained. He quotes the rule showing that no legislation shall be reported in any general appropriation bill. He says:

> No appropriation shall be reported in any general appropriation bill or be in order unless in continuation of an appropriation for such public works and objects as are already in progress.
>
> It is upon this line for the past 15 years that it has always been held that the building of ships can be provided for upon an appropriation bill, because they were in continuation of a public work in progress. It is a continuation of the building up of the Navy; but immediately after in that section the rule goes on to say:
>
> "Nor shall any provision changing existing law be in order on any general appropriation bill."
>
> To the Chair it seems perfectly clear that the provision in this section that the Secretary of the Navy shall build the ships at certain navy yards is a change of existing law, because it limits the power which existing laws give him.

Now, in that case they sought to provide that no money appropriated under that act should be expended on ships unless they were built at certain navy yards. The ruling was that the House could limit the appropriation, but could not do anything that restricted the discretion of the Secretary of the Navy which he then had under existing law. If this amendment is adopted, does even the gentleman from Wisconsin, or the Chair, or anybody else, contend that the Secretary of War shall have the same degree of duty as he has under existing statutes? Of course he will not. If he were to have, this amendment would not be offered. It directs him to do something he can not do under existing law.

Now, if the proposed amendment does not change existing law, it will continue to be existing law. He is required to buy wherever he can buy the cheapest. Then, the effect of the gentleman's amendment would be that unless he can buy cheaper in the American market he could not buy at all. That is the only extent to which the limitation could go, because the existing law requires him to buy wherever he can buy cheapest, and under this amendment, if it is a limitation—and it can not go further than this appropriation bill—if it is a limitation he would still be required to purchase where he could buy cheapest, but he would not have any money to pay for it in case he could not buy cheaper in America than abroad, except in those cases mentioned.

I submit, if the Chair pleases, that it does change existing law; although the amendment does quote part of the existing law, it does not quote the whole law, and the reenactment of part of a statute only clearly changes existing law.

The CHAIRMAN. The Chair is ready to rule. The first part of the amendment of the gentleman from Wisconsin [Mr. STAFFORD] contains the first part of the amendment heretofore ruled out. He then adds a clause from the existing law. It is the rule of this House, well settled by precedent, that where an appropriation bill simply recites existing law verbatim it does not make it subject to the point of order. The Chair will refer to Hinds' Precedents, volume 4, section 3814. The syllabus says:

> A paragraph in an appropriation bill reenacting verbatim an existing law is not subject to a point of order.

In making the ruling the Chairman, Mr. Powers, of Maine, said:

> If the Chair has made no mistake, it is a verbatim copy of the law as it now exists. That being the case, it has been held that while it is unnecessary and perhaps almost not good form, yet it is not strictly subject to a point of order. It is simply reenacting a portion of the United States statutes.

In this case, however, the insertion of a part of the statute and the omission of the rest of it might work serious consequences. It would at any rate very materially change the existing law, requiring the Secretary of War to conform to certain conditions imposed by the statute, but not to others imposed by other portions of the statute not here inserted. Therefore it seems to the Chair that this amendment also is repugnant to the rule, and the Chair sustains the point of order.

Mr. HILL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. HILL: On page 92, at the end of line 7, insert a new paragraph as follows:
>
> "No part of the funds appropriated in this act for the supply, maintenance, and upkeep of athletic grounds and stands at the United States Military Academy shall be used for such purposes unless the authorities at the Military Academy charge an admission to the principal public athletic contests on such grounds in which the cadets take part, and the funds so received shall be used solely for the improvement of athletic facilities at the said academy."

Mr. HICKS. I reserve a point of order on the amendment.

Mr. MACGREGOR. Mr. Chairman, this section——

Mr. BLANTON. I ask for the regular order, Mr. Chairman.

The CHAIRMAN. The regular order is called for. Does the gentleman make his point of order?

Mr. HICKS. I feel that this is clearly subject to a point of order; it is legislation; it is the enactment of new law, and clearly obnoxious to our procedure; but, in view of the necessities of the case and the merits of the proposition, both of which are familiar to me as a member of the Naval Committee, and which I think should be enacted into law, I am going to withdraw the reservation.

Mr. MACGREGOR. Mr. Chairman, I move to strike out the last word. When substantially the same amendment was offered before I raised the point of order. I have no objection to athletics at the Military and Naval Academies. In fact, I am heartily in favor of them. I feel that we would be justified in spending much more money in those activities. But my point is upon the proposition of what becomes of the vast sums of money that are obtained from the Army and Navy football games. I have not been able to secure any information whatsoever upon that point.

Mr. MILLER. Has the gentleman asked for any information.

Mr. MACGREGOR. I have asked for information. I directed an inquiry to the Secretary of War, but received no information from that source except a long letter. I have also carefully examined the testimony taken before the subcommittee on appropriations for the Army, and I find that General Slayden also gives no information upon the subject. The gentleman from Wisconsin [Mr. STAFFORD] endeavored to secure some information upon this subject but was unable to do so. I read from the hearings:

Mr. STAFFORD. While it is not part of the official record here, what is the status of the funds of the athletic association at West Point at this time? Don't they have large receipts from your athletic activities?

General SLADEN. Yes, sir.

Mr. ANTHONY. How much do they amount to—say, the Army and Navy football game at Philadelphia—how are the receipts divided?

General SLADEN. We get nothing from that.

Mr. ANTHONY. Who gets the money?

General SLADEN. Our seats are distributed to our members of the association; we do not sell them. We are given so many seats by the University of Pennsylvania to distribute. They sell their seats, of which they retain probably a fifth, and pay the expenses of the game.

Mr. ANTHONY. Are the big football games the source of any revenue?

General SLADEN. We got a good sum from the Yale game, at the Yale bowl. That is the only one.

And then the attempt at obtaining information was abandoned. The question was asked—

What are the funds received by the athletic association?

General Slayden answered:

They do not get any.

How are these funds used? Where do they go? Why should our cadets at West Point and our midshipmen at the Naval Academy participate in these great big games and thousands upon thousands of dollars be received from admission fees, and no benefit be received by the Military Academy or the Naval Academy?

Mr. BUTLER. Do I understand the gentleman to say that the Army sold no tickets of admission to the great game at Philadelphia?

Mr. MACGREGOR. According to this they received no profit at all from it.

Mr. BUTLER. I am not concerned about the profit, but I understood the statement to be made that they did not sell any of their seats; that the athletic association did not sell any.

Mr. MACGREGOR. They claim they did not.

Mr. OLIVER. I know nothing of what becomes of the proceeds that go to the Army, but the information before the Naval Subcommittee was that such part of the proceeds arising from athletic contests as the Navy received will be used to build a fine athletic field at Annapolis.

Mr. BUTLER. The tickets were sold?

Mr. OLIVER. Yes.

Mr. MACGREGOR. Why can we not get some statement about it?

Mr. OLIVER. The total receipts were estimated to be about $40 000 or more, which the Navy would receive this year from athletic contests to which admissions were charged, and I learn plans have been prepared for the erection of a splendid stadium at Annapolis.

Mr. MACGREGOR. That is the only point I want to raise, Mr. Chairman.

Mr. STEPHENS. The gentleman from New York was inquiring on behalf of the Army, was he not?

Mr. MACGREGOR. Yes.

Mr. STEPHENS. It is stated that the Army did not charge but the Navy did, and the money arising from the sale of the Navy tickets went for the purpose that the gentleman from Alabama [Mr. OLIVER] has just stated.

Mr. MACGREGOR. I was inquiring upon the basis of the hearings had before the subcommittee on the Army appropriation bill.

Mr. STEPHENS. The inquiry should have been made of the Navy.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment. As the gentleman from Alabama [Mr. OLIVER] has said, an athletic association is connected with each academy, and both the Army and Navy athletic associations charge an annual membership fee. Each member receives a certain number of tickets. There are no funds that come directly to the Army and Navy athletic associations as a result of the annual Army and Navy football games. Under the agreement entered into last year with the University of Pennsylvania authorities, when the contest was held on Franklin Field, and under the agreement that has just been entered into for the game next year on the Polo Grounds at New York, 80 per cent of the tickets for the available space are handed over, one-half to each of the academies for distribution, and the distribution is made by the respective athletic associations. These tickets are distributed to their members. As far as the Navy Athletic Association is concerned, they adopted the policy this year that they would charge a fee of $3.50 plus the war tax for every ticket furnished to persons outside of the Navy Athletic Association. I purchased a couple of those tickets. As far as the Army was concerned, when Members of Congress requested them, each received two tickets free, and members of the Military Affairs Committee of the House and the Senate received four gratis. Now what is proposed in this amendment is to allow the military authorities at West Point to charge an admission for public exhibition of athletics there. They are about to erect a permanent stand for which we are appropriating in this bill something like $20,000. At the suggestion of General Slayden, superintendent of the Military Academy, the subcommittee drafted in substance this provision authorizing him to make a charge for the athletic exhibitions held at West Point. He stated that at some of the games that they had with eastern and western football elevens a great number from the surrounding country rushed in and jammed the place and that they had no control over them whatever.

In Illinois the alumni of the State university are erecting a stadium costing $2,000,000. Nearly all large universities are erecting stadiums with a seating capacity of many thousands. We felt that as this is a great national game and will continue to be the national game for years that in contests with the western and eastern elevens playing at West Point the games will be attended by thousands and thousands of persons from New York and surrounding States it is only right, if we go to the expense of building stands, that they should charge an admission, which shall be utilized exclusively in building stands and maintaining the grounds.

Mr. JONES of Texas. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. JONES of Texas. If I understand the amendment, it would keep them from purchasing uniforms or paying other expenses. My experience is that there are big expenses for uniforms and other matters. As I understand the amendment, it makes it only available to go into the grounds.

Mr. STAFFORD. No; "the funds so received shall be used exclusively for athletics at the academy." But even if it did, in the contest between the Army and Yale at New Haven the athletic council received a large sum of money, which went into that fund, and this will be available for the expenses suggested by the gentleman from Texas.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. ROACH. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended three minutes. I wish to ask him a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. This fund will be used exclusively for building new stands and the improvement of the athletic grounds at West Point.

Mr. ROACH. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. ROACH. I notice that this bill carries an appropriation of $20,640 for the upkeep of the athletic grounds and stand. Is it the purpose of the gentleman, by charging an admission, to make the athletic activities self-supporting?

Mr. STAFFORD. It is.

Mr. ROACH. Then why insist on carrying an appropriation of $20,640 in the bill?

Mr. STAFFORD. Because it is necessary at present to build the new stands, so as to have some seating capacity at the new athletic field when admission will be charged. In the future we will not be called on for an appropriation, because the funds arising from the contest will supply the fund.

Mr. ROACH. I think the self-supporting basis is all right, but I am not willing that they should charge an admission and

then have Congress make large appropriations to maintain them.

Mr. STAFFORD. We will not make appropriations in the future.

Mr. ROACH. But this bill does carry an appropriation.

Mr. STAFFORD. Yes; because it is absolutely necessary to have the stands for the new field. That has been arranged for where the stadium is to be erected.

Mr. MILLER. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. MILLER. When West Point goes to Yale or Harvard, they share in the profits.

Mr. STAFFORD. Yes.

Mr. MILLER. How about the return games; there the visiting team receives nothing unless they may have their expenses? Would it be possible for the visiting team to share in the profits of the West Point games? It seems to me that the amendment ought to be redrafted.

Mr. STAFFORD. This was intended to make a start, as was suggested by the authorities.

Mr. MILLER. Is this suggested by the authorities?

Mr. STAFFORD. It is.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Except as expressly otherwise authorized herein, no part of the sums appropriated by this act for military purposes shall be expended in the purchase from private manufacturers of ordnance and ordnance supplies at a price in excess of 25 per cent more than the cost of manufacturing such material by the Government, or, where such material is not or has not been manufactured by the Government, at a price in excess of 25 per cent more than the estimated cost of manufacture by the Government.

Mr. DALLINGER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 92, line 22, after the words "excess of," strike out "25 per cent more than," and in line 25, after the words "excess of," strike out "25 per cent more than."

Mr. MILLER. Mr. Chairman, I ask unanimous consent to have the text read as it would be if the amendment were adopted.

The CHAIRMAN. Without objection, the Clerk will read the text as proposed to be modified by the amendment of the gentleman from Massachusetts.

There was no objection, and the Clerk read as follows:

Except as expressly otherwise authorized herein, no part of the sums appropriated by this act for military purposes shall be expended in the purchase from private manufacturers of ordnance and ordnance supplies at a price in excess of the cost of manufacturing such material by the Government, or, where such material is not or has not been manufactured by the Government, at a price in excess of the estimated cost of manufacture by the Government.

Mr. DALLINGER. Mr. Chairman, some of my colleagues expressed the opinion yesterday that in the course of the debate on this portion of the bill I was a little excited. I want to say that I am always concerned and excited when there are provisions in an appropriation bill under consideration in this House apparently intended to promote the selfish interests of private business concerns engaged in the manufacture of munitions of war, a class which included among its members some of the profiteers who during the World War made large fortunes for themselves in the hour of their country's need—provisions which are contrary to the best interests of the taxpayers of the country and also the best interests of the national defense.

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. ANTHONY. The gentleman has made a pretty strong statement when he says that a provision is carried in the bill in the interest of profiteers. What does he mean? The gentleman ought not to make such a statement without informing the House just what he means.

Mr. DALLINGER. I mean exactly what I have said, and without intending any reflection upon the Committee on Appropriations. Those Members of the House who are seeking to prevent the Government arsenals from doing Government work which they are perfectly capable of doing are saying in one breath that the Government arsenals are inefficient; that they are not up to date, that things can not be manufactured as cheaply in them as they can outside; and they then come in with a provision in this bill which permits the purchase from private manufacturers of ordnance and ordnance supplies at a price 25 per cent more than the cost of manufacturing them in Government establishments.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. Yes.

Mr. McSWAIN. Does the gentleman know whether or not this provision has the approval of the Secretary of War?

Mr. DALLINGER. I do not know whose approval it has.

Mr. McSWAIN. Has the gentleman seen the article by the Secretary of War in the January number of the Nation's Business, advocating this same principle?

Mr. DALLINGER. No; I have not seen any such article and can not believe that the Secretary of War, who I feel sure has an economical administration of his department at heart, would favor such a proposition. It is perfectly evident, Mr. Chairman, that the Members of the House who are fighting to get this Government work for the private munition manufacturers are inconsistent. They say in one breath that the arsenals are not well run, that they can not compete on equal terms with private concerns, and in the next breath they advocate a provision which permits the War Department to pay 25 per cent more for articles than the same articles can be manufactured and produced in the Government arsenals, maintained by the taxpayers, in which the taxpayers of the country have invested hundreds of millions of dollars and the appropriations for the upkeep and operating expenses of which, amounting to millions of dollars, are being carried from year to year in the Army appropriation bill. There is absolutely no reason, as General Dawes, former Director of the Budget, repeatedly pointed out, why we should continue this policy of not utilizing our existing facilities. We ought to do one of two things, as I have repeatedly pointed out ever since I have been a Member of Congress. We ought either to sell these arsenals and navy yards, with their valuable real estate holdings, with their expensive equipment and machinery, adapted as they are for private manufacturing purposes, and turn the proceeds back into the Treasury of the United States, and relieve the American people of the great burden of taxation incident to their maintenance and operation, or we ought to run them efficiently and utilize the facilities which we have. [Applause.] I defy any man in this House to successfully contradict the soundness of this position. The encouragement of the business of the private manufacturer of munitions of war and of engines of destruction has in the past been the greatest cause of war among the nations of the world, and, as I said yesterday, the one thing in the covenant of the League of Nations in which everyone believes was the provision providing that the manufacture of munitions of war should be entirely in the hands of the governments of the world, and not in the hands of private interests, whose opportunity for profit depends upon the existence of war. I appeal to this House to adopt the amendment which I have offered, not only in the interest of the taxpayers of the United States, but also in the best interests of the national defense of this country and in the interest of the peace of the world. [Applause.]

Mr. ANTHONY. Mr. Chairman and gentlemen of the House, I am getting rather tired of sitting here as a member of the committee which has the responsibility of preparing and presenting an important appropriation bill and listening to gentlemen in the House who represent communities that have arsenals, where there are Government employees, coming into the Chamber and demagoging for the votes of those employees at the expense of the best interests and the best conduct of the Government. For two days here we have heard appeals of that kind. I assure this House that these provisions are placed in the bill solely in the interest of good business and are backed by common-sense reasons. I think that gentlemen who abuse the confidence that the House should place in them by coming here and through political motives seeking to discredit provisions of the bill are engaged in small business.

This provision authorizes a leeway of 25 per cent in the placing of business in Government arsenals and is a very necessary thing. It has been carried for years in the bill because it is manifest that there may be many instances when little orders come up for the manufacture of a few dollars' worth of supplies, where it would cost the Government ten times the amount to set the wheels of the arsenal in motion for the purpose of turning out a little job of that kind. The overhead costs themselves would eat up whatever economy was in it. This is put in the bill to allow some discretion and leeway to Government officials. I assure the House that 95 per cent of the appropriations in this bill for ordnance purposes will be expended for manufacture in Government arsenals, and there is no ground whatever for gentlemen who represent labor interests in these arsenal districts to come before the House and indulge in this cheap claptrap.

Mr. SWING. Mr. Chairman, it must be evident, if what the chairman in charge of the bill says is true, to wit, that it would frequently cost many times more to set the wheels of the arsenals going in order to manufacture a few dollars' worth of material than it would cost to buy the article in the open

market, then in that event this provision is not necessary and the proposed amendment should be adopted, because upon that basis private business will always get the job in competition with Government plants without the necessity of the bonus or handicap provided in this paragraph. The Committee on Naval Affairs has been holding hearings for several weeks; and there have appeared before the committee representatives of manufacturing interests from all over the country—from Chicago, from New England, and from New York—and the burden of their contention has been over and over that the Government can not compete with private business in the manufacture of the things which they make.

Their general conclusion is that every time the Government turns a wheel it is doing it at an economic waste. They say that because of their superior business organizations, because they pay their laborers wages from 20 to 60 per cent less than the Government, because they demand of their labor a higher degree of efficiency, because they maintain a highly skilled purchasing corps which knows when to purchase, where to purchase, and how much to purchase, they say that they can outcompete the Government at any time on terms of equality. Now, if that is so, what is the occasion of coming in here to coddle big business with a 25 per cent bonus? [Applause.]

Mr. STEPHENS. Will the gentleman yield?

Mr. SWING. I will.

Mr. STEPHENS. In regard to this provision, if the gentleman will notice, it limits it to 25 per cent. If it were not for this limitation they might buy from private manufacturers even at 50 per cent more, but it limits the Government to a 25 per cent limitation.

Mr. SWING. If the gentleman will read it again, the amendment proposed by Mr. DALLINGER will prohibit the purchase from private manufacturers at a price in excess of what it can be produced for by the Government.

Mr. McSWAIN. Will the gentleman yield?

Mr. SWING. Let me proceed a step further. Why 25 per cent? Who names 25 per cent? It is purely an arbitrary figure. Why not 35 per cent or 50 per cent, why anything, when it is emphasized that it is not necessary? [Applause.] If you put it in the Army bill here you have got to put it in the naval bill. Where are you going to draw the line? The only thing that has ever been said for this provision was that it was intended to cover so-called educational orders. But the fact is that it is not limited to educational orders.

Assuming 10 per cent of the War Department orders could be correctly termed educational, this section authorizes the War Department to put all of its orders in the hands of private individuals at a cost 25 per cent higher than what the Government could do it for itself. What business man would advocate that thing in his own affairs? Big business says, "Let us have more business in government." All right, let us apply a little business sense right here. [Applause.] This section as it stands is an invitation to big business to raise its bid 25 per cent, and the big trusts, who alone can compete with the Government, will many times be found the sole competitor against the Government's own plants; and yet we are to have a law here which invites them to bid 25 per cent above what the Government itself can do the work for. One does not have to have an arsenal in his district to oppose this proposal. If you are for the taxpayer, if you want to protect the United States Treasury, you will be opposed to opening wide the door to this unnecessary expenditure of public funds. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I favor the amendment offered by the gentleman from Massachusetts, and I am opposed, practically, to every word he said, and disagree with him. Also, I agree with practically everything the distinguished chairman said with regard to this matter, but I desire it understood, so far as I am concerned—since I am looked upon here as sometimes representing manufacturing interests—that the manufacturers do not want any 25 per cent over the Government arsenals. [Applause.]

Mr. MILLER. Strike it out then.

Mr. SNYDER. Therefore, I shall be glad to see the amendment of the gentleman from Massachusetts prevail, and I shall vote for it, and I believe I am doing it in the interest of the manufacturing interests of this country.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. McSWAIN. Mr. Chairman, I ask leave to extend my remarks in the RECORD on this subject. I had prepared something, but the adoption of the amendment renders its present delivery unnecessary, and I want to put it in the RECORD.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. McSWAIN. Mr. Chairman, I indorse with all my heart the motion of the gentleman from Massachusetts [Mr. DALLINGER] to the effect that the clauses found on page 92, in lines 22 and 25, of H. R. 13793, providing annual appropriations for the War Department, be stricken out, so that all goods purchased for military purposes might be purchased even from private manufacturers at a cost not exceeding what it would cost the Government to manufacture these goods, if the Government has a plant capable of turning out such goods, or not in excess of what it is estimated it would cost the Government to manufacture such goods. It is hard to believe that we could find submitted to the Representatives of the American people a proposition that the War Department might be limited in awarding contracts to private manufacturers to a profit of 25 per cent, as is contained in the bill and as is sought to be stricken out by the amendment. Yet that is what we have seen, and the plain interpretation of the language in the bill of the committee is that if the War Department did not have its hands tied by a 25 per cent limit it might pay to private manufacturers 35 per cent or 45 per cent or 55 per cent profit on such goods as they should supply to the War Department. Therefore, the proposition in itself is outrageous, because 25 per cent is outrageous as a profit, and the implications of the provision that it is necessary to tie the hands of the War Department, so it will not pay profits in excess of 25 per cent, are also shocking. I agree whole-heartedly with the sentiments expressed by the gentleman from California [Mr. SWING] when he says that this proposition contained in the bill, which is sought to be stricken out by the amendment under consideration, is virtually a suggestion to bidders that they are expected and may properly add 23 per cent or 24 per cent to their own liberal estimates of the cost of production in making their bids to the Government.

Mr. Chairman, I think I know the source and origin of this scheme contained in the bill to pay a profit of 25 per cent to private manufacturers for war material. I think it is a distorted and illegitimate issue of the grand proposition contained in the inaugural address of President Harding when he tells us that "The ideal republic is where every man and woman is called under the flag for assignment to duty for whatever service, military or civic, the individual is best fitted; where we may call to universal service every plant, agency, or facility, all in the sublime sacrifice for country, and not one penny of war profit shall inure to the benefit of private individual, corporation, or combination, but all above the normal shall flow into the defense chest of the Nation. There is something inherently wrong, something out of accord with the ideals of representative democracy, when one portion of our citizenship turns its activities to private gain amid defensive war while another is fighting, sacrificing, or dying for national preservation." Again, in his special message to Congress December 8, 1922, President Harding reiterates the recommendation that a program for the drafting of all the resources, both man power and industrial, necessary to carry on any future war be now formulated and enacted into law, and ready to be put into motion the instant war shall be declared. The American Legion, the all-comprehensive and representative body of ex-service men and women, made up of Americans of every creed and section and race, at its convention in New Orleans in October, 1922, placed itself unanimously on record as favoring such legislation as the President has twice recommended.

Then, Mr. Chairman, in December, 1922, I introduced what is known as H. J. Res. 400, calling for the appointment of a commission to be made up of well-informed and experienced Government officials and private citizens to study the question that the President has twice brought to the attention of the Congress and the country, and backed by the unanimous consent of the American Legion, and also backed, as I believe, by the conscience of the unselfish and interested people of America, as evidenced by the scores of letters that I have received approving the plan outlined in H. J. Res. 400.

About the time this sentiment began to take possession of the American mind, realizing that it made for justice as between human blood and gold dollars, realizing that it would destroy the inequality now existing between the ruthless disregard for human life without adequate compensation, and the scrupulous and cautious safeguarding of every dollar the people put up to carry on the war and for interest paid to the people who advanced the money to fight a war—realizing all this, the War Department must have started to do something to appear to be a compliance with this sentiment. Consequently there began to appear in the papers statements that

the War Department was formulating plans that would result in the drafting of industries and of wealth to be used in event of war, and the impression was sought to be made that such drafting would be upon some such basis of democratic equality and republican justice as was the selective service law which took men out to fight and to die for their country.

But it appears from an article published in the Nation's Business, the official organ of the United States Chamber of Commerce, for the month of January, 1923, and written by the Secretary of War, that these activities of the War Department, instead of being in compliance with the sentiment of the American Legion and the message of the President, in fact is a scheme to pay profits to private manufacturers not only in time of war but to keep them perpetually on the pay rolls of the Government, even through all the years of peace. I quote the exact language of the Secretary of War appearing in this article:

> It seems certain that we must overcome the false economy that bids us seek always the lowest price for the yearly flow of munitions needed in peace times by the Army and Navy; that we must accept in the name of national preparedness the greater cost of farming out these contracts to the producing industry of the Nation as "educational orders," that we may have skilled hands and perfected machines ready in sufficient number to begin, at least, our war manufacturing.

We are told in this article by the Secretary of War that Colonel Wainwright, with somebody to help him, is making comprehensive study of this subject and is reaching out over the country to gauge and measure the manufacturers and to appraise the war load each section is able to bear, and he tells us with great candor that they are preparing uniform fixed-price contracts to be used in future war orders. Mr. Chairman, what I should like to ask of the Secretary of War and of Colonel Wainwright is, Did they read or hear the two messages of President Harding hereby referred to? Have they read the resolution of Hon. ROYAL JOHNSON proposing a constitutional amendment to the effect that industries and all material resources shall be drafted in time of war just as men are drafted? Have they read H. J. Res. 400, which is mild and judicial in its proposals? Have they read the resolutions of the American Legion, adopted at New Orleans? Now, Mr. Chairman, I must assume that these learned and wise and able public officials have not ignored these public events, because they have not been done in a corner, nor have they been hidden under a bushel. Therefore, if they have not ignored them, and if they have knowledge of what the President has said and of what the American Legion approves and of pending legislation in this body, then why do they not come before the Judiciary Committee of this House of Representatives, to which H. J. Res. 400 has been referred, and tell us what their plans are, and tell us whether they favor what the President said, and tell us whether or not they favor what the American Legion stands for, and tell us whether or not they favor H. J. Res. 400? To whom do the Secretary of War and his assistant think that this Government belongs? Who do they think is the lawmaking power of this Nation? Do they propose to continue to feed profiteers from the Public Treasury in time of peace and to multiply their profits into countless millions in time of war? If these gentlemen think that the American people will stand for any such autocratic and unrepresentative systems, then these gentlemen have misread the election returns following November 7, 1922.

Mr. Chairman, I agree with patriotic and statesmanlike sentiments expressed yesterday on the floor of this House by the Hon. OTIS WINGO, of Arkansas. He told us that the real, lurking dangers to the permanency of our existing constitutional system are not the fulminations of the soap-box orators on the street corners, whose unworkable schemes are patent to even the simple-minded, but that the serious menace is the high-brow parlor criticism of representative institutions and of the Congress which represents the people. People generally, as reflected in their magazines and newspapers, heap all sorts of criticism upon both Houses of the Congress and fall down and worship the speeches and suggestions that come from the Cabinet officers and executive heads. Yet those of us who are here on the inside and know the real facts can show that but for the firm and resolute stand for economy and for just and equal laws for taxation by the Members of Congress that the machine would be overrun with expense and taxes would be piled upon the producers of wealth, while the vast hoarders of millions, who are the beneficiaries of the partial and favorite-serving system of Federal legislation, would go "scot free" of taxation. We know that the executive heads are always for the big appropriations. We know that the executive heads stood for striking off the excess-profit taxes and for reducing the surtaxes to the multimillionaire. We know that the executive heads seem to think that they have the right to fix up proposed legislation and bring it down and have the Congress go through the formality of enacting it into law without the dotting of an "i" or the crossing of a "t."

So, Mr. Chairman, I ask in conclusion, When is the Secretary of War and his assistant coming down to tell us what they think about H. J. 400? Do they think that the 25 per cent profit contained in this bill, as sought by this amendment of Mr. DALLINGER to be stricken out, is any sort of compliance with the messages of the President or the resolutions of the American Legion or with the dictates of human justice? Is this proposal in the bill in compliance with the views of the Secretary of War that we must buy supplies during peace times at a price greater than the cost of producing such supplies, and farm out contracts to favored firms and corporations, all under the sanctimonious name of "educational orders"? Does the Secretary of War think that men must give their lives and blood and time and be separated from their mothers and sisters and wives and children in times of war for a pitiful sum of $30 per month, when the millionaires and multimillionaires, who are usually above the military age—or manage to get some sort of exemption by jumping for a $1-a-year job at a Government desk—are to receive contracts for war supplies that are to be filled with enormous and countless profits to themselves?

Mr. Chairman, this is one of the first questions that is now before the American people, and it ought to be the issue in the next presidential campaign. We have now a war debt of about twenty-three thousand million dollars, a debt that will not be paid in the next 100 years, and may never be paid; but of one thing I am very sure, that all money that shall ever be paid upon it through all the scores of years during which the bondholders shall draw interest on these bonds and receive payments on the principal, the very 4,000,000 men who were in uniform and their children and their grandchildren and their great-grandchildren by the labor of their bodies and brains will produce the wealth with which these bonds and the interest on these bonds must be paid. Will the American people be duped and fed upon soft soap and put to sleep by beautiful phrases coming from the mouth of the President when the President's party, with two-thirds majority in Congress, has not moved one single inch to make law of the President's pious words? Will the American people be satisfied with nice sentiments in messages but with contracts let by the War Department that will mean 25 per cent profit to private concerns in times of peace? Will the American people let this noble sentiment be kept to the ear and broken upon the lips? Will the American people hold its Representatives responsible for enacting now, even now, a just law to be employed in a future war? Do the American people expect us to profit by the lessons of the war as to how it should be financed? The War College is carrying on extensive studies as to how future wars should be fought, and they are drawing their studies from the experiences of the last war.

Mr. Chairman, I think that the American people expect their Representatives in Congress to do something about this matter, and if this Congress will not do something they expect the next Congress to do something, and if the next Congress will not do something they expect that one or the other of the major parties shall put this proposition into the party platform. Then if it is put into the platform of the winning party the American people will expect performance. If then some future Secretary of War and his assistant and some future Congress shall dilly-dally with this fundamental question, affecting a primary proposition of justice and equality under republican institutions, it will be time for the people to ask why it is that their Government, which claims to be representative, is not truly representative of their convictions. So, Mr. Chairman, I favor this motion to strike out this 25 per cent profit, and I have taken this occasion offered by this motion to speak upon the general proposition and to expose to the Congress and to the country the outrageous and dangerous fallacy contained in the propaganda now being put out by the War Department.

The Clerk read as follows:

QUARTERMASTER CORPS.

NATIONAL CEMETERIES.

For maintaining and improving national cemeteries, including fuel for superintendents, pay of laborers and other employees, purchase of tools and materials, and including care and maintenance of the Arlington Memorial Amphitheater and Chapel and grounds in the Arlington National Cemetery, Va., $350,000.

Mr. ANTHONY. Mr. Chairman, this item carries the provision for the maintenance of the national cemeteries in France. It will provide for 9 officers and 150 civilian caretakers in the eight national cemeteries in France. The committee has

made an investigation as to the condition of these cemeteries, and has been shown photographs, and it is convinced that they are being taken care of in a manner satisfactory to anybody who has the interest of our soldier dead at heart.

Mr. GOODYKOONTZ. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. GOODYKOONTZ. I for one feel that it is not sufficient to have submitted to us photographs. The American Government should have its agents there looking after our own dead and not delegating this power to any foreign government.

Mr. ANTHONY. I just stated that 9 officers and 150 civilians will take care of these cemeteries, and they will be maintained in a proper manner.

Mr. BUTLER. These are Americans?

Mr. ANTHONY. Yes.

Mr. CONNALLY of Texas. A bill now pending before the Committee on Foreign Affairs comprehensively deals with this whole subject. We would be glad to have the gentleman from West Virginia come before us and give us his digested opinion.

Mr. ANTHONY. The gentleman from West Virginia must refer to certain isolated cases. The committee has never heard of any authentic complaints of any kind.

Mr. GOODYKOONTZ. If I have given expression to facts that will relieve my mind and the American people, I shall consider my purpose accomplished.

Mr. RAMSEYER. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. RAMSEYER. We do own the land?

Mr. ANTHONY. It has been ceded to us by the French Government for that purpose.

Mr. RAMSEYER. It is under the War Department here?

Mr. ANTHONY. The eight national cemeteries are. I understand that there are still a number of outlying places where there are American dead, but it is the purpose to consolidate them all under these places.

Mr. DENISON. Can the gentleman tell how many American dead remain in cemeteries in France? I know we have removed a great many. I was wondering how many were left.

Mr. ANTHONY. It is stated somewhere in the record here. About 30,511.

Mr. GOODYKOONTZ. There are 65,000, according to my last information.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Disposition of remains of officers, soldiers, and civilian employees: For interment, cremation (only upon request from relatives of the deceased), or of preparation and transportation to their homes or to such national cemeteries as may be designated by proper authority, in the discretion of the Secretary of War, of the remains of officers, cadets, United States Military Academy, acting assistant surgeons, members of the Army Nurse Corps, and enlisted men in active service, and accepted applicants for enlistment; for interment or preparation and transportation to their homes of the remains of civilian employees of the Army in the employ of the War Department who die abroad, in Alaska, in the Canal Zone, or on Army transports, or who die while on duty in the field; interment of military prisoners who die at military posts; for the interment and shipment to their homes of remains of enlisted men who are discharged in hospitals in the United States and continue as inmates of said hospitals to the date of their death; for interment of prisoners of war and interned alien enemies who die at prison camps in the United States; for removal of remains from abandoned posts to permanent military posts or national cemeteries, including the remains of Federal soldiers, sailors, or marines interred in fields or abandoned private and city cemeteries; and in any case where the expenses of burial or shipment of the remains of officers or enlisted men of the Army who die on the active list are borne by individuals, where such expenses would have been lawful claims against the Government, reimbursement to such individuals may be made of the amount allowed by the Government for such services out of this sum, but no reimbursement shall be made of such expenses incurred prior to July 1, 1910; expenses of the segregation of bodies in permanent American cemeteries in Great Britain and France, $150,000: *Provided*, That the above provisions shall be applicable in the cases of officers and enlisted men on the retired list of the Army who have died or may hereafter die while on active duty by proper assignment.

Mr. WILLIAMSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from South Dakota moves to strike out the last word.

Mr. WILLIAMSON. If I may have the attention of the chairman of the subcommittee for just a moment, I should like to inquire whether or not this appropriation or any other appropriation in this bill makes any provision for bringing back any of the soldiers that are still left in France? A number of my constituents have appealed to me to assist them to get the bodies of their sons returned for burial in this country, but the War Department informs me that the time has passed in which these bodies may be returned.

Mr. ANTHONY. This bill makes no provision for the return of bodies of soldiers from France, except where the identification heretofore has been unknown. In these cases they bring the bodies back.

Mr. WILLIAMSON. And it is now too late to request the return of these bodies?

Mr. ANTHONY. Yes. The time for requests is past, but when an unknown body has been identified they then permit the return of that body.

The CHAIRMAN. The pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

DOCK, JUNEAU, ALASKA.

For cost of survey and the preparation of plans and estimates for a Government dock at Juneau, Alaska, $1,000.

Mr. SISSON. Mr. Chairman, I think before we reach the next item it would be well to have an agreement as to the time to be devoted to the next item in the bill, which relates to rivers and harbors. I think it would be well to agree upon time for debate. Has the gentleman any suggestion to make?

Mr. ANTHONY. I will say to the gentleman that it is the desire to complete the bill, if possible, this afternoon. At the same time we desire to allow reasonable debate on such an important item as this. What does the gentleman suggest?

Mr. SISSON. Whatever time may be agreed upon, I would like it to be agreed that at the close of the time the previous question shall be ordered.

Mr. ANTHONY. I suggest that the debate on the river and harbor provision under the five-minute rule be limited to two hours, one hour for and one hour against; at the conclusion of that time that the previous question be ordered; the debate to be controlled one-half by the proponents of the item in the bill and one-half by those opposed.

Mr. SISSON. I have no objection to two hours, an hour on a side.

Mr. DEMPSEY. Mr. Chairman, last year the time was divided equally between those favoring and those opposing the amendment to increase the appropriation. I expect to offer the amendment; and if the gentleman from Kansas should have control of one-third of the time, and the gentleman from Mississippi [Mr. SISSON] one-third, and I one-third, I think that would be equitable.

Mr. ANTHONY. I think we had better adhere to the half-and-half rule.

Mr. DEMPSEY. With the understanding that the time shall be allotted half and half, I would allot my time, I will say frankly, all of it, for, and I suppose you two gentlemen would give half of your time to each side.

Mr. ANTHONY. I prefer to have one-half the time controlled by the proponents of the bill and the other half by those opposed.

Mr. DEMPSEY. What do you think of the proposition that, inasmuch as I am going to offer the amendment, I should have half of the time?

Mr. ANTHONY. I suggest that the gentleman from Wisconsin [Mr. STAFFORD] have control of half the time and the gentleman from Mississippi [Mr. SISSON], or some one else on that side, half the time on the other side.

Mr. DEMPSEY. The gentleman from Mississippi is against the amendment. That would not be a fair division.

Mr. CHALMERS. Mr. Chairman, will the gentleman yield? I want to reserve an objection.

Mr. SISSON. Mr. Chairman, as far as I am concerned, I desire to yield to gentlemen on this side as nearly equally and fairly as I can. If my friend from Missouri [Mr. NEWTON] wants a little time, I will give it to him.

Mr. CHALMERS. I would like some time, and I want to be assured of that before the request passes beyond my control.

Mr. DEMPSEY. Mr. Chairman——

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, it does not seem to me that the time for the amendment ought all to be allotted on the other side, because there is a very considerable support for the amendment on this side; and because of that a year ago we divided the time into three parts. There was complaint a year ago that the time on the other side was all given to those who supported the amendment. I remember that very distinctly; I am not seeking any undue advantage of that kind, and I am willing to agree squarely that the time shall be evenly divided in support of and against the amendment; but at the same time it does seem to me that the time on this side should be distributed from this side.

Mr. ANTHONY. I think it is perfectly evident that if half the time is held on this side and half on the other side we will certainly give you half the time.

Mr. MONDELL. If gentlemen will allow me, I am sure everyone ought to be satisfied, and will be satisfied, to have the time allotted equally between those for and those against the amendment.

Mr. DEMPSEY. That is right. We are willing to do that.

Mr. MONDELL. That was not the case a year ago.

Mr. SISSON. We had a three-cornered fight last year. As far as I am concerned, I will take the 60 minutes given this side and alternate the speakers for and against the amendment, irrespective of whether they are Democrats or Republicans.

Mr. STAFFORD. Does the gentleman know anyone on the Democratic side who has asked for time to speak in favor of the committee recommendation?

Mr. SISSON. I do not.

Mr. STAFFORD. That is the point. We have any number of requests on this side to occupy time in favor of the committee recommendation. The hour on the other side should be distributed equitably among those in favor of the amendment of the gentleman from New York [Mr. DEMPSEY] and those opposed to it.

Mr. SISSON. If gentlemen on that side of the aisle who are opposed to the amendment can not get time, I am willing to give them 30 minutes of the time on this side, provided those for the amendment have an equal amount of time. In other words, I want a 50-50 division.

Mr. CHALMERS. Mr. Chairman, I have some information that ought to be given to this House before we vote on this provision. Am I to be shut out because I am not desirous of speaking directly on this amendment? What I have to say pertains to the appropriation for rivers and harbors.

Mr. MONDELL. Does it pertain to the increase?

Mr. CHALMERS. Yes; it is an increase.

Mr. ANTHONY. Mr. Chairman, I ask unanimous consent that the debate on these paragraphs in the bill relating to rivers and harbors be limited to two hours and a half, one half of that time to be controlled on this side by the committee and that the other half be controlled by the gentleman from Mississippi [Mr. SISSON], and that the time be equally divided between those for and those against the provisions of the bill.

Mr. DUPRÉ. By those in control of either side.

Mr. DEMPSEY. I move as a substitute for the gentleman's proposition——

The CHAIRMAN. Let the Chair state the request. The gentleman from Kansas [Mr. ANTHONY] asks unanimous consent that all debate on the paragraphs concerning rivers and harbors be limited to two hours and a half, one-half the time to be controlled by the gentleman from Mississippi [Mr. SISSON] and one-half by himself, the time in both cases to be equally divided between those for and those against the measure.

Mr. CHALMERS. Reserving the right to object, I would like to be assured that I may have 10 minutes of that time.

The CHAIRMAN. Is there objection?

Mr. STAFFORD. Reserving the right to object——

Mr. ROACH. Reserving the right to object, I want to ask the gentleman from Kansas whether or not the Chair is to take care of the division of time between those for and those against the amendment?

Mr. ANTHONY. I think the gentleman from Mississippi [Mr. SISSON] would have to give a large part of his time to those on this side.

Mr. ROACH. I suggest to the gentleman from Kansas [Mr. ANTHONY] that he make his request for three hours, because this is an important subject. It involves $56,000,000. Yesterday we gave an hour and a half to a little item of $15,000. A subject of such national importance as this should be given a longer time for debate than the gentleman suggests.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas [Mr. ANTHONY]?

Mr. ROACH. Reserving the right to object, I understand the gentleman from Kansas is willing to consent to a modification of his request.

The CHAIRMAN. Does the gentleman from Kansas modify his request?

Mr. ANTHONY. I will be glad to modify my request to three hours, providing all debate on the paragraph and amendments be closed at the end of three hours.

The CHAIRMAN. Does that include both paragraphs relating to rivers and harbors?

Mr. ANTHONY. There are two items.

The CHAIRMAN. There are two items. The gentleman from Kansas asks unanimous consent that all debate on the two paragraphs referring to rivers and harbors be limited to three hours, that time to be controlled one-half by himself and one-half by the gentleman from Mississippi [Mr. SISSON], and that the time be equally divided on both sides between the proponents and opponents of the measure. Is there objection to the request of the gentleman from Kansas?

Mr. STAFFORD. I only wish to inquire whether the gentleman who will control the time of the other side will yield one-half of his time to those on this side in favor of the committee proposal?

Mr. MONDELL. If the gentleman from Wisconsin will give me his ears for just a moment, this does not necessarily contemplate that gentlemen on either side shall divide their time equally between those for and against the amendment, but that the entire time is to be so divided. Now, it is the duty of the Chair under the unanimous-consent agreement to see that such a division is made for and against the committee positions.

The CHAIRMAN. How can the Chair tell in advance?

Mr. MONDELL. The Chair can keep the time reasonably balanced.

Mr. DEMPSEY. It seems to gentlemen on this side who will favor the amendment that they ought to get their time from their own side, and I do not think the language of the proposal of the gentleman from Kansas contemplates anything except that the gentleman from Kansas [Mr. ANTHONY] and the gentleman from Mississippi [Mr. SISSON] shall each of them divide the time equally between the two sides of the proposition. I think that meets the demands on this side more equitably and more in accordance with the wishes of the House than interpreting it the other way.

The CHAIRMAN. The Chair as a Member of the House objects to the interpretation of the request as made by the gentleman from Wyoming, and will not agree to that proposition.

Mr. MONDELL. Mr. Chairman, a year ago those who were opposed to the position of the committee used more than two-thirds of the time in debate. We shall not have that occur again. Those who are standing by the committee are perfectly willing to have a division of the time between the two sides in any way that will afford fair debate, and we will not agree to anything else. If the gentleman from Mississippi will agree that he will give half of his time to those who are unquestionably openly and frankly for the position of the committee, that will settle the matter.

Mr. SISSON. So far as I am able to do so I will give every man, whether Democrat or Republican, time.

Mr. MONDELL. That will be sure to give those who are in favor of the position of the committee half the time. Last year gentlemen on the other side secured time ostensibly to take the side of the committee, and then assumed a position which was really against the position of the committee.

Mr. SISSON. I do not know what the gentleman intends to insinuate by that remark. Last year I gave time to gentlemen who asked for time, and I made inquiry as well as I could in regard to their position.

Mr. MONDELL. Mr. Chairman, in view of the embarrassment of the gentleman from Mississippi I think the simplest way would be to have him control all the time in opposition to the committee, and the gentleman from Kansas control all the time in favor of the committee.

Mr. SISSON. I am under no embarrassment. Last year we had a division of the time into three parts. Now, you can not compel a man to come and get time——

Mr. GARNER. May I make a suggestion? If I understand it, the reason the Republican side would have to get it from their chairman is apparent. Suppose the gentleman from Mississippi controls the time in favor of the amendment and the gentleman from Kansas against it, and then the gentleman from Mississippi yields one-half of his time to the gentleman from New York [Mr. DEMPSEY]. In that way you will control the time for the amendment, and let the gentleman from Kansas yield the time to those opposed to it.

Mr. MONDELL. If the gentleman from Texas will allow me, the first part of his proposition is all right.

Mr. SISSON. I do not believe there is any partisanship in the river and harbor bill. I do not think anyone should try to get any partisan advantage from it. I say frankly that if I control the time I would be delighted to yield one-half of the time to gentlemen who are opposing the position of the committee. Or I have no objection to the gentleman from Kansas controlling all time of those in favor of it and I controlling time of those opposed to it.

Mr. HICKS. Mr. Chairman, I call for the regular order.

The CHAIRMAN. The regular order is demanded, and the regular order is, Is there objection to the request of the gentleman from Kansas?

Mr. LAYTON rose.

The CHAIRMAN. For what purpose does the gentleman from Delaware rise?

Mr. LAYTON. I rise to make a motion that we proceed in Committee of the Whole to the reading of the bill, and immediately take a vote at the conclusion of the reading.

The CHAIRMAN. There is no occasion for such a motion.

Mr. ANTHONY. Mr. Chairman, my request is that the debate on the river and harbor proposition be limited to three hours, and at the conclusion of the three hours a vote shall be taken on the paragraphs and all amendments thereto; that debate shall be controlled one-half by myself and one-half by the gentleman from Mississippi, the time for debate to be equally divided between those for and those against the provisions of the bill.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the time for debate on the river and harbor provisions of the bill be limited to three hours; that one-half of the time shall be controlled by himself and one-half by the gentleman from Mississippi; and that all debate be divided between those opposed to and those in favor of the propositions in the bill. Is there objection?

Mr. LAYTON. I object.

The CHAIRMAN. Objection is heard, and the Clerk will read.

The Clerk read as follows:

RIVERS AND HARBORS.

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, of course, five minutes is entirely inadequate to present the position of the committee in support of its recommendation of $37,000,000 for river and harbor work during the ensuing fiscal year. It is an unfair arrangement and one that takes advantage of the committee in view of the fact that the Committee on Rivers and Harbors had 26 minutes of time to discuss it in general debate, with no time available to present these facts to the committee, and yet we find a member of the Committee on Rivers and Harbors objecting to three hours of general debate.

Mr. NEWTON of Missouri. Mr. Chairman, I make the point of order that the gentleman from Wisconsin is not discussing his amendment.

The CHAIRMAN. The gentleman from Wisconsin will proceed in order.

Mr. STAFFORD. If gentlemen are going to insist on the technical rules of the House, taking advantage of the Committee on Appropriations that brings in an appropriation of $37,000,000——

Mr. NEWTON of Missouri. Mr. Chairman, I make the point of order that the gentleman is not discussing his amendment.

The CHAIRMAN. The gentleman from Wisconsin must proceed in order or not at all.

Mr. STAFFORD. Mr. Chairman, I know the rules of the House, and I know that what I am saying is not strictly in order. I am only appealing to the fairness of the committee. If under the strict interpretation of the rules the gentleman insists that I shall be confined in my remarks to the one word "engineers," I shall have to yield the floor. I shall proceed. On November 1, 1922, the last date when any data was available, there was unobligated and available for expenditure the sum of——

Mr. NEWTON of Missouri. Mr. Chairman, I rise to a point of order. The gentleman is not speaking to his amendment.

Mr. STAFFORD. Thirty-three million nine hundred and nineteen thousand seven hundred and ten dollars——

Mr. NEWTON of Missouri. Mr. Chairman, I insist upon my point of order.

The CHAIRMAN. The Chair will have to hold that the gentleman from Wisconsin is not complying with the rule. The Clerk will read.

The Clerk proceeded to read.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word, which is "engineers." Certain engineers, so we are informed——

Mr. LONDON. Mr. Chairman, I rise to a point of order. There is a motion already pending to strike out the word "engineers," and the gentleman can rise only in opposition to that motion.

Mr. MONDELL. I rise to support the amendment.

Mr. LONDON. But that is not in order. I urge my point of order. The gentleman can speak only in opposition to the pro forma amendment.

The CHAIRMAN. The Chair will recognize the gentleman from Wyoming in opposition to the pro forma amendment.

Mr. ROACH. He stated that he rose in support of the amendment.

The CHAIRMAN. That is often done.

Mr. MONDELL. Mr. Chairman, if the gentlemen who are opposing the position of the committee have no further arguments and will not allow the matter to be discussed, we may as well vote upon it now. [Cries of "Vote!"] Mr. Chairman, I am discussing the question of striking out the word "engineers." Certain engineers, I am told, have attempted to persuade certain gentlemen interested in river and harbor improvements that appropriations for river and harbor improvements should be nearly double those fixed by the Budget and approved by the President of the United States. We adopted the Budget upon the theory that the Budget officers would know more than any engineers interested in any particular line of activity as to the amount of the Nation's income that could properly be expended in any one year for any one particular activity, and if I were to advise these engineers, by striking out the word or retaining it, my advice would be to remind them of what has been the fate of just such advice and action in the past touching this class of improvements.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Efforts have been made repeatedly by engineers——

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I have only a very brief time—by engineers and others in the past whereby appropriations for this purpose were unwisely and unduly increased, compared with the other expenditures of the Government, and in every case where that has been done eventually the tide of public opinion has turned against these engineers and these people, and the time came when it was difficult for a period of years following such great increases to get even a fair appropriation for rivers and harbors.

I suggest to the gentlemen who are standing behind these engineers in their demands that they are not doing the work of river and harbor improvements a service in demanding that a greater sum should be used for this purpose than is justified in view of the total income of the Nation and its activities in other lines, and if the President of the United States, who approved these estimates, has that high regard for his responsibility in connection with them, which I believe he has, he would not only be justified in so doing but he would be, it seems to me, under an obligation to disapprove any amendment that might be adopted increasing by tens of millions of dollars the estimates made under this supervision and approved by him for this class of work. No argument has been made, and none will be in defense of this increase, except that gentlemen want river and harbor work carried forward more rapidly and enough money appropriated that a portion of it, at least, would be used for projects which otherwise might not be undertaken. From such a viewpoint an argument might be made to increase almost any appropriation we have made. Reclamation, roads, and agriculture might well have been the subject of such a plea, and with greater reason for this Government secures participation in or a full return of such expenditures. Many who have given the subject much study believe the national defense demands much more than it has received, but in all these we have adhered to or reduced the Budget estimates.

Mr. STAFFORD. Mr. Chairman, I rise to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Whether in the consideration of a bill the clerk of any committee is entitled to the floor other than the clerk of the committee reporting the bill under consideration?

The CHAIRMAN. The Chair has not the rule before him, but the recollection of the Chair is that the clerk to the committee in charge of the bill is entitled to the privilege of the floor.

Mr. STAFFORD. I call the attention of the Chair to the fact that the clerk to the Committee on Rivers and Harbors is on the floor without the right under the rules of the House.

The CHAIRMAN. The Chair will read the rule, which is Rule XXXIII. After naming the persons entitled to the floor, the following clause with respect to clerks of committees is found:

and clerks of committees, when business from their committee is under consideration; and it shall not be in order for the Speaker to entertain a request for the suspension of this rule, or to prevent from the chair the request of any Member for unanimous consent.

Mr. MADDEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 103, line 4, strike out the words "chief of engineers" and insert in lieu thereof the words "President of the United States."

Mr. MADDEN. Mr. Chairman, it can not be denied that the President of the United States is the Chief Executive officer of the Government. It can not be denied that the Chief of Engineers is a subordinate of the President of the United States. The Chief of Engineers and his staff have utterly ignored the recommendations of the President of the United States.

Mr. McDUFFIE. Oh, I think the gentleman is not correct in that statement.

Mr. DEMPSEY. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill.

Mr. MADDEN. It is too late to make the point of order.

The CHAIRMAN. It is rather late to make the point of order, after the gentleman from Illinois has been discussing his amendment. The point of order comes too late.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I want to make my statement, and then I shall be glad to be interrupted a little later.

Mr. McDUFFIE. I do not think the engineers have demanded anything.

Mr. MADDEN. I think we have information on that subject, and I do not yield until I have made my statement. The President of the United States recommended an appropriation of $27,000,000 for the continuation of river and harbor projects for the year 1924.

The engineers under the Chief of Engineers of the Army came before our committee and advocated a much larger sum in violation of the law which prohibits any officer of the Government making any recommendation for a sum greater than that submitted by the President of the United States under the act.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. MADDEN. No; I do not just now. The President of the United States says that $27,000,000 is all that he needs. General Taylor, representing the Chief of Engineers, advocated an appropriation of about $56,000,000. When he did that he violated the law. We gave him every opportunity, however, to present the case, and we believed that he had made a case to some extent and we recommended $10,000,000 more than that suggested by the President, and the President said $27,000,000. We did not agree exactly to that, but we came to you and asked $37,000,000 and we believe that $37,000,000 is all that should be appropriated.

Mr. ROACH. Is it a violation of the law for a department head to present the facts to a committee?

Mr. MADDEN. No, sir; but it is a violation of the law for an officer to come and advocate something that the law does not permit him to advocate.

Mr. ROACH. In what way did General Taylor violate the law?

Mr. MADDEN. I am not being interrogated just now; I am making a statement of the case. So we come to you with a recommendation that we believe to be adequate, and we are going to ask you to sustain us. We believe the country will sustain us. We believe if we vote $29,000,000 more than the President requested we will be flying in the face of public opinion. And so I offer the amendment to place the responsibility on the President of the United States to administer this appropriation. He is the man who under the law is responsible for the administration, and he will be able to direct with this provision in the law that no subordinate of his need violate the provisions of the act.

Mr. WURZBACH. Will the gentleman yield?

Mr. MADDEN. I do not yield. I believe the country will resent the addition of $29,000,000 to the recommendation made by the President. I believe, moreover, that there is no need for it. The proposal which is soon to come, to add $19,000,000 to the committee's recommendation, means an addition of $13,000,000 for new projects not yet begun. It means the waste of money on creeks on which no commerce ever has been or ever will be carried.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. I ask for five additional minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to speak for five additional minutes. Is there objection?

Mr. NEWTON of Missouri. Mr. Chairman, I object unless I have an opportunity to oppose the amendment.

Mr. LAYTON. I object.

Mr. KINCHELOE. Mr. Chairman, in view of the fact that the chairman of the subcommittee, who has charge of this and who is against this proposed amendment, offered a fair proposition whereby those who are in favor of the amendment could be heard, I object.

The CHAIRMAN. Objection is heard.

Mr. NEWTON of Missouri. Mr. Chairman, I rise in opposition to the amendment. [Applause.] If there is one thing in this world that appeals to the average man, it is a square deal; and we are not getting it in this fight. You have heard speeches against this proposed amendment from four of its opponents, and we have not had an opportunity to be heard. I have been trying to get time, and I have not been able to get it because the opposition controls the time. I have listened to what my friend from Illinois [Mr. MADDEN] said about the Budget and its recommendation for rivers and harbors. I know something about that question. I believe in a Budget if it is properly administered; but I know that the Director of the Budget and his bureau did not make any investigation of the needs of rivers and harbors, and I know that they know nothing of the river and harbor problem. I know that a year ago the Bureau of the Budget agreed to recommend $13,500,000 for all the rivers and all the harbors in the whole United States, and that they did that without any investigation. [Applause.] I know that the Director of the Budget never consulted the engineers regarding his recommendation, and he never asked their opinion on a single project.

Here is the situation before this House: Our engineers, who are trained men, who know the river and harbor problem, have reported to this House under their duties as the law prescribes that the amount that they can expend profitably is $56,589,910. You have the report of the engineers to that effect. You have the recommendation of the Committee on Rivers and Harbors, and some members of that committee have studied the river and harbor problem for many years and have gone over every project in this country——

Mr. WURZBACH. Will the gentleman yield?

Mr. NEWTON of Missouri. I yield.

Mr. WURZBACH. Is it not a fact that the Rivers and Harbors Committee are unanimously in favor of this amount?

Mr. NEWTON of Missouri. I was going to say that the Committee on Rivers and Harbors are unanimously in favor of the sum of $56,000,000. Now, what is the situation? You have a River and Harbor Committee that is in favor of this amendment and believes it is necessary, after a full investigation. You have the engineers, skilled in that problem, who believe, after full investigation, that that amount should be appropriated. Against that the only man who has investigated this subject is the gentleman from Wisconsin [Mr. STAFFORD], and he has devoted only three days to studying these problems.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. NEWTON of Minnesota. In order to correct a statement. The chairman of the Committee on Appropriations advises the House that General Taylor had violated the Budget law by appearing before the Committee on Appropriations. I have a copy of the Budget law here and an officer of the department at the request of Congress has the right to appear before the committee and give the facts, and that is all General Taylor did.

Mr. NEWTON of Missouri. That is exactly correct, and I hope that the time has not arrived in this country when any officer of the Government is barred from appearing before any committee in Congress to tell the truth about any governmental activity.

Mr. DEMPSEY. If the gentleman will permit, does not the statute require that the Chief of Engineers shall submit annually an estimate of what can be profitably expended in the ensuing fiscal year, and in giving his testimony was not he performing his sworn duty in acting under that statute?

Mr. NEWTON of Missouri. Absolutely; and in compliance with that statute the engineers have in good faith made their report, and we who have gone through the projects and know that the amount which they have reported is necessary.

The floor leader, Mr. MONDELL, who has always opposed reasonable river and harbor improvements, has been sounding his warnings. Let me give the leaders of the House this warning: If the Bureau of the Budget continues to bring in recommendations without intelligent consideration and without dealing fairly with the Government's important activities, it will be only a short time until you overthrow the whole Budget system. [Applause.] If you want to shut us off without debate, then let us "go to the mob." We are ready now to vote, and let the Members of this House say whether they want to improve the rivers and harbors of the country, and thereby afford facilities for adequate and cheap transportation. [Applause and cries of "Vote!"]

Mr. CHALMERS rose.

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. CHALMERS. I move to strike out the last word of the amendment.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last word of the amendment. The gentleman is recognized for five minutes.

Mr. CHALMERS. Mr. Chairman and gentlemen of the committee, I shall vote for the Dempsey amendment, sustaining the recommendation of the engineers. But I want to say to the House that that is not sufficient to care for the rivers and harbors of this country.

Mr. LINTHICUM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Maryland for that purpose?

Mr. CHALMERS. I would rather not.

The CHAIRMAN. The gentleman declines to yield.

Mr. LINTHICUM. I am not asking the gentleman to yield.

The CHAIRMAN. The gentleman can not take a Member off the floor by a parliamentary inquiry.

Mr. CHALMERS. Only eight other ports in the entire country has done more business in the last year, according to the engineers' report than Toledo. I shall name the other harbors for you—New York, Boston, Philadelphia, Baltimore, Norfolk, Galveston, Duluth, Superior, and Buffalo. All the other ports in the United States had a less tonnage than Toledo; and yet out of an appropriation of over $56,000,000, Toledo gets only $50,000.

Mr. NEWTON of Missouri. How about Milwaukee?

Mr. CHALMERS. Milwaukee does only half the business that Toledo does, and Milwaukee gets over $625,000.

Mr. DEMPSEY. And $3,000,000 for the Great Lakes?

Mr. CHALMERS. Yes; only $3,000,000 for the Great Lakes. I want to say to the Members of the House that the harbors on the south shore of Lake Erie, from Toledo to Buffalo, did more business in 1914 than all the harbors of France, Germany, and Italy combined in the year before the beginning of the World War. And yet we have a measly $3,000,000 for the Great Lakes out of $56,000,000. They have allowed that great Toledo channel for 16 miles, that channel which you gentlemen adopted in the year 1899, to fill up until boats are stranded there.

Those lake freighters that go out laden with coal to keep you people of the Northwest from freezing are stranded on the sand bars. Only $50,000 is recommended for Toledo. We can not get money enough to take care of the great business we are doing. Over 7,000,000 tons of coal were loaded in the Toledo Harbor during the season of 1922.

I am in favor of this amendment, but I want more. We want the harbor, which ranks ninth in the amount of business done in this country, to be better taken care of.

I have a letter here from General Taylor, who says that it will take $500,000 to restore the great channel of Toledo Harbor to the requirements of the project that you adopted in 1899, 24 years ago—nearly a quarter of a century ago. I have the promise of the chairman of the Committee on Rivers and Harbors and our committee that they will take care of our harbor; and with that understanding, I will in good faith support this amendment. [Applause and cries of "Vote."]

Mr. KINDRED. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. WURZBACH. Mr. Chairman, I move to strike out the last two words.

Mr. KINDRED. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINDRED. I rise in opposition to the pro forma amendment. Am I recognized?

The CHAIRMAN. The gentleman from New York is recognized in opposition to the pro forma amendment.

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, for the reasons already very ably stated by my colleagues on the committee, and for the additional reason that the harbor of New York handles approximately 80 per cent of our export and import tonnage, and because of the conditions that exist with respect to this harbor and the city of New York, I rise to speak against the pro forma amendment. In order to show the absolute necessity of increasing the appropriation over and above the amount recommended by the unscientific and unjustifiable Budget Committee, I wish to note the fact that in the harbor of New York to-day there is ready to be expended, by a vote of the board of estimates of the city of New York, over $100,000,000. If this proposed amendment to increase the appropriations for rivers and harbors shall receive your favorable consideration, the city of New York will be able to expend $100,000,000 of its own money in connection with the development of this great harbor. [Applause.] One hundred millions of dollars has been appropriated by our local authorities to systematically develop our city's docks and terminals, as stated; but if we do not get this increase provided for in the pending amendment, the great harbor of New York will remain undeveloped and the country will regret it. [Applause and cries of "Vote!"]

Mr. DENISON. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto be now closed.

The CHAIRMAN. The gentleman moves that all debate on this paragraph and all amendments thereto be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Illinois [Mr. MADDEN].

Mr. GARRETT of Tennessee. Mr. Chairman, was the amendment offered by the gentleman from Wyoming withdrawn?

The CHAIRMAN. The gentleman from Wyoming made a pro forma amendment. The only real one was offered by the gentleman from Illinois [Mr. MADDEN].

Mr. WURZBACH. Mr. Chairman, I ask unanimous consent that the amendment be again read.

The CHAIRMAN. Without objection, the amendment will again be read.

Mr. MONDELL. Mr. Chairman, I desire to withdraw the pro forma amendment.

The CHAIRMAN. Without objection, all pro forma amendments will be withdrawn.

There was no objection.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the preservation and maintenance of existing river and harbor works and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation, $37,000,000.

Mr. DEMPSEY. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from New York offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DEMPSEY: Page 103, line 8, after the word "navigation," strike out "$37,000,000" and insert in lieu thereof "$56,589,910."

Mr. DENISON. Mr. Chairman, I move that all debate be now closed.

The CHAIRMAN. That motion is not in order. The gentleman from New York [Mr. DEMPSEY] has the right to five minutes on his amendment and is recognized.

Mr. DEMPSEY. Mr. Chairman and gentlemen, the gentleman from Illinois [Mr. MADDEN] in speaking to his pro forma amendment said that if we recognized the recommendations of the engineers we would be spending $13,000,000 upon new projects. We had before the House in September the question of adopting new projects. The new projects were of such value to the commerce of this country, they tended so strongly to modernize navigation in the United States, they so greatly helped the transportation of oil, ore, and lumber, they so greatly helped transportation generally throughout the United States that there was little opposition to the adoption of the new projects. They passed substantially unanimously. Yet the gentleman from Illinois [Mr. MADDEN] says that, only three or four months later, when the ink is scarcely dry upon that new statute, when the House recognized with substantial unanimity the necessity of these new projects, we should forget all that we learned at that time, that we should not remember the lesson learned here only in September, that we should without cause in this short interval forget all that we learned at that time. Now, gentlemen, the sum of $229,000,000 is necessary to complete all the projects in the United States. We propose to appropriate at this time only $43,000,000. Are the transportation needs of the country fully supplied? Is it unnecessary for us to increase the water transportation of the country? Is fuel reaching its destination? Are not the manufacturers of the country slowing down their wheels to-day because they can not get coal? Are householders able to protect infancy and old age by having their houses properly warmed? Is there not a dearth of coal because of the inability to transport it to the consumer? Should we not relieve the railroads? They are unable to carry the traffic of the country. It doubles every 10 years. They are not increasing their facilities at all.

On the Great Lakes we are carrying the enormous total of 100,000,000 to 120,000,000 tons of traffic. On the trunk system composed of the Mississippi and the Ohio in 1921, a poor year, we carried 31,000,000 tons of traffic. The Ohio leads nowhere because it is not completed. Only a third of the channel is open; and yet, leading nowhere, with only a third of its length open, it carried 8,000,000 tons. I say to you that when that

great trunk system is completed—and it will cost only a fraction of the amount heretofore expended to complete it—when the trunk system composed of the Ohio and Mississippi and their tributaries is completed, that trunk system will outdo the Great Lakes. It will carry more than 100,000,000 tons. On what do I base that? I look at only one tributary of the Ohio, and I see that the Monongahela River, only 125 miles long, carried in 1921, a poor year, the enormous total of 20,000,000 tons, and in a good year it carries 25,000,000 tons. If that river alone, one of six or seven tributaries of the Ohio, can furnish and carry 25,000,000 tons of traffic, what will all those improved channels in the Mississippi and Ohio and their tributaries, making a system of over 7,000 miles of connected waterways in the heart of the country, do to furnish transportation for that great area, the existing facilities of which are extremely inadequate. So with a very moderate, a very small expenditure, an expenditure infinitesimally small in comparison with what we have already expended, when we are losing the benefit of all that we have expended until we complete the improvement, I say that when we have completed these projects we will relieve the transportation system of the country by transferring from rail to water the enormous total of 100,000,000 to 150,000,000 tons. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MONDELL rose.

Mr. WURZBACH. Mr. Chairman, I move to strike out the first word.

The CHAIRMAN. The Chair will recognize the gentleman from Wyoming in opposition to the amendment.

Mr. MONDELL. Mr. Chairman, if I believed as the eloquent gentleman from New York [Mr. DEMPSEY], who has just taken his seat, has suggested that this appropriation would relieve infancy and old age, would correct all of the transportation and other ills from which the country is suffering, I should be for it, and I should want to double it and treble it and quadruple it. In the face of all those possible benefits, why halt and hesitate at a paltry $56,000,000? Make it ten times the sum and be prosperous and happy and contented ever after.

Mr. DEMPSEY. Will the gentleman yield?

Mr. MONDELL. I have only five minutes.

Mr. DEMPSEY. The engineers say the amount I have suggested in my amendment is all that can profitably be expended next year. That is the answer to the gentleman's suggestion.

Mr. MONDELL. No man under heaven knows or has the right to say as a finality how much may be profitably expended on rivers and harbors in one year. That is a matter of opinion. Some would say that not half that sum could be profitably expended.

Mr. MANSFIELD. How about the Budget?

Mr. MONDELL. But this we do know, that we have adopted a Budget policy under which we have sought to allocate the public revenues among the public activities and for the purpose of meeting the public requirements.

Mr. WURZBACH. Will the gentleman yield?

Mr. MONDELL. No; I can not. I have only five minutes.

The CHAIRMAN. The gentleman declines to yield.

Mr. MONDELL. To this particular activity has been allocated $27,000,000, approved by the President of the United States. In making up all of its appropriation bills the Appropriations Committee have been able to save within the Budget estimate something like $12,000,000 or $13,000,000, as I understand it, and out of a spirit of generosity, with the view of meeting what seems to be an insistent demand upon Members of the House, the committee has agreed to increase this item $10,000,000, almost the entire amount by which the Budget estimates have been reduced. And still gentlemen are not satisfied.

I do not pretend to say that you might not expend $56,000,000 on the rivers and harbors of the country in a year. I do not pretend to say you could not spend much more than we are spending on a score of public activities. I know we could spend $25,000,000 or $30,000,000 or more of public money with very great advantage to the public in the next year in the building of much needed public buildings in many of the cities and towns of the country. [Applause.] We are refusing additional moneys for those purposes. I know that there are many activities in which the Government is engaged in which we might very profitably expend more money than we are proposing to expend. But we tried to cut the garment according to the cloth. The increase made by the committee for river and harbor improvements is much more generous than for any other class of expenditures under the flag. I have been here 26 years, and I want to issue one word of warning to gentlemen who sit here to-day and think that they are aiding the development of the rivers and harbors of the country by proposing to double the estimate made in the Budget. During my service here I have witnessed at least twice the same performance of increasing river and harbor appropriations through a combination of Members under some sort of a promise of local expenditure beyond what the judgment of the country considered fair and justified followed by reaction under which it became almost impossible to secure even reasonable appropriations to carry on river and harbor improvement for years. Time was when it became a matter of criticism and reproach to vote for a river and harbor bill. It became necessary to put at the head of the committee having charge of these matters a man who had the confidence of all the country, under whose leadership, cutting out much of the class of expenditure now proposed, these appropriations were gradually restored to public confidence. The people of America are not prepared to spend $56,000,000 added to the $10,000,000 now available for rivers and harbors next year. The country will not approve any such expenditure per annum largely for questionable projects. As they are not prepared to do that, you who represent these river and harbor districts are working for the best interest of your districts when you vote for an increase of this item above what public opinion will justify. You may have the votes now, but the reaction against such ruthless violation of the Budget policy for questionable expenditure is certain to come, and to an extent which will make it difficult to secure even reasonable appropriations.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. DENISON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Illinois rise?

Mr. DENISON. I rise to make a motion that all debate on this paragraph and all amendments thereto do now close.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this paragraph and all amendments thereto be now closed.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 175, noes 15.

So the motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. DEMPSEY].

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 152, noes 44.

So the amendment was agreed to.

Mr. ROACH. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. STAFFORD. I object.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. FESS having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (S. J. Res. 43) to grant authority to continue the use of the temporary buildings of the American Red Cross headquarters in the city of Washington, D. C.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4288. An act to grant the consent of Congress for the special commission constituted by an act of the Legislature of Massachusetts to construct a bridge across the Merrimack River.

WAR DEPARTMENT APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

For examinations, surveys, and contingencies for rivers and harbors for which there may be no special appropriation, $456,850: *Provided*, That no part of this sum shall be expended for any preliminary examination, survey, project, or estimate not authorized by law.

Mr. STAFFORD. Mr. Chairman, I move to strike out, in line 11, the figures "$456,850" and insert in lieu thereof "$450,000."

The CHAIRMAN. The gentleman from Wisconsin submits an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 103, line 11, strike out the figures "$456,850" and insert in lieu thereof the figures "$450,000."

Mr. STAFFORD. Mr. Chairman, I do this to call attention to the fact that never before in the history of Congress has there ever been appropriated such a large sum for examinations

and surveys. The nearest largest sum appropriated was in 1921, when the appropriation was $400,000. The reason largely for this increase to $456,850 has been occasioned by the survey that was provided for informally last year for the canal between Lake Erie and the Ohio River. There were three routes proposed, and the testimony is that it will require the major portion of the appropriation for that purpose. Then, again, an additional amount was occasioned by the numerous surveys authorized in the river and harbor authorization act of September 12.

I wish to impress on the committee that in no particular has the committee attempted to curtail the recommendations for work of river and harbor development. November 1, 1922, there was unobligated for river and harbor work $33,319,679. On December 1, 1921, there was unobligated $18,550,000. There was unexpended November 1 of this past year $49,112,308. On December 1, 1921, there was unexpended $28,324,247. From December, 1921, until June last there was only expended $11,247,000. Allowing $2,000,000 for expenditure in November of this past year, it would make a total of $13,000,000. So there will be unexpended June 30 of this year, with $49,000,000 unexpended on November 1 last, after deducting $13,000,000, the amount expended last year, $36,112,000, which, added to the authorization of $37,000,000, as proposed by the committee, will make the enormous total of $73,112,000. That does not include the amount that was authorized for the appropriation for rivers and harbor work on the Mississippi River under the Mississippi River Commission or the Sacramento or the Muscle Shoals. Those and other unexpended appropriations aggregate $24,000,000, which, added to the $63,000,000 which under the recommendation of the committee of $37,000,000, would make available $87,000,000 on July 1 next, the largest sum in the history of the Government for expenditure at any one time for river and harbor development. And yet this committee just now has gone wild and ruthlessly added $19,590,000 more without anything to back it up except unwarranted statements of members of the Rivers and Harbors Committee. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, the amendment of the gentleman from Wisconsin will be withdrawn.

There was no objection.

Mr. ABERNETHY. Mr. Chairman and gentlemen of the House, the amendment is of vital interest to the people of the country. Never before in the history of our Government has the transportation problem been so acute. Everyone agrees that it is a question of paramount importance.

It is well to quote what our President, in his message to Congress on December 8, said:

> I know of no problem exceeding in importance this one of transportation. In our complex and interdependent modern life transportation is essential to our very existence. Manifestly, we have need to begin on plans to coordinate all transportation facilities. We should more effectively connect up our rail lines with our carriers by sea. We ought to reap some benefits from the hundreds of millions expended on inland waterways, providing our capacity to utilize as well as expend.

The President goes into a full discussion of the transportation problem in his message and calls upon Congress to act. This problem of transportation is one for us to solve. The American people are looking to us for relief. How are we to give it to them?

There are certain matters on which we can agree. The railroads can not now cope with the situation. Under the transportation act the railroads of the country were granted certain rights and privileges. A revolving fund of $300,000,000 was provided by Congress to be loaned carriers to assist them to meet the needs of transportation. Have they met it? No. Freight and passenger rates have been increased. Has that solved the transportation problem? No.

The railroad operators are defending themselves as best they can for their absolute failure to measure up to the requirements of the country in handling the transportation problem. They attribute it to car shortage primarily. I presume every Member of this body has received a letter from Mr. S. Davies Warfield, President of the National Association of Owners of Railroad Securities, inclosing a copy of his speech on "Car shortage" made in Cincinnati on January 12, 1923, before the National League of Commission Merchants and members of the Chamber of Commerce of Cincinnati. Mr. Warfield and his associates are seeking the aid of Congress in this matter. The car shortage is acute to the extreme. Mr. Hoover in a recent speech said:

> It is safe to estimate that the car shortage levies a direct charge, each year, on both the producer and the consumer of necessities of life, which amounts to no less than the entire annual cost of administering the affairs of the Federal Government.

Suppose, gentlemen of the House, it were possible for us to relieve the car shortage. Does this solve the transportation problem? I take it that you will agree with me that it does not. The truth of the matter is that with the great growth and development of our country the railroads can not take care of the transportation of the country, even though there were no car shortage. The President recognizes this. All thoughtful men know that this is so.

There has grown up within the last few years, particularly since the war, motor-truck transportation. This will help some in solving the problem, but railroads and motor trucks combined can not cope with the situation.

The problem can only be solved by rail, motor-truck, and waterway transportation. Our Government has been committed for years to the development of rivers and harbors by Congress. Even the much discussed Budget Bureau, with its supposed program of retrenchment and economy, in its estimate recommends to Congress the necessity of the Government expending the sum of $27,625,760 for maintenance and improvements of rivers and harbors, and $456,850 for surveys, examinations, and contingencies.

The great Appropriations Committee of this body, although as I understand its policy to be not to increase the Budget estimate except in extreme or extraordinary cases, has increased the Budget estimate $10,000,000, thereby admitting that the Budget is not infallible and its recommendations should not be considered. The Budget recommends $27,625,760. The Appropriations Committee recommends $37,000,000. Now, what is the House to do with this conflict? Which is right—the Budget or the Appropriations Committee? With all respect and deference to both of these bodies, I urge upon the House that we can not take either recommendation. Who knows most about this problem? I say the Engineer Corps of the Army, whose training and experience in river and harbor work and improvement is more to be relied upon by Congress than any other agency. This department of the Government is more conservative possibly than any other branch. Those who are acquainted with the details of securing a legislative authorization and appropriation for river and harbor improvement know how difficult it is to get the recommendation of the Engineer Corps of the Army, and without this recommendation no projects will even be considered by Congress. The Chief of Engineers of the Army has made his recommendation based upon careful estimates and figures, and in the printed hearings, on page 881, Brig. Gen. Harry Taylor, assistant to the Chief of Engineers, makes the statement:

> I can say that we can profitably use $56,000,000. If we only get $27,625,760, of course we will have to do only $27,625,760 worth of work. That is all we can do. We will use that where it is most necessary, as shown by the reports we get in at the time we make the allotments.

The great Rivers and Harbors Committee, so I am informed, are a unit for the recommendation of the Army engineers. Now, Mr. Chairman and gentlemen of the House, in the limited time I have I can not go fully into the matter and undertake to show in detail the necessity for following the estimate of the Army engineers, but it does seem to me that every Member of this body must realize fully that the transportation problem is a paramount problem to be solved now; that it can only be solved by utilizing all the agencies at our command; that waterway transportation is as necessary, if not more so, than either rail or motor-truck transportation; that Congress has heretofore approved and authorized certain projects and that the estimate of $56,000,000 can be profitably used; and that this recommendation is unanimously approved by the Committee on Rivers and Harbors. I believe that it is the duty of Congress in this emergency to appropriate every dollar recommended by the Army engineers. I believe the country will applaud our action in sustaining this recommendation.

The worthy projects in this bill affected by this appropriation in my State are as follows:

> Pamlico and Tar Rivers, $12,000; Neuse River, $12,000; Swift Creek, $800; Contentnea Creek, $1,500; Trent River, $1,500; channel, Thoroughfare Bay to Cedar Bay, $5,000; Beaufort Harbor, $7,500; waterway, Core Sound to Beaufort Harbor, $30,000; waterway, Beaufort to Jacksonville, $10,000; harbor of refuge, Cape Lookout, $20,000; Cape Fear River—above Wilmington, $12,000; at and below Wilmington, $500,000; Northeast (Cape Fear) River, $4,000; Black River, $2,000; Norfolk to Beaufort Inlet, N. C., $500,000.

Mr. McDUFFIE. Mr. Chairman, I rise in opposition to the pro forma amendment. I want to take just a few moments of your time to call your attention to what was said by probably the greatest legislator the Congress has had amongst its membership in many years relative to this particular kind of legislation—that is, legislation for the improvement of the rivers and harbors of the country. A good deal has been said during

this debate about how we are seeking to disregard the estimate of the Budget officials. The estimate fixed by the Budget was arbitrary, and the hearings disclose this fact on page 881. A good deal has been said about the engineers and their demands. I think the statement of the gentleman from Illinois in this respect was very unjust. The engineers have not demanded anything. They are most splendid officials and gentlemen of the highest type. Let me call attention now to what was said by the late James R. Mann, whose death the Congress and the country so deeply deplore, with reference to legislation for river and harbor improvements. In January, 1917, after the cry of "pork barrel" had gone up from various parts of this Chamber and some parts of the country by those uninformed, Mr. Mann said:

Whatever men may think about the merits of particular propositions in a bill, there is no legislation which comes before Congress which is so critically scanned by experts as are the river and harbor bills before they reach the House. * * * There are more processes involved, and far more expert men, wholly disinterested, unbiased, uncontrolled by politics, in reference to a river and harbor item than for any other legislation provided by any legislative assembly in the world. (See CONGRESSIONAL RECORD, January 22, 1917, pp. 1976, 1977.)

There is the opinion of one who studied such problems more than any man now on this floor. The engineers, in making their estimate of the amount that can profitably be expended for this work during the coming year, have only complied with the law. The Chief of Engineers submits his report annually. These figures are taken from that report. They are experts, who know more about the needs of the country with reference to its rivers and harbors than the Budget, than General Lord, or the President, or the Committee on Appropriations. This committee has labored arduously, and especially the gentleman from Wisconsin [Mr. STAFFORD], on this item for rivers and harbors, but it is humanly impossible for these gentlemen to thoroughly study and understand the merits and demerits of every project. The engineers have only one purpose in view, and one alone. They are unbiased by politics or the hope of reward, and their only purpose is to serve this Nation to the best of their ability. I do not think it is right to let the charge go unchallenged that they have disregarded the President of the United States and demanded that this appropriation be raised to $56,000,000. The country needs every improvement this amount will be used for, and the gentleman from Wyoming [Mr. MONDELL] need not fear that the people of the country will ever brand this as a "pork-barrel" measure because it has raised the appropriation recommended by the Budget and the committee from $37,000,000 to $56,000,000.

This is not waste but economy in the long run, for the very simple reason that no improvement is of value until it is completed. This Nation has been very negligent within recent years in its treatment of this work. For myself, I would gladly support an appropriation sufficient to immediately complete every project which the Congress has authorized. This would be the wise course to pursue and the most economical one, because it would stop this costly and unbusinesslike manner of piecemeal work and more quickly give to the people improved facilities with which the present transportation situation might be greatly improved.

Mr. ROACH. Mr. Chairman, I move to strike out the last two words. The gentleman from Wyoming [Mr. MONDELL] talks about what the President has recommended in this matter, and very freely quotes him in opposition to the amendment to increase the appropriation for rivers and harbors. Therefore, I feel justified, in answer to what he has said, in quoting from the President's message to this Congress delivered last December, which I believe more nearly expresses the attitude of the President than what Mr. MONDELL has said. Speaking in reference to the matter of transportation, the President said:

I know of no problem exceeding in importance this one of transportation.

I quote further from his message:

The census of 1880 recorded a population of 50,000,000. In two decades more we may reasonably expect to count thrice that number. In the three decades ending in 1920 the country's freight by rail increased from 631,000,000 tons to 2,234,000,000 tons; that is to say, while our population was increasing less than 70 per cent, the freight movement increased over 250 per cent.

Mr. STAFFORD. Mr. Chairman, I rise to a point of order.

Mr. DEMPSEY. Mr. Chairman, the gentleman can not do that while the gentleman from Missouri is speaking.

The CHAIRMAN. Oh, yes; he can.

Mr. STAFFORD. Mr. Chairman, I make the point of order that the gentleman is not discussing the amendment. Pending that—I do not intend to press the point or order.

Mr. ROACH. Let the gentleman make his point of order if he so desires.

Mr. STAFFORD. Did the gentleman make the point of order, during my discussion of the matter earlier in the day, that I was not speaking to the amendment before the House?

Mr. ROACH. I believe I did. I was vexed that so much confusion had arisen in the discussion of this important subject. It was very unfortunate.

Mr. STAFFORD. Then I withdraw the point of order that I have made, Mr. Chairman.

Mr. ROACH. I thank the gentleman. Mr. Chairman, I pause here to inquire what Congress is doing to meet the extraordinary situation that the President of the United States has called to our attention in his message, and to which I have just called your attention. I quote still further from the President's message:

Manifestly, we have need to begin on plans to coordinate all transportation facilities. We should more effectively connect up our rail lines with our carriers by sea. We ought to reap some benefit from the hundreds of millions expended on inland waterways, proving our capacity to utilize as well as expend.

Mr. Chairman and gentlemen of the committee, that is just what the committee is attempting to do this afternoon in adopting this amendment. We are attempting to make it possible to improve for navigation and coordinate the great inland rivers of the country with the railroad systems of the country. It is not a question of competition; it is a question to my mind of coordinating our inland rivers and highways with our railroad systems, making them one great transportation system. That, to my mind, is the solution of the transportation problem which is now the most vital question confronting our Nation, and surely this Congress has sufficient intelligence to meet that problem and make the necessary solution in the manner which I have indicated. [Applause.]

Mr. HILL. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Maryland is recognized.

Mr. BANKHEAD. Mr. Chairman, I rise to a point of order. A number of Members here are anxious to finish this bill. Is not debate exhausted upon the pending proposition?

The CHAIRMAN. Debate will be exhausted when the gentleman from Maryland has concluded.

Mr. MADDEN. Mr. Chairman, I move that all debate upon the paragraph and all amendments thereto, whether pro forma or not, be now closed.

The CHAIRMAN. The gentleman from Maryland has been recognized in opposition to the amendment, and was on his feet when the gentleman from Alabama made the point of order.

Mr. MADDEN. Mr. Chairman, I move that all debate close within the five minutes.

Mr. HICKS. Mr. Chairman, the gentleman from Maryland has been recognized, and I do not believe he can be taken off his feet by such a motion as that.

The CHAIRMAN. He can be stopped by a point of order, which the gentleman from Alabama proposed. He can not be taken off his feet by another Member to make a motion to close debate. The gentleman from Maryland is recognized in opposition to the pro forma amendment.

Mr. HILL. Mr. Chairman, I shall take only two minutes of the time of the committee. [Applause.]

I agree with that side in their applause. I think debate should be terminated on this paragraph, and although I have five, I only shall speak for two minutes. [Applause.] The Budget estimate for 1924 is about $28,000,000. The Committee on Appropriations has recommended about $37,000,000. There is no city and no harbor more deeply interested in proper appropriations than the city of Baltimore. At the present time, on July 1, by report of the engineers, there is a balance of $437,809.73 unexpended in the Baltimore district. We are also interested in the Chesapeake and Delaware Canal. The hearings show that there are about $800,000 still available for the canal. I voted against the Dempsey amendment for $56,589,910 for the reason that the appropriation of $37,000,000 made by this bill is general and in the discretion of the War Department. I could not vote for the addition of $19,000,000 to the $37,000,000, an added tax burden on the whole people, on the bare hope of getting even a few more thousands for Baltimore. The great Baltimore Harbor can get more money by convincing the Chief of Engineers of its need. There is enough in the proposed $37,000,000 to take care of all the needs of Baltimore and also of the Chesapeake and Delaware Canal, for which $800,000 is now available and unexpended. The proposed amendment gives Baltimore no pledge of anything more. Baltimore Harbor can stand on its own merits.

Mr. LINTHICUM. Will the gentleman yield for a question?

Mr. HILL. I will yield.

Mr. LINTHICUM. Does not the gentleman also observe in that report that all the money appropriated or allocated to Baltimore Harbor will expire on the 1st day of October, and does not the gentleman further recognize in that report that the main channel of the Chesapeake Bay to Fort McHenry has shoaled and filled up $2,500,000 worth since the April appropriation has been made?

Mr. HILL. The gentleman does not see that, and furthermore he will say to the gentleman that he has more harbor in his district than the gentleman has in his district.

Mr. LINTHICUM. We are deeply interested——

Mr. KNUTSON. Mr. Chairman, I object to these two gentlemen playing politics at our expense.

Mr. MADDEN. Mr. Chairman, I move that all debate on the paragraph and all amendments thereto of whatever nature be now closed.

The motion was agreed to.

The Clerk read as follows:

MUSCLE SHOALS.

For the continuation of the work on Dam Numbered 2 on the Tennessee River at Muscle Shoals, Ala., $6,998,800: *Provided*, That the Secretary of War may enter into a contract or contracts for such machinery, gates, or other metal parts and for such materials to be used in the construction of the locks, dam, and power house as may be necessary to prosecute the said project, to be paid for as appropriations may from time to time be made by law, not to exceed in the aggregate $10,501,200, exclusive of the amounts herein and heretofore appropriated.

Mr. HICKS. Mr. Chairman, I reserve a point of order against the paragraph.

Mr. McKENZIE. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for 10 minutes in case I shall want that much time. I may not use it.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. ANTHONY. Mr. Chairman, I submit it would be better order to decide the point of order that has been raised before any extended debate has been had. I have no objection to the gentleman having time after the point is decided, but I shall have to ask for the regular order with a view to expediting business, but I shall not object to the request of the gentleman after that.

The CHAIRMAN. Does the gentleman demand the regular order?

Mr. ANTHONY. I demand the regular order.

The CHAIRMAN. Does the gentleman from New York make the point of order?

Mr. HICKS. I make the point of order against that paragraph that it is legislation on an appropriation bill and therefore in violation of the rule.

The CHAIRMAN. To the proviso and nothing else?

Mr. HICKS. To the proviso. I do not make it against the $10,000,000 because that is a continuation of a public work, but I make it against the authorization there which permits or authorizes the Secretary of War to enter into contracts for construction.

The CHAIRMAN. The gentleman from New York makes the point of order against the proviso——

Mr. ANTHONY. Mr. Chairman, I submit that it is merely an authorization and specifies the object for which the money may be expended. The appropriation of $10,000,000 would be in order unquestionably, and therefore the authorization is in order.

Mr. STAFFORD. Mr. Chairman, the Muscle Shoals project was started under authority vested in the President of the United States during the war to construct needful projects of public improvements to carry on the war. Seventeen million dollars was authorized to be expended out of a lump-sum appropriation of $100,000,000 available for that purpose. Part of that project for the development of Muscle Shoals was the building of a dam and locks at the so-called Wilson Dam, Dam No. 2, just above Florence, Ala. The work was entered upon. Of the $17,000,000 for the construction work on the dam a year ago, all but a few hundred thousand dollars had been expended. The work for that year had been suspended because of the want of appropriation. In last year's War Department appropriation act, $7,500,000 was authorized.

Mr. HICKS. Will the gentleman yield?

Mr. STAFFORD. I do.

Mr. HICKS. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from New York withdraws the point of order.

The gentleman from Illinois [Mr. McKENZIE] asks unanimous consent that he may speak for 10 minutes. Is there objection? [After a pause]. The Chair hears none.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, I would like to have the attention of the committee while I make a few brief statements in connection with this matter. Section 124 of the national defense act was enacted into law in 1916 by a combination of Members of Congress representing on the one hand those Members of Congress who stood out preeminently in favor of national defense and national preparedness and on the other hand by those Members of Congress who felt that the agricultural interests of this country were paramount to all other interests of the country. So those two forces of men came together and enacted section 124 of the national defense act, out of which has grown the whole Muscle Shoals controversy. It provided for the issuance of $20,000,000 in bonds and authorized the President to do many things. But there was not anything done until war came on. During the war the Wilson Dam was started under that authorization of the 1916 act, and $17,000,000 was expended in building or preparing to build and partially building the Wilson Dam. That was a Democratic Congress. In 1919 the Republican Congress came into power in this House and a committee was appointed of prominent gentlemen to investigate that whole matter.

They made a very thorough investigation, and on May 18, 1920, they submitted their report to this House, and one of the recommendations of that report, which was accepted and approved by the House, read as follows:

That no further funds should be expended by the War Department on the Muscle Shoals plant, and no further appropriations for alterations, changes, or additions to said plant should be made by Congress for the use of the War Department or any agency of the Government acting under, through, and with said War Department, until some policy as to the future of said plant shall be determined upon by Congress.

That was adopted by a Republican Congress. Later on an attempt was made to carry an item in an appropriation bill for the year 1921 to continue this work. That was defeated. After its defeat the Secretary of War invited proposals in connection with Muscle Shoals in keeping with this recommendation in that report, which was filed on May 18, 1920. Proposals were brought to the Secretary of War. They were referred to the Committee on Military Affairs.

The Committee on Military Affairs from March last until June last year held hearings on those various proposals, and when the appropriation bill came up last year containing an item to appropriate $7,500,000 for the continuance of this work there was a proviso put on it that it should not be available until the 1st day of October, in order that Congress might have the opportunity to define a policy in connection with this great and momentous undertaking.

The Committee on Military Affairs after months of hearings reported to this House in a bill, which is now on the calendar, the proposal submitted by Mr. Henry Ford with certain modifications. It has been on that calendar for months. We who have labored for months on this matter and got it into the House of Representatives felt then and we feel now that the Congress of the United States should take this matter up and define the policy of the Government before we spend another dollar at Muscle Shoals. [Applause.] It is common, ordinary business sense, and I have talked about it with the leaders of this House and with the floor leader, the gentleman from Wyoming [Mr. MONDELL]; and you remember the statement he made months ago, when we had the other appropriation bill up, that he hoped we would reach this bill. I have talked with him recently, and he says he still has hopes that we will reach consideration of the bill now on the calendar. Our late lamented colleague, James R. Mann, for whom I have had the highest admiration and respect, when I found I could not be here when the ship subsidy bill was up was communicated with by me. I wrote to Mr. Mann and told him that if in our judgment we were going to consider the ship subsidy bill in all justice to the agricultural interests of the country we should take up this Muscle Shoals proposition and consider that also. Mr. Mann wrote back to me and said: "By the way, I am for the ship subsidy bill and I am for the other proposition also, and I think that they should both be considered and acted upon by Congress."

Now, I do not wish to make any fight on this appropriation. If it is the wisdom of Congress to go on appropriating money to build dams and let contracts to the steel industries of this country to install machinery down there without any plan, without knowing who is to operate this work, whether it is to be a governmental operation or some private client is to get it, that is a matter that concerns every one of us. Gentlemen, the great interest shown here this afternoon for the little rivers and harbors of our country, when men rallied in here in behalf of these various items and carried that appropriation through the House, gentlemen, is infinitesimal com-

pared with the great and far-reaching importance of this measure. [Applause.]

Now, I want to say to you, gentlemen, here, as a Republican, I am pleading with the organization of this House to give us an opportunity to consider this matter, and if you do not approve of the Ford proposal, strike it out and send it from this room; but, for God's sake, let us demonstrate to the people of this country and to the world that we are capable of handling big things in a big way. And I want to say to both sides of this House that from Maine to California and from the Lakes to the Gulf, in the cottages and in the humble homes they are expecting action from Congress. [Applause.] I want to say now that we can not afford longer, in my judgment, to delay defining a policy. [Applause.] Let the appropriation go, gentlemen. I shall not fight it. But I do hope—I have confidence still—that my party, the party of which I am so proud, the party whose record stands for achievement, will take up this great proposition and settle it before we go to our homes on the 4th day of March. [Applause.]

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. BUTLER. You propose to spend a lot more money at Muscle Shoals? Suppose we do spend it? If we do, can we dispose of that property for as much money as we appropriate here?

Mr. McKENZIE. I doubt it.

Mr. MADDEN rose.

The CHAIRMAN. The Chair will recognize the gentleman from Illinois.

Mr. MADDEN. Mr. Chairman, up to the present time we have spent $103,000,000 on Muscle Shoals. Last year we appropriated $7,500,000. We are proposing to appropriate in this bill $6,800,000 to carry on the work of completing Dam No. 2, and we are proposing a contract authorization of something over $10,000,000 to complete the work.

We believe, after careful investigation, that the wisest business in connection with this problem is to complete it, and complete it at the earliest possible day. We realize, as well as anybody can, that if this property is allowed to deteriorate by leaving it uncompleted, whatever we have invested in it will be a total loss, and for one I also realize that if the Government undertakes to operate it after it is completed, it will be substantially a total loss. But I believe that the time has come when we ought to make some disposition of the problem by declaring a policy. [Applause.] What that policy is to be will be decided by this House and by the Senate. But whatever the policy is to be, it should be decided without delay. [Applause.]

After we do complete this work I am unwilling to have the Government carry it on as a business. It can not do it successfully. I do not look for any war, yet I believe the possible war needs of the Nation to be of such vital importance that we ought to have a plant down there which will make the nitrates we need in case of war. [Applause.] In time of peace I believe we ought to utilize this great institution in which we have invested so much money for the making of fertilizer, so that the farmers of the Nation may get whatever advantage there is out of that. [Applause.] It is too large an investment to leave idle.

Mr. LONGWORTH rose.

Mr. MADDEN. I realize what the gentleman from Ohio is going to say, that the process down there is obsolete, that it is not the most economical process; but we can easily modify that. Somebody will have genius enough to do it. Now, there ought to be legislation enacted by the Congress to settle the problem of what we are going to do with this great work.

Mr. LONGWORTH. The gentleman is ordinarily a very marvelous guesser, but he did not get the purport of my question. My question is not as to the plant at all. It is simply as to the dam. If we complete this dam, does the gentleman regard that as committing Congress to several other dams contemplated in the navigation program?

Mr. MADDEN. No; I think this: When we complete this dam we will have put the institution down there in a condition that will justify somebody in taking it over and investing the large amount of money that will be necessary to be invested in it for the establishment of a going business which will inure to the advantage of the American people, and I believe that the time has come for us to do that.

I want to say this, further, that in the past I made no study of this problem. I recall the statement of my very beloved, recently deceased colleage, Mr. Mann, when this subject was last up on the floor. He asked the House then to forego the consideration of the problem at that time. He made the promise that if the House would agree with him he would make a study of it, and he would be prepared to give the House the benefit of his study and cooperate with those who were anxious to dispose of the question at the earliest date possible. He is gone. He is not able to carry out the promise then made to the House. He and I knew each other from boyhood. I loved him as no other man in America loved him, and I have assumed the responsibility of following up the study that he promised to make. [Applause.] I am making that study, and I have it fairly well completed, and I will have views on this subject before a very late date; and I will be prepared, not with the same ability that he possessed, to present this case and to cooperate with Members of Congress who want to settle the question, to the end that we may be able to prove to the American people that we can decide a great question in which everybody in the United States must be more or less interested. [Applause.] So before I close I say that I hope nobody will object to the provisions in this item in the bill, because we are only proceeding in an orderly way to accomplish what must be done in any event; and before the end of this session—I do not want to postpone it to another session—personally I will be ready to take up the question with anybody at any time after we get all our appropriation bills out of the way. [Applause.]

Mr. SISSON. Mr. Chairman, of course I am very much interested in this Muscle Shoals item. So far as the war purposes and uses of Muscle Shoals are concerned, that is absolutely behind us. The Government, of course, would not act so stupidly as not to have this plant in readiness in time of war. We do not want to be caught in the position that we were in when we were trying to buy Chilean nitrates, and we held our breath here and the world did not realize and Congress itself did not realize exactly the straits we were in at the beginning of the war. It looked at one time as if we might have war with Chile in order to get the necessary nitrates.

But the phase of this question in which I am interested is the one mentioned by the gentleman from Illinois [Mr. MADDEN] when he spoke of our departed friend, Mr. Mann. He was deeply interested in this matter. He has given this matter considerable study. Mr. Mann was interested in the development of Muscle Shoals, not so much on account of its war value but on account of the fertilizer proposition, the development of which would make it a most useful instrumentality to the people of the United States. I have no patience with the idea that the method to be used in the manufacture of nitrates for war purposes, in contemplation during the late war, will be the method used when this plant is completed. I believe that the future of this Nation depends upon its soil improvement and development. No nation is stronger than its soil. No nation is stronger than the products of the farm. In time of war that determines the nation's strength. In time of peace it determines its prosperity. In the development of this great activity, so necessary in war time, we can make it do more for the people in time of peace than it will do in time of war; and as we love peace more than we love war, we ought to be more willing to devote our money and time and talent to the welfare of mankind along peaceful lines.

As far as the completion of the Muscle Shoals proposition is concerned, nobody desires it more than I. There is only one thing of which I am afraid in this proviso. In appropriating this $10,000,000 and in making the gates and the machinery which will be necessary to use the power to be developed there, I do not want anything to be done that will prevent the acceptance by Congress of the offer of Henry Ford, if it is decided to be desirable to accept it when we come to consider that question. It is a matter that ought to be determined by Congress and not by the Secretary of War. I do not want any step taken that will prevent the consideration either of the Ford offer or one that is just as good for the American people. Personally, I do not believe there is more than one man in the United States capable of doing as much for Muscle Shoals and as much for the American people as Mr. Ford's offer now proposes. If there is anyone else, let him come forward and make a better proposition.

I believe that Mr. Ford, with all of his success, has really seen a great vision, and if he desires to build for himself a monument that will last as long as water flows from the heights of the Alleghenies to the sea, he has an opportunity here to do it, and will benefit every humble farmer and benefit every mouth that is to be fed in America. It seems to me that in doing this he has looked far into the future and seen a great vision. Therefore, Mr. Chairman, I am unwilling that any step should be taken which will in any way prejudice the consideration of his offer. I will ask gentlemen here if anyone

believes that this proviso will in anywise affect the offer which Mr. Ford now has pending?

Mr. MADDEN. I do not think it will.

Mr. SISSON. You do not?

Mr. MADDEN. I do not.

Mr. SISSON. The reason I am asking this question is that the gentleman from Illinois [Mr. MADDEN] has studied this matter, and I say it frankly, that whenever he devotes himself to any great problem and gives all of his mind to it, he is a man of so great capacity that he is able to reach conclusions which, as a rule, are successful ones.

Mr. MADDEN. I do not think it would interfere with anything of that sort.

Mr. SISSON. Is there any idea in the mind of anyone that this item was placed in the appropriation bill with any idea of foreclosing in any way the Ford proposition?

Mr. WURZBACH. Will the gentleman yield?

Mr. SISSON. I yield.

Mr. WURZBACH. Without reference to the Henry Ford proposition and keeping in mind that I was one of the two Members of the Republican side that voted in favor of the acceptance of the Ford offer, does not the gentleman think that this ought to be a matter that should be submitted to the membership of this Congress to be passed upon?

Mr. SISSON. I do; I do not think this matter should be determined by the Secretary of War. I am absolutely certain that under the law the Secretary of War might fix the policy, although the Secretary of War has said to our committee and other committees that he has no right to fix this policy.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SISSON. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SISSON. Now, if the Secretary of War has not that power, of course, Congress will have to fix it. I believe that this policy that means so much, Congress ought to hold within its own grasp—the power to determine what shall be done with Muscle Shoals. I agree with the gentleman from Illinois that something ought to be done at once with Muscle Shoals. I think it ought to be determined at this session. I am more than willing that it should be done at this session.

If we can make a successful disposition of it at this session, this Congress will have to its credit one of the greatest pieces of constructive legislation that ever laid at the door of any Congress or will lie at the door of any Congress in the future. I think this is a task the proper solution of which requires the greatest intellect and financial mind in the Government at this time. I do not know of anything that can be made to inure more to the benefit of the American people than the proper use of this wonderful power. Let your mind's eye go down each year and see every little cottage home being improved because it is surrounded by land getting better and better every year, applying the Coue principle—getting better by the application of fertilizer that comes from this wonderful plant which the good God has put in the midst of this country. I say it is a vision that is a beautiful vision to any man who wants to contemplate a flourishing land, and especially the encouragement of those men who labor and toil in the sun. A man that does not appreciate the sun-crowned hand of toil, the man that handles the plow—if he does not sympathize with that man he ought not to occupy a seat in this end of the Capitol or the other, because that is the basis of all wealth of the country. There has never been a nation destroyed when the sun-crowned hand of toil that goes out in the sunshine and the rain to cultivate the fields, the man that goes into the mines to labor with his hands—when they are prosperous and contented, when they are well fed and well clothed and well housed—you never heard of that great nation being destroyed and you never heard of a revolution being successful in such a nation. The strength of a nation is not in its palaces; it is not in its railroad facilities; it is not in its factories; it is not in its stocks and bonds; the strength of a nation is in the brawn and muscle that labors in the mines and on the farm and in the factory throughout the nation. When these men are strong, when these men are happy, when these men are contented they will rise up to the defense of the flag, and the nation is invincible and unconquered and unconquerable. That is the vision we see in the future if the Federal Government devotes some of its time and means and mighty energies toward the development of the plant at Muscle Shoals. That is why our deceased colleague, Mr. Mann, took upon himself the burden of studying this; he could see such a great future for the American people in its development. I want to congratulate the country that it is within the power of the gentleman from Illinois [Mr. MADDEN] to carry on the great work of his dear friend, Mr. Mann, who was nearest and dearest to us all at the time of his death. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. GRAHAM of Illinois. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 103, line 17, strike out the figures "$6,998,800."

Mr. GRAHAM of Illinois. Mr. Chairman and gentlemen of the committee, I am not insisting on this amendment, but merely use it for the purpose of getting the floor, and expect later to ask unanimous consent to withdraw it. I do, however, want to express my opinion very briefly. I was one of those who joined in the report which the gentleman from Illinois [Mr. MCKENZIE] just read, in which our committee recommended that no further money be appropriated or used in this Muscle Shoals project until we established some policy. That was two years ago, and it represented the opinion of the Republican side of this House at least. Since that time the Republicans have taken charge of the country, we are running it, and this is our job and we ought to attend to it. In my judgment it is an extremely important proposition and one that ought to be decided before we go home on the 4th of March. I believe as soon as we get these appropriation bills out of the road the Rules Committee ought to bring in this Muscle Shoals proposition, set it down for hearing, so that we may thresh it out and fasten upon some policy. I am not saying this because I am an advocate of the Ford offer. I do not know whether I am for that proposition or not. That is a matter I shall have something to say about hereafter. I do know that something will have to be done, and I believe I do know that the majority sentiment of the House is against Government operation of this plant. That means but one thing, either let it lie idle or lease it to somebody who shall run it. Of course, the lease proposition is the proper one, and it should be leased on proper conditions.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. KEARNS. What does the gentleman have in mind when he says "lease"? Does he mean to lease the dam or the two nitrate plants?

Mr. GRAHAM of Illinois. I would lease the nitrate plants, and if it was necessary to run it properly, to accomplish the purpose, I would lease the dam also.

Mr. KEARNS. Then the gentleman would not be in favor of giving the two nitrate plants to some one?

Mr. GRAHAM of Illinois. I am not in favor of giving them to anybody, for this reason: We built them as a nitrate proposition. The Government ought to have in mind always a few cardinal principles. In the first place, we ought to keep those nitrate plants so that in case of war, or threatened war, we can use them for the purposes for which they were intended. Everybody will agree with that, I think.

Mr. KEARNS. Everybody does not agree with that. There have been two reports here, both of which advocate the giving of these nitrate plants—and I use the word "give" advisedly, not to sell them—to Mr. Ford.

Mr. FIELDS. Oh, the Ford proposition reserved them to the Government for military purposes, to be taken over by the Government in five days as a complete organization.

Mr. GRAHAM of Illinois. We will take care of that when we get to it. In the first place, we do not want to run it; the Government does not want to operate it. Therefore we should lease it to somebody. We should lease it with the provision that we can always get it back when we need it for the purpose for which it was intended. Second, I think it is the sentiment of this House that it ought to be used in time of peace to make fertilizers or elements of fertilizers.

Mr. KEARNS. In the Ford offer he agreed to use 100,000 horsepower in the manufacture of fertilizer and the other 900,000 horsepower, which he says he can develop in the manufacture of anything that he wants to manufacture, unrestrained.

Mr. GRAHAM of Illinois. That may be true, but we will thrash that thing out when we get to it. It ought to be used to make fertilizer.

Mr. KEARNS. I agree with that.

Mr. GRAHAM of Illinois. And there ought to be a contract entered so that this fertilizer can be sold directly to the people who are interested, viz, the farmers of the country, and not through any middlemen, or with any intervening profits, and we ought to always retain in the hands of the Government the right to say that this product should be sold at reasonable prices and for a reasonable profit. In this way we would accomplish two very useful purposes. In the first place, we would

get rid of all this overhead expense which we are now paying to run these plants, if we turn them into private hands, and in the second place, we would start manufacturing something that the people of the country want, that the people of the country need, something that is essential for our agricultural prosperity, and is for the best interests of the whole country. I seriously hope that in the early future we will take some action upon this matter.

Mr. ROBSION. Mr. Chairman, I ask unanimous consent to extend my remarks upon this bill.

The CHAIRMAN. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. ROBSION. Mr. Speaker, many people are under the impression that Congress appropriates a certain sum of money for the improvement of each river and harbor to be improved. This formerly was the policy of Congress, but in the Sixty-fifth Congress this policy was changed and all river and harbor improvement and maintenance were placed under the War Department. The War Department, by its engineers, investigates and reports upon the advisability of the improvement of the rivers and harbors of the country and submits estimates to the Budget Bureau, and the Budget Bureau in turn submits estimates to the President, and the President submits what he considers proper estimates to Congress in a lump sum, and Congress appropriates a lump sum. Congress, of course, has the power to increase or decrease these estimates. The lump sum appropriated by Congress is expended by the War Department on the maintenance of projects completed and for the construction of new projects. Money appropriated for rivers and harbors is carried in the Army appropriation bill. The Committee on Appropriations, acting on the estimates submitted by the President, has included in the Army appropriation bill now before us for consideration $37,000,000 for the maintenance and construction for all rivers and harbors for the whole country for the fiscal year ending June 30, 1924. The Army engineers, who have made a careful study of this problem, have submitted a most careful estimate of the amount of money needed for the coming year. They say we must have $56,589,910.

I FAVOR THE INCREASE.

The Army engineers have asked this sum. The Committee on Rivers and Harbors of the House, I am advised, have unanimously urged the need of $56,589,910. Mr. DEMPSEY, of New York, the chairman of the Committee on Rivers and Harbors, has offered an amendment urging the House to increase the appropriation for rivers and harbors for the coming year from $37,000,000 to $56,589,910. I strongly favor the adoption of this amendment. It will require a large part of the $37,000,000 for the maintenance of the completed projects, and there will be very little money for new construction unless we appropriate the $56,589,910 asked by the Army engineers and the Committee on Rivers and Harbors.

CUMBERLAND RIVER SHOULD BE IMPROVED NOW.

The War Department in a strong report has urged the improvement of Cumberland River. This report shows that the part of Tennessee and Kentucky penetrated by the Cumberland River is rich in agricultural, timber, mineral, and fruit products. It is one of the most fertile and productive river valleys of the Nation; yet it is the most destitute of transportation facilities of any section of the United States. Twenty-one locks and dams are necessary from Nashville, Tenn., to Burnside, Ky. Eight of these have been built, but none have built for some years. Thirteen remain to be built. Seven have been built on the lower end and one built on the upper end. The Government has spent millions of dollars already in putting in these eight locks, but they are of little value and will be of little value until the work is completed. A chain is no stronger than its weakest link. A river is of no more value to shipping than its shallowest water. Until these 13 locks are built boats can use the Cumberland River only from December until May of each year. This could be done if there were no locks or dams. We can not use the river from May until December. We can not use it at the very season of the year we need it to ship minerals, timber, fruits, vegetables, poultry, cattle, and other farm products. With this river improved all of the way and so that it could be used throughout the year I think millions of tons would be carried over it each year. There are no railroads in this section, and the public highways are in bad shape.

The country needs the products from this great rich valley, and the people need the money for their products. The people of Tennessee and the counties in Kentucky involved have met the Government requirements in the way of taking care of overflow damages and landing sites, and we are anxious now to have the Government improve this river. It will cost about $7,000,000 to complete this work upon the Cumberland River, but under this bill only about $535,000 could be used for it for the coming fiscal year. I am for this amendment and this increase because I believe it will give more money for the improvement of the Cumberland River and the other rivers of the Nation. There are many other navigable rivers in the same condition as the Cumberland River. I am opposed to wasting money on rivers the improvement of which would not be of economic value to the country and whose improvement is not necessary to give to the people the proper transportation for their products. The War Department has said in its report that the Cumberland River when improved will be of great value to the sections penetrated by it and to the country as a whole and that this section is in great need of this improvement.

OUR COUNTRY NEEDS HIGHWAY AND WATER TRANSPORTATION.

All agree that the improvement of our highways and rivers is of great economic value to the country. This being true, why this niggardly policy? Let us improve our highways and waterways now and begin at the earliest date possible to reap the benefits that will flow from their improvement. It costs millions from year to year for the upkeep and maintenance of these incomplete river projects, but we are receiving no benefits from our investment and will not until they are completed.

COUNTRY NEEDS MORE, CHEAPER, AND BETTER TRANSPORTATION.

The railroads are not meeting the transportation needs of the country, and they can not do so. If America is to be properly fed, clothed, warmed, and sheltered, we must have better, cheaper, and enlarged transportation facilities. Washington and other cities are begging for coal at any price, and coal is being rationed in the cities and in the nonproducing coal sections of the country, yet we are told, and it is a fact, that America can produce nearly twice as much coal as she can use and export.

I represent one of the greatest and best soft-coal producing sections of this country. Our mines could produce three to four times as much coal as is being produced and shipped, and they would be doing so, but they can not get railroad products or means of transportation. For months the coal mines of my district have been running as a rule about one day to the week and standing idle the remainder of the time. This makes coal high and scarce. What is true of that coal section is true of many other coal sections of the country, and what is true of coal is also true of farm products and other commodities of the Nation. The railroads can not furnish the cars and the cost of railroad transportation is too outrageously high. It is a crying shame with coal and other commodities scarce and high priced in the cities and many of the industries of the country running at one-third or less of the time that could and would produce more than enough coal and supplies for the country if they had means of transportation to carry it from the producers to the consumers. Great quantities of fruit and vegetables go to waste every year because of lack of transportation. Thousands of bushels of fine apples and other fruits rotted in my district during the last year while we are paying around 8 to 10 cents per pound for apples in the cities. America must improve her highways and rivers. It will reduce the cost of transportation and will insure prompt transfer of the products of the Nation to the consumer.

Although the railroads can not carry the commerce of this country, yet many of the railroads are putting up an organized fight against the improvement of our highways and rivers.

MUSCLE SHOALS SHOULD BE COMPLETED AND OPERATED.

I favor the appropriation carried in this bill for the completion of Muscle Shoals dam and plant. We have there an investment of over $100,000,000. Unless we complete that project and put it in operation it will soon deteriorate and go to waste. I do not favor its operation by the Government. It should be completed and leased to some private concern. If Mr. Ford has submitted the best proposition the contract should be awarded to him. It is said that this great plant is equipped to manufacture fertilizer and fertilizer products.

I want to see this plant used to manufacture fertilizer for the benefit of the farmers of the country. There is a constant increasing demand for fertilizer. This should be produced as cheaply as possible and sold to our farmers as cheaply as possible. Some of the big fertilizer firms are fighting this proposition. It will be a good thing for the country to complete this plant and let Henry Ford or some other concern manufacture fertilizer and give real and active competition to the big Fertilizer Trust of the country. Again, the power from this plant will furnish power for thousands of industries in many of the Southern States. All of this will bring about employment for thousands of people. This Congress should settle the policy of

the Government toward Muscle Shoals, and this action should be taken by Congress before it adjourns March 4. If the contract is entered into with Mr. Ford or anyone else, the rights of the American people, of course, should be protected and safeguarded; but let us complete it and put it in operation, and let us be getting some revenue for the Government and at the same time help the farmers and the industrial development of the country.

Mr. McSWAIN. Mr. Chairman, the House has already granted me the right to extend my remarks in the RECORD. I ask that I be permitted to extend them in 8-point type.

The CHAIRMAN. The gentleman from South Carolina asks unanmious consent to extend his remarks in the RECORD in 8-point type. Is there objection?

Mr. STAFFORD. On what subject?

Mr. McSWAIN. On the 25 per cent excess proposition.

The CHAIRMAN. Is there objection.

There was no objection.

Mr. ALMON. Mr. Chairman, while I am heartily in favor of the acceptance of the offer of Henry Ford for Muscle Shoals, still I am in favor of the appropriation and authorization in this bill for Dam No. 2 at Muscle Shoals. The question of the completion of Dam No. 2 at Muscle Shoals and the acceptance of the offer of Henry Ford for Muscle Shoals are two separate and distinct propositions. Everybody, so far as I am advised, whether they be for or against the Ford offer, favor the completion of this dam. If the Ford offer is not accepted, the dam will be completed. If the Ford offer is accepted, it will also be completed, together with another dam, known as Dam No. 3.

If this appropriation is not made and Congress should fail to accept the Ford offer before the 4th of March, the work on the dam will close down the 1st of next July for the want of funds. This, everybody will agree, should not occur. The dam should be completed with as little delay as possible. Good progress is being made in the construction of the dam since work was resumed last summer. About 2,000 men are engaged on the work and about 2,000 yards of concrete is being poured daily. The engineers estimate that it will take about three years to complete it. The Chief of Engineers has recommended the authorization feature of this bill in order to contract for such machinery, gates, and other metal works, and for such materials as may be needed in the construction of the locks, dam, and power house. While not more than $6,998,800, the amount carried in this bill, will be actually expended during the next fiscal year, still the work will reach a stage where it will be necessary to make contracts for lock gates, gates on the dam, and other metal work, and also additional equipment for the power house, which will take a year or so to fabricate, and which will be needed by the end of that time, and without this authorization to make such contracts the work would be delayed very materially. This is the usual businesslike and economical way to carry on such construction work.

When the Ford bill is taken up in the House for consideration, which should and I presume will be done within the next few days, a provision can be placed in it authorizing and directing the Secretary of War to use any unexpended balance of the appropriation for Dam No. 2 in carrying out the provisions of the Ford offer, and charge the Ford company with interest on the same in accordance with the provisions contained in the offer made by Mr. Ford.

The only effect the acceptance of the Ford offer would have upon the construction work on this day would be, instead of the actual work being done by the Government it would be done by the Ford company under the direction of the Chief of Engineers. In either case the money would be furnished by the Government.

Do not let anyone deceive himself or claim that Muscle Shoals is being taken care of by the continuation of the work upon and the completion of Dam No. 2. If Congress does not consider and accept the Ford offer now, because this dam is not completed, then the same reason could be assigned for the next three years, and until the dam is completed.

When the Secretary of War invited Mr. Ford to make his offer he did not prescribe as a condition that the question of acceptance would be held in abeyance for four years until water power Dam No. 2 was completed. Such was not in contemplation when the Ford offer was made and referred to the Military Committee of the House. If the House was going to wait three or four years until the dam was finished before the Ford offer should be considered and voted on, the five and a half months' time and labor of the Military Committee in holding hearings, visiting Muscle Shoals, and reporting the bill providing for the acceptance of the Ford offer was all in vain and useless.

The people back in our districts, and the farmers especially, are complaining seriously about Congress not acting upon the offer of Henry Ford for Muscle Shoals. They do not know and can not understand why it is that it can not be called up, considered, and voted on in the House. We know and understand that it can not be done without a rule being reported by the Rules Committee of the House. Such a rule was requested nearly six months ago in the form of a resolution introduced by the gentleman from Illinois [Mr. McKENZIE], acting chairman of the Military Affairs Committee, but the Rules Committee has not acted upon nor reported the resolution.

It was at one time said by some of the Republican managers in the House that we did not have the time to consider this legislation and that the Members of the House had not had an opportunity to study it. Between now and the 4th of March we would have ample time to discuss and vote upon this bill. The Members of the House have certainly had time to study the Ford offer and the reports of the committees, for the subject has been before Congress for more than a year and a half. So, no reasonable or satisfactory excuse can now be assigned for not giving the representatives of the people in this House an opportunity to vote upon this important question, in which the great body of the American people are so vitally interested.

The farmers are demanding of Congress the acceptance of the Ford offer. It has the indorsement of the Mississippi Valley Association, the various farm organizations, union labor, American Legion, and every other organization which has investigated the subject.

Mr. STAFFORD. Will the gentleman yield?

Mr. ALMON. I will.

Mr. STAFFORD. Is there any different reason for going ahead with the work now than there was a year ago when the gentleman and his Democratic colleagues voted to defer the construction of this work until October?

Mr. ALMON. I did vote with the majority of 40 Members in this House to postpone the $7,500,000 carried in the last Army appropriation bill for Dam No. 2 for 90 days, and I did so because I hoped that Congress would take up and dispose of, during that time, the legislation which had been reported to the House by the Military Committee looking to the acceptance of the offer of Henry Ford for Muscle Shoals, and I do not think that there was but little delay to the work by reason of that extension, for the reason that there was nearly $1,000,000 of other funds available and used between the 1st of July and the 1st of October on this dam.

Mr. STAFFORD. Permit me to state what was said in response to the inquiry by the chairman of our subcommittee:

Mr. ANTHONY. The proviso adopted in connection with the appropriation of $7,500,000 until after the 1st of October has resulted in delaying the work?

General TAYLOR. Very materially; yes, sir.

Mr. ANTHONY. Has it practically delayed the work one year?

General TAYLOR. It depends altogether on what happens in the next few weeks. If the money had been available on the 1st of July, we could have started immediately and gone vigorously to work.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ALMON. I ask unanimous consent that I may proceed for three additional minutes.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to proceed for three additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ALMON. Mr. Speaker, I hope that the Members of this House who are members of the Rules Committee and the Republican steering committee of the majority, who have it in their power to bring the Ford bill before the House for consideration and vote, or keep it from being done, will cause to be reported to the House within the next few days a rule making provision for the consideration and vote upon the Ford bill. Whether they are in favor of or opposed to the Ford offer, I believe that they would be willing to give to the representatives of the people an opportunity to vote upon this important question.

I am delighted to hear and know that Mr. MADDEN, Mr. McKENZIE, Mr. GRAHAM, all of Illinois; Mr. LONGWORTH, of Ohio; and other prominent and influential leaders on the Republican side of the House declare in favor of the Muscle Shoals question being taken up and disposed of at this session of Congress, and am also pleased to hear them state that they are not only in favor of the completion of the water-power development at Muscle Shoals but that the plant at Muscle Shoals should be utilized and operated for the manufacture of fertilizer. This, I am sure, will be very pleasing news to the country and especially to the farmers, who are so vitally interested in this question. [Applause.]

I ask leave to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. STAFFORD. Mr. Chairman, I think the RECORD ought to show what took place on the floor of the House in view of

the fact that we were denied debate on the important question of voting $20,000,000 that was not necessary, so I object.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask unanimous censent to withdraw my amendment.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to withdraw his amendment. Is there objection? [After a pause.] The Chair hears none.

Mr. LONGWORTH. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I shall support the item under consideration, carried in this bill. I think it is proper under all the circumstances that this dam should be completed as soon as possible. I was delighted to hear that the chairman of the Committee on Appropriations has devoted and is going to continue to devote his splendid abilities to a solution of this very vexing and important question. I want it understood that so far as I am individually concerned my opposition in the past to certain phases of this power and navigation scheme has not been at all because I did not think that some use ought to be made of that plant which we now have in existence, in the direction of producing cheap fertilizer. I have come to the conclusion that we ought not to wait very much longer to decide upon some plan. For one I shall be to a large extent guided by the mature opinion of the gentleman from Illinois [Mr. MADDEN]. I agree also with the gentleman from Illinois [Mr. MCKENZIE] that this Congress is perfectly capable of doing big things in a big way. I am prepared myself, though I have not formed any definite opinion as to exactly what ought to be done with this plant, to have it brought before the House at the earliest possible moment [applause], and I sincerely hope that it may be possible at this session of Congress to dispose of this whole business. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, the expressions made by various gentlemen upon the majority side are extremely gratifying to those of us who for such a long time have been struggling here to try to get the policy declared in regard to this great plant—not only the dam but the nitrate plant itself. In the Sixty-sixth Congress the Ordnance Division of the War Department asked for an appropriation with a view of making alterations in the plant so as to manufacture ammonium sulphate rather than ammonium nitrate. They desired a fund for making the necessary changes and also for the power capital. It was while that bill was pending that the report of the Graham committee was made which declared that nothing should be done in the way of appropriating for the dam; and it went further than that and declared, and the majority side of the House adopted it as a policy, that there should not be Government operation.

Following in the lead of that, following that report, it will be remembered that, after a very warm contest here in the House, the House refused to make an appropriation to continue the work upon the dam. Of course, that was a great mistake; a great mistake. A year's time has been lost, and I do not know how much money—two or three million dollars, probably. But that is one of the mistakes that has been made, and that is past.

The particular thing upon which I wish to congratulate the House and the country is that we have the assurances now of many of the strong men upon the majority side, men who are in leading positions and who have strong words to say in regard to what shall be the procedure in the House, that the House is going to have an opportunity to vote upon this proposition before the conclusion of the present Congress. [Applause.] That is all I have to say at this time.

Mr. PARKER of New Jersey. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from New Jersey moves to strike out the last two words.

Mr. PARKER of New Jersey. Mr. Chairman, I should not take the time of the committee except that I spent three months on this subject quite recently, coming into it without any previous prejudice of any kind, sort, or description. What I have to say is embodied in minority views which are only three pages long, and as I may possibly leave out what is in these three pages I ask unanimous consent to extend my remarks by including those minority views.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. STAFFORD. What is the gentleman's request?

Mr. PARKER of New Jersey. To put in three pages of minority views which are out of print.

Mr. STAFFORD. I think the gentleman can defer that until to-morrow. I would like the RECORD to show absolutely the proceedings of the House.

Mr. PARKER of New Jersey. If the gentleman objects, I will not take any more time on that point.

Mr. Chairman, there is no sort of doubt that Dam No. 2 ought to be completed. It costs $40,000,000. Whether it was worth while to begin it I sometimes doubt. Perhaps a canal carrying the water around would serve the same purpose. But we have spent $16,000,000 upon it, and we appropriated $7,500,000 for it last year, and that dam should be completed. I say that because it will be profitable to complete it; it can be leased when completed. It can not be leased now, because no one is going in to spend $10,000,000 or $15,000,000 or $20,000,000 to complete it. Even Mr. Ford is not doing that. He asked the United States to furnish the money with which it should be done.

It will certainly pay. It furnishes, for 98 per cent of the time—that is, all of every year except a few days—it furnishes 100,000 horsepower, primary power, which, it is testified, can be sold on the switchboard at 5 mills a kilowatt hour, which amounts to $31.28 a horsepower, or $3,128,000 a year.

That is a great deal of money, and the dam is worth completing. I would like to see it used, if it can be, for making fertilizer. I do not consider that the Ford offer amounts to a row of pins for that. He says he will make fertilizers after the dam is completed according to demand, and he will make them if he makes 8 per cent profit; and we all know that in times of peace nitrates can be bought much cheaper from Chile than they can be made here, and the phosphorus and potash can not be made at all. He will not make nitrates but make fertilizer with materials bought from outside.

The nitrate plant upon that property will be useful to us in time of war, but it makes the nitrate at a cost of three or four or five times what nitrate can be bought for, and it is not worth talking about at the present time.

But the dam will bring in over $3,000,000 a year if you just lease the power. It likewise has on it an engine that cost $10,000,000 and furnishes 80,000 more horsepower, and which, by being worked a quarter of the year only, will add 80,000 horsepower to that 100,000, and the cost being only one-fourth; it is 60,000 net horsepower, or at that same rate $1,800,000 more net income.

Now, the odd thing about Mr. Ford's offer is that he asks that this great machinery be given to him, and that it shall no longer accrue in value to the Government. It is not to be leased but deeded. So far, therefore, I am not for the Ford offer.

Instead of offering us a fair amount for that property he does not propose to pay anything on what we have spent, but 4 per cent on what we shall spend, say 4 per cent on $20,000,000, or about $800,000 a year, beginning years hence. We have paid out $40,000,000, and 4 per cent on that is $1,600,000 a year, while he will get nearly $5,000,000 a year for power alone.

He proposes also that the United States shall take the risk of the dam going out at any moment. That is a thing that the lessee should take charge of, unless he pays sufficient rent to meet that danger. He likewise proposes that the United States shall actually give to him this nitrate plant, which we need in time of war and which cost $68,000,000, and spend $25,000,000 on another dam with only 34,000 horsepower, that is not likely to pay for itself.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. CURRY. Mr. Chairman, I move that all debate on this section and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from California moves that all debate on this section and all amendments thereto be now closed.

Mr. ANTHONY. Mr. Chairman, I will ask the gentleman from California to amend his motion to close in five minutes.

Mr. CURRY. I will do so.

The CHAIRMAN. The gentleman from California modifies his motion. The question is on the motion of the gentleman from California that all debate on this section and all amendments thereto be closed in five minutes.

Mr. MONDELL. Mr. Chairman, I should like to discuss the paragraph for five minutes, and if the gentleman from New Jersey [Mr. PARKER] desires another five minutes, that ought to be arranged.

Mr. PARKER of New Jersey. I would like to have it, but I do not ask for it.

Mr. MONDELL. I was not present during the entire debate.

The CHAIRMAN. The gentleman from California moves that all debate on this section and all amendments thereto close in five minutes. Does the gentleman withhold his motion?

Mr. CURRY. Yes.

The CHAIRMAN. The gentleman from New Jersey [Mr. PARKER] asks unanimous consent that he may proceed for five minutes more. Is there objection?

There was no objection.

Mr. PARKER of New Jersey. I am very much obliged. This is the first time I have come before the House on this matter, but I have given it my best study for three months.

Mr. Chairman, it is likewse proposed that we should deed to Mr. Ford a tremendous quarry of limestone that we have there, and all the railroads and connections, and also a camp at Dam No. 2 that will take care of 2,500 people, and a plant at Dam No. 1 that cost us from $10,000,000 to $20,000,000, and that he be given the absolute control of all the land adjacent. This would make it absolutely impossible to lease the plant to anybody else if he should break his contract. I am not in favor of giving away the property of the United States. I refer gentlemen of the House to the very brief statement that I made in minority views. I am in favor of a fair lease. I think this can be obtained better by submitting that question to the Secretary of War to negotiate the lease, subject to confirmation by Congress.

The House can not negotiate with 20 people. There were at least two good, solid people who were after it. One was the Power Co. of Alabama, against which there is a good deal of prejudice, but it is an honorable company. The other was Henry Ford. There will be many more when the dam is completed. I do not think this House is the place to find out who makes the better offer, to go over all the conditions and fix them up.

In committee we suggested many amendments. We proposed that Mr. Ford should absolutely agree to make fertilizer, and that he declined to do. We proposed that he should take a lease of the nitrate plant, and that he declined. He insisted upon having a deed, and when it came to that I took the position taken by the gentleman from Illinois [Mr. GRAHAM] that the first object of the nitrate plants of the United States is to supply us with nitrates in time of war, and that we would not give them up. I took the position, next, that he should pay a fair rental for the property, and that if he takes it for 100 years that he should take the risk of the dam going out.

I believe that is almost all I wanted to say. I ask permission to insert in the extension of my remarks this short report on the subject.

Mr. OLIVER. Will the gentleman yield a moment?

Mr. PARKER of New Jersey. I am glad to yield to the gentleman from Alabama.

Mr. OLIVER. I recognize that the gentleman has given considerable study to this subject and that he has strong convictions upon it; but I do not understand that the gentleman is opposed to the suggestion made by the gentleman from Illinois [Mr. MADDEN] and others this afternoon that the matter should come before the House and in some way a policy be determined on.

Mr. PARKER of New Jersey. I am not at all opposed to that. I do think, however, that it could be better done when the dam is completed; that you could get better offers then than you could when it is half completed. I think also that the House will get much benefit from the study made by the gentleman from Illinois [Mr. MADDEN], chairman of the Committee on Appropriations, and that we will have a better understanding of the matter, and have a very different bill from the one that is now before the House.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to extend his remarks by inserting the minority views. Is there objection?

Mr. STAFFORD. For the reason stated before, Mr. Chairman, I object.

Mr. MONDELL. I rise in opposition to the amendment.

Mr. Chairman, I have not heard the discussion on the Muscle Shoals question this afternoon, except the remarks of the gentleman from New Jersey [Mr. PARKER]; but I understand that gentlemen have suggested the advisability of determining at this session of Congress the question as to what we shall do at and about Muscle Shoals. It has been my hope that it would be possible before the close of this session to have consideration and settlement of that very important matter. Whether or no it is wise to have a discussion in the House and an attempted settlement in the House, when we know very well that the Senate will take no action, is a question. Of course, it would give gentlemen in the House an opportunity to air and explain their views. We might be enlightened and secure additional information on the subject which would be helpful; but, frankly, I have been hopeful that some one would come forward with some proposal touching Muscle Shoals and the development there that the Congress might properly accept. I do not think any proposal has been made as yet that the Congress would be justified in accepting. In that view of the matter, and in view of the fact that it is not at all likely that the Senate will even take up the question for consideration this session, I am not sure that we should set aside important business that we may hope to conclude in order to take up Muscle Shoals. There is pending before the House legislation of great importance reported from a number of the committees, legislation that in all probability can be enacted into law at this session. We have before us Senate bills which are entitled to consideration, and which, if considered, will become law, and I think we should first give consideration to those measures that are likely to be completed and settled at this session before we take up matters relative to which there is great diversity of opinion and which the Senate will not find time to consider.

Mr. HUSTED. Will the gentleman yield?

Mr. MONDELL. I yield.

Mr. HUSTED. Does not the gentleman think we are much more apt to get an advantageous offer on Muscle Shoals after Dam No. 2 has been completed and the power plant completed and we can show the country just how much power we can deliver at that site? For that reason, does not the gentleman think that perhaps it would be just as well to wait until that dam has been completed and the power house completed and the gates constructed and we know what we can do and exactly what we have to offer?

A MEMBER. We know now.

Mr. MONDELL. Of course, we know now that we could give this property away with a vast obligation of Federal expenditure attached to the gift. We have known that from the beginning. If we were quite certain that this matter could be settled at this session and that the Senate would pass upon it, I think perhaps it would be our duty to take it up at once and discuss it; but I imagine that no one here believes that the Senate would settle the questions involved at this session of Congress, even though we might pass upon them. I have hoped that at some time some one will come forward with a reasonably fair offer touching Muscle Shoals. We can not afford to accept any offer heretofore made.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENISON. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this section and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

SHILOH NATIONAL MILITARY PARK.

For continuing the establishment of the park; compensation of superintendent; clerical and other services; labor; historical tablets; maps and surveys; roads; purchase and transportation of supplies, implements, and materials; foundations for monuments; office and other necessary expenses, including maintenance, repair, and operation of one motor-propelled passenger-carrying vehicle, $20,000.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word. I have introduced a bill that I should like to call to the attention of the House at this time, and which is in line with the paragraph that has just been read. It proposes to take over the road from the Shiloh battle field to the city of Corinth and to connect the two national parks, which are only about 20 miles apart.

Mr. Chairman, there is no other place on American soil that is of more interest from a historic standpoint than Shiloh, where at one time Northern courage and Southern valor grappled for the supremacy of the New World—ground that was once wet with the best blood of America.

It is 20 miles from the railroad on the banks of the Tennessee River, and the closest point that can be reached by rail is Corinth, Miss. No other American battle field of importance retains its original characteristics and appearances as does Shiloh. No cities have grown up around it. There have been no vast structures or buildings or railways or other improvements to deface its original topography or impair its natural beauty.

There is no battle field on American soil, there is no place on American soil, in my opinion, where the pride of the man from the south, where the pride of the man from the North can be more fully gratified without prejudice or without ill feeling toward the other side than the battle field of Shiloh, where honors were equally divided; where the same sun that set on that fatal day saw Albert Sidney Johnston, one of the greatest military leaders of all time, go down on a field of glory, also saw arise to imperishable fame another figure who became a leader of world-wide renown—Ulysses S. Grant.

I said that the road should be taken over and improved. Thousands of people from all over the country every year go to look over the battle field. I see men before me from Illinois. I remember that on that battle field is a great monument, and on it is this inscription: "Illinois erects this monument to her sons who here gave their lives to perpetuate the honor and glory of the United States." I see men before me from Iowa. One of the most magnificent monuments I have ever seen on any battle field is erected by the people of Iowa on the field of Shiloh. Before me are men from the South. One of the greatest monuments on American soil is the one erected on the Shiloh battle field by the Daughters of the Confederacy.

Yet, strange to say, the only road connecting it with the railroad is a toll road and is owned by a private monopoly. You can not visit it, your wives and children can not visit it, without being taxed by this concern. They charge from 25 to 75 cents for every vehicle that travels over it. The old soldiers who wore the blue and those who wore the gray can not visit Shiloh without paying tribute to the people who own this roadway.

I have introduced a bill to take over that road, which can be done at a very small cost, a very reasonable expense, and make it a national highway. In doing that you will connect the Shiloh battle field and the Corinth National Park, where thousands of men who wore the blue in that great struggle lie sleeping beneath the sod of the sunny South. I say it ought to be done, and I believe if the people of the United States understood it they would agree with me with one accord that the Government ought to take over the road and unite these two national parks, in order that the people of this generation, their children, and their children's children, might freely visit this wonderful battle field and dra··· an inspiration from the examples of those men, on both sides, who gave their lives in support of the principles for which they fought.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

Mr. STAFFORD. I object.

Mr. LITTLE. Mr. Chairman, I move to strike out the last two words. I have just listened to the speech of the gentleman from Mississippi [Mr. RANKIN] with a good deal of approval. There is one point which he overlooked which tends to make it quite popular in my country, for most of the fellows that won that battle live in my State, and if you can do anything to make it easier and cheaper for them to get there and see where they licked Confederates, I think it would please them. [Laughter.]

Mr. RANKIN. In order to do that we will have to have the road, because they will have to go to Corinth and return about twice.

Mr. LITTLE. That is my understanding. I think in all seriousness it is a very sensible thing to do. These old fellows that go there to see where they fought and won one of the greatest battles of the war are not men of great means, and every nickel and dollar that they spend on a trip counts. Aside from the fact that it is a big celebration for them and a big event for their children and grandchildren, it is always a trip that they can take within their means. It is a trip that the old soldier can take, he can go about that far; it is a pleasant trip, and they are nice people down there. If the gentleman can secure an amendment of that kind I shall be very happy to vote for it. The uniting of the gray and the blue on the places where the blues won, it seems to me, is a very happy way of getting at it, and I join with the gentleman from Mississippi in the hope that these opportunities may increase and that Shiloh gets what the gentleman thinks it ought to have.

Mr. RANKIN. I do not want to be misunderstood. I said that the honors were evenly divided. While Albert Sidney Johnston lived the grays advanced, and when he went down reinforcements arrived, Grant rose, and the tide turned the other way.

Mr. LITTLE. A friend of mine who was an officer on Grant's staff and knew Rawlins, his old chief of staff, told me this story: After Grant got under way, Shiloh had been lost, and Grant got started again. Rawlins said, "General, we are doing better." "Yes," Grant said, "It is doing pretty good, but Albert Sidney Johnston will be in Chicago in 30 days." Over and again he so remarked to Rawlins. Finally the battle went the other way, and they came in and reported that the Confederates were retreating. They went out and looked around and said, "General, they are gone." "No," said Grant. Again they so reported. "Oh," Grant said, "Johnston is coming around some other way."

They reported "no enemy in sight." U. S. Grant paused a moment and then spoke, "Albert Sidney Johnston is dead." That was Grant's view of that fight. [Applause.]

The Clerk read as follows:

Pacific Branch, Santa Monica, Calif.: Current expenses, $50,000; subsistence, $305,000; household, $114,000; hospital, $180,000; transportation, $2,500; repairs, $47,500; farm, $19,000; in all, Pacific Branch, $718,000.

Mr. LINEBERGER. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman a question regarding the $180,000 appropriation for hospital at the National Soldiers' Home at Sawtelle, commonly called the Pacific Branch. I note that the amount has been increased from $100,000 last year to $180,000 this year. What is the reason for that?

Mr. ANTHONY. The increase is necessary because of the fact that the Pacific Branch has been largely turned into a tubercular sanitarium, and there is a correspondingly increased number of nurses necessary in taking care of tubercular patients. They are largely World War veterans.

Mr. LINEBERGER. Mr. Chairman, that is exactly the point that I wish to develop by the question I put to the chairman. It is evident that those gentlemen in control of the Veterans' Bureau, handling the hospitalization of World War veterans, and particularly those cases suffering from tuberculosis, are attempting to turn the National Soldiers' Home at Sawtelle into a tubercular hospital. The hospital facilities at this great institution should be developed along general hospital lines, and no one has any objection to that, but it is located only from 40 to 50 feet above sea level and about 2 miles or 3 miles at the most from Santa Monica Bay, on the Pacific Ocean, a region renowned for its scenic beauty but renowned also for its fogs, which are the curse of every tubercular sufferer. World War tubercular patients have no business there at all. Everyone knows that fog is very inimical to the recovery of tubercular patients, although I understand some of Colonel Forbes's so-called experts deny this. In the last few days there has been a considerable shake-up in the Veterans' Bureau here in Washington, and the Lord knows it was needed. I think it has been largely precipitated by just such actions as this upon the part of those in charge of the welfare of the disabled World War veterans. I am not going to attack or attempt to restrict or decrease this amount, but I want it to go into the RECORD that the ex-service men of California, as shown by the resolution adopted at the last department convention of the American Legion at San Jose, and particularly the veterans of southern California, which is the center of gravity or concentration for tubercular men coming to California, protest against the further development of any tubercular hospital facilities for World War veterans at Sawtelle. In this they have been joined by prominent citizens and members of high standing in the medical fraternity and by the manager, Major Grant, of the twelfth district at San Francisco. We ask that a separate tubercular hospital be constructed at such a distance from the center of gravity or concentration of ex-service men in California and at such an altitude above sea level and at such distance from the sea that it will be removed from those fogs, which are so highly inimical to the welfare of the ex-service men who are suffering from this dreadful disease. Many sites are available but none are acquired. The Veterans' Bureau, which has that vital matter in charge, should no longer defer action in the matter. There are to-day, as any fair-minded investigation will disclose, a large number of cases of tubercular patients in and around the Los Angeles territory who will not accept treatment at the Sawtelle Hospital, because they know that that climate is unfitted for the treatment of the disease with which they are afflicted. This question is one that must be threshed out sooner or later in Congress, if those in charge of the Veterans' Bureau in Washington and elsewhere in responsible positions continue to ignore all entreaty and assume an attitude that can only be interpreted by the ex-service men as meaning that the bureau exists for the purpose of satisfying chambers of commerce and others who are desirous of having these facilities developed in localities where they will be of commercial benefit to those in the particular locality rather than for the recovery of disabled ex-service men, for which the bureau was created.

It is a shameful situation which Congress and the country will not tolerate much longer.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LINEBERGER. Mr. Chairman, I ask for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LINEBERGER. Mr. Chairman, as I said a few minutes ago, many months ago the American Legion in the Department of California, after thorough investigation, went on record by unanimous vote, in the passage of a resolution, against the further placement of tubercular patients in these foggy localities. No action whatever has been taken by the bureau to provide facilities elsewhere in the Los Angeles territory. The unwarranted action which has caused further development of tubercular hospital facilities for World War veterans at Sawtelle has been the source of criticism from one end of California to the other. There are none so deaf as those who will not hear. The matter has even been taken to the President, himself, although I can not believe all the information ever reached him. I have no doubt, if this condition continues to exist, that many Members of this Congress who do not desire and who generally oppose congressional investigations, will be compelled to demand an investigation of the Veterans' Bureau in order that matters of this kind may be speedily remedied. The bureau does not exist other than for the welfare of the veterans for which it was instituted, and if the recent shake-up does not cure the disgraceful situation existing, at a very early date Congress should take such drastic measures as may be necessary to protect those of the Nation's defenders who have fallen victims to the most terrible of all diseases—the great white plague. [Applause.] I propose to again discuss this subject on the floor and to disclose letters and other data affecting the tubercular hospital situation in California. I hear many rumblings and much criticism from substantial Members of this House from various sections of the country, but the Veterans' Bureau seems deaf, dumb, and blind to all facts and entreaty. It is time this House should ask itself what we propose to do about it, for that is what the country is doing and the country desires an answer. [Applause.]

Mr. WURZBACH. Mr. Chairman, I rise in opposition to the pro forma amendment. I have been trying all day to get a few words in on the river and harbor appropriation. I have a vital interest in the matter, not a selfish, personal interest, but one of those interests that affect the entire State of Texas. I want also to say a few words with reference to the Bureau of the Budget. I am in favor of economy. I think that is the common judgment of this House, but I believe the American people and all of us make a distinction between those ordinary current departmental expenditures and those other expenditures that really mean a permanent investment for the American people. I believe in drastic economy in the former class of expenditures, but I think the American people to-day are expecting us to cut down current expenses—those expenses for which there is nothing to show at the end of the current year—but where we can make permanent investments that mean something to the American people that the American people are in favor of it.

The project that I am interested in is the Corpus Christi project, and I am referring to it merely as an instance of some of the other projects carried in the estimates of the Chief of Engineers. The Corpus Christi project means a general benefit to all of the people of the country, and especially to the people of Texas. It means the establishment of a port of entry to northern Mexico. I call attention to the fact that the establishment of a port at Corpus Christi means that you are saving in railroad transportation to the northern part of Mexico more than 200 miles, you are saving more than 600 miles when you are carrying products from north Atlantic ports or the ports on the Mississippi River, and more than 200 miles as compared with the next closest port—Galveston, Tex.

I referred to it merely as an illustration of the fact that river and harbor development is a great national policy. I believe in the power of the Bureau of the Budget; I believe in the Bureau of the Budget. I think that their powers, within proper limitation, are all right, but I do not believe that where the limitation of appropriation affects national policies that we ought to defer to them, and for the stronger reason do I believe that it is absolutely a concession of congressional power to them to permit them to control appropriations where the effect of those appropriations is to nullify and to invalidate congressional action. Now, that is exactly the proposition that we have to-day, taking the recommendations of the Bureau of the Budget as contrasted with the recommendations of the Board of Engineers of the Army. If we are going to surrender to the Bureau of the Budget the right to say whether or not appropriations shall be made, or the amount of such appropriation, so as to defeat the right of Congress to say whether or not appropriation shall be made, I think that you are doing a thing that is wrong. [Applause.]

I have the highest regard and admiration for the Appropriations Committee and for all of the members making up that great committee, and I have an especial regard and admiration for its distinguished chairman. His independence, impartiality, and his scrupulous fidelity and devotion to the public service ideally fit him for the position he occupies. He holds the national purse strings as tightly as does the proverbial Scotchman the strings of his own private purse. I agree with the committee and with the country that at this time more than ever before in our history governmental expenses must be kept within reasonable limits, and that, I believe, is also the common judgment of Congress. But I am also quite sure that Congress and the American people expect this Government to function as a real 100 per cent going concern and not as a nation fearing bankruptcy. There is a distinct difference between those financial outlays that go to pay the ordinary running expenses of the Government for which there is nothing to show at the end of the fiscal year, and those other governmental expenditures in the nature of permanent investments which insure substantial returns to the American public. With reference to the first class of expenditures, retrenchment can hardly be too drastic, whereas the other class of expenditures may well be made upon a much more liberal basis.

Money expended, if wisely spent, for river and harbor development and improvement is strictly a national investment and insures large returns to the American people. The people are not complaining so much of the size of the public expenditures as they are of the manner and objects of such expenditures. No national investment insures safer or larger returns nor insures benefits more equitably distributed among and enjoyed by so many of our people than do investments for river and harbor improvements. The projects are first scientifically passed upon by the Board of Engineers and, ordinarily upon the board's approval only, enacted into law. These are the first important steps, and when they have been taken and Congress has authorized the projects it seems to follow logically that Congress ought to take the next step and make the appropriation necessary to carry its order into effect. The amount of appropriation reasonably necessary to be made should be based upon well-considered, expert estimates of the Chief of Engineers. That only should be the extent of his power and function. It should be, and in fact is, for Congress alone to decide whether or not to appropriate. That decision was, in fact, impliedly reached when the authorization was made, because an authorization without a substantial appropriation is a manifest absurdity. When the money is appropriated, it should be spent under the control of honest, capable men, removed from all political influence. Our present system of supervision and control of river and harbor work by the Chief of Engineers of the Army meets that high standard of economical and honest spending, and the United States Government as a result is receiving 100 cents return for every dollar spent. One hears only words of praise of the Chief of Engineers and of his staff as to efficiency, impartiality, independence, and honesty. We are no longer subject to the charge of pork-barrel politics in connection with river and harbor appropriations. The country has learned that we are operating on a safe, sane, scientific, and businesslike basis, and much of the credit for this change of public sentiment is due to the efficiency of the present system of river and harbor improvement under War Department direction.

The Appropriations Committee first adopted the recommendation of the Bureau of the Budget of $27,000,000 for rivers and harbors, and later increased the amount to $37,000,000. Both amounts were arbitrarily arrived at, and neither was the result of a fair consideration of the proposition nor in harmony with the estimates of the Chief of Engineers, and both in direct conflict with the acts of Congress authorizing the several projects included within the estimates of the Chief of Engineers. The Appropriations Committee's increase of the Budget Bureau's estimate from $27,000,000 to $37,000,000 does not strengthen the committee's case but weakens it, for its act must be construed as a repudiation of the Budget estimate, and at the same time the $10,000,000 increase is but a sop thrown out to defeat the pending amendment, and partakes of all the characteristics of a pork-barrel appropriation.

The Bureau of the Budget has an important function to perform in the scheme of economical administration, but I am bold to say that its warmest advocate will not claim for it the power to invalidate acts of Congress by failure to provide the means for putting in force such congressional acts. The bureau is an agency of the Chief Executive, and the latter's constitutional control over the legislative branch is exhausted with the veto. If we give the Budget Bureau the power, or any other agency of the Executive the power, or what amounts to the same thing, if we permit any such agency to exercise the power of withholding or denying appropriations to projects authorized by

Congress, we are extending the veto power to an unheard of and dangerous extent. There is no word in the Budget act that would warrant the assertion that such control over Congress was intended to be conferred upon the Bureau of the Budget, and such a thought could not have been in the mind of the President nor in the mind of Congress; but the danger does not lie in a misconstruction of the words of the act, for their plain intent forecloses all such danger. The loss of legislative power may come from congressional acquiescence and self-surrender of power as well as from express limitation or delegation. It is so easy and such a temptation for one body to surrender a power if it can thereby be relieved of tedious labor and responsibility.

My interpretation of the Budget act is that the bureau thereby established has recommendatory functions only, similar to, but certainly of no greater force and effect than, the recommendations carried in a President's message. The Budget Bureau's recommendations are submitted to the President for his approval and, when approved, become in fact the President's message, no more, no less, by the very terms of the Budget law. These recommendations are entitled to have influence and weight with the Congress according to whether or not the recommendations are conclusions based upon more information or less information than is available to Congress. If based upon less information, the bureau's recommendations are entitled to little or no weight with Congress; if upon more or better information, Congress may, and naturally will, attach weight to the bureau's recommendations, but always and in either case only so much weight as it will. Ordinarily Congress will follow the bureau's recommendations, when accompanied by a statement of facts, for appropriations relating to strictly departmental expenses—that is to say, routine administration expenditure. Congress is, in fact, accepting the statement of fact and adopting the conclusions, because the conclusion is merely the mathematical result of the addition of the various items included in the statement of facts. When, on the other hand, the Budget recommendations refer to expenditures involving a national governmental policy and the putting into effect of such policy, and a fortiori, if involving or affecting past acts of Congress so as to wholly or partially invalidate such acts, congressional self-respect demands that the recommendations be wholly disregarded. This is self-evident, unless Congress proposes to delegate its legislative authority to the Bureau of the Budget.

The case of the bureau's recommendations with reference to appropriations for rivers and harbors is just such a case. Congress has authorized certain projects, and the Chief of Engineers estimates that it will require $56,589,910 for the next fiscal year to put Congress's order into effect. The Bureau of the Budget arbitrarily cuts that estimate to $27,000,000. The Appropriations Committee just as arbitrarily adopts that amount, but later confesses its own error or poor judgment, as well as that of the Budget Bureau, by again arbitrarily raising the amount to $37,000,000. The result of such a cut, of course, means that there must be a proportionate partial nullification of all of the projects authorized, or a total nullification of some of the projects, inasmuch as the Chief of Engineers has the power under existing law, to make allotments. In other words, where lump-sum appropriations are made the Chief of Engineers is authorized either to thinly spread the money appropriated to cover all the projects, or to allot to a part of the projects that in his judgment are most important, all the money necessary to complete them, and thus be forced to allot nothing at all to the remaining projects which were also authorized by acts of Congress. It is a fair and reasonable assumption that he will not follow the first course, because it is unscientific and directly opposed to his own recommended estimates of proper annual expenditures for each specified project. Forced then to the latter course the Chief of Engineers is required under existing law to exercise legislative power in the selection of the favored project. This is an extreme and unusual grant of power to an executive administrative branch of the Government, which in effect amounts to a delegation or rather a passive surrender of legislative power to another department or bureau. If it is the purpose of Congress to extend this limited power so granted to the Chief of Engineers, to the Budget Bureau, so as to cover appropriations in all departments of Government it ought to be clearly understood. I have not yet convinced myself that Congress so intends. Unquestionably the delegation and surrender of power by a large and indifferent and perhaps indolent body such as Congress is, to a small and select compact committee or bureau of greater industry and possibly greater average ability than the whole body, has its advantages on the theory that "too many cooks spoil the broth." It also has its dangers. Under our system of representative Government a wise statesmanship favors a very close connection and intimate relationship between the congressional Representative and his constituency, and is willing to sacrifice the hope of legislative perfection if assured of legislative responsibility. The fair and reasonable construction of the budget act that I have tried to place upon the law does no violence to that theory, and I hope that construction will prevail.

Before I close my remarks on the Budget Bureau, let me call attention to a glaring inconsistency on the part of the Appropriation Committee and the bureau with reference to the rivers and harbors item in the bill. The bureau and the committee both recommended a lump-sum appropriation for rivers and harbors knowing the power and control of the Chief of Engineers over that kind of an appropriation. They know that the Chief of Engineers has the selection of the projects to be improved and the power to make the allotments, and it seems strange that they are willing to accept his judgment on this larger matter involving not only scientific knowledge but a wide discretion, but they ask the House to wholly disregard the recommendations of this same officer in the matter of his estimates of appropriations necessary for authorized projects for the next fiscal year. If he is qualified—as he is—to allot the lump-sum appropriation, he is also qualified to wisely and safely advise Congress on the amount of proper appropriation. In the absence of expert testimony to the contrary the Chief of Engineers' recommendations ought to be conclusive. I know that I shall be concluded thereby, and therefor vote for the amendment increasing the appropriation to $56,589,910.

I have heard it said that "an honest confession is good for the soul," and therefore I may frankly confess that a somewhat selfish interest prompts me to favor the increase of appropriations for rivers and harbors. Of course, I have no personal selfish interest, and what I mean to convey is that my interest is for the district I represent. It is the duty of a Congressman to be active and work for the general welfare of the Nation, even where local interests are not involved, but it is especially the duty of a Congressman as it is his pleasure to do all in his power to advance the particular interests of his district where the general interests of a large section are also involved.

The pending bill provides for an appropriation of $37,000,000 for rivers and harbors. The amount necessary to take care of the projects that have had congressional authorization, according to the estimates of the Chief of Engineers, is $56,589,910. If the former amount is appropriated by Congress, it is fair to assume that so large a part thereof will have to be allotted to the larger seaports on the Atlantic coast that I have become fearful there will be no part of the appropriation available for the project that lies nearest my heart, and, I may also add, one of the most important and certainly most deserving projects in the Nation. I refer to the Corpus Christi project, in the fourteenth district, which I have the honor to represent.

General Taylor testified to its importance. At page 912, part 2, of the hearings, he says: "I see no reason why a port at Corpus Christi, comparable to Galveston, should not develop in the future"; and my good and genial friend, the gentleman from Wisconsin [Mr. STAFFORD], a member of the subcommittee that framed this bill, and who measures his words with great caution, was so impressed with the project which I had theretofore briefly presented to the subcommittee that he was impelled when referring to it in his interrogation of General Taylor to state most impressively, "General, describe generally that important project." Keeping in mind General Taylor's comparison of it with the great Galveston port, and Congressman STAFFORD's designation of it as "that important project," I will be pardoned in repeating that the Corpus Christi project is, in fact, one of more than ordinary importance.

I wish the membership of this House could understand the importance of the Corpus Christi port project to the State of Texas, and especially to southwest Texas. Its development has been the hope of all the people of that great section for 40 years or more, and they feel that their hope is about to be realized. As an evidence of their good faith, local interests have guaranteed 70 per cent of the cost of the project, or approximately $3,500,000, as against $1,394,800 on the part of the Government. All wharfage, docks, warehouses, and terminal facilities will be municipally owned and controlled, insuring fair treatment and service to all shippers and railroads. The city of Corpus Christi and Nueces County have already obligated themselves in the sum of $1,000,000 to acquire these facilities.

Four railroads with a combined mileage of 2,381 miles have terminals in Corpus Christi: The San Antonio & Aransas Pass; the San Antonio, Uvalde & Gulf; the Gulf Coast Lines; and the

Texas-Mexican. The first two lines run north to San Antonio, Tex., connecting there with the trunk lines of the Southern Pacific; Missouri, Kansas & Texas; and the International & Great Northern Railroads. The Gulf Coast Lines extend from Houston, passing through Corpus Christi, to the Mexican border at Brownsville, Tex., opposite Matamoras, Mexico; the Texas-Mexican extends from Corpus Christi to Laredo, Tex., opposite Nueva Laredo, Mexico. Brownsville is 150 miles from Corpus Christi, and Laredo is 160 miles.

The completion of this deep-water port will develop a great American trade with Mexico, especially with the north and central sections, which include the richest part of our sister Republic. This takes in the great mining sections of Mexico, one of the greatest mining machinery users of the world. Supplemented by Ohio and Mississippi River improvement, steel products could be transported entirely by water from Pittsburgh, Pa., to the very doors of northern Mexico. Machinery and other goods shipped to that portion of Mexico from Atlantic ports or by river transportation to the Gulf of Mexico is brought 180 miles nearer to the Mexican border by way of Corpus Christi than by way of Galveston, Tex., and 600 miles nearer than by way of New Orleans. Corpus Christi will also have every advantage in respect to northern Mexico trade over the Mexican ports of Tampico and Vera Cruz, which are in the extreme southern part of Mexico, poorly and distantly connected as these ports are by rail with the northern part of the Mexican Republic. Corpus Christi is so situated geographically as to make it the port of entry for all of northern Mexico, and a great and profitable Mexican trade awaits the completion of this port.

A glance at the map of Texas reveals that two-thirds of its area lies closer to Corpus Christi than to Galveston or any other Texas port, and that two-thirds is the richest and most rapidly developing part of our great State. Within 100 miles of Corpus Christi a half-million bales of cotton are raised annually, all of which will be shipped by the nearest water outlet, saving hundreds of thousands of dollars to the cotton farmers. Trainloads of onions, cabbages, and citrus fruits are produced in the Rio Grande Valley each year. This section is aptly called the "Magic Valley," where three crops a year are raised in succession, year in and year out, and where the soil is so rich that commercial fertilizers are unknown and unnecessary.

Tens of thousands of acres of this irrigated valley are producing continually vast quantities of fruits and vegetables. Frequently these products are left to rot in the fields or along the railroad tracks on account of congestion in railroad traffic, and often when shipped the railroad rates on the long hauls are so excessive as to leave no returns to the producer. A short rail haul to deep water and then to the eastern market will solve the problem for the producer and release to the inland shipper who can not avail himself of water rates cars for his own goods.

During the fiscal year ended June 30, 1921, about 130,000 bales of botton were produced in the territory immediately contiguous to Corpus Christi. During the same period the four railroads serving Corpus Christi handled in and out of the city 152,442 tons of freight of all kinds and classes, 91,227 tons being inbound and 61,125 tons being outbound. Railroad traffic officials state that not less than 40 per cent of this tonnage, or 60,976 tons, could and would have been moved by water transportation had proper facilities existed at Corpus Christi.

J. A. Brown, freight agent of the Gulf Coast Lines, on December 30, 1921, in a communication to the Deep Water Harbor Association of South and West Texas, stated:

Our lines west of Houston could and would arrange, if fuel could be brought into Corpus Christi by water, to use between 400,000 and 450,000 barrels of fuel oil through that port per year. We purchase our oil delivered at Galveston and at Houston at a cost from Galveston, delivered to us at Algoa, of 9.3 cents per barrel. We then haul it past Sinton to Kingsville at a transportation cost which we might reasonably estimate at 5 mills per ton per mile for approximately 180 miles additional haul, as compared with the haul we would have if handled through Corpus Christi; so that we might reasonably figure that, as against receiving the oil through Galveston, via Algoa, it costs us 23.25 cents per barrel, or, in round numbers, $95,000 per year, more to receive this oil through Galveston via Algoa than it would cost if we could get it through Corpus Christi.

He writes further, under the same date:

We have been endeavoring for some time to figure a plan under which we might, without seriously jeopardizing the rate situation in Texas, assist the irrigation companies in the Rio Grande Valley to get fuel oil at a reduced cost. They use approximately 500,000 barrels per year. A port at Corpus Christi would immediately solve that difficulty and we could and would establish a rate which would save them in the neighborhood of 45 or 50 cents per barrel under present transportation costs; estimating 500,000 barrels per year, at a saving of 45 cents per barrel, would mean a net saving to the irrigation companies which would be passed on to the farmers and shippers of the lower Rio Grande Valley of approximately $225,000 per year. We produce in the Rio Grande Valley each year several carloads of onions, practically all of which, under normal conditions, move to New York and the eastern seaboard through Galveston, thence via water. A very considerable saving might be made in transportation cost by utilizing the port at Corpus Christi.

San Antonio, the metropolis of Texas, with a population of 175,000, is only 140 miles from Corpus Christi. It has been estimated by its chamber of commerce that on account of the difference in railroad freight rates between San Antonio and Galveston, as against San Antonio and Corpus Christi, a port at the latter point will save to San Antonio alone, on the present volume of business, more than $900,000 annually. San Antonio is as vitally interested in the early prosecution and completion of the deep-water project at Corpus Christi as is the port city itself.

It will make of San Antonio a trading and distributing center such as can hardly be foreseen at this time, and I repeat a prediction I made several months ago, that San Antonio and Corpus Christi will become the twin-city metropolis of the great Southwest. The benefit of a deep-water port at Corpus Christi to the farming and live-stock interests of all that section will be enormous. It will cause thousands of acres of our virgin soil now lying in pastures and used for grazing purposes only to be cleared and plowed and put in a state of cultivation, and all that section made to blossom as a rose and make it the garden spot of the world. Where the forks-in-the-road country stores now stand will spring villages, villages will grow into towns, towns into cities, and cities will double and treble their population, and there will be happiness and prosperity for all.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WURZBACH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection?

Mr. STAFFORD. I object.

Mr. OLIVER. Mr. Chairman, I move to strike out the last two words.

Mr. SISSON. I would like to ask the gentleman from Kansas, chairman of the subcommittee, a question. Mr. Chairman, there is some little confusion arising here. I understood from the chairman [Mr. ANTHONY] that there would be no vote taken on this bill until morning; that we would read the bill up to the point of a vote, and now there seems to be some conflict in regard to that, and I think that the Members ought to be informed.

Mr. ANTHONY. My idea is to finish the bill in the Committee of the Whole House, to go as far as we can up to the point of a vote, and then adjourn until to-morrow.

Mr. SISSON. That is the information I had and so gave to Members on this side. I have no objection to that course being taken, but I want the membership of the House to understand it and have no confusion about it.

Mr. DEMPSEY. I will say that yesterday afternoon the gentleman from Illinois [Mr. DENISON], the gentleman from Missouri [Mr. NEWTON], and myself had an interview with the chairman of the Committee on Appropriations.

Mr. MADDEN. They did.

Mr. DEMPSEY. And my understanding was that there would be a final vote taken on the bill to-night. We have talked with a lot of men and they have made arrangements upon that basis and have engagements for to-morrow, and it would be a genuine hardship for them to have to stay here overnight under those circumstances. It will not take much longer to have the vote; the chairman of the subcommittee is always agreeable and pleasant——

Mr. ANTHONY. The intention on my part was to expedite the consideration of the bill.

Mr. DEMPSEY. Well, let us have a vote to-night.

Mr. ANTHONY. There will be probably two or three votes.

Mr. DEMPSEY. We can have the votes and dispose of it.

Mr. ANTHONY. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For every expenditure requisite for and incident to the maintenance and operation, sanitation, and civil government of the Panama Canal and Canal Zone, including the following: Compensation of all officials and employees; foreign and domestic newspapers and periodicals; law books not exceeding $500; textbooks and books of reference; printing and binding, including printing of annual report; rent and personal services in the District of Columbia; purchase or exchange of typewriting, adding, and other machines; purchase or exchange, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles; claims for damages to vessels passing through the locks of the Panama Canal, as authorized by the Panama Canal act; claims for losses of or damages to property arising from the conduct of authorized business operations; claims for damages to property arising from the maintenance and operation, sanitation, and civil government of the Panama Canal; acquisition of land and land

under water, as authorized in the Panama Canal act; expenses incurred in assembling, assorting, storing, repairing, and selling material, machinery, and equipment heretofore or hereafter purchased or acquired for the construction of the Panama Canal which are unserviceable or no longer needed, to be reimbursed from the proceeds of such sales; expenses incident to conducting hearings and examining estimates for appropriations on the Isthmus; expenses incident to any emergency arising because of calamity by flood, fire, pestilence, or like character not foreseen or otherwise provided for herein; per diem allowance in lieu of subsistence when prescribed by the Governor of the Panama Canal to persons engaged in field work or traveling on official business, pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; and for such other expenses not in the United States as the Governor of the Panama Canal may deem necessary best to promote the maintenance and operation, sanitation, and civil government of the Panama Canal, all to be expended under the direction of the Governor of the Panama Canal and accounted for as follows.

Mr. ARENTZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nevada offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ARENTZ: Page 115, line 4, after the word "vehicles," insert "including operation of barge ferry now in operation by the War Department at Pedro Miguel across the canal each day for the use of the general public traveling in either direction."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment.

Mr. ARENTZ. Will the gentleman withhold his point of order? I think this is a very important matter.

Mr. BLANTON. Mr. Chairman, on a reservation of the point of order I want to say that the gentleman from Wisconsin [Mr. STAFFORD], who has been studying for several weeks on this bill and who is one of the hardest working Members of this House, can not speak for five minutes on the bill. It occurs to me that it is a little out of order to take up a lot of time on extraneous matters that have no connection with the bill. The gentleman from Wisconsin was denied time when he had been working on this bill for three weeks. I reserve the point of order.

The CHAIRMAN. The Chair recognizes the gentleman from Nevada.

Mr. ARENTZ. Mr. Chairman, on page 337 of the hearings appears this dialogue:

Mr. ANTHONY. Where are these 9,000 troops stationed?

General WELLS. There is one Infantry regiment on the west side of the canal at old Camp Gaillard, and part of it spills over into Empire. The rest are on the east side of the canal. The Coast Artillery garrisons are at the termini of the canal, Forts Randolph, Sherman, and Grant. Another Infantry regiment is at Camp Clayton on the Miraflores dump and one regiment is a Gatun. The engineers, the medical units, and the Signal Corps are at Corozal.

Mr. ANTHONY. The force is pretty well distributed over the Canal Zone?

General WELLS. Yes, sir. There is an Infantry regiment at Gatun on the Atlantic end and one at Clayton on the Pacific end and one on the west side of Camp Gaillard.

This means that there is an Army camp on the west side of the Panama Canal. Men and supplies must be transported from time to time—in fact, daily—to the east side of the canal, where the commissaries, warehouses, and cities are located on the Canal Zone, and Panama City, the capital of the Republic of Panama, is situated. There is a well-traveled concrete road from Panama to Pedro Miguel, to the very edge of the canal. A barge ferry, located at Pedro Miguel above the lock, operates between the hours of 4.30 in the morning and 7 o'clock in the morning for the convenience of the military camp of Gaillard. And when asked by members of the congressional party recently at Panama—and remember this question was asked of two generals, a man high in naval affairs in the Canal Zone and of an executive officer close to the Governor of the Canal Zone—they stated that the tug and accompanying barge comprising the ferry had a pilot and a deckhand and an engineer and two soldiers were stationed at either side of the canal to raise and lower the short incline to meet the variable height of the water, there was not sufficient fuel or money appropriated by Congress with which to purchase sufficient fuel to operate this ferry for the transportation of the general public from the east side of the canal to the west side of the canal. On this account it was said the ferry was only in operation a few hours each morning for the services of the Army and no provision was made for the transportation of the general public.

Even under these circumstances an Army officer located on the east side, when he desires to go on the west side of the canal can not find anyone to give him permission to travel on this barge, and those on the west side of the canal at Guillard, who wished to go to Panama, do so only between the hours specified.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. ARENTZ. I would like to complete my remarks. Then I will yield. I have only a few minutes.

The Panama Canal at its narrowest point is 300 feet wide. It divides the Republic of Panama into two parts.

The most productive portion of the Republic of Panama is on the west side of the canal. There is a road running through Pedro Miguel, through Empire, to the outskirts or the limits of the Canal Zone. Beyond that point the country is jungle. A road would be built from the interior of this western half of Panama to connect with this road if a means of crossing the canal was assured. The people of the city of Panama, the Panamanians, or the general public are not given permission to travel across the canal on the large ferry maintained by the United States Army at Pedro Miguel and in operation during the hours noted. There is absolutely no provision made for the passage across the canal in the treaty of the United States with Panama.

Here we have a territory, a country, a republic, divided in two, separated by 300 feet of water, and yet the American people, the American Congress, who have done so much in a constructive way for the world and the Republic of Panama in the shape of the Panama Canal that will stand forever as a monument to the industry, engineering ability, and wonderful spirit of the American people, allowing a condition to exist here on this great work alongside of the Pedro Miguel locks in the form of a ferry operated in the most antiquated manner.

Hand jacks operated by two men and the use of wedges raise and lower the incline approaches on the ferry barge to meet the variable height of the landing on either side of the canal. Several weeks ago a soldier lost his life while jacking up this incline or gangway. Here may be seen twentieth century engineering and fourteenth century methods side by side.

The principal point I wish to make to my colleagues is the fact that there is no canal crossing between the Atlantic and Pacific. When they want to go on the west side of the canal the Panamanians and the general public can not get permission to cross the canal on the ferry mentioned except after considerable negotiations with the military authorities. In order to reach the territory of the Republic of Panama west of the canal, and this great area contains the greatest agricultural and grazing area in the nation, one must go by sea from either the Pacific or the Atlantic end of the canal. No highway traverses the Isthmus connecting Colon and Panama.

I just wanted to present this case to Congress to determine whether the Congress, the United States Army, or the Panama Canal officials are justified in closing traffic to the west side of the canal by limiting the operation of the only ferry on the canal to a few hours per day and then allowing only the military to use the same.

I feel justified in offering my amendment and trust no one will object to it.

Mr. BLANTON. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The gentleman from Texas makes the point of order that the amendment is legislation. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For maintenance and operation of the Panama Canal: Salary of the governor, $10,000; purchase, inspection, delivery, handling, and storing of material, supplies, and equipment for issue to all departments of the Panama Canal, the Panama Railroad, other branches of the United States Government, and for authorized sales, payment in lump sums of not exceeding the amounts authorized by the injury compensation act approved September 7, 1916, to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal, $5,079,683, together with all moneys arising from the conduct of business operations authorized by the Panama Canal act.

Mr. ANTHONY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ANTHONY: Page 116, line 18, after the word "act," change the period to a semicolon and add: "and the Governor of the Panama Canal is authorized, in addition to the amount herein appropriated, to incur obligations in an amount not exceeding $850,000 for the construction at a total cost of not exceeding $1,520,000 of a new power plant at Miraflores."

Mr. ANTHONY. Mr. Chairman, this refers to the construction of a new power plant and auxiliary steam power plant at Miraflores. When the bill came from the Budget it had a provision asking for $200,000 in money and an authorization for $650,000 to proceed with the reconstruction of the existing steam plant at Miraflores. The subcommittee at the time thought it well to defer this appropriation until they had the time further to investigate the situation at Miraflores, and since the bill has been prepared and has come before the House the Governor of the Canal Zone has visited the chairman of the Committee on Appropriations, and upon his urgent request, supplemented with the best of arguments, the committee have decided that it is really an emergency proposition, and therefore have asked that this authorization be included in the bill.

The situation is this: At Miraflores the locks are operated by the hydroelectric power which is generated there, but at certain times in the year, the governor says eight or ten times every year, they have to depend upon the auxiliary steam plant in the operation of the locks. He says that the boilers in this steam plant were originally taken from Gatun when the dam was constructed. He says they have reached a point where they are practically played out. At any time the auxiliary steam plant when called upon is liable to break down. He says if it should fail to work at one of these times and a ship should go to the bottom of one of the Miraflores locks it would probably break its back and the Government would be involved in damages of a million and a half, or perhaps even greater damages, and interminable delay in the operation of the canal would result. So upon his recommendation the committee have reconsidered this item and will ask the House to grant this authorization, so that the governor may place the contract for the material involved.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

No part of the foregoing appropriations for the Panama Canal shall be used to pay the salary for any position except mechanics and laborers at a rate in excess of the rate in effect for such position on June 30, 1922.

Mr. ANTHONY. Mr. Chairman, on page 117 I move to strike out lines 12 to 15, inclusive.

The CHAIRMAN. The gentleman from Kansas offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ANTHONY: Page 117, strike out lines 12 to 15, inclusive.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

None of the funds of the Panama Railroad Co. or the Panama Railroad Steamship Line shall be used for new construction pertaining to the operation of the Panama Canal.

Mr. DENISON. Mr. Chairman, I make a point of order against the last paragraph in the bill.

Mr. ANTHONY. What point of order does the gentleman make?

Mr. DENISON. I make the point of order that the last paragraph is new legislation in an appropriation bill and that there is no authority or justification for it in this bill. It provides that none of the funds of the Panama Railroad Co. or the Panama Railroad Steamship Line shall be used for new construction pertaining to the operation of the Panama Canal. This bill does not make any appropriations for the Panama Railroad Co. or the Panama Railroad Steamship Line, and there is no justification for this legislation in this bill. Nor is it germane to that part of the bill or to any other provision of the bill.

Mr. ANTHONY. Will the gentleman reserve his point of order?

Mr. DENISON. I reserve it.

Mr. BLANTON. Wherein does it change existing law?

Mr. ANTHONY. In past years there have been large surpluses in the funds, both of the Panama Railroad Co. and the Panama Railroad Steamship Line. To-day there are large surpluses in the treasuries of those corporations. The capital stock of those corporations is entirely owned by the Government of the United States. To all intents and purposes these funds are Government funds. Under existing law the Governor of the Canal Zone has available in his hands the entire surplus of these organizations to use in any new construction on the Panama Canal that he may determine upon without consulting Congress in any particular. The committee thought it was entirely wise to place this restriction in the bill, with the idea that Congress should control all of the funds pertaining to the Panama Canal.

Mr. DENISON. Under existing law the Governor of the Canal Zone has not that authority. I do not think the gentleman intended to make that statement. It is the President of the United States who has that authority.

Mr. ANTHONY. The President exercises his authority down there through the Governor of the Panama Canal. It is simply a question whether or not these funds are Government funds.

Mr. DENISON. Yes; the President usually exercises his authority on the Canal Zone through the Secretary of War or the Governor of the Canal Zone. But the Panama Canal act confers the authority to expend the funds of the Panama Railroad Co. on the President of the United States, for purposes connected with the Panama Canal.

Mr. ANTHONY. Yes.

Mr. DENISON. I make the point of order. The Panama Railroad Co. is a New York corporation. It has its own funds which it uses, and we are not making any appropriation for that railroad, and have not made any for years. I do not know that we ever did. Certainly there is no such appropriation in this bill, and under the Panama Canal act Congress gave the President the power to use the funds of that corporation, of which the Governor of the Panama Canal is the president ex officio; Congress gave him the power to use those funds wherever in his judgment he thought advisable in connection with the Panama Canal. This provision is an attempt to change that provision of the Panama Canal act in an appropriation bill, which the committee can not properly do. If that law of the Canal Zone is to be changed, it ought to be done after full and careful consideration by the legislative committee that has jurisdiction over Panama Canal legislation.

Mr. STAFFORD. Mr. Chairman, I wish to direct the Chairman's attention to the authorization of appropriation found in the paragraph on page 118, beginning in line 12:

In addition to the foregoing sums there is appropriated for the fiscal year 1924 for expenditures and reinvestment under the several heads of appropriation aforesaid, without being covered into the Treasury of the United States, all moneys received by the Panama Canal from services rendered or materials and supplies furnished to the United States, the Panama Railroad Co., the Canal Zone government, or to their employees, respectively, or to the Panama Government—

And so forth.

The CHAIRMAN. That may be a good argument as to the merits of the question, but it does not affect the fund in this bill.

Mr. STAFFORD. It directly affects the funds that under this bill are authorized to be expended for various purposes authorized in this bill. That authorization enables the funds arising from these activities to be applied to the appropriations herein authorized, and to that extent increased, the same as if specific amounts were voted. Those funds are as much subject to control under limitation of amendment as those specifically authorized.

The CHAIRMAN. The provision in the paragraph is not the present law.

Mr. STAFFORD. We carry it in this bill. I respectfully call the Chair's attention to the fact that there was no point of order made against the provision on page 118. It was subject to a point of order, but no point of order having been raised, this is law as far as any proposed limitations on the expenditure of funds is concerned.

The CHAIRMAN. The gentleman will not contend that it is existing law until passed by both Houses and signed by the President. The Chair sustains the point of order.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Wisconsin.

The Clerk read as follows:

Page 119, after line 12, insert the following: "None of the funds authorized in this act are to be used by the Panama Railroad Co. or the Panama Steamship Co. for new construction pertaining to the operations of the Panama Canal."

Mr. DENISON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The Chair sustains the point of order.

Mr. ANTHONY. Mr. Chairman, I move that the committee now rise and report the bill with the amendments to the House, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The CHAIRMAN. The Clerk calls attention to the fact there was a paragraph which was read but was passed over.

Mr. ANTHONY. That was an amendment suggested by the gentleman from Michigan [Mr. MCLAUGHLIN] to the item of transportation under the Quartermaster Corps. I have conferred with the gentleman from Michigan [Mr. MCLAUGHLIN], and he said he was satisfied to let the language remain as it is.

The CHAIRMAN. The question is on the motion of the gentleman from Kansas that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, and had directed him to report

the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ANTHONY. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. STRONG of Pennsylvania, for a few days, on account of illness;

To Mr. LYON, for five days, on account of sickness; and

To Mr. BANKHEAD, for five days, on account of illness in his family.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 3177. An act declaring a portion of the West Fork of the South Branch of the Chicago River, Cook County, Ill., to be a nonnavigable stream;

S. 4031. An act to authorize the construction of a bridge across the Little Calumet River, in Cook County, State of Illinois, at or near the village of Riverdale, in said county;

S. J. Res. 258. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress;

S. 4032. An act granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32, township 31 north, range 13 east, of the third principal meridian;

S. 4033. An act granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian;

S. 4069. An act to authorize the construction of a railroad bridge across the Colorado River near Yuma, Ariz.;

S. 4096. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine;

S. 4133. An act granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak.;

S. 4131. An act granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point about 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak.; and

S. 4172. An act to authorize the building of a bridge across the Great Pee Dee River in South Carolina.

ARMY APPROPRIATION BILL.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. ANTHONY. Mr. Speaker, I ask for a separate vote on the Dempsey amendment increasing the appropriation for rivers and harbors.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

There was no demand for a separate vote on any other amendment.

The other amendments were agreed to.

The SPEAKER. The question is on the amendment by the gentleman from New York, which the Clerk will report.

The Clerk read as follows:

Page 103, line 8, strike out the figures "$37,000,000" and insert in lieu thereof "$56,589,910."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were 93 ayes and 29 noes.

Mr. STAFFORD. Mr. Speaker, I challenge the vote because there is no quorum present.

Mr. ANTHONY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Kansas moves that the House do now adjourn.

The question was taken, the House dividing, and there were 26 ayes and 88 noes.

So the House refused to adjourn.

The SPEAKER. The gentleman from Wisconsin makes the point that no quorum is present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 198, nays 73, answered "present" 3, not voting 154, as follows:

YEAS—198.

Abernethy	Faust	Kopp	Ransley
Ackerman	Favrot	Lanham	Rayburn
Almon	Fenn	Lankford	Reece
Appleby	Fields	Larsen, Ga.	Reed, N. Y.
Aswell	Fish	Lawrence	Rhodes
Atkeson	Fisher	Layton	Roach
Bankhead	Fitzgerald	Lazaro	Rodenberg
Barkley	Free	Lea, Calif.	Rosenbloom
Beck	Freeman	Lee, Ga.	Rouse
Beedy	Fulmer	Lee, N. Y.	Sanders, Ind.
Benham	Garner	Lineberger	Sanders, Tex.
Bixler	Garrett, Tenn.	Linthicum	Sandlin
Bland, Va.	Garrett, Tex.	Little	Scott, Tenn.
Boies	Gensman	Logan	Sears
Bowling	Gernerd	London	Shaw
Box	Gifford	Longworth	Shelton
Briggs	Gilbert	Luhring	Sinclair
Brown, Tenn.	Glynn	Lyon	Sinnott
Buchanan	Graham, Ill.	McArthur	Sisson
Burdick	Green, Iowa	McDuffie	Smithwick
Byrns, Tenn.	Greene, Mass.	McLaughlin, Mich.	Snyder
Campbell, Pa.	Griest	McLaughlin, Nebr.	Steagall
Cantrill	Hadley	McLaughlin, Pa.	Stedman
Chalmers	Hammer	MacGregor	Stephens
Christopherson	Haugen	Maloney	Stevenson
Clague	Hawes	Mansfield	Strong, Kans.
Clouse	Hawley	Martin	Strong, Pa.
Collier	Hays	Miller	Summers, Wash.
Collins	Henry	Moore, Ohio	Swank
Connally, Tex.	Hickey	Moore, Va.	Sweet
Connolly, Pa.	Hicks	Moores, Ind.	Swing
Cooper, Ohio	Himes	Mott	Thomas
Cooper, Wis.	Hukriede	Newton, Minn.	Thorpe
Crago	Hull	Newton, Mo.	Tillman
Cullen	Humphrey, Nebr.	O'Brien	Vaile
Curry	Humphreys, Miss.	O'Connor	Vinson
Dale	Hutchinson	Ogden	Voigt
Dallinger	Ireland	Oldfield	Volstead
Darrow	Jefferis, Nebr.	Oliver	Weaver
Deal	Jeffers, Ala.	Overstreet	Williamson
Dempsey	Johnson, Miss.	Parker, N. J.	Wilson
Denison	Johnson, Wash.	Parks, Ark.	Wingo
Dickinson	Kearns	Patterson, Mo.	Winslow
Doughton	Kelly, Pa.	Perkins	Wise
Drewry	Ketcham	Porter	Woodyard
Driver	Kincheloe	Pou	Wright
Dupré	Kindred	Quin	Wurzbach
Ellis	Kissel	Radcliffe	Wyant
Evans	Kleczka	Raker	
Fairchild	Kline, Pa.	Rankin	

NAYS—73.

Anderson	Cramton	Luce	Speaks
Andrews, Nebr.	Crisp	McClintic	Sproul
Anthony	Dominick	McKenzie	Stafford
Arentz	Dowell	McSwain	Steenerson
Barbour	Elliott	Madden	Taylor, Colo.
Begg	Frear	Magee	Taylor, Tenn.
Bell	French	Mapes	Tilson
Bird	Hardy, Colo.	Michener	Tincher
Black	Hill	Mondell	Tinkham
Blanton	Hoch	Moore, Ill.	Towner
Browne, Wis.	Hooker	Morgan	Turner
Bulwinkle	Huddleston	Murphy	Underhill
Burtness	Husted	Nelson, Me.	Vestal
Burton	James	Norton	Wason
Cable	Johnson, S. Dak.	Ramseyer	Webster
Cannon	Jones, Tex.	Ricketts	White, Kans.
Chindblom	Kraus	Robertson	
Cole, Ohio	Lampert	Rogers	
Coughlin	Leatherwood	Slemp	

ANSWERED "PRESENT"—3.

Kelley, Mich.	Treadway	Woods, Va.

NOT VOTING—154.

Andrew, Mass.	Clark, Fla.	Foster	Johnson, Ky.
Ansorge	Clarke, N. Y.	Frothingham	Jones, Pa.
Bacharach	Classon	Fuller	Kahn
Blakeney	Cockran	Funk	Keller
Bland, Ind.	Codd	Gahn	Kendall
Bond	Cole, Iowa	Gallivan	Kennedy
Bowers	Colton	Goldsborough	Kiess
Brand	Copley	Goodykoontz	King
Brennan	Crowther	Gorman	Kirkpatrick
Britten	Davis, Minn.	Gould	Kitchin
Brooks, Ill.	Davis, Tenn.	Graham, Pa.	Kline, N. Y.
Brooks, Pa.	Drane	Greene, Vt.	Knight
Burke	Dunbar	Griffin	Knutson
Burroughs	Dunn	Hardy, Tex.	Kreider
Butler	Dyer	Hayden	Kunz
Byrnes, S. C.	Echols	Herrick	Langley
Campbell, Kans.	Edmonds	Hersey	Larson, Minn.
Carew	Fairfield	Hogan	Lehlbach
Carter	Fess	Huck	Lowrey
Chandler, N. Y.	Focht	Hudspeth	McCormick
Chandler, Okla.	Fordney	Jacoway	McFadden

McPherson	Perlman	Scott, Mich.	Tyson
MacLafferty	Petersen	Shreve	Upshaw
Mead	Pringey	Siegel	Volk
Merritt	Purnell	Smith, Idaho	Walters
Michaelson	Rainey, Ala.	Smith, Mich.	Ward, N. Y.
Mills	Rainey, Ill.	Snell	Ward, N. C.
Montague	Reber	Stiness	Watson
Morin	Reed, W. Va.	Stoll	Wheeler
Mudd	Riddick	Sullivan	White, Me.
Nelson, A. P.	Riordan	Sumners, Tex.	Williams, Ill.
Nelson, J. M.	Robsion	Tague	Williams, Tex.
Olpp	Rose	Taylor, Ark.	Wood, Ind.
Osborne	Rossdale	Taylor, N. J.	Woodruff
Paige	Rucker	Temple	Yates
Park, Ga.	Ryan	Ten Eyck	Young
Parker, N. Y.	Sabath	Thompson	Zihlman
Patterson, N. J.	Sanders, N. Y.	Timberlake	
Paul	Schall	Tucker	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Edmonds (for) with Mr. Woods of Virginia (against).

Mr. Merritt (for) with Mr. Treadway (against).

Mr. Goldsborough (for) with Mr. Byrnes of South Carolina (against).

Mr. Thompson (for) with Mr. Colton (against).

Mr. Davis of Minnesota (for) with Mr. Fess (against).

Mr. Bacharach (for) with Mr. Knutson (against).

Mr. Cockran (for) with Mr. Kelley of Michigan (against).

Until further notice:

Mr. Lehlbach with Mr. Brand.

Mr. Kennedy with Mr. Sabath.

Mr. Bond with Mr. Williams of Texas.

Mr. Dyer with Mr. Hudspeth.

Mr. Olpp with Mr. Clark of Florida.

Mr. Connolly of Pennsylvania with Mr. Lowrey.

Mr. Foster with Mr. Riordan.

Mr. Rose with Mr. Ward of North Carolina.

Mr. Strong of Pennsylvania with Mr. Carew.

Mr. Keller with Mr. Stoll.

Mr. Kline of New York with Mr. Hayden.

Mr. Morin with Mr. Upshaw.

Mr. Dunbar with Mr. Stevenson.

Mr. Volk with Mr. Carter.

Mr. Butler with Mr. Griffin.

Mr. Perlman with Mr. Tyson.

Mr. Dunn with Mr. Kitchin.

Mr. Brooks of Illinois with Mr. Rainey of Alabama.

Mr. Funk with Mr. Drane.

Mr. Kahn with Mr. Tague.

Mr. Williams of Illinois with Mr. Sullivan.

Mr. Gorman with Mr. Hardy of Texas.

Mr. Taylor of New Jersey with Mr. Gallivan.

Mr. Osborne with Mr. Sumners of Texas.

Mr. Kiess with Mr. Jacoway.

Mr. Patterson of New Jersey with Mr. Montague.

Mr. Graham of Pennsylvania with Mr. Rucker.

Mr. Rossdale with Mr. Mead.

Mr. Shreve with Mr. Rayburn.

Mr. Snell with Mr. Johnson of Kentucky.

Mr. Purnell with Mr. Kunz.

Mr. Langley with Mr. Rainey of Illinois.

Mr. Kendall with Mr. Park of Georgia.

Mr. KELLEY of Michigan. Mr. Speaker, I voted "no." I am paired with the gentleman from New York [Mr. COCKRAN]. I desire to withdraw my vote of "no" and answer "present."

The name of Mr. KELLEY of Michigan was called, and he answered "Present."

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. HULL. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HULL. I am.

Mr. SISSON. Mr. Speaker, I have a motion to recommit, and I am a member of the committee. I am opposed to the bill and have been opposed to the bill for a good many years.

The SPEAKER. The Chair will recognize the gentleman from Mississippi. The gentleman from Mississippi offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. SISSON moves to recommit the bill H. R. 13793 to the Committee on Appropriations with instructions to report it back forthwith with the following amendments: On page 16, line 18, change the amount "$53,494,207" to "$43,500,000," and on page 16, line 20, strike out the words "and twenty-five," and on that motion demands the previous question.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit.

The question was taken; and on a division (demanded by Mr. SISSON) there were—ayes 43, noes 167.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

ADJOURNMENT.

Mr. ANTHONY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 51 minutes p. m.) the House adjourned until to-morrow, Saturday, January 20, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

915. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill "To authorize the confirmation of enrolled men of the Naval Reserve Force in the lowest enlisted ratings"; to the Committee on Naval Affairs.

916. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill "To authorize enlistments in the Navy for terms of two, three, four, or six years"; to the Committee on Naval Affairs.

917. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill "To increase the authorized costs of certain vessels now building for the Navy"; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. VOLSTEAD: Committee on the Judiciary. S. 3614. An act relating to the official bond of the United States marshal for the southern judicial district of the State of New York; without amendment (Rept. No. 1433). Referred to the House Calendar.

Mr. GREEN of Iowa: Committee on Ways and Means. H. R. 13827. A bill relating to the sinking fund for bonds and notes of the United States; without amendment (Rept. No. 1434). Referred to the Committee of the Whole House on the state of the Union.

Mr. VOLSTEAD: Committee on the Judiciary. H. J. Res. 256. A joint resolution proposing payment to certain employees of the United States; without amendment (Rept. No. 1435). Referred to the Committee of the Whole House on the state of the Union.

Mr. McFADDEN: Committee on Banking and Currency. H. R. 13878. A bill to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922; without amendment (Rept. No. 1438). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 13373. A bill to permit the correction of the general account of Robert G. Hilton, former Assistant Treasurer of the United States; with an amendment (Rept. No. 1436). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 3515. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; without amendment (Rept. No. 1437). Referred to the Committee of the Whole House.

Mr. LOGAN: Committee on Claims. H. R. 10022. A bill for the relief of Eldredge & Mason, of Malone, N. Y.; without amendment (Rept. No. 1439). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

The bill (H. R. 12186) granting an increase of pension to Max E. Englehardt; Committee on Invalid Pensions discharged and referred to the Committee on Pensions.

The bill (H. R. 12767) granting an increase of pension to William A. Williams; Committee on Invalid Pensions discharged and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CANNON: A bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. GOODYKOONTZ: A bill (H. R. 13927) for the establishment of a United States industrial home for women at Mount Weather, Va.; to the Committee on the Judiciary.

By Mr. HUDSPETH: A bill (H. R. 13928) to amend section 108 of the Judicial Code, as amended, and for other purposes; to the Committee on the Judiciary.

By Mr. MOORES of Indiana: A bill (H. R. 13929) to authorize the appointment of an additional district judge in and for the district of Indiana, and to establish judicial divisions therein, and for other purposes; to the Committee on the Judiciary.

By Mr. VAILE: A bill (H. R. 13930) to limit the immigration of aliens into the United States; to the Committee on Immigration and Naturalization.

By Mr. COLLIER: A bill (H. R. 13931) to authorize the sale of certain land within the Vicksburg National Cemetery Reservation, Miss.; to the Committee on Military Affairs.

By Mr. McCLINTIC: A bill (H. R. 13932) granting to the State of Oklahoma the south one-half of the Red River bed throughout its entire length within the State of Oklahoma, in lieu of the 210,000 acres of land which the State of Oklahoma is entitled to receive under the act approved July 2, 1862, and amended by the act of July 23, 1866, and providing for a preferential lease to the pioneers who have made improvements prior to January 1, 1920; to the Committee on the Public Lands.

By Mr. FAIRFIELD: A bill (H. R. 13933) for the retirement of employees in the classified civil service and the repeal of the act of May 22, 1920, and all amendments thereto; to the Committee on Reform in the Civil Service.

By Mr. BUTLER: A bill (H. R. 13934) to authorize the confirmation of enrolled men of the Naval Reserve in the lowest enlisted ratings; to the Committee on Naval Affairs.

Also, a bill (H. R. 13935) to increase the authorized costs of certain vessels now building for the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 13936) to authorize the enlistments in the Navy for terms of two, three, four, or six years; to the Committee on Naval Affairs.

By Mr. WOODRUFF: Joint resolution (H. J. Res. 424) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREW of Massachusetts: A bill (H. R. 13937) for the relief of Paymaster Herbert Elliott Stevens, United States Navy; to the Committee on Naval Affairs.

By Mr. BLAND of Indiana: A bill (H. R. 13938) for the relief of Leonard R. Coates; to the Committee on Agriculture.

By Mr. FAVROT: A bill (H. R. 13939) authorizing and directing the Secretary of War to cause to be made a preliminary examination and survey of the Mississippi River between Baton Rouge and New Orleans, in Louisiana; to the Committee on Rivers and Harbors.

By Mr. KAHN: A bill (H. R. 13940) authorizing the Secretary of Labor to permanently admit, under suitable regulations and requirements to be prescribed by him, Francesca Guglielmino, sister of S. G. Guglielmino, a citizen of the United States; to the Committee on Immigration and Naturalization.

By Mr. LAMPERT: A bill (H. R. 13941) granting an increase of pension to Francis Van Name; to the Committee on Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 13942) granting a pension to Alice Beam; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13943) granting a pension to Lillie Beam; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 13944) granting an increase of pension to Emma E. Barrett; to the Committee on Pensions.

Also, a bill (H. R. 13945) granting a pension to Annie L. Durham; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 13946) granting a pension to Nancy B. Raney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13947) granting a pension to William P. Raney; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6928. By Mr. CRAMTON: Petition of Adam Kern and other members of St. Michael's Parish, Richville, Mich., urging passage of the resolution to extend aid to the people of Germany and Austria; to the Committee on Foreign Affairs.

6929. By Mr. DENISON: Petition of various citizens of Evansville, Ill., urging support of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6930. By Mr. FENN: Petition of citizens of New Britain, Conn., in favor of a joint resolution purporting to extend aid to people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6931. By Mr. KELLER: Petition signed by 38 citizens of St. Paul, Minn., urging immediate action upon House joint resolution 412, proposing to extend aid to the struggling peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6932. Also, petition signed by 175 citizens of St. Paul, Minn., urging immediate favorable action upon House joint resolution 412, proposing to extend aid to the peoples of the Austrian and German Republics; to the Committee on Foreign Affairs.

6933. By Mr. KISSEL: Petition of the National Park Bank, of New York, N. Y., recommending that a bill be introduced in Congress for immediate rehabilitation relief of Astoria, Oreg.; to the Committee on Military Affairs.

6934. By Mr. PERKINS: Petition signed by Herman Decker and others, of Westwood, N. J., in support of legislation extending immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6935. By Mr. SINCLAIR: Petition of Bathgate National Farm Loan Association, Bathgate, N. Dak., opposing House bill 13125; to the Committee on Banking and Currency.

6936. Also, petition of the Central Farm Loan Association, of Dickinson, N. Dak., protesting against the enactment of the Strong bill, H. R. 13125, except as it provides for an increase in the limit on the amount loaned; to the Committee on Banking and Currency.

6937. Also, petition of the stockholders of the Dunn Center National Farm Loan Association, Dunn Center, N. Dak., condemning the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6938. Also, petition of C. D. Johnson and seven others, of Coulee, N. Dak., and W. J. Gibson and five others, of Oakdale, N. Dak., for emergency legislation to stabilize the price of farm products; to the Committee on Agriculture.

6939. Also, petition of McGregor National Farm Loan Association, McGregor, N. Dak., unanimously opposing House bill 13125; to the Committee on Banking and Currency.

6940. Also, petition of the president and directors of the Powers Lake National Farm Loan Association, Powers Lake, N. Dak., condemning the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6941. Also, telegram from the Regan National Farm Loan Association, Regan, N. Dak., objecting to proposed legislation to change the Federal farm loan act; to the Committee on Banking and Currency.

6942. Also, petition by L. E. Rowe, president, and 15 other members of the Werner National Farm Loan Association, Werner, N. Dak., protesting against the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6943. Also, petition of Ryder National Farm Loan Association, Ryder, N. Dak., opposing the passage of the Strong bill, H. R. 13125, except as it provides for an increase in the limit of loans; to the Committee on Banking and Currency.

6944. Also, petition in the form of a letter from Mr. O. N. Stenehjem, secretary-treasurer of the Arnegard National Farm Loan Association, Arnegard, N. Dak., condemning the Strong bill, H. R. 13125, with the exception of the section amending the loan limit; to the Committee on Banking and Currency.

6945. Also, petition of Mr. Bede Witzig and 68 others, of Lefor and Gladstone, N. Dak., urging that aid be given the famine-stricken peoples of Germany and Austria; to the Committee on Foreign Affairs.

6946. By Mr. YOUNG: Petition of the Forbes Hardware Co. and others, of Forbes, N. Dak., protesting against discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6947. Also, petition of Oscar Greenland and others, of Binford, N. Dak., opposing the passage of the Strong bill unless amended; to the Committee on Banking and Currency.

6948. Also, petition of Mr. Walter R. Hobbs and others, of Velva, N. Dak., protesting against the discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6949. Also, petition of Mr. R. A. Jongewaard and other members of the Marion National Farm Loan Association, Litchville, N. Dak., protesting against the passage of the Strong bill; to the Committee on Banking and Currency.

6950. Also, petition of R. A. Middaugh, fire marshal for the State of North Dakota, urging the passage of House bill 13448, prohibiting the interstate shipment of nitrocellulose films after 1925; to the Committee on Interstate and Foreign Commerce.

SENATE.

SATURDAY, *January 20, 1923.*

(Legislative day of Tuesday, January 16, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

WASHINGTON, D. C., *January 20, 1923.*

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. FRANK B. WILLIS, a Senator from the State of Ohio, to perform the duties of the Chair to-day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. WILLIS thereupon took the chair as Presiding Officer.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL.

Mr. GERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	George	Lodge	Ransdell
Ball	Gerry	McCormick	Reed, Pa.
Borah	Glass	McKellar	Sheppard
Brookhart	Hale	McKinley	Simmons
Bursum	Harreld	McLean	Smoot
Cameron	Harris	McNary	Spencer
Capper	Harrison	Moses	Sterling
Colt	Heflin	Nelson	Sutherland
Couzens	Johnson	New	Swanson
Culberson	Jones, Wash.	Nicholson	Townsend
Curtis	Kellogg	Norbeck	Trammell
Dial	Kendrick	Norris	Underwood
Elkins	Keyes	Oddie	Wadsworth
Ernst	King	Overman	Walsh, Mass.
Fernald	Ladd	Owen	Warren
Fletcher	La Follette	Phipps	Watson
Frelinghuysen	Lenroot	Poindexter	Willis

The PRESIDING OFFICER. The Chair desires to announce the unavoidable absence of his colleague [Mr. POMERENE], on account of illness, and wishes this announcement to stand for the day.

Mr. DIAL. My colleague [Mr. SMITH] is detained on account of illness in his family. I ask that this notice may continue through the day.

The PRESIDING OFFICER. Sixty-eight Senators having answered to their names, a quorum is present.

DEALING IN COTTON FUTURES—PERSONAL EXPLANATION.

Mr. DIAL. Mr. President, the other day I offered an amendment to the then pending bill to amend the cotton futures contract law. I have noticed in the newspapers since that time that it is said I tried to extend the number of grades tenderable on a contract. When I was a young man, just starting in life, a controversy arose in my town between the president of a female college and the editor of a newspaper upon the proper use of the letter "S" and the apostrophe. That controversy raged for six weeks in the papers. That taught me that it is a bad plan ever to disagree with the newspapers. So since that time, until now, if I said a proposition was black and the newspapers said it was white, I have just said, "Yes; I guess it is white," and have gone along about my business.

But, Mr. President, I am sorry I have been so incompetent in the last two years that I have failed even to get into the minds of the press what I am trying to do. Just in a sentence, there are 10 grades of cotton tenderable on a contract, with the right of the seller of the contract to tender any one or all of those 10 grades at his option. I am trying to make him specify which grade he would tender. As a compromise I am willing to go further and take the 10 grades and divide them into three classes and make him specify which class he will tender.

Mr. WARREN. Mr. President——

Mr. DIAL. I will yield the floor in just a moment.

Mr. WARREN. I merely wanted to ask the Senator a question.

Mr. DIAL. Very well.

Mr. WARREN. May I ask the Senator if he has proposed any amendment to the appropriation bill now before the Senate?

Mr. DIAL. No; this is a personal explanation. In just a moment I shall conclude.

I am sorry I have not been able to get that idea into the minds of the press and the people. It reminds me of an Irishman who moved to my town a few years ago. The Irish, as is well known, are always polite. This particular one opened a dry goods store. A lady went in his store one morning while it was quite cold and thought she would have a little conversation with him. She said, "You are a stranger here, I believe?" "Yes, madam; I only moved here recently." She said, "You are a foreigner, I understand?" "Yes, madam; I was not born in the United States." "Oh, you are a Chinaman, I presume?" "Oh, no, madam; not a Chinaman." He escorted her to the door, opened it, and politely bowed her out. Then he turned around and said, "The ignorance of this country is appalling." So, Mr. President, that must be my condition if I can not get my proposition understood. The press has always been kind to me and exceedingly fair, so much so that I have no quarrel with it, and I am not going to criticize it now. My amendment deals with an exceedingly technical question. I expect to ask for its consideration as an independent measure at an early date. I am told by many Senators they will vote for it on its merits, but do not want to put it on other bills.

Heretofore I have been merely shaking the bushes.

Mr. HARRIS. Mr. President, the amendment just referred to, which was offered by the Senator from South Carolina to the rural credits bill in regard to cotton exchanges, was defeated the other day. Many Members from the South who voted against the amendment have informed me that they also favor some legislation of that kind but were not certain that this exact amendment, without some changes, was the proper way to solve the problem. I want to say that I have talked to nearly all the Senators from the cotton-growing States, and we will undoubtedly get together before the next session of Congress if not during this session and agree on some plan by which, if we can do so, we will stop the New York Cotton Exchange from allowing the gambling that is done to depress the price of cotton. With less than 10,000,000 bales of cotton produced in the United States, the cotton exchanges sold in futures—nothing but gambling—more than a hundred million bales. If the exchanges can not be regulated so as to prevent such abuses and prevent gambling on the products raised by the sweat of the brow of the farmers who have suffered more than any other class of people of our country, we should do everything within our power to help the farmer.

HOUSE BILL REFERRED.

H. R. 13793. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

RURAL-CREDIT FACILITIES.

Mr. HARRIS. Mr. President, I present a protest from the Country Bankers' Association of Georgia, in which they state that they are at this time performing the greatest service to the agricultural section of the country in the matter of credit, but that they have been ignored in the so-called rural-credit legislation in which everybody else except the country banker has been considered. I ask that their protest and Secretary Adams's letter to me may be printed in the RECORD.

Mr. President, there are several hundred country banks in my State, and no city banks in the United States have rendered a greater or more conscientious service to the people. The officers and directors are nearly all farmers or interested in farming, and they will always do their duty as far as possible to help the farmers in time of need. It so happens that most of these men are my personal friends, and in visiting different sections and conferring with the farmers about conditions during and since the deflation period, which ruined financially

thousands of our best farmers, these men who have suffered so much from the low price of the cotton and other products they produced have invariably told me their local bankers did their very best to help the farmers. I introduced bills in the Senate reducing the rediscount rate of the Federal reserve system and requiring the same rates for banks in the agricultural section as in the commercial centers, but this failed to pass. I offered a bill extending the time of rediscount on agricultural paper from 6 to 12 months, but this was defeated. I am glad we extended that time to nine months if we could not for a year, and this will help the farmers who depend upon local banks to carry their agricultural paper. I introduced last year a bill allowing these small banks to come in the Federal reserve system; it passed the Senate and is now before the House with a favorable report. If this bill passes, with the new law extending to nine months on rediscount on agricultural paper, it will help the farmers, bankers, and all classes in our section. I have also introduced and the Senate passed a bill amending the Federal warehouse system so as to greatly help the farmers in securing a low rate of interest and cheaper insurance on products of farmers stored in these Government licensed warehouses. I feel sure this bill will pass the House and become a law before Congress adjourns. When this bill becomes a law the farmer can use one of these warehouse receipts and borrow money in New York or elsewhere if the local bank can not accommodate him. Under this law a warehouse receipt will be so guarded and guaranteed that a banker can afford to make larger loans and at low rate of interest and will be safe in doing so. The warehouse receipt will show the grade of cotton and other products and will always be insured so as to protect anyone making loans.

There being no objection, the protest was ordered to be printed in the RECORD as follows:

THE COUNTRY BANKERS' ASSOCIATION OF GEORGIA,
Atlanta, Ga., January 18, 1923.

Hon. W. J. HARRIS,
United States Senate, Washington, D. C.

DEAR SENATOR HARRIS: Please accept my thanks for your kindness in supplying me with report No. 998 on the Capper bill (S. 4280, Calendar No. 974) and the copy of the Lenroot-Anderson bill.

I have also been favored by a friend with the Government Document No. 23937, giving the hearings on rural credits before the Committee on Banking and Currency of the Senate December 12 to December 22. This document includes the testimony and statements of Senators and Representatives, cooperative-marketing promoters, representatives of cotton, dairying, live-stock, grain, and general farming interests, chairmen of the War Finance Corporation and the Federal Farm Loan Board, but you look in vain for the statement or testimony of a representative of the country banks, which are expected in the final analysis to take care of the actual extension of credits to the individual farmers. The committee has failed to call into consultation the very people whom they expect to use as instruments in the execution of the measures the committee will recommend.

In order for any rural credits legislation to have the effect that is sought by those honestly trying to serve the interests of the farmer there must be either a Government fund from which loans may be made direct to the farmer—a method entailing so much expense in the establishment of new machinery and risks to the Government through probable inexperience of the newly appointed agents—or the established agencies that are expected to carry the new laws into effect must be satisfied with it to the extent that in their own interests they can utilize it.

Some of those making statements at the hearings referred to have undertaken to criticize the country banks for doing certain things and for failing to do certain things, and much has been said about the country banks at these hearings that was untrue. No matter how meritorious the bills may be the country banker will be naturally skeptical of a measure that was evolved out of conferences heavy with unjust criticism of his methods and motives and in which he has had no voice. Before becoming a party to same he will look carefully and at length for the joker contained in the measure. Do you not think it advisable before legislation is passed for the Senate and House committees to hear what he has to say? After all, he knows more of the actual conditions of rural credits than any of those heard from, and he is the one who above all others must have assurance that the bills are justly drawn to protect his interests as well as those of his customers.

I inclose herewith copy of resolutions adopted by the executive council of the Country Bankers' Association of Georgia last week. I trust that the suggestions may be followed and that before any measure proposed is finally passed country bankers representing various agricultural sections of the Union may be heard. Certainly none of the measures so far presented meet the situation to the extent needed and in the manner that would prove most beneficial to our agricultural interests.

I hope to be in Washington one day next week, and if so I hope to see you and others interested in this question.

Very truly yours,

L. R. ADAMS, *Secretary.*

Resolutions adopted by the Executive Council of the Country Bankers' Association of Georgia at a meeting held in Atlanta, January 11, 1923.

Whereas the Congress of the United States is at this time considering the matter of legislation to provide a permanent reserve of adequate credit to finance agricultural operations; and

Whereas the reports of hearings before committees having such legislation in charge indicate that advice in the matter has been largely received from sources exhibiting hostility to and expressing unfair criticism of the country banks of the United States and attributing motives for the methods pursued by the country banks in the conduct of their business that are not creditable to the country banks and not true in fact; and

Whereas there are only two ways in which the Government can extend credit to the farmers, i. e., (1) direct to the farmer; (2) through established financial agencies (the local country banks); and

Whereas the first method is impracticable and not advocated from any source of which we are aware, and the second method depends for its success very largely, if not wholly, upon its popularity with the country banks and whether or not in justice to themselves they can avail themselves of it; and

Whereas unless this result be achieved any plan must fail, no matter how meritorious it might be otherwise; and

Whereas if the country bankers are to be used as an important part of the plan adopted they are entitled to be heard in the formulation of such plans; and

Whereas we believe that information on this subject from bankers representing only country banks, the major part of whose dealings is with the agricultural interests, and whose primary and chief interests are identical with those of the farmers themselves, would be acceptable to Members of the Senate and House, who are seeking to place agriculture on a basis as nearly that of financial independence as possible: Therefore be it

Resolved, That we request the committees of the Senate and House having rural credits legislation under consideration to secure information and advice on this subject from bankers representing different agricultural sections of the country before finally passing any legislation on this point.

Resolved further, That, in our opinion, the basis of any legislation that will be of real benefit to the agricultural interests should be an intermediate credit system from one to three or from one to five years. The nine-month credit proposed in so many bills will not help much. The most helpful feature of the amendment to the War Finance Corporation act under which loans have been made for the past 18 months has been the statement that such loans could be secured for a period of three years. The farmers, and the banks handling their paper, can usually count on working out loans for agricultural purposes in three years, but should be assured that conditions of such loans will not be changed on the farmers or the bankers in the middle of such period, as has been done in some instances. Agriculture's turnover is annual—not monthly nor quarterly. It can neither inflate nor deflate as readily as commerce, and its financing requires the application of different principles and, while in position to cooperate with commercial financing systems, agricultural financing should be independent of such control. Extra financing for short terms is only needed under emergency conditions, while intermediate term financing—from one to three or five years—is a permanent need that is not now covered by any system.

Resolved further, That this council tenders the services of the president and secretary of the association to the committees of Congress in order that the views of the country banks of this State may be presented, if desired by such committees.

Resolved further, That copies of this resolution be submitted to the Senators and Representatives from this State, chairmen of the Banking and Currency Committees of the Senate and House in Congress, and to such other Senators and Congressmen as may be interested.

INDEPENDENT OFFICES APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

Mr. WARREN. Mr. President, when the Senate took a recess last evening we had concluded the committee amendments to the appropriation bill then under consideration and were awaiting the presentation of other amendments, notice of which had been given. I have on my desk some 10 amendments intended to be proposed by the Senator from Tennessee [Mr. MCKELLAR], but just at the close of the day's session an amendment was offered by the Senator from Mississippi [Mr. HARRISON]. I am not certain whether the Senator from Mississippi desires the floor first, but at any rate we should proceed at once to the consideration of the individual amendments.

Mr. HARRISON. I desire that the amendment which I offered last evening shall now be stated by the Secretary.

The PRESIDING OFFICER. The amendment offered by the Senator from Mississippi will be stated in full for the information of the Senate.

The READING CLERK. On page 3, line 2, after the numerals "$36,000," it is proposed to insert the following——

Mr. HARRISON. I desire to modify the amendment to the extent that it be offered to come in following the numerals "$25,000," on line 7, page 3, instead of after line 2, page 3.

The PRESIDING OFFICER. The amendment as now proposed to be modified by the Senator from Mississippi will be stated.

The READING CLERK. On page 3, line 7, after the numerals "$25,000," it is proposed to insert the following proviso:

Provided, That no part of this appropriation shall be expended until the President shall have complied with the request of the Senate as expressed in Senate Resolution 258, adopted April 24, 1922.

Mr. WARREN. Will the Senator from Mississippi state to what the resolution mentioned in his amendment relates?

Mr. HARRISON. I have sent for a copy of the resolution, but I will state that in substance the resolution requests the President of the United States to transmit to the Senate the names of all persons who have been appointed postmasters or who have been appointed to other offices under Executive order.

Mr. WARREN. I think we should have the terms of the resolution stated more explicitly.

Mr. HARRISON. Very well, I shall have the resolution read later. If I recall correctly, some two or three days were spent at intervals in a discussion of the large number of Executive orders which had been issued by the President making appointments to postmasterships and other offices. The result of that consideration and debate was that the Senate most solemnly passed Senate Resolution 258, which reads as follows:

Resolved, That the President of the United States is requested to furnish to the Senate the name of every person appointed by Executive order since March 4, 1921, whose appointment is by such order excepted from the civil-service rules, and to furnish to the Senate the reasons therefor.

I recall that in the consideration of the resolution then pending an amendment was offered by the Senator from South Dakota [Mr. STERLING], who I think at that time was the chairman of the Committee on Civil Service and Retrenchment, having the matter in charge, as he now is, proposing certain modifications of the resolution. The resolution as finally passed by the Senate, however, was in the language which I have just read.

Mr. President, it seems to me that since the resolution was passed away back in April, 1922—practically nine months ago—the President should have complied with the request contained therein. It was a simple request; it was framed in diplomatic language. There was nothing embodied in the resolution that should have given offense to the President; and certainly the mandate of the Senate has not reached that low ebb that a President of the United States—I care not how much power may have been given to him in recent months—should ignore it.

Mr. WARREN. Mr. President——

Mr. HARRISON. I yield to the Senator from Wyoming.

Mr. WARREN. Mr. President, the Senator from Mississippi has stated that the resolution to which he now refers was couched in the usual diplomatic language. That, however, does not appear to be exactly the fact, for the resolution in positive terms requests the President to transmit the information, while the usual language in which such resolutions are framed contains the phrase "if not incompatible with the public interest." That is the respectful request which is usually made, while this resolution is a mandatory one, as if the President were merely some employee of the Senate or of some Government department, rather than the President of the United States, who was elected by the people, and any request for information from whom should at least be couched in the most respectful terms.

Mr. HARRISON. Mr. President, I might well reply to the Senator from Wyoming that his remarks might very properly be pointed at the Senate itself, because the resolution was passed by the Senate, and the very question which the Senator has raised was debated in the discussion of the resolution at the time. So I say that the resolution is a diplomatic request, and that the Senate of the United States would not have adopted a resolution which would carry an insult to the President. The resolution does not command the President to furnish the information; it merely requests the President to do so.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Wyoming?

Mr. HARRISON. I yield.

Mr. WARREN. Does the Senator from Mississippi remember whether or not there was a roll call on the adoption of the resolution?

Mr. HARRISON. The sentiment of the Senate was so unanimous in favor of the resolution that I do not think there was a request for a yea-and-nay vote upon it.

Mr. WARREN. The Senate has a way of acting with apparent unanimity when there are only two or three Senators present and a Senator wishes to railroad a matter through the Senate. Under such circumstances it sometimes goes through seemingly without objection because no other Senator seems to notice, but, as a matter of fact, it is hardly fair to say that a measure has been passed unanimously when there has been no roll call upon it, as there should really be upon all measures.

Mr. LODGE. Mr. President——

Mr. HARRISON. If the Senator from Massachusetts will wait until I reply to what the Senator from Wyoming [Mr. WARREN] has stated, I shall then gladly yield to him.

The resolution was even referred to a committee controlled by Republican members, and was reported by the committee to the Senate. It was then debated after it had been reported to the Senate by the committee, as it had been debated upon the floor of the Senate before it was referred to the committee. There was a lapse of some three weeks, I think, between the day the resolution was submitted and the discussion at that time and the day that it was reported to the Senate and was passed. There was no "railroading of the resolution" through the Senate. An humble member of the minority offered the resolution and the majority as a whole accepted it, reported it out of the committee, and passed it. If there was any "railroading" in connection with the resolution, it was on the part of the organization of the Senate controlled by the majority.

Mr. LODGE. Mr. President——

Mr. HARRISON. I yield to the Senator from Massachusetts.

Mr. LODGE. Mr. President, I merely wish to remind the Senator that during the eight years of Mr. Wilson's administration there were something over 60 resolutions of inquiry with regard to Mexico adopted by the Senate and sent to him, all, so far as I remember, properly worded, but not the slightest notice was ever taken of one of them. It never occurred, however, to anyone on this side to affront the President because for any reason he did not respond to the resolutions.

Mr. HARRISON. Mr. President, the Senator says that President Wilson did not comply with the requests of the Senate.

Mr. LODGE. He paid no attention to them whatever.

Mr. HARRISON. If President Wilson had not complied with the requests of the Senate, I know the Senator from Massachusetts, with his eagle eye, would have been among the first to have risen in his seat here and called for compliance with the mandate of the Senate.

Mr. LODGE. Mr. President, I did nothing of the kind. There were a great many resolutions relating to Mexico which I was very anxious to see answered, but they never were answered; and yet I do not remember that I ever called particular attention to the fact. I certainly should never have thought of taking such action as the Senator from Mississippi now proposes.

Mr. HARRISON. The resolutions referred to by the Senator from Massachusetts had to do with foreign relations—and during the discussion of the pending matter I am going to show what the present Executive has done with respect to resolutions dealing with foreign relations—but the resolution to which I am referring merely requested that a list be furnished of the names of men who were appointed to office by Executive order, as to which the President alone, I presume, unless it might be the Civil Service Commission, would know the facts. It was a question of such importance that the Senate desired to know the names on the list, and the reasons for the action.

It will be remembered that the Senate passed a resolution following the appointment by President Harding by Executive order of a postmaster at Marion, Ohio, his home town. There were a score or more of applicants for the postmastership at Marion, Ohio; but President Harding took "the bit in his own teeth" and issued an Executive order. I imagine he surmised and said to himself, "I have a friend there whom I want to appoint to the office, and, notwithstanding the civil-service rules, notwithstanding the number of applicants that may want the office, I am going to give it to this man." The whole country were aroused. The organization having to do with the reform of the civil service held meetings; they discussed the question and passed resolutions, not only denouncing the action of the President in that instance, but in numerous other instances. It was following that discussion which so aroused the country that the Senate of the United States, responding to that sentiment, passed this simple resolution as a parallel to which the Senator from Massachusetts tries to cite resolutions dealing with the great question of foreign relations. The resolution which was passed by the Senate last April merely deals with postmasters. There is no analogy between the two cases.

Mr. STERLING. Mr. President——

Mr. HARRISON. I yield to the Senator from South Dakota.

Mr. STERLING. Mr. President, the Senator from Mississippi is mistaken when he says that the resolution deals merely with postmasters. It does not mention postmasters, and very little mention was made of postmasters when the resolution was under consideration in the Senate. There was no extended debate upon the resolution at all. I think the resolution having been referred to the Civil Service Committee, that committee suggested some amendments to it, reported the resolution with amendments, and the resolution was afterwards passed, but the discussion on the floor of the Senate, that of the Senator from Mississippi, as well as of others—and there was not any lengthy discussion about it at all—did not relate particularly to postmasters nor did the resolution in terms relate to postmasters.

The resolution reads:

Resolved, That the President of the United States is requested to furnish to the Senate the name of every person appointed by Executive order since March 4, 1921, whose appointment is by such order excepted from the civil-service rules, and to furnish the Senate the reasons therefor.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

Mr. STERLING. I will wait until the Senator has concluded, and then I desire to answer him.

Mr. HARRISON. Before the Senator takes his seat I wish him to answer a question for me.

Mr. STERLING. Very well, if I can.

Mr. HARRISON. Is it not true that at the request of the Senator from South Dakota and other Senators on the majority side when I offered the resolution and debate had taken place it was referred to the committee of which he is a member?

Mr. STERLING. I think so.

Mr. HARRISON. And is it not a fact that the Senator himself reported favorably upon the resolution?

Mr. STERLING. Certainly.

Mr. HARRISON. And championed it upon the floor of the Senate?

Mr. STERLING. After some amendments to the resolution it was reported to the Senate, and there was no particular objection to its being passed in the Senate; but——

Mr. HARRISON. Mr. President——

Mr. STERLING. When the Senator has concluded, then I wish to be heard.

Mr. HARRISON. What I said was that the resolution was passed by the majority of the Senate; there was not sufficient opposition to it even to secure a roll call. It was referred to the committee of which the Senator from South Dakota was chairman, considered, and reported back to the Senate, and he championed it upon the floor of the Senate. The Senator from Wyoming [Mr. WARREN] also gave it his support, evidently, for he did not lift his voice against it. Yet now we find, after the President has ignored the resolution for nearly nine months, the Senator from South Dakota [Mr. STERLING] and the Senator from Massachusetts [Mr. LODGE] and the Senator from Wyoming [Mr. WARREN] are trying to raise technical objections and complain that the words "not incompatible with the public interest" were left out.

Mr. STERLING. Do I understand the Senator from Mississippi to say that the Senator from South Dakota championed this resolution on the floor of the Senate?

Mr. HARRISON. The Senator reported it back.

Mr. STERLING. Was that a championing of the resolution on the floor of the Senate because I reported it back?

Mr. HARRISON. The Senator would not come before his colleagues and report a resolution favorably if he was against it. I believe that the Senator is a sincere, honest man, and I assume that he was for the resolution when he considered it, brought it here, and asked his colleagues to give it support.

Mr. President, I do not know what else we can do. When we pass a resolution in such a solemn way as we passed this one and wait patiently for nine months for the President to comply with it, on such an important matter as this, and he ignores it and pays no attention to the Senate, what other recourse have we except to tie up the traveling expenses provided in this appropriation bill for the President, I know not for what? Whether it is for sailing down the Potomac upon a yacht or whether it is for entertainment, I do not know.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Des the Senator from Mississippi yield to the Senator from New Hampshire?

Mr. HARRISON. In one moment. I am not asking an unreasonable thing when I suggest to the Senate a limitation upon the $25,000 appropriation that is proposed to be given to the President "for entertainment and traveling expenses" on the condition, first, that he complies with the request of the Senate of the United States touching the simple matter of transmitting to the Senate the names of those whom he has appointed to office under Executive order.

Now I yield to my friend from New Hampshire.

Mr. MOSES. I merely wished to suggest to the Senator, since he asked what recourse there is since the President has not complied with the resolution of the Senate, that the minority at present might do as the majority did under the preceding administration, when repeatedly this affront—if it be an affront—was offered to the Senate, namely, grin and bear it.

Mr. HARRISON. Why, if there ever was a minority that embarrassed a President in all the history of the country—and the Senator was particeps criminis to it—it was when he and the Senator from Massachusetts and some 37 others signed a round robin to the President of the United States with respect to the League of Nations. Talk about the action of minorities! Why, it would come with poorer grace from no other Senator here than from the Senator from New Hampshire or the Senator from Massachusetts to talk about the action of minorities.

Mr. MOSES. Mr. President——

Mr. HARRISON. Does the Senator from New Hampshire wish to ask me something else?

Mr. MOSES. I merely desire to suggest further to the Senator from Mississippi that if he is so voracious for the information he is talking about he can get it all from the annual report of the Civil Service Commission, wherein is printed every Executive order, stating the name of the person appointed, the office to which the person is appointed, and the reason which actuated the Executive order.

Mr. HARRISON. That is the very argument that the Senator from New Hampshire made when the Senate considered this resolution and deliberated upon it for days; and when, afterwards, the committee reported it—and I think the Senator is a member of that committee——

Mr. MOSES. No.

Mr. HARRISON. Afterwards, he did not raise his voice against it but allowed it to be passed, and therefore I assumed that he was for it.

Mr. MOSES. Mr. President, the matter of what I said or did at the time is of small consequence; but as I recall, I made this same suggestion to the Senator from Mississippi then, namely, that the report of the Civil Service Commission contains a complete statement of all Executive orders that are issued. I think I said that to the Senator at that very time, and that remains true to-day. The Senator can get all this information from the report of the Civil Service Commission.

Mr. HARRISON. The Senator can do nothing of the kind.

Mr. MOSES. Why not?

Mr. HARRISON. The report has not yet been made touching the matter.

Mr. STERLING. Mr. President, I beg the Senator's pardon. The report has been made and I have it here.

Mr. HARRISON. Up until what time?

Mr. STERLING. The report for the fiscal year ending July 30, 1922; and if it is not all found in this report, appointments made by the President of the United States since that time, and the reasons for his making the appointments aside from the civil-service rules, can be ascertained over at the Civil Service Commission at any time, up to this very date.

Mr. HARRISON. When was the appointment to the Marion postmastership made? Does the Senator know?

Mr. STERLING. Here it is—January 23, 1922:

The Executive order of May 10, 1921, requiring candidates to take civil-service examinations for presidential postmasterships, is hereby waived so as to permit the appointment of French Crow to the position of postmaster at Marion, Ohio, without examination.

Now, the Senator from Mississippi would leave with the Senate the impression that, as a matter of law, the civil-service rules apply to postmasters. They do not, Mr. President, as we all know. It is a matter of Executive order, to begin with, as to whether or not civil-service examinations shall be held for postmasters, and the President has the absolute right to waive the civil-service examinations in the case of the appointment of any postmaster; but here was his own home town, and the order which he had previously made might well be waived in a case of that kind, and that was done.

Mr. BURSUM. Mr. President, will the Senator yield?

Mr. HARRISON. Mr. President, I have not discussed the propriety of the President issuing Executive orders that postmasters shall be appointed under the civil service or otherwise. I have not gotten to that. I will get to it; but the Senator knows that you are pretending in this administration to hold civil-service examinations in the appointment of postmasters.

Mr. MOSES. Oh, no; they are not only pretending to hold them, but they are holding them.

Mr. HARRISON. Oh, yes; they are holding them, but in a most farcical way. Then, if they are holding them, the Senator disagrees with the Senator from South Dakota.

Mr. MOSES. In the case of Marion, Ohio, no.

Mr. HARRISON. What the Senate wanted to know is, What other places are there and what other officers are there that have been appointed by Executive order, and the reasons therefor?

Mr. STERLING. This report will show every one appointed under Executive order.

Mr. HARRISON. Oh, that will show it; but the Senate said they wanted the President to send it down here; and that shows that the President could perhaps have gotten that information very quickly and brought it up to date, up to the time that he makes it and transmits it to the Senate, and yet he has ignored

you. He thinks that you are too little and too powerless, too sycophantic, for him to comply with a request of the Senate of the United States.

Mr. MOSES. Oh, no, Mr. President.

Mr. HARRISON. I am going to read to you before I shall have concluded what he thought when he was a Senator, what he said then about the dignity of the Senate, how he talked against Executive and autocratic dictation, and how he has changed more than any other man who ever occupied that place.

Now I yield to the Senator from New Mexico.

Mr. BURSUM. Mr. President, can the Senator from Mississippi cite a single instance where the Senate at any time during the history of this country, by any minority or majority party, has undertaken through a resolution similar to the one presented by the Senator from Mississippi to penalize the Chief Executive of the Nation for an alleged failure to comply with some request?

Mr. HARRISON. I do not know of any other President who has absolutely ignored a request like this.

Mr. MOSES. Oh, Mr. President, President Wilson did it a thousand times.

Mr. HARRISON. Oh, yes; President Wilson's name continually comes before the Senator's imagination, even in his dreams, like it does in the case of other reactionary Republicans. Every time something is said they say, "Oh, President Wilson did thus and so." His name is certainly a "bugaboo" to you.

Mr. MOSES. Oh no, Mr. President; I sleep soundly at night.

Mr. BURSUM. Mr. President——

Mr. HARRISON. I yield to the Senator from New Mexico.

Mr. BURSUM. Does not the Senator from Mississippi believe that a resolution of this character, coming from the minority, seeking to reflect upon the Chief Executive, shows the littleness of this body and not of the President?

Mr. HARRISON. I am trying to show the bigness of this body, and the present attitude of the Senator and other Senators over there will convince the country of the littleness of this body. Why did you pass the resolution? Why did you not at the time fight the resolution?

Mr. BURSUM. The answer to the resolution is in the report.

Mr. HARRISON. Oh, yes.

Mr. MOSES. All the Senator is doing, Mr. President, is to demonstrate his own pettiness.

Mr. HARRISON. I thank the Senator from New Hampshire for his remark.

Mr. MOSES. Do not mention it.

Mr. HARRISON. Now, I will proceed, Mr. President.

Mr. BURSUM. The French have sent their army into the Ruhr to make the Germans disgorge. I suppose if the Senator had the power to do it, he would send some troops over to the White House to stop operations there.

Mr. HARRISON. No, Mr. President; I would not be discourteous to the President of the United States for anything. I like him very much personally, and I think he is a splendid gentleman. I am not saying much about him as a President, but I am saying that much about him as a man. I could have offered this amendment to his salary. It is carried in this bill—$75,000 annually. I could have offered it to the contingent expenses. I did not do it; but the American people are taxed $25,000 annually to pay the expenses of the President "for entertainment and for transportation." I have merely put a limitation to that $25,000 because it is the only way I know, it is the only course I can pursue, in order to bring to the attention of the President that he should comply with the request of the Senate, simple though it may be.

Mr. STERLING and Mr. NORRIS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Mississippi yield; and if so, to whom?

Mr. STERLING. I should like to ask the Senator from Mississippi——

Mr. HARRISON. I think I will proceed without interruption for a moment.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. HARRISON. No; I yield to the Senator from South Dakota.

Mr. STERLING. Is it information that the Senator from Mississippi wants, or does he want simply to parade here before the Senate the fact that the President has not answered this resolution? Is it information that he seeks, or is it the fact that the Senator thinks he will embarrass the President?

Mr. HARRISON. I called the attention of the Senate to this resolution briefly twice before since the passage of it. I have tried to bring it to the attention of the White House in that way, and we have waited nine months for the information, and it has not come.

Mr. STERLING. We have given the Senator the sources from which he can readily get all the information that the resolution calls for, and I suppose the President so thinks. That may be a reason why the President has not transmitted the information.

Mr. HARRISON. Why can he not comply with the request, then, to the extent that he thinks that is the case?

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Nebraska?

Mr. HARRISON. I do.

Mr. NORRIS. In the interest of fairness, I want to suggest to the Senator from Mississippi that this resolution not only calls for the name of every person appointed by Executive order since March 1, 1921, but it likewise asks the President to furnish the reasons therefor. To my mind, that is the most important part of the resolution.

Mr. HARRISON. I agree thoroughly with the Senator.

Mr. NORRIS. None of that information is contained, as I understand, in the report of the Civil Service Commission.

Mr. MOSES. To be sure, it is.

Mr. STERLING. Mr. President, let me correct the Senator from Nebraska.

Mr. NORRIS. I shall be glad to be corrected, if that is true.

Mr. STERLING. I think in nearly every instance in this list of Executive orders the reason for the Executive order is given.

Mr. NORRIS. Let us have the reason.

Mr. STERLING. I will read it.

Mr. NORRIS. Let me ask the Senator to read it in the case of the Marion post office. In that case, what is the reason?

Mr. STERLING. I have just directed the Senator's attention to the case of Marion, Ohio. No reason is assigned there. What I am saying now is that in nearly every instance, however, reasons are given; and I can see, perhaps, an obvious reason why no reason should be given in the case of Marion, Ohio.

Mr. HARRISON. Mr. President, the Senator has stated now that no reason was given for Marion. I suppose the President could give no reason. That may be a good excuse why he has not answered the request of the Senate, but surely he could state that he can not give any reason. The Senator has not tried to give a reason. None is stated in this report, and the President has not given any.

Getting back to the Senator from Massachusetts [Mr. LODGE], when this matter was up for discussion, at page 6379 of the CONGRESSIONAL RECORD of April 22, 1922, when the Senate had been considering this proposition for several days, and was reported to the Senate by the committee, the Senator from Massachusetts [Mr. LODGE] said:

> If there is no discussion—

That was after it was reported back—

> I have no objection; but the Senator must remember we are under a unanimous-consent agreement.

Now, the Senator never allows legislation to pass here unless it has met his critical eye. He knew what was in it, and so we must assume that he was for the resolution when he did not object to its passage.

Mr. President, there may be various reasons why the President has not complied with this request. I know he has been a very, very busy man. He has had the intricate foreign relations upon his hands, his unofficial observers over there telling one thing to a conference, and those high in authority here discrediting in part what the unofficial observers said. So there have been cross currents working, and the President has had all those things to deal with. I know they worry him. They have taken a good deal of his time. Evidently, too, the actions of the ambassador from this country to Great Britain have given him great concern, and certainly in the last week or two, since our ambassador to Great Britain has been making a visit to this country, it has been difficult for the President to keep him muzzled so that he would not explode over here and create as much confusion as he has several times by his speeches in Great Britain.

Here on the floor of the Senate some of the Senators on the other side have advocated to the President the passage of certain legislation, others have appealed to him to oppose it, and he has had to take up the differences which have existed between Republicans on the floor of the Senate and try to iron them out. The same is true at the other end of the Capitol and among the Cabinet members. There have been great controversies on many important questions. If we read the papers correctly, some Cabinet member would desire this bureau put over into his department, and another Cabinet member would desire to usurp the prerogative or the power of some other Cabinet

member, and so forth. So the President has had many problems to consider, which have no doubt taken much of his time.

Of course, when the funding commission from Great Britain came over here they naturally sent advance agents to feel the pulse not only of the President and of the Secretary of State and the Secretary of the Treasury but they tried to find out other things from other influential Republicans, to lay the groundwork for the conferences between the funding commission of the United States and that of Great Britain. So Mr. Norman, governor of the Bank of England, came over some time before the commission representing Great Britain came. It is very true that Mr. Norman, in his representative capacity, did not see the distinguished Senator from Utah. I do not know why he did not. I make that statement only from what I have read in the papers. I take it as true, because I think the papers very rarely lie or misrepresent the facts. When the report came to the distinguished Senator from Utah, one of the distinguished members of the commission representing the United States Government, that Mr. Norman, the governor of the Bank of England, had been sojourning in Washington, conferring with the President and other high officials of the Government, it is said the Senator raised his hands in horror and said, "I can not believe that anything like that has happened." Mr. Norman no doubt went up to the see the President, and these responsibilities have been crowding upon the President when others should have been relieving him of them.

It would have been very easy for the President of the United States, in response to this solemn resolution, passed nine months ago, to have sent to the Senate a reply stating, "Oh, my time has been so much taken up in listening to the distressing appeals of the farmers and laborers and consumers because of the obnoxious legislation fastened upon them by a Republican Congress, because of the cross currents which are working among the leaders of Congress; my time has been so much taken up because of the differences of opinion between many of my Cabinet members, because I am trying to keep secret and exclusive upon these great foreign problems, so that no one in all the United States can know to-day what I am going to do to-morrow."

He could have reported that to the Senate, and we perhaps would have accepted it as a very good reason, because we know the appeals have come to him, we know that the differences have arisen here, and we know that the President has been hard pressed and often humiliated by the action of his leaders, so-called, in the Congress of the United States.

But when he was a Senator from the great State now represented in part by the Senator who now presides over this body [Mr. WILLIS in the chair], the President was zealous of the rights of a Senator, he respected the dignity of this great body, and time after time he raised his eloquent voice in behalf of the rights of the Senate of the United States. Day after day he has spoken forcefully against executive encroachments and autocratic domination. Senators on the other side remember it.

I recall that on the very day he was inaugurated he came before the Senate here among his friends and former colleagues, and from that rostrum he told us how he believed in the majesty and dignity, the independence and power of the Senate of the United States, and how he would ever, as Chief Executive of this Nation, see that the line was drawn between legislative and Executive authority; that he would never step beyond the powers which had been delegated to him as a President of the United States. If I recall correctly, Senators applauded his statements. They remember his speeches in the past. They did not believe it was possible for the new President, as President of the United States, ever to try to usurp their powers, their functions, or to dictate to them their actions.

This is what he said in one of his memorable speeches on December 6, 1920:

> I like the freedom, the association, the patriotic sense of responsibility which abides here. I am conscious of the great place which Congress holds in this Government under our Constitution, and from my service here I am particularly sensible to the obligations of the Senate. When my responsibilities begin in the Executive capacity I shall be as mindful of the Senate's responsibilities as I have been jealous for them as a Member, but I mean at the same time to be just as insistent about the responsibilities of the Executive. Our governmental good fortune does not lie in any surrender at either end of the Avenue.

Listen to this:

> Our governmental good fortune does not lie in any surrender at either end of the Avenue, but in the coordination and cooperation which becomes the two in a great and truly representative popular Government.

Only a short time before that the President had spoken. Here are some excerpts from his speech at that time to his colleagues, pleading for the dignity of the United States Senate, fighting Executive encroachments. This is what he said:

> I do not know that I take myself too seriously as a Senator. I have always had the notion, however, that this was a pretty important office, and out in my State they look upon an election to the Senate as an assumption of some considerable responsibility and a command to assume a part of the responsibility of the Government and of the Republic.

He said further:

> I do not know whether the Senate has stopped to think as it ought—sometimes I am afraid it has not—that under the stress and anxiety and unavoidable hysteria of war we are, either consciously or unconsciously, changing our long-established American institutions. We are very much altering our form of Federal Government.

Again he said:

> I would like to retain just a semblance of the respect for Congress, not only in the estimate of the American people but in the estimate of those whom Congress has provided places for here in the Capital of the Republic.
>
> * * * * * * *
>
> Mr. President, if there were anything necessary to emphasize the epoch-making character of the pending legislation, it would be the vote which has just now been recorded. One hesitates to talk to a jury the minds of whose members are already fixed.
>
> * * * * * * *
>
> There has not been a President of the United States from Washington to Wilson who had such cordial support on the part of the Congress as the Chief Executive of to-day, and I rejoice to say from the minority side of this Chamber the support of the administration in all its war measures by the minority has been cordial and almost unanimous. But I do not understand that that sort of a consecration to the cause of the war requires a Member on either side of this Chamber to follow every suggestion of the Chief Executive regarding our institutions of peace.

Further, he said:

> I do not think it is fair, Mr. President, to any self-respecting Member of this body to ask him to vote to put aside the power with which he has been charged in the Constitution, and the responsibility that comes to him with a commission from the people who sent him here.

Yet what has been his course in this instance of defying the Senate of the United States with respect to this important resolution, which respectfully called on him to transmit to the Senate the names of persons appointed under Executive order? He has gone beyond that.

Senators will not forget that after the joint resolution declaring the war at an end had passed the Senate and been transmitted to the House, and it was sought there to change it, the President then for the first time, as President, began to wield his autocratic power and exert his influence over the Congress of the United States. He wrote a letter; he sent his emissaries; he brought the power of his office to bear, and he compelled the Congress, not only the House, but the Senate, to surrender and pass the joint resolution as he dictated it.

Senators recall when the revenue bill was up and some of us here, led by the distinguished Senator from North Carolina [Mr. SIMMONS], were fighting to increase the surtaxes upon the large incomes of the rich, how Senators on the other side united, fighting militantly, resisting every effort of the minority and some on the other side to increase the taxes, and the President wrote his letter to Mr. FORDNEY, chairman of the Ways and Means Committee, and brought his influence into play just as much as possible to reduce the rate down to 40 per cent. That was the only time that enough independence was shown in this body to throw off the yoke of Executive domination and control and give to the people that measure of relief that was given them by the increase in the rate.

That is not all. Senators remember the packer legislation. Only the other day the distinguished Senator from Maine [Mr. FERNALD] and the distinguished Senator from Indiana [Mr. WATSON] told us about their stand on packer legislation. It has not been forgotten, because in the last Congress, when we really tried to put teeth in packer legislation, under the leadership of the distinguished Senator from Wyoming [Mr. KENDRICK] and the distinguished Senator from Iowa [Mr. Kenyon], who has now gone upon the bench, and the Senator from Nebraska [Mr. NORRIS] and others who stood by them, the present President of the United States, as a Senator, voted against the bill.

When the new Congress came in and he became President, he sent word down the line that if you passed that legislation, as stringent as it was, regulatory as the provisions were in the preceding Congress, he would veto it. So you changed your minds and brought in the bill with the teeth in large measure extracted from it. He was using the power of his office against the American people to give them a sugar-coated pill of legislation instead of one that would really bring results.

But you did not stop there. What about the tariff bill, which my friend from Utah [Mr. SMOOT] helped to frame?

For the first time in the history of this Government a President of the United States sought, by special message to Congress, the power to fix the rates upon the importation of goods into this country; and his power was so great that you succumbed to his influence, you laid down, and passed the legislation as he sought in his message. Oh, if the fathers, who conceived the theory upon which this Government must run, could but return to us and see the surrender by Congress of its many powers to the Executive.

Next, take the reorganization measure passed by the Senate and the House.

The idea no doubt was first conceived by the Senator from Utah [Mr. SMOOT]. He had it passed through the Senate, and everyone thought he would be chairman of the commission to reorganize the Government service, because of his experience and his training and his interest in the proposition. So we passed the legislation, and the House did likewise; and then what happened? Then the distinguished President, who once reviled against executive encroachment and spoke in behalf of the dignity of the Congress, and the Senate in particular, sent word down the line and said, "I have a very distinguished friend, competent, able, and I want him as chairman of that commission." He directed that the law be amended to give him the power to name on a congressional commission a gentleman who was not a Member of either branch of Congress. So you laid down under the influence of the Executive and amended the law. Nothing has come of it. Why? I suppose because the heads of the departments are fighting among themselves over the reorganization. But nothing has been done.

Mark you, Senators, if the distinguished Senator from Utah had been made chairman of that commission, or if the distinguished Senator from New York [Mr. WADSWORTH], the other Republican member of the commission, had been appointed chairman, we would not have dillydallied and procrastinated since April, 1922. The commission would have done something. Under their direction and leadership we would have had some kind of a plan now, some consideration would have been given to those great questions, and we could make a report by this time to the Senate and the House of Representatives.

The soldiers' bonus legislation—can anyone forget how smoothly the legislation was proceeding, how the Committee on Finance had reported it to the Senate after it passed the House, and we had considered it for days and days? Suddenly, just as we were getting ready to pass it, as a clap of thunder out of a clear sky, the news was flashed down Pennsylvania Avenue from the White House that the legislation should go back to the committee; and as representatives of the American people who, President Harding as Senator Harding said, should cherish the traditions of this august body, should always fight to maintain its dignity and its independence, you crouched, you succumbed, you surrendered under the power of this man, whose hand can shake the tree of patronage and from its branches fall the offices at your feet. That is his history. That is the way he is proceeding. That is the way he has repudiated statements made as a Senator in this body.

But, beyond that, let us take the funding commission. We considered that legislation. It was going through all right, but the President began to exert his influence and wrote a letter and said it must be changed in certain particulars and in some of the details. You surrendered. You threw up the white flag. You did not live up to the pleadings of Senator Harding when he fought for the independence of the Senate of the United States.

Then look at your own ship subsidy bill. None of you are in favor of it. There is no enthusiasm in the breast of a single Senator on the majority side of this Chamber for that measure. You are just pretending to want to pass it. You whisper, perhaps, in Lasker's ear that you are for it strongly, but do you show it by anything that is happening here? You know it has not any chance to pass.

Mr. WATSON. Why? Will the Senator tell me why?

Mr. HARRISON. Because you are not for it over on your side of the Chamber.

Mr. WATSON. Will the Senator——

Mr. HARRISON. I can not yield further. I do not want to discuss at this time that question with the Senator, because whenever I get into a discussion with the Senator I am charged, as I was charged the other day, with filibustering, and I do not desire even that soft impeachment laid at my door.

We will not forget the disarmament proposition. I shall never forget the strong personality of the Senator from Idaho [Mr. BORAH] as day after day he fought here to have adopted a provision in the naval appropriation bill calling for a disarmament conference. Then the word came from the White House, "Do not adopt it," and it looked as though it was dead. But when the force of public opinion began to work, as it sometimes does, even on a Republican Senator, then the President surrendered to public opinion, and you in turn surrendered to the President and allowed the Borah disarmament conference provision to be adopted.

Why, Mr. President, what happened on the Borah economic conference proposition? He spoke eloquently, and we all knew he was right. The country believed he was right. There was strong sentiment for it everywhere, but like a frightened bird upon a rotten twig, for fear President Harding would cut the twig from under you, you were afraid to vote until you could communicate with him and ascertain his views. Finally one day somebody said that the administration had "feelers" out. The Senator from Massachusetts [Mr. LODGE] got up and said, "Yes; there were 'feelers' out." Then the President's influence began to work, and there was a compromise effected. Well, the feelers have not felt much, have they? There has not been much done about it, has there? Oh, feelers! There was a controversy over the question whether or not even France had ever been approached upon the proposition. The idea of the administration being so weak and impotent as that in a great world crisis such as this we can not bring publicity to bear through the press of the country to make an impression that even France was being approached with a feeler. Some controversy arose about it.

Here was the Robinson resolution to appoint a member of the Reparation Commission. You did not know what to do with that. You were frightened. You put it off merely to ascertain the wishes of President Harding, and when you found out, then you had a letter written. Immediately you were all against it. Executive domination!

So it is, Mr. President. I only want to see the dignity of this body maintained. The President should have complied with the request contained in the resolution. He would admire your courage if you would pass the provision that ties up the contingent fund. Of course, if it is thought that the dignity of this body is not sufficient to warrant tying up a little appropriation and compelling compliance with this resolution, and if you prefer to give the $25,000 as expenses for the President for his entertainment and transportation, rather than to exert your independence and the right of the Senate, it is all right. When you oppose this provision, you demonstrate your weakness as a part of a great body and your fear of Executive authority.

Mr. WARREN. Mr. President, I move to lay the amendment of the Senator from Mississippi on the table.

Mr. MOSES. Let us vote on it.

The PRESIDING OFFICER. The Senator from Wyoming moves to lay on the table the amendment offered by the Senator from Mississippi.

Mr. HEFLIN. On that I demand the yeas and nays.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	George	Lodge	Shields
Ball	Gerry	McCormick	Shortridge
Brookhart	Glass	McCumber	Simmons
Bursum	Hale	McKellar	Smoot
Cameron	Harreld	McKinley	Spencer
Capper	Harris	McNary	Sterling
Colt	Harrison	Moses	Sutherland
Couzens	Heflin	New	Townsend
Culberson	Jones, N. Mex.	Nicholson	Trammell
Curtis	Jones, Wash.	Norris	Wadsworth
Dial	Kellogg	Oddie	Walsh, Mass.
Elkins	Kendrick	Overman	Warren
Ernst	Keyes	Phipps	Watson
Fletcher	King	Poindexter	Willis
France	Ladd	Reed, Pa.	
Frelinghuysen	Lenroot	Sheppard	

The PRESIDING OFFICER. Sixty-two Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Wyoming [Mr. WARREN] to lay on the table the amendment proposed by the Senator from Mississippi [Mr. HARRISON].

Mr. HARRISON. Mr. President——

Mr. LODGE. The motion is not debatable.

Mr. HARRISON. I understood the Senator from Wyoming had withdrawn his motion.

Mr. WARREN. I did not. In the interest of the expedition of public business, I moved to lay the amendment on the table.

Mr. HARRISON. I was going to withdraw the amendment if the Senator from Wyoming had withdrawn his motion to lay it on the table.

Mr. WARREN. If the Senator from Mississippi will withdraw his amendment, I will withdraw my motion to lay it on the table.

Mr. HARRISON. Very well. I withdraw the amendment.

Mr. WARREN. I wish to congratulate the Senator from Mississippi, if I may, on his good taste in withdrawing the amendment.

The PRESIDING OFFICER. The Chair understands that the Senator from Mississippi has withdrawn the amendment.

Mr. HARRISON. I have.

Mr. NORRIS. Mr. President, the amendment proposed by the Senator from Mississippi [Mr. HARRISON], which has just been withdrawn, is, in my judgment, not of very great importance, although it has excited some feeling in the Chamber which borders closely on being of a partisan nature. It refers to the enforcement of the civil service law and rules by the executive department.

Mr. President, personally I do not see any objection to the resolution which the Senate passed nine or ten months ago. I do not intend to criticize the present Executive or any of his predecessors for issuing Executive orders setting aside civil service rules regarding the appointment of postmasters and other officials. I think the rules governing appointments which are contained in the civil service law have been too often set aside by Executives, but that is only my personal opinion. I concede frankly that there are many instances where the President would be justified in setting aside civil service rules or civil service requirements pertaining to the appointment of postmasters.

I concede also that under the Constitution the President has authority to set such rules aside whenever he sees fit to do so. The law provides that the President shall appoint postmasters of the presidential grade, and under the Constitution that power may not be delegated to any other authority. I frankly admit that the President has the right to resort to any method he may see fit in the appointment of postmasters; and when he does resort to such method, regardless of whether he be a Democrat or a Republican, so long as I am in Congress I am going to help him carry out his purpose in good faith, even though I do not agree with him as to the wisdom of the course which he may be pursuing, for we must concede all the time that the authority under the law is the President's and that he may do whatever he sees fit in reference to the matter. Neither am I going to find fault with the President or with Members of Congress or with anyone else who is opposed to the civil service law in reference to the appointment of officials anywhere. They have a right to their opinion; and those who believe in the doctrine that "to the victor belongs the spoils" are as much entitled to consideration as are those who favor civil service. So I am not attempting to criticize the President.

I do, however, think, Mr. President, that no matter what course may be pursued by the President the American people ought to be taken into his confidence, and that full publicity should be given to whatever course is adopted and followed. Therefore it seems to me when, after a great deal of discussion and consideration and after a favorable report of the committee which had considered the question, we adopted a resolution requesting the President to give instances where the civil-service rules had been set aside by Executive order, and the reason for doing so, that we were well within our jurisdiction, that we were acting in perfect respect to the President, and that it could not successfully be charged that there was any discourtesy, either implied or intended, in our action.

It seems to me when the President set aside the civil-service rules he ought to be prepared to give to the country his reasons for doing so, and even though I did not agree that his reasons were good, if he gave them he would be within the strict performance of his duty and strictly within his rights, and I should respect him for having done so, no matter how much I disagreed with him. However, when the civil-service rules are set aside by the President, and no reason is given for his having done so, and the President declines to answer a respectful request which is propounded to him by the Senate for his reasons, it seems to me that no excuse can be given for that course of conduct.

It has been suggested here that other Presidents have done the same thing, that other Presidents have ignored resolutions which have been passed by the Senate. That is very true, Mr. President. However, if the course of an official is wrong it may not properly be excused on the ground that somebody else has likewise violated the law.

It has also been stated that the Senator who proposed the resolution did so for partisan purposes. Again, Mr. President, in my judgment, that is not a sufficient objection to the resolution. The court in every jury trial where the law provides for the instruction of juries will always tell the jury that in considering the case they must take into consideration the bias, the prejudice, or the interest, if any such appears, of any witness who may be testifying. That does not mean that the witness is disqualified, but that in weighing his evidence those things are proper for consideration in order to determine how much weight should be given to his testimony. I have never heard the eloquent voice of the Senator from Mississippi criticizing a Democratic official for setting aside civil-service rules, and it is proper to consider that; but, Mr. President, even though the resolution were proposed for partisan purposes, it is no defense on the other side to say, "You are just as black as we are."

Mr. President, the appointment of postmasters, in my judgment, ought to be under civil service as well as the appointment of rural carriers, and all similar officers; in fact, I would extend the civil service just as far as I could.

Mr. TOWNSEND. Rural carriers are now appointed under the civil service.

Mr. NORRIS. The Senator from Michigan reminds me that rural carriers are now appointed under civil-service rules, but I am going to show something of the operations of the civil service law under the present administration, so that at least I may not be charged with having complained, as I did complain, under the Wilson administration of the way the civil service law was administered, and then of being silent when my own party is in power.

I know, Mr. President, that political platforms are made to get in on and then violated with impunity as a rule after the party is successful. Perhaps, the American people have but very little respect for platforms promulgated by political parties, and very few of the people I think read them; but it is not out of place to call the attention of those who are more partisan than otherwise as to what has taken place in the way of political promises made by the great political parties—the Democratic Party and the Republican Party.

The national Democratic platform of 1916 contained a provision in regard to the civil service; it was one of the planks of that platform, one of the various reasons assigned by the Democratic Party why they should secure the votes of the people. That plank reads as follows:

> We reaffirm our declarations for the rigid enforcement of the civil service laws.

In 1912 the Democratic platform contained a provision in regard to the civil service laws, which is thus reaffirmed. Let us see what it was. The provision in the Democratic platform of 1912 on the civil service was as follows:

> The law pertaining to the civil service should be honestly and rightly enforced, to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political party.

That is the platform of the Democratic Party—the platform that was adopted in a campaign that was successful on the part of the Democrats of the country.

In 1920 the Republican national platform contained something about civil service, and I want to read that. Here is what the Republicans said in their national platform of 1920. That was when they were successful:

> We renew our repeated declaration that the civil service law shall be thoroughly and honestly enforced and extended wherever practicable.

That is a declaration that they would not only enforce the civil service law in good faith, but that they would extend it and broaden it and take in other offices.

In 1916 the Republican Party made another declaration in its national platform, as follows:

> The civil service law has always been sustained by the Republican Party, and we renew our repeated declarations that it shall be thoroughly and honestly enforced and extended wherever practicable.

In 1912 the national platform of the Republican Party contained this provision:

> We reaffirm our adherence to the principle of appointment to public office based on proved fitness and tenure during good behavior and efficiency. The Republican Party stands committed to the maintenance, extension, and enforcement of the civil service law, and it favors the passage of legislation empowering the President to extend competitive service so far as practicable.

I might go on at length in practically every national platform of both of the great parties. One would think that there was no division on the question, that the country was unanimous, and that no matter which party was in power we were going to enforce this law in good faith; and yet, Mr. President,

neither party has enforced it in good faith. Both are guilty. Again let me say I am not finding fault with the man or the party who does not believe in it. If a political party did not believe in civil service and proclaimed it to the world when it was asking for votes and succeeded, I should be the last one to criticize it for putting every one of the appointive offices in the Government service on the political pie counter. I believe in civil service. Other men just as wise and just as patriotic and just as honest believe that there should be no such thing; but I do not see how anyone can question the proposition that when we ride into office on a pledge that we are going to enforce the civil service law there is no excuse for our violating it.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. SHIELDS. In that connection I should like to ask the Senator if he has read a statement made by Mr. W. D. Ffoulke, who, I understand, is president or some high officer of the Civil Service Reform League?

Mr. NORRIS. Would the Senator just as soon put that in after I conclude and let it appear in the RECORD at the conclusion of my remarks, rather than right in the midst of them?

Mr. SHIELDS. I was not going to put it in at this point. I was merely going to ask the Senator a question in regard to it. I am going to put it in the RECORD later, but I want to get the Senator's views on it.

Mr. Ffoulke favored putting the officers whose duty it is to enforce the prohibition law, the Volstead law, under the civil service, and he says the Anti-Saloon League are opposing it, because the patronage was very instrumental and very influential in getting the Volstead law passed and they are opposed to putting their employees under civil service. I have letters from the Anti-Saloon League in Tennessee wanting them to go in, which I will put in the RECORD later—not now; I am not going to interrupt the Senator for that—but does he favor putting the prohibition officers of all grades under the civil service law?

Mr. NORRIS. I do.

Mr. SHIELDS. I am glad the Senator does. I think they ought to be under the civil-service law.

Mr. STERLING. Mr. President, will the gentleman yield;

Mr. NORRIS. I yield to the Senator if the Senator from Tennessee is through. Is he?

Mr. SHIELDS. That is the question I wanted to ask.

Mr. NORRIS. I have answered it, I hope, satisfactorily. At least I have answered it.

Mr. SHIELDS. The Senator has answered it very positively and emphatically, and I am glad to hear him say so.

Mr. STERLING. I have not read Mr. Ffoulke's statement, but I think Mr. Ffoulke is mistaken when he says that the Anti-Saloon League was opposed to putting the prohibition enforcement agents under the civil-service rules.

Mr. SHIELDS. I am not in the confidence of Mr. Wayne B. Wheeler, as the Senator is, but Mr. Ffoulke says they are opposed to it.

Mr. NORRIS. Mr. President, I hope Senators will not get into a controversy as to where the Anti-Saloon League stands on this question.

Mr. SHIELDS. No; I do not want to interrupt the Senator from Nebraska, who very kindly yielded to me for a question. I will bring up the matter later.

Mr. NORRIS. I am very glad to yield to the Senator, but he can see that when Senators engage in a controversy as to where that organization stands they will not get back to me, perhaps, during the day.

Mr. STERLING. I merely want to say that I have conferred with Mr. Wayne B. Wheeler with regard to legislation now pending which would put these employees under the civil service law, and he has not told me of any opposition.

Mr. SHIELDS. I am talking about genuine support of the matter, not moonshine support. I voted for the eighteenth amendment to the Constitution, and I believe in its enforcement, but in a just and reasonable manner; and I believe that the men who are enforcing it ought to be under the civil service law, in order that we may have the very best men to enforce it.

Mr. NORRIS. I believe in the enforcement of the law; I think most Senators here think I am a crank on the subject; but the Anti-Saloon League can not dictate to me as to how I shall vote on anything, and if they want to prevent putting these officials under the civil service I am against them. I mean no disrespect to them. I believe there ought to be no exception made in that case. At least I would have to be convinced before I would favor preventing putting them under the civil service. I think we would get a better enforcement of the law if they were under the civil service law than we get when they are not under the civil service law.

Mr. STERLING. I am very well satisfied that the Senator from Nebraska will not find himself at variance in that respect with the Anti-Saloon League.

Mr. NORRIS. I hope the Senator is right. Of course, I shall be very glad if I am not, but I shall take that position even if I am at variance with them.

Mr. President, quite soon after the last general election, when it was known that the Republican Party had been successful, an agitation began as to what the new administration would do in regard to the appointment of postmasters. They had been put under a sort of civil-service status by President Wilson. There was a great deal of agitation about it. Politicians as a rule wanted the lid taken off, and I was particularly anxious that no backward step should be taken by the party which in that very election had pledged itself to carry out the real intent and spirit of the civil service law, and that had even said that it believed in its extension.

While the question was being discussed, I wrote to the Postmaster General, Mr. Hays, and I now send to the desk a copy of the letter that I wrote to Mr. Hays, and ask that it may be read by the Secretary.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The Assistant Secretary read as follows:

WASHINGTON, D. C., *March 21, 1921.*

Hon. WILL H. HAYS,
Postmaster General, Post Office Department.

MY DEAR MR. HAYS: I understand it has not yet been determined whether or not the orders of President Taft and President Wilson, made with a view of placing the appointment of postmasters under civil service, will be revoked. Whatever policy is adopted, it can have no possible influence upon my personal wishes or fortune. Every district in my State is represented by a Republican, so I will not be consulted when it comes to the appointment of postmasters, and can therefore have no personal interest in the policy that may be adopted.

I have, from my experience of over 18 years in Congress, reached the conclusion that the Post Office Department ought to be kept entirely out of politics, and I believe the present administration would make a serious mistake if it decides to annul these orders and put the postmasterships of the country on the political pie counter. The most important consideration, of course, is efficiency and economy in this great department. The postmasterships should not be considered as the property of men in office, to be distributed as they see fit, in the payment of personal political obligations.

I was very much pleased when President Taft put the fourth-class offices under civil service, and I was likewise pleased when President Wilson extended the order. My criticism has always been that these orders have not been enforced by the Post Office Department, under President Wilson, in good faith. The officials have resorted to all kinds of technicalities to prohibit the rule from operating when by its operation it would put a Republican in office and keep a Democrat out. I am satisfied that the people of the country approved these orders, but did not approve the way they have been enforced during the past eight years. The greatest efficiency in the department will, in my judgment, not be reached if all postmasters are to be appointed upon partisan political grounds. It is very likely that the order itself might be improved. It would be queer, indeed, if experience under the order would not suggest some change that would go toward improving it; but whatever changes are made, if any, ought to be made with the idea of promoting such improvement rather than to loosening the political strings and thus retracing our steps.

In addition to this, I think it can be safely stated that the giving out of postmasterships as a political plum is a detriment rather than an asset to any political party in control. Moreover, Members of Congress do not have the time, neither do they have the facilities, to investigate fully when they are called upon to make recommendations. It will not only do them more harm than good, speaking strictly from a political viewpoint, but it will take an enormous amount of time to give any kind of consideration to the selection of postmasters, and thus detract from their legislative duties.

I would like to ask you to talk this matter over with Secretary Weeks. He served in the House quite a long time—eight years, I think, in addition to his service in the Senate. He was for a while chairman of the Committee on Post Offices and Post Roads of the House. He has had quite an extended experience, and has some very definite ideas on the subject. I have not written to President Harding about it, because I know he is too busy to give consideration to all these matters, but I have supposed that this question would be taken up and decided at a conference, probably between the President and yourself, if not other members of the Cabinet. It is because—and only because—I desire the most efficient administration in the Post Office Department that it is possible, and because I do not want the administration to make what I believe would be a serious mistake, that I have written you on the subject.

Very truly yours,

G. W. NORRIS.

Mr. NORRIS. Mr. President, to that letter I received a reply, which I send to the Secretary's desk and ask to have read.

The PRESIDING OFFICER. In the absence of objection, it will be read.

The Assistant Secretary read as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., March 24, 1921.

Hon. GEORGE W. NORRIS,
United States Senate.

MY DEAR SENATOR: I am very glad, indeed, to have your letter of the 21st. Personally, I am earnestly in favor of the principle of civil service, and in the fullest possible honest application of the principle that can be effectively made. I appreciate your letter, for I am really anxious to get the views of those who have had experience in these matters. I would be glad to talk to you about it at an early date also.

With the very kindliest regards, I am, sincerely yours,
WILL H. HAYS.

Mr. NORRIS. Mr. President, notwithstanding the views expressed by the Postmaster General, the order made by President Wilson was changed, the doors were opened, and the appointment of postmasters placed upon a different basis. They still provided that an examination should be had by the Civil Service Commission, but the modified order provided that the Post Office Department should select a postmaster from the three highest on the list furnished by the Civil Service Commission from such examination.

On the face of it that does not look bad, but where, in the carrying out of that order, the Post Office Department submitted it to Members of the House of Representatives or Senators, or in case there was neither Representative nor Senator who was a Republican, then to a Republican committee, asking them to select from the list or to make a recommendation upon which the Post Office Department could act, everybody who knows anything about it knows, particularly the Members of Congress know, that that was practically throwing the thing back into partisan political control, and really nullifying the spirit, at least, of the civil service law and rules.

Not only was that done with reference to postmasters but it included rural carriers. I did not know that for a while, and I had written to some fellow who wrote me and wanted to see if I could not get him appointed to be a rural carrier, telling him that I had nothing to do with it; that it was under civil service; and that it would be improper for me to try to control the appointment. I was informed by my secretary, after I had written the letter, that I was wrong. I could not believe it. So I took that up with the Fourth Assistant Postmaster General, who, under the law and rules, has charge of the appointment of postmasters, and on December 15, 1922, I wrote him a letter, a copy of which I send to the desk and ask to have read.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Assistant Secretary read as follows:

WASHINGTON, D. C., *December 15, 1922.*

Hon. HARRY H. BILLANY,
Fourth Assistant Postmaster General,
Post Office Department.

DEAR MR. BILLANY: I have been receiving some requests from people who have been examined for positions as rural carrier, requesting me to intercede in their behalf. I have been writing such applicants that the rural carriers are under civil service and that it would be improper for me to make such recommendation. I am informed this morning by my secretary that I am mistaken in my conclusion about these carriers being under civil service, and that, as a matter of fact, the eligible list is submitted to Members of Congress wherever they happen to be Republicans, and that they are allowed to select the appointees.

If this is true, I very much regret that the present administration has taken such a backward step. This simply means that men who are not in favor with the Republican committee or the Republican machine need make no application for these positions.

We have been for years protesting before the people that we believed in civil service, that we were going to enforce the law both in spirit and in letter, and it seems to me good faith to the people demands that we carry out this pledge.

I want to protest most vigorously against opening up partisanship in violation of the spirit of the civil service law and placing such positions on the political pie counter. Why should a Member of Congress, a Member of the Senate, or the chairman of a Republican committee be permitted to name the rural carriers of the country? If there is any virtue in the civil service law we ought to enforce it in good faith. If we intend to place these positions in the hands of partisan politicians, then we ought to be fair enough to make that kind of declaration to the people before election.

I protested against the placing of postmasters under this same partisan control, to Postmaster General Hays. He replied that he was in full accord with my position, but yet in a short time the order came allowing Republican Members of Congress, and where there was no Republican Member of Congress, then Republican Senators, or the chairmen of Republican committees, to select from the eligible list, the postmasters.

When we put the positions of the Post Office Department upon the political pie counter, to be dealt out for political purposes, we are taking a step backward and likewise violating the pledges we have made to the people of the country. If the civil service law is an improvement over the ancient pie counter method, then it ought to be enforced in good faith, and if the Republican officials are not going to enforce it, it will be one of the reasons why they should be turned out of office and Democrats put in their place.

It is no answer to say that the Democrats have done similar things. We promised to do better. As a matter of fact, it seems to me that in the Post Office Department we have gone backward. While the Democratic administration in many instances did not enforce the law in good faith, they did do better than to allow Members of Congress and other political leaders to name the rural carriers, and their order in regard to postmasters was far superior to the one that is in vogue now under the present administration.

Very truly yours,
G. W. NORRIS.

Mr. NORRIS. In answer to that letter, Mr. President, I received the following reply from the Fourth Assistant Postmaster General, which I ask the Secretary to read.

The PRESIDING OFFICER (Mr. NEW in the chair). The Secretary will read.

The Assistant Secretary read as follows:

POST OFFICE DEPARTMENT,
FOURTH ASSISTANT POSTMASTER GENERAL,
Washington, December 18, 1922.

Hon. GEORGE W. NORRIS,
United States Senate.

MY DEAR SENATOR NORRIS: I have very carefully read your letter of the 15th instant, in which you state that you have been informed by your secretary that rural carriers are no longer under civil service because the eligible list is submitted to Members of Congress who happen to be Republicans and who are allowed to select the appointees.

I am very sorry that your information on this subject was not fuller and more nearly accurate, since it is because you were only partially informed of the procedure of appointment of rural carriers you have a very grave misconception of the method followed by the department. In order to make it quite clear to you, permit me to explain the practice.

The list of eligibles received from the Civil Service Commission contains the names of three applicants. Unless recommendations are received indorsing the second or third applicant, the department ordinarily tenders appointment to the first-named eligible. It usually happens, however, that indorsements are received in favor of one of the other eligibles, and then the department uses its discretion in selection of the appointee who it appears will best serve the interests of the service, observing, of course, the military preference extended to ex-service men.

The courtesy of submitting the names of the eligibles to Members of Congress is not, as stated by your secretary, confined to the Republican Members, but is a courtesy extended to every officer of the Government who requests this information. A large number of Representatives and some Senators have standing requests to be advised of the names of eligibles whenever there is a vacancy in the position of rural carrier to be filled in their district. Usually the Senator or Member indorses one of the eligibles, but the selection is invariably left to the discretion of the department. Nor are they the only persons to whom the list of eligibles is sent, as this courtesy is extended to every individual citizen who requests the same, and all indorsements are very carefully considered in making a selection to fill the vacancy.

Your information to the effect that the policy of receiving recommendations from Members of Congress is one that was adopted by the present administration is entirely erroneous. To my personal knowledge, the previous administration followed this practice. As a matter of fact, it is my belief that during the present year a decided step forward was made by confining the eligibility for appointment as rural carrier to patrons of the office at which the vacancy exists, instead of all residents of the county in which the office is located. I am sure you will agree that instead of being an evasion of the civil service law, this is a very decided endeavor to follow the intention and spirit of the civil service.

I trust that I have made clear the practice followed by the department in the appointment of rural carriers. If there are any points which are not entirely clear to you, I shall be pleased to advise you further.

Sincerely yours,
H. H. BILLANY,
Fourth Assistant Postmaster General.

Mr. NORRIS. After I received that letter I again wrote to the Fourth Assistant Postmaster General, because he had really invited me to do so, if I understood him fully, and I propounded quite a number of questions to him as to the result of the operation of his policy. That letter was written on the 21st of December, 1922, but up to date I have had no reply to it. I ask that that letter, a copy of which I send to the Secretary's desk, be read.

The PRESIDING OFFICER. Without objection, the Secretary will read.

The Assistant Secretary read as follows:

WASHINGTON, D. C., *December 21, 1922.*

Hon. HARRY H. BILLANY,
Fourth Assistant Postmaster General,
Post Office Department.

DEAR MR. BILLANY: I thank you for your letter of December 18. As I read your letter I can not help but fear that I was nearly right in my first construction. It seems the practice is to submit the eligible list to Members of Congress for their consideration and recommendation. I am curious to know whether, when recommendations are made by Members of the House of Representatives or the Senate their advice is followed.

You say that the courtesy of submitting names of the eligibles to Members of Congress is not confined to Republican Members. It would be interesting to know, if this list is submitted to Democratic Members, whether their recommendations are followed to the same extent and in the same way that recommendations from Republican Members are followed.

I can see no reason why Members of Congress should desire to have these lists submitted to them, except for the purpose, in reality, of giving them control of the appointments, and I would like to ask you whether that is not the result of the practice. Is it not a roundabout way of permitting the Republican Representatives and Senators to name the rural carriers in their districts and communities?

It would be just as bad, of course, to let the Democrats name them as it would be to let the Republicans name them; and if Members of Congress are going to be permitted to select the carriers, then there ought to be no partisan line drawn, and they ought to be all treated alike, regardless of politics.

It seems to me your rule in practical application will result during a Republican administration in filling these places with Republicans because they are Republicans. The rule followed under a Democratic administration would fill them with Democrats, and yet we are all pretending to the country that we have a civil service law and that we are enforcing it in good faith.

I am not finding fault with the man who believes in the old doctrine, "To the victor belongs the spoils," and who proclaims that doctrine publicly; but when we profess to be civil-service people when we are, as a matter of fact, spoilsmen we are guilty of deception. We ought to enforce the civil service law in good faith or else we ought to throw off our disguise and stand forth boldly on the doctrine "To the victor belongs the spoils," and that we are going to apply that doctrine.

In your letter you say that to your personal knowledge this practice was followed by the preceding administration. According to my view, this is no defense whatever. We promised to do better than the Democrats. We got into office because we made the people believe we would do better.

There certainly would be no objection in permitting the patrons of the office to make any showing they saw fit in regard to their postmaster, either in favor of or against anyone, but any showing made on partisan political grounds ought to have no effect and ought to be entirely disregarded. The patrons ought to be told that the political affiliations of candidates would have no consideration whatever. If Members of Congress are allowed to select rural carriers, it simply takes the matter away from civil service and makes the whole thing a mockery.

Very truly yours, G. W. NORRIS.

Mr. OVERMAN. May I ask the Senator whether he has received any answer to his letter?

Mr. NORRIS. No; I have not.

Mr. OVERMAN. I suggest that the Senator write another letter and ask another question, whether or not in the appointment of postmasters it is not left to a referee to name in certain instances. It has been testified before a committee of the Senate that the question of the selection of postmasters was left to a referee, and some of his Republican friends came into his office where he had headquarters here in Washington and said, "John, you are going to make $50,000 out of this business this year." "Fifty thousand dollars?" he said. "I will make $100,000." A man of his own party testified to those facts.

Mr. NORRIS. That was the referee?

Mr. OVERMAN. The referee said he would make $100,000.

Mr. NORRIS. I presume that took place where there were neither Representatives nor Senators who were Republicans.

Mr. OVERMAN. There was a Republican at his office at the time.

Mr. NORRIS. Mr. President, I think the letter of the Fourth Assistant Postmaster General practically says—I am not criticizing it; I am simply stating what in effect it says—"we are going to put Republicans upon rural delivery routes and into all post offices wherever there is a Republican who has successfully passed the examination and was one of the three highest applicants." I do not think there can be any doubt of that. It is true the Fourth Assistant said "We permit Congressmen to make a recommendation, but after all we make the appointment on what to us seems right." I asked the question whether in following out that course he ever got a Democrat. If it was a Democratic administration he would never get anything but Democrats if there was one on the list.

In other words, we are putting up a pretense which in my judgment condemns us. It is worse than to throw off this mantle which we profess to have about us and come out in the open as to what we really are. We are parceling the appointments out to spoilsmen, to politicians, and we are permitting, as the Senator from North Carolina said, in some cases referees and in many other cases committeemen, who advise with the Congressman and tell him who are Republicans and who are not, if he does not know, to make these appointments. I talked just to-day with a Member of the House of Representatives who has made dozens if not hundreds of recommendations for rural-carrier appointments in one of our great States. I asked him if he ever had made a recommendation that was not followed by the Post Office Department, and he said, "Never one." So the Fourth Assistant Postmaster General's excuse was not very good when he said, "Oh, yes; we get applications and recommendations from Congressmen, but after all we appoint the man we think ought to have it." He evidently always thinks that way.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Nebraska yield to the Senator from Utah.

Mr. NORRIS. I yield.

Mr. KING. For information I inquire of the Senator if in dealing with rural carriers the law is not mandatory that the one who makes the highest mark in an examination shall be appointed?

Mr. NORRIS. I think not.

Mr. OVERMAN. I may say to the Senator that I talked with the commander of the American Legion within the last week, who said that one of his members had been turned down. Although he was a brave man and decorated two or three times and stood the examination and was first on the list, he did not receive the appointment.

Mr. KING. I know that is true with respect to postmasters. I was under the impression that as to rural carriers there was a pretense of following the civil service law.

Mr. NORRIS. I thought so, too, but the Senator has not followed the correspondence which has been read.

Mr. KING. I was called from the Chamber and did not hear all of it.

Mr. NORRIS. While the Fourth Assistant Postmaster General pretends and claims there is that kind of rule, I think his own letter discloses clearly that there is nothing of the kind in it.

Mr. President, what will be the result? As I said in the letter which was read, it will result under a Republican administration in putting Republicans in office, and under a Democratic administration in putting the Republicans out and putting Democrats in. We can not do that way if we believe in the civil service. In my judgment we can not do that way or follow that course if we are to have effective administration.

Why should a Senator be allowed to name rural carriers in a whole congressional district or in a whole State if it happens to be there are no Republican Representatives from that State? Why should a Member of the House of Representatives be allowed to name the rural carriers of his district? That is the effect of the present practice. There is only one string to it, and that is the man who is appointed must get on the list. In the examination he must be one of the three highest. What will that mean, if anything? It will mean that under a Republican administration Democrats will refuse to take the examination, because they will know they stand practically no show of getting an appointment. It will mean that under a Democratic administration Republicans will refuse to take the examination, because they will not be given a square deal with the Democratic applicants.

Mr. OVERMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from North Carolina?

Mr. NORRIS. Certainly.

Mr. OVERMAN. If three Republicans get on the list it is generally known the successful applicant must seek political influence to get the appointment. Is not that true?

Mr. NORRIS. It seems if he has political influence he can get it. There is no question about that.

Mr. OVERMAN. He can not get the appointment without it.

Mr. NORRIS. I suppose, if nobody made a request, that they would act without a request being made.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. McKELLAR. I am not going to discuss the political side of the question, but I just want to say to the Senator that so far as my State is concerned, where they have had civil-service examinations I do not now recall a single instance where even the highest man, whether he was a Democrat or a Republican, has been appointed postmaster in my State. The appointment, strange as it may seem, has nearly always gone to the second or third man on the list, usually the third man, and the man making the highest average and becoming first on the eligible list almost invariably has been turned down.

Mr. NORRIS. How has it happened about the political affiliation of the appointee selected?

Mr. McKELLAR. When I interrupted the Senator I said I did not intend to discuss the political side of it, but as a matter of fact if there is a Republican on the list he is appointed.

Mr. NORRIS. Of course. Under a Democratic administration if there was a Democrat on the list he would get it.

Mr. KING. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. KING. I will say to the Senator that in a number of instances which have been brought to my attention, where the Republican who had the indorsement of the Congressman and the local machine failed to qualify, failed to get on the eligible list, no appointment was made. I have known the matter to be held up for a year by some juggling and legerdemain, another examination to be held, and one or more of those who had been successful were edged out of the way until finally the man whom

the machine wanted got the appointment by deferring it for a year or a year and a half.

Mr. McKELLAR. If the Senator will permit me further, I merely wish to say that, so far as Tennessee is concerned, under the last administration of President Wilson—I do not remember how it was in his first administration, because I was not as well acquainted with the situation; I was not serving on the Post Office Committee of the Senate and did not have as much knowledge as I had during his second administration—without any exception, so far as I now recall, in appointments of postmasters in Tennessee made by President Wilson during his second administration the highest man on the list was uniformly appointed to office under his direction.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Iowa?

Mr. NORRIS. I yield.

Mr. BROOKHART. Is it not true that under the Wilson administration they first got all Democrats into the post offices and then adopted the civil-service rules?

Mr. NORRIS. Yes; that is true. That was done by President Wilson. It was done likewise by President Taft. It was done likewise by President Cleveland and, I think, by President Harrison, in putting certain offices under the civil service law. They always do it at the close of the administration. While I do not believe in that and do not think it is right, that has been about the only way we have ever been able to get offices put under the civil service. The trouble always comes that when the other party is returned to power they annul the order, fill the offices with members of their own party, and then put the order back into effect. It is not a good faith compliance with the civil service law in my judgment.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arizona?

Mr. NORRIS. I yield.

Mr. ASHURST. Mr. President, a curious status of affairs exists respecting the civil service. The Senator from Nebraska is complaining that the civil service law and rules are not enforced. About a week ago I called at the Veterans' Bureau and directed attention to the fact that in certain Veterans' Bureau hospitals there were some employees who were incompetent to perform their work, and that it was obvious to the commanding officer of the hospital who himself desired to discharge some of them; he desired to demote some and to promote others who were competent. I asked the Veterans' Bureau why they did not give the commanding officers at the various hospitals, especially in remote sections, more of a free hand, so that they might discharge incompetent employees and employ and promote competent nurses. They said, "We are afraid of the civil service; we are afraid we shall be denounced for violating the civil service law." I said, "If you attempt to conduct a hospital and to employ, discharge, promote, or demote your personnel according to the civil service rules you will make a lamentable failure of soldier hospitalization." I am not in the attitude of attacking the civil service, but from the case being made here, a peculiar situation exists, to wit: The Senator from Nebraska complains that the civil service law is not enforced, while the Veterans' Bureau complains that it is enforced too rigidly.

There is a reason why civil-service rules might apply in post offices but not in a hospital. I wish, if the rules regarding the civil service are to be enforced, they be enforced in places other than the Veterans' Bureau hospitals, for if the civil-service rules be enforced in the veterans' hospitals there will be no latitude, no room within which to move, no discretion, no freedom of action to the commanding officer. I know at least in one hospital where injustices have been done to the nurses and to the personnel and to the soldiers because of a rigid adherence to the civil-service rules.

So, whilst the Senator from Nebraska complains because the civil-service rules are not enforced, I rise to complain of injustices perpetrated upon helpless soldiers because those rigid, harsh rules are enforced. That statement ought to go into the RECORD as a part of this discussion, in order that Senators and the country may know something about this much-mooted question.

Mr. NORRIS. The Senator from Arizona has put it into the RECORD. Now I will make some comment on his statement.

Mr. ASHURST. I wish the Senator from Nebraska would do so.

Mr. NORRIS. Mr. President, it was not my intention to discuss the merits or the demerits of the civil-service law and rules, because when I began my remarks I believe I demonstrated that everybody pretended at least to be in favor of civil service. To begin with, I believe the Senator from Arizona has been misinformed.

Mr. ASHURST. Mr. President, will the Senator from Nebraska yield further?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arizona?

Mr. NORRIS. Yes; but I should like for the Senator to let me have a part of the time, in order that I may answer his question.

Mr. ASHURST. The Senator from Nebraska ought to be the last Senator to talk about his having a part of the time. He consumes his equitable part of the time of the Senate.

Mr. NORRIS. But I am not getting it now, it seems to me. The Senator from Arizona will not let me answer one question before he asks a half dozen more; but I yield to the Senator.

Mr. ASHURST. I thank the Senator.

Mr. NORRIS. And I will let him talk for an hour, if he desires to do so.

Mr. ASHURST. I began my remarks by stating what the Veterans' Bureau told me. I could refer to my notes and show—be more explicit.

Mr. NORRIS. Now, let me answer that. Will the Senator let me take that up before I forget it?

Mr. ASHURST. If the Senator is likely to forget it in the next few minutes, I will let him take it up now.

Mr. NORRIS. The Senator said the Veterans' Bureau told him a certain thing was the fact. I said that I believed the Senator had been misinformed. That is not questioning the Senator's truthfulness or his honesty or anything else; but that means, if I understand the English language, that the official of the Veterans' Bureau told the Senator something that is not a fact. Does the Senator get that answer?

Mr. ASHURST. Yes.

Mr NORRIS. That ought to be plain. Mr. President, there is nothing more certain under civil-service rules or law than that an incompetent official may be removed for incompetency. While I know nothing about the case the Senator speaks of, it is perfectly preposterous to say that a hospital can be filled with a corps of nurses and that even God Almighty can not remove them. It is perfectly foolish; there is no fundamental principle of the civil-service rules or law that provides anything of the kind. If there are incompetent nurses their superiors can remove them, and they ought to remove them, although, under the civil-service rules, they will have to give a reason for the removal other than a partisan one.

Mr. ASHURST. Let me ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arizona?

Mr. NORRIS. Yes.

Mr. ASHURST. If a physician or a nurse or employee in a hospital far removed from Washington, the seat of power, were proved to be incompetent and to be neglecting the soldiers, would the Senator, if he were the commanding officer of that hospital, discharge that physician, nurse, or employee, or would he wait for two months until the Civil Service Commission acted? Would he discharge that person or would he wait until he had untangled red tape for two months before he took proper action? When the Senator answers that question, then he may consistently speak in favor of a rigid adherence to civil-service rules.

Mr. NORRIS. If the Senator is through, I will proceed to answer him.

Mr. ASHURST. Will the Senator tell me what he would do in that case?

Mr. NORRIS. I would remove the incompetent physician or nurse in about 15 minutes.

Mr. ASHURST. That is the answer I thought the Senator would make.

Mr. NORRIS. Yes. The Senator asks would I keep an incompetent nurse on the back of a sick soldier for two months while an investigation was being conducted here in Washington? That is not necessary.

Mr. ASHURST. That would be necessary under the civil service.

Mr. NORRIS. There is not a hospital in the United States under our Government where that would be necessary.

Mr. ASHURST. It would take a long time to untangle and unwind the red tape that has enmeshed this Government.

Mr. NORRIS. If there is a nurse in a hospital caring for a sick soldier and she is not treating him properly, it would not take two months to get her out and get another one in. The question as to whether she was wrongly removed temporarily would be another matter. Now, let us see what would the Senator do? I suppose he would do as the present administration and the preceding one have done in the case of

rural carriers. Somebody, we will say, applies to be a nurse out in Arizona.

Mr. ASHURST. It so happens that the case I had in mind was not in Arizona. It happened to be not a thousand miles from the Senator's own State.

Mr. NORRIS. Very well, in my State, then; in Nebraska somebody applies to be a nurse in a Government hospital. We will steer away from the civil service; we do not want competency but we want political affiliation. So we go to the Member of Congress and ask him, "Who do you want to be appointed nurse?" and he replies, "Mary Jones." Why does he want her? Because she is the most powerful and influential woman politically in his district. She has never been inside of a hospital; she does not know a sick room from a wheelbarrow; but she is immediately appointed as a nurse to take care of a sick and, perhaps, dying soldier. Under the civil service, if it is desired to remove her, it is not necessary to go through with any red tape. The red tape was gone through with when she was appointed. That is the difference between civil service and political pie-counter methods, although an exaggerated case, probably.

Mr. President, let me say that I do not defend and I do not believe anybody can defend all civil-service appointments. I do not think they are perfect. I realize the Civil Service Commission makes mistakes; I realize that anything human can not be perfect; but if there be any other better method by which to fill clerkships, post offices, and rural carriers' positions than through the instrumentality of an examination conducted by the civil service, let it be suggested. There is nothing sacred about the civil-service rules; I will throw them all aside if I can get something better; but if appointments are put on the pie counter, if it is to be said that this man shall be a rural carrier because he voted for John Doe, and another man shall not be appointed a rural carrier because he did not vote for John Doe, the same principle applied to post offices, to clerkships, and to all other appointments under the Government, if carried out in practice would result in a Government so incompetent that no one could defend it anywhere.

Mr. ASHURST. Mr. President——

Mr. NORRIS. I yield to the Senator from Arizona.

Mr. ASHURST. I perceive a vast difference between the workings of the civil service as affecting post offices and rural carriers and as affecting a soldiers' hospital, where technically trained persons are employed to give proper medical treatment to soldiers. If the rules of the civil service in their evolution cause a certain person to be certified to a position as nurse or other employee in a hospital and it is ascertained by the commanding officer that that person, while a very excellent person, is incompetent to perform the particular duties of the office, I believe the commanding officer should, as the Senator says he would do, instantly dismiss that person or demote him or her.

The civil service law is enforced harshly in the wrong place. I think the Senator, if he were a commanding officer of a veterans' hospital and it were demonstrated to him that a physician or a nurse was incompetent, he would, as I would do, discharge them, notwithstanding the civil service.

Mr. NORRIS. That is a part of the civil-service regulations. It is not a violation of the civil service law or rules to remove an incompetent person from office.

Mr. ASHURST. I am glad to know that, because such a remedy is so rarely resorted to that we actually believe that such is not a part of the civil service law. I hope when the officers of the Veterans' Bureau and the commanding officers of the various veterans' hospitals read this copy of the CONGRESSIONAL RECORD they will ascertain that they have power instantly to discharge incompetent employees or those who oppress the soldier, and also have the right to promote those employees who deserve promotion.

Mr. KING. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. CAPPER in the chair). Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. Yes; I yield to the Senator.

Mr. KING. Apropos of that, I have had statements on this subject made to me by a number of persons holding more or less important positions in the Government service who had under them a considerable number of employees under the civil service. I recall now one particular instance where a postmaster communicated with me. He had perhaps several hundred employees under his control. He called attention to the fact that there were a number of men who did all they could to repress active men from doing their work, and doing it well, and doing it above the requirements of the minimum grade; and when they would find an active individual, who was seeking promotion, who would work zealously and efficiently, they would say, "What is the good? We will get our promotions without zealous work if we reach"—I think it was—"60 per cent," or maybe 70, I am not sure—the minimum grade established—and their influence was demoralizing, and they would do that year in and year out. He said, "I do not dare to prefer charges against them. If I did, it would take weeks and months. It would involve me in a controversy. They would bring to bear the influence of their friends and all the influence which they could command, and I would be the target against which they would direct their javelins"; and others have indicated to me that the difficulty in securing removals, even in the case of gross incompetency, was so great as to deter men who wanted efficiency in their departments from seeking to bring about removals. I dare say that the Senator, in the plenitude of his experience and in view of his great information upon this subject, can not refer to half a dozen instances where charges have been preferred for the removal of incompetent and inefficient employees under the civil service.

Mr. NORRIS. Mr. President, if the Senator knows the head of a department who is shielding a lot of incompetent employees of the Government, and knows they are incompetent—and I assume if he knows it he can prove it by the record they make—and the Senator himself does not prefer charges against the head of that department, in my judgment he is not doing his full duty. To say, "There are a lot of incompetents here, but I do not want to prefer charges, because that will get me into a controversy," is no defense of the spoils system and no argument against the civil-service system. The same condition would exist whether we had civil service or spoils; and let me tell the Senator where a good deal of that kind of trouble comes from. It is because we are not adhering to the civil-service rules. Here is what happens—and that is probably what his informant had in mind: He is afraid to make charges against Clerk A, an incompetent clerk, because Senator B, from a great State in the Union, a Senator of the United States, is a friend of that incompetent clerk, and the head of that bureau is afraid to make the charge, because he knows that Senator will come to his rescue and say: "Here, I demand that that clerk be retained!" In other words, the Senator is putting into the proposition a political aspect that the civil-service rules, if enforced in good faith, would absolutely keep out of it. There is a danger in just what the Senator speaks of, but it comes because we are still injecting politics into it when we ought to keep it out.

Mr. KING. Mr. President, if the Senator will allow me, I agree entirely with what the Senator says. I think we have a hybrid system of civil service. I think those in the various departments who would like to enforce the law and develop a high state of efficiency are deterred by the very influence to which I have referred and to which the Senator has referred.

Mr. NORRIS. Yes; I agree with the Senator. I think that is one of the defects of the system. We ought to remedy it; but the way to remedy it is to put restraint on the Senators and the Representatives and the governors and the chairmen of State committees and other fellows, so that they will not be in a position to go into a department or a bureau and say to a man: "I want you to retain this clerk, or discharge that one, or promote this one, or demote that one."

Mr. KING. I was about to observe, Mr. President—I am trespassing upon the Senator's time and generosity—that the complaints about the civil service have been so numerous that I have sometimes doubted whether it was a success; and I have on my desk a resolution, which I drew nearly a year ago, directing the Civil Service Commission to make a thorough investigation to find out where the defects in the present system are and to recommend such additional legislation as they feel is necessary and imperative to give to the United States a scientific, a proper, and an efficient civil-service system.

I am in favor of having an efficient civil-service system or having none at all. I have felt and said here upon the floor that there is a good deal of a farce in the method under which the civil-service system has been and is being administered; and unless we correct the evils and secure greater efficiency than now exists, I suggest to the Senator that there will be a demand for radical changes, if not an abolition of the civil-service system in the United States.

Mr. LENROOT. Mr. President——

Mr. NORRIS. I will yield to the Senator in just a minute.

As to the resolution that the Senator from Utah is going to introduce, or has prepared, I want to say that I shall be glad to cooperate with the Senator in that respect. The resolution, as he has outlined it, if it is passed and a proper investigation is made under it, will, in my judgment, result in much good to

the public service. I do not want to be put in the position of even intimating that I think for a moment that our system is perfect. It is susceptible of great changes. We all ought to bend our energies, in my judgment, toward improvement of the service rather than its abolition. I do not agree with the Senator, if I possibly may draw that conclusion from his remarks, that rather than have it as it is he would not have it at all. Even with all its defects—and there are many, I know—I think it is better than the old spoils system. I believe in honest consideration of it by careful investigation, not without any change, but that we ought to improve it. It is woefully deficient in a great many ways, and I should be glad to see the Senator press his resolution to see that kind of an investigation made.

I yield now to the Senator from Wisconsin.

Mr. LENROOT. Mr. President, may I not ask the Senator if he will not conclude his remarks without interruption? I do not want to invoke the rule; but the discussion is going on, and has been for a long while, on a matter not before the Senate at all. Many Senators are here waiting, hoping the business of the Senate may proceed. I am very anxious to bring up this afternoon, if possible, one of the rural credit bills; and if the Senator would proceed without yielding for speeches, I am sure we would get along very much faster.

Mr. NORRIS. Mr. President, I did not expect, of course, to take nearly as much time as I have already taken. I am not to blame for the interruptions.

Mr. LENROOT. No.

Mr. NORRIS. But as far as the criticism made by the Senator from Wisconsin is concerned, I want to say that he can not apply that kind of a doctrine now and have an open proposition at all other times. I have not been in the habit of delaying the proceedings here, and I am discussing something that was properly brought out, and a proposition that the very bill now pending contains an appropriation to carry on. I do not think the Senator from Wisconsin can with good grace come in now and say, "I want you to stop; I want you to take up something else."

Mr. LENROOT. I have made no such request of the Senator. I merely asked him if he would not proceed without interruption, without yielding for other speeches in his time.

Mr. NORRIS. Mr. President, I will attend to whether I will yield or not. I do not think any other Senator should dictate to me.

Mr. LENROOT. Every Senator has a right to invoke the rule, and I propose to do it.

Mr. NORRIS. The Senator can invoke any rule he pleases, Mr. President. I do not care anything about that. I will proceed without interruption unless I am interrupted, and I can not interrupt myself. If somebody else interrupts me, I will be interrupted, and I will decide whether I will yield or whether I will not.

Mr. President, in addition to taking up this matter with the Post Office Department and with the Postmaster General, I took it up with the Civil Service Commission. Upon the same day that I wrote to the Fourth Assistant Postmaster General with regard to these rural carriers I likewise wrote to the Civil Service Commission.

I send a copy of that letter to the desk and ask that it be read.

The PRESIDING OFFICER. Without objection, the letter will be read.

The reading clerk read as follows:

WASHINGTON, D. C., *December 15, 1922.*

Hon. GEORGE R. WALES,
Commissioner, Civil Service Commission, Washington, D. C.:

DEAR MR. COMMISSIONER: I have just been informed that the Post Office Department is now submitting to Members of Congress wherever they happen to be Republicans, and where there are no Republican Members of Congress then to Republican Senators, and where there are neither Republican Senators nor Republican Members of Congress then to the chairmen of Republican committees, the eligible list of rural carriers furnished by the Civil Service Commission, and that in this way selection is made by the persons mentioned for the appointment of rural carriers.

I want to know how it came about that this order went into effect and whether it was with the consent of the Civil Service Commission. It seems to me that putting these positions on the political pie counter is throwing the door wide open and prostituting the civil service law, and the result will be that the service will deteriorate and become a political machine.

If we are going to have any civil service law at all, it ought to be enforced in good faith; and when the law is being thus prostituted it seems to me the Civil Service Commission ought to take the lead in protesting before the proper officials of the Government; and if that does not have any effect, then to protest publicly before the country.

Both political parties have been pledging themselves to the enforcement, in letter and in spirit, of the civil service law, and this ought to be done, or we ought to abolish the Civil Service Commission, repeal the civil service law, and let everybody know that all these positions of the Government are on the political pie counter and will be dealt out only to the partisan faithful.

Very truly yours, G. W. NORRIS.

Mr. NORRIS. Mr. President, to that letter I received a reply from the commission that I ask the Secretary to read.

The PRESIDING OFFICER. Without objection, the letter will be read.

The reading clerk read as follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., December 19, 1922.

Hon. GEORGE W. NORRIS,
United States Senate.

MY DEAR SENATOR NORRIS: You do not need my personal assurance to know that the matter referred to in your letter of December 15 has never had the indorsement or consent of the commission.

You know, of course, that section 10 of the civil service act forbids the receiving of any recommendation for office or place in the classified service from a Senator or Member of the House of Representatives "except as to the character or residence of the applicant"; and that in the civil service rules promulgated by the President in accordance with the act appears a provision for the certification of the highest three names from among whom the appointing office shall make selection "with sole reference to merit and fitness." To aid in making this selection the commission sends to the department with each certification the examination papers of the three eligibles certified, showing in detail their education and experience and their work in the written tests.

In 1913 the Post Office Department inaugurated the practice of sending to the local Member of Congress the names and ratings of the three eligibles certified to fill a vacancy in a rural-carrier position or a fourth-class postmastership; and, in November, 1913, the Postmaster General issued the following to the press concerning the practice:

"In answering an inquiry recently as to what influence political affiliations would have in fourth-class postmaster and rural-carrier appointments, Postmaster General Burleson stated that he desired it distinctly understood that it is his purpose to carry out the intent of President Wilson's order that these positions be filled in accordance with both the spirit and letter of the civil service law. The Postmaster General added that he does not delegate the power of appointment, nor in any case is selection made simply upon or because of a recommendation of a Member of Congress. He stated further that he has a duty to perform in making selections under the civil-service rules; that it is his desire to select in every case the most efficient man obtainable and that in furtherance of such desire he is using, and intends to continue to use, every available means of ascertaining the best of the men certified to him by the Civil Service Commission. In his efforts to secure the most efficient man for the postal service, and as part of the evidence upon which he reaches his conclusion, it is his practice to ask the Member of Congress in whose district the vacancy exists to advise him relative to the character and fitness of the three eligibles. In doing so the Postmaster General calls upon the Member, not in his capacity as a member of any political party, but solely as the representative of the community, regardless of political affiliations; and to emphasize his purpose in this respect the Postmaster General, in asking the Member of Congress for his recommendation, calls special attention to the fact that under existing Executive orders selections must be made by the department with sole reference to merit and fitness and any recommendation made to him must be based solely upon such considerations and without reference to the political affiliations of the eligibles. And further, he has directed that all letters recommending appointments based upon political considerations be returned to the writers.

"The Postmaster General states that he is in earnest in his efforts to obtain the best men, regardless of their political opinions, and whenever he finds in any case that he has been misled because of recommendations made for political reasons, the fourth-class postmaster or rural carrier so appointed will be promptly removed from office."

The commission has protested personally and officially against this practice and referred to its harmful effects in letters concerning individual cases. A quotation from one such letter to the Postmaster General will suffice:

"This is apparently an instance of political discrimination resulting from the action of the department in receiving recommendations from Members of Congress in connection with the commission's certification for fourth-class postmasters and rural carrier vacancies. While the department in inviting such indorsements quotes the regulation that no recommendation in any way based on political opinions or affiliations 'shall be received or considered by any officer concerned in making selections or appointments,' and the recommendation received in response thereto may make no reference to the political opinions or affiliations of the person indorsed, the number of complaints received by the commission indicates that in some cases Members of Congress base their indorsements upon reports of county committeemen and other politicians in the locality where the vacancy exists. A selection based on indorsements of this character is in violation of the provisions of the civil service act and rules concerning political discriminations and section 4 of the fourth-class postmaster regulations * * *."

There is no power or authority resting in the commission to go beyond such protests, except in any case where the charge is made with offer of proof that there has been any violation of the civil service act, then the commission makes investigation, and, if the charges are found to be true, recommendation is made to the Post Office Department for removal of the person thus improperly appointed. In some instances the department has carried out the commission's recommendations.

The commission is very definitely of the view that the inauguration and continuance of the practice has been detrimental to the Government service and has had a tendency to discourage competition through examination for these local positions of rural carrier and fourth-class postmaster.

Very sincerely yours, G. R. WALES, *Commissioner.*

Mr. NORRIS. Some time after the receipt of that letter I answered it, and I ask to have my reply read from the desk.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

WASHINGTON, D. C., *January 4, 1923.*

Hon. GEORGE R. WALES,
Commissioner United States Civil Service Commission,
Washington, D. C.

DEAR MR. WALES: I have been absent from Washington on account of the serious illness of my sister in Ohio and have not had time to give attention to my correspondence. In clearing up my desk I have just reached your letter of December 19, 1922. I desire to commend the position you have there taken. I have protested to the Postmaster General, and in his reply he said, in effect, the same thing Postmaster General Burleson said in the interview quoted in your letter. I have in answer to this letter again protested. It seems to me that when men who are supposed to be competent to be the head of our Post Office Department undertake to cover themselves up with such a thin shield of excuses, it must be apparent that they consider the friends of civil-service reform to be very easily deceived. The idea of claiming to carry out the real intent of the Civil Service Commission law, while they are submitting to Members of Congress the eligible list and asking them to make a recommendation as to which of three shall be selected is simply preposterous. It does not require even a wise man to see that this is just one method of completely circumventing the real intent of the law. It would be interesting to know what the result has been as far as political affiliations of these appointees are concerned. A Democratic Postmaster General submits the names to Democratic Members of Congress, a Republican Postmaster General submits the names to Republican Members of Congress, and in each instance the Congressman is notified that the selection must not be made on partisan grounds. The Member of Congress makes the selection, and in his letter of recommendation he claims to base it entirely on grounds that are not in any way partisan, but I venture the assertion that the result is always partisan selection of postmasters and rural carriers. Under a Republican administration in some way the Republicans get in, and under a Democratic administration in some way the Democrats get in.

I would like to have from you information on this subject. Can you give me the result of this kind of application of the civil service laws? I would like to know under the Republican administrations how many Republicans and how many Democrats get into office, and under the Democratic administration I would like the same information.

Very truly yours, G. W. NORRIS.

Mr. NORRIS. It will be observed that I asked the commissioner a question. In his answer he was not able to give me the information. There is no particular importance to be attached to his letter, except that he explained why he was not able to supply the information. Of course, I really ought to have known that when I wrote the letter. I ask to have the answer of the commissioner printed as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 6, 1923.

Hon. GEORGE W. NORRIS,
United States Senate.

MY DEAR SENATOR NORRIS: I should be very glad indeed to comply with your request under date of January 4 were it possible to do so, but the particular thing we do not know and which we explicitly refrain from seeking to know is the political affiliations or convictions of applicants for civil-service examination. The commission's literature is very specific in pointing out that its action may not under the law be influenced by political consideration, and in the rural-carrier pamphlet of information sent to inquirers for examination appears the following:

"The President on December 30, 1922, issued the following Executive order:

"'Hereafter paragraphs (a) and (b) of section 1 of civil-service rule 7 shall apply to the appointment of rural carriers, and three eligibles shall be certified by the Civil Service Commission.

"'In all cases selections shall be made with sole reference to merit and fitness and without regard to political considerations. No inquiry shall be made as to the political or religious opinions or affiliations of any eligible and no recommendation in any way based thereon shall be received, considered, or filed by any officer concerned in making selections or appointments. Any such recommendation in writing forwarded to any such officer shall be at once returned to the writer, with attention invited to the purport of this order, and attention hereto shall be similarly directed in connection with any verbal recommendation. Where it is found that there has been a violation of these provisions by any officer concerned in making selections or appointments, such fact shall be cause for the immediate removal of such officer from the service, and the commission shall make prompt report of any such case for appropriate action to the Postmaster General or, as to presidential appointees, to the President. The appointment of the rural carrier concerned, if effected, shall be canceled.

"'Persons employed as rural carriers, while retaining the right to vote as they please and to express their opinion privately on all political subjects, shall take no active part in political campaigns. Any rural carrier taking such part shall be removed from the service or otherwise disciplined, recommendation as to the penalty to be imposed in each case to be made by the Civil Service Commission.

"'WILLIAM H. TAFT.'"

A similar paragraph appears in the fourth-class postmaster pamphlet of information:

"The competitive-examination system, with its ever-improving standards, is more and more commending itself to private industry as the right method of securing qualified personnel, and judging from the number of inquiries we have received as to our methods and tests this is in part due to its successful application to filling Government positions. We do not see how this reference to local Members of Congress can possibly help, and do see how it can and does hurt.

"Sincerely yours,

"G. R. WALES, *Commissioner.*"

Mr. NORRIS. It would be interesting to know about this nonpartisan system, by which Republican committees are notified who are the three eligibles on the rural route running out of Podunk. They are told very carefully, "There is no politics in this, no partisanship. Your recommendations must be based upon merit. Whom do you want?" Although the committeeman may live 40 miles away from the rural route, he does know one thing which he finds out. He knows that "A" on the list is a Democrat, that "B" is a Republican, and that "C" is a Democrat, and immediately he recommends "B." He does it entirely on the ground of "B's" competency. He does not know anything about that. He has made only one inquiry, has asked only one question, and has had one question answered, and that is as to the politics of the applicant.

When it comes up to the Fourth Assistant Postmaster General, he says, "I am deciding this on nonpartisan grounds, but I always let the Republican have it." If the administration is Democratic, it is just the reverse.

Let me repeat what I said in the beginning. It seems to me that common honesty, fair treatment of the country and of the people, and of the applicants for these offices demand that we either enforce the civil service law in spirit, as well as in letter, or that we go before the people open-handed and admit that we do not intend to enforce it, and that we lied when we said we would enforce it. It ought to be enforced properly, or we ought to have the courage to say that we never will enforce it, and never intend to do so.

Mr. FLETCHER. Mr. President, I rose for the purpose of offering an amendment to the pending bill and proceeding with its discussion, but I understand the Senator from South Dakota [Mr. STERLING] wishes to refer to some observations which have just been made, and I am willing to yield for that purpose.

Mr. STERLING. Mr. President, I will be very brief and promise not to delay the business of the Senate a very long time in the consideration of the civil service. I am led to call attention to a few matters in view of the course the discussion has taken in regard to that service.

I did not know this was going to be a field day in criticism of the civil service law and of the civil service rules and of the administration of the civil service. The discussion started out, as all are aware, with a complaint made by the Senator from Mississippi [Mr. HARRISON] because the President of the United States had not responded to a resolution offered by the Senator requesting the President to name the positions wherein the civil-service rules had been set aside or waived by the President of the United States in making appointments or in reinstating persons to the civil service. The discussion has ended by a general discussion of the civil service law, rules, and I may say, too, of the administration of the civil service. I contend that much that has been said by Senators to-day is wholly without warrant and without foundation, especially as their remarks relate to the administration of the law and the civil-service rules.

Senators perhaps may know of an isolated case here and there where justice has not been done, where there may have been some failure to observe the rule or where there has been inadvertence or mistake of judgment. But, Mr. President, those cases are comparatively few. When we consider that there are between 500,000 and 600,000 civil-service employees, two-thirds of whom, I think, are under the civil service law and civil service rules, we are led to wonder there is not more to criticize than there is in regard to the administration of the law and of the rules.

I want to call attention to the law. The Senator from Utah [Mr. KING] said awhile ago that he had a resolution which had been pending for some time——

Mr. KING. I beg the Senator's pardon. I said I had prepared one about a year ago and had it in my desk. I have not offered it.

Mr. STERLING. Very well. To do away with the civil service law and the rules framed pursuant to that law would raise such a storm of protest upon the part of the people of the United States—and the whole people of the United States—as has never been heard or witnessed, I think, throughout the country.

Mr. KING. Mr. President, will the Senator pardon me?

Mr. STERLING. I yield.

Mr. KING. I do not want the Senator to infer from any observation which I made that my resolution would call for the abolition of the Civil Service Commission. I intended to state, if I did not, that my resolution would call for an examination or an investigation with a view to determining what amendments should be offered to the existing law in order to secure efficiency in the administration of the affairs of the Government and to give us a scientific—I used that expression, as I recall—and proper civil-service system.

Mr. STERLING. That may be true with reference to the resolution itself, but I understood the Senator to say that he did not know but that the law itself should be repealed.

Now, what is the law? Just what is it, and what does it require? Let me read:

First, for open, competitive examinations for testing the fitness of applicants for the public service now classified or to be classified hereunder. Such examinations shall be practical in their character, and so far as may be shall relate to those matters which will fairly test the relative capacity and fitness of the persons examined to discharge the duties of the service into which they seek to be appointed.

Second, that all the offices, places, and employments so arranged, or to be arranged in classes, shall be filled by selections according to grade from among those graded highest as the results of such competitive examinations.

Third, appointments to the public service aforesaid in the departments at Washington shall be apportioned among the several States and Territories and the District of Columbia upon the basis of population as ascertained at the last preceding census. Every application for an examination shall contain, among other things, a statement, under oath, setting forth his or her actual bona fide residence at the time of making the application, as well as how long he or she has been resident of such place.

Fourth, that there shall be a period of probation before any absolute appointment or employment aforesaid.

Fifth, that no person in the public service is for that reason under any obligations to contribute to any political fund, or to render any political service, and that he will not be removed or otherwise prejudiced for refusing to do so.

Sixth, that no person in said service has any right to use his official authority or influence to coerce the political action of any person or body.

I want to say, in this connection, that amidst all the statements that have been made here to-day, as I recall them, not one instance has been named where political influence was, in fact, used for the purpose of securing this or that appointment to either a post office or to a position strictly within the civil service. It is easy enough to make these allegations. It is another thing to prove them, as the select committee of five from the Civil Service Committee of the Senate, appointed to consider a certain resolution introduced by the Senator from Arkansas [Mr. ROBINSON], itself reported.

Mr. KING. Mr. President, will the Senator yield?

Mr. STERLING. Certainly.

Mr. KING. I may have misapprehended the position of the Senator, but I understood him to say that no evidence has been tendered and no case mentioned where political influence has been used to secure the appointment of persons within the civil service.

Mr. STERLING. No such statement made to-day, I want the Senator to understand.

Mr. KING. To-day?

Mr. STERLING. Yes. No such statement was made in all the extensive discussion which has gone on here in criticism of the Civil Service Commission and the civil service itself. I do not recall that a statement was made of a concrete case where it was shown that political influence was used for that purpose.

Mr. KING. Does the Senator concede that postmasters are within the civil service?

Mr. STERLING. No.

Mr. KING. Or that rural carriers are within the civil service?

Mr. STERLING. Yes; I think they are with the provision that selections may be made from the three highest eligibles on examination.

Mr. KING. I think the statement made by the Senator from Nebraska [Mr. NORRIS] would contravene the position taken by my distinguished friend, and I think some of the statements which I made would be in contravention of his position.

Mr. STERLING. We will see.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Arkansas?

Mr. STERLING. I yield.

Mr. CARAWAY. I am very curious to have the Senator tell the methods pursued by the special committee conducting the investigation under the resolution introduced by my colleague [Mr. ROBINSON] in arriving at the conclusion that there was no political influence used in the civil service. Was a single witness called?

Mr. STERLING. Witnesses were given an opportunity to come.

Mr. CARAWAY. Were not the names of people given to the committee and was not the committee asked that they be subpœnaed, but they were not subpœnaed?

Mr. STERLING. The committee perhaps had some names. I do not know that there was any such request.

Mr. CARAWAY. Did the committee call a single witness except merely to refer the matter to the Civil Service Commission?

Mr. STERLING. The committee gave full opportunity to the Senators who had filed letters and charges to appear before the committee with their witnesses, if they had them.

Mr. CARAWAY. Did the Senator say witnesses?

Mr. STERLING. Yes; with their witnesses.

Mr. CARAWAY. I would like to say to the Senator that that is the first time I ever heard of such a thing. I gave letters to the committee and asked that certain witnesses be heard, and they were never heard.

Mr. STERLING. And then from time to time, in addition to that, the findings of the commission or the hearings of the commission were published and were sent to all Senators who had filed any complaint at all.

Mr. CARAWAY. I filed letters with the committee and never heard of them from that time until the committee made its report.

Mr. STERLING. And the Senator will find in the report and in the testimony mention of every case and a discussion of every case which he submitted.

Mr. CARAWAY. Absolutely—a finding that there was not anything in it, without hearing a witness.

Mr. STERLING. And the Senator has never complained about those findings or about the report.

Mr. CARAWAY. The findings and the report were just what everybody expected them to be.

Mr. STERLING. Exactly.

Mr. President, if I may proceed just briefly, I continue the reading of the civil service law:

Seventh, there shall be noncompetitive examinations in all proper cases before the commission, when competent persons do not compete, after notice has been given of the existence of the vacancy, under such rules as may be prescribed by the commissioners as to the manner of giving notice.

Eighth, that notice shall be given in writing by the appointing power to said commission of the persons selected for appointment or employment from among those who have been examined, of the place of residence of such persons, of the rejection of any such persons after probation, of transfers, resignations, and removals, and of the date thereof, and a record of the same shall be kept by said commission.

Mr. President, I think I have read enough to show what the civil service law is in the main and to show, too, the spirit of the law. The spirit of it is to get persons into the civil service of the Government who by examination have shown their fitness for the places. In other words, the civil-service system is a merit system in contradistinction to the spoils system which was in vogue before the enactment of the civil service law. I remember to have read a statement made by Richard Dana, formerly president of the National Civil Service Reform League, that $39,000,000 had been saved annually in the increased efficiency of the employees because of the civil-service examinations they were required to take under the law.

Now, Mr. President, I come to a question that is a little more at issue in the discussion; and briefly, too, as to that. I alluded a little while ago to the complaint made by the Senator from Mississippi [Mr. HARRISON] because of the failure of the President to comply with his request. The Senator from Mississippi would convey the idea that the resolution related entirely to post offices, whereas it was general and covered all Executive appointments in which changes or waivers were made by the Executive in regard to the civil-service rules. There is not a word in the resolution itself in regard to postmasters—not one word.

The post offices are not under the civil service law or rules, but for the convenience of the Executive, and I think, too, in the interests of the general welfare, the President of the United States provided that a civil-service examination or, it is more proper to say, an examination analogous to a civil-service examination should be taken by the candidates for post offices. The rule was made under a former administration that the highest eligible in that examination should be appointed to the place. The rule was changed by President Harding to the effect that the names of the three highest eligibles ascertained by examination should be sent to the President of the United States first, or rather to the Post Office Department, though I am not sure as to the exact language—whether sent to the Executive or to the Post Office Department. In any event, the long investigation conducted by the select committee from the Senate Committee on Civil Service did not discover a single case, save perhaps one, in about 100, as I think there were, where the judgment of the Civil Service Commission was, in the opinion of the select committee, at fault. In that case there was abundant evidence of the entire good faith of the Civil Service Commission. It was simply an error of judgment, if an error at all. The committee in its report criticized the finding of the Civil Service Commission in regard to that one case.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. I yield.

Mr. McKELLAR. Is the Senator speaking of the report of the special committee of which I was a member?

Mr. STERLING. That was the committee of which the Senator from Tennessee was a member.

Mr. McKELLAR. I want to take absolute issue with the Senator on the statement he has just made that there was not any case submitted to the committee which did not reflect upon the fairness of the action of the Civil Service Commission. I submitted at least half a score from Tennessee, which the committee, by a majority vote, a strictly partisan vote, voted down. Every one reflected seriously upon the action of the commission in certifying men who went in under the civil service at the behest of the political referee in Tennessee, who was selling his influence for civil-service appointments.

Mr. STERLING. And I shall call attention to that case. Of all the cases submitted to the select committee, the cases submitted by the Senator from Tennessee had the least foundation, and some of them——

Mr. McKELLAR. Then the commission ought to have been abolished.

Mr. STERLING. I will quote from the report in regard to Chapel Hill, Tenn. This is another case where it is charged that money had been paid to Mr. Overall, he being, I suppose, the "referee" referred to here.

Mr. McKELLAR. Yes; and the canceled checks which he had received were submitted.

Mr. STERLING. The report states:

> The committee can do no better than to quote from the memorandum of the Civil Service Commission, found on page 163:
>
> "Senator McKELLAR next refers to the alleged appointment of a rural carrier at Cheap Hill, or Chapel Hill, Tenn., but here he fails to give any names or testimony or evidence indicating that any one of the three persons whose names were certified to the department for consideration in filling the rural-carrier position had paid money to Mr. Overall for any purpose whatsoever. The commission advised Senator McKELLAR in its letter of September 1, 1921, of the names of these three rural-carrier eligibles who were certified, and that the department had not reported selection from among the three; and the Senator also was advised of the provisions of law and rules relating to trafficking in appointments, and that 'if a prima facie case is submitted to the commission of violation of the Federal statutes relating to trafficking or of the civil-service rules, the commission will submit it to the Department of Justice for prosecution, or take such administrative action as may be appropriate.'
>
> "The Civil Service Commission has not since heard from Senator McKELLAR in this connection."

Mr. McKELLAR. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. I yield.

Mr. McKELLAR. The fact was that the Civil Service Commission virtually admitted the payment of the money, but they asserted that under a fair interpretation of the law the Civil Service Commission was not the authority to enforce the law.

Mr. STERLING. How did they admit it? When did they admit it?

Mr. McKELLAR. In other words, it was a pure technicality. So, having been overruled, as I was overruled by a majority of the committee—the entire Republican strength voting in favor of that system of appointing persons to the civil service—I took no further steps in the matter. I denounced it, however, on the floor of the Senate time and again, just as I am doing now. I think it is a most reprehensible custom. It is a custom that any party *ought* to be ashamed of.

Mr. STERLING. And one Democratic member of the committee joined in the report. The Senator from Tennessee was not here at the time the report was made and had not been here for some time previously. We did not know when he would return. The report was prepared, and I made the statement at the time that the report would have been submitted to the Senator from Tennessee before presentation, but there was a time limit on its presentation.

Mr. McKELLAR. I was away for a few days, and while I was gone the report was made; and I never was consulted about it.

Mr. STERLING. There was a time limit under the original order for the submission of that report. The time was twice extended, and then, with the last extension, it was thought the report should be presented. I did present it after consultation and after going over the subject matter with the other members of the committee, including the Democratic colleague of the Senator from Tennessee, who was as ready, so far as that is concerned, to sign the report as was any Republican member of the committee. Indeed, we did not in its consideration or in coming to our conclusion consider politics in any way or in any sense whatever. The question was one of evidence, whether charges had been sustained, whether the Civil Service Commission or its examiners were in any way at fault.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. I yield.

Mr. McKELLAR. I wish to ask the Senator if the Senator from Louisiana [Mr. RANSDELL], who signed the report and to whom the Senator from South Dakota is referring, was present at a single solitary hearing of the committee? I was present at all of the hearings with perhaps one or two exceptions, and I do not recall ever seeing the Senator from Louisiana at one of those hearings. So far as he is concerned, I do not know whether or not he heard the testimony; I do not know whether or not he examined the testimony or whether he merely accepted the the conclusions upon the statement of the majority members of the committee. The Senator is here, however, and may speak for himself and tell us about it.

Mr. RANSDELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Louisiana?

Mr. STERLING. I yield to the Senator.

Mr. RANSDELL. Mr. President, since my name has been brought forward in the discussion of this matter, I desire to say that I was a member of the subcommittee which considered this subject. I heard a great deal of the testimony and signed the report. The committee went into it, I thought, fully and fairly. There were some transactions that were, perhaps, a little questionable; but, so far as the evidence before us was concerned, I do not find anything there other than is presented in the report. We went into the subject with a good deal of care.

Mr. CARAWAY. Mr. President——

Mr. RANSDELL. Pardon me for a moment, and then I will yield.

Mr. CARAWAY. I wish to ask the Senator a question, if he will yield.

Mr. RANSDELL. I will yield in a moment.

We went into the matter with a good deal of care. I did not give my personal attention to all of the cases, I will say to the Senate, but I did give my personal attention to quite a number of them. My recollection is that we had a synopsis of each case presented to us by the chairman of the committee, the Senator from South Dakota [Mr. STERLING]. It was after what seemed to me to be a fair investigation of the whole matter that we prepared the report and I signed it.

Mr. McKELLAR. Does the Senator from Louisiana recall the Tennessee cases at all?

Mr. RANSDELL. I do not remember them.

Mr. McKELLAR. I am sure the Senator could not recall the Tennessee case in which it was undisputed that the Republican referee of Tennessee, John W. Overall, sold his indorsement for civil-service positions and received the money. I produced the canceled checks showing that the money went to his credit in the Broadway National Bank of Nashville, Tenn. Under those circumstances, the Civil Service Commission and the committee, acting purely in a partisan spirit, held that it was proper and right for a referee of one party to sell his influence for civil-service positions, when they knew of the canceled checks from the applicants for the position. If my good friend from Louisiana, knowing those facts, signed a statement approving it, then I am astonished at him.

Mr. RANSDELL. I know nothing about the matter to which the Senator from Tennessee refers.

Mr. McKELLAR. I know the Senator does not. I am sure he would not have signed the report if he had known.

Mr. RANSDELL. I have just stated that I did not hear all the testimony, but I devoted all the time I could to the matter. If there was any partisanship in it, I fail to see it.

Mr. CARAWAY. May I ask the Senator from Louisiana a question?

Mr. RANSDELL. Yes.

Mr. CARAWAY. Does the Senator from Louisiana know anything about the case at Greenwood, Ark.?

Mr. RANSDELL. There was considerable testimony about two or three cases in Arkansas, but I do not remember that particular case.

Mr. CARAWAY. Here is what happened: Democrats who took the examination made a sufficiently high mark to be placed on the eligible list, while the Republican who had been selected for the place did not. The Republican referee of the State, however, went to see the Civil Service Commission, and the commission raised the grade of the Republican without notice, and,

without any further examination, gave him the job. Is that the Senator's idea as to the manner in which the civil service should be conducted?

Mr. RANSDELL. I do not know anything about the details of the case.

Mr. CARAWAY. That is the fact. Does the Senator approve it?

Mr. RANSDELL. I do not know, and I am not going to be forced to give testimony here about a matter I do not understand.

Mr. CARAWAY. I think the Senator does not understand a thing about the report.

Mr. RANSDELL. Very probably I now do not, but at the time I signed it I did; I knew what I was doing when I signed that report, and I did not find any partisanship in it. I did not find anything unjust in it, or I never would have signed it.

Mr. CARAWAY. Why can not the Senator now say that he approves of changing the grade in order to put a Republican in office?

Mr. RANSDELL. I do not know the details of the case at all.

Mr. CARAWAY. That is the fact; does the Senator approve that?

Mr. STERLING. Mr. President, I decline to yield any further.

The PRESIDING OFFICER. The Senator from South Dakota declines to yield.

Mr. STERLING. Now, Mr. President, I will call attention to one other Tennessee case. The investigation—under the resolution ordering it—was an investigation of the examining division of the Civil Service Commission. I call attention to the case at Pulaski, Tenn.:

Pulaski, Tenn. (p. 162): Another case where had some inquiry been made it would not have been brought to the attention of this committee; a case where one candidate, Mr. Noble C. White, is alleged to have paid a sum of money to Mr. John W. Overall, Republican State committeeman, for the purpose of securing the postmastership at Pulaski. The memorandum furnished by the commission simply shows that Mr. White was not among the highest three eligibles certified to the department. Those certified were William D. Kirkpatrick, with an average per cent of 81.40; William B. Romine, 79.20; Mahlon H. Webb, 78.60.

It is claimed that Mr. White paid a sum of money to Mr. Overall, as referee; but even if the allegations were true Mr. White was not one of the three highest eligibles and was not considered for the post-office appointment.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. Yes.

Mr. McKELLAR. It was wholly immaterial as to whether he was one of the three highest eligibles. I call the Senator's attention to another case that was before the committee, the case of Rutherford, Tenn. In that instance there were three eligibles, but a gentleman who had stood the examination and made about 40 per cent and whose wife had made about 66 per cent employed Mr. Overall to come to Washington, paid him a fee and paid his expenses, and Mr. Overall came to Washington, prevailed upon the Civil Service Commission to put the Republican politician's wife at the head of the list over the three eligibles, and the appointment of the wife came in here and was rejected by the Senate of the United States.

Mr. STERLING. Will the Senator state again the name of the town?

Mr. McKELLAR. At Rutherford, Tenn. I repeat of the three eligibles two were Democrats and one was a Republican. The Republican could still have been appointed postmaster there, although he was third on the list, but he was not satisfactory to the Republican boss. So Mr. Overall came to Washington, went to the Civil Service Commission and had that commission put the wife of the politician, she having a rating of 66, at the head of the list, and her name was sent to the Senate in preference to the three eligibles, but the Senate rejected the nomination on my motion.

Mr. STERLING. I wish to ask the Senator as to whether any complaint in regard to the Rutherford office was before the select committee?

Mr. McKELLAR. I do not know whether it was before the committee or not. I know I made a statement about it.

Mr. STERLING. Then, how would the Senator from Tennessee expect us to investigate a case of which the committee had no knowledge?

Mr. McKELLAR. I made the charges before the committee, but was treated with the scantiest courtesy by the committee. They did not consider that case; they never considered it in open session, so far as I know.

Mr. STERLING. Mr. President, I can not imagine that a committee, if I may allude to myself personally, but over which I might have the honor to preside, would show a lack of courtesy toward any Senator in this body.

Mr. McKELLAR. The report was made without notifying me at all at any time. If I had known about it, I would have protested.

Mr. STERLING. I am satisfied now, I will say to the Senator from Tennessee, that he made no charge before the select committee in regard to the Rutherford office. I do not find it mentioned in the report, although Tennessee offices are grouped in that document.

Mr. McKELLAR. That may be true.

Mr. STERLING. There is no reference to it.

Mr. McKELLAR. That may be entirely true; but because no charge was made with regard to one of the offices is no reason why the civil-service rules should have been violated in the outrageous manner in which they were violated at Pulaski, at Chapel Hill, and at various other places in Tennessee, where places under the civil service were sold by the Republican referee, Mr. Overall.

Mr. STERLING. It is shown clearly, Mr. President, that the Senator has no foundation for charging the select committee with any delinquency in the consideration of the cases or in preparing and submitting its report. If the attention of the select committee was not called to the Rutherford office, how in the world could they have made any investigation in regard to it?

Mr. President, to hurry to a conclusion, I made a reference this morning in answer to the Senator from Mississippi to the fact that the Civil Service Commission reports show all the cases where the civil-service rules have been waived or temporarily suspended for the purpose of an appointment. I want to go back now to that. I have in my hand the civil-service report for the fiscal year ending June 30, 1921. Under the head "Orders excepting persons named from the requirements of the rules," I find on October 2, October 20, and November 30, 1920, orders were issued by President Wilson making appointments waiving the rules.

I find, following the appointment of November 30, 1920, the following:

NOTE: The commission was not advised of the reasons for the issuance of the above order.

The Senator from Nebraska [Mr. NORRIS] in his long speech to-day pleaded for impartiality here as between Republicans and Democrats. Mr. President, when I consider the motives that actuated the inquiry this morning in the first place as to why the President had not complied with the terms of the resolution, I think I am quite warranted in reading these notes of the Civil Service Commission.

I find under the head of February 12, 1921, while President Wilson was yet President, that—

Mrs. May G. Pollock, of Illinois, may be appointed in the classified service without regard to civil-service rules.

No hint of any reason is given there for that order, but following it is the note of the commission:

The commission was not advised of the reasons for the issuance of the above order.

And so on through.

I think as between President Wilson and President Harding, as shown by this report, that for any given time they have made about an equal number of Executive orders waiving the rules, and I am not complaining of the Wilson orders as they appear in the report.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from South Carolina?

Mr. STERLING. I yield to the Senator.

Mr. DIAL. I should like to say to the Senator that in a good many places in my State there are no Republicans competent to hold office, and the unfortunate part of this system is that it gives the referee an opportunity to sell the office to some one who may make him a bid. Therefore, in my section of the country the correct solution would be to give it to the one making the highest mark.

Mr. STERLING. Yes; but barring one case, which the Senator knows about, I recall none from his State in which charges were made.

Mr. President, I call attention to the report, that for the fiscal year ended June 30, 1922, under the head of "Orders excepting persons named from the requirements of the rules." It begins with the order of September 30, 1921. It goes down to the last order before this report was published, September 8,

1922, nearly a year. There are just 29 cases within that one year where orders were made excepting the persons named from the requirements of the rule—just 29 cases—and there are between five hundred and six hundred thousand employees in the service of the Government, two-thirds of whom, I think, are under the civil service law and rules. I submit, Mr. President, that that is a remarkable record when we consider the great number of employees and the small number of instances in which the President has appointed or reinstated, notwithstanding the rules; and I think among those 29 there are not to exceed three cases where the reasons in full are not set out, and set out in some cases at considerable length.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from South Dakota yield to the Senator from Washington?

Mr. STERLING. I yield to the Senator.

Mr. POINDEXTER. There is just a brief suggestion that I want to make to the Senator from South Dakota. No doubt he will recall it when I mention it. I do not like to bring up partisan questions here in the Senate, but during the last administration the abuses of the civil service laws and regulations grew so great, in the opinion of a majority of the Civil Service Commission, that they took the matter before the President. There was one Republican member of the Civil Service Commission and two Democrats, but the position that was taken by the Republican member of the Civil Service Commission was so fair and was so soundly based upon the evidence in the various cases that one of the Democrats joined with him in protest against the violation of the civil-service rules and laws. They took the matter before President Wilson, and he fired both of them.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. STERLING. I will yield for a question.

Mr. McKELLAR. There is one thing that President Wilson and his administration did, however. When a resolution of the Senate was addressed to him, or addressed to the president of the Civil Service Commission, full facts and details were given in response to the resolution. I have here a report of date August 16, 1916, giving all the information as to every Executive order that had been made by President Wilson from the 4th of March, 1913, down. As I understood the contention of the Senator from Mississippi [Mr. HARRISON] this morning, it was that the Senate had passed a resolution calling upon President Harding to furnish the same kind of information during his term of office, and he had paid no attention whatsoever to the resolution of the Senate.

Mr. WARREN. Mr. President——

Mr. STERLING. I think I will decline to yield further.

Mr. WARREN. Will the Senator yield to me?

Mr. STERLING. I yield to the Senator from Wyoming.

Mr. WARREN. I desire to call the attention of the disputants, as well as of the other Senators, to the fact that we are not reaching any conclusion upon any subject that is contained in the bill, and there is no motion before us relating to the bill that should call for so long a discussion of this matter.

Mr. STERLING. Mr. President, I would have closed the discussion long ago if it had not been for the interruptions.

Mr. McKELLAR. Mr. President——

Mr. WARREN. If the chairman of the committee may take three or four minutes of the Senator's time, he will thank the Senator to give it to him.

Mr. McKELLAR. I yield to the chairman always.

Mr. WARREN. This is Saturday, late in the day. Monday, as we know, is calendar day, and it has been my desire to finish this bill to-day. I have been patient. I have submitted to all kinds of talk, the washing of dirty linen included, and I think that no good purpose is served by a further continuation of it; so I am going to appeal to all Senators to lay aside these many differences about post offices—there are some 100,000 post offices, for that matter, over which they might differ—and let us proceed with the regular business of the amendments that Senators wish to offer to this bill.

Mr. KING. Mr. President——

Mr. STERLING. I decline to yield further. I shall take but a few minutes in conclusion. I appreciate the request made by the Senator from Wyoming in regard to it.

Mr. KING. I wanted to help the Senator by making a motion which I intended to make heretofore.

Mr. STERLING. I do not believe it will help.

The PRESIDING OFFICER. The Senator declines to yield at this point.

Mr. STERLING. I want to call attention to one or two circumstances under which these Executive orders were made. I have here one of which I have personal knowledge. It is under date of June 28, 1921:

> Miss Katherine M. Caesar, temporarily employed as clerk, Division of Loans and Currency, Treasury Department, since April 25, 1918, may be permanently appointed in her present position with condition against being assigned to other duty and against promotion beyond $900 a year except upon qualifying for appointment through appropriate competitive examination.
>
> This order is issued because of Miss Caesar's exceptional ability readily to locate lost papers in a more or less complicated system of filing, as demonstrated during her many months of temporary service; and also because, although having made earnest study and effort to do so, she has not yet been able to qualify through examination.

This Miss Caesar was a perfect genius in her particular line of work. They said down there at the Division of Loans and Currency that they hardly knew how they would get along without her, and the recommendation was made to the Secretary of the Treasury that he recommend to the President that he make an Executive order continuing her in the service under these limitations, namely, that she could not be promoted to any other branch of the service, and to the effect that her salary should not exceed $900 a year. For the work that she was doing she was entitled to a greater salary than any $900 a year.

Mr. President, calling attention again to the report for 1922, I simply wish that Senators might read over these 29 cases, and see the reasons given by the Executive in all but two or three cases why the Executive order was made.

In conclusion I want to say that I believe if Senators will examine the reports of the Civil Service Commission or confer with the members of the commission and get an understanding of their methods and their attitude toward the civil service law and rules, they will no longer be either as critical or as pessimistic as some of them seem to be to-day concerning the observance of the civil service law and rules, but rather they will be prepared to regard our civil service as a truly indispensable institution and will agree that on the whole it is well and faithfully administered.

Mr. CARAWAY. Mr. President, I came in the Chamber in the midst of this discussion and would have had no occasion to engage in it if it had not been for the extravagant eulogy by the Senator from South Dakota to-day of his special committee and the Civil Service Commission. I have had any number of complaints——

Mr. McKELLAR. Mr. President, will the Senator yield to me just to make a motion before he begins his speech on that subject? The Senator from Wyoming [Mr. WARREN] objected because there was nothing before the Senate. I want to move, with the permission of the Senator from Arkansas, to strike out on page 6, beginning with the word "*Provided*" on line 14, to the end of line 18, and on page 8, beginning at line 1 and ending on line 4. These are the provisions that provide for appropriations for the Civil Service Commission for making examinations for first, second, and third class postmasters.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Tennessee. The Senator from Arkansas.

Mr. CARAWAY. Mr. President, I shall be brief.

I examined with interest the report of the special committee. I have not it before me, but, as I now recall, the procedure was the same in nearly every case, namely, when the complaint was filed it was referred to the Civil Service Commission, and it offered some explanation. That was accepted as conclusive. To call that an examination of the facts is such a stretch of the expression "to examine into or inquire about a matter" that I do not presume anyone regarded it other than a farce.

Personally, taking one case, that of a man who wanted to be postmaster at Greenwood, in my State, and on the examination made sixty-odd—I believe it was 65—the Republican referee came, had it raised to seventy-odd, and had his candidate promptly given the post office.

Paragould, where I was more intimately acquainted with the facts, was also complained of bitterly. I had a correspondence and conversation over the phone with Mr. Bartlett while he was president of the Civil Service Commission. I was told that an examination had been held there, but papers were not available; they could not be seen by anyone. Afterwards I saw what they called an examination, which was simply the applicants filling out a statement of their qualifications for the office—not an examination, but were such as if he had said "I am a Republican."

The statement was made by Bartlett to me that certain people had given confidential information. I tried to get the facts about that, and it is conclusive that there was no fact to warrant the statement. It was a misrepresenation by the Civil Service Commission of the facts.

All those matters were filed before the committee of which the Senator from South Dakota was chairman. I laid the letters before the committee myself, and made an explanation of them touching many cases in my State and elsewhere. I never heard from a single one of those cases until the report of the committee was made. It was never suggested to me in respect to any of the cases that witnesses would be heard if a request should be made. On the other hand, a gentleman came all the way from Haverhill, Mass., and wanted to appear before the committee, but was not permitted to do so. I know my colleague had a witness who was at one time a member of the committee that passed upon some of the cases, employed by the civil service, and he never was heard. At this late day to say that was an examination into the facts is such a perversion of what actually took place on the part of that committee that I do not feel inclined to let it go unchallenged.

Every Senator knows what the Civil Service Commission has been doing. I never heard of a man in my State recommended by the Republican organization who failed to get on the eligible list. If he could not do it by examination, they amended the papers. That is what took place.

Unfortunately for the organization in my State, at one of the good towns the Republican failed to go when he was expected to appear, and three Democrats made the eligible list. The department refused to appoint either one of them, and had another examination, so that the Republican selected by the organization could get on the eligible list.

I do not object to the party in power having the offices. All I insist on is that it shall play the man and take the offices as party spoils, not to pretend they have a civil-service examination, which they know it is never meant for anybody except the ones selected by the organization to get offices.

I am not complaining about it. The Republican Party is not going to keep them long; so let it have them; but let it take them like men, and not under the pretense that they have a civil-service system or a merit system. How devoted the Senator from South Dakota is to the merit system. The President of the United States issued an Executive order and dismissed from the service 28 or 30 men and women in the Bureau of Engraving and Printing in violation of the law, which provided that a civil-service employee should have a chance to be heard; but the Senator from South Dakota never would let us inquire into that unlawful raid on the merit system. To show how absolutely unfair this was, three women were dismissed, one of them drawing $2,500, and I think the other two $2,400 each. Under an Executive order issued some time later those women were allowed to go back to work, but at just half their former salaries. Their salaries were cut in half by an Executive order. Yet the Senator says the examinations are conducted and the departments controlled through the merit system!

The President has before him a report dealing with those employees who were so summarily and unlawfully dismissed from the Bureau of Engraving and Printing. He has had it for weeks, and it exonerates the men and women he dismissed; but he will not give it out. He is letting men and women remain out of employment, living under the stigma of having been dismissed "for the good of the service," when everybody, including the Senator from South Dakota, knows that they were dismissed in order that active Republicans might have their places. As I said, these three women were finally put back to work in the departments under another Executive order, at just half their former salaries, with a statement that it would disarrange the Bureau to put them back in their old places, from which it is admitted that they were dismissed without any justification at all. I complain of the system as it is administered. I do not believe any Senator here wants patronage. It never got any Senator any votes, I am sure.

Senator POINDEXTER speaks of the Wilson administration. After President Wilson made an order that postmasters should be selected after examination and qualification by the Civil Service Commission, I never heard of anyone using any influence to prevent the person making the highest grade getting the office. I can say positively, so far as my information goes, that every man who made the highest grade got the place. I never undertook to interfere with it, and I do not know of any of my Democratic colleagues who did. We respected the order. To say that there shall be three eligibles, out of which a Republican Member of Congress or Senator may select one to be appointed is a camouflage, because the one they want always gets on the list. The Civil Service Commission being wholly Republican now, always gets on the eligible list the one the Congressman or the Federal patronage broker, whoever he may be, wants. If there is no line of communication open between the politicians and the Civil Service Commission on this matter, how does the commission always find out which one of the Republicans is wanted? He is always on the list. There is not a case in my State where the organization wanted some one that he did not get it. If a man could not pass the examination, they came up here and talked confidentially and quietly with the Civil Service Commission, and then the commission found out it had made a mistake; that the candidate had great executive ability or large business experience, which he himself did not know about when he filed his application for examination, because he was required to set that out. After he said everything about himself that he could think of, and then was not found eligible, the referee came up and reminded the commission that he remembered that the applicant had very many good qualities as a business man, and they looked over the case, raised the mark, and put him on.

In my State—and I venture to say the same is true of the Senator's own State—there is not a man the Republican organization wanted it did not get, civil service or no civil service, merit system or no merit system. Then he has the temerity to laud a system which everybody knows is being administered for the political advantage of the party in power.

Mr. McKELLAR. Mr. President, I want to call the Senator's attention also to the way in which the soldiers are treated under this administration. The Senator will remember that by law we gave the soldiers a preference, and that is arranged in this way: In the administration of the law the Civil Service Commission adds 5 per cent to the soldier's mark, and frequently puts soldiers on the eligible list. In other words, they give him the preference; but they give the regular Republican politician the office.

Mr. CARAWAY. The soldier gets the preference and the Republican gets the office?

Mr. McKELLAR. That is exactly what happens.

Mr. CARAWAY. There was in my State a man who served in the Spanish-Ameriran War and was overseas two years in the late war. He had a post office down there, the appointment to which he got under an examination. They required him to give it up so that they could put a Republican in the office. They are removing all of the Democrats. Yet there are Senators who eulogize that system as nonpartisan and fair. I challenge any Republican on this floor to name a single postmaster who got into office over the objection of the Republican organization. It is perfectly foolish to pretend that you are observing the merit system. You know you are not doing it.

Mr. McKELLAR. I call the Senator's attention to another matter. There is a little city in my State by the name of McKenzie. Three soldiers who were Democrats were put on the eligible list, and thereupon the party bosses demanded a rehearing. They ordered a new examination on the theory that McKenzie had been changed from a third-class post office to a second-class post office in the meantime. I protested, and that was the only time my protest ever amounted to anything with the civil service. They did withdraw the order and finally appointed one of the three eligibles, all of them being soldiers. But in the meantime, as I recall, for quite awhile they had in the office a Republican as temporary postmaster.

I want to call the Senator's attention also to the fact that they appoint "acting" postmasters. For instance, a man was brought from the county seat of another county to Gallatin and made "acting" postmaster, and he was allowed to be "acting" postmaster for two years, in violation of the law, so that he could then stand the examination and get on the eligible list, which was done.

Mr. CARAWAY. The method of treating soldiers having been referred to, let me state this, that two of the men who were dismissed from the Bureau of Engraving and Printing were soldiers and entitled to preference in employment under the law. Yet the Senator from South Dakota would not even let us inquire into those dismissals, because he knew it could not be excused or justified. One man was dismissed so that a man could be given his place who had been a bookmaker, a tout, and a pimp, and everybody knew it. Another employee of the bureau was dismissed to make a place for a man who was then being sued by his wife, and a letter was filed showing that he had been criminally intimate with a girl 15 years old and was trying to have her visit a certain doctor, whom he was going to pay. The President gives that kind of men places and turns out ex-service men, and the Senator from South Dakota would not even let us inquire about it. Then he asks us to accept his statement that this great system is a merit system, and that the committee over which he presided investigated fairly the charges made against the system. I know there was no fair investigation at all, and the Senator from Louisiana now admits that he could not recall a single one of those cases. I know if he had gone into them he would not have signed the report.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was rejected.

Mr. POINDEXTER. Mr. President, I offer the following amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 31, after line 13, insert the following:

For the construction of a national archives building in Washington, D. C., on square east 88, including mechanical equipment, and the drafting of plans and specifications, which plans and specifications shall provide for a building not to exceed $2,500,000 in total cost, $500,000, said sum to be disbursed and the building to be erected under the direction and supervision of the Supervising Architect of the Treasury.

Mr. NORRIS. Mr. President, my attention was diverted as that was read, but, as I understand, this is a provision for a new building, to be called the archives building?

Mr. POINDEXTER. It is a proposition to provide $500,000 at this time.

Mr. NORRIS. I would like to inquire of the chairman of the committee if the committee is going to accept that amendment? Is there any objection to that amendment?

Mr. WARREN. There is no objection on the part of the committee, so far as I know. There has been a designation of the location. This is a provision for a building not to exceed $2,500,000 in cost, $500,000 to be appropriated for starting the work.

Mr. NORRIS. I dislike very much to take issue with the Senator from Washington and with the chairman of the committee on this proposition. I am not sure that if there was full investigation made of the matter I might not feel favorable to the amendment. But here it comes on the floor of the Senate without having been considered by the committee, so far as I know, or any investigation made of it.

Mr. POINDEXTER. I would like to suggest to the Senator that it has been before the committee a number of different years and has been approved by the committee at different times, and such an amendment has been agreed to by the Senate several times. It is in pursuance of existing law.

I hope the Senator will not oppose it. I think it has been demonstrated in the long consideration which has been given it—as a matter of fact, it has been under consideration for about nine years—that it is in the interest of economy.

Mr. NORRIS. I know, as all such expenditures always are. That is always given as a reason for every appropriation I have ever known to be made.

Mr. POINDEXTER. That may be true, but it is not always demonstrable, as it is in this case.

Mr. NORRIS. Let me ask first whether this is in accordance with existing law? Is that true?

Mr. POINDEXTER. Yes; it is.

Mr. NORRIS. Have we such a statute?

Mr. POINDEXTER. We have. In the public buildings act of 1913 an archives building was provided for. In an amendment to that act, passed later on in a separate statute, in which the act was changed to some extent, all doubt as to the authorization of the building was removed, some question having been raised as to the language of the original act. The building was expressly authorized. The pending amendment, I may say to the Senator, is for a building on property already owned by the Government.

Mr. NORRIS. That is another question I was going to ask the Senator. Has the Government already title to the property?

Mr. POINDEXTER. It already has title to it.

Mr. NORRIS. That removes to a great extent the objection I was going to urge. I am glad to hear that. However, I want to say a few words on the amendment.

Mr. McNARY. Mr. President, I should like to know something about the status of the amendment. If it does not come within the rule, I intend to invoke a point of order against it.

The PRESIDING OFFICER. The Chair understood the Senator from Washington to say that it is provided for by existing law.

Mr. POINDEXTER. That is the case, and I shall call the Chair's attention to the law. On page 22, section 21, of an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the erection and completion of public buildings, to authorize the purchase of sites for public buildings, and for other purposes," approved March 4, 1913, the following provision is made:

SEC. 21. That the Secretary of the Treasury be, and he is hereby, authorized and directed to prepare designs and estimates for a fireproof national archives building of modern library-stack type of architecture, containing not less than 3,000,000 cubic feet of space, suitable for the orderly storage of records, documents, and other papers which have accumulated in the various departments, independent establishments, and executive offices and in the files of the Senate and House of Representatives and are not needed for current use.

Then it proceeds with details as to the archives building.

Mr. NORRIS. That is not an authorization, in my judgment.

Mr. POINDEXTER. I will call the Senator's attention to a supplement and amendment to that act, entitled "An act to repeal paragraph 4 of section 21 of the public buildings act, approved March 4, 1913, providing for the construction of a national archives building," which is the act I just read. The amendment reads:

Be it enacted, etc., That paragraph 4 of section 21 of the public buildings act, approved March 4, 1913, which reads as follows: "That before the said designs and estimates are completed inspection shall be made under the direction of the Secretary of the Treasury of the best modern national archive buildings in Europe, and consultations shall be had with the best authorities in Europe on the construction and arrangement of archive buildings," be, and the same is hereby, repealed; and the acquisition of a site for a national archives building, and the construction of the said building according to the terms of said act of March 4, 1913, is hereby authorized without such inspection and consultation in Europe.

Approved, June 28, 1916.

It seems to me that is quite a distinct authorization.

Mr. NORRIS. I am inclined to think that is right; but in pursuance of that act, was this particular real estate purchased?

Mr. POINDEXTER. The land was not acquired under that act. No land has been acquired in pursuance of the original act. The amendment provides for the construction of a building upon land which is already owned by the Government.

Mr. NORRIS. If no land has been acquired, then I was right in my belief, to begin with, that this Senator's amendment would require the purchase of real estate.

Mr. POINDEXTER. Oh, no.

Mr. NORRIS. It would not?

Mr. POINDEXTER. No; because it specifies a particular lot.

Mr. NORRIS. But as I understand it, nothing has been purchased. We would have to purchase that particular lot.

Mr. POINDEXTER. Oh, no; that lot is already owned by the Government.

Mr. NORRIS. How did the Government get title to it?

Mr. POINDEXTER. I can not inform the Senator about that. It has been owned for a considerable time by the Government. I suppose it was probably purchased along with a large part of the tract owned by the Government in that vicinity.

Mr. NORRIS. Where is the lot located?

Mr. POINDEXTER. It is located near the Pan-American Building. I think I have a diagram showing the exact location of the lot. The lot is surrounded by Twenty-first and Twentieth Streets and B and C Streets NW.

Mr. NORRIS. Oh, no; not northwest, is it?

Mr. POINDEXTER. Yes; it is northwest. The number of the lot, according to the technical description of it, is E–88 on the city plat.

Mr. NORRIS. Where is it located with reference to the present office building of the Interior Department?

Mr. POINDEXTER. It is located considerably south of that.

Mr. McKELLAR. It is west of the Pan American Building.

Mr. NORRIS. The information which the Senator has just given has cleared up to a great extent one of the objections I had in mind in regard to the proposition. There is still one matter which I think ought to be given consideration and that is the matter of economy, whether right now, when we are straining every effort to find something to tax in order to pay our debts and keep the Government running, we ought to go to the expense of $2,500,000 for this purpose. I know it can be said, and with a great deal of force, that a great many documents, and so forth, more or less important in value, are liable to be burned or otherwise destroyed because there is not a suitable place to keep them. It is, perhaps, false economy to run the risk.

But, Mr. President, I think to quite an extent the idea of building an archives building is propaganda mostly originating in the newspapers of the city of Washington—perhaps a worthy object. I am not contending but what we ought to have such a building, but I thing we ought to give very grave consideration to whether we should spend $2,500,000 in the construction of the building now when the question of taxation is so important. Everybody is trying to economize. Everybody has promised that he would try to economize in the Government. We have been proclaiming it everywhere. Everybody is asking for economy.

Mr. POINDEXTER. I do not know whether the Senator was here yesterday, but at that time in the discussion of the

same matter the Senator from Utah [Mr. SMOOT], who has made a special study of it, made the statement, which appeared in the RECORD this morning, that if provision were made for the storage of documents and papers which are now stored in rented buildings and in Government buildings, thereby releasing the space occupied by them and giving opportunity to use it for offices, several hundred thousand dollars a year would be saved. He made the statement, with reference to a million-dollar appropriation for putting up archive stacks in the Pension Office Building, that the million dollars would be saved by the Government in two years. I assume that those figures are based upon some more or less accurate calculation. I know from a long study of the general question that a great deal of money will be saved immediately the building is available.

So far as the newspaper propaganda is concerned, my interest in the proposition goes back away beyond the newspaper advocacy of it, so far as the newspapers are concerned which are dealing with the subject at the present time. I introduced the bill and it was enacted into law in 1913. I have been interested in the matter ever since. I know the Senate objected to the purchase of a piece of land, and I think a great many people thought it was sort of a real-estate deal or a real-estate promotion. In order to obviate that objection we have abandoned that feature entirely and propose to erect a building on land which the Government already owns.

Mr. NORRIS. When the Senator's bill was introduced, where was it referred? I presume it went to the Committee on Public Buildings and Grounds.

Mr. POINDEXTER. It did.

Mr. NORRIS. What action have that committee ever taken? Have they ever made a favorable report on the bill?

Mr. POINDEXTER. They made a favorable report, and the bill was passed.

Mr. NORRIS. Then we do not need to pass it now.

Mr. POINDEXTER. That was the authorization.

Mr. NORRIS. I am speaking of this building. The Committee on Public Buildings and Grounds, as I understand it, would have jurisdiction of a bill providing for the construction of the building. I am not talking about the real estate. Has that bill ever been referred to the Committee on Public Buildings and Grounds?

Mr. POINDEXTER. It was referred to that committee, acted on by that committee, reported to the Senate, and passed the Senate and House of Representatives. It is the law which I have just read.

Mr. NORRIS. I say if there is already a law in every way perfected and complete, we do not now need to authorize construction of the building. That is all there is to it.

Mr. POINDEXTER. That is true.

Mr. NORRIS. Is that true?

Mr. POINDEXTER. That is true, but the pending amendment is not an authorization. It is an appropriation.

Mr. McKELLAR. Mr. President——

Mr. NORRIS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I think the Senator perhaps was not here late yesterday afternoon, when the matter was first discussed on an amendment offered by the Senator from Utah [Mr. SMOOT] to appropriate $1,000,000 for the purpose of buying stacks for these archives and putting them in the Pension Building.

Mr. NORRIS. Yes; I am familiar with that matter.

Mr. McKELLAR. I am rather inclined to think that inasmuch as we have already authorized the construction of the building and as we ought to have the building, the proposition of the Senator from Washington is the correct way of dealing with it. It is true that the Senator from Utah stated yesterday afternoon that the stacks which are going to be put up at great cost and expense can be utilized hereafter in the archives building. They will be placed in the Pension Building probably almost at the cost of stopping business in the Pension Office while it is being done. I do not see how any work can be done there while the stacks are being put in, when the floors and walls are being taken out of a building that is 50 years old. We do not know whether it will be safe after they are put there.

The Senator from Utah stated that we could use the same stacks in the building which is proposed by the Senator from Washington to be built. My own judgment is that they can not and never will be so used. The Senator knows they will be found not in accord with the new building when the time comes, and we will have to appropriate another million dollars or more for other stacks at that time, and the stacks which are to be purchased now will be thrown away.

I think the economical way to handle this matter would be to proceed to erect the buildings and in the meantime not waste the extra $1,000,000 in putting stacks in the old Pension Building.

Mr. NORRIS. An appropriation for that was not put in the bill.

Mr. McKELLAR. I understood that it was.

Mr. NORRIS. Has a million dollars already been provided in the bill to construct these stacks?

Mr. McKELLAR. That item is already in the bill.

Mr. WARREN. An item proposing to appropriate a million dollars for the construction of stacks to be used for the storage of documents and papers in the Pension Office Building has been placed in the bill.

Mr. NORRIS. Then, this appropriation should not be made.

Mr. McKELLAR. One or the other ought not to be agreed to. I am inclined to think that the other item should be disagreed to.

Mr. WARREN. The space in the Pension Office Building will be needed just as much though the archives building be constructed, unless we provide for the construction of a much larger archives building than is now contemplated, because the papers proposed to be stored in the Pension Building are the accumulation of the records of many years, including war periods, and are tremendous in quantity.

Mr. NORRIS. There is a great deal of room in the court of the Pension Office Building, where I suppose it is intended that the stacks shall be constructed.

Mr. WARREN. Yes.

Mr. NORRIS. And we shall not have to tear down any walls, as the Senator from Tennessee has stated. The Pension Building is like a great shed. In the middle of it there is a large court running up for several stories and now unusued. I suppose it is intended to fill that space with stacks.

Mr. McKELLAR. Yes; at great cost and expense. Is the Senator from Nebraska advised as to whether the old Pension Office Building, which was erected many years ago, is fireproof?

Mr. NORRIS. I do not believe it is fireproof.

Mr. WARREN. Yes; it is a fireproof building.

Mr. McKELLAR. I do not believe it is. Does the Senator from Nebraska think we ought now to expend $1,000,000 for stacks to house archives of the Government in a building which is nearly 50 years old?

Mr. NORRIS. The Senator from Wyoming [Mr. WARREN] says that the building is fireproof.

Mr. WARREN. It is fireproof.

Mr. McKELLAR. There is a very great difference of opinion about the matter, I will say to the Senator.

Mr. WARREN. It is fireproof as that term is generally understood, but, of course, there are no iron shutters over the doors and windows, as there would be, perhaps, in an archives building. The building, however, is constructed of brick and stone and metal, and the only wood in the construction, perhaps, is in the doors and interior fittings. It transpired in the discussion on yesterday that even the roof is entirely of metal and glass instead of being partly wood, as it has been claimed.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. NORRIS. Yes.

Mr. FRELINGHUYSEN. I desire to ask if Senators are discussing the question as to whether or not the Pension Office Building is fireproof?

Mr. NORRIS. That question has arisen.

Mr. FRELINGHUYSEN. I happen to know something about the construction of buildings, and I desire to say that as to storing quantities of inflammable materials, such as papers and books of the character of archives, they might as well be stored in a haymow as to be placed in the Pension Building. That building, while it may be constructed of metal and brick, is not of a fire-resisting character, by reason of the "well holes" and its open construction. If the archives of the Government are to be safely housed, they should be placed in a modern fireproof building without airshafts and elevator shafts.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. Yes; I will yield, although while I have had the floor other Senators have been doing the talking. I wish to do some talking myself. I should like, so far as I can, to answer questions or to get additional information as I go along from the various Senators who have interrupted me. I am only seeking information.

The Senator from New Jersey has stated that placing Government archives in the Pension Building will be like placing them in a haymow, although the building is constructed of iron and

brick. I judge from his remarks that the building becomes inflammable by reason of the kind of material to be stored in it; that is, papers and documents; and, further, that the elevators and open spaces in the building create drafts, and which in case of fire would result in burning the documents which we propose to place in the building. Am I right in that conclusion?

Mr. FRELINGHUYSEN. Mr. President, I stated that by reason of its open construction the building was not fireproof or fire resisting. The Senator from Nebraska is correct in assuming that because of the open construction of the building it is dangerous, for just as soon as a fire occurs in a building of that character a draft is created and the building simply becomes a furnace. If we are going to store the records of the Government where they will be safe, we have got to provide a fireproof building, and the Pension Office Building is not, in modern parlance, a "fireproof building."

Mr. NORRIS. Very well. Now, Mr. President, as I sum the situation up, the opinion of the Senator from New Jersey is that the building itself will not burn, as it is constructed of iron and brick, and therefore can not burn; but we are going to put inside of it something which will burn; and therefore it will be a dangerous proposition, because the building is rather open in construction.

I doubt, however, whether the elevators in the Pension Building would create drafts which would be dangerous in case of a fire originating in the documents which are to be placed in the court of the building. Certainly unless the documents themselves to be put there should first catch fire they would be safe; there would be no danger of those documents burning because the building might catch fire and burn, for brick and iron do not burn. The fire would have to be started in the documents themselves. That would be true wherever the documents might be stored. They can not be made fireproof because they are made of paper.

The Pension Building, as everybody knows, has in its center a very large court; the offices are around that court; and what elevators there are in the building are not in the court but are in the rows of offices that extend clear around the building. In that court an immense amount of documents could be stored if the stacks were placed there. On yesterday, I understand, the Senate put into the bill an appropriation for $1,000,000 to construct those stacks. Now it is proposed to appropriate $2,500,000 to erect another building.

Mr. WARREN. But we now propose to appropriate only $500,000 for the new building.

Mr. NORRIS. I know it is now proposed to appropriate only $500,000, but we all know that $500,000 will not be sufficient to erect the building; in fact, the amendment itself shows that it is going to require $2,500,000 for that purpose.

It seems to me, Mr. President, that the Senators who are now talking about the Pension Building being a fire trap should have been heard on yesterday when the amendment to which I refer was adopted, but I presume no Senator said anything about it then, and if he did the Senate did not follow his judgment, and thought it was safe to put these documents in the Pension Building.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. NORRIS. I yield to the Senator.

Mr. FRELINGHUYSEN. Mr. President, I take it that the Senator from Nebraska is seeking information. While I do not pose as an expert, for 30 years I have been in the business of insuring buildings of the character under discussion. In the consideration of insurance area always has a great deal to do with the question of risk in a building which contains inflammable material. The Pension Building is a structure of tremendous area. In the event of a fire the fire would spread rapidly and could not be extinguished.

In addition to that, the elevator shafts are open. In a really fireproof building there are no light shafts, every floor being cut off separately without any such shaft; and wherever the spaces occupied by elevators or chimneys have to be carried through a floor such spaces are inclosed in brick. Furthermore, fire-resisting doors and fireproof glass is used upon all outlets to and from the shafts, which are then inclosed in an areaway. All of the openings are covered, not only with fireproof glass but with kalomine material covering the frame of the building. Every floor is separated with fire brick and a fireproofing material. In such buildings no matter how inflammable the material may be which is contained on each floor, each floor is a separate risk. That is the modern standard of construction which governs the fire rules of every city in the country, and no one connected with the National Board of Fire Underwriters, or with an up-to-date fire department, or a well-informed department of public buildings of any modern municipality would consider allowing a building to be constructed for the safeguarding of valuables or public records unless those modern methods and specifications were followed in the construction of the building.

To take a million dollars and put it in the Pension Building with the idea of providing a safe place for Government records is an absolute waste of money. A great building of that character can not be made fireproof and safe under any circumstances whatever unless it be torn down and reconstructed.

Mr. NORRIS. Mr. President, does the Senator think that the building which is going to be erected with the money which we are about to appropriate will be the kind of a building he has described?

Mr. FRELINGHUYSEN. I do not know; I have had no estimate given me, but two and a half million dollars will erect a very good fireproof building.

Mr. NORRIS. Yes.

Mr. FRELINGHUYSEN. But if the records are valuable and the object of the legislation is to procure a safe place, with the knowledge which I have of fire insurance risks and of building construction, I would advise the Senate to erect a fireproof building for them and not try to rebuild the Pension Office.

Mr. NORRIS. Mr. President, the Senator's advice reminds me of the remark of the client whom the laywer found in jail. When the client told the lawyer of the charge, the lawyer said, "Well, they can not put you in jail for that," to which the client replied, "But here I am, in jail." We have already adopted a provision to squander a million dollars, according to the Senator's idea; it is in the bill now. That was done yesterday. The object then was to provide a million dollars to put stacks in the Pension Building. That was good enough then, but now the object is to spend $2,500,000 to erect another ornamental building; and in order to provide an argument for the erection of that building we condemn the work which we did yesterday when we provided a million dollars to erect stacks.

Mr. President, from the way the Senator from New Jersey has described a fireproof building, there is not a single such building now in the city of Washington; there is not one which complies with the specifications he has outlined; and I have no doubt whatever that if this money is appropriated and the proposed building is erected it will not be the kind of a building the Senator has described.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. NORRIS. I yield to the Senator.

Mr. FRELINGHUYSEN. I venture to say there are 50 buildings of that character in the city of Washington to-day. I will furnish the Senator with a list of them, if he desires. I recall one or two factory buildings of that character now.

Mr. NORRIS. I wish the Senator would name one.

Mr. FRELINGHUYSEN. There is a building here in which bottle tops are being manufactured which is of modern construction.

Mr. NORRIS. That is not a Government building?

Mr. FRELINGHUYSEN. I am not speaking of Government buildings.

Mr. NORRIS. I am speaking of Government buildings.

Mr. FRELINGHUYSEN. The Senator said "buildings."

Mr. NORRIS. I do not know whether I used the word "Government," but I am speaking of Government buildings. This Capitol is liable to be burned down any minute, according to the Senator's idea. There are elevators all through it; there are courts in it; and there are many tons of paper and other inflammable material inside of it.

Mr. POINDEXTER. And hot air. [Laughter.]

Mr. NORRIS. The kind of documents that are going to be stored in the archives building are not the most valuable papers the Government has. As I understand, the most valuable papers are the ones that are being used from day to day; but in that building it is proposed to store papers which we may get through with and put aside, and it is thought probably they had better not be destroyed but ought to be placed somewhere so that if reference is ever desired to be made to them they may be obtained, although they may be a hundred years old. In the Senate Office Building there are many stacks along one wing of the basement where tons and tons of papers are stored.

The papers belong to the Supreme Court of the United States, but I hardly suppose that any Supreme Court Justice or a clerk or a bailiff of the court goes down there to get a paper a half dozen times a year. They are papers in old cases which have been disposed of; but it may be that occasionally reference will be made to some paper which it will be necessary to pro-

cure, and so they are placed where it will be possible to send and get them.

That is the kind of papers, as I understand, that are going to be put into this new building. The Government would still live if it burned and all of them were destroyed; but, Mr. President, I anticipate that no such building will be constructed. It will have elevators in it; it will have different stories; there will be stairways in it, all made of fireproof material. If you should carry in a lot of combustible matter and put it in there, it might burn up. The building probably would still stand. So the standard that is set up as to the Pension Building is such a perfect one that it is not going to apply to this other building either. It is perfectly foolish, it seems to me, for the Senate to spend $1,000,000 to build stacks in one building that I think, from what has been said about it, is as fireproof as any of the other buildings and then the very next day provide $2,500,000 more to build some more stacks in another building. I want to say that the time will come when we ought to construct this building; but right now, Mr. President, when we are straining every nerve to keep the old ship of state going without getting more heavily mortgaged, we ought to hesitate before we go into this kind of business. It may be that we will lose something by doing what I advocate; but we have lived a good many years without this building, we still have the valuable documents, and we can keep on awhile, I think, until we are in better shape financially to do it.

Mr. President, 20 years ago I came to the House of Representatives. I was put on the Committee on Public Buildings and Grounds. One of the first things that I ever did officially was to listen for several days to gentlemen talking in favor of an archives building. They showed that we had all kinds of documents that were in danger every day; that we might have a fire before night and make the Government absolutely bankrupt; and therefore that we had to have an archives building, and have it at once. There was a great propaganda in favor of it in the city of Washington. Every newspaper was filled with articles demonstrating the necessity of an archives building to save the old records. For days and days and months and months that went on; and these people came before that committee, composed of some good men and some suckers like me, and they poured that kind of argument into us until we were frightened. We thought the Government was going to fail. I did not sleep nights for fear a fire might take place and the whole thing might go up in smoke, and I could not hurry fast enough to help get that bill out of the committee. We reported it; we provided for the purchase of a square of real estate; and the propaganda for an archives building died the very minute we passed the bill and appropriated the money to buy the land upon which we should build it. We never heard anything about it until about 20 years had elapsed. Now again comes this great cry for an archives building. I was suspicious of it until I saw that we were going to build it on land that we already own, and then I confess that a good deal of my suspicion vanished.

The fact was, I think, that behind it all was a coterie of fellows who owned a whole block of land that they wanted to sell to the Government of the United States at a good price, and when they put it across they forgot all about the safety of these sacred documents.

Probably we made a good deal, because that land has become very valuable. It is the land where one of the best buildings that the Government owns now stands. We forgot the archives building so completely that about 15 years afterwards we provided for the erection of the present Interior Department Building on that square.

Mr. WARREN. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. WARREN. The Senator is relating some circumstances and details as to one part of which I am ignorant. I realize that we bought the block the Senator mentions, costing us $500,000, and I realize that one of the best office buildings we have now occupies it—that is, the Interior Department Building—but I do not realize, I do not remember, and I rather doubt whether the Congress had anything to do with putting the Interior Department Building on that block. However, that is not the point.

Mr. NORRIS. Oh, yes; the Congress did. It is perhaps quite immaterial, but it is within my recollection when we provided for the construction of that building. It could not have been constructed without an act of Congress, I take it.

Mr. WARREN. There is no specific appropriation for it; I am certain of that; but that does not matter at all.

Mr. McKELLAR. It was built before the war, was it not?

Mr. NORRIS. Yes. There is no doubt, however, but that the people who erected that building have been paid for it.

Mr. WARREN. Of course they have.

Mr. NORRIS. I do not imagine that somebody sneaked up on Uncle Sam and constructed that building without making any charge for it.

Mr. WARREN. In other words, it was a part of one of the great lump sums that we very often appropriate, and the officials use them as they choose.

Mr. NORRIS. No; I think the Senator is mistaken about that. Maybe he is not; but at least the building has been constructed, and I think Uncle Sam paid for it.

Mr. WARREN. Yes.

Mr. NORRIS. It is there and it is a good building, I think the best we have; so it may be that it turned out all right in the end.

Mr. President, to my way of thinking, the matter reduces itself down to a matter of economy only. It seems to me we ought to hesitate before we make this appropriation, before we start on this building, which we can get along without for some time. We shall have to construct other buildings in the city of Washington. There is other land that we have purchased for the purpose of erecting Government buildings on, but we are not doing it now. We are waiting because we have spent all our money; and it seems to me it is the part of wisdom to wait still longer, until Uncle Sam has more money. We ought not to branch out now, especially when we are going to fit up the Pension Building with a lot of stacks that will take care of the condition.

Mr. UNDERWOOD. Mr. President, I want to say just one word in reference to this matter.

We have in the bill an appropriation of a million dollars to fireproof, or attempt to fireproof, the Pension Building. After listening to the statement made by the Senator from New Jersey [Mr. FRELINGHUYSEN]—who, I know, with his experience in insurance matters, is an expert on these questions—I have become convinced that what he says is true; we are not going to accomplish the fireproofing of the Pension Office in this way. We have in the bill a million dollars. We own the land, block 88, on which it is proposed to build an archives building. It will cost only a million and a half dollars more to build the right kind of a building. I take it that if the Senate puts in the appropriation for an archives building it will strike out the appropriation for building the stacks.

Mr. KING. Mr. President, will the Senator yield?

Mr. UNDERWOOD. Yes.

Mr. KING. I do not think the conclusion of the Senator is correct, if I understood the position of the senior Senator from Utah [Mr. SMOOT] and the committee and the reasons prompting them to recommend the appropriation of a million dollars for stacks. Their position, as I understand it, is that we will spend a million dollars for the installation of stacks in the Pension Building; then we will spend two and a half million dollars for the construction of an archives building; and after it has been completed, it is contended that we may use those stacks, which cost a million dollars, and transfer them, together with their contents, from the Pension Building to the archives building; so that we will be spending three and a half million dollars.

Mr. FLETCHER. Mr. President, may I interrupt the Senator just to add a little more to what the Senator from Utah has said?

The senior Senator from Utah [Mr. SMOOT] claims that by putting these stacks in the Pension Building we would not only utilize space there that is now available in a fireproof building, but we would save the rental of space now being taken up by the presence of these papers that will be brought to the Pension Building. We are now paying very high rent for that space; and in his argument yesterday the Senator stated that we would save some five or six hundred thousand dollars a year in rent if we had these stacks in the Pension Building.

I merely mention that.

Mr. UNDERWOOD. Mr. President, I thank my friends very much for their interruptions. They may be right about it and I may be wrong about it; but I just want to express my viewpoint. Of course, I know that the senior Senator from Utah [Mr. SMOOT] is a very earnest and active Member of this body, and a very influential one; but in the last analysis the Senate has to determine this question. It is not a political question. It is a purely business question.

I want to say that in the beginning I was disposed to take the viewpoint of the senior Senator from Utah. I thought here was a great space that we could use in which to put stacks, and I knew that the Pension Building, so far as its construction was

concerned, was almost fireproof; that is, it has no inflammable material in it except the doors and windows, because I have been in the building many times and have examined it; but after I listened to what the Senator from New Jersey [Mr. FRELINGHUYSEN] said, I realized that the inflammable thing in regard to preserving these papers is not the building, but it is the papers themselves.

We are going to prepare to build a bonfire, and we must prepare to stop it, to localize it. So I think the position that the Senator takes is correct, and that if we want to accomplish this purpose, so far as fireproofing is concerned, the only way we can do it is to erect a building for that purpose. I think when the bill goes into the Senate, if the Senate puts $2,500,000 in here to construct this building, it probably will not agree to the other $1,000,000 item; and that is a question that can come before the Senate for consideration.

I listened with much interest to what my friend from Nebraska [Mr. NORRIS] said about the agitation for an archives building 20 years ago. I was in the same crowd with the Senator that thought we had to buy this land.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New Jersey?

Mr. UNDERWOOD. I yield.

Mr. FRELINGHUYSEN. I do not want the Senator to be under a misapprehension as to my statement. The Senator from Nebraska was speaking of the Pension Building as a permanent building for the storing of the archives, and the spending of $1,000,000 to make it fireproof. I said that I did not believe $1,000,000 would make it fireproof; but, as I understand the object of the appropriation, $950,000 of the appropriation is to be applied for the purpose of furnishing files and stacks and places to store the public records temporarily until an archives building, properly constructed, can be built, and the appropriation and this improvement will save $600,000 in rent. I therefore believe that the appropriation is warranted. The interrogatory of the Senator from Nebraska was in regard to the expenditure of $1,000,000 in repairing that building to make it fireproof, and upon that I made my statement.

Mr. UNDERWOOD. I understood the Senator's statement. I am only making my statement. I do not think it is worth while for us to provide a temporary place to file these archives if we are going to provide a permanent place, because in the last analysis it will not take two years to build this archives building if we make the appropriation now and start at it. It will probably take the best part of a year to put in the stacks to take care of the papers temporarily.

I am not in accord with my friend from Nebraska that we do not need an archives building, although I remember our enthusiasm at the time. I think we do. Several years ago I was opposed to an appropriation for that purpose, because they were going to stop up one of the streets; but I think we do need an archives building.

Mr. NORRIS. I agree with the Senator. The Senator misunderstood me. I think we do need an archives building, but I question the advisability of appropriating the money now.

Mr. UNDERWOOD. I think we do, because they have a great many valuable and historical records, not merely of money value but records of the Great War, and if they were destroyed and the Government lacked evidence with which to defend itself, it might cost tens of millions of dollars. But, more than that, there are historical documents which should be preserved for the future. We owe something to those who come after us, and I think there should be a proper place to store the records.

There is in this bill an appropriation of a million dollars for a temporary building, to be erected on Government ground. There is no real-estate speculation involved in this proposition; but the building is to be erected on our own land, where there is now a temporary building of lath and plaster which will have to be pulled down in a year or two, a building erected for war purposes, which is now of no value. To appropriate two and a half million dollars for an archives building that may last hundreds of years instead of spending a million dollars for a temporary matter seems to me to be a good business proposition, and I am in favor of accepting the proposal of the Senator from Washington and making it a permanent matter and let the temporary proposal go out. I have simply said that to explain how I would vote on the proposition.

Mr. McKELLAR. Mr. President, I desire to ask a question of the Senator from New Jersey, who seems to be familiar with construction. It is proposed here that stacks which are to be used for the proposed improvement in the Pension Building may be used for a future fireproof building. Is that feasible or not?

Mr. FRELINGHUYSEN. Absolutely feasible.

Mr. McKELLAR. Then would you not have to build a building to fit the stacks, and would it not be very much better to build a building and then build the stacks, or have the stacks manufactured to fit the building?

Mr. FRELINGHUYSEN. I understand the plan is to build these stacks, or filing cases, or steel vaults, or receptacles for paper, of steel—whatever you are pleased to call them. The Senator has seen them, no doubt. He probably has some of them in his office, painted green. They are simply piled up on top of each other.

Mr. McKELLAR. I understand.

Mr. FRELINGHUYSEN. They are simply receptacles for papers and records. They are to be seen in every county clerk's office. Those things are movable and can be put in the archives building and the records stored there.

Mr. McKELLAR. I understand that, but instead of erecting a great new building, such as is proposed by the Senator from Washington, to cost probably two and a half million dollars, would it not be very much better to have the kind of stacks that would fit in with that building, rather than to have stacks that are gotten haphazard from an old building?

Mr. FRELINGHUYSEN. I do not think there would be any loss whatever in the equipment of the building.

Mr. McNARY. Mr. President, against this amendment I want to invoke Rule XVI. I am not responsible for this rule; indeed, I opposed it on the floor of the Senate when it was proposed, but I want to see it impartially enforced in all cases. During the consideration of the Agricultural appropriation bill, whether it agreed with my feelings or not, whatever my state of mind might have been at that time, I tried in every way to have the rule enforced when I thought it was proper to do so.

I understand this amendment has not been estimated for by the Bureau of the Budget, and has not been reported by the Committee on Appropriations. Indeed, if it is an item as important as we are told it is, certainly the Director of the Bureau of the Budget would have had some estimate made, some one would have appeared before the committee in regard to it, and after a careful consideration the committee would have made some report to the Senate on the item. This item being entirely overlooked, I suggest that it comes within Rule XVI, and I invoke that rule at this time.

Mr. POINDEXTER. Mr. President, if the Chair will bear with me a moment, my friend the Senator from Oregon is mistaken as to the matter of the Budget. This item is estimated for on page 458 of the Budget, under the head of "Public buildings."

Mr. McNARY. Will the Senator yield at that point?

Mr. POINDEXTER. Certainly.

Mr. McNARY. Does that appertain to the item carried in this bill? Does it not appertain to a provision in another bill? I am told by the clerk of the committee that it was not estimated for by the Bureau of the Budget.

Mr. LENROOT. The Senator from Washington has the Budget for the wrong year.

Mr. McNARY. I thought so.

Mr. POINDEXTER. It is probably repeated in this year's estimate. I think it is carried in the current Budget. Aside from that question, I do not understand that the portion of the rule to which the Senator refers is applicable in a case where the appropriation is to carry out an existing law, as is the case here.

Mr. LENROOT. Where is the law for the building of an archives building?

Mr. POINDEXTER. It has been gone into at considerable length. I hand the Senator a copy of it.

The PRESIDING OFFICER. The Chair would like to hear the Senator from Oregon on the point suggested by the Senator from Washington.

Mr. McNARY. The point I made was that it was not estimated for by the Bureau of the Budget, and I think the Senator from Washington will concede that statement to be a true one. Secondly, it has not been estimated for by the committee, nor is a provision for it contained in this bill. I am not conversant with any existing law on the subject. There is, perhaps, an authorization for some such building.

The PRESIDING OFFICER. Let the Chair read two paragraphs he is bound to consider in determining this matter, a portion of clause 1 of Rule XVI, reading as follows:

> No amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law,

That is all that bears directly on this question. Then Public Act No. 119, Sixty-fourth Congress, approved June 28, 1916, in part reads as follows:

And the acquisition of a site for a national archives building and the construction of such building, according to the terms of said act of March 4, 1913, is hereby authorized, without such inspection and consultation.

The Chair would like to hear the Senator from Oregon on that point.

Mr. McNARY. As I said, I am not familiar with that provision. It seems to be an authorization which has not been taken into consideration by the Director of the Budget or by the committee this year. This amendment is offered by the Senator from Washington without either of the other elements accompanying it. I would like to ask the chairman of the committee having the bill in charge if anyone appeared before the committee, or if any estimate was made relating to this?

Mr. WARREN. I will answer to the Senator by saying that were it not for the explicit law which was passed regarding the construction of the building, the point of order would rest very easily upon Rule XVI, which the Presiding Officer has read, together with the fact that it has not been estimated for this year. It was not considered in the committee in its hearings, in the first place, because it was not estimated for, and because of the fact that it had been so many times figured upon. But when the bill was brought upon the floor, and most of the members of the committee were here, they talked together about it and decided that it was a good time to let it go in and see what can be done with it in the House. Of course, it would have to be concurred in over there.

I will leave the point of order to the Chair. There is no doubt that a point of order would lie against the proposition except for the fact that it carries out existing law, as the Senator from Washington has said.

Mr. McNARY. Did anyone appear before the committee and ask for this appropriation?

Mr. WARREN. No; except here upon the floor.

Mr. POINDEXTER. That is true, so far as this particular provision is concerned——

Mr. WARREN. It has been put into the bill repeatedly heretofore by the committee.

Mr. POINDEXTER. It has been favorably acted upon by the committee heretofore.

Mr. WARREN. Yes.

The PRESIDING OFFICER. (Mr. WILLIS in the chair). The Chair is ready to rule. Without a doubt, the amendment proposed by the Senator from Washington does add a new item of appropriation. The only question, therefore, is this: Is it to carry into effect an act authorized by existing law, or, in the terms stated in the rule, "unless it be made to carry out the provisions of some existing law"?

The portion of Public Act No. 119 approved June 28, 1916, which the Chair read a moment ago, seems to the present occupant of the chair to be an authorization. The Chair is therefore compelled to overrule the point of order. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. POINDEXTER].

The amendment was agreed to.

Mr. FRELINGHUYSEN. Mr. President, I do not propose to take the time of the Senate at length, because I know the chairman of the Committee on Appropriations is very anxious to have this bill passed to-night. I want to make a brief statement in reference to the Tariff Commission item.

Mr. FLETCHER. May I interrupt the Senator to say that I do not see that it is possible to pass the bill to-night. It is now 5 o'clock, and there are some other amendments to be offered.

Mr. FRELINGHUYSEN. I have no objection to the observation of the Senator; but I thought he wanted to ask me a question. I desire to continue my statement, and then will leave the bill to its own fate.

Mr. FLETCHER. The Senator was proceeding on the supposition that the bill is going to be passed to-night.

Mr. FRELINGHUYSEN. Under the Tariff Commission item there is an appropriation for administration of $680 000, and $20,000 for printing and binding. The commission asked for a million dollars, and I had intended to offer an amendment increasing the appropriation to that amount. Of course, under Rule XVI that would be subject to a point of order.

I wrote to the chairman of the Tariff Commission and asked him as to the sufficiency of this appropriation. I have his reply, which I shall ask may be inserted in the RECORD, but I will read just a paragraph:

The Tariff Commission submitted in regular course, through the Bureau of the Budget, a supplemental estimate for the fiscal year 1923, in the sum of $250,000, and its regular estimate for the fiscal year 1924, in the sum of $1,000,000.

It was admitted by the chief of the bureau that the needs of the Tariff Commission were $1,000,000. I desire to point out briefly to the Senate the importance of the Tariff Commission's work under the new act of September, 1922, and to urge upon the Appropriations Committee the necessity of giving the Tariff Commission all of the money necessary for them to carry on their investigation and surveys which under the law they are authorized to make. It would be false economy for the Government in any way to restrict them.

At the present time there is nearly $600,000,000 of income through the revenue act. The stability of the present tariff rests upon the flexible system imposed in that act and the service to be rendered by the Tariff Commission in making the studies. At the present time the woolgrowers, the cattlemen, and others are asking for information regarding conversion cost. The Senate will call upon the commission for information. It is vital almost in carrying out the act that the commission be allowed proper appropriations to secure the necessary personnel in order that they may carry on and that the hundred cases now being investigated, including studies of the chemical tariff, as well as the pottery tariff, should be carried on.

I ask unanimous consent that the letter may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

UNITED STATES TARIFF COMMISSION,
Washington, January 12, 1923.

Hon. JOSEPH S. FRELINGHUYSEN,
United States Senate, Washington, D. C.

MY DEAR SENATOR FRELINGHUYSEN: Receipt is acknowledged of your letter of January 10, in regard to the sufficiency of the appropriations proposed in the pending deficiency bill and in the independent offices appropriation bill, to cover the expenses of the Tariff Commission during the fiscal years 1923 and 1924, in connection with the duties of the commission under section 318 of Title III of the tariff act of 1922.

The Tariff Commission submitted in regular course, through the Bureau of the Budget, a supplemental estimate for the fiscal year 1923, in the sum of $250,000, and its regular estimate for the fiscal year 1924, in the sum of $1,000,000. In submitting these estimates the commission was careful to state that they were regarded as the minimum amounts necessary to enable the commission to carry on the work imposed upon it by the several provisions of law relating to the commission. We are still of the same opinion.

While it is not possible to forecast with mathematical exactness the number and extent of investigations which may be required, or the expense of such investigations, either in the ordinary course of the commission's work or in connection with such applications as may be submitted under section 315 or in pursuance of the requirements of sections 316 and 317 or under the provisions of section 318, it is inevitable that such investigations, if adequately conducted, will in the course of a year necessitate the expenditure of more than the proposed appropriation.

It is believed that the commission should not be restricted by an insufficiency of funds with which to carry on the work thoroughly and with such promptness as to make it effective.

Very truly yours. THOMAS O. MARVIN, *Chairman.*

Mr. WARREN. Mr. President——

Mr. McKELLAR. Mr. President, will the Senator from Wyoming yield to me to make a correction?

Mr. WARREN. I yield.

Mr. McKELLAR. From the proceedings of this morning I quote a short paragraph from the remarks of the Senator from Massachusetts [Mr. LODGE]:

Mr. President, I merely wish to remind the Senator that during the eight years of Mr. Wilson's administration there were something over 60 resolutions of inquiry with regard to Mexico adopted by the Senate and sent to him, all, so far as I remember, properly worded, but not the slightest notice was ever taken of one of them.

I now call the attention of the Senate to a report entitled:

AFFAIRS IN MEXICO.

Message from the President of the United States, transmitting, in response to a Senate resolution of January 6, 1916, certain information relative to affairs in Mexico.

On February 17, 1916, it was read, ordered to lie on the table, and be printed.

Also, a "message from the President of the United States, transmitting a report from the Secretary of State, in response to a resolution of the Senate, June 19, 1919, in respect to claims against Mexico for the destruction of life and property of American citizens in that country," which was on August 1, 1919, read, referred to the Committee on Foreign Relations, and ordered to be printed as a Senate document.

This was the message:

To the Senate:

I transmit herewith a report from the Secretary of State in response to the resolution adopted by the Senate on June 19, 1919, in respect to claims against Mexico for the destruction of life and property of American citizens in that country.

WOODROW WILSON.

THE WHITE HOUSE, *July 31, 1919.*

Mr. WARREN. Will not the Senator put those in the RECORD without occupying our time?

Mr. McKELLAR. It will take but a moment longer.

There was a third "message from the President of the United States, transmitting, in response to a resolution of the Senate of June 19, 1919, a report of the Secretary of State in respect to the action taken by the United States with relation to the protection of landed estates of American citizens in Mexico," which was likewise, on August 11, 1919, read, referred to the Committee on Foreign Relations, and ordered to be printed.

I insert these in the RECORD for the purpose of showing that the Senator from Massachusetts was mistaken this morning in stating that no messages in response to similar resolutions had ever been sent in by President Wilson during his administration.

Mr. SMOOT. The Senator does not mean to say those messages were in response to the only resolutions the Senate passed in reference to the matter mentioned by the Senator from Massachusetts?

Mr. McKELLAR. Oh, no; but I call the attention of the Senator from Utah and the Senator from Massachusetts to the statement which the latter Senator made this morning:

All, so far as I remember, properly worded, but not the slightest notice was ever taken of one of them.

I have read three.

Mr. SMOOT. Out of 60 there were 3 to which response was made.

Mr. McKELLAR. The three reports were so comprehensive that it was probably not necessary to have all of them answered. The Senator from Utah, however, may be as badly mistaken as was his colleague.

Mr. WARREN. Mr. President, I wish to submit a unanimous-consent request. I notice that certain amendments are to be offered to the bill on the part of the Senator from Florida [Mr. FLETCHER], the Senator from Utah [Mr. KING], and the Senator from Tennessee [Mr. McKELLAR]. I know from the nature of the amendments and their purpose that they will consume a good deal of time. We have been in constant session now many hours. In view of the ceremonies here to-morrow, I ask unanimous consent that when the Senate concludes its session to-morrow, it shall take a recess until Monday at the regular hour of 12 o'clock; that calendar day may be Tuesday instead of Monday; that at not later than 4 o'clock on Monday all debate on the pending bill shall cease, and the amendments and the bill shall proceed without further debate to a vote.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. McKELLAR. Reserving the right to object, I have certain amendments, as the Senator knows, about which I think I can say all I want to say in a very short time, because I intend to lump them, as I said to the Senator. I would like to be certain to have enough time to discuss them. I do not know what arrangement has been made, and I do not know how the time is to be allotted.

Mr. WARREN. I know of only three Senators whom I have mentioned, all of whom are now on the floor, and I am giving four hours, so far as I am concerned, exclusively to those Senators.

Mr. McKELLAR. Very well. In view of what has been said by my colleague, I am going to offer no objection.

Mr. FLETCHER. I think the chairman of the committee had better modify his request a little, because I do not know that we can enter into a unanimous-consent agreement to vote without a roll call. We can agree to end debate at 4 o'clock, of course.

Mr. WARREN. I shall modify the request in that respect.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. JONES of Washington. Mr. President, as I understand, the Senator included in his request something about calendar Monday. I would suggest to the Senator that he simply include in his request a recess until 12 o'clock Monday. I will say, so far as having charge of the unfinished business, that I shall on Monday, at the close of the proceedings, move to adjourn until Tuesday so we will have a morning hour.

Mr. WARREN. So we shall have the morning hour?

Mr. JONES of Washington. Yes; we will have a morning hour on Tuesday.

Mr. WARREN. With that assurance, I am willing to omit that portion of the request.

Mr. McKELLAR. That is entirely satisfactory.

Mr. FLETCHER. That involves the question whether the majority will permit us to have the calendar or not. Under the rule we are obliged to take up the calendar on Monday unless by unanimous consent to the contrary. I think we ought to agree to consider the calendar on Tuesday.

Mr. WARREN. I think the Senator should be satisfied with the assurance given by the Senator from Washington.

Mr. FLETCHER. If the Senator from Washington moves to adjourn on Monday afternoon, that will give us a morning hour, but it may or may not give us the calendar.

Mr. JONES of Washington. I will say frankly that, as the Senator probably knows, the Senator from Minnesota [Mr. KELLOGG] is very anxious to bring up the banking bill, which was up before, having to do with the taxation of national banks.

Mr. FLETCHER. I thought probably the Senator could do that after 4 o'clock on Monday. We close debate on the appropriation bill at 4 o'clock on Monday.

Mr. JONES of Washington. That might be possible. If we could get that bill through on Monday, of course we would have the morning hour on Tuesday. I am perfectly willing to give the morning hour for the calendar.

Mr. KING. Would the Senator be willing to give the morning hour on Tuesday and the remainder of Tuesday to the call of the calendar and the bill of the Senator from Minnesota?

Mr. JONES of Washington. Yes; I am perfectly willing to do that.

Mr. KING. With that understanding, that we may have Tuesday for the calendar and the measure of the Senator from Minnesota——

Mr. JONES of Washington. No; I do not mean all day. I mean the morning hour.

Mr. KING. I meant all day.

Mr. JONES of Washington. Oh, no; I do not want to do that. I thought the Senator referred to the morning hour, which is of course two hours.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming, as modified by the suggestion of the Senator from Washington? The Chair hears none, and the unanimous-consent agreement is entered into.

The agreement was reduced to writing, as follows:

It is agreed by unanimous consent that at the conclusion of the memorial exercises on to-morrow the Senate will take a recess until 12 o'clock, meridian, calendar day of Monday, January 22, 1923; and that at not later than 4 o'clock p. m. on said calendar day all debate shall cease on the bill H. R. 13696 and all amendments that may be offered thereto.

DEPARTMENTAL USE OF AUTOMOBILES.

The PRESIDING OFFICER (Mr. WILLIS) laid before the Senate a communication from the Superintendent of the State, War, and Navy Department Buildings, in response to Senate Resolution 399, agreed to January 6, 1923, relative to the number and use of automobiles by that office, which was ordered to lie on the table.

SENATOR FROM TENNESSEE.

Mr. SHIELDS. Mr. President, I present the certificate of election of my colleague, Senator KENNETH McKELLAR, as a Senator of the United States from Tennessee, to be effective March 4 next. I ask that it be read and placed on file.

The credentials were read and ordered to be placed on file, as follows:

TENNESSEE EXECUTIVE CHAMBER,
Nashville.

CERTIFICATE OF ELECTION.

To the President of the Senate of the United States:

This is to certify that on the 7th day of November, A. D. 1922, Hon. KENNETH McKELLAR was duly chosen by the qualified electors of the State of Tennessee a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1923.

Witness his excellency our governor Austin Peay and our seal hereto affixed at Nashville, this 17th day of January, in the year of our Lord 1923.

[SEAL.] AUSTIN PEAY, *Governor.*

By the governor:

ERNEST N. HASTON,
Secretary of State.

SENATOR FROM WASHINGTON.

Mr. JONES of Washington. Mr. President, I present the credentials of C. C. DILL, chosen a Senator from the State of Washington for the term beginning March 4 next. I ask that the credentials be read and placed on file.

The credentials were read and ordered to be placed on file, as follows:

UNITED STATES OF AMERICA,
THE STATE OF WASHINGTON.

CERTIFICATE OF ELECTION.

This is to certify that at the general election held in the State of Washington on the 7th day of November, 1922, C. C. DILL received the highest number of votes cast for the office of United States Senator of said State of Washington and was therefore duly elected to said office, as appears from the official returns of said election duly transmitted to the secretary of state of said State, as duly canvassed and certified in the manner provided by law.

In witness whereof I have hereto set my hand and caused the seal of the State of Washington to be affixed at Olympia, this 2d day of January, A. D. 1923, and of our State the thirty-fourth year.

[SEAL.] LOUIS F. HART, *Governor.*

By the governor:

J. GRANT HINKLE,
Secretary of State.

PETITION.

Mr. LADD presented a petition of 42 citizens of Ray and vicinity, in the State of North Dakota, praying for the repeal in existing law of the discriminatory tax on small-arms ammunition and firearms, which was referred to the Committee on Finance.

REPORTS OF THE COMMITTEE ON MILITARY AFFAIRS.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 3942) for the relief of John H. McAtee, reported it without amendment and submitted a report (No. 1026) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the bill (S. 4315) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894, reported it without amendment and submitted a report (No. 1028) thereon.

DISTRICT OF COLUMBIA APPROPRIATIONS.

Mr. PHIPPS. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 13660) making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1924, and for other purposes, and I submit a report (No. 1027) thereon.

I give notice that I shall call up this bill for consideration possibly on Monday or at the first opportunity. The committee also favors certain amendments which they have not included in the bill, which we propose to offer on the floor of the Senate. I ask permission that these amendments may be printed, so that they will be available for the information of Senators.

The PRESIDING OFFICER. Without objection, that order will be made.

NATIONAL HOME FOR DISABLED VOLUNTEER SOLDIERS.

Mr. CAPPER. I report back favorably without amendment from the Committee on Military Affairs the joint resolution (H. J. Res. 261) for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers. The joint resolution has passed the House and it is unanimously reported by the Military Committee. I ask for its immediate consideration.

Mr. KING. Let it be read.

The Assistant Secretary read the joint resolution, as follows:

Resolved, etc., That James W. Wadsworth, of New York; H. H. Markham, of California; and W. S. Albright, of Kansas, be, and they are hereby, appointed members of the Board of Managers of the National Home for Disabled Volunteer Soldiers of the United States, to succeed James W. Wadsworth, of New York; H. H. Markham, of California; and W. S. Albright, of Kansas, whose terms of office expire April 21, 1922.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SWANSON:

A bill (S. 4381) granting an increase of pension to Richard H. Atkinson; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 4382) granting a pension to Mary Louisa Clark; to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 4383) authorizing the Secretary of Labor to permanently admit, under suitable regulations and requirements to be prescribed by him, Francesca Guglielmino, sister of S. G. Guglielmino, a citizen of the United States; to the Committee on Immigration.

A bill (S. 4384) authorizing the Secretary of War to set apart as a national cemetery certain lands of the United States military reservation of Fort Rosecrans, Calif.; to the Committee on Military Affairs.

By Mr. POINDEXTER:

A bill (S. 4385) for the relief of Finch R. Archer; to the Committee on Claims.

By Mr. SWANSON:

A bill (S. 4386) for the improvement of channel connecting the deep waters in James River with Hampton Roads, Va., and for the modification of the existing project for the improvement of said channel; to the Committee on Commerce.

LOSSES ON IMPORTATIONS OF SUGAR FROM THE ARGENTINE.

Mr. FRELINGHUYSEN. I ask leave to introduce a joint resolution. It relates to the payment of claims for losses sustained in the importation of sugar from the Argentine Republic by certain firms in the United States. Several special bills relative to these claims have been passed by the Senate and others are under consideration.

Believing that these bills will be before Congress for a long time, I have had a joint resolution prepared which authorizes the Secretary of Commerce to make an investigation and adjust these claims and report to Congress. I ask that the joint resolution be read twice by its title and referred to the Committee on Agriculture and Forestry.

The joint resolution (S. J. Res. 272) authorizing the Secretary of Commerce of the United States to take over and adjust the importation or importations of sugar from the Argentine Republic, which importation or importations were made at the request of the Department of Justice, to relieve the shortage during the year 1920 and to pay the losses sustained on such importations, was read twice by its title and referred to the Committee on Agriculture and Forestry.

SERVICE CREDIT, CHIEF CLERK TO MARINE CORPS COMMANDANT.

Mr. LODGE submitted an amendment intended to be proposed by him to the bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, which was referred to the Committee on Naval Affairs and ordered to be printed.

INADEQUATE TRANSPORTATION IN THE STATE OF WASHINGTON.

Mr. POINDEXTER. I submit a resolution and ask unanimous consent for its present consideration.

Mr. CURTIS. Let it be read.

The resolution (S. Res. 414) was read, as follows:

Resolved, That the Interstate Commerce Commission is directed to report to the Senate, as near as they may be able to ascertain, the extent in which the railroad companies serving the northwest Pacific States failed during the last crop season, 1922, to supply adequate transportation facilities for the movement of the crops of apples and other perishable products, and at the same time investigate and report to the Senate the extent to which these transportation companies failed to supply adequate transportation facilities for other products of the States referred to, such as lumber, and investigate and report generally the question of the sufficiency or insufficiency of transportation facilities provided by these companies for the service of the section of the country referred to above during the summer and fall of 1922, with special reference to the movements of lumber and agricultural products in those States; and the commission is directed to report what in their opinion was the cause of such failure of adequate transportation facilities as they may find to exist, and to inform the Senate of what, if any, remedies the commission suggests or proposes as practicable for the remedy of any such failure or inadequacy as may have existed, the prevention of its repetition and the means of obtaining such remedy.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

Mr. POINDEXTER. I ask unanimous consent, in connection with the resolution just adopted, to have printed in the RECORD a letter relating to the subject matter of the resolution from Mr. John P. Hartman, of Seattle, Wash.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., *January 9, 1923.*

Hon. MILES POINDEXTER,
Washington, D. C.

MY DEAR SENATOR: Regarding the fall-down in transporting the great apple crop of the Northwest, I now lay before you the facts which I promised some time ago, and hope that now that the holiday season is over you will be able to push this through the Senate and have some investigation while you are still a Member of the body.

The total crop of the three Northwestern States is not far over 30,000 cars this year, and besides that probably 5,000 cars of soft fruit were produced. It is the apples, however, with which we are concerned.

As you know, the principal varieties are Jonathan, Delicious, Spitzenberg, Newton, and Winesaps. The first two varieties are for early use—i. e., their season is over on or before the 1st of January.

We should be able to commence shipping Jonathans about the 1st of September, and as fast as picked they should go into the refrigerator cars and on the way to market, east. Commencing with about the 15th of September, we commence shipping the Delicious, and they should likewise go to market as should the Jonathans. These applies compose fully two-fifths of the entire crop of the Northwest, and if they are not marketed seasonably the loss is very great.

When the shipping season opened we found the shortage in refrigerators, and it grew increasingly severe as the season progressed. All of the Jonathans and Delicious should have been on the way to market by the 15th of October, but when that time arrived more than 50 per cent of these two crops were on hand, and, as they were mostly lying in common storage, were destroying, because they ripened rapidly.

The result of this breakdown is that fully 50 per cent of these two crops are a loss, or practically so; so that the crop has been produced at a loss to every farmer, i. e., two-fifths of the crop has been grown at a loss, which means that the whole crop will be produced without any profit to the farmer.

The State public service commission and the Federal authorities, after the breakdown was complete, got busy to see what could be done, held conferences, and in the latter part of November announced that

there would be plenty of refrigerator cars, and took a lot of credit unto themselves of having relieved the situation.

This act did no good whatever. There was no urgent demand then for cars, for the remainder of the crop is shipped to the market in easy stages. Sometimes we do not move our Winesaps until May, and the Newtowns are not moved until January or February.

I will not assume to assign the many reasons of this breakdown and the way in which it might have been prevented, because that would be writing a volume, and it would be too long for a letter. I think there are reasons why this could have been prevented.

Briefly, may I state that, in the first place, the different railroads in the country do not cooperate. When offers of refrigerator cars are made by a connecting line they are not received, and each company blames the other for some condition imposed if they are turned over for use. That is too long a story to go into here.

The outstanding fact is, however, Senator, that there was a falldown; that of 30,000,000 boxes produced in this State we have a loss of at least 30 cents per box, or more than likely 50 cents per box. The result is tremendous stagnation in the farming district.

View it from another standpoint. The capital of the farmer is the value of his land and its equivalent. I would say that in two years the capital valuation has deteriorated at least 50 per cent throughout the United States, and your State has been no exception and may have suffered more than some others.

I do hope that you will start this investigation and have a committee that will desire to help, and let it be even broader than the apple situation, covering things generally, and I certainly will be glad to contribute my share.

With very sincere regards, I remain, faithfully yours,

JOHN P. HARTMAN.

AGRICULTURAL DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT (S. DOC. NO. 292).

Mr. MCNARY. I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes. I ask that the report may go over under the rule.

The PRESIDING OFFICER. The report will be printed and lie on the table.

The report is as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 16, 17, 22, and 28.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 6, 8, 12, 13, 14, 15, 20, 23, 24, 27, 29, 30, and 32; and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For the investigation and improvement of cereals, including corn, and methods of cereal production, and for the study and control of cereal diseases, including barberry eradication, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, $697,505: *Provided*, That $425,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate: *Provided further*, That $125,000 of this amount shall be available for expenditure only when an equal amount shall have been appropriated, subscribed, or contributed by States, counties, or local authorities, or by individuals or organizations, for the accomplishment of such purposes"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$2,891,450"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$3,376,470"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$225,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$100,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$1,797,880"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$541,223"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$4,005,853"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 11, 31, 33, 34, and 35.

CHAS. L. MCNARY,
W. L. JONES,
I. L. LENROOT,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

SYDNEY ANDERSON,
WALTER W. MAGEE,
EDWARD H. WASON,
J. P. BUCHANAN,
GORDON LEE,
Managers on the part of the House.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened; and (at 5 o'clock and 20 minutes p. m.), under the order of December 12, 1922, the Senate adjourned until to-morrow, Sunday, January 21, 1923, at 11 o'clock a. m.

CONFIRMATION.

Executive nomination confirmed by the Senate January 20 (legislative day of January 16), 1923.

POSTMASTER.

WEST VIRGINIA.

E. Chase Bare, Alderson.

HOUSE OF REPRESENTATIVES.

SATURDAY, *January 20, 1923.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our heavenly Father, we thank Thee for Thy redeeming love, unfailing care, and for Thy unerring guidance. May we ever cling to Thee with unbroken trust, for Thou art the sure foundation of a good, upright life. Always hear our urgent cry for divine help in meeting the tasks and requirements of each succeeding day. Bless us with that life that comes only from the living soul and the heart of strength. Give us that peace that never flows in, but always flows out. If any of our homes are in the valley, lead them through it and bring them to the mount of light and happiness. O keep our loved ones safe unafraid, and fold them in Thy arms. Whatever good or ill the changing years may bring, let our appealing hearts find rest in the Christ and in the glory of His cross. For His name's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks made yesterday on the Army appropriation bill.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to extend his remarks on the Army appropriation bill. Is there objection?

Mr. STAFFORD. I object for the time being, Mr. Speaker.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed the bill (S. 4280) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States, and for other purposes, in which the concurrence of the House of Representatives was requested.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4280. An act to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal reserve act; to amend the Federal farm loan act; to extend and stabilize the market for United States bonds and other securities; to provide fiscal agents for the United States, and for other purposes; to the Committee on Banking and Currency.

LEAVE TO ADDRESS THE HOUSE.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to proceed for about three minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to proceed for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. Mr. Speaker, on December 7, 1922, at the opening of general debate on the Treasury Department bill, I said:

Mr. MADDEN. Mr. Chairman, I am very happy to be able to announce to the House that the Committee on Appropriations has five bills practically ready for presentation to the House. This bill is the first bill taken up for consideration. We hope to be able to present all the bills making appropriations for the fiscal year 1924 not later than the middle of next month.

The bill making appropriations for the legislative branch of the Government for the fiscal year 1924 is the last of the regular annual supply bills to be reported to the House. It was reported January 19.

The committee in the preparation of the 11 regular annual bills at this session began work at hearings on several of the bills as early as November 10.

The record of the House in passing all of the bills for 1924 by January 20, assuming that the legislative bill passes January 20, surpasses the record of any previous short session of Congress for expeditious preparation in the committee and passage by the House. [Applause.]

It will be interesting if I read the dates of passage by the House of the last of the regular annual supply bills at the short sessions of the last 11 Congresses:

Fifty-sixth, February 20.
Fifty-seventh, February 20.
Fifty-eighth, February 27.
Fifty-ninth, February 23.
Sixtieth, February 26.
Sixty-first, February 25.
Sixty-second, February 26.
Sixty-third, February 23.
Sixty-fourth, March 2.
Sixty-fifth, February 28.
Sixty-sixth, February 17.

No note is taken in the foregoing dates of the failure of any of the bills in the Senate or a presidential veto requiring their repassage at a subsequent date.

Mr. BLANTON. Will the gentleman yield?

Mr. MADDEN. Just let me make a little statement. For the expedition which these bills have passed in the committee I have to thank every Member of the Committee on Appropriations. There has never been a division of opinion based on politics. Every man on the committee deserves the credit for the work done, and for the House I want to say that no committee ever had as hearty support in connection with this class of legislation as this committee has had, and I want to extend my very cordial thanks to every member of the committee and to every Member of the House, without respect to politics. [Applause.] There is no politics at all in this committee, and as far as I am concerned while I am chairman there will be none and there ought not to be. It is a great business proposition. We are dealing with all the problems of Government, and we ought to work to facilitate the enactment of the laws at as early a date as possible, to make for the greatest economy we can, and cooperate one with another in serving the people. It has been very gratifying to me as chairman of this committee to have had the hearty cooperation of everybody from every source, and I want to take this opportunity to express my very great thanks. [Applause.]

Mr. FESS. Will the gentleman yield?

Mr. MADDEN. Yes, sir.

Mr. FESS. It will be interesting to know the amounts which were carried in the earlier appropriation bills of the various Congresses.

Mr. MADDEN. We are preparing the data for a statement which I will be able to make next week, but I do not think we ought to do it until all the bills have passed the House.

Mr. FESS. Mr. Speaker, I ask unanimous consent for half minute——

Mr. BLANTON. May the gentleman have a minute to answer a question?

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Does the gentleman from Illinois think it is such an accomplishment that it is worthy of being bragged about that we have been able to rush these supply bills through in the manner in which they have been rushed through without proper consideration?

Mr. MADDEN. They have been given proper consideration. I think they have never been given such good consideration.

Mr. BLANTON. They increased the estimates of the gentleman's Budget yesterday from $26,000,000 to $56,000,000 without any consideration at all.

Mr. MADDEN. The gentleman knows that I did not agree with that.

Mr. BLANTON. That is one illustration of the way they have been rushed through.

Mr. MONDELL. There was a solid vote in favor of doing that on that side.

Mr. GARNER. Oh, no; the gentleman is mistaken.

Mr. MONDELL. There may have been one exception.

Mr. GARNER. There were five Democrats that I counted myself. There were five, instead of one. You are about as near correct as you usually are. You are one-fifth correct. [Laughter.]

Mr. FESS. I think the House will appreciate the statement that the appropriations of this Congress, having been pared down so differently from other Congresses, for dismantling the war machine, and so on, has made it more difficult than heretofore.

Mr. MADDEN. Yes. We will get all the data and present it later on.

Mr. GARNER. When the gentleman from Wyoming winds up his service here with an oration recapitulating what the Republican Congress has done, especially at this session, he will not be justified in taking all the credit for his party for the performances of the House and the performances of the committees. [Laughter.]

Mr. MONDELL. The gentleman from Wyoming in no statement he has ever made has ever taken all the credit or given all the credit to the Republican side, as the gentleman from Texas well knows.

DESIGNATION OF SPEAKER PRO TEMPORE FOR SUNDAY, JANUARY 21, 1923.

The SPEAKER. The Chair will designate to preside over the proceedings to-morrow the gentleman from Tennessee [Mr. GARRETT].

LEGISLATIVE APPROPRIATION BILL.

Mr. ANDERSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes; and, pending that, I ask unanimous consent that the general debate be limited to three hours and a half, one-half to be controlled by the gentleman from Tennessee [Mr. BYRNS] and one-half by myself.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the general debate be limited to three hours and a half, one-half to be controlled by himself and one-half by the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

Mr. MONDELL. Mr. Speaker, we ought to finish this bill to-day, and we can not finish it to-day if we have three hours and a half of general debate. I was going to suggest that I would like to have 15 minutes, but I am willing to get along without any time at all in order that the time may be reduced. We can not finish this bill to-day if we have three hours and a half of general debate.

Mr. BYRNS of Tennessee. I think that with three hours and a half of general debate we can conclude this bill to-day. There is nothing controversial in it.

Mr. MONDELL. I do not think it can be done, Mr. Speaker. I think if we go beyond three hours we can not finish the bill.

Mr. BLANTON. If we take the proper time we can not finish it to-day anyway, and we shall save time in the end by having proper time in which to discuss it.

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent, then, that the general debate be limited to three hours, one half to be controlled by the gentleman from Tennessee [Mr. BYRNS] and the other half by myself.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the general debate be limited to three hours, one-half to be controlled by the gentleman from Tennessee [Mr. BYRNS] and one-half by himself. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Minnesota [Mr. ANDERSON], that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the legislative bill.

The motion was agreed to.

The SPEAKER. The gentleman from Oregon [Mr. MCARTHUR] will please take the chair.

Thereupon the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13926, the legislative appropriation bill, with Mr. MCARTHUR in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13926, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes.

Mr. ANDERSON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. ANDERSON. Mr. Chairman, I ask to be notified when I have used 15 minutes.

The CHAIRMAN. Very well.

Mr. ANDERSON. Mr. Chairman, the estimates considered by the committee on this bill, including $959,935 in supplemental estimates, amounted to $13,666,791.60. The amount recommended by the committee is $12,603,376.60, which is $205,632.35 less than the appropriations for the current year and $1,063,415 less than the 1924 estimates.

This bill covers the Senate, the House of Representatives, the Capitol police, the Joint Committee on Printing, the legislative drafting service, the Architect of the Capitol, the Botanic Garden, the Library of Congress, and the Government Printing Office.

In general the committee followed the policy heretofore adopted of not recommending increases of salaries covered by the bill. There are under the House of Representatives some additional places authorized by resolutions of the House. These include an auditor for the Committee on Accounts, at $3,000; a clerk, at $2,000, for the Committee on the Disposition of Useless Papers; and a janitor, at $720, for the Committee on Reform in the Civil Service. There is a rearrangement of the employees of the Committee on Appropriations, which results in a saving of $1,000. The salary of two ladies' attendants in the retiring rooms are increased from $800 to $1,200, in accordance with a House resolution. A legislative clerk at $3,600 is provided in the office of the majority leader, also in accordance with a resolution of the House.

There is no other change in the House employees. There is an apparent increase of $40,000 in the item for miscellaneous expenses of the House, which is accounted for by the longer session which will begin in December of this year, and there is a reduction of $8,000 in the amount which is appropriated for folding speeches, this resulting from the fact that there normally are not as many speeches printed during an off year as in a year in which a campaign is conducted.

There is an increase of $1,000 in the sum for purchase of uniforms for the Captiol police. The amount carried two years ago was reduced from $4,000 to $2,000 last year. No uniforms were purchased for the House end of the Capitol police last year, so that it is necessary to provide an additional amount this year in order to take care of that item.

The items under the Architect of the Capitol represent a decrease, although there are several new items for repair and renewal of heating plant, the waterproofing of the portico in the center of the Capitol Building, and several other items of this sort, amounting in total to approximately $96,000.

There was submitted to the committee a supplemental estimate of $800,000 for the construction of an additional bookstack in the northeast court of the Library Building. This estimate the committee did not approve. While it is apparent that the space in the Library Building for books is very nearly entirely occupied, the committee was of the opinion that it should be possible to provide a building at considerably less cost in which a considerable amount of material now in the Library could be stored, thus relieving the space situation there. In other words, there is a considerable amount of material over in the Library which is not used currently and which could be stored in a much cheaper building, or in a building that could be constructed at a less cost than $800,000.

In the Library of Congress estimates of increases were submitted covering 371 employees and involving an additional appropriation of $85,000.

The committee did not allow these increases. The committee did provide for some additional employees asked by the librarian. These include one inspector of stacks at $1,440, three assistants at $960 each, one assistant in the document division at $960, one assistant in the law library at $960, one chief clerk in the copyright office at $2,260, one clerk at $1,800, three clerks at $1,200 each, one assistant in the card-index division at $1,500, and one book cleaner in the Library Building at $720.

The bill also covers an increase in the amount carried this year for temporary services in connection with the distribution and sale of card indexes of $2,000.

There is an increase of $5,000 for the legislative reference service, and $3,125 additional is carried in the bill to provide for a more adequate service in the Library on Sundays and holidays. There is also an increase of $500 for books of reference for the Supreme Court allowed upon the request of the Chief Justice.

In the Government Printing Office the bill carries a reorganization of the watch force which involves a net reduction in the whole appropriation for this force of $3,020.

I should like to say in this connection that the policy adopted last year of carrying in each appropriation bill the sum total required for the printing for the department appropriated for has resulted in considerable economy in the printing items and it is recommended that this policy be continued.

There is an increase of $13,966.80 in the amount for the employment of labor engaged in the distribution of documents under the Superintendent of Documents. This increase is due to a very large increase in the mailing lists submitted by the departments for whom these publications are sent out.

Four cataloguers at $900 each are omitted under the Superintendent of Documents and three are provided at $1,200 each, making no change in the total appropriation.

I think that covers in general the modifications of existing appropriations carried in the bill. Does any gentleman desire to ask any question?

Mr. FESS. What was the sum of the increase for the Library of Congress all told?

Mr. ANDERSON. The total increase under Library of Congress amounts to $27,195 over existing appropriations. It covers principally these added employees and some appropriation for additional map cases, additional shelving, and items of that sort.

Mr. FESS. Did the committee go into the question of the necessity for additional stack room over there?

Mr. ANDERSON. Yes; that matter was presented quite fully to the committee. As I said a moment ago it came up in a supplemental estimate which we considered as far as we could and did not approve, for the reason that we thought the matter could be handled more cheaply by providing an ordinary storage building where a large number of these books and publications which are not in general or current use could be stored, and that the whole proposition could be handled much more cheaply that way than by adding a new bookstack in the building.

Mr. FESS. Will that be on ground over there?

Mr. ANDERSON. No; I think it will have to be on cheaper ground somewhere, and ought to be.

Mr. FESS. I hope that the policy of the committee will not be to decentralize the Library by removing documents from the Library, and I hope that we will see the time in the near future when we can provide this additional stack room.

Mr. ANDERSON. I imagine that will eventually have to be done in any event, but some time or other we are going to reach the point when we will have to provide additional storage space. When that is done it ought to be storage space which could be used for the storage of documents and books which are not currently used, and there is an amount of that sort of stuff over there. It seems to me it is desirable to start that policy now instead of starting a policy of building a new stack in the building, which under present prices would cost around $800,000, about two and one-half times what the stacks in the northwest corner of the building cost 10 years ago.

Mr. FESS. Did the committee recommend this separate building?

Mr. ANDERSON. We did not.

Mr. MILLER. Will the gentleman yield there for a question?

Mr. ANDERSON. Yes.

Mr. MILLER. On page 21 of the bill there is the appropriation for the office of the Architect of the Capitol:

Salaries: Architect of the Capitol, $6,000; chief clerk and accountant, $3,000; civil engineer, $2,400; construction draftsman, $2,000; 2 clerks, at $1,200 each; compensation to disbursing clerk, $1,000; laborers—2 at $720 each, 2 at $660 each; forewoman of charwomen, $480; 21 charwomen at $240 each; in all, $25,080.

What particular work is done by the Architect of the Capitol and this force?

Mr. ANDERSON. The Architect of the Capitol has charge of all of the construction and repair work around the Capitol, and in addition has charge of the power plant which heats, lights, and furnishes power for the Capitol, House and Senate Office Buildings, the Government Printing Office, the building over here occupied by the Coast and Geodetic Survey, and several other buildings in this vicinity.

Mr. MILLER. Were the plans and specifications for the additional storage for the Government Printing Office prepared by the Architect of the Capitol?

Mr. ANDERSON. Does the gentleman mean the Printing Office or the Library?

Mr. MILLER. I thought the gentleman said the Printing Office.

Mr. ANDERSON. If I said that I misspoke. I meant the Library of Congress. Those plans will be prepared and the contract drawn and signed by the Architect of the Capitol, who is in charge of all of the repair work.

Mr. MILLER. Did this architect have anything to do with the enlargement of the Printing Office?

Mr. ANDERSON. No.

Mr. MILLER. What does this man do? There is no construction work of any volume going on here.

Mr. ANDERSON. Oh, this is an old building.

Mr. MILLER. I am not inquiring about the building, but about this man and what he does.

Mr. ANDERSON. I am trying to tell the gentleman. If he does not want me to tell him, there is no use in trying.

Mr. MILLER. I would not have asked the question unless I wanted information.

Mr. ANDERSON. As I said a moment ago, he has charge of all of the repair work around the Capitol, and that is considerable in an old building of this sort. Then there is the painting and the renovating repairs around the House Office Building, the supervision of the elevator force, of the repair force, of the general heating plant, which, in addition to the heating of this building, heats the Government Printing Office and the building of the Geodetic Survey and of the Botanic Garden and several other buildings.

Mr. MILLER. I am just asking for information. I am not aware of any great appropriations that were made for reconstruction or anything of that character. There are some carried in the bill, but unless some appropriations are provided for I do not see how this gentleman could do very much work.

Mr. ANDERSON. There are appropriations running up around $500,000 altogether, which are expended under the Architect of the Capitol.

Mr. MILLER. All under the jurisdiction of this man?

Mr. ANDERSON. Yes.

Mr. MILLER. Oh, that is all right.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. CHINDBLOM. The gentleman stated that in his opinion eventually an extra building will have to be erected for the storage of documents and periodicals now and hereafter to be preserved in the Library of Congress. I would like to inquire whether the gentleman or his committee has any idea as to whether that building can be located on the present ground of the Library?

Mr. ANDERSON. I would not think it ought to be.

Mr. CHINDBLOM. I would consider it a very unfortunate thing if any portion of the Library should be far separated from the main building. The people who use the Library find it necessary to make their researches not only in the documents and in the periodicals which may be placed in such a building as that suggested, but they find it necessary as well to use the books which are in the stacks, and I hope the committee will give the matter very careful consideration before there is a removal from the main building of any considerable part of the Library.

Mr. ANDERSON. As far as I am concerned, my mind is not settled upon any particular policy. The matter came up so late that there was no opportunity to consider it from its various angles. Because consideration had not been given to the possibility of using an outside storage building, we did not feel justified in taking action in a matter which would result eventually in the expenditure of $800,000.

Mr. BYRNS of Tennessee. Mr. Chairman, as the gentleman from Minnesota [Mr. ANDERSON] has stated, this bill carries $12,603,976.60. That is a reduction of $205,632.35 from the appropriations of last year. That reduction was made possible because of the installation of certain boilers during this year in the Capitol for the purpose of distributing the heat to the Capitol and the House Office Building and other buildings under the control of the Architect of the Capitol. In other words, the sum of $270,000 was appropriated for the current year to put in these new boilers, and of course it will not be necessary to make a reappropriation for them in this bill.

The gentleman further stated that the bill carried $1,062,415 less than the 1924 estimates. The chief item, as the gentleman from Minnesota has explained, in that reduction is $800,000, which was requested for the bookstacks in the Library of Congress but which the committee did not feel should be undertaken at this time, thinking that perhaps it would be possible later on to have the necessary space provided for a much less sum. There is no question but that in time, and possibly very shortly, some provision will have to be made for the Library of Congress because it is becoming very crowded.

Mr. BRIGGS. Are the records being preserved in good condition, irrespective of the lack of stacks?

Mr. BYRNS of Tennessee. Oh, yes. They are being properly preserved, but the books and pamphlets and other papers which are being collected by the Library and preserved by the Library are increasing from year to year, and while the Library has not reached its full maximum it is rapidly approaching that condition, and something will have to be done shortly to make provision for needed space.

Mr. BRIGGS. The documents are available, notwithstanding the fact that they have not all of the stack room necessary?

Mr. BYRNS of Tennessee. Yes; certainly.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. LONDON. Has there not been a rather extraordinary increase in the number of books and pamphlets since the war?

Mr. BYRNS of Tennessee. I could not answer the gentleman as to that.

Mr. LONDON. I understand that there has been an unusual increase in the number of books, and that the Library really is short of space.

Mr. BYRNS of Tennessee. It will be short of space very quickly, and something will have to be done sooner or later to take care of that situation. There is another matter that I expected to discuss, but which I shall not do now on account of the limited time. That is the question of the salaries of the employees of the Library. The committee has made no increase. It has not felt under the new rule that it is proper for it to make increases. Those are legislative matters which should be taken care of by the proper legislative committee. There is no question, however, about the fact, and everyone who has investigated the matter will agree with me, that the salaries in the Library of Congress are far below those which are paid in other branches of the Government for services many of which are not so important, and I hope that at some time it will be possible to take up the question of salaries in the Library. While I would not favor an unreasonable increase, they should, at least, be equalized with some of those paid in other departments, and all of them should be given what might be called a proper living wage. I am sure that those of them who receive $50, $60, and $70 a month are not receiving a proper living wage.

Mr. LAZARO. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes; for a brief question.

Mr. LAZARO. I do not quite agree with the chairman of the committee in his statement that a supplementary report had been made to the committee asking for $800,000 for stacks for

books, and the committee had come to the conclusion that there were a whole lot of documents that were not used which ought to be stored and room made for other documents that are needed, and then he wound up by saying that the committee had made no provision at all for the old documents. It seems to me that some provision ought to be made for these old documents until we can appropriate for the new stacks.

Mr. BYRNS of Tennessee. That was the suggestion made by the gentleman from Minnesota and is worthy of consideration. There are many old documents and old papers in the Library which are not in active demand that might possibly, as the gentleman from Minnesota explained, be stored in some convenient and safe building, and at the same time remain accessible to those who want to use them rather than go to the enormous expense of nearly a million dollars for bookstacks. It was only a suggestion made by the gentleman from Minnesota, and is something that will have to be worked out.

Mr. LAZARO. I simply felt that something ought to be done.

Mr. BYRNS of Tennessee. I do not understand that the Library will suffer for lack of space if we do not do anything in this bill. My understanding is that they have the space now to take care of valuable and important documents in the Library, but they are quickly becoming overcrowded, and sooner or later they will need additional space.

Mr. ANDERSON. I think they will have to have additional space in three years.

Mr. LAZARO. We ought to take good care of the Congressional Library and give them all the space they need.

Mr. BYRNS of Tennessee. I quite agree with the gentleman, and Congress will undoubtedly do so.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. CHINDBLOM. I was glad to hear what the gentleman from Tennessee said about the salaries of the employees in the Library. My recollection is that they are not included in the reclassification bill which we had before the House.

Mr. BYRNS of Tennessee. I can not say definitely about that. I was of a contrary impression. I hope they are included.

Mr. CHINDBLOM. Are they civil-service employees?

Mr. BYRNS of Tennessee. They are not.

Mr. CHINDBLOM. If not covered by the reclassification bill, I hope the appropriate committee will take the gentleman's remarks to heart and give it consideration. I know many of these employees, and I know they are working for meager pay.

Mr. BYRNS of Tennessee. Many of them are college graduates, receiving from $1,200 to $1,500 a year.

Mr. CHINDBLOM. And many of them are linguists and know several languages.

Mr. BYRNS of Tennessee. I hope that they are included in the reclassification bill, but if not I hope the committee will take it up and give the question some consideration.

The gentleman from Illinois [Mr. MADDEN] referred to the splendid record made by this Congress and by the Committee on Appropriations in early reporting to Congress the regular annual supply bills. As he clearly showed, it is a record that has never been excelled, and a record for which I think Congress can justly take pride. [Applause.] The gentleman from Illinois was generous enough to say that every member of the committee on both sides of the party lines, and every Member of the House on both sides of the Chamber, was entitled to credit for the result.

That is true, but I think it is only fair to say that the chief credit is due to the gentleman from Illinois himself. [Applause.] He has established a number of what I consider very wise reforms in the way of reporting appropriation bills which I am sure under the Budget system will redound to the interest of the Government and economy in governmental expenditures. He has made a great chairman, and will go down in history as one of the greatest chairmen of that great committee. [Applause.] He has brought to bear all of his splendid and well-known business and executive ability in the performance of the duties which rest upon him as chairman. As he stated, there is no politics in the committee. Republicans and Democrats alike in the committee look upon it as a business proposition. We differ sometimes, of course, on questions of appropriation, and sometimes bring those differences to the floor of the House, but we do not show any politics or any partisanship to the committee. All members have been glad to give their support and cooperation to the chairman in his effort to conserve the public money and to report out appropriation bills at an early date so that Congress may have ample time to give them the fullest consideration.

I wish to repeat, and I say this from my heart, that during my entire service on that committee the committee has never had a chairman who has shown greater executive and business ability, greater interest in conserving the public money, than has the gentleman from Illinois [Mr. MADDEN]. [Applause.]

Mr. ANDERSON. Mr. Chairman, I yield 45 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman and gentlemen, on yesterday in the consideration of the item providing for rivers and harbors there was perpetrated on this floor a parliamentary situation the like of which in my 16 years of service I have never seen before. The river and harbor bloc, aided by the inland waterways bloc, absolutely declined to give opportunity to the committee that had spent days upon days on the item under consideration to present to the House its reasons for recommending $37,000,000 and the reasons for rejecting the amount of $56,000,000 as suggested by the Assistant Chief of Engineers.

An attempt was made prior to its consideration to have some agreement as to length of debate. Three hours was suggested, only to be objected to by a member of the Rivers and Harbors Committee, the gentleman from Delaware [Mr. LAYTON].

As soon as the first paragraph was read under the five-minute rule, within my rights as a member of the subcommittee, I rose for recognition, making the usual pro forma amendment of striking out the last word. I was proceeding with an explanation of the estimates of the department when the gentleman from Missouri [Mr. NEWTON], the first lieutenant of the chairman of the Committee on Rivers and Harbors [Mr. DEMPSEY], interposed a point of order that I was not speaking to the amendment. Rarely have I seen such tactics adopted. Never have I seen it resorted to where a member of the committee reporting a bill was for the first time attempting to get the floor to explain to the House the reasons for the committee making its recommendation of $37,000,000.

During the subsequent consideration of the item the gentleman from Illinois [Mr. MADDEN] took the floor. He was interrupted. The gentleman from Wyoming [Mr. MONDELL]—he, too, had difficulty in getting recognition. All the time that was given to the consideration of the amendment under the five-minute rule was 20 minutes, 10 minutes only in opposition to the extravagant proposal of the gentleman from New York, when the Member from Illinois [Mr. DENISON], a member of the inland-waterway bloc, moved to close debate. When, after the House had voted by an overwhelming vote the $56,000,000 in connection with the discussion of appropriations for surveys, I attempted to give some explanation of the action of the committee for its recommendation again a member of this bloc, the gentleman from Missouri [Mr. ROACH], raised the point of order that I was not speaking to the amendment. Of course I knew I was not speaking to the amendment, so I desisted. The followers of the two blocs were in the saddle, and they drove ruthlessly their advantage without any regard to the rights of the only committee that had given any consideration to the estimates. There were men here ready to support not only the committee but the administration in the hour and a half in support of the committee's recommendation, if three hours of debate had been allotted—men who would have been listened to with interest, men who have made a special study of river and harbor projects for years and years. The gentleman from Ohio [Mr. BURTON], recognized by everyone in this Chamber and over the country as an expert on river and harbor matters, had gone over the report the night before so as to present his views on this important question of whether we should adhere to the committee's estimates or whether we should take the pork-barrel scheme, that of the Assistant Chief of Engineers. He could not be heard. The gentleman from Illinois, chairman of the Committee on Appropriations, wanted to lay emphasis upon the fact that the vital principle of budgetary reform was at stake. He wanted 10 minutes. The gentleman from Wyoming, the majority leader, wanted 10 minutes to emphasize and point out the fact that it was critical that the budgetary system should be adhered to. No opportunity other than for 10 minutes to be heard.

There has been some peculiar proceedings going on behind the scenes. The subcommittee on the War Department appropriation bill, of which I am a member, gave hours and hours of hearings to the various estimates of the department as to rivers and harbors. There are 120 pages of testimony in which every project in the entire country, for which estimates had been proposed, was gone into in detail. The Rivers and Harbors Committee has held no hearings on these estimates. They had had some executive meetings, I am told, to determine the

plan of campaign they were to wage when this matter would come up for consideration. But there was a new bloc formed other than the bloc of the members of the Rivers and Harbors Committee, a bloc known as the inland-waterway bloc. They have been having dinners in the Capitol, attended by a number of Members; dinners, as I am told, given and paid for by some outside party interested in these appropriations. Far be it from me to cast any reflection upon the members of this bloc for getting good dinners at the House restaurant at the expense of some interested party. They are all honorable gentlemen. That bloc is under the leadership of the gentleman from Missouri [Mr. NEWTON], who had the valuable assistance of his colleague [Mr. ROACH], a member of this bloc. They were particularly energetic and active yesterday to prevent proper consideration of this item. It was as ruthlessly energetic a group to put through their exorbitant program with the minimum of debate as I have seen even under force rule for a long time.

During the general debate 26 minutes was yielded by me, in charge of the debate for the time being, to the gentleman from New York [Mr. DEMPSEY] to explain his position. There were many glaring misstatements in that speech that I thought should be answered. Why, in the speech that he delivered on the floor he stated there would not be one cent for any of the new projects carried in the river and harbor authorization of September 22 last if we did not increase the appropriations authorized by the subcommittee. That was a glaring misrepresentation, and without support in fact at all. Let me read to you what he says in his printed remarks on that question. Page 1870 of the RECORD:

> Yet if the appropriation for rivers and harbors is only $37,000,000, as proposed in the bill, very little will be done on the great projects approved in the September bill, of which New York Harbor, the Sabine-Neches Waterway, Coos Bay, and Umpqua Bay are only fair samples.

Then he goes on:

> It would be bad business judgment, when both the new projects and the old projects can not be prosecuted owing to the inadequacy of the funds available, to tie up the Government plants which are prosecuting the work of the old projects and transfer them to the new projects.

Now further:

> Nothing will have been appropriated for these new projects unless the amount embodied in the amendment is approved by the committee and that amount is appropriated.

How strange. How lacking in confirmation from the hearings before our subcommittee. What could have been his motive in making this misrepresentation? If he can read the hearings he certainly would not have so grossly misrepresented the facts. And what a wonderful change has come over this fighting Member from New York [Mr. DEMPSEY] from that which he took two years ago, when as chairman of the subcommittee which reported this bill he brought into this House, as you older Members will remember, a recommendation for a lump-sum appropriation of $15,000,000, when the estimates of the same engineers were $56,000,000 for that year. Why did he not advocate the full estimate then, as he did this and last year?

The Democrats almost to a man in the fight to increase the $15,000,000 recommendation, and almost to a man yesterday, opposed his position and under the leadership of the minority Member, Mr. SMALL, proposed $28,000,000. On a record vote, let me say to the credit of the almost united Republican membership in the last Congress, only 13 Republicans joined with the Democrats. They stood by the recommendation of the gentleman from New York, head of the subcommittee on rivers and harbors appropriations committee of the Committee on Appropriations, in favor of $15,000,000 as against the proposal of the minority Member, Mr. SMALL, who wished to raise it to $28,000,000.

Why, at the prior session, when he was ranking Republican member of the Committee on Rivers and Harbors, before the appropriating power had been transferred from the Committee on Rivers and Harbors to the Committee on Appropriations, a lump-sum appropriation carrying $12,400,000 was reported for river and harbor projects. The Senate raised it to $24,400,000, and as one of the conferees of the House this same Mr. DEMPSEY came back with a conference report in favor of $12,400,000. And, gentlemen, how much were the estimates of the department for river and harbor work when he voted $12,400,000 in 1921? The estimates were $42,541,000. This year the estimates are $56,000,000. Now he has changed front completely, because, forsooth, he is not charged with responsibility, and asks, for a second time in the history of the Congress and repeating his position of last year, the granting of the maximum asked for by the engineers.

Mr. SNYDER. Mr. Chairman, will the gentleman yield? Is there any river and harbor item in this bill?

Mr. STAFFORD. No; I am speaking in general debate, because I could not get time yesterday.

Mr. SNYDER. I was wondering why the gentleman, who is so anxious to save time, is wasting time by talking about an issue that is finished. [Laughter.]

Mr. STAFFORD. Oh, this issue is not finished. The gentleman is too previous about that. Yesterday I could not get time because of the activity of those in the river and harbor bloc, with whom the gentleman from New York was cooperating, in stopping discussion.

Mr. SNYDER. This is the most wonderful post morten address I ever heard. [Laughter.]

Mr. STAFFORD. I am going to present it for the benefit of the country, and the gentleman does not have to remain here unless he cares to.

Mr. SNYDER. I am going to stay and listen to it. [Laughter.]

Mr. STAFFORD. I am glad to hear the gentleman is willing to listen. Perhaps he will get some enlightenment. [Applause.]

Now, Mr. Chairman, what has been the history of the appropriations for rivers and harbors? What are the amounts of expenditures that have been made during the past 11 years for river and harbor work? This information was not furnished to the House yesterday. Perhaps when this bill comes back from the Senate, or from the President, perchance, the gentleman from New York [Mr. SNYDER] may utilize this information; and if the gentleman from New York does not wish to utilize it, perhaps the country will like to know how much money we have expended for river and harbor work in the last 11 years.

In 1912 we spent $29,519,589; in 1913, $32,270,171; in 1914, $40,354,000; in 1915, $37,714,420; in 1916, $28,786,070; in 1917—the first time when we took the appropriation for river and harbor work on the Mississippi out of the bill and made a special permanent appropriation, to be expended by the Mississippi River Flood Commission—we expended $23,829,265; in 1918, $20,614,005; in 1919, $33,378,364; in 1920, $34,779,873; in 1921, $41,241,503; in 1922, $27,415,981; or a total, according to the figures that I have here, of $352,903,241, or an average of expenditure for river and harbor work, exclusive of the Mississippi River and the permanent appropriations that are not carried each year in the regular river and harbor act, of $32,082,112.

Now, what was the status of the appropriations at the last date available when the hearings were held in January? On November 1, 1922, there was unexpended of the appropriations that have heretofore been voted—and remember that these appropriations are all available until expended; they do not lapse with the end of the fiscal year for which they are made—on November 1, 1922, the last date available, there was unexpended $49,112,308.

How much was unexpended on December 1, 1921, a year before? Twenty-eight million three hundred and twenty-four thousand dollars; $21,000,000 more, remember, unexpended on November 1 last than there was within one month of the corresponding date in the prior year.

Mr. NEWTON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Not at present. I want to make my statement.

How much was unexpended on June 30, 1922? Seventeen million two hundred and forty thousand dollars. So that there was expended between December 1, 1921, and June 30, 1922, the difference, or $11,247,000.

As $49,112,308 was unexpended on November 1, 1922, and as we had expended in the six months' period of the past year $11,247,000, and allowing for one month's expenditure $2,000,000, that of November, which was not included in the prior year, which would make $13,247,000 as the estimate of expenditure until this coming June, there would be unexpended on June 30, 1923, $36,112,000. Thirty-six million one hundred and twelve thousand dollars unexpended, as against $17,247,926 on the prior June 30, 1921.

Now, add to that the $37,000,000 that was recommended by the committee for expenditure next year, it would make available for expenditure July 1, 1923, $63,112,382.

But this total does not include, remember, the $6,998,000 that we authorized for the continuation of the work at Muscle Shoals; neither does it include the $10,500,000 of authorization to enter into contracts on that project. Neither does it include the $6,000,000 item of appropriation for work on the Mississippi River under the permanent appropriation; neither does it include the $500,000 for the improvement of the Sacra-

mento River under the permanent appropriation. But the $63,000,000 unexpended, without even these supplementary appropriations, would be the largest amount available and unexpended at any time in the history of the Government.

Let us take another angle as to the basis on which the committee arrived at its figures of $37,000,000.

Mr. MONDELL. What did the gentleman state as to the amount of unexpended balance?

Mr. STAFFORD. Deducting the amount expended in the seven months' period from December 1 last to June 30 last, $11,247,000, and adding thereto $2,000,000 for allowance of expenditure in November of last year, so as to cover the same period of time, namely, from November to June 30, that would equal $13,000,000. Deduct that from the amount unexpended on November 1 last, $49,112,000, and it would make available on June 30 next $36,112,000, as against $17,247,000, which was unexpended, according to the hearings, on June 30, 1922.

Add to the $36,000,000 that will be unexpended on June 30 next the $37,000,000 our committee recommended, makes a grand total of $63,000,000, the largest amount in the history of the Government that would have been available on July 1 of this year for expenditures.

Mr. MONDELL. I understand, then, that with the sum voted yesterday and the unexpended available balances there will be over $90,000,000 available for work next year.

Mr. STAFFORD. The sum of $23,900,000 should be added for the other separate projects carried in the bill, or, in round numbers, $87,000,000, according to my computation, which does not include the $19,000,000 which was so outrageously voted yesterday by the pork-barrel bloc.

Mr. MONDELL. With the appropriation of yesterday and the $36,000,000 together, they amount, as I figure it, to about $82,000,000—that is, without the appropriation for the Mississippi River.

Mr. STAFFORD. Yes; $82,000,000 without the $23,900,000 carried for Muscle Shoals, lower Mississippi River, and Sacramento River.

Mr. SNYDER. Will the gentleman yield?

Mr. STAFFORD. My time is running. I would prefer to finish my statement. I will yield later on.

Mr. SNYDER. I believe the 196 men who have been called a bloc did not know they were doing such a good job.

Mr. STAFFORD. The gentleman from New York approves the outrageous expenditure of Government funds which was voted yesterday in violation of the Budget system. He is welcome to any credit that may attach to voting all that the engineers ask.

Take it from another angle, to show how the committee arrived at its figure of $37,000,000.

Mr. NEWTON of Missouri. Will the gentleman yield?

Mr. STAFFORD. No; I want to continue. My time is running.

Mr. NEWTON of Missouri. Why did not the gentleman say something about the $600,000 for Milwaukee Harbor?

Mr. STAFFORD. I will be very glad to before I conclude if the gentleman and the House will give me time. But I will say, so far as the estimate for Milwaukee Harbor is concerned, in justification of myself——

Mr. NEWTON of Missouri. You need that.

Mr. STAFFORD. I do not think I need it with anybody other than perhaps the gentleman from Missouri.

Mr. BLANTON. Mr. Chairman, I make the point of order that the rules should be observed, that the gentleman should not be interrupted unless he yields.

The CHAIRMAN. The point of order is well taken.

Mr. STAFFORD. During the war and ever since, and in fact during my entire service in this House of 16 years, I have followed religiously the suggestion given to me during my first term of service by my very dear lamented friend, the late Hon. James R. Mann, that I should never put myself under obligation to any department head or bureau chief where I was in a position on a committee to vote appropriations that that department or bureau might desire. [Applause.] I have never spoken to any member of the Corps of Engineers here in Washington or elsewhere since I have been a member of the Committee on Appropriations in advocacy of any appropriation for the Milwaukee Harbor project. [Applause.]

If it has merit—and General Taylor stated in the hearings last year that it was one of the very best propositions, and was listed in class A—I know that it will receive recognition it deserves without the personal importunings of Members, as is sometimes the case, of going down to get the favor of the engineers to get appropriations for projects that are not meritorious and that savor of pork.

Now taking another angle to show the way our committee arrived at our estimates, I wish to say there is a difference between unexpended balances and unobligated balances. I want to be very fair. I have given considerable study to these estimates and I only wanted on yesterday to have an opportunity to present the figures. I am a good loser. It is nothing to me personally. I want only to do my duty. That is all. I thought it was owing to the House to submit these figures to its attention. We had no opportunity. Taking it from another angle, there is a difference between unexpended balances and unobligated balances. The Engineer Department may contract and obligate some of these unexpended balances that I have been referring to. I want to show you how we arrived at the estimate and what we considered should be included in the estimate for the new projects.

Mr. LINEBERGER. Will the gentleman yield?

Mr. STAFFORD. Not now. Later on I will be glad to.

Mr. LINEBERGER. I simply wish to ask the gentleman whether it is the $27,000,000 or the $37,000,000 that he is referring to.

Mr. STAFFORD. The $37,000,000.

Mr. LINEBERGER. Not the $27,000,000 which is the original budget?

Mr. STAFFORD. The original budget was $27,625,760. Of unobligated balances that had no ties connected with them at all that the department could utilize as it saw fit, on November 1, 1922, they had unobligated $33,319,679.50. On December 1 of the prior year, 1921, they had, unobligated, $18,550,082. The total of the estimates of the Assistant Chief of Engineers was $56,589,000. In response to a query put to the Assistant Chief of Engineers, Gen. Harry Taylor, by Mr. ANTHONY as to what the effect would be in case Congress only voted the Budget allowance of $27,625,000, virtually one-half of what was suggested for utilization in the coming year by the Engineers, General Taylor said substantially what he said last year:

> We should advise each district engineer that we had a total of $27,625,760 for allotment, which would be a little less than half the sum stated in the annual report as the sum needed; that he would have to get along with 50 per cent of the amounts which he stated to be needed for his district; we should ask him how he would divide up the total for his district for the best interests of commerce. I presume we would find every district engineer would report he needed more than 50 per cent of the original amount and that he would distribute 75 or 80 per cent or more of that amount. We would take the figures and check them over, going back and forth with the district engineers, and finally allot the money to those improvements where it would be of the greatest value to commerce.

So our subcommittee, basing its action on the statement of General Taylor, that the district engineers would come back in their reports for 80 per cent of the total estimates that they submitted, namely, $56,589,410, took 80 per cent of the total for all the projects, which included those that had been authorized in the act of September 22 last, which 80 per cent equaled $45,271,000. Bear in mind that there was available $33,319,000 unobligated on November 1, 1922. At the end of the year it was testified that there would be $12,000,000 to $15,000,000 still unobligated of this $33,000,000. Our committee thought there would be something like $18,000,000 unobligated. So we figured that taking the engineer's own word that 80 per cent of the total request would be all that was needed, or $45,271,000, we recommended $37,000,000, which, with the $15,000,000 or $18,000,000 unobligated on June 30 next, would make available for new obligations a grand total of $52,000,000 to $55,000,000, $7,000,000 to $10,000,000 more than the 80 per cent that would be required.

Take another angle. Of the new projects authorized under the September 22, 1922, act, which totaled $38,245,991, it was estimated that during the next fiscal year only $13,144,000 could be expended; 80 per cent of that was $10,515,000. So, adding the $10,000,000 to the Budget estimate of last year of $27,000,000 made $37,000,000. We had cut down the Budget estimates on the military activities $14,000,000, and we thought we were not doing any violence to the Budget and in nowise obstructing the President in his great policy of trying to keep the appropriations within the receipts by recommending $10,000,000 more than the original Budget estimates, so as to be certain to take care of the new projects carried in the river and harbor act of September last.

I find that I will not have time to go into the respective projects.

Mr. BUTLER. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BUTLER. There is the weakness of the argument. Why not explain your increase over the Budget?

Mr. STAFFORD. Because we wanted to make certain the new projects authorized so late as September 22, and which

may not have been given consideration by the Budget officer, and we took 80 per cent and added that amount. That does no violence to the fundamental budgetary principle. We appropriated no more than what the Budget officer said should be expended for War Department activities.

I come from a harbor district. I am in sympathy with all harbor projects. My two colleagues on the committee, the gentleman from Kansas [Mr. ANTHONY] and the gentleman from Mississippi [Mr. SISSON], do not have any harbors or navigable rivers in their districts. For two years I have been on the subcommittee on military affairs, a subject entirely new to me, and I have given as much consideration to rivers and harbors as my other work would permit. I wish I had time to review the various projects for which estimates have been made, but time will not permit. Take the Ohio River project. I am in hearty sympathy with it.

The Ohio River project is virtually completed down to Louisville.

Mr. STEPHENS. We have 13 more to build.

Mr. STAFFORD. The gentleman from Ohio says they have 13 more dams to build, but I wish to inform the gentleman that the engineers are considering abandoning some of the dams on the lower reaches beyond the confluence of the Tennessee and the Cumberland Rivers and have a permanently dredged channel. The dams on the lower reaches are twice as expensive as they are on the upper reaches because the river is much wider. They are now considering a permanent improvement of the channels each year rather than to build the adjustable dams.

Last year there was expended $7,000,000 on the Ohio because the water conditions throughout the country were more favorable last year for river and harbor work than for a decade or generation before. In the allotment for next year they estimated $7,000,000 for the Ohio River, and in reply to a question put to General Taylor he said that sometimes with high water when there was considerable rainfall they could spend only $2,000,000 and usually with average rainfall only $5,000,000. We have a right to conclude that with the average climatic conditions, with the average rainfall, that it will not be possible in the next year to spend $7,000,000. We should expect that they might spend $5,000,000.

Mr. STEPHENS. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. STEPHENS. How do you draw your conclusion when they have spent $7,000,000?

Mr. STAFFORD. Because that was during an exceptionally dry season. General Taylor said that in an ordinary year they could expend but $5,000,000, and when the conditions are not favorable they could expend only $2,000,000. A 6-foot channel is available the entire year as far as Louisville, more than half the distance.

So we went through the various estimates, some of them very questionable. The Missouri River, for instance, where it is proposed to spend $1,000,000 on improvements and $500,000 for maintenace. The upper Mississippi and the upper Missouri are other instances. One member of the inland-waterway bloc, the gentleman from Iowa, who has been regaled with harbor dinners in the House restaurant, perfectly proper, was informed I understand by General Taylor that if the $56,000 000 was voted there would be available $1,000,000 for the improvement of the upper Missouri from Kansas City to Council Bluffs, when only $25,000 was estimated for maintenance according to the official reports.

There is the questionable practice in this whole matter. The gentleman from Ohio [Mr. BURTON] is present, a distinguished Member of the House, the former leader against pork-barrel river and harbor appropriation. For years he had to stand here alone and fight the buffeting waves in the efforts of Members of the House to get appropriations for improvement and maintenance not warranted. But the scene has changed. For the second time in two years, and never before in its history, we find the House voting every cent of money that the district engineers ask, and have the Members go to the new power at the other end of the Avenue, to the War Department, and ask for some of this total appropriation that they could not get if the project was placed on its merits. Not only that, but voting the maximum amount of the estimates encourages not only the Chief of Engineers to yield and favor questionable projects but it encourages awarding contracts at high prices because of excess of work with only a limited number of contractors with equipment to do the work.

This fight is now transferred from the House and the Capitol to the White House. Never was I more thrilled by any statement during the hearings on the War Department appropriation bill than when Secretary of War Weeks stated to the committee that it was the policy of President Harding to keep down the estimates of the Budget within the limit of receipts.

He said it was the President's fixed policy not to exceed the revenue, to adhere closely to the requirements of the Budget law, and yet yesterday this House, without any consideration whatever by any committee other than the War Department Appropriation Committee, which was denied a hearing, ran wild to the extent of adding $19,000,000 more than the committee had recommended, and $29,000,000 more than the Budget had recommended. If we are going to maintain the budgetary policy, if this House, which is Republican, charged with responsibility, is going to uphold the hands of the President, it is vital that we keep within the income of the Government in making our appropriations. The responsibility is with us; it is not on the Democratic side. Two years ago, before the Budget law was in force, the gentleman from New York [Mr. DEMPSEY], having charge of the bill as chairman of the Rivers and Harbors subcommittee of the Committee on Appropriations, came before this body with a recommendation of $15,000,000, when the estimates of the engineers were $56,000,000. The demand for economy to-day is just as strong as it was then.

The year before, as the ranking member of the Committee on Rivers and Harbors, he came into this House with a report for $12,000,000 of appropriations, when the estimates were $42,541,000. Then there was just as much need for economy as there is to-day. To his credit be it said that he stood here against the demands of the Senate, as one of the conferees in their attempt to increase the $12,000,000 appropriation to $22,000,000, and he carried the day. Two years ago when we voted this lump-sum appropriation of $15,000,000 on a roll call you stood like a phalanx against the importunings of the engineers for larger appropriations. And yesterday, with the Budget law in force, you take away the prop that is necessary to uphold and sustain the President in his great work. The greatest achievement of the Republican administration is the Budget law, and ours is the responsibility to carry it through effectively. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 30 minutes to the gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. Mr. Chairman, I rise to speak on threatened disaster to extension work.

The Congress and the country are entitled to a frank statement of facts in regard to the reorganization, about one year ago, of the extension work in the United States Department of Agriculture.

Partisan and sectional politics is more rampant and baneful in this reorganization and its administration than was ever the case in the Bureau of Printing and Engraving. The effects on agriculture are more far-reaching and disastrous.

Maladministration in the Department of Agriculture is repealing acts of Congress and defying the intent of Members of Congress, who enacted definite legislation for the national welfare.

Under the guise of "A national program of agriculture" and "A unified program," the whole order of proper procedure in extension work is being reversed and southern agriculture is being discriminated against. Present economic conditions make it clearly impossible for the southern farmer ever again to have his corncrib and smokehouse in the Corn Belt, but present practice in the Department of Agriculture is ignoring this fact and is wrecking, if not annihilating, the home-demonstration work for women and girls in all parts of the country. Under the new scheme of Assistant Secretary of Agriculture C. W. Pugsley, in charge of extension work, through his chief, C. B. Smith, more Federal and State funds are being spent for specialists, or experts, and overhead expenses than are allowed for men and women agents in the counties who do the real work of value.

Specialists in scientific studies have, of course, a high and important place, but the average agricultural expert is a man who states what everybody knows in language that nobody understands. He honestly believes that his use of unfamiliar terminology makes him appear wise and great.

The available records show that in 1921–22 there was allotted to cooperative extension work $18,500,000, of which the Federal Government contributed $5,580,000 under the provisions of the Smith-Lever Act. In addition Congress, by direct appropriation to the Department of Agriculture, made available $1,050,000 for farmers' cooperative demonstration work and $100,000 for extension work by the several bureaus of the department, cooperating with the States Relations Service, making a total from Federal sources of $6,730,000.

The State legislatures appropriated $4,880,000, the counties $5,850,000, and $1,040,000 from other local sources. Of the $11,610,000 contributed by Congress and the State legislatures,

$6,786,000, or 58½ per cent was used for overhead expenses, which includes administration, publications, supervisors, and specialists or experts, leaving only $4,994,000, or 41½ per cent of all Federal and State appropriations, to go directly into the salaries of county workers. This means the larger part of the burden of county workers' salaries and expenses must come from the county and local people. This was clearly not the intent of Congress.

Farmers, editors, educators, and other public-spirited thinkers at home and abroad have heartily commended the establishment of the farm and home demonstration work in the counties. They will deplore its present mismanagement.

Secretary James Wilson administered this work in a broad, nonpartisan, national way. I have great respect for Secretary Wallace, and I am surprised that he permits the things that are going on in his department. Under the system now in vogue he would hardly be able to get voluntary information, for it costs a man his job to go over the heads of certain types of bureau chiefs. Certainly not the bravest employee would dare go over the head of Smith or Pugsley to the Secretary.

A great humanitarian service which affects the destiny of our civilization should not be conducted in such a way as to invite political reprisal with each change of administration. I, for one, here and now protest against these partisan methods.

The Department of Agriculture, in cooperation with the land-grant colleges, has the supervision of the expenditure of nearly $20,000,000 and the appointment of about 4,000 men and women in extension work. The usefulness in agriculture of all other scientific and teaching divisions is largely dependent upon the efficiency and success of the demonstration work. It had its origin in the South. The late Dr. Seaman A. Knapp was its founder. He was a native of New York and a former president of the Iowa Agricultural College. In 1903, when he began this work, he was a citizen of Louisiana. Upon his recommendation Secretary Wilson appointed the first county farm-demonstration agent in this country and the first woman county home-demonstration agent in the history of the world. More than 600 men agents and more than 250 women agents were at work in the South when the Smith-Lever Act was passed in 1914. In the discussions when this act was pending, Representatives and Senators, regardless of party, expressed approval of this work and the methods of doing it. They wanted it extended. Successful demonstration was the inspiration of the extension act.

Doctor Knapp's efforts were confined mainly to the Cotton Belt, because he was working under special appropriations for boll-weevil control, but he aroused interest and created a demand for demonstration work all over the country. He was the first to arouse in the farmer the pride of vocation, the ambition to do one thing well which leads to other better things.

In 1911, the year of Doctor Knapp's death, the first county agent in the North was appointed. After the passage of the extension act and its acceptance by the States it spread very generally. Under this rapid development it came to pass that there were two offices of administration in the United States Department of Agriculture—extension south and extension north and west. It will be freely admitted that a combination of these two offices was desirable, but any fair-minded person will say that good administration called for the utilization of the best talent, thought, and experience available from the two old offices, which had about the same number of experienced people in their respective forces at the time of consolidation. Let us see what happened.

When the reorganization was announced the head of the office of north and west was made chief. The head of the southern office, Mr. J. A. Evans, who was Doctor Knapp's first appointee and lieutenant, was relegated to a nominal advisory position. All the other members of his force, some of whom had been in the work under Doctor Knapp from the beginning, organizing and establishing important lines of the work in the South were assigned to unimportant positions in the new organization.

A distinguished group of agriculturists and field agents who were eminently successful in establishing and building up the invaluable demonstration work in this country following the brilliant leadership of Doctor Knapp and his distinguished son have been ignored. Among them are W. B. Mercier, H. E. Savely, E. A. Miller, I. O. Schaub, O. B. Martin, I. W. Hill, F. P. Lund, C. L. Chambers, Miss Ola Powell, Miss Madge J. Reese, and Miss Hannah L. Wessling.

In the reorganization not a single one of these was made a head of a division or even a chairman of a subcommittee, notwithstanding the long experience and successful administration behind them. The assignments were arbitrary, made without any regard to peculiar fitness for the job. Neither was anyone's advice as to the qualifications of the various members of the southern office asked for at time of assignments or since. Every subchief division head and chairman of all committees came from the northern office.

Regardless of the fact that Congress had provided for extension work in agriculture and home economics, suggesting two logical grand divisions, this reorganization plan, like Gaul, was divided into three parts. They are "projects and programs, methods of organization, and subject matter," with an administration office over all. The big chief, Dr. C. B. Smith, who, as a former member of the Office of Farm Management, had read a paper in the department years before, in which he minimized the influence of practical demonstration in agriculture as contrasted with other agencies of instruction, fits well into the new scheme. Two of his assistants, Messrs. Graham and Wilson, from the office of north and west, are put at the head of divisions.

The third place was left vacant for months, although the men and women who had helped establish the work and given it to the world were available. By and by an outside man, Mr. L. H. Goddard, from Ohio, was brought in and put in charge of projects and programs. Conditions soon became so intolerable in the division of organization that its chief, Mr. M. C. Wilson, had to be removed, but he was transferred to the Office of Administration and put in charge of reports and records with an increased salary. Then the divisions of organization and subject matter were combined and the salary of that chief increased also. The chief of this new combination made three little chiefs—all from the North—and their salaries were elevated likewise.

They had less experience and little success in comparison with those who were ignored because they were from the South. Then the big chiefs organized batteries of clerks with chiefs and messengers galore while the salary elevator kept rising. It is strange that successful civil-service clerks from all parts of the country who had worked in the southern office did not have a chance to get aboard the rising salary elevator.

The subdivisions of the division of methods were made to include county-agent work, home-demonstration work, and boys' and girls' club work.

These last subdivisions have a human suggestion about them. They come down toward the earth, dealing with the farm and the home. One would expect that the man, W. A. Lloyd, who had done most to develop county-agent work in the North and West, would be put in charge of the first of these subdivisions, but not so, because he is an Ohio Democrat and had to go. He was transferred to projects and programs and assigned to a district in the far West. Mr. A. B. Graham, with elaborate ideas about methods, programs, and projects, was appointed. Miss Florence Ward, who had been in charge of the very limited home-demonstration work of the 33 Northern and Western States, was assigned to projects and programs in agriculture and home economics and given a district made up of New England and some Middle Atlantic States. Miss Grace E. Frysinger, who has orthodox ideas about organization, methods, nomenclature, programs, and phraseology, has States in her district that have no home-demonstration agents, some have one, and some a few more, while the women in the southern work, Misses Ola Powell, Madge J. Reese, and Hannah L. Wessling, who had been so influential in getting from 30 to 75 women agents to a State, have been relegated to positions where no such influence for good can ever be exerted.

I present below a comparative table showing number of women home-demonstration agents in a group of 13 States taken from the Southeastern and South Central and a group of 13 States taken from the North Central. As far as possible, the States are paired according to the amount of Smith-Lever funds allotted to them. This table gives only white women agents in the South. There are also 94 negro women agents in the South.

January 16, 1923.

SOUTHERN.		NORTHERN.	
Alabama	34	Missouri	9
Arkansas	33	Michigan	7
Florida	33	North Dakota	1
Georgia	61	Ohio	10
Kentucky	23	Indiana	2
Louisiana	26	Kansas	8
Mississippi	39	Iowa	17
North Carolina	50	Illinois	16
Oklahoma	39	Wisconsin	1
South Carolina	35	Minnesota	4
Tennessee	27	Nebraska	4
Texas	67	Pennsylvania	0
Virginia	33	South Dakota	5
Total	500	Total	84

The above table reveals that the major part of this work is done in the South. The South, however, has little part in making "programs" and "projects" in the Department of Agriculture.

The same kind of treatment was given to the men who originated and developed the boys' club work, with its large and profitable record in crop and live-stock production, while the Rocky Mountain section was drawn upon to find a man, Ivan L. Hobson, of limited and local experience, to put at the head of the boys and girls' club work of the entire country. There can be no objection to his working among his own people, but it will hardly be contended that Rocky Mountain agriculture and Brigham Young theories of home making should be thrust upon all the American home builders.

The home-demonstration work was based upon the belief that "the great force which readjusts the world originates in the home." Congress made extension work in home economics coordinate with extension in agriculture, but the reorganization of the department makes it very subordinate. In the projects and programs it is put on a parity with cattle, crops, hogs, and sheep. The highest positions given to women are five or six degrees removed from the Secretary. The women in the department and in the States who developed this great educational system in a decade are pioneers and benefactors. No other nation has women county agents. Three-fourths of such agents are in the 15 Southern States. Other countries have sent representatives here to study the work in the South, and some of our women have gone abroad with their message of hope and promise. Perhaps some big and little chiefs in the department had better be informed that women are now citizens of this Republic. Some leading women are protesting the fact that the extension office in Washington has prepared an annual report form for the whole work which does not mention the word "woman" or provide properly for reporting many of their most valuable activities. The women of the country are being shamefully ignored by certain pinhead chiefs in the Department of Agriculture.

In the conduct of the extension work under this revised reorganization no important communications can be sent out by former members of the southern office. Even the unimportant ones must bear the approval of a petty chief of a different political and pedagogical faith. He is often one who has no personal information of southern conditions.

This practice has been going on for more than a year. Five of the best workers have resigned. Others remained for the sake of the cause and hope for better things. All of them came from useful fields of service. Some have written valuable books, bulletins, and other publications on agriculture which are in demand in this and other countries. But they are gagged now. Thus the teachings of the great founder of the work are being suppressed in spite of the fact that former Congressman Lever, the author of the extension act, said "Dr. Seaman A. Knapp stands out toweringly among a bare half dozen really great agricultural leaders in the history of our country.

Surely a mere statement of this situation will call for a remedy from a department which heretofore has been remarkably free from partisan politics.

Some explanation may be found in a difference of opinion on educational principles and methods. There are two schools of thought. The one begins at the bottom and works upward, the other begins at the top and goes downward. The one begins with a great idea, the other with an elaborate schedule. The one starts with the farm and the home, the other goes forth with national programs and projects. In the one the department was created for the farmer, in the other the farmer exists for the experts of the Department of Agriculture. The one depends upon growth, the other upon dogmatics. The one makes the demonstrator on his own farm the center of influence and instruction, the other scatters instruction from the specialists. The one starts with simple demonstrations in production and develops them through standardization and marketing, the other starts with didactic instruction and assumes the superiority of the instructors. This accounts for the multiplication of specialists or experts, and points to the threatened failure of the whole enterprise as Congress conceived it.

The one represents the vanguard of educational thought, the other is medieval in its philosophy. The one eagerly seeks to teach how best to grow corn and cotton, the other satisfies and inflates itself on high-sounding terminology. The one was the inspiration of Doctor Knapp in creating the demonstration work, the other is the conceit of petty chiefs and specialists now destroying it.

The demonstration method in agriculture has met with approval and support everywhere, even in periods of great rural depression. In fact, it shines when tested. Hard times enhance its value.

If Assistant Secretary Pugsley and Chief C. B. Smith are not responsible for this threatened disaster to the extension work, let them name the guilty. If they are responsible, let them be transferred or dismissed.

I am not speaking against any person, but for the life of extension work in the Department of Agriculture which two short years ago offered such promise to the American farm and to the American home builder.

I have already indicated that Secretary Wallace is perhaps not informed of the havoc that is being wrought in the extension work. Without their knowledge or consent I have named the witnesses who are able to give him exact information.

Be not deceived, Mr. Secretary; your department is losing the confidence of the people in the counties. Give less money and time to strait-jacket mechanical "programs" and office paraphernalia and deal with the human element in the counties; expend the money you have in the counties where the work, if it is to count, must be done. Give the men and women in this service a square deal; cut out cheap politics; reduce the amount of money expended in overhead expenses and get the demonstration work, by boys and girls and by men and women alike, down to the earth in the counties where the farmers live, and avert the impending disaster. [Applause.]

Summary statement of allotments of cooperative extension funds by sources and lines of work, 1922–23.

Items.	All sources.	Federal Smith-Lever.	State Smith-Lever.	Supplementary Federal Smith-Lever.	Supplementary State Smith-Lever.	Farmers' cooperative demonstration work.
Total	$18,819,894	$4,580,000	$4,100,000	$1,300,000	$1,300,000	$1,027,981
Administration	1,014,569	519,090	321,178	3,007	698	10,359
Publication	357,711	136,542	95,213	693	1,380	.....
Specialists	3,392,813	1,376,382	1,037,193	23,196	9,705	43,533
County work	4,054,801	2,547,986	2,646,416	1,273,104	1,288,217	974,098
County agent work:						
Leadership	969,262	498,807	234,904	90,803	21,466	118,927
County extension work	8,974,806	847,173	1,645,850	1,096,460	1,106,568	490,465
Home demonstration work:						
Leadership	660,455	307,497	194,711	12,285	9,910	79,831
County extension work	2,347,761	529,653	402,357	42,563	135,793	186,562
Boys and girls' club work:						
Leadership	551,414	299,090	117,228	1,843	14,180	66,043
County extension work	551,103	65,676	51,366	29,150	300	32,269
Total college	6,946,224	3,137,498	2,000,427	131,827	57,339	318,684
Total within the county	11,873,670	1,442,502	2,099,573	1,168,173	1,242,661	709,297

Due to a revision of the Kansas budget, there is a difference of $1,250 in county agent work between this table and the one by projects.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD. Mr. Chairman and gentlemen of the committee, the newspapers of the country have given much publicity to the decision of Professor Lowell, of Harvard University, in which he refused to allow a negro to board in a dormitory with white students. Professor Lowell is right as far as he goes, but he does not go far enough.

There is, though, in his reasoning the idea which if expanded and enlarged means the solution to a large extent of the race question. What I shall say now is not for the purpose of stirring up bitterness between the races, but for the purpose of defending Professor Lowell's position and showing that he at least has a glimpse of the true light on this question. I want to quote the newspaper item on Professor Lowell's decision, but before doing so I want to quote from what I said on the race question on this floor on the 18th day of January, 1922, just a year ago. I want to show that the professor of the great New England university is coming to the viewpoint of the South on this great question, which is the only correct viewpoint. This question

would be practically solved if no one would mess with it except those who are familiar with it.

Here is what I wanted to repeat from my speech on the Dyer bill:

Let us build up a better feeling between the races, not a more bitter one.

Mr. Chairman, the white race will determine what position in this great civilization the Negro race shall occupy. This will eventually be determined not by sectional hatred—not by partisan prejudice and not by political selfish narrowness. The white race will write the verdict of the negroes' rights in this Nation, and the white people of the South will help make, will agree to, and will approve the verdict. The verdict will be impartial. It will be fair. It will speak the truth. It will be made up, after a careful consideration of all the evidence submitted by the Negro race, in view of all the surrounding circumstances and under the laws of eternal fairness, justice, and right. The verdict will not be a directed verdict. It will not be a forced decision. The white race will decide what position the negro is worthy to occupy from the negro's own acts, from his merit or lack of merit, and not from demands made by negro propagandists of either the Negro race or white race, except that these propagandists by the creation of racial hatred are introducing a mass of evidence against the colored race. I will say more along this line later.

The white man's verdict on the race question will not be made up by bills pushed through Congress, except this kind of thing hurts the Negro race. The verdict will not be made up favorably to the negro by the Negro race forcibly exercising privileges contrary to the wishes of the white race. The Negro race suffers from this. It does not gain. If I had a case before 12 jurors I would, so far as possible, introduce my best evidence. I would not want to be obnoxious to the jurors. I would want to show them every possible courtesy. I would want to be polite to them. Some negroes are handling the matter properly. Others are not. The negroes of the South are making a better showing for the race than is being made by the negroes of the North. The white race of the South is helping the negro solve the problem. We would soon solve the race question in the South if we were only let alone by racial prejudice, vultures of other sections. The negro of the South is very much more polite and respectful to the white race than are the northern negroes. While the southern negro as a rule is courteous and polite to the white man or woman, the northern negro is arrogant, haughty, disrespectful, and insulting to the white man and his folks.

The negroes of the South are working out their own salvation in this country; the northern negro is working out his own condemnation. The time is fast approaching when the North will bitterly detest the whole Negro race. The worst negroes of the South, if they miss the penitentiary, the gallows, and the occasional lynchings, are coming north to add to your already haughty, contemptible northern negro population. This mixture of our worst with the northern bad Negro race will go on making themselves as obnoxious as possible to the white race. They will push you and your wives and children aside to get on street and railway cars first, and then take the best seats and slouch down on the seats and force you and your loved ones to sit by them while they, in order to be sure they appear your equal, make themselves as offensive as possible. They will push you and your folks off the sidewalks to show you that they have special rights and are exercising them. At the public parks and public gatherings they will be anxious to show the white man that they are his equal. They will be sure and get between you and the music, and stand if you are sitting. They will talk loudly and laugh boisterously while you are trying to hear, to show you they are exercising equal rights. They will puff their cigar smoke so you will get a full share, and they will spit so a little will come your way, so you will know they are exercising their rights. They will not dare sit together at the band concerts; they will mix as thoroughly as possible, so you will see they are there. As nearly as possible they will get one on each seat in the street and railway cars, to show you they are exercising their rights.

It does not differ how many seats are in your waiting rooms; they will, if possible, get a few on each seat, so you will have the pleasure of standing or sitting by them and knowing they are exercising their rights. What I am saying is the truth. I am describing the condition in Washington and the North where the negro is to-day. I am not talking about the South now. On Christmas eve night I was in that great, magnificent passenger waiting room here in Washington, the most magnificent waiting room in the world. There are many, many most splendid seats. There were present about one-third enough people to fill all the seats, and yet, upon careful observation, I found a few negroes on every seat in that great waiting room. Not a single seat left where a white woman or child could sit without being side by side with a negro. Yes, plenty of room, but no room where there were no negroes. The negroes of Washington and the North are determined to force themselves in as the equal of the white man. The so-called educated negro is the most obnoxious of all He thinks he knows how to swagger and not give an inch to any human being that is white. He thinks that to be courteous to a white person is to admit that he is not the white man's equal, and he must never do that.

The white people of the North will before long get the idea that there are no good negroes; no, not one. The northern negro and the mean southern negro who comes north will expect political equality, economic equality, and social equality. He is determined to push himself forward in these respects every time he can, and if he gains an inch he will swagger over it and make his colored brethren hate the white man all the more. The northern negro believes he is given a greater freedom with the white women up here. If he commits rape he expects the father and brothers, relatives, and neighbors of the outraged girl to plead for his protection and beg for him to become a great hero and have a fair and impartial trial with the outraged girl, if left alive, in court to testify and him to deny. He expects newspaper write-ups, and the folks, some saying, "The rapist, Mr. Jones, must be innocent," and bringing him flowers, and if convicted he expects executive clemency and probably a pardon, with an implied invitation to him and others of his kind to go and do likewise.

All the while the negro will be working his own condemnation, for as surely as day follows night so surely will the misunderstandings, the discourtesies, the insults, the outrages, the growing race hatred finally break forth not only in St. Louis, Omaha, and Washington but all over the North, and the awful carnage or race riots will hold sway. Why can not the northern negro see this and instead of being haughty, offensive, and discourteous to the white race be all that the southern negro is in the way of respect, courtesy, and politeness to the white race? You agitators had better quit teaching race hatred and teach race respect and good will. You better teach the Negro race to respect and love the white man instead of hating him. You better plead for good will, which will protect your innocent women and children against riots, instead of worrying over the rapist. You had far better plead for separate passenger stations, separate passenger cars, separate seats on street cars, and separate space at band concerts, and every other arrangement which will lessen the friction between the races and bring about a better feeling.

In the South everything has been done that can be done to lessen the friction between the races. A few of the worst negroes will be lynched. The negro in the South who commits rape knows what is coming. He simply commits suicide, that is all. If something is not done, and that speedily, hundreds will be killed in the North for every one we lynch in the South. You simply can not start a race riot where negroes are courteous and polite to the white folks. The white people will not stand for it.

When race hatred is fanned almost to an all-consuming flame and some one or score of men say lets destroy the negro section and dozens of men promptly say, "No; old Bill lives down there. Old Fanny, my good old cook, is down there. The negroes down there are the friends of the white people. They are polite and anxious to be our friends." No race riot takes place.

But, on the contrary, let every man in the crowd remember not a good negro but a bad one, not a good deed but a bad one, not courtesy and politeness but disrespect and vicious conduct, and then hell breaks loose. The good negroes are saving the negro race, the bad ones are destroying it. Why do not we worry about the good ones and not so much about the criminal and the rapist?

Here is the newspaper item about Professor Lowell's decision:

[By the Associated Press.]

NEW YORK, January 12.—President A. Lawrence Lowell, of Harvard University, in a letter to Roscoe Conkling Bruce, prominent negro graduate of the university, published in the New York World to-day, defends the exclusion of negro students from the freshmen dormitories.

Mr. Lowell declares that while the negro is entitled to the same opportunity for education as the white man, "we do not owe to him to force him and the white into social relations that are not or may not be mutually congenial."

REQUEST FOR ROOM DENIED.

Bruce's recent request that a room be reserved in the freshman halls for his son, who is preparing to enter Harvard, was denied.

President Lowell's letter says:

"I am sorry that you do not feel the reasonableness of our position about the freshman dormitories. It is not a departure from the past to refuse to compel white and colored men to room in the same building. We owe to the colored man the same opportunities for education that we do to the white man, but we do not owe to him to force him and the white into social relations that are not, or may not be, mutually congenial.

WOULD INCREASE PREJUDICE.

"We would give him freely opportunities for room and board wherever it is voluntary, but it seems to me that for the colored man to claim that he is entitled to have the white man compelled to live with him is a very unfortunate innovation, which, far from doing him good, would increase a prejudice that, as you and I will thoroughly agree, is most unfortunate and probably growing.

"On the other hand, to maintain that compulsory residence in the freshman dormitories—which has proved a great benefit in breaking up the social cliques that did much injury to the college—should not be established for 99½ per cent of the students because the remaining one-half of 1 per cent could not properly be included seems to me an untenable position."

Professor Lowell says in brief, "we do not owe him," speaking of the negro, "to force him and the white into social relations that are not or may not be mutually congenial." Writing further, Professor Lowell says that to do so "far from doing him good would increase a prejudice" "that is probably growing." This is the truth, if not the whole truth. The time is fast coming, it is here, when everyone, white or black, North or South, who thinks about this great question must agree that every time the negro forces himself or is forced by others into places where the white race does not welcome him he injures the Negro race by offending the white race. The Negro race must succeed by being courteous and not by being offensive. If he attends a white school, he injures his race by creating a bitterness against his people. If the white students of the school stand for it, the white people of the Nation as a whole do not approve of it and condemn the people in charge of the school who permit it. Professor Lowell has caught a glimpse of the light. He and his school need more light.

Negroes ought not to attend his school at all. The so-called "Jim Crow" law which makes whites and negroes ride in separate coaches on trains, use separate seats in street cars, and use separate waiting rooms at the stations is a most excellent law for both races. In the South neither race offends in the least the other while traveling. The white man with his family starts for a trip, goes and returns and thinks no less of the Negro race after his return. In the North a white family is, while traveling, all the while face to face with the impudence, the insults, and the offensive conduct of the northern negro, who takes special delight in being offensive to the white race with whom he feels equal and to whom he feels superior.

You can not tell me the white people of the North all do not want to associate with negroes. The same feeling we hav in the South is here and is growing rapidly. The best th

the Negro race could do for itself would be to say: "Give us separate cars, separate waiting rooms, separate parks, separate schools, separate libraries, and separate sections of town to live in. We do not want to offend the white people in the least. They are our friends. We are theirs. We plead and are willing to live for a still better feeling between the races." This would help mightily, the situation.

A school library was finished last year here in Washington, and the men in control said they wanted the negroes and whites all to use it, and said it was a library for all. I thought how wrong they are. It will not be a library for all. It will be a library for two classes only, namely, the white people who want to associate with negroes and the negroes who want to be offensive and who delight in forcing the white man to deal with him as an equal. There will be no place at this library for the white person who does not want to associate with negroes and no place for the negroes who do not want to do anything which will offend the white man, if there are any such negroes in Washington. I believe the negroes teach their children here to be as offensive to the whites as possible. The old and the young of the Negro race here are doing well their part of building up a contempt of the white race for the negroes.

On street cars, on railway trains, and in passenger waiting rooms, where the two races are forced to occupy the same seats and sit side by side, there is built up a race hatred that will eventually make the Negro bitterly hated by the white race, and which hatred will go far toward the destruction of the Negro race. The Negro race must have the good will of the white race in order to exist among the white race. The negro can only live in white United States by the grace of the white man. Why the negroes do not strive in season and out of season for the good will of the white man by which good will the negroes only can live, I do not know. Many negroes of the South see in the white man their friends and are day by day building up a good feeling between the races. The negroes of the South are making themselves a place by being courteous and polite to the white man and his folks. The negroes of the North are destroying the chance they have by attempting to force themselves where they are not wanted and by being insolent and offensive. Many negroes in the South would not under any circumstances come in at the front door of a white home unless specifically requested to do so. They do not want to use a white waiting room or ride on a train in the white coach if it offends the white man or white woman or white child in the least. These kind of negroes are the saving power of the Negro race. You have very few or none of them in the North. The average negro of the North takes a special pride in making himself offensive to the white race. He wants to ride with the white folks. He wants to use the same waiting room. He wants to use the same libraries, the same schools, and the same boarding house. He wants to live in the white neighborhood of the towns. He wants to do all this not because he loves the white folks but because he hates the white race and wants to show them he is their equal and their superior. He wants to do all these things not in order to be polite but to be obnoxious. You have here in Washington probably the most beautiful passenger station in the world, with hundreds of most splendid seats. You have worlds of space there and hundreds of seats for the negroes who want to be vicious and offensive to the white race and who gloat over making white folks sit by them, regardless of whether the white folks want to sit by them or not. You have in that waiting room not a single seat nor a square inch of space for the negroes who do not want to be offensive, who do not want to sit by white folks if not desired, and who prefer to sit with their own race and foster a good feeling between the races. You have in that waiting room all space for the whites who want to associate with negroes. There is no space for the white man, woman, or child who does not want to sit with strange, offensive negroes and who prefer to associate with the white race.

Millions and millions of the people's money have been spent and are spent each year on dozens of most beautiful parks here in Washington, and most splendid music is furnished—for whom? For only the whites who want to associate with negroes, who want to smell the cigar smoke puffed in his face by an offensive negro, who likes to have them walk in front of him and talk loudly, regardless of where he may move, and who prefers the boisterous laugh of the crowd of negroes in front of him to the music. These parks and music are also for the special use of the negroes who want to and do get a special satisfaction out of so far as possible appropriating all the parks and all the music to themselves by so acting as to prevent the white people from enjoying either. We need a few parks for the negroes who live in Washington and who do not want to be obnoxious—if there are such here. There ought to be some provision for the whites—and I know there are thousands of them—who want a breath of fresh air without being compelled to associate with offensive negroes.

Oh, the disgrace of the negro situation here in Washington! We have here in Washington a so-called reformatory for girls. It is filled up with negro girls and a few white girls. In other words, if a white girl makes a mistake or does some wrong for which she should be corrected she is forced to live with a bunch of negroes in order that she, a white girl, may be made better. The gang in authority in Washington who causes this to be done ought to be forced to eat with negroes, sleep with negroes, live with negroes, smell negroes, and work at hard labor with negroes in a penitentiary for and during the full end and term of their natural lives.

Gentlemen of the committee, the race problem will be solved when the negro race and the white race find out that the thing to do is to do that which will cause the least friction between the two races and promote the best feeling between the white man and the colored man. [Applause.]

Mr. ANDERSON. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, some weeks ago while I was not in the Chamber several gentlemen took a kindly interest in the bill to establish a Code of the Laws of the United States, which passed the House two years and four days ago, and made inquiry as to what had become of it during the last two years. I can not now go into this in much detail, but I can perhaps answer a few of the questions that were asked at that time. Let me preface my remarks by saying a word in respect to the history of what was done before the bill left here. Twenty-two months of hard work were put on the bill before it came into the House. We had the assistance and encouragement of more than 100 Members of this House who came in to see us and personally observed just what was being done. We followed the plans of the old, original, Revised Statutes, taking advantage of that experience, and, we hope, considerably improved the work that was done, especially as we had more time in which to do it.

HE WANTED TO LOAN ANOTHER BILLION.

The bill passed the House May 16, 1921, unanimously. As far as I know, no other man who ever tried a lawsuit has ever made any objection to the bill. We sent the bill to every department, and some of them helped us considerably. For example, the War Department made a very careful research of the bill as it affected laws respecting the Army. They found two mistakes, which we were very glad to correct. I was glad to be able to say that we found that in their array of military law there were 27 omissions, which we had supplied and which they inserted. Other departments took different views. The then Secretary of the Treasury, for example, found a "terrific blunder of such serious character" that he stated the bill could not possibly be any good. It seems a law had been passed authorizing an issue of $1,000,000,000 of Liberty bonds. The law was executed. That gentleman was greatly distressed to find that it was not included. He said the $1,000,000,000 worth of bonds were out, and it would be very embarrassing if they did not have anything to stand behind them; he was not quite sure whether the bonds could ever be paid. I suggested that since the law had been executed and was not in effect any more it would certainly be very embarrassing if we reenacted it, as we would if we included it in this bill, because he could then issue another $1,000,000,000 worth of bonds. I said I did not believe that was the best thing to do. I asked him who his attorney was, and he said that it was not practical to say. Gentlemen can judge from this of the kind of some of the help that we received.

NAVY THROWS OUT 71 SECTIONS ON THE "BEST OF OUR INFORMATION AND BELIEF."

The Secretary of the Navy called our attention to the fact that the rear admirals, the General Staff, the war council, and some other great men had very carefully considered certain legislation enacted by Congress and had reached the conclusion that it could not be put into effect, and not being putable, so to speak, "it evidently was not in effect," and therefore it would be necessary for us to drop those laws out of the bill. Not being gifted with any special authority we did not feel that we could drop them out, and we declined to do so. Let me show you a little something else about that Navy Department. They called attention to 71 sections which "to the best of their information and belief" were not any longer the law.

Just exactly what would you do, gentlemen, if you were a judge and a fellow laid a brief before you in which he stated that to the best of his information and belief such and such was the law? That is the way they started. What it really meant was that there were certain sections of our law they had

entirely overlooked and did not have. We looked the stuff over very carefully. And there was one thing we thought was open to debate, and I think we took their advice. We had the very liberal assistance of gentlemen who wanted to leave out the law which was about a matter of precedence.

Mr. HUDSPETH. Will the gentleman yield?

Mr. LITTLE. In a minute. There are certain sections they wanted to omit, because "to the best of their information and belief" they were not there. I think they are right about it, "to the best of their information and belief." [Laughter.] But I am referring to questions of precedence ordered omitted because the war council, the General Staff, and three or four rear admirals objected and ordered it not to be put in; high treason; ought to be court-martialed and shot. They called attention to the little headlines at the head of sections, which are no part of this law, specially provided, and we did not ask the gentlemen to do anything but take the law as it is now. Their taste did not approve our headlines, which are no part of the law, but satisfied the committee. So we did not change them. That introduced into this matter from the beginning a misunderstanding, very unfortunate, and we were compelled to overrule many suggestions, because we could not omit the law on their "information and belief." They became indignant and are so still. They demanded that we omit the law, change our section headlines, and omit 71 sections on their information and belief. We declined, and for that reason, and that alone, the Judge Advocate Generals and rear admirals of the second nine have kept up a continuous and baseless attack upon this bill, and you will see by their letters of May 25, 1920, and March 1, 1921, they demanded this omission because the General Staff and the rear admirals of the second nine had decided that your laws could not be put in effect, and they would therefore beat the bill, because we published the law as you made it, about who should go into dinner first, and hence these tears from the naval lawyers and rear admirals of the second nine.

Nevertheless, these very gentlemen, who know less of the law than any similar force in any department, have registered more alleged criticisms than probably all the rest put together. Hon. James R. Mann once remarked to me that there was more incompetence in the Department of the Navy than in any other in Washington. You wonder why such presumption should go with such ignorance, but I will show you. Perhaps the greatest difficulty that the revisers have had has been avoiding the malice of people who insisted that we should leave out the law or should put in something that had long since ceased to be the law. The most egregious and unpardonable offender has been the Department of the Navy.

When the Committee on Revision began this work and got it under way, they invited the assistance and cooperation of the legal staff of every department and bureau. Some of them were very prompt and helpful. The War Department made a thorough and careful examination of our work, comparing it with their aggregation of the laws of the Army. They found two mistakes which we gladly corrected. They also found 27 sections of the military law that they did not have in their compilation and promptly utilized them, giving us credit for them. But witness the Department of the Navy. In response to the committee's letter, the Secretary of the Navy at that time, on May 25, 1920, wrote the chairman of the committee that he had found many sections of the naval law of which he had never heard. He evidently had no intelligent compilation of the laws of his department with which to compare ours, but he promptly announced all the law he did not know was not there.

He said on May 25, 1920:

> The department has noted a large number of sections which to the best of its information and belief are no longer in force. * * *
>
> The following sections in said compilation have been noted as not in force March 4, 1919, and should be omitted therefrom: 2444, 2448, 2449, 2460, 2463, 2465, 2486, 2489, 2512, 2513, 2522, 2523, 2524, 2526, 2527, 2531, 2534, 2542, 2544, 2546, 2551, 2555, 2556, 2563, 2576, 2577, 2582, 2587, 2589, 2590, 2598, 2609, 2610, 2614, 2617, 2618, 2626, 2633, 2638, 2639, 2640, 2641, 2644, 2653, 2654, 2659, 2660, 2663, 2664, 2679, 2718, 2719, 2721, 2743, 2744, 2749, 2758, 2759, 2760, 2764, 2767, 2772, 2773, 2775, 2784, 2815, 2899, 2900, 2915, 3019, and 3023.

You will note at once the difference between the intelligent law department the Army then had and the gentlemen who had never tried a lawsuit who purported to be lawyers for the Navy. They actually expect people to give consideration to the criticisms of men who undertake to write a law brief beginning "to the best of its information and belief" this is not the law. That there should be anybody in the world so supremely ignorant as to ask a committee to accept such a statement on information and belief as of any value is almost beyond imagination. We knew, of course, then, that there was nobody down there who could be of any assistance to us, and we have never had any reason to change our minds since May 25, 1920.

NAVY SAYS CAN'T USE THE LAW CONGRESS MADE AND CODIFIER MUST OMIT IT.

But that was mild. Turn to the last page of the letter of May 25, 1920, which reads as follows:

> Section 2757 demotes rear admirals instead of promoting brigadier generals, as was intended by section 3 of the act of October 6, 1917. Further, so much of said act as provides that brigadier generals of the Army shall hereafter rank relatively with rear admirals of the lower half of the grade is defective and it has been impossible to put it into operation, for which reason the War and Navy Departments have requested its repeal. It is the opinion of the department, therefore, that all reference to relative rank between brigadier generals and rear admirals of the lower half of the grade should be omitted. The provision of section 1446, Revised Statutes, ranking commodores with brigadier generals is still in force and should be included in this section.

The gentleman gravely states that the law embodied in section 2757 "is defective and it has been impossible to put it into operation, for which reason the War and Navy Departments have requested its repeal. It is the opinion of the department, therefore, that all reference to relative rank between brigadier generals and rear admirals of the lower half of the grade should be omitted." We, of course, explained to them that we had no place in our plan that permitted us to omit any law. Of course you realize, gentlemen, that a man must be either extremely ignorant or wholly lacking in personal integrity to ask a committee to omit the law, but what shall we say of a man who, after being thoroughly informed of the situation, came back a year later on March 1, 1921, and repeated and again urged that we should omit that law, the letter reading as follows:

> The clause in the act of October 6, 1917, was the subject of the fullest consideration by the experts in both the War and Navy Departments, including the General Staff and the war council, with the result that the two departments agreed that this provision could not be put into effect, and concurred in recommendations to Congress that it be repealed. Inasmuch as the said provision could not be put into effect, its repeal would serve no purpose other than to eliminate it from the statutes, thereby preventing confusion which it might cause in the minds of those not familiar with the subject; whether repealed or not, the fact would be that it was not in effect and could not be put into effect, and therefore could not be regarded as a provision of law which was in effect in 1919.

As a matter of fact, gentlemen, you see at a glance why it is that the Navy Department has accumulated more alleged errors than anybody else, or than all the rest, probably. They were determined that we should omit the law, and we incurred their rancor and vicious opposition from that moment till now because we would not omit the law.

NAVY INSISTS CAN'T ADMINISTER NAVY IF LAW ON SEATS AT DINNER BE PUBLISHED.

If it were a matter of any importance it would be easy to understand, but as you glance at the letter of May 25, 1920, you will see that it is nothing at all but a little matter of social prestige, of what they call "precedence"—a quarrel as to whether a brigadier general or a rear admiral of the lower grade shall go in to dinner first—and, gentlemen, as astounding as you may consider it, they actually tell us that "it has been impossible to put it into operation"; and later they tell us that they could not administer the Navy unless we leave it out.

Kitchener, of Khartoum, once told me that with a commissioner from France and one from Germany, he representing Great Britain, he took part in investigating some points on the African coast line, each having a ship of his own. They went ashore in one boat every day, and the other two gentlemen quarreled constantly over a point of precedence as to which of them should go ashore first, until finally one day one of them fell into the water during the quarrel; and afterwards they went in three boats. An immense percentage of the obstacles that have been so viciously thrust in the way of this great code has been because the Navy did not want a rear admiral of the second nine to go in to dinner alongside a brigadier general. I have too much respect for the Government of the United States to state in full my views of such conduct; but you will see at once, gentlemen, that anything coming from the Navy must be discounted at least 99 per cent.

When House bill 9389 passed the House in December, 1920, they went into spasms because we did not omit the law, rushed down and told the Senate committee that they could not administer the Navy if this code went into effect, and began piling up an array of infinitesimal and contemptible criticisms. For example, in their first essay of May 25, 1920, they criticized section 2437 of House bill 9389, which is now section 2438 of House bill 12. We were worrying a bit over that and had about decided to make a slight change, and were glad to have their correction and made it. The first section, of course, in the Navy had their exact approval, which was just the way they wanted it; but when they found we had not omitted the rest they began by starting in again with another criticism of that section. Either they were ignorant when they made the first one

or they were malicious when they attacked it again, and they were both. Let us proceed another step in reviewing their letter of May 25, 1920, showing the basis of the work which is still hurling bricks at this committee.

NAVY REQUIRES HEADLINES IN CODE BILL BE CHANGED.

We asked the Department of the Navy, as we did the others, to compare our compilation of their laws with their own and to tell us what, if any, we had omitted and what dead law we had inserted. They evidently did not know that that was all they could do, and they proceed to make 103 criticisms of the wording of the headlines to the various sections in the code. This bill especially provides that the headlines are no part of the law. They were simply matters of taste and were written by the chairman and the revisers and the committee. Naturally, we felt that our taste was sufficient, and we did not ask for their criticisms; but, instead of proceeding to look up the law, they stated that "to the best of their information and belief," and gave full rein to their literary tastes and interests, changing the heading of one section from "Dentists' qualifications" to "Qualifications for appointment to Dental Corps"; changing "Enlisted strength" to "Enlisted strength defined," and so on ad infinitum. The committee, with their strenuous and extensive duties, found themselves unable to give consideration to the literary tastes of gentlemen who knew no law. By the time they had read our disposition of their original criticisms, some of which were adopted, the alleged lawyers from the Navy were far beyond control, and since then, over and over again, they have multiplied and dignified every possibility to make a suggestion into some criticism. One of the greatest mistakes of this Government is having Judge Advocates General of the Navy who never studied law. No man who never studied law should be permitted to occupy such a position.

REAR ADMIRAL OF SECOND NINE'S DINNER SEAT AT STAKE.

The whole difficulty has been because some Judge Advocate General, like the present one, a rear admiral, is worried about where he will sit at dinner when a brigadier general comes in, and has kept the gentlemen doing the work on the jump to find more and more imaginary objections.

The Assistant Secretary of the Navy recently said in testifying before a Senate committee that they had three Judge Advocates General in St. Elizabeths Hospital. I am going to be perfectly frank and say that from the best of our observation of the Judge Advocates General during this great work, every one of them ought to be in St. Elizabeths, and we suggest that as an improvement in the Navy legal department.

A few months ago for the first time we finally got somebody in the Navy to give us the name of some lawyer that was working at it, and they did, two very pleasant gentlemen, neither of whom ever tried a lawsuit. The chairman, after a conference with them, found 41 things they suggested, most of which did not amount to anything, and conceded their being placed in the book as perfecting amendments and so wrote the chairman of the Senate committee and suggested that when he brought the bill in, he might make those amendments. At that time they had brought with them about 90 others and it was absolutely agreed between the gentlemen and myself in my office that practically all of them were not worthy of consideration and should be eliminated from the question. After returning to the Judge Advocate General and rear admiral of the lower half of the grade, whose place at dinner was at stake, they repeated the 41 that we had already agreed to put in and turned up with 96 more alleged criticisms, most of which they had already conceded to be of no value. Gentlemen of the House, this was done simply because we would not let them compel us to omit the laws of the land from the code of its laws, and not one of those objections was made in good faith, all just a malicious effort to make trouble.

WHY AREN'T ALLEGED ERRORS CORRECTED, IF ANY?

The committee has been told by the chairman of the Senate Committee on Revision that the Navy had some objections. Well, why does he not state them like I have? Why does he not say they are right? He has received from the House committee a full and clear analysis of even these 96, most of which were supremely silly. His committee has been drawing $6,800 a year for revision of the laws. Why should he not sit down and go to work, and if 96 of them are right, say so and amend the bill? That is what he is appointed for. The House committee gave 22 months to this work. Is there some society gentleman whose fingers must not be stained with a few minutes' honest toil? If there are some objections that are good, he ought to be just as able as the House committee to find them, and he is just as much at liberty to move their insertion. We will be glad to have the arguments in favor of why the Navy thinks the law should be omitted and why we should follow the "best of its information and belief." If there are no arguments in favor of that view, let us hear no more about it and let us take up something serious and finish this great bill, which has cost so much time and so much honest effort and which is so enthusiastically indorsed by members of the Cabinet, by solicitors of the departments, by United States judges, by great authors of the law, and by eminent attorneys.

Mr. HUDSPETH. I have complimented the gentleman from Kansas here on this floor and other places upon the efficient work performed in regard to the recodifying of the law. Will the gentleman from Kansas kindly state, I have inquiries from lawyers every day, when this work will be available for the law libraries?

Mr. LITTLE. I have only 10 minutes, and I am endeavoring to make the most of it. It went over, and as soon as it landed there I afterwards found that there were a great series of underground attacks being made on it which I could not locate then. I found much came from alleged law clerks in the departments who were mad because they could not dictate to the committee. I called the attention of one of the bigger ones to the fact that the lawyers on this committee had an active practice combined of something like 400 years, and I wished they would get somebody to examine them who had been in a court. These men then went to the Senate, apparently, and then we heard this talk about mistakes. Nobody in that committee has ever suggested to us any mistakes he had located, and I have sought eagerly for them. At this time, as far as I know, every department except the Navy has withdrawn every suggestion about a correction except those in which our committee concurred and asked such amendments be made. We have offered 66 amendments to the original bill. I have shown the status as it went there. Now, what has become of it? Gentlemen, I am very much better prepared than several weeks ago to answer that. For 20 months till yesterday no committee has held any meeting on House bill 12 or given it any examination whatever. They had a meeting yesterday. Now, is not that progress? You do not look pleased; I thought you would. They did; and some one is, he says, at work. Just how much work—the 4th of March this Congress expires—just how much work anybody is going to do in two months on 2,000,000 words I do not know. You can figure it out yourself. There are 10,700 and more sections; and I am going to ask you, gentlemen, would you think of beginning an examination now after holding it up for 20 months? Would any man in good faith make such a pretense of work on such a bill?

I am going to say this, just between us now, not for publication, that in my judgment every man who approached it with a particle of good faith had, within 12 months after it passed the House, fully presented every objection that he had to it, and criticisms which originated a year after it passed here were made merely to occasion confusion and delay.

Mr. MOORE of Virginia. Will the gentleman permit me to interrupt him?

Mr. LITTLE. I will.

Mr. MOORE of Virginia. Has the gentleman in mind the date when the Senate created the committee to take charge of this matter and pass upon the bill which was sent to the Senate by the gentleman's committee?

Mr. LITTLE. It is a committee like ours. It is about two years, with only three members. Senator ERNST is chairman.

Mr. MOORE of Virginia. About two years ago?

Mr. LITTLE. Before it left this House.

Mr. MOORE of Virginia. I will ask, When did the bill leave this House?

Mr. LITTLE. May 16, 1921.

Mr. MOORE of Virginia. And when did this Senate committee hold the first meeting?

Mr. LITTLE. Yesterday.

Mr. MOORE of Virginia. Yesterday.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. Could I ask for three minutes more?

Mr. ANDERSON. I have not any time.

Mr. LITTLE. I would like to revise and extend my remarks.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

The CHAIRMAN. The gentleman from Texas is recognized for 15 minutes.

Mr. BLANTON. Mr. Chairman, some very ludicrous situations occur from time to time in this House. The Corpus Christi project, from both an economic and strategic standpoint, is a fixed policy of the Government, and it is so big and necessary to our progress, that it is not dependent upon the pork

barrel for its life or destiny. When the distinguished subcommittee having the river and harbor appropriations in charge reached that item, General Taylor testified, and the whole inquiry was conducted by our able friend from Wisconsin [Mr. STAFFORD], and that portion of the hearing speaks such volumes on that question that I ask, if there is no objection, that I may put the whole questions and answers in the RECORD in connection with my remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to incorporate in the RECORD the matter indicated. Is there objection?

There was no objection.

Mr. BLANTON. I will not take the time to read it. I will insert the entire hearing in the RECORD. It is as follows:

CHANNEL FROM ARANSAS PASS TO CORPUS CHRISTI, TEX.

Mr. STAFFORD. The next item is the channel from Aransas Pass to Corpus Christi, for which you estimate $750,000 to be expended on improvement work in the next year and $10,000 for maintenance. Congressman WURZBACH, of Texas, appeared before the subcommittee in advocacy of this project and directed attention to the bill he had introduced (H. R. 12821) providing for its construction and maintenance. Describe generally that important project.

General TAYLOR. The reason for the recommendation for the improvement of the channel to Corpus Christi is that southwestern Texas is developing at a very rapid rate, and the need of additional shipping facilities is very evident. Galveston is the nearest point to Corpus Christi.

Mr. STAFFORD. And how far away is Galveston?

General TAYLOR. About 180 miles. There has been a project for a channel into Aransas Pass, with a terminal just inside of the pass. Several times facilities for making shipments have been developed, but almost as soon as they have been developed and started in operation a hurricane has destroyed them. The object now is to provide a harbor where it will be sheltered from hurricane effects. There were several localities considered and investigated with a view to the establishment, as the law said, of "a safe and adequate harbor." After very careful consideration Corpus Christi was selected as the proper point.

Mr. STAFFORD. What other places were considered?

General TAYLOR. Rockport, the city of Aransas Pass, on the mainland, and Harbor Island, near the entrance. Those three places and Corpus Christi were all considered, and Corpus Christi was selected for various reasons, one being that there are four railroads entering Corpus Christi; another, it is the largest place and is the business center of that country. Everything pointed to Corpus Christi as being the better place for a large development, and I see no reason why a port there comparable to Galveston should not develop in the future. It will affect a very large section of country in southwest Texas and all of the country tributary to that section.

Mr. STAFFORD. This is an entirely new project?

General TAYLOR. Yes, sir. There has been a 12-foot channel, but that is not sufficient for deep-draft ships.

Mr. STAFFORD. That also shoaled by reason of prior hurricanes?

General TAYLOR. Yes, sir. They tried to run a small boat from Corpus Christi to Galveston, but any boat that could operate in a 12-foot channel was unsafe in the Gulf.

Mr. STAFFORD. What character of traffic is likely to develop with the improvement of this harbor?

General TAYLOR. It will be a large cotton shipping point, for instance, and general merchandise will come in.

Mr. STAFFORD. What is the total cost of this project?

General TAYLOR. The total cost is estimated at $5,051,900, of which the United States is to contribute $1,394,800. The local interests are to contribute the balance.

Mr. STAFFORD. None of this work will be done until the local interests manifest their willingness to actually raise the necessary money to go ahead?

General TAYLOR. They have manifested that interest already; they have had a State law passed providing that a certain amount of taxes is allowed to be used for this work; the city of Corpus Christi has undertaken to raise a large amount of money and, I believe, they will be ready to go ahead with their part of the work as soon as we are.

Mr. STAFFORD. Does this consist of building jetties?

General TAYLOR. No; our work is altogether dredging; dredging the channel across Corpus Christi Bay.

Mr. STAFFORD. Will the National Government undertake any other work for the municipality?

General TAYLOR. No; they will do all of their own work. Their work is dredging the harbor basin, making some jetties for protection of the entrance into the harbor, building wharves and slips, and all accessory work.

Mr. STAFFORD. Will this be contract work or Government work?

General TAYLOR. Contract work.

Mr. STAFFORD. Suppose that one-half of this amount should be made available, what work would be done?

General TAYLOR. If one-half of the amount were made available, then one-half of the work would be done, and I am not certain whether it would be advantageous to do it or not.

Mr. STAFFORD. It is not certain that the money which is to be raised by the municipality will absolutely be available during the coming year?

General TAYLOR. They think it will be available by the 1st of March; they are planning to meet all the requirements imposed upon them by the 1st of March.

You will observe that General Taylor showed that he had provided $750,000 for the project and $10,000 for its maintenance, and the whole matter was practically approved and passed upon by our friend from Wisconsin. It passed his vigilant eye. Thereafter, after the whole hearings on this subject were over, our distinguished colleague from Texas [Mr. WURZBACH] went to the chairman of the committee and said he wanted to be heard on that item; that he had a bill to cover it, a private bill, and he wanted to be heard on it. The chairman [Mr. ANTHONY] told him that the whole matter had been passed, and it was too late. But out of courtesy to him our distinguished colleague from Wisconsin [Mr. STAFFORD], as he always does to help a fellow out, before the hearings were printed, preluded that feature—the first question asked in the hearing—with this statement:

Mr. STAFFORD. The next item is the channel from Aransas Pass to Corpus Christi, for which you estimate $750,000 to be expended on improvement work in the next year and $10,000 for maintenance. Congressman WURZBACH, of Texas, appeared before the subcommittee in advocacy of this project and directed attention to the bill he had introduced (H. R. 12821) providing for its construction and maintenance. Describe generally that important project.

That reference to Mr. WURZBACH was put in after the hearings were had, but before they were printed. I do not blame the gentleman from Wisconsin [Mr. STAFFORD]. He knows how beneficial that is to a Congressman——

Mr. STAFFORD. Especially to a Republican Congressman from Texas——

Mr. BLANTON. Yes; especially when he is the only Republican from Texas, and the administration wanted to help him out. But when Mr. DEMPSEY'S amendment was offered yesterday—keep this in mind, gentlemen, that General Taylor and the committee had already taken care of Corpus Christi in its bill—but when the amendment was offered to put a lot of "pork-barrel" items in it, here is what happened. Mr. MADDEN was speaking, and the gentleman from Texas [Mr. WURZBACH] tried to get in a question. I read from the CONGRESSIONAL RECORD of yesterday, page 2023:

Mr. WURZBACH. Will the gentleman yield?

Mr. MADDEN. I do not yield.

Then, on page 2024:

Mr. WURZBACH. Mr. Chairman, I move to strike out the last two words.

Mr. KINDRED. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINDRED. I rise in opposition to the pro forma amendment. Am I recognized?

The CHAIRMAN. The gentleman from New York is recognized in opposition to the pro forma amendment.

The gentleman from Texas [Mr. WURZBACH] did not get in there. Now, after the Dempsey amendment was offered, here are some more attempts to get in. On page 2025:

Mr. WURZBACH. Mr. Chairman, I move to strike out the first word.

Usually it is the last word, but he wanted to get in first. [Laughter.] I read further:

The CHAIRMAN. The Chair will recognize the gentleman from Wyoming in opposition to the amendment.

The gentleman from Wyoming was recognized. Then while the gentleman from Wyoming was speaking the gentleman from Texas [Mr. WURZBACH] asked, "Will the gentleman yield?" And the gentleman from Wyoming replied, "No; I can not. I have only five minutes."

Then the Dempsey amendment was passed by a vote of 152 ayes to 44 noes. Was the gentleman from Texas [Mr. WURZBACH] responsible for that? No. If he had not been here, it would have passed just the same. But long after it passed, after nine pages of debate on the Muscle Shoals proposition, here is where our friend comes in. He got up over here, after the gentleman from California [Mr. LINEBERGER] had moved to strike out the last word on the American Legion proposition, and said:

Mr. Chairman, I rise in opposition to the pro forma amendment. I have been trying all day to get a few words in on the river and harbor appropriation. I have a vital interest in the matter, not a selfish, personal interest, but one of those interests that affect the entire State of Texas.

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a moment.

Mr. ARENTZ. The gentleman will not yield?

Mr. BLANTON. In a minute. I always yield eventually; but I do not want my remarks to be interspersed with irrelevant questions. From Mr. WURZBACH'S speech published last night in the RECORD I read further:

I have heard it said that "an honest confession is good for the soul," and therefore I may frankly confess that a somewhat selfish interest prompts me to favor the increase of appropriations for rivers and harbors—

As if that was a matter he was about to bring to pass. Then Mr. WURZBACH says:

My good and genial friend, the gentleman from Wisconsin [Mr. STAFFORD], a member of the subcommittee that framed this bill, and who measures his words with great caution, was so impressed with the project which I had theretofore briefly presented to the subcommittee that he was impelled when referring to it in his interrogation of General Taylor to state most impressively, "General, describe generally that important project."

[Laughter.]

Now, listen; let me repeat what Mr. WURZBACH says:

The project which I had theretofore briefly presented to the subcommittee that he was impelled, in referring to it in his interrogation of General Taylor, to state most impressively, "General, describe generally this important project."

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Not yet. I have not got to the yielding point yet. [Laughter.] Mr. WURZBACH also said:

I repeat a prediction I made several months ago, that San Antonio and Corpus Christi will become the twin-city metropolis of the great Southwest. The benefit of a deep-water port at Corpus Christi to the farming and live-stock interests of all that section will be enormous. It will cause thousands of acres of our virgin soil now lying in pastures and used for grazing purposes only to be cleared and plowed and put in a state of cultivation, and all that section made to blossom as a rose and make it the garden spot of the world. Where the forks-in-the-road country stores now stand will spring villages, villages will grow into towns, towns into cities, and cities will double and treble their population, and there will be happiness and prosperity for all.

You understand he did not say all this here on the floor in his five minutes; but that is what he extended in the RECORD, several pages of it. [Laughter.] But here when he rose to that pro forma amendment and spoke that five minutes, hoping to extend this speech in the RECORD, he said:

Mr. Chairman, I ask unanimous consent to revise and extend my remarks—

Mr. STAFFORD said, "I object." He did not have any right to put this speech in the RECORD, but he went back to his office and extended his five-minute remarks into this magnificent speech and put it in, over objection and against the rules of the House. Here is the keynote of the transaction——

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. The gentleman ought not to bother me. The gentleman from Nevada [Mr. ARENTZ] ought to know the rules, and he sought to be placed where he should know the rules of the Senate as well.

Mr. ARENTZ. I do not want to have a misstatement made.

Mr. BLANTON. There is no misstatement.

Mr. ARENTZ. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Texas yield?

Mr. BLANTON. I do not yield, and I ask the Chair not to allow the gentleman from Nevada to interrupt me.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. Here is the keynote of the whole proposition. Mr. WURZBACH said:

I repeat a prediction I made several months ago, that San Antonio and Corpus Christi will become the twin city metropolis of the great Southwest—

And so on. That is the keynote of the whole proposition. That is the ludicrousness of the situation, I will state to the gentleman.

Mr. ARENTZ. Will the gentleman yield?

Mr. BLANTON. Not now. I will yield to the gentleman later.

Mr. ARENTZ. I just want to state——

Mr. BLANTON. I am not going to let you do it till I get ready. Here is the ludicrousness of it. Mr. WURZBACH and his friends went from one side to the other of the fourteenth district of Texas and said, "There is just one way to get Corpus Christi taken care of. The Republicans are in power and I am the only Republican from Texas. They will listen to me. They will do more for me than they will for a Democrat. Elect me and I will take care of Corpus Christi."

The Texas people are just like anybody else. They wanted to take care of Corpus Christi. In the fourteenth district they want pork just like the people do in your district, and believing him they elected WURZBACH. They elected him and he has got to make it appear that he got the goods. Did he get the goods? No. Let me show you. It was Texas Democrats that put that increase in the bill, not WURZBACH. Let me show you the names of the Texas Democrats who voted for it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. Why, WURZBACH'S administration was against it. Did not Mr. MADDEN, the great he-Republican of you all, speak against it? Did he not fight it? Did he not try to whip you boys into line? Did not the great floor leader, Mr. MONDELL, oppose it and try to defeat it? Did not your distinguished chairman from Minnesota, Mr. ANDERSON, one of the leading leaders that you have on this side of the House—did he not oppose it? Did not your great big floor manipulator from Ohio, my good friend JIM BEGG, oppose it? Did not the distinguished Senator from Ohio, Mr. BURTON, oppose it? Why, your leaders tried to kill it; but Texas Democrats like Box; and BRIGGS, and BUCHANAN, and CONNALLY, and GARNER, and GARRETT, and LANHAM, and MANSFIELD, and SANDERS stood up with the rest of the meat getters and helped put that in there. [Laughter.] Why, it was not WURZBACH who managed it; and when WURZBACH sends this speech out to those 300,000 people in that fourteenth district he ought to let them know that the whole thing was cut and dried by a Democratic meat bloc and not by the Republicans. It was the Democrats from all over this House who wanted it; who took in a few of you Republicans with them and put it over your administration. [Laughter.] Now I will yield to my friend from Nevada.

Mr. ARENTZ. I just want to say to my friend from Texas that compared to him WURZBACH is a modest and shrinking violet.

Mr. BLANTON. Oh, yes; he is almost as shrinking as the distinguished gentleman from Nevada who will shrink out of the House on March 4. [Laughter.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Can the gentleman from Tennessee give me five minutes more?

Mr. BYRNS of Tennessee. I yield to the gentleman five minutes more.

Mr. BLANTON. I was not one of the Texas men who voted for that $19,000,000 increase, because I believed that as a matter of justice and not as a pork-barrel matter Corpus Christi would be taken care of and that every other project that ought to be taken care of would be taken care of by the bill itself without that $19,000,000 increase. I am one of the few men in this House who stands consistently for a budget system. It is the only way on earth we will ever cut down expenses. I vote against my own interest sometimes in upholding the President's Budget. Why, the President's Budget sets this item at $27,000,000. To show that the distinguished gentleman from Wisconsin and the distinguished gentleman from Kansas were liberal on this matter they increased it $10,000,000, because in their bill they gave $37,000,000, and I was for upholding the Budget, and Mr. DEMPSEY and his meat getters then increased it to $56,589,910.

What is the Budget? It is just this, that the President, who is responsible to the people for the manner in which they are taxed, shall have a survey made of the available income of this country, and then, taking all the manifold interests of the Nation into consideration, he maps out the maximum expenditures that can be made along certain lines that will come within that income. Unless there is a Budget of that kind strictly adhered to there is but one thing staring this great Republic in the face, and that is bankruptcy. We have got to hold to a budget system and keep within budget maximums, and as long as I am a Member of this House I am going to continue to do it. I am going to fight for upholding the President's Budget, whether it is a Democratic or Republican one. I am going to stand behind the President in keeping down the expenses of this Nation and removing the great burden from the tax-paying people of this country. [Applause.]

I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back two minutes.

Mr. BYRNS of Tennessee. I yield 15 minutes to the gentleman from New York [Mr. LONDON].

Mr. LONDON. Mr. Chairman, one of the sad results of the World War is an all pervading cynicism. Men seem to have lost faith in their better selves. Appeals to idealism, appeals to a spiritual life, appeals to ethical and moral concepts are treated as the prattle of children.

An event of portentous importance is taking place to-day in Europe, an event fraught with most serious danger. Five times since the armistice has France threatened to invade German territory, and twice she has invaded it. France is now in possession of the coal-producing region of Germany. The British Parliament is not in session, but the radical and labor representatives of the British Parliament have given expression to a protest against the invasion. In Sweden an appeal has been made that the League of Nations take up the question, but the League of Nations is an abortion. It has neither moral nor any other force. It has no prestige. No one respects it. Its euphonious name can not conceal the rascalities committed by the Versailles treaty.

The American Congress should not be silent. The voice of America should be heard in this crisis. There is no other voice that can speak with authority. Europe has become Balkanized. It has been split up into numerous little nationalities and States, each jealous of the rest, and all coveting their neighbors' goods. The two greatest powers on the Continent of Europe, outside of Russia, are France and Germany. Unfortunately for France, the population of Germany keeps on growing, and, in spite of the increase of her territory as a result of the Versailles treaty, the population of France has diminished. The world can not accommodate France by killing off 25,000,000 or 30,000,000 of Germans so that the French and German populations may be numerically equal. The policy of France is actuated by fear and by the hatred which is born of fear.

Germany was mutilated by the terms of the Versailles treaty. Through the loss of all her colonies she lost many sources of raw material so essential to her manufactures. She was

stripped of a substantial part of her European population. She was deprived of her merchant fleet. Her organization for commerce with the outside world was shattered. She was deprived of a large portion of her iron and coal producing sections. The principal means of communication were put under the control of the Reparation Commission. An army, the maintenance of which costs Germany more than her entire army and navy cost her annually before the war, was placed upon her soil.

The powers of the Reparation Commission practically destroyed Germany as a sovereign power.

Not content with having divested Germany of a substantial portion of her population, of her territory in Europe, of all her colonies, and of many of her resources, an indemnity has been imposed which can not be paid without dooming to serfdom more than one generation of the German people.

It is under the pretext of enforcing the collection of this uncollectible indemnity that the invasion of the Ruhr region is undertaken.

The doctrine which permitted the imprisonment or the physical punishment of a debtor for the nonpayment of debt has long ago been repudiated. It was the South American statesman, Drago, who enunciated the doctrine which was vigorously supported by Roosevelt that at least so far as the American continent is concerned no attempt shall be made to collect debts from a nation by force.

The invasion of the Ruhr can have only one meaning and only one real object: It is to permanently strangle German industry, to prevent her industrial and commercial revival, and to enable the steel industrialists of France to add to their acquisitions of the iron region of Lorraine the coal regions of Germany.

The myth of the "one guilty nation" has by this time been disposed of. No serious student of history has ever believed it. It was a convenient war propaganda to divide the world into two groups—one endowed with all the noble qualities and contending for the highest ideals of democracy, the other representing an incarnation of all that is evil. Some people would want us even now to forget that when the European war began the Allies had on their side the autocrat of all the Russias, the King of Serbia, and the Mikado of Japan as a good counterpart of the Kaiser of Germany, the Emperor of Austria, and the Sultan of Turkey. While there is division of opinion as to whether the Czar of Russia or the Kaiser of Germany was responsible for the initial move which brought about the World War, I have not any doubt that it was German military strategy which determined when and where the first blow should be struck.

Analyzed in the light of the facts which we now possess, Germany was ready to strike while everyone around her was getting ready. No one nation can be charged with the sole responsibility for the European war. It was preceded by a severe imperialistic contest for colonies, for world markets, for the absorption of the weaker nations, for the acquisition of new sources of raw material and of new markets, by commercial rivalry, by the endeavor of Germany to establish a competitive route by land to penetrate Asia Minor, by dynastic intrigues, the fanning of national and racial hatreds, and by the artificial stimulation of the war spirit.

As I said four years ago in one of my speeches on this floor:

Europe was first an armed camp, then it became a slaughterhouse, and it is a madhouse now.

It is inevitable that the invasion of German territory should lead to a revival of the war spirit. France, which has been complaining of kaiserism—and there is no doubt that the presence of a militaristic caste in Germany was a constant source of danger to her—is playing into the hands of the junkers and of the old military clique. Is there any surer way of destroying the confidence of the German people in their present Government than the humiliating of the Government by what amounts to a forcible annexation of German territory? How long can a self-conscious and self-respecting people tolerate foreign military domination?

Mr. GARNER. Will the gentleman yield?

Mr. LONDON. I will yield to the gentleman.

Mr. GARNER. The gentleman said that this country ought to do something. What would the gentleman have this country do?

Mr. LONDON. I would have the American Congress express in kind but solemn words a desire that the invaded territory be evacuated. I would ask that the President be instructed to mediate. I would urge the convocation of an international economic conference. I believe that, in the name of the joint sacrifices made by the United States in the war, France owes a respectful hearing to the American Congress. While France relied for sustenance in her distress on czarism, it was not czarism that saved her; it was the American democracy that finally saved her. [Applause.]

Mr. LINEBERGER. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. LINEBERGER. What does the gentleman think Germany owes civilization for the ravages she committed from 1914 to 1918?

Mr. LONDON. Oh, please, can the gentleman for a moment abandon this war talk about ravages? War is destruction. There is no mercy; there is no humanity during war. There is no greater negation to everything human than war.

I have no doubt that there were many acts of brutality, but every war is brutal, and we must abandon this war psychology, for it is about time to abandon it.

Mr. GARNER. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. GARNER. Let me ask the gentleman another question. Suppose the United States carried out the suggestion of the gentleman from New York, and France did not see fit to heed her admonitions. In that case what would the gentleman do?

Mr. LONDON. The only thing that we could do would be to morally isolate France. The only punishment that you can inflict is to isolate a nation and refuse to do business with it. If it is right for France to invade German territory in order to collect money, it would be right for America to invade French territory to collect the $3,000,000,000 that she owes America, and nobody would ever think of suggesting that.

Mr. MACLAFFERTY. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. MACLAFFERTY. Is not France within her treaty rights to-day in endeavoring to collect money from Germany?

Mr. LONDON. I want to say that that treaty has no moral sanction in the mind of any thinking man. The Versailles treaty is a treaty of violence. It was dictated by physical force, and one of the most infamous things committed in that treaty was to compel a nation to admit that it was the only guilty nation.

Mr. MACLAFFERTY. I again ask the gentleman whether or not France is within her treaty rights.

Mr. LONDON. At the present time?

Mr. MACLAFFERTY. Yes.

Mr. LONDON. Not according to the opinion of her British or Italian allies.

Mr. MACLAFFERTY. Within the gentleman's opinion?

Mr. LONDON. In my opinion she is not. In my opinion it is wrong to take the territory of another nation, which means taking the livelihood of the other nation. It means the enslavement of another nation. Slavery can not be defended on the basis of any treaty or of any piece of paper which was dictated under physical coercion.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ANDERSON. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. EVANS].

Mr. EVANS. Mr. Chairman, on the 12th of December last, when the committee had before it for consideration the bill H. R. 13232, the gentleman from Tennessee [Mr. BYRNS] propounded certain inquiries to me, then in charge of the bill, respecting the accountants that had been employed in the Department of Justice. I was unable at that time to reply to the inquiry or give any definite answer, either affirming or denying the statement which he then said that he had received from high authority. As soon as I could, I got in touch with the Department of Justice and requested a statement from the department and from Mr. Cameron, who is the chief accountant, as to the questions propounded by the gentleman from Tennessee. I have in my hands a letter written by Mr. Cameron, of date December 14, which it had been my intention to present to the House at the time the conference report upon the bill was being considered, but at that time I was engaged in committee work and was not present and I failed to do so. I ask now that the Clerk be permitted to read the letter in my time.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

DEPARTMENT OF JUSTICE,
OLD LAND OFFICE BUILDING,
Washington, D. C., December 14, 1922.

Hon. ROBERT E. EVANS,
Chairman Subcommittee on Appropriations,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: The CONGRESSIONAL RECORD under date of December 12, 1922, pages 370 and 371, reports some discussion relating to the appropriation for the investigation and prosecution of war

frauds. During this discussion certain questions were asked, and with a view to furnishing the information for reply to those inquiries the following data is sent you:

The present staff under the director of accounting investigation consists of 45 permanent employees, to wit:

One director, $18,000.

Seven employees (5 accountants and 2 engineers), ranging from $7,500 to $4,000.

Thirty-five employees (33 accountants and 2 engineers), ranging from $3,900 to $1,680.

Two typists, at $1,200 and $900, respectively.

The immediate needs of the work require 8 additional accountants. If the various matters now undergoing preliminary survey require extensive accounting, approximately 50 additional engineers and accountants will be required.

There are at present no special accountants; that is, firms of public accountants in the employ of the war transactions section.

With reference to the employment of special accountants for the examination of the records of the Lincoln Motor Co., please be advised that this firm was utilized for this service in conjunction with the permanent force of this office. The accountants had the work well under way on August 23 and completed the accounting by October 28. These special accountants are only paid for the actual number of days on which they perform service. On no occasion have accountants been employed at the rate of $50 per diem, nor have any junior accountants or assistants been paid at the rate of $25 per diem.

In the case of the Lincoln Motor Co., this firm of public accountants, one of the most reputable in the United States and having amongst its clients some of the most prominent individuals and largest corporations in the Middle West, accepted a contract from the Department of Justice to furnish accounting services at the rate of $30 per diem for principals and $15 per diem for junior accountants or assistants. At the present time a member of this firm is at the call of counsel in this case; that is, he is available on demand without charge to the Government except on such days as he actually performs services.

For your information, the employment of special accountants at per diem rates includes the furnishing to the department without additional charge of such services as stenography, typewriting, report writing, stationery, and the usual office facilities, such as space, typewriting machines, desks, etc.; that is, the usual overhead.

The use of firms of public accountants in connection with the permanent force of the department was decided upon after mature reflection. It was deemed wise and prudent, more economical in the long run, and for the Government's best interest in every way to secure the services of firms of public accountants who were well known and who have been in business for some time and who will be available whenever the Government proceeds to try the cases at issue, whether it be this year or five years from now. It is no more than right that the Government have at its call the best accounting minds in the profession for use in cases where the opposite side have used public accountants.

With few exceptions practically the entire accounting profession, including the most prominent firms, recognizing that they had a patriotic duty to perform, have offered support to the director of accounting investigation by agreeing to accept per diem rates from the Department of Justice considerably less than the usual rates of $50 minimum, which they are paid in the commercial world.

As some question arose as to my training and experience, the following information concerning myself is submitted:

I have been a public accountant since 1901; a certified public accountant since 1915; from 1905 to 1909 I was executive manager of the Audit Co. of New York. That is the company owned by T. DeWitt Cuyler, George Harvey, William A. Nash, Cornelius Vanderbilt, Joseph S. Auerbach, James B. Forgan, John J. Mitchell, and others. Since 1909 I have been in business in New York on my own account. In the more prominent cases mentioned below I was retained more particularly because of my wide experience in the examinations growing out of charges of fraud in public affairs.

I was retained by the executive department of the State of Pennsylvania to prosecute an examination into the expenditures in the years 1901 to 1907 for the acquisition of grounds, erection, construction, and furnishing of public buildings, more prominently referred to as the Harrisburg capitol conspiracy cases.

I was then retained by the attorney general of the State of Pennsylvania in criminal and civil suits against public officers of the State.

I was later retained by a group of taxpapers in the investigation of charges of fraud in the printing of the legislative record of the State of Pennsylvania.

I was a member of the advisory council of accountants in the investigation into the distribution of coal cars by the Pennsylvania Railroad Co. at the time when charges of preference were made by coal operators.

Then I was retained by the executive department of the State of NewYork in the investigation of the department of the sinking fund, investigation of the educational department of the State, and investigation of the State road contracts. Later I was retained to prosecute an investigation of charges of fraud, known as the New York dock frauds investigation.

Then I was retained in the taxpayers' suit in the State of New Jersey in an investigation of charges of fraud in the erection, construction, and furnishing of public buildings in Jersey City, Hudson County.

I was then retained by the State of New Jersey to prosecute charges of fraud in the erection of these public buildings.

I was appointed lay prosecutor in the State of New Jersey by the Hon. Francis J. Swayze, presiding judge of the supreme court, to prosecute alleged frauds in the fiscal affairs of Hudson County (Jersey City).

I was then retained by the executive department to report on the conduct of public affairs in all counties in the State of New Jersey.

I was later retained by the prosecutor of pleas in criminal charges against public officers in Hudson County.

The city of Louisville, Ky., retained me in cases growing out of fraud in public contracts and the erection and construction of filtration plants.

The city of Nashville, Tenn., retained me to prosecute an investigation of affairs growing out of charges of fraud in contracts for road construction and the taxpayers' suit to throw the city in the hands of a receiver, followed by a survey and investigation of all departments of the municipality.

The city of Wheeling, W. Va., retained me to lay out the fiscal affairs under the new charter growing out of change of form of municipal government.

In many of the above cases Mr. H. M. Brinckerhoff, engineer, partner of Col. William Barclay Parsons, of New York, was associated with me as the engineering representative.

I trust the information submitted herein will be of service to you.

Respectfully submitted.

JAMES CAMERON,
Director of Accounting Investigation, War Transactions Section.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. EVANS. Yes.

Mr. BYRNS of Tennessee. I do not think that in the colloquy I had with the gentleman I said anything that would in any way reflect upon the capability or competency of Mr. Cameron. At that time I did not know that I knew Mr. Cameron. Since then I have learned that he is the same gentleman who did extensive work on the records of my home city—Nashville, Tenn. He did a splendid service there. Certainly I had no reason to question his competency and did not. I think he is an exceedingly competent accountant. My inquiry was based upon information which had been brought to me to the effect that accountants had been employed to investigate the Lincoln Motor Co. case at $50 and $25 a day, whereas those same men were employed by the firm which furnished them for this investigation at $200 per month. The letter which the gentleman has had read states that that is a mistake; that they were employed at $15 and $20 a day, but there is no statement in the letter contradicting the information brought to me that while the Government was paying for their services at that rate they were receiving only $200 per month from their employer.

Mr. EVANS. It is very probable that the employees of accountants used by Mr. Cameron in this investigation were employed at very much less or at considerably less than the price which the Government was required to pay, but the contracts which are made by Mr. Cameron with various firms of accountants are that at any given time, on his demand, he shall have placed at his disposal for the benefit of the Government certain accountants of a certain class, trained in a particular way, who are vouched for by these firms.

And it is certainly unnecessary to say that you could not expect any firm to create an organization, which has commended itself by its work to the public generally, for a price which they themselves are actually paying to them in wages and then add in addition thereto the overhead which is enumerated in Mr. Cameron's letter. Further, in respect to this matter of inquiry as to Mr. Cameron's employment briefly, the facts attending are as follows: That the Department of Justice inquired from all creditable sources as to where they could get such a person as would properly take charge of the immense problem they had in the investigation of these fraud cases, and after numerous inquiries in general throughout the country they decided that Mr. Cameron was the best, if they could get him, and called him to Washington and asked for his assistance, and he volunteered to give to the Government free of charge his advice in consultation in every way possible without permanent employment. What the Government desired was some person who would take charge of the organization and the investigation and be responsible.

They then offered him a salary of $10,000, and he would not consider it at all. They offered him $12,000, and he would not consider that. He was getting an income much more from his private business than he is now getting in salary, and it was only after repeated attempts on their part to secure his services, and when they had secured other persons outside of the Government employment to go to him and impress upon him the importance of the investigation to be made and the duty that he owed as a citizen that they could secure his employment. In this matter he has gone to the leading firms of accountants, men of influence and standing, where investigations have been or may have to be made, and has an arrangement with them by which he can secure their advice without cost, by which he can secure from those various firms at the rates to which I have called attention and to which he refers. There was another matter which came up during the consideration of that bill in reference to the rate paid attorneys, and I have secured a statement which sets forth this information, and also I ask that it may be included in my remarks as an extension if there is no objection.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to extend his remarks by printing the matter referred to. Is there objection? [After a pause.] The Chair hears none.

The time of the gentleman has expired.

The memorandum referred to is as follows:

Comparative statement showing special assistants to the Attorney General and to United States attorneys, in special cases, under all appropriations, of the Department of Justice in service at the close of business on March 4, 1921, and December 12, 1922, respectively.

	On Mar. 4, 1921.		On Dec. 12, 1922.	
	Number.	Range of compensation.	Number.	Range of compensation.
Engaged in antitrust work and paid from antitrust appropriation:				
Special assistants to the Attorney General.	8	From a maximum rate of $24,000 per annum to a minimum of $2,000 per annum.	18	From a maximum rate of $12,000 per annum to a minimum of $1,800 per annum.
Special assistants to United States attorneys.	4	.....do.....	7	Do.
Engaged in war-fraud matters and paid from war-fraud appropriation—Special assistants to the Attorney General.	.....	.....do.....	35	Do.
Engaged in general work other than above and paid from appropriation for pay of special assistant attorneys:				
Special assistants to the Attorney General.	129	.....do.....	111	Do.
Special assistants to United States attorneys.	114	.....do.....	103	Do.
Total.....	255	.....	274	

It will be noted from the foregoing statement that omitting the attorneys employed in the war-fraud work which constitutes a new element, there is actually a decrease of 16 in the number employed on December 12, 1922, as compared with the number employed on March 4, 1921, and that including the new branch of work there is an increase of only 19, whereas, there has been an increase of approximately 30 per cent in the amount of business transacted, apart from the business arising in connection with war-fraud matters.

Mr. ANDERSON. Will the gentleman from Tennessee use some time?

Mr. BYRNS of Tennessee. I yield three minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, continuing my remarks with regard to the code, I depicted somewhat its history and condition up to date. We kept working on it in the House for 22 months. When it went over to the Senate it was just 22 months from that time until the close of this present session. In other words, the other people had the same time that we had. But they have had this great advantage that an immense amount of work had been done which would be wholly unnecessary to do again, and they could put in their time on such parts as they desired. For that reason there never was any reason why it could not be done. Now, the question arises, why has it not been done, and why have they never had a meeting until yesterday? I think I stated before that after that bill left us everybody in the world who had a real objection to make in good faith had made it. I repeat that in my judgment any objections made after a year, from May 16, 1921, were made from some motive other than a desire to make a good bill or to have one. I am going further to suggest that every suggestion since a year after it was passed here was made for some ulterior motive, unless they have done what the Senate did in 1874, and, as I have said, they have never made any objection I know of personally except one. Every department, I think, except one has withdrawn its criticisms. There are none that have not been gone over thoroughly and accepted if correct. In 1874 Roscoe Conkling was chairman of the revision of the laws committee of the Senate, and Matt Carpenter and some of the ablest lawyers who ever lived were members of that committee, and after spending a month or so looking at it Mr. Conkling took the floor and in 40 minutes procured a unanimous approval. They were asked if they did not think there might be some mistakes in it. Conkling and Carpenter replied in effect that they supposed there might be, but there could not be any mistakes in it half as important as not to have the bill, and so the bill was passed in 40 minutes. I take it these distinguished gentlemen have reached the conclusion they will do the same thing, and possibly for that reason have not devoted any time until yesterday, and have concluded they would adopt that policy.

I feel the more assured of this because of the fact that the chairman of the other committee had so often informed me and others that he had decided to report the bill favorably. He had told me that one Member was very much opposed to the bill and would fight it.

ERNST SAID WOULD REPORT CODE FAVORABLY.

When Congress was last in session, prior to the recent election, I met him, and he voluntarily informed me that he had smoothed out all the difficulties and he was now prepared to report the code bill favorably, and he would do so, and that it would pass, so informing others, too. In the Kansas City Kansan of September 28 last, United States Senator ARTHUR CAPPER said:

The code bill, of which LITTLE is the author, is virtually sure of passage at the next session. Senator ERNST, chairman of the Senate Revision Committee, told me just before I left Washington that he would make a favorable report on the measure, which he highly commended.

As far as I know, no department has now any criticisms to offer with regard to the bill, except the Navy Department, which will always object until we omit some of the law that they and the General Staff decided could not be enforced. If there are any remaining criticisms any lawyer with any qualifications whatever can, in a few days, prepare and insert in the bill the amendments necessary. All it needs is a little ordinary sense, some reasonable knowledge of the law, and some industry, of which there was plenty in the House for 22 months to the general knowledge of most of the House Members. Of course, it is quite possible that errors may still be discovered occasionally. More than 300 were discovered in the old Revised Statutes of 1874, after they had been in print for several years, including some that the bill (H. R. 12) people have discovered and corrected. The great point is to get an assembly of the laws so that people can use it. What if there are a few mistakes in 2,000,000 words? Conscientious men will endeavor to find them and finish the work. I think it best that I shall now take advantage of my leave to extend and present here a fairly full discussion of the attitude of the Navy Department toward this bill, and the reasons, and make some reference to the bill (H. R. 9389) which was the code bill that passed the Sixty-sixth Congress and received four months' careful review before it was introduced in the Sixty-seventh Congress as the bill H. R. 12.

On February 27, 1920, the committee chairman wrote the Secretary of the Navy that the committee had now the galley proofs of all the Navy part of the codification and would be glad to have his department look it over, the Secretary replying that they would be glad to do so, and on March 9, 1920, the Secretary was sent a preliminary copy of the bill, including the part with regard to the Navy. On May 12 the Secretary replied that it was received and had been referred to the office of the Judge Advocate General, adding:

I am advised, however, that the proper consideration of this matter is a very tedious and onerous task, requiring considerable time for its consummation.

On May 14 the chairman wrote that the War Department had received similar material about that department and had already compared it with their own collections of military and departmental law and returned it. (I may say right here that the War Department discovered two mistakes at that time.) The chairman said:

The task is greatly simplified as they simply take their collection and mine and ascertain what sections they have that I have not in the bill, and vice versa.

On May 25, 1920, the Secretary of the Navy returned his views and the views of his Judge Advocate General's Department, and said that—

The department has noted a large number of sections which, to the best of its information and belief, are no longer in force.

And added:

That lack of time and personnel qualified precludes the possibility of undertaking a further review at this time.

He further said:

The following sections have been noted as not in force on March 4, 1919, and should be omitted.

Then he just offhand points to 71 sections that he tells the committee have no place in the code. As the committee had been working, then, for nearly a year on it, it seemed better that he give in detail his reasons for omitting 71 sections, but he did not.

Then he proceeds to speak in some detail of 147 sections. He devotes a good deal of his time to suggesting changes in the titles of the sections. We had asked the Secretary to suggest any omissions or mistakes in the law. The section headings are no part of the law and nobody asked his views about those titles and nobody wanted his views. The committee felt quite competent to write its own headlines, and he could have been of some service if he had devoted his time to the matter that was submitted to him for his suggestions.

As to the rest of the views he presented, they are so juvenile in nature as to absolutely demonstrate the correctness of his statement in that letter that—

A lack of time and personnel qualified for the task, which could be detailed for such work, precludes the possibility of undertaking a further review at this time.

JOCK LOST ASHORE.

Let me add that after two years and seven months I am now prepared to state that his original statement to that effect was thoroughly well founded, and I shall now indorse it by saying a lack of lawyers who ever tried a lawsuit in his department has been so marked that he has never been of any serious assistance. The newspapers announced yesterday that Col. Theodore Roosevelt, jr., Assistant Secretary of the Navy, in the hearings before the Senate Committee on Appropriations, said that three of his judge advocates were now at St. Elizabeths. I will frankly say that the whole outfit of judge advocates in the Navy ought to be in St. Elizabeths, and I will cheerfully support a bill to appropriate money to take care of them till they can be returned to a normal mental condition.

The same paper stated that the Judge Advocate General of the Navy, Rear Admiral of the Second Nine Latimer, testified that a marine had died at Parris Island before finally accepted in the Marine Corps, and that the department could find no law or method of getting rid of the corpse. The Judge Advocate General of the Navy should be a lawyer, which he is not, and much of the difficulty that has been made by that department has been made by judge advocates who were neither lawyers in peace nor sailors in war and never served under fire. The law should provide that a judge advocate general should be a lawyer of long experience and ability, and these difficulties the committee has run into have made this entirely obvious.

For example, suggesting changes in little headings, which are of no legal importance and no part of their duty, they say that the title "Extension of term of enlisted men" should read "Extension of term of enlistment" and that the title "Limitation of total number of clerks' should read "Limitation of total number of pay clerks," and that the title "Inconsistent laws relating to Dental Corps repealed" should read "Prior inconsistent laws relating to Dental Corps repealed." The prodigious talents of the lawyers of the department conceived evidently the idea that the words "prior laws" should be inserted for fear that without that some subsequent legislation would be wrecked, ruined, repealed, and destroyed. While we have long since learned that the Navy Department knows no law, we did suppose that they could furnish us some common sense. And so they continue almost indefinitely with silly suggestions which require just as much time to be considered by the hard-working force of the committee as if they were drawn with ordinary intelligence.

The Judge Advocate General's Department, over the signature of the Secretary of the Navy, rose to the highest and loftiest flight in their final suggestions of May 25, 1920, when they said:

Section 2757 demotes rear admirals instead of promoting brigadier generals, as was intended by section 3 of the act of October 6, 1917; further, so much of said act as provides that brigadier generals of the Army shall hereafter rank relatively with rear admirals of the lower half of the grade is defective and it has been impossible to put it into operation, for which reason the departments have requested its repeal. It is the opinion of the department, therefore, that the reference to relative rank between brigadier generals and rear admirals in the lower half of the grade should be omitted.

LAW BY GENERAL STAFF.

In his letter of March 1, 1921, Secretary Daniels said:

The clause in the act of October 6, 1917, was the subject of the fullest consideration by the experts in both the War and Navy Departments, including the General Staff and the War Council, with the result that the two departments agreed that this provision could not be put into effect and concurred in recommendations to Congress that it be repealed. Inasmuch as the said provision could not be put into effect, its repeal would serve no purpose other than to eliminate it from the statutes, thereby preventing confusion which it might cause in the minds of those not familiar with the subject. Whether repealed or not, the fact would be that it was not in effect and could not be put into effect and therefore could not be regarded as a provision of law which was in effect in 1919.

Probably in the entire history of this country no member of the Cabinet before ever wrote such a remarkable and astounding letter. The Secretary sympathetically informs us that after a conference of "experts" from the War and Navy Departments, "including the General Staff and the War Council," actually held to decide whether the laws made by Congress should be enforced, they decided that they would not pay any attention to the law, and adds:

Inasmuch as the said provision could not be put into effect, its repeal would serve no purpose other than to eliminate it from the statutes, thereby preventing confusion * * *; whether repealed or not, the fact would be that it was not in effect and could not be put into effect and therefore could not be regarded as a provision of law which was in effect in 1919.

NULLIFICATION BY NAVY EXPERTS.

What was this that challenged the attention of both departments and all their experts? Just simply a question of how brigadier generals and rear admirals of the second nine should go into dinner. There was not another thing involved, but this distinguished gentleman had stepped into the breach and saved the country from ruin by carefully considering it and announcing that it was not necessary to repeal it, but that they would just drop it out. This was simply a nullification, and every man engaged in it should have been court-martialed and dismissed in disgrace, and the Secretary who encouraged it should have been impeached, and yet, because the committee declined to give any serious attention to such rot, for three years the work of the committee has been hamstrung, handicapped, and subjected to continual assaults by people who had no qualifications to criticize, but who time and time again after finishing up their criticisms began another series.

The committee undertook to assemble and codify the laws made by Congress without changing them. In his first letter the Secretary of the Navy demanded that we nullify and drop out the law as above shown, and gravely said that it was defective and must be left out. The committee, of course, pointed out that we were not endeavoring to repeal any laws or omit any laws, but we worked on the theory that Congress knew all the laws it wanted and all we were doing was to get them together. All the difficulties that have arisen since then about the Navy have sprung from the declination of the committee to change the laws Congress made in order to please the department.

H. R. 9389.

On December 20, 1920, the bill (H. R. 9389) to make a code of the laws unanimously passed the House of Representatives and went to the Senate, which adjourned on the following March 4. The chairman of the Senate Committee on Revision of the Laws was sick and called to Florida and was not able to get the bill before the Senate, though he frequently told me he would call it up and ask for its passage just as Senator Conkling and his committee did in 1874 with the Revised Statutes. A few days before the bill passed one of the force in the Navy Department that had been doing the work on it telephoned the House committee inquiring for a copy and said he wanted to see if we had followed his suggestions. As most of his suggestions were crude, puerile, and foolish, we had not followed all of them and he flew into a rage and immediately began a vicious assault upon the bill, which has been continuously maintained by his successors. He was mad because we did not drop out the law about the brigadier generals and rear admirals, which is a matter of no importance whatever, just a question of precedence as to who should go into dinner first. He then began to pour in every objection he could conceive or think of to the bill, sending it to the Senate committee, which referred it to the House committee, which gave it immediate and careful attention. Every suggestion which was worthy of serious consideration, that was worthy of being approved, was promptly approved, and the House committee sent to the Senate committee reams of matter, thoroughly explaining everything else, and the poor fellow dropped dead one day and others succeeded him. Before dying he had gone down to the Judge Advocate General's Department of the Army and had induced another poor fellow down there to get up and send in a ridiculous set of criticisms without any foundation whatever, a man without any legal experience.

Attention was called to the absurdity of these, and Secretary Baker withdrew those objections and wrote the chairman of the House committee very highly indorsing the whole bill and urging its passage.

The Senate adjourned without getting time to take the matter up. When this gentleman and anybody he could stir up began his efforts to compel us to omit the law about who should go in to dinner first in the Army and Navy, the House committee began a four months' careful analysis of all the criticism that was made, and a very thorough one, and when the Sixty-seventh Congress convened the thoroughly revised revision was placed before the House after a review of four months, having the benefit of all the criticisms from all the departments that were offered. Some of them were very good and useful. Probably 90 per cent of them were of no force or value. I have yet to learn of any lawyer that ever tried a lawsuit that has made any real criticism of the bill, though there have been some very excellent suggestions.

WANTED $1,000,000,000 MORE.

The absurdity of them is indicated by a letter, for example, that the committee received from the Secretary of the Treasury, Mr. Houston. The Secretary said that the bill H. R. 9389 had

omitted certain authority for the issuance of certain Liberty bonds. He said sadly:

It is entirely omitted—

And added—

In view of the $2,000,000,000, or thereabouts, of outstanding bonds of the first Liberty loan, a repeal of the statutory authority under which they were issued would be unfortunate and embarrassing.

The committee wrote him that in view of the fact that all the bonds authorized by law had been issued, and that law had been fully executed, it would be very unfortunate and embarrassing if the law should be reenacted, which is what the code would do, because if it were the law on the date the code should go into effect, and it would be if reenacted, the Secretary of the Treasury could issue another $2,000,000,000 of bonds, which we declined to assist him in doing. Furthermore, it was suggested to him that even if the law were repealed that it was executed and that would not affect the validity of $2,000,000,000 of bonds. Of course, it is a suggestion that no lawyer could possibly make and that nobody with any sense would make, and of course that precipitated a few onslaughts from some people, and with such silly stuff as that we have had to contend for three years.

GEOLOGICAL LAW.

Another excellent illustration of the vicious and silly character of the criticisms which we had to examine carefully, just as if somebody fit to make suggestions had made them, came from the Geological Survey of the Interior Department. In the last days of the Wilson administration somebody in the department sent word around to see what flaws could be picked in the new code bill. The "brilliant and learned scholarly lawyer" at the head of the Geological Survey, who probably was never in a law office in his life, wrote that the geology laws seemed to be in, though not as well arranged as they would have been by his bureau, but that section 10742 did not meet with his approval and if permitted to stand would ruin the whole work. He said section 10742 changed the whole bill and made it a jumble of confused absurdities without form and void and simply a bundle of nonsense. He was informed that that section was prepared in 1874 by Luke Poland, Benjamin F. Butler, James Lawrence, of Ohio, George F. Hoar, and other great lawyers, and approved by Roscoe Conkling, Matt Carpenter, and other great lawyers; that it had stood unchallenged since 1874 as the governing section of the Revised Statutes, the greatest law book the world ever saw; and that our committee had copied it exactly on the theory that with such famous names authorizing it and its approval for nearly half a century, it would be all right. We thanked him for his scholarly advice and informed him but for his wise prudence and caution we would have been involved in what was evidently a total wreck, and that we had sons studying law and we would like to know where he acquired his profound and erudite legal scholarship; but we have never had an answer. We asked Secretary Houston who was his legal adviser, but he said it was not practicable to say. In this statement I think he was correct.

On May 16, 1921, the bill went to the Senate committee, and 20 months have elapsed and it has never had a meeting. Of course, long since every man who in good faith had any criticisms to make has made them. On May 26, 1922, a year after the bill passed the House the last time, the chairman of the House committee wrote the chairman of the Senate committee:

All those who in good faith wish to make suggestions have long since had ample time in which to do so.

Since then nobody who in good faith wished to assist in making good laws has offered any criticism. The bill had then been before the country over a year as it now stands, and anything offered since that date was, of course, done just to annoy and necessarily was of a trivial nature and a matter of no importance.

ASKED OPINION OF ALL BUREAUS.

In the spring of 1922, nearly a year ago, the Committee on the Revision of the Laws, through its chairman, entered into conversation and correspondence with all the departments. Most of them had long since declined to offer any suggestions of correction. A few departments had some on file with the Senate committee, though not many. After the chairman of the House committee had conferred with the attorneys and solicitors of those departments an agreement was entered into as to just what changes, none of them important, should be made, and the department and the committee joined in suggesting to the Senate committee that those changes be made. A bill has just been introduced in the House to make the 66 perfecting amendments to the code on which the departments and the committee agreed, including finally those made by agreement with the Navy's attorneys, and there was no more work for the Senate committee to go over, everything being fully placed before them. Since that time the Navy presented what they call 137 criticisms, 41 of which were fully settled upon and agreed to by the Navy lawyers and the committee, and they are inserted in the corrections suggested to the Senate committee. Yet just for purposes evidently of confusion they include them in the 137. Of the remaining 96, it had been absolutely agreed between the committee and the representatives of the Navy that practically all should be discarded and not utilized because they were of no value, yet they come back repeating them. The balance were just an endeavor to create an array of pretended suggestions and criticisms in order to make the work seem more extended and difficult. The Navy Department is the only one that has permitted itself to stoop to such conduct. None of those criticisms made since May last is entitled to any consideration whatever, because they were not made in good faith, but simply to create an appearance of confusion and criticism. This bill went before the country in December, 1920, and again in May, 1921. Long since every man who was entitled to be heard has made what suggestions he has to make and there is no reason why anything made in recent months should be given any time whatever.

The Navy, I believe, has 96 criticisms of 96 sections which the other committee should examine. The House committee has 96 answers thereto. All that is needed is that the attacks and explanations and answers be read and a decision thereon be reached, and amendments be made if needed. That is what legislators on committees are for. Let them work a little, about 10 minutes; a total of 960 minutes will be enough to reach conclusions. If they make 96 amendments it will require about five minutes each to write out the amendments. Three days of good work will dispose of all the Navy has said, at the most. We worked 22 months.

There is where it stands now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDERSON. I yield the remainder of my time to the gentleman from Missouri [Mr. NEWTON].

Mr. BYRNS of Tennessee. I yield the remainder of my time to the gentleman from Missouri.

The CHAIRMAN. The gentleman from Missouri [Mr. NEWTON] is recognized for 21 minutes.

Mr. NEWTON of Missouri. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to revise and extend his remarks. Is there objection?

Mr. STAFFORD. Mr. Chairman, for the present I object.

Mr. NEWTON of Missouri. Mr. Chairman and gentlemen, I did not hear all of the speech of the distinguished gentleman from Wisconsin [Mr. STAFFORD], but I am told that he charged me and other Members of this House with leading certain blocs for the purpose of making a pork-barrel raid on the Treasury. That is a reflection upon my integrity and the integrity of other Members of this House. I think I am just as conscientious, that my purpose is just as high, that I am just as much interested in serving this whole country as the gentleman from Wisconsin or any other gentleman. [Applause.]

I have been trying for three weeks to get an opportunity to discuss the river and harbor needs of the country before the membership of this House and to lay before the House the facts which I think are of vital concern to this great country, but because the gentleman from Wisconsin and others opposed to the amendment had charge of the time I have been denied that privilege. This forenoon the gentleman from Wisconsin [Mr. STAFFORD] was allowed 45 minutes in which to hold a funeral ceremony that should have been held on Sunday over the remains of his inadequate budget for rivers and harbors and to attack the personal character and integrity of Members of this House. I tried on yesterday and again to-day to get a reasonable time in which to present the facts which justify the action of three-fourths of the membership of this House, but without avail. I have to-day asked for the privilege of extending my remarks in order that the facts which this House ought to know, and which the country ought to know, might go into the RECORD, and I am met with an objection from the gentleman from Wisconsin [Mr. STAFFORD].

What is this pork-barrel howl which he delights to make? It is the cry that the railroad lobbyists have been echoing around these corridors for the last half century. [Applause.] Three-fourths of the membership of this House went on record yesterday in favor of cheap water transportation for the shippers of this country, and I thank God the time has come when the railroad lobby can no longer run this House or the Congress of the United States. [Applause.]

And I will say to you now that you are going to have to meet the issue. You can hurl your warnings all you will, and you can threaten to remove the chairman of the Committee on Rivers and Harbors if you will. But I will tell you something. The vote in the House of Representatives on yesterday was in response to the great call of the mass of the American people, a call which will echo from the people back home in the next election.

You who are trying to defeat the will of this House and of the country are raising the same old cry. When you want to scare Members away from voting reasonable appropriations, everybody's project except your own project is "pork barrel."

The gentleman from Wisconsin has talked pork, pork, pork, and yet under this appropriation he gets for his Milwaukee breakwater one-fifth of all that is appropriated for all the harbors on the Great Lakes; but he stuck it down in his jeans and ran away with it, and when challenged he tried to justify it. If he is so anxious about economy, why does he not turn it back into the Treasury?

Now what are the facts? The gentleman from Wisconsin talks about $90,000,000. The truth of the matter is we appropriated last year $43,000,000 for the rivers and harbors of this country, and we were compelled to do it then over the protest of the gentleman from Minnesota——

A MEMBER. Wisconsin——

Mr. NEWTON of Missouri. Yes. The gentleman from Wisconsin, and I beg the pardon of the Members from Minnesota. [Laughter.] But it passed the House and it passed the Senate, and it was necessary for the absolute needs of the rivers and harbors of this country.

Since we passed that bill we have adopted projects—this House and the Senate—new projects, meritorious projects every one of them, which call for an additional appropriation of $38,000,000.

The engineers in their report this year provided for the projects which were on the books last year the same that we appropriated last year, $43,000,000, and they provided $13,000,000 for the new projects adopted since we made appropriation last year, and in this bill we are doing no more than carry on the same kind of reasonable improvements that we provided for last year.

They talk about the "pork barrel." Where is the "pork"? They talk about appropriating for little rivers. I tell you that the engineers of this country have cut the estimates to the bone. I challenge them to show you one piece of "pork" in the whole list of projects. "Little rivers," they say. Why did not the gentleman from Minnesota tell you this morning?

A MEMBER. The gentleman from Wisconsin.

Mr. NEWTON of Missouri. Again I beg the pardon of the Members from Minnesota. [Laughter.] Why did not the gentleman from Wisconsin tell you this morning, when he was holding his funeral ceremony, that the sum total for improvements of all the second-class rivers was only $181,000 and yet these smaller rivers carry millions of tons of freight each year?

Ah, it is the old cry, the celebrated old cry that comes from the railroad lobbyists. You sound your warnings if you will. I give you warning now. The people of this country are not interested in railroads. They are not interested in waterways. The thing that the people of this country want is an adequate system of transportation that will carry the commerce of the country at the cheapest rates. [Applause.] And I think the people back home will be able to take care of the fellow who comes down here and advocates a system of transportation to the exclusion of all others that costs four or five times as much as water transportation. This old railroad pork barrel cry is getting stale, and the people back home are coming to know who is making it. [Applause.]

The most serious problem confronting the American people to-day is the problem of transportation. Our industries can not develop and will not grow beyond the limits of our transportation facilities. When you shut down the machinery for transportation, you paralyze the industries of the country.

We have an abundance of evidence to show that our facilities for transportation are inadequate. In a speech recently before the National Rivers and Harbors Congress, in Washington, the president of the Illinois Central Railroad declared that our railroads are continually being offered more freight than they can haul, and that within the past six years more miles of railroad have been abandoned in this country than have been constructed.

As further evidence upon this point, Vice President McCrea, of the Pennsylvania Railroad, before the Pittsburgh Chamber of Commerce, on February 24 last, is reported to have said:

> In the United States during the 12 months ending December, 1921, but 400 miles of new rail lines were built, while 700 miles have been abandoned.

Vice President Elisha Lee, of the Pennsylvania Co., in a speech before the Manufacturers' Association of Philadelphia early last year, made a statement which contained the following:

> Traffic on our American railroads measured in ton-miles doubles about once in a decade. The next time our country has a real revival in business we shall in all probability be confronted with the most severe congestion of railroad traffic and the greatest inadequacy of railroad facilities ever experienced in our history.
>
> When that happens, rates will be lost sight of. Everyone will be clamoring for service, and our public highways will again be torn to pieces by huge truck loads of freight carried over roadways never designed for such purposes, and at rates and costs of operation so high as to constitute gross economic waste.
>
> Then business men will not be bothering themselves much about rates. All they will be thinking about will be how to get transportation at any price.

From statements such as these from men like Mr. Markham, of the Illinois Central, Mr. McCrea and Mr. Lee, of the Pennsylvania system, it is evident that the railroads of the country are totally incapable of meeting the demands of commerce, and it is ridiculous to assume that the railroads will increase their capacity sufficiently during the next 10 years to meet the requirements of a 100 per cent increase in commerce, which experts like Mr. McCrea advise us is the usual and natural development in this country.

I am not here as an antagonist of the railroads, and I fully appreciate that the railroads are the basis of the transportation system of our country. As a Member of Congress, I voted for the Esch-Cummins bill, and I did it knowing that it contained the so-called "guaranty clause," which was intended to give to the railroads a reasonable return upon their investments. I have voted for all appropriations necessary to make up to the railroads the losses sustained by them during war-time operation. I did this, however, not because the beneficiaries of such legislation were railroads; and I say to you that the American people are not interested in railroads as such; they are not interested in waterways; and they are not interested in highways. The thing that the people of this country are interested in is an adequate system of transportation, made up of railways, waterways, and highways, constituting a system able to meet the commercial needs of the country, capable of aiding our commercial growth and development, and which will produce transportation at the least possible cost.

We would not have railways if we did not have shippers to use them. We would not improve our waterways if it were not for the commerce which needs them for transportation, and because of the demands of commerce, railways, waterways, and highways are being developed. Our difficulty, however, comes from the fact that the various transportation facilities of the country are not sufficiently cooperative.

They have not yet learned to recognize that they are instruments of the public, and that what the public is interested in is not a controversy between carriers but a great system of transportation, adequate to meet the demands of commerce and capable of supplying the cheapest possible rate.

Mr. Markham, of the Illinois Central Railroad, in his speech before the National Rivers and Harbors Congress, declared that public sentiment is uncharitable to the railroads, and I agree with his contention. I believe that the railroads of the country ought to be paid enough to meet their necessary expenses and to yield an adequate return upon their investment, and that the returns ought to be sufficient to stimulate investment in railroad property. The public ought to be willing to aid rail transportation, but if there is another form of transportation which can carry a part of the commerce of the country at a cheaper rate than the railroads can afford, then the railroads ought not to oppose the development of that form of transportation, but they should encourage it in order that the public may have the benefit of the cheaper rate and in order that the transportation congestion of the country may be relieved.

It is conceded that our transportation facilities are totally inadequate; that public sentiment is not charitable to the railroads and that capital is not seeking investment in railroad property. Our industries are trying to develop; our commerce is trying to grow; and yet they are retarded by the inability of the railroads to keep pace with the demands made upon them.

But why is public sentiment not charitable to the railroads? Why are our railroads not charitable to our waterways; why do they antagonize them? Why do they not cooperate with them, why have they always opposed physical connections and joint terminals, and why have they opposed the issuance of through bills of lading? Why have they constantly declared to the public that river navigation is impracticable, and yet for years they have made cut-throat rates upon rail lines which paralleled our rivers? And when Congress required them to

make physical connections, to issue joint through bills of lading, and to make joint through rates, they have been unconscionable in their demands for the division of the freight collected upon such through rates.

As an illustration of the unfair competition made by rail lines which parallel the river, the railway officials knew that a barge line was to begin operation between Minneapolis and St. Louis in April, this year. In anticipation of this barge-line service, the rail line paralleling the river between Minneapolis and St. Louis, early this year, with the approval of the Interstate Commerce Commission, made a rate upon first-class freight of $1.06½ per 100 pounds over a distance of 586 miles, while the rail rate from Minneapolis to Kansas City, over a more level country, a distance of 500 miles, was $1.44.

If it is necessary for the rail line to charge $1.44 on 100 pounds of first-class freight from Minneapolis to Kansas City, then it should not be permitted to haul the same amount of freight from Minneapolis to St. Louis for $1.06½. And if the rail line can afford to haul this freight from Minneapolis to St. Louis for the rate it has made, it should not be permitted to charge a 50 per cent greater rate to haul the same freight a less distance to Kansas City because no water competition exists.

As to the unfair division of through joint rail and water rates, I will call your attention to the through joint rate from St. Louis to Bayless, Ark. The total rate on 100 pounds of first-class freight is $1.55½. The rail line hauls this freight 74 miles and demands $0.88½ of the freight. The barge line hauls the freight 306 miles and gets $0.67 of the freight. From St. Louis to Monroe, La., the rail line hauls the freight 38 per cent of the distance and takes 81 per cent of the freight. The barge line hauls the same freight 62 per cent of the distance and gets 19 per cent of the freight. From St. Louis to Collinston, La., the rail line hauls freight 35 per cent of the distance and takes 81 per cent of the freight. The barge line hauls the same freight 65 per cent of the distance and gets 19 per cent of the freight. From New Orleans to Quitman, Miss., the railroad hauls the freight 40 per cent of the distance and gets 96½ per cent of the freight. The barge line hauls the same freight 60 per cent of the distance and gets 3½ per cent of the freight. And yet in the face of this unfair competition and the unfair division of joint rail and water rates, which I have described, the railroad officials continue to contend that river navigation is not practicable.

The truth about the matter is the barge line upon the Mississippi has demonstrated that river navigation is practicable. That it can afford to make rates which the rail lines of the country can not afford to meet. The earnings of the Mississippi Barge Line during the first six months of this year were sufficient to defray all of the operating costs and expenses of the line, to pay a reasonable depreciation upon the reproduction cost of its equipment, and still had enough left, if the same rate of earning continued during the year, to yield a return of 17.6 per cent upon the investment. This showing was made in the face of the fact that the barge line operation was experimental; that it was handicapped for adequate terminals; that the river was not fully improved; and that the rate which it charged to the shipper amounted to only 3.86 mills per ton-mile, while the records of the Interstate Commerce Commission show that the average rail rate throughout the country last year amounted to 12.74 mills per ton-mile.

Before the rail lines of the country are entitled to the confidence of the public they should cease their unfair competition with water lines; they should make a fair division of the through joint freight collected; they should concede to the public their inability to successfully compete with water transportation; they should cooperate with the waterways of the country and encourage their development; and they should be willing for the shipper to enjoy the blessings of cheap water transportation wherever it can be made available. When railroad officials of this country assume an attitude like this before the public sentiment toward them will become charitable and they will receive the help and public sentiment of which they are now so much in need.

As heretofore stated, railroad officials concede their total inability to meet the demands of commerce in this country. As an evidence of the potentiality of river transportation in dealing with freight congestion, let me call your attention to the fact that it has frequently occurred that one towboat leaves St. Louis with a cargo of barges and makes the trip to New Orleans in six days, carrying enough freight to load 12 full freight trains, with 50 cars to each train and 50,000 pounds to each car. If we had enough towboats and barges to carry the outgoing and incoming foreign commerce of the Mississippi Valley, we could readily relieve the freight congestion of the country.

The success of the Mississippi Barge Line, under Government operation, has dispelled every doubt as to the practicability of water transportation. It has demonstrated that the barge line can earn a profit carrying freight at one-fourth of the rate which is necessary for the rail lines of the country to charge, and I have no doubt but what this rate will be infinitely less when the river is improved, terminals constructed, unfair rail competition and discrimination eliminated, and private enterprise is given an opportunity to operate upon our inland waterways.

That the improvement and use of our inland waterways is necessary to relieve the freight congestion of the country is evident. That the industries and commerce of the country can not develop without facilities for transportation is still more evident. But the distressing thing about the whole situation has been the indifference of Congress in providing the necessary funds with which to complete our river projects.

We are threatened by those who oppose adequate river and harbor improvement with the wrath of the President of the United States, because we have done what we know to be our duty with respect to this appropriation, and in an effort to procure adequate appropriations for the river and harbor needs of the country. It was boldly insinuated that the President was opposed to the sum which we know to be necessary. I do not believe for one minute that the President has interfered, or attempts to interfere with the duties of the House in making this appropriation. The President was elected upon a platform which contained the following plank:

> We declare it to be our policy to encourage and develop water transportation service and facilities in connection with the commerce of the United States.

I am advised that during the campaign the President made a speech in Tennessee in which he declared himself in favor of the improvement and use of our waterways; that subsequent to the election and before his inauguration he made a speech in New Orleans in which he declared in no uncertain terms that he favored the improvement and use of our waterways; and again in the message which he delivered to this Congress early in the present session, he declared that we should begin to utilize the vast sums of money heretofore appropriated for the improvement of our rivers, and no one knows any better than he that our waterways can not be utilized until the improvements heretofore undertaken have been completed, and that our investments will not begin to yield a return until the job is finished.

The Bureau of the Budget has pursued a parsimonious policy with respect to our inland waterways. Last year the bureau for all the harbors and rivers in this great country for the current fiscal year at first allotted $13,500,000 and later, on our protest, increased the sum to $27,500,000. In this allotment the bureau ignored the recommendation of the Army engineers as to the essential river and harbor needs of the country. Congress, realizing the total inadequacy of the bureau allotment, increased the amount to $43,000,000.

The gentleman from Wisconsin [Mr. STAFFORD] and certain other alleged leaders of the House have denounced three-fourths of the membership of this House for voting for an appropriation for river and harbor improvement in this country in excess of the amount provided for by the Bureau of the Budget, and they charge that we, the overwhelming majority of the membership of this House, consisting of Members representing every State in the Union, are "pork-barrel" raiders of the Treasury because we refuse to abide by the recommendation made by the Bureau of the Budget for $27,500,000 for all the rivers and harbors in the United States. We have taken the report of the engineers, enumerating the projects heretofore adopted by Congress, and specifying the amount for each project, which constitutes a sum total of $56,589,410. There are approximately 500 projects in the United States heretofore adopted by act of Congress, and certainly there is no one who is better qualified to judge of the needs of these various projects than the Army engineers, who have trained engineers under them in every section of the United States, who have no interest in the river and harbor projects except to conserve the best interests of the country. In addition to that, the Committee on Rivers and Harbors of the House, consisting of 21 Members from various States of this Union, representing both political parties, many of whom have studied the river and harbor needs of this country for terms ranging from 15 to 20 years, have unanimously declared that the recommendation of the engineers is conservative. Hence you have upon one hand the engineers of the Army, recommending the amount which was approved by a three-fourths vote of this House on

yesterday, supported by the unanimous judgment of the Committee on Rivers and Harbors of the House, and upon the other hand you have the Bureau of the Budget, which, without intelligent investigation and without recommendation from the engineers as to any particular project, recommended a lump sum of $27,500,000 for all the river and harbor projects of the country. And you have the gentleman from Wisconsin and certain other members of the Appropriation Committee, who made no investigation as to the river and harbor needs, who charge us with "pork-barrel" intentions because we refuse to abide by the recommendation of the Bureau of the Budget, while they themselves, without rhyme or reason, have reported a bill providing for $37,000,000. They charge that we refuse to stand by the Bureau of the Budget, while they themselves increased the Budget estimate $10,000,000 when they submitted the bill to the House. It was they who repudiated the Bureau of the Budget, and if they themselves will not stand by the Budget's recommendation, why should they blame us for voting for a sum which we know to be necessary to meet the essential river and harbor needs of the country?

As a matter of fact, $56,589,410 is not enough to meet the urgent needs of river and harbor work for the next fiscal year. For illustration, in 1910 Congress adopted a project for the improvement of the Mississippi River from Cairo to St. Louis to cost $21,000,000, and it was written into the law that this project should be completed within a period of 12 years. That period expired on the 25th of last June, and yet only $2,000,000 of the estimated amount has been appropriated. The item for this stretch of the river in the $56,000,000 approved in the House on yesterday amounts to only $500,000. The barge line is endeavoring to operate over this unimproved stretch of the river, and there is not a more important project in the country. And yet if Congress continues in the future to appropriate each year the amount which is provided for this river section for the next fiscal year, it will take 38 years to complete the project, and during that time commerce, doubling once in every 10 years, the commerce of the Mississippi Valley will have increased 1,200 per cent, while the railroads of the country have less miles of track to-day than they had six years ago, without substantial prospect of increasing either their mileage or equipment in the future.

We have a waterway system in the valley consisting of projects heretofore adopted by Congress comprising 6,523 miles of rivers, including the Ohio from Pittsburgh to Cairo, the Mississippi from Minneapolis to the Gulf, the Missouri from Kansas City to the mouth, the Illinois from the Great Lakes to the Mississippi, and certain tributaries of the Ohio. Congress has heretofore appropriated and the engineers have expended upon these adopted projects a sum total in excess of $174,000,000, and yet this vast expenditure of money can not be utilized, because Congress has failed to appropriate the $75,000,000 estimated as necessary to finish the job, in order that this great waterway system may be made available for navigation and for commerce.

The gentleman from Wisconsin wails about "pork barrel" in the river and harbor item adopted by the House on yesterday. He talks about the vast sums to be expended upon important rivers throughout the United States, and he assumes to be familiar with all the items provided for river and harbor improvement and asserts that the amount is extravagant. The bill provides a sum total of $15,975,000 for the 10 principal rivers in the United States. The "pork-barrel" insinuations have all been lodged against the smaller rivers of the United States. There are nearly 80 of them, carrying millions of tons of commerce, while the total amount carried in the $56,000,000 item for the improvement of all of these second-class rivers amounts to only $181,820, and the distinguished economist from Wisconsin has failed to point out one single project of all this lot that is not meritorious. In fact, he and those who have aided him have failed to point out, out of the total number of 500 river and harbor projects provided for in the amount adopted by this House on yesterday, one single project which is not meritorious, and they have failed to show that the amount provided for a single project was greater than the needs that the projects justify.

Our opponents in their opposition to river improvement cry economy. I believe in economy. I believe in reducing the expense of the Government where such reduction can be made without injuring the necessary activities of the Government, but I say to you that when you build up a great waterways system, which will provide adequate transportation facilities for our commerce at a greatly reduced cost, such an expenditure is not an expense but an investment.

I am advised that the assistance that Congress has given to aid in building railroads in this country, consisting of land grants alone, comprise an acreage greater than the original thirteen States, and possess a value of more than $10,000,000,000. We have expended upon the highways of this country during the last four years, according to the Engineering News-Record, nearly $2,000,000,000, while, according to a statement made by Secretary Weeks before the recent Rivers and Harbors Congress in Washington, we have expended in the last century only $443,000,000 to improve navigation on more than 25,000 miles of navigable rivers in the United States, and more than 75 per cent of that amount has been expended upon projects which have not been completed, so that the investment thus made can not be utilized. It is time that the projects heretofore undertaken should be completed so that the vast sums heretofore expended may become productive.

I believe in a budget system. I like to support the recommendations made by the Bureau of the Budget, but I realize that the members of that bureau are human; that they are not infallible; and when I am convinced, as I am with regard to their recommendation for river and harbor improvement, that they have made a mistake which will result in a grave injury to the country, I will join hands with those Members of Congress who believe as I do in an effort to increase the appropriation to an amount commensurate with the country's needs, in the hope that thereby we may build up in this country a great system of transportation, consisting of railways, waterways, and highways, not conflicting and competing but harmoniously cooperating with each other, to the end that adequate facilities for transportation at a reasonable cost may be afforded so that our resources may be developed and our commerce permitted to grow.

Whom are we here to serve, the railways or the whole people? If we are trying to serve the whole people and we find that we can get water transportation which will relieve the freight congestion of the country at one-fourth the cost of the present rail transportation, then why, when we try to procure such transportation, does somebody get up and yell "pork barrel," unless it is the cry of the railroad lobbyist? [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. NEWTON of Missouri. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. STAFFORD. Mr. Chairman, the gentleman was so insistent yesterday in stifling debate that I feel obliged to object. I do not object to his revising his remarks.

The CHAIRMAN. All time has expired, and the Clerk will read the bill.

The Clerk read as follows:

Office of the Vice President.

Mr. HUSTED. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed, out of order, for five minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed, out of order, for five minutes. Is there objection?

There was no objection.

Mr. HUSTED. Mr. Chairman, the gentleman from Missouri [Mr. NEWTON] in the course of his remarks referred to the influence of the "railroad lobby," as he called it, in connection with the appropriation recommended by the subcommittee of the Committee on Appropriations. So far as I am concerned as a member of the Committee on Appropriations, I never heard of any railroad lobby. I certainly never heard from any railroad lobby, and I think the suggestion that a railroad lobby had anything whatever to do with the amount of the appropriation recommended by the subcommittee is about as silly as anything I have heard of since I have been a Member of this House.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HUSTED. I decline to yield at this time. I know how this rivers and harbors item was made up. The subcommittee of the Committee on Appropriations heard the evidence, and they fixed upon an amount which in their opinion was all the Board of Engineers ought to have, all they could wisely and usefully expend. They came here and recommended that amount to the House. The House did not agree with them and the House increased the amount, and that is all there is of it. All this talk about a railroad lobby having any influence upon the situation is sheer nonsense.

But that is not what I rose to talk about. In the bill that we passed yesterday we carried an item of nearly $7,000,000 for the completion of Dam No. 2 at Muscle Shoals. We also carried a contract authorization of about $10,000,000. The object of this appropriation and the object of this authorization is to complete

at Muscle Shoals a plant capable of producing the maximum amount of hydroelectric energy which can be generated there.

It was the intention of the Committee on Appropriations that this money should be used solely for the purpose of developing a power plant which could be adapted to any purpose to which the Government may hereafter see fit to put it, whether for the manufacture of fertilizers or for the manufacture of nitrates or for anything else. I am not altogether satisfied with the language carried in the bill which limits the use to which this money can be put. It provides that the $10,000,000 can be used for the completion of the project. I do not know what the project is. The only project that I know anything about was the one to produce nitrates during the war. I do not know anything about any other project which has ever had any Government sanction. I suggested different language, which I thought would meet the situation, but that language was not adopted. However, it is certainly the intention of the Committee on Appropriations, and I believe it will be carried out by the War Department, to construct there a general power plant which can be adapted to any particular use to which Congress may hereafter see fit to put it, and I hope that such use will be for the manufacture of fertilizers during time of peace, and that the plant will be so constructed that it could be used for the manufacture of nitrates during time of war. However, I do not think we should be in any haste to adopt a definite policy, and I certainly do not think we should be in any haste to accept any proposals which may be made for this plant.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HUSTED. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HUSTED. It is only common sense from a business standpoint to realize that when you negotiate on the basis of an incomplete proposition you are negotiating at a great disadvantage. The advantage is always with the man who wants to buy. We do not know what we have at Muscle Shoals. We do not know how much hydroelectric energy can be generated there. We do not know how much our proposition is worth. I believe it will prove to be a very valuable proposition. General Taylor says that it is the finest water-power site in the United States; that more power can be generated there than at any other site in the United States. We should wait until our dam has been completed, until our gates have been constructed, until our power plant is ready for operation, and then we will be in a position to negotiate with anybody who wants to take it over at the best advantage to the Government.

As I said, I hope this plant will be used for the manufacture of fertilizers during time of peace. I agree absolutely with what the gentleman from Mississippi [Mr. SISSON] said, that no nation is any stronger than its soil. Our soil has been suffering for years. Even in our great Corn Belt we are not producing the average yield per acre that we did a few years ago, we are not doing it on the wheat lands, we are not doing it in the cotton fields of the South. The average yield per acre is decreasing steadily. There was a time when we produced in this country a great deal more than we could consume, but the time is rapidly approaching when this country will not even be self-sustaining from an agricultural standpoint. We are rapidly approaching that point at the present time, and therefore the question of the production of fertilizer and the improvement of our soil is a matter of vital importance.

Germany realized the danger of a similar situation many years ago. Long before the Great War practically the only thing that Germany exported of an agricultural nature was beet sugar. She imported our grains and she consumed our grains in Germany, and they went back into the soil, and she exported beet sugar, and beet sugar has nothing in it that is of value for soil enrichment. It contains neither nitrogen, phosphoric acid, nor potash.

Mr. LITTLE. Does the gentleman happen to have on hand the figures of how much we exported to Germany before the war?

Mr. HUSTED. I have not the figures. That was the German policy, and Germany adopted that policy in order to put fertility back into her lands, and she put it back so well under that policy that during the World War she was able to produce enough food to support not only the army in the field but the people at home. During the entire war she imported practically nothing in the way of foodstuffs. It was all produced in Germany. That was a tremendous accomplishment which would not have been possible in Germany 20 years before the World War began. It is time that we gave heed to the agricultural situation in this country. I believe we have a proposition at Muscle Shoals which could be utilized to very great advantage in furtherance of that policy if it is wisely handled, if we get the plant into the hands of the right people, and see that it is put to the right use under reasonable profit to the operator for the benefit of our people in the manufacture of commercial fertilizer in great quantity and at low cost. [Applause.]

Mr. QUIN. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Mississippi rise?

Mr. QUIN. To move to strike out the last word.

Mr. MADDEN. Mr. Chairman, I hope gentlemen will let us go on with the bill and not talk on matters outside of the bill. We have been very liberal in general debate, and we have not begun to read the bill yet. I am not objecting to the gentleman taking five minutes, but I hope after that gentlemen will permit us to go on with the bill.

Mr. QUIN. I thank the gentleman. I have not said anything or taken up any time on this bill. I thank the gentleman from Illinois.

Mr. MADDEN. I am not complaining; I am just making a request.

Mr. QUIN. Mr. Chairman, I just want to make an observation about these gentlemen who seem to be complaining so much about two-thirds of this House voting for the people yesterday afternoon when we voted to increase the amount for rivers and harbors to $56,000,000. The gentlemen who are doing this complaining voted to give billions of dollars to the railroads out of the pockets of the people. They subsidized the railroads and the same gentlemen voted to subsidize the ships of the United States by giving them every year from $50,000,000 to $75,000,000, besides a billion dollars' worth of ships. Now forsooth, because the Representatives of the people want transportation at reasonable rates and so vote a little paltry sum of $19,789,000, you are growling about it. [Laughter.] Mr. Chairman, it is time for the people of the United States to receive their freights at reasonable rates. What are you going to do; talk and do nothing? I am in favor of repealing the Cummins-Esch bill. As I said before, the committee has had all these months to consider it. How are you going to reduce the freight rates of the United States? Here we voted yesterday to improve these rivers and harbors and keep on with its operation to a point where freight can go upon the bosom of the waters.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. QUIN. I can not now. The gentleman who last spoke said he did not think there was any necessity to be in any hurry about Muscle Shoals. Did you ever know a man to build a great building and have nothing in view as to what he is going to do with it? Did you ever know a man to construct a magnificent office building and not propose to have some tenant to occupy it? Is it possible the gentleman wants the United States Government to proceed with this project, putting in it $57,000,000, without knowing what it is going to do with it? You have before you, and have had ever since last May, a proposition from Mr. Henry Ford that guarantees the United States every dollar of money that it has put into it; that guarantees to make fertilizer in time of peace which when made, according to the evidence, is more than two-thirds of the entire amount that is to-day produced in the United States. He further puts in a guaranty that it will be made at a less cost than it is made to-day. He furthermore guarantees that the whole plant will be ready, well manned, well organized, and if we should ever happen to have a war it will be turned over to the United States Government so long as it may need it for the purpose of making explosives that it would be compelled to have in time of war. And yet the gentleman says he does not think there is any necessity for us to be in any hurry. I do not think there has been any hurry. You guaranteed us on your side last year when the recess was taken that the question would be taken up in the fall. Here it is now the 20th day of January, 1923, and the leader on your side says it is not yet time to take it up, and the distinguished gentleman from New York just said we ought not to be in any hurry. Is it possible that the farmers of the United States are not in need of any fertilizer at a lower price? They are the men who are looking to this Congress to do something on this proposition. They are the men who have the right to expect the Congress of the United States to take it up and act on it at once, and let every man here go on record and say whether he is willing to accept that Ford proposition for Muscle Shoals or to turn it down, to go out on the byways and hedges and let the great trusts of the United States do what shall be done with it.

Do you want to turn it over to the powers that appeared before the committee endeavoring to defeat the very ends that the gentleman from New York just spoke about with reference to having fertilizer in time of peace? All of the fertilizer interests, all of its allies, all the water-power interests, all the automobile interests, all the farm-implement interests, more than a dozen of the great powers and trusts of the United States appeared before that committee with their witnesses, saying that the dam could not be built and would not be, and that fertilizer could not be made there, and when that was refuted they came in with the other propositions and said, "We can offer you something better than Mr. Ford." The whole propaganda was had that it could not be finished, and if finished it would amount to nothing, that the nitrate plant would not be worth a "cuss" after we have spent $57,000,000 on the dam, and yet in the next breath they would come up and say, "We can give you a better offer." The farmers and laboring people know who their enemies are. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. NEWTON of Missouri. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Missouri rise?

Mr. NEWTON of Missouri. I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. STAFFORD. Reserving the right to object, will the gentleman indicate along what line he wishes to extend his remarks?

Mr. NEWTON of Missouri. I wish to add some facts and figures purely on the discussion of the project.

Mr. STAFFORD. I have no objection.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. OLIVER. Mr. Chairman, I ask unanimous consent to extend my remarks on the Army bill passed on yesterday.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

For driving, maintenance, and operation of an automobile for the Vice President, $3,000.

Mr. BLANTON. I make a point of order on the paragraph, on page 8, in lines 14 and 15, that it is legislation unauthorized.

Mr. ANDERSON. Mr. Chairman, the House provided an automobile for the Vice President by law, and clearly it is in order to provide for its maintenance.

Mr. BLANTON. It is merely an annual appropriation-bill affair, no authority of law for it, either the provision for the automobile or for its maintenance.

The CHAIRMAN. The Chair is ready to rule. The item in question provides for the continuation of a public work in progress, and is in order under the rules; and so the point of order of the gentleman from Texas is overruled. The Clerk will read.

The Clerk read as follows:

For packing boxes, $970.

Mr. BLANTON. Mr. Chairman, I make a point of order to line 1, page 9, as legislation on an appropriation bill unauthorized by law.

Mr. ANDERSON. Mr. Chairman, this is a necessary expense in connection with the Senate. It is just as much in order to appropriate for packing boxes as for lead pencils.

Mr. BLANTON. I cite to the Chair numerous decisions holding that it is legislation and subject to a point of order. It has been so decided many times here in Committee of the Whole. The Chair will find ample precedents for the position I take, and no precedents against it.

The CHAIRMAN. Without objection, the matter will be passed over for the moment, and the Clerk will read.

There was no objection.

The Clerk read as follows:

For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers to committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, $100,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. STAFFORD. Mr. Chairman, I wish to inquire of the chairman of the committee as to whether it costs more under the Senate method of paying for taking testimony before their committees than under the House method. In the House we employ a regular staff of committee stenographers, and in the Senate they have no regular corps. Here we are appropriating $100,000 for the expenses of committee stenographers.

Mr. ANDERSON. I will say to the gentleman that there is no way of getting a fair comparison on that proposition, because the hearings before the House committees are very much greater than the hearings before the Senate committees.

Mr. STAFFORD. You do not know what is the total amount we carry for providing for taking testimony before House committees?

Mr. ANDERSON. I do not.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The gentleman from Wisconsin withdraws the pro forma amendment. The Clerk will read.

The Clerk read as follows:

For repairs, improvements, equipment, and supplies for Senate kitchens and restaurants, Capitol Building and Senate Office Building, including personal and other services, to be expended from the contingent fund of the Senate, under the supervision of the Committee on Rules, United States Senate, $30,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph, because it is legislation unauthorized upon an appropriation bill; and I would like to be heard a moment, if the Chair will permit me.

Mr. Chairman, there is no law, or substantive law, authorizing a restaurant either for the Senate or the House. It has been carried by resolution only, so far as the House is concerned. I do not know what the Senate restaurant, in addition to this $30,000, is costing out of their contingent fund to the taxpayers of the Nation, but I do know what our own House of Representatives restaurant is costing, because that was developed by our committee. I read from page 14 of the hearings on this bill. Our distinguished chairman of the subcommittee [Mr. ANDERSON] asked this question of the Clerk of the House:

So the restaurant is running at a cost to the Government of approximately $35,000 a year, if it is operated all the time?

Mr. PAGE. Yes; $36,000 if it operates year in and year out.

So it shows that our restaurant, or that of the House of Representatives, above what it takes in is an actual loss and cost to the taxpayers of this Nation of $36,000 a year, if it is run regularly.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a moment. Let me show you how the expenses run up. On the preceding page—page 13—is shown what they get. The main chef gets $200 a month; the baker gets $120 per month; the second cook gets $110 per month; the fry cook, $80; the assistant fry cook, $60; the butcher, $80; ice plant man, $90; helper, $40; another helper, $40; oyster man, $50; pot washer, $50; helper, $40; dishwasher, $40; another dishwasher, $40; fireman, $60; coffee boy, $60; steam table man, $80; sandwich man, $60; helper, $40; manager storeroom, $100; checker, $90; telautograph, $40; assistant manager, $150; manager, $150; second cook, $125; checker, $90; three waiters, one at $20, and two at $40 each.

I am reading from page 13 of the hearings.

Mr. ANDERSON. May I say to the gentleman that that has absolutely nothing to do with the item against which the gentleman has raised the point of order? That refers to the House restaurant and not the Senate restaurant.

Mr. BLANTON. The gentleman must have been asleep.

Mr. ANDERSON. The gentleman is never asleep.

Mr. BLANTON. I said I did not know what the Senate was costing, but I was showing what the House restaurant was costing.

Mr. ANDERSON. That has nothing to do with this point of order.

Mr. BLANTON. The loss in the House restaurant does have a bearing on what the Senate restaurant is costing the people of the Nation. The gentleman may not be able to see the relevancy of it, but possibly the chairman will, as he is quite noted for his manner of seeing things that are plain. [Applause and laughter.] I want to continue reading about the help in the House restaurant: Buss man, $35; silver man, $40; waiter, $40; half-time buss man, $24; waiter, $20; another buss man, $35; 17 waiters at amounts varying from $20 to $40; head waiter, $100; another waiter, $20; cashier, $80; 5 waitresses at from $20 to $50; checker, $75; another buss boy, $40; another waitress, $40; another silver man, $40; another waiter, $60; second cook, $60; dishwasher, $40; another chef, $100; runner, $40; another coffee boy, $40; head waiter, $75; head waiter, $40; with the names of each of these employeees in this restaurant given in the hearing.

Mr. Chairman, that ought to stop. I submit to our colleagues that it ought to stop. In all fairness we ought not to be spending this $36,000 a year for our restaurant, because if it is run all the time, that is what it will cost. We ought not to be spending the people's money in that way. I am sure that we are all able to pay every dollar of the expense of every bit of our meals.

Mr. ELLIOTT. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Indiana.

Mr. ELLIOTT. I just wish to say to the gentleman that I was talking yesterday to a Senator who is chairman of the subcommittee that has that Senate restaurant in charge, and he said that that institution was running at a profit.

Mr. BLANTON. Then we ought to change the management of our restaurant, because when the chairman of the subcommittee asked Mr. Page if this restaurant is run at a cost to the Government of approxmately $35,000 a year, Mr. Page said, "Yes; $36,000 if it is run all the time." When we inaugurated this restaurant downstairs, my friend from Illinois [Mr. IRELAND] said it was our purpose to have just as fine chefs, just as fine cooks, just as fine food, and just as fine service as they *had in* the Senate; no better, but just as fine; and I presume that the managers here in the House are just as able business men as those at the other end of the Capitol, and if it costs us a loss of $36,000 to the Government every year for the House restaurant, I do not believe the Senate can run its restaurant any cheaper; and I submit, Mr. Chairman, that it ought to stop. We ought to put these restaurants in charge of private managers on a commercial basis and let them charge us just whatever they have to in order to make a profit, and let us pay for it, and we will feel better. I submit the point of order.

Mr. ANDERSON. Of course, what the gentleman from Texas has said has nothing to do with the point of order. The whole question here is whether there is any authority for this provision. I must confess that the language "including personal and other services" may possibly be subject to a point of order. I do not know. I have not been able to confirm my impression, but my impression is that this is authorized by a resolution of the Senate; and if it is, it is authorized in this bill. Obviously, so far as the Senate expenses go, a Senate resolution has all the force of an authorization of law. I am sorry that I am not able to give the Chair the benefit of the direct citation.

Mr. BEGG. Mr. Chairman, if the Chair will notice, the language of this paragraph is for maintenance and improvement of the building and the service rendered. I maintain that it does not require a statute to authorize the appropriation. Congress can make any appropriation it wants to for the carrying on and the running of the House and the Senate. They can appropriate $100,000,000 if they want to, without any statute specially authorizing it, to operate any function of Congress. It does not take a law.

Mr. IRELAND. Mr. Chairman, I rise in opposition to the point of order made by the gentleman from Texas. I will speak as near the point of order as he did, though he worked himself up into such a red-faced frenzy that I could scarcely understand him.

The CHAIRMAN. The Chair has to decide this, and the Chair will ask the gentleman to address his remarks to the Chair.

Mr. IRELAND. That is my intention.

Mr. TILSON. The gentleman has frankly admitted that he is not going to talk any more to the point of order than the gentleman from Texas did, so I think he might as well turn this way.

The CHAIRMAN. It is entirely immaterial to the Chair. The Chair will try to listen.

Mr. IRELAND. With the permission of the Chair I would like to address my remarks to the House on points of information on the subject covered by the gentleman from Texas [Mr. BLANTON]. I think all the figures that he gave to you were accurate, much more accurate than the usual statements he makes.

Mr. BLANTON. Now, Mr. Chairman, I am not going to stand for any more of that monkey business. The gentleman from Illinois can not make that kind of a remark to me, and I am not going to stand for it any more.

Mr. IRELAND. What would you like?

Mr. BLANTON. Just simply not make that sort of remark; that is all.

Mr. IRELAND. To return to the original subject in hand, the necessity for the present method of managing the restaurant was apparent to all at the time we went under the present arrangement.

It came about in this way: The employees of the Senate restaurant were all put on the pay roll and this appropriation was made and has been made for some time. They took no account of the overhead expenses thus created for employees in operating the restaurant. They accumulated quite a surplus and then reduced the prices. Naturally the Members of the House drifted over to patronize the Senate restaurant with better food and lower prices. I think the Senate resented this, and correctly. No one likes to be crowded out of their own preserves. That was cutting into the House restaurant so that we were under the necessity of either adopting the same system or discontinuing the restaurant entirely. We adopted the former system, placed the employees of the restaurant on the pay roll. Now we both operate in about the same manner, both make about the same record.

I would like to call the attention of the committee to the fact that out of the profits of the restaurant—excluding the overhead charges for hiring employees, and they can not be secured at a less figure than the gentleman has mentioned—for instance, we pay a waiter $40, and the Senate pays $60—but out of the profits accumulated in every month save one—exclusive of the employees of the restaurant—and that was when the House was in session only part of the time, and without the full patronage when it is impossible to conduct it at a profit, they have made a profit. Out of the profits we might have made in the House management of the restaurant we have been compelled to make a great many purchases of materials, linen, china, glassware, and silverware that have been carried away by souvenir hunters or been borrowed in the House Office Building by clerks of Members and through carelessness not returned. A few items may interest the House. It has been necessary to purchase 150 dozen napkins. They cost $7 a dozen at least. They have disappeared, and it is impossible, without hiring a force of detectives, that would cost more than the restaurant, to stop it. Ten dozen table cloths, at least $50 a month for dishes, not entirely due to breakage, although some were destroyed in handling. Three hundred dollars goes for broken glassware. The repairs we have kept up out of the profits have been over $300 a year on items like repairing the oven, and so forth. The rent of the telautograph, which we can not get along without and give any sort of service to Members, requires the expenditure of approximately $300 a year. The laundry runs from $300 a month up.

Mr. GARNER. Will the gentleman yield?

Mr. IRELAND. Yes.

Mr. GARNER. I did not quite catch the number of napkins the gentleman said it was necessary to replace.

Mr. IRELAND. One hundred and fifty dozen.

Mr. GARNER. Was that number of napkins worn out during the period of one year?

Mr. IRELAND. I do not think many of them were worn out.

Mr. GARNER. Who stole 150 dozen napkins?

Mr. IRELAND. Now, the gentleman is giving me too big a job. All we know is they disappeared or were worn out.

Mr. GARNER. It seems to me the management ought to have a better checking system than to let 150 dozen napkins get away in one year.

Mr. IRELAND. Does not the gentleman understand that the manager is in a menial capacity serving the House of Representatives, and it is impossible to question the employees of the Members of the House without creating a sensation or a situation that would be worse than losing the entire property?

Mr. GARNER. Does the gentleman mean to say that in case my clerk should take a dozen napkins and fail to return them that he would have sufficient timidity not to ask him to bring them back?

Mr. IRELAND. I do not imagine the gentleman's clerk would do that.

Mr. GARNER. Well, somebody's clerks have taken 150 dozen napkins.

Mr. IRELAND. Perhaps they have not taken them at all, but it was necessary to purchase that number. I stand squarely by the management of this restaurant. They are honest, they are square, they are frugal, and give the best service it is possible to render under the circumstances. Everything does not please me and it does not please all the Members, and it does not always meet with the approval of the manager. The same situation is in effect here in relation to food control that is in effect at the Senate restaurant, at the Washington Hotel, at the Wardman Park Hotel, and other places, and their experience is even worse than ours.

Mr. SISSON. Will the gentleman yield?

Mr. IRELAND. I will.

Mr. SISSON. I must confess that I am greatly surprised at the idea that the clerks of Members or Members themselves in some mysterious way have disposed of 150 dozen napkins taken out of the restaurant and the waiters are held absolutely not

responsible. If the clerks are purloining napkins, or anybody connected with the House, it is due to the management to keep proper check on them. I do not think it is a proper excuse to say that it might make some Member's clerk mad. Why, gentlemen of the House of Representatives, that is an awful charge to make against the clerical force of Members of Congress.

Mr. IRELAND. I wish the gentleman would not misinterpret my remarks. It is largely due to carelessness; I do not think it is malicious in any respect. The same thing applies to the silverware, but in a lesser degree. Now, these napkins—I do not like to discuss these little foolish items——

Mr. SISSON. They are not foolish items; it is as wrong to steal a napkin as it is a silver plate.

Mr. IRELAND. I will not question the morality of it.

Mr. SISSON. The gentleman may make light of it, but if he puts morality on that low plane we ought to have somebody else have charge of the restaurant.

Mr. IRELAND. Oh, no; I am not even going to take offense at the gentleman's efforts.

Mr. SISSON. I took no offense except at the manner in which the gentleman addressed his remarks to me.

Mr. IRELAND. Oh, I humbly apologize to the gentleman, if he interpreted my manner or remarks as meaning to give offense. It is not a question of honesty or integrity so much as it is a question of carelessness, failure to return supplies, forgetfulness, laundry, wear and tear, and so forth.

Miss ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. IRELAND. Certainly.

Miss ROBERTSON. Mr. Chairman, I wonder if anyone knows the life of a restaurant napkin and the difference there is between a napkin in your own home and one that is laundered every day or every other day in a restaurant. They wear out amazingly. When I thought I was supplied for a year I have had to go out and buy 15 or 30, or even 100 dozen at a time. It is like the everlasting question to the wife that is being asked to-day all over the country: "What did you do with all that stuff I bought for you?" [Laughter.] Men do not understand how household equipment wears out.

To me as a practical housekeeper this annually recurring attack upon the restaurant seems as unreasonable as it is unwarranted. "Men must work," and just so surely men must eat wisely and well if they are to work effectively. You know what our daily life is in its ordinary routine—a hasty glance at newspapers with the morning meal, a rush to the office, then reading mail and dictation of most important replies, followed by departmental visits or hearings in overcrowded and consequently ill-ventilated committee rooms, interrupted by a peremptory quorum call and hasty adjournment of committees.

Legislation for which attention is so peremptorily demanded is often of vital importance, requiring earnest, continuous attention. Then, when Members suddenly realize a need of food, it is now close at hand and served under sanitary conditions. I have made several careful inspections of the entire restaurant plant, following minutely the routine of purchase, preparation, and serving. I have examined storage, refrigeration, and cooking. I have looked into the matter of handling trays coming back from the service of customers. A great source of danger is in the so-called "comebacks" of a cheap eating house, where fragmentary portions are returned to be served again, after possible contamination by germ-laden spoon or fork. The sanitary cleansing of all cooking and eating utensils is imperative. All such utensils must be clean, whole, and unbroken. The overhead cost of the restaurant service is greatly increased in observing these precautions. It is penny wise and pound foolish not to recognize the enormous loss of efficiency that must result from such insanitary conditions as formerly prevailed in the restaurant from worn-out plumbing and defective sewerage.

I would not for a moment seem to suggest that any of my colleagues are insincere in criticisms of "the Government running a restaurant" or strive to give a wrong impression in regard to the way in which it is conducted. When the gentleman from Texas [Mr. BLANTON] some months ago had inserted in the RECORD an entire House restaurant bill of fare, from which prices were omitted, he could not have intended to convey the impression that saloons in leaving Washington had left a free lunch at the Capitol. If for one moment I considered the restaurant—as he wants people to believe—a graft on the part of the Congress, I not only would not defend it, but I should never eat a mouthful in it. As it is, I am glad to avail myself of good food served so satisfactorily that only meticulous criticisms can be made.

I trust that my record as a member of the "weaker" and generally considered loquacious sex will be proof that I have tried not to waste the time of the House by talking unnecessarily—surely where speech costs so much, silence is golden—and I may be allowed to say, therefore, that if we would all follow the plan of trying to be faithful at meetings of committees to which we belong, if we would familiarize ourselves so far as possible with bills which we know are coming up for consideration, we could handle business with an intelligence now lacking, and by elimination of useless talk we would save expense in printing the RECORD that would pay the entire cost of the restaurant several times over.

We are privileged to sit in these legislative halls in the most wonderful Capitol in the world. There are other shrines of American liberty, but none to which so many people of the United States are drawn by eager and patriotic interest. Is there anyone on this floor who can say that he has acquainted himself with all the wonders of this majestic structure? Those who come linger under the compelling spell of their magnificent surroundings. To many on their honeymoon luncheon here seems all ambrosia and nectar. To ambitious students comes a thrill of future purpose as they actually eat in so wondrous a place.

Through a long vista of years from the time I first came here a happy college girl at Easter holiday, lunch with the surroundings of House or Senate restaurant stands out vividly among treasured memories. The daughter of a missionary to the Indians, to whom under the laws of the United States the sale of liquor was—as it still is—a crime, I was puzzled and perturbed to see liquor served as ordinarily as food; and I may add that in looking down from the gallery the bewilderment grew at seeing men the whole world called great, by whose laws Indians who had no vote, no part in government, were sedulously protected, did not protect themselves.

This was my first disillusionment. Indians got liquor in spite of law; Congressmen got liquor by law. Liquor seemed to have ill effects on Indian and statesman alike. And so, in my inner soul grew the feeling that for this, as for all the ills of humanity, we must ourselves obey law and at the same time try to live in the light of life coming from the example of the world's greatest humanitarian, who was the exemplar of love.

In the wilderness, where the pilgrims followed to hear the words of that Master, of whom it was said "Never man spake like this man," with the age-old spirit again incarnate in certain Members of this House there were those who came to the Master saying: "This is a desert place, and the time in now past; send the multitude away that they may go into the villages and buy themselves victuals." But Jesus was moved with compassion and said, "They need not depart; give ye them to eat."

So we for the moment having some small part, which should not be ignoble, in the life of our country may follow afar the Master. Where this Capitol stands in all its majesty, the visible expression of American ideals carved in lasting marble, through the velvet turf of its setting spring up fragile blossoms that gladden the hearts of little children.

It is not ignoble to minister to the hunger of the human body. This has been the happy ministration of woman, the expression of wifely or maternal solicitude since wisdom came to Eve, and she sought to regain Eden in the approbation of those she loved. Women are watching this House as never before. If necessary, others who follow me will be ready to make themselves heard.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. IRELAND. Yes.

Mr. OLIVER. Does the gentleman think it very wise to continue the restaurant running during the recess of Congress, as often it does run, for a month or more after we leave here?

Mr. IRELAND. I only partially agree with the gentleman——

Mr. TILSON. Mr. Chairman, I rise to a point of order. I am in entire sympathy with the gentleman from Illinois in his task, which is a hard one and which he is doing well, but the gentleman is supposed to be discussing the point of order. It seems to me that we have gone into these petty details as long as we ought to under the point of order.

Mr. IRELAND. I quite agree with the gentleman in respect to that, but will he not just indulge me for a moment or two more?

Mr. TILSON. I do not think there is anyone in the House who has the slightest notion that the gentleman has not conducted his office of chairman of the Committee on Accounts in the most efficient manner. He has had a very hard problem and he is solving it satisfactorily. We are in complete sympathy with the gentleman, and I think there is no use of attempting to explain things that nobody finds any fault with him about. [Applause.]

Mr. IRELAND. I would just like to tell the House in a general way that in addition to the profits shown under these conditions $10,150.23 was paid out for such things during the last year. Also we have wiped out a deficit of $7,500 which occurred prior to the time the present arrangement went into effect. We turned over to the Clerk on the 1st of last June a matter of $800, and we have perhaps fifteen hundred or sixteen hundred dollars of merchandise on hand.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. IRELAND. Yes.

Mr. KINCHELOE. I do not think the gentleman intends to leave the impression with the House that the 150 dozen napkins were stolen?

Mr. IRELAND. Oh, by no means, no; I tried not to give that impression. I tried to make that plain. That is what it took to run the restaurant in the single item of linen replacement.

Mr. KINCHELOE. As I understand the gentleman, it took that many to run the restaurant, to replace those that were misplaced or even stolen.

Mr. IRELAND. Yes; and worn out and wasted.

Mr. KINCHELOE. Is it not a fact that these napkins are laundered every day?

Mr. IRELAND. Yes.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. IRELAND. Certainly.

Mr. BLANTON. I have no criticism of the gentleman. I admire him as much as any other Member of the House. My whole point of order was made upon the foundation that this is an expense that we ought to bear through a commercial restaurant and not charge the taxpayers up with this money.

Mr. IRELAND. Very well. Let me answer the gentleman right upon that point. The statistics that the management keeps in the restaurant are very simple and very complete. The record shows that it is impossible to gain any sale on any single item on the bill of fare that costs more than 55 cents. It is also true that against my protests—or, at least, not at my suggestion—we paid $4,200 of the bills of the man who had the restaurant under private management just prior to this time. Serving one meal a day, it is impossible to operate the restaurant at a profit. I have been convinced of that against my will. This system is the only one that even approaches a satisfactory arrangement to Members, and you can follow this or discontinue all restaurant service entirely.

Mr. ANDERSON. Mr. Chairman, on the point of order, Rule IX of the Senate Rules provides:

> The large private room of the restaurant shall be reserved exclusively for Senators and their guests.
>
> The small private room shall be reserved exclusively for the use of Senators and Members of the House of Representatives, and such use of the private rooms of the restaurant shall not be interfered with.
>
> The viands served in the restaurant shall be of the best quality, and the prices for the same shall not exceed those stated in the printed bills of fare, to be previously approved by the chairman of the Committee on Rules, and said prices shall be subject to modification from time to time as the chairman of the Committee on Rules may direct.
>
> The restaurant shall be kept open during the session of the Senate and during such other parts of the year as the Committee on Rules may direct.
>
> * * * The management of the restaurant and all matters connected therewith shall at all times be subject to such further directions as the Committee on Rules may give.

Obviously that rule contemplates that a restaurant shall be operated in the Senate under the direction of the Committee on Rules of the Senate. It might be operated under a concession, or it might be operated by the Committee on Rules, by the hiring of a caterer or some other way, as this rule obviously contemplates. You can not run a restaurant without repairs, improvements, equipments, supplies. You can not run it without personal and other services. It seems to me that this provision under the rules of the Senate is clearly in order.

The CHAIRMAN. It has been repeatedly held that a resolution passed by a preceding House of Representatives justifies an appropriation. The Senate rule, in the codified rules of the Senate, which may properly be described as the organic law for the operation of that body, would have an even more binding effect than a mere decision or resolution of the House. The paragraph contained in the lines 12 to 17, on page 9, in lines 15 and 16, has the following language:

> to be expended from the contingent fund of the Senate, under the supervision of the Committee on Rules.

That would be held to be legislation if it were not for the fact that in the rule quoted by the gentleman from Minnesota [Mr. ANDERSON], Rule IX of the Senate, there is this provision:

> The management of the restaurant, and all matters connected therewith, shall at all times be subject to such further directions as the Committee on Rules may give.

That is a provision for the operation of the Senate restaurant by the Committee on Rules, which clearly offsets any objections to the language in the paragraph just read.

It seems that the Senate has full authority under the rules for the operation of this restaurant, and the Chair therefore overrules the point of order made by the gentleman from Texas.

The Chair at this time will also dispose of the point of order to line 1, page 9, made by the gentleman from Texas, with reference to packing boxes. This matter was up before in the House and held out of order in the bill of last year by the gentleman from Iowa [Mr. DOWELL], who was then the occupant of the chair. His decision was appealed from and reversed by a vote of 23 to 1. The present occupant of the chair is of the opinion, in view of the argument of the gentleman from Illinois, Mr. Mann, and other gentlemen who took part in that debate, that the purchase of packing boxes is just as much in order under the rules of the Senate and money can be supplied out of the contingent fund with the same propriety as for the purchase of fuel or any one of one hundred other items provided for out of the contingent fund of the Senate. The Chair therefore overrules that point of order, and the Clerk will read.

The Clerk read as follows:

OFFICE OF THE CLERK.

Salaries: Clerk of the House of Representatives, including compensation as disbursing officer of the contingent fund, $6,500; Chief Clerk, $4,500; journal clerk and two reading clerks, at $4,000 each; disbursing clerk, $3,400; tally clerk, $3,300; file clerk, $3,250; enrolling clerk, $3,000 and $1,000 additional so long as the position is held by the present incumbent; chief bill clerk, $3,000; assistant to Chief Clerk, and assistant enrolling clerk, at $2,500 each; assistant to disbursing clerk, $2,400; stationery clerk, $2,200; librarian, $2,100; assistant librarian, $2,000; assistant file clerk, $1,900; assistant librarian and assistant Journal clerk, at $1,800 each; clerks—1 $1,800, 3 at $1,680 each; bookkeeper, and assistant in disbursing office, at $1,600 each; 4 assistants to chief bill clerk, at $1,500 each; stenographer to Clerk, $1,400; locksmith and typewriter repairer, $1,300; messenger in Chief Clerk's office, and assistant in stationery room, at $1,200 each; 3 messengers, at $1,100 each; stenographer to Journal clerk, $1,000; 9 telephone operators, at $900 each; 3 session telephone operators, at $75 per month each from December 1, 1923, to June 30, 1924; substitute telephone operator when required, at $2.50 per day, $500; laborers—3 at $900 each, 9 at $720 each; allowance to Chief Clerk for stenographic and typewriter services, $1,000; purchase, exchange, operation, maintenance, and repair of motor vehicle, $1,200; in all, $106,145.

Mr. BLANTON. I reserve a point of order upon the paragraph in order to ask a question. In line 11, page 11, it authorizes the purchase of motor vehicles. The Clerk, as I understand it, now has a Ford chassis upon which he has had built a homemade truck body. It may not be a Ford; as to that I have forgotten, but it is now in use. Now, the question is of spending $1,200 more.

Mr. ANDERSON. Well, that was a machine, as I understand it, which was turned over to the House by the War Department, a 1917 model, a Dodge car, which has run a great many miles. If the gentleman has run an automobile himself he knows that it does not pay to run an automobile very much longer than five years.

Mr. BLANTON. I have had my old Studebaker car repainted for $50 and I am using it still.

Mr. ANDERSON. I will venture the assertion it is not five years old. The gentleman knows it does not pay to run a car over five years. This simply contemplates the purchase of a new chassis for——

Mr. BLANTON. The gentleman says it is a Dodge car. He can turn this chassis back to the Dodge people and get a new chassis. The Clerk said if he could buy a new chassis he would put this body on it. That is what the Clerk said in the hearings. He could exchange this present chassis back to the Dodge people for a new chassis at considerable less than $1,200.

Mr. ANDERSON. He has to operate it, maintain it. Even a Dodge car will not run without gasoline and oil.

Mr. BLANTON. Operation and maintenance—we are going wild on operation and maintenance. I use an automobile as much as any Member of Congress in going to the different departments every day almost, and I live 5 miles from the Capitol. I use my automobile in going back and forth, and the maintenance of a Studebaker car—that is, general repairs, for gasoline and oil—the bill will not average over $25 a month.

Mr. ANDERSON. The gentleman has a miracle car if that is the case.

Mr. BLANTON. My Studebaker car costs me about $25 a month, or an average of $300 a year, to maintain it.

Mr. BEGG. If the gentleman wants to make a contract to pay the expenses on my car at $300 a year, I will give it to him right away.

Mr. BLANTON. I do not want to pay for a car that might run into a ditch some time and get broken up. I do not drive my car that way. I know that our Clerk of the House is one of the finest men in the world. If he thinks it will cost this sum for maintenance and to pay the exchange price for a new chassis, I have no objection to the item; but unless he does

feel it is necessary, I do not think we ought to appropriate for it in this bill.

Mr. ANDERSON. I think it is necessary. I think it is economy to exchange this car for a new one.

Mr. BLANTON. That is, it will not be in addition to the present truck; we are only providing one motor car for the Clerk?

Mr. ANDERSON. That is my understanding.

Mr. BLANTON. I withdraw the point of order.

The Clerk read as follows:

COMMITTEE EMPLOYEES.

Clerks, messengers, and janitors to the following committees: Accounts—clerk $2,500, auditor $3,000, assistant clerk $1,800, janitor $1,000; Agriculture—clerk $2,500, assistant clerk $1,800, janitor $1,000; Appropriations—clerk $5,000 and $1,000 additional so long as the position is held by the present incumbent, assistant clerk $4,000, six assistant clerks at $3,000 each, assistant clerk $2,200, janitor $1,200; Banking and Currency—clerk $2,000, assistant clerk $1,200, janitor $720; Census—clerk $2,000, janitor $720; Claims—clerk $2,500, assistant clerk $1,200, janitor $720; Coinage, Weights, and Measures—clerk $2,000, janitor $720; Disposition of Useless Executive Papers—clerk $2,000; District of Columbia—clerk $2,500, assistant clerk $1,800, janitor $720; Education—clerk $2,000; Election of President, Vice President, and Representatives in Congress—clerk $2,000; Elections No. 1—clerk $2,000, janitor $1,000; Elections No. 2—clerk $2,000, janitor $720; Elections No. 3—clerk $2,000, janitor $720; Enrolled Bills—clerk $2,000, janitor $720; Flood Control—clerk $2,000, janitor $720; Foreign Affairs—clerk $2,500, assistant clerk $1,800, janitor $720; Immigration and Naturalization—clerk $2,000, janitor $720; Indian Affairs—clerk $2,500, assistant clerk $1,800, janitor $720; Industrial Arts and Expositions—clerk $2,000, janitor $720; Insular Affairs—clerk $2,000, janitor $720; Interstate and Foreign Commerce—clerk $2,500, additional clerk $2,000, assistant clerk $1,500, janitor $1,000; Irrigation of Arid Lands—clerk $2,000, janitor $720; Invalid Pensions—clerk $2,500, stenographer $2,190, assistant clerk $2,000, janitor $1,000; Judiciary—clerk $2,500, assistant clerk $1,600, janitor $1,000; Labor—clerk $2,000, janitor $720; Library—clerk $2,000, janitor $720; Merchant Marine and Fisheries—clerk $2,000, janitor $720; Military Affairs—clerk $2,500, assistant clerk $1,500, janitor $1,000; Mines and Mining—clerk $2,000, janitor $720; Naval Affairs—clerk $2,500, assistant clerk $1,500, janitor $1,000; Patents—clerk $2,000, janitor $720; Pensions—clerk $2,500, assistant clerk $1,600, janitor $720; Post Offices and Post Roads—clerk $2,500, assistant clerk $1,400, janitor $1,000; Printing—clerk $2,000, janitor $1,000; Public Buildings and Grounds—clerk $2,500, assistant clerk $1,200, janitor $720; Public Lands—clerk $2,000, assistant clerk $1,200, janitor $720; Reform in the Civil Service—clerk $2,000, janitor $720; Revision of the Laws—clerk $3,000, janitor $720; Rivers and Harbors—clerk $2,500, assistant clerk $1,800, janitor $1,000; Roads—clerk $2,000, janitor $720; Rules—clerk $2,000, assistant clerk $1,500, janitor $720; Territories—clerk $2,000, janitor $720; War Claims—clerk $2,500, assistant clerk $1,200, janitor $720; Ways and Means—clerk $3,000, assistant clerk and stenographer $2,000, assistant clerk $1,900, janitors—one $1,000, one $720; in all, $203,490.

Mr. IRELAND. Mr. Chairman——

Mr. BLACK. Mr. Chairman, I reserve the point of order on the words "Auditor, $3,000," line 16, in order to ask the gentleman——

Mr. ANDERSON. That is authorized by law, and I understand the gentleman from Illinois [Mr. IRELAND] states that he does not need him any more and he is going to ask to strike out that item.

Mr. IRELAND. If the gentleman will allow me the privilege of looking after my own committee, I would like to strike out line 16, page 11——

Mr. BLACK. Will the gentleman from Illinois yield?

Mr. IRELAND. Who has the floor, may I inquire?

The CHAIRMAN. The gentleman from Illinois.

Mr. IRELAND. I move to strike out, in line 16, page 11, the words "Auditor at $3,000."

Mr. STAFFORD. Mr. Chairman, a question of order. Has the point of order been withdrawn or not?

The CHAIRMAN. The reservation of the point of order has not been withdrawn.

Mr. STAFFORD. Then no amendment can be offered. An amendment is not in order as long as there is a reservation of a point of order.

Mr. IRELAND. The Chair recognized me and did not recognize the gentleman from Texas. I do not think his point of order is in order.

Mr. BLACK. The point of order was reserved and I was asking a question of the gentleman from Minnesota [Mr. ANDERSON]. I usually try to be courteous to the Members of the House, and I do not appreciate the remarks of the gentleman from Illinois. I had not intended to make a point of order if it was authorized by law, or even if some good reason were shown by the chairman as to why we should have this new position. I take it the gentleman was rather premature in the remarks he made.

Mr. Chairman, that is all I want to say, and I withdraw the reservation of the point of order.

Mr. IRELAND. The emergency for the position will have passed by that time. Should it again occur, as it may, it can again be handled as it was before. But it is not a continuing necessity, and I move to strike out that item.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. IRELAND: Page 11, line 16, strike out "auditor, $3,000."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. MACGREGOR. Why would the committee want to change the system that existed before?

Mr. IRELAND. The system is in no way changed, but requires less clerical assistance, because we have caught up with our business. This arrangement was originally necessitated by the change in handling Western Union business in regard to keeping track of telegrams, and also as to the restaurant matter, but we now have our business brought up to date and the need will, I hope, no longer exist. Ordinarily the complement of clerks given to the Committee on Accounts is sufficient. Should the emergency again arise, I am sure the House will be as generous and reasonable in the matter as it was before. But to my mind it will not occur—I hope not, at least—and as a proof of that I have laid off one clerk from the committee now.

Mr. MACGREGOR. I will say to the gentleman that I was not consulted about it, although I am a member of the Committee on Accounts.

Mr. IRELAND. The gentleman would have been consulted if it had been known that he desired to be. No one was consulted. No one else was familiar with it.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. BLACK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 12, lines 1 and 2, after the figures "720" in line 1, strike out the language "Disposition of Useless Executive Papers—clerk, $2,000."

Mr. BLACK. Mr. Chairman, I do not criticize the Committee on Appropriations for including this item in an appropriation bill, because it is authorized by law. It may be that this is a very important committee. Probably under the present administration there are a great many useless executive papers to be disposed of. But I have made this motion for the purpose of calling the attention of the House to the real need for reorganizing the clerkships of these different committees.

I have no doubt that some of the committees included in this paragraph need all the clerks that are provided for. I am making these remarks without having looked up to see who is the chairman of this Committee on Disposition of Useless Executive Papers. My remarks are wholly impersonal. I have selected this particular committee not because it is the only one in the paragraph which I think is unnecessary. There are others.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. TILSON. As I read this paragraph, it seems to me there are at least 15 committees in that list that would need a clerk less than the Committee on the Disposition of Useless Executive Papers. I am not the chairman of that committee, and I do not have in mind who is.

Mr. BLACK. I do not have him in mind, either.

Mr. TILSON. But evidently, if the work of that committee is to be done well, there ought to be a very good clerk; one who, when he goes over the papers, can know what is of value and what is not; and it seems to me that if this committee does its work well, it certainly ought to have a clerk, and a good one.

Mr. BLACK. The reason why I call attention to the fact that the House has too many clerks to committees is this: Congress is very free in criticizing the executive departments of the Government for having unnecessary employees sitting around their offices doing nothing, and I think it is time that the House should take this matter in hand and have a real businesslike reorganization of its committees. Let us keep the employees who are necessary to do the work and dispense with those who are not. [Applause.]

Mr. MOORES of Indiana. Mr. Chairman, I would like to oppose the amendment offered. I am a member and chairman of that committee. The other member is Mr. ROUSE, of Kentucky. There are two members. In 1889 Congress passed an act forbidding the destruction of any papers in any department of the Government without the consent of the Congress. That act was passed by a Republican Congress during Cleveland's administration, and was revised and stiffened a little by a Democratic Congress during Harrison's administration.

The act can be easily found. Nothing can be destroyed without the consent of Congress. There is an enormous number of papers which have to be examined by Congress, the consent of which is required before any paper may be destroyed. The clerk of the committee is a woman, who must go to the various departments and examine these papers in the greatest detail to determine whether there are any that ought to be saved. The list of papers is sent first to the Librarian of Congress, and he has to pass upon the question as to whether any of them are of sufficient historic interest to be preserved. Then the list comes to our committee, and this young woman examines the papers in the various departments and reports to the committee such as ought not to be destroyed. In the first year during which this committee worked since I became a member of it we realized from the sale as waste paper of papers whose destruction we authorized the sum of $40,000.

There had been no work done by my predecessor, Mr. Talbott, and his committee for about 18 months, and there was an immense accumulation. In subsequent years there has been a sale of these papers to the amount of about $10,000 a year, of papers for which there was no use. There is still an enormous accumulation of papers, particularly in Philadelphia, which will have to be examined, and if that law is to be obeyed it seems to me that during the recess of Congress the clerk of our committee ought to go to Philadelphia and go carefully over these papers and let them be disposed of. The law is very plain. Nothing can be destroyed without the consent of Congress. The departments are littered up with stubs and with everything under the sun. I think there was an accumulation of over $100 worth of waste paper, consisting of applications for furloughs in the Navy alone, all of which had to be examined before they could be destroyed. It would seem to me that if we are going to abide by the law we ought to have that work done and done right, and that we will have to have it done. I have nothing further to say.

Mr. ANDREW of Massachusetts. I should like to ask the gentleman where that value of $40,000 came from? Was it the value of the old paper or was it value as documents?

Mr. MOORES of Indiana. The $40,884 was realized from the sale of documents as waste paper, which had been examined by the clerk of our committee. In other words, the papers which had been examined by the clerk of our committee were sold as waste paper for that amount.

Mr. BLACK. Mr. Chairman, I ask leave to withdraw my amendment. The gentleman has made a very interesting statement. It seems that the real work needs to be done in preventing the printing of such a large amount of these worthless documents. We could save a great deal of money if we would more carefully look after the printing end of it. In view of what the gentleman has said about the work of the committee, of course, I will withdraw my amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment. Without objection, it will be so ordered.

There was no objection.

The Clerk read as follows:

For police force, House Office Building, under the Sergeant at Arms: Lieutenant, $1,200; 19 privates, at $1,050 each; in all, $21,150.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last word. I want to add a brief explanation in regard to these waste papers. The Senate is now considering an appropriation of $2,500,000 for the erection of an archives building. It is very important that these inspections be made of the papers that are retained and those that are destroyed. There should not be any authority on the part of anyone to destroy public papers without some knowledge on the part of Congress as to the kind of papers that are destroyed. The reason for that is this: If they have the authority to destroy papers at discretion, they may destroy some papers of vital importance; and if a person who may have done something wrong could have that kind of privilege, he might destroy the very paper that would be needed to locate the responsibility for the wrongdoing. Moreover, it is very important that in the progress of business in the departments papers that need to be retained permanently for future reference, such as important contracts, certificates of settlements, warrants, and so forth, should be segregated from the papers that ultimately may be destroyed wisely. They should be filed separately under the same number, so that you retain permanently the material papers and have the papers separated which in the course of two or three or four years may very readily be disposed of without any risk to the Government. We will save the filing space of perhaps four-fifths. I should judge that four-fifths of the volume of papers handled by the departments in the form of vouchers and papers that will be of little value in the course of four or five years can be disposed of. If you retain all of them you must, of course, necessarily increase your filing space and thus have a larger archives building to take care of what you retain. I think that this law, with a congressional committee to supervise it from time to time, will hold the authorities in the departments in check and prevent the loss of a great many very valuable papers.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Janitors under the foregoing shall be appointed by the chairmen, respectively, of said committees, and shall perform under the direction of the Doorkeeper all of the duties heretofore required of messengers detailed to said committees by the Doorkeeper, and shall be subject to removal by the Doorkeeper at any time after the termination of the Congress during which they were appointed.

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word. May I ask the gentleman in charge of the bill if he hopes to finish it this afternoon?

Mr. ANDERSON. I should like very much to do it, but I presume it will be impossible.

Mr. GARRETT of Tennessee. There are many pages yet to be read. I do not want to throw anything in the gentleman's way, but unless the gentleman would like to finish, I suggest that it is 5 o'clock.

Mr. ANDERSON. The gentleman knows that Monday is District day. It is a long time since we have had a District day, and it is desirable if possible that the District legislation should be taken up Monday. I should like very much to finish the bill if gentlemen are willing to stay here and do it.

Mr. CURRY. Mr. Chairman, I move to strike out the last two words. I have looked carefully over this bill and have failed to find any appropriation for the amplifier and broadcasting apparatus in the House of Representatives. As far as the amplifier is concerned it may be a good thing. I do not know whether it is or not, but I do not think it is a good thing to have a broadcasting machine in the House of Representatives where it can be hooked up with a wireless station and some very pleasant things, I suppose, broadcasted to the people who want to listen in on it. Things have occurred on the floor this afternoon that might be an entertainment at a vaudeville show, but certainly would not be very edifying to the public who might be listening. If there is no authority for this machine, I think it ought to be taken out until the authority is granted by law. I do not know of any law that authorizes the installing of the machine. I do not know how it can be paid for. I do not see anything in this bill to meet the expense of it, and I think those who are responsible for the installing of this amplifier in this House should take it out until they have the authority of law to install it.

Mr. ANDERSON. Mr. Chairman, there is nothing carried in this bill for the purchase or maintenance of the amplifier or the other apparatus that goes with it. I do not know under what authority the machinery was put in here. I assume, however, that consent was given for it by somebody. I understand that a resolution has been introduced and referred to the Rules Committee which involves an investigation into the desirability of providing such machinery permanently. So far as this bill is concerned there is nothing in it that authorizes or appropriates for the purchase or rental or other use of this machinery.

Mr. TREADWAY. Mr. Chairman, I agree with the remarks of the gentleman from California [Mr. CURRY]. I can see no reason why the Hall of the House of Representatives should be used for advertising purposes for any new kind of machinery. I know nothing about the value of these so-called amplifiers—the horns in the ceiling—but I do know from personal experience in watching the work of these little machines stuck around here in half a dozen different places about the room that they are a drawback rather than a benefit to the work of the House. You can stand in the rear of the room almost anywhere, if somebody is talking into one of these little frames, and every once in a while you can catch a brassy sound of the voice extremely disagreeable to the ear. It may help the gallery. I am not sure as to that, but I do not think we are here for that purpose. Since the machines have been put in, there has been a young man sitting permanently in one of the galleries, I understand, experimenting with the work here, seeing how these machines operate, for the benefit of some company by whom he is employed. Now, I do not think this is any place for that sort of experimental work, and for my part I am ready at this moment to vote to have the whole outfit taken out of here until such time as we may in an orderly way see fit to introduce them. What I am objecting to is this form of publicity of a very wonderful invention, evidently not yet perfected, but for which the House of Representatives is used for experience and experimenting.

They ought not to be here, Mr. Chairman, and I hope that the result of the remarks made by the gentleman from California will bring about their removal. If the amplifiers and these little

round machines on the desks and tables belong to separate business concerns, they should both be asked to remove their property at once.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I will state to the gentleman that I doubt very much, indeed, whether they could have been placed in here if it had not been by authority emanating from the gentleman's own State.

Mr. TREADWAY. I do not care to answer the gentleman's insinuation.

Mr. GARRETT of Tennessee. Mr. Chairman, as a matter of interest to members it might be well enough to state the fact that the gentleman from Massachusetts [Mr. GREENE] introduced a resolution a few days ago which was referred to the Committee on Rules authorizing the Committee on Rules to investigate the desirability of installing the amplyfying device. I do not understand that there has been any money expended by the Government on the installation. That resolution was acted upon favorably by the Committee on Rules, and I suppose in the proper time will be presented by the gentleman from Kansas to the House, and the House will then have an opportunity to determine whether it wants to authorize the committee to proceed with the investigation.

Mr. TREADWAY. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. TREADWAY. In other words, a resolution has been introduced to authorize the doing of something that has been done in some other way.

Mr. GARRETT of Tennessee. As I understand the matter, the amplifying device was installed at the expense of whatever company owns it. The Government has never paid anything for the installation. It is a question whether the House will accept it or not.

Mr. SISSON. Does the gentleman from Tennessee know who authorized the installation. I suppose it would not have been put in unless somebody authorized it.

Mr. TREADWAY. It appeared here at the beginning of this session.

Mr. ABERNETHY. Mr. Chairman, I rise to a point of order. There is no question before the House touching this matter.

The CHAIRMAN. The point of order is sustained and the Clerk will read.

Mr. WINGO. Mr. Chairman, it is impossible to complete the bill to-night as there are several items that will require some discussion, and I suggest that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point that no quorum is present. The Chair will count. [After counting.] Sixty-nine Members present; not a quorum. The Doorkeeper will close the doors, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Copley	Huck	McLaughlin, Pa.
Ansorge	Cullen	Hukriede	McPherson
Anthony	Davis, Minn.	Hull	Martin
Aswell	Dempsey	Humphreys, Miss.	Mead
Bacharach	Drane	Husted	Merritt
Bankhead	Drewry	Jacoway	Michaelson
Beedy	Dunbar	Johnson, Ky.	Mills
Bell	Dupré	Johnson, Miss.	Montague
Benham	Dyer	Johnson, S. Dak.	Moore, Ill.
Bixler	Echols	Johnson, Wash.	Morin
Blakeney	Edmonds	Jones, Pa.	Mudd
Bland, Ind.	Fairchild	Kahn	Nelson, John M.
Bland, Va.	Fairfield	Keller	Newton, Minn.
Bond	Favrot	Kelley, Mich.	O'Bren
Bowers	Fenn	Kendall	O'Connor
Brand	Fish	Kennedy	Oldfield
Brennan	Focht	Kiess	Olpp
Brooks, Ill.	Fordney	King	Osborne
Brooks, Pa.	Frear	Kirkpatrick	Overstreet
Brown, Tenn.	French	Kitchin	Paige
Browne, Wis.	Frothingham	Kleczka	Park, Ga.
Buchanan	Funk	Kline, N. Y.	Parker, N. Y.
Burdick	Gahn	Kline, Pa.	Patterson, Mo.
Burke	Gallivan	Knight	Patterson, N. J.
Burroughs	Garrett, Tex.	Knutson	Paul
Burton	Gernerd	Kopp	Perlman
Butler	Glynn	Kreider	Petersen
Campbell, Kans.	Goldsborough	Kunz	Pou
Cantrill	Goodykoontz	Lampert	Purnell
Carew	Gould	Langley	Radcliffe
Carter	Graham, Pa.	Larson, Minn.	Rainey, Ala.
Chandler, N. Y.	Greene, Vt.	Layton	Rainey, Ill.
Chandler, Okla.	Griest	Lea, Calif.	Ramseyer
Clark, Fla.	Griffin	Lee, N. Y.	Ransley
Clarke, N. Y.	Hardy, Colo.	Lehlbach	Rayburn
Classon	Hardy, Tex.	Linthicum	Reber
Clouse	Haugen	Lowrey	Reece
Cockran	Hawes	Luce	Reed, N. Y.
Codd	Hayden	Luhring	Reed, W. Va.
Collins	Hays	Lyon	Riddick
Colton	Henry	McFadden	Riordan
Connally, Tex.	Hersey	McKenzie	Rodenberg
Connolly, Pa.	Hogan	McLaughlin, Nebr.	Rogers
Rose	Stedman	Thorpe	Weaver
Rosenbloom	Steenerson	Tincher	Webster
Rossdale	Stiness	Tinkham	Wheeler
Rucker	Stoll	Towner	White, Me.
Ryan	Strong, Pa.	Tucker	Williams, Tex.
Sabath	Sullivan	Tyson	Wilson
Sanders, N. Y.	Sumners, Tex.	Underhill	Winslow
Schall	Sweet	Upshaw	Wise
Scott, Mich.	Tague	Vaile	Wood, Ind.
Scott, Tenn.	Taylor, Ark.	Vestal	Woodruff
Sears	Taylor, Colo.	Vinson	Woods, Va.
Shelton	Taylor, N. J.	Voigt	Wright
Siegel	Taylor, Tenn.	Volk	Wurzbach
Slemp	Temple	Walters	Yates
Smith, Mich.	Ten Eyck	Ward, N. Y.	Young
Smithwick	Thomas	Ward, N. C.	
Snell	Thompson	Watson	

The committee rose; and the Speaker having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13926, and finding itself without a quorum, he had directed the roll to be called, when 193 Members responded to their names, a quorum, and he handed in a list of the absentees for printing in the Journal.

The committee resumed its session.

Mr. ANDREW of Massachusetts. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting therein certain resolutions passed this week by the American Legion in Indianapolis. The gentleman from New York [Mr. LONDON] to-day expressed his opinion with regard to our relations to our allies and our enemies in the late war. I should like to insert in the RECORD, with the consent of the House, certain resolutions that were adopted this week by the national executive committee of the American Legion which express the point of view of the men who fought the war with regard to those countries.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. WINGO. Mr. Chairman, reserving the right to object, is that the resolution protesting against the refusal of the Republican organization to permit the consideration of a certain bill which some 250 Members asked the committee to report out?

Mr. ANDREW of Massachusetts. It has nothing to do with anything of that sort. It has to do with the point of view of the Legion with regard to the attitude of France to-day in the Ruhr and with regard to the outcome of the war.

Mr. WINGO. The only resolution that I know they adopted last week was one criticizing the House leaders because they would not permit a certain bill to come out of the Committee on Military Affairs.

Mr. STAFFORD. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is, Is there objection?

There was no objection.

The resolutions referred to are as follows:

Resolution passed by the national executive committee, American Legion, at Indianapolis, Ind., U. S. A., January 15–16, 1923.

Whereas the Peace Conference following the World War and participated in by representatives of the majority of the nations of the earth, including the United States, determined, among other things, that Germany should pay certain reparations; and

Whereas, on April 27, 1921, the Reparation Commission in execution of article 233 of the peace treaty fixed the total amount of reparations due from Germany to all the Allies at 132,000,000,000 gold marks, which Germany, on May 11, 1921, accepted unconditionally, and France by agreement of the Allies was to receive 52 per cent of all reparations awarded, including certain deliveries of coal, lumber, and other payment in kind; and

Whereas within a short time after the acceptance of the reparations award Germany fell in arrears in the payment of money and in the delivery of material as provided by the treaty, and the people of Germany began to send out of the country gold, securities, and other forms of wealth and to seriously impair if not wreck the whole German financial system for the purpose of avoiding payment, and by evasion, trickery, and sundry devices sought to deprive France of the awards made by the Peace Conference and accepted by Germany, was on January 10, 1923, in default in the delivery of coal and lumber; and

Whereas for the purpose of securing compliance with the terms of the peace treaty France has now occupied certain territory in the Ruhr Valley: Therefore be it

Resolved by the National Executive Committee of the American Legion in session in the city of Indianapolis, United States of America, this 15th day of January, 1923, That the action of France in so occupying said territory was and is justified; that she is endeavoring by the only effective means to collect a debt which the majority of the nations of the earth have decreed she is justly and properly entitled to; that we approve her course in the premises and wish her success to the end that the wrongs endured and the damages suffered by her may to some extent be compensated, the fruits of victory enjoyed, and the war stay won: Be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, to the presiding officers of the Senate and House of Representatives, and to the French ambassador at Washington,

Whereas the youth of America in 1917 and 1918 offered all they had to bring peace, justice, and happiness to the world, and in that effort cooperated with their stricken allies; and

Whereas the lives and health of thousands of American boys were given to that holy cause; and

Whereas the peoples of the world are now torn and bleeding from the effects of the war and the consequent fears, distrusts, hates, and misunderstandings; and

Whereas the ex-service men of America still long to restore to the world peace, justice, and happiness, the things for which they fought and their comrades died; and

Whereas there remains in the heart of every ex-service man the memory of friendship and common service with our allies and also a desire to be generous to a defeated foe: Now, therefore, be it

Resolved, That the national executive committee of the American Legion assembled at Indianapolis, Ind., expresses its hope that the cause of justice and world tranquillity for which their comrades' lives were sacrificed may continue to the good of our great country, and we respectfully request our Government to lend its aid as its good judgment may dictate to abate the world's crisis and assist in the establishment of peace on earth and good will to men.

Mr. KINDRED. Mr. Chairman, I rise for the purpose of asking unanimous consent to extend my remarks in the RECORD upon the subject of autosuggestion and the workings of the subconscious mind as practiced by Emile Coue.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. STAFFORD. Mr. Chairman, I do not think the CONGRESSIONAL RECORD should be made a medical journal. I object.

Mr. KINDRED. Mr. Chairman, will the gentleman withhold his objection for one moment? I wish to do something useful——

Mr. STAFFORD. I reserve the objection.

Mr. ANDERSON. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is, Is there objection?

Mr. STAFFORD. Mr. Chairman, I object.

The Clerk read as follows:

SPECIAL AND MINORITY EMPLOYEES.

For the employment of Joel Grayson in the document room, $2,500.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 15, line 23, strike out "$2,500" and insert in lieu thereof "$3,500."

Mr. ANDERSON. Mr. Chairman, I make the point of order on the amendment.

Mr. BLANTON. Mr. Chairman, will the gentleman reserve his point a minute?

Mr. ANDERSON. I reserve it for a minute.

Mr. BLANTON. Mr. Chairman, Mr. Joel Grayson has been in the employ of the Government in this Capitol 48 years. He began as a page boy in this House in 1875. For years he has been in charge of the House document room. During those 48 years he has placed all of his earnings into a home, worth $15,000. He had a very fine library, worth as much to him as any man's private library. His home and library are all gone. He is one of the most faithful employees of the Government. He knows more about the document room and the documents, I dare say, than any man in Washington. He can give you the history of any piece of legislation or any public document at any time, and if you go there and ask him he can help you find any old document. Now, after serving for 48 years he lost his home the other day by fire. He did not have a dollar's worth of insurance. I do not know how that situation appeals to you gentlemen. He has not asked me to offer this amendment. It does not come from him, but it has come from his friends here in the Capitol. He has no knowledge right now that I have offered it. I do not know why they picked me out to offer it, unless it is because I have been in favor of economy; but I do say that if there is any man on earth entitled to this little raise in salary under the circumstances it is the man who has served his Government faithfully here in this Capitol for 48 years and is now in straitened circumstances because of his late affliction. I hope the distinguished gentleman from Minnesota will let this go by. I hope he will not make the point of order against it. There have been other big raises in this bill. There are other men who do not need it who are receiving larger raises in this bill. I hope the gentleman will let this amendment go by. [Applause.]

Mr. ANDERSON. Mr. Chairman, I sympathize with what the gentleman says. I agree with what he says, but obviously this is not the place to do it. We have a Committee on Accounts to consider questions of this kind, and the question ought to be considered by this committee. There are a great many employees carried in this bill whose salaries, I think, are lower than they ought to be; but in fairness to the general policy that we have adopted it is my duty to make the point of order, and I do make the point of order.

The CHAIRMAN. The Chair sustains the point of order, and the Clerk will read.

Mr. BLANTON. Mr. Chairman, why is it subject to the point of order? It is not a statutory provision.

The CHAIRMAN. The Chair will state for the benefit of the gentleman from Texas and others that this is fixed by resolution, and very much to the Chair's regret he is constrained to sustain the point of order, and the Clerk will read.

Mr. BLANTON. Mr. Chairman, I offer another amendment. On line 23, page 15, strike out "$2,500" and insert in lieu thereof "$3,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 15, line 23, strike out "$2,500" and insert "$3,000."

Mr. ANDERSON. Mr. Chairman, I make the point of order that it is not authorized by law.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

Office of majority floor leader: Legislative clerk, $3,600; clerk, $2,500; assistant clerk, $1,500; janitor, $1,000; in all, $8,600.

Mr. BLANTON. Mr. Chairman, I make the point of order. I make the point of order, page 16, line 11, against that part of the paragraph which embraces "legislative clerk, $3,600"; it is a new position, unauthorized by law.

Mr. ANDERSON. Mr. Chairman, if the committee will indulge me just a moment, I will say that on March 24, 1922, the House passed the following resolution:

Resolved, That there shall be paid out of the contingent fund of the House of Representatives, until otherwise provided by law, for the services of a legislative clerk compensation at the rate of $3,600 per annum, the said clerk to be appointed by and under the direction and control of the majority floor leader.

That resolution clearly authorized the appointment of the employee until further provision is made by the House.

Mr. BLANTON. That is for the current fiscal year; it does not say "hereafter."

Mr. ANDERSON. It says, I will read again, "until otherwise provided by law."

Mr. BLANTON. I accept the gentleman's statement.

The CHAIRMAN. The Chair overrules the point of order.

The Clerk read as follows:

COMMITTEE STENOGRAPHERS.

Salaries: Four stenographers to committees, at $6,000 each; janitor, $980; in all, $24,980.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word of the paragraph, and I do this simply to ask a question of the chairman. It seems to me there is a discrepancy in the salaries of our stenographers. We recognize the fact that the reporters of debates here are the most expert men in the business, and if $6,000 is ample compensation for them—I am not saying that it is, possibly it should be more—but if it is, what is the reason that the four stenographers to committees also receive the same salary that these very expert men do here on the floor? It can not be claimed that the reporting of testimony before committees requires any such stenographic ability as is exercised or shown by the men on this floor. I also am confident their duties are not nearly as laborious. I am not making that statement in the nature of a criticism, only in the way of an inquiry.

Mr. STAFFORD. Will the gentleman yield?

Mr. TREADWAY. I will yield the floor.

Mr. STAFFORD. Mr. Chairman, I ask for recognition so as to reply to the gentleman. During the war, when the cost of living mounted very high, a resolution was brought into the House increasing the salaries of the Official Reporters of debates from $5,000 to $6,000, and which was passed. It was only a short time afterwards when, under methods adopted by the stenographers to committees, through pressure brought to bear on the Committee on Accounts, a resolution was reported to raise their salaries from $5,000 to $6,000. I opposed the resolution, but without any avail. I believed then and believe now the salaries of the Official Reporters of the House should be more than the committee stenographers, but for the last 30 years the salaries have been the same.

Years back, as during the first term I served, when the average length of the two sessions was only four months, the reporters of the House were employed only a fraction of a year, but now their time, like Members of Congress, is employed virtually the year round, and all the time under a tremendous grind, whereas the committee stenographers are only employed while committees are in session. The reason why their salaries are the same is nothing more than pressure on the part of the committee stenographers. If we should increase the salaries of the reporters to debates to $7,000, as I think they should be raised, the committee stenographers would come in very shortly afterwards and ask that they be put on a parity with the reporters of debates.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. STAFFORD. I will.

Mr. GREEN of Iowa. The gentleman was quite right in opposing this raise for committee stenographers. There is no question but what those salaries are more than what they ought to receive. It does not require the ability of a court reporter.

Mr. STAFFORD. Here is what I wish to call strongly to the attention of the House and to the country: That it is much more strenuous work and harder on the brain of the official reporters of debates to take down the speeches made here, with interruptions going on, than it is to take testimony in the quiet of a committee room. Men are wearing out. One of the official corps is quite ill because of the strain, and it is not to be wondered at when these official reporters of debates work for 11 months in the year under that tremendous strain from 12 o'clock until 5 or 6 and later six days in the week. I have enough of the milk of human kindness in me to prompt me to make that statement, although I have many times opposed increases of salary.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. FESS. Has it ever been the policy that the Congress should make up an additional amount to be paid to the reporters here?

Mr. STAFFORD. Well, years back, when they did not have any permanent force to transcribe their reports, at the end of the session they were granted an additional amount for the expense they had incurred. As every Member knows, there is a relay of reporters, each one taking notes for five minutes and then taking them downstairs and immediately dictating them into a dictaphone. Years back they had an allowance only. Now their expert transcribers are allowed an annual salary.

Mr. FESS. My question is whether $6,000 covers all that the reporters get?

Mr. STAFFORD. It does.

Mr. FESS. I thought that an additional sum was made up.

Mr. STAFFORD. Oh, no. Years back they were voted an additional sum to pay for their assistants, but now we have put them on the permanent roll.

Mr. SISSON. They get an extra thousand dollars now, do they not?

Mr. STAFFORD. I beg the gentleman's pardon. I differ from my colleague on the committee as to their getting any extra pay.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CHINDBLOM. Is it not a fact that the committee stenographers do make extra money? Is it not a fact that they sell copies and make extra money, which the reporters here in the House are not able to make? I would like to ask the gentleman whether or not there is any kind of supervision or control over these men, whether they spend an equal amount of time on work which does not pay—that is, on work on which they can not sell extra copies?

Mr. STAFFORD. Well, the committee stenographers, at the time when their work is at its peak, are engaged all the time. Indeed, they can not do all the work, and they employ extra men, who are paid by the Government. If there are any perquisites added to their salaries from the sale of copy it does not interfere with the performance of their committee work. But take for example to-day, with the House reporters busily engaged all day, the committee reporters are not occupied and will not be much occupied during the balance of the session.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to return to lines 13 and 14 for the purpose of offering an amendment.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to return to lines 13 and 14, on page 17, for the purpose of offering an amendment. Is there objection?

Mr. ANDERSON. I object.

The CHAIRMAN. The gentleman from Minnesota objects. The Clerk will read.

The Clerk read as follows:

CONTINGENT EXPENSES OF THE HOUSE.

For wrapping paper, pasteboard, paste, twine, newspaper wrappers, and other necessary materials for folding, for use of Members, the Clerk's office, and folding room, not including envelopes, writing paper, and other paper and materials to be printed and furnished by the Public Printer upon requisitions from the Clerk of the House, under provisions of the act approved January 12, 1895, $10,000.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last line there for the purpose of asking a question.

The CHAIRMAN. The gentleman from Massachusetts is recognized.

Mr. TREADWAY. I would like to inquire whether it is under this paragraph that the manila envelopes are obtained that are furnished to the Members for use in sending out documents? It may not be this item that covers it; I may be in the wrong pew. But I wish to criticize the quality of the paper furnished for manila envelopes and for the legal-size envelopes that we are obliged to use from our stationery accounts. They will not hold together to get from here to Massachusetts. I have had numerous experiences with these envelopes coming apart. I do not know whether it is under this item or some other item that this criticism should be aimed, but wherever it is, it seems to me we could get along with fewer envelopes and better quality. Whoever draws up the specifications for both the manila envelopes and the legal-size envelopes ought to revise them. I live fairly near, but some of the Members who live on the Pacific coast could not, I suppose, find a document at all after it has started on its journey. I do not see how they do their business with this quality of stationery. I have to instruct my office force in sending out a particular-size envelope to encircle it with a string or rubber band so as to hold together the articles that are in the envelopes. I do not know whether other Members have had that same experience or not, but we certainly ought to revise the specifications under which these envelopes are secured for our service.

Mr. WINGO. Mr. Chairman, I make a point of order on this testimony as to general Republican inefficiency. [Laughter.]

The CHAIRMAN. The Clerk will read. [Laughter.]

The Clerk read as follows:

Wherever the words "during the session" occur in the foregoing paragraphs they shall be construed to mean the 211 days from December 3, 1923, to June 30, 1924, both inclusive.

Mr. BLANTON. Mr. Chairman, I make the point of order against the proposition, in line 12, for packing boxes, $4,500, that it is legislation, unauthorized by law, on an appropriation bill. There is no substantive law authorizing it. There is no rule of this House authorizing it.

The CHAIRMAN. The Chair overruled a similar point of order made by the gentleman with reference to packing boxes for the Senate. It was held in that instance that the item in question was properly chargeable against the contingent fund of the Senate, and the Chair can see no reason why a corresponding item is not properly chargeable against the contingent fund of the House. The Chair therefore overrules the point of order. The Clerk will read.

The Clerk read as follows:

For furniture and materials for repairs of the same, including not to exceed $15,000 for labor, tools, and machinery for furniture repair shop, $30,000.

For packing boxes, $4,500.

Mr. BLANTON. Mr. Chairman, I make a point of order against this paragraph, because in this item of $190,000 there is embraced the appropriation for paying the $36,000 loss that the House of Representatives restaurant is run under annually.

Mr. ANDERSON. Mr. Chairman——

Mr. BLANTON. Does the gentleman desire to interrupt me?

Mr. ANDERSON. No; I will ask for the floor when the gentleman has concluded.

Mr. BLANTON. There is no law that I know of authorizing it, other than a simple resolution that was passed here in the House. That is not the kind of law that should authorize the Government to go into the restaurant business. There is no rule of law that I know of that authorizes the Government to engage in the restaurant business in the Capitol, when the only evidence we have—the last evidence taken—is that it would cost the Government $36,000 a year in losses.

It should take a substantive law to permit the Government to engage in the restaurant business, whether it is run under the authority of the House of Representatives or by somebody else; and I submit, Mr. Chairman, that this paragraph embracing that project is unlawful on an appropriation bill.

Mr. ANDERSON. Mr. Chairman, of course there is nothing in the language of the item itself—which, after all, is controlling in the case—which is subject to a point of order. However, it is unnecessary to rely upon that fact to sustain the opposition to the point of order made against the item on account of expenditures made in the House restaurant. If my friend from Texas would apply his zeal in making these points of order to an examination of the statutes, it would save a lot of the time of the House. A resolution passed by the House on June 2, 1921, provides for the payment out of the contingent fund of the House of such sums as may be necessary to make alterations and improvements in the House restaurant, and then it ends up with this language—

That until otherwise ordered by the House the management of the House restaurant and all matters connected therewith shall be under the direction of the Committee on Accounts.

A resolution adopted during this session or the last session provides that pursuant to the authority of the resolution adopted by the House June 2, 1921, the resolution I have just read, placing the management of the House restaurant and all matters connected therewith under the direction of the Committee on Accounts, there shall be paid out of the contingent fund of the House, under regulations prescribed by said committee, such expenses as may be incurred in excess of those defrayed from the proceeds of same for the employment of absolutely necessary assistance in the conduct of such restaurant by such business methods as may produce the best results consistent with economic and modern management.

Clearly that resolution authorizes the payment out of the contingent fund of the House of such deficits as may be incurred in the operation of the restaurant of the House. Even if that item were specifically provided for here—and it is not—it would be clearly in order.

The CHAIRMAN. The gentleman from Minnesota [Mr. ANDERSON] has stated the case correctly. There is nothing in the paragraph specifically mentioning the restaurant or any deficit arising therefrom. The Chair therefore overrules the point of order.

Mr. BLANTON. Mr. Chairman, I offer an amendment to perfect the text.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 18, line 18, strike out "$190,000" and insert in lieu thereof "$154,000," and add the following proviso, to wit: "*Provided*, That no part of this sum shall be expended in conducting a restaurant for the House of Representatives."

Mr. ANDERSON. I make the point of order that this is a change of existing law, the resolution of the House now authorizing the conduct of the restaurant.

Mr. BLANTON. There can be a law authorizing the restaurant, and yet Congress can refuse to appropriate for it.

Mr. ANDERSON. The gentleman's resolution goes further than that.

Mr. BLANTON. We might have a law authorizing a restaurant, and yet we could provide that no part of this money should be expended for that purpose. The gentleman's point of order is not well taken.

The CHAIRMAN. The amendment of the gentleman from Texas is clearly a limitation within the purview of the rule, and the point of order made by the gentleman from Minnesota is overruled.

Mr. BLANTON. Mr. Chairman, I am not making any criticism. I am just trying to stop a practice that is growing, and one for which sooner or later our people are going to hold us responsible. I just put it up honestly and fairly to my colleagues whether or not they are willing to go home to their people and take that hearing and read them what occurred when the chairman of the subcommittee asked the Clerk of the House, Mr. Page: "So, then, this restaurant is costing the Government $35,000 a year above the income?" And Mr. Page said, "No; $36,000."

Are you willing to take that home to your people and tell them about it and tell them that you are conducting a restaurant here for our benefit in the House of Representatives at a cost of $36,000 a year to your taxpayers, who are staggering now under the expenses of the Government? Of course, if you are willing to do that, why, then, pass this provision. It is in the bill, and you can vote down my amendment; but if you feel that your people at home do not want you to do that, why not stop it now? That restaurant could be let to a practical restaurant keeper. I do not know whether this would be deemed discourteous or not, but because she has done it so successfully in the past, if we could prevail upon our good colleague to take charge of that restaurant in a commercial way, and show her every consideration that was possible, she could take it and run it on a business basis and stop this loss of $36,000 annually, and I would be willing to have that done; but we are now running it at an expense to the people of $36,000 a year. There is no question about the matter of cost to the people of the country. Are we going to continue to do that? If you vote my amendment down, I am not going to fall out with you. I shall take it that you are doing what you think is right. I shall bow to your vote, if you do that. I am just merely doing what I conscientiously believe to be my duty to the people of this country. They want to stop unnecessary expenditures. I believe every one of my colleagues is willing to pay for what he eats. You are not the kind of men who want the people to pay for your meals. Then why not let us stop this? I just leave it up to you.

Mr. TREADWAY. Mr. Chairman, I dislike to take the time of the House in discussing what has already been passed over. The gentleman from Texas [Mr. BLANTON] offered a similar amendment sometime ago and it was defeated, and now he tries to bring it in again. I do not question the gentleman's conscientious objection to the management of the restaurant downstairs. All I can say is that he is mistaken in his premises. If my business experience of a lifetime is of any value to the membership here, the restaurant downstairs can not be run and be patronized by Members of the House and by such of the public as come in here and show a profit in any way, shape, or manner. It is an impossible task. The moment you charged prices sufficient to pay your overhead and the various losses that have been referred to here this afternoon, together with the cost of the food, you would not get a customer, not one. The question is simply this: Is the time of the membership of the House worth anything? If it is, you ought to have a restaurant in this building where Members can go and get a decent meal. I have been a Member of Congress for some years, and the food in this restaurant until within the last six months or a year, until the time we authorized it to be watched and carefully guarded, the food has not been good. Since the Committee on Accounts, under the efficient chairmanship of the gentleman from Illinois [Mr. IRELAND], took over the unpleasant routine is the only time that we have had a good restaurant. He is entitled to our thanks, not criticism. There must be some expenditures charged against the Government. Here are 435 Members of the House who are entitled to a midday meal. Are you going to adjourn the session at half past 12 and take an hour off to go somewhere outside, patronize some hotel or restaurant, or are you going to have it convenient for Members to get their lunch right here and attend to their duties at the same time?

Mr. CHINDBLOM. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. CHINDBLOM. The RECORD ought to show that the Members of the House, as well as the public, pay for what they get, and all it is worth.

Mr. TREADWAY. I have no fault to find with the gentleman's statement in that particular; in fact, I entirely concur.

Mr. CHINDBLOM. But the statement of the gentleman from Texas might leave the impression that we are beneficiaries.

Mr. TREADWAY. We are not beneficiaries; we are being charged the going price for similar food elsewhere. The trouble is that you can not carry on a business of this kind with one meal a day, and perhaps sometimes not that meal. It is so uncertain that no experienced caterer would take the chances—some days one meal, some days perhaps two, and many days none. There is a loss in that respect. There is a tremendous overhead loss that you have to meet. There are innumerable things that I could show you, if I had the time, where there is a loss. I doubt if there is a hotel in Washington to-day that can break even on the restaurant. They do not expect to break even.

Mr. CHINDBLOM. Will the gentleman allow me to make a suggestion?

Mr. TREADWAY. Yes.

Mr. CHINDBLOM. We will be here until probably half past 7 to-night, to-morrow is Sunday, and to-morrow there will be no meals served at all, and they have to take care of emergencies of that kind.

Mr. TREADWAY. I will simply take the time to reiterate that the business of a restaurant conducted on one meal a day, and that very uncertain, for six days a week, can not break even at commercial prices. The present method of conducting the restaurant is the most satisfactory and in the long run the most economical for the Government.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and on a division there was 1 aye and 67 noes.

So the amendment was rejected.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word. I notice, in lines 16, 17, and 18, page 18, reference is again made to the official stenographers of committees. We have discussed their salary, and if we had not passed over that item I am disposed to think that the salary of those stenographers would have been reduced. I would like to inquire what the item "including reimbursement to official stenographers to committees for the amounts actually and necessarily paid out by them for transcribing hearings," has reference to?

We are paying these men a salary of $6,000 a year. Are they not capable of transcribing their notes without outside employment of additional service? I do not know what the amount of the item is, as the various sums are not separated. The reports of hearings are not returned promptly, and frequently there are many inaccuracies. The leading Member on the Democratic side on the Ways and Means Committee was

finding fault the other day in regard to the return of reports of testimony. I have heard other gentlemen find fault. They are not the skilled and accurate stenographers that we have on the floor of the House, and we ought not to pay them as much salary as the official reporters of the House, and then pay them in addition to that. I do not see why we should pay them extra for transcribing their own work.

Miss ROBERTSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The lady from Oklahoma asks unanimous consent to revise and extend her remarks in the RECORD. Is there objection?

There was no objection.

Mr. ANDERSON. Mr. Chairman, I would like to answer the question of the gentleman from Massachusetts with reference to the necessity of providing in this item for the reimbursement to the official stenographers to committees for the amount paid out for transcribing hearings. These hearings are dictated to a dictaphone by the stenographer and transcribed, and this is to reimburse them for the amount paid out for the transcription. It saves time and money, and is economy for the Government.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For postage stamps: Postmaster, $250; Clerk, $450; Sergeant at Arms, $300; Doorkeeper, $150; in all, $1,150.

Mr. KINDRED. Mr. Chairman, I rise for the purpose of asking unanimous consent to extend my remarks in the RECORD on the general subject of autosuggestion and the working of the subconscious mind as practiced by Emile Coué, and also as practiced by the real scientists.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. STAFFORD. Reserving the right to object, are these the gentleman's own remarks and the result of his investigation in the art of autosuggestion?

Mr. KINDRED. I will say to the gentleman that the remarks will be confined to my own investigation, observation, and personal experience, which has been rather large.

Mr. STAFFORD. Of course, Mr. Chairman, if they are the gentleman's own remarks I have no objection.

Mr. WINGO. I would like to ask the gentleman to what school he belongs, the Nancy School or the Zurich?

Mr. KINDRED. I belong to the school of Bernheim, of Nancy, who first, 35 years ago, investigated this subject and laid the foundation for its scientific investigation.

Mr. WINGO. Does the gentleman in his remarks propose to discuss the difference between the Nancy school and the Zurich school?

Mr. KINDRED. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. KINDRED. Mr. Speaker, the much-advertised visit to the United States of M. Coué, the French pharmacist, and his methods have revived a great popular interest in an old subject, suggestion and autosuggestion, which have been known to and scientifically practiced by the medical profession even before the sixteenth century, when a physician by the name of Paracelsus popularized this means of curing disease.

No department of psychical research is at present exciting so widespread an interest as that which has been known under the name of hypnotism, suggestion, and autosuggestion, animal magnetism, mesmerism, and so forth, and inquiries are constantly made by those to whom the subject is new regarding its nature and effects, and also how, if at all, it differs from the mesmerism, animal magnetism, electrobiology, voodooism, witchcraft, and so forth, of centuries ago.

From the remotest periods of human history to the present time certain peculiar and unusual conditions of mind often associated with abnormal conditions of the body, have been observed, which have been cured by so-called mesmerism, hypnotism, suggestion, or autosuggestion.

The Egyptians and Assyrians had their magi, the Greeks and Romans their oracles, the Hebrews their seers and prophets, every great religion its inspired teachers, and every savage nation had, under some name, its seer or medicine man.

Socrates had his demon, Joan of Arc her voices and visions, the Highlanders their second sight, spiritualists their mediums and "controls."

Until a little more than a hundred years ago all persons who were supposed to be endowed with this sort of supernatural power were considered to be divine, and those under external and supernatural influence were considered as satanic.

About 1773 Mesmer, an educated German physician, philosopher, and mystic, commenced the practice of curing disease by means of magnets passed over the affected parts and over the body of the patient from head to foot. Afterwards, seeing Gassner, a Swabian priest, curing his patients by command and applying his hands to the affected parts, he discarded his magnets, concluding that the healing power or influence was not in them but in himself; and he called that influence animal magnetism.

Mesmer also found that a certain proportion of his patients went into a sleep more or less profound under his manipulations, during which a sort of somnambulism, or sleep walking, appeared. But Mesmer's chief personal interest lay in certain theories regarding the nature of the newly discovered power or agent and its therapeutic or curative effects.

He brought about the hypnotic sleep by means of passes, he and other practitioners of this form of suggestive therapeutics never for a moment doubting that the influence which produced such sleep-like states was a power of some sort proceeding from themselves and producing its effect upon the patient.

In addition to the condition of sleep or lethargy, the following conditions were well known to the "early mesmerists": Somnambulism, or sleep walking, catalepsy, anesthesia, and amnesia, or absence of all knowledge of what transpired during the sleep. Suggestion during sleep was also made use of, and was even then proposed as it has since been proposed, as an agent in education and in the cure of vice and disease, particularly in children.

This was the condition of the subject in 1842, when Braid, an English surgeon, made some new and interesting experiments. He showed that the so-called mesmeric sleep could be produced in some patients by other processes than those used by the early mesmerists; especially could this be accomplished by having the patient gaze steadily at a fixed brilliant object or point, without resorting to passes or manipulations of any kind.

He introduced the word hypnotism, which has since been generally adopted; he also proposed some new theories relating to the nature of the hypnotic sleep, regarding it as a "profound nervous change," and he still further developed the idea and use of suggestion. Otherwise no important changes were made by him in the status of the subject.

The period of twenty-five years from 1850 to 1875, was a sort of occultation of hypnotism.

In 1877 Professor Charcot, then one of the most scientific, most widely known, and most highly esteemed of living physicians and neurologists, not only in France but in all the world, was appointed, with two colleagues, to investigate the treatment of hysteria by means of metallic disks—a subject which was then attracting the attention of the medical profession in France.

Curiously enough, it happened that Charcot commenced exactly where Mesmer had commenced a hundred years before. He experimented upon hysterical patients in his wards at La Salpetriere, and, as a result, he rediscovered mesmerism under the name of hypnotism, just a century after it had been discovered by Mesmer and disowned by the French Academy.

But Charcot, after having satisfied himself by his experiments, did not hesitate to announce his full belief in the facts and phenomena of hypnotism, and that was sufficient to rehabilitate the long-neglected subject. The attention of the scientific world was at once turned toward it, and hypnotism at once became respectable and occupied the attention of many scientific physicians. From that time to the present it has formed one of the most conspicuous and interesting subjects of psychical study and research; it has become to psychology (the science of the normal mind and its functions) what determining the value of a single character is to reading an ancient inscription in a lost or unknown language; it is, in fact, a bit of the unknown expressed in terms of the known and helps to furnish clues to still greater discoveries, in the direction of unfolding the depths of both the conscious and the unconscious mind.

Soon after the experiments of Charcot and his associates in Paris were published, Professor Bernheim commenced a most thorough and important study of the subject in the wards of the hospital at Nancy, France. These studies were made, not upon persons who were already subjects of various forms of nervous disease, as was the case with Charcot's patients, but, on the contrary, upon those whose nervous condition was perfectly normal, and even upon those whose general health was perfect. Bernheim's work was associated with and preceded by that of Liebeault.

The result of Bernheim's experiments proved that a very large percentage of all persons, sick or well, could be put into the hypnotic condition—could be influenced by autosuggestion or suggestion. He claimed that suggestion was the great factor in bringing about the condition, and also in the mental phenomena observed, and in the cures which were accomplished.

He showed, moreover, that the hypnotic sleep did not differ from ordinary sleep, and that *no magnetism nor other personal element*, influence, or force entered in any way into the process—it was all the power and influence of suggestion on the unconscious or the subconscious mind.

To illustrate the method, a simple case would be as follows (Bernheim):

A patient comes into the physician's office complaining of continual headaches, general debility, nervousness, and unsatisfactory sleep. She is willing to be hypnotized, and is accompanied by a friend. The physician seats her comfortably in a chair, and, seating himself opposite her, he takes her thumbs lightly between his own thumbs and fingers, asks her to look steadily at some convenient object—perhaps a shirt stud or a specified button upon his coat. Presently her eyelids quiver and then droop slowly over her eyes; he gently closes them with the tips of his fingers, holds them lightly for a moment, and she is asleep.

He then makes several slow passes over her face and down the front of her body from head to foot, also some over her head and away from it, all without contact and without speaking to her. He lets her sleep 10 or 15 minutes—longer, if convenient—and then, making two or three upward passes over her face, he says rather quickly: "All right; wake up."

She slowly opens her eyes, probably smiles, and looks a little foolish at having slept. He inquires how she feels. She replies: "I feel remarkably well—so rested—as though I had slept a whole night." "How is your head?" (Looking surprised.) "It is quite well; the pain is all gone." "Very well," he says, "you will continue to feel better and stronger, and you will have a good sleep at night." And so it proves. Many diseases—functional—may be cured in this manner by autosuggestion.

This power is in the subconscious mind, or the subliminal self, and suggestion is the key to its action, yet a very large experience has taught that the reason suggestion is the key to the action of the subconscious is because through suggestion we create an expectancy upon the part of the subconscious. If we stop short of creating that expectancy, we fail to produce results. Many times mental and audible suggestions are given to no avail because they did not create the proper degree of expectancy.

Autosuggestion or hypnosis did not create the subconscious mind nor the power, therefore they are present whether one is hypnotized or not. The power to hypnotize or cause autosuggestion does not, therefore, exist in the operator except so far as he may employ the proper method to bring it about. The state brought about by autosuggestion is a state where the subconscious mind is in full possession and we obtain no phenomena without suggestions being given to the subconscious mind.

It is interesting to note that our own redoubtable Benjamin Franklin made an investigation of the subject of "animal magnetism" in the year 1837 and reported the findings of the investigating commission headed by himself in an interesting volume translated from the French, entitled "Animal Magnetism, etc." This report showed a profound investigation of the subject. It gives credit to Doctor Maxwell, an American physician and investigator of that period, for having written a most complete and copious treatise on the subject, in which he endeavored to support the doctrine of animal magnetism by calling in the assistance of the theory of the universal spirit which he had derived from the earliest philosophies of antiquity and which theory had already been presented by Mesmer about 1778.

Quoting from Maxwel's treatise, as bearing upon the power of animal magnetism or modern hypnotism to influence persons to improper actions: "Far be it from me," says Maxwel, "to lead you to improper actions. If from the perusal of my work you become acquainted with the means of such actions, you will do me the justice not to divulge them." "I have seen," added he, "the most incredible effects and greatest advantages from the right use of this method. I have also seen infinite evils occasioned by the use of it. Indeed, it is scarcely prudent to treat of these subjects on account of the dangers that may result from it. If we were to express ourselves in a manner universally intelligible, fathers could never be sure of their daughters nor husbands of their wives; women would be deprived of their self-government in spite of the most judicious and obstinate resistance."

These observations of Maxwel suggest a controversy that was waged between hypnotists a few years ago as to whether persons could be so influenced by hypnotic or other suggestion as to be unable to resist, even when they will to resist, sexual and other temptations.

In order better to understand the workings of the conscious and unconscious, or subconscious, mind as revealed in psychical researches, it is necessary to understand at least something of the material basis of mind.

It is exceedingly difficult to give a satisfactory definition or conception of an abstract mind or consciousness, but it is equally difficult to define or conceive of electricity. Yet we know the laws that govern electricity so well that we can trace its mechanism of connection with matter and use it in many practical ways. We may also trace the mechanism connecting mind and matter with as much accuracy.

Physiology teaches us that the connecting link between conscious mind and the material world is to be found in certain brain cells; that mind, in fact, is as much a creature of these brain cells as electricity is of the galvanic cell. Embryology shows how these brain cells precede the realization of conscious being, and produce as they mature step by step, first, muscular movements, then sensation of an automatic nature, and finally the higher faculties of conscious being, including normal and abnormal intellectuation.

This marvelous brain is composed of many groups of cells having different and more or less independent functions, and all these groups are closely connected by nerve fibers with all the organs of the body so as to form one harmonious whole. We know that most of these groups of cells at times go into an inactive or resting state, which we call sleep, and that this condition varies considerably in degree. Some of the causes of sleep and conditions of the cells during sleep are quite well understood. Physical changes that are well marked take place in the cell during its activity, and the normal condition is restored during sleep. It it also a well-established fact that some groups of cells may sleep while others do not, and that some groups or centers sleep more easily than others.

It is quite certain that the centers of consciousness to present surroundings are the first, as a rule, to fall asleep, and that some of the automatic centers, such as the heart and respiratory centers, are the most difficult to influence in this respect. Drugs, such as chloroform, opium, and alcohol, readily produce unconsciousness to present surroundings while memory is still awake and special senses and automatic centers still active. Pushed to a more advanced stage, these drugs finally overcome all the various centers, even those governing the heart and respiration.

The last centers to appear in the development of the brain are usually the first to sleep, whether this sleep be produced by natural or artificial means, as by hypnotism.

It is by putting to sleep various subcenters and leaving others active that the phenomena of hypnotism or hypnotic suggestion are produced, and it is due to the receptivity of these centers that the phenomena of suggestion are brought about.

Sir William Crookes has furnished a very plausible hypothesis for the explanation of telepathy or thought projection, often allied with the states already mentioned, by comparing it with wireless telegraphy. Nerve force is so much like electricity that we may readily believe brain activity capable of producing waves similar to the waves that make wireless telegraphy possible. And it seems within the bounds of reasonable probability to suppose that these waves of brain force may be appreciated by other properly tuned brains—however unusual—just as the wireless waves are appreciated by distant electrical apparatus properly tuned to receive them.

This hypothesis will explain the mind-reading stunts of Bishop, Cumberland, and other "sensitives" who are supposed to have developed an additional special sense. Liebault and Bernheim have shown that hypnotic subjects are at all times amenable to suggestion, and this does not in any sense imply weak-mindedness. Indeed, the weak minded and insane and those on the borderland of insanity are most difficult to hypnotize, because they have not the power of concentrating their attention, but it is a fact that most cases cured or benefited by autosuggestion and suggestion are essentially neuropaths.

Actual experiments and the history of therapeutic suggestions show that nearly all persons are more or less subject to the influence of suggestion, even while in their normal condition, and that the certainty with which suggestion acts will depend more upon the absolute faith with which it is received than upon any abnormal or artificial condition of the mind itself or power or characteristic of the operator or suggester. During hypnosis all forms of inhibition and rational objection are reduced to a minimum. The most absurd statements are received without question as facts, and for this reason produce

powerful and lasting and baneful impressions. *In fact auto-suggestion may cause as well as cure maladies*, and this constitutes its great danger to the public, if it is left in the hands of ignorant or unprincipled practitioners.

Suggestion has been used as a therapeutic measure, with or without the aid of actual hypnotism, from the earliest times, and its history, under its various shapes and guises, forms one of the most interesting side lights for the study of human nature and the human mind.

Pure suggestion, with more or less impressive ceremony and paraphernalia, used to increase the faith of the patient, was undoubtedly the active factor of the incantations of ancient priests, the enchantment of the negroes, the cures of Indian voodoo doctors, the magic formulæ of Æsculapius, the sympathetic powder of Paracelsus, the king's cure, the cures at Lourdes, and by numerous saintly relics and waters. Astonishing numbers of cures of all imaginable diseases and conditions have been reported from these sources.

The classes of patients most susceptible to hypnotism, suggestion, and auto-suggestion, are as follows:

I. Those having self-limited diseases that will get well under any treatment that does not interfere with nature.

II. Cases that receive, in addition to suggestion, some appropriate medical treatment.

III. Cases of imaginary disease, having no real existence.

IV. Cases suitable for suggestive treatment, that are really cured.

V. Failures. A large class of which we hear little.

The first class (self-limited diseases) comprise most acute, and some chronic maladies, and includes more than half of all the diseases known to man.

The second class is not uncommon in the practice of osteopathy, botanic medicine, divine healing, etc., as the followers of such sects have frequently some knowledge of medicine.

Imaginary diseases are much more common than is generally supposed, and are often of a very serious nature. Patients frequently imagine heart disease, Bright's disease, or cancer but seldom imagine mild or trivial affections. It is also easy to produce imaginary diseases by suggestion, when there is a basis of even some slight ailment or pain to work upon.

The skillful quack who gains the confidence of his patient may easily make him believe he has cancer of the liver, aneurism of the aorta, or in fact any disease from infantile convulsions to senile debility, and may then proceed leisurely to cure him. The cure is usually as long as the patient's pocketbook; but if he is needed for advertising purposes, it may be remarkably short. There are few healthy persons who do not occasionally get a pain in the chest, back, or abdomen, due to trivial causes. The sickly man would pay no attention to such a thing. He is used to pain. But to the healthy man it is unusual and alarming. The assurance of a quack doctor may easily turn this pain into a pleurisy, nephritis, or appendicitis.

How skillfully the quack disseminates his circulars and newspaper advertisements with the idea of impressing such people. How many men can read the advertisement of a genius in this line without getting at least an uncomfortable feeling and a suspicion of some insidious, lurking disease? The imaginary disease is common, easy to produce, and often hard to cure.

The fourth class, or cases suitable for suggestive treatment, will be considered later.

The fifth class—failures—is a large and silent one, of which little is heard by the public. Yet every physician knows of one or two, and the aggregate is very large. These cases stray off to other quacks after a time, and usually come to a physician at last. Sometimes they come in time to be cured and sometimes not. Usually they come when turned off for lack of funds, and the real physician does what he can for charity's sake.

Thus, from the earliest days, suggestion has been used indiscriminately, unscientifically, and in a manner that savored always so strongly of quackery as to bring it into very bad repute. That it has done good can not be denied. While its bad repute has prevented reputable physicians from using suggestion openly as a therapeutic means, yet under other names and often unconsciously it has been used by them with great advantage. Every physician has some time given a placebo with good effect, though he may not have thought of it as suggestive treatment. Every respectable physician knows that his reputation is a great aid to him in curing diseases and that his personal influence or so-called personal magnetism is of great value. He is often unconscious of the fact that these things are of value because they make his patients believe in him and believe his suggestions.

But the time has come when the true value of suggestion should be known and its use placed upon a scientific and honest basis. We must know what diseases it may cure, what diseases it may aid in curing or alleviating, and how to use it. There are few classes of diseases that suggestion alone can cure, but the number of cases in the aggregate is large. It may be said that only imaginary diseases and functional diseases are amenable to this treatment alone, but in nearly all diseases suggestion is a valuable aid to other treatment. As I have already said, imaginary diseases are very common and often have a real foundation in dyspepsia, anemia, rheumatism, or some less serious real disease.

We are all familiar with the classic experiment of pretending to bleed a condemned criminal to death and actually causing his death, though no blood was really shed. This experiment shows the remarkable power of suggestion in producing illness. I have seen a number of cases near death from imaginary disease but have not seen any actually die. Hysteria is a common disease in which imagination plays so large a part that it might almost be considered as imaginary; but there is often a real basis for the symptoms in this and other functional disorders and sometimes in organic disease, such as a nervous form of gastrointestinal catarrh. We so frequently do find atonic dyspepsia and gastrointestinal catarrh associated with neurasthenia and hysteria that many have been inclined to regard the latter diseases as symptoms of the former, and more especially so from the fact that treatment which improves the digestive tract always results in coincident improvement of the nervous phenomena.

As is stated by the late Dr. W. P. Carr, of Washington, in his splendid article on "Suggestion as used and misused in curing disease":

> The legitimate method of the true physician is to have the real power of knowledge and use it with scientific accuracy. This is the slow and laborious way; but even the successful quack, who has left it under the temptation for quicker returns, often wishes himself back in the legitimate track, knowing that his career will be short. The day of bluffing in medicine is fast approaching its end. The man of real ability and honesty will gain a reputation for these qualities sooner than he thinks, and this reputation, once established, will go far toward giving him the confidence of his patients. If he will then display to them a kindly and sympathetic interest, the thing is done.
>
> Personal appearance has something to do with success in this line, but much less than is generally supposed. Many insignificant-looking men have succeeded remarkably well, but they have been men of unusual knowledge and force of character. The physician must listen with interest to symptoms and make careful examinations to assure himself of the actual conditions, and, no less, to assure the patient that he has done so. Then, if he finds only an imaginary disease, a simple assurance to that effect will be all that is necessary, provided he can make his patient believe it. Often he must admit a functional disturbance and proceed, by the suggestion of medicine and assurance of speedy cure, to make the sufferer believe, or, deeply rooted in his conviction, he will leave in disgust and go to another physician and another, until he finds one who will agree with him and treat him as long as he will come and pay.

The same author, not only a learned physiologist and psychologist but a surgeon of note, also says in the same article that tumors, especially of the abdomen, are frequently diagnosed by competent physicians when they either do not exist or shortly disappear.

And that in all diseases not purely or largely imaginary, suggestion should be used as an adjunct to other appropriate treatment and should be directed chiefly to the relief of fright, worry, pain, and sleeplessness, all of which are serious obstacles to digestion and nutrition, and, consequently, to resistance to germs and to the repair of lesions. These practical views on the practical and honest practice of suggestion may contribute much to the comfort and cheerfulness of the patient, to the shortening of the illness, and to the saving of life. Most physicians appreciate this fact and, consciously or unconsciously, apply it; but some of the brightest and otherwise best equipped do not, and are consequently failures. A hypodermic injection of water will often cause as profound sleep as one of morphia, if the patient believes it to be morphia, or will be equally effective in relieving pain. Simple assurances that sleep will come or that pain will cease are equally effective if believed.

It is usually unnecessary to deceive patients. A cheerful manner, an emphasizing of every point of improvement, a statement that everything is going on in a satisfactory manner toward recovery, that improvement is beginning and will soon be felt, that recovery may confidently be expected, as early assurance as possible that danger is past, all do much to cheer and improve and may be easily within the bounds of truth.

Complications and disasters should never be suggested, and should be treated as lightly as is consistent with honesty when they occur. At times actual deception is not only justifiable but is necessary to the saving of life or to even moderate comfort. But in such cases the family should always be informed of the true condition. Even in hopeless cases cheerfulness and comfort may be maintained for weeks, months, or years by constant cheering suggestions and by withholding unfavorable facts. It

is indeed a cheerless condition that holds out no hope, and one that need seldom be encountered.

It is one thing, however, to assure a patient suffering from some dangerous disease that there is nothing the matter, and do nothing else to relieve him, and quite another thing to give him a somewhat similar assurance while doing everything possible to obviate the danger and bring about a cure. A clear distinction should be made between the medically ignorant person who would say to a typhoid-fever patient: "There is nothing the matter with you; there is no such thing as disease; you simply imagine you feel badly; you are well"; or who would pray for his recovery, expecting a miracle to be performed, and who, having no knowledge of medicine, does nothing for his relief—a clear distinction should be made between such a person and the educated physician, who would say: "You have fever; but if you will go to bed and take the diet and medicine or vaccine prescribed, you will recover; you will not be very ill; you will be better to-morrow; your headache will be better after a few hours' rest and a dose or two of medicine"; and who at the same time sees that these instructions are carried out by a good nurse, and that his patient has the best treatment known to science, and who intelligently watches every symptom as the case progresses, giving cheerful suggestions for all that are disagreeable, and never forgetting to use material means to remedy them or avoid them if possible.

DREAMS AND PSYCHOANALYSIS.

The significance from a psychic viewpoint of dreams and also certain psychoneroses have been in recent years studied by Janet, Freud, Brewer, and others abroad, and by Brill, of New York; Putnam, of Boston, and others in this country, by Freud's methods of psychoanalysis, meaning an analysis of the psychic make-up, in order to discover and successfully treat the hidden causes of certain mental and nervous diseases.

Freud's theory of psychoanalysis is summed up by the late Doctor Putnam as follows:

Whereas hitherto the most important cause of the functional psychoneuroses has usually been considered to be a constitutional and, in general, an inherited taint, and the influence of environment and education has been rated as of secondary significance, the facts point to a different conclusion. Our inheritance varies indeed within wide limits, but that which makes us sick or well—so far as the symptoms of these psychoneuroses are concerned—is the influences to which we are subjected after birth. This is not to depreciate the importance of what we bring with us to the world, but to exalt the significance of education taken in a wide sense. But if the influence of education, whether for good or ill, is to be exalted, it must be shown that these influences are to be given a broader meaning than that usually accorded to them; and, in so far as it is held that adult invalids are susceptible of cure through reeducation to a greater extent than others have believed, it must be proved that there are educational influences hitherto unrecognized or insufficiently recognized which can be called to aid in this work.

In support of both these propositions, Freud brings forward a remarkable array of evidence, based on the actual recitals of his patients. Some of these have been published by him or by his colleagues, while many others, for obvious reasons, have been withheld. These recitals are held to justify a number of subpropositions, such as those which follow, and as the result of my reading of the published communications, from personal conversations with Freud, and with his colleagues, and from my personal observations, I believe these claims to be well founded.

From birth onward our lives are builded on a double principle. We have ostensible personalities and concealed personalities, and though the two may harmonize fairly well they are never fully in accord. Society and our own choice and effort make us what ostensibly we are—artists, merchants, honorable citizens, persons following an aim. But in order to fit ourselves to molds of such a sort we must, of course, at every moment discard temptations and repress emotions out of harmony with this or that set purpose.

These emotions and temptations, in spite of being discarded and repressed, not only were but continue to be important portions of ourselves. They may never come to light again individually and in their own form, but at the least they contribute something, if only a note of seriousness, to our perceptions and our thoughts. When they do not help us to remember they may be forcing us to forget, and in reality these two results are often one. Even our discarded, repressed, forgotten childhood lives actively in our adult years, helping to form that variously named portion of our mental lives, of which we are not consciously aware, and can not make ourselves entirely aware except with special aid; never, perhaps, completely.

These repressed emotions and thoughts organize themselves more or less definitely into groups, and there is a constant interplay between them and the thoughts and emotions of our conscious lives. Thus, the repression of a desire gives rise to a vague sense of disquiet; and this feeling, attaching itself to a definite object, may be felt as a morbid impulse or a defined fear. The desire and repression may never, at best, have been more than half-conscious processes, and finally become wholly forgotten in the sense above described.

The vague distress is consciously felt as something unendurable, and is at once attached to a special object, as in obedience to an impulse which counts as "protective," although the relief afforded may be anything but complete. The fears of water, of the dark, of certain animals, of meeting people, of crowds, of church and theater, and so on through all their multitudinous forms, are made up in part, according to this view, of fears of ourselves, namely, fears engendered in the course of the effort to set aside a situation felt to be unbearable. Sometimes the whole process can be witnessed, as when a morbid fear of meeting people, or even a so-called misanthropy, arises out of the half-awareness that one has been living under conditions that were socially compromising. Often, however, the links of this chain pass wholly out of sight, and a person finds himself fearing or hating a person or set of persons without knowing why, when, in fact, it is because these persons stand as representing certain aspects of our past selves.

It is a little harder to explain the common fears of open windows, bridges, and the like, than fears of less external sorts, but there can be but little doubt that these also are at least partly due to a similar substitution. We would shine, we would be virtuous and recognized as such, consequently we fear to fall. "Natural" fear and symbolism do the rest.

M. Coué says, truly, that he has brought nothing new to the science of suggestion and autosuggestion, but he dwells on the importance of his method in applying autosuggestion.

His little book on autosuggestion, which has had an enormous sale in this country, having been bought by all classes, has eight chapters and subchapters, only one of which makes any pretense to the scientific discussion of the subject itself. All the remaining chapters are devoted to testimonials and praise of the author, very much in the form of testimonials and praise contained in patent medicine booklets and advertising. The only real feature of his first chapter is his suggestion, not new, that the imagination, rather than the will, controls our thoughts and actions, and that the imagination should therefore be chiefly invoked in making autosuggestion.

M. Coué, not a physician but a druggist, has pursued a sensational course, quite unlike the course of the real scientist and helpful physician just outlined; his methods, in fact, are much like those of the cheap showman, according to the newspaper and other accounts, making cheap, vulgar exhibitions of the misfortunes of the many neuropathic and susceptible persons who have been drawn to him because of his extensive newspaper notoriety and prestige.

In this connection the following public statement of Rev. Francis X. Doyle, S. J., professor of philosophy at Georgetown University, is very appropos:

In theory and in practice Doctor Coué's method of healing by autosuggestion is sound, but when he touches on the explanation of this theory he is absurd. You can practice Couéism with good results, but first go to the scientific medical man and let him dig for the trouble.

Since my object is to call attention to the decided limitations of all forms of suggestion and autosuggestion as well as to its possibilities in appropriate cases to be selected by the qualified physician only, I will refer in some detail to certain patients who have come within my own professional observation while I was a student at the medical department of the University of Edinburgh and a clinical assistant at the Royal Asylum there. A young man, 27 years of age, whose case I had the opportunity to study, came there to consult Dr. George M. Robertson, now the distinguished medical superintendent of that asylum, with a history of having been quite a normal young Scotsman, up to a few years previously. About four years previous to the time we saw him he quite accidentally went upon the platform "to be hypnotized," when a traveling hypnotist was giving an "exhibition" in the town where the young man lived. He soon came within the spell of this showman who commercialized hypnotic suggestion. The showman employed the young man as a "subject," who would easily do every stunt commanded, and the young fellow soon found that he was completely, at all times, under the hypnotic influence of his employer, who, finding the "show" business unprofitable, discharged his "subject." The two became separated and soon afterwards the young man found himself so slavishly obsessed by distant hypnotic suggestions of his former employer that he continued against his will and saner judgment, to do all kinds of things that he formerly did on the public stage while under the direct hypnotic spell, such as chasing imaginary pigeons, sweeping the floor with an imaginary broom, and so forth. His will power was gone and he actually did the most insane and grotesque acts in the midst of whatever work he might be doing, to such an extent that he became helpless and actually insane. There are many similar cases.

There are many other limitations of and contraindications to autosuggestion and suggestion, and such cases can be positively known only to a well-qualified physician, who knows that, for instance, if a hard lump on the breast of a woman at a certain age is temporized with under the soothing suggestion of M. Coué and other practitioners who are not even graduates in medicine that such a condition will soon become hopeless (the only hope being in a surgical operation before the cancer cells affect other parts of the body) and that the patient will surely die of cancer.

It is a fact that many avoidable deaths occur constantly in this country from diphtheria, typhoid fever, appendicitis, cancer, and other diseases because gullible and credulous though well-meaning patients and their friends and relatives do not call in reputable, licensed physicians *in the diagnosis* and scientific treatment of disease in the *earliest curable stages of these diseases*, but call in charlatans who pretend to cure all diseases by sug-

gesting to the subconscious mind of persons gravely ill that no real illness exists or chiropractors or osteopaths who undertake to diagnose and cure all diseases by rubbing or by manipulating the spine or other parts of the body.

The cure of a limited number of diseases by suggestion, autosuggestion, psychoanalysis, or by rubbing, massaging, or manipulating the body may be brought about without risk to the public and the individual patient only when a trained, *regularly licensed medical man* has had every opportunity to find out the real ailment of the patient, to make a scientific diagnosis, and to suggest a proper course of treatment called for by each individual case.

Certainly every sensible person will admit the possible danger in any case of illness of failing to ascertain the real nature of the illness, so that timely and active scientific measures may be taken, as in cancer, diphtheria, appendicitis, and so forth. It is only by the exercise of such common sense that the lives of thousands of helpless children and others who die each year through such criminal neglect and ignorance may be saved.

The Clerk read as follows:

For driving, maintenance, repair, and operation of an automobile for the Speaker, $3,000.

Mr. BLANTON. Mr. Chairman, I make the point of order to the language in lines 1 and 2, on page 19, as legislation unauthorized by law.

Mr. ANDERSON. Mr. Chairman, the House by specific resolution authorized the purchase of an automobile for the use of the Speaker. Having authorized the purchase of the automobile, it clearly is in order to maintain it.

The CHAIRMAN. The gentleman from Texas makes the same point of order against this that he did against the automobile provided for the Vice President, and the Chair will make the same ruling. The point of order is overruled.

The Clerk read as follows:

For assistance rendered during the calendar years 1922 and 1923 in compiling list of reports to be made to Congress by public officials; compiling copy and revising proofs for the House portion of the Official Register; preparing and indexing the statistical reports of the Clerk of the House; compiling the telephone and Members' directories; preparing and indexing the daily calendars of business; preparing the official statement of Members' voting records; preparing and indexing questions of order printed in the appendix to the Journal pursuant to House Rule III; and for recording and filing statements of political committees and candidates for nomination and election to the House of Representatives pursuant to the campaign contribution laws, $5,000, to be immediately available.

Mr. WINGO. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point of order that there is no quorum present. The Chair will count.

Mr. WINGO. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Arkansas moves that the committee do now rise.

Mr. ANDERSON. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and Mr. ANDERSON and Mr. WINGO were appointed to act as tellers.

The committee divided; and there were—ayes 21, noes 68.

So the committee refused to rise.

Mr. WINGO. Mr. Chairman, this discloses the fact that there is no quorum present, and I make the point of order that there is no quorum present.

The CHAIRMAN. Evidently there is no quorum present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Bulwinkle	Crago	Freeman
Ansorge	Burdick	Crowther	French
Anthony	Burke	Cullen	Frothingham
Aswell	Burroughs	Dallinger	Fuller
Atkeson	Burton	Davis, Minn.	Gahn
Bacharach	Butler	Deal	Gallivan
Bankhead	Byrnes, S. C.	Dempsey	Garrett, Tex.
Beedy	Campbell, Kans.	Dickinson	Gernerd
Begg	Campbell, Pa.	Doughton	Glynn
Benham	Cantrill	Drane	Goldsborough
Bixler	Carew	Drewry	Goodykoontz
Blakeney	Carter	Dunbar	Gorman
Bland, Ind.	Chandler, N. Y.	Dupré	Gould
Bland, Va.	Chandler, Okla.	Dyer	Graham, Pa.
Boies	Clark, Fla.	Echols	Green, Iowa
Bond	Clarke, N. Y.	Edmonds	Greene, Vt.
Bowers	Classon	Elliott	Griest
Bowling	Clouse	Ellis	Griffin
Brand	Cockran	Evans	Hadley
Brennan	Codd	Fairchild	Hammer
Briggs	Cole, Iowa	Fairfield	Hardy, Colo.
Britten	Cole, Ohio	Favrot	Hardy, Tex.
Brooks, Ill.	Collins	Fenn	Hawes
Brooks, Pa.	Colton	Fish	Hayden
Brown, Tenn.	Connally, Tex.	Focht	Hays
Browne, Wis.	Connolly, Pa.	Fordney	Henry
Buchanan	Copley	Frear	Herrick
Hersey	Lyon	Ramseyer	Taylor, N. J.
Hickey	McClintic	Rayburn	Taylor, Tenn.
Hicks	McCormick	Reber	Temple
Himes	McDuffie	Reece	Ten Eyck
Hogan	McFadden	Reed, N. Y.	Thomas
Huck	McKenzie	Reed, W. Va.	Thompson
Hudspeth	McLaughlin, Pa.	Rhodes	Thorpe
Hukriede	McPherson	Riddick	Tillman
Hull	Martin	Riordan	Timberlake
Humphreys, Miss.	Mead	Robertson	Tinkham
Husted	Merritt	Rodenberg	Towner
Jacoway	Michaelson	Rogers	Tucker
Johnson, Ky.	Mills	Rose	Tyson
Johnson, Miss.	Montague	Rosenbloom	Underhill
Johnson, S. Dak.	Moore, Ill.	Rossdale	Upshaw
Johnson, Wash.	Moore, Va.	Ryan	Vaile
Jones, Pa.	Morin	Sabath	Vinson
Jones, Tex.	Mott	Sanders, Ind.	Voigt
Kahn	Mudd	Sanders, N. Y.	Volk
Keller	Murphy	Schall	Volstead
Kelley, Mich.	Nelson, John M.	Scott, Mich.	Walters
Kelly, Pa.	Newton, Minn.	Scott, Tenn.	Ward, N. Y.
Kendall	Newton, Mo.	Shelton	Ward, N. C.
Kennedy	O'Brien	Siegel	Watson
Kiess	O'Connor	Sinclair	Weaver
Kincheloe	Oldfield	Sinnott	Webster
King	Oliver	Slemp	Wheeler
Kirkpatrick	Olpp	Smith, Mich.	White, Me.
Kitchin	Osborne	Snell	Williams, Ill.
Kleczka	Overstreet	Snyder	Williams, Tex.
Kline, N. Y.	Paige	Sproul	Williamson
Knight	Park, Ga.	Steagall	Wilson
Knutson	Parker, N. J.	Stedman	Winslow
Kopp	Parker, N. Y.	Steenerson	Wise
Kreider	Patterson, Mo.	Stevenson	Wood, Ind.
Kunz	Patterson, N. J.	Stiness	Woodruff
Lampert	Paul	Stoll	Woods, Va.
Langley	Perlman	Strong, Kans.	Woodyard
Larson, Minn.	Petersen	Strong, Pa.	Wright
Layton	Porter	Sullivan	Wurzbach
Lee, N. Y.	Pou	Summers, Wash.	Wyant
Lehlbach	Pringey	Sumners, Tex.	Yates
Linthicum	Purnell	Sweet	Young
Lowrey	Radcliffe	Tague	Zihlman
Luce	Rainey, Ala.	Taylor, Ark.	
Luhring	Rainey, Ill.	Taylor, Colo.	

The committee rose; and the Speaker having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13926, and finding itself without a quorum he had directed the roll to be called, whereupon 136 Members answered to their names, a quorum, and he handed in a list of the absentees.

The committee resumed its session.

The Clerk read as follows:

LEGISLATIVE DRAFTING SERVICE.

For salaries and expenses of maintenance of the legislative drafting service, as authorized by section 1303 of the revenue act of 1918, $40,000, one-half of such amount to be disbursed by the Secretary of the Senate and one-half by the Clerk of the House of Representatives.

Mr. SISSON. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. SISSON: Page 20, line 22, strike out all of lines 22 to 25, inclusive, and on page 21, lines 1 and 2.

Mr. SISSON. Mr. Chairman, this is an activity which has never met with my approval. During the consideration of a tariff bill, Mr. KITCHIN being chairman of the committee, they got one or two of these gentlemen, and I think they wanted to keep them, but I never have been able to find any sort of justification for spending $40,000 for the purpose of having men draw bills for Members of Congress.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. SISSON. In a moment. My objection is this: I do not believe when people elect Members of Congress, whose legislative mind they send here, they expect them to employ other people to do their thinking. I can not tell where such a proposition might end. I have always thought it was a very radical departure. I am not criticizing the Republican side of the House, because it is a matter that was inserted when the Democrats were in power, so that there is no partisanship about it upon my part. I think it is a step in the wrong direction. I yield to the gentleman from Wyoming.

Mr. MONDELL. Mr. Chairman, did it ever occur to the gentleman, active and industrious as he is, that his service in the House has been almost wholly in connection with appropriations; that he has not, as have Members who are on legislative committees, been charged with the responsibility of preparing and arranging general legislation. Let me give the gentleman an illustration of a service that I know of. I had in mind a general plan of legislation on a somewhat important subject, and I asked one of these gentlemen in. I outlined to him my thought, the line on which I thought the legislation should be drawn, and asked him if he would be good enough to prepare

something along those lines. He did. His first draft was not exactly what we wanted, and there were a number of drafts.

But, first and last, while these gentlemen do not originate, do not propose, they do aid very greatly in properly framing that particular piece of legislation. They have been very busy, I think, during this Congress working for the various committees, helping the Members, expressing their thought in clear, definite, and concrete language. There are in these days experts in everything. These men are experts in legislative drafting.

Mr. SISSON. I know my friend does not want to take up what little time I have, and I must get some more if I need it. I do not believe, gentlemen, we are quite ready to substitute the minds of other people. I am unwilling to make the admission that if I have a piece of legislation that I think ought to become the law that I am incapacitated, that people who are elected in other districts are incapacitated to do their own thinking and prepare their own bills. Now, let me tell you that every man who is a lawyer knows that if you let the other man write the opinions of the judge you had better let that man be the judge. I want to tell you another thing. The man who is doing the writing, doing the preparation for the Member of Congress, ought to be the Member of Congress. I am unwilling to make the admission that the House of Representatives must have an expert legislative bill drafter to whom to go to draft bills. Here is the Legislative Reference Bureau here in the Library, and these things are beginning to grow very vigorously, and what is the difference? Why let a Congressman do his work; why let a Congressman be taken in a nice gilded carriage and brought over and carried in a nice gilded elevator and lifted into a nice gilded seat—why let a Congressman in this day and generation——

Mr. MILLER. Will the gentleman yield?

Mr. SISSON. I will.

Mr. MILLER. I do not know where the gentleman gets the idea about a gilded carriage.

Mr. SISSON. That ought to come.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SISSON. I would like to have five minutes more, if I may.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MILLER. I call the attention of the gentleman to the fact that nearly every State in the Union has a legislative constitutional adviser. In the particular State I come from they have had him for 10 years.

Mr. SISSON. Does that account for the good or bad laws you have?

Mr. MILLER. The State averages up in intelligence to most of the States, and it is a very good thing. Nearly every legislative body has the same thing.

Mr. SISSON. I realize we are getting rapidly away from representative government. The old monarchial idea of having men to do this work is growing rapidly. I have not an idea of that kind. I still believe people are capable of electing Members of Congress who can do their own work. I know that the representatives of the people do good work.

I think Mr. Webster and Mr. Clay and Mr. Calhoun and Mr. Garfield and Mr. Hoar and men of that type did reasonably good work in their day, but I realize that our very puny, uneducated, unprepared Members of Congress in this day and generation have to have somebody to prepare their bills for them and to do their work for them. I do not know whether it is a fact or not that they can not do their own work, or whether it is simply indisposition on their part to do their work; but, in either event, I do not think it is an admission that we should be prepared to make.

Mr. GARNER. Mr. Charman, will the gentleman yield?

Mr. SISSON. Yes.

Mr. GARNER. I think every Member of the House will agree that the gentleman from Mississippi has been a very valuable member on the Committee on Appropriations.

Mr. SISSON. Do not specialize simply on one committee. [Laughter.]

Mr. GARNER. That is the matter with the gentleman's criticism. He does not appreciate the fact that every other committee of the House has a great deal of business to do, and I venture to say you can not find a single one—Ways and Means, Interstate and Foreign Commerce, Judiciary, and so on—where all the members are ignorant men. I think the gentleman from Mississippi will agree that they are not ignorant men, men without capacity. But all of them agree that this legislative drafting service is a very valuable contribution to the work of Congress. [Applause.] Let me tell the gentleman from Mississippi one thing, and that is——

Mr. SISSON. Oh, I do not care to yield further to the gentleman. I yielded nearly all of my time to the gentleman from Wyoming, and he is capable of getting his own time. So is my friend from Texas [Mr. GARNER], the next chairman of the Committee on Ways and Means. I forgot for the time being that the gentleman from Texas is one of the reputed fathers of this legislative drafting service. I recall now that JACK GARNER and CLAUDE KITCHIN have had a controversy as to the fatherhood of that service. [Laughter.] But however that may be, I think it is either CLAUDE KITCHIN'S or JACK GARNER'S baby. [Laughter.]

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. SISSON. Yes.

Mr. TILSON. I think it is one of the few good things that the gentleman from Texas has done. Indeed, I think it is one of the very best things he has done.

Mr. GARNER. I hope the gentleman will leave out the word "few." [Laughter.]

Mr. SISSON. One of the objections I have to the civil service is that it is misleading so many of the official minds of the Government and getting us too far away from the people. I do not know whether the prophecy made by the English when we attempted to establish this form of government is going to be true or not, but I do know that in one sense we are getting farther and farther away from the people, and in other matters we are dangerously near to getting into a bad situation by being influenced by people who persuade us to do wrong. But whether I get Members of Congress to agree with me or not, I will avail of this last opportunity to try to get out of this bill a piece of legislation that is in such a wrong direction. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The question was taken, and the Chairman announced that the "noes" seemed to have it.

Mr. PARKS of Arkansas. Division, Mr. Chairman.

The CHAIRMAN. The gentleman from Arkansas asks for a division.

The committee divided; and there were—ayes 6, noes 38.

The CHAIRMAN. On this vote the ayes are 6 and the noes are 38, and the amendment is rejected.

Mr. PARKS of Arkansas. Mr. Chairman, I object to the vote on the ground that there is no quorum present. I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point that there is no quorum present. The Chair will count.

Mr. GARRETT of Tennessee. Mr. Chairman, I move that the committee do now rise.

Mr. ANDERSON. On that motion, Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Minnesota asks for tellers. Those in favor of taking this vote by tellers will rise and be counted. [After counting.] A sufficient number have arisen.

Tellers were ordered, and the Chairman appointed Mr. GARRETT of Tennessee and Mr. ANDERSON to act as tellers.

The CHAIRMAN. Those favoring the motion that the committee do now rise will pass between the tellers and be counted.

The committee divided; and the tellers reported—ayes 23, noes 57.

Mr. PARKS of Arkansas. Mr. Chairman, I did not hear just what that vote was. I understood it was not a quorum. I object to it, and I made the point of order before, because a quorum was never declared. I make the point of order now that there is no quorum present. I insist that a quorum shall be present with such important business on hand.

The CHAIRMAN. The proposition is in order to take the vote by tellers when no quorum has developed. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Bland, Va.	Burke	Clarke, N. Y.
Andrew, Mass.	Boies	Burroughs	Classon
Ansorge	Bond	Burtness	Clouse
Anthony	Bowers	Burton	Cockran
Aswell	Bowling	Butler	Codd
Atkeson	Box	Byrnes, S. C.	Cole, Iowa
Bacharach	Brand	Campbell, Kans.	Cole, Ohio
Bankhead	Brennan	Campbell, Pa.	Collier
Barkley	Briggs	Cantrill	Collins
Beck	Britten	Carew	Colton
Beedy	Brooks, Ill.	Carter	Connolly, Pa.
Benham	Brooks, Pa.	Chalmers	Copley
Bird	Brown, Tenn.	Chandler, N. Y.	Crago
Bixler	Browne, Wis.	Chandler, Okla.	Crowther
Blakeney	Buchanan	Christopherson	Cullen
Bland, Ind.	Burdick	Clark, Fla.	Dallinger

Davis, Minn.	Hutchinson	Mudd	Steagall
Deal	Ireland	Nelson, A. P.	Stedman
Dempsey	Jacoway	Newton, Minn.	Steenerson
Denison	Jefferis, Nebr.	Newton, Mo.	Stevenson
Dickinson	Johnson, Ky.	O'Brien	Stiness
Doughton	Johnson, Miss.	O'Connor	Stoll
Drane	Johnson, S. Dak.	Ogden	Strong, Kans.
Drewry	Johnson, Wash.	Oldfield	Strong, Pa.
Dunbar	Jones, Pa.	Oliver	Sullivan
Dunn	Kahn	Olpp	Sumners, Tex.
Dupré	Keller	Osborne	Sweet
Dyer	Kelley, Mich.	Overstreet	Swing
Echols	Kelly, Pa.	Paige	Tague
Edmonds	Kendall	Park, Ga.	Taylor, Ark.
Ellis	Kennedy	Parker, N. J.	Taylor, Colo.
Evans	Kiess	Parker, N. Y.	Taylor, N. J.
Fairchild	Kincheloe	Patterson, Mo.	Taylor, Tenn.
Fairfield	King	Patterson, N. J.	Temple
Favrot	Kirkpatrick	Paul	Ten Eyck
Fenn	Kitchin	Perlman	Thomas
Fish	Kleczka	Petersen	Thompson
Fisher	Kline, N. Y.	Porter	Thorpe
Focht	Knight	Pou	Tillman
Fordney	Knutson	Pringey	Timberlake
Foster	Kopp	Purnell	Tinkham
Frear	Kraus	Radcliffe	Towner
French	Kreider	Rainey, Ala.	Treadway
Frothingham	Kunz	Rainey, Ill.	Tucker
Fuller	Lampert	Ramseyer	Tyson
Funk	Langley	Ransley	Upshaw
Gahn	Lanham	Rayburn	Vaile
Gallivan	Larson, Minn.	Reber	Vinson
Garrett, Tex.	Layton	Reece	Voigt
Gernerd	Lee, N. Y.	Reed, W. Va.	Volk
Glynn	Lehlbach	Rhodes	Volstead
Goldsborough	Linthicum	Riddick	Walters
Goodykoontz	Little	Riordan	Ward, N. Y.
Gorman	Lowrey	Robertson	Ward, N. C.
Gould	Luce	Rodenberg	Watson
Graham, Pa.	Luhring	Rogers	Weaver
Green, Iowa	Lyon	Rose	Webster
Greene, Vt.	McClintic	Rosenbloom	Wheeler
Griest	McCormick	Rossdale	White, Me.
Griffin	McDuffie	Rucker	Williams, Ill.
Hardy, Colo.	McFadden	Ryan	Williams, Tex.
Hardy, Tex.	McKenzie	Sabath	Williamson
Hawes	McLaughlin, Mich.	Sanders, Ind.	Wilson
Hayden	McLaughlin, Pa.	Sanders, N. Y.	Wingo
Hays	McPherson	Schall	Winslow
Henry	MacGregor	Scott, Mich.	Wise
Hersey	MacLafferty	Scott, Tenn.	Wood, Ind.
Hickey	Mansfield	Shelton	Woodruff
Hicks	Martin	Siegel	Woods, Va.
Himes	Mead	Sinclair	Woodyard
Hogan	Merritt	Sinnott	Wurzbach
Huck	Michaelson	Slemp	Wyant
Huddleston	Mills	Smith, Idaho	Yates
Hudspeth	Montague	Smith, Mich.	Young
Hukriede	Moore, Ill.	Smithwick	Zihlman
Hull	Moore, Va.	Snell	
Humphreys, Miss.	Morin	Sproul	
Husted	Mott	Stafford	

The committee rose; and the Speaker having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, found itself without a quorum; whereupon he caused the roll to be called, when 113 Members answered to their names, a quorum; and he reported the names of the absentees for printing in the Journal and RECORD.

The SPEAKER. The committee will resume its session.

Accordingly the committee resumed its session, with Mr. MCARTHUR in the chair.

The Clerk read as follows:

For continuing the work of restoring the decoration on the walls of the first-floor corridors in the Senate wing of the Capitol, to be expended under the direction of the Architect of the Capitol, $5,000.

Mr. WINGO. Mr. Chairman, I move to strike out the paragraph which provides for finishing the decorations in the basement of the Senate. I will ask the chairman of the subcommittee what is the necessity for going on further with this work in the basement?

Mr. ANDERSON. It is not in the basement. It is on the first floor.

Mr. WINGO. That really constitutes the basement.

Mr. ANDERSON. I am told that there are some very fine works of art over there that are rather going to pieces, that need to be retouched and repaired. This work will be finished within another year.

Mr. WINGO. How long have they been retouching these works of art?

Mr. ANDERSON. I think this item has been carried in the bill twice before.

Mr. WINGO. It has been carried in the bill about four times, I think.

Mr. ANDERSON. Twice before, I think.

Mr. WINGO. I do not think you are getting any value received out of this work. I think it is more what might be called a sinecure for somebody. I do not see any necessity for continuing work of that kind at the present time.

Mr. ANDERSON. I think there is very great necessity for it.

Mr. WINGO. What particular work of art have they touched up during the past year?

Mr. ANDERSON. I can not tell the gentleman. I have not gone into it in detail.

Mr. WINGO. Did the committee have hearings on it?

Mr. ANDERSON. It is a Senate item. The House committee does not go into Senate items.

Mr. WINGO. They just let the Senate have their way about it, do they?

Mr. ANDERSON. The Senate ordinarily appropriates for its own items; yes. That has been the practice in the House since I have known anything about it.

Mr. WINGO. The gentleman is correct about that. That has been the practice. I think really we ought to call a halt on that kind of expenditure of the public funds. I do not think there is any use of continuing that work. I do not know what they have done with the money they have gotten heretofore for this purpose.

The CHAIRMAN. The question is on the amendment of the gentleman from Arkansas [Mr. WINGO] to strike out the paragraph.

The question being taken, on a division (demanded by Mr. PARKS of Arkansas and Mr. WINGO) there were—ayes 11, nays 54.

Mr. PARKS of Arkansas. Mr. Chairman, I object to the vote because a quorum is not present, and I make the point that no quorum is present.

The Chairman. The gentleman from Arkansas makes the point that there is no quorum present. The Chair will count. [After counting.] Seventy-six Members present. The clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Ackerman	Dempsey	Johnson, Wash.	O'Brien
Andrew, Mass.	Denison	Jones, Pa.	Oldfield
Ansorge	Dickinson	Jones, Tex.	Oliver
Anthony	Doughton	Kahn	Olpp
Aswell	Drewry	Keller	Osborne
Atkeson	Dunbar	Kelley, Mich.	Overstreet
Bacharach	Dunn	Kelly, Pa.	Paige
Bankhead	Dupré	Kendall	Park, Ga.
Barkley	Dyer	Kennedy	Parker, N. J.
Beck	Echols	Kiess	Parker, N. Y.
Beedy	Edmonds	Kincheloe	Patterson, Mo.
Begg	Ellis	Kindred	Patterson, N. J.
Benham	Evans	King	Paul
Bird	Fairchild	Kirkpatrick	Perlman
Bixler	Fairfield	Kitchin	Petersen
Blakeney	Favrot	Kleczka	Porter
Bland, Ind.	Fenn	Kline, N. Y.	Pou
Bland, Va.	Fish	Knight	Purnell
Bond	Fisher	Knutson	Radcliffe
Bowers	Focht	Kopp	Rainey, Ala.
Bowling	Fordney	Kraus	Rainey, Ill.
Brand	Foster	Kreider	Ramseyer
Brennan	Frear	Kunz	Ransley
Briggs	French	Lampert	Rayburn
Britten	Frothingham	Langley	Reber
Brooks, Ill.	Fuller	Lanham	Reece
Brooks, Pa.	Fulmer	Larson, Minn.	Reed, W. Va.
Brown, Tenn.	Funk	Layton	Rhodes
Browne, Wis.	Gahn	Leatherwood	Riddick
Buchanan	Gallivan	Lee, N. Y.	Riordan
Burdick	Garrett, Tex.	Lehlbach	Robertson
Burke	Gilbert	Linthicum	Rodenberg
Burroughs	Glynn	Little	Rogers
Burton	Goldsborough	London	Rose
Butler	Goodykoontz	Lowrey	Rosenbloom
Byrnes, S. C.	Gorman	Luce	Rossdale
Campbell, Kans.	Gould	Luhring	Ryan
Campbell, Pa.	Graham, Pa.	Lyon	Sabath
Cantrill	Green, Iowa	McClintic	Sanders, Ind.
Carew	Greene, Vt.	McCormick	Sanders, N. Y.
Carter	Griest	McDuffie	Schall
Chalmers	Griffin	McFadden	Scott, Mich.
Chandler, N. Y.	Hardy, Col.	McKenzie	Scott, Tenn.
Chandler, Okla.	Hardy, Tex.	McLaughlin, Mich.	Shelton
Christopherson	Hawes	McLaughlin, Nebr.	Siegel
Clark, Fla.	Hayden	McLaughlin, Pa.	Sinclair
Clarke, N. Y.	Hays	McPherson	Sinnott
Classon	Henry	MacLafferty	Sisson
Clouse	Hersey	Mansfield	Slemp
Cockran	Hickey	Martin	Smith, Idaho
Codd	Hicks	Mead	Smith, Mich.
Cole, Iowa	Himes	Merritt	Smithwick
Collier	Huck	Michaelson	Snell
Collins	Huddleston	Mills	Snyder
Colton	Hudspeth	Montague	Sproul
Connally, Tex.	Hukriede	Moore, Ill.	Stafford
Connolly, Pa.	Hull	Moore, Va.	Steagall
Copley	Humphreys, Miss.	Morin	Stedman
Crago	Husted	Mott	Steenerson
Crowther	Hutchinson	Mudd	Stevenson
Cullen	Jacoway	Murphy	Stiness
Dallinger	Johnson, Ky.	Nelson, John M.	Stoll
Davis, Minn.	Johnson, Miss.	Newton, Minn.	Strong, Kans.
Deal	Johnson, S. Dak.	Newton, Mo.	Strong, Pa.

Sullivan	Tillman	Volstead	Winslow
Sumners, Tex.	Timberlake	Walters	Wise
Sweet	Tinkham	Ward, N. Y.	Wood, Ind.
Tague	Towner	Ward, N. C.	Woodruff
Taylor, Ark.	Treadway	Watson	Woods, Va.
Taylor, Colo.	Tucker	Weaver	Woodyard
Taylor, N. J.	Tyson	Webster	Wurzbach
Taylor, Tenn.	Underhill	Wheeler	Wyant
Temple	Upshaw	White, Me.	Yates
Ten Eyck	Vaile	Williams, Ill.	Young
Thomas	Vinson	Williams, Tex.	Zihlman
Thompson	Volgt	Williamson	
Thorpe	Volk	Wilson	

The committee rose; and the Speaker having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, found itself without a quorum; whereupon he caused the roll to be called, when 121 Members answered to their names, a quorum; and he reported the names of the absentees for printing in the Journal and RECORD.

The SPEAKER. The committee will resume its session.

Accordingly the committee resumed its session, with Mr. MCARTHUR in the chair.

Mr. JAMES. Mr. Chairman, I ask unanimous consent to extend my remarks on the Army appropriation bill.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks on the Army appropriation bill. Without objection, it will be so ordered.

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. JAMES. Mr. Speaker, the country has been waiting for nearly five years to see what water-power policy and what policy for operating the nitrate plant the House will adopt at Muscle Shoals.

On June 24, 1922, when the military appropriation bill was under consideration in the House, I introduced the following amendment, which was passed:

For the continuation of the work on Dam No. 2 on the Tennessee River at Muscle Shoals, Ala., but not to become available until the 1st day of October, 1922, $7,500,000.

The Members of the House who voted for this resolution—and it passed by a majority of 37—had no intention of obstructing the completion and the full development of water power at Dam 2, but we who supported the amendment desired to settle on some policy before making further large appropriations for the work on the dam. The appropriation proposed in the military appropriation bill passed by Congress last June for continuing the work on the dam was $7,500,000; and now in the Army bill just passed there is an additional appropriation of $6,998,000, with an authorization in addition of $10,501,000.

Now that it is clear that the House, by the decree of the Rules Committee, shall have no opportunity to vote on the Ford offer, we find that with $7,500,000 appropriated in the military appropriation bill passed last June and with $6,998,000 in the present Army bill and an additional authorization of $10,501,000 we have a total of $24,999,000—and still no policy for disposing of the water power to be developed nor for the operation of the nitrate plants.

What useful purpose, Mr. Speaker, what constructive service does the Committee on Rules, in refusing to give the House the opportunity to vote on the Ford offer, render to the country? None whatever. But the committee's refusal to permit the House to vote on the Ford offer exactly squares with the determination and activities of those who oppose the acceptance of the Ford offer and who will not themselves propose to produce fertilizers for the farmers of the country at Muscle Shoals, but obstruct a vote in the House on the Ford offer with the definite purpose of preventing Mr. Ford from furnishing the farmers fertilizers at Muscle Shoals.

In January, 1919, Mr. A. G. Glasgow was appointed fixed-nitrogen administrator by the Secretary of War and instructed to find a means for securing the production of fertilizers at Muscle Shoals. Mr. Glasgow spent months of time in an unsuccessful effort to interest, among others, the very same private interests who are here in Washington undertaking to prevent action by this Congress in accepting the offer of Henry Ford, and up to date, Mr. Speaker, their efforts have been successful.

When these interests were offered 9 per cent on whatever investment they might require to operate these plants and half of all that they could make over that percentage in addition, they told Mr. Glasgow that they were not interested. Nobody heard anything in those days about the fabulous millions and billions of dollars that the man was going to make who operated Muscle Shoals. This wonderful bonanza—this enterprise which has since been described as "the greatest gift ever bestowed upon mortal man since salvation was made free to the human race" was offered on much more favorable terms than Mr. Ford has asked, and no one would have it; and, Mr. Speaker, let this House keep in mind the undeniable fact that there was not a single offer; nobody wanted this billion-dollar bargain!

These interests knew then as they know to-day that there was some risk connected with the operation—they knew that there would have to be a big investment made before high-grade fertilizers at low cost could be produced. They did not propose to risk their money in this undertaking, but these interests opposed the acceptance of the Ford offer as well as Government operation. And these same interests opposed and aided in the defeat of the appropriation of $10,000,000 in March, 1921, for the continuation of the work on the dam for operating the nitrate plant. And the same opposition now fighting the acceptance by Congress of the Ford offer opposed the passage of the Wadsworth-Kahn bill in 1921 for the Government operation of this plant.

In March, 1921, Secretary of War Weeks announced that if he received an offer representing a fair return on the investment necessary to complete the Muscle Shoals project he would send the offer to Congress, and he instructed the Chief of Engineers, General Lansing H. Beach, to ask for bids.

On July 8, 1921, the proposal of Henry Ford was signed and sent to the Secretary of War, and its terms were made public.

Seven months afterwards, on February 1, 1922, Secretary Weeks finally transmitted the Ford offer to Congress, and on February 10 our committee began hearings on it. Five days later the proposal of the Alabama Power Co. was sent to the Secretary of War, and six days afterwards he transmitted it to Congress.

On June 24, 1922, Congress voted $7,500,000, to become effective October 1, for continuing the work on Dam No. 2, and the present Army bill authorizes approximately $17,000,000 more to complete the dam, together with 8 out of the 18 generating units. When this appropriation has been expended, Mr. Speaker, we shall have invested in this dam approximately $41,000,000, yet we have not determined on any policy as to what we are going to do with the power—with no policy as to what amount of this power, if any, shall be used in operating nitrate plant No. 2 in the production of fertilizers!

But, Mr. Speaker, when we have spent this $41,000,000 Congress will not be through appropriating money for the power development at Dam 2. The necessary facilities for transmitting this power will still have to be appropriated for. No appropriation has been made yet to provide facilities for carrying the power from the power house to the shore transformers, and none for the transformers themselves. It is now settled that the House will be given no opportunity to settle on a water-power policy or a fertilizer policy at Muscle Shoals until the Sixty-eighth Congress meets next December.

We are told that within about a year from next December power from the present proposed installations will be ready to serve. To whom will we serve it? Not to the nitrate plant, unless a policy is settled for operating that plant, by private operation or Government operation. And when we get the power ready—say about January 1, 1925—where are our transmission lines? Either the Government or private interests must build transmission lines to Nashville and Memphis and to other towns in order to distribute and sell the power. So, if the Government is to distribute this power, we must be prepared to appropriate more millions at Muscle Shoals—how many millions I do not know and I do not think anybody else does. And so, by the decree of the Rules Committee of the House, we are going it blind!

Out of all this five years of arguments and contentions, of assertions and denials, there has come one tangible thing, one definite, responsible offer to spend private money to work out this fertilizer problem. It will soon be two years since that offer was made, and, in spite of the fact that the risk at Muscle Shoals is so great that there is only one man in the United States who has both the courage to undertake the job and the money with which to carry it out, that man is held up to the country as a grasping autocrat, seeking to get $100,000,000 worth of property for $5,000,000, as though the $100,000,000 were lying down there on the bank and all he had to do was to pay $5,000,000 and go and get it. If that were so, Mr. Speaker, every man in this House well knows that there would have been a rush to secure this project, and many people would have been willing to put large capital into it, and the fact that we have but one solitary bidder, to my mind, clearly stamps as

false the extravagant claims that have been made about the value of what Mr. Ford would get.

What is the cost of these five years of delay? First, there are the items of direct outlay, consisting of maintenance and guarding the nitrate plants to June 30, 1922, $827,410; the research laboratory, $833,558; and the maintenance due to stopping the work on Dam No. 2, $277,577—a total of $1,938,545. But of far greater importance are the expenditures which have been made by our farmers, and which could have been saved if the plants had been operating.

During this five-year period the British nitrogen monopoly pushed the price of nitrates to the highest price ever known in the industry; it was nearly $100 per ton at the Chilean port. Our by-product ammonium sulphate producers merely adjusted their prices accordingly and took advantage of the rise; there was no real competition in the United States and never has been. What is more, if these British monopolists have their way there never will be any real competition permitted here.

Expert evidence has been cited in the testimony to show that nitrates can be produced at Muscle Shoals and delivered direct to the farmers at about one-half of what they have been paying for them. If the production of this large quantity of nitrates at Muscle Shoals had merely had the effect of reducing the prices of fertilizer in the United States by $5 per ton, the saving to the farmers during the past five years would have amounted to more than $160,000,000—enough to have paid for the nitrate plants twice over.

But our farmers do not alone suffer the humiliation of paying a tribute to British price fixing of the Chilean nitrates our farmers buy, since every sentiment of our national pride is humiliated when we contrast the power development in Canada, at Queenston, on the Niagara River—the power installation being about the same at this Queenston development as our installation of power is at Dam No. 2, Muscle Shoals, something over 500,000 horsepower—when we compare this development with what we are doing at Muscle Shoals. Our engineers tell us that not until 1925 will we have any power to serve at Muscle Shoals, but at Queenston there has been installed and already in operation 150,000 horsepower.

When we make these contrasts, which wound our national pride, we can not escape the fact that these mistakes and the waste at Muscle Shoals since the armistice was signed have been due to a failure by Congress to decide definite policies at Muscle Shoals; and the longer the House delays in deciding upon a definite policy at Muscle Shoals, the longer will the waste of public funds continue there.

We must admit, Mr. Speaker, that with all our boasted superiority as a Nation, in some things, at least, we are no match for the British, and in the case I contrast to the House we are no match for the Canadians. And why, I ask, Mr. Speaker? It is all because of our delay, our dodging, our evasion, and failing to settle upon a policy at Muscle Shoals.

The delay imposed upon the House by the Rules Committee, the defeat by the Rules Committee of any definite policy at Muscle Shoals, the right and desire of the House to vote on a policy being denied to the House, and the Sixty-seventh Congress to adjourn without settling a policy at Muscle Shoals—all this only adds another year of tribute which the American farmer pays to the British and Chilean price control of Chilean nitrates consumed by the farmers of this country.

As to the amendment I offered on June 24, 1922, that the House might decide upon a definite policy at Muscle Shoals, none of the Members of the House who voted for the amendment are called upon to make explanations or excuses. The Members of the House who participated in this nonpartisan vote for the amendment I offered—77 Democrats and 67 Republicans voting in favor of the amendment—voted in favor of a definite water-power and fertilizer policy at Muscle Shoals; but the opportunity they sought, the chance to vote on a definite policy, was denied them. And while those who voted for my amendment have earnestly and diligently sought the opportunity since December 5, 1922, to vote on the Ford offer as the policy that should be adopted by Congress at Muscle Shoals, the Committee on Rules has refused to give them the opportunity.

The failure of Congress to adopt a water-power and fertilizer policy at Muscle Shoals, the inexcusable delay in not giving Henry Ford an answer to his offer by either its acceptance or rejection by Congress, will stand as one of the wonders of Government as well as one of its dangers.

The CHAIRMAN. At the time the point of no quorum was made there was a motion pending, offered by the gentleman from Arkansas, to strike out lines 11 to 14, inclusive, on page 22. The vote on that developed the absence of a quorum. The question recurs on the amendment offered by the gentleman from Arkansas [Mr. WINGO] to strike out the paragraph.

The question being taken, on a division (demanded by Mr. WINGO) there were—ayes 13, noes 90.

Accordingly the amendment was rejected.

The Clerk read as follows:

Capitol Grounds: For care and improvement of grounds surrounding the Capitol, Senate and House Office Buildings, pay of one clerk, mechanics, gardeners, care of trees, plantings, fertilizers, repairs to pavements, walks, and roadways, $52,250.

Mr. CANNON. Mr. Speaker, I move to strike out the last word. This is Saturday. Monday is for District day. Tuesday is for the consideration of the joint resolution submitting an amendment to the Constitution. Wednesday is Calendar Wednesday under the rules of the House. The House could dispense with that. We have barely a quorum here, and I want to suggest that in 20 minutes' time or 25 minutes at the outside this bill could be finished and passed. Now, I think on many of us the hair has been rubbed the wrong way. The point of no quorum is made. What is gained by it, unless it makes quite a number of people whom I see in front of me sick? The session is soon to close. There are many things to be accomplished before it does close. If certain things are not done before it closes it will mean the necessity for an extra session.

In my forty-odd years of service in the House I have had a good deal of experience. Sometimes one side of the House will be stubborn and sometimes the other. But in the end we have to get together and do something if it is possible to do it. I have seen first one side of the House and then the other go into a filibuster. You do not have a monopoly of a filibuster on that side nor do we on this side. I think many of us are hungry; why not go to work and finish this bill? This bill has got to be passed and the other bills which I have mentioned have got to be considered. How long those other bills will take I do not know, but they must be passed upon by the Senate and go to conference.

Now, I want to suggest in the best of hummor, do you not think it is better to take the time that it takes to call the roll and devote it to this bill? It is easy to break a quorum by some of us stepping out; and, while some of us have been disappointed with the day's proceedings and in yesterday's proceedings, we can not have our own way in all things. That matter is behind us. It was carried by a decisive majority, and I have no criticism to make. When a decided majority in this House has made its decision touching appropriations or any other matter I have always, in the many years that I have been here, found the best way is to accept it. You can not change it. I suggest that we take the time that it takes to call the roll and devote it to finishing this bill. The bill can be concluded and passed in 25 minutes' time. [Applause.]

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For repairs and improvements to Senate and House stables and Maltby Building, including personal services, $1,500.

Mr. WINGO. Mr. Chairman, I offer the following amendment, to go in between lines 22 and 23, on page 22.

The Clerk read as follows:

Page 22, after line 22, insert a new paragraph, to read as follows: "No part of the sums herein appropriated shall be used for the purpose of purchasing by or through the stationery rooms other articles than stationery and office supplies essential and necessary for the conduct of public business, nor shall such funds be expended for the maintenance, storage, or care of private vehicles."

Mr. ANDERSON. Mr. Chairman, I make the point of order that that is not germane.

Mr. WINGO. I am offering it as a separate section coming in between the paragraph which relates to repairs of the Senate and House stables and the Senate Office Building. If it does not come in between the Senate Office Building and the House stables, I do not know where it would come in. I offer it as a separate paragraph to the bill.

Mr. ANDERSON. Mr. Chairman, I withdraw the point of order.

Mr. WINGO. Mr. Chairman, the language is very clear. It provides that they can not use the public funds for the purchase or procuring through the stationery room of articles other than stationery and offices supplies. In every campaign you have to go through the nauseating experience of having a detailed statement of the ridiculous things that are procured through the stationery rooms of the respective Houses. It is not necessary for Members, and I think we ought to stop

the practice. Another thing, we are being criticized for maintaining garages for private use. If that is being done, it ought to be stopped. That is all the amendment does.

Now, we have got to have night sessions from now on; because if it is necessary to have one to-night, it will be necessary to have them next week, notwithstanding you are further along with the legislation than ever before, notwithstanding we have put into the Senate hopper more than they can digest, notwithstanding some of the matters that are to be considered next week you never expect to become law. There are other items in the bill I would like to raise a question about if there were enough Members here. Here is a great party, and you have to have a night session, and you can not muster 25 per cent of the party on the floor at a roll call.

Mr. PARKS of Arkansas. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. PARKS of Arkansas. Does not the gentleman think that if we cut out 95 per cent of the useless talk we can transact the public business and get out of here without being held here until 8 o'clock at night?

Mr. WINGO. I doubt it very seriously, because my experience here is that some gentlemen clothed with a little brief authority which carries with it a public duty punish everybody in order to carry out their own petty idea of how long the House shall sit.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. PARKS of Arkansas) there were—ayes 42, noes 60.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, this is an important matter, and I think we ought to have tellers. I ask for tellers.

The CHAIRMAN. The gentleman from Texas demands tellers. Those in favor of taking the vote by tellers will rise and stand until counted. [After counting.] Ten Members have risen, not a sufficient number, and the Clerk will read.

The Clerk read as follows:

House Office Building: For maintenance, including miscellaneous items, and for all necessary services, $74,614.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. Does the chairman of the subcommittee think it wise, under a short provision of this kind, to expend $74,614? What does it cover? Should it not be itemized?

Mr. ANDERSON. I do not think so. It covers the maintenance of the House Office Building—the charwomen, the scrub women——

Mr. BLANTON. Who spends the money?

Mr. ANDERSON. It is under the direction of the House Office Building Commission and the Architect of the Capitol.

Mr. BLANTON. There is no particular person in charge of it.

Mr. ANDERSON. It is directly under the Architect of the Capitol and the superintendent of the building. It embraces all of the employees connected with the House Office Building, except the elevator service.

Mr. BLANTON. I think it ought to be itemized.

Mr. TILSON. Does the gentleman from Texas notice that there has been a reduction in this item from last year of about 33 per cent? It is $24,000 less than it was last year.

Mr. BLANTON. Yes; but I think that an item of $74,000 for a proposition with which we ourselves are concerned ought to be itemized. I hope that the committee next year will itemize it.

Mr. ANDERSON. The gentleman will find a list of the employees under this item in the hearings and a statement of all of the items that it covers.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

The foregoing appropriations under the Architect of the Capitol may be expended without reference to section 4 of the act approved June 17, 1910, concerning purchases for executive departments.

Mr. PARKS of Arkansas. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Arkansas moves to strike out the paragraph. The question is on agreeing to the amendment offered by the gentleman from Arkansas.

The question was taken; and on a division (demanded by Mr. PARKS of Arkansas) there were—ayes 1, noes 100.

So the amendment was rejected.

The Clerk read as follows:

The sum of $25 may be expended at any one time by the Botanic Garden for the purchase of plants, trees, shrubs, and other nursery stock, without reference to section 4 of the act approved June 17, 1910, concerning purchases for executive departments and other governmental establishments in Washington.

Mr. PARKS of Arkansas. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Arkansas moves to strike out the paragraph. The question is on the amendment offered by the gentleman from Arkansas.

The question was taken; and on a division (demanded by Mr. PARKS of Arkansas) there were—ayes 3, noes 82.

Mr. PARKS of Arkansas. Mr. Chairman, I object to the vote because no quorum is present, and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eight Members present, a quorum.

So the amendment was rejected.

The Clerk read as follows:

GOVERNMENT PRINTING OFFICE.

OFFICE OF PUBLIC PRINTER.

Salaries: Public Printer, $6,000; Deputy Public Printer, $4,500; purchasing agent, $3,600; chief clerk, $2,750; assistant purchasing agent, $2,500; cashier and paymaster, $2,500; clerk in charge of CONGRESSIONAL RECORD at Capitol, $3,000; private secretary, $2,500; paying teller, $2,000; clerks—3 at $2,000 each, 2 at $1,800 each, 6 at $1,600 each, 5 at $1,400 each, 4 at $1,200 each, 7 at $1,000 each, one $840; captain of guards, $1,400; 4 lieutenants of guards, at $1,200 each; 48 guards, at $840 each; 3 messengers, at $840 each; delivery men—chief $1,200, 5 at $950 each; telephone switchboard operator, $840; 3 assistant telephone switchboard operators, at $720 each; 4 messenger boys, at $420 each; in all, $127,860.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 34, line 20, after the word "chief," strike out "$1,200" and insert in lieu thereof "$1,400," and after the word "at," strike out "$950" and insert in lieu thereof "$1,100."

Mr. BLANTON. Mr. Chairman, we all of us know the efficient service rendered by Andy Smith, the CONGRESSIONAL RECORD clerk. He is here on the job all of the time, and he has served this Government for over 40 years. This relief offered in this amendment is for the six men who are his helpers. I have Mr. Smith's word for it that they can not live on their present salaries. No man can support a family on $950 a year. They render good service. I do not believe that my colleagues can keep from having this appeal to them. I work as hard as any man to reduce expenses and cut down big salaries, but I have never yet opposed bringing up a salary that is inadequate. I want to see a man get enough money to support his wife and children, if he has any, and if he has not a wife, so that he may get one.

Mr. TINCHER. Does the gentleman know whether Sam Robinson's salary is in that section?

Mr. BLANTON. I wish it were. But he will be cared for in the deficiency bill.

Mr. TINCHER. I would like to vote to increase his salary.

Mr. BLANTON. Five of these are the men who deliver things back and forth for Mr. Smith. The first man provided for in my amendment is the man who sits in that little railed-off place at Andy's desk all day long, waiting on you gentlemen when you go there to see about the RECORD. He is Andy Smith's assistant. He is there all of the time. He is a very efficient employee of this Government.

Mr. TINCHER. Where is Sam Robinson's salary provided for?

Mr. BLANTON. In the deficiency bill; otherwise I would have included a raise for him.

Mr. GARRETT of Tennessee. I do not know that I understand the gentleman's amendment, but the CONGRESSIONAL RECORD messengers, whom we know, have an allowance in addition to this which is carried in the deficiency bill.

Mr. BLANTON. The messengers are not embraced in this amendment. I have been advised that this is the total salary of these men. They have no other recourse except this salary.

Mr. CHALMERS. And the bonus.

Mr. BLANTON. This is their basic salaries. This amendment does not embrace the RECORD messengers at all. I submit the matter, Mr. Chairman.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk resumed and concluded the reading of the bill.

Mr. ANDERSON. Mr. Chairman, I ask unanimous consent that the Clerk may be authorized to correct the totals in accordance with the action of the committee.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the Clerk be authorized to correct the totals in accordance with the action of the committee. Is there ob-

jection. [After a pause.] The Chair hears none, and it is so ordered.

Mr. ANDERSON. Mr. Chairman, I move that the committee do now rise and report the bill to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. ANDERSON. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time; was read the third time.

Mr. ANDERSON. Mr. Speaker, I move that the House do now adjourn.

Mr. WINGO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Will the gentleman suspend?

Mr. WINGO. Certainly.

LEAVE OF ABSENCE.

By unanimous consent,

Mr. TUCKER was granted leave of absence for two days on account of sickness in family.

ENROLLED BILLS SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. J. Res. 16. Joint resolution providing for pay to clerks to Members of Congress and Delegates.

H. R. 12777. An act granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North.

H. R. 13474. An act granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River.

H. R. 13195. An act granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River in the State of Missouri.

H. R. 13139. An act granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi.

H. R. 13493. An act to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River, near Ferry Pass, Fla.

H. R. 13511. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 43. Joint resolution to grant authority to continue the use of the temporary buildings of the American Red Cross headquarters in the city of Washington, D. C.

CONFERENCE REPORT, AGRICULTURAL APPROPRIATION BILL.

Mr. ANDERSON. Pending the motion to adjourn, I desire to present a conference report on the Agricultural appropriation bill for printing under the rule.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. I thought I was recognized to offer a motion to recommit, but if I do not lose that right——

The SPEAKER. Oh, no; that right will be pending, if the House adjourns, on Monday. The gentleman from Minnesota offers a conference report on the Agricultural appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. Ordered printed under the rule.

Mr. GARRETT of Tennessee. May I ask the gentleman if it is his intention to call up the conference report on Monday?

Mr. ANDERSON. The Senate acts upon the conference report first, and I think it has not acted yet. And the probabilities are it will not be called up on Monday.

Mr. GARRETT of Tennessee. How does it happen the Senate acts first?

Mr. ANDERSON. They agreed to the conference. I move that the House do now adjourn.

ADJOURNMENT.

The motion was agreed to; accordingly (at 8 o'clock and 27 minutes p. m.) the House adjourned to meet, under its previous order, to-morrow, Sunday, January 21, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

918. Under clause 2 of Rule XXIV, a letter from the vice chairman of the American Legion, transmitting a financial statement of the American Legion for the 12 months ending December 31, 1922, as supplemental to a report filed prior to January 1, 1923, was taken from the Speaker's table and referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ZIHLMAN: Committee on the District of Columbia. S. 3136. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, and for other purposes; with amendments (Rept. No. 1441). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BOX: Committee on Claims. H. R. 370. A bill for the relief of Charles W. Mugler; without amendment (Rept. No. 1440). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ROUSE: A bill (H. R. 13948) to make the provisions of paragraph 1 of section 1559 of the Postal Laws and Regulations, as amended July 14, 1920, as promulgated under the provisions of section 6593 of the Revised Statutes of the United States, applicable to substitute post-office clerks and substitute letter carriers who have served one year or more; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 13949) to make the provisions of paragraph 1 of section 1559 of the Postal Laws and Regulations, as amended July 14, 1920, as promulgated under the provisions of section 6593 of the Revised Statutes of the United States, applicable to substitute railway mail clerks who have served one year or more, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. FAIRCHILD: A bill (H. R. 13950) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved by the President July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. STEENERSON: A resolution (H. Res. 485) for the immediate consideration of H. R. 8334, amending the postal-saving system; to the Committee on Rules.

By the SPEAKER (by request): Memorial of the Legislature of the State of Nebraska calling upon Congress to direct their best efforts toward securing national legislation that will more equitably adjust freight and express rates as between the producer and the consumer; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Ohio: A bill (H. R. 13951) granting a pension to Charles O. Rider; to the Committee on Invalid Pensions.

By Mr. DUNBAR: A bill (H. R. 13952) granting a pension to Henry T. Sprinkle; to the Committee on Invalid Pensions.

By Mr. LARSON of Minnesota: A bill (H. R. 13953) authorizing, for the relief of the distress of the Chippewa Indians of Minnesota, the withdrawal of moneys from the tribal funds of said Indians; to the Committee on Indian Affairs.

By Mr. MOORE of Illinois: A bill (H. R. 13954) granting a pension to John M. Barrick; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 13955) for the relief of Claude Chandler; to the Commitee on Claims.

Also, a bill (H. R. 13956) for the relief of Henry J. Corcoran; to the Committee on Military Affairs.

By Mr. WHITE of Maine: A bill (H. R. 13957) granting a pension to John J. Mahoney; to the Commitee on Pensions.

By Mr. WOODRUFF: A bill (H. R. 13958) granting a pension to William F. Graham; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6951. By Mr. BARBOUR: Petition of residents of Valley Home, Calif., urging support of joint resolution providing for the extension of aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6952. By Mr. COLE of Ohio: Petition of citizens of Findlay, Ohio, asking that the section in the internal revenue law referring to ammunition and firearms be repealed; to the Committee on Ways and Means.

6953. By Mr. CRAMTON: Petition of Alfred Bach and other citizens of Sebewaing, Mich., urging passage of the resolution to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6954. Also, petition of Charles G. Cookingham and other rural carriers at Caro, Mich., urging passage of the Ketcham bill providing for higher equipment allowance for carriers, etc.; to the Committee on the Post Office and Post Roads.

6955. Also, petition of Herbert W. McKay and other rural carriers at Croswell, Mich., urging passage of the Ketcham bill, H. R. 13297; to the Committee on the Post Office and Post Roads.

6956. Also, petition of Otto Rathje and other residents of Pigeon, Mich., urging passage of the resolution to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6957. Also, petition of F. A. Roese and other residents of Mount Clemens, Mich., urging the adoption of the resolution introduced to give aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6958. Also, petition of S. S. Wood and other residents of Silverwood, Mich., urging the abolishment of the discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6959. By Mr. KAHN: Resolution of the California Academy of Sciences, urging favorable action on the New-Anthony public shooting ground game refuge bill; to the Committee on Agriculture.

6960. By Mr. KELLY of Pennsylvania: Resolution of Chamber of Commerce of Pittsburgh, Pa., urging increased appropriation for rivers and harbors; to the Committee on Appropriations.

6961. Also, petition of citizens of McKeesport, Pa., praying for passage of resolution providing relief for people of Germany and Austria; to the Committee on Foreign Affairs.

6962. Also, petition of citizens of Pittsburgh, Pa., praying for relief of Near East peoples; to the Committee on Foreign Affairs.

6963. By Mr. KISSEL: Petition of New York State Federation of Women's Clubs, Plattsburg, N. Y., urging Congress to the further support of the national defense act by making appropriations as recommended by the President, the Secretary of War, and the General of the Armies; to the Committee on Military Affairs.

6964. By Mr. MACGREGOR: Petition of 29 citizens of New York, favoring a joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6965. By Mr. NEWTON of Minnesota: Petition of Mr. Arthur Schaub and other residents of Minnesota, petitioning the Congress to support and urge early adoption of joint resolution to aid the starving people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6966. By Mr. SMITH of Michigan: Petition of Mr. G. L. Granger and 15 other residents of Grand Ledge, Mich., protesting against discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6967. By Mr. SNYDER: Petition of Joseph Dormayer and other residents of Frankfort, N. Y., favoring the enactment of House Joint Resolution 412, for the relief of the distress and famine conditions in Germany and Austria; to the Committee on Foreign Affairs.

6968. By Mr. WYANT: Petition of Margaret Coulter and 42 others, citizens of Pennsylvania, opposing the tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6969. Also, petition of members of the Derry (Pa.) Gun Club, opposing the tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6970. Also, petition of 21 citizens of Pennsylvania, opposing the tax on small arms and ammunition; to the Committee on Ways and Means.

6971. Also, petition of 42 citizens of Pennsylvania, favoring the abolition of tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6972. Also, petition of 43 citizens of Pennsylvania, urging the abolishment of the tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

6973. Also, petition of 59 citizens of Pennsylvania, favoring immediate aid being extended to the people of the Austrian and German Republics; to the Committee on Foreign Affairs.

6974. Also, petition of 62 citizens of Pennsylvania, urging Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

SENATE.

SUNDAY, *January 21, 1923.*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and our God, the number of our days is with Thee. Thou dost determine the bounds of our habitation. Help us, we beseech Thee, to understand that while life is so uncertain and there come aching hearts bowed with grief, we ask Thee to enable us to realize for ourselves that Thou art the refuge and the strength of every troubled life. And as we engage in the services this morning we pray that such lessons may be presented and such inspiration had that we may understand better the dignity, the opportunity, and the high incentive to live nobly and to serve our generation by Thy will.

We thank Thee for him whose life is to be remembered this morning, and in whose varied condition and experiences were recognized dependence upon Thy grace. And, O, grant unto the widow and to others connected with his life the sweetest ministries of Thy richest consolation, so that it may be understood that the Maker of us all is her husband and that He is also the father of the fatherless. Be with us when we cry out "for the touch of a vanish'd hand, and the sound of a voice that is still," and in the loneliness of the passing days be the companion, the consolation, the abiding strength of each life.

And may this chamber be filled with men devoted to the highest interests of the country and to the glory of Thy great name.

Hear us, help us, so when the shadows quicken and become thicker to us we may have a vision of the life beyond, and that absence from the body may be unto each of us presence with the Lord. We ask in the name of Jesus Christ, our Saviour and Lord. Amen.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., January 21, 1923.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WILLIAM J. HARRIS, a Senator from the State of Georgia, to perform the duties of the Chair to-day, Sunday, January 21, 1923, on the occasion of memorial services for Hon. THOMAS E. WATSON, late a Senator from the State of Georgia.

ALBERT B. CUMMINS,
President Pro Tempore.

Mr. HARRIS thereupon took the Chair as Presiding Officer for the day.

The PRESIDING OFFICER. Without objection, the reading of the Journal of the proceedings of the legislative day of Tuesday, January 16, will be dispensed with and the Journal will be approved.

MEMORIAL ADDRESSES ON THE LATE SENATOR THOMAS E. WATSON.

The PRESIDING OFFICER. (Mr. HARRIS). The Chair asks the Secretary to read the resolutions which he submits for the consideration of the Senate.

The Assistant Secretary, Henry M. Rose, read the resolutions (S. Res. 415) as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. THOMAS E. WATSON, late a Senator from the State of Georgia.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. GEORGE took the chair as Presiding Officer.

Mr. HARRIS. Mr. President, during my first two years' service in the Senate my late colleague Senator WATSON wrote me a number of times, usually about veterans who had requested him to help them with their claims, but it had never been my privilege to be introduced to him until he came to Washington to serve with me in the Senate. After his arrival, and the day before he was to take the oath of office, I telephoned him that I would like to call on him and then offered my services if I could be of any assistance to him. He said he was ill from the railroad journey and asked if I would come to his hotel to see him, as he was anxious to discuss several matters with me. When I called he was resting in bed and he impressed me as being far from strong and well. The next day he came to the Senate just before noon and sent for me. I introduced him to the Vice President and the Senators and, as is customary, I walked with him to the Vice President's desk when he took the oath of office. From that time until his death matters of interest to our State, our personal matters, brought us together almost every day and we became good friends. In my dealings with him he was most considerate at all times. It so happened that the Senators he liked best had been my warm friends since I had been a Member. While we differed on some questions, we were always together on matters of interest to the people of our State and country. He was always on the side of the common people.

Senator WATSON's hard work in the Senate shortened his life. Time and again I noticed that he appeared worn and tired, and I would urge him to go out in the sunshine and air and take more exercise. I told him that the climate here was treacherous and different from our Georgia climate, and that he could not stand the work as I had on account of the difference in our ages. Many times he promised to take my advice and not work so hard, but the next day he would be here fighting the people's battles. The last time I saw him, the day before I went to Europe with the Congressional delegation to attend the Inter-Parliamentary Union, which has for its purpose the settlement of all differences between governments by arbitration so as to prevent war, I told him that as he had not been well I would not go away, but he insisted that I go. He said he felt very much better, and promised me that he would rest and not overwork. Just as I was sailing for home I read of his death, which was a great shock to me.

One thing that made Senator WATSON my friend was never mentioned by either of us. During the last administration Senator WATSON was indicted by the grand jury of the Federal Court because of some articles in his paper sent through the mails. An effort was made to have him taken out of Georgia to be tried. Members of Congress from Georgia informed me of this and asked if I would not join with them and try to prevent it. While I did not know Senator WATSON and had never had any communication with him I promptly told the Congressmen that I would gladly cooperate with them and do my utmost to prevent Senator WATSON's being taken out of the State for trial, as I considered it an injustice to Senator WATSON and a reflection on the people of my State to say that any citizen could not get a fair trial within her borders. We prevented this from being done, and he was grateful to all who assisted in this matter.

Senator WATSON took part in all the debates of the Senate—his knowledge of history and government made him ready at all times. He attended all the Democratic Party caucuses and cooperated with the Democrats on party measures. He did not neglect his committee work, which is more important in framing legislation than speeches on the floor of the Senate.

He was on the Committee on Post Offices and Post Roads, was prompt in his attendance at all meetings, and rendered most useful service. I had urged that he be placed on this Committee because he had been, while a Member of the House, author of the first appropriation bill for rural free delivery service which now daily serves millions of people. He was placed on the Immigration Committee at his request, as he was interested in keeping our country from being overrun with foreigners who did not understand our Government. I served with him on this Committee and personally know of his splendid work.

He was also on the Committee on Civil Service and Committee on Claims, and the other members of these committees have told me of his useful work on them. As a member of the Committee on Claims he handled and secured passage through the Senate several Georgia claims, besides many deserving ones from other sections of the country. I remember the great interest he took in the claim of a poor widow from another state who had no influence.

Senator WATSON had more friends in Georgia who would at all times follow him than any public man within my time. With this following he made and unmade Governors, Senators, Congressmen, and public officials, and his following was larger in his last days. He was always fighting for the masses of the people and opposing special interests. That he should have, after serving two years with me, wished me to remain in the Senate and help him is something I shall cherish always.

His life was a busy one. He was a leader in all things—politics, law, and as a banker, farmer, and author of history. He was in many ways the most remarkable man of my time in our State.

So far as the outside world was concerned much friction entered into his career, but he was greatly blessed in the serene and peaceful atmosphere created in his home by his admirable, gentle, and, in many ways, most unusual wife. Several years ago a crushing sorrow came to them in the loss of their only children, a son and daughter.

The one man Senator WATSON loved and trusted above all others was that gallant soldier and splendid citizen, Maj. Charles E. McGregor, who knew him better than any of his friends, and at my request he prepared an article about Senator WATSON's life.

Major McGregor wrote the following:

THOMAS E. WATSON was born in Columbia County (now McDuffie), near the present town of Thomson, Ga., on September 5, 1856. His grandparents came with a colony of Quakers from North Carolina in 1750, who purchased and settled a large tract of land between the Savannah and Ogeechee Rivers, including the lands in and about the old town of Wrightsboro. His immediate family were slave owners until the close of the Civil War, which destroyed that specie of property. Liquidation of security debts swept away their lands. He attended the common schools at Thomson, Ga., and in 1872 entered Mercer University. During the vacation of 1873 he applied to Prof. B. M. Zettler, County School Commissioner, and obtained a license to teach school. He then made a contract with the school trustees of "Big Warrior Militia District" in Bibb County, Ga., to teach for three months at $50 per month and board. At the close of the sophomore term, June, 1874, he had to leave the university and seek work. His family was living at Augusta, Ga., at this time to which city he went hoping to get employment, but failed. He sold for $6.50 some books which his father had given him, and started out to make his own way in life. The Baptists were holding an association in an adjoining county to which he went, hoping that among so many good Christians he might find employment as a teacher for a country common school. Undaunted by failure he went into Screven County, Ga., and succeeded in making up a small school at "Little Horse Creek Church." Here he taught school for two years. The revenue barely paid his living expenses but the people, who were very poor, were exceedingly kind to him, liked him, and he loved them. From this association grew strong attachments to the common people which were never broken but grew stronger and stronger as THOMAS E. WATSON advanced in political life. It was here in the humble homes of these common people that he read law and history, preparing himself for the great conflicts of life. It was here where he daily saw the hardships of the average farmer in Georgia. It was here he saw the patient courage with which they labored to rear their children aright and to overcome disadvantages of their condition. Eating at their tables, sitting at their firesides, sleeping in their beds, he gained a knowledge of the working farmers that no books could give. They gave him a home, they gave him work when he could find none in a city. Later on, when he was manfully struggling to gain prestige as a lawyer, they gave him verdicts. Still later on when he sought political honors, they gave him their plaudits and their ballots. In return he gave them 30 years of unstinted advocacy and finally his life.

He was admitted to the bar in the City of Augusta, Ga., in 1875. He then returned to his own home in Thomson, Ga., in November, 1876. His family was then living at their own home 3 miles from Thomson, Ga., from which he daily walked to his office in the courthouse. His practice gradually grew from $212 gross to $12,000. In the latter part of his experience as a lawyer he was enabled to command large fees. By judicious investments in lands he gradually accumulated a large landed estate.

In 1878, he married Miss Georgia Durham, daughter of Dr. George W. Durham, the leading physician of McDuffie County, Ga. To this union were born three children, all of whom died before 1920. The one great solace in his darkest hours of political defeat was this

devoted wife and mother; the brightest rays of light which illuminated his path to duty was the loving smiles of his sweetheart, "Miss Georgia."

In 1882 he was elected to the Georgia Legislature and served one term, declining reelection. In 1888 he was elector at large for the State of Georgia on the Democratic ticket and stumped the State for tariff reform and Cleveland. The success so gratified the farmers that they elected him to Congress—every county in the district giving him a majority, except the home county of his opponent. In 1891 the Farmers Alliance adopted a resolution demanding allegiance of those Congressmen they had elected to the principles they espoused when seeking their support, regardless of caucus dictates of either of the old political parties. In as much as he had championed the principles of the farmers alliance in every county of the district, and pledged himself to their advocacy, if elected to Congress, he felt honor bound to adhere to those principles, and therefore refused to bind himself to any caucus action inimical to his constituents. His position was denounced by all machine Democrats, and a bitter, determined warfare was launched against him in every county in Georgia, and a campaign fund was contributed from other States to aid in his defeat.

It was in this campaign of 1892 that I became closely associated with him. He purchased a newspaper in Atlanta, Ga. We named it the "People's Party Paper," which, through its columns, he kept in touch with the public.

The result of the 1896 Bryan campaign scattered and disbanded the People's Party movement, and the paper went down with the party. My association with him in the legislature of 1882 revealed to me his great storehouse of knowledge, ability to use it, his incorruptible integrity, and the indomitable courage to battle for right regardless of consequences. It was during this session of the Georgia Legislature, as we collaborated in the enactment of the local-option laws, which closed the barrooms and made Georgia a "stock law" State, that the close brotherly friendship was joined which lasted till death claimed him, and it was this knowledge which caused me to join with him in battling against the bitter political prejudices and anathemas hurled against him in the dark and unpleasant campaign days of the nineties by a partisan press and unthinking place hunters.

A series of joint debates with his opponent were arranged—five were held when the campaign manager of his opponent declined to continue them. His district was "gerrymandered" by the Democrats while he was in Congress. Two of his strongest counties were taken from the district and two bitter hostile counties were substituted therefor. In the election which followed, the bitterest campaign ever experienced in Georgia, he carried every county in the district except one, and that was Richmond. In this county the Democrats out of a voting population of 11,466 polled 22,000 and counted 12,558, which gave their candidate the majority vote and the certificate. Had only legal votes been cast in Richmond County, he would have been returned to Congress. He therefore contested the election. The minions of the trusts had avenged their defeated comrade, the "Bagging Trust," the men who controlled in Georgia politics, had buried the invincible champion of the masses against the classes.

During the term that he was permitted to serve he labored for the masses. He supported the eight-hour law. He led the debate on the automatic coupling bill, requiring all railroads to equip their freight cars with such appliances within five years. He introduced and had passed in the House the first resolution which was ever passed in this country providing for the delivery of mails to the country people outside the limits of cities, towns, and villages.

This resolution carrying an appropriation for experimental free delivery is the foundation for the present system, the greatest educational agency ever established by Congress. Fortunately, Postmaster General Wannamaker agreed with Mr. WATSON'S idea, and immediately put the system into operation. So popular it has grown that both the Democratic and Republican parties take pride in claiming the credit.

At that time a barroom was kept open day and night in the Capitol building. Naturally much drunkenness was in evidence on the floor of Congress. He had been largely instrumental in driving the barrooms out of Georgia, and tackled the one in the basement of the Nation's Capitol in his campaign book, which was issued that year. He was attacked in debate for making public exposure of the conditions existing. WATSON repeated them on the floor of the House. A violent uproar ensued. An attempt was made to expel or censure him, but the effort was abandoned. Public sentiment, however, had been aroused, and subsequently forced the closing of the barroom.

In 1896 the Populist Party numbered two million voters and had one thousand two hundred newspapers. The Democratic Party was in a bad way. They hit upon the scheme of capturing the Populist voters by adopting their platform and nominating Bryan as a pledged representative of Populist principles. The Populist National Convention refused to endorse Bryan until they nominated WATSON for Vice-President. Telegrams assuring Mr. WATSON that leading Democrats would accept the compromise ticket of Bryan and WATSON poured into Thomson. Believing that a combination of the reform parties would be accomplished and the reforms he had advocated would be made possible, he agreed to accept the nomination. Unfortunately, Bryan and his friends failed to keep their promise and the Republicans won out.

With his political party put out of business by the fusion with Bryanites, he turned to literature and wrote "The Story of France," the "Life of Napoleon," and "The Life and Times of Jefferson," wherein he advocated the same eternal principles of human liberty and justice and good government that he had preached from Georgia to Nebraska, from New York to Texas. During these years he delivered a lecture on the South in many cities, while it furnished a good revenue. He was so engaged when the Peoples' Party National Convention, without his knowledge or effort, called upon him to again raise the standard for them to rally around and to lead them again to battle for the rights of the common man. He accepted the nomination through a sense of duty, and developed immense crowds throughout the North and Northwest, advocated the same eternal principles of human liberty and justice and good government.

In March, 1905, at the request of one W. D. Mann, a capitalist in New York, who proposed to finance the enterprise, he consented to publish a magazine to bear his name and be edited by him. Failing to pay his salary he withdrew from the arrangement, and the magazine suspended, owing him several thousand dollars. It was while he was engaged in New York working on this magazine that he was stricken with ptomaine poison, from the effect of which he never fully recovered. Upon his convalescence he decided to enter again the newspaper field. Calling me to a conference with himself and his wife "Miss Georgia"—he seldom made ventures without consulting her—it was decided to establish one at the earliest date. Having had years of newspaper experience I was requested to put the decision into execution. I made arrangements in Augusta for its publication, named it the "Jeffersonian," and in 10 days from its inception had it traveling through the mails in October, 1906. By December of the same year its circulation permeated nearly every State in the Union, and the monthly Jeffersonian Magazine was launched in Atlanta, Ga., and the weekly Jeffersonian was transferred from Augusta, Ga., to Atlanta, Ga., and was fully equipped with modern machinery, from which both publications were issued, and Mr. WATSON'S various literary publications were printed.

During the years 1907 and 1908 he was engaged in writing the "Life and Times of Andrew Jackson," a monograph on "Waterloo," a book of "Prose Poems," a volume of "Sketches from Roman History," and a handbook of "Politics and Economics" and the "Life and Speeches of THOMAS E. WATSON." Regarding the Roman Hierarchy as the greatest menace to America, he devoted much time to its exposure. His thorough study of the history of the Roman Catholic Church made him an authority on the subject, and his scathing arraignments of the abuses practiced by the priesthood, and condoned by the hierarchy, aroused the sentiment of the Catholic laity to the extent of boycotting his Jeffersonian and having them excluded from the mails. He was indicted and prosecuted in the United States District Court for sending obscene literature through the mails. He defended himself in one of the most sensational trials ever witnessed, and was acquitted.

In his "Life and Times of Thomas Jefferson," written in 1908, he attacked Woodrow Wilson as a fair historian of the South. He fought him and his administration to the bitter end. So severe were his criticisms that he was threatened with arrest and deportation to another State for trial. A protest signed by the entire Georgia delegation excepting Senators Hoke Smith and Thomas W. Hardwick, the latter declaring "he did not care if Watson was quartered and the four different quarters of his body tried in four different States," was filed and the plot to silence his pen fell through.

After the exclusion of his Jeffersonian from the mails he purchased the Columbia Sentinel, transferred it to his plant at Thomson, Ga., stronger with the voting population of Georgia and dearer to their hearts than before his persecution.

The Watson publications enjoyed a national circulation, reaching every community in America. The editor buried himself in his periodicals; he often referred to the two "Jeffs" as the children of his old age; and it was to him a heart-crushing blow when Postmaster General Burleson denied the "Jeffs" access to the mails because of their editor's hostility to certain war measures demanded by the administration, including conscription.

Mr. WATSON'S attitude during the World War has been the subject of much comment from hostile pens. Many editors took delight in misrepresenting his views on war measures, not the war itself. Many people were never able to understand why the administration closed the mails to the Watson publications. Political enemies tried to create the impression throughout the country that WATSON was not in sympathy with the allied cause and that he leaned toward Germany.

Postmaster General Burleson demanded that the Watson publications be suppressed and that the editor himself be silenced because he opposed conscription. Mr. WATSON accepted the verdict; he retired to private life without any attempt to embarrass the administration in any way whatsoever. He advised his followers to bow their heads to the verdict of constituted authority, and to obey every valid law.

Following the signing of the armistice, Mr. WATSON purchased the Columbia Sentinel, and made it the successor of his suppressed "Jeffs."

He conducted a brilliant campaign against the League of Nations, and convinced a majority of Georgians that this Nation should not surrender the old policies for a new dream.

In 1920 the administration followers in Georgia named Attorney General Palmer as their choice for the Presidency. Mr. WATSON believed that a presidential preference primary should be conducted in Georgia in order to arrive at the people's choice in this matter. In the meantime Senator Hoke Smith announced his candidacy to succeed President Woodrow Wilson. With Attorney General Palmer representing the administration and the League of Nations, and Senator Smith representing himself, Mr. WATSON'S name was entered without his knowledge.

Subsequently the people petitioned Mr. WATSON to enter the race for the Senate to succeed Senator Smith, who was a candidate for reelection after having been defeated in the presidential primary. Gov. Hugh M. Dorsey also announced as a candidate. Mr. WATSON consented to the announcement of his candidacy for the Senate, and was elected by a large majority.

Mr. HARRIS resumed the chair.

Mr. TRAMMELL. Mr. President, we have assembled to-day for the purpose of paying honor and loving tribute to a great and illustrious Georgian, a great American, who, just as the autumn leaves were falling in the year but recently recorded in the history of time, ended a long and useful earthly career.

It had not been my privilege to have a personal acquaintance with Senator WATSON until he became a member of the Senate. But even in my youth I delighted in reading Watson's Magazine and in reading his weekly paper, because from those publications I gained knowledge, I gained inspiration, and was encouraged in my ambition for greater things in life. After I had reached manhood and entered upon a public career I continued to read his editorials because I found them brilliant, fascinating, and, as I believed, expressive of the sincere sentiments of an earnest and honorable American.

When the news was heralded throughout the country that the distinguished and lamented Senator from Georgia had passed away, many were the eyes that were filled with tears of grief and the hearts that were saddened, not only in Georgia, but in Florida and throughout many other States of the Union. Thousands upon thousands of our citizens admired and believed in this great American and brilliant statesman because

of his honesty of purpose, because of his ability, his integrity, and his unfaltering devotion to the interests of the American people.

A voice we loved is silent, a warm heart beats no more, a brilliant mind sleeps beneath the sod of the Southland. A merciful and loving God had sustained him through the morning and noontide of life and he was well within the shadows of evening when the summons came.

His was a long, useful, and brilliant career—a life of service and achievements that will reflect as a benediction for good into the years and the ages to come. No truer words have ever been uttered than those of the poet that—

> We live in deeds, not years; in thoughts, not breaths;
> In feelings, not in figures on the dial.

Senator WATSON had made his impress on his own native State and throughout the Nation. I have often thought and felt that he was by some misjudged; in fact, I have found that to be true, more or less, in my State, and I have when an opportunity afforded itself endeavored to correct that misapprehension. Because of his courageous and persistent efforts in behalf of those policies and purposes in which he believed he was sometimes called "fighting TOM WATSON," and many people, perhaps, who did not know him personally, who did not enjoy an intimate acquaintance with him, felt that he was probably a man of more or less disagreeable disposition in personal contact with his fellow man; but after I knew him in the Senate, I found in him one of the most congenial, most courteous, and most noble-hearted men with whom I had ever come in contact. He was as gentle, as kind, and as considerate in his disposition as a sweet-spirited and kind-hearted woman. It seems that he had a burning passion to try to assist those who needed help; and I may remark here sometimes it seems as we pass on down through the years we meet all too few of those who find pleasure in giving aid to those who need assistance; but this virtue was very characteristic in the life of the honored and distinguished gentleman to whom we pay tribute to-day.

I was traveling from Washington to Florida by automobile on the day Senator WATSON'S death was announced. I was in Georgia on the day his remains were placed at rest in the bosom of the soil of his native State. As I journeyed through that State and saw the evidences of appreciation and esteem in which he was held by Georgians quite generally, I was impressed with the thought that surely he had not lived in vain. A man who had won for himself a place in the hearts of his fellow citizens as had the late Senator WATSON certainly had left behind him a far greater heritage than all the wealth of the world could purchase. I did not previously know so very much of his private life, of his many acts of kindness and charity, but within that day and a half of travel through Georgia not less than a half dozen people spoke to me about his generosity in administering to the poor, how he found peculiar pleasure in assisting young men who desired to obtain an education, having aided many of them at that trying period in their lives when they were endeavoring to equip themselves for the responsibilities of the years to come.

Senator WATSON was a man whose heart beat in sympathy for humanity. He was a man who wished faithfully to serve his country and his people. He was frank; he was honorable in all of his associations with the Members of the Senate as well as throughout his entire career before reaching a position in this distinguished body. We always knew where Senator WATSON stood on public questions. He was a fearless man and spoke his sentiments. It was probably because he was so frank and so uncompromising in his advocacy of the principles he believed in that he sometimes made enemies. That is true of any courageous man.

Mr. President, it was a fitting climax of the career of this illustrious Georgian, that it was his privilege to serve his great State and to represent his people in this body, one might say, just at the sunset of life, after he had with an undaunted courage, and without faltering, struggled for a third of a century in behalf of policies and principles which he conceived to be right, many of which have been written into the laws of the land and are to-day popular throughout the Nation.

Mr. President, as I came in contact with Georgians from time to time after Senator WATSON had become a Member of this body, it was quite evident from their expressions that he was winning himself into the hearts of thousands and thousands of Georgians who previously had never particularly cared for him; not that they did not admire the man, not that they did not appreciate his courage and his brilliancy, but because they had differed with him upon public issues. Approximately two years service in the United States Senate, however, was making its favorable impress upon thousands who had not in years gone by been his political friends, and, while it may be said that previously he had such an extensive following that he made and unmade governors and Members of the Congress of the United States, I say to you, Mr. President, coming from an adjoining State, that Senator WATSON, by his splendid service in the United States Senate, his devotion to his country, and his devotion to his State was enlarging that circle of friends; and the influence which he already enjoyed, in my opinion, had he survived, would have been greatly augmented and increased.

I am glad to join with other Senators in paying honor to him and expressing this brief tribute to his memory. As I have observed his career for many years rather closely, I sincerely feel that not only Georgia but the entire Nation has sustained a great loss in the death of the late lamented distinguished junior Senator from that State.

Mr. President, Senator WATSON was blessed in having a noble and devoted life companion who assisted him, who gave him comfort and inspiration in his struggles, who stood by him in sunshine and shadow, who with a loving devotion was by his side giving him courage and cheer, whether in the bitter conflict of the political arena or whether enjoying the sweet and ennobling influence of the family fireside. As is true of all men that are so fortunate, Senator WATSON was indeed blessed in having this devoted companion to assist him in his many achievements and to counsel with him in the many conflicts with which he was engaged throughout his long and at times quite stormy career. My heart of sympathy goes out to his most estimable widow and other members of his family. As much as a friend can mingle his sorrow and grief with the sorrow and sadness of those near and dear to the departed one, I grieve with his loved ones. To his loving and devoted wife and other members of his family I would offer a word of hope, in the thought that some day, beyond the grave, in the land of the blessed, you will see him, you will meet him again—

> Where the faded flowers shall freshen—
> Freshen never more to fade;
> Where the shady sky shall brighten—
> Brighten never more to shade;
> Where the sun blaze never scorches,
> Where the starbeams cease to chill,
> Where no tempest stills the echoes
> Of the wood or wave or hill;
> Where the morn shall wake in gladness
> And the noon the joy prolong;
> Where the daylight dies in fragrance
> 'Mid the burst of holy song.

As I have said, Mr. President, Senator WATSON impressed himself upon his State and upon the American people because he was a man of conviction, a man of intelligence, a man of courage, but standing out preeminent as a beacon in his life was his love of humanity and his deep and sincere concern for the great masses. Love of humanity is one of the most beautiful attributes known to the human heart. Sometimes it seems as though the old world were cold; that there were more chill than warmth in it. When the clouds gather and we journey in an atmosphere of chill, then we sigh and long for the warmth of a big-hearted, noble soul who loves humanity, as did our lamented friend and associate, the late junior Senator from Georgia. In Leigh Hunt's poem we find beautifully portrayed that love for his fellow men which was so characteristic of the distinguished and lamented Senator to whom we pay honor to-day:

> Abou Ben Adhem, may his tribe increase,
> Awoke one night from a deep dream of peace,
> And saw, within the moonlight in his room,
> Making it rich and like a lily in bloom,
> An angel writing in a book of gold.
> Exceeding peace had made Ben Adhem bold,
> And to the presence in his room he said,
> "What writest thou?" The vision raised its head,
> And with a look made all of sweet accord,
> Answered, "The names of those who love the Lord."
> "And is mine one?" said Abou. "Nay, not so."
> Replied the angel. Abou spoke more low,
> But cheerily still, and said, "I pray thee, then,
> Write me as one who loves his fellow men."
> The angel wrote and vanished. The next night
> It came again, and with a great wakening light,
> And showed the names whom love of God had bless'd,
> And, lo! Ben Adhem's name led all the rest.

Mr. WILLIS. Mr. President, I speak briefly at this service, not because any poor word of mine will add to the story of the courage and achievements of the late Senator THOMAS E. WATSON. That story will be told by others who knew him more intimately and for a longer period than it was my privilege to know him.

I had never met him until he came to the Senate two years ago, though as a boy and a young man interested in politics

the story of his fierce political contests, his courage, bordering at times on rashness, his unfaltering devotion to the things in which he believed, was not unknown to me.

When he came to the Senate, it chanced that for many months we lived at the same hotel. Our families were intimately acquainted, and I saw much of our late colleague. On most public questions our views were widely divergent. I usually was so unfortunate as to have to disagree with him in his premises, to question his logic, and to combat his conclusions; yet we were always friends, no matter how heated the contest.

I think, just there, I might give an illustration of that to which I have just referred. There were times when the relations seemed to be somewhat strained because of a certain controversy that was going on here, which Senators will remember. I recall that while the tariff bill was under consideration there were two or three amendments in which I was very much interested, upon which I wished to be heard. It had become necessary for me to leave the Senate for some days, and I had arranged with the chairman of the committee to have these amendments called up out of order. It was about 40 minutes until the train was to leave; and, to my consternation, just at that juncture the Senator from Georgia rose to make what evidently was a rather extended speech on a historical subject. Knowing the situation, my friends on this side of the aisle said to me: "Well, there is no chance." I said, "You do not know TOM WATSON.' I walked over to his desk, though we had had a rather heated exchange only recently, and I said: "Senator, I must leave" and explained the circumstances to him. He sat down immediately and I was able to secure action on my amendments. Though there were heated controversies, Senator TOM WATSON did not permit these differences to interrupt the courtesies and amenities existing between friends.

His family life was beautiful, and typically American. The flowers of unsullied affection bloomed ever fresh in that household.

The devotion of the Senator to his good wife and his affection and unceasing care and concern for the two beautiful orphaned little granddaughters who made their home with him, was most touching and inspiring. It is upon such home life as this that the strength of the Republic rests. While American homes remain pure and undefiled, the Nation will be strong; but when, if ever, family ties weaken and tear asunder, the Republic will totter to its fall.

It is not my purpose to pronounce a eulogy upon my friend who has gone away, nor to recite the story of his numerous political battles, in which he was well able to take care of himself, and neither asked nor gave quarter. Some of us will remember the tremendous mastery of invective that this friend of ours possessed. I never shall forget one sentence that comes to my mind just now, and there are in the Chamber those who will well remember the circumstance. A controversy had been running on here about a certain individual not necessary to name. Inquiry was made of the Senator while he was on the floor as to what he knew about this man. I never shall forget his frightful comparison. Some of you remember it, I am sure. Speaking of this man, he said:

> An obscener bird never flapped his vulture wings. * * * A slimier reptile never crawled the earth—

And so forth. He was a tremendous master of invective, so that he was able to take care of himself well in any political contest. But it is not my purpose to review that, nor even to enumerate the achievements of a busy life devoted to the service of his people, for those are a part of his country's history, but rather to call the attention of his colleagues and his countrymen to some of the contributions which Senator WATSON made to the permanent best literature of his country.

It is not likely that the people of the country, and particularly the people of Georgia, whom he loved with all the devotion of a nature intense, militant, and tender as a child, though pugnacious and relentless in battle, will ever forget his tireless, lifelong struggle for the things he believed to be for the best interests of his people—a struggle that he carried on until the silvery voice no longer sounded the defiant note of battle, and the weary hands that had penned eloquent arguments to sustain his views of the people's best interests were folded in peace. But even though political service and achievement be forgotten, good literature lives on forever; and THOMAS E. WATSON has made contributions to the Nation's literature that will abide and fade not away. It will be recalled by all of us that his speeches here, even though informal, were always rich in historical and literary allusions. He read much. He was familiar with the classics, and, as I know from personal association with him, he loved literature for its own sake. If, by what I say here to-day, I can make his countrymen better acquainted with his achievements in the field of literature, I shall not have spoken in vain.

Mr. President, I know of no better way to let this man speak for himself than by calling attention to just some of the things that he said here, and one or two excerpts from things that he said elsewhere.

Senators will recall the rather notable brief address that was made by our friend here on the 27th of April, 1922. That was the day, as Senators will remember, that was set apart throughout the country for memorial services for General Grant—perhaps not throughout the country, but in very many places. It was true in Ohio. There had been no program arranged here; but the Senator from Georgia rose, and here are a few of the sentences that he uttered. A man from the South, a man who loved the South, and was proud of his southern lineage, he said this of General Grant; and I am begging Senators to think now of the literary merit. I am thinking of Senator WATSON as a contributor to the permanent literature of my country. Here is what he said of General Grant. I think it is eloquent and beautiful:

> He was * * * a great general whose sword had no poison on it; who conquered, but who, in the very moment of his victory, acknowledged the sincerity of those who fought him and gave them generous terms, forgave them and loved them. He wanted to bring us all back into a brotherly union when he said, amid the torrent and tempest of passion: "Let us have peace!" * * *
>
> Without irreverence, may I liken his words to those of the Galilean when He spoke to the turbulent waves of the wind-swept sea and commanded: "Peace, be still!"
>
> In the one case, as in the other, the danger passed and the waves sank down.

I recall very well when the Senator uttered those words, evidently without any formal preparation, just inspired by the moment.

Then I remember on another occasion, as other Senators will remember, some remarks that he made here in a perfectly informal manner upon a subject that was most depressing and touching. That was the death of Caroline Upshaw. You remember that he rose in his place and had read into the RECORD a beautiful editorial from a local newspaper, and then commented upon it as follows, in language which I think is classic.

He said:

> Mr. President, she said, "I have not cried yet"; but I venture to say that the editor who wrote that beautiful tribute wept when he wrote it; I venture to say that every Senator who read it cried when he did so; I venture to say that countless thousands of people here in Washington and in regions round about cried when they read it; and I know in my heart that, as she was carried back to be given to the soil of Georgia, there could have hardly been a dry eye from the mountains to our seaboard. * * *
>
> Death never plucked a whiter, sweeter flower than when it plucked her; death never stilled a braver heart than when it halted hers.

That is beautiful language, Mr. President. It is great literature.

Then, just at random, I plucked these excerpts from some of his books. He was a prolific author. I think his "Life of Napoleon" is the best I have ever read. He believed in the great Corsican. He did not think, as some historians seem to think, that Napoleon was simply a destroyer. He understood that Napoleon was a builder. He understood that it took the genius of this mighty man to topple over the corrupt monarchies of Europe, so that the people might build up in their place the free governments that have since come in. He wrote most eloquently of Napoleon. I say I think his "Life of Napoleon" is the best that I have read. His pamphlet on "Ancient Civilization" is most interesting, likewise his "Brief Story of the House of Hapsburg."

The greatest description of the battle and battlefield of Waterloo to be found in literature is, of course, that written by Victor Hugo in "Les Miserables." I think the next best is the book on "The Battle of Waterloo" by THOMAS E. WATSON; and it is significant, Mr. President, that in France this book, as well as the "Story of France" to which I shall in a moment refer, has been translated and has been used as a textbook in the schools of France; so that our late colleague's fame has spread beyond his own country.

I read his "Sketches from Roman History." I suspect that every Senator is familiar with that rather easy, sometimes not altogether accurate, but beautifully flowing history written by Abbott. His "Sketches of Roman History" are not unlike the Abbott stories—biographical largely, but most interesting, and well written. He also wrote a novel with which I am not familiar, but I am told that that is literature worth while—"Bethanys: A Story of the Old South."

I picked up and was rereading "The Story of France." Let Senator WATSON speak for a moment. He is talking about liberty. I am reading this because I think it is literature, not

because I am seeking to pronounce an encomium upon a late colleague.

Talking about the principles of liberty, he said:

Wise men had conceived them; bold men has proclaimed them; brave men had fought for them; martyrs had died for them.

That is eloquence, Mr. President.

Failure came upon these principles time and again. No reform ever sprang full armed and irresistible from the head of any political Jove.

* * * * * * *

There is, and must be, the time of patient planning, of painful culture, and of gradual growth before the harvest field yellows with the ripened results.

That is just a chance paragraph in "The Story of France."

A delightful little book that came from the pen of this prolific author and statesman is his "Life of Jefferson." Just let me catch a paragraph there, where, speaking of Jefferson, he says:

His was the tranquil eminence of the soldier who had fought a good fight, and whose name was honored throughout the world. Liberty, Progress, and Philanthropy were words which could not be uttered anywhere without reminding men of Jefferson. He had done for humanity, for country, for universal improvement some work which was supremely good—work which envy could not deny nor time deface.

Then another paragraph appealed particularly to me. Speaking of the death of Jefferson, he wrote:

His end came on very gently. The last sickness was not painful; the approach to the valley was gradual and easy. He looked upon death as release from infirmity, escape from weariness and care. The final sleep passed over him like a benediction. It was noon, July 4, 1826, and his thoughts had been upon the day. He had wished to live to see it; had asked during the night of the third if it were yet the Fourth.

And so, with his latest thought on the birthday of the Republic, the great, warm heart grew cold, and the tired hands found rest.

I hold here another one of Senator WATSON's books, most of which I have read, "The Life and Speeches of THOMAS E. WATSON." I think this man at his best was a great orator, not only a contributor to permanent literature, but he had graces of speech quite unusual. I will read a paragraph from a speech delivered in his young manhood, at the time when he was a member of the legislature of his State, just a paragraph from his address at the memorial of Alexander H. Stephens. I think it is great literature. He said in part of Alexander H. Stephens:

In Southern history there has been no completer character than his. Do we look for truth and honor? No falsehood ever soiled the purity of those proud lips, and through the vices of life he had walked with robes that gathered no stain. Do we look for heroism? It is brave to combat the prejudices of our own people. He had done so. It is brave to side with the weak, the oppressed, the friendless. He had done so. * * *

The great Commander had sounded the recall, and this veteran was on his return, with the laurel upon his brow, the olive leaf in his hand, victory upon his head, and peace in his heart. He had gone out into the grain fields of life. He had reaped in the freshness of morning, in the heat of midday, and amid the slanting rays of the afternoon; but as evening came on, the old man's hand had grown feeble and tired, and he was coming home, his arm full of golden sheaves. The Master, coming, found him ready, his house in order. Never was the silver cord more gently loosed. Never was the golden bowl more softly broken.

He fell on sleep like a child weary and worn. Great Nature, the common mother, holds him tenderly to her bosom. When he shall awaken, it is inspiring to believe that he shall greet the morning in a land where there is no night, where the skies are undimmed by a cloud, where the feet bleed upon no pathway of stones, and the head wears no crown of thorns.

That, Mr. President, I think is a part of the abiding literature of eloquence in this country. I read now a brief statement by a great author of the South, John Temple Graves, concerning this man:

The publicist remains, leader of lost causes, focal of fraction, and center of economic storms. He has fought his brave battle, with unbroken courage and with unfailing eloquence, to their armed armistice or to the predestined end. He has rebuked temptation, refused every compromise of principle, turned his back upon the glittering promises of office which were set for his return to the rank of the dominant faction, and with a consistency pledged in sacrifice and maintained in heroic isolation he has kept the faith of his advocacies and followed his convictions to successive stakes of martyrdom.

Through loneliness, misunderstanding, and misrepresentation, TOM WATSON has not faltered in fidelity to the cause and the people adopted as his own 12 years ago.

And he has rarely won. Never but once in his battle-scarred career has victory perched upon his banners, or the flags of his faith over a triumphant field. His eloquence has been praised, his logic has been lauded, his consistency has been conceded, and his splendid courage has wrung tribute from his sternest foes. But by the world's standards, which are selfish and material, he must be measured as a defeated man—a baffled warrior—who has nearly always failed.

* * * * * * *

The defeated publicist, sitting for ten years desolate by his hearthstone, working out in solitude and patient honesty the strong convictions of his faith, goes forth with high courage and heroic zeal to fight. Great odds are piled against him. Slander stabs his name; scornful ridicule assails; money mocks his eloquence; friends fall away; comrades turn traitors in a night; bitterness blurs his battles; the ranks are hostile that were once his friends, and on the final field where he has staked and lost in dauntless sincerity his patriot sympathies, and his brave beliefs, night falls in failure and darken in defeat.

* * * * * * *

But the patient publicist, struggling in darkness and defeat, has wrought like the tapestry weavers that work across the sea—worked on the wrong side, maybe, but worked for the right side aye. Parties that scorned him once are absorbing now his creeds; platforms that mocked him are marking his principles in planks that plead; and the people persuaded so often to defeat him and deny are awaking at last to see that his warning was wisdom and that his signal was the safety of the State. (Sam Jones and TOM WATSON, by John Temple Graves in the Atlanta Georgian.)

These eloquent words were written by John Temple Graves before TOM WATSON's vindication and victory had come at the hands of the people of Georgia by his election to the United States Senate.

Nearly half the time the flag yonder is at half-mast. One week ago the House held memorial services for two of its distinguished Members whose lives had gone out, spent in the Nation's service. Next Sunday the Senate will pay tribute to three of its Members, and to-day we meet to lay a flower on the grave of this eloquent son of Georgia. These events should remind us all of the uncertainties of life and the importance of right living. Dangers threaten the Republic; the character of our citizenship is our shield and buckler, a character founded on industry to produce, a thrift to save, an optimism to cheer, patriotism to exalt, honesty to live by, and firm faith to die by.

Let us so live that when our summons comes t· join—

> The innumerable caravan which moves
> To that mysterious realm where each shall take
> His chamber in the silent halls of death,
> Thou go not, like the quarry slave at night,
> Scourged to his dungeon, but, sustained and soothed
> By an unfaltering trust, approach thy grave
> Like one who wraps the drapery of his couch
> About him, and lies down to pleasant dreams.

Mr. DIAL. Mr. President, the late Senator WATSON of Georgia and I were born in adjoining States. When I was a young man I first heard of the Senator and had the pleasure of meeting him in 1893 while he was in Congress. He having been born in the country, and being a country lawyer, the same profession to which I belonged, I was naturally interested in his career.

The times that he has passed through have been changing and somewhat turbulent, and he was a noted exponent of these changing conditions and opinions of our people. In fact, he was a leader in many respects. While small in stature and somewhat frail, his mind was exceedingly strong, he was bright and active. I might say he was a fighter from the beginning for the right as he saw it.

I did not agree with many of his political views, yet it always afforded me pleasure to say that he was conscientious in what he advocated. He had a strong, a deep, and a sincere interest in his fellow man. Truly, he was extremely human. His affections were strong and his dislikes were not dissimilar. He worshipped his friends. In private conversation he was as deferential as a lady. We had many friends in common.

He was a champion of the rights of the masses. His friends in my State were numbered by the thousands. He was a great power in his State, and his influence was felt for a third of a century in making and unmaking political fortunes. There were times, perhaps, when he could not have been elected to office himself, but his influence was exceedingly potent in making his friends successful. He was a balance of power in Georgia for many years and at last the people of that State honored him with the cherished dream of his life—a seat in the United States Senate.

His accomplishment as a writer and historian has been dwelt upon by others and it is not necessary for me to speak of his great ability in those lines. His newspaper was one of the livest that has been published in the South for many years, and had an extremely wide circulation, especially among the rural population, and was looked upon by many people as next to their Gospel. I will say that it is exceedingly remarkable and exceptional that a man raised in this country should have written such complete histories of France and of Napoleon—volumes that have been considered among the best in the world. Some of his other works are also among the foremost of our time. I will mention also that after he came to the Senate it was truly inspiring so sit in the cloakroom and hear him go into details about historical events of all ages. He was one of the best posted of living men on these subjects.

It was not my good fortune to know him intimately in his home life, but after he came to Washington it was a pleasure to know Mrs. Watson, a truly lovable, yet retiring and modest lady of the "old school" of the South. She is a distinctive

representative in the mind of what we call true southern womanhood. Her patience and untiring efforts to aid her husband in acquiring his ambition was indeed inspiring.

When the members of this Congress left Washington for their homes last September, none of us realized that before the fast-traveling trains could bear us to our destinations one of the members of this body, Hon. THOMAS E. WATSON, of Georgia, would be called away.

Death is full of awe and most harrowing under all circumstances. When we stand by the side of some loved one and watch the cold hand of eternity stealthily reach out and take one away we are appalled and often heartbroken, but far greater is the shock when the summons comes suddenly and without warning. This was the case with Senator WATSON. His colleagues in this Chamber had known for some time that he was not a well man, but none expected his death so soon.

I was a member of the party appointed by the President of this body to attend the funeral services of Senator WATSON at his home in Georgia. I can truthfully say that during my entire lifetime I have scarcely ever seen so large an assemblage of citizens, men and women alike, as was present in the little town of Thomson when Senator WATSON's remains were laid to rest in his beloved Georgia soil. The outpouring was large and the grief and distress shown sincere. Citizens of all kinds had come from far and near to look for the last time upon the human form of their departed friend. During that day a gentleman told me Senator WATSON had helped him on numerous occasions—in fact had almost forced help upon him—and his only objection was that the Senator would not allow him to reciprocate. This illustrates the unselfishness of our departed friend and colleague.

The simple funeral ceremonies conducted at the grave of our departed colleague were strictly in keeping with his life—without show or pretense. As he had lived, so he died.

Senator WATSON was hoping to go home until within a few hours of his death. Almost the last words he spoke were to ask if the plans had been made, and when told that they had been, he turned over and went to sleep. Thus he went home.

Verily, we are traveling on the wings of time. Indeed, it is at a speed that none of us may count, and to-day, as we gather here to pay our humble tribute to the memory of our deceased colleague, we must be reminded that all must soon be yesterdays.

So live that when our summons come to join
The innumerable caravan which moves
To that mysterious realm where each shall take
His chamber in the silent halls of death,
Thou go not, like the quarry slave at night,
Scourged to his dungeon, but, sustained and soothed
By an unfaltering trust, approach thy grave
Like one who wraps the drapery of his couch
About him, and lies down to pleasant dreams.

After days of weary illness our late colleague lay down to dream. He heard the great clear call:

Sunset and evening star,
And one clear call for me,
And may there be no moaning of the bar,
When I put out to sea.

Out on the great uncharted sea he went. But above the hand of the invisible mariner was guiding him home to his haven of rest.

And so we remember the words of that beautiful song—

As a mother stills her child
Thou canst hush the oceans wild.

As we pass through life we are reminded more and more each day that we should be patient with the faults of others, tolerant of the opinions of others, and charitable to the weaknesses of our fellow men.

Again the poet speaks most eloquently when he says:

Teach me to feel another's woe,
To hide the fault I see,
The mercy I to others show
That mercy show to me.

I believe the three great cardinal principles of life to be faith, hope, and charity; faith in the divinity of Christ, hope of a glorious immortality, and charity for all mankind.

Senator WATSON's record has been made as ours must soon be. Swiftly speeding as ebbs out life's little day, let us turn to our colleagues, our friends, our loved ones, yea, the friendless, and with a heart mellow with human kindness, be prepared to write the great record of life as we and they must do in the fullness of time.

It has been said that adversities and sorrow make us better men, and I believe this is true. As we look upon the seat of our late colleague, now vacated by him, we must fully realize that if we are to carry out to the fullest the Creator's plan of redemption we must daily practice justice, mercy, wisdom, and truth with those with whom we come in contact.

The hard blows we get in the daily give-and-take of life make us not only better able to go about our duties with a sterner purpose and determination, but at the same time we are enabled to feel the keen edge of another's woes when the tide of life is running strong against his fortunes.

Let justice, mercy, wisdom, and truth be our daily guides; justice to our fellow man in every relation of life, well established; mercy to cover the frailties and weaknesses of those who fall by the wayside; wisdom to guide us always on the great highways of life, and truth as the beacon light directing us along our course. May these virtues ever be with us.

Lastly, Mr. President, as the snows of winter shall disappear and be succeeded by the brightness of springtime, with all its gladdening verdure, may the sorrows, the vexations, and the troubles of mortal life be followed by a beautiful and glorious immortality, the hope of the Christian world.

Mr. CAMERON. Mr. President, we are here to pay our last official respects to the deeds, work, life, and memory of the late junior Senator from Georgia, Hon. THOMAS E. WATSON, my warm personal friend.

It was some thirty years ago, amid the hustle of the West, that I first became acquainted with Senator WATSON through the newspapers. Later I came to know him by casual acquaintance. We entered the Senate at the same time, our offices were next door, and from that day on we became personal friends and neighbors.

Through this span of years I followed his career with interest; his fighting qualities; his independence; his steady devotion to the principles he advocated. He was a man of action, a whirlwind in execution; often referred to as "that stormy petrel" from Georgia.

We of this side of the chamber often disagreed with him on partisan measures, but we all admired his courage, his fighting ability, his fairness in debate, his unassuming way in presenting his views of all subjects at issue. Defeat never lessened his energy and determination to carry through; on the contrary, he would marshal his forces and attack from a different position.

Possibly in American political life there is no one who had as many defeats as he. For more than thirty years this great self-made Georgian held the balance of political power in that State in the hollow of his hand. Not always could be succeed in elections himself, but his endorsement or disapproval of this or that aspirant for political office spelled success or failure. He did not use this great power for selfish purposes, but through it held those in public trust to a strict accounting to the public, the common man, whose cause he at all times championed.

Much personal abuse and vilification, wholly undeserved, was heaped upon his long and useful life. He was well aware of this and felt it keenly, yet he never swayed from his course. Complete personal and political independence was the shining element of his life, and this consistent independence made his enemies admire him and his friends and followers all the more zealous to follow his leadership. Party lines meant nothing to him when contrary to promises and pledges to his friends and followers. He cared not for the party whip or pressure of ruthless propaganda.

His great public service is a matter of record. To his State and to the country he has contributed no small part in many pieces of progressive legislation. To literature, especially history, he gave volumes which rank with the highest; to the home he gave the genuine devotion so characteristic of the good old Southern stock.

In the death of Senator THOMAS E. WATSON this Chamber lost a most valuable Member; the country a great public servant; his State one of the greatest of its favorite sons. No one can properly eulogize this great leader whose life was so different, whose death brings to a close a stormy, dramatic, and useful career of a great American.

Mr. HEFLIN. Mr. President, the Senator from Ohio [Mr. WILLIS] has reminded us that Death is no respecter of persons. That is literally true. He visits the humble in the cabins of the poor and the proud and haughty in the palaces of the rich. The high and the low, the rich and the poor, he visits them all. He touches his dreamless slumber to their eyelids and they fall asleep.

The lithe figure that we saw moving in this Chamber and the clarion voice that we heard ringing silvery in this Hall just a little while ago are gone. The brave and brilliant Senator from Georgia has answered his last roll call, made his last speech, voted here his last time, and upon his activities as a devoted,

gifted, and learned lawmaker the curtain has gone down forever.

I realize that nothing we may say can affect him now. No tribute of speech, no pæan of praise can break that deep repose that curtains 'round his pulseless heart. But we owe it to his memory, to the things that he accomplished, to the good that he has done, and to the living who loved him, to say something about the things that occupied his mind and warmed his heart while living.

Born just four years prior to the war between the States, he was only nine years old when the starry cross of the Confederacy went down. His father, a brave Confederate soldier, twice wounded at the battle front in the thick of the fight, came home to find the old order gone, his slaves freed, and the devastated South in the throes of grave financial and economic distress.

Senator WATSON's father and thousands of other slaveholders and landowners in the South found themselves confronted with the ghastly problems of poverty where they had not long before reveled in the plenitude of prosperity. It was in that new, unpromising, and hard order of things that Senator WATSON as a boy of 10 found himself environed as he struggled for an education.

He was just 17 years old when the "made-to-order panic" of 1873 came to rob and curse our people. TOM WATSON, a brave and brilliant boy in his teens, felt keenly the evil effects of the 1873 conspiracy of certain conscienceless financiers to contract the currency and produce a panic.

Long after he had overcome the difficulties that had thus been thrown in his way as a boy, and at a time when he wore the laurel wreaths of triumph, one day in writing about the difficulties that confronted him and the hardships that he had endured in his youth time, he said: "At last came the panic of 1873, and when the smoke cleared from that financial Waterloo my father was one of those who was stretched upon the field."

Mr. President, the situation was not at all promising for young WATSON. Is it any wonder, then, that the distinguished journalist, Walter Wellman, years later, in the Review of Reviews should say, "Who can withhold admiration from a man who has fought his way through all kinds of obstacles to success—who has run the race heavily handicapped from the first, and won?"

Senator WATSON won financial comfort, business success, fame as a lawyer, writer, orator, and statesman.

He had been, indeed, a poor country boy battling amidst embarrassing difficulties and privations in his efforts to make a living and get an education, but the interesting and thrilling thing in it all is he triumphed. He who had worn the humble garments of poverty and he who had walked the flinty paths of human hardship as a boy fought on and on until success smiled upon his efforts and he stood resplendent in the glow of his own proud achievements.

While yet in his teens he taught school out in the country for about two years and made barely money enough to pay his board. In one of his books he tells us that it was during that time, when he lived in their homes, ate their food, slept in their beds, and learned of their hard lot, that he became deeply interested in the problems of the poor and resolved to do something to improve their condition. From that time on till death called him home he never lost an opportunity to champion the cause of the common man and to demand for the struggling poor a fair chance in the race of life.

He taught school in the daytime and studied law at night, not by a lamp or candle light but, to use his own language, "The blaze of a fat pine knot lighted the pages of Blackstone."

When he was admitted to the bar and started into the practice of the law he had in money all told only $6.50. His first year in the practice brought him in cash only $212.

Mr. President, he knew what it was to endure hardships, to work and dream and plan and wait. All the while he was gathering useful information from printed page and storing his mind with useful knowledge.

The privations that he experienced and over which he triumphed, and the difficulties that he surmounted, have been helpful signboards along the rugged way and beacon lights in the clouded sky of many a determined struggling boy along the road of life. And in the years to come, when times are hard and things go wrong and progress seems so slow, boys will find inspiration and courage in the fact that this brilliant and distinguished United States Senator from the State of Georgia once walked the same hard and lonely path and experienced the same privations, and yet with the battle-ax of his dogged determination, reenforced by the knowledge that he as a student had acquired, he broke down the obstacles that stood in his path and made his way to eminent success.

The first thing he did as a young lawyer when he commenced to earn money for himself was to buy for his father and mother the old home and the old plantation that they had lost during the panic of 1873. He was hard pressed to make the payments, but he made them. Thus we see TOM WATSON in the morning of his young manhood giving the first fruits of his labor to his dear old father and mother. The love that he displayed on that occasion and the beautiful and tender solicitude shown for his poor parents then stamped him as a man of noble heart and as a man of heroic mold. The experiences that came to him personally on the plains of poverty and the lessons that he learned in the school of hardships acquainted him as nothing else could with the hard problems of the country's struggling poor. They left an impress upon his brilliant mind and upon his big, generous, and sympathetic heart that remained with him through life.

His deep desire to do something to bless and benefit the poor and needy, to better the condition of the toiling masses, impelled him to write and speak through the years of his busy and eventful life for justice and fair play for them.

In season and out he demanded for them a fair chance in the struggle for existence. Years ago, on one occasion when he was sick, he gave a clear insight to the longings of his great heart when he wrote these lines:

I long to do something worthy of what is best in my nature. I long to fight a good fight for justice, for better laws, for beneficent institutions, for conditions that are more equitable, for a fairer distribution of the bounties and blessings of nature and human industry.

Noble prayer beautifully expressed.

Again, he said:

Public life allured me. To be a tribune of the people, leading them upward and onward, cheered by their applause, made happy by the blessings of those whom my life work elevated and benefited, seemed to me the noblest task I could undertake.

His heart was full of human love and human sympathy. He wanted to labor in the field where he could serve the most people and do the most good.

He was wonderfully well equipped for public service. This great student was familiar with the story of every important political problem of the past. He was intimately acquainted with the history of every Government on the globe. Time and again he called to the attention of his countrymen the causes that brought political oppression and the loss of human liberty to other nations, as he urged his own country to profit by their example. To the day of his death he stood with flaming sword on the dividing line 'twixt church and State, preaching the gospel of single allegiance to the Stars and Stripes, and holding aloft the banner of whole-hearted Americanism.

He was a great admirer of Thomas Jefferson and a strong believer in his doctrine, and no man with whom I have ever served in Congress could quote more freely, more accurately, and more appropriately from his writings than could this brilliant and distinguished son of Georgia.

He was himself a fascinating writer—a master of beautiful and trenchant English. His Life of Jefferson and his Life of Jackson and his story of the Old South in a book called "Bethany" are all wonderfully interesting. He probably achieved a larger measure of fame as an author in his Life of Napoleon and his History of the French People than in anything else that he has written. A few years ago Congressman John L. Burnett, of Alabama, was on an immigrant commission touring the Old World, and he spent some time in Paris. He went into the Public Library there and asked for a history of the French people and of Napoleon, saying that he did not have long to stay, and he wanted the very best work they had, and the librarian handed him WATSON, of America, on Napoleon, and the History of the French people.

Not only that, Mr. President, but we are told that these two comprehensive and wonderfully clever and instructive productions of TOM WATSON's pen have been adopted as textbooks in the schools by the people of France.

Let me read to you what he said about why he wrote some of the books that bear his name as author:

The story of France grew out of some sketches which were written for my paper in Atlanta, Ga. The purpose was to show how class legislation and the greed of the few had wrecked the French monarchy and caused the Revolution, just as I believe they will wreck our own Republic unless checked by measures of peaceful reform.

In the Jefferson book the purpose was to show upon what principles a genuine government of the people, as contrasted to a government of the privileged few, must be founded. All the lovers of class rule go back to Hamilton; all the upholders of a government of the people, by and for the people, get their creed, so far as this Republic is concerned, from Jefferson.

As to Napoleon, he is beyond all comparison the most fascinating figure in history, and the study of the career of the charity schoolboy, who fought his way in modern Europe to a pinnacle from which he made thrones his footstools, carried its own reward. Besides, his career affords the most striking illustration of what can be done under modern

conditions by giving intelligent direction to the democratic impulses of a nation. As long as Napoleon was content to represent the aspirations which the French Revolution had awakened he was irresistible. But when he again united the church with the State his strength began to wane.

After serving one term in Congress, some 30 years ago, he retired for a time from active participation in politics and devoted his splendid talents to the pleasing task—for pleasing it was to him—of writing books. What a fund of valuable information he possessed. What a treasure house of Watsonian literary gems sparkled in his brilliant mind. I will use his own language to express the exquisite pleasure that came to him as he sat in his library at Hickory Hill in Georgia writing books that brought him fame as an author. He expressed genuine joy at being once more alone with his books, and then he said there came a feeling of rapture to him as "the long shining lines of thought swept before his mental vision and as he felt the thrill and ecstasy born of creative composition." He tells us that there in his library he called around him "the serene companionship of great authors, breathed the atmosphere of the past, entered into the lives, the hopes, the struggles, the sufferings of the sublime reformers to whose courage and sacrifice we owe all that makes the world tolerable, all that gives us liberty of person, of conscience, of speech."

He was at home amidst the literary masters of the past and delighted to revel in the lore of ages long gone. But, Mr. President, neither his attainments as a scholar nor his fame as an author ever prevented him from using his pen and lifting his voice in behalf of the plain people that he loved so well. Let me read to you briefly from his story on "Corn-Planting Time in Georgia." His description of the scene presented is natural and beautiful, and his appeal for the farmer and his family is tender and pathetic—

Down the furrow and up the furrow, down to the woods and up to the fence—there they go, the sturdy plowman and his much-enduring but indispensable mule.

On moves the plowman, steady as a clock, silent and reflective.

* * * * * * *

The mocking bird circles and swoops from tree to tree, and in his matchless bursts of varied song no cadence is wanting, no melody missed.

* * * * * * *

On such a day, such a cloudless, radiant, flower-sweetened day, the horseman slackens the rein as he rides through lanes and quiet fields; and he dares to dream that the children of God once loved each other.

On such a day one may dream that the time might come when they would do so again.

Rein in and stop, here on this high hill! Look north, look east where the sun rises, look south, look west where the sun sets—on all sides the steady mule, the steady plowman, and the children dropping corn.

Close the eye a moment and look at the picture fancy paints. Every field in Georgia is there, every field in the South is there. And in each the figures are the same—the steady mule and the steady man, and the pattering feet of the children dropping corn.

In these furrows lies the food of the Republic; on these fields depend life and health and happiness.

Halt those children and see how the cheek of the world would blanche at the thought of famine!

Paralyze that plowman—and see how national bankruptcy would shatter every city in the Union.

* * * * * * *

Great is the might of this Republic! Great in its schools, churches, courts, legislatures; great in its towns and cities; great in its commerce, great in its manufactures, great in its colossal wealth.

But sweep from under it all these worn and wasted fields, strike into idleness or death the plowman, his wife and his child, and what becomes of the gorgeous structure whose foundation is his field?

* * * * * * *

And hard, indeed, would be the heart that, knowing what these people do and bear and suffer, yet would not fashion this prayer to the favored of the Republic: "O rulers, lawmakers, soldiers, judges, bankers, merchants, editors, lawyers, doctors, preachers, bondholders, be not so unmindful of the toil and misery of those who feed you!"

He lived close to the heart of nature. The little things, the main things, that make up the life of the average or normal man and woman appealed powerfully to him. No one could describe the most attractive things in nature more vividly or more beautifully than he. Let me read to you his little prose poem tribute to the "Rain Drop":

The raindrop slips from the cloud above, sinks into the soil where the seed lies buried and says to it, "I am the resurrection and the life"; trickles onward through field and forest, seeking the brook, and with the brook journeys onward, loitering in the eddy, leaping in the cascade, and faring onward until it reaches the great blue sea, from which it is lifted by the white hand of the mists back to its home in the clouds, to start once more from the skies with its message to every seed of grass and grain and flower, "I am the resurrection and the life."

No one but a person with the beautiful vision of a poet and the rare genius of a literary master could be the author of that splendid literary gem.

Mr. President, nearly 20 years ago he was nominated for President of the United States by the National People's Party and the peroration of his acceptance speech was magnificent. It was eloquent and beautiful. I will read it to you:

In Rome, the preservation of the fire was given a sacred character; a temple was built for the service, and those who were set apart to feed the flame were consecrated as to a religious duty.

Pure young women were chosen as guardian angels of the sacred fire, and if one of these vestal virgins lost her own purity or let the light in the temple go out, the penalty was death.

Within the temple, night and day, winter and summer, year in and year out, the vestal virgin watched her sacred flame. Roman eagles might be flying to the uttermost ends of the earth; Roman legions might be camping on the distant Rhine or chasing Picts and Scots to the Grampian Hills or forming lines of battle upon the Euphrates—but in the temple at Rome would be found the eternal fire, with the vestals feeding it night and day.

If the light went out in the house of any Roman—rich or poor, country or town—he was not left in darkness. Straightway he betook himself to the temple and lit his torch at the fire which the vestals had kept alive.

And all over the broad dominions of Rome there was never a fear of universal darkness, for they knew that if one vestal fell away from duty another would take her place, and that vestals might come and vestals go but the light would shine forever.

Oh, my countrymen, each of us is a temple; within each of us was lit the sacred fire; within each of us are the better angels of our nature, whose eternal vigilance is need to keep the temple purer and the light trimmed and burning. As it is with the individual, so it is with the Nation. The grandeur of the Republic must always rest upon the nobility of the citizen.

Does the sacred fire burn low within me? Then woe unto me, for I have lessened the Nation's splendor. Has the light gone out of your life? Then woe unto you, for the Nation has lost a part of its glory.

To every man and woman who has listened to this address, to every man and woman who shall hereafter read it, I appeal.

Consecrate the temple; keep pure and perpetual the vestal service; for it is moral death to the individual to neglect the fire; it is moral death to the Nation to lose the light.

That peroration breathes a lofty and wholesome sentiment. He was a wonderfully well-informed man. He had been a great student and he was a great scholar. He seemed to remember everything that he had ever read. As was said of the able and brilliant Senator Morgan, of Alabama, "his mind was wax to receive and marble to retain."

He had his faults. Who has not? He made mistakes. Who makes no mistakes seldom makes anything. While I had disagreed with some of the positions that he had taken during his political career, I always admired his frankness, his courage, and his wonderfully brilliant intellect, and his abiding friendship for the masses always appealed greatly to me. I had read a great many things that he had written, and although I lived in a State adjoining his I had never seen him until he came here as a Senator from the great State of Georgia. I came to the Senate just three months before he did, having been elected to fill out the unexpired term of Senator John H. Bankhead. I was in the midst of the most difficult and stupendous fight in which I ever engaged as a national legislator.

I was convinced that the deflation policy inaugurated by Republican leaders in 1920 and carried out under the direction of Governor Harding, head of the Federal Reserve Board here in Washington, was the result of a conspiracy in which certain Wall Street bond sharks, financiers, and speculators were criminal participants, and I had resolved to acquaint Congress with the facts of deflation as I found them and to expose and condemn those whom I believed to be guilty of reprehensible conduct.

I was in the first stages of the long and strenuous fight when Senator WATSON arrived in the Senate. From the beginning he was heartily with me on the stand that I had taken, and during the first two or three days of his service here he came over to my desk, shook my hand, and said with deep earnestness, "Senator HEFLIN, you are right in this matter, and I want to commend you for the fight you are making."

"I am going to help you as soon as I feel a little better." In a few days I was again discussing the matter, and he arose and interrupted me with a very helpful suggestion. And from then on, until Congress adjourned on September 22, 1922, he made valuable contributions to the cause.

Among other things, I was charging the Federal Reserve Board with having permitted the Reserve Bank of New York to appropriate $25,000,000 to build a bank palace in that city, several million dollars of which should have gone to the Government in the form of a franchise tax, and it would have gone into the Federal Treasury as a franchise tax if the Federal Reserve Board had not permitted it to be turned over for the questionable purposes to which it was shamefully applied.

I had been calling attention to the necessity of protecting the Government against such extravagance and graft in the future and to the advisability of amending the law so as to limit the amount of money that could be appropriated in the future for the construction of Federal reserve bank buildings. He had

assisted in passing the amendment which did that. He arose and said:

Mr. President, the country will be astounded at the profligate waste of public money in these banks. My colleague [Mr. HARRIS] introduced the amendment designed to place a check upon the extravagance of these regional banks, and it is one of the best pieces of practical legislation that I have seen put through Congress.

* * * * * * *

The amendment of Senator HARRIS was adopted. It provided that no Federal reserve bank could hereafter appropriate more than $250,000 for the construction of any bank building unless it should first obtain the consent of Congress.

We were getting practical results from our fight on the strange, loose, and unbusinesslike conduct of the Federal Reserve Board. Time and again I had criticized Governor Harding, of the Federal Reserve Board, for permitting loans to be made to the cotton and grain speculators of New York, while he was refusing to permit loans to be made to farmers, merchants, and bankers in the South and West. It was during one of these discussions that Senator WATSON arose and said:

Mr. President, in the Atlanta Constitution of October 9, 1920, there appeared on the front page large headlines relating to an interview given out by Governor Harding at Birmingham. A subheadline reads as follows:

"Governor Harding emphatically states that bank [Federal reserve] is not an institution for lending money to farmers."

An official connected with the department of agriculture of Georgia had gone to Birmingham and pleaded with Governor Harding for loans to the farmers of my State. He was told, and the fact was published abroad, that the farmers need not expect any help from the Federal Reserve Board. The very next day cotton broke and went down 114 points. My colleague [Mr. HARRIS] knows as well as any Senator here knows the disastrous effect upon the material condition of our people by this repeated, continued, distressing policy of contraction, and he knows that our people to-day are in the depth of despair, hardly knowing which way to turn for some gleam of hope.

* * * * * * *

He fully appreciated the distress and suffering that deflation had brought upon the people of his State and he bitterly denounced those who were responsible for the crime. On February 9, last year, when I was discussing a certain phase of the subject, he arose and said:

Mr. President, right there I will state for the information of the Senator [Mr. HEFLIN] that there was a citizen of Georgia who took $10,000 in Liberty bonds to Atlanta not long ago in the hope of borrowing money on them. He could not borrow one dollar. At that very time, however, such bonds were being bought in New York as rapidly as they could be put upon the market. I suggest to the Senator that the very policy which forced the remote banks to refuse to lend on Liberty bonds but which allowed money to be loaned for their purchase in New York naturally tended to depreciate their value in the agricultural States and forced them to sale in New York.

Mr. President, in describing the robbing process employed to destroy prosperity and produce distress and suffering among the people of the South and West I mentioned the fact that thousands of people had been driven to suicide by the cruel and distracting ravages of deflation and I referred to it as "murderous deflation." When I had finished, Senator WATSON arose and among other things said:

* * * The Senator from Alabama [Mr. HEFLIN] used the word "murderous," and that term is not too strong, for, indeed, that policy has caused men to murder themselves, and God only knows how many men have been driven to crimes that resulted in murder by the remorseless policy of the Federal Reserve Board.

Again, when I was discussing another phase of the subject, he came to my aid and said:

A few days ago there was brought to me from the reception room a card bearing the name of Mr. Will Kendrick, of Mayfield, Ga., a business man whom I have known for many years. My colleague [Mr. HARRIS] perhaps knows him. He is a worthy gentleman and entirely trustworthy. Among other things which he told me, showing conditions in Georgia, was this: His son-in-law, a large farmer, found it necessary to run his farm on a basis of 15 plows less than he had been doing. That left him with 15 surplus mules, which, of course, he wanted to sell. There being no local demand for mules, he shipped them to Atlanta—a carload of mules. They were sold, and his net return from that carload of mules, which cost him $150 apiece two or three years ago, was less than $1 apiece for the mules, the net return being $12.50.

Mr. President, while I was excoriating the criminal deflationists he discussed with me in private conversation time after time the terrible conditions that deflation had brought upon our people, and he always manifested the deepest interest and the keenest sympathy for those who had been literally robbed by deflation.

When loans were denied them and their products were forced upon the market and sold at a price far below the cost of production, he knew that there was no necessity or justification for deflation, and he had the courage to strongly condemn those who planned it, brought it about, and made millions out of it, while they produced distress, poverty, and suffering amongst millions of American people.

Mr. President, for many years he published a weekly newspaper, and week after week his paper fairly bristled with interesting lines from his pungent pen.

Thousands and tens of thousands of people in Georgia and adjoining States read his paper, and thousands and tens of thousands became his devoted admirers and faithful followers.

They called him the sage of McDuffie and the tribune of the common people. The demands for him to speak at different points in the State were insistent and incessant. His appearance on the hustings in his State was the signal for the outpouring of the people by the thousands. Through his weekly paper and his speeches on the hustings he so aroused and captivated the masses of the people of Georgia that he became the most powerful single factor in the political affairs of his State.

For a quarter of a century he was the intrepid and invincible spirit guiding the tide of political battle in the proud old Commonwealth of Toombs and Hill and Stephens. He was long called the stormy petrel of Georgia politics.

It is an open secret that for years and years every man elected to the office of governor in the State of Georgia pointedly proclaimed his friendship for the sage of McDuffie and made it his business to boast everywhere that he had Tom Watson's support. The once poor, obscure country boy was now politically the foremost citizen in the State. In 1920 his beloved Georgia laid upon his brow the laurel wreath of her affectionate regard when she gave him her vote for President of the United States. This expression of admiration, confidence, and esteem touched him deeply. While we knew, of course, that he could not then be nominated as the Democratic candidate for President, he was sincerely grateful for the honor done him; but deep down in his soul there had long been the desire to be a Democratic United States Senator from the State of Georgia. Honors fell thick and fast upon him then, and when that honor came it was the climax and crowning glory of his political ambition, and his cup of joy was full and running over.

Mr. President, during his long, active, and stormy career there was one who kept sweet vigil in the home circle—one whose love-lighted watch fire burned beautifully and faithfully through the years for him—his noble and devoted wife. He dedicated one of his books to her in the following language:

Dedication to Miss Georgia Durham,

In whose pure affection and loyal soul a briefless young lawyer found favor in the good year 1877, and who not so very long afterwards became Mrs. Thomas E. Watson, and who has ever since walked the long path by his side, through health and through sickness, through joy and through sorrow, through sunlight and through the tempest, with the unfaltering devotion of the typical wife, and who now turns with him to face the afternoon of life without any sort of fear, and with the peace of soul that passes understanding.

Again, he said:

I am never so happy as when let alone by the outside world and left to the enjoyment of my own fireside and the companionship of my old sweetheart, whom I wooed and won when a poor and almost friendless boy.

TOM WATSON, like Cæsar and Thomas Carlyle, when reading or writing could not endure such a noise as the crowing of a cock. When I visited Hickory Hill, the home of Senator WATSON, on the sad occasion of his funeral, I went into his magnificent library and sat in the chair that he occupied as he wrote his Life of Napoleon and the history of the French people, and this beautiful little story was told to me about his thoughtful, devoted, and faithful wife: It was said that as he used to sit in his library and read and write the English sparrows would gather in the trees about the yard and chatter, to his great annoyance. His wife would sit in the yard and sew or knit or read, and she would throw stones into the trees to keep the birds away, and she kept the roosters from coming up and crowing near the library. That was the work of his old sweetheart contributing her part. Who knows just how much she did contribute to the writing of his great books by making things comfortable and pleasant for him during all that time?

One who knew Senator WATSON and Mrs. Watson well in their home life told me that she was his inspiration and good angel through all the years of their married life. Mr. President, I well remember when he came to Washington accompanied by Mrs. Watson and his two lovely granddaughters. There were two other persons from his home who belonged to his newspaper staff in Georgia, and Miss Orr, who came to be associated with him in the same work which was carried on here, and also to be members of his official force in his service as United States Senator from Georgia. I refer to Mrs. Lytle and Grover Edmundson, who are still carrying on the publication of his popular paper—the Columbia Sentinel.

I saw him go down the aisle with the senior Senator from Georgia, my good friend Senator HARRIS, to whom he later became devotedly attached, and take the oath of a United States Senator from the State of Georgia. I saw these galleries thronged with people who were eagerly looking down and ask-

ing to have TOM WATSON pointed out to them. You could hear them say, so the guides tell us, "He is the author of the greatest history of Napoleon and the French people ever written; we want to see him." All eyes were upon him, and when he came back to his seat the Democrats gathered around him and shook his hand and congratulated him. His face was wreathed with smiles. He was happy.

Through privations and poverty; through difficulties and disappointments; through the stress and storm of fierce political battles he had come triumphant. His dream had come true. His greatest ambition had been gratified. He immediately took up the duties of his office, and from the beginning handled them as one long accustomed to service in the Senate.

As Napoleon said, "One ages rapidly on the battle field." It was plain to us all that the long and strenuous battles that Senator WATSON had fought had drawn heavily upon his physical vitality. He was not in good health when he came here. But that did not keep him away from his post of duty. He was here day after day except when he was too feeble to come. Mr. President, he took a special interest in me and the work that I was doing here. He was my devoted friend, and I had learned to appreciate the noble qualities of his great mind and heart, and had come to be very fond of him. I miss him and I mourn with those who loved him.

He was here, although very feeble, on the last day of the session, when Congress adjourned September 22, 1922, and four days from that time he told the nurse who attended him in and "was not afraid to die." The death angel came for him that night, and he went away to the spirit world.

I want to read to you a beautiful prayer and a beautiful sentiment written by him at the beginning of the new year, 1922:

Deal gently with us in the new year, Father Time—
Give us strength to bear the cross, for we know that we must bear it;
Give us courage for the battle, for we know that we must fight it;
Give us patience to endure, for we know that we shall need it;
Give us faith in the right which no defeat can disturb and no discouragement undermine;
Give us the love of truth which no temptation can seduce and no menace can intimidate;
Give us the fortitude which, through the cloud and the gloom and the sorrow of apparent failure, can see the distant pinnacles upon which the everlasting sunlight rests;
Give us the pride which suffers no contamination, no compromise of self-respect, no willful desertion of honest conviction;
Give us the purpose that never turns and the hope that never dies.
And, Father Time, should the new year into which you are taking us have upon its calendar that day in which the few that love us shall be bowed down in sackcloth and ashes, let that day, like all other days, find us on duty, faithful to the end.

Mr. President, he remained on duty and died at his post when his labors of the session had ended.

In company with other Senators I journeyed with his remains to his last resting place. In every town in Georgia through which we passed the people thronged about the station to get a glimpse of the funeral train, and when we arrived in the little city of Thomson, where he had lived so long and where the people loved him so well, from 15,000 to 20,000 people were there. Everywhere there were banners and badges of mourning.

Those people had come from all over Georgia; come to pay to the memory of their dead chief the tribute of their love. I never saw at the grave of any public man more genuine sorrow, more heartfelt grief than I saw among the people of the State of Georgia at the grave of Senator WATSON. Peace to his ashes. God bless and comfort his loved ones.

Mr. LADD. Mr. President, THOMAS E. WATSON did not have to be elected to office to prove his greatness. In many respects he has stood head and shoulders above his fellows as author, writer, historian, and statesman for over a quarter of a century. His sympathy for suffering humanity, plus his natural wisdom and large fund of acquired knowledge—the sequence of his untiring energy and industry—explain the secrets of his success.

The Story of France, The Life and Times of Thomas Jefferson, The Life of Napoleon, The Study and Story of the Old South, The Life and Times of Andrew Jackson, are treasure chests into which thousands of readers have dug in the days and years gone by, and they have always come up with hands full of sparkling gems of thought.

A man of strong convictions, possessing a copious vocabulary, he never lacked for the proper word, as orator or writer, to convey his meaning or depict his feelings. He has probably done more than any other man in his day and generation in the way of educating the masses.

One of his outstanding achievements in behalf of the farmers of the Nation was in securing the first appropriation in Congress for free delivery of rural mail. The 44,405 rural mail carriers, who are daily serving the 29,774,516 citizens of the United States, are living monuments to his foresight and interest in the people in the rural sections of the country, and as a result of the success of the rural system in America thousands of Canadian families are to-day enjoying the blessings of his efforts in this respect.

After having served in 1882–83 as a member of the Georgia House of Representatives, having been elected to that position as a Democrat, WATSON gained national fame by being elected to the National House of Representatives in 1891–1893 as a Populist.

While serving in the House he attracted nation-wide attention by his attacks upon the procedure of Congress and the personal habits of many Members. These attacks were responsible for his defeat for reelection in 1892.

Perhaps his outstanding effort as an author was his history of France, which was adopted by the public-school systems of France as a textbook. It has been said that this book was the best story of France that has ever been written. Senator WATSON dearly loved France, her history, and her traditions, although he had never set foot upon her soil.

During the period of his serious writing Senator WATSON was industriously and everlastingly fighting for the common people and their rights under this Government. He established a magazine, Watson's Jeffersonian, which upon its first issue became the most widely circulated political magazine published in the South and one of the most widely circulated in the country. His principal claim through the columns of this magazine was that the Democratic Party, as such, was not functioning in accordance with the principles laid down by Thomas Jefferson. His attacks in this way advanced him to a leading position in Georgia and southern politics among the so-called "common people," whose friend he ever was.

It is known that he never felt the call to serve them in any capacity but that he responded quickly and cheerfully, and threw himself in front and in the midst of every battle. He was a violent and pugnacious fighter—never known to give up—always ready to go to the firing line where he commanded and directed.

By his mental ability and capacity to receive and administer political and economic punishment in his continuous fight for human rights he attracted a personal and political following which later on rewarded the virtue of his position and activities by sending him to the Senate of the United States against the combined efforts of both the Democratic and Republican organizations of Georgia. At the time of his death he commanded the largest personal following in his native State of any politician in that State since the War.

As a serious writer of history Senator WATSON will live for ages after the vast majority of his contemporaries will have been forgotten.

His disbelief in the methods of newspapers of his time caused him to establish papers or magazines of his own, and he had no difficulty through these media in getting his ideas and views before the minds of a multitude of interested and principally sympathetic readers.

As author, scholar, historian, lawyer, citizen, and statesman THOMAS E. WATSON has left the indelible imprint of his life upon a nation that will gradually learn to love and appreciate his worth.

Mr. CARAWAY. Mr. President, I was absent from the city and did not learn until late yesterday afternoon that to-day had been set aside to pay tribute to the memory of the departed Senator from Georgia, THOMAS E. WATSON. I shall therefore make no comment upon the activities that marked his tempestuous career, but confine myself solely to describing the Senator as he was known to me.

I now stand at the desk which has been assigned to me in this body. The one nearest to me on my left is the one that was assigned to the Senator whose memory we honor to-day. I had, therefore, an opportunity to observe him closely and to know him well. I shall attempt, in the few minutes that I shall consume, to leave a picture of him as it is painted in my memory.

In my memory appears a man of medium height; of classic features, with a noble brow; a shock of hair nearly gray; a figure so frail that it seemed impossible that he could last out the day; a skin as pallid as if death had already stilled the pulsing heart; an eye, however, always bright, sometimes beaming with pleasure, and often flashing with righteous anger inspired by the positions of those whom he thought were advocating the wrong; a mouth as tender as a child's or as firm as a Cæsar's.

Senator WATSON was, in appearance, a remarkable man. No one could have met him and forgotten him. It is doubtful if he ever had to recall his name to anyone who had ever met him, however slight the acquaintance might have been. There was something about him, that indescribable something we call personality, that made all turn to him.

They might have differed with him and did, doubtless, in many views he advocated. They might not always have agreed with the motives they thought inspired him, but no one could have come in personal contact with THOMAS E. WATSON and in his heart of hearts questioned either the sincerity of WATSON or the kindly disposition of his nature.

He has been referred to here to-day as "Fighting TOM WATSON," and yet I doubt seriously if any man ever sat in this Chamber who loved peace more, who loved gentleness more, whose heart was more filled with love of humanity and of kindness, than was that of the distinguished Senator whose memory we attempt to honor with these few brief tributes to-day.

It is too near to his going away, however, to form any accurate opinion of what will be the estimate of that generation that comes after us, of those who will be so far removed from the scene of conflict, that with dispassionate judgment they may appraise the activities which so engrossed his time.

I remember reading of the political activities of Senator WATSON when quite a small boy. I remember when those who did not know him ridiculed him, and those who did not understand him condemned him. Yet, even now, while the echoes of his voice in this Chamber are hardly stilled, so recent has been his going, all just men and women say that, looking back through the years, they can mark the sturdy, consistent course that THOMAS E. WATSON traveled. What is more, the things for which he was most condemned, the things for which he was most ridiculed, the things for which he was most hated are the things we now accept.

There was the Ocala platform, written in the State of my distinguished friend, the Senator from Florida. As I now recall, there were 12 demands in the Ocala platform. Those demands were looked upon either as the visionary dream of some irresponsible dreamer or else as the effort of some unpatriotic man to tear down the fabric of this Republic. Yet there is not one of those demands that has not been written into the laws of this land, either in its exact language or some modified form, and many of them are now regarded as conservative, we have progressed so far beyond them.

I recount that only for the purpose of showing that after awhile, when we may be able to detach ourselves from the conflicts which raged about him, we may discover that through all the years his was the one mind that held always the true vision, his the one heart that always beat in unison with the great fundamental principles upon which our Government has been founded.

I wish all could have known him. To know him was a revelation to me. I had thought of him as a turbulent man, as a man who engaged in conflict for conflict's sake, as a man who reveled in strife and whose heart was embittered with hatred. Yet, looking back over the months he and I sat here side by side in the Senate, I recall never to have heard him utter an unkind word of anyone who lived; I never heard an unchaste expression fall from his lips. He was as sweet, gentle, and courteous as human nature can be, always considerate of those with whom he dealt, always willing, wherever expediency alone was to be consulted, to yield to those who pressed their views upon him; but always, whenever principle was at stake, willing to take up the fight with the strongest.

Looking back over his career, it seems no one can justly point to a time when WATSON ever struck the weak or shunned conflict with the strong. He was willing always to concede to others the right of their convictions; always tolerant of opinions in conflict with his own. Always deferring, as I said, to his friends whenever a question of expediency alone was at stake, but I do not believe even his most carping critics, his bitterest enemies, could point to a single occasion when WATSON surrendered principle in order to advance his own interest. If he had sought only his own advancement, as some at times thought, there was not an office within the gift of the people of the State in which he was born that he could not have had. There was none in Georgia who would not have been glad to call him friend if he had been willing to sacrifice his principles merely to have friends. There was none, however radically he may have differed with him, who had not rather have had him on his side than have him against him, and therefore the knowledge that he did fight, always fought, but always fought for principle, I think should silence every critic and make all pause and meditate if it were not he who carried the true light.

Nothing is gained by fulsome flattery of one whose career is as well known as is that of Senator WATSON. Nothing we can say here will influence what his friends think of him, and I fear there is nothing we can say here that will soften the rancor of his enemies. There is nothing we can say, Mr. President, I am sure, that will help to fix the status of WATSON in the history that shall be written of him in the years that are to come. Therefore, all that we do is merely to record our own appreciation of his character. That is the only object I have, to say here these few things that give me that definite and certain and sure impression I have of the great Senator who sat at my left.

With some of his views I did not agree. I thought he was mistaken. I never thought, however, that he was not honest. I never doubted any statement he made where question of fact arose. I never suspected any motive that actuated him. I do not now believe and I do not believe anyone knowing him as I knew him, seeing him as I saw him, believed that any motive that was selfish or mean or little actuated him. He was subject to that infirmity from which all great men have suffered. He had strong likes and dislikes. He passionately loved his friends, and I think without disparagement I may say that he equally passionately fought those with whom he had a conflict.

He was strong is his love and strong in his hate, strong in his prejudices and strong in his powers of analysis. As conflicting as that statement may be, until one may be able to reconcile it he may never appreciate the composite character of THOMAS E. WATSON. He was not just one man. He had many phases. He loved social intercourse. He loved to sit down with his friends in private conversation. He loved the little things that make up life. He loved the little things that made up the lives of children and the people of restricted and narrow experiences. Fate had been unkind to him. The children that God had given him and in whom all his ambitions and his hopes centered God had taken away. He and Mrs. Watson and the little grandchildren were all the family circle left; all who stood within the sacred scope of family love. All the rest of his great heart went out to the people. Irrespective of color, of race, of creed, of position, or lack of it, he embraced all the world in his sympathies, in his hopes, in his dreams, in his aspirations for a future that should be better than anything the world had known.

Now, Mr. President, I felt a real loss when death claimed the distinguished Senator from Georgia. I felt a personal loss. I feel it now. I came to know him only recently. I had not gotten through with getting acquainted with him when death came. Every day some new phase of his many-sided nature was revealed, some new depth of learning that I had not dreamed he possessed; some new side of his always unfolding love for humanity was made manifest. I doubt that anyone who lived knew all his many sides, the many phases of this remarkable man. I believe that I shall never know another with the versatility that he possessed. As the writer of history, as the teller of stories, as the singer of songs, the propagandist, the proposer of legislation, the expounder of theories of government, he was equally at home in all these fields of human endeavor. He was as happy, however, to sit down with the little boys who were pages here on the floor of the Senate and discuss with them the little matter that appealed to them as was he to engage in discussion with the learned and the great. He traveled through all the phases of life, and he loved them all.

And let us hope now that all that perplexed him, all that troubled him, all the heart hunger, all the hopes unrealized, all the dreams unfulfilled, are no longer mysteries to him, and that with death came life and with the grave came realizations.

I hope so; I pray so; I believe so. Friend, companion, teacher, philosopher, scholar, statesman for a little while, to thee I gently say "Good night."

Mr. BROOKHART. Mr. President, it was not my privilege to have a personal acquaintance with Senator THOMAS E. WATSON, of Georgia, but his personality and his career were of such a nature that they made an impression upon the entire country. I therefore knew him well even before I lived to serve in his State in the Army during the late war. There, close to his neighborhood, I realized much more keenly the force and the power of that personality.

I also at one time lived for five years in Bloomfield, Iowa, in the home town of Gen. James B. Weaver. General Weaver was the close political associate of THOMAS E. WATSON in the great Populist movement, and was its candidate for the Presidency when that movement was at its height. In that way I

learned much of the purposes, platforms, and objects of that great movement.

I will have to admit with the Senator from Ohio [Mr. WILLIS] that in those days I was a scoffer against those prophets of the progress of our country. As I look back over it now I see things with a different view. The platform mentioned by the Senator from Arkansas [Mr. CARAWAY] has been fulfilled in every detail and even more. I believe in all 17 major propositions advocated by the Populists of the United States, advocated by Senator WATSON have now gone either into our statutes or into the Constitution of the United States. Had I known I was to be called upon to speak I should have had them all ready to review. I ask the privilege of inserting them later in my remarks.

I can at this time mention part of them. In addition to rural free delivery, the Australian ballot was a result of that agitation. The interstate commerce act grew out of the Populist movement. Our whole primary-election system, which, in my judgment, is doing more to make this a government of the people, by the people, and for the people than any other development, is likewise due to the Populist movement.

Then I can remember further back when we talked of the power of Congress to levy an income tax. The proposal was considered as radical, and WATSON and Weaver and others of the old pioneer leaders were derided for the radical views which they expressed; and yet that has gone into the Constitution of the United States. I remember when the election of United States Senators by direct vote of the people was advocated by them, and that view met with derision and rebuke on the part of the wise statesmen of the generation; but now that is likewise a part of the Constitution of our country. I can remember when they also advocated prohibition and were described as belonging to the class of long-haired men and short-haired women, and yet to-day prohibition is a part of the basic law of our land. I also remember the scornful words which were uttered against them when they spoke in favor of woman suffrage; but that, too, has become a part of our Constitution.

In conclusion, Mr. President, let me say that to me nothing has occurred in American history more fittting than that the successor to this old Populist leader, THOMAS E. WATSON, should have been the first woman Senator in the Senate of the United States.

Pursuant to the permission given to insert in the RECORD a review of the measures pioneered and advocated by THOMAS E. WATSON, I here insert extracts from a speech by the Hon. William Jennings Bryan, made at Bloomfield, Iowa, August 15, 1915, upon the occasion of the dedication of the former home of Gen. James B. Weaver as a civic center. While this eulogy is in memory of General Weaver, Senator WATSON had a leading part in the same movement. Mr. Bryan spoke as follows:

First, there was the graduated income tax. Now, I advocated the income tax about 25 years ago, but this was 35 years ago, so that he was 10 years in advance of me in the advocation of the income tax. I did not advocate the graduated income tax. I commenced to advocate just the flat rate. I had been working along that line and I found there was resistance enough to the flat rate 25 years ago. In fact, I have been called down more for advocating the income tax than any one thing. In fact, when I look back at the measly 2 per cent tax that was cussed so much and now see a graduated income tax such as General Weaver began advocating 35 years ago, I am ashamed of the moderation that characterized me in my policy itself.

He advocated the establishment of the postal-savings bank 35 years ago. That is a good deal further back than most of us began to advocate it, and yet I see that the postal-savings bank is now in operation, and it is likely to grow in size and in the number of its departments rather than to decrease.

There was also the initiative and referendum. Well, I was surprised this morning when they told me that that was in his platform 35 years ago. I did not commence advocating the initiative and referendum until 19 years ago, the first platform in which it appeared, as far as I know. At least, it was the first Democratic platform. There may have been a Populist platform which contained it, but it was the first Democratic platform that contained it, the platform of 1896. It was adopted before I was nominated in Chicago. I was chairman of the committee which wrote the platform of the convention, and the Republican paper said the next morning that when Bryan wrote the platform of the initiative and referendum the delegates looked at each other and one member said to the other, "What is that?" and the Republicans said that that was a new kind of Democratic drink, and the Republican paper stated that immediately upon receiving that information it went through unanimously. I do not say this to criticize the paper, but a great many of the Republican papers were ignorant enough to think that anything new was a Democratic drink. I was prejudiced enough to think that anything the Democratic convention indorsed could not be anything but a drink.

Now, the paper that wrote that, and a few in my State, about five or six years ago had in the platform in the State the recommendation that they indorse the initiative and referendum, and the next legislature which passed the various bills passed one generally in favor of it; but here is General Weaver advocating the initiative and referendum 35 years ago.

The election of the United States Senators by a direct vote of the people. I commenced 25 years ago advocating the theory. He commenced 35 years ago. It was in my platform when I was 30 years old, and he had introduced a bill in Congress eight years before that, but he was ahead of the Congress, and so I was, for I came in two years before Congress did, and I was in Congress and had it passed for the first time in 1892, and had the honor of voting for it, and 21 years afterwards it became part of the Constitution. There you see that 30 years before Congress passed it he had it in his platform, and 21 years after Congress passed it it became a part of the Constitution, and it was 31 years before it became a part of the Constitution that General Weaver advocated it in his platform.

I have been more fortunate than was General Weaver. He was the pioneer and did this work long before the rest of us saw the need for it. But it fell to my lot as Secretary of State, 23 years after I began the fight for it—21 years after that it passed Congress, and it fell to my lot as Secretary of State to affix my signature to the last document necessary to make it a part of the Constitution of the United States.

He favored the 8-hour labor law, and I note here that this is now the law relating to Government employees, and it is also the law in most of the States. See what a wide range it has covered. See how he was seeking for the things that helped every class of the community. They were fundamental things. If anybody tells you that the public is not interested in labor laws unless they belong to the class that we call wage earners, do not let them deceive you. Society is interested in every part of this work. Your wage earner is a second group. He is next to the farmer. You have to rely upon the intelligence as well as upon the patriotism of all these parts of society, and man is driven from his work to his bed and from his bed back to his work again, and so he has no leisure time for the proper attention of his duties to his family or the proper attention to his civic duties; and you must not blame labor for not doing its duty as you see it if you do not do your duty to the laborer by giving him a chance to measure himself by giving him these responsibilities, both his family responsibility and the responsibility of citizenship.

General Weaver 35 years ago was also advocating the establishment of sanitary conditions in the industrial establishments, and note what progress we have made in these conditions.

Thirty-five years ago he was opposing the employment of children in industries. Nineteen States now forbid it, and Congress has recently created a Child's Welfare Bureau. He was the pioneer in every fundamental work. For if you do not take care of the child, how can you expect to avoid the suffering that follows the child when it is grown? If you allow greed and avarice to dwarf the minds and bodies of the children, how can you ever avoid the evils that follow, and not to those people only but to that society of which they are a part?

Thirty-five years ago General Weaver was demanding a Department of Agriculture and a Bureau of Labor Statistics. I suppose when he demanded a Department of Agriculture he thought he was going as far as he dared. But the insight that led him to believe that there ought to be a Department of Agriculture also led him to believe that there ought to be a Department of Labor. Is it not astonishing that he should make the demand for a Department of Agriculture at that time? We had a War Department, Navy Department, and Post Office Department, and a Department of State to deal with foreign relations. But think of it. It was after this platform of General Weaver's, 35 years ago, that we got the Agricultural Department to look after the interests of the largest crowd in this country, the farmers. He labored for it long before we had a Labor Department. If you look back to the platform of 1900, the second on which I ran, you will find that 15 years ago we were insisting upon the Department of Labor, and recently we have secured that Department of Labor, and I had the honor of serving in the Cabinet with the first Secretary of Labor—Secretary Wilson—and a splendid Secretary he is. But here is General Weaver 35 years ago asking for a Department of Agriculture and a Department of Labor, and then later a Department of Interstate Commerce.

Then, too, he said that the volume of money should be controlled by the Government and not by the banking interests.

My friends, he was the pioneer of the money question as well. He believed in the quantitative theory of money, and yet we had men as late as 19 years ago who did not understand the meaning of quantitative. We had men who talked about it as if it was difficult to understand, but it is the easiest question to understand that the people have ever considered. There were more people making speeches in 1896 than in any other campaign. They were men who had taken hold of the fundamental principles.

Now, I have never regarded myself as being precocious when a boy, nor that I was smarter than any other boy of my age, but, really, can you remember the time in your early life when you didn't have enough sense to know that when one end of the teeter went up the other went down? And I used to tell them that anyone could understand the question—could be able to comprehend the quantitative theory before they reached the age of full development, and that just as soon as we got far enough along in our mental awakening to know that when one end of the teeter or seesaw went up that the other end went down, then we could grasp the fundamental principle of the money question, which is as dollars rise property falls. Anything which will make dollars increase in purchasing power will make the prices fall, for they are a different system of the same principles. There he was 35 years ago asking that the Government and not private corporations should control the volume of money, and he made his fight for Government control, and we now have in the recent currency law triumph of the sovereign right of the Government to issue paper money, a thing which I did not expect to see in my time. I am very hopeful—and a man should have to be hopeful to be through what I have and still be cheerful. But I was not sanguine enough to believe that we would see what we have seen—a successful solution of the Government's right to issue money. And that reminds me of the man who was hurt and went to a doctor for a prescription. The doctor gave him some kind of ointment and gave him directions as to how to apply it and told him after a certain time he should come back and report. The day came when the patient returned, as directed. The doctor said, "Well, how is it?" The patient said, "I can not say; I can not say. I am sometimes better, and, doctor, it may get well, but I am afraid it won't be in my time." And here we have realized in our day what some people laughed at, and three decades ago General Weaver advocated what has now come true.

We had people 19 years ago who said that it did not matter whether we had much or little money, so it was good. It is mighty uncertain and unsatisfying to have some one describe in my presence a certain kind of food that is better than another kind and when I ask for it to be told that there is none. He was there at that time insisting that there should be more money.

There was then a circulation of $21 per capita where there is now a per capita of $35 in circulation, or an increase of over 50 per cent, and if we had not had the increase in the last 19 years above

what it was then—and they said then that it was enough—if there had not been an increase it would not have been possible for the prosperity to have come which we have enjoyed in the last few years.

He advocated in those days the expansion of the powers of government. You know that government is of two kinds, coercive and cooperative. An anarchist says that when everybody is perfect we won't need any government, as everyone will be a law unto himself. He is deceived by looking at the coercive part of the government alone. It is true that as people grow better there will be less need of laws. Laws are not made for the masses but for a small part of the people. There is one thing your theoretical anarchist overlooks, and that is that the coercive part of the government will necessarily decrease in years as the people improve in morals, and the cooperative part of the government is bound to increase as the spirit of pride increases, for people will find it wise as well as best to do together that which they did formerly do at a greater cost and greater inconvenience alone. All of the great departments of our Government are illustrations. The Government itself is an illustration of the value of cooperation. Everything we undertake is an evidence of it. It is a test of a man's sanity that he can work together with other people, and here back 35 years ago General Weaver saw that with the growth, intelligence, morality, and advanced civilization there would be necessity for an expansion of governmental power. Since that time we have seen it in the Post Office Department, which has extended until it now takes the mail around to the houses in the city and the country, and I think the time will come when we will use the same mail for accumulating votes, and we may see it used for the purpose of gathering votes of those who are away from their homes. One of the things they have as an object is the bringing of the Government nearer the people. Make the Government an instrument for the accomplishment of the peoples' will and the peoples' good. A question he was a pioneer in.

Now, those are some of the things he advocated 35 years ago, and then as he went along he kept advocating other things as he came in view of them. Among the things that he advocated in that time were woman suffrage and the submission to a vote of the people the questions of the manufacture and sale of liquor. You will find he had confidence in the people; that he trusted them; that he was willing to let them decide the questions affecting them, and, my friends, that is the test of democracy.

Mr. HARRISON. Mr. President, there are some whose nerves fail and whose courage falters in the face of impending danger. Upon the high seas the mighty ship may toss and roll as the gathering storm flashes its lightning bolts across the heavens, sending forth its thundering roar far and near and lashing deck and mast and spar with spray from its mad and angry billows to the consternation of those aboard.

Upon the field of battle amid the clashing steel of mighty legions the rumblings of belching cannon, the shouts of advancing hosts, and groans of dying thousands, one of faint heart and of little courage succumbs to intrepidation.

In the forum, on the hustings, in the court room, and at the publicist's desk, with the sharp currents of controversy, the exchange of opposing views, this departed colleague to whom to-day we pay tribute never lost his courage or surrendered a conviction. Whether receiving the wild acclaim of his followers or the scornful look and cynical anathemas of his political enemies, he continued unmoved, persistent to the last, to wield the power of his masterful pen or the persuasive qualities of his eloquent tongue.

Until Senator WATSON became a Member of this body I, too, had formed an unfavorable opinion of the man. He and I had differed on so many public questions, and I had read such accounts of his stormy career that I was somewhat prejudiced against him; but, sirs, it was not long after he took his seat in this Chamber until, under the spell of his charming personality, his uniform courtesy, and his gracious manner, I grew to like him as a man and ere long to count him as a friend.

Few men in all the history of this country ever encountered sharper contests and sailed upon stormier political waters than did Senator THOMAS E. WATSON. Endowed with an intellect that was almost superhuman, with a brilliance that scintillated, and a store of information that was always ready, it seemed that he felt at all times the mastery of his position and welcomed controversy. Any position that he took upon any measure was naturally a strong position. Strong characters can not act otherwise. He won and held throughout his eventful career devoted followers and loyal friends. He naturally made and maintained bitter enemies.

Others have spoken of the power of his eloquence, the influence of his individuality, the qualities of his heart and mind, the influence of his writings, his devotion to home and fireside, his loyalty to friends, and I shall not detain the Senate by a further reference to those qualities that have been so eloquently alluded to to-day by others. I would say, though, Mr. President, that Georgia, great in her wonderful resources, rich in the character of her people, as she has always been—a State which has given to the Nation many distinguished sons and daughters; statesmen, warriors, and orators, whose names are emblazoned in the history of the country—she has in THOMAS E. WATSON contributed to the Nation a man who will occupy a high place among the historians and literary geniuses of his time.

I sometimes think, Mr. President, that here, as we exert ourselves day by day in what we believe to be for the general welfare of the Nation, receiving a compensation that some people may think too great, but which under the necessities and circumstances of the day is meager—incurring enemies in debate, creating critics throughout the country, meeting unjustifiable attacks from political enemies—public service is not worth the while, and despite the friends we make our humble efforts are little appreciated. But, Mr. President, as I journeyed to Georgia with the funeral party that attended the obsequies of our departed friend and colleague my feelings underwent a change. I shall never forget the sight that I beheld at Augusta and the little way stations as the train moved on to the little village in which this mighty gladiator had won his spurs, carved his future course, and made his name a household word not only in Georgia but throughout our country. There, in the thriving and historic city of Augusta, were assembled thousands, surging forward to catch a glimpse of the casket that held the remains of their former idol, and along the route to Thomson at every little station were old men and young, wives and maidens, standing in subdued silence to pay their last respect to their fallen leader.

And in the little town of Thomson, where stands the courthouse that had first echoed with his fiery eloquence, within the bar of which his young and unknown personality first threw itself upon his countrymen, a personality through whose persuasive qualities in after years was to conquer opposition, steal away hearts, and dethrone judgment.

I saw gathered around that little courthouse and in the streets and along the roads and around the station men and women of Georgia who had come from the hills and the mountains and the valleys, from the workshops and the counting places, hundreds of miles away, sleeping in their automobiles the night before within the yard of his old home, hallowed by his footprints, to pay their last tribute to the memory of him whom they had followed through the vicissitudes of an eventful political career, and whose devotion was so marked as to amount almost to idolatry. Never in the history of the little village was such a concourse gathered; never in the life of those people had anything happened that so touched and moved their hearts. I saw at the grave the stoic faces of old men wrinkle and tremble under the impulse of their love for their hero. I saw his former friends walk along the road immediately preceding the funeral procession silently bearing their weight of grief; and when I beheld these sights I thought that service here after all is worth the while, and that our people, even though sometimes we forbear, do appreciate it.

Mr. GEORGE. Mr. President, of THOMAS E. WATSON as Senator I shall not speak. Others have noted his services in this chamber. I prefer rather to acquaint you with his life, which is a part of the history of my State.

About 1750 a Quaker colony from North Carolina came into east Georgia, and among those colonists were the ancestors of THOMAS E. WATSON on both sides of the house—the Watsons and the Maddoxes.

Of his family, although the name of Horton is used, Mr. Watson in his book, "Bethany," a story of the Old South, writes:

> We Hortons were a family of middle-class farmers. We had never been anything else. We never expected to be anything else. Our condition was good enough for us. We had plenty of land. We had always had it. From the time that the original Horton came down into east Georgia, along with a Quaker colony, from North Carolina, which took possession of a tract of forty thousand acres, we had occupied the comfortable position of local landowner.

That, Mr. President, was the condition of his family before the War between the States. After the lurid flame of war had swept his State, and particularly that portion of his State in which he resided, he found his condition quite different.

He was born September 5, 1856, on the old plantation homestead in Columbia, now McDuffie County, Ga.; son of John S. and Ann Eliza (Maddox) Watson. He received a common-school education. In 1872 he entered Mercer University, but was compelled to leave at the end of his second year, his means being exhausted. With a pittance of $6.50, received from the sale of some old but highly prized books given him by his father, he started out to make his way in life. In 1874 he went to Screven County, Ga., where he taught school for two years. It was during those two years, 1875 and 1876, that he read law at night, and he is authority for the statement, as noted by the Senator from Alabama [Mr. HEFLIN], that the reading was done by the light of the pine-knot.

In November, 1876, he began the practice of his profession at Thomson, Ga.; and until his untimely end on September 26,

1922, he maintained his law office at that place, though he had retired from active practice many years before. His fees for the first year, as also noted by the Senator from Alabama, were $212 gross; the second year $474. It was during the second year of his professional life that he contracted to buy one of the farms formerly owned by his father, and upon this farm he established his father, mother, and brothers and sisters. His practice gradually grew, until at the time of his retirement from active practice, though a country lawyer, he himself was authority for the statement that his annual income amounted to more than $12,000.

In 1878 he married Miss Georgia Durham, daughter of Dr. George W. Durham, of Thomson, Ga., and this gentle woman survives him, though the children born of the union have all passed away. Mr. WATSON's references to this gentle woman, her perfect self-sacrifice, her patient, loyal, inspiring love, breathe the spirit of a better world.

Mr. WATSON served one term of two years in the lower house of the Georgia Legislature, declining reelection in 1884.

In 1888 he was elector for the State at large on the Democratic ticket, and stumped the State for Cleveland and tariff reform. In 1889 he was elected as a member of the Fifty-second Congress, on the Farmers' Alliance platform. This organization at Indianapolis, in 1891, called upon every Congressman who had been elected on its platform to abide by its principles, regardless of caucus dictates. Mr. WATSON heeded the call. His campaign for reelection was the most heated ever known in Georgia, and only men who were at that time citizens of Georgia can imagine the bitterness of it. Words will not convey an idea of the bitterness with which he was attacked or the devotion with which he was defended, not only in his congressional district but throughout Georgia. On the face of the returns he was defeated. The election was contested by Mr. WATSON, but his contest was unavailing.

In 1893 Mr. WATSON campaigned the State, and on one occasion during this campaign was a guest in my father's home, when I saw him for the first time. He was then the storm center of politics in Georgia. Living practically across the State from me, I saw him but seldom during the intervening years, once in the rôle of counsel for the defense in a celebrated murder trial; and the brilliancy of his intellect and the boldness of his attack are yet impressed upon my mind.

At that time, and at the time of his retirement, Georgia had no advocate the equal of Mr. WATSON. He was especially strong on the cross-examination of witnesses, but his peculiar strength lay in the magnificent manner in which he marshaled his facts for presentation to the court and jury.

On the stump few men in or out of Georgia thirty years ago could measure swords with Mr. WATSON in political debate.

During his term in Congress Mr. WATSON voted for the eight-hour law, led the debate for the bill which required railways to equip their cars with automatic couplers, and introduced the first resolution ever passed by Congress providing for the free delivery of mail outside of towns, villages, and cities.

In 1896 the St. Louis Populist convention endorsed William J. Bryan, the Democratic nominee, for President, and nominated THOMAS E. WATSON for Vice President. In 1900 he was nominated for President by the People's Party, and made an active campaign.

The formative period of his life was spent in poverty. Writing of Alexander H. Stephens, the Vice President of the Confederacy, he said:

> Later in his life Mr. Stephens would say to me—to warn me, I thought—that in the earlier stages of his career he had allowed his temper too much play. But, by way of excuse, he said that he was a poor boy, with no influential friends, and that many a time he thought his opponents "looked down on him" because of his poverty, and that they were trying unfairly to "run over him." Those who have started from the bottom, as "Little Alec" did, will know what that feeling is, and will look upon his errors of tongue and temper with infinite compassion.

Here we have, no doubt, a key to Mr. WATSON himself.

Senator WATSON possessed the imagination, the genius, and the soul of a poet, as has been noted. He was a great publicist and author, editing many newspapers and magazines, always consecrated to the service of the common man. He nevertheless gave to the world many notable books. Among these were "The Story of France," "Life and Times of Andrew Jackson," "Life of Thomas Jefferson," "Life of Napoleon," "Bethany, a Study and Story of the Old South," "Handbook of Politics and Economics," and other historical and controversial books.

It will always remain a remarkable fact that an unknown backwoods Georgia lawyer, who himself never visited France, who himself had no access to intimate sources of French history, should have written a book which not only in America but in France itself is recognized as one of the most accurate histories of that country.

He loved the common man. He was his champion, his tireless thinker, worker, and dreamer. His passion was always for the weak, and he often thought himself persecuted for those he loved. His tireless working and dreaming for the common man is that which entitles Mr. WATSON to the almost unparalleled love and devotion of the common men of Georgia who loved him through the years until his death. Whatever may have been Mr. WATSON's faults of passion, whatever may have been his errors of judgment, it can not be questioned that he dreamed for his people, for his State, and for his Nation the most beautiful dreams that ever inspired a poet. He believed that here in his own land and under his own flag should yet take form and substance all of those beautiful dreams that have inspired, in every age, the true and genuine lovers of men.

The common man, in turn, believed in Mr. WATSON; believed that he was incorruptible, unselfish, and unafraid. Strong men wept when the news came of his death.

His mind was rich in historical events. He was one of the readiest public men in his State. He was great as an orator, as a historian, and as a leader. When once he had taken his position, he maintained it to the end. He never surrendered. He respected those who differed from him. He had slight respect for those who always pretended to believe with him. About him the fiercest passions of love and hate played for a full third of a century. He was essentially, in his public career, the man of storm, yet, in his calmer moments, the man of humility. Some years ago he wrote:

> "When I come to face my Father, I want to be able to say to Him: "Father, take pity on me; it was You who made me just what I was. With all my raging passions and disfiguring imperfections, You sent me into the wicked world, where there was so much that I could not understand. I know that I've sinned, deeply and repeatedly, but oh, my Father! I did try to please You. Often guilty of wrongdoing, I strove ever to get right, and stay right. I've done the very best I could to be a just man, a high-minded man, a pure man, a good man."

After many crushing defeats, many heartaches and bitter disappointments—disappointments and defeats that would have discouraged lesser men—Mr. WATSON came to the Senate in March, 1921.

Throughout his public life he labored unceasingly for the principles he loved. To borrow the figure of another, like the patient weavers across the sea he worked, perhaps, on the wrong side sometimes, but he worked ever for the right side as he saw it.

His own words, recited by the Senator from Ohio, spoken before the Legislature of his State forty years ago in tribute to the life, character, and public service of Alexander H. Stephens, his boyhood friend, his hero ever, may be fittingly spoken here:

> He fell asleep like a child, weary and worn. Great Nature, the common mother, holds him tenderly to her bosom. When he shall awaken, it is inspiring to believe that he shall greet the morning in a land where there is no night, where the skies are undimmed by a cloud, where the feet bleed upon no pathway of stones, and the head wears no crown of thorns.

Mr. President, I ask for the adoption of the resolutions submitted by my colleague [Mr. HARRIS].

The resolutions were unanimously agreed to.

Mr. GEORGE. Mr. President, as a further mark of respect to the memory of the deceased, I move that the Senate, under the order entered yesterday, take a recess until 12 o'clock meridian to-morrow.

The motion was agreed to; and (at 1 o'clock and 43 minutes p. m.) the Senate took a recess until Monday, January 22, 1923, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SUNDAY, *January 21, 1923.*

The House met at 12 o'clock noon, and was called to order by Mr. GARRETT of Tennessee as Speaker pro tempore.

Rev. Page Milburn, of Washington, D. C., offered the following prayer:

Almighty God, in whom we live, and move, and have our being; we worship Thee; we laud and magnify Thy name. Oh, that all men would turn their hearts toward Thee, and own Thy lordship over them.

We have all sinned and come short of Thy glory. For Thy Son's sake pardon our many offenses, and give us Thy peace.

We thank Thee for the magnanimous spirit which impels compatriots to justly weigh one another's virtues and tireless service. May this occasion incite Try servants to nobler living and generous emotions. May this Nation ever delight in deeds of virtue as well as ever take pride in its great wealth and eminent accomplishments.

Now unto Him that is able to keep us from falling, and present us faultless before the presence of His glory with exceeding joy, to the only wise God our Savior, be glory and majesty, dominion and power, both now and ever. Amen.

The SPEAKER pro tempore. Without objection the reading of the Journal of yesterday will be postponed until to-morrow.

There was no objection.

THE LATE REPRESENTATIVE PADGETT.

The SPEAKER pro tempore. The clerk will report the special order for to-day.

The clerk read as follows:

On motion of Mr. TURNER, by unanimous consent—

Ordered, That Sunday, January 21, 1923, at 12 o'clock noon, be set apart for addresses on the life, character, and public services of Hon. LEMUEL P. PADGETT, late a Representative from the State of Tennessee.

Mr. TURNER. Mr. Speaker, I offer the following resolution.

The SPEAKER pro tempore. The gentleman from Tennessee offers a resolution which the clerk will report.

The Clerk read as follows:

House Resolution 486.

Resolved, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. LEMUEL PHILLIPS PADGETT, late a Member of this House from the State of Tennessee.

Resolved, That as a particular mark of respect to the memory of the deceased and in recognition of his distinguished public career, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The resolution was agreed to.

Mr. TURNER. Mr. Speaker, our departed friend once said in paying tribute to an honored Member of this House:

As the cycle of the years turn, one by one we drop out, one by one we lay down our labor and cease our toil.

He was then doubtless thinking of the time when his turn would come to lay aside all earthly cares; when he would set sail for that mysterious realm from whence no traveler returns.

Mr. PADGETT was my immediate predecessor, and I felt greatly honored when the people he represented so long and faithfully selected me to fill out his unexpired term. While it is a pleasure for me to take up the work where he laid it down, and to speak words of praise for his noble and exalted life, yet it brings sadness when I realize that he has gone forever. I knew him well for more than 20 years; I knew him as a private citizen, I knew him as an official, I measured lances with him on the battle field of politics, and under all circumstances I knew him as a true, polite, high-class gentleman.

Had he lived until November 28, 1922, he would have been 67 years of age; was born in Maury County, Columbia, Tenn., in 1855; died at his home in Washington, D. C., August 2, 1922. His remains were conveyed to his old home at Columbia and laid to rest in Rose Hill Cemetery among relatives and friends who had gone before. He was the son of John B. and Rebecca Phillips Padgett, long prominent in the history of his native county.

Mr. PADGETT was thoroughly educated; received his early education in the ordinary private schools of Maury County. In October, 1873, he entered the sophomore class of Erskine College, Due West, S. C., graduating in 1876 with the degree of A. B., which college conferred in June, 1916, the degree of LL. D. Soon after leaving college he began the study of law and was admitted to the bar and began practicing in 1877 and continued in active practice at Columbia until he began his successful political career. He was one of the Democratic electors for the State in 1884; in 1898 he was nominated and elected to the State Senate of Tennessee and served for a term of two years. In 1900, after one of the most noted campaigns in the history of the Seventh Congressional District of Tennessee, he was nominated and elected to the Fifty-seventh Congress and has been reelected to each succeeding Congress up to and including the Sixty-seventh, and had he lived until the 4th of March he would have served for 22 consecutive years, serving longer as a Representative in Congress from the seventh district than anyone who had ever represented it and longer as a Representative from the State than anyone else, with the exception of Hon. John A. Moon and Hon. Thetus W. Sims. This is a great record and a record that but few men achieve in this life. This demonstrates his popularity among those who knew him well and speaks volumes for him as an honorable, upright citizen and Representative.

He was a regent of the Smithsonian Institution for many years and a distinguished member of the National Monetary Commission. During his long term of service he was a member of several important committees, and while active and attentive in performance of his duties wherever placed, he became more deeply interested in the Naval Affairs Committee than any other. For several years prior and during the World War he was chairman of this powerful committee and studied the intricate problems connected therewith so intently that he became the recognized authority on naval affairs, and his wise counsel and advice no doubt had much to do with the successful operation of the Navy during the war, and kept it free from scandals and grafts that some people claim were prevalent in other departments of our Government. He probably had a better knowledge of naval affairs than any other man who ever served in Congress, and watched with pride its growth as it became one of the greatest navies in the world.

In 1880 Mr. PADGETT was united in marriage to Miss Ida B. Latta, daughter of Mr. and Mrs. Sims Latta, of Columbia, and for 42 years of their ideal married life he was a devoted husband and loving companion. He was almost a lifelong member of the Presbyterian church, and his life embraced everything that stood for good and was a definition of a Christian gentleman. He was a kindly, genial friend to all; he was of modest demeanor, gentle in his manner, considerate of the feelings of others and unselfish in every phase of life; his affable disposition, his honorable life and integrity of mind radiated and permeated those around him.

Mr. Speaker, I have not words to adequately express the appreciation and high value of the service Mr. PADGETT rendered to his friends and people not only in the larger affairs of life but those of minute value—he was ever ready and willing to listen and consider the wishes of the urchin as well as those of intelligence and celebrity. His services were marked by fidelity to duty which was the outstanding quality in his public work. Knowing Mr. PADGETT as I did I can thoroughly appreciate the devotion to him on the part of his constituents; he was truly their Representative and their interests to him were paramount.

In his successful walk in life he did not covet fame and notoriety and when they came his way as the result of hard work and constant attention to his duties in office he was found to be the same undaunted man of sterling qualities. His career in Congress won for him much admiration and devotion from his colleagues and the mention of his name seems to echo love and esteem for him.

To his family he was ever held on the pedestal of love as the faithful loving husband, kind, gentle, patient, and loyal father and while they bemoan his loss it is a sweet consolation to them to know that his life in the family circle and before the world was one beyond reproach and his memory to them will ever be a guiding star.

In conclusion may I add—while we have been happy to know and associate with him in this life may we hope to associate with him again when we reach the other shore—

For Christ is born of Mary,
And gathered all above,
While mortals sleep, the angels keep
Their watch of wondering love.
O morning stars, together
Proclaim the holy birth!
And praises sing to God the King,
And peace to men on earth.

Mr. MONDELL. Mr. Speaker, it was my privilege to know our departed friend and colleague, LEMUEL PHILLIPS PADGETT, during the entire term of his service, and I held him in highest regard and esteem as a man, as a friend, and as a legislator.

Early in the service of our departed colleague he came to be recognized as an able and industrious member and as a forceful and convincing speaker, and as time passed and responsibilities of the first magnitude were placed upon him he proved himself worthy of those responsibilities and a wise, able, and successful legislator. No man, during my service here, has displayed a more thorough acquaintance with the legislation placed in his charge than LEMUEL PADGETT—none has handled legislation more diplomatically, more successfully, than he. His country and his countrymen owe him a debt of gratitude for highly important service, splendidly performed in a crucial period and under trying conditions.

But, Mr. Speaker, fine and inspiring as was the record of our departed colleague as a legislator, he left even a more enviable record here as a man and as a friend. The best of men find it difficult to preserve at all times an attitude of fairness and courtesy in the earnest and emphatic exchange of argument and opinion in the fierce running fire of debate. Our

friend was one of those rare individuals who always possessed his soul in patience and, while an earnest contender for his opinion, bridled his temper and maintained an attitude of unruffled affability. He was the most kindly and considerate of men and his attitude toward his colleagues, even at times when the tides of conflicting opinion ran highest, was one of uniform politeness and consideration.

In the passing of our colleague, LEMUEL PADGETT, Tennessee lost a splendid and stalwart son; the people of his district a faithful and efficient representative; this House a beloved and respected Member; and all of us a good and kindly friend.

Mr. VINSON. Mr. Speaker, we come to-day under the appropriate custom of commemorating the passing away from mortal life and the scent of action of our colleague who has been piloted to "the misty dim regions of Weir."

The pale messenger that never tires and never pities did on the 2d day of August, 1922, knock upon the door and reach upon the inexorable roll and call the name of LEMUEL PHILLIP PADGETT, and guide him into that radiant hereafter of which hope is the creator and faith the defender; a soul that needed no cleansing to fit it for the companionship of the just.

When the news was heralded of his death, the people of a great and prosperous State mourned, for a true son had passed to the Great Beyond. A nobler man never lived; hospitable, gentle, calm, self-possessed, self-contained. A gentleman in honor, in manner, and innate refinement. He was everything that a man should be to be respected, admired, and loved, and hence was held in the highest esteem by all with whom he came in contact.

By his life we have a verification of the poem which says:

Our lives are songs; God writes the words;
But we set them to music at pleasure;
And the song grows sad or sweet or glad
As we choose to fashion the measure.

He laid hold of his opportunities and nobly and grandly he rounded out a magnificent character, which after all is what marks the measure of the fullness and the grandeur of man.

Mr. PADGETT was appointed a member of the Committee on Naval Affairs of the House of Representatives in the first session of the Fifty-ninth Congress. During my association of six years with him on the Naval Affairs Committee I learned to know him intimately and greatly admired and respected him. He was true to his country, true to his duties, true to his associates, and to his fellowman.

He was the chairman of the Naval Affairs Committee of the House from the Sixty-second to the Sixty-fifth Congress, inclusive. His entire service on the committee covered a period of 18 years, during which time more constructive legislation was enacted for the Navy than at any other time during its history. He was by far the best informed man on naval affairs in Congress; his mature judgment and his views were most generally accepted as the final word.

Under his chairmanship the bill carrying the largest amount of money ever appropriated for naval purposes was enacted into law. He believed in a strong Navy and that whatever naval preparation the Government should ever undertake should always be bound by the needs of the Nation, having regard for our position among the States of the world, the location of our possessions, the extent and the routes of our trade, the policies we may adopt in our international relations, and the dangers of the future which might threaten us.

He possessed a remarkably retentive memory; and could quote laws bearing on naval matters that had been passed many years ago. His place will indeed be hard to fill, and his loss to the committee, as well as to the House and country, can not be measured.

He served with courage and manly bearing; with no thought of self. He was a strong party man and had the confidence of his party associates, and the respect of his political opponents, because of his loyalty, fidelity and strict adherence to Democratic doctrines. He was indeed a patriot; he loved his State and his country and by his death the people whose commission he held lost a true, faithful and efficient public servant. He was a man of great ability; when he rose to speak, all the authority of truth and all the dignity of virtue rose with him.

He has gone out into the golden glories of the sunset and though his hands be forever folded upon his breast the harp strings touched by his fingers have not ceased to vibrate, and the voice of his minstrelsy is not hushed, the songs which he sung still linger, and the echoes of his music will forever cheer our hearts.

Mr. DARROW. Mr. Speaker, it is to me a privilege and an honor to join in paying tribute to the life, character and memory of our departed friend and colleague, Hon. LEMUEL P. PADGETT, whose kindly spirit and gentle nature endeared him to all his colleagues, particularly to the members of the Committee on Naval Affairs. Those of us who had the privilege of this close contact with him fully appreciated his many excellent and truly admirable qualities.

The many years of faithful service that he gave to his country in this important branch of our Government is sufficient in itself to fully establish the high esteem and regard in which he was held by his constituents. However, Mr. PADGETT's influence and service were not confined by the boundaries of his congressional district. He was a national figure largely because of his detailed and accurate knowledge on naval affairs. He was a sincere and firm believer in the importance of the Navy and its proper maintenance. Mr. PADGETT had for years been a close student of naval affairs and became a veritable storehouse for information on the Navy. His opinions and advice on matters pending before the committee were always eagerly solicited and most highly regarded. Truly, his distinguished service to the Navy will always be a monument to his memory.

He had a big heart. It often impressed me as being the kind of heart that filled the bosoms of David and Jonathan, and we all remember the kindly manner in which he treated all the members of the committee.

He was a great believer in the Navy. I have often heard him say that the Navy was one of the great arms of the Government, never caused a war or induced any of its citizens to go to war, but that its sufficiency and strength were the means of keeping us out of war by instilling respect and regard for our Government. He loved to dwell upon the humanitarian services of the Navy. I remember on one occasion his speaking of the time when the battleship fleet was making its cruise around the world. The fleet was slowly steaming up the Red Sea when word came of the terrible earthquake disaster in Sicily. The admiral quickly assembled the medical stores and rushed the big supply ship forward to aid the people of this stricken island. Mr. PADGETT seemed to dwell upon those humanitarian phases of our Navy and point to the Navy as a great instrument for maintaining peace and not an instrument for causing war.

I do not know that any better tribute can be paid to Mr. PADGETT than to quote some of the words that he himself uttered at the funeral of our lamented colleague, Mr. William J. Browning, who had served with him for many years on the Naval Affairs Committee, which words seem to be particularly applicable to Mr. PADGETT himself. He then said:

Permit me to say that he was in deed and in truth a friend of the Navy. There was never any time that his faith in the Navy faltered or that his efforts failed. He was true to a deep-seated conviction that the Navy was one of the great and honored instrumentalities and agencies of our Government, challenging the admiration and deserving of the esteem and love and affection of the American people, and he never lost sight of an opportunity to render every service and every assistance he could, not only for its maintenance, but for its uplift and its stability.

Mr. PADGETT exhibited a divine trait of human nature, and that beautiful spirit that seemed to permeate his whole thought and action, when he closed his address with with these words, applying them to Mr. Browning, but which I think apply equally to him:

* * * He had a wealth of character, a richness of soul, that moth and rust could not corrupt and thieves could not break through and steal—a wealth and a richness that he could take with him when he met his God.

Mr. MADDEN. Mr. Speaker, we come into the world and we play our part upon the stage and we pass on. Some play a conspicuous and some an inconspicuous part. The man whose memory we are here to-day to honor was conspicuous in the Nation's life. He loved the people who honored him by sending him here. He endeavored to speak their minds and express their views. He was a modest man. He had no seeming sense of humor as far as I was ever able to discover, but he was serious, earnest, untiring in his work, devoted to the Nation that he loved, and unselfish to the utmost limit. He was a man that you could not help loving when you knew him. He was not much given to social affairs, and he did not become intimately acquainted with a great many members of the House; but what a worker he was, and what a record he left behind! Entering service on the Naval Affairs Committee when the Navy was an inconspicuous part of the Nation's defensive activities, he served so long that he came to see it become the greatest navy in the world. As a minority member of the Naval Committee he served with my former colleague, George Foss, who for a long time was chairman of that committee, and these two men, one the chairman and the other the ranking minority member, I think had more to do with the legislative upbuilding of America's great navy than any other two men in America's

life. The people of his State should feel proud of the record he has left behind, for no man who ever served here left a better record. The acid test came during the great World War. That was the period that tried men's souls, tried their patriotism, tried their endurance. Mr. PADGETT had patriotism, he had devotion, he had endurance. He was always ready to meet the issue, whatever it turned out to be. He stood like a rock, side by side with the great Commander in Chief of the Army and the Navy, whose responsibility then was to fight the great war in which America was engaged.

There never was a question about what Mr. PADGETT would do to meet the needs of the Navy during that trying period. I was happy always to follow him in what he recommended we should do, for we men who voted to declare war stood shoulder to shoulder without respect to party, firm in our determination to leave no stone unturned and no facility unsupplied in order that the Commander in Chief of the military and naval forces of the country might be properly equipped to do the thing which our votes had imposed upon him to do. I was proud to see the position that Mr. PADGETT took always in this great conflict. He led the forces that shaped the policy that builded the Navy in the greatest war that was ever fought since the dawn of civilization. And what a privilege that was, to be the leader at such a time, in such a country, and for such a cause. He carried his honors and his responsibilities with a modesty that was sublime. No man was ever more modest or more sincere or more certain of what he was about to do. He never assumed a superiority, he assumed no dictatorial attitude, but he was strong in the faith that what he did was right, honest, with an integrity that knows no turning, with an Americanism that never failed.

He came into life and performed his part to the great delight of those who knew him, and to the great benefit of those who may read the record for their future guidance. He was as unselfish as any man I ever knew. He knew his facts in everything he undertook. He was able to present a case convincingly, clearly, and logically. He had a temperament that fitted him peculiarly for the burdensome task that he had to perform during a burdensome period. And what a great good fortune it was that during such a period the Nation had such a man!

We come not to mourn but to praise. I think that the work he did while in life will live in the hearts of his countrymen for all time to come, and those who read the record of his accomplishments and achievements will be glad to emulate the task that he performed. He left a lesson for young America which means patriotic fervor and devotion to the country, unselfishness in action, and readiness to do at a period when action becomes the duty of every man.

It is a wonderful thing to be a patriot in the proper sense. I wonder if I might take the liberty to tell you what I think patriotism is in the sense that I understood Mr. PADGETT to be a patriot. Patriotism, according to my viewpoint, as I read him, means love of country, loyalty to its life and will, love tender and strong, tender as the affection of a son for a mother, strong as the pillars of death, shrinking from no sacrifice, and seeking no reward except the country's honor. Patriotism is the vital spark, as I understood Mr. PADGETT to read it, of the Nation's honor, the strong shield of the Nation's safety, the living fount of the Nation's prosperity. We will not bid him good-by; he will be with us; we honored him in life, and we honor his memory now that he has passed away.

Mr. WINGO. Mr. Speaker, the State of Tennessee is notable for the contributions that it has made to the life of the Nation by furnishing strong, capable, courageous leaders. In that contribution none stands out, I think, with greater courage and with greater credit to himself and his State and Nation than does Mr. PADGETT. The most striking characteristics of our friend were the remarkable poise that he always maintained, his ability at all times to not permit upon the part of others either the prejudices or the passions of the hour, or even lack of information on the question that was very dear to his heart, the United States Navy, to obscure in his mind the things that were to be done in the way of legislation. It was interesting to one who studied the different methods of different leaders on this floor to study the method of Mr. PADGETT when he was responsible for legislation. I think the only thing that possibly ever aroused anything like a lack of poise, a resentment, and caused him to speak with any extraordinary degree of warmth was when someone, either through ignorance or through the prejudices that may have been aroused by something unfortunate, spoke slightingly of the personnel of the United States Navy.

Then it was that our friend showed a feeling that was deep, and the only feeling that ever seemed to threaten to overthrow his perfect control and poise on this floor. Another striking characteristic of Mr. PADGETT was that in spite of his practical view of things, in spite of the intense practical efforts that he put forth, first as a lawyer, where he was very successful and honored in his home, and afterwards as a legislator, and as one responsible more than anyone else, I think, in the last 10 or 15 years for the development of the United States Navy—I say, in spite of the practical grind in the performance of these tasks and the engaging in that line of thought that would have a tendency to drive out all emotionalism and all spiritual contemplation, yet, in spite of those things, those who enjoyed the close, intimate friendship of Mr. PADGETT discovered that there was no man in this House whose spiritual life, reflections, and mediations, were richer than his. And I think this was largely responsible for the happiness that all of us realize that he enjoyed. To some he had no sense of humor, but to me there were times when he had a very choice sense of humor. The sum of it is that when you look back and contemplate and try to estimate his character, judging by the external things, you come to this one conclusion, that here was a strong, courageous character, sure in his faith, unfaltering in his devotion, not alone to the big duties that come along the pathway of honor, but the simple, everyday duties imposed upon him by the relations of life. He was a strong, a big, a good, honest man, an honor to his State, an honor to this House, and an honor and a credit to his great country that he so admirably served.

Mr. OLIVER. Mr. Speaker, the busiest and most joyful days of my service here have been spent in companionship with LEMUEL PHILLIP PADGETT, our lamented friend, in honor of whose memory we are assembled to-day. In committee room, on the floor of the House, in frequent travels during times of peace and war, inspecting naval stations and naval activities here and abroad, I learned through an intimate personal association to appreciate his many virtues and his genuine worth.

As a lawyer and as a legislator he had exceptional ability, and coupled with great ability was a golden heart, a generous mind, a knightly soul, which readily won the friendship, the trust, and confidence of all with whom he came in contact. His scrupulous correctness in habits, his devotion to family, his fidelity to friends, his loyalty to convictions, earned for him an unquestioned reputation as an upright, industrious, conscientious, high-minded public servant.

He richly merits the beautiful tributes paid him to-day by his friends and colleagues, and in the short time remaining there are just two phases of his life that I wish to lay special emphasis on: First, as a legislator in his relation to the Navy; and second, his beautiful conception of life.

For more than 15 years he was a member of the Naval Affairs Committee, and for eight years of that time occupied the important position of chairman of that committee; and I think it is well within the facts to say that he wrote or materially aided in writing more original, permanent legislation, and redrafted more old legislation in a helpful way for the Navy than any other man, living or dead. He was chairman of the committee, as the gentleman from Illinois [Mr. MADDEN] has said, during the World War and for several years prior thereto. He wrote the 1916 building program, which had it been completed—and it was nearing completion—would have given to us the greatest Navy of all time. He saw the Navy grow from a personnel of 50,000 to more than 400,000 during the World War, and drafted the legislation which enabled the Navy to successfully meet the exigencies of that great struggle. To have been chairman of this committee during such a crucial period involved immense responsibility, yet he met every demand with signal ability.

No one ever manifested keener pride in the Navy nor knew better its inspiring history and traditions. He never missed an opportunity to speak in praise of its officers and enlisted personnel, and often on the floor of the House, when some one without accurate knowledge drifted into careless speech which was even susceptible of a construction reflecting on the Navy, he was ever ready and prompt to correct such erroneous impressions and to pay what those who heard him quickly recognized was a true and just tribute to the Navy and its personnel.

He had a thorough and accurate knowledge of all laws relating to the Navy, and naval officers frequently expressed wonder at the extent, fullness, and accuracy of his knowledge. He knew its ships, its personnel legislation, and the history of such legislation in its minutest details. Often when the House seemed confused or in doubt as to matters pertaining

to naval legislation, a few words from him, spoken without a moment's reflection, readily cleared away all doubts and uncertainties. Truly can it be said that when LEMUEL PHILLIPS PADGETT fell asleep the country lost a friend of rich knowledge and of inspiring leadership in all matters relating to the Navy, our Nation's first and best defense.

This morning a letter was handed me from a distinguished naval officer, one loved in and out of the service, and it gives me pleasure to ask permission to read it on this occasion and insert it in the RECORD as a part of my remarks. I know the warm esteem in which this officer was held by our lamented friend, and if he could but hear the reading of the letter this morning he would be deeply touched by this sincere yet simple tribute from the men of the Navy, so well expressed by Admiral Washington—the present head of the important Bureau of Navigation. Mr. Speaker, I now ask permission to read the letter as a part of my remarks.

The SPEAKER pro tempore. Without objection it is so ordered.

Mr. OLIVER. The letter is as follows:

MY DEAR MR. OLIVER: I have been informed that to-morrow there will be held at the Capitol a memorial service in honor of the late Hon. LEMUEL P. PADGETT, of Tennessee.

Mr. PADGETT'S long career in the Congress brought him in close and intimate touch with the Navy and its officers and men. We found him always a loyal friend and supporter, a wise mentor and guide, and, above all, a true statesman devoted to his country's interests.

We, in the Bureau of Navigation, who have to do with the personnel of the Navy, always felt free to go to Mr. PADGETT with our problems and difficulties. His thorough grasp of all the details of naval organization and administration, the great esteem and confidence he inspired in his colleagues in the Congress, and his complete knowledge of legislative procedure and practice rendered his advice and counsel of very great value and has materially contributed to the successful administration of the Navy during the past 20 years.

I would be very grateful if you would convey to Mr. PADGETT'S associates and friends in the Congress how deeply and sincerely all the officers and men of the United States Navy mourn our great mutual loss. Our consolation is that the force of his admirable character and attainments will provide us all with a source of inspiration and guidance for many years to come.

Sincerely yours,

THOMAS WASHINGTON.

In conclusion, Mr. Speaker, let me say there was something else in Mr. PADGETT'S life far greater than his distinguished service as a Member of this body, far greater than his success in dealing with the economic and political problems of life, and it constituted the real source of his success and power. No one ever had a more beautiful and perfect conception of life, nor a deeper and more abiding Christian faith in the life hereafter than he had. My friend from Pennsylvania [Mr. DARROW] read a few moments ago an excerpt from an impromptu address which Mr. PADGETT delivered last year at the funeral of his warm personal friend, Mr. Browning, of New Jersey. I was present on that occasion, and recall another part of that remarkable address. With wonderful tenderness, yet intense feeling, he spoke these comforting words to the loved ones of his departed friend. I give his exact words:

Living is full of opportunity and life opens a great vista of opportunities and great visions of what may be the grandeur and the glory of living, boundless opportunities, and limitless time and limitless space for development and for growth and for association. Yet with all of our years here there is to us a sense of a lack of satisfaction. The very incompleteness of our purposes, the very lack of opportunity to fully mature and develop our plans, carries with it the lack of satisfaction. And upon an occasion like this we ask ourselves where is the remedy, and will there be a full satisfaction? It is to the loved ones, it is to the bereaved ones, upon an occasion like this that we can say, as we believe, we shall be satisfied when we awake in His likeness.

My friends, I do not wish to speak of the darkness, but of the light; not of the night, but of the day; not of the sunset, but of the sunrise. We see before us these flowers. Beautiful they are, and fragrant; but they soon will wilt and wither, and their fragrance will be lost in the air. We want something at this time more lasting and more substantial and the thought comes to us of the occasion when in other days in the early morning of the first day of the week the women went to the open grave looking for a loved one, and the angel said to them: "He is not here. He is risen"—risen not into the beauty of these flowers, for they soon wilt and fade; not into the beauty of the golden-tinted sunset of the west, for the shadow of night will blot it out; but risen in the life, into the fullness and sweetness of that life where opportunity for greater and better things will be as immeasurable and as illimitable as the universe of God, and whose duration will be commensurate with the eternity of God.

Oh, my friends, the comfort is on an occasion like this, the life—the fullness, the sweetness, the beauty of the life of which the grave is only the portal, or the open door of the transition.

How appropriately can these same words, so recently spoken at the grave of a friend by him whose memory we honor to-day, be now spoken to his own loved ones. They truly portray, yea forever picture the innermost thoughts, the spirit, the soul of our friend who fell asleep on the 2d day of August, 1922, only to awake in another and better home "not made with hands, eternal in the heavens."

Let us ever remember that a mind and heart, spiritually controlled and directed, guided his conduct always, thus insuring ideals that could not be depraved, hopes that could not be lowered, aspirations that could not be corrupted, and the devotion of his great intellect to forces which make for happiness, yea for the glory of the soul.

Truly can it be said of him that—

He transmuted knowledge into wisdom, strength into efficiency, power into service—

And that henceforth he will be—

Forever an influence,
A memory, a goal, a high example,
A thought of honor in some noble heart,
Part of his country's treasure and renown
Oft giving courage to souls that toil.

Mr. STEPHENS. Mr. Speaker, I have not anything prepared, but I want to add a few words to those that have been said in praise of the character and life of our friend, Mr. PADGETT. I served on the Committee on Naval Affairs with him for the past three years. My first observation upon being inducted into the service of the Committee on Naval Affairs, was the great ability of Mr. PADGETT on all questions pertaining to the Navy. He knew every little detail. I noticed that he knew almost the name of every officer, whether he was great or small, all the legislative business that had been done in the last fifteen or twenty years, so I say that my service with him on the Committee on Naval Affairs has been one of great satisfaction. My knowledge of him as a man, my association with him taught me to love him as one of our great American characters. His life was simple yet useful and loving in every particular. But I perhaps noted more that part of his life which pertained to his domestic affairs. I knew of his lovely disposition and of his lovely nature. I knew the affection in which he was held by the members of his family. I knew of all the consideration that he gave not only to his family but to the members of the Naval Affairs Committee. If there is anything that I can say to add to the many beautiful words that have been spoken I would be glad to add them, but as a friend, a colleague, I desire to be recorded here as saying he was one of our greatest American citizens and has given to our country the great ability that he had acquired.

Mr. BYRNS of Tennessee. Mr. Speaker, my affection and respect for the person and character of our deceased friend and colleague, Hon. LEMUEL P. PADGETT, will not permit me to indulge in mere words of praise. He was my friend and comrade for many years. I knew and loved him for his charming personality, his high character, and his eminent abilities.

I first knew him as one of the leading members of the bar in the prosperous and beautiful little city of Columbia, Tenn., where he was born and where he lived throughout his life. He was elected a member of the State senate and served during the term of 1899. I was a member of the lower house of that legislature and am familiar with his record as State senator. He immediately took rank as one of the ablest and leading men of that body. His service was so faithful and satisfactory and his integrity of purpose and devotion to duty so well known that in 1900 he was nominated and elected to Congress over a number of able candidates. He took his seat in this body March 4, 1901, and served continuously from that time until his death on August 2, 1922.

He was made a member of the important Committee on Naval Affairs and, with his characteristic thoroughness, soon came to be a recognized authority in Congress on naval matters.

It is no exaggeration to say that there was no man in either branch of Congress who had such an intimate and complete knowledge of our Navy. He became Chairman of the Committee when the Democrats came in control of the House in 1911, and served as such throughout the eight years of Democratic control He was earnestly opposed to war for offensive purposes, but he was thoroughly imbued with the importance and necessity of an adequate Navy for defense, and it was under his wise guidance that legislation was enacted which resulted in making our Navy the second largest and most powerful in the world, the wisdom of which was apparent to every one when our country was drawn into the greatest conflict of all the ages. The presence to-day of so many distinguished admirals and high officials of the Navy, who sit in the gallery, is a magnificent tribute and testimonial of their very great respect and regard for Mr. PADGETT as a man and a legislator, and of the splendid services which he rendered to his country.

While he specialized on naval matters, his public service was by no means confined to that one line of endeavor. He was an important factor and counselor in the shaping of much important legislation while his party was in control, and an influential force throughout his legislative career. He never neglected the smaller and more unimportant duties of a Congressman. He was energetic and faithful, anxious always to serve to the

fullest extent every man and women in his district without regard to their station in life. No man ever represented a greater or more intelligent constituency, and they showed their appreciation of his fidelity and ability by keeping him in Congress until his death.

His home life was ideal. More than 40 years ago he married a charming young lady of his native city, who survives him. Their devotion to each other was tender and beautiful. He loved her and their children with all the devotion of which his great heart was capable. He was a devoted, tender, and affectionate husband and a gentle and loving father. Indeed, Mr. Speaker, he was a kindly, Christian gentleman. He practiced what he preached. Of him it could be said in truth:

His life was gentle; and the elements
So mixed in him that Nature might stand up,
And say to all the world, "This was a man!"

During his last illness it was my privilege to visit him often at his home in this city. When he was first stricken and for weeks thereafter no one suspected that he would not recover. As the disease progressed, he asked me one day to bring pen and paper and write a codicil to his last will and testament, disposing of property he had acquired since his original will was made. And then, with his usual thoughtfulness and as if to dispel any fear that might be felt by his family and friends, he gently said, "I do not mean by this to indicate that I feel that I am going to die, for none of us know, but I believe that everyone should put his house in order and be ready to answer the last call whenever it comes." And as I sat by his bedside penning the provisions of the codicil which he calmly and clearly announced, I felt that he realized that his earthly career was soon to come to an end; but there was no murmur, no complaint on his part. There was no sign of either regret or fear. He was ready; his house was in order. And as I bade him good-by and left his sick chamber with tears in my eyes I too realized somehow that he was soon to be called to his heavenly home.

I went to my home in Tennessee and in a few short weeks the news came that the gentle spirit of LEMUEL P. PADGETT had taken its flight. He died peacefully, for throughout his life he had followed the injunction to—

So live that when thy summons comes to join
The innumerable caravan which moves
To that mysterious realm where each shall take
His chamber in the silent halls of death,
Thou go not, like the quarry slave at night,
Scourged to his dungeon, but, sustained and soothed
By an unfaltering trust, approach thy grave
Like one who wraps the drapery of his couch
About him, and lies down to pleasant dreams.

His remains were carried back to Tennessee and the home he loved so well. A great concourse of friends and constituents from all over his district assembled to do him honor and pay a last tribute of affection to his memory. All that was mortal of him was laid away by tender and loving hands, under the flowers in beautiful Rose Hill Cemetery in Columbia, and beside the remains of a lately deceased and beloved son, there to rest until resurrection morn, when he will be called to joint those who have been faithful, honest, and true in this life. We will see him again, Mr. Speaker, for we are taught to believe and to know that there is a hereafter where friends who have been true and upright while on earth will meet, never to part again. So we say to this splendid American, loyal citizen, faithful friend, devoted husband, affectionate father, and knightly, Christian gentleman, "Hail and farewell until we meet again."

Mr. McARTHUR. Mr. Speaker, a good man, who for a score of years rendered distinguished services to our country in these Halls, has paid the debt of nature and gone to his final account. We, his colleagues, have assembled here to-day to pay tribute to his memory and I count it a privilege to add my word of praise. Shortly after I came to Washington as a Member of the Sixty-fourth Congress it was my good fortune to make the acquaintance of LEMUEL P. PADGETT, who was then chairman of the Committee on Naval Affairs. At the opening of the Sixty-fifth Congress I became a member of that committee and served upon it with Mr. PADGETT until his death in August, 1922. During this period the United States entered the World War and our committee was called upon to consider and report legislation of the greatest importance not only to this country but to our allies and to the cause of liberty and humanity. Mr. PADGETT was at all times equal to the great trust and the tremendous responsibilities which were in his keeping. His knowledge of naval legislation and the problems which arose because of our participation in the war was profound; his grasp of the numerous details was amazing. He recognized the need of action rather than words, and many of the great war measures reported by the committee were put through the House in record time.

Under his leadership the committee disregarded partisanship and made prompt response to every appeal from the administration for legislation necessary to the winning of the war. When the fortunes of politics relegated Mr. PADGETT to the position of ranking minority member, his interest in the Navy did not abate. He applied himself whole-heartedly to the new naval problems—the problems of reconstruction. His entire services on the committee were characterized by industry, good judgment, and a high degree of patriotism. It is only fair to say that no Member of Congress in a score of years rendered more valuable services to the country in connection with naval legislation than did Mr. PADGETT. No man stood higher in the esteem and confidence of his colleagues, both on the committee and in the House.

Mr. PADGETT was a man of the highest character, a gentleman in every sense of the word, a scholar of great learning, and a patriot who loved his country and its institutions. A worthy son of a great State which has contributed more than her share to the list of great Americans, he made himself a place in the highest councils of the Nation.

Those of us who were privileged to know Mr. PADGETT intimately were impressed with the quiet dignity of his bearing, with his uniform courtesy, with his absolute candor and fairness, with his loyalty to his friends, with his supreme love of country, with the religion which he daily practiced. He walked uprightly before God and man. In his passing the State of Tennessee has lost one of her foremost sons and the Nation an able and distinguished legislator.

I join with you, Mr. Speaker and gentlemen of the House, in paying tribute to his memory.

May the monument which marks his last resting place be of spotless marble, for it can not be purer or whiter than his life.

Mr. FIELDS. Mr. Speaker, I have not been accustomed to speaking on occasions of this character, but by reason of my peculiar admiration for LEMUEL P. PADGETT, late a Member of this body, I would feel remiss in the discharge of my duty should I fail to join his colleagues who assemble to-day to pay honor to his memory.

It was my pleasure to form an intimate acquaintance with Mr. PADGETT soon after I became a Member of the House. Our acquaintance soon developed into a strong personal friendship, which continued to grow during our service together of more than 11 years, and by reason of the close personal relationship between us I watched his legislative career closely and with much interest.

As chairman of the Committee on Naval Affairs while his party was in control of the organization of the House he proved himself to be the master of every subject relating to the Naval Establishment, and, in my opinion, showed a stronger combination of knowledge of his subjects and tact in handling them through legislative procedure than any other individual that I have known during my service. He was always fully informed on his subject, from the broadest questions of governmental policy to the most delicate and minute details. His kind yet firm and straightforward manner in dealing with his fellow Members while in charge of bills from his committee won for him both their admiration and their confidence. So strongly was he intrenched in the admiration and the confidence of his fellow Members that he seldom, if ever, failed to carry to final enactment bills sponsored by him on the floor of the House. His long, uninterrupted service in the House attests the fact that he was also intrenched in the admiration and confidence of the people of the district from which he came.

His personal manner was charming, always pleasant, always kindly disposed, never given to excesses in habit or in speech. Never did I during my entire association with him hear him utter a word that would be improper to utter in the presence of ladies. Both his manner and his speech were an inspiration to those who came in contact with him. In his passing the country lost a noble citizen, the House an honored and useful Member. Let it be said and truly said that the race has profited by his existence and the House and the country have profited by his valuable service here. He is gone, but his record of achievement will live on through the years so long as the history of the American Congress lasts.

Mr. TAYLOR of Tennessee. Mr. Speaker, it is indeed with the most profound feeling of sadness that I contribute a few remarks on this somber and melancholy occasion whereon we have met to memoralize the life, character, and public service of our late, lamented colleague, Hon. LEMUEL PHILLIPS PADGETT, who, after a career abounding in achievement, has passed to

that great beyond "from whose bourne no traveler ever returns." I first met our departed colleague in 1914, during the State campaign of that year, and while he was conspicuous throughout that memorable campaign, which was one of the bitterest and most acrimonious in the history of the politics of the Volunteer State, he always maintained that generous and cordial composure so characteristic of himself. And while the political atmosphere about him was charged with the most intense venom and hate, and while all sorts of maledictions and animadversions were being hurled here and there, it was a notable fact that LEMUEL P. PADGETT never permitted abuse, billingsgate, or recrimination to profane his lips.

Mr. Speaker, I learned to respect our departed colleague then and my associations with him here during the Sixty-fifth and Sixty-sixth Congresses simply served to increase and solidify my respect and admiration for his manly qualities.

In the death of LEMUEL P. PADGETT the House of Representatives, his constituency, the State of Tennessee, and the Nation at large have sustained a distinct and irreparable loss. During his career here he displayed an industry, an activity, and a relish and capacity for work seldom exercised in legislative service, and as a result thereof his name will be forever associated with some of the most wholesome and constructive legislation that has been enacted during this generation. Few men had a larger and more exhaustive fund of legislative knowledge, or were more exact, accurate, and thorough in dealing with legislative problems than he.

He was recognized by his colleagues and by the whole country as an authority on questions affecting the financial condition of the Nation, and he was particularly learned and skilled in naval affairs, occupying for many years a conspicuous place on the great Naval Affairs Committee of the House. He was a practical man, and in his work as a legislator and statesman he never allowed the mists and fogs of theory and speculation to hamper or obfuscate his practical vision. He could always assign a reason for "the faith that was within him," taking the position that a proposition that could not be demonstrated by facts and figures and by the ordinary laws and processes of logic was unworthy of consideration. Likewise, he had no patience with sham nor hypocrisy. He never engaged in demagoguery himself, and I personally know that the practice thereof by others was exceedingly loathsome to him.

He was strong in debate but his strength in this respect did not consist in the employment of metaphor or glittering generalities, but rather in the use of logic and cold fact. He was indispensable in committee work because he was indefatigable in research and investigation—things that are irksome and onerous to the average member, but nevertheless a work that is absolutely necessary to a "safe and sane" consideration of legislation. By some this work is considered drudgery, and if drudgery means hard work it is drudgery, and therefore the man who has the will and the patience to do it is entitled to be called a patriot.

In its final analysis, LEMUEL P. PADGETT was a simple, unsophisticated, practical man. Simple in his tastes, unpretentious in his dress and manner, and practical in his activities, official and otherwise. To his everlasting credit be it said that he was patriotic to a preeminent degree. That old familiar slogan, "My country, may she ever be right, but right or wrong, my country," perfectly typified the spirit of our deceased colleague. Loyal to his country and to his friends, he was a genuine American citizen of the old school.

Measured by any criterion, LEMUEL P. PADGETT was distinguished. He had a quiet, unassuming dignity that frowned not upon comradeship nor cordiality. He was able, yet tolerant; zealous but just—honorable to a fault—"and the elements of greatness so mixed in him that nature might stand up and say to all the world—this was a man."

Mr. Speaker, knowing our beloved colleague as I did, when I heard of his death, I was unconciously reminded of that passage in Second Samuel:

"Know ye not that a prince and a great man has this day fallen in Israel."

The propositions that "to err is human" and that "we all make mistakes" are well known and well recognized for their verity, but in my opinion very few of us have committed as few errors and made as few mistakes as he in whose memory we are assembled to-day.

As we contemplate the hereafter, Mr. Speaker, what richer heritage can any one leave to his country, to his family, or to posterity than a record devoted to faithful, unselfish, and patriotic endeavors whether in public or private life? What greater consolation can come to anyone about to depart for the great unknown than to realize that he has contributed something to the happiness and welfare of mankind?

Mr. Speaker and gentlemen, LEMUEL PHILLIPS PADGETT has gone! His work here is finished. His enfranchised spirit has departed hence to join in sweet and perfect harmony and comradeship that innumerable host of immortals who wrought faithful and well here, and who are enjoying their just deserts on the other shore.

Peace to his ashes! honor to his name! and immortality to his memory!

Mr. BLAND of Virginia. Mr. Speaker, we have met to-day to pay a tribute to the memory of one whom all of us loved and honored. When we heard that our colleague L. P. PADGETT, of Tennessee, had crossed the river, we grieved that he had gone, but we gloried that he had left a record of service which was both an example and an inspiration. It has been said,

> Man is of soul and body, formed for deeds
> Of high resolve.

This was true of our lamented colleague, and well was his work done. Others will speak in detail of his service here. Briefly I will speak of him as I knew him.

Among the most cherished recollections of my service here will be the acquaintance early formed with this valiant son of Tennessee. Soon after I came here I met him. Though he was a legislator of long experience, high in the counsels of the party, burdened with the responsibilities of most important work at a crucial period in our Nation's life, yet he found time to welcome a raw recruit, to offer to him words of encouragement, and to help him in his work. Mr. PADGETT inspired confidence. He had the confidence of his colleagues to a degree which I have seldom seen given to others.

Members on both sides of the aisle knew that statements made by him as facts needed no verification, that he spoke only what he knew, and that always he spoke the truth without equivocation of any kind. When Mr. PADGETT spoke as of his knowledge no one doubted. So it was that his influence grew daily, and reached not only his colleagues here but all branches of official life. This was manifested in marked degree in one of the last fights of his legislative life, when he successfully resisted a reduction in the Navy personnel, and carried with him many who had no opportunity to study exhaustively the subject, but who expressed themselves as satisfied to follow where the distinguished son of Tennessee might lead. Freely he was consulted by Members of all parties, frankly he counseled, and wisely he led.

He was a man wholly free from the ostentatious. There was nothing affected about him. He was patient at all times, and one of the kindliest, tenderest, and most generous of men. Never obtruding himself, yet he was ever prompt to take up the cudgels when duty demanded. While I served with him he never consumed unnecessarily the time of the House. When he spoke, it was proper and meet for him to speak. Then he presented his facts in masterly array, and disarmed his antagonist by his superior knowledge of the subject on which he spoke.

There was none of hero worship nor of cant in his make-up. He knew men as they were. He overlooked their weaknesses and he readily cultivated their virtues.

Mr. PADGETT'S candor, his experience, his fidelity, and, above all, his truth, were predominant characteristics. Lord Bacon said:

> But no pleasure is comparable to the standing upon the vantage-ground of truth.

It was upon this vantage ground our colleague stood. There he lived, fought his battles, and won his victories. Possible partisan advantage could never tempt him. And so he won the esteem of those to whom he was politically opposed and of those with whom he was affiliated.

Confidence and esteem merged into love. His people loved him. This House loved him. His presence here was ever a pleasure, and his departure left our hearts heavy. Heads were bowed, and eyes were moistened.

In the chronicles of this body will be found Mr. PADGETT'S best memorial. The record is one of useful work. He builded well, and when the glorious record of the United States Navy in the World War shall have been written, the work of Mr. PADGETT at the head of the great Committee on Naval Affairs in this House will appear on every page. He was ever the Navy's friend, and America's proud place on the seas was in part his work. Those who labored with him in those trying times can best tell the story of those hours and his achievements. He spared not himself, and the Navy honored him living, and reveres him dead.

Mr. PADGETT was a patriot. He was ready at all times to give the best that was in him to his country's preservation and prosperity. He prated not in loud and lengthy phrase, but in the simple language of love and in unfaltering service he showed his loyalty and his zeal. No more devoted patriot has ever sat in these halls.

Wise counselor and devoted public servant, farewell. For thee life's labors have ended, and thou hast reaped the reward of the faithful and the just. Thou hast left us an example. Thy life will ever serve as an inspiration.

Beloved friend, farewell.

Farewell! A word that must be, and hath been—
A sound which makes us linger, yet—farewell.

Mr. WASON. Mr. Speaker, it was my privilege to have made the acquaintance of LEMUEL P. PADGETT, a Representative in Congress from Tennessee, who at that time was chairman of the Committee on Naval Affairs of this House, when I first entered upon my service here; he and I were domiciled at the same hotel that session. Thus I early was fortunate in making his acquaintance. That acquaintance began in December, 1915, and continued until the day of his death, and as each day passed my admiration and my affection for him increased. My speech would be complete with one sentence, after sitting here and listening to the absolute candid and truthful tributes to Mr. PADGETT, of his work and his fidelity to his country and his people, and saying they are true, is saying more than any words that I could utter. But I can not refrain, however, from relating that I early detected in him the characteristics that we enjoy and respect in man—honesty of purpose, generous in his treatment of his fellow man, candid in his conclusions, comprehensive in his research upon matters that he entered upon. As he served his district in Tennessee and in this House and the entire country, his record of service speaks volumes more eloquent than lips or tongue of man could attempt to describe them. His guiding mind and judgment while he was chairman of the Naval Affairs Committee, if studied, would show conclusively his ability to detect the needs of his country, the details of any weakness, if such existed in the Navy. It would also show that wherever a weakness was discovered by him that was detrimental to his country's defense, even in time of peace, he well knew what was necessary to be done to correct the infirmity and place the Navy in readiness for an emergency, if an emergency came.

So, when called upon in 1917 to act as a Member of this House, his previous study and experience had fitted him for those important duties so that he could discharge those duties with the ease of a student who has mastered his subject and is ready for examination by his professor. He had mastered the details, as has been said, of the needs of the Navy as a part of our national defense. He knew all about them in almost every detail, and his colleagues soon realized that when he stood on the floor of this House and made a statement relative thereto, it was just in accordance with the facts, and his advice, as stated by my distinguished colleague, Mr. MADDEN, was followed with honesty and candor by many of the Members of the House; indeed by most of the membership of the House, because we all had faith in him and respected his judgment; we all recognized his honesty of purpose, and were willing to follow where he led.

So his work in this department of the Government and in his service to his country and in other departments as a Member of this House and a citizen of this country finally came to an end; but, my colleagues, the achievements of his life, his accomplishments in this House, and his work as a noble citizen from the State of Tennessee, and his influence upon those of us who remain will stay with us as long as we remain, and when we pass it will pass on down through the ages and be influential and helpful to posterity. In his nature and treatment of others he was kind and gentle, yet firm. He was as considerate as the Good Book teaches us all to be. His daily life was an example of Christian fortitude, of uprightness, of candor, of fervency, and of love of his fellow man.

Somebody has said that he was a partisan. He was, and so are all of us. Possibly I differed with him politically, but the very fact that he was a partisan and that I on general principles differed from him politically soon led me to honor him for his partisanship, and the fact that he was a partisan led me to admire and respect him in the highest degree.

As a new Member here, no Member of the House, not even my own colleague from my own State, whom I had known from boyhood, treated me more kindly and with more considerate courtesy than did our distinguished friend from Tennessee who occupied a seat in this House until recently; and it will be a source of comfort to me as the years roll by that LEMUEL P. PADGETT, a Member of this House, a Democrat, was my friend, and that I had unbounded love and respect for him as a man, as a partisan, as a legislator, as a patriot, and as a loyal supporter of the United States Government, its flag, and its traditions. His influence and example was for right, which must result in lasting benefit and perpetuation of country, its people, and our institutions.

He did his duty in every position in which he was placed. Let us this day remember we must live so that the world will be better for our having contributed something to help mankind, and when we are gone our friends can truthfully say—

A good man has passed to his reward.

I sincerely feel that I can truthfully say that when LEMUEL P. PADGETT died a good man passed to his reward.

He never forgot to observe in his daily life the teachings described in the following lines:

We live in deeds, not years, not breaths;
In feelings, not in figures on the dial.
We should count time by heart throbs. He most lives
Who thinks most, feels the noblest, acts the best.

Mr. O'CONNOR. Mr. Speaker, we have assembled here to-day not so much to mourn as to express our reflections upon a high, knightly life, nobly spent. And we do so in order that those reflections may reach not only those who knew LEMUEL P. PADGETT, but the people who, from one end of the land to the other, will read the CONGRESSIONAL RECORD and be inspired by our expressions to emulate the great American who knew no greatness but his country's good. No nobler soul ever dwelled upon this earth than the dead statesman. No choicer spirit ever graced a land than the dead jurist—

Let all the ends thou aimest at be thy country's,
Thy God's, and truth's;
Be noble; and the nobleness that lies
In other men sleeping, but never dead,
Will rise in majesty to meet thine own—

were as a cloud by day and a pillar by night to the one in whose memory we are to-day holding these exercises. They were his song early and late, by day and by night. He loved his country, and did not deem it necessary to give a reason why. It was his own—that was sufficient. The moral grandeur of his great nature sanctified his patriotism, and to his luminous, large, and comprehending eye the ideals, aspirations, hopes, and purposes of his land were not only just, but holy, as they were from his viewpoint preliminary to the ends the Creator has in mind, and to which LEMUEL PADGETT reverently and solemnly looked, as the millenium, when the lion and the lamb shall lie down, and there shall be peace on earth to men of good will.

Mr. Speaker, I knew Mr. PADGETT for three years. During one of those years I knew him almost intimately; for during that time I spent many days in conversation with him in reference to affairs that came before the Committee on Naval Affairs. It was during those days that I learned the full value of a magnificent inscription that is engraved on a slab in a cemetery in the city of New Orleans, and is now written on the hearts of men and women of that famous old town. They are in memoriam of one who played out a great part in the section of the country from which I come. The lines are stately, reverent, patriotic, eloquent, and inspiring. They are a worthy tribute to our departed friend. I can not quote them literally, but substantially they are:

A man tried in many high offices;
And critical enterprises;
And found faithful in all;
His life was one long sacrifice of interest to conscience and unswerving duty of devotion to country;
His greatness stands confessed to-day in a people's tears;
Resolute, moderate, clear of envy, yet not wanting in that finer ambition which makes men great and pure;
In his honor—impregnable;
In his simplicity—sublime;
No country e'er had a truer son—no cause a nobler champion;
No people a bolder defender—no principle a purer advocate, than the dead statesman who sleeps his last sleep in the soil of his well-beloved Commonwealth of Tennessee;
His fame, consigned to the keeping of that time which, happily, is not so much the tomb of virtue as its shrine;
Shall, in the years to come, fire modest worth to noble ends.
In honor, now the great statesman rests;
A bereaved people mourn him;
A proud Commonwealth and a noble Nation claim him;
And history shall cherish him;
Among those choicer spirits, who, holding their conscience unmixed with blame;

Have been, in all conjunctures, true to themselves, their people, and their God.

LEMUEL P. PADGETT expressed all that is great and good and splendid and noble in the life of America. He did noble things, not dreamed them all day long, and so contributed by his presence in this body to its upbuilding and by his ability, an American on the floor of this Congress, to the greatness and glory and grandeur of this country.

Years ago, down on the floor of the Louisiana Legislature of which I had the good fortune to be a member, I heard a distinguished Louisianian, one who wrote "The Unwritten Law," which excited the comment of lawyers from ocean to ocean, a man who had played out a great and gallant and splendid part in the affairs of Louisiana during its trying days—and those days were many—declare facetiously and somewhat banteringly, and yet half seriously, that speeches usually won the applause of legislators but never their votes, and that a man who was convinced against his will was of the same opinion still. That, in a large measure, is true, however cynical its utterance may be regarded. I have heard splendid addresses delivered on the floor of this House. I have heard some great speeches made almost extemporaneously, clear-cut, logical, and powerful; for the reason that the speakers were the possessors of the peculiar knowledge that enabled them to present the facts succinctly and clearly; but those speeches were not moving for they were lacking in the fire, that afflatus, that blazing fervor that characterized two memorable addresses delivered on the floor of this House by LEMUEL P. PADGETT in behalf of the Navy that he loved so well.

That never-to-be-forgotten occasion was last year, when the amendment was before the House increasing the number of the naval personnel above that which had been fixed by the committee. Mr. PADGETT rose to Olympian heights and delivered what, in my judgment, was one of the finest addresses that I ever listened to; not fine, probably, in high-sounding platitudinous sentences, not remarkable as abounding in polysyllabic words, but great for the reason that it possessed the fire and the fervor, which fanned the dormant love of Navy into a white heat, and made us willing to shout out: Long live the Navy! The faith that was in him he was able to communicate to the House, and he swept the majority of the Members before that eloquence just as a prairie gives way before a fire that sweeps over it. It was a thrilling address, and for the first time in my life I realized the full significance and meaning of the words—

> If you would have me weep, begin the strain,
> That I may feel your sorrow, feel your pain.

And then came a slight reaction, after a while, for after a raging and furious parliamentary struggle it looked to some of the most anxious of us as if some of the forces that were militantly for the amendment were beginning to yield to what was either good argument or to the powerful and sentimental appeals that were made to set a good example to the world by a dangerous spirit of self-abnegation on our part. It was at what we thought was a critical moment that we felt it necessary to urge Mr. PADGETT to take the floor again. Very reluctantly he consented, because he was an extremely modest man. He yielded only after we made it clear to him (we who favored the amendment) that he was the only man who possessed at that moment the driving force, which influences men, and as I said before seldom does influence them here because convictions are almost arrived at long before the vote is taken on any proposition. It was then, in the second address, that he brought home in his own way, but in superforensic appeal, the appalling danger that would confront this country on some tremendous day if we had to meet a superior force upon the sea; and his graphic, picturesque, wonderful way of communicating the despair that would seize upon our hearts if we ever learned that our fleet had gone to the bottom of the ocean as a result of our unwillingness to meet the great and growing need for its proper maintenance thrilled us, set our hearts ablaze, and at once made clear and certain to a majority that the amendment would carry. Yes, it was a great speech, and I am glad I had the privilege of listening to it.

Mr. Speaker, I never could commit to memory words that I myself might put upon paper for such occasions. I have always felt that I ought to depend upon the inspiration of the moment and the sentiments that would be born within me as the result of the addresses by my colleagues, my own reminiscences and recollections of the departed, for a suitable expression of that which was throbbing in my heart, which I can not all express yet can not all conceal. But there are some lines written by others which we sometimes are able to sing probably as well as those who wrote the original song. There are some lines that are always appropriate to such occasions as this. Wonderfully philosophical, they inspire one to dream and to think not only of the manly part we should play upon this earth, which LEMUEL PADGETT played out in the grand drama of life, but they inspire us to look beyond and to contemplate our journey into that new land of adventure, into that higher sphere of action bravely, as the gallant souls of America would have us to go. I am going to try to recite those lines and with that recitation close this feeble tribute to the memory of one of America's greatest, most chivalrous, and most gallant souls. That vision of death would have immortalized William Cullen Bryant and added to the literature of the English-speaking people if he had never written anything else, though his other poems place his name high in the niches of America:

> To him who in the love of Nature holds
> Communion with her visible forms, she speaks
> A various language; for his gayer hours
> She has a voice of gladness, and a smile
> And eloquence of beauty, and she glides
> Into his darker musings, with a mild
> And healing sympathy, that steals away
> Their sharpness ere he is aware. When thoughts
> Of the last bitter hour come like a blight
> Over thy spirit, and sad images
> Of the stern agony, and shroud, and pall,
> And breathless darkness, and the narrow house,
> Make thee to shudder, and grow sick at heart;—
> Go forth, under the open sky, and list
> To Nature's teachings, while from all around—
> Earth and her waters, and the depths of air—
> Comes a still voice—Yet a few days, and thee,
> The all-beholding sun, shall see no more
> In all his course; nor yet in the cold ground,
> Where thy pale form was laid, with many tears,
> Nor in the embrace of ocean, shall exist
> Thy image. Earth, that nourished thee, shall claim
> Thy growth, to be resolved to earth again,
> And, lost each human trace, surrendering up.
> Thine individual being, shalt thou go
> To mix forever with the elements,
> To be a brother to the insensible rock
> And to the sluggish clod, which the rude swain
> Turns with his share and treads upon. The oak
> Shall send his roots abroad, and pierce thy mould.
>
> Yet not to thine eternal resting place
> Shalt thou retire alone, nor could thou wish
> Couch more magnificent. Thou shalt lie down
> With patriarchs of the infant world—with kings,
> The powerful of the earth—the wise, the good,
> Fair forms, and hoary seers of ages past,
> All in one mighty sepulcher. The hills,
> Rock-ribbed and ancient as the sun—the vales,
> Stretching in pensive quietness between;
> The venerable woods—rivers that move
> In majesty, and the complaining brooks
> That make the meadows green; and, poured round all,
> Old ocean's gray and melancholy waste—
> Are but the solemn decorations all
> Of the great tomb of man. The golden sun,
> The planets, all the infinite host of heaven,
> Are shining on the sad abodes of death
> Through the still lapse of ages. All that tread
> The globe are but a handful to the tribes
> That slumber in its bosom. Take the wings
> Of morning, pierce the Barcan wilderness,
> Or lose thyself in the continuous woods
> Where rolls the Oregon and hears no sound
> Save his own dashings—yet the dead are there;
> And millions in those solitudes, since first
> The flight of years began, have laid them down
> In their last sleep—the dead reign there alone.
> So shalt thou rest, and what if thou withdraw
> In silence from the living, and no friend
> Take note of thy departure? All that breathe
> Will share thy destiny. The gay will laugh
> When thou art gone, the solemn brood of care
> Plod on, and each one as before will chase
> His favorite phantom; yet all these shall leave
> Their mirth and their employments, and shall come
> And make their bed with thee. As the long train
> Of ages glide away, the sons of men,
> The youth in life's fresh spring, and he who goes
> In the full strength of years, matron, and maid,
> The speechless babe, and the gray-headed man—
> Shall one by one be gathered to thy side,
> By those, who in their turn shall follow them.
>
> So live that when thy summons comes to join
> The innumerable caravan which moves
> To that mysterious realm where each shall take
> His chamber in the silent halls of death,
> Thou go not, like the quarry slave at night,
> Scourged to his dungeon, but, sustained and soothed
> By an unfaltering trust, approach thy grave
> Like one who wraps the drapery of his couch
> About him, and lies down to pleasant dreams.

Mr. SWING. Mr. Speaker, of most men, the highest compliment we can speak is to say that we greatly admire and respect them. It is given to but few men to arouse in other men sentiments of real endearment. And yet what has been said here this afternoon proves that LEMUEL PHILLIPS PADGETT was such a man. I knew him well and I am proud to say that I loved him. I met him first under the sunny skies of California early in 1917. At that time his mind was weighted down with

the grave responsibility of planning adequate defense for this country in the face of a fast approaching crisis. The acquaintance then begun ripened into closer friendship in the succeeding years. I have seen him under many varied circumstances and conditions. I worked with him in committee and on the floor of this House. I have spent time with him in hours of recreation. I have been received by him into the quietude of his home, and again have seen him meeting officialdom in the glare and under the pomp of formal society. Everywhere and all the time he was the same sincere, quiet, dignified and kindly man. I can pay him no higher tribute than to say that in every sense of the word he was a true Southern gentleman.

Coming to this House from an inland State, the casual observer of the usual course of political events would have counseled him in the interest of political success to have devoted his time and effort to matters of local interest in his district instead of giving the best years of his life to the study of national problems. Yet such was the character of the man that when he conceived a certain course to be the high road of duty he pursued it without regard to what the personal consequences might be to him. So, finding himself placed upon the Committee on Naval Affairs he devoted himself, his time, and his talents unreservedly to the mastering of that subject until he was recognized as one of the leading, if not the leading, authority upon the subject in this House. It may be that the ordinary constituency would not have supported its Representative in such an unselfish course, but I have had the honor and the privilege of meeting the people of the Seventh District of Tennessee and found that there is nowhere a more generous and patriotic constituency.

They are accustomed to give their best men to the service of their country, among them a President of the United States. And so, loyal to high principle and in devotion to their country, they returned LEMUEL PHILLIPS PADGETT time and time again, and in my opinion if he had not died they would have returned him over and over as long as he desired to serve here. They, with all of us, can be proud of the fruits of his labor—a Navy second to none in the world.

He was a lover of peace, but he was not satisfied merely to talk about it in terms of generalities. He took action to guarantee peace for this country by building up a Navy which as long as it is maintained on the basis he advocated will insure our shores and land against attack or invasion by any hostile force.

No one can estimate the number of lives his work saved in the late war, but this much we do know: that when time came for us to send over hundreds of thousands, yes, millions of boys to the other side, our Navy—his Navy—was ready and able to convey those boys across the perilous seas, surrounded on every hand by impending danger, without the loss of a single life. Many a mother's heart is duly grateful that her boy was taken over and brought back without disaster upon that ocean voyage. His efforts in behalf of an adequate Navy made this great achievement possible, and as long as that war is remembered LEMUEL PHILLIPS PADGETT will be remembered also.

His glory and the glory of his work belongs not to his district alone, nor to his State or party. It constitutes an accomplishment of a real American statesman, and Americans, wherever they may be, will take a just pride in the contributions he made to the advancement and welfare of our country.

Mr. TURNER took the chair as Speaker pro tempore.

Mr. GILLETT. Mr. Speaker, I have been associated with Mr. PADGETT for many years, but it so chanced that we were never thrown together on any committee or in any official way, nor did our paths ever cross much socially, so that I never became personally intimate with him. Such intimacy is very much a matter of accident here, for the membership of the House is so large and the committee work is so exclusive that you are very apt to form a close friendship only with those whose line of work, by the lottery of appointments to committees, runs in the same channels as yours. Still, Mr. PADGETT was a man of such prominence that every one in the House would have a clear opinion about him, and he and I were here so many years together that our personal friendship was strong, though not intimate.

What I recently said about another Member of the House, that the best way to gain respect and confidence and leadership here was to show that you are thoroughly informed on the subjects which you discuss, was illustrated by the career of Mr. PADGETT. He was for years a member of the Committee on Naval Affairs, and in the eyes of the House became identified with that committee. He was its chairman during the World War, when the importance of that committee rose to its climax and when its activity was so great and incessant, and he early convinced the House that he was a master of his subject. He could explain and clarify the most abstruse naval problems. He must have worked indefatigably to achieve such familiarity with his very comprehensive sphere of duty and he won the complete confidence of the House and a position of leadership in his line that was undisputed. And afterwards, when his party had lost control of the House and he was no longer chairman of the committee, he was always listened to with attention and respect, and his opinion always carried weight. He was faithful in his duty, was always courteous and kindly in his bearing, was reasonable and considerate and friendly when in charge of legislation, and I counted him one of the strongest and most influential Members of the House, and felt toward him warm friendship and sincere respect.

Mr. GARRETT of Tennessee. Mr. Speaker, a number of gentlemen who are unavoidably absent and could not be present to-day have expressed to me and others of the delegation a desire to have an opportunity of paying their tributes to our late colleague. I therefore ask unanimous consent that all Members may have permission to extend their remarks in the RECORD.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent that all Members may have the opportunity of extending their remarks in the RECORD on our deceased colleague. Is there objection?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Speaker, in addition to the general leave to extend their own remarks I desire to ask permission that I may be permitted to extend my remarks by including editorials and utterances from the home paper of our late colleague.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GARRETT of Tennessee resumed the chair as Speaker pro tempore.

Mr. DAVIS of Tennessee. Mr. Speaker, my colleagues who have preceded me, many of whom had the privilege of serving with him for a longer period than I, have perhaps touched every phase of the character and service of our distinguished and beloved former colleague whom we are now honoring. However, my admiration and affection for him were such that I desire to add a few thoughts to the beautiful and merited tributes which have already been paid him, and every word of which I fully indorse.

These truthful tributes to his qualities and achievements were made possible by the fact that LEMUEL P. PADGETT was a good man in every sense of the word. He was a man of the very highest integrity, a man of the loftiest ideals, a man of the most exemplary habits. He was a genuine, unfaltering Christian in the truest sense of that word.

As has already been stated, he was devoted to the members of his family and each member of his family was equally devoted to him. If I were required to characterize Mr. PADGETT and his services by one word, I believe that I would employ the word fidelity—fidelity to his own higher self, fidelity to his own household, fidelity to his friends, fidelity to his ideals, fidelity to his country, fidelity to the right, and fidelity to his God.

Ever patient and tolerant, yet he never wavered between right and wrong.

Dignified, deliberate, well poised always, yet Mr. PADGETT possessed and exercised the quiet and determined zeal of a crusader in any cause to which he devoted himself. Kindly, polite, courteous, extremely modest, yet he was a strong man, a man of definite opinions, a man of positive convictions, and with the full courage of those convictions. Reaching his conclusions after careful investigation and mature deliberation, he always felt sure of his ground and acted accordingly.

Together with a few others present I had the privilege of participating in the last sad rites paid to our departed colleague at his home in Columbia, Tenn. The high esteem in which he was held by his own fellow citizens was convincingly manifested by the vast concourse of people who gathered from the uttermost borders of his county and from various other sections of the State to pay a last tribute to his memory. I likewise had the privilege on that occasion of attending memorial exercises held by the members of the bar of Columbia and of Maury County. His former associates at the bar, his lifelong neighbors, expressed their estimate of his character and achieve-

ments. They dwelt upon a somewhat different phase than that which has been discussed to-day. They spoke of him as the lawyer, as the neighbor, as the citizen, and I never heard more beautiful, more tender tributes paid to any man than were paid to him on that occasion by different members of his bar.

I had many intimate personal talks with Mr. PADGETT, in which we discussed personal matters, as well as official matters, and each of those interviews served to enhance the exalted opinion, the very great admiration, and the profound respect which I had for this great man. In conclusion, Mr. Speaker, I wish to state that LEMUEL P. PADGETT lived a life of great usefulness, and left a rich heritage to his family, to his district, to his State, and to his country.

Mr. DUPRÉ. Mr. Speaker, Alfred Tennyson, coming to the Laureateship on the death of William Wordsworth, boasted, in a memorable line, that he wore the laurel "greener from the brow of him who uttered nothing base," and so he, who now represents the Seventh District of Tennessee in this Chamber (and those who come after him) may likewise boast that he occupies a seat richer and more honored for that it was once filled by the man whom we praise and mourn to-day.

LEMUEL PHILLIPS PADGETT was for 22 consecutive years a member of this House. His service, always characterized by conspicuous ability, indefatigable industry, and the strictest fidelity to duty, covered a wide range of activity, including membership on the National Monetary Commission and Regency of the Smithsonian Institution—large honors both. But his greatest work was done in behalf of the American Navy, with whose development and achievement his name will be forever indissolubly linked. His was the task, as Chairman of the House Committee on Naval Affairs during the World War and in the years immediately preceding it, to see to it that the Navy was ready to do its part when called upon. How well he performed that task is shown by the wonderful record which our Navy earned during the great struggle. Nor did that interest lapse with the end of the war, or when he became the ranking minority member of the committee. One of the last great offices that he rendered was when he fought the attempt made less than a year ago by well-meaning, though misguided, men, who sought to reduce the Navy and its personnel to a point that was perilous to national safety and defense.

It is a singular tribute to the broad and patriotic outlook of this brave and conscientious man, and to the intelligence of his constituency and its just confidence in him as its representative, that such ardent belief in and support of the Navy came from a man who was born in the interior, lived constantly in the town of his birth, and represented a district far from the coast line, whose people might well have been excused had they failed to grasp the necessity for and the importance of a strong, well-balanced Navy, not only in time of war but in time of peace. There is but little credit due us who live on and near the sea for our support of such a Navy. In the nature of things, its necessity appeals to us, and we have, in our legislative efforts in behalf of a defensive but fighting fleet, the warmest support of those who put us in office, but here was a man who was born and lived all his life in Columbia, Tenn., far from the possible arena of naval contest, who represented a people whose immediate and actual security was not dependent in any local sense on the Navy, yet who saw with clear vision how important an adjunct to national life the Navy was to the whole country. He discarded all possibility of damaging results to his own political fortunes; he never wavered, and, with the earnestness of his convictions, the completeness of his knowledge of the subject, and the respect which his high personal character inspired, remained to the end, with the approval of his people, a fearless advocate of a strong American Navy. Those who have seen Mr. PADGETT in charge of the great Navy supply bills can never forget the patience, the thoroughness, the tact, yet the frankness and openness, with which he handled these great measures, and, true to his nature, he displayed these same qualities when he was in the political minority.

Mr. PADGETT was one of the first men whom I met when I came to Washington more than twelve years ago. My mother and sister and I went to live at the old Dewey Hotel, where many Congressmen then resided, and where Mr. PADGETT and his dear wife, to whom our sympathies flow out so largely on this occasion, made their home. I have very delightful recollections of those two or three years at that hostelry, where, for instance, I came to know and love George Legaré, of South Carolina, who, after an heroic struggle, succumbed to disease, and where I first made the acquaintance and afterwards the enduring friendship of the gentleman from Michigan [Mr. FORDNEY], whose voluntary retirement from this body is a matter of universal regret to his colleagues, a personal regret to me, and a distinct loss to his country.

Thrown in that way with Mr. PADGETT I early came to admire him, and as my revered colleague from Louisiana, the late General Estopinal, with whom I was on the closest terms of friendship, was on the Naval Affairs Committee with Mr. PADGETT and regarded him highly and agreed with him in the actions of that committee, I came to know him more intimately. The closer one was brought to him and the better one knew him, the more one came to esteem and respect him, and so when, in my enforced absence from Washington I read in my home papers of his death I felt a sense of real sorrow which I will bear with me always, and which I poorly, but sincerely, record to-day.

The first time I ever heard Mr. PADGETT speak was on the occasion of services like these held on the floor of this House in memory of that beloved Louisianian, the late Senator Samuel Douglas McEnery. His address on that occasion impressed me deeply. I have often thought of what he said that morning. I recently found same in the CONGRESSIONAL RECORD of February 26, 1911, and I can not better close this tribute to LEMUEL PHILLIPS PADGETT than by quoting a brief passage from his remarks on that day, which seems so applicable to him:

> He was a man of broad sympathies. He had humanitarian views. His sympathies were as broad, as tender, and as generous as his conceptions of his duty to humanity. He was a man of broad intellectual tion, truly. If you mean the shedding of the habiliments of flesh, tion. He has ascended a considerable height on the mountain side of knowledge and of information and of learning; and from his viewpoint he was enabled to look out far and wide and have a large vision of the activities of men, the energies of life, and the sympathies of the brotherhood of man; and to these he measured up nobly and grandly.
>
> But, Mr. Speaker, he is gone—they say "dead." If you mean destruction, no. If you mean annihilation, nay. If you mean transition, truly. If you mean the shedding of the habiliments of flesh, that hamper and circumscribe and limit the possibilities, the hopes, the aspirations of the human soul and the human life, yes, indeed. Into a larger, better, more glorious life, where the responsibility shall be greater, where the opportunity shall be larger, where our capacity shall be commensurate with those opportunities, he is gone. As we stand at the grave we say, "We can follow no farther," and yet out of our souls comes the thought—
>
> I know not where His islands lift
> Their fronded palms in air;
> I only know I can not drift
> Beyond His love and care.

Mr. FISHER. Mr. Speaker, there are many present here to-day who knew Mr. PADGETT for a longer time than I had, but during the five years when we were associated together here, I knew him well. I saw him and talked with him almost daily during the sessions of Congress.

I learned to love him. He was kind, gentle, and thoughtful in his personal contact with his friends. He was helpful to a new Member, and those who profited by his kindly advice will always be deeply grateful. I have known no one here who had a sounder judgment on public questions.

It was a great privilege to have been here during the war at the time he was chairman of the Committee on Naval Affairs and hear him present the war-time needs of our Navy. He knew better than any other Member of Congress about our Navy. Fortunate was our country that it had a servant so well equipped for so great a service and at so critical a time. The huge bills he presented to the House were fully, clearly, and carefully explained. There were few who differed after he finished his speeches.

There have been few chairmen of great committees who have had the same confidence of the whole membership of the House as did Mr. PADGETT. Tennessee was proud of his record. It was a beautiful sight to see the great crowds of neighbors, friends, and home folks pay tribute to this great man when his body was taken to his home city, there to rest in its final resting place.

There comes a feeling of great grief when friends and colleagues of this noble man gather to pay tribute to his memory. We grieve because a beloved colleague has been taken from us, never to return; because the Nation has lost a faithful servant; because the State of Tennessee has lost one of its most distinguished citizens—we grieve with the son and daughter who are left without a father; we shed tears of grief for the lonely, loving wife who was left behind.

But there is a satisfaction to his friends and loved ones, because we know he was taken only after a long life of service, and that his soul is at peace, and his body rests in the soil he loved and near the people who loved him.

Mr. HUMPHREYS of Mississippi. Mr Speaker, I have come here to-day to say a few words of tribute to the memory of my deceased friend.

When I first came to Congress, Mr. PADGETT and I boarded at the same place, and from that circumstance I came to know him well early in my service. During the long years which

followed, this early acquaintance ripened into a genuine friendship, which grew stronger with the years.

In 1898 the country was thrilled by the performances of our Navy in the Spanish War, and the national heroes who came out of that war were sailors. Every boy knew the names of the ships of Dewey's fleet and his famous command to Captain Gridley became the correct formula with which to start all the games on the college green.

Just before I came to Congress, under the compulsion of this all-pervading sentiment, in common with well nigh everybody else, I read Captain Mahan's book on the "Influence of Sea Power in History." This hardened my enthusiasm into a fixed conviction, and I became an advocate of what we then called a big Navy.

In the Fifty-ninth Congress Mr. PADGETT was assigned to the Committee on Naval Aaffirs and became at once a deep student of all the details of that service, and I became his pupil. It was, no doubt, in some sense due to this fact that I was attracted to him early in my service and came to know him more intimately than it is usually given us to know those with whom we here serve.

We live in an age of specialists, and this is true in this House as elsewhere. Except in rare and exceptional instances, the men who render the best service in this House are specialists in some one branch of legislative activity.

When Mr. PADGETT became a minority Member of the Committee on Naval Affairs, he set himself the task of mastering the subject, and few men have had more marked success.

Always conservative—too conservative, I sometimes thought, in the first few years of his service when in private conversation I frequently matched my enthusiasm against his knowledge—he was nevertheless always a steadfast advocate of adequate naval preparedness and equipment. He was not a frequent speaker, and during the first 10 years of his service he rarely spoke except on the general subject of the Navy, and usually to some particular phase of that subject to which he had devoted much thought and study.

During this period, he and I were members of a congressional party which visited the Hawaiian Islands. As always happens on such occasions, there were many calls for speeches as we traveled through the islands, and I then discovered, what I had not suspected before, that he was one of the readiest and most felicitous extempore speakers in Congress.

There were two characteristics, or attributes, or, maybe I should say qualities, which gave him power as a debater in this House, where I believe speakers are more nearly put to the acid test than anywhere else on earth.

He never entered a debate on any subject that he had not thoroughly studied, if I may not say—mastered. He knew the facts, and we all know the full import of that meaningful statement. Without a knowledge of the facts, no debater can succeed before an audience of intelligence and intellectual integrity. With it few can be vanquished.

The other quality was an unruffled spirit. There was never a truer saying and nowhere so thoroughly verified as here than the old adage, "Whom the gods wish to destroy, they first make mad." It was evident to all of us who watched him on this floor that the gods had no wish to destroy him.

His powers of self-control were put to the test of fire when he was chairman of the Naval Affairs Committee. Few bills were discussed with so much spirit and bitterness as the bills he reported in the soul-trying years from August 1, 1914, when the European War broke out, and the 6th of April, 1917, when the flames of that frightful conflagration at last involved us. Crimination and recrimination were the order of the day; words which he had spoken in the piping times of peace were quoted to show his inconsistency now when the furies had filled this turbulent earth with a breed of new, unwelcomed, and perplexing difficulties; but through it all he kept his head, and better still he kept his temper. Unkind, ungenerous, and unfriendly thrusts, and sometimes from his own party associates, were parried by the retort courteous; and assaults vehement, vigorous, and ill-tempered were met only with that cold logic which knowledge alone can beget.

When the historian of the future comes to write the legislative history of the Great War and studies the record Mr. PADGETT made as chairman of the Committee on Naval Affairs, not alone in those sad and bitter months when we were passing through the fiery ordeal, but of the trying years immediately preceding, his name will be written high upon the scroll of honorable achievement.

Hard study had equipped him for the task, and when opportunity knocked, though accompanied by direful possibilities, he was ready for the high responsibility and met it well—

> And so he won his spurs, and his fair fame
> So hedged about, so buttressed and steel ribbed
> With truth, withstood the shafts of weaker fiber
> And will endure.

Mr. HICKS. Mr. Speaker, our Heavenly Father, in His infinite wisdom, on the 2d day of August, 1922, removed from the ranks of earthly endeavor Hon. LEMUEL PHILLIPS PADGETT, late a Representative in Congress from the State of Tennessee.

By his death his native State lost a loyal and gifted son, the Federal Government a conscientious and patriotic legislator, his family a loving and devoted husband and father, his associates a steadfast and sympathetic friend. To perpetuate his cherished memory and testify to his lofty ideals and the veneration in which he was held by his colleagues in Congress it is my privilege—sad, indeed, when I contemplate the loss of my friend, yet happy when I review his noble life and brilliant record—to offer in affectionate remembrance this tribute to the character, aspirations, and achievements of our late associate, LEMUEL PHILLIPS PADGETT—a gentleman of exalted principles and unsullied honor, cultured and hospitable—whose honesty of purpose, sincerity of motives, kindness of heart, and courtesy of manner endeared him to all who enjoyed the privilege of his friendship.

As a consistent party man Mr. PADGETT had the confidence of his party associates and was loyal in his fealty and devotion to Democratic doctrines. While a strong partisan in politics, he was always fair and magnanimous to his political opponents and his actions were free from malice or vindictiveness.

Mr. PADGETT was appointed a member of the Committee on Naval Affairs of the House of Representatives in the first session of the Fifty-ninth Congress and was its chairman from the Sixty-second to the Sixty-fifth Congress, inclusive. His service on the committee covered a period of 18 years, and during that time more constructive legislation was enacted for the Navy than at any other period of its history.

He was one of the best-informed men on naval affairs in Congress, and members of the committee, as well as Members of the House, were guided by his mature judgment and accepted his views as the advice of an expert. He had a remarkably retentive memory and could quote laws bearing on naval matters that had been enacted many years previously. Under his chairmanship the bill carrying the greatest amount of money ever appropriated for naval purposes was enacted into law. Believing in a strong, adequate Navy, prepared for any emergency, it was ever his hope that peace, not war, should mark its history.

The paths of his public life were crowned with honors and vested with responsibilities and opportunities. Modesty and self-effacement were prevailing traits of his character and no stain of personal greed or private profit ever marred his record. His hands were never soiled by the betrayal of a public or private trust. He served his State and his Nation for the service he might render, free from selfishness or ostentation. While not a great orator he possessed strength of expression and exerted an influence borne of respect, intelligence, and energy. With an unclouded intellect and intrepid patriotism there was combined sound reasoning and mature judgment. With indifference to the plaudits of his fellows, one act accomplished, he proceeded quietly to another. His life and services are a fitting example and inspiration for the emulation of those who follow after, for in him was personified a life that was worthily lived. In his death his constituents lost a courteous, faithful, and efficient representative; his State a most distinguished citizen; his country an able and honorable statesman, and his colleagues a beloved associate.

> We live in deeds, not years; in thoughts not breaths;
> In feelings, not in figures on a dial.
> We should count the time by heart throbs,
> He most lives
> Who thinks most, feels the noblest, acts the best.

Mr. BUTLER. Mr. Speaker, I can not recall the exact time when I first saw Mr. PADGETT, but my memory is impressed with the last time I saw him. Then my fears were aroused lest I might not see him again. The same cheerfulness which was one of his attractive features remained with him. We stood in his office door, where we had often stood, talking of the work which we had before us. Evidently he thought we would meet again. I bade him good-by, feeling that our separation was final and that death might create the separation. While I am writing these lines I am wondering why the feeling which I have spoken of should have possessed me. Neither his manner nor his speech indicated apprehension. Death had not yet put its cross upon his face and his smile was not made to disarm me.

I have witnessed the uneven struggle which one afflicted as he was always makes with the enemy of life, yet his going away forever shocked me as it did few others, because of the close official relationship which we had, covering a period of nearly two decades. Death not only stings the living, but leaves a lonesome feeling, which anyone who knew LEMUEL P. PADGETT well is bound to have. Not merely a loss of ordinary association, but the breaking of a tie made while serving in a common cause with similar views and purposes, bent upon reaching the same objective.

We worked together side by side for 16 long years, differing at times, but only upon the road which we should take to reach a given point. Well, did he know his lesson? Never in that whole period did he fail once, because his ideals were high and always within his reach. He was the best-informed man upon any subject he discussed I have ever seen. All of us who stop to recall our experience with him will agree that he never assumed a leadership unless the subject involved was one with which he had had much to do. It was then that his remarkable memory aided him in his clear and logical reasoning, which brought conviction to his listeners, because all men who knew him had confidence in the accuracy of his speech, as well as in its sincerity.

During his long service here he either wrote or assisted others in writing every law affecting the Navy, both persons and things. Many of these laws which he constructed practically alone will be known by his name, as they should be, and will stand unrepealed and not materially amended for all time to come. The most noticeable service of this distinguished man was rendered between 1915 and 1919. He was during that period, as he had been for several years prior, the chairman of the House Naval Affairs Committee. Upon him came the great work of preparing the Navy for the war. The personnel had to be reorganized and the implements had to be provided. Those of us now living and who worked with him stand as witnesses to the enormous amount of work which he accomplished in the most masterful way. It fills volumes and will be a constant speaking witness for all time to come of the patriotism of our friend and the inestimable value of the service which he rendered his Government during its trying times.

Mr. PADGETT was a delightful companion, naturally unselfish, helpful to others, and always willing to divide honors with those not fully deserving to be considered in their division. If he had pleasures before him he asked others to share in them. He was mild of manner, modest in his conduct, and without the bitterness of speech oftentimes found in one as learned as he. He was never impatient with the ignorant, and always imparted his unusual knowledge without embarrassment to him who sought it.

While I write this somewhat incoherent comment upon his public service I am reminded constantly of the precision with which he always spoke and the directness he employed in reaching the point involved. I am not overstating his capabilities when I say that no man within my knowledge has ever shown such dissecting powers as were at his command. His committee associates appealed to him on every occasion to take the tangles out of measures which seemed to them unintelligible. He was a student, and acquired his knowledge, as all truly learned men acquire theirs, by work and reflection. He was as well acquainted with the technical features of naval law and naval regulation as he was with those which any of us could readily understand. He knew the name of every warship, its dimensions, and its destructive power; he could compare them with similar ships of other nations without assistance from military men. He had at hand the numbers of officers in different grades, and was as well acquainted with their efficiency as the service itself. He was a wise legislator, in that he possessed a correct vision of what was necessary to be done in order to furnish the Government with its needful defense. While some of his associates differed at times with him, many of us are now convinced of the strength of his judgment. All in all, he was the best of us engaged in a common undertaking.

He had many virtues; the most prominent of them, his domestic life, was a model and will stand as worthy of imitation. His devotion to his family was apparent at all times. His love for it was manifested upon proper occasions, and fully and sincerely reciprocated. I have noticed many instances of his devotion to his wife and son when he thought of their comfort and not of his own. His sorrows were many; but he always suffered alone, without intruding them upon strangers with the expectation of receiving their consolation.

Without affectation it can be truthfully said of our long-time friend that he was a tireless and intelligent worker in his country's service, positively appreciated by both his constituency and his fellow associates. His country owes him much for that faithful service rendered by its intelligent and industrious servant.

Mr. RIORDAN. Mr. Speaker, it is with sadness that I rise to pay my tribute to my friend Hon. LEMUEL P. PADGETT. I have known him since my service in this House began. For 10 years I have served with him on the Naval Affairs Committee of the House and there learned to love and respect him in a high degree.

He was a man of kindly, gentle disposition; he was a sincere and faithful friend; he was a master of legislation; he was a tireless, indefatigable worker; he was a most capable and efficient chairman of the Naval Affairs Committee during the most critical times in the history of the Navy and of the Nation; and he never lost an opportunity to render to the Navy intelligent service and his every assistance.

Mr. Speaker, words can not express the value of the service that Mr. PADGETT rendered to his district, his State, the Navy, and to his country during his service here. He was the most kindly hearted man I ever knew; always genial, courteous, modest, and of even temper, and, by his complete knowledge of naval problems, was always listened to, and his opinions always carried attention and respect.

As I stood at his open grave at Rose Hill Cemetery, in the beautiful little city of Columbia, Tenn., where his mortal remains were laid away by loving hands in presence of a vast concourse of his neighbors, friends, and constituents, I hoped that his memory would long last in his district and his people long remember that they had given in him to his country a really great chairman of the great Naval Committee of this House at a time when the need thereof was so great.

May he rest in peace till we are all summoned to answer the great roll call, when he will meet so many who loved him here.

ADJOURNMENT.

The SPEAKER pro tempore. In accordance with the resolutions heretofore adopted, the House will stand adjourned until 12 o'clock to-morrow.

Accordingly (at 2 o'clock and 24 minutes p. m.) the House adjourned until to-morrow, Monday, January 22, 1923, at 12 o'clock noon.

SENATE.

MONDAY, *January 22, 1923.*

(Legislative day of Sunday, January 21, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., January 22, 1923.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. IRVINE L. LENROOT, a Senator from the State of Wisconsin, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. LENROOT thereupon took the chair as Presiding Officer.

CALL OF THE ROLL.

Mr. WARREN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McKinley	Shortridge
Ball	Hale	McLean	Smith
Borah	Harreld	McNary	Smoot
Brookhart	Harris	Moses	Spencer
Broussard	Harrison	Nelson	Stanfield
Calder	Heflin	New	Stanley
Capper	Johnson	Nicholson	Sterling
Caraway	Jones, N. Mex.	Norbeck	Swanson
Colt	Jones, Wash.	Norris	Townsend
Couzens	Kellogg	Oddie	Trammell
Culberson	Keyes	Overman	Walsh, Mass.
Curtis	King	Pepper	Walsh, Mont.
Dial	Ladd	Phipps	Warren
Ernst	Lenroot	Pittman	Watson
Fletcher	Lodge	Poindexter	Weller
France	McCormick	Ransdell	Williams
Frelinghuysen	McCumber	Reed, Pa.	Willis
George	McKellar	Sheppard	

Mr. WILLIS. I desire to announce the unavoidable absence of my colleague [Mr. POMERENE] on account of illness. I wish this announcement to stand for the day.

Mr. SPENCER. I wish to announce that the senior Senator from New York [Mr. WADSWORTH] is detained at a hearing before the Committee on Appropriations on the War Department appropriation bill.

The PRESIDING OFFICER. Seventy-one Senators have answered to their names. A quorum is present.

DEPARTMENTAL USE OF AUTOMOBILES.

The PRESIDING OFFICER laid before the Senate two communications from the chairman of the United States Shipping Board, in response to Senate Resolution 399, agreed to January 6, 1923, relative to the number and use of automobiles by the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation, respectively, both within and without the District of Columbia, which were ordered to lie on the table.

SENATOR FROM NEVADA.

The PRESIDING OFFICER presented the certificate of the Governor of Nevada certifying to the election of KEY PITTMAN as a Senator from the State of Nevada for the term beginning March 4, 1923, which was read and ordered to be placed on file, as follows:

STATE OF NEVADA,
Executive Department.

Whereas at the general election held in the State of Nevada on the 7th day of November, 1922, KEY PITTMAN was duly elected to the office of Senator from the State of Nevada and to represent said State in the Senate in the Congress of the United States for the term of six years from and after the 4th day in March, 1923.

Now, therefore, I, Emmet D. Boyle, Governor of the State of Nevada, by the authority in me vested by the constitution and laws thereof, do hereby commission him, the said KEY PITTMAN, Senator in the Congress of the United States from the State of Nevada, and authorize him to discharge the duties of said office according to law, and to hold and enjoy the same, together with all the powers, privileges, and emoluments thereunto appertaining, for the term as aforesaid.

In testimony whereof I have hereunto set my hand and caused the great seal of State to be affixed, at Carson City, this 26th day of December, A. D. 1922.

[SEAL.]

EMMET D. BOYLE,
Governor of the State of Nevada.

By the governor:

GEORGE BRODIGAN,
Secretary of State.

STABILIZATION OF PRICES OF FARM PRODUCTS.

Mr. NORRIS. I ask unanimous consent to present a telegram from the bankers of Yakima County, Wash., asking for the stabilization of prices of farm products. I ask that the telegram, together with the names of the senders, be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the matter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

[Western Union telegram.]

YAKIMA, WASH., *January 19, 1923.*

The PRESIDENT OF THE UNITED STATES AND CONGRESS,
Washington, D. C.:

We, the undersigned bankers of the county of Yakima, Wash., claim that it is practically impossible for bankers or the Government to finance farmers without stabilization of prices.

Yakima County Bankers: W. L. Boomer, Sunnyside, Wash.; A. L. Thielle, Grandview, Wash.; J. E. Foss, Mabton, Wash.; H. E. Schneider, Outlook; J. M. Christensen, Granger; L. H. Kuhn, Zillah, Wash.; A. M. Price, Zillah, Wash; Central Bank of Toppenish, Toppenish, Wash.; First National Bank of Toppenish, Toppenish, Wash.; J. E. McGrath, Moxee City, Wash.; Elmer Dahlin, Selah, Wash.; C. H. Eckmann, Buena, Wash.; J. T. Hedges, Yakima, Wash.; H. Stanley Coffin, Yakima, Wash.

COAL SHORTAGE IN NEW ENGLAND.

Mr. WALSH of Massachusetts. I send to the desk and ask to have printed in the RECORD a resolution unanimously adopted at a public meeting held in Faneuil Hall, Boston, Mass., Sunday, January 21, for the purpose of protesting the present coal shortage in New England and asking for action by the Government to relieve the distressing situation which now exists.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas it is published that large quantities of American anthracite coal are being shipped to Canada and there retailed at $2 to $7 less a ton than here: Therefore be it

Resolved, That we, citizens of Boston assembled in historic Faneuil Hall, call upon the Senate of these United States to enact with all possible haste the necessary legislation that will empower the President to authorize an embargo prohibiting the exportation of anthracite coal.

Mr. WALSH of Massachusetts. I move that this resolution be treated in the nature of a petition and referred to the Committee on Education and Labor.

The motion was agreed to.

Mr. WALSH of Massachusetts. I also send to the desk and ask to have printed in the RECORD and referred to the same committee an important communication from the president of the City of Lynn Chamber of Commerce, calling attention to certain abuses and hardships suffered by the people of New England due to shortage of coal and the inferior qualities of coal now being sold to consumers. I hope some legislation along the line suggested may be speedily enacted.

There being no objection, the communication was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

LYNN CHAMBER OF COMMERCE,
Lynn, Mass., January 20, 1923.

Hon. DAVID I. WALSH,
Care of United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: Mr. William H. Day, jr., the secretary of the Lynn Chamber of Commerce, during this winter has been the State coal administrator for Lynn, Mass.

As I am president of the Lynn Chamber of Commerce, I have naturally been very close to the whole arrangement and have, as the result of this contact, come to the conclusion that the United States as a nation should positively and without delay establish heating standards per ton for both anthracite and bituminous coal in a way that the coal at the mines will be shipped out according to these standards.

It is terrible enough in the cold weather such as we are having, with 3 feet of snow on the ground for weeks and the temperature around zero, to know that there are at least 3,500 families in the Lynn district who have been unable to get hardly enough fuel to cook a single meal a day, let alone keep warm. In many of these families there is sickness, and in many others there are young children to whom some heat is absolutely necessary, and the suffering and sacrifice and privation that they have gone through this winter is terrible, and never should be permitted again by an intelligent Christian Nation.

In the small amount of anthracite coal that comes into Lynn only about 65 per cent of it is combustible fuel; the rest of it is of a fireproof variety that refuses to burn in any event. As for the bituminous coal that comes here, it is in even worse condition. I doubt, after having experience with the complaints that have been sent in during the past few months, if even 50 per cent of it is combustible and heat-producing. It is full of dirt, sulphur, and rock, and these miserable qualities of fuel have been obtainable only in the smallest possible quantities and at a price that is so fabulous that only the wealthy and influential citizens, political or otherwise, are able to obtain enough to keep warm. The poor and humbler citizens of the community are paying anywhere from $18 to $22 per ton for coal that is so miserable in quality that it should never have been shipped from the mines in any event.

These abuses, I believe, can only be corrected by national legislation; no single State can attempt it without being disciplined by the mine owners or operators for such an effort.

I earnestly hope, and the people in this district earnestly hope, that you may be able to introduce, advocate, and encourage some national legislation that will prevent this kind of so-called coal from being sold to consumers for heating purposes.

With best wishes to you in this effort, believe me,

Very truly yours,

RALPH S. BAUER,
President Lynn Chamber of Commerce.

SILVER.

Mr. PITTMAN. I ask leave to have published in the RECORD a letter which I have written to the governor of my State relative to silver legislation. I make that request in order not to take up the time of the Senate in discussing the matter here on the floor.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, January 17, 1923.

HON. EMMET D. BOYLE,
Reno, Nev.

DEAR GOVERNOR: I invite your criticism of my views with regard to the silver situation and proposed legislation now pending in the United States Senate. The legislation now pending is as follows:

Resolution prepared by the committee of the mining congress and introduced by Senator NICHOLSON, known as Senate Concurrent Resolution 31, a copy of which I inclose.

A bill introduced by Senator KING, of Utah, known as S. 4277, to compel the Treasury Department to sell the remaining eighty millions of silver dollars authorized for sale under the Pittman Act.

I consider it unnecessary to discuss the King bill. The Treasury Department already, under the Pittman Act, has authority to sell these eighty million silver dollars, and Congress will not, in my opinion, pass an act compelling the Treasury Department to sell this silver against its judgment. Of course, we all wish that we could compel them to sell it at a dollar an ounce. In the first place, we have got to provide a market at a dollar an ounce before the Treasury Department can sell it for a dollar an ounce.

The Nicholson resolution offers the foundation for legislation, but, in my opinion, the authority granted the commission is totally inadequate to accomplish any beneficial results. It simply authorizes a commission appointed by the President to use its influence to stabilize the price of silver and to confer with the foreign governments for this purpose, and to report back to the President its recommendations. This, in my opinion, would mean nothing except the delaying of urgent action.

At a recent hearing on the resolution before the Committee on Mines and Mining, I presented these criticisms and stated that when the

committee went into executive session I would offer amendments to the resolution empowering the committee to investigate all conditions affecting the production, reduction, refining, marketing, sale, and use of gold and silver, and to this end granting unto the commission authority to subpœna and administer oaths to witnesses and to take such other steps as will discover practices discriminatory against the gold and silver mining industry.

It seems useless, if not absurd, to attempt to induce foreign governments to agree on a price for silver at a dollar an ounce or above that price so long as the price of silver in the world market is below a dollar an ounce and the price is absolutely and arbitrarily fixed by a committee of London brokers with the sanction and support of the British Government.

We have got to raise and maintain the world price of silver at or above a dollar an ounce before we can hope for international stabilization of silver at any price above a dollar an ounce. In my opinion, it is easy to accomplish this. The world production of silver is small. Great efforts to increase its production to any extent have failed. The average annual production over a period of 20 years of approximately 170,000,000 ounces is an insignificant quantity by comparison with other products that are being successfully stabilized through industrial organization. The ease with which such an organization could be successfully organized is apparent when we realize that over 90 per cent of the production of the world is in the United States, Canada, and Mexico, and over 90 per cent of this production is controlled by citizens and corporations of the United States. As a matter of fact, the great bulk of this production is controlled by 10 or 15 institutions.

The vice president of the American Smelting & Refining Co., at a recent hearing before the Committee on Mines and Mining, testified that they had been unable to form a selling and credit association up to the present time because of the banks being opposed to lending the necessary capital upon silver bullion. It is impossible for me to conceive of any reason in support of such a statement. I know of no better security in the world than silver bullion at 40 cents an ounce.

This same witness testified that it would probably take $10,000,000 or more to finance such a corporation. The capital could be raised upon American bullion alone based on a value of 15 cents an ounce.

The real reason, in my opinion, for the failure of the organization is that the smelter companies have failed to give their aid to the organization of such an association. In fact, the smelters control the marketing of the great bulk of the production of the silver of the United States, Canada, and Mexico. The vice president of the American Smelting & Refining Co., in the testimony that I have referred to, admitted that the smelter companies were not particularly interested in the price of silver, as they pay the producers the market price and sell it at the market price. This statement explains the whole situation.

It is grossly selfish and unfair for the smelter companies to maintain this attitude. Public sentiment in the gold and silver mining States will not tolerate it. The smelter companies can be induced to give their aid to the organization, maintenance, and operation of a credit and selling association for silver. It should be within the power of such a commission, and it should be the duty of such a commission, to present such inducements to the smelter companies as would bring about an early organization of such an association. If necessary, I intend to present these inducements myself whether I am a member of a committee or a commission authorized for such purpose or not.

In my opinion, American silver will never again go below a dollar an ounce. This opinion is based upon these facts: The limited occurrence of silver in nature; the small production; the great demand; the inevitable increase in demand with the growth of industry and commerce in China, in India, and in South America; and the control of the world marketing of silver by an American organization.

Sincerely,

KEY PITTMAN.

(Copy to Nevada Mine Operators' Association.)

PETITIONS AND MEMORIALS.

Mr. NELSON presented resolutions of the Clay County (Minn.) National Farm Loan Association, both approving and disapproving of sundry proposed amendments to the Federal farm loan act, which were referred to the Committee on Banking and Currency.

He also presented a concurrent resolution of the Legislature of Minnesota, favoring the granting of a per capita allowance by the Federal Government for the relief of the Chippewa Indians of Minnesota, which was referred to the Committee on Indian Affairs, as follows:

A concurrent resolution requesting the Congress and the Commissioner of Indian Affairs of the United States to grant relief to the Chippewa Indians of Minnesota.

Whereas by reason of crop failures and unusually low prices for farm products there is widespread suffering among the Chippewa Indians in Minnesota; and

Whereas the funds held in trust for them by the United States is sufficient for the purpose hereinafter stated: Therefore be it

Resolved by the senate of the State of Minnesota (the house of representatives concurring). That the Congress and the Commissioner of Indian Affairs of the United States be, and hereby are, requested to make each Indian of the Minnesota Chippewa Tribe who is entitled thereto a per capita payment of $200 out of the funds of said tribe so held in trust; be it further

Resolved, That copies of this resolution be transmitted to the Speaker of the House, the President of the Senate, and to each representative of the State of Minnesota in the United States Senate and House of Representatives, and to the Commissioner of Indian Affairs.

Mr. WARREN presented a resolution of the W. T. K. Club, of Wheatland, Wyo., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. McCUMBER presented a petition, numerously signed by sundry citizens of the State of North Dakota, favoring the prompt passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Finance.

Mr. LADD presented a resolution of the McVille National Farm Loan Association, of McVille, N. Dak., protesting against the passage of the so-called Strong bill, amending certain sections of the Federal farm loan act but indorsing the provisions increasing the limit for one borrower from $10,000 to $25,000, etc., which was referred to the Committee on Banking and Currency.

Mr. WILLIS presented a resolution of Fred W. Norton Post, No. 141, American Legion of Ohio, at Columbus, Ohio, favoring the making of adequate appropriations for maintenance of the Army, which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

FRED W. NORTON POST, No. 141.
AMERICAN LEGION OF OHIO,
Columbus, Ohio, January 18, 1923.

Hon. FRANK B. WILLIS,
Washington, D. C.

MY DEAR SENATOR: The following resolution was adopted by the Fred W. Norton Post, No. 141, American Legion, Columbus, Ohio, on January 17, 1923:

"Whereas the Army appropriation bill has just been reported out of the subcommittee of the House of Representatives, and the subcommittee has seen fit to cut the appropriations for the War Department $10,000,000 below the figure recommended by the Director of the Budget, and has cut the allowance for the training of reserve officers $1,133,709 from the figure recommended by the Budget Director; and

"Whereas there is the possibility of the reserve forces of the United States Army being called into service due to the critical situation that exists in Europe; and

"Whereas adequate training of the reserve forces is of paramount importance to the safety of the country in time of war, and the failure of Congress to appropriate sufficient for the proper training of the reserve in the past is their apparent policy for the present and future: Now, therefore, be it

Resolved by the Fred W. Norton Post, No. 141, American Legion, Columbus, Ohio, composed of ex-service men who have served their country and feel that they are not only somewhat qualified but considerably justified in expressing their views on the subject of national defense, That the action of the subcommittee of the House of Representatives in cutting the appropriation recommended by the Budget Director be condemned as unwise and short-sighted economy, and that every Member of Congress be urged to fix the appropriations for the Army at a figure at least equivalent to that set by the Budget Director; and be it further

"*Resolved*, That a copy of this resolution be sent to the Hon. FRANK B. WILLIS, Senator from this State, and to every other Representative and Senator from Ohio, in order that they might be advised of the attitude of the ex-service men and men of the reserve forces with reference to proper and sufficient appropriations for adequate national defense."

It is hoped that your action on the matter of appropriations will be in accord with our views expressed herein.

Respectfully yours.

FRED W. NORTON POST, No. 141, AMERICAN LEGION,
By THOS. J. MEEHAN, *Adjutant.*

Mr. WILLIS presented resolutions adopted by the sixteenth annual Farmers' Institute at Waynesfield, Ohio, favoring the passage of legislation to extend the scope of the bonded warehouse act to all farm products in their natural and processed forms, and also making it mandatory upon the Federal reserve banks to make loans upon security of warehouse centificates, etc., which were referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES.

Mr. NELSON, from the Committee on the Judiciary, to which was referred the bill (S. 4379) to amend section 1709 of the Revised Statutes of the United States, as amended, reported it without amendment and submitted a report (No. 1029) thereon.

Mr. STERLING, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 3078) to provide for the free transmission through the mails of certain publications for the blind, reported it without amendment and submitted a report (No. 1030) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 1031) for the relief of Eugene K. Stoudemire, reported it with an amendment and submitted a report (No. 1031) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIAL:

A bill (S. 4387) to authorize the building of a bridge across the Tugaloo River between South Carolina and Georgia; to the Committee on Commerce.

By Mr. NEW:

A bill (S. 4388) granting a pension to Clara Herley (with accompanying papers); to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 4389) for the relief of John N. Knauff Co. (Inc.); to the Committee on Claims.

By Mr. GERRY:

A bill (S. 4391) for the relief of Elizabeth Tabele; and

A bill (S. 4392) for the relief of Daniel A. Spaight; to the Committee on Claims.

THE MERCHANT MARINE.

Mr. KELLOGG submitted an amendment intended to be proposed by him to the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS OF WAR DEPARTMENT APPROPRIATION BILL.

Mr. LODGE submitted an amendment providing that any officer or former officer of a staff department who prior to August 1, 1921, was placed on duty requiring him to participate in regular and frequent aerial flights by the commanding office of the aviation station, camp, school, field, post, or aeronautical organization in the field, and who performed the amount of flying duty required and drew the additional pay authorized by law therefor, and who has been compelled to repay to the United States the money so drawn by him or has had the same stopped against his pay, shall be entitled to receive from the current appropriation for pay of the Army the amount of money so repaid by or stopped against him, and all payments heretofore made to officers of staff departments for duty requiring them to participate in regular and frequent aerial flights are hereby ratified and confirmed; intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. NORRIS submitted an amendment proposing to appropriate $2,000,000 for the improvement of nitrate plant No. 1, at Muscle Shoals, Ala., by the installation of new machinery therein in order that said plant may be utilized for experimental purposes in extracting nitrogen from the air with the view of lessening the cost of explosives in time of war and fertilizer in time of peace; intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

ASSISTANT CLERK TO COMMITTEE ON PUBLIC LANDS.

Mr. SMOOT submitted the following resolution (S. Res. 416), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution 468, agreed to March 3, 1921, authorizing the Committee on Public Lands to employ an assistant clerk, payable out of the contingent fund, during the Sixty-seventh Congress, be, and the same is hereby, extended in full force and effect until the end of the Sixty-eighth Congress.

PORTO RICAN INVESTIGATION.

Mr. BROOKHART submitted the following concurrent resolution (S. Con. Res. 32), which was referred to the Committee on Territories and Insular Possessions:

Whereas it has been repeatedly reported to the President of the United States and to the Secretary of War by the United States Commission on Industrial Relations, the War Labor Board, Gen. Frank McIntyre, Chief of the Bureau of Insular Affairs, the American Federation of Labor representatives, and the Free Federation of Workingmen of Porto Rico facts about the deplorable conditions which exist among the people of the island of Porto Rico, and which unbearable conditions do no credit to the Government of the United States; and

Whereas the said United States Commission on Industrial Relations, the War Labor Board, and the representatives of the workers of Porto Rico, and the conventions of the American Federation of Labor repeatedly requested the previous and present administrations to cause a thorough investigation into the governmental affairs of the island of Porto Rico and have urged that such an investigation be ordered by Congress; and

Whereas it has been declared by the people of Porto Rico that several officials of the Government of the island, as such, have been guilty of repeated acts of dishonest administration and unlawful conduct and cruelty in dealing with the workers of said island in that—

(1) During the last eight years a number of crimes have been committed by local authorities as a result of breaking strikes by force and terror; about 20 workers having been killed by the bullets of the police and agents of the employers; hundreds of workers have been sent to jail; many abuses have been committed by local magistrates and many evictions of strikers have taken place without due process of law; the right of free speech has been denied in many instances, and hundreds of peaceful meetings and parades have been dispersed by force and scores of men, women, and children have been injured as a result of police and the employers' agents brutalities.

(2) Porto Rico is being kept as a factory exploited for the benefit of the few and to the detriment of the majority of our starved people. The representatives of sordid and greedy interests has been commonly the voice heard during the past eight years in the governmental councils, while the wretched masses are pitilessly and mercilessly treated at the hands of conscienceless employers, local police, and magistrates.

(3) The absentee property owners and foreign corporations have grown rich owing to hard and ill paid labor. Industrial depression and speculation, in brotherly union, are also enjoying their heyday. Rents and interest rates have been rising progressively. The cost of living his risen disproportionately. The enormous wealth produced by the agricultural and industrial workers has gone over the seas in the shape of rents to be expended mostly in other more fortunate communities.

(4) The resolution adopted by the Congress of the United States with the purpose of preventing the monopolization and control of land and business in Porto Rico, as shown by the following clause, has been grossly violated:

"No corporation shall be authorized to conduct the business of buying and selling real estate or to be permitted to hold or own real estate, except such as may be reasonably necessary to enable it to carry out the purpose for which it was created, and every corporation hereafter authorized to engage in agriculture shall by its charter be restricted to the ownership and control of not to exceed 500 acres of land, and this provision shall be held to prevent any member of the corporation engaged in agriculture from being in anywise interested in any other corporation engaged in agriculture.

About a dozen corporations possess and control over 300,000 acres of the best land, in violation of the law.

(5) Laborers in Porto Rico, including men, women, and children, are employed at wages which are inadequate to furnish proper food and clothing. The wages of men in agricultural districts range from 35 to 60 cents a day when employed, and those of the women and children are about one-half that amount.

(6) As a result largely of the low wage standard, the diet of the laborers, consisting chiefly of rice, beans, codfish, and plantains, is so miserably inadequate that the workers not only are rendered inefficient but are to a large extent undernourished.

(7) The laborers are further exploited on the large plantations, according to the testimony of Government representatives by exorbitant prices for food and other supplies, by deliberate cheating as regards weights and measures, and by unwarranted deductions from their wages for goods that were never purchased.

(8) The educational facilities of Porto Rico are so totally inadequate that there are over 200,000 children for whose education no provision has been made.

(9) Many thousands of working people located in the rural districts, far from medical attendance and unable to afford the high charges of the physicians, die yearly without medical attendance.

(10) General McIntyre, Chief of the Bureau of Insular Affairs, in his annual report of 1921 says:

"The evidence on every hand of prosperity and progress in Porto Rico and the prosperity and progress shown by the commercial statistics and by the increased revenues by the government may easily mislead one into the belief that progress in all directions has been satisfactory. This is not the case. It has been impossible to distribute this progress in Porto Rico in such a way that the very large extremely poor element of Porto Rico could participate fairly in it. These people, because of their relative helplessness, must for some years receive special governmental contributions."

(11) Evidence of corruption of officers of the bureau of income tax of Porto Rico can be obtained by comparing figures below, which show the condition prevailing:

Corporations.	Tons of sugar produced in 1920.	Net income as returned or disclosed by investigation.	Tax assessed as the net income appears now.
South P. R. Sugar Co., and allied companies	59,064	$1,737,000.00	$255,492.00
Central Aguiere Sugar Co. and allied companies	54,083	7,693,508.00	978,900.00
Plazuela Sugar Co	17,250	359,526.00	21,043.08
Central Cambalache	16,927	1,278,580.00	111,483.00
Sucs. C. & J. Fantauzzy	15,334	1,202,580.00	195,455.54
Central Vannina	12,921	1,041,000.00	177,130.64

There are other facts showing the corruption existing at present in the income tax law administration, but those stated herein are sufficient to justify any action to be taken.

(12) The income-tax return to Mr. Frederico Calaf, one of the wealthiest men in Porto Rico, does not include the income from sugars in stock, but includes as a deduction the amount of $70,000 donated to the Unionist Party in power for election purposes. Such deduction is not allowable within the act. Inspectors trying to investigate Mr. Calaf's books were ordered to give up their work.

(13) The Spanish Railroad Co. and the American Railroad Co. of Porto Rico for several years have not paid property or business taxes to the Government of Porto Rico, and in 1922 these companies paid only $2,270.79 of insular income tax, while in the same year they paid $35,851.21 of taxes on bonds of the French Government and $240,647.67 as interest to the absentee profiteers.

(14) The Workmen's Relief Commission of Porto Rico is being assailed by the combined corporations and by interests of sugar, tobacco, railroads, ship companies, street-car railways, which have refused to pay the premiums to said commission for the injuries and death of workers as the result of accidents occurring in their work. These combined corporations and big interests have decided to annul the workmen's accident compensation act of Porto Rico.

(15) The South Porto Rico Sugar Corporation has financed the construction of the Sugar Central "La Romana" in Santo Domingo with over $8,000,000 from the net profits obtained from the poor and underfed workers of Porto Rico, after paying yearly dividends since 1918 of 38 per cent, while it is now refusing to pay the proper taxes to Porto Rico.

(16) That sugar centrals combined with the treasurer of Porto Rico and obtained a reduction of 30 per cent in the taxation of their properties in order to avoid the payment of taxes, to the great detriment of education and sanitation for the people of Porto Rico.

(17) That the telephone company of Porto Rico, through the Department of the Interior of Porto Rico, is taking control of the telegraph and telephone service in several towns in the island that were in the service and property of the insular government.

(18) That the deliberately antagonistic attitude of the attorney general's office to the interest of the people and the administration is intolerable. This official is failing to render any cooperation to defend the interests of the people, but has given ample evidence that he is systematically obstructing the administration, going so far as to permit the facilities of his department to be used to protect the exploiters of the island.

(19) The abuse of the pardoning power in Porto Rico has been perverted in the past when convicted criminals of the rich and powerful class have been released in a few weeks, no matter for how many years they were sentenced. No rich person can be found in the jails of Porto Rico, even if he has committed the most terrible crimes.

Whereas the petitions for a thorough investigation of the conditions of the governmental affairs of the people of Porto Rico have been

repeatedly requested by the American Federation of Labor in the past years of the Presidents and the various commissions in charge of investigations into conditions of the working people of the United States; and

Whereas the charges and statements herein referred to demonstrate that there exists in Porto Rico a deplorable condition which is affecting the economic conditions and the very life of the great bulk of the people of the island, and the only way to find out the truth is by means of an investigation, with the purpose of finding a remedy for conditions herein related that at least give no credit to our country: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That a joint committee of the Senate and the House be directed to investigate the governmental affairs of Porto Rico during the last 10 years, the conduct of the officials of the insular government, the industrial and economic and living conditions of the people of the island, and to report their findings and recommendations to the Senate and House as speedily as possible.

Resolved further, That this joint committee of the Senate and the House shall be composed of three Members of the Senate and three Members of the House, and shall have authority to send for persons and papers and to take testimony in San Juan, Ponce, and elsewhere in Porto Rico and the United States before said committee, and to sit during the sessions of the Congress or when Congress is in recess or vacation.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, to avoid any question as to the position of the unfinished business, I move to take it up, and I shall then ask that it be temporarily laid aside.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington.

The motion was agreed to, and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. JONES of Washington. I ask that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. The Senator from Washington asks that the unfinished business be temporarily laid aside. Without objection, it is so ordered.

INDEPENDENT OFFICES APPROPRIATIONS.

Mr. WARREN. I ask that the independent offices appropriation bill be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

Mr. FLETCHER. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 39, line 8, in the appropriation "For expenses of the United States Shipping Board Emergency Fleet Corporation," it is proposed to strike out "$50,000,000" and in lieu thereof to insert "$30,000,000."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Florida.

Mr. FLETCHER. Mr. President, the pending bill recites at the beginning—

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, namely.

Then, on page 37 we find the heading, "United States Shipping Board," and for salaries and other purposes set forth in the bill. And at the end of line 3, on page 38, an appropriation of $317,500 is proposed. Then follow other provisions until we reach the item "Emergency shipping fund," and in line 23, on page 38, where the language reads as follows:

For expenses of the United States Shipping Board Emergency Fleet Corporation during the fiscal year ending June 30, 1924, for administrative purposes, miscellaneous adjustments, losses due to the maintenance and operation of ships, for the tie-up, reconditioning and repair of ships, and for carrying out the provisions of the merchant marine act, 1920, (a) the amount on hand July 1, 1923, but not in excess of the sums sufficient to cover all obligations incurred prior to July 1, 1923, and then unpaid; (b) $50,000,000: *Provided*, That no part of this sum shall be used for the payment of claims other than those resulting from the current maintenance and operation of vessels; (c) the amount received during the fiscal year ending June 30, 1924, from the operation of ships.

There seem to have been no hearings before the Appropriations Committee of the Senate, so far as I have been able to learn, but the Senate Committee on Appropriations accepted this portion of the bill precisely as it came from the other House.

I might observe at the outset that it seems to me, under the new rule providing that subcommittees from the various standing committees shall sit with the Appropriations Committee when matters which fall within the jurisdiction of such standing committees are being considered before the Committee on Appropriations, it would be proper for the Committee on Appropriations to admit to its membership a subcommittee from the Committee on Commerce of the Senate, composed of three members, to sit with it when the Appropriations Committee is considering appropriations for the Shipping Board and for the Emergency Fleet Corporation. The Committee on Commerce has handled legislation appertaining to that bureau or independent office. The shipping bill under which the Shipping Board was established was considered by the Commerce Committee and was reported by it. The merchant marine act of 1920 was considered and reported to the Senate by the Commerce Committee, and that committee has general jurisdiction over matters of commerce and those appertaining to shipping. I think it, therefore, but reasonable and fair to conclude that the Commerce Committee should be entitled to have a subcommittee composed of three of its members to sit with the Committee on Appropriations when that committee is considering appropriations for the Shipping Board and for the Emergency Fleet Corporation. Had that been the case, I might have been better informed as to the full meaning of the provisions of the bill to which I have referred, because, as ranking minority member of the Commerce Committee, I should have had some opportunity to become acquainted with the factors and elements entering into the appropriation before the bill came to the Senate. However, no subcommittee of the Commerce Committee had anything to do with the consideration of the bill; the Appropriations Committee took entire charge of it; and, so far as I have been able to learn—and I think that is correct—no hearings were had with reference to these items before the Committee on Appropriations of the Senate. We are, therefore, obliged to turn to the House hearings in order to secure information as to the meaning of the provisions of the bill.

First, I desire to suggest that the meaning of the following language, as found on page 39, beginning in line 5, of the bill, is not quite clear; it is difficult to understand precisely to what it refers—

(a) the amount on hand July 1, 1923, but not in excess of the sums sufficient to cover all obligations incurred prior to July 1, 1923, and then unpaid.

That amount, whatever it may be, is covered by this appropriation. Then follows a definite appropriation of $50,000,000, and in addition to that there is the further item:

(c) The amount received during the fiscal year ending June 30, 1924, from the operation of ships.

So that this bill carries not merely the appropriation of $50,000,000 but the two items which I have mentioned. No one can know what those items will amount to; no one even approximately can estimate what will be "the amount received during the fiscal year ending June 30, 1924, from the operations of ships." That amount may be $30,000,000, or it may be $40,000,000, but certainly it is not likely to be less than $30,000,000. Then, under item (a) the amount available will be perhaps $20,000,000; so that under the appropriation as it stands written in the bill there are made available $50,000,000 definitely stated, from $20,000,000 to $25,000,000 under item (a), and from $30,000,000 to $40,000,000 under item (b).

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield.

Mr. KING. Directing attention to item (a), namely, "the amount on hand July 1, 1923, but not in excess of the sums sufficient to cover all obligations incurred prior to July 1, 1923, and then unpaid," I should like to inquire of the Senator whether under the language employed that would be deemed an authorization to hold any sums on hand until all the obligations contracted by the Shipping Board or the Emergency Fleet Corporation from the beginning were paid. As I understand, all the obligations have not as yet been ascertained; in some instances suits are pending, in other instances claims have been preferred by persons having contracts with the Shipping Board, and in some cases the Shipping Board has set up counterclaims. What I should like to know is just what was meant by that language. Were there any particular sums which they had in mind which were to be liquidated, or were the Shipping Board to hold all sums they have on hand in anticipation of claims that are now pending and being adjusted and which may be settled next year or year after, or at some indefinite time in the future?

Mr. FLETCHER. Mr. President, I gather that the clause must be construed in connection with the language which follows in the next paragraph whereby the sums "authorized under the provisions of the merchant marine act, 1920, remaining unexpended or uncommitted on July 1, 1923, shall be covered into the United States Treasury."

In other words, whatever is necessary out of that fund on hand July 1, 1923, to meet all of the obligations prior to July 1, 1923, is undoubtedly appropriated. I gather that that means that certain obligations have been adjusted or are about to be adjusted and will be adjusted before July 1, 1923, in which

case the funds necessary to accomplish that adjustment will be used, and the remainder, I presume, will be paid into the Treasury. It is somewhat complicated and somewhat confusing. The statement appearing in the House hearings at page 286 sets forth the following figures:

Estimated net withdrawal for 1923		$38,508,515.25
Estimated net withdrawal for 1924		30,408,500.00

The amount of the net withdrawal represents the difference between the balances on hand at the beginning of the year and the balance on hand at the end of the year without regard to the gross receipts or gross disbursements of any one of several funds controlled by the Shipping Board or the Fleet Corporation.

The estimate for 1923 was arrived at as follows:

On July 1, 1922, there was on deposit in the United States Treasury cash or appropriations aggregating		$138,508,515.25
Made up as follows:		
Cash in various funds	$43,049,515.25	
Appropriations unexpended—		
U. S. S. B.	459,000.00	
U. S. S. B. E. F. C.	50,000,000.00	
U. S. S. B. E. F. C.—Claims	45,000,000.00	
	138,508,515.25	
It is estimated that on June 30, 1923, there will be on deposit in the United States Treasury cash or appropriations unexpended in one fund or another, including miscellaneous receipts:		
Claims appropriation unexpended	$25,000,000.00	
Construction loan, 1922	25,000,000.00	
Construction loan, 1923	25,000,000.00	
Miscellaneous receipts and/or working cash	25,000,000.00	
		100,000,000.00
Leaving a net withdrawal for for current year 1923		38,508,515.25

The estimate for 1924 was arrived at as follows:

On July 1, 1923, there will be on deposit in the United States Treasury cash or appropriations aggregating (assuming 1924 requests are granted)	125,408,500.00
Made up as follows:	
U. S. S. B.—Claims appropriation	25,000,000.00
Construction loan fund, 1922	25,000,000.00
Construction loan fund, 1923	25,000,000.00
U. S. S. B.—Appropriations, 1924	408,500.00
U. S. S. B. E. F. C.—Appropriations, 1924	50,000,000.00

Leaving a net expenditure for the fiscal year of 1924 of $30,408,500.

Mr. KING. Mr. President, that certainly is misleading, because a person reading the figures of net expenditures would reach the conclusion that the expenditures were very much less than what actually were made. The expenditures for 1924 will perhaps aggregate, with operating expenses and all, more than $100,000,000, if the same extravagant and inefficient and absurd methods of operation are perpetuated as have been followed in the past and as now exist.

Mr. FLETCHER. That item is made up of "claims appropriation unexpended, $20,000,000," and so on. The chairman undertakes to explain that in this way:

Now, the net result is this, Mr. Chairman, that the Shipping Board at the end of the present fiscal year will have $100,000,000 minimum on deposit with the United States Treasury. After paying all debts and reserving ample moneys for debts that are contracted we will have more than $100,000,000 on hand. Of the $100,000,000 on hand $25,000,000 of claims appropriations will be coverable to the Treasury, $25,000,000 of miscellaneous receipts will be covered into the Treasury, and the $50,000,000 remaining constitutes the construction loan fund of which I think very little under any circumstances will be used next year, even if the ship subsidy bill should pass, because the borrower will have to put in his own money first; and if the ship subsidy bill does not pass, if I should still be here, I should recommend to Congress covering practically all of that into the Treasury, because I do not think it would ever be needed.

It would appear that the amount appropriated for 1923, which was, emergency shipping fund, $100,000,000, was carried in the Interior Department bill for 1923. Now it is asked that there shall be appropriated in this bill $50,000,000 in addition to the other items which we have mentioned. A part of that $50,000,000 appropriated to settle claims in previous years has not been expended, but probably some further portion of it will be expended between now and July 1, 1923.

The hearings in the House to which I refer opened with Mr. Lasker's statement on page 261. Before I get to that, however, let me allude to the last item in the paragraph which I have mentioned, item C, the amount received during the fiscal year ending June 30, 1924.

According to the tables furnished in the House hearings, the amount received from operations is shown on page 307:

Statement of net cash receipts and net cash disbursements, period July 1, 1922, to November 30, 1922.

It appears that the amounts received from operations of vessels were as follows:

Freight, passenger, and other operations of vessels, revenue not otherwise classified, $48,252,046.80; charter-hire revenue, $242,142.44; making a total of $48,494,189.24 received from operation of vessels from July 1, 1922, to November 30, 1922. In this bill it is proposed to appropriate the entire amount received during the fiscal year ending June 30, 1924, from the operation of ships. We know what the result was in 1922 down as far as November 30; and from July 1, 1921, to June 30, 1922, they received $93,480,836.35 from the operation of vessels; so that this item, (a), we can reasonably expect, will exceed the amount specified in this report at page 307.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I do.

Mr. KING. I did not understand the Senator. I understood his figures to be $45,000,000 received from the operation of vessels. I find on page 306 a "statement of net cash receipts and net cash disbursements for the fiscal year ending June 30, 1922." Under the head of "Receipts from operations of vessels: Freight, passenger, and other operations of vessels, revenue not otherwise classified," the amount is given as $91,347,080.87.

Mr. FLETCHER. There is the charter hire in addition to that.

Mr. KING. Yes; the charter hire revenue is more than $2,000,000 in addition to that, making an aggregate of $93,480,836.35.

Mr. FLETCHER. Yes. That is for the fiscal year ending June 30, 1922. That is the whole of that year. What I was reading from was the statement on page 307 showing what was received from July 1, 1922, following the period to which the Senator referred, to November 30, 1922. Even for that time of five months this revenue was $48,494,189.24. For the year prior to that time the Senator is correct, as shown by that statement; the amount was $93,480,836.35. This amount I named is for only a portion of the year, but it is the last portion of the year, which it may be fairer to compare next year with than the year prior to that. That is the reason why I have used those figures; but I am glad the Senator calls attention to what was actually received for 12 months of the previous year.

Mr. KING. Is the Senator also taking into account the receipts from the sale of vessels, tugs, barges, real estate, buildings, and improvements, plants, equipment, and property not otherwise classified, including surplus and salvage material and any other material not otherwise classified, and fuel oil, aggregating for the period from July 1, 1922, to November 30, 1922, $17,982,789.25?

Mr. FLETCHER. Precisely; and I think the hearings will show just what have been received. Does the Senator refer to the last statement? Where did the Senator obtain those figures?

Mr. KING. The Senator will find the figures to which I just called his attention on page 307 of the House hearings.

Mr. FLETCHER. Yes; I note that.

In the hearings, at page 280, Mr. Lasker said:

On July 1, 1922, there were 1,246 claims before us amounting to $135,006,532.82 and under date of December 9, 1922, there were still unsettled 274 claims amounting to $55,531,551. The claims settled up to December 9, since last July 1, when you gave us the appropriation, amount to $79,479,979.82, or 78 per cent of the claims in number. We have settled those claims—these are all construction claims that I refer to—for $18,019,742.70 in cash and kind, in which is included contractors' claims settled to the extent of 96 disallowances, totaling $3,237,234.96.

This eighteen million and odd dollars was paid subject to $9,214,620.71, either offset of materials that claimants had in their plants or receivables we had against claimants. We let claimants have materials at the price that we felt was a fair market price, no more and no less. We have used in cash of our $50,000,000 fund for settlements of contractors claims $8,805,121.99. That is all we have used of the $50,000,000. I believe that we will settle all the claims—of course, some of the later claims might require a higher percentage or might not have so much material involved—for $20,000,000, including all of these types of claims.

So that there is still on hand a considerable amount of the appropriation last year of $50,000,000 for the settlement of claims, and a balance of some $42,000,000, less what is required to settle the remaining claims, estimated at $12,000,000; so that that will leave a balance on hand something like $30,000,000.

On the next page Mr. Lasker said:

Mr. WOOD. Then you have a balance, and out of that balance you say about $20,000,000 will be required?

Mr. LASKER. No. The total of $20,000,000 or $25,000,000 will settle all claims.

Mr. WOOD. That being the difference between $8,800,000 and $25,000,000?

Mr. LASKER. No. There was $5,000,000 we paid out in the United States Mail Line settlement. I testified to that last year. But whether that comes out of the operating fund or this claim has not been fully decided.

Mr. WOOD. What do you mean with reference to any allowance that may be made by this appropriation?

Mr. LASKER. I believe the other $55,000,000 of claims pending that have still to be settled will require $12,000,000 of cash at the outside.

So there would appear to be a reduction of $12,242,000, leaving $30,000,000 on hand out of the previous appropriation of $50,000,000 for the settlement of claims.

In the statement which Mr. Lasker proceeded to make, at page 262, he referred to a letter written on November 24 last as furnishing the details which he desired to submit to the committee. In that letter it is said:

You will note that the total loss—without, of course, taking into account anything for capital charges, to wit, interest, insurance, or depreciation—amounts to $13,058,593.37—

for the four months of July, August, September, and October. Then the letter goes on to say:

Out of this, however, there is a general and administrative expense not directly applicable to operation of vessels of $2,197,513.24 for the period.

In other words, they set up a loss from operations for those four months of $13,058,593.37, and then say that $2,197,513.24 has nothing to do with the loss in operation. The loss in operations for July, 1922, as given in this statement, was $2,242,714.14; in August, $2,262,728.62; in September, $3,140,860.53; in October, $2,814,776.84, making a total of $10,861,080.13. That was for four months, given as indicating what their operating losses will probably amount to for the next year. That is less than $3,000,000 a month, and still they put out a statement that the loss from operation is something like $50,000,000 a year. On page 263 it is said:

Our total loss of the Shipping Board has been $13,058,593.37 for the first four months.

Whereas they had just said, as found on the opposite page, that included in that is $2,197,513.24, which covers general and administrative expenses not directly applicable to operation of vessels, contradicting the statement that the losses have amounted to $13,058,000 for those four months, because, according to their own showing, they have not amounted to more than $10,861,080 for those four months. So $50,000,000, estimated for covering losses from operation, is an excessive estimate. According to their own showing, the losses are less than $3,000,000 a month, and have been less than that during this period when rates were lowest, during the period when they had ships tied up in quantities never before exceeded, and during the period when their earnings have been the lowest ever reached, and during a period when ships were tied up all over the world—in England, in Italy, in France, in Norway, everywhere ships have been tied up, and when shipping was fairly dragging the bottom. It is not unreasonable to suppose that their losses for the next 12 months will exceed the losses for the previous 12 months.

In this statement, referring to these ships, Mr. Lasker further said:

They cost $7,000,000 or $8,000,000 each and are worth only a fraction of that because most of the money went into changes. They were originally built for troop ships. Then they were changed to cattle ships and then to refrigerator ships and then to hospital ships and finally to combination passenger and cargo ships. The ships as they come in have been costing $25,000 or $35,000 for voyage repairs.

The repair cost is the great drawback to this enterprise. That item and the stupendous overhead have been the scuttling factors. As Mr. Lasker admits, it is utterly absurd to say that upon the termination of every voyage a ship must go to a repair yard, and there must be spent from twenty-five to thirty-five thousand dollars on that ship for repairs. It is unreasonable. No shipping concern in the world could succeed with such unnecessary expenditures. The repair yards are the bloodsuckers of shipping. They will simply take the life out of shipping if they are allowed their own way with reference to repair expenses. In one instance the Shipping Board boasts of having reduced the number of seamen, and having reduced the wages, and all that sort of thing. I doubt very much if that is any real economy. If they had able seamen on these ships in sufficient number, and officers sufficiently qualified, much of this repair work would be wholly unnecessary, because the crew would take care of the ship.

I venture to say any foreign operator would be looking after his ship through his own men on board that ship, so that it would be a rare thing, probably once a year, that a ship would be required to go to any dock for repairs. But if you have cheap men on board your ship, drawing low pay, and not qualified as able seamen, you can not keep the ship in repair. Consequently, when a ship returns from a voyage, the first thing done is to put her in a repair yard and spend $25,000 or $30,000 on her.

In that connection I might refer to a little item which appeared in the News on January 2, 1923. It is as follows:

WHO GETS THE SUBSIDY?

A sailor friend of ours writes to give us some first-hand information on the Lasker ship subsidy, as it looks to him, from the vantage point of his bunk on the rolling seas. Says he:

"Much of the argument for the Lasker bill is based on the belief that the subsidy is necessary because of high wages paid to American seamen. The people have been told this with a straight face, and they believe it, since they are entirely ignorant of what goes on at sea.

"The truth is that there are not enough Americans left on the sea for us to worry about one way or the other. As a typical example, take my ship, running in passenger and freight service between two American ports.

"The ship has a crew of approximately 150 men. The officers are white, with one exception. There are 8 petty officers who are Americans and 9 who are Mexicans and South Americans. Out of the remaining number all of them belong to the Asiatic or Mexican races, with three exceptions. Of these three white men in the crew proper one is a citizen of Holland. The remaining two are American citizens and draw a wage of $40 per month.

"The American people are told that they must subsidize this ship in order to pay these two men $40 a month—and they believe it!"

The absence of sufficient crews of American seamen, properly skilled and trained, in my judgment accounts very largely for the terrific repair expenses charged up as operating expenses against these ships.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield.

Mr. KING. I think one of the contributing causes to the very high costs of repair work is the fact, as the Senator has clearly indicated, that outside of the operation, or rather, perhaps, as a part of it, in a sense, there are subsidiary organizations which undertake the repair work, and it is to the interest of the manager, or the man who has the MO–4 contract, to have the repairs made, because he is interested in some subsidiary organization which makes the repairs. My attention has been directed by persons who are familiar with the operations of these ships to the fact that they have refrained from making repairs upon shipboard which could have been made. There seemed to have been some admonition that they should not be made there, notwithstanding they could have been readily made, and when the ship came back to harbor it was put into a dry dock for inconsequential repairs which could have been made during passage. The result was, of course, that an enormous bill was run up, upon which those persons having the contracts made great profits.

My attention was directed to one case where, after the ship came to harbor, the captain called attention to some needed repair of the rudder, which could have been made very cheaply. The order was given that the ship be stopped. The captain protested, but, notwithstanding his protest and his indication that he could repair it at a very small cost, the order was continued; but, rather in defiance of the order, he rigged up some sort of a contrivance which dropped over the stern of the boat, and raised the stern and lowered the bow by adjustng the freight, and in a very short time made the repair.

The plan was to put that ship into dry dock or upon the docks and repair it at a cost of thousands of dollars, perhaps tens of thousands. The Government has been a victim of these conspiracies, which seem to have been connived at by some of the agencies connected with the Shipping Board, which have resulted in these enormous expenses which the taxpayers have had to meet.

Mr. FLETCHER. Mr. President, I think the Senator's observation is well founded. Information comes to me, which I scarcely dare to report here, about the robbery that has been taking place under the guise of repairs to ships. I expect to allude to that more extensively hereafter. It is a little beside the particular point now, and I shall ask to put in the RECORD a statement of Mr. Furuseth showing the effect of the reduction of the crews, of the lowering of the standards, and of the decrease in the wages in our merchant marine. There is no economy effected by that, as his statement will show, but, on the other hand, that is largely responsible for these enormous costs and expenditures in the repair yards.

The point is, further, that it is not fair, it is not accurate, to charge against ship operation these tremendous repair bills. I may say this: That information has also reached me to the effect that the Shipping Board is now establishing some reforms in that connection and authorizing all these private operators to look more carefully after their ships and keep them up, and they are watching the costs and expenses in connection therewith.

In my judgment, that will cause a very considerable reduction in the item of repairs, because they can then hold responsible the men who have charge of the operation of the ships,

and, watching carefully those expenditures, they will be able, I am quite sure, to effect some important economies.

At page 264 Mr. Lasker said:

The first estimates that have come in for these passenger ships and some cargo ships that need repairs are about $4,800,000, instead of the $3,000,000 that this letter covers.

He was referring to the letter from which I have quoted.

Again, on page 265, he was asked:

Mr. WOOD. My only purpose in getting this information of the cost of repairs is because of the fact that it ought to be at hand for anybody who wants to either criticize or approve.

Mr. LASKER. We are only showing what it costs to operate this year, so that you can see the things that arise and that can arise next year.

They have no business to charge to operating expenses the reconditioning charges, the structural changes which they propose making and have been making in the ships, rebuilding them, changing them from one type to another type, but it appears that has been done, and just in that way the item of "loss in operation" has been made so high. Even under that plan, however, the losses have not exceeded the $3,000,000 per month average.

Mr. LASKER. You understand that after every trip a ship makes there are voyage repairs necessary.

I submit it is inconceivable that after every trip they must have repairs. The crew on the ship ought to keep it up except, perhaps, once or twice a year, when it needs to go into dry dock.

Mr. DIAL. The cost of reconditioning ought to go to the cost of the plant, ought it not?

Mr. FLETCHER. Why, of course. It should be charged to capital account. It means investment, not upkeep. Mr. Lasker said further:

Since this letter of November 24 was written we have authorized $1,500,000 or $1,800,000 for the United States Lines for improvements to ships.

"Improvements to ships," and yet that is charged up against operation.

In this letter, written one month ago, we estimated that $3,000,000 would be what would be required during the balance of this fiscal year for extraordinary ship repairs. It looks now as if it will be nearer to $6,000,000 all told.

The repairs to ships we then had in mind amounted to $3,000,000, but the estimate now is $4,800,000, because added needs have been disclosed.

Of course, there are not mere repairs. These are reconditioning, structural changes in the ships. It is not proper and it is not accurate to estimate the loss to operation to include such expenses.

Referring to the United States Line, Mr. Lasker said:

We will then have operating by next spring the *Leviathan*, a super-first-class ship; the *George Washington*, as a fine first-class ship; the *America* and the *President Grant*, which, now that we plan to put it in service, we have renamed the *President Buchanan*, as one-cabin ships, which we believe will be the two best one-cabin ships on any ocean in the world, two of the 535-foot-type vessels and five of the 502-foot-type vessels; 11 ships in all.

That is a very good showing, it seems to me. Why get weary of well-doing? If they are about to establish a line composed of the finest ships afloat, a successful line, operating successfully under our flag, American owned, serving American commerce, why scrap that line and dispose of ships of that character at a nominal price and pay people to operate them?

Then Mr. Lasker spoke about some other changes that would be necessary. On page 267 he referred to the *Agamemnon* and the *Mount Vernon*, the ex-German ships—and, by the way, they are over 20 years old. They ought not to be held for that line. They could serve in the Pacific coast trade, but they are not adapted to trans-Atlantic trade and ought not to be there. They necessarily cause a loss, because no one could operate them in that particular trade successfully and make a profit on them. They propose to change those by making a different type, and that would cost between $7,000,000 and $8,000,000. Mr. Lasker said:

I am now trying only to give you a forecast of the moneys that might be needed for next year and how the needs may arise.

Again he repeated from that statement on page 268:

Our loss for the first four months, including $2,197,513.24 for expenses not directly applicable to operation, was $13,058,000.

Why put it in? Why charge it to operation? Why say that it is a part of the operating loss when upon the very face of the statement they admit that the item of $2,197,513.24 refers to expenses not directly applicable to operation?

Then follows this statement:

Of course, in this loss is included the general and administrative expense not directly applicable to operation of vessels.

And yet they keep repeating that the loss from operation was thirteen-odd million dollars and then following it with a statement that that involves $2,197,000 that does not belong under that head at all.

Some one introduced a resolution or petition a few days ago appealing to the board to consider the use in the tramp service of some of these ships which are now tied up. It is perfectly well known that the tramp is the cargo carrier of the world. On page 269 Mr. Lasker said:

But we are not dealing here with the tramp-ship problem, because the Shipping Board only operates liners.

It seems they neglect entirely the tramp service. They are not endeavoring to put any of their ships to use as tramps.

Mr. LASKER. All ships have by far a greater cargo going over, away from here. The proportion is about 3 to 1.

Then he was asked:

Mr. DICKINSON. Is your outgoing cargo sufficient to pay expenses?

Mr. LASKER. You mean on our ships?

Mr. DICKINSON. Yes.

Mr. LASKER. Oh, I would say that if we had incoming cargoes always as great as our outgoing cargoes our picture would be quite different.

We expect the time to come when the incoming cargoes will increase. We scarcely believe that the present situation of acute depression in that direction will continue indefinitely. We have no reason for expecting that, and he admits, in effect, that if we could get reasonable incoming cargoes our ships would be upon a profitable basis.

At page 271 is this interesting statement:

Now, let me say in justice to those in the Emergency Fleet Corporation and in the Shipping Board other than myself that the operations of the Shipping Board, the economies that have been put in, and the order that has been brought out of confusion is the wonder and amazement of shipping men the world over. What I have to say has no reflection upon myself, save as I happen to be associated with those men, and therefore no men of good taste should turn it upon me. I believe that the operation of the present Shipping Board is the best operation ever made by any business department of the Government.

Of course, the question naturally arises, if you come to praise, why try to bury the Shipping Board and the Emergency Fleet Corporation? There is an old saying that no sound is more pleasing than the sound of one's own praises. No doubt the gentlemen connected with the Emergency Fleet Corporation and the Shipping Board would feel very much like exclaiming that "approbation from Sir Hubert Stanley is praise indeed." It is an old saying that we praise only to be praised. Horace says "Praise undeserved is scandal in disguise." I do not pretend to say that this praise is undeserved. I think they have made very considerable progress in the direction of effecting economies, but my question is, Why get weary of well doing? Why, since they have attained this high state of efficiency, do they propose to stand aside and almost give away the ships and pay somebody else to operate them?

If they have accomplished so much that they can justly say that they have reached a point, as far as efficiency is concerned, which is the amazement of shipping men the world over, it seems to me they must be making very considerable progress and demonstrating what we have been claiming, that there is no need for the losses which they shout from the housetops on every occasion, and no need for being discouraged in the outlook, so far as our shipping is concerned.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield.

Mr. KING. I am interested in the statement the Senator just read from the testimony of Mr. Lasker, in which he delivers a panegyric upon the board, if not himself. I have talked with a number of persons familiar with shipping, and the information which I have is that the Shipping Board is practicing no particular economies, that whatever economies result or whatever reductions have been brought about during the past year since Mr. Lasker's régime have resulted from the discontinuance of a large number of ships which heretofore sailed the Seven Seas. They have tied up hundreds of these ships which heretofore sailed. I am not justifying the fact that they were heretofore used upon the ocean. I think they ought not to have been used. But as they have tied them up, necessarily the overhead expenses would be diminished.

As I read Mr. Lasker's testimony, he accounts for the reduction in the expenses for the coming year from something like $13,000,000 plus to $8,000,000 plus, because there have been a large number of ships withdrawn from sea service. I have read as best I could the testimony which was given before the House committee on the ship subsidy bill. I have read all that Mr. Lasker has said in the volume which the Senator now has in his hand, being the testimony before the House committee upon the pending bill. I have availed myself of all the information I could obtain in order to ascertain just what the situation of the Shipping Board and the Emergency Fleet Corporation was, but I confess I can see no economies.

The MO–4 contract is still in force; the same old methods which heretofore were employed still persist; and if the Senator from Florida knows of any economies effected or any plans adopted which have improved the service, I should be very glad to have him point them out.

Mr. FLETCHER. Mr. President, I am giving this compliment which Mr. Lasker pays to the Shipping Board and the Emergency Fleet Corporation full weight, and referring to his own testimony in that connection. That is the only proof that I can furnish the Senator from Utah on that point. Mr. Lasker further gives himself a good name by saying:

In the face of the way the fleet had deteriorated and the decline of freight rates if it had not been for this particular Shipping Board, and particularly in its operations through the Emergency Fleet Corporation, instead of the present Shipping Board having cut a loss of from $11,000,000 to $16,000,000 a month down to $4,000,000 a month and still keep the routes going, the losses would have been kept up, and probably increased.

Of course, they ought to reduce these expenses. Just before Mr. Lasker went into office the Shipping Board was engaged in enormous activities calling for tremendous expenditures, involving the keeping of one set of books, separate and apart from the Fleet Corporation. Then there was also the Emergency Fleet Corporation, which had two divisions; one a construction division, requiring a set of books to be kept upon certain lines, which had to account for the appropriations actually made and for expenditures under such appropriations, and the other a separate division which had to keep another set of books showing a profit-and-loss account, and showing earnings, receipts, and expenditures in connection with operation. It was a cumbersome sort of system, although necessary; which no doubt accounts partly for the condition in which Mr. Lasker found the books of the preceding Shipping Board, which he has stated had to be brought down to date, that no balance could be struck from them, and so forth.

While the operating division was conducting its activities ships were being transferred from the War Department and the Navy Department and from the Emergency Fleet Corporation to those departments, back and forth, so that it was almost impossible to keep voyage accounts and to record the actual outgo and income from the transactions in connection with the operation of the ships. When Mr. Lasker assumed control, or very soon after that, construction work entirely ceased. There have been therefore only two things to be looked after; one the ordinary affairs of the Shipping Board, the disposal of material, the adjusting of accounts and claims, and that sort of thing, and general supervision; the other, the Emergency Fleet Corporation, having to do solely with the operation of the ships. Of course, economies could be effectuated under those circumstances; there was necessarily a reduction of work all along the line, and there ought to have been a reduction of expenditures. It would have been an outrageous thing to have continued the enormous expenditures which had been necessary under the old board and not to have made such reductions.

In connection with the hearings, Mr. Lasker further says:

It takes some time to compile statistics of this sort. I will take the total period. In the 1921 period we had 1,072 terminations of voyages and in the 1922 period we had 847 terminations.

Showing that, of course, they did lay off ships, and that reduced their expenses. He continues:

Terminations mean voyages that have been concluded. Some may have been around-the-world voyages and some may have been voyages that were near by—to the Caribbean, for instance. That is the way ship accountancy is kept. We carried a total of 5,273,897 tons in that period last year and 5,195,932 tons this year. All shipping men know that the world's tonnage carried in that period this year compared with last year has shockingly dropped.

Under the head of "Freight revenues," Mr. Lasker further states:

Now, I will take freight revenue, 1921, as against 1922. Last April it was $16,777,000. This April it was $5,978,000. Mark you, we did not get our freights by cutting the rates. Last year we charged the going rate and this year we charged the going rate. The amount of cargo offered makes the rate.

Again, he was asked by—

Mr. WOOD. Have you ever figured out your net loss per ton in carrying freight?

Mr. LASKER. Yes; on every ship and on every route. They never did it before in any other shipping board. This Shipping Board is the first one to have it. I will say that Mr. Smull, who is the president of the Emergency Fleet Corporation, and a large staff are obliged to devote a large part of their time studying those returns.

They ought to be able to state voyage accounts, for we know—at least, it is current rumor, and I do not think there can be any dispute about it—that the present Shipping Board has paid Mr. Robert Montgomery's accounting firm—Lybrand, Ross & Montgomery—$1,500,000 in fees. That is quite a tidy sum to pay in order to enable them to state balances, to keep up their books, and to adjust their accounts.

Mr. KING. Mr. President, may I say to the Senator from Florida that, in addition to that, there are literally hundreds of men who are denominated accountants and experts who are in the service of the Emergency Fleet Corporation and of the Shipping Board. They have had Mr. Tweedale and other competent men there, and they have pretended to balance, and doubtless have balanced, their accounts and made computations. They have had a very large force of competent men in this agency for the purpose of enabling them to make such computations as were necessary in order to determine the losses and profits, and so forth, of the business.

Mr. FLETCHER. They have had them, it seems to me, an unreasonable length of time. These people were supposed to have performed that service and to have been away from there months ago.

Further, with reference to the freight revenues, Mr. Lasker stated:

Now, the average revenues per ton last year as against this year were as follows: The average revenues per ton per ship in April last year was $16.64 per ton as against $7.47 this year. In May last year it was $13.49 as against $7.43 this year. In June last year it was $12.88 as against $9.67 this year. In July last year it was $10.58 as against $7.18 this year. In August last year it was $10.19 as against $6.68 this year. In September last year it was $12.74 as against $5.45 this year. The average last year during the period that we have covered was $12.74 for every ton of freight carried as against an average this year of $7.17.

The tremendous dropping in freight rates accounts for some of the loss in operation, but is that any reason why we should, when that happens, immediately throw up our hands and say, "We have to dispose of these ships right away in order to stop this loss"?

As to passenger revenues, Mr. Lasker states:

Now, the passenger revenues last year in April were $332,036.92, as against $1,183,619.88 this year. In May last year it was $645,549.31, as against $2,467,263.69 this year. In June last year it was $352,-903.05, as against $1,857,024.39 this year—

Showing that the passenger revenues have enormously increased—

In July last year it was $742,080.26, as against $1,656,694.20 this year. In August last year it was $585,168.15, as against $2,131,675.75 this year. In September last year it was $868,455.14, as against $1,527,-164.17 this year, constituting passenger revenue for the six-month period, which includes the very best months of the year in both cases, of $3,526,192.83 last year, as against $10,823,442.08 this year, which is practically entirely accountable through the United States Lines.

That is the only Government-owned and Government-operated line we have to-day, except the Panama Steamship Line. Mr. Lasker says further:

After I was broken into office in September I seized these ships from these people—

That is, the United States Mail Line—

because they paid no charter hire, and after that we ran them ourselves. This year during that same period the gross receipts were a little better than a million dollars a month. That does not count expenses; that does not mean net—

And so forth.

Then Mr. Lasker discusses the revenue derived from tankers and shows a tremendous reduction in the revenues from such vessels, and a consequent operating loss. Then he says:

Therefore, gentlemen, on the same amount of freight carried in the measurable period this year—and both years we charged the going rates throughout the world—we received $26,000,000 less this year than last year. The loss last year of the Shipping Board for that six months' period was, in round figures, as near as can be ascertained from the books, about $48,000,000, and the loss for the same period this year——

Mr. WOOD. What period of time does that cover?

Mr. LASKER. From April last year to September last year—that is, three months under the old board and three months under the new board. The loss under the present Shipping Board for the same months this year was, as testimony showed, in operations alone, $11,000,000. Therefore we operated during the period this year on $37,000,000 less loss—remember, gentlemen, we could not get operations under perfect control during our first three months in office last year—on $37,000,000 less loss as against the period of last year, and we took in for the same amount of freight $26,000,000 less money. Therefore when you figure that we carried the same amount of freight for $37,000,000 less loss in operations and took in $26,000,000 less money in gross receipts, it means $63,000,000 greater efficiency in the operations of the board this year as against the previous period, or a little over $10,000,000 a month.

Then, why come to Congress now and ask that $50,000,000 be appropriated for the next year to cover this character of expenses? The showing made throughout by the Shipping Board itself, by the statements of its officials and their own experts, is that they have never suffered during the period which they have mentioned a loss of over $3,000,000 a month, and in that were included a number of items for repairs and reconditioning. Yet they persist in talking about $50,000,000 a month as the loss to the people of this country every year from operating these ships. Their own statements show that the losses aggregate no such amount at all. So I submit that $30,000,000 is

sufficient to cover these items, and that this bill ought to carry, instead of $50,000,000, only $30,000,000 in the clause for the Emergency Fleet Corporation.

At page 276 of the hearings we find under the head of "Liquidation of assets"—and this will answer, I think, one of the questions asked by the Senator from Utah a moment ago—Mr. Lasker says:

Mr. WOOD. Will you not give us an idea as to what ships and properties remain still to be liquidated?

Mr. LASKER. First, let me give you our situation as regards our ships. On November 30, 1922, we had a total of 1,399 steel ships, with a total dead-weight tonnage of 9,813,146, made up as follows:

	Number.	Dead-weight tonnage.
Cargo	1,230	8,457,474
Passenger and transports	48	528,523
Tankers	79	726,241
Refrigerator	14	100,908
Tugs	28	.....
Total	1,399	9,813,146

In addition to the steel ships there remained on hand on that date 26 vessels other than steel, with a total dead-weight tonnage of 74,921, divided as follows:

	Number.	Dead-weight tonnage.
Wood cargo [1]	4	16,485
Composite cargo [1]	1	3,575
Concrete cargo	2	6,078
Concrete tankers	7	48,783
Wood tug hulls	1	.....
Wood harbor tugs	11	.....
Total	26	74,921

[1] The five wood and composite cargo ships were not included in the recent sale of similar vessels as they will have to be surrendered to United States courts to satisfy libels.

Last year in our testimony we indicated that the surplus materials taken over by the present board would be essentially liquidated by the end of the present calendar year, and that we would obtain not less than $12,000,000 by its disposal. I can now say that this has been accomplished; that we have recovered somewhat in excess of $13,000,000; and there remains to be disposed of material that will bring not more than about $75,000, made up of equipment previously required for the use of our personnel in the field.

So that they have had that much coming in from the disposition of the surplus material. He refers to the MO-4 contract, and refers also to the claims commission. He says that they have dispensed with the services of that commission. It was organized at their request in order to adjust these claims; and now, I believe, the Shipping Board has taken over the whole subject.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield to the Senator.

Mr. KING. The Senator has directed attention to the amount received last year from the sale of property—the liquidation of assets, to use the expression of Mr. Lasker. I suppose the amount received from the sale of property went into the fund available to meet the expenses of the Shipping Board and the Emergency Fleet Corporation, and that $12,000,000 or $13,000,000—whatever it was—has been expended. Does the Senator know in regard to that?

Mr. FLETCHER. I can not say as to that. It is rather difficult to say just where that has gone. It has been received. I take it that it has gone into the funds of the Shipping Board, of course, and it is probably included in this total amount which they have to their credit in the Treasury.

Mr. KING. The Senator knows that ships were sold to the amount of more than $239,000,000, and that at the end of the war, in addition to the ships which were sold there were tens if not hundreds of millions of dollars of property in the hands of the Shipping Board and Emergency Fleet Corporation other than the ships. My information at that time and subsequently was that the Government of the United States or the Shipping Board would derive several hundred millions of dollars from the sale of this surplus personal property and houses and real estate. Does the Senator know how much actually has been received, and does the Senator know what has been done with it?

Mr. FLETCHER. The statement shows that they expect to make settlements with reference to dry docks, and so forth. Mr. Lasker says, on page 277:

These settlements will bring in an additional amount of approximately $1,750,000.

As to what has been received, the various sources from which it has been received, and what has been done with it, the statements do not show. The statement, at page 307, shows the amount of the unexpended balance and the amount of appropriations and the total amount received as $146,797,847.69 up to November 30, 1922. Included in those items are "all other receipts not otherwise classified, $171,363.28"; but whether that includes some of the proceeds from these sales or disposition of material, there is not anything to show in the statement, and there is nothing in the hearings, so far as I can see, that refers specifically to that.

Mr. KING. It would seem to indicate, then, that the situation is substantially this: The Government appropriated directly three billion four hundred and eighty-eight million five hundred and forty-one thousand dollars plus to the Emergency Fleet Corporation and to the Shipping Board. Practically all of the surplus property, real estate, and personal property has been disposed of, and the proceeds derived therefrom consumed by the Shipping Board and the Emergency Fleet Corporation; so that all that we have to show for the three billion four hundred and eighty-eight million dollars plus is 1,064 or 1,069 boats, one-third of which are practically valueless, tied up at the docks, characterized as useless. Indeed, some of the testimony indicates that it would be profitable to tow them out into the ocean and sink them. We have a number of fairly good ships. We could sell all of the ships, perhaps, for $100,000,000—possibly a little more, probably a little less—so that for our investment of $3,488,000,000 we would bring to the Government of the United States, if we should dispose of the ships, if we could sell them at all, perhaps, $100,000,000. Now, we propose to appropriate $50,000,000 more to waste upon this property that is not worth more than $100,000,000.

Mr. President, the people are long-suffering, and the patience of Congress and its apathy are to me perfectly astounding. We have sat here for years, growling now and then about the misconduct, extravagance, and waste of the Shipping Board and Emergency Fleet Corporation, and as often as the appropriation bills come up we add to the appropriations and respond to the insatiable demands of the Shipping Board and the Emergency Fleet Corporation. Oliver Twist is not in it, measured by the demands of the Shipping Board. It is more and still more from the Treasury of the United States.

Mr. CALDER. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield to the Senator.

Mr. CALDER. I believe the statement of the Senator from Utah is practically correct. We did appropriate and spend $3,400,000,000 for these ships, and it is a fact that we have something over a thousand left, a third of which are almost valueless. I doubt if we could sell them at this time for any price. We have some 700 or 800 left that have some value, quite a number of them of considerable value. I do not know just what they would bring, whether they would bring $100,000,000 or $200,000,000, but I am quite certain that the amount they would bring if offered at public auction to-day would be immeasurably less than they cost.

I submit, Mr. President, that these different Shipping Boards are not wholly to blame—this one or any other, in fact. Congress itself, it seems to me, is to blame to a great degree. We permitted them to go on with their policy of building ships.

If the Senator from Florida will permit me just to proceed a moment or two; I wonder if the Senator from Utah has the figures or if he has ever seen the figures which indicate that the keels of about 5,000,000 tons of steel shipping were laid down before the armistice, and nearly 5,800,000 tons of steel ships after the armistice. I do not mean launched; I mean actually started. We permitted that policy to continue. We voted for those things. We should have had some knowledge of them. I believe it was wrong. I said at the time it was wrong. I felt that it was pursuing a policy which some day would come back upon us to demonstrate clearly the lack of foresight upon our part; but we did it, we authorized the expenditure of the money, and now, only a year or two ago, one day the Shipping Board came in through the last head of that board, Judge Payne; he submitted to the Committee on Commerce a proposition that he could sell the *Leviathan* and get $3,000,000 of good American money for her.

Mr. KING. And he could have sold a certain number for $29,000,000.

Mr. CALDER. Yes; and he could have sold the *Leviathan* for $3,000,000. Why, Congress became most indignant over the idea that we were going to dispose of that splendid American ship to private parties; and what happened? We did not get the $3,000,000, and we are spending about $9,000,000 to re-

condition her, and we shall have her as our super passenger vessel in the North Atlantic trade, and we might just as well have had her in that trade and the Government be $12,000,000 in pocket; and so on all down the line.

I am of the opinion that this Shipping Board has done as well as any other governmental functionary could be expected to do. I observed that the Senator from Utah laughs, and perhaps with some reason.

Mr. KING. No; if the Senator will pardon me, I was not laughing at the statement that they had done good work, but at the statement that they had done as well as any Government functionary could be expected to do. That, I think, is an indication that a Government functionary is not expected to do very well.

Mr. CALDER. A Government functionary in a business of this character can not compete with private business. The Senator knows that. He has always urged that.

Mr. KING. I agree with the Senator.

Mr. CALDER. That is the difficulty. My judgment is that we have got to do one of three things with these ships. Either we have got to pass a subsidy bill and give them Government aid, or else continue the policy of operating them until we consume them, as the Senator from Utah suggests, until they are all eaten up, paying the cost of operating in the meanwhile, or else we have got to put them up at auction and let any one take them that wants them at the price he will give, and then let the Government of the United States go out of the business of having an oversea traffic in its own vessels.

I have been wondering very often if the American people are going to be able, under any circumstances, to compete with foreign nations in oversea trade. That is the thing that bothers me, and I know that it concerns other Senators. I know that the Senator from Florida has given as much careful thought to it as any man in this body. He has labored with it. He has been most faithful in his effort to do what is best to solve the problem. Upon my word, standing here and addressing the Senate, I do not know what to do. I have felt that the subsidy was the best way out. Are we going to continue forever appropriating $50,000,000 or $30,000,000 a year and have it eaten up?

I have in my hand a letter—I trust the Senator will permit me to continue for a moment—from a gentleman who knows the shipping business, who has made an analysis of some of the statements concerning the United States lines. He deals with the very subject the Senator has discussed—the question of reconditioning and repairs—and says, "Yes; you might say these ought to be capital charges, but, at any rate, the United States Government is paying all this money. It comes out of the Treasury." He points out that in five months last year we spent $945,000 for maintenance and repairs to the vessels of the United States lines, and Mr. Rossbottom claims that should not be charged to operation. It must be charged to something. It was paid out of the funds of the American people. Then he goes on to say, as the Senator has indicated, that if this had been done by some concern operating the vessels privately it could have been done for half the cost. The Government seemingly can not do these things as cheaply as private concerns can. That is the difficulty. Some day we are going to get sick and tired of appropriating money for this purpose; and we had better give them all up to somebody, if we can not do any better, and stop wasting the public money on them.

Mr. FLETCHER. Mr. President, I want to deal at some length with what the Senator has said; but it rather diverts me from what I have in mind now and from what would be really pertinent to the motion which I have made, and I would rather not go into those details just at this time. I shall have something to say about that a little later on; but, with reference to Government operation, while I think eventually these ships ought to go into private hands, I submit that there need not be any great haste about putting them there and we need not give them away, and we need not go down into the Treasury of the United States to pay people to operate them.

The time for any reasonable business man to dispose of any property he has is not when everything is depressed and there are no buyers. He must hold that property until things get into shape again, until there is demand, until business develops, and until his property has an actual value on the market, which these ships have not to-day. That time will come. The Shipping Board will proceed to establish these new routes and develop these new services and encourage trade and commerce in these various directions where they are operating to-day, take care of our commerce at fair rates; and eventually there will be people who will want that business and will want the ships engaged in it. That will be the time for the Government to realize on its ships.

Mr. CALDER. Mr. President, the Senator will recall that in the Committee on Commerce, of which he was the very able chairman a year or two ago, we discussed these things with members of the Shipping Board and they stated a year or two ago that they could sell that tonnage for $100 a ton, or a little over $100, as I recall it, and while we passed no resolution in our committee, it was the unrecorded sentiment that we might better keep the ships. We lost our opportunity then. We could have sold many of those ships then to private enterprises, but we discouraged it, and we are responsible for it.

Mr. FLETCHER. I think the Senator is very largely correct in fixing the responsibility, so far as that phase of the matter is concerned, on Congress. We finally reached the conclusion that the merchant marine act of 1920 meant the establishment of a fixed policy which ought to be carried out.

Mr. CALDER. It seemed to me, and to the Senator, that it was at that time; but it has not worked out for the benefit of those people.

Mr. FLETCHER. Precisely. I want to read, in that connection, something which was printed in the Evening Star a few days ago, as follows:

Points to lesson in Panama Canal. Col. Jay J. Morrow declares operation is proof of governmental efficiency.

Colonel Morrow said in his report:

The Panama Railroad and Steamship Line are auxiliary and necessary functions of the canal, as much so now for successful operation as they were for construction; they have paid their way most handsomely, and will doubtless continue to do so when the depression of the last two years clears up.

The canal and the community connected with it are the finest expressions of American thoroughness and efficiency. The wonderful spirit of the construction force manifested in bringing to fulfillment this dream of the centuries still lives with the operating force after the great task is done.

Presidents, Secretaries of War, and Congresses have stood firm against attempts to change the wise plan devised for government and operation of the canal, which is now highly centralized in the governor under the Secretary of War. We are giving proof that the Government can and does successfully operate big business, and can continue to do so, if the executive and legislative branches of our National Government will insist (as they have done) that the operation be kept free of improper political influences and are not hampered by unnecessary legal restrictions.

I think that is absolutely sound; I agree with it fully. Not only does the Canal Zone itself illustrate and demonstrate what Governor Morrow has said, but the Panama Steamship Line, part of that operation, has been most successful, having a deficit only 2 years out of 20, when they carried Government employees and supplies at Government rates, which would have been almost double if they had charged commercial rates. They have kept down the freight rates to the whole Caribbean and to the west coast of South America, and still have been earning a profit every year for 20 years, except in those two years, and in those the deficits would have been merely nominal if we had permitted them to charge commercial rates on traffic which they carried. I will dwell upon that a little later, when we come to the ship subsidy bill, if we ever take it up again.

Mr. Lasker further said, as reported on page 289:

The $50,000,000 we ask for next year only equals from $38,000,000 to $40,000,000 appropriations for this year, because our agents have always had from $10,000,000 to $12,000,000 working capital on hand. So when you gave us $50,000,000 this year—

That was in 1922—

that was $50,000,000 plus $10,000,000 or $12,000,000 working capital that our agents had on deposits. We are proposing to turn all that money back at the end of this year including our working capita which is not available for operations, so that next year when we ask you for $50,000,000 we are asking for $10,000,000 or $12,000,000 less than this year.

They did not use the $50,000,000 we gave them last year or the $50,000,000 plus the $10,000,000 or the $12,000,000. Why should we give them $50,000,000 this year? I further find, on page 291:

Mr. WOOD. Now, if the ship subsidy bill passes and we sell these to operating companies, they will not require all of that, will they?

Mr. LASKER. These are structural changes that have to be made immediately this year.

To which I referred this morning. That is with reference to those ships of the United States Lines. I read further:

Mr. WOOD. Suppose the ship subsidy bill should pass the Senate and should be signed by the President next week or within 10 days, would all the expense in structural changes for which you ask an appropriation be necessary?

Mr. LASKER. Yes, sir; because when you sell ships you get into transactions of millions of dollars. In other words, when the ship subsidy bill passes, presto! the next minute you will not sell the ships like you would sell a pound of sugar. It will take some time to negotiate the sale of ships.

Mr. WOOD. Do you think they would be sold to better advantage or operated to better advantage? Suppose the ship subsidy bill was passed and the matter was passed over, would it be a matter of economic investment for us to go on and make these changes?

Mr. LASKER. Yes; because we would have to operate them long enough ourselves while the negotiations were under way, to justify the repairs, and in that way I think a good share of the money would come back to us. In the second place we do not want to adopt a national policy of aiding private owners on the one hand and on the other hand selling them ships that are so poor that the private owners will become bankrupt.

It is too bad we have to play the part of guardians to these private owners, is it not? Here is a confession that if the ship subsidy bill should be passed all these structural changes must be made anyhow, all these expenses must be incurred anyhow, all this operating loss must be incurred anyhow, because you can not sell the ships for years to come in any event, and even if you sell a part of them, the overhead expenses, as Mr. Lasker states further on in this very statement, would be practically the same, whether you operate 100 ships or 400 ships. So you would have a subsidy of $30,000,000 added to the operating losses you are suffering to-day and added on to these expenses for repairs and structural changes; and we ought to incur these expenses, we ought to put these ships in first-class condition at our expense, because we do not want the individual buyer to acquire a ship on which he may possibly lose money. In addition to that, we want to pay him to operate those ships.

There is one very encouraging thing about this statement. At page 293 Mr. Lasker said:

The overhead pay roll as of June 15, 1921, was $15,861,400. and the overhead pay roll as of this date is $8,956,496. As we complete the liquidation of properties and the settlement of claims we will quickly dispense with workmen who are handling materials in liquidation and with attorneys, accountants, and experts who are negotiating claims settlements.

Fine! That ought to have been done long ago, for that matter, but that is splendid, and I see by the newspapers that certain reductions have been made in the force in New York. I see by the newspapers that reduction was made on Saturday, or just a few days ago, in this division of liquidation of property. That is the right course. That sort of thing ought to have been under way all along, and these expenses could have been reduced before this.

Now they have them down to $8,956,496 a year, and Mr. Lasker says further in this statement:

We will be able to cut the pay roll down to at least $7,500,000 by June 30, 1923. That, we believe, will mark the end of any considerable overhead for liquidation of war activities and will represent about the static overhead of the Shipping Board so far as it operates fleet ships. It must be remembered the overhead is about as large to operate 100 ships as to operate 400 ships or 800 ships. Thus the pay roll will have gone from $15,861,000 when the present board came into office, June 15, 1921, to $7,500,000 by June 30, 1923. This reduction keeps apace with the history of the liquidation of the war entanglements.

Precisely; and the fact that they are able now to put the Shipping Board upon this basis shows that the enterprise can be made successful if they will only set about to do it, and not take pains to make it a failure.

As I have said, we are confined to the House hearings for our information on this subject, but at page 293 of the House hearings Mr. Lasker mentions a fact, not particularly relevant here, but which is well worth while putting into the RECORD, perhaps. He said:

Mr. Chairman, the wooden-ship problem no longer exists. They have all been disposed of during the last year. We held a public auction and disposed of $310,000,000 worth of wooden ships for $7,750,000.

I expect to comment on that perhaps a little later, but just at this time I need not refer to it further. The situation, then, is that the Shipping Board has arrived at a state of efficiency that is the wonder of the shipping world; that they have reduced their expenses down to where there will be an annual overhead of something like $7,500,000 hereafter. The report shows enormous revenues realized from the operation of the ships. I have asked for some information as to the details, routes, and services, for specifications as to where the losses are occurring, and why and when. I hope to get that information after a while. From all this terrible expense of $1,500,000 for accountants it looks as though it ought to be very readily available.

There is, in the statement which I have just quoted from the chairman of the Shipping Board, proof positive that there is no necessity for throwing up our hands here and saying that because we are a great burden on the taxpayers and because the Government can not carry on the business without tremendous loss and because those losses amount to $50,000,000 a year, whereas the figures, the proof, the evidence, show they do not amount to any such sum at all, that therefore we must go out of the business, dismiss the Shipping Board, liquidate the Emergency Fleet Corporation, and turn the ships over at whatever price we can get for them and pay some one to operate them under the American flag. The very statement of the chairman shows the absurdity of the conclusion to which he comes.

There may have been some loss, but, Mr. President, I could refer to the various countries, maritime countries all over the world, and I expect later to do so, and show their experiences during the last year or two. Here is a statement, for instance, in the December 28 number of Fairplay, in which I note the following items:

From a report of the Leeds Shipping Co. (Ltd.), covering 12 months ending August 31, 1922, it would appear there has been a loss of £2,509, and nothing would seem to have been written off for depreciation. This is a small British company operating four steamers of about 8,500 tons dead weight each.

From a report of the Cornborough Shipping Line (Ltd.), covering 12 months ending July 31, 1922, it would seem that a loss has been made of £10,088, nor has anything been set aside for depreciation.

The Llewellyn Shipping Co. (Ltd.), from its report covering 12 months ending June 30, 1922, made a loss of £12,915.

It will be seen, therefore, that British companies have found it difficult to pay expenses during the past year.

British companies have found it difficult to pay expenses during the past year, but have the British people retired from the shipping business?

The American shipping situation and the Shipping Board experience as to losses are not discouraging. In the North American of November 27 a statement appears to the effect that there are 26 ships building in the United States now of a total tonnage of 156,980. I ask that the statement may be appended at the close of my remarks.

The PRESIDING OFFICER. Without objection, that order will be made.

(See appendix.)

Mr. FLETCHER. I submit, under the showing made by the chairman, considering the actual financial situation of the Shipping Board and Emergency Fleet Corporation, their assets, obligations, and everything involved, that $30,000,000 would be ample appropriation to be covered in the bill and that the amendment which I have proposed ought to be adopted.

Mr. President, there appeared in the Washington Evening Star of January 16, 1923, an article by Mr. David Lawrence entitled:

Ship subsidy bill in hopeless jam. Plea of southern business men believed to be main salvation. Lasker to quit June 1. Atlantic and Gulf lines discontinued because of great losses.

Mr. Lawrence is a talented, experienced, brilliant writer, correspondent, and news disseminator. He has no purpose, I take it and I assume, to engage in any propaganda for the support of the ship subsidy bill. He had no idea, I presume, that the information which he obtained, and which he sent out through the country by this article, had back of it some ulterior motive or purpose. But I submit that it is a species of propaganda and the culmination of efforts, by publicity and otherwise, which the Shipping Board has been putting forth for months in order to gain support for the ship subsidy bill. Mr. Lawrence had to go to the source of information naturally for the news, and the article shows clearly where that source of information was. He said:

The ship subsidy bill has gotten into such a jam in the Senate that the entire American shipping business is facing an uncertainty bordering on chaos.

About the only hope for the measure lies in the pleas of southern business men, who have been advised that virtually all the South Atlantic and Gulf lines established by the United States Shipping Board must be abandoned immediately after March 4 if the ship subsidy bill isn't passed. There is talk also of the resignation of the entire Shipping Board. If this does not happen, the President will find it necessary to reorganize the board and fill several vacancies.

Chairman A. D. Lasker has told his associates on the board that he will retire on June 1, irrespective of whether the bill passes or not. He has given two years of his time to the problem and is anxious to return to private business.

So that we have here the threat virtually that the South Atlantic and Gulf lines established by the Shipping Board must be abandoned immediately after March 4 if the ship subsidy bill is not passed. Mr. President, it seems to me not a very creditable thing on the part of the Shipping Board to take that position and give out as information to be spread over the country and be published, as it has been published, along the South Atlantic and Gulf coasts, a threat that if the Senators from those States do not vote for the ship subsidy legislation, the ships serving the ports of the Gulf and South Atlantic will be withdrawn from that service after March 4.

At present the Shipping Board vessels are carrying 52 per cent of the commerce moving out of the Atlantic and Gulf ports. The service is on a satisfactory footing, so far as I know or have been able to ascertain. The operators in the South Atlantic and Gulf ports are right up at the top among all the operators under the United States Shipping Board. That commerce is not diminishing but is increasing. There is no occasion to withdraw the ships from those ports. The statement I have quoted is simply intended to influence the commercial

bodies, boards of trade, chambers of commerce, and merchants along the South Atlantic and Gulf coasts to bring pressure to bear upon their Senators to support the ship subsidy bill, because if they do not they are to understand the ships will be withdrawn from those ports. Is it possible that we have come to that pass when threats of this kind must be resorted to and when promises of immediate benefit are to be offered in order to gain votes for the ship subsidy bill?

I submit that they entirely underestimate the intelligence and the integrity of the people along the Gulf and South Atlantic coasts if they think they can coerce them on the one hand or bribe them on the other. They are people who will respond to reason, to argument. Furnish them, if you will, but I warn you that threat will be resented. There are some people who adopt the very strange and, in my judgment, the wicked, the false, the atrocious philosophy that every man has his price. I disagree wholly and absolutely with that. That sort of philosophy tends to make men fawning sycophants or obsequious parasites, and I have a contempt for both. There is such a thing as principle which will control the judgment and the action of the people who have a proper conception of fiduciary responsibility. This Government was established by men who believed that certain principles should prevail over present interest or loyalty to king. We believe in equality of opportunity and a share in control. We set that up against special privilege and control by class. No threat or promise of present reward will be allowed to influence our adherence to principle.

The United States would never have been born but for that. There is a principle involved in this matter. The question is whether we are now going to establish a permanent policy of ship subsidy in this country or whether we are not. The article further states:

The reason the South Atlantic and Gulf lines are to be abandoned is that they are losing heavily for the Government.

I question that statement, and I advise these gentlemen if they pursue the course as threatened in this article they will have to prove the basis for that action. They will have to furnish books and papers and documents and evidence to the satisfaction of a proper investigating committee that they are withdrawing these vessels in the public interest and not as a punishment to those communities whose representatives here are opposed to the ship subsidy bill. There will be some inquiry about that. I take it, however, that this is simply an idle threat, for I know the losses from operation in the Gulf and South Atlantic are not so serious as this article pretends, not as great comparatively as in the North Atlantic and Pacific, and I know that satisfactory service is being rendered in connection with those lines. The fact that there may be losses here and there, as I have heretofore pointed out, would not justify the Shipping Board, any more than it would a private individual, in immediately withdrawing the vessels from the trade. The people interested have sense enough to inquire, if the Government is losing money in those circumstances, how can they expect the Government to buy those ships and operate them out of those ports at a continuing loss. They have sense enough to know that if the losses are such as to warrant the Government in withdrawing the ships that that means, if the Government goes out of business and the ships are turned over to private operators, they will not continue to operate them from those ports at a loss.

Furthermore, those are cargo ships; and under the ship subsidy bill each of those ships would receive but from $10,000 to $12,000 a year subsidy. That would not cover the necessary cost of the upkeep of the ships; that would be no inducement for a private individual to buy the ships and operate them himself at a loss from those ports. The chief beneficiaries under the subsidy bill are the passenger ships, and the Shipping Board has no passenger ships in the Gulf and South Atlantic. No; it is simply a threat, which is intended to build back fires behind the Senators here who represent those States in order to compel and force them into voting for the subsidy bill. The article continues:

The section most in need of these lines was the South, with its heavy cotton shipments. Without regular lines, cotton growers of the South would be compelled to ship to northern ports and pay the high freight rates.

Neither is that true. If the Shipping Board ships go out of the business, foreign ships will take the place of their ships and cotton will move by water; there need be no fear about that. The article also states:

The Shipping Board's plan of withdrawing southern trade routes is not issued as a threat to southern Senators, but the members of the board feel that enough money already has been spent on these lines and that they would be derelict in their duty if they did not shut off the virtual subsidy which has been granted ships which have been running from these southern ports.

So it is the Shipping Board that feels this way. Hence I say that must necessarily be the source of Mr. Lawrence's information. The board has informed him that unless the ship subsidy bill passes South Atlantic and Gulf ports will be deprived of the ships which are now operating from these ports, for the board feels it would be derelict in its duty if it did not stop the losses which have been occurring there. That is done, as I have stated, to influence the people who are engaged in commerce and trade in those regions to urge their representatives here to support the subsidy measure, whether they consider it sound or not. The article continues:

Some of the ports which will be affected by a change of policy are Wilmington, N. C.; Charleston, S. C.; Savannah and Brunswick, Ga.; Mobile, New Orleans, Galveston, and Jacksonville.

Republican leaders are frank enough to say that a filibuster against the bill between now and March 4 will succeed unless the Democrats completely change their tactics and desert the progressive bloc and others who are keeping the shipping bill from being considered and acted upon by the Senate.

Who has been keeping the ship subsidy bill from being acted upon? The shipping bill has been laid aside at the request of the chairman of the committee to enable the Senate to consider, first, the appropriation bills as they have been brought forward, and then to consider rural credits legislation. We who are opposed to the ship subsidy bill are ready and have been all along to discuss it fully, fairly, openly here at any time that it shall be taken up; but if any excuse may be made for a filibuster, if there is any occasion when it may be resorted to in order to defeat a measure which is wholly vicious and unwise, I submit that in this instance a filibuster would be justifiable. On that subject I present an editorial from the Florida Times-Union, which is entitled "A filibuster legitimate," and ask that it may be inserted in the RECORD at the conclusion and as a part of my remarks.

The PRESIDING OFFICER. Without objection, that order will be made.

Mr. FLETCHER. However, there has been no filibuster in connection with the bill, and the naming in the article of prominent ports in North Carolina, South Carolina, Georgia, Florida, Alabama, Louisiana, and Texas simply means an intimation on one side that if the subsidy bill shall pass the ships will be continued to be operated from those ports as they have been operated in the past. Neither of the positions set forth in the article would appeal to any man of honor and integrity, and neither of them is in anywise justified or warranted. Plainly and evidently they are put forth in order that pressure may be brought to bear to accomplish results apparently so much desired by Mr. Lasker. He, apparently, aspires to occupy the position described by Pope, when he said:

Like Cato, give his little Senate laws,
And sit attentive to his own applause.

I desire to insert in the RECORD, Mr. President, an article which appears in Collier's Weekly of January 13, 1923, written by Mr. Irving T. Bush, who built the great Bush Terminal in New York City, covering 30 city blocks and equipped for receiving, shipping, storing, and manufacturing goods. Mr. Bush's own interests would be furthered by the growth of the American merchant marine. This gives added significance to what he has to say in this article, entitled, "They look pretty, but do they pay?" I venture to use this article here, believing Mr. Bush will be able to deal with any threat or attempt to punish him for his temerity in opposing subsidy.

Mr. Bush is president of the New York Chamber of Commerce. He has expressed himself in the article with great force and frankness and clearness. I do not agree with all his views; for instance, I do not believe that Government operation is necessarily a failure, or that it is unsound under conditions such as we have been going through and are now going through. In this article I especially wish to call attention to one or two paragraphs. Mr. Bush says, for instance:

After a man has bought an automobile he seldom stops to ask himself if he really needs it. He just goes on trying to find the money to buy gas, tires, and the other things necessary to keep it on the road. Is this the way with our merchant marine? I do not know. I am not arguing a point; I am asking a question. Certainly if we could translate our ships back into the cash they cost, we would make the swap at once. Of course, that can not be done. We have the ships and must face the facts—and they are not pleasant.

* * * * * * *

The present problem is, Shall we keep them going, or had we better sell them and take taxis?

I admire Mr. Harding greatly—

I agree with him in that statement; we are absolutely in accord as to that—

I voted for him—

I part company with Mr. Bush there—

and hope to do so again.

Still our paths diverge, but here we come together—

But I can not bring myself to believe that a merchant marine that can be maintained only by a subsidy—by paying out the taxpayers' money to some one to run it—is worth maintaining. * * *

I can not remember any American shipowner cutting rates just because he was an American.

That is another proposition we might as well face.

* * * * * * *

It is the same problem every manufacturer faces. Shall he own a truck or hire one? If it's cheaper to own one, let us own one; but if it costs so much to run an American ship that we must pay some one a bonus to do it, where do we get off with a saving?

* * * * * * *

Therefore a subsidy is but a temporary expedient to build up a merchant marine, but, if undertaken, a permanent policy. Is it likely to be permanent? Would it work easily and smoothly without scandal? Or will some coming Congress catch some shipowner with his thumb in the molasses and kick the whole thing over, and with it all the money we have spent?

This is the language of one of the strongest intellectual forces in this country, a man of patriotism, a man to whose interest it would be to see the subsidy bill passed, so far as that is concerned, but he is conscientious, patriotic, public-spirited, broad minded, and he says:

No very sensible man is going into a business based on a bonus which may be withdrawn at any time. What shall we do? We can not sell the ships; shall we sink them? By no means! We have the ships and have paid our good money for them. It may be that there still remain some not worth keeping at any price, but the fleet has been pretty well pruned. The remainder should be kept until we can sell them to be operated under our flag.

That is exactly what I have been saying. That is precisely where I stand.

This is difficult just now for two reasons—shipping business is bad and we have not yet developed a sufficient number of men who know the shipping business.

That difficulty is met, according to Mr. Lasker, by the supreme degree of efficiency which has been attained in the Emergency Fleet Corporation.

A subsidy will not correct either of these difficulties, but time will. If there is no freight to carry, a bonus will not create it, and experienced operators of ships can come only as men acquire experience. In the end the ships should be sold, for the Government is not a success in business. * * *

The plain fact is that the ships are better at anchor if they are not wanted, and when they are wanted it is better to charter those we now own to Americans without any interest or depreciation—taking a share of net earnings as compensation and leaving to the future the question of new ships.

Precisely the position which I have taken on this subject, and which I stand for to-day.

As time passes, it will develop whether a merchant marine can justify itself under the American flag. If it can not—let us hire our hauling done for us.

I have no doubt on the subject myself, and I believe this: It is better for the Government to have these ships—some ships, at least—to supplement the privately owned ships in carrying our commerce overseas by a sufficient number to serve us in time of any emergency as naval auxiliaries, if that should come, and by a sufficient number to serve our commerce as needed, as it rises or falls, even if it does cost the Government a little money to do that. We have had illustrations of what that means. Last year, when the coal strike was on and the railroads were tied up and we could not get coal, we had to buy coal in England and bring it over here to our own people, although right in sight of us here were millions and millions of tons of coal. What happened? The freight rate on coal was 7 shillings a ton. Immediately the foreign ships put up the rate to 14 shillings a ton, and I presume it would have gone higher yet. Fortunately we were in the position of having a few of our own ships lying tied up, idle, out of service, if you please. We put 83 of them into that business and brought that coal here at less than 9 shillings a ton. That is the kind of service those ships can render the people of this country. Suppose it does cost a little money to keep those ships tied up from time to time?

Then, again, when we appropriated $20,000,000 to send grain to Russia, what happened? Freight rates went up on that grain. We would have been obliged to pay most exorbitant rates in order to deliver the grain. We were in position to go down to the Shipping Board and say, "Let us have some of these idle ships to move that grain at reasonable cost," and that was done.

An enormous amount of money was saved to the people of this country by those two operations. So I say it is no loss even if we have to pay out a reasonable sum to have ready at hand ships that can serve the commerce of this country and the people of this country when the occasion arises, as in the two instances I have mentioned.

At a later time I shall have something further to say on this general subject. At present I submit what I have thus far stated, and believe that $30,000,000 is all that we ought to provide in this bill; that the item of $50,000,00 should be changed to $30,000,000.

I ask that the entire article to which I have referred be printed as a part of my remarks.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

APPENDIX.

[From the Florida Times-Union, Jacksonville, Fla., Saturday, January 6, 1923.]

A FILIBUSTER LEGITIMATE.

As yet there is no evidence of a filibuster in the Senate against the ship subsidy bill. The appropriations bills that have displaced it were necessary, and they have been passed promptly. Delay is delay, and an attempt to delay the ship subsidy bill could have accomplished the same results if used against one of the supply bills as if against the subsidy bill itself. Not quite 50 days of the session remain, exclusive of Sundays, and if the desire is to prevent a decision on the subsidy bill before the end of the session the taking up of two days on a supply bill instead of one would take out a day as well as if the subsidy bill were considered twice as long as is necessary.

The farm credit bill will displace the subsidy bill and it will take up a reasonable amount of time. The debate on a measure of this kind would occupy a week, or maybe two or three, in the Senate if Senators were only trying to present reasons for or against its passage. If this bill does not get out of the way before the end of this month, the consumption of the time will be no proof of an effort to prevent the passage of the ship subsidy bill. It will only show a commendable desire on the part of Senators to vote intelligently on this bill. The Senate is not in the habit of being hurried.

But the condemnation of a filibuster as a legitimate means of preventing undesirable legislation is absolutely insincere. The men who condemn it when it is being used to prevent the passage of a bill they desire use it to defeat a bill they are opposing. It is so unhesitatingly used by both parties and by individuals that it is strange that anybody will stultify himself by condemning it when it is used in opposition to his desires.

In the present case the use of the filibuster would be an act of patriotism. It would not serve to defeat the will of the people, but would serve to leave the matter in the hands of the men the people elected two months ago instead of those elected two years and two months ago. On patriotic grounds a man may do all in his power to have the most recently expressed will of the people carried out, even if they had previously expressed themselves differently.

While there is about 170 Republican majority in the House of Representatives now, the subsidy bill was passed by a majority of only about 20. More than one-third of the Republicans in the House voted against it. In the House of Representatives recently elected the Republicans will have a majority of only 15. Everyone knows that if the Congress recently elected decides this question the bill will be defeated. It is being pushed now to give a defeated Congress a chance to force it on the people.

[From the Philadelphia North American of November 27, 1922.]

TWENTY-SIX SHIPS BUILDING IN UNITED STATES NOVEMBER 1; TOTAL, 156,890 TONS—TWO ON WAYS AT CAMDEN; CHESTER YARD BUILDING THREE—ONE A CABLE SHIP.

Twenty-six vessels of 156,890 gross tons were included in the seagoing tonnage building or contracted for in the United States on November 1, according to reports compiled by the American Bureau of Shipping.

Among these were two 6,800-ton tankers, under construction by the New York Shipbuilding Corporation, Camden, for builder's account, and three vessels under construction by the Sun Shipbuilding Co., as follows: Nine-thousand-ton tanker for the Sun Oil Co., 4,000-ton passenger steamship for Inter-Island Steam Navigation Co., and 600-ton cable ship for the Commercial Pacific Cable Co.

The Pusey & Jones Shipbuilding Co., of Wilmington, is building two combined passenger and cargo boats of 2,710 tons each for the Seaboard Bay Line.

The new tonnage includes 12 strictly cargo ships, aggregating 88,970 tons; 7 combined passenger and cargo vessels, aggregating 30,220 tons; 2 passenger ships, with a combined tonnage of 13,000; 4 tankers, aggregating 24,100 tons; and 1 cable ship, 600 tons.

Among orders placed since November 1 is one for two ferryboats for the Philadelphia-Camden service, just awarded to the Pusey & Jones Co. The boats will be 200 feet long and will be the fastest ferryboats on the Delaware.

INQUIRIES FOR SHIPS INCREASE, SAYS BROKER.

An increasing number of inquiries for ships is reported by John H. Fisher, of Chapman & Fisher, ship brokers.

"Right now," said Mr. Fisher, "we are getting more inquiries from prospective purchasers than at any time in the last eight months. These calls come from parties whom we know to be responsible, and we know that the inquiries are genuine. Usually they are for some special type of vessel, and it is not always easy to find just what is wanted, but we are confident that they indicate an increasing demand for ships.

"If Congress passes the ship subsidy bill we expect it to put new life into shipping and every industry connected with it. At present we frequently are asked to quote rates on charters to foreign ports, but practically no business is done in this line, as we handle only American ships, and they can not meet the rates offered for foreign bottoms."

[From Collier's Weekly of January 13, 1923.]

THEY LOOK PRETTY, BUT DO THEY PAY?

(By Irving T. Bush.)

"Do you want American goods in the markets of the world?" "Do you want the American ships sailing the seven seas?" "Shall we cravenly refuse the challenge of world trade?"

How do you answer? How do I answer? We don't answer. We just cheer. For those are noble sentiments and they have to be cheered. Somehow the sea holds a mysterious lure even for those who have never

seen it. When I was 19 I went around the world in a sailing ship, and I think I would do it again if I could find the time and the sailing ship. I have crossed the Atlantic nearly a hundred times. I get to London much oftener than to San Francisco. Yet I still feel a little tingle of adventure when the bugle blows the visitors ashore and the ship moves out of the dock to head for the open sea.

The salt water is in our blood. The chantey, the clipper ship bowling through the gale with every inch of canvas set, the whalers putting out of Nantucket for the unknown, the homeward-bound steamer, the companies of merchant adventurers, Drake, Frobisher, Captain Kidd, the Spanish Main—these things are of our very blood. One is suspicious of a man who does not love a ship. We suspect him of not loving a dog or of wanting to nationalize children, or perhaps of being a vegetarian. I, for one, refuse to part with any of these emotions. I have no more desire to be an internationalist than I have to be a polygamist, to borrow from Roosevelt.

OUR SALT-WATER EMOTIONS.

But also I am distinctly fed up on imperialism, for it always has a sordid side. I am willing to see if our salt-water emotions are not the result of a heritage of thought that is not based on present-day facts. Is there any particular reason why we here in the United States of America should break our necks scrambling for foreign trade or break our backs trying to support a merchant marine? My business consists in large part of providing terminal facilities for ships in the overseas trade. In cold dollars and cents it makes no difference whether the vessels which tie up at my docks are of American or foreign registry, but if we have a great American merchant marine and a great foreign commerce there will be more competition for wharfage and warehousing, which means a greater demand for what I have to sell. My personal interest is on the side of America capturing the trade of the world and sending out goods in American bottoms.

Let us take a look at this whole matter of foreign trade—for whether or not we want a merchant marine depends on whether or not we want foreign trade. The real question concerns the relation between foreign trade and domestic prosperity. Does prosperity depend upon selling part of our products overseas; and if so, what part? There would certainly seem to be no doubt that if the world were buying liberally from us we should be in quite the same position as a store with a large number of profitable out-of-town customers. Visiting buyers, it would seem, ought always to be welcome. We had a great number of visiting buyers during the war. The whole world came here to buy, and in consequence every workshop in the country was running full blast. We not only made for ourselves but we made for everyone else. We monopolized the trade of the world. And what did we get out of it? Principally the privilege of paying the bills as well as doing the selling.

Of course, we did a land-office business. We couldn't help doing it, for not only were all other sources of supply cut off to the foreign buyers but we also loaned to them the money with which to pay us. There were no elements of trade at all, not even the element of price, for, since we were paying for what we pretended to be selling, the man who pretended to be buying from us did not bother how much we charged ourselves.

Our unique sales plan found great popularity throughout the world. It was popular here at home. It began to look as though Midas were just a back number. Then the Government shut off its loans, and the bankers began to shut off their loans, and then the people abroad began to realize the awful truth that we were no longer going to pay for what they bought. They were quite outraged and quit us cold. That is how what is called, for want of a better name, our great "foreign-trade revival" started, and that also is how it ended, and that also is all there is to it.

While this merry distribution of American produce was going on our merchants and manufacturers met often and enthusiastically to lay plans for capturing the world's trade.

It was taken for granted that there would be customers. A few unemotional men pointed out certain defects in the scheme, but these were brushed aside. The chief defect which they noted was that trade is only barter and that the limit of a country's capacity to import is its capacity to export, and that no country could plan only to export unless it planned also to get along without being paid.

Since those happy days we have seen the production of the world fall very low, and therefore its buying capacity fall very low. The inevitable has happened. Certain laws govern foreign trade, and they have to be thought about even though they are not more sprightly than a wet blanket. A country's wants will ordinarily develop as fast as its production. The production is the measure of buying power. A country may send abroad part of its production, but in exchange it must get a part of some other country's production. Each country will naturally acquire a special proficiency in some line of industry or have a surplus of some natural product. It may even have a natural monopoly, as Chile has of nitrates, and parts of the Far East have of rubber and tea. But for every export an equivalent import has to be received.

This is a perfectly plain statement. It is not quite so plain when applied to world movements, and especially in the case of those countries which are always held up to us as models of what foreign trade will do for a nation. We have been told very often how before the war the export average of Belgium was $94 to an inhabitant; that in England it was $45; in Germany, $35; while in the United States it was only $26. It can be shown at the height of our prosperity our average rose to $50 a person—which is apparently all that needs to be demonstrated.

WHAT MAKES US PROSPEROUS?

What do we mean by being prosperous? If the general well-being of a people depends upon the amount of its foreign trade, then we ought to find the highest average export per capita indicating the highest average standard of living. But the plain fact is that we find nothing of the kind. In the four countries I have just given the highest standard of living is with the country with the lowest export per capita. We know that before the war the United States had the highest standard of living and Germany the next highest, and that England's standard was low and Belgium's still lower. I am thinking of the ordinary man working for wages and not of the rich man.

It is inevitable that any country which thinks first of foreign markets and second of home markets will find all the evils of the factory system. A nation whose customers lie outside of its own borders can not regulate its own wages. They must be regulated by the inexorable competition of other nations. If a nation must sell its goods in foreign markets, it can sell them only if they are as good and as cheap as similar goods produced by other nations. This makes it absolutely impossible for such nations to regulate their own wages. They must be brought down to the level of those with whom they compete.

Most of the objections to the factory system, most of the socialistic, communistic, and guild doctrines that are brought over here by foreigners and sought to be planted upon our society have been evolved by studying the industries of countries whose principal business has been in export. And it is an extraordinary fact—or perhaps it is not an extraordinary fact, because we all think very much alike—that those who insist that the United States can prosper only through foreign trade are likewise thinking of this country in terms of foreign economic life. They insist that because England had a great foreign trade and has a great merchant marine we should likewise have them—and they think no further.

SELLING OVERSEAS.

We here in America are not in like case with England or Germany or Belgium or any other country in the world. We produce our own foodstuffs. We are, as far as necessities are concerned, almost self-contained. Our list of essential imports is low and when we have named coffee, tea, silk, jute, rubber, and nitrates we are nearly at the end.

Our imports are preponderantly of will, not of necessity. Our exports before the war were natural ones that did not find any real competition, such as raw products like cotton, wheat, and oil. Our especial genius has been in mass production and in labor-saving machinery and appliances, and so, without competing with European labor, we have been able to send out harvesting machines and automobiles, sewing machines, cash registers, typewriters, calculating machines, and the like. We have never pitted our labor against European labor, and what we exported before the war was just about enough to pay for what we imported, plus transportation, insurance, interest payments that we owed, and the amount spent by our tourists.

Of course, we shall always have to export about enough to pay for what we buy abroad, although that balance may be settled by the fact that the countries abroad have to pay us interest on the war loans—which means they have to send us goods. If the 48 States of this country were separate sovereignties, would any one of those States for an instant bother about seeking trade across the Atlantic or the Pacific? We would have our foreign trade at home. We have it at home now. We can find almost every climatic condition within the borders of the United States that we find anywhere on earth. During our most truly prosperous years this country did not bother about going overseas excepting to sell such articles as were out of competition, because we made them so much better or cheaper than anyone else did.

If we did not need this excess trade in the past, why do we need it now? Because foreign trade is stabilizing—it prevents us from having up and down years. Does it? It has been calculated that the difference in the actual volume of business, regardless of the dollars, in a prosperous time is only about 15 per cent higher than it is in a time of depression.

The other day I read a long, learned account of just how selling our surplus abroad can make up the difference between good and bad times, and the assumption was that at a very definite point the United States rose from the table and said it would not eat anything more—that there really was a point of satiation and that when we got beyond that point we must have bad business unless the surplus be sold abroad. The surplus need not be large—a difference of consumption of only about 5 per cent in an industry will cause remarkable disturbances. But can not we absorb that surplus ourselves? Would we not do better to cultivate the development and the consumption of this great, rich, far-flung Nation than to go roaming through the world trying to induce economically less fitted people to buy from us, more especially when we see that those nations which have become great through foreign trade have done so at the expense of their working people? The rank and file of the people of this country will not be helped by any foreign-trade drive unless it rests upon permanent sales to solvent customers. At least the rank and file elsewhere have not been so helped. They have traded abroad only because they could not trade at home. We can trade at home.

AN IN-AND-OUT BUSINESS.

The nations of the past which went into overseas trade and have become famous as mariners did so because that was about all that they could do for a living.

Years ago we found that having ships paid. We were then a little country, much like England, for we stopped at the Alleghenies. The South owned land and slaves and raised cotton. It had a low buying power, for if we exclude the slaves it was but sparsely settled. New England was a workshop and fishery. It had plenty of timber near at hand. It could build fine wooden ships better and cheaper than other countries and our sailormen knew not only how to manage them at sea but how to trade their cargoes on land. The big figure was the Yankee trader, and he could do something more than hold his own anywhere on earth. We went into shipping because it paid and not for any patriotic reason. And we got out of it when we found something to do that paid better, which was building railways and opening up the West.

Our wooden sailing ships could not make money against the iron steamers which England developed. And England developed them only because she had the iron and was dependent for foodstuffs from over the ocean. She had to send her own wagons after her goods, because there were no others to send. The European nations have always been more interested in getting our goods than we have been in sending them; it means more to England to get our wheat and meat than it does to us to send them. Where it has meant more to us to send than it did to the other fellow to get, then we have built ships and operated them, as witness the fleets of the Standard Oil or the United States Steel Cos.

In what way does delivery by sea differ from delivery by land? A merchant with goods to deliver buys a truck or hires it, according to which is cheapest. If he has to deliver somewhere in a place to which no truck that he can hire will go, then he calculates whether the trade is worth buying a truck for; if it is not, then he lets the trade go. We ought not to make it hard for such of our citizens as want ships to own them.

For many years we have heard talk about the necessity for a merchant marine. The necessity was said to be so urgent that it was worth while to pay the cost of running vessels out of the Public Treasury—that ships were as essential to our well-being as are the railways. How does that come about? Because we need foreign trade? Ships have never been profitable during any long period; shipping is an in-and-out sort of business. During the war shipowners made money

by the barrel, but the ordinary year is lean enough. Few Americans in these days want to be seamen excepting in time of war; outside of the fishermen, the few boys who go to sea do so in the Navy. We have not officers enough for even a moderate-sized American merchant marine. And as for seamen, England herself draws on the Lascars and the Chinese. Is this the sort of thing that we want to get into?

FACE THE FACTS.

But we have already a merchant marine at hand and built—the Shipping Board fleet. What are we going to do with it? And are we going to find ourselves in another war without ships to transport our troops and supplies? And how about naval auxiliaries? It pays other nations to cover part of the expenses of fast merchant ships, just so they can be transformed into scout cruisers and commerce destroyers in time of war.

After a man has bought an automobile he seldom stops to ask himself if he really needs it. He just goes on trying to find the money to buy gas, tires, and the other things necessary to keep it on the road. Is this the way with our merchant marine? I don't know. I am not arguing a point; I am asking a question. Certainly if we could translate our ships back into the cash they cost we would make the swap at once. Of course, that can not be done. We have the ships and must face the facts, and they are not pleasant.

SHALL WE TAKE A TAXI?

There is no use of crying over spilt milk—let's mop it up and start fresh. That the ships were built under war pressure, in yards constructed with war extravagance, of materials selected sometimes because it was all we had, by men only learning the art of shipbuilding, is ancient history now. The present problem is, Shall we keep them going or had we better sell and take taxis?

I admire Mr. Harding greatly. I voted for him and hope to do so again, but I can not bring myself to believe that a merchant marine that can be maintained only by a subsidy, by paying out the taxpayers' money to some one to run it, is worth maintaining. If we can't get along without ships, we must pay the price, but, after all, we did get along without them for a great many years and the country grew and its trade increased. Whenever we had goods going to or from other countries there were always ships ready to carry them on a competitive basis. Rates were high when shipping was brisk, and dull when it was slow. I can not remember any American shipowner cutting rates just because he was an American. We were just producers of goods and we hired some one else as cheaply as possible to deliver our goods and haul in our raw materials.

It is the same problem every manufacturer faces. Shall he own a truck or hire one? If it's cheaper to own one, let us own one, but if it costs so much to run an American ship that we must pay some one a bonus to do it, where do we get off with a saving?

Some say let us change our laws about crews, and so forth, and make it cheaper. The plain fact is that, law or no law, American boys will not go to sea unless they are paid about as good wages as they get on land. This is true of the boys of other countries, too, but their wages on land are lower than ours.

Therefore a subsidy is not a temporary expedient to build up a merchant marine, but, if undertaken, a permanent policy. Is it likely to be permanent? Will it work easily and smoothly without scandal? Or will some coming Congress catch some shipowner with his thumb in the molasses and kick the whole thing over—and with it all the money we have spent?

WORSE THAN A WALL FLOWER.

No very sensible man is going into a business based on a bonus which may be withdrawn at any time. What shall we do? We can't sell the ships—shall we sink them? By no means! We have the ships and have paid our good money for them. It may be that there still remain some not worth keeping at any price, but the fleet has been pretty well pruned. The remainder should be kept until we can sell them to be operated under our flag. This is difficult just now for two reasons—shipping business is bad and we have not yet developed a sufficient number of men who know the shipping business. A subsidy will not correct either of these difficulties, but time will. If there is no freight to carry, a bonus will not create it, and experienced operators of ships can come only as men acquire experience. In the end, the ships should be sold, for the Government is not a success in business. This has been demonstrated to the satisfaction of sensible men. In the meantime, it is better to keep a part of the fleet idle than to run them at a loss.

The plain fact is that the ships are better at anchor if they are not wanted and when they are wanted it is better to charter those we now own to Americans without any interest or depreciation—taking a share of net earnings as compensation and leaving to the future the question of new ships. As time passes, it will develop whether a merchant marine can justify itself under the American flag. If it can not, let's hire our hauling done for us.

Within our own boundaries we can make our own laws and live our own lives. Beyond our boundaries we must be ready to pay the piper of competition or not dance. It is more becoming for Miss Columbia to be a wall flower than to hire a partner.

THE SHIPS WE BUILD NEXT.

And as for war needs: If ever again we have to fight overseas, the world's ships will be at our command again. These new ships of ours did not have much to do with winning the war excepting in a moral way. They were not built in time. Our coast and lake steamers will be with us in the future as they were in the past. Commerce destroyers? If we need them, why not build them as warships and own them as such, instead of fooling ourselves by spending huge sums to maintain makeshift vessels of little real use as destroyers when war comes?

And then, too, the methods of making war are changing so rapidly that, from a purely business standpoint, any large expenditure for ships of unspecialized construction would seem unwise.

If the airplane keeps developing at its present rate—and there seems to be no reason why it should not—then the transport of troops on the surface of the sea is going to be all but impossible. The airplane and the submarine can not help but make the next war different from the last. At least all the experts say so. I hope that there will not be a next war, but I should not want to be unprepared for one. The question is rather whether the maintenance of a merchant marine by a subsidy has anything to do with preparedness. Warships seem technically to become obsolete about the time they are launched. Is there any reason to believe that our auxiliaries will fare better?

Mr. McKELLAR. Mr. President, as I understand, none of these amendments are to be voted on until 4 o'clock. Therefore, I want to take up very briefly certain amendments that I am going to ask the Senate to vote on when, under the unanimous-consent agreement, it is proper to submit them and have them voted upon.

The first of these amendments is to be found on page 5, line 2. This particular amendment refers to the automobiles in use by the Alien Property Custodian. We pay the Alien Property Custodian a good salary—$10,000—a little more than a Senator or a Representative gets, and under this bill we give him an automobile. Congress never has passed a law authorizing this, and, of course, would not do so directly. Just how the Alien Property Custodian had an automobile assigned to him we do not know, but just as the practice has grown up in other departments it has grown up here. We find ordinarily that the head or chief of each bureau or department of the Government has an automobile.

The time was, Mr. President, when automobiles were confined to Cabinet officers. The truth of the matter is that the time was when the Cabinet officers each had a carriage, a horse-drawn vehicle of some kind, a landau or a coupé or a cabriolet; but in these days of automobiles we not only give Cabinet officers one or more automobiles but we give almost every chief of bureau and many others an automobile. There has been an absolutely reckless waste of the people's money in the matter of furnishing automobiles to the various department officials and clerks in the city of Washington and outside.

About two weeks ago, I believe, I offered a Senate resolution, which passed unanimously—because I believe all Senators know that a custom has grown up here of wasteful extravagance in the use of automobiles in all the departments—asking for information from every department and every independent bureau. My amendments to this bill have been pending for several days, and we have not yet heard from a single department. We have heard from some bureaus, especially those bureaus that have not any and those bureaus that have few, but we have not heard from a department. It is quite remarkable that we have not received that information. It has been known, because it was stated in the papers, that these amendments have been offered by me looking to the curtailment of the use of automobiles, and we ought to have had that information. The departments ought to have furnished it before now. There is no reason in the world why they could not have furnished the data that were asked in this resolution, but none of them have furnished the data. Whether or not they will furnish them in time for use in connection with the appropriation bills at this session, I do not know; but I do not believe any Senator here, I do not believe the chairman of the committee, I do not believe any other Senator will be willing to appropriate money in the extravagant way that we have in the past for automobiles for the use of the officials and clerks of the various departments. The truth of the matter is that we ought in terms to furnish to the Vice President of the United States, the Speaker of the House of Representatives, the General of the Army, the ranking admiral of the Navy, and each Cabinet officer a passenger automobile—that would be 14 in all—and we ought to cut out all the rest of them. Why should we give a man, say, a $3,000 or $5,000 salary, and then furnish him with an automobile at the expense of the Government, frequently with chauffeur charges that cost virtually as much as his salary? Is that good business? Is it good legislation? It ought not to be done.

Just to show how extravagant is the use of automobiles, I submit to the Senate a report from the Shipping Board; and I want to commend the Shipping Board for their very moderate use of automobiles here in this city. I am sorry I can not commend it in the same way outside the city. According to their report they have only two here, and I am glad to hear it. It is quite remarkable for any bureau of the Government in Washington to have but two, and therefore I want to commend them; but while they have been reasonable in their use of automobiles here in the city of Washington, they have been most wastefully extravagant in the use of automobiles outside of the city of Washington. It looks as if every officer, every official stationed anywhere in the United States outside of the city has an automobile. I read from this report.

First, a Cadillac; original cost, $3,444.71; chauffeur's salary, $130; upkeep, $95.10. That is in New York.

A Dodge, in Boston; original cost, $875; upkeep, $52.30; salary of chauffeur, $100.

A Buick, in Boston; cost, $1,660; upkeep, $61.72; chauffeur's salary, $100.

A Cadillac, in Philadelphia; original cost, $3,697.50; upkeep, $90.78; chauffeur's salary, $130.

Another Cadillac, in Philadelphia; original cost, $2,932.22; upkeep, $80.59; salary of chauffeur, $110.

Mr. KING. Those salaries and the upkeep are per month?

Mr. McKELLAR. Oh, yes; per month. A Ford, in Baltimore; cost, $402; upkeep, $44.80; salary of chauffeur, $90.

A second Ford, in Baltimore; cost, $446; maintenance, $30.32; chauffeur, $90.

A Cadillac, in Norfolk; original cost, $3,426.67; upkeep, $32.23; chauffeur, $91.

A Buick, in Norfolk; cost, $1,660; upkeep, $49.07; chauffeur's salary, $104.

A Peerless, in New Orleans; original cost, $2,990; upkeep, $115.54; salary of chauffeur, $80.

A Ford, at Galveston; cost, $738.68; upkeep, $40.34; chauffeur, none. The officer evidently runs the Government car.

There was a machine at Portland operated in the same way, another at Seattle, two at San Francisco, two in London, England, one in Liverpool, one in Glasgow, one in Yokohama, and one in Manila. They have eight passenger cars at Hog Island. As the Senator from South Carolina [Mr. SMITH] well says, they are just trying to "hog" all the automobiles there. What possible excuse can members of the Shipping Board give for having eight passenger cars at Hog Island at this time? Here is the explanation, and I want to read it. It is not an explanation, but it is an excuse, as the Senate will see. But before I get to that I want to say that the combined monthly cost of those 29 machines, for upkeep and service, is $2,756.36, the cost of the passenger automobiles for the Emergency Fleet Corporation alone, and that does not take into account the two they have in Washington. If the Shipping Board spend the people's money in every way as they spend it for passenger automobiles, no wonder the Shipping Board is $50,000,000 a year in the hole.

I read now from the report:

From the above statement it will be noted that the Emergency Fleet Corporation on January 15, 1923, maintained 29 automobiles outside the District of Columbia. It may be said that when the present board assumed office in June, 1921, it was found there were then being maintained outside the District of Columbia by the Emergency Fleet Corporation approximately 100 passenger automobiles.

Mr. WARREN. At what date was that?

Mr. McKELLAR. In June, 1921. I continue:

The operation of any passenger automobiles outside the District of Columbia was immediately suspended pending a survey of the general situation.

I suppose they felt horrified when they went in; but we will see how accustomed they got to the use of automobiles, at double expense, when the Government pays all the bills—pays for the automobile, pays for the upkeep of it, pays the repair bill, and pays for the chauffeur. It is easy enough to keep them going under those circumstances. Any of us could do it.

Mr. WARREN. As to chauffeurs, as a general thing, except a few, the automobiles are not driven by chauffeurs, but are driven by the officers.

Mr. McKELLAR. Let us see how that is here.

Mr. WARREN. I do not know what might be the case with the Shipping Board, but I am speaking of the Interior Department, for instance, or other departments.

Mr. McKELLAR. Twenty-two are driven by the chauffeurs, and the salaries are from $80 to $130 each, and seven are driven by the officers. That is the proportion given here.

Mr. CARAWAY. May I interrupt the Senator to say that it seems that in the cases where there is no chauffeur, the officer is cheaper than a chauffeur.

Mr. McKELLAR. I do not know how that is.

Mr. CARAWAY. The Senator from Wyoming seemed to make that distinction, that the officer was cheaper than the chauffeur.

Mr. McKELLAR. The truth of the business is that these officials should not have these automobiles. There is no rime or reason or excuse for it. It is woeful waste of the people's money, for which Congress is responsible. We ought to put in an inhibition against the use of these automobiles. The mere purchase of the automobile is a very small part of the expense. It is the upkeep of them, it is the gasoline that is used, it is garage space that is used, it is the hundred other expenses in connection with the driving of these machines that makes up the big expense. But I continue to read:

For the information of the Senate it is stated that orders have been sent out—

The same old excuse we have heard so often before—

Orders have been sent out still further reducing the number of automobiles operated by the Emergency Fleet Corporation shown in the above report, so that hereafter but one passenger car of low original cost and small operating expense, will be authorized in each of the district headquarters and this will result in eliminating six more cars which, with the six it is proposed to eliminate at Hog Island, will result in a net reduction of 12 cars by February 1, 1923.

There are eight at Hog Island, and they propose to eliminate six. They have not very much use for those cars. Yet the average cost of each one of those six machines is not less than $200 a month at Hog Island, and they have been running them there for years.

If the resolution I had passed the other day did not do any more good than this, it has helped some. As good luck will have it, I am going to be here for six more years, and I have just begun the fight on the extravagant, wasteful use of automobiles in the various departments, and I am going to keep that fight up for the next six years. I serve that notice now so that these officials may understand just exactly what they may expect in the future. I have not received any reports from the departments, but as I receive them I am going to lay them before the Senate and comment on them. You Republicans can uphold this waste and extravagance if you want to, but I shall call the people's attention to it as we go along.

Mr. SMOOT. Mr. President, I welcome the Senator to the ranks of economy. While under the last administration we had a hundred or more automobiles for the Shipping Board, I want to congratulate the Shipping Board for having gotten the number down to 22, instead having a hundred, as when the Senator did not take any interest in it at all, with a promise of getting rid of six more, I hope they can cut it in two again. I am in hopes to see it cut down below even half of what they say they can cut it to.

Mr. McKELLAR. The Senator makes a great mistake. I have been complaining against this matter every year, every time the appropriation bill came up, for a number of years, virtually ever since I have been in the Senate, in fact. The Senator will recall that in 1917, the first year I was here, I aroused a great deal of ire in the departments because of my insistence that they were using these automobiles for other than official purposes. I have made war on them all the time, and I am glad to know the Senator feels as I do about it. I hope he will vote as he objects. I want to say this about the Shipping Board, however: I understand they have about a thousand ships tied up which they say they can not run. They seem to be able to run passenger automobiles better than they do ships. I think probably it would be very wise to turn over to them some land transportation problem, as they seem to know better how to run automobiles than how to run ships. I continue to read:

With particular reference to the automobiles in operation at Hog Island, Pa., eight in number, it should be stated that by reason of liquidation now taking place at Hog Island the number of automobiles in use at this point will be reduced to two before February 1, 1923.

The United States Shipping Board Emergency Fleet Corporation makes no allowances to its employees outside the District of Columbia for privately owned automobiles. In no case are the automobiles maintained by the Emergency Fleet Corporation assigned to the use of any individual official or employee, but they are operated for the general official use at the various points shown.

This report is compiled as of January 15, 1923.

Respectfully,

A. D. LASKER, *Chairman.*

I think we are accomplishing a little, at any rate. I shall offer an amendment, and I hope the Senator from Utah will vote with me and will speak for the proposition, providing that no part of the appropriation for the Shipping Board shall be used for passenger-carrying automobiles. If the Senator will vote with me, we can cut out from $25,000 to $30,000 a year of useless expenditure. The gentlemen who use these machines all get excellent salaries. They are the best paid officials in the employ of the Government. There is no reason in the world why they should have this additional allowance for automobiles.

The first amendment I suggested does not apply to the Shipping Board, but I am talking about the Shipping Board because they have sent in a report. Again I want to thank them for sending their report in. That is more than many of the other departments have done, and to that extent the board is entitled to credit.

Mr. SMOOT. I want to say to the Senator that I doubt whether it would be economy to take all of the automobiles away from the officers of all of the departments.

Mr. McKELLAR. All except the 10 Cabinet officers, and the other officials I named. I think that unquestionably the others should be taken away.

Mr. SMOOT. The Cabinet officers and the other officials named by the Senator should have automobiles granted them, of course.

Mr. McKELLAR. Certainly.

Mr. SMOOT. But I do think there are a few officials in the departments who really ought to be taken care of, and taken care of properly, as to transportation.

Mr. McKELLAR. Does not the Senator think that every automobile we authorize ought to be authorized in specific terms, the officer named, and the appropriation made for that specific purpose? Does the Senator think the present method of handling the matter, the cost of the automobiles, their upkeep, the rent of storage room, and chauffeur hire should come out of lump-sum appropriations for general purposes, in the way we have been doing it for a number of years?

Mr. SMOOT. I would not want to go so far as to say that it would be wise to name the officer. It would be well enough, perhaps, to name the office, but not the officer.

Mr. McKELLAR. That would be entirely satisfactory.

Mr. SMOOT. Because the officers sometimes change, from one year to another. I am in full sympathy with cutting to the very bone the appropriations for automobiles for officials of the Government of the United States.

Mr. McKELLAR. Has the Senator any idea how many there are in operation here in the city of Washington?

Mr. SMOOT. No; I could not say. I have not had time to look it up lately, but I know there are a great many less than there used to be. I do not say this in the way of criticism of the last administration at all, because more than likely if the Republicans had been in they would have done the same thing; but we had thousands and tens of thousands of automobiles stacked up all over the United States, and it was stated in the beginning, "Well, it is not going to cost the Government anything. These automobiles will lie there and rot, anyhow, and we might just as well use them and save the time of the men running around." That was all right, perhaps, in a way, and it is true we had automobiles; but anybody who ever operated an automobile and paid the expense of the maintenance of one knew that it was not all velvet, even though we did own the automobiles and it would not cost us anything to get them.

Mr. McKELLAR. It is costing us a great deal now.

Mr. SMOOT. They have lain out and spoiled, so that none of the officials want them. They want to go and buy new automobiles.

Mr. McKELLAR. The ones to which the Senator refers have worn out and the officials are getting new ones. I want to ask the Senator if he recalls, without having to refer to the papers, what the salary of the Alien Property Custodian is? It is $10,000, is it not?

Mr. SMOOT. Yes.

Mr. McKELLAR. In this appropriation bill there is authority given for a passenger automobile for the Alien Property Custodian, at a cost of not less than $3,000 a year, and it may be considerably more.

It occurs in this language:

> And maintenance, repair, and operation of motor-propelled passenger-carrying vehicles.

In that way we appropriate some $3,000 to $4,000, dependent upon how much repairs and salary of chauffeur amount to, for the Alien Property Custodian. If we are to pay him $10,000 a year salary, $2,500 more than any Senator or Representative is paid, and give him three or four thousand dollars more for this passenger car, what explanation can be offered? It just happens that I know well the present Alien Property Custodian, one of the finest men I ever knew. I served with him in the House. He is a delightful gentleman. If I were in the business of being generous enough with the Government's money to give my friends each an automobile, I do not know of any man in the city of Washington and I do not know of any man in the employ of the Government to whom I would rather vote to give an automobile and its upkeep and chauffeur than this splendid gentleman who is now Alien Property Custodian. But I ask any Senator present if there is anyone who can give a reason why we should furnish the Alien Property Custodian with an automobile, its upkeep, and chauffeur? I pause for a reply. There being none, I ask, Can the chairman of the committee give any reason why we should furnish an automobile to the Alien Property Custodian, to whom we pay $10,000 a year, $2,500 more than the distinguished Senator who is chairman of the committee receives? Why should we appropriate the people's money to give him an automobile and its upkeep and a chauffeur, amounting to some three or four thousand dollars a year in addition to this $10,000 salary, when there is no law that has ever been passed by the Congress to authorize it?

Mr. WARREN. So far as that is concerned, the alien-property matter of the war and the institution that was created in consequence of the war involved a great deal of money and property placed in the hands of the custodian. We hope it will not be there long. It is already time that we should have disposed of it all, but there are a great many properties and a great many expenses. It is true, we might say, they handle the papers, the securities, and so forth; but, as a matter of fact, they also give attention to manufactories and business affairs all over the country, of which they have charge, and they have to have transportation.

I am not defending in any particular way the automobile as against horse transportation or transportation by taxi, street car, and so forth, but we have used a great deal of transportation for these offices. As to the Alien Property Custodian himself, I think it is necessary that he should have an automobile.

Mr. SMOOT. I will say to the Senator that I think the Alien Property Custodian should be granted an automobile for far greater reasons than some others who have been granted automobiles.

Mr. McKELLAR. But that is a different proposition. We are not discussing that part of it. I want to know what official duty the Alien Property Custodian performs with an automobile except going to and from his office. I would like some information on that point.

Mr. SMOOT. Oh, I will say to the Senator he goes outside of the District of Columbia very often. He makes examinations of property in New Jersey, in Philadelphia, and in Baltimore.

Mr. McKELLAR. But there are trains on which he could go a great deal cheaper and a great deal more quickly. Why should a man be given an automobile to waste away his time going from here to Philadelphia or from here to New Jersey?

Mr. SMOOT. I do not think he wastes his time.

Mr. McKELLAR. I disagree with the Senator about that.

Mr. SMOOT. I think he saves time by it.

Mr. McKELLAR. He can not go to Philadelphia by automobile in less than a day. He loses a whole day's time. He can only travel in the daytime.

Mr. SMOOT The Senator does not know how fast automobiles move.

Mr. McKELLAR. We can easily demonstrate that. When the Senator from Utah goes to Philadelphia does he go by automobile? He does not have the time for that.

Mr. SMOOT. No.

Mr. McKELLAR. Of course not He does not have the time. The Senator is too busy attending to his official duties to be meandering around the country in Government automobiles. He does not have the spare time to do it, and yet the Government does not furnish the Senator with an automobile even to ride on Sunday.

Mr. SMOOT. Really I do not think the Senator ought to compare a Senator's salary with that of the Alien Property Custodian under the existing conditions.

Mr. McKELLAR. It does not compare with it, because the Alien Property Custodian gets much more than a Senator.

Mr. SMOOT. There is no Senator in this body who thinks $7,500 is proper compensation for a Senator.

Mr. McKELLAR. Probably so.

Mr. SMOOT. I do not even believe that. I am speaking seriously. I do not think a Senator is paid a salary commensurate with his labors. I have said that many times. I believe if Senators did not fear criticism which perhaps would be made, they would not stand for it at all. The Senator knows that just as well as I know it.

Mr. McKELLAR. I am inclined to think the Senator is right about both propositions. I agree with him that Senators are entitled to more than $7,500 a year on the strict quantum meruit. But here is the proposition: Why should we give other officials of the Government these gratuities and bounties which we deny to ourselves? No one would think of voting each Senator an automobile, chauffeur, and money for upkeep and operation. I think we ought to be just as careful in dealing with other people's money as we are in dealing with our own. In my judgment the Alien Property Custodian uses a car principally for other than official purposes, and so does the head of every other department. In what I have said about the Alien Property Custodian, of course I am not referring to the present occupant of that office personally. I am merely referring to the custom that has grown up here to give the heads of bureaus, and frequently other officials in the various departments, automobiles at Government expense without authority of law.

I want to ask the Senator from Utah if there is any law anywhere authorizing automobiles to be given the heads of bureaus other than that contained in appropriation acts?

Mr. SMOOT. None whatever. The appropriation acts carry them all.

Mr. McKELLAR. The only reason why they are not subject to a point of order is because the House has passed them, is it not?

Mr. SMOOT. That is true.

Mr. McKELLAR. Otherwise the item would be subject to a point of order?

Mr. SMOOT. Unless the committee reported it and the House of Representatives passed it.

Mr. McKELLAR. In other words, we are appropriating probably millions of dollars for the use of automobiles when there is not a line of law authorizing it, not a bit of authority in the law for it. Yet we do it every year.

Mr. SMOOT. The Senator means permanent law, of course?

Mr. McKELLAR. Oh, yes; of course. I doubt if this hardly rises to the dignity of temporary law, the way we have it, because we have to go into the acts and ferret it out. It is all covered up. Let me show how it is covered up in the pending appropriation bill. Referring again to the Alien Property Custodian item—

For expenses of the Alien Property Custodian authorized by the act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; including personal and other services and rental of quarters in the District of Columbia and elsewhere, per diem allowances in lieu of subsistence not exceeding $4, traveling expenses, law books, books of reference and periodicals, supplies and equipment, and maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $280,000.

That is a lump-sum proposition; a bad way to legislate to begin with. It does not even fix the salary of the Alien Property Custodian. It fixes the salary of no one in his department. Thus in that insidious way, if I may so express it, we include a motor-propelled, passenger-carrying vehicle, which virtually increases the salary of the Alien Property Custodian $4,000 a year.

By the way, I thought the Senator from Utah was very much opposed to lump-sum appropriations?

Mr. SMOOT. I am, I will say to the Senator. I think wherever there is a department that may be a permanent department we never ought to allow a lump-sum appropriation. But this is a department or bureau of our Government which is not going to be in existence very long. For instance, I will say to the Senator in behalf of the Alien Property Custodian, that last year there was granted to him $370,000, and he did not spend that amount. He will turn back into the Treasury of the United States this year $60,000. Now we are giving him this year but $280,000. He has $350,000,000 worth of property——

Mr. McKELLAR. Has he still got that much?

Mr. SMOOT. He has $350,000,000 worth of property to-day.

Mr. McKELLAR. I thought Congress had appropriated most of it and turned it back to its owners.

Mr. SMOOT. No; he still has $350,000,000 worth.

Mr. McKELLAR. The Senator wants to keep that until the claims involved are determined, does he not?

Mr. SMOOT. Certainly, he will have to do so, I will say to the Senator.

Mr. McKELLAR. I am talking about the Senator, because it requires the action of Congress as to whether the Alien Property Custodian shall pay it out. He can not pay it out unless we direct him to do so.

Mr. SMOOT. I thought that was what the Senator meant.

Mr. McKELLAR. I am glad to have the Senator's assurance.

Mr. SMOOT. I want to say for the record, so it will be straight, that there is about $200,000,000 of actual money in the Treasury of the United States belonging to the Alien Property Custodian——

Mr. McKELLAR. He does not need an automobile to look after that $200,000,000.

Mr. SMOOT. No. I had no reference then to the automobile.

Mr. McKELLAR. Of course, I have that on my mind, because that is the matter to which I am addressing myself.

Mr. SMOOT. I simply said that so the record will be straight, so that at some future time my statement could not be pointed to as being not altogether correct.

Mr. McKELLAR. I would like to ask the Senator another question. Of what does the other $150,000,000 consist?

Mr. SMOOT. There is $200,000,000 in the Treasury in cash and there is $350,000,000 worth of property.

Mr. McKELLAR. In addition?

Mr. SMOOT. In addition to the cash.

Mr. McKELLAR. In other words, $550,000,000 altogether?

Mr. SMOOT. Yes; $550,000,000 worth of property altogether. Of course, the cash is a mere matter of bookkeeping. He does not have to look after that, and it does not take any time. When it is paid out it will be merely a matter of writing the check.

Mr. McKELLAR. I am still at a loss to know how he could possibly use a passenger automobile in looking after the cash and other property here in the city of Washington. The office used to be down on Sixteenth Street. I do not know where it is now; but wherever it may be, I do not see how he could use a passenger automobile, except possibly for going to the bank or in coming from his home in the morning and going back there in the afternoon or taking pleasure trips. There is no excuse in the world for the Government furnishing the Alien Property Custodian with an automobile and we ought not to permit it. I am going to ask for a yea-and-nay vote on my amendment when we come to it.

I next take up the Civil Service Commission. We have a report from the Civil Service Commission. I think they have only one car, but I do not know why members of the Civil Service Commission should have a car. According to my observation, a Senator of the United States or a Member of the House, if he looks after his affairs, needs an automobile very much more than a member of the Civil Service Commission possibly could, who just simply has to go from his home to his office in the morning and back again at night. He does not have to go to the various departments all over Washington, Senators and Congressmen do. I can not imagine by what authority of law we are giving the Civil Service Commission a passenger automobile, except that we just want to devise means to waste the people's money.

I do not believe the Federal Trade Commission have one, and that is to their credit.

The General Accounting Office, it seems, have not one, either, and that is to their credit.

The Interstate Commerce Commission has none, and that is to their credit.

Can the Senator from Utah tell me how many automobiles the Housing Corporation now has?

Mr. SMOOT. I do not know the number, but I would say quite a number.

Mr. McKELLAR. Can the Senator from Utah give any reason in the world why the Housing Corporation should be supplied a passenger automobile at Government expense?

Mr. SMOOT. I will say to the Senator that the Housing Corporation has charge of about 6,000 houses, which are located in different parts of the country, and I think they use automobiles mostly for visiting the different places in which those houses are located.

Mr. McKELLAR. It would be impossible for them to use passenger automobiles to visit the houses belonging to the Government in various parts of the country.

Mr. SMOOT. Oh, no.

Mr. McKELLAR. Some of those houses are located where one could not get to the place in an automobile. I remember some Government houses in the neighborhood of Newport News, Va., which could not be reached in three days in an automobile. There are Government houses all over the country which, on account of their location, can only be visited by railroad trains, as we all know. Why should the members of the Housing Corporation be allowed a number of automobiles for the purpose stated by the Senator from Utah? There is no excuse for it. It is merely a form of temporarily legalized graft to which, under the form of law, we devote the people's money.

Mr. President, I can not state the number of automobiles used by the different departments, because I have not a list of them here; but, in order that we may have something to go upon, I will ask the Senator from Utah if he knows how many automobiles are used by the War Department here in Washington and to whom they are assigned?

Mr. SMOOT. I thought the resolution which had been introduced by the Senator from Tennessee would bring the information, but I take it for granted that the resolution has not been answered up to the present time, because, perhaps, the department has not received the information from the different sections of the country, and they would have to do so before answering the resolution.

Mr. McKELLAR. We have asked them to state the number of automobiles in use in the city of Washington separately, in order that we might get the information speedily, but they have not yet done so.

Mr. SMOOT. That, perhaps, they could do very quickly, but I presume they intended to answer both requests at once.

Mr. McKELLAR. The Shipping Board have obtained the information from all over the country—from San Francisco to Maine. There has been no delay about that.

Mr. SMOOT. But the Shipping Board does not have as many automobiles as the War Department has.

Mr. McKELLAR. Does the Senator from Utah mean to say that the War Department has a great many more passenger automobiles than has the Shipping Board?

Mr. SMOOT. I do not think there is any doubt of it at all.

Mr. McKELLAR. Does the Senator have any idea what the passenger automobiles which are in use by the War Department cost the Government?

Mr. SMOOT. Does the Senator mean the cost for their maintenance?

Mr. McKELLAR. Yes; for maintenance.

Mr. SMOOT. No; I can not say as to that, not having the figures.

Mr. McKELLAR. But it is a very large sum?

Mr. SMOOT. Yes; the War Department has more automobiles than has any other department of the Government.

Mr. McKELLAR. But every department of the Government has a great number of automobiles?

Mr. SMOOT. I would not say that every department has a great number of automobiles, but I think each department has one or more of them.

Mr. McKELLAR. Of passenger automobiles, which are assigned to the various officials of the department? As I understand the Senator, he is going to vote to eliminate the appropriations for them?

Mr. SMOOT. No; I did not say that.

Mr. McKELLAR. That is just what I am trying to get the Senator to do, because if the Senator will join me in my effort we shall get rid of automobiles which ought not to be in the hands of various subordinate officers of the Government.

Mr. SMOOT. I think there might be a mistake made one way or a mistake made another in regard to this matter. I do not think it is desirable that we shall go forward and make a great reduction in the number of automobiles which are now used by the different departments of the Government without an investigation and without knowing what might be the result of our action. I would not entirely abolish the use of the automobiles by the departments, for I think that would be wrong; I think it would be very detrimental to the Government service; but I have no doubt their number might be reduced. I think that matter is worthy of very close attention and investigation. I can not now say, however, that I should favor abolishing them all, because I know that would work a hardship and be a detriment to the Government service.

Mr. McKELLAR. But have I not convinced the Senator from Utah that the automobile which is now allotted to the Alien Property Custodian should be taken away from him?

Mr. SMOOT. No; I hardly think so.

Mr. McKELLAR. I am going to give the Senator an opportunity to vote on that question in a few moments.

Mr. SMOOT. I am perfectly willing to vote on it. The Senator from Utah is never afraid to vote.

Mr. McKELLAR. I am quite sure of that, and I am not complaining that he is, but I want him to vote on the right side, and I want to cut down the number of automobiles now allowed to Government officials.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER (Mr. PEPPER in the chair). Does the Senator from Tennessee yield to the Senator from South Carolina?

Mr. McKELLAR. I yield to the Senator from South Carolina.

Mr. DIAL. I should like to have the Senator from Tennessee, before he offers his amendment, inform us what automobiles are used by Government officials for public business and what are used for private purposes by such officials. I think we should put a stop to the use of Government automobiles by officials for their private convenience, but, of course, if they are used for the transaction of Government business which makes it necessary for them to travel long distances, a different question is presented. I think, however, it is true that the use of a great number of such automobiles ought to be discontinued.

Mr. McKELLAR. The Senator from South Carolina understands the situation perfectly. In the case of the Alien Property Custodian we pay him a salary of $10,000 a year and also allow him the use of an automobile, which costs about $4,000 more, without any authority of law except that which is contained in this appropriation bill. Can the Senator from South Carolina state what use the Alien Property Custodian should have for an automobile except to go to and from his office?

Mr. DIAL. I think he ought to walk or ride on the street cars to his office or else use his own automobile for that purpose. I will vote with the Senator from Tennessee in favor of the amendment which he has stated he intends to propose.

Mr. McKELLAR. Then, I have secured one convert anyway.

Mr. DIAL. No; for I have always agreed with the Senator on the matter.

Mr. McKELLAR. I am glad to hear that.

Mr. President, I believe that is all I wish to say in reference to this matter.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Ohio?

Mr. McKELLAR. I yield.

Mr. WILLIS. I desire to ask a question of my friend from Tennessee. The Senator from Tennessee awhile ago was speaking of the number of automobiles owned by the Shipping Board, and I understood him to commend the board for having only two automobiles in use in Washington, but he was inclined to criticize them because, I understood him to say, they had eight automobiles at Hog Island.

Mr. McKELLAR. They had eight automobiles at Hog Island, and they criticize themselves by saying that they were going to get rid of six out of the eight on the 1st of February. It is remarkable that they concluded to get rid of six just after my resolution passed. I am not criticizing them about the automobiles which they have at Hog Island any more than they are criticizing themselves, for they have said they had eight automobiles there and they needed but two and were going to cut the number down to two.

Mr. WILLIS. That was exactly the information I was going to give the Senator from Tennessee. I was interested in his statement, and I telephoned the Shipping Board in order to get the latest information. They said that six of the eight cars at Hog Island would be dispensed with this week, and at some other point 12 more would be dispensed with, and therefore the good work is going on.

Mr. McKELLAR. I wish to say to the Senator that I hope others outside of the Shipping Board will get on the mourners' bench in regard to these automobiles. If they do not, there is going to be a good deal of trouble in every department of the Government over the matter, because there is involved frightful waste and extravagance, which ought to be stopped. I am going to make war on them from now on.

Mr. CARAWAY. Mr. President——

Mr. McKELLAR. I yield to the Senator from Arkansas.

Mr. CARAWAY. I was merely wondering if the Shipping Board had the proposed subsidy whether they could not still operate the eight automobiles at Hog Island.

Mr. McKELLAR. I think if we were to provide the $30,000,000 cash subsidy they might operate fully that many at Hog Island and elsewhere, if they wanted to do so. I do not know whether they would operate any more ships, but they might operate a few more automobiles.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolutions, and they were thereupon signed by the Presiding Officer [Mr. LENROOT] as Acting President pro tempore:

H. R. 12777. An act granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North;

H. R. 13139. An act granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania, doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi;

H. R. 13195. An act granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River in the State of Missouri;

H. R. 13474. An act granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of

Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River;

H. R. 13493. An act to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River, near Ferry Pass, Fla.;

H. R. 13511. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

S. J. Res. 43. Joint resolution to grant authority to continue the use of the temporary buildings of the American Red Cross headquarters in the city of Washington, D. C.; and

H. J. Res. 16. Joint resolution providing for pay to clerks to Members of Congress and Delegates.

RETIREMENT PAY OF MAJOR GENERAL HARBORD.

Mr. CARAWAY. Mr. President, without being critical, because I very much like the Secretary of War, Mr. Weeks, I want to call attention to a very remarkable interview given out by the Secretary as it appears in the newspapers of Sunday, January 21, under the headline "Weeks says House insulted Harbord."

It seems that in the House the appropriation to take care of the retirement pay of General Harbord was eliminated from the Army bill. As I understand, General Harbord has retired from the Army and accepted the presidency of a very large industrial corporation. Whatever the reasons that actuated the House in refusing to make appropriation for the retirement pay of General Harbord, the Secretary of War sees fit to grow exceedingly caustic in his criticism of it for so doing. In this interview is this language:

I do not believe the people of this country wish its great defenders treated in such a shameful way, and I should think General Harbord would feel that a country that would tamely submit to such treatment of one of its officers was hardly worth serving.

At this point, Mr. President, I ask permission to insert in the RECORD the entire interview of the Secretary of War.

There being no objection, the interview was ordered printed in the RECORD, as follows:

WEEKS SAYS HOUSE INSULTED HARBORD—DECLARES IT INFERRED DISHONESTY IN DENYING RETIREMENT PAY TO ARMY OFFICER—PRAISES GENERAL'S SERVICES—CALLS PRESENT POST AS HEAD OF RADIO CORPORATION OF IMPORTANCE TO PUBLIC.

The action of the House in amending the Army appropriation bill in such a way as to deny retirement pay to Maj. Gen. James G. Harbord, retired, who left active service to become president of the Radio Corporation of America was characterized by Secretary Weeks in a formal statement last night as "an insult to General Harbord and to the Government itself."

Regardless of General Harbord's position in civil life, the Secretary said, "the best interests of his Government will be his chief concern." He added that he "should think General Harbord would feel that a country that would tamely submit to such treatment of one of its officers was hardly worth serving."

PRAISES HARBORD'S SERVICES.

The Secretary pointed out that General Harbord had risen from the ranks, and had served in France successively as chief of staff of the American Expeditionary Forces, commanding officer of the famous Second Division, and head of the Service of Supply. In the last-named division, he said, the officer rendered such extraordinary service as to attract world-wide attention and win the praise of military and civilian authorities alike.

"For nearly 40 years," said Mr. Weeks's statement, "General Harbord has been faithfully and efficiently serving the Government and, regardless of what position he may occupy in civil life, the best interests of his Government will be his chief concern. Any inference to the contrary reflects on the person making it. As a matter of fact, the Government's business with the Radio Corporation is inconsequential. At the present time we have no contract with it, and, generally speaking, purchases of radio equipment, which are of small moment in total amount, are made from the manufacturers.

CALLS PRESENT POST IMPORTANT.

"The development of the radio is of vast importance, and there is, therefore, a public reason why he should accept and fill that position, retaining his place on the retired list of the Army so that he would be available for service in an emergency. If a British officer, French officer, or an officer of any other nation had performed for his Government the service rendered by General Harbord, instead of having this stigma attached to him—that is, the inference that he is dishonest, not to mention taking away his retired pay—he would have been given honors of very important character and, certainly in the case of Great Britain, a large honorarium as well.

"I do not believe the people of this country wish its great defenders treated in such a shameful way, and I should think General Harbord would feel that a country that would tamely submit to such treatment of one of its officers was hardly worth serving. He will certainly feel a sense of injustice which time can never efface."

Mr. CARAWAY. Mr. President, I call attention to the interview, and particularly to its concluding paragraph, for two reasons: First, I do not believe the Secretary of War did General Harbord justice when he attributed to that distinguished officer such sordid motives; that he would feel he owed no duty to his country unless the country should give him retirement pay. Second, I think the Secretary rendered a poor service to this distinguished officer and to the Army in that interview. If the Secretary wants the country to believe that Army officers feel they owe no duty to the Nation unless and only as they are paid for it, it is a revelation the country, I am sure, will receive with a shock.

Mr. President, Mr. Weeks is so outraged because retirement pay is denied to General Harbord, who as a major general retires at his own request to become the president of a great industrial corporation at a large salary, thinks this act of the House releases General Harbord from any further obligation to serve his country; that this act absolves him from any further allegiance to that flag he followed for 40 years; to all obligation to the uniform he has worn from his youth up.

And yet this is the same Secretary of War, Mr. President, who was so opposed to the ex-service men of the Army, the Navy, and the Marine Corps receiving a little 'retirement pay" in the nature of adjusted compensation. He, among others, agreed with the President in his veto of the adjusted compensation act, and in that intimated that adjusted compensation is a mere "commercializing of patriotism"; that the country owes these ex-service men nothing, although they had stood in the mud and mire of the trenches, had smelled the hot smoke of battle, and had felt the smart of battle wounds. They were "commercial" patriots if they ask that they have a retirement pay called "adjusted compensation." In their case it amounted to but a few dollars each, but here is an officer who goes out of the Army at his own request and becomes the head of a great corporation at a magnificent salary, and because the House of Representatives did not see fit to give him retirement pay, the Secretary of War says the country has so misused this distinguished officer that he owes the country no further service. If the same reasoning applies, Mr. President, as to all who serve their country in time of need, then the 4,500,000 boys whom the Secretary of War was opposed to having retirement pay, and whom the President by his veto denied such, are absolved from any further obligation to serve this country again in its hour of peril.

I do not want to be put in the attitude of criticizing General Harbord; I think he is a most excellent man, and it may be true, and probably is, that the House made a mistake in denying him his retirement pay; but I do say that he will be treated no worse if retirement pay shall be denied him than have been all the boys who served this country and who have been denied adjusted compensation.

Why should the Secretary of War, forgetting the comity that ought to exist between the executive and legislative branches of the Government, denounce the House for refusing General Harbord his retirement pay, and denounce Congress for trying to give the ex-service men a retirement pay. I am trying to emphasize the peculiarity of such a viewpoint; that it is an outrageous thing in the case of an officer who goes out of the service at his own request, to become the head of a great corporation at a large salary, to deny him retirement pay; but it is a particularly statesmanlike thing in the case of ex-service men, who were without occupation, who did not retire to accept high positions in civil life, but went back to walk the streets hunting for jobs to enable them in the sweat of their brow to earn their daily bread, for this Government to refuse them a penny.

Oh, it is the viewpoint of the administration, I admit. The Secretary speaks by the card. It is the viewpoint of this administration that you should take care of the rich and let the devil take care of the poor. If you give to those who do not need and deny assistance to those who are dependent, you have performed the duties that are assigned you under this administration. I am sure Secretary Weeks is acting in accord with the sentiment that actuates his chief when he criticizes the Congress for not taking care of the rich, but also criticizes the Congress more severely when it tries to take care of the weak.

Why, you know, this is the same Secretary that said that this Congress is at its lowest ebb; that it is the lowest Congress in point of intelligence that had ever been elected. He ought to know. It is a Republican Congress, and he helped to elect it. I should, however, like to say that the Congress measures well up with this administration, including its Cabinet officers, but in saying that I am not saying that the distinguished Secretary did not know the mental caliber of the Congress. I am not falling out with him for condemning it, because the people agreed with him, as shown by the last election. They got rid of all they could at that time, and promised to get rid of the others at the next election.

Mr. President, let me say again I am not saying that General Harbord is not a very excellent officer. I am sure he is. He was at the head of the Service of Supply during the war and made a wonderful record; and it is possible and perhaps probable that, although he is going out of the Army at his own request to take charge of a great corpora-

tion, he ought to have his retirement pay. I feel that if any officer is he should, because he is a highly intelligent and, I am sure, a very patriotic man. I know that no sordid sentiment like that here imputed to him by the Secretary of War ever entered his mind. I think the Secretary did him a very poor service, indeed, when he said that General Harbord would feel that he owed the country no further service because the country did not give him retirement pay. I believe General Harbord would serve the country without pay if the country needed his service. I am a better friend to General Harbord than is the Secretary of War.

However, the time has come—and we may as well face it, and Secretary Weeks may as well know it—when the country does not grow as enthusiastic about the high Army officers as it formerly did, not because these officers are not as intelligent and as patriotic as of old, willing to render any service that is within their power, but because war has changed, and officers of high rank no longer get the chance to excite that admiration in the minds of the men they command.

No longer does a general of high command, like General Armistead, of Virginia, at Gettysburg during Pickett's charge, put his cap upon the point of his sword and lead his men in actual combat and die amid the struggling mass of fighting men. On the other hand, the men of high rank in this Army served in France so far from the firing line their lightest slumber was never disturbed by the "cannon's sullen roar." Why, there were more general officers killed on the side of the Confederacy in the battle of Franklin, Tenn.—more of them lay dead on the porch of one house in that little town that battle day—than were struck by hostile shot among all the contending forces in the great World War. No longer, like General Jackson at the first Battle of Manassas, does an officer of high command walk backward and forward in front of his kneeling line and tell them to be not afraid. No longer is an officer of high rank like the distinguished ancestor of the Senator from New York [Mr. WADSWORTH], killed at the head of his charging troops, as was General Wadsworth at the Battle of the Wilderness. Those times are gone, and people do not grow heroic about general officers any more.

You need not try to make a hero out of an officer who never heard a hostile shot; he may be just as patriotic, just as willing to die for his country, but the opportunity has been denied him. You can not grow enthusiastic about our "great" Admiral Sims, who served his country so patriotically in an opera box in London during the war. It is not possible, and Secretary Weeks must learn it. There is not going to be any revolution about this matter. The country is going to feel a great deal more acutely the Secretary's bitter attack upon the ex-service men who actually stood in the line of fire and died by the thousands, and who have been denied redress.

As an example, I have here a letter telling how a man who was wounded in France, decorated for bravery, and although disabled has been trying to get compensation—to get hospital treatment—recently, under an order, traveled 300 miles to have a physical examination made—a new one—and was, after he reported at the place where the examination was to be had, compelled to sit for seven long hours while the officers talked, went out to lunch, came back and talked more; to wait until night came. There are thousands and thousands of boys walking the streets to-day afflicted with disease or suffering from wounds who never have had their grievances redressed, and yet the distinguished Secretary of War has never taken up the cudgels in their behalf.

Only the other day I called attention to a boy in my State who was decorated 11 times for bravery, and died a pauper while he was being cared for by his friends, and not one dollar of the Government's aid ever came to him while he lived, and the Secretary was not outraged about that; on the contrary, wrote me a letter—a complaining letter—because I said that the Army was busy decorating officers who did not hear a shot fired during battle. I do not care for this criticism of me by the Secretary. It may have been just. I am not criticizing him in return. In fact, I am not criticizing him at all. I am just calling attention to the fact that he represents the real spirit that actuates this administration. The President vetoed the compensation bill for the soldiers, and his spokesmen approved it; and now, because the House failed to take care of the pay of a retiring Army officer, the Secretary says—I want to read again—

I do not believe the people of this country wish its great defenders treated in such a shameful way, and I should think General Harbord would feel that a country that would tamely submit—

That is, if it would not take up arms—

to such treatment of one of its officers was hardly worth serving.

If you treat the enlisted men that way, that is all right; but lay not your hands on the sacred rights of an officer. If you do, according to the Secretary of War, you may expect a revolution.

He concludes by saying:

He will certainly feel a sense of injustice which time can never efface.

Mr. President, I wonder if those 4,500,000 boys that the President denied by his veto any adjusted compensation will also "feel a sense of injustice that time never can efface"? Oh, you know, at one time there lived in Scotland a poet named Burns. He said:

O wad some power the giftie gie us
To see oursels as ithers see us!
It wad frae mony a blunder free us,
An' foolish notion.

If the Secretary could see himself as others see him—how he sheds tears over an officer being denied his retirement pay, and how he rejoiced when 4,500,000 enlisted men were denied theirs—it would be well. A sense of humor might be helpful sometimes even to the Secretary of War, a great man though he is.

FEDERAL RESERVE BRANCH BANK BUILDINGS.

Mr. ROBINSON. Mr. President, some time ago the Senate passed a joint resolution authorizing, under certain limitations and conditions, the construction of a reserve bank building at St. Louis and branch buildings at Little Rock, Ark., and Salt Lake City, Utah. The joint resolution, after passing the Senate, went to the body at the other end of the Capitol, was reported with amendments, and passed the House with amendments. Subsequently a conference committee was created and the conference committee reached an agreement. That agreement never has been finally disposed of by the body at the other end of the Capitol. Recently the chairman of the Committee on Banking and Currency of that body introduced a bill changing the provision in the present law so as to permit the reserve banks, without restriction, to construct buildings for their main office and changing the existing limitation relative to the construction of branch bank buildings so as to permit the reserve banks to construct buildings for branch banks where the cost of the building proper, not including vaults, fixtures, and so forth, shall not exceed $250,000. That bill is now pending on the House Calendar.

After consulting with my colleague, the junior Senator from Arkansas [Mr. CARAWAY], the Senator from Utah [Mr. SMOOT], and some other Senators, I am introducing the bill reported by the chairman of the House Banking and Currency Committee, and I ask that it be referred to a committee. I had intended to ask that it be referred to the Committee on Banking and Currency, but my attention is called to the fact that the measure formerly considered was referred to the Committee on Finance, so I will request that this bill be referred to the Committee on Finance in the absence of any other suggestion. I hope that early consideration of the matter may be had so that necessary legislation may be had during the present session.

The bill (S. 4390) to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922, was read twice by its title and referred to the Committee on Finance.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 22, 1923, the President approved and signed the following joint resolutions:

S. J. Res. 251. Joint resolution providing for the filling of two vacancies in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; and

S. J. Res. 258. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

HOUSE BILL REFERRED.

H. R. 13926. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

AGRICULTURAL DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT.

Mr. McNARY. I desire to call up the conference report on House bill 13481, the Agricultural Department appropriation bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the report will be read.

The reading clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 16, 17, 22, and 28.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 6, 8, 12, 13, 14, 15, 20, 23, 24, 27, 29, 30, and 32; and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For the investigation and improvement of cereals, including corn, and methods of cereal production, and for the study and control of cereal diseases, including barberry eradication, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, $697,505: *Provided*, That $425,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate: *Provided further*, That $125,000 of this amount shall be available for expenditure only when an equal amount shall have been appropriated, subscribed, or contributed by States, counties, or local authorities, or by individuals or organizations, for the accomplishment of such purposes"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$2,891,450"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$3,376,470"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$225,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$100,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$1,797,880"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$541,223"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$4,005,853"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 11, 31, 33, 34, and 35.

CHAS. L. MCNARY,
W. L. JONES,
I. L. LENROOT,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

SYDNEY ANDERSON,
WALTER W. MAGEE,
EDWARD H. WASON,
J. P. BUCHANAN,
GORDON LEE,
Managers on the part of the House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. ROBINSON. Is the conference agreement unanimous?

Mr. MCNARY. There are three items upon which the conferees disagree, which must go back to the House for further consideration.

Mr. ROBINSON. But the agreement, so far as it goes, is unanimous?

Mr. MCNARY. It is.

Mr. ROBINSON. I make no objection to the adoption of the report.

Mr. FLETCHER. I understand that it is not a final disposition of the bill?

Mr. MCNARY. It is not.

The report was agreed to.

INDEPENDENT OFFICES APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, the pending question being on agreeing to the amendment offered by the Senator from Florida [Mr. FLETCHER].

Mr. MCKELLAR. Mr. President, I just want to call attention to another report that has come in since I was speaking a moment ago. By this report it appears that the assistant to the superintendent of the State, War, and Navy Department Building has an automobile. Mark you, that is the assistant to the superintendent of the State, War, and Navy Department Building. The automobile costs $1,555; cost of upkeep, $195. He also reports five garages, at a total cost of $3,523.05. Whether that is per month or per year I do not know.

Mr. KING. From the State Department?

Mr. MCKELLAR. For the office of the superintendent of the State, War, and Navy Department Building. This is separate and apart from the department. This is just an assistant superintendent of a building, to whom we furnish an automobile. I call attention especially to the five garages. Whether the charge is per month or per year is not stated, but there are two at $1,455; the third one at $785; the fourth one, on the Mall, at $691.31; and the Virginia Avenue one at $506.74; five garages at this very large cost, and in them are put this passenger automobile of the assistant superintendent of that building and 17 trucks connected with the building; 17 trucks and 1 passenger automobile, and the garage expense is $3,523.05. That is one of the glories of the present system of giving automobiles to practically all the officers of the Government who have pull enough to get them. Under the present system any official with a pull gets an automobile. Thus by pull we push ahead.

Mr. KING. Mr. President, pursuant to the agreement entered into, debate on the pending measure terminates at 4 o'clock. A very few minutes, therefore, are available, and in the limited time at my disposal it will be impossible for me to discuss this bill or even present the amendments which I intend to offer.

The bill before us carries appropriations aggregating approximately $500,000,000. Appropriations are provided for the Executive Office, the Alien Property Custodian's office, the Civil Service Commission, the Employees' Compensation Commission, the Federal Trade Commission, the General Accounting Office, the Housing Corporation, the Interstate Commerce Commission, the Railroad Labor Board, the Smithsonian Institution, the National Museum, the National Art Gallery; also for the care of State, War, and Navy Department buildings, temporary buildings, Interior Department buildings, as well as other public buildings within the District of Columbia, the Tariff Commission, the United States Shipping Board, the United States Veterans' Bureau, including vocational rehabilitation; also a number of other executive bureaus and agencies. A bill carrying such a colossal sum should receive careful consideration at the hands of the Senate; but I am constrained to say that too little attention has been bestowed upon this important measure. Insufficient information has been submitted and inadequate discussion has taken place. We pass the bill upon faith rather than knowledge, upon hopes that its provisions are fair and just rather than upon any satisfactory or sufficient evidence justifying such hopes.

As I am advised, there were no hearings before the Senate committee reporting this bill; and the House hearings found in a volume which I have before me will prove, in my opinion, disappointing to those who earnestly seek for facts justifying many of the provisions of this bill. I have examined the hearings, consisting of 450 pages, and feel compelled to state that the data therein contained do not justify some of the appropriations carried in the pending measure. In my opinion the appropriation bills passed by the Senate are not sufficiently scrutinized or discussed. It does seem to me that measures

carrying not only hundreds of millions of dollars, but billions of dollars—measures which compel onerous taxation—should be carefully examined with a view to reducing the expenditures of the Government to the lowest possible figure. It has been my observation that appropriation bills receive less consideration than many measures of the most insignificant character. Federal agencies have been in the habit of preparing estimates calling for stupendous sums—indeed, for amounts greatly in excess of what efficient and economical administration required, and Congress has been too prone to accept their representations.

An examination of the statements submitted by representatives of departments and bureaus who appeared before committees will furnish convincing proof that in most instances the demands for appropriations are extravagant, and the interests of the taxpayers are utterly disregarded. Few of the Senators become acquainted with appropriation bills and have but limited information as to the aggregate amounts or the appropriations devoted to specific and limited objects. When appropriation bills are under consideration but few Senators are present, and of those present but a fraction evince interest in these important measures.

The appropriations for the coming fiscal year will quite likely approximate $4,000,000,000, and undoubtedly deficiency bills will be reported, because of the inadequate appropriations, huge as they will be, provided in the general supply bills.

Mr. President, I shall support the motion of the able Senator from Florida [Mr. FLETCHER] who seeks to reduce the appropriation of $50,000,000 for the Shipping Board to $30,000,000. As he has clearly pointed out, the $50,000,000, which his amendment attacks, does not comprise all that will be expended during the coming year by the Shipping Board. No one knows what its expenditures will be. It is quite likely that the Shipping Board and the Emergency Fleet Corporation will spend in the neighborhood of $100,000,000, and yet the value of the ships owned by the Government and controlled by the Shipping Board and the Emergency Fleet Corporation would scarcely sell for that amount in the markets of the world.

Mr. President, the history of the Shipping Board and the Emergency Fleet Corporation furnishes a rather dark page in the history of this Republic. Perhaps no great Government project has ever been so inefficient and wasteful as the one projected and controlled by the Shipping Board and the Emergency Fleet Corporation. As I stated, during the address of the Senator from Florida, there have been direct appropriations from the Treasury of the United States to the Shipping Board and the Emergency Fleet Corporation of more than $3,488,000,000.

We are now making by this bill a direct appropriation of $50,000,000 more. All that the Government has to show for this stupendous sum is 1,038 ships, nearly 400 of which are of but little if any value, some unsettled claims, and some real and personal property of uncertain value. The assets of the Shipping Board and the Emergency Fleet Corporation, as appear on page 305 of the House hearings, exclusive of the ships, amount to $135,450,219.21; but on the same page the liabilities are given as $66,725,662.39, exclusive of claims of construction contractors and claims arising from the requisitioning of vessels and admiralty claims, including claims in litigation and the United States Court of Claims, which aggregate $247,525,372.51. It is uncertain what portion of this vast sum classified as claims will be established as binding obligations against the Shipping Board and the Emergency Fleet Corporation. It may therefore be said that it is doubtful whether the assets in the hands of the Shipping Board and the Emergency Fleet Corporation, aside from the fleet, will prove sufficient to meet the claims preferred against these organizations. Indeed, it would seem that without resort to the fleet there is not sufficient property in the hands of the Shipping Board and the Emergency Fleet Corporation to discharge the obligations which they have incurred. It is doubtful, therefore, that out of the wreck a sufficient sum can be obtained to meet the obligations of the Shipping Board and the Emergency Fleet Corporation without further appropriations from Congress or a sale of some of the vessels under the control of the Shipping Board. In my opinion the $50,000,000 directly appropriated by this bill for the Shipping Board will be lost and wasted and that further appropriations will be required, whether the ship subsidy bill shall be passed or not. This money is being thrown into the deep, as millions have heretofore been wasted in this enterprise. No one can foretell what the end of this costly adventure will be, nor can it be determined how much more will be squandered by the Government.

The present Shipping Board is not solving the problem, nor rescuing the enterprise from the abyss into which it has been plunged. It is merely spending money, disposing of assets, and applying them toward the payment of claims against the Shipping Board and the Emergency Fleet Corporation. In addition it is receiving periodical contributions from the Federal Treasury, amounting to tens of millions of dollars annually, which are being absorbed in overhead expenses in carrying on the operations of the Shipping Board and the Emergency Fleet Corporation and in paying obligations recognized as valid claims. When the present Shipping Board was appointed it was claimed that great reforms would be effectuated and a merchant marine established that would be the pride of the American people. Mr. Lasker complained of the mistakes which had been made by the Shipping Board and of the "mess" (to use his expression) which he found upon his hands. We were led to believe that economies would be practiced and that the moribund organization would be vitalized and saved.

An examination of such records as are available demonstrate that no lasting benefits have been derived from the present régime. It is true many claims have been settled and assets of the value of millions of dollars have been disposed of to accomplish that end. A number of ships have been sold and the proceeds derived therefrom have been applied to the payment of claims against the Shipping Board or to meet the expenses of its wasteful and inefficient administration. The assets of the Shipping Board and the Emergency Fleet Corporation have continued to grow less; and it is quite likely that if no further appropriations were made and a liquidation of the Shipping Board and the Emergency Fleet Corporation were effectuated, the Government would find itself with but few if any ships and a ledger account which would show a loss of nearly four and one-half billions of dollars.

The direct appropriation of $50,000,000 carried by this bill is not the final chapter in this wretched enterprise. Congress will be called upon to make further appropriations of millions and tens of millions of dollars. We are pursuing a foolish and fatuous policy. It is apparent that the ship subsidy bill is a smoke screen, a subterfuge to hide this colossal blunder made by the Government. Frantic efforts are being made by Mr. Lasker and representatives of the administration to convince the people that if the ship subsidy bill is passed, the American people will be compensated for the enormous sums which Congress has appropriated and to which I have referred. Time does not permit a discussion of the ship subsidy bill or the fallacy and deceptiveness of the contention to which I have alluded. Nothing, in my opinion, can save the situation. Congress should courageously deal with this problem and not continue along the highway which must inevitably result in further losses and to national humiliation. As stated, we are, by this bill, directly appropriating $50,000,000 to meet the losses that will result from the operations of the Shipping Board and the Emergency Fleet Corporation for the next fiscal year.

On page 268 of the House hearings Mr. Lasker states that the "losses for the current fiscal year will come nearer to $50,000,000," and he also states that in figuring this amount neither interest, depreciation, insurance, permanent betterments, and so forth, are taken into account. And I might add that the annual depreciation of the vessels is a considerable part of their present value.

Mr. FLETCHER. Mr. President, first there will be the sum under the paragraph to which I have referred, then fifty millions specified, and in addition to that all the revenues derived from the operating of ships.

Mr. KING. In considering the operating expenses, or the charges of the Shipping Board for the coming year, I did not take into account, when I referred to the losses testified to by Mr. Lasker, of $50,000,000, the amount received from operations nor sums received from the sale of assets belonging to the corporation. Perhaps the entire amount to be expended by the Shipping Board and the Emergency Fleet Corporation for the coming year will be between seventy-five and one hundred millions of dollars. As I understand, the purpose is to make repairs upon ships and recondition others, and perhaps apply a considerable sum to construction purposes. It is impossible to determine what in the aggregate will be expended by the Shipping Board and the Emergency Fleet Corporation, but with all their expenditures they will merely be draining the Treasury and depleting the resources of the corporation and diminishing the assets of the Shipping Board.

Mr. CALDER. Will the Senator yield for just a moment?

Mr. KING. I yield.

Mr. CALDER. What does the Senator suggest as a practical way to deal with this particular problem?

Mr. KING. Mr. President, any man will run considerable risk to his reputation in defining and declaring a definite policy dealing with this intricate and perplexing problem. I do not

profess to have the information or the knowledge that would enable me to speak with any authority whatever. However, I have given considerable study to the subject, have read the testimony which has been submitted by those who favor a ship subsidy, and have reached the conclusion that their plan will not meet the situation or give to the country a merchant marine.

As I view the situation, it seems to me the first thing we should do is to abolish the Shipping Board and the Emergency Fleet Corporation. These organizations, from the beginning, have been inefficient, inexcusably wasteful and extravagant and have pursued such a reckless course as to compel belief that they can not longer be trusted with the management of this enterprise. The power and authority of the Shipping Board and the Emergency Fleet Corporation should be turned over to the Department of Commerce. I concede that there are objections to this course and the impediments seem very great, but I believe that the Department of Commerce will deal with the problems far more efficiently than will the Shipping Board and the Emergency Fleet Corporation. The Department of Commerce, if this course were pursued, should promptly terminate the MO–4 contracts and operate only such ships and upon such routes as will result in no loss to the Government. All claims against the Government should be promptly settled and those indebted to the Government should be compelled to make immediate settlement. The fleet should be placed in safe harbors, and the machinery properly cared for so as to not rust or deteriorate and then a policy should be announced that the Government would sell at reasonable rates any or all of its ships to be operated under the American flag. The public should be told that the prices fixed per ton for cetrain grades would not be lowered. Perhaps a price as low as $20 per ton should be fixed for some grades of the cargo ships and $30 per ton fixed as a maximum price. In my opinion, within a year all of the ships of any value could be sold. As I have indicated, a considerable part of the fleet is of no value.

At the end of a reasonable time whatever ships of any value on hand should be sold to the highest bidders, provided, of course, that the ships were to be employed under American registry. If the Government could do no better, after a reasonable time had expired, then, in my opinion, it should alocate to the shipowners of the United States the ships remaining or they should be turned over to those who would operate them under such reasonable and proper restrictions as the Government might impose.

Mr. CALDER. Mr. President, that is a practical proposition, and let me say to the Senator that if the ship subsidy bill fails I shall join with him in urging some such practical course.

Mr. KING. Permit me to say to the Senator that before the discussion upon the ship subsidy bill is concluded I shall offer for the consideration of the Senate a measure embodying some of the features which I have so imperfectly indicated.

Mr. President, the hour is approaching for a vote, so I can not further discuss the pending measure. I shall briefly call attention to one or two amendments which I intend to offer. I shall offer an amendment to the provisions dealing with the Shipping Board to the effect that any funds appropriated or made available shall not be used for the preparation and dissemination of any propaganda in favor of or in opposition to the ship subsidy.

A further amendment which I shall offer will restrict payments to lawyers employed by the Shipping Board and the Emergency Fleet Corporation to $250,000. Another amendment which I shall offer aims at the abolition of the recruiting service. I am told by Mr. Furuseth and others who are familiar with the matter that the recruiting service has been of no benefit whatever to the Emergency Fleet Corporation. Indeed, it has been employed by private shipowners and has been a distinct disservice to the seamen. The appropriation carried in the bill will furnish jobs to parasites who are in the Emergency Fleet Corporation. Their connection with the organization should be terminated. I have a number of amendments which I should like to offer to the Interstate Commerce Commission provisions of the bill; but having had no opportunity to explain them, and under the rule being denied such opportunity, I shall not tender them. I shall offer two amendments to the provisions carrying appropriations for the Civil Service Commission. The discussion in the Senate last Saturday demonstrated that so far as the selection of postmasters is concerned the activities of the Civil Service Commission are unimportant. The postmasters are selected because of their politics, not because of their qualifications. Republicans only are chosen, and it is sheer nonsense to make provisions to inquire into the character and qualifications of Republicans who are candidates for positions in the post-office service. Those receiving the approval of the Republican machine will be appointed regardless of any investigation or report made by the Civil Service Commission.

I could say much concerning what I believe to be the partisanship of some forces within the civil-service organization, but because my time is practically ended I can not offer any further observations. Before concluding I should like to ask my colleagues or the chairman of the committee if the testimony before them justifies the appropriation of such a large sum, to wit, $49,984,063, for overhead expenses in the Veterans' Bureau.

All Senators are desirous of appropriating whatever is necessary for vocational training and for the care of the sick and wounded and disabled and their dependents. Those who served their country and incurred disabilities should be generously treated. Moreover, every possible means should be adopted to expedite the consideration of claims made by veterans. There has been too much "red tape," too much delay, and, as stated by the Senator from Arkansas a few moments ago, thousands of disabled veterans have been unable to receive prompt treatment and that compensation to which they were entitled. I have sometimes felt that there were entirely too many officeholders and too much machinery. It seems to me that $50,000,000 overhead is too much, and I might add that an examination of the other provisions of the bill dealing with the Veterans' Bureau will reveal that very large sums in addition are to be paid to various persons and agencies engaged in the administration of the law. I believe that a careful investigation will demonstrate that there are too many incompetent employees and too much machinery—all of which militates against the veterans who seek and who are entitled to compensation.

Mr. WARREN. Mr. President, the question of the Senator is one that is to be settled by each Senator according to his judgment. I would gladly respond further to inquiries except for lack of time. As we are under agreement to vote soon, I do not wish to absorb time which I know the Senator from Utah expects to use. A moment ago the Senator referred to the matter of propaganda, and said he wished to prevent it. If he will look at the top of page 40 he will find that is already provided for. Commencing on page 39 the bill reads:

> No part of the funds appropriated or made available in this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be expended for the preparation, printing, publication, or distribution of any newspapers, magazines, journals, or other periodicals, or for services in connection therewith, not including, however, the preparation and printing of documents and reports authorized and required to be issued by law.

Mr. FLETCHER. Mr. President, that is to prohibit the institution of a publication, a journal, or a paper. It does not prohibit the engagement of space in magazines and like publications.

Mr. WARREN. It does not provide any money for doing that, except as to legal advertising, and so forth, in conducting its business.

Mr. FLETCHER. It prohibits them from establishing a paper or a journal.

Mr. NORRIS. I would like to ask the Senator if that would prohibit proper advertising?

Mr. WARREN. Anything that is authorized by law is not prohibited.

Mr. SMOOT. I will say to my colleague that the amount estimated for the purposes named by him was $55,063,000. The House cut that amount down from $55,063,000 to $49,984,063.

Mr. KING. I remind my colleague that the estimates of executive departments are very unsafe guides to be followed in legislation. We all know that most executive departments do not consider the taxpayer and the burdens resting upon him. They are interested in strengthening their own hands, increasing their power, and extending their authority. They are always demanding increased salaries and compensation and larger appropriations. I can only repeat that in the Veterans' Bureau we should have competent officials—those who are in sympathy with the veterans and who will expeditiously pass upon the various claims submitted for their consideration. In my opinion there are too many officeholders in the Veterans' Bureau who are eating up funds which ought to go to disabled soldiers.

The PRESIDING OFFICER (Mr. PEPPER in the chair). The hour of 4 o'clock having arrived, under the unanimous-consent agreement debate is closed on the pending bill and amendments. The question is upon the amendment offered by the Senator from Florida [Mr. FLECHER].

Mr. FLETCHER. Mr. President, I think we had better have a quorum present. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McKinley	Sheppard
Ball	Gerry	McLean	Shortridge
Borah	Hale	McNary	Smith
Brookhart	Harreld	Moses	Smoot
Broussard	Harris	New	Spencer
Calder	Harrison	Nicholson	Swanson
Cameron	Heflin	Norbeck	Townsend
Capper	Johnson	Norris	Trammell
Caraway	Jones, Wash.	Oddie	Wadsworth
Colt	Kellogg	Overman	Warren
Couzens	Keyes	Owen	Watson
Curtis	King	Pepper	Weller
Dial	Lenroot	Phipps	Williams
Ernst	Lodge	Pittman	Willis
Fernald	McCormick	Ransdell	
Fletcher	McCumber	Reed, Pa.	
Frelinghuysen	McKellar	Robinson	

Mr. WILLIS. I desire to announce the absence of my colleague [Mr. POMERENE] on account of illness.

Mr. CURTIS. I was requested to announce the absence of the Senator from Wisconsin [Mr. LA FOLLETTE] on official business.

The PRESIDING OFFICER. Sixty-five Senators having answered to their names, a quorum is present. The question is upon the amendment of the Senator from Florida.

Mr. WARREN. Let the amendment be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The ASSISTANT SECRETARY. Relative to the amount to be paid for the expenses of the United States Shipping Board Emergency Fleet Corporation, on page 39, line 8, strike out "$50,000,000" and in lieu thereof insert "$30,000,000."

The amendment was rejected.

Mr. McKELLAR. I offer the amendment, which I ask may be read, to cut down some of the $25,000 salaries.

The PRESIDING OFFICER. The Secretary will report the amendment.

The ASSISTANT SECRETARY. On page 40, line 16, after the numerals "$11,000," strike out the remainder of line 16 and all of lines 17 and 18 in the following words:

except the following: Six at not to exceed $25,000 each and two at not to exceed $20,000 each.

Mr. WARREN. Will the Secretary read the paragraph in full, so we may understand the nature of the amendment.

The ASSISTANT SECRETARY. On page 40, the paragraph reads as follows:

No officer or employee of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be paid a salary or compensation at a rate per annum in excess of $11,000.

Then follow the words proposed to be stricken out:

except the following: Six at not to exceed $25,000 each and two at not to exceed $20,000 each.

Mr. McKELLAR. May I ask if it is in order for me to state at this time that the amendment would cut——

Mr. WARREN. It is not in order. No debate is in order.

Mr. McKELLAR. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. HALE (when his name was called). I transfer my pair with the senior Senator from Tennessee [Mr. SHIELDS] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. HARRISON (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. ELKINS] to the senior Senator from Texas [Mr. CULBERSON] and vote "yea."

Mr. KELLOGG (when his name was called). I transfer my pair with the senior Senator from North Carolina [Mr. SIMMONS] to the junior Senator from Idaho [Mr. GOODING] and vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. In his absence I transfer that pair to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. ROBINSON (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. SUTHERLAND] to the Senator from Missouri [Mr. REED] and vote "yea."

Mr. SMITH (when his name was called). I transfer my general pair with the Senator from South Dakota [Mr. STERLING] to the Senator from Delaware [Mr. BAYARD] and vote "yea."

Mr. WILLIS (when his name was called). I am paired with my colleague, the senior Senator from Ohio [Mr. POMERENE], who is absent on account of illness. I transfer the pair to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

The roll call was concluded.

Mr. FRELINGHUYSEN (after having voted in the negative). I transfer my pair with the Senator from Montana [Mr. WALSH] to the Senator from New Mexico [Mr. BURSUM] and allow my vote to stand.

Mr. ERNST (after having voted in the negative). I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Minnesota [Mr. NELSON] and allow my vote to stand.

Mr. OWEN. I transfer my pair with the Senator from New Jersey [Mr. EDGE] to the Senator from Montana [Mr. MYERS] and vote "yea."

Mr. McCORMICK (after having voted in the negative). I note that my pair, the junior Senator from Wyoming [Mr. KENDRICK], is absent. I transfer my pair with that Senator to the junior Senator from Oregon [Mr. STANFIELD] and let my vote stand.

Mr. FERNALD. I have a pair with the Senator from New Mexico [Mr. JONES] which I transfer to the Senator from Washington [Mr. POINDEXTER] and vote "nay."

Mr. CURTIS. I wish to announce that the senior Senator from Vermont [Mr. DILLINGHAM] has a general pair with the junior Senator from Virginia [Mr. GLASS].

The result was announced—yeas 27, nays 37, as follows:

YEAS—27.

Ashurst	Fletcher	King	Robinson
Borah	George	McCumber	Sheppard
Brookhart	Gerry	McKellar	Smith
Broussard	Harreld	Norris	Swanson
Capper	Harris	Overman	Trammell
Caraway	Harrison	Owen	Williams
Dial	Heflin	Pittman	

NAYS—37.

Ball	Johnson	Moses	Spencer
Calder	Jones, Wash.	New	Townsend
Cameron	Kellogg	Nicholson	Wadsworth
Colt	Keyes	Oddie	Warren
Couzens	Lenroot	Pepper	Watson
Curtis	Lodge	Phipps	Weller
Ernst	McCormick	Ransdell	Willis
Fernald	McKinley	Reed, Pa.	
Frelinghuysen	McLean	Shortridge	
Hale	McNary	Smoot	

NOT VOTING—32.

Bayard	France	Myers	Simmons
Brandegee	Glass	Nelson	Stanfield
Bursum	Gooding	Norbeck	Stanley
Culberson	Hitchcock	Page	Sterling
Cummins	Jones, N. Mex.	Poindexter	Sutherland
Dillingham	Kendrick	Pomerene	Underwood
Edge	Ladd	Reed, Mo.	Walsh, Mass.
Elkins	La Follette	Shields	Walsh, Mont.

So Mr. McKELLAR's amendment was rejected.

Mr. McKELLAR. Mr. President, I offer the amendment which I send to the desk, which I ask the Secretary to read, and also to read the paragraph in connection with it, in order that it may be understood by the Senators.

The PRESIDING OFFICER. The Secretary will read as requested.

The SECRETARY. The paragraph referred to reads as follows:

For expenses of the Alien Property Custodian authorized by the act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; including personal and other services and rental of quarters in the District of Columbia and elsewhere, per diem allowances in lieu of subsistence not exceeding $4, traveling expenses, law books, books of reference, and periodicals, supplies and equipment, and maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $280,000.

In line 23 it is proposed to strike out the words—

and maintenance, repair, and operation of motor-propelled passenger-carrying vehicles.

Mr. McKELLAR. On that amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. KELLOGG (when his name was called). Making the same announcement in reference to the transfer of my pair as that previously made, I vote "nay."

Mr. LODGE (when his name was called). Making the same announcement of my pair and its transfer as before, I vote "nay."

Mr. OWEN (when his name was called). I transfer my pair with the Senator from New Jersey [Mr. EDGE] to the Senator from Montana [Mr. MYERS] and vote "yea."

Mr. SMITH (when his name was called). Making the same announcement as before in reference to my pair and its transfer, I vote "yea."

Mr. WILLIS (when his name was called). Making the same announcement as to the transfer of my pair as I previously made, I vote "nay."

The roll call was concluded.

Mr. ERNST. Making the same announcement as before in reference to my pair and its transfer, I vote "nay."

Mr. HALE. Making the same announcement as before in reference to my pair and its transfer, I vote "nay."

Mr. HARRISON. I inquire if the junior Senator from West Virginia [Mr. ELKINS] has voted?

The PRESIDING OFFICER. He has not.

Mr. HARRISON. I transfer my general pair with the junior Senator from West Virginia to the senior Senator from Texas [Mr. CULBERSON] and vote "yea."

Mr. WATSON. I transfer my general pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the Senator from Washington [Mr. POINDEXTER] and vote "nay."

Mr. CURTIS. I desire to announce that the Senator from Vermont [Mr. DILLINGHAM] is paired with the Senator from Virginia [Mr. GLASS].

The result was announced—yeas 18, nays 42, as follows:

YEAS—18.

Ashurst	George	King	Sheppard
Borah	Harris	McKellar	Smith
Caraway	Harrison	Norris	Trammell
Dial	Heflin	Overman	
Fletcher	Jones, N. Mex.	Owen	

NAYS—42.

Ball	Hale	McKinley	Shortridge
Brookhart	Harreld	McLean	Smoot
Calder	Johnson	McNary	Spencer
Cameron	Jones, Wash.	Moses	Townsend
Capper	Kellogg	New	Wadsworth
Colt	Keyes	Nicholson	Warren
Couzens	Ladd	Oddie	Watson
Curtis	Lenroot	Pepper	Weller
Ernst	Lodge	Phipps	Willis
Fernald	McCormick	Ransdell	
Frelinghuysen	McCumber	Reed, Pa.	

NOT VOTING—36.

Bayard	France	Norbeck	Stanfield
Brandegee	Gerry	Page	Stanley
Broussard	Glass	Pittman	Sterling
Bursum	Gooding	Poindexter	Sutherland
Culberson	Hitchcock	Pomerene	Swanson
Cummins	Kendrick	Reed, Mo.	Underwood
Dillingham	La Follette	Robinson	Walsh, Mass.
Edge	Myers	Shields	Walsh, Mont.
Elkins	Nelson	Simmons	Williams

So Mr. MCKELLAR's amendment was rejected.

Mr. McKELLAR. Mr. President——

Mr. WARREN. I wish to make an appeal to the Senator from Tennessee, who is on his feet——

Mr. McKELLAR. I was just going to say, if the chairman of the Committee on Appropriations will permit me, that I have a number of amendments to the bill, which have been printed, proposing to strike out appropriations for automobiles in various branches of the Government service which are used by subordinate officers or employees, as I believe, without authority of law. There is no use, however, in the Senate voting on all the amendments separately as I see it. I have offered two amendments, and the Senate by a large majority has voted them down. The Senate seems to be in favor of this extravagance continuing.

Mr. WARREN. Does the Senator from Tennessee withdraw the other nine amendments?

Mr. McKELLAR. I am willing that there shall be a viva voce vote taken on them. That will take but a moment. Let them all be voted down en bloc, if the Senate wishes. I will offer them all together.

Mr. WARREN. I hope that the Senator's amendments may be offered en bloc.

The PRESIDING OFFICER. Is there objection to voting on the amendments en bloc? The Chair hears none.

The amendments offered by the Senator from Tennessee [Mr. MCKELLAR] are as follows:

On page 5, line 2, insert the following:

"*Provided further*, That any passenger-carrying vehicle now in use by the office of the Alien Property Custodian shall be sold and the proceeds paid into the Treasury of the United States."

On page 8, line 21, strike out all of line 21 after the word "bicycles" and all of line 22, and insert the following:

"*Provided further*, That all passenger-carrying vehicles now in the possession of such commission shall be sold as now provided by law and the proceeds of such sale shall be covered into the Treasury of the United States."

On page 13, line 15, strike out the proviso beginning on line 15 and ending on line 19. Also strike out in lines 22 and 23 the words "maintenance and repair of motor-propelled passenger-carrying vehicles."

On page 15, line 9, strike out in line 9 all after the word "service" and all of line 10, and, on page 17, line 6, insert the following:

"No part of the appropriations herein made shall be expended for passenger-carrying vehicles, and any passenger automobiles now in the hands of the Housing Corporation shall be sold as now provided by law and the proceeds covered into the Treasury."

On page 21, line 3, after the word "Laboratory" strike out the remainder of the line and all of line 4 down to and including the word "vehicle," and on line 9, on same page, insert the following: "Any passenger-carrying vehicle now in possession of this committee shall be sold as now provided by law and the proceeds covered into the Treasury."

On page 22, line 23, after the figures "$7,500," insert the following:

"*Provided*, That no part of this appropriation shall be expended for passenger-carrying vehicles."

On page 26, line 14, strike out the following: "including maintenance, repair, exchange, and operation of one motor-propelled passenger-carrying vehicle to be used for official purposes only," and insert the following proviso after the figures $164,000 in line 17:

"*Provided*, That any motor-propelled passenger-carrying vehicles shall be sold as now required by law and the proceeds covered into the Treasury."

On page 42, line 2, insert the following:

"*Provided*, That no part of the appropriation herein made shall be used for the purchase, maintenance, operation, or repair of any passenger-carrying vehicle, and any such vehicles now owned or used by the Shipping Board shall be sold as now provided by law and the proceeds covered into the Treasury."

On page 42, line 18, strike out all after the word "investigations," and all of line 19, and all of line 20 down to the word "salaries," and on page 43, line 12, insert the following:

"All passenger-carrying vehicles now owned or in possession of the Veterans' Bureau shall be sold in the manner now prescribed by law and the proceeds covered into the Treasury."

The PRESIDING OFFICER. The question is on agreeing to the amendments proposed by the Senator from Tennessee.

The amendments were rejected.

Mr. KING. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Utah will be stated.

The ASSISTANT SECRETARY. On page 42, after line 2, it is proposed to insert the following proviso:

Provided, That no part of the funds appropriated or made available herein shall be used for the preparation or dissemination of any data, information, or propaganda in favor of or in opposition to the passage of proposed legislation; and no official or employee of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall during office hours engage in such work, unless it be solely for the preparation of statements to be presented to a congressional committee or in response to requests from Senators or Members of the House of Representatives of the United States.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah.

Mr. KING. I ask for a division, Mr. President.

The question being put, on a division the amendment was rejected.

Mr. KING. I offer another amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 42, after line 2, it is proposed to insert the following proviso:

Provided, That not more than $250,000 of said sum may be used in payment of the salaries and compensation of attorneys and legal advisers, whether regular or special, for the Shipping Board or the United States Shipping Board Emergency Fleet Corporation.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah.

The amendment was rejected.

Mr. KING. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 42, after line 2, it is proposed to insert the following proviso:

Provided, That no part of the funds appropriated or made available herein shall be used for recruiting service.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Utah.

The amendment was rejected.

Mr. KING. I offer another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. It is proposed, in the clause making appropriations for additional employees for the civil service, to amend by striking out the proviso on page 6, from line 14 to line 18, both inclusive, as follows:

Provided further, That $40,000 of this amount may be expended only in connection with all expenses incident to investigations and research as to the character and training and experience of applicants for examination.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Utah.

The amendment was rejected.

Mr. KING. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to strike out lines 1, 2, 3, and 4 on page 8. Those lines read:

For examination of presidential postmasters, including travel, stationery, contingent expenses, additional examiners and investigators, and other necessary expenses of examinations. $32,500.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Utah.

The amendment was rejected.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The PRESIDING OFFICER. The bill is in the Senate and open to amendment.

Mr. FLETCHER. Mr. President, I offer the amendment which I offered in Committee of the Whole, on line 8, page 39, to strike out "$50,000,000" and insert "$30,000,000."

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 39, line 8, it is proposed to strike out "$50,000,000" and insert "$30,000,000."

Mr. FLETCHER. I ask for the yeas and nays on that amendment.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FRELINGHUYSEN (when his name was called). Making the same announcement as before, I vote "nay."

Mr. HALE (when his name was called). Making the same announcement as before, I vote "nay."

Mr. HARRISON (when his name was called). I transfer my pair with the junior Senator from West Virginia [Mr. ELKINS] to the senior Senator from Texas [Mr. CULBERSON] and will vote. I vote "yea."

Mr. KELLOGG (when his name was called). Making the same announcement as before as to the transfer of my pair, I vote "nay."

Mr. LODGE (when his name was called). Making the same announcement as before as to my pair, I vote "nay."

Mr. SMITH (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "yea."

Mr. WATSON (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "nay."

Mr. WILLIS (when his name was called). Again announcing the absence of my colleague [Mr. POMERENE] and the transfer of my pair with that Senator to the senior Senator from Connecticut [Mr. BRANDEGEE], I vote "nay."

The roll call was concluded.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Maryland [Mr. FRANCE], and will vote. I vote "nay."

Mr. ROBINSON (after having voted in the affirmative). I have a general pair with the Senator from West Virginia [Mr. SUTHERLAND], which I transfer to the Senator from Missouri [Mr. REED], and will let my vote stand.

Mr. MCKELLAR. I desire to announce the unavoidable absence of the senior Senator from Kentucky [Mr. STANLEY].

Mr. MCCORMICK (after having voted in the negative). Making the same announcement as before as to my pair and its transfer, I will let my vote stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Virginia [Mr. GLASS].

The result was announced—yeas 26, nays 34, as follows:

YEAS—26.

Ashurst	George	King	Robinson
Borah	Gerry	Ladd	Sheppard
Brookhart	Harreld	McKellar	Smith
Capper	Harris	Nicholson	Swanson
Caraway	Harrison	Norris	Trammell
Dial	Heflin	Overman	
Fletcher	Jones, N. Mex.	Pittman	

NAYS—34.

Ball	Hale	McLean	Shortridge
Broussard	Johnson	McNary	Smoot
Calder	Jones, Wash.	Moses	Townsend
Cameron	Kellogg	Nelson	Warren
Colt	Keyes	New	Watson
Couzens	Lodge	Oddie	Weller
Curtis	McCormick	Pepper	Willis
Ernst	McCumber	Phipps	
Frelinghuysen	McKinley	Ransdell	

NOT VOTING—36.

Bayard	France	Owen	Stanfield
Brandegee	Glass	Page	Stanley
Bursum	Gooding	Poindexter	Sterling
Culberson	Hitchcock	Pomerene	Sutherland
Cummins	Kendrick	Reed, Mo.	Underwood
Dillingham	La Follette	Reed, Pa.	Wadsworth
Edge	Lenroot	Shields	Walsh, Mass.
Elkins	Myers	Simmons	Walsh, Mont.
Fernald	Norbeck	Spencer	Williams

So Mr. FLETCHER's amendment was rejected.

The PRESIDING OFFICER. The bill is in the Senate and open to amendment. If there be no further amendment to be proposed, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

POST OFFICE APPROPRIATIONS—CONFERENCE REPORT.

Mr. TOWNSEND. I present the conference report on the Post Office appropriation bill, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The reading clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 5, and 14.

That the House recede from its disagreements to the amendments of the Senate numbered 1, 2, 6, 8, and 11, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "For temporary and auxiliary clerk hire and for substitute clerk hire for clerks and employees absent with pay at first and second class post offices and temporary and auxiliary clerk hire at summer and winter resort post offices, $9,000,000: *Provided*, That $500,000 of this sum may be used for the purpose of completing the work of determining the cost to the department of handling the different classes of mail matter"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,222,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$200,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 7, 12, and 13.

CHAS. E. TOWNSEND,
THOMAS STERLING,
LAWRENCE C. PHIPPS,
KENNETH MCKELLAR,
WM. J. HARRIS,
Managers on the part of the Senate.

C. B. SLEMP,
CHAS. F. OGDEN,
MARTIN B. MADDEN,
EDWARD T. TAYLOR,
Managers on the part of the House.

Mr. TOWNSEND. I ask for the adoption of the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. HARRISON. Mr. President, I desire to ask the Senator from Michigan a question. There was one item in the bill as it passed the Senate that I am wondering about. What became of the item increasing the number of postal inspectors by 50?

Mr. TOWNSEND. The House agreed to the action of the Senate on that matter.

Mr. HARRISON. So the increase is there?

Mr. TOWNSEND. Yes, sir.

Mr. HARRISON. About what is the total number of post-office inspectors now?

Mr. TOWNSEND. Five hundred and twenty.

The PRESIDING OFFICER (Mr. LENROOT in the chair). The question is on agreeing to the conference report.

The report was agreed to.

Mr. TOWNSEND. Mr. President, as Senators know, this is only a partial agreement. There were two items in the bill to which the House conferees could not agree, and they had to take them back to the House. I ask that the Senate insist

upon its amendments and ask for a further conference with the House, and that the Chair appoint the conferees.

The motion was agreed to.

The PRESIDING OFFICER. The Chair will appoint the same conferees.

TAXATION OF NATIONAL BANKS.

Mr. KELLOGG. Mr. President, I ask unanimous consent that the Senate take up Order of Business 961, House bill 11939, known as the bank tax bill.

The PRESIDING OFFICER. The Senator from Minnesota asks unanimous consent that the Senate proceed to the consideration of House bill 11939. Is there objection?

Mr. MCKELLAR. Let the title of the bill be stated.

Mr. KELLOGG. The bill has been read, and was discussed for two or three hours the other day. It is the bank tax bill.

The PRESIDING OFFICER. The Secretary will state the title of the bill.

The READING CLERK. A bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the committee.

Mr. JONES of Washington. Mr. President, I move that when the Senate adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The motion was agreed to.

Mr. KELLOGG. Mr. President, I offer the amendment to the committee amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Minnesota offers an amendment to the committee amendment, which will be stated by the Secretary.

The READING CLERK. In subdivision (b) of section 5219, on page 3, line 23, it is proposed to strike out the word "State" and to insert after the word "tax" the words "imposed by a State or any agency thereof."

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from Minnesota to the amendment of the committee.

Mr. KING. I should like some explanation of the effect of the amendment.

Mr. KELLOGG. I will explain the effect of the amendment. Subdivision (b) reads as follows:

In the case of a State tax on said shares the rate of taxation shall not be higher than the rate applicable to other moneyed capital employed in the business of banking—

And so forth. In some States they have a tax, known as a State tax, which is entirely separate from the municipal and other taxes. The intention of the bill was, of course, to include all taxes imposed by the State or its subdivisions, wherever the bank was taxed; and, to make the language perfectly clear, this amendment has been suggested.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. KELLOGG. Mr. President, I desire to offer another amendment. I move to strike out the proviso on page 4, commencing with line 1 and ending with line 5, and to insert the matter which I send to the desk.

The PRESIDING OFFICER. The Senator from Minnesota offers another amendment to the committee amendment, which will be stated by the Secretary.

The READING CLERK. At the top of page 4 it is proposed to strike out the proviso and to insert the following:

Provided, That whenever by any taxing district the shares in mercantile, manufacturing, or business corporations doing business therein are taxed, the rate applied by said taxing district to the shares in banking associations shall not exceed the average of the rates applied by it to the shares in such other corporations or to the shares of such of them as are taxed therein.

Mr. KELLOGG. Mr. President, I will say to the Senate that this is substantially the amendment reported by the Senator from Pennsylvania [Mr. PEPPER], but it was changed after consultation with him to make it perfectly clear that if no stocks were taxed then of course they would not be the basis for taxation of national banks.

Mr. SMITH. Mr. President, I should like to ask the Senator a question. He has proposed an amendment, and I did not exactly catch the significance of it. I wish to call his attention to the fact that in the present proviso it is provided—

That said rate shall not exceed the average of the rates applied in said State to shares in mercantile, manufacturing, or business corporations.

It seems to me that the restriction herein provided would tend to impose a tax upon banks and mercantile associations on equal terms, when the Senator must know, as every other man here knows, that business and mercantile concerns and corporations do not come into the same class at all with banking institutions.

We have a law in our State, and doubtless the same applies to other States, limiting the amount of interest which can be charged by a banking corporation, because its assets necessarily are in the most liquid form possible, namely, in the form of money. They are loaning money, which is not a commodity whose value may fluctuate. Therefore, in my State we have a legal rate of interest of 8 per cent, with a possible limit, under certain conditions, of 9 per cent. We put no such limit as that upon any mercantile corporation, because the business in which they are engaged is one of more or less uncertainty. There is no such uncertainty in regard to a bank, when it is properly conducted under the ordinary laws of banking, except as to the taking of undue risks, and sometimes failing; but the percentage of failures is very small, while the history of mercantile concerns shows that 80 per cent of them fail. To put them in the same category with banking institutions, or putting the banking institutions in the same category with them, is scarcely the proper thing.

Mr. KELLOGG. I will say to the Senator from South Carolina that, of course, that is only where the State taxes stocks of bank corporations. In some States the State does not tax the stock; it taxes the property on a different basis. In that event, it would not be the basis for the taxation of national banks.

Mr. SMITH. What is the object of taking the stock of a mercantile corporation and putting it in the same category with the stock of a banking corporation?

Mr. KELLOGG. We had hearings on this bill during last autumn many times before the Banking and Currency Committee, and they gave this matter very careful consideration. As I proposed the original bill, the provision was that banks were not to be taxed at a greater rate than other moneyed capital engaged in banking, but the committee, after very careful consideration, thought that there should be other and further limitations; that is, that where the States taxed the stock of such other corporations, the rate should not be higher on the bank stock than on the stock of other corporations. I think as a general thing manufacturing, mercantile, and business corporations make a greater rate than the banks do. At the same time, it was the committee's opinion that there ought to be some further limitation, that banking capital should not be separated in a class by itself, but that there should be included the stocks of other corporations where they were taxed in the local community, and this amendment of mine is simply to carry out the idea of the Banking and Currency Committee, which reported the original amendment. There is no such provision in the bill as it passed the House.

Mr. SMITH. What is the nature of the amendment the Senator sent up to the desk?

Mr. KELLOGG. As originally drawn, the amendment was as follows:

Provided, That said rate shall not exceed the average of rates applied in said State to shares in mercantile, manufacturing, or business corporations doing business in said State, or in such of said corporations as are taxed therein.

There is not any average, because banks and all stocks are taxed in the particular community. There may be one rate in St. Paul, another rate in Fergus Falls, and another rate in Duluth, depending upon the rate of taxation in the municipality where the bank is situated. So it was thought wise that the provision with reference to average rates be stricken out, because that would require the taxing authority to average all the rates in all the communities of the State, and then place an average rate on banks, so that the bank in St. Paul, where the tax rate might be 3 per cent, would get off with 2½, because that might be the average rate in the State. In some places the rate might be 2 per cent, in other places 4 per cent, in others 3 per cent, and in others 2½ per cent, and to average them would not be fair to the local communities, and it was not really the idea the Banking and Currency Committee had in mind. The amendment is to make that perfectly clear.

Mr. SMITH. Right at that point I want to call the Senator's attention to subdivision 3, which the committee proposes in the following language:

The shares or the net income as above provided of any national banking association owned by nonresidents of any State shall be taxed in the taxing district where the association is located, and not elsewhere.

Mr. KELLOGG. The old law has not been changed. That has always been the law for taxing national banks. Every

bank is taxed in the place where the bank is located. This does not change the law in that respect at all.

Mr. SMITH. The Senator was speaking of municipalities. How would he provide where the stock of a bank that was taxed was held, for instance, in another city than that in which the bank was located? When the tax was laid and collected within a certain taxing district—there and nowhere else—how would you provide against the ownership of the shares being in another municipal district?

Mr. KELLOGG. The law has always been that bank stock is taxed where the bank is located, and the rate of taxation in that local community is the rate which has always been applied to the banks. That provision in the law is not changed by this amendment.

Mr. SMITH. My attention was called to this matter by a Member of the House, and he was solicitous about the fact that residents in a given State might own stock in another taxing district, and if the tax is to be laid and collected within the district where the institution is and the owner of the property lives in another community his community does not get the benefit of the tax.

Mr. KELLOGG. The bill as it passed the House contains the same provision and the old law contains the same provision. Bank stock has always been taxed where the association is located. The Senator from Pennsylvania [Mr. PEPPER] calls my attention to the fact, on page 2 of the bill as it passed the House, section 2 provides:

That the shares of any national banking association owned by nonresidents of any State shall be taxed in the city or town where the bank is located and not elsewhere.

That has always been the rule, and it has worked very well, and the amendment which I offer is simply to make the local rate in the taxing district the basis for taxation of national banks.

Mr. SMITH. May I ask the Senator what explanation he has to make of the language on page 3, the sentence that begins on line 14?—

The legislation of a State taxing said shares, or including dividends derived therefrom in the taxable income of an owner or holder thereof, or taxing the net income of such associations.

The State has an option, as I understand it, of three methods by which it may legislate to tax these banks, first, taxing the shares, which we have already had explained, or including dividends derived therefrom in the taxable income of an owner or holder thereof. How about a man holding shares in North Carolina of a bank in South Carolina? What jurisdiction have we over his income? Does that mean anything at all? Is that an option at all?

Mr. KELLOGG. That provision was inserted by the Banking and Currency Committee because in the State of New York they tax the income from the bank shares, also the shares, and also the real estate. That was one of the reasons why the law was held in violation of the act of Congress. This legislation is to give the State the privilege of taxing the shares directly, as they are now taxed, of taxing the income of the bank, or taxing the income from the shares in lieu of the shares.

Mr. SMITH. I can understand how you could tax the net income of such an association, and I think that would be very fair and just. There you would get the net income and tax it at the place of its business, or you could tax its shares, as you have provided here, and collect at the place of its business. But on the second proposition, as it occurs here, "or including dividends derived therefrom on the taxable income of an owner," how would you provide for taxing the income of a North Carolinian who held shares of a bank in South Carolina?

Mr. KELLOGG. It is perfectly simple, because under the present law the banking association and its stock are situated in a certain town, and if the legislature has the power to tax a nonresident's stock there, it may tax the income of the stock there or the income of the bank there, and it is the simplest way of taxing national banks.

Mr. SMITH. I can understand the first and the last, but it says "including dividends derived therefrom in the taxable income of an owner or holder thereof." When my dividend is forwarded to me, that is my income. I can not lay a tax upon the property of a nonresident under such language as that.

Mr. KELLOGG. A nonresident who holds a certificate of stock and who lives in the State of New York may be taxed in the city of St. Paul. The State legislature provides that the bank shall deduct his tax from his income or from the earnings of the bank, and the legislature may provide exactly the same thing. They may deduct his tax from his income or from the earnings of the bank, exactly the same as they do with the bank shares. It is perfectly simple. It has always been the law, and I do not think we ought to introduce any more uncertainty into this matter than there is in it now.

Mr. SMITH. I do not see how it would be possible, if you are going to put it under the income, for one owning the shares of this bank residing in another State——

Mr. KELLOGG. It would be handled just exactly as they do it in New York. The bank deducts the income tax. The bank deducts the tax in Minnesota and charges it against its earnings. That is done in nearly all the States. It does not make any difference where a man lives or where he keeps his certificate of stock, which is, of course, personal property, the bank is charged with the tax, and it is the simplest way to impose the tax and to collect it.

Mr. SWANSON. Mr. President, I did not hear the Senator's previous statement with regard to this bill. Will the Senator state to what extent the bill changes existing law?

Mr. KELLOGG. Certainly. Under existing law banks can not be taxed at a greater rate than that imposed on other moneyed capital in the hands of the individual citizen. In the decision in the City of Richmond case the court held that the imposition of a lower rate on the intangible money and credits of an individual than was imposed on a bank rendered the bank tax void, and this bill provides that the bank shall not be taxed at a greater rate than any other moneyed capital engaged in banking, with a proviso that in case stocks of manufacturing, mercantile, or business corporations are taxed in the local community, the tax on the bank stock shall not exceed the rate so imposed on other companies. That is the difference.

I will say to the Senator from Virginia that suits are being brought all over the United States to enjoin the collection of taxes which have been imposed and collected for years, and supposed to be valid, and in the city of New York alone the banks have recovered a judgment for all the taxes paid in 1920, 1921, and 1922, the court declaring the entire tax in violation of the act of Congress.

Mr. SWANSON. Was the committee unanimous in recommending this bill?

Mr. KELLOGG. The committee's report is unanimous; yes.

Mr. SWANSON. With a full attendance of the committee?

Mr. KELLOGG. The committee had many hearings on the bill. I will ask the Senator from Pennsylvania [Mr. PEPPER] if the report was not unanimous?

Mr. PEPPER. Yes, Mr President; it was the report of the entire committee.

Mr. SWANSON. Were the committee meetings fully attended and the matter fully discussed and considered?

Mr. PEPPER. With the permission of the Senator from Minnesota, I will say that the matter was referred, in the first instance, to a subcommittee consisting of the Senator from California [Mr. SHORTRIDGE], chairman, the Senator from Virginia [Mr. GLASS], and myself. We submitted our report to the Committee on Banking and Currency. The entire committee discussed the matter at great length, and the bill, in the form in which it was directed to be reported out, was reported out by unanimous vote of the entire committee.

Mr. SWANSON. Was the subcommittee unanimously in favor of the bill?

Mr. PEPPER. The subcommittee was unanimous.

Mr. KING. May I make an inquiry of the Senator from Pennsylvania? There was one amendment, I understand, either recommended by a few of the committee or with the understanding that it was to be offered upon the floor of the Senate, as to which there was not unanimity and which is perhaps the most important or one of the most important features of the bill.

Mr. PEPPER. The statement I have just made has relation to the bill in the form in which it now appears upon the calenday. The bill as passed by the House contained a provision authorizing validating legislation by the States, which, I take it, is the matter to which the Senator from Utah refers. That, by the action of the committee, was eliminated from the bill of the House. It is understood that an amendment will be proposed to the bill now pending in the form of the validating provision to which the Senator from Utah refers.

Mr. SMITH. That has already been introduced by the Senator from New York [Mr. CALDER]. It has been printed and is upon the desks of Senators.

Mr. PEPPER. I was not aware whether it had been presented or not. I knew it was intended to be introduced by the Senator from New York.

Mr. SMITH. May I ask the Senator from Minnesota a question? I have been unavoidably detained from the Senate. It is now after 5 o'clock. I have no intention of delaying action on the measure at all, but I ask him if he could not let it go over until to-morrow? There are certain features of it about which I would like to confer with certain of my colleagues before we

pass the bill. I promise the Senator that if the matter which I wish to investigate is not worthy of bringing to the attention of the Senate I shall have nothing to say, but if it is I shall present it in the briefest manner possible.

Mr. KELLOGG. Has the Senator any objection to the pending perfecting amendment?

Mr. SMITH. Oh, no.

Mr. KELLOGG. If we could vote on that particular amendment to the committee amendment, then the whole amendment of the committee would be before the Senate.

Mr. SWANSON. I understand the amendment now offered by the Senator from Minnesota is an amendment that was unanimously agreed upon by the subcommittee and the full Committee on Banking and Currency.

Mr. KELLOGG. Yes. The language was clarified by the Senator from Pennsylvania [Mr. PEPPER] and myself, and the Senator from Wisconsin [Mr. LENROOT], who studied it over afterwards and changed the language somewhat. But the original amendment was reported by the unanimous vote of the committee.

Mr. SWANSON. I understand the junior Senator from Virginia, my colleague [Mr. GLASS], is fully in accord with the bill as reported and the amendments offered.

Mr. KELLOGG. I understand that he is. He was present at all the discussions.

Mr. PEPPER. I think it proper to say, so far as I am concerned, in answer to the question of the Senator from Virginia, that the junior Senator from Virginia [Mr. GLASS] is entirely in accord with the bill as reported out by the committee. The specific amendment of the minor point which is now proposed by the Senator from Minnesota has not, so far as I am aware, been referred to the junior Senator from Virginia, but that amendment is in the nature of a clarifying amendment and does not, as I understand it, change the substance of the matter.

Mr. SWANSON. As I understand the effect of the bill, if it becomes a law the States would be compelled to tax the banking capital or the income of national banks, not similar to the taxes on the capital and income of the State banks, but according to the taxes on mercantile and other established businesses.

Mr. KELLOGG. No; not entirely. It first provides that the rate of taxation on national banks shall not be greater than on other moneyed capital engaged in banking. That includes State banks, trust companies, private individuals engaged in banking, and all capital engaged in banking, with the privilege that in States where tax is levied on stocks of certain other corporations the rate shall be no greater than that imposed on the stocks of mercantile and manufacturing business corporations.

Mr. SWANSON. What is the objection to letting the law provide that the tax on capital and income of national banks shall be similar to the tax on capital and income of State banks?

Mr. KELLOGG. That is not the law now. If that were the law now I would be perfectly willing to leave it there.

Mr. SWANSON. What is the objection to having the law so provide?

Mr. KELLOGG. I have no objection to that. The committee thought that private individuals engaged in banking ought to be required to pay the same rate as a State bank, and that a trust company should be required to pay the same rate as a State bank. I think the committee was right. Therefore it was provided that the rate upon banks should not be greater than on other moneyed capital engaged in banking, and that includes State banks, trust companies, and private banking institutions.

Mr. SWANSON. That does not include mercantile capital?

Mr. KELLOGG. The committee put that amendment in after long deliberation. The committee thought it was not wise to single out banking capital alone, but that there ought to be some other proviso. That proviso was added and the amendment which I offer simply seeks to clarify that provision.

Mr. NORRIS. Mr. President, right on the question the Senator is discussing, I want to call attention to the proviso at the top of page 4 and also to subdivision (c). It may be it has been sufficiently explained, but I will say to the Senator from Minnesota that he has been in the front of the Chamber and there has been so much confusion in the back of the Chamber that I have not been able to hear more than half of what he said. I am interested in the measure.

I would like to know why subdivision (c) or the provision at the top of page 4 is at all necessary. As I understand the object of the legislation, and I am in hearty accord with it, it is to provide that national banks shall by States be taxed the same as State banks.

Mr. KELLOGG. That was not the object of the bill.

Mr. NORRIS. Is not that enough?

Mr. KELLOGG. I do not think it is enough.

Mr. NORRIS. In subdivision (c) it is provided that—

> In the case of a State tax on the net income of an association the rate shall not be higher than the highest of the rates imposed by the taxing State upon the net income of mercantile manufacturing and/or financial corporations doing business within its limits.

It seems to me if a State taxes its State banks and the stock or the income from the State bank differently from what it taxes a mercantile establishment, then it ought to tax a national bank differently. I can not understand why we should compel the State to tax a banking institution the same as it would a manufacturing institution. The State at least ought to have liberty to make a difference if it sees fit. If our national banks are handled and taxed the same as State banks, that is all, it seems to me, that we ought to require or that we ought to permit.

Mr. KELLOGG. I will say to the Senator from Nebraska that under the old law, the act of Congress of 1864 as amended in 1868, which I explained the other day in opening discussion on the bill, it was provided that national banks should not be taxed at a greater rate than other moneyed capital in the hands of the individual citizen—not State banks, not trust companies, but simply moneyed capital in the hands of individuals.

Mr. SMITH. Right there, did it not say in the hands of the individual coming in competition with a national bank?

Mr. NORRIS. Suppose the State should decide to do so——

Mr. KELLOGG. I hope Senators will talk one at a time so that I may understand them.

Mr. NORRIS. Why should not a State be allowed to decide on different kinds of rates on different kinds of business? One of the modern things that tax reformers are trying to get in constitutional provisions is one declaring that business should be classified for taxation purposes. Suppose they should say that a manufacturing establishment engaged in the manufacture of fertilizer should be taxed at one-half the amount that a manufacturing establishment engaged in some other business should be taxed. Whether that is right or not, whether we think it is right or not, that is within the province of the State, or ought to be within its taxing power. They might want to tax capital engaged in the banking business at a higher rate than they would tax capital engaged in the agricultural business——

Mr. KELLOGG. They can do that already.

Mr. NORRIS. Or in the grocery store or hotel business. They want to classify it. Why should they not be allowed to do that, and why should not we be satisfied as a national bank if they classify us the same as they do other banks? If they tax the national banks high, they have to tax the State banks low; and if they tax them low, the national banks would get the benefit of it.

Mr. KELLOGG. I do not know whether the Senator was present when I explained the bill the other day.

Mr. NORRIS. I was not present, I will say to the Senator.

Mr. KELLOGG. Then I will say to the Senator, if he will permit me, that the law of 1864, as amended in 1868, gave permission for the States to tax national banks, and provided that they should not be taxed at a greater rate than other moneyed capital in the hands of the individual was taxed. Now, just as the Senator from Nebraska [Mr. NORRIS] said, there grew up in the various States different systems of taxation. Many States amended their constitutions so as to do away with the old hard-and-fast rule of uniform valuation and rate of taxation. They found it was impracticable. They found that money and credits, intangible assets in the hands of individuals, could not be taxed by a direct rate of taxation. In the first place, they would not report them, and in the second place, they did not have them when the taxing day came.

The result was that in my State, for instance, we used to get $350,000 a year from a direct taxation. We put a 3-mill-per-dollar tax on intangible assets, such as money and credits, and got $1,350,000. In 18 or 20 States they have substituted systems of taxation. Some tax the income, some tax the money and credits at a 3 or 4 or 5 mill rate. They have always taxed banks at the local rate, the same as real estate and other tangible property has been taxed.

The Supreme Court of Virginia held that where the money and the credits of the individual came in competition with banks, they could not tax the banks at a greater rate, and held the tax void. So I introduced a bill in Congress to provide that banks should not be taxed at a greater rate than other moneyed capital engaged in banking.

That includes State banks, trust companies, and private individuals which really come in actual competition with national

banks. I think that is fair. I do not think the States ought to single out national banks and tax them higher than they do other moneyed capital; but the House did not pass the proposed legislation in that form and would not do so. The House, however, passed the bill which is now before the Senate, which, in my opinion, in the form as passed by that body would give no relief whatever, because it merely provides that the States shall not tax national banks at a greater rate than they tax other moneyed capital in the hands of individual citizens coming in competition with banks. That is now the law, because the Supreme Court of the United States has held that only money and credits in the hands of individuals coming into competition with banks are the basis of the taxation of national banks.

The matter came before a subcommittee of the Senate consisting of the Senator from California [Mr. SHORTRIDGE], the Senator from Pennsylvania [Mr. PEPPER], and the Senator from Virginia [Mr. GLASS]. Many hearings were held, and the question was thoroughly discussed. The subcommittee made its report to the full committee, and the full committee considered it. I spent a couple of days with the full committee discussing the question. The full committee thought that there should be a further protection. First, the committee reported that the Government ought to allow the States to tax the stock of the banks or the income of the banks or the income of the stock. In some States there is an income tax on corporations, while in others there is a direct tax upon corporations. The committee thought it wise to give the States the same privilege of taxing national banks on their income or on their stock or on the income from the stock.

Mr. SWANSON. If I understand the Senator, the effect of the bill is that the States shall have the privilege of taxing national banks provided they will impose similar taxes on the State banks and comply with the conditions which are set forth in the bill.

Mr. KELLOGG. That is practically the proposition.

Mr. SWANSON. Then, it is proposed to use the power of the Federal Government to compel the States to change the system of taxation in connection with State banks to conform with the tax on the national banks, or else the State may not impose a tax on national banks. Is that true?

Mr. KELLOGG. No; the point is that there is a limitation. The States must not tax national banks at a higher rate than they tax other moneyed capital which is engaged in banking. That includes State banks and trust companies.

Mr. SWANSON. That would be all right if the bill stopped there, but it goes further and proposes to coerce all the States into changing their methods of taxation of State banks and other financial institutions by providing that the States shall not impose a tax on national banks in excess of the tax which they impose on mercantile corporations.

Mr. KELLOGG. The Senator from Virginia is wrong, because that is the law now. The States may not tax national banks at a higher rate than they tax State banks where the State bank is operated by individuals.

Mr. SWANSON. Then the only effect of this proposed legislation, if enacted, would be to say to the State: "You may tax a national bank, provided you do not tax such a bank more than you tax mercantile establishments in your State; and if you tax your State banks more than you tax mercantile establishments you must conform the two rates, or else there will be discrimination." Is that the effect of the proposed legislation?

Mr. KELLOGG. I do not know that I understand the Senator from Virginia. The State banks, the trust companies, and the individuals who are engaged in banking will have to pay taxes at the same rate that the national banks would pay. That is fair, is it not?

Mr. SWANSON. I think the national banks ought only to pay the same as the State banks do.

Mr. KELLOGG. That is what I have stated.

Mr. SWANSON. The Senator says they ought to pay the same tax, but the bill provides that a national bank shall not pay any more tax than a mercantile establishment pays. In order to accomplish that result it would be necessary, it seems to me, to change the tax laws in nearly all of the States.

Mr. KELLOGG. If the Senator can secure the passage of a bill through the House of Representatives without some such clause as is contained in this bill, I should like to have him do it.

Mr. SWANSON. I do not know as to that, but I merely wish to ascertain what the effect of this proposed legislation would be.

Mr. SMITH. Mr. President, the bill which passed the House of Representatives is before me, and on the very point now under discussion the bill as it passed the other House provides:

That the tax imposed shall not be at a greater rate than that assessed on other moneyed capital in the hands of individuals of such State coming into competition with the business of national banks.

Mr. KELLOGG. Does that give the States any protection?

Mr. SMITH. It defines what comes in competition with the national banks and does not include any outside business. It means capital that is used for the purposes approximating those of a banking business.

Mr. KELLOGG. Yes; it includes the individual's investment.

Mr. SWANSON. I desire to suggest to the Senator that, in view of the language which is embraced in the pending bill, we might find it necessary to change the tax laws of nearly every State in the Union. I merely wish to ascertain whether or not that is true. I read from page 4, line 6, clause (c), as follows:

(c) In the case of a State tax on the net income of an association the rate shall not be higher than the highest of the rates imposed by the taxing State upon the net income of mercantile manufacturing and/or financial corporations doing business within its limits.

Mr. KELLOGG. That applies where the States levy a direct tax on net income.

Mr. SWANSON. That provision seems to me to place a manufacturing establishment and a financial corporation on the same basis, whether the present State law does it or not.

Mr. KELLOGG. At present the banks are not taxed on their income at all; but the committee thought it wise that the States should be permitted, if they saw fit, to tax the income of banks instead of taxing the stock of banks, and that therefore there must be some limitation. The committee reported a provision that the rate on the income of banks should not be higher than the rate upon mercantile, manufacturing, or banking corporations doing business within the State. That would include all financial corporations such as banks, trust companies, and so forth.

Mr. CALDER. Mr. President, let me see if I understand that clearly. If there is no tax levied by the State upon business concerns such as are indicated in the paragraph, then this provision would not apply? Is that right?

Mr. KELLOGG. That is true. If the States do not tax the stock of other corporations, of course the proviso at the top of page 4 would not apply, for there would be a different basis of taxation.

Mr. SMITH. Mr. President, is not the Senator willing now to let the bill go over until to-morrow? It is getting late and some of us are not prepared to go on with it now. There are certain questions in connection with the bill which I should like to investigate before the bill shall be passed.

Mr. KELLOGG. I am willing, then, that the bill shall go over.

Mr. HEFLIN. I suggest, since the Senate has decided to meet at 11 o'clock to-morrow, that we ought not to be kept here any longer to-day.

PROBLEMS RELATING TO REFORESTATION.

Mr. JONES of Washington. Mr. President, the Senator from North Dakota [Mr. LADD] has a bill which is short, and I do not think will involve any discussion. I am perfectly willing that he should have an opportunity to ask unanimous consent that his bill may be considered.

Mr. HARRISON. Mr. President——

Mr. JONES of Washington. I understand the Senator from Mississippi has a brief resolution, for which he would also like to secure consideration.

Mr. HARRISON. Mr. President, on Friday last the Senator from New York [Mr. CALDER] reported to the Senate a resolution providing for the appointment of a special committee to investigate problems relating to reforestation. At the instance of the Senator from Idaho [Mr. BORAH], who had not seen the resolution, it went over until the next day. The Senator from Idaho is in favor of the resolution, and I know of no objection to it. I ask unanimous consent for its immediate consideration.

Mr. WADSWORTH. Let it be read for the information of the Senate.

The PRESIDING OFFICER (Mr. MCNARY in the chair). The Secretary will state the resolution.

The ASSISTANT SECRETARY. Order of Business 999, Senate Resolution 398, to investigate problems relating to reforestation.

Mr. WADSWORTH. Does the resolution propose an inquiry by a joint congressional committee?

Mr. HARRISON. No; it is merely a Senate resolution, and authorizes the Vice President to appoint a committee of five to investigate the problems of reforestation.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. LENROOT. I ask that the entire resolution be read.

The PRESIDING OFFICER. The Secretary will read the resolution.

The Assistant Secretary read the resolution, and there being no objection, the Senate proceeded to its consideration.

The resolution had been reported from the Committee to Audit and Control the Contingent Expenses with amendments on page 1, line 10, after the word "than," to strike out "December 2" and insert "April 4," and on page 2, line 2, after the words "excess of," to strike out "$1.25 per printed page" and insert "25 cents per folio," so as to make the resolution read:

Resolved, That the President of the Senate appoint a committee to consist of five Members of the Senate, three from the majority party and two from the minority party, to investigate problems relating to reforestation, with a view to establishing a comprehensive national policy for lands chiefly suited for timber production in order to insure a perpetual supply of timber for the use and necessities of citizens of the United States. The committee shall make a final report of its investigations with recommendations to the Senate not later than April 4, 1924. For the purposes of this resolution, the committee is authorized to sit and act at such times during the sessions or recesses of the Sixty-seventh and Sixty-eighth Congresses and in such places within the United States, to hold such hearings, and to employ such clerical and stenographic assistants as it deems necessary. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per folio. The committee is further authorized to send for persons, books, and papers, to administer oaths, and to take testimony. The expenses of the committee shall be paid from the contingent fund of the Senate.

The amendments were agreed to.

The resolution as amended was agreed to.

SHIPMENT OF FILLED MILK IN INTERSTATE COMMERCE.

Mr. LADD. Mr. President, I ask unanimous consent for the immediate consideration of the bill (H. R. 8086) to prohibit the shipment of filled milk in interstate or foreign commerce. The bill passed the House of Representatives by a large majority; there has been a hearing before the subcommittee of the Senate Committee on Agriculture; two amendments have been added, one for the purpose of clarification and the other to make sure that the bill shall not include certain other foods which were not intended to be included.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota for the immediate consideration of the bill named by him?

Mr. GERRY. Mr. President, I understand the Senator from South Carolina [Mr. DIAL] is desirous that the bill should not be considered during his absence.

The PRESIDING OFFICER. Does the Senator from Rhode Island object to the present consideration of the bill?

Mr. LADD. I was not aware there was any objection on the part of the Senator from South Carolina. I knew that the Senator from Mississippi [Mr. HARRISON] had stated that he reserved the right to discuss the measure and to have a vote on it in the Senate, but the Senator from Mississippi informed me that he had looked into the matter and would offer no objection. I also understood that the Senator from Arkansas [Mr. CARAWAY] had some objection to the bill, but I told him that I was about to ask for its consideration and he said he was not going to bother with it, and he left about two moments ago, so I take it he has withdrawn his objection.

Mr. GERRY. I am not especially familiar with the provisions of the bill, but I have information that the Senator from South Carolina [Mr. DIAL] desires to be present when it is considered and, out of courtesy to that Senator, I do not think the bill ought to be considered until he is present, especially at this late hour.

Mr. LADD. If there is objection to the bill I will withdraw the request.

Mr. GERRY. I object to the immediate consideration of the bill in the absence of the Senator from South Carolina.

The PRESIDING OFFICER. Objection is made.

INDIANS OF MESCALERO RESERVATION, N. MEX.

Mr. BURSUM. Mr. President, I ask unanimous consent that the Senate take up Order of Business 991, House bill 6294, promoting civilization and self-support among the Indians of the Mescalero Reservation in New Mexico. This is a bill that has been passed by the House. The Senate passed a similar bill, appropriating for the Apache Indians $250,000, to be repaid by the sale of timber. The House passed another bill which provides simply for the authorization of the appropriation, and it is that bill which I desire to call up at this time.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. BURSUM. Yes.

Mr. LENROOT. When does the Senator expect to get this appropriation?

Mr. BURSUM. It must go to the Budget.

Mr. LENROOT. It will not be until next year?

Mr. BURSUM. No; they expect to get something on the next deficiency appropriation bill.

Mr. LENROOT. Mr. President, I do not believe that we should have the practice of calling up bills when Senators do not expect them to be called up, unless there is some emergency in the case. I think it a very bad practice to call up just ordinary bills at all times. We have stated times for the calling of the calendar. I do not see that this bill will be injured in the least by awaiting the regular call of the calendar.

Mr. BURSUM. Mr. President, if the Senator please, the secretary of the Indian Rights' Association told me that the bureau was very anxious to have this bill passed at this time, for the reason that it would give them an opportunity to get a part of this appropriation on the deficiency bill that is coming up in two or three weeks.

Mr. LENROOT. There will be plenty of time to pass this bill before then.

Mr. BURSUM. I shall be very glad to bring it up when there is a full Senate present.

Mr. LENROOT. I do not make reference to the Senator's bill. I simply think that unless there is some emergency it is a very bad practice.

Mr. LODGE. We are to have a calendar day to-morrow.

The PRESIDING OFFICER. Objection is made.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 40 minutes p. m.) the Senate, under the order previously made, adjourned until to-morrow, Tuesday, January 23, 1923, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate January 22 (legislative day of January 21), 1923.

APPOINTMENT IN THE COAST AND GEODETIC SURVEY.

Donal Bruksicker Pheley, of Ohio, to be aid with relative rank of ensign in the Navy in the Coast and Geodetic Survey, vice J. M. Smook, promoted.

APPOINTMENT IN THE REGULAR ARMY.

QUARTERMASTER CORPS.

To be captain with rank from July 1, 1920.

Warrant Officer Herbert Warren Hardman, United States Army. This officer was nominated to the Senate on August 29, 1922, but failed of confirmation.

PROMOTION IN THE REGULAR ARMY.

MEDICAL ADMINISTRATIVE CORPS.

To be first lieutenant.

Second Lieut. Martin Douglas Mims, Medical Administrative Corps, from January 15, 1923.

POSTMASTERS.

ARIZONA.

Allie A. Dickerman to be postmaster at Tucson, Ariz., in place of J. M. Ronstadt, resigned.

CALIFORNIA.

Bert W. Miller to be postmaster at Hilts, Calif., in place of E. B. Birmingham, resigned.

Rea D. Votaw to be postmaster at Kingsburg, Calif., in place of H. L. Bishop. Incumbent's commission expired September 5, 1922.

Emerson B. Herrick to be postmaster at Lodi, Calif., in place of C. R. Keagle, removed.

COLORADO.

Dixon D. Pennington to be postmaster at Victor, Colo., in place of J. F. Halloran. Incumbent's commission expired May 25, 1920.

DELAWARE.

LeRoy W. Hickman to be postmaster at Wilmington, Del., in place of J. J. English. Incumbent's commission expires January 27, 1923.

FLORIDA.

Herschel C. Anderson to be postmaster at Hastings, Fla., in place of W. B. Leonard. Incumbent's commission expired April 6, 1922.

Elizabeth D. Barnard to be postmaster at Tampa, Fla., in place of E. D. Lambright. Incumbent's commission expired October 14, 1922.

IDAHO.

George F. Gleed to be postmaster at Bonners Ferry, Idaho, in place of J. R. Viley. Incumbent's commission expired September 5, 1922.

Hazel Vickney to be postmaster at Firth, Idaho, in place of F. M. Shockey, declined.

Samuel P. Oldham to be postmaster at Rexburg, Idaho, in place of L. Y. Rigby. Incumbent's commission expired September 5, 1922.

ILLINOIS.

Harry S. Farmer to be postmaster at Farmer City, Ill., in place of C. D. Rock. Incumbent's commission expired October 24, 1922.

Charles J. Douglas to be postmaster at Gilman, Ill., in place of B. J. Reilly, resigned.

John A. Dausmann to be postmaster at Lebanon, Ill., in place of J. F. Traband, resigned.

William F. Hemenway to be postmaster at Sycamore, Ill., in place of T. J. Ronin. Incumbent's commission expired October 24, 1922.

INDIANA.

John C. Hodge to be postmaster at Zionsville, Ind., in place of T. J. Shelburn. Incumbent's commission expired September 5, 1922.

IOWA.

Carl Wulkau to be postmaster at Williams, Iowa, in place of Carl Wulkau. Incumbent's commission expired November 21, 1922.

KANSAS.

Lewis Thomas to be postmaster at Argonia, Kans., in place of L. T. Smith, resigned.

Clark L. Porter to be postmaster at Blue Mound, Kans., in place of J. W. Dean, resigned.

Frank H. Hanson to be postmaster at Haddam, Kans., in place of C. H. Harvey. Incumbent's commission expired February 5, 1922.

Arthur F. Rader to be postmaster at Smith Center, Kans., in place of R. C. Logan. Incumbent's commission expired September 13, 1922.

Nettie M. Cox to be postmaster at Wellington, Kans., in place of C. R. Havens. Incumbent's commission expired September 13, 1922.

MARYLAND.

William L. Whittington to be postmaster at Crisfield, Md., in place of A. B. Cochrane. Incumbent's commission expired September 5, 1922.

MICHIGAN.

Ernest A. Densmore to be postmaster at Mason, Mich., in place of F. M. Hall. Incumbent's commission expired September 13, 1922.

Ira J. Stephens to be postmaster at Mendon, Mich., in place of E. F. Riley. Incumbent's commission expired September 13, 1922.

Charles H. Dodge to be postmaster at Romeo, Mich., in place of N. C. Sutherland. Incumbent's commission expired November 15, 1922.

Charles A. Jordan to be postmaster at Saline, Mich., in place of C. A. Jordan. Incumbent's commission expired November 21, 1922.

MINNESOTA.

Philip Teisberg to be postmaster at Ashby, Minn., in place of E. E. Rathbun. Incumbent's commission expired September 26, 1922.

Henry H. Lukken to be postmaster at Boyd, Minn., in place of P. J. Johnson, removed.

Gustav C. Wollan to be postmaster at Glenwood, Minn., in place of J. R. Serrin. Incumbent's commission expired September 13, 1922.

Edward F. Joubert to be postmaster at Wheaton, Minn., in place of G. G. Allanson. Incumbent's commission expired September 13, 1922.

Elmer A. Peterson to be postmaster at Willmar, Minn., in place of A. O. Forsberg. Incumbent's commission expired January 6, 1920.

NEBRASKA.

Elmer E. Gockley to be postmaster at Edison, Nebr., in place of E. E. Gockley. Office became third class October 1, 1920.

Herbert C. Wilkinson to be postmaster at Weeping Water, Nebr., in place of J. I. Corley. Incumbent's commission expired October 3, 1922.

Harry H. Jordan to be postmaster at Wilcox, Nebr., in place of J. A. McGowan, resigned.

NEW HAMPSHIRE.

Fred W. Smith to be postmaster at North Woodstock, N. H., in place of E. T. Smith, deceased.

James R. Kill Kelley to be postmaster at Wilton, N. H., in place of J. R. Kill Kelley. Incumbent's commission expired September 19, 1922.

NEW YORK.

Etta Merritt to be postmaster at Brewerton, N. Y., in place of Truly Merritt, resigned.

George F. Yaple to be postmaster at Loch Sheldrake, N. Y., in place of Frank Yaple, deceased.

Charles A. Gaylord to be postmaster at North Tonawanda, N. Y., in place of W. C. Oille. Incumbent's commission expired October 24, 1922.

Charles C. Allen to be postmaster at Schuylerville, N. Y., in place of E. J. Hughes. Incumbent's commission expired January 24, 1922.

Daniel W. Quinn to be postmaster at Valhalla, N. Y., in place of D. W. Quinn. Incumbent's commission expired July 12, 1920.

Henry Neddo to be postmaster at Whitehall, N. Y., in place of D. E. Brett. Incumbent's commission expired September 19, 1922.

NORTH CAROLINA.

James H. Carlton to be postmaster at Burgaw, N. C., in place of G. W. Collins. Incumbent's commission expired September 5, 1922.

NORTH DAKOTA.

Austinna S. Loudenbeck to be postmaster at Garrison, N. Dak., in place of Annie Minnehan. Incumbent's commission expired January 24, 1922.

Marion C. Houser to be postmaster at Napoleon, N. Dak., in place of O. T. House. Incumbent's commission expired September 5, 1922.

OREGON.

Cyril G. Shaw to be postmaster at Kerry, Oreg., in place of N. E. Barhan, resigned.

PENNSYLVANIA.

William M. O. Edwards to be postmaster at Pencoyd, Pa., in place of W. M. O. Edwards. Incumbent's commission expired September 19, 1922.

Edgar Matthews to be postmaster at Royersford, Pa., in place of C. A. De Huff. Incumbent's commission expired September 19, 1922.

SOUTH DAKOTA.

Frank Dennerly to be postmaster at McLaughlin, S. Dak., in place of Frank Dennerly. Incumbent's commission expired September 11, 1922.

TENNESSEE.

Simon C. Dodson to be postmaster at Sparta, Tenn., in place of J. L. Nowlin, resigned.

TEXAS.

Adah L. Ridenhower to be postmaster at Hico, Tex., in place of J. P. Rodgers. Incumbent's commission expired September 5, 1922.

Calvin C. Davis to be postmaster at Iowa Park, Tex., in place of C. C. Davis. Incumbent's commission expired July 21, 1921.

Albert E. Newman to be postmaster at Texas City, Tex., in place of H. M. Coats. Incumbent's commission expired September 5, 1922.

Dyde Manning to be postmaster at Wills Point, Tex., in place of G. C. Williams. Incumbent's commission expired September 5, 1922.

VIRGINIA.

Louis H. Stoneman to be postmaster at Columbia, Va., in place of Dabney Cosby. Office became third class January 1, 1920.

WEST VIRGINIA.

Ralph L. Teter to be postmaster at Belington, W. Va., in place of B. B. Rohrbough. Incumbent's commission expired November 21, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 22 (legislative day of January 21), 1923.

COLLECTOR OF CUSTOMS.

Carey D. Ferguson to be collector of customs, Detroit, Mich.

MEMBER OF BOARD OF CHARITIES, DISTRICT OF COLUMBIA.

William J. Kerby to be member of Board of Charities, District of Columbia.

UNITED STATES ATTORNEY.

Oliver D. Burden to be United States attorney, northern district of New York.

PROMOTIONS IN THE ARMY.

Forest Vernon Bockey to be captain, Dental Corps.
William Harvey Kernan to be first lieutenant, Medical Administrative Corps.
Thomas Joseph Lennan to be chaplain with rank of captain.
Claude Skene Harkey to be chaplain with rank of captain.

POSTMASTERS.

IDAHO.

Myron A. Corner, Wallace.

ILLINOIS.

Evelyn E. O'Brien, Amboy.
John J. Lord, Galva.
William Champion, Granite City.
Charles L. Tanner, Saunemin.

MICHIGAN.

Frank B. Housel, St. Louis.

MISSOURI.

Elbert C. White, Doniphan.

PENNSYLVANIA.

Charles E. Taylor, Columbia.
Ralph B. Kunkle, Homer City.
Daniel M. Saul, Kutztown.
Stanley M. Wray, Leechburg.
William H. Young, McDonald.
Ira B. Jones, Minersville.
Thomas E. Rudolph, Morton.
Bess L. Thomas, New Bethlehem.
Eli F. Poet, Red Lion.

VIRGINIA.

Everett M. Berrey, Luray.
Eugene C. Geary, Woodstock.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 22, 1923.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most gracious Lord, we would incline our hearts toward Thee; we come in the multitude of Thy mercies, so free, so full, and so divine. We bless Thee for the priceless boon of liberty bequeathed by our fathers. Truly Thou hast not dealt so with any other nation. Magnify Thyself in human weakness. We believe that it is Thy pleasure to do so. Directed by Thee, may we be able to comprehend our whole duty toward our fellow citizens, who have called us. May our President and his hearthstone be under Thy fostering care. Guide our statesmen, and through the masses of our people, down to the wanderer on the street, let Thy blessing come for the enrichment, the strength, and the stability of our country. Through Christ. Amen.

The Journal of the proceedings of Saturday, January 20, 1923, and of Sunday, January 21, 1923, was read and approved.

LEGISLATIVE APPROPRIATION BILL.

The SPEAKER. The unfinished business is the legislative appropriation bill, on which the previous question was ordered, and the bill has been read the third time. The question is on the passage of the bill.

Mr. WINGO. Mr. Speaker, I move to recommit the bill.

The SPEAKER. The gentleman from Arkansas offers a motion to recommit the bill, which the Clerk will report.

The Clerk read as follows:

Mr. WINGO moves to recommit the bill to the Committee on Appropriations, with instructions to report the same back forthwith, with the following amendment: At the end of the bill add a new paragraph, to read as follows: "No part of the funds herein appropriated shall be used for the purpose of purchasing by or through the stationery room articles other than stationery and office supplies essential to and necessary for the conduct of public business, nor shall any part of such funds be expended for the maintenance, storage, or care of private vehicles."

Mr. WINGO. Mr. Speaker, I move the previous question.

Mr. ANDERSON. Mr. Speaker, I move the previous question.

The SPEAKER. The gentleman from Arkansas and the gentleman from Minnesota move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit.

The question was taken, and the Speaker announced that the "noes" seemed to have it.

Mr. WINGO. I ask for a division, Mr. Speaker.

The SPEAKER. The gentleman from Arkansas asks for a division.

The House divided; and there were—ayes 33, noes 3.

So the motion to recommit was agreed to.

The SPEAKER. The question is on agreeing to the amendment.

Mr. CRISP. Mr. Speaker, was not the motion to recommit with instructions?

The SPEAKER. It was.

Mr. ANDERSON. Mr. Speaker, I report back the legislative bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, with the following amendment: At the end of the bill add a new paragraph, to read as follows:

No part of the funds herein appropriated shall be used for the purpose of purchasing by or through the stationery room articles other than stationery and office supplies essential to and necessary for the conduct of public business; nor shall any part of such funds be expended for the maintenance, storage, or care of private vehicles.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. ANDERSON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

DISTRICT OF COLUMBIA BUSINESS.

The SPEAKER. The gentleman from Pennsylvania [Mr. FOCHT] is recognized.

ADDITIONAL POLICE DURING MYSTIC SHRINE CONVENTION.

Mr. FOCHT. Mr. Speaker, with the statement that it is the desire of the Committee on the District of Columbia that the compensation bill shall not lose its status as unfinished business, I ask unanimous consent to call up Senate Joint Resolution 247.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to call up the Senate joint resolution which the Clerk will report by title.

The Clerk read as follows:

Joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes.

The SPEAKER. Is there objection?

Mr. STAFFORD. Let us hear what the resolution is.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, etc., That the sum of $25,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, payable in the same proportion as other expenses of the government of the District of Columbia are now paid from the revenues of the District of Columbia and the revenues of the United States, to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in the District of Columbia from the 25th day of May, 1923, to the 10th day of June, 1923, both inclusive, including the employment of personal services; the payment of allowances; traveling expenses; hire of means of transportation; and other incidental expenses in the discretion of the said commissioners, and authority is hereby given to use so much of said sum as may be necessary for the construction, rent, maintenance, and for incidental expenses in connection with the operation of temporary public convenience stations, first-aid stations, and information booths, including the employment of personal services in connection therewith during said period.

SEC. 2. That said commissioners are hereby authorized and directed to make all reasonable regulations necessary to secure the preservation of public order and the protection of life and property and the fixing of fares to be charged by public conveyances, and to make special regulations respecting the standing, movement, and operating of public vehicles in the District of Columbia during the period hereinbefore mentioned, and to fix the fares to be charged for the use of the same. Such regulations shall be in force during said period, and shall be pub-

lished in one or more daily newspapers published in the District of Columbia: *Provided*, That the expiration of said period shall not prevent the arrest or trial of any person for any violation of such regulations committed during the time same were in force and effect: *Provided, however*, That no penalty prescribed for the violation of any such regulations shall be in force until five days after the date of publication. Any person violating any of such regulations shall be liable to a fine not to exceed $100 for each offense, and prosecution for same shall be instituted in the police court of the District of Columbia by the corporation counsel of said District or any of his assistants.

With committee amendments, as follows:

Page 1, line 3, strike out "$25,000" and insert in lieu thereof "$50,000."

On page 2, line 6, after the word "Commissioners," strike out the comma and the remainder of the line and all of lines 7, 8, 9, 10, 11, and 12, and insert: "There is hereby further appropriated the sum of $4,000, or so much thereof as may be necessary, payable as aforesaid, for the construction, rent, maintenance, and for incidental expenses in connection with the operation of temporary public-convenience stations, first-aid stations, and information booths, including the employment of personal services in connection therewith during such period."

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. GARNER. Reserving the right to object, Mr. Speaker, I do not know who is the author of this resolution. As I caught the reading of it, it would authorize the District Commissioners to bring men from Texas here to serve as policemen and pay their mileage, and so forth. Is that a part of the resolution as I understand it?

Mr. FOCHT. It is in their judgment. It is not likely that they would find many crooks down in Texas or that the money would hold out.

Mr. GARNER. It seems like a junketing tour for a lot of men from Texas and California. I do not think it is wise to leave to the commissioners the exercise of this discretion. I think you can get all the policemen you need right here in the District of Columbia without going outside.

Mr. BLANTON. Mr. Speaker, will the gentleman in charge of the resolution yield?

Mr. FOCHT. Yes.

Mr. BLANTON. It merely embraces this idea: For instance, in a big city like Chicago or Philadelphia or Pittsburgh or New York their local detectives are acquainted with the thugs of those cities. They know them. Now, it was the idea of the Commissioners of the District that if they could have the police departments of the various big cities send here to Washington one or more of their detectives who are familiar with the local thugs and lawbreakers it would help materially in the enforcement of law and order. That is all that the idea embraces, I will say to my colleagues.

Mr. FOCHT. It is the customary resolution that is adopted on the occasion of inaugurations and other unusual gatherings in Washington.

Mr. GARNER. It does not seem to me that this is necessary, and I think it is bad practice to pay the expenses of individuals to come here from Seattle, in the State of Washington, or San Francisco, or San Antonio, Tex. I protest against it.

Mr. TINCHER. I understand this is for the annual gathering of the Shriners?

Mr. FOCHT. Yes.

Mr. TINCHER. You do not need any policemen for the Shriners.

Mr. FOCHT. It is to protect them.

Mr. TINCHER. If there is any body of men in the world who can protect themselves, it is the Shriners.

Mr. FOCHT. The request comes from them.

Mr. TINCHER. Are they going to appoint Shriners as policemen?

Mr. FOCHT. I believe some of them are to be Shriners.

Mr. TINCHER. If they will appoint all Shriners, I have no objection.

Mr. TREADWAY. Will the gentleman yield?

Mr. FOCHT. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. I think there is a little misunderstanding in the minds of some gentlemen as to the nature of this request. The purpose in the bringing of these policemen or detectives here from other cities is not to watch the Shriners, as the gentleman from Kansas [Mr. TINCHER] undoubtedly well knows and the gentleman from Texas [Mr. GARNER] also. But wherever there is a large gathering of people there is sure to be a following of those who want to prey on them in the way of thievery—pickpockets and lawbreakers of that nature. As I understand it, there are to be something over 500,000 people here the first week in June. It is an honor to the United States to have the Shrine select the National Capital as its place of meeting, and the local authorities, as I understand it, have asked this extra protection to the District itself. If there are special detectives in the gentleman's home State of Texas who know certain men to be crooks, who are accustomed to follow where some large gathering is to be held, it is very right and proper that the authorities of the District should ask such detectives to come here to help protect, not alone the people who are coming to this convention but the people of the District. The same thing applies everywhere throughout the country.

It is not a junketing trip for certain special detectives, but it is an effort on the part of the Commissioners of the District properly to protect the District and the visitors to it.

Mr. HUSTED. Will the gentleman yield?

Mr. TREADWAY. I do.

Mr. HUSTED. Does the gentleman think that other cities in the country except Washington have to resort to this practice in order to protect the public on occasions of this kind?

Mr. TREADWAY. I am credibly informed that that is the usual practice.

Mr. HUSTED. Does not the gentleman think it may be partly due to the utter inadequacy of the police force in Washington either to protect the public or anybody else?

Mr. TREADWAY. If the police force in Washington is inadequate to protect the public, Congress is to blame for it. We legislate for the District; and not admitting the premise of the gentleman from New York, if his premise is correct we are responsible for it, and we ought to do our part to overcome the difficulties that may arise as the result of such a situation.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, it seems to me that the serious proposition involved here is the appropriation out of the Federal funds. The city of Washington, of course, is attractive to conventions. The Shriners accepted an invitation extended, I believe, through the chamber of commerce of the city of Washington, to hold their next annual meeting here. There is a necessity, no doubt, for extra police protection on account of the extraordinary size of the crowd that will attend, but this bill, so far as I know, will fix a precedent of the Federal Government paying out of its funds an allowance for a wholly nongovernmental function. It seems to me that if this were confined wholly to the District revenues there would be no objection to it; but whenever you begin to have expenses incurred on account of conventions paid out of the Federal Treasury, it seems to me it will establish a bad precedent.

Mr. BLANTON. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield to the gentleman from Texas.

Mr. BLANTON. It is assumed that there will be 100,000——

SEVERAL MEMBERS. Five hundred thousand.

Mr. BLANTON. It is assumed that there will be 100,000 Shriners here who will have to camp in their automobiles in the city, leaving their cars and their contents in the daytime and at night down in the campers' district. It is further estimated that there may be at least 100,000 more who will have to live in Pullman cars here on sidetracks. I am with the gentleman on restricting District expenditures to District revenues, but, as a matter of fact, the chairman of this committee is not dependent upon unanimous consent for the consideration of this resolution. It was voted out of the committee, and he is authorized as a matter of right to call it up at this time, and he can so call it up if he wants to. I do not know why he asked unanimous consent when he had the right to call it up.

Mr. SNELL. Will the gentleman yield for a short question?

Mr. BLANTON. I have not charge of the time, but if permitted, I yield to the gentleman from New York.

Mr. SNELL. There seems to be a movement to make this a convention city. Does the gentleman think it would really be very serious if from time to time the Federal Government should help out the city when there was going to be an exceptionally large crowd by providing for extra police?

Mr. GARRETT of Tennessee. I do, except when such convention or congregation is on governmental business, like, for instance, the inauguration of the President.

Mr. SNELL. Of course, these gatherings are not on governmental business except at the time of the inauguration of the President.

Mr. GARRETT of Tennessee. When it is for the inauguration of the President or something relating to Government business, I do not object to Federal participation in the expense; but I do think that when you undertake to make this a convention city and then appropriate for police protection out of the funds of all the people it is a mistake, and if it takes unanimous consent, I shall object.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

Mr. MONDELL. Mr. Speaker——

The SPEAKER. The gentleman from Texas demands the regular order.

Mr. FOCHT. Did the gentleman from Tennessee say he was going to object?

Mr. GARRETT of Tennessee. I shall object to unanimous consent.

Mr. MONDELL. Mr. Speaker——

The SPEAKER. The gentleman from Texas demands the regular order, which is: Is there objection to the consideration of this joint resolution in the House as in Committee of the Whole?

Mr. GARRETT of Tennessee. I object.

Mr. FOCHT. Will the gentleman withhold his objection until I can make a statement?

Mr. GARRETT of Tennessee. I will withhold it for that purpose.

Mr. FOCHT. The gentleman has overlooked the fact that the Congress of the United States in controlling and directing the affairs of the District of Columbia assumes the function of a town council or city council. I happened once to be chairman of a joint committee appointed under Governor Pennypacker, and with the cooperation of Vance McCormack, from Harrisonburg, we divided the cost of the protection and brought relief from New York, Chicago, and other cities to protect the people.

Mr. QUIN. Can not you call the bill up anyway?

Mr. FOCHT. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 247.

Mr. LONDON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONDON. The District of Columbia Committee has some unfinished business. Is it in order as a matter of priority to call up a new bill rather than to proceed with the unfinished business?

The SPEAKER. The District Committee has entire discretion as to what business it will call up.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Texas asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. HERRICK. I object.

Mr. FOCHT. I renew my motion, Mr. Speaker, and pending that I move that all debate be limited to 10 minutes.

The SPEAKER. That motion is not in order.

The motion of Mr. FOCHT to go into Committee of the Whole House on the state of the Union was agreed to; accordingly, the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. ANDERSON in the chair.

The CHAIRMAN. The Clerk will read the Senate joint resolution.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes.

Mr. FOCHT. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. FOCHT. Mr. Chairman, I think the object and purpose of this resolution has been fully stated and is thoroughly well understood. It is not an unusual thing. Anyone who lives in a capital city knows that this is nothing extraordinary, that it has been followed always in this city. I do not know that I have anything further to say except that we have provided for an increase over the amount allowed by the Senate, for the reason that since the resolution was introduced way back last year the Masonic fraternity has information that instead of having 100,000 people here there will be 500,000. So the necessity of this has grown and will grow. Of the $50,000 40 per cent will be paid by the Government and 60 per cent by the Masonic fraternity as their share. It is not a case of rushing to the Treasury for funds when the Masonic fraternity pays 60 per cent of the amount. Besides that, as I understand, the business men have raised half a million dollars for the entertainment of these people. We are going to have them here, and we ought to protect them from the crooks, pickpockets, second-story men, and thugs from Chicago, Buffalo, New York, and Philadelphia. I yield five minutes to the gentleman from Maryland [Mr. ZIHLMAN].

Mr. ZIHLMAN. Mr. Chairman, this is the usual resolution that has been adopted for the presidential inauguration. It is my understanding that this convention will bring to the city of Washington half a million people, who will spend approximately $30,000,000. I think the objection raised to the bill by the gentleman from Tennessee [Mr. GARRETT] is well founded, and I am sure no taxpayer of the District would oppose an amendment providing that the District shall pay the entire cost of properly policing the city as provided in the bill. As one of the proponents of this measure, I am quite in accord with the position taken by the gentleman from Tennessee, and I am sure the chairman of the committee would accept an amendment that the whole $50,000 carried in the resolution be paid out of the revenues of the District and not any part of it out of the revenues of the Federal Government.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. ZIHLMAN. Certainly.

Mr. GARRETT of Tennessee. I hope I made myself perfectly clear, and I think I did, to the gentleman from Maryland by what he has said. I think it is necessary to have a fund for police protection for this great convention. But what I fear is that if a part of it is paid out of the Government funds; in other words, if the 60–40 proposition is to prevail, it will be an invitation to all sorts of orders everywhere, no matter what the character or the kind of the order, to hold their conventions in the city of Washington, 40 per cent of the protection to be paid out of the Federal Treasury. Congress had nothing to do with inviting the meeting here; it was invited by local and private authority.

Mr. ZIHLMAN. As I understand the gentleman from Tennessee, if the resolution was amended so that the whole $50,000 be paid entirely out of the revenues of the District he would have no objection.

Mr. GARRETT of Tennessee. None whatever.

Mr. FOCHT. I wish to say, Mr. Chairman, that the chairman of the committee will accept that proposition and will offer an amendment at the proper time that no part of the fund shall come out of the Federal Treasury. I will yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I do not think any gentleman here will oppose the resolution when the amendment suggested by the gentleman from Tennessee [Mr. GARRETT] and which is to be offered by the gentleman from Pennsylvania is adopted. It is a good amendment. It is estimated that there will be 500,000 Shriners visiting here in Washington. The gentleman from Maryland said they would spend $30,000,000. They will more likely spend $50,000,000 or more in this city. There will be hardly a Shriner who will spend less than $100 on an average. That would be $50,000,000. From an economic standpoint the city could well afford to pay this little expense. I am with the gentleman from Tennessee [Mr. GARRETT] in his amendment suggested. It ought to be adopted in this case and in every other bill of this character. I do not think, Mr. Chairman, it is worth while taking any further time on this proposition.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved, etc., That the sum of $25,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, payable in the same proportion as other expenses of the government of the District of Columbia are now paid from the revenues of the District of Columbia and the revenues of the United States, to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in the District of Columbia from the 25th day of May, 1923, to the 10th day of June, 1923, both inclusive, including the employment of personal services, the payment of allowances, traveling expenses, hire of means of transportation, and other incidental expenses in the discretion of the said commissioners, and authority is hereby given to use so much of said sum as may be necessary for the construction, rent, maintenance, and for incidental expenses in connection with the operation of temporary public convenience stations, first-aid stations, and information booths, including the employment of personal services in connection therewith during said period.

With the following committee amendment:

Page 1, line 3, strike out "$25,000" and insert "$50,000."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 6, after the word "commissioners," strike out the comma and all of line 6, and all of lines 7, 8, 9, 10, 11, and 12, and insert the following: "There is hereby further appropriated the sum of $4,000, or so much thereof as may be necessary, payable as aforesaid, for the construction, rent, maintenance, and for incidental expenses in connection with the operation of temporary public-convenience stations, first-aid stations, and information booths, including the employment of personal services in connection therewith during such period."

Mr. CRAMTON. Mr. Chairman, I make the point of order on that amendment, but I am willing to reserve it for a moment. I presume that it will be entirely satisfactory to the chairman of the committee to amend that and provide simply for an authorization, as is the case with the $50,000?

Mr. FOCHT. That is correct.

Mr. CRAMTON. If that is so, I withdraw the point of order and offer an amendment to the amendment to insert at the beginning of line 13, before the word "appropriated," the words "authorized to be."

The CHAIRMAN. The Clerk will report the amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON to the committee amendment: Page 2, line 13, before the word "appropriated," insert the words "authorized to be."

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

Mr. STAFFORD. Mr. Chairman, as I understand it, the gentleman from Pennsylvania [Mr. FOCHT] purposes to move to strike out in lines 5 and 6 the phrase "in the same proportion as other expenses of the Government in the District of Columbia are now paid," and also in lines 7 and 8 the phrase "and the revenues of the United States." I direct the gentleman's attention to the fact that you are providing an additional appropriation which would require another limitation, if the money is going to be paid out of the funds of the District of Columbia alone. Would it not be better in view of the general understanding that these appropriations are to be paid exclusively by the District of Columbia, to amend the language which has been recommended stricken out by the committee and insert in lines 7 and 8 the words "and authority is hereby given to use so much of said sum, not exceedingly $4,000, for the construction," and so forth?

Mr. FOCHT. It already provides that so much as may be necessary may be used?

Mr. STAFFORD. But the gentleman is not getting my idea. If we are going to have all of these funds paid out of the District moneys, it would be better legislative practice, would it not, to insert the language in this phraseology which has been recommended to be stricken out?

Mr. GARRETT of Tennessee. I hardly think so, if the gentleman will permit. If the first section of the bill is amended in accordance with what I understand the gentleman from Pennsylvania will offer, providing that it shall be payable wholly out of the revenues of the District of Columbia, then no amendment to this part would be necessary, because it says, "payable as aforesaid."

Mr. CRAMTON. That saves the situation.

Mr. STAFFORD. That is correct.

The CHAIRMAN. The question is on agreeing to the amendment to the committee amendment.

The amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment was agreed to.

Mr. FOCHT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FOCHT: Page 1, line 5, after the word "payable," strike out the remainder of line 5 and all of line 6 up to and including the word "paid," and in line 7, after the word "Columbia," to strike out the remainder of the line and all of line 8 up to and including the word "States."

Mr. BLANTON. Mr. Chairman, may we have the language reported as it would be if the amendment be agreed to?

The CHAIRMAN. Without objection, the Clerk will report the language as it will read if the amendment were agreed to.

There was no objection, and the Clerk read as follows:

So that the paragraph will read:

"The sum of $50,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, payable from the revenues of the District of Columbia, to enable the Commissioners of the District of Columbia," etc.

Mr. GARRETT of Tennessee. That should be "payable wholly" out of the District of Columbia, and I offer that as an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, line 5, after the word "payable," insert the word "wholly."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Pennsylvania as amended.

The amendment was agreed to.

The Clerk concluded the reading of the Senate joint resolution.

Mr. FOCHT. Mr. Chairman, I move that the committee do now rise and report the resolution back with the amendments, with the recommendation that the amendments be agreed to and that the resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration Senate Joint Resolution 247, authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

The SPEAKER. Is a separate vote demanded upon any amendment? If not, the Chair will put the amendments in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on agreeing to the joint resolution.

The joint resolution was ordered to be read a third time, was read the third time, and was agreed to.

On motion of Mr. FOCHT, a motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

WORKMEN'S COMPENSATION.

Mr. FOCHT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10034) creating the District of Columbia insurance fund for the benefit of employees injured and the dependents of employees killed in employments, providing for the administration of such fund by the United States Employees' Compensation Commission, and making an appropriation therefor. Pending that, I ask the Speaker to state to the House the condition of the time for general debate.

The SPEAKER. The Chair is informed that the time in favor of the bill was controlled by the chairman and the time against by the gentleman from Massachusetts [Mr. UNDERHILL]. There remains 18 minutes to those in favor of the bill and 32 minutes to those against it. The question is on the motion of the gentleman from Pennsylvania that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10034.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill 10034, with Mr. TOWNER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10034, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 10034) creating the District of Columbia insurance fund for the benefit of employees injured and the dependents of employees killed in employments, providing for the administration of such fund by the United States Employees' Compensation Commission, and making an appropriation therefor.

Mr. UNDERHILL. I will ask the Chair to notify me when I have used 15 minutes. Mr. Chairman, I have asked that I be notified when I have consumed 15 minutes of the time to which I am entitled, and I have asked for that length of time that I may answer questions from the Members who may be interested in this bill, but first I want to emphasize three or four points regarding the bill. I can not emphasize too strongly the fact that I am absolutely in favor of workman's compensation, as my record will show in the Massachusetts Legislature in behalf of the compensation law which has worked to the advantage of the State, of the manufacturers, and of the workmen, perhaps better than the experience of any other State in the Union. In the second place, I want to emphasize that I am unalterably opposed to the Government of the United States going into business, either the insurance business or any other business. The experience which we have had with the Government running private business has not been of such a character as to commend itself either to the Members of Congress or to the taxpayers of the country. I think perhaps the interests of the taxpayer are fully as important as the interest of any portion of our people, due to the fact that they pay the running expenses of the Government. My bill, known for convenience as the Underhill bill, which in due season I shall ask be substituted for the Fitzgerald bill,

gives to the workmen every privilege, every advantage, every safeguard that is given by the Fitzgerald bill. In no way or manner can it be shown that the Fitzgerald bill is any more liberal to the workmen than the Underhill bill, but there is this fundamental difference: That the Fitzgerald bill provides for a Government bureau and an exclusive governmental insurance organization and excludes from competition any insurance companies now doing business either as stock companies or as mutuals.

I hold no brief for the insurance companies; I hold no stock in them; I have no interests or relatives who are interested in them; but I do believe insurance companies are just as much entitled to carry on business in the United States as the lawyers or the physicians or any other class of professional or trades people, and this is just another step in the direction of establishing another bureau in Washington, and if it only applied to workmen's compensation I doubt if I should take the time or trouble to fight this proposition. But it was acknowledged on the floor of this House by the author of the bill known as the Fitzgerald bill, and urged by the gentleman from New York, who is the only socialist in this body, that it was only a beginning, and that the true purpose was eventually to nationalize all insurance in the United States—life insurance, fire insurance, liability insurance, burglar insurance, all lines of insurance. Now, there is not a man in this body but who is acquainted with some insurance agent, somebody engaged in the insurance business, somebody who has come to him to solicit business, and showed him the advantages of protection. There is not a man here but who knows there are at least a half million people in this country engaged in the legitimate business of soliciting and writing insurance. I doubt if the same amount of work could be carried on by double the number of governmental employees. We have already had some experience with one line of insurance which the Government instituted and tried to carry on; that is the veterans' life insurance or the war risk insurance. I do not believe there is a man here whose experience with that bureau would lead him to desire a further extension into this private business. You will be told that the State fund is cheaper than the stock or mutual companies, and I agree that it is cheaper, not so cheap as the advocates of the measure would lead you to believe, but it is cheaper, and why should it not be?

I doubt if a bill were introduced in this body which would exempt insurance companies from taxation would get a half dozen votes. I doubt if a bill were introduced in this House which provided housing facilities, rent free in some great Government building, for the insurance companies of this country would get one vote. I doubt if the Government would provide for the insurance companies free of cost clerical help, stationery, and all that goes with carrying on the business, and so why should not the Government write insurance for less than the old line companies?

Mr. VESTAL. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. VESTAL. I want to ask if the gentleman's bill carries compensation for injuries to persons other than those in the Government employ?

Mr. UNDERHILL. There is a law at the present time which takes care of all Government employees, that is controlled and carried on by the Government. Comparisons could be made, if we had the time, to show that where the State fund is in operation, the usual inefficiency, the usual amount of red tape, and the usual lackadaisical performance on the part of the employees of the Government and a greater delay and a greater loss than in the old line companies. You will be told that the old line companies or stock companies try to rob these poor people and there is just as much evidence on the other side that they treat them fairly and decently. Since I have been a Member of Congress I have had occasional criticism of the workman's compensation of Government employees, in the inadequacy of performance, claimed by those who have had dealings with them, of the unfairness and the injustice of their decisions. You can not carry on a great business like this without having these things occur. The insurance companies are fair game for those who claim that the Government should carry on all lines of industry.

But I want to know where we are going to stop. If we are going to nationalize all the insurance companies and take out of productive enterprise some half a million or a million or a million and a half of people—I do not know that it will not take more than that—and place them in a soft job under civil service in Government offices, working them an hour or an hour and a half or two hours a day less than an ordinary man works—and an insurance man, I suppose, works 10, 12, or 14 hours a day, according to his ambition and initiative and what he may find in the way of return for it—if we are going to do all these things, we are going to have the same experience as has been had in many States in operating life-insurance companies.

Insurance is not a governmental function, but I know that in every State where it has been tried it has been shown that people will not come along and take out savings-bank, life insurance, and endowment insurance; it has got to be done by earnest application to work and solicitation on the part of agents. This is a national question. It is of great import and interest to the whole country, and I do not suppose that the Members of this House have been importuned on both sides on any question on any bill that has come before them to any greater extent than they have been on this bill and on this principle.

Now, in the brief time I have remaining I want to emphasize just four points. First, this bill provides for compulsory monopolistic insurance, leaving the employer no option on the selection of an insurance carrier. He must take Government insurance. He can not insure with a stock company, and he can not insure in a mutual company. He can not self-insure. He must take out governmental insurance.

Second. I want this to appeal to every lawyer, and I want to have the attention of every man who is a lawyer in this body; I want him to pay attention to this feature: The insurance commissioner under this bill is not only empowered to determine the rate and the amount and the premium, but he is also charged with the collection of the premium, the determination of the amount, and the payment of compensation, and there is no check whatever upon his decision and action. Third, the insurance commissioner under this bill possesses every authority to review his own decision, with the right of appeal to the court only as a matter of law. Fourth, that the commission created under this bill combines normal administrative functions with the business of insurance and has to a considerable degree the power of judicial review. Such concentration of authority is contrary to the inherent principles of good business and good government.

I call the attention of lawyers particularly to that phase of it, because I know that they can understand that. I find it very difficult, however, to get a lawyer to understand the first principles of business procedure. [Laughter.] It is a pretty hard job to get him to understand that. He says, "This does not affect me. Why should we not have it? It is cheaper." I want to put it up to you lawyers: Suppose the Government went into the law business and provided for each and every litigant a counsel and stated what the fees of that counsel should be and how much time he should give to his business, whether he should be employed in this section or that section; but that no person in this country could hire a lawyer without going to the United States Government and taking the lawyer that the United States Government should assign.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. HUDSPETH. In the opinion of the gentleman would the employee of the Government get a cheaper insurance rate under this method than he would under a private insurance concern?

Mr. UNDERHILL. If I understand the gentleman correctly, I tried to explain that undoubtedly under the Fitzgerald bill the State insurance, with no tax to pay, no rent to pay, nothing to pay for stationery, stamps, and other expenses, they could insure and would and do insure for less than the old-line companies.

Mr. CHINDBLOM. Who pays that overhead?

Mr. UNDERHILL. The taxpayer, of course. The Government can carry on any line of business for less than private capital can do it, or private industry can do it, because they always have the taxpayer to pay the deficit.

Now, what is going to be beyond that? Are you going to throw all these people out of employment and have them come before the Civil Service Board, where perhaps some of the best solicitors in the country will be thrown down, because they can not pass the civil-service examination? But you are going to fill up a bureau here in Washington. Understand, I am speaking on the broad phase of this situation, not confined to the workingman's compensation. You say they already have a board here handling this proposition, but on inquiry I find that board has all it can do now, and they say if additional work is placed upon them they would have to go to the Civil Service Commission for additional employees to do the additional work.

The CHAIRMAN. The time allowed himself by the gentleman has expired.

Mr. UNDERHILL. I yield to myself five minutes additional.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. BLANTON. Even an employer who placed every safeguard around his employees to prevent injury, and there was no risk, practically, and who wanted to carry it himself, would be liable under both bills now being considered and could not even plead ordinary lawful defense of contributory negligence or assumption of risk or the defense of fellow servant.

Mr. UNDERHILL. That is very true.

Mr. LAZARO. You started to tell us about the Government in business.

Mr. UNDERHILL. That is true. The purpose of workingmen's compensation is to relieve society of the care and rehabilitation of those who are injured in industry. In other words, it is for the purpose of replacing the human machinery at the expense of the industry rather than at the expense of the community at large. That is the purpose, and industry pays the bill.

Now, what I was going to say is that in several States of the Union they have competitive State insurance. There are four States, however, that have an exclusive State insurance. But in those States where they have competitive insurance, where the State has a fund and carries on at a very much lower rate of insurance, anywhere from 70 per cent to 89 per cent of those who require insurance get it of the old line or the mutual companies.

Now, why do they do it? They do it for the same reason that you have your favorite places to trade, because you get service, and you do not have service when the Government carries on any line of business. But in a private business you go where you can get the best service. So these business men who have been successful, realizing that the cheapest is not always the best, go where they can get service, and they go to the old line, the mutual, or the private companies rather than insuring in the State companies. I have no objection whatever to the establishment of a State or national company here in Washington to compete with the old-line companies. I have no idea but the private companies will hold their own in spite of the difference in the cost between the State or Government insurance company and the private company. They argue, and with good justice, that the amount of business is too small, and that it can not be successfully divided. They fear competition.

Now, another thing I want to bring to your attention is that one difference between my bill and the Fitzgerald bill is that the Fitzgerald bill includes domestic employees. There are only four States in the Union that do not have some form of workman's compensation. Every man of you here representing farming communities, if he has studied this question at all, knows that farm employees are excluded from the operations of the State laws. It is a very unjust proposition, but they never could have got by your State legislatures if it had included farmers. In all the States but one it excludes domestic employees.

Now, we will say that Mr. SWING, living out here in an apartment, and alongside of him Mr. MOORE and Mr. BEEDY and a number of Members of this House, forming a little group in that locality, hire a man to put out the ashes once a week. He becomes a regular employee of those various households. In putting out the ashes this morning for one of these people, this man slips on the snow and the ice and breaks a leg. Every one is liable if not covered by insurance and if you have not gone down to the commissioner and told him that you had so many employees. Or you employ a governess or nurse to wheel out the baby three afternoons a week or every afternoon. She is a regular employee. You have to cover her with workmen's compensation. You have a cook in the kitchen who cuts a finger when paring potatoes. That cook must be covered under your workmen's compensation act.

Mr. HILL. Will the gentleman yield?

Mr. UNDERHILL. I yield to the gentleman from Maryland.

Mr. HILL. Take a practical illustration. My cook last week got up on a stove to clean the wall, instead of getting up on the stepladder which I furnished her. She fell and she is laid up. What happens under those circumstances? Do I have to take out insurance?

Mr. HICKS. You have to foot the bill.

Mr. UNDERHILL. You have to be insured before that happens, and if you do not she can go into court, and you have no defense.

Mr. HILL. Even if she did not use the stepladder which I provided for her use?

Mr. UNDERHILL. It does not make a particle of difference.

Mr. KINDRED. Will the gentleman tell us the results of his observations as to the workings of this law in States where it does cover domestic employees, as in the State of New York? Is it not pretty satisfactory?

Mr. UNDERHILL. It does not cover domestic employees in the State of New York.

Mr. KINDRED. Does the gentleman mean to say that it does not cover any domestic employee in New York?

Mr. UNDERHILL. No, sir; nor farm employees either.

Mr. KINDRED. With all deference to the gentleman's thorough study of this question, I think he will find that it does cover domestic and farm employees, and that it works satisfactorily.

Mr. UNDERHILL. There is only one State in the Union where it does cover domestic employees, and that is the State of New Jersey. I do not know how it works there.

Now, I have tried to cover this proposition from a broad standpoint. We have heard Members on both sides of the House, Democrats and Republicans, talk about the inefficiency of the Government in business; and yet day by day we are growing worse and worse in every way. Somebody comes along with a proposition with more or less sob stuff in it, and tender-hearted Members immediately say, "Yes; here is a good thing, let us do it." And you place the Government still further in business. You behold the failure of Government, not only National but State and municipal in carrying on efficiently and economically the affairs of government and the affairs of business so far as they have gone, and you are irritated and disgusted, and if you are a taxpayer you are almost in despair. Yet you come along with proposition after proposition just because it does not affect you.

Sooner or later, gentlemen, it is going to get you all. If you keep it up it is going to get you all. If you are going to commence with the railroads and mines and the insurance companies, eventually you have got to reach the farmers. Now, the only country we can point to is Russia. There they took all wealth as represented by "predatory" wealth; they took the railroads, and then they went further and further down the line until all that was left was the farmer, and they took even the seed grain away from him.

The result was famine, and then all that was left was the church property, and I notice they are seizing that. Do you want that kind of chaos? You say, "Oh, that is drawing the long bow. There is nothing like that going to happen in this country." Well, 10 years ago you would not have believed anything like that would happen in Russia; but it did happen, and it will happen here, because you have got to have the money to carry on the Government, and the more business you put under the Government the more you take out of taxable property; and the more people you put into Government employment the more you take from the regular producer and the less and less of ambition and initiative you get among the people. So sooner or later as you extend these operations you are going to bring in more and more of these people, and by and by you will find a combination of mine workers, railroad workers, insurance workers, postal employees, of all the Government employees throughout the length and breadth of this country, and they are going to control legislation. A minority of the people, because of their organization, are coming to Congress and tell you what you shall do and what you shall not do.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. UNDERHILL. I will yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. Under the Fitzgerald bill would not an employer be permitted to obtain liability insurance to cover his liability?

Mr. UNDERHILL. Not his liability to his employees. He has got to insure with the State company.

Mr. HILL. Will the gentleman yield?

Mr. UNDERHILL. I yield to the gentleman from Maryland.

Mr. HILL. On page 2 of the bill the definition given says that employment means all private employment. What is the situation of the Government employees?

Mr. UNDERHILL. They are already insured.

Mr. HILL. They are insured by the Government?

Mr. UNDERHILL. Yes. I yield five minutes to the gentleman from Kentucky.

Mr. GILBERT. Mr. Chairman, I want to ask the gentleman a question. I want to ask if under his bill the word "injury" is broad enough to include diseases arising out of employment.

Mr. UNDERHILL. No; that is one of the great faults of the Fitzgerald bill. You can not determine what diseases result from occupation, but my bill does include occupational diseases.

Mr. TAYLOR of Tennessee. The only difference between your bill and the Fitzgerald bill is that your bill permits the employer to take out liability insurance?

Mr. UNDERHILL. Practically the only difference between my bill and the Fitzgerald bill is that I do not countenance Government insurance, but do encourage, so far as possible, initia-

tive, ambition, and business along the lines insurance has been conducted. Mr. Chairman, I reserve the balance of my time.

Mr. FOCHT. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. LAMPERT].

Mr. LAMPERT. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

FIRST WORKMEN'S COMPENSATION LAW TO BECOME EFFECTIVE WAS THAT OF WISCONSIN, ENACTED MAY 3, 1911.

Mr. LAMPERT. Mr. Chairman, eleven years ago Wisconsin put in effect a workmen's compensation law. By that law we adopted a new principle. For the first time since the development of industrialism in this country we made a comprehensive attempt to anticipate personal injuries. Instead of waiting until injuries occurred to do something about them, we provided in advance for the succor of those injured and their dependents.

To-day I can assure you that employers and working people in Wisconsin are united in praise of our most beneficent compensation act. Under its provisions it has been found possible to adjust amicably over 16,000 injury claims a year. It is inconceivable that any large proportion of these workingmen would have been able to recover at common law. Even if they did, they would have been subjected to aggravating delays and an expenditure for litigation with which the lawyers present are only too familiar. Under our compensation law the injured employees of Wisconsin are receiving over $2,000,000 annually, in most cases without delay and without deduction for lawyers' fees. By even the remotest stretch of the imagination, can it be supposed that so large a sum ever reached the pockets of the injured in an equal space of time under the old common-law system?

It may be taken as fundamental that the primary need of an injured person is medical care adequate to restore his independence. The amount spent for medical care under any system of dealing with injuries is, therefore, a good measure of its actual accomplishment. It anyone doubts the beneficence of a compensation law, let him reflect that the injured workingmen of our State have been allowed $500,000 a year for medical aid alone.

This first step toward securing justice for the man who toils which Wisconsin took in 1911, has since been followed by 42 States. This very body has acknowledged the righteousness of such measures by enacting in 1916 what is considered the most equitable American compensation law. I refer to the workman's compensation act for employees of the Federal Government. In 1918 we extended its benefits to the public employees of the District of Columbia. By what manner of logic can we justify refusal to extend similar protection to the private employees of the District of Columbia?

Reflect, gentlemen, that here in the District the harshness of the ancient common-law defenses has never been mitigated. Those defenses grew up in the days when master and servant worked side by side, but they persist here to-day. In the District, if a worker is injured through the carelessness of a fellow-servant he can recover nothing. If, toward the end of the day when tired and weary, his vigilance relaxes ever so slightly so that his own carelessness contributes in any degree to the injury, he can not recover, no matter how great the employer's fault. Or, if, when at work in a power house, he is electrocuted, his widow may recover nothing because the possibility of an electric shock is inherent in the work of a power house and any employee who enters such employment is supposed to assume the risk. If a workman's compensation law is needed in any State in this Union, how much more is it needed right here in the District where the common-law defenses make recovery for injury well nigh impossible.

The bill now before you is a proper bill. The fact that in its main provisions it is identical with the Federal employees' compensation law enacted by this very body should recommend it to you.

The only important divergence from precedent set by the Federal employees' act is made necessary by the fact that in the former case the employer is the Federal Government, while this new bill relates to private employers. We are therefore obliged to devise a plan for collecting funds out of which the compensation authorized by the bill may be paid.

The problem we have before us is fundamentally a problem of taxation. We know that within the limited area of the District there will be approximately 5,000 disabling accidents and 40 fatal injuries a year. It remains to assess employers within the District a sufficient amount to provide the compensation allowed under this bill. The bill provides that assessments shall be levied in proportion to industrial hazard.

Each industry has a more or less definitely characteristic hazard. Within each industry there are variations in hazard depending on the extent to which safety devices have been introduced in the particular plant. All such variations in the safeguards surrounding workmen are to be taken into consideration in computing assessments. Nonhazardous industries will be assessed at a lower rate than hazardous industries, and employers who have installed all modern safety devices will be assessed less than employers who have not attempted to safeguard their men. Can we devise a method better calculated to promote industrial safety?

In my State we did not arrange to raise the money this way. Instead we required employers to insure and the insurance companies paid out the compensation. But they charged for the service. Of course they made a profit out of it. They were so expensive that in self-defense the employers of Wisconsin organized mutual insurance companies which have done business at an overhead expense of less than one-half of what is charged by the casualty companies.

The plan in the Fitzgerald bill is like one big mutual. The employers will all contribute to one fund which will pay out the benefits. Since they will not have to pay agents' fees or profits, overhead expenses will be reduced to a nominal sum. If we turned the business over to insurance companies their overhead expenses would increase the cost for employers in the District of Columbia 60 per cent. District employers would not like that.

The workers want this plan. They say that they are not fairly treated by insurance companies. Indeed, who does not know of instances where an insurance adjuster has tried to "settle" a claim for less than the full amount? I am opposed to any compensation law which purports to benefit labor but which places them at the mercy of claim adjusters. Injured workmen and their dependents should not have to fight for their rights.

Gentlemen, Wisconsin has found mutual insurance the best. I favor the Fitzgerald bill because, although we may refer to it in other terms, what it really provides is that employers shall join one big mutual. If we are going to pass a law for the benefit of workingmen, let us be clear about it. Let us legislate for the workers—not for the commercial insurance interests.

The primary purpose of this bill was scarcely referred to in the hearings before the committee having it in charge; most of the arguments for it were based upon the compensation features. No man can be compensated for the loss of an eye or a leg or an arm. No amount of money will compensate for the loss of life. Those are things that can not be bought, neither can they be paid for. The only thing hoped for by the committee, so far as compensation is concerned, is that the burdens of accidents may be spread out over society as a whole, instead of permitting it to rest entirely upon those to whom accidents occur and whose lives depend upon their ability to earn a living wage.

Those who opposed the bill opposed it because it does not hand to them this new business under a law which compels every employer to insure—because it prohibits capitalizing the blood of a fellow human being. They have that right now in the District of Columbia; they had that right in my State and in every other State before compensation laws went into effect, and let us see how they used that right. I am not personally familiar with conditions in other States, but I am somewhat familiar with those in my State both before and after our compensation law went into effect. Casualty companies were doing business in Wisconsin before the compensation law was ever thought of. They had the opportunity to do the very thing our compensation act in Wisconsin did and the very thing this bill contemplates for the District of Columbia. They had the opportunity to spread the burdens of carrying accidents over society as a whole and to compensate, in a measure at least, for accidents. But did they do it? No. Instead of insuring so that an injured employee would get compensation, they insured so that he would get nothing. They not only did not relieve him of his burden but they added to it, and in doing this they did not lessen the burden of the people as a whole, but they added to that also.

I have in mind a case where an employee, working for a lumber company, lost an eye by being hit by a piece of flying timber. His employer was insured against liability for accidents. The casualty company did not insure to enable the injured employee to get damages, but to keep him from getting damages. This employee sued the insurance company for damages. After many delays and postponements he secured a verdict for $7,000. The insurance company appealed to the supreme court, and after still further delays the supreme court referred it back to the lower court for a retrial. After other

delays he secured a verdict for $3,500, and the casualty company again appealed to the supreme court. It was again referred back for a new trial and between the time it was referred back and the time when the new trial was to come off this employee settled with the insurance company, 15 years after the accident occurred, for $1,500, and it cost him $1,780 for attorney's fees and other expenses connected with the trial, and it cost the county in which the accident occurred $26,000. That was the public's share of the burden.

Another case is where an employee lost a leg. There was no question of contributory negligence, assumption of risk, or of being injured through fault of a fellow servant. Yet the insurance carrier fought this case back and forth between the circuit and supreme courts for a period of 16 years, at the end of which he secured an award of $4,000. In the meantime the injured man became discouraged, gave up all hope of recovering, took his wife and two children and moved to Oregon, where both he and his wife and two children died before the award was confirmed by the supreme court. His attorney had taken the case on a contingent fee of 75 per cent of the damages secured, agreeing to pay the costs. The $1,000 which would have gone to the injured man had he lived is, or was the last I know of it, laying in a bank in Wisconsin awaiting a claimant.

Another is a case where an injured man secured a verdict three different times, and upon the request of the insurance company a new trial was granted each time. But between the time the third request was granted and the time for the fourth trial the insurance company, together with certain employers which it was insuring, succeeded in defeating the judge who had presided over this case at each of the trials and elected in his place a judge who found for the defendant insurance company. The plaintiff then asked for a new trial and was refused. The defendant had asked for and was granted three new trials. The plaintiff asked for only one and was refused.

Such illustrations as these could, I believe, be extended almost indefinitely, but they are sufficient to show that it is not a question with casualty companies of doing justice, but a question of capitalizing the blood of an unfortunate human being. The insurance companies could have settled every one of these cases I have mentioned for less money than it cost to litigate them. But their purpose in fighting these cases was to serve notice on 10,000,000 other wage earners in the country who might be injured that it would be cheaper for them to go off and nurse their injuries alone, bear the burden themselves, die in the poorhouse, if need be, than to sue an insurance company for damage, and the more they could make a case cost the more effective the notice was.

But, regardless of all this, I believe the compensation feature of legislation of this kind is of secondary importance; compensation is important as a means of tiding injured employees over their periods of distress and as a means of relieving them of a part of the burden of accidents. But the most important thing is to prevent these periods of distress if we can. In other words, the primary purpose of legislation of this kind is to reduce the number of accidents. But here again casualty companies missed a golden opportunity to be of real service to humanity. They were interested only in the thing that would induce employers to take out insurance; accidents would do that thing. So the more accidents the more insurance.

As to whether compensation acts of this kind will reduce accidents, I will again refer to my own State, not because any more may have been accomplished there than in other States but because I am more familiar with what has occurred in Wisconsin than I am with any other State.

Several years ago a bureau of labor was created in Wisconsin to give a man a job who had been defeated for State treasurer. It was conceived in politics and remained in politics until about the year 1901, when a Member of the present Congress from that State was placed at the head of this bureau. Safety laws such as were found in other industrial States at the time were enacted to protect wage earners from injury and a force of factory inspectors were added to the bureau to enforce the safety laws. During the eight years following 1901 prosecutions for violation of these laws increased from a few per year to 860 per year, or an average of about 1 per day. And the strange thing about it was that accidents increased in about the same proportion. In 1910, if I remember correctly, there were 30,000 accidents in Wisconsin that caused a loss of time of two weeks or more, and 271 of these were fatal, and I believe the casualty companies were more responsible for this increase than all other factors put together. The casualty companies would take over the employer's liability for a consideration and the employer would forget about it, not that he was lacking in human sympathies but because his business took most of his attention.

But, as I said, the commissioner of labor discovered that while his campaign for accident prevention became more intense each succeeding year accidents were ever on the increase, until he finally decided if accidents were ever to decrease some different method of prevention must be devised. He found no method in this country different from his own. He studied conditions in other countries, and finally conceived the idea of a compensation act coupled up with accident prevention, and he drew the first compensation act that became a law in this country. Within three years after that act was in force the number of accidents causing a loss of time of two weeks or more had fallen from 30,000 to 7,500 and the number of deaths had decreased from 271 to 95 per year. This I conceive to be the chief object of compensation acts.

I come now to the question of who shall carry the risk. So far as I know, there are four methods of carrying risks—mutual insurance, casualty insurance, self-insurance, and State insurance. Wisconsin has the first three. Its largest mutual company writes more than one-third of the compensation insurance business of the State. When it was organized it was with the expectation that the State would eventually take it over. So far as self-insurance is concerned, I know of no company in the District of Columbia big enough to carry their own insurance. You may think that the street railway companies are big enough to do this, but if you will read their testimony before the District Committee when the question of reducing fares was before that body, you will find they are on the verge of bankruptcy. As casualty companies, if their history before compensation acts went into effect is not convincing proof that they ought not be given any consideration by Congress, then let us look at some of the things they have done since these acts have gone into effect in some of the States. In Wisconsin they started a campaign to make the employers believe they were going to be put out of business by the compensation act, and then they proceeded to charge and collect rates that were almost confiscatory in many instances. They also sent their agents out among the farmers to convince them that they were to be ruined by this legislation, when there was not one farmer in a hundred that came under the act at all. The commission overcame most of this by encouraging and helping build up a mutual company. Ohio went through the same experience, but it solved the problem by kicking the casualty companies out of the State.

As for cost, the latest figures I have for Wisconsin show that only 50 cents out of every dollar collected by casualty companies reach the injured employees. From 82 to 86 cents out of every dollar charged by the mutual company reach the injured workman, while in Ohio, under State insurance, I understand from 97 to 98 cents out of every dollar collected reaches the injured workmen. Of course, these figures from Ohio do not include administrative cost. That is paid by the State, as I understand it. And here I want to introduce a letter I just received from the former secretary of the Wisconsin Industrial Commission:

LEGISLATIVE REFERENCE LIBRARY,
WISCONSIN FREE LIBRARY COMMISSION,
Madison, January 5, 1923.

HON. FLORIAN LAMPERT,
House of Representatives, Washington, D. C.

MY DEAR MR. LAMPERT: In response to your telegram of January 5, permit us to say that there can be no question that the State funds, and particularly exclusive State funds, have operated at a much smaller expense ratio than the private compensation insurance companies. The Ohio State fund, for instance, has had an expense ratio of only 3 per cent, which is much less than the expense ratio of any private insurance company. In Wisconsin the rates of the private insurance companies are subject to regulation by the compensation insurance board. On the business done in this State in 1921, however, the actual expense cost of all of the stock companies was 41.5 per cent of the earned premiums. Their loss was 50 per cent and their underwriting profits 9.5 per cent. In other words, out of every dollar received from the policyholders the stock companies in this State in 1921 paid to injured workmen 50 cents, used 41.5 cents for their expenses, and had 9.5 cents for profits.

It should be noted, however, that the stock companies in Wisconsin wrote only 47.8 per cent of the entire compensation insurance business in this State. Mutual companies wrote the other 52.2 per cent of the total business. The single local mutual (the Employers' Mutual Liability Insurance Co.) wrote somewhat more than one-third of all of the compensation insurance business in this State. The Wisconsin mutuals in the last year—1921—had expenses amounting to 21.2 per cent of the earned premiums and actual losses amounting to 55.5 per cent. The remaining 23.3 per cent of the earned premiums of the mutuals was paid back to the policyholders in the form of dividends or placed in surplus. All of the mutuals write at rates which are at least 10 per cent below the stock company rates, and nearly all of them in addition pay dividends. The largest mutual, the Employers' Mutual Liability Insurance

Co., writes at rates 10 per cent below the stock company rates. and last year paid a dividend of 26 per cent. In effect, this company thus gave its policyholders insurance at only two-thirds of the cost of insurance in the stock companies.

You will note, however, that even the mutuals have expense ratios which are considerably higher than those of the Ohio State fund. The Employers' Mutual, for instance, had an expense ratio in 1921 of 19 per cent, while all mutuals operating in Wisconsin had an expense ratio of 21.2 per cent. It is claimed by the insurance companies that the very low expense ratio of the Ohio State fund is due to the fact that a portion of the expenses of the fund are borne by the State. Other State funds, however, also show lower expense ratios than any private insurance company which operates in Wisconsin.

In regard to other arguments for a State-fund system of compensation insurance, we call attention to the fact that the Wisconsin State Federation of Labor at its convention in July of this year adopted a resolution asking for the establishment of a monopolistic State fund in Wisconsin. A bill to this effect will be introduced in our legislature next week. Beyond question the private insurance compensation companies are subject to the strictest possible regulation in Wisconsin. Nevertheless the workingmen in this State are now officially on record in demanding that all private companies be barred from this field.

Hoping that this letter will reach you in time, and with personal regards, I am,

Very truly yours, E. E. WITTE.
Chief, Legislative Reference Library.

Mr. FOCHT. Mr. Chairman, how much time remains?

The CHAIRMAN. The gentleman from Massachusetts [Mr. UNDERHILL] has 5 minutes and the gentleman from Pennsylvania has 17 minutes.

Mr. FOCHT. Mr. Chairman, when the bill was up for consideration on a previous occasion I occupied considerable time, more time than I supposed I was occupying. I am going to yield one minute to the gentleman from New York, and then yield the balance of my time to the gentleman from Ohio [Mr. FITZGERALD].

Mr. KINDRED. Mr. Chairman, I want to say with reference to the compensation law in New York State that, contrary to the impression of my well-informed and personal friend [Mr. UNDERHILL], it does cover domestic employees, and with respect to that class and all other classes the law has worked splendidly. I am employing about 300 employees, and recently paid the claim of a domestic employee whose arm was permanently injured. I have as an employer rested more comfortably and done business with more satisfaction since the law has been in operation than I did before. We have found that the law works splendidly in every respect, both in regard to employers and employees.

Mr. MACGREGOR. Will the gentleman yield?

Mr. KINDRED. Yes.

Mr. MACGREGOR. When was the law changed in New York?

Mr. KINDRED. I do not know; but I know I paid within three months the claim of a domestic employee, this domestic employee coming within the New York law, which provides that domestic employees employed in institutions, public and private, shall be covered.

Mr. MACGREGOR. This is my first knowledge of it.

Mr. FOCHT. Mr. Chairman, I yield the balance of my time to the gentleman from Ohio [Mr. FITZGERALD].

Mr. FITZGERALD. Mr. Chairman and gentlemen of the committee, it seems that the Members of the House who have given this matter attention are agreed that the District of Columbia should not remain one of the benighted parts of this Republic that has no compensation bill at all. There are now only six States remaining that have no compensation law—Arkansas, Mississippi, North and South Carolina, Missouri, and Florida. What sort of a compensation act should we have? I started in prejudiced more strongly than the gentleman from Massachusetts [Mr. UNDERHILL]. I did not see why there should not be competition with the insurance companies and it is only most unwillingly that I have been brought to the conclusion that the principle laid down in this bill is the only principle on which an adequate and just compensation bill can be enacted and satisfactorily administered, especially in the District of Columbia where the territory and number of people are limited.

FOREIGN INTERESTS' PROPAGANDA.

I have been confirmed in my conviction by several of those who, for the benefit of the insurance companies, have united in opposition to this bill. I do not include in that Members of the House who are actuated by the ideas which were formerly my own. The organization that has produced the propaganda against this bill is the Workmen's Compensation Publicity Bureau, of 8 Maiden Lane, New York City, and is controlled by foreign insurance companies, not the domestic insurance companies alone. At least two of the three members of the executive committee, C. H. Neely, chairman, and Samuel Appleton, are managers of foreign insurance companies, the Ocean Accident & Guarantee Co. and Employers Liability Co., both of London, England, and both drawing great profits out of the misery and misfortune of our American working people.

My distinguished friend from Massachusetts [Mr. UNDERHILL] says that insurance companies have as much right to do business as lawyers and doctors. I say to you, my friends, that he is absolutely right. But here are we going to create an opportunity for profit, yet create no opportunity to give any service? I say to you that no doctor and no lawyer has a vested right to practice his profession upon the people of this or any other country when in return he can give no service.

The substitute suggested by my friend from Massachusetts means that we must subsidize the insurance companies of this country to the extent of 30 or 40 per cent of the premiums which they will charge, and they can not do business for less and they say so. It is an insurance organization that is putting out a reply to the House committee's report—and I would like to have the Members read the report on this bill, because it is exhaustive and has gathered together all the statistics and the experience of the different States with the various forms of workmen's compensation. The answer to the report of this House committee, filed by the Workmen's Compensation Publicity Bureau, controlled by foreign insurance companies, is this:

Finally, it is argued—

referring to the committee's report—

in the report that the comparatively small area and limited number of employees in the District of Columbia make a monopolistic—exclusive—State insurance fund there especially advisable. Those facts do preclude a competitive State fund. But the more advisable alternative is no State fund at all.

Mr. WOOD of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. WOOD of Indiana. How does the bill the gentleman is proposing differ from the workmen's compensation act that we have now in the District of Columbia.

Mr. FITZGERALD. It follows it almost line for line.

Mr. WOOD of Indiana. If that be true, then what is the necessity for this bill?

Mr. FITZGERALD. Because this bill operates for the benefit of those in private employment. The first bill passed for the District was for Federal employees all over the United States. It covered all Federal employees. Then that law was enlarged a few years ago to include the employes of the government of the District of Columbia. This extends the benefits of the law to the employees of private corporations, machine shops, railroads, and so forth.

Mr. WOOD of Indiana. If that be true, if it reaches outside of Government employees, then what business has the Congress of the United States meddling with that in that way?

Mr. FITZGERALD. Because there is no one else to legislate for the people of the District of Columbia.

Mr. WOOD of Indiana. But they have every advantage of all sorts from the accident insurance company.

CAPITAL AGAINST LABOR.

Mr. FITZGERALD. They may carry that. One of the ideas of this bill is that we destroy the ugly friction and bad feeling between the employer and the employee when a man is injured, under the workmen's compensation law. He does not then raise up an enemy in his employer, who is anxious to avoid a lawsuit, and the employer does not have to depend upon an insurance company to fight his employee for him in court.

Mr. WOOD of Indiana. If the District of Columbia is to establish an insurance fund for civilian employees, why should not every State in the Union employ a similar fund for the same purpose?

Mr. FITZGERALD. Most of them do, and in many cases it is an exclusive fund, and no insurance company is permitted to write the insurance.

Mr. WOOD of Indiana. Does the gentleman mean to say that all of the States have gone to that position of paternalism?

FORTY-THREE STATES HAVE LAW.

Mr. FITZGERALD. No. All but six of them have some form of workmen's insurance. In 17 of the States there is the State fund, and in 8 of them it is an exclusive fund; that is, no insurance company is permitted to write it, and where that is so, there are special reasons for it. I have only a minute or two and I would appreciate very much if the gentleman would permit me to finish.

STEAL $5,700,000 FROM INJURED.

I want now to call attention to and be permitted to insert in the RECORD a letter from the compensation commissioner, of the head of the department of the State of Pennsylvania, who was called upon by a Member of this House to analyze and criticize this bill in view of the fact that in Pennsylvania there is a competitive State fund.

He promptly joins both sides in saying that there can not be in the District of Columbia a competitive system, because the expense will be exorbitant, and adds that, owing to the advantages of the State fund, which is 30 per cent more economical than any other form of insurance which can be carried, it is the only form of insurance which ought to be considered for the District of Columbia. The profits of the insurance companies have been enormous. The Lockwood investigation committee of New York, which has recently concluded its work, has found that in some instances their profits are from 2,000 per cent to 6,000 per cent in the State of New York. They have cheated the workmen in the State of New York on their settlements to the extent of over $5,700,000 since the law has been in operation.

It is generally conceded that we ought to have in the District of Columbia a workmen's compensation law. We should have that which is best for the workmen and most economical for the employer. Should we be held up by the insurance companies who say that we are taking away business? We are simply creating what might be an opportunity for insurance companies to place a toll or tax upon the suffering of workmen in the District of Columbia.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

WOULD ELIMINATE DOMESTICS.

Mr. FITZGERALD. I have only a minute or two. So far as domestic servants are concerned, I will say that this bill is all-embracing. It is logical and fair. All these things may be stricken out or amended. We may throw out the domestic servants.

Every State has made a compromise. In Maine one of the hazardous occupations is lumbering—working on the rivers—and those interests were strong enough to except this most hazardous occupation from the operation of the workmen's insurance act. In Tennessee one of the most hazardous occupations is mining. The mining interests were strong enough to except mining from the operation of the insurance act. In Ohio, my own State, the agricultural interests do not want to be annoyed by this any more than the Members of Congress want to be annoyed by domestic insurance in their own families, and so the farmers are excepted; and the way that domestic servants are excepted in Ohio is by a provision that one must have at least five employees before he becomes liable to contribution under the act.

BIG ADVANTAGE OF EXCLUSIVE FUND.

In this bill we simply take advantage of the machinery which we already have, the machinery which the Government has already established for its own employees, and ask the employers of the District of Columbia to pay the bare cost of carrying this protection for the workingmen through this commission which will administer the fund as a general mutual for the benefit of all these people, without permitting the insurance companies to come in and impose a profit out of a business that did not exist before, for which they render no substantial service and in which there is no vested right.

If we turn the employers over to the insurance companies we would simply hand over about 35 per cent of all of the premiums to be used in creating competition among the insurance companies, the expense of acquiring insurance in competition among themselves, maintaining their offices, their agents, paying taxes, and also these enormous profits. Should we do that? Is there any reason why we should compel the employers to carry this protection and then not afford them the way, which is so easily opened, by permitting them to contribute to a general fund the bare expense; providing a sort of general mutual company supervised by the present Federal commission, the Federal Employees Commission, which already exists for some half million employees of the Government and some 6,000 public employees of the District of Columbia? The overhead expense in my own State of this exclusive fund is less than 3 per cent, and in some places the insurance companies have caused the expense to rise to 50 per cent of the premium, taken out before there is a cent for the injured employee.

THE INSURANCE COMPANIES' GRAFT.

Let me call attention to the last report of the insurance companies to the State of New Jersey, where the Aetna Life Insurance Co. collected in a year $515,000 of premiums and all the losses it paid that year was $163,900. It collected a huge profit out of this opportunity and at the expense of injured, defenseless workmen.

Now, about domestic servants. This House may easily amend that feature and cut them out. If you want to change it, you may cut out the farmers. It is easily amended.

The principle on which the bill rests is the only one which can give adequate protection to the employees of the District of Columbia and avoid an unnecessary and wasteful burden upon the employer. [Applause.]

I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. FITZGERALD. In extending my remarks, and especially at this time, I want to call particular attention to the report of the Lockwood investigating committee to the New York Legislature after eight years' experience in that State with costly competition of commercial insurance companies:

NEW YORK EXPERIENCE.

In its final report just presented to the New York Legislature the official Lockwood investigating committee recommends that all accident compensation insurance be handled in one public fund, as provided in the Fitzgerald bill for the District of Columbia.

"It is estimated that upward of $40,000,000 was paid for workmen's compensation insurance in the State of New York in the year 1920, of which about $30,000,000 went to the stock companies," it is stated. "The total losses paid by reason of industrial accidents were millions less. Were the premiums adjusted to the actual loss there would be a saving of upward of $10,000,000."

The report states that when the legislature made compulsory the compensatory insurance of workmen it should have provided the means of insurance on the lowest possible terms consistent with the welfare of the workmen so as to make the burden upon industry as light as justice would permit. It was pointed out that the private companies fought the State fund so that the former were permitted to continue in the field in competition with the State fund.

"There is no mystery about methods that have been employed against the State fund and the mutual companies," the committee states. "The facts thus established are taken from the records of the companies themselves; the letters they have written, the propaganda that is being openly distributed by their vast publicity bureaus.

"When at the time of the organization of the State fund the private companies were allowed to remain in the field, it surely was not contemplated that they would be permitted to combine to destroy the State fund."

The official committee brings out that where all the employers are required to insure their risk in one mutual or State fund, as provided in the Fitzgerald bill for the District of Columbia, the administrative cost is less than 3 per cent of the premiums, whereas in New York the cost in private companies ranges from 35 per cent to 40 per cent.

The official commission concludes that the exclusive plan of compensation insurance will afford the following advantages: It would promote more prompt payment of losses. It would obviate expenditures of great sums of money for commissions now paid by the private companies. It would promote cooperation between employers and employees to reduce accidents and to better conditions in industry. Under an exclusive State fund litigation would almost disappear from the courts in connection with industrial accidents and claims for compensation. Under an exclusive public system the law could more easily be liberalized in favor of the workmen.

HEAVY COST OF PRIVATE INSURANCE IN NEW JERSEY.

I now want to call the attention of the Congress to an extract from the recent report of insurance companies writing workmen's compensation made to the State of New Jersey, which will indicate the large amount collected as premiums and the comparatively small amounts which reach the beneficiaries:

WHY INSURANCE COMPANIES FIGHT WORKMEN'S COMPENSATION.

The department of banking and insurance of New Jersey reports premiums collected and losses paid by workmen's compensation insurance companies in New Jersey for year ended December 31, 1920, as follows:

	Premiums on risks written.	Losses paid.	Premiums collected over losses.
Aetna Life	$515,333.71	$163,902.02	$351,431.69
American Mutual Liability	441,214.46	180,345.16	260,859.30
Commercial Casualty	320,191.77	108,288.59	211,903.18
Employers Liability	321,979.74	165,235.59	156,746.15
Fidelity and Casualty	194,789.11	64,989.99	129,799.12
Globe Indemnity	271,851.19	90,901.85	180,949.34
Hartford Accident & Indemnity	170,020.46	50,842.67	119,177.79
Liberty Mutual	197,672.20	77,698.53	119,973.67
London Guarantee & Accident	166,269.31	83,573.67	82,573.67
Manufacturers Liability	645,916.68	304,558.53	340,546.62
Maryland Casualty	258,105.15	120,104.16	138,000.99
New Amsterdam Casualty	105,680.42	44,985.95	60,694.47
New Jersey Manufacturers Casualty	894,652.55	359,470.02	535,182.53
Ocean Accident & Guarantee	505,020.65	246,183.60	259,752.92
Royal Indemnity	293,936.52	160,326.44	133,610.08
Standard Accident	107,835.91	46,009.72	61,826.19
Travelers	984,982.83	429,929.58	555,053.25
United States Fidelity & Guaranty	206,684.46	89,417.40	117,267.06
Zurich General	109,900.20	44,316.11	65,584.09

The companies quoted above are only those that have collected $100,000 or over in premiums.

The total amount of premiums collected and losses paid of the 45 companies writing workmen's compensation insurance in New Jersey for the year ending December 31, 1920, is as follows:

Premiums collected on risks written	$7,157,248.27
Losses paid	3,001,407.18
Premiums collected in excess of losses paid	4,155,841.09

INSIDIOUS INFLUENCE OF INSURANCE COMPANIES.

The attempt of insurance agents and companies to intimidate the Members of this body is tellingly told by Irene S. Chubb in the following paragraphs:

Congress sometimes appears dilatory merely on account of its unwieldy machinery. Advocates of national legislation are accustomed to watching worthy measures hang fire, often with complacent assurance that they will be passed ultimately. But the Fitzgerald accident compensation bill for private employees in the District of Columbia, although introduced as long ago as April 18, 1921, was still pending when Congress adjourned on September 22, 1922. The time is now ripe for the public to know the real forces which are delaying action in this case.

Why should anyone oppose the Fitzgerald bill? Workmen's accident compensation is an accepted principle in America. Forty-three States have more or less comprehensive laws on the subject. Congress itself has recognized the justice of accident compensation by providing it for Federal employees and also for the public employees of the District of Columbia. It is shocking that in our National Capital, right under the nose of Congress, there is still neither an accident reporting nor an accident compensation law for the District's private employees.

Labor wants a compensation law. Employers want one. Why, then, the delay?

The only serious opposition to the Fitzgerald bill is instigated and promoted by a group selfishly and financially interested in its defeat—the casualty insurance interests. That casualty insurance agents should wish to have only such laws enacted as will permit them to write this branch of insurance without competition is, of course, understandable. Since uniform rate schedules are agreed upon, subject to State approval, there is little or no rate competition between companies. But as a result of legislative and administrative experience the melon patches are being more securely fenced against their exploitation. In protest against the high overhead cost of commercial insurance—averaging 37½ per cent of premiums—certain States, 10 in number, have established State workmen's compensation insurance funds to compete with the private carriers. Seven other States hold that the notorious practices of commercial adjusters in beating down claims of injured employees have altogether disqualified casualty companies from holding such a public trust as meting out compensation to helpless workmen and their dependents. They have accordingly made State-managed mutuals the exclusive method of insuring the workmen's compensation risk. And the United States Supreme Court has approved this method as an "occupation tax" levied against industry to provide payments to those disabled in employment. (Mountain Timber Co. *v.* Washington, 243 U. S., 243.)

But, naturally, the insurance agents are not to be deprived of good pickings without a contest. In each of the 17 jurisdictions where State funds have now been established casualty insurance interests have relentlessly fought them by methods subtle and insidious.

Counsel for the Lockwood committee in New York, amazed at the rebate discriminations practiced by casualty companies against the State fund, expressed the fear that it could not "coexist with the private companies that are bent upon its destruction and are using all sorts of illegitimate ways of exterminating it as an object lesson to prevent further progress in that direction in other States." In Ohio also, where casualty companies were barred entirely from the field by referendum vote of the people, they are constantly trying to reenter. The respectable sounding "Workmen's Compensation League" and the so-called "Ohio Board of Commerce," both reported to be managed by the same insurance lobbyist, have been used to blind the public to the real source of attacks upon the State fund. In other States unwarranted attempts by representatives of casualty companies to discredit the solvency of the State funds have temporarily served as scarecrows.

Such methods of attack suggest that the assailant is not confident of his ability to meet the issue openly. Certainly the casualty agents have not satisfactorily answered the following facts favoring State funds for workmen's compensation insurance which are brought to light by every official investigation. (Especially significant is the report of the Federal Government survey recently published as Bulletin No. 301 of the United States Bureau of Labor Statistics.)

1. The average expense ratio of insurance companies is 37½ per cent, of which only 2 per cent on the average goes for inspection service, while exclusive State funds have kept their average expenses down to only 4 per cent of premiums.

2. Contrary to frequent assertions of insurance agents, the record of insurance companies as to promptness in paying claims is not superior to that of State funds.

3. Underpayments to injured workmen on the part of commercial companies amount to millions of dollars.

4. No injured workman has lost compensation because of failure of a State fund, while the failure of several casualty companies has resulted in losses to claimants amounting to hundreds of thousands of dollars.

With such facts in mind, the Fitzgerald bill was modeled upon the best compensation practice in America. It aims to benefit the injured workingman, not primarily the insurance companies. When the House committee announced hearings on the Fitzgerald bill, public-spirited persons representative of widely diversified groups responded to its support.

WAGE EARNERS INDORSE EXCLUSIVE FUND.

Among those indorsing the bill were the wage earners, unanimously, several experienced public officials, the Association for Labor Legislation, the Women's Trade-Union League, local charity officials, the United States Employees' Compensation Commission, and the Housekeepers' Alliance of the District of Columbia, which declared the bill to be "liberal to the injured employee and dependents, fair to the employer, and just to the community." In national convention assembled the workers of the country also officially resolved:

"That the American Federation of Labor reaffirms its conviction, based on years of practical experience, that exclusive-fund insurance and the elimination of private profit in workmen's accident compensation is advantageous to wageworkers, and urges the early enactment of the Jones-Fitzgerald bill without change from the exclusive-fund plan."

In contrast to reasoned and calm support, only nervousness can account for the language of a prominent insurance journal which said of the Fitzgerald bill:

"It is high time that the insurance men of America rise up in their might and crush every bit of inimical legislation of this character. A very good start which the insurance agents can and should make will be to strike at this Fitzgerald bill. The measure, if passed, will hurt every insurance agent in the Nation. Whether he thinks so or not, it will take dollars out of his pocket." (United States Review, April 1, 1922.)

At the hearings in Washington, insurance interests were represented by their most highly paid lobbyists. Their opposition appeared in various guises. Their leading speaker was the manager of the Workmen's Compensation Publicity Bureau, an organization supported by a number of large casualty insurance companies. Several other speakers who appeared, avowedly to represent civic welfare organizations, were later found to be in the employ of commercial insurance interests. This monogenetic opposition was nevertheless sufficient to retard action by the House committee during eight months, until January, 1922.

Meanwhile Congressman UNDERHILL—widely known for his vicious attacks on organized labor and for his public charge that his colleagues in Congress think Easter Sunday is a sister of Billy Sunday and Yom Kippur is some sort of a herring—introduced a bill desired by the casualty insurance interests. He used every possible subterfuge to defeat, and that failing, to delay, the Fitzgerald bill. He tried to postpone committee meetings because of his own absence. He made much of alleged minor flaws in the Fitzgerald bill, and attempted to load it with pernicious amendments. His persistence delayed action until February 8, when, despite his tactics, by a record vote the House committee reported the Fitzgerald bill favorably. (Report reprinted, American Labor Legislation Review, March, 1922.)

While UNDERHILL was skirmishing, the insurance agents lay low. But immediately after the bill was reported the Workmen's Compensation Publicity Bureau, before mentioned as the commercial lobbying organization of the casualty interests, circularized Congress with a slyly worded and misleading attack upon the Fitzgerald bill.

The bill having been reported favorably, supporters of the measure were justified in expecting it to be made the order of business on one of the alternate Mondays especially set aside for consideration of legislation affecting the District. But Mondays came and went. It was variously argued that no District legislation was urgent or that the committee chairman was away and that it would be discourteous to consider the Fitzgerald bill in his absence. It was only after three and a half months had gone by that the House committee came together in the absence of the chairman and in exasperation instructed him to make the Fitzgerald bill the order of business in the House of Representatives on the following Monday.

Immediately insurance men redoubled their hostility. Telegrams poured in from insurance agents in the Congressmen's local districts urging them to vote against the Fitzgerald bill. It was hardly surprising then, when on the appointed Monday, June 12, debate was begun, that some Congressmen were inclined to filibuster. It was also noted as an extraordinary circumstance that, despite an understanding that Congressman FITZGERALD should take charge of his own bill on the House floor, the distribution of affirmative time was nevertheless placed in the hands of a Congressman opposed to this measure! This opponent forthwith used half an hour of the affirmative time speaking on extraneous subjects and 15 minutes more speaking against the bill. Filibustering continued and the debate could not be finished.

The debate should have been continued on the next District day. But meanwhile representatives of commercial insurance interests continued to flood Congressmen with stereotyped letters of opposition with dictatorial directions so complete that one Congressman facetiously complained that he had not been told "what to be thinking between the different motions"! And the "Workmen's Compensation Publicity Bureau" circularized Congress with still another expensive and misleading pamphlet. On the next District day and all subsequent District days the Fitzgerald bill was passed over in favor of other measures. It still remains "unfinished business" on the House Calendar for the coming session.

INSURANCE INTERESTS BLOCK LEGISLATION.

Congressman WALTERS, of Pennsylvania, a member of the District Committee, who is in a position to observe from the inside, emphatically characterized this legislative delay as no ordinary case of congressional procrastination. As the long session was about to adjourn, he publicly charged:

"The Insurance Trust has completely blocked legislation giving compensation to District workers. The trust will permit no legislation unless its casualty and guaranty company members dictate such legislation. For the home district of every committee member a violent stream of protest came in, signed by local insurance agents. Threats of reprisal were made if the member did not listen to the demand of his constituents who were in the casualty insurance business. Congressman FITZGERALD received threatening letters from agents of the insurance companies. Congressman ZIHLMAN is a member of an insurance firm, doing business in Cumberland. His partners were approached and told to get Mr. ZIHLMAN 'right.' Congressman ZIHLMAN refused to mix business with public service. His firm received notice from several companies that their business relations were severed."—(Washington Times, September 2, 1922.)

Typical as this is of the outrageous bullying of public servants by casualty insurance interests, aroused citizens everywhere will insist that such tactics must not be permitted to determine the ultimate outcome of this legislation for injured wage earners in the District of Columbia.

The Fitzgerald bill has been before Congress since April, 1921. The measure was carefully drafted along lines tested and found successful in the United States. After full public hearings it met the approval of the House committee and was reported favorably. The wage earners, for whose protection such legislation is primarily designed, insist that it be enacted in this form. It is approved by disinterested students of the subject. There has been no important opposition except that instigated by the casualty insurance interests. Debate upon the bill was begun in the House but remains unfinished.

In its appeal for votes in 1920 the party now in power declared:

"The supreme duty of the Nation is the conservation of human resources through an enlightened measure of social and industrial justice. Although the Federal jurisdiction over social problems is limited, they affect the welfare and interest of the Nation as a whole. We pledge the Republican Party to the solution of these problems through National and State legislation in accordance with the best progressive thought of the country."

The Federal jurisdiction in the District of Columbia is, of course, unlimited. Yet for a year and a half Congress, with the remedy in hand, has withheld—from the victims of occupational injuries at its very doors—the obvious measure of social justice.

Is it likely that the Republican Party which controls this Congress will permanently forget, at the dictation of one selfish group, its earlier promise to favor legislation "to secure the safety, conservation, and protection of labor from the dangers incident to industry"?

ECONOMY OF STATE FUND PLAN.

I have already referred to statements by Hon. Miles M. Dawson, consulting actuary for New York, and I introduce herewith his report, demonstrating that State accident insurance funds have been a success in America. His article is as follows:

During 1919 I was engaged in official investigations of the State insurance funds for workmen's compensation in the three States of Ohio, Pennsylvania, and New York. (Mr. Dawson's investigation of the State fund of New York was made as counsel and actuary for Hon. J. F. Connor, special commissioner appointed by the governor. His investigation of the State workmen's insurance fund of Pennsylvania was made by engagement with the State insurance board which supervises the fund. An earlier examination of the Pennsylvania fund was made a year ago by Mr. Dawson under appointment by the auditor general. His investigation of the Ohio State insurance fund was supplementary to that made by E. H. Downey, special deputy insurance commissioner of Pennsylvania in charge of workmen's compensation insurance.) In Ohio the fund is exclusive, while in Pennsylvania and New York commercial insurance companies are permitted to compete against the State funds. The results of these investigations, therefore, provide an excellent basis for comparison of the records being made by the two types of public workmen's insurance—exclusive State funds and competitive State funds—with private profit-taking stock companies. The findings in all cases present conclusive evidence of the superiority of State funds, particularly the exclusive fund, over commercial insurance from the viewpoint of the best interests of both the employer and the injured employee.

All three funds thus examined were found to be in sound and prosperous condition. Tested by correct and even stringent actuarial standards, they possess ample surplus over all liabilities, immediate and contingent. Compared with stock insurance companies, they result in savings of millions of dollars every year to employers, while at the same time providing most certain and liberal benefits to injured workers and their families. In low expense of management they set new records not merely for themselves but for all carriers of workmen's compensation insurance throughout the world.

It will be remembered that when the earliest workmen's compensation bills were before American legislatures, European experience was cited in support of proposals for public instead of commercial administration of workmen's insurance. Norway then had the best showing, with an exclusive State fund which kept expenses of management down at the remarkably low level of only about 10 per cent of the premiums collected. In Sweden, where the State fund has to compete with stock and mutual companies, the ratio of expenses to premiums was only about 17 per cent. Misguided, as well as interested, opponents of public workmen's compensation raised a chorus that no such favorable results could possibly be realized under our own political institutions. My answer to that was always that America could do much better.

Meantime, within the last decade workmen's compensation laws have been adopted by 42 States, by Porto Rico, by the two Territories of Alaska and Hawaii, and by the Federal Government with a model act for its million civilian employees, leaving only six nonindustrial States in the South still without this enlightened form of social insurance protection for workers against industrial accidents. And up to the present time no less than 16 States (also four Provinces of Canada, with a fifth—Manitoba—just now coming into line in this regard) have established State funds to provide compensation insurance at cost. What do the facts of actual experience in the United States now prove?

HEAVY EXPENSE RATIO OF PRIVATE COMPANIES.

Keep in mind the "acid test" fact that in the private profit-taking, stock-insurance companies, doing a nonmutual business in this field, the ratio of management expenses to premiums constitutes a heavy burden on industry, running up as high as 35 to 40 per cent. Compared with that, Norway's 10 per cent and Sweden's 17 per cent appear economical indeed. But State funds in America are vastly better—even better than the most sanguine of us so confidently predicted 10 years ago. In Washington, where the first State fund in this country was established, the proportion of premium receipts taken for management expenses dropped lower and lower until it beat Norway's record by more than half. The Oregon State fund, established considerably later, already has this proportion of expense down to 7½ per cent. My official investigation of the three State funds with which we are here specially concerned disclosed a still greater measure of success in Ohio and very low ratios even when the State fund is in competition with insurance companies.

How great the economies of the State funds were found to be, as contrasted with the wastefulness of commercial companies (whose commissions to agents alone amount to 17½ per cent of the premiums collected), may be seen at a glance from the following:

Ratio of management expense to premiums.[1]

	Per cent.
Commercial stock insurance companies	35–40
Pennsylvania State fund (competitive)	9
New York State fund (competitive)	6.2
Ohio State fund (exclusive)	1.625

The marvelous record in Ohio, where the expense rate in the State fund is only about one-twentieth of the expense rate in stock-insurance companies, thus gives first place in economy of management to the exclusive State fund.

As to the net cost of insurance to policyholders, I found that the exclusive fund in Ohio is doing the best for industry in average savings to insured employers as well as in low expense of management. The New York State fund saves policyholders 29 per cent of the premiums they would have to pay commercial insurance companies; the saving in the Pennsylvania fund is 19 per cent (in one year 14½ per cent) for coal mines and 23½ per cent for other employers; the Ohio fund, where administrative expenses are paid out of the State treasury instead of being taken from premium receipts, makes the very large saving to industry of at least 35 per cent. These figures represent total savings to industry of many millions of dollars every year.

[1] The premiums are here taken at stock insurance company rates; the actual rates of the State funds were very materially lower.

But the aggregate savings have been materially larger; additional savings achieved by the State funds are found in the ample surplus carried. These will make possible still lower costs, together with larger benefits, in future. Indeed, any of these funds could, from its surplus, return to its policyholders an extra dividend of 5 per cent on all the premiums received (computed at the usual casualty insurance company rates). Or, if kept in the surplus as a "stabilizer," these sums work quite as much to the policyholders' advantage as if paid out to them as dividends; they are a true saving.

The remarkably creditable showing on 1918 business in all three State funds is further indicated by comparing their combined losses and expenses with those of the stock companies. Based on the usual casualty insurance company premiums, the losses and expenses together in the New York State fund were only 47 per cent as against 87 per cent in the commercial stock companies; in the Pennsylvania fund 55.4 per cent for coal mines and 50.1 per cent for other industries; in the Ohio fund 65 per cent. It should be explained here that the Ohio cost figures are estimates. Since no stock companies are permitted to carry this business in Ohio, their rates for purposes of comparison in that State are taken, by the actuarial formula regularly used in such computation, to be in the ratio to net claims cost as 100 is to 65. But even with the most conservative figuring the advantages of the State fund, in the matter of bare costs, are strikingly apparent.

In financial strength all three State funds are above criticism. New York's competitive fund was found to have on June 30, 1919, assets of $6,179,376.88, which cover all liabilities, present and future, and leave surplus funds of $1,170,479.94. The Pennsylvania fund, also competitive, had on December 31, 1918, assets of $3,605,729.85, covering all liabilities and leaving a total surplus of $1,961,207.78. The exclusive State fund in Ohio, which has met all compensation claims in full, had on March 1, 1919, accumulated assets of $19,529,022 with all liabilities covered and in addition a surplus of $3,722,471.

The reserves of all three funds were found to be unquestionably adequate, with the soundest actuarial principles strictly adhered to, and with ample provisions for all possible contingencies, including catastrophes. The assets of each fund are safely and profitably invested in high-class public securities. All uninvested funds are intact. So the financial condition of these public insurance funds may most conservatively be said to be at least as strong and unassailable as that of any class of insurance companies.

While the results of these investigations reveal great advantages of the State fund plan, still I discovered in the conduct of each fund an opportunity for constructive suggestions. These relate not at all to the integrity and benefits of the State funds, nor even to the economy of their management, but entirely to the greatest possible dispatch and efficiency in making full and just payments to injured workers who are entitled to them.

It is not that the State funds have done worse in this respect than the stock insurance companies, because they really have done better. It is that any bad features of administration should be weeded out, if discovered, and every effort made to attain the maximum of excellence.

Great economies in expense of management were expected from the State funds; in actual practice, as we have seen, they have been extraordinary. But there is the danger that economy may be carried to such unnecessary extremes that delay in making awards may result, as in Ohio to some extent; or, as in New York, important features of administration—such as statistical, accounting, pay-roll auditing, or detecting and rooting out, if not preventing, evils of "holding up" claimants—may suffer because salaries have been kept too low. Traces, too, were found of bureaucratic flaws on the part of some officials. Such evidences of slackness, however, were not accompanied by any proof that in consequence the results were poorer with respect to net cost to employers or net returns to injured workmen and their families; instead the records of the State funds along these lines were consistently better than those of the commercial insurance companies.

A word of caution and explanation as to "direct settlements" appears necessary in this connection.

PRIVATE COMPANIES MISTREAT WORKMEN.

Our investigation of the New York State fund disclosed the evil of frequent and large underpayments as the result of an amendment to the workmen's compensation law which was in effect about two years, permitting settlements to be made by the insurance carriers directly with the injured claimants. The chief offenders in such "paring down" of claims below just compensation under the law were the commercial insurance companies. The deputy commissioner in charge of workmen's compensation testified that such underpayments on the part of insurance companies and self-insurers has deprived injured employees and their dependents of about $5,700,000.

An attempt is being made on behalf of the commercial insurance interests to divert public attention away from this revelation of their own gross mistreatment of injured workmen by criticism of serious, but in comparison insignificant, abuses discovered within the State fund, to wit: Certain employees of the State "held up" a small number of greedy claimants who were so eager to get "lump sums" that in order to secure such an award they paid as high as half their compensation. The total amount thus given up by claimants against the State fund was about $50,000—a grievous thing, not to be minimized or excused, but also not to be exaggerated. Upon the evidence of this as I brought it out in the public hearings, several persons were indicted.

These offenses, as far as the State fund is concerned, happened only in connection with so-called final adjustments—that is, commutations for lump sums, a practice reluctantly consented to by the State fund after long resistance. It was demanded by employers and employees and had continually been resorted to by self-insurers and by insurance companies, with which the State fund had to compete, so they could get off cheaper. There were also "divvies" by injured employees with "runners" who claimed to be able to secure "lump sums" from insurance companies. Indeed, the most careful investigation showed that what minor abuses did occur in the State fund were directly traceable to commercial insurance company practices and competition.

The wonder is not that some evils existed, but that they should be so few when the State fund is still subjected to the serious disadvantage of unscientific and unscrupulous competition by the stock insurance companies. Yet, during the investigation and since, extensive and even sensational publicity was given to the $50,000 lost to claimants by these practices under the State fund, while very little was said in the "news" about the more than $5,000,000 extracted by the insurance companies.

At any rate the "direct settlement" amendment in New York is now happily repealed.

Altogether, the State funds for workmen's compensation insurance are shown by my investigation to be extraordinarily successful. They are financially sound; they are operated on the strictest actuarial principles; they reduce management expenses to a minimum. They have made steady progress, even under competitive conditions, for in Pennsylvania the premium receipts of the fund have increased from $804,234 in 1916 to $2,456,062 in 1918, and in New York from $689,764 in the last six months of 1914 to $1,867,841 in the last six months of 1918. They permit increasingly liberal benefits for injured workers and their families. They result in enormous savings to industry. In New York, for instance, employers who are insured in the State fund have been saved about $4,000,000 in four and a half years over and above what it would have cost had the same insurance been carried in stock insurance companies; and if all employers in the State insured by stock companies had placed their insurance with the State fund, they would have saved during the same period the very large sum of $18,000,000, which, of course, would have represented an even larger saving to the consuming public. In Ohio the exclusive State fund has saved insured employers at least $15,000,000.

Why, then, should any employer still resist adoption of insurance exclusively in State funds? Perhaps, to some extent, because of "many men, many minds." Partly, also, because of the specious but active propaganda of an interested opposition that the public control of this essentially public function is an "opening wedge" to State monopolization of businesses that are private. There may even be some distrust as to the efficiency of governmental agencies in conducting such an enterprise; which, however, in the case of the State funds has been found wholly without justification. But what holding back still remains on the part of employers might be ascribed largely to the fixed antagonism of some manufacturers' associations to legislative measures for the improvement of industrial conditions—a blind opposition apparent to-day no less than 10 years ago when it was unsuccessfully directed against the enactment of workmen's compensation laws. And then there is close relationship, business and otherwise, between many employers and the stock insurance companies.

It is to be desired, however, that in certain phases of management of State funds, especially in claim adjustments and accident prevention, there should be greater participation of representatives of insured employers and insured workmen.

Most important of all, these investigations show the superiority of State funds over commercial insurance companies and of the exclusive State fund, as in Ohio, over all other carriers. That is the finding of most immediate and direct interest to employers, employees, and the public. The failure of one New York stock insurance company, causing great and, to a considerable extent, irremediable distress, has emphasized anew the interest of industry as well as the public interest in the public administration of this public business of collecting and disbursing sums required for protecting the working population against suffering and destitution due to industrial accidents. The assurance that such protection for the helpless will be surely and promptly forthcoming should not be intrusted to private profit-taking corporations.

OHIO EXPERIENCE WITH STATE FUNDS.

Dealing more specifically with the instructive experience of the exclusive fund law in Ohio, Prof. M. D. Hammond, a leading American economist now at the University of Ohio, has written as follows:

Ever since the Ohio General Assembly in 1911 enacted the first workmen's compensation law in this State and provided that employers might insure themselves against losses from accidents to their employees by paying premiums into a State fund both the principle and the administration of a State insurance fund have been under a steady attack from the private companies writing liability or compensation insurance. So far as workmen's compensation in Ohio is concerned this unfriendly but searching criticism has probably been beneficial, however much annoyance it may have caused the State authorities administering the fund and however irritating it may have been to the friends of State accident insurance. It has had the effect of keeping the attention of employers, labor organizations, and the legislature focused on the State fund, and has kept the administration of the fund alert, eager to avail itself of any helpful suggestion for increased administrative efficiency, or correcting weaknesses in procedure or of classification of risks, for strengthening the system of rate making, or for the general improvement of the details of operation. At the same time there has been no fundamental change in the system of rate making or in the general plan of operation since the first compensation law went into effect.

EMPLOYERS AND LABOR SUPPORT FUND.

The result has been that the confidence of employers and workmen in the administration of the compensation law and their faith in State insurance as the best and cheapest method of securing the benefits of the law for the injured employees have steadily increased. The law—which was first made optional for employers, when enacted in 1911—was made compulsory in 1913 on all employers employing regularly five or more employees, and the State fund was continued as the principal, if not sole, carrier of this insurance. It seems, indeed, to have been the intent of the legislature to make the State insurance fund the only carrier of workmen's compensation, but the wording of the statute was not clear, and a decision of the State commissioner of insurance in 1915 allowed the private insurance companies to write workmen's compensation. In 1917 the general assembly, with the full approval of both the Ohio Manufacturers' Association and the Ohio Federation of Labor, made the State fund the sole carrier of workmen's accidental insurance, and the right of the legislature to exclude the private insurance companies from this field was later sustained by both State and Federal courts. The law permits employers, under certain conditions, to carry their own risks, and it was from this class of employers that the private insurance companies secured their business prior to the decision of the United States Supreme Court upholding the right of the State legislature to exclude such companies from writing compensation insurance. Since that decision the number of Ohio employers who elect to carry their own risks has steadily decreased, contrary to a statement recently made by the publicity bureau of the private insurance companies. On March 1, 1919, there were 952 self-insurers; on July 1, 1922, the number was 429. The number insured in the State fund on the latter date was 23,183. Self-insurance is a legitimate and profitable practice for companies whose scale of operations is large and whose employees are sufficiently numerous to give a wide distribution of risks, and these are, in the main, the companies which have elected to carry their own insurance under the Ohio law. These large companies would carry their own insurance, if permitted to do so, even if the law permitted private insurance companies to write compensation insurance.

ATTACKS INSTIGATED BY COMMERCIAL INSURANCE AGENTS.

The private insurance companies have not ceased their hostile criticism of the Ohio law since they have lost their right to do business in the State. They probably have no considerable expectation that the law will be changed so as to permit them to compete with the State fund, but keeping up the agitation has the effect of making employers, employees, and legislators in other States uncertain as to the merits of State insurance and delays in these States the adoption of the exclusive State fund plan. Since the State fund in Ohio is the "largest carrier of compensation insurance in the United States," it is obviously of great advantage to the private companies to supply "evidence" and arguments tending to show that this fund has proved a failure, and thus prevent, for a time at least, the spread of the idea. The private insurance companies do not, of course, appear in the open in this fight. The legislative campaign against the State fund has been conducted in the names of various organizations, which are apparently acting independently of one another, but even a superficial acquaintance with their methods and personnel always shows that though the voice be that of Jacob "the hands are the hands of Esau."

It must not be gathered that all the criticism of the administration of the Ohio State insurance fund has been insincere or unwarranted. The attacks instigated by the private insurance companies have at times been made by employers who are earnestly opposed to the principle of State insurance of any sort. Others have felt that they were not properly rated by the actuaries of the State fund or they have been dissatisfied with the way certain claims for compensation by their own employees have been handled by the commission administering the act. It is not to be expected that any plan of insurance will escape criticism and it is not to be supposed that this criticism will always be either dishonest or unwarranted. But the great majority of Ohio employers who have insured in the State insurance fund have been convinced that they have in this way secured insurance in a cheaper manner than could otherwise have been obtained, and that their injured employees have been provided with medical service and compensation for lost time with reasonable promptness and in such a way as to reduce to a minimum the friction between employer and employed which is likely to arise in connection with injuries received in the course of employment.

EMPLOYERS ACTIVELY OPPOSED PRIVATE INSURANCE TACTICS.

The Ohio Manufacturers' Association is much the most influential association of employers in the State. It is anything but socialistic in its tendencies, and its officers have been unusually, perhaps unduly, suspicious of legislation that looked in the direction of increased participation by the State in industry or interference by the State with the private management of industry. Yet this association has, from the very beginning of workmen's compensation in Ohio, given its hearty support to the commission administering the act, and it has been, and still is, active in its opposition to the efforts of the private insurance companies to secure the right to write workmen's compensation insurance in Ohio.

The private insurance companies in their campaign against State funds have laid great emphasis on the idea of "monopoly" in this field, seeking to take advantage of the popular fear of monopolies which often overlooks the fact that a monopoly conducted by the State itself is undertaken in the public interest because competition has proved wasteful or ineffective, and is therefore to be distinguished from private monopolies which are usually opposed to the public interest. Competition with the State fund in the field of workmen's compensation means that if the State is actively to compete with the private insurance companies it must employ a large force of solicitors, which, of course, adds very materially to the expenses of administration. On the other hand, if the State does not compete, the result will be that only the poor risks will come to the State fund. Such risks the private insurance companies do not care to accept or, if they do accept them, do so only at rates which the would-be insurers regard as prohibitive.

The United States Bureau of Labor Statistics has recently published Bulletin No. 301, entitled "Comparison of Workmen's Compensation Insurance and Administration," which shows that both these results obtain in the States which have competition between their State funds and the private insurance companies. Some of the competitive State funds write very little insurance because "they have not sufficient employees to go out and get business." It is the policy of other State funds "not to solicit business, but simply to take whatever comes to them." Dr. Carl Hookstadt, the author of this report, states that for every dollar collected by stock-insurance companies (much the most numerous of the privately organized accident-insurance companies) writing compensation insurance in this country, 38 cents goes for expenses and profits. For other carriers the expense ratios are as follows: "Mutual companies, 20 per cent; competitive State funds, 10.6 per cent; and exclusive State funds, 4 per cent." In Ohio the State fund operates at an expense ratio of less than 4 per cent. With such a difference in costs, it is not surprising that the stock companies should be eager to convince employers that State funds are badly managed and that they are inimical to the interests of both employers and workmen. Owing to the large scale of operations of the Ohio fund and its low costs of operation, the attacks of the insurance companies have been largely concentrated on this fund.

IMPARTIAL ACTUARIES PRAISE OPERATION OF FUND.

The earlier attacks, we have seen, were directed against the constitutionality of the Ohio fund and later against its exclusive feature. These attacks having failed in the courts, the enemies of the fund next began to question its solvency. Even the most ardent advocates of private insurance could hardly claim that, as long as the managers of a State fund could control the rates, there could be any insolvency in the ordinary acceptation of that term, so the claim was set up that the actuarial basis on which the fund was operating was faulty and that the premiums being collected under the rates established were insufficient to meet all claims against the fund and to maintain reserves sufficient to provide against contingencies.

Appreciating the danger that this claim if left unanswered would tend to create uneasiness in the minds of employers and employees, the Ohio industrial commission decided in 1919 to have the State insurance fund audited and analyzed by actuaries outside the State, and, in order to create confidence in the minds of employers, employees, and the public in the impartiality of the investigation, the commission invited the State auditor, the secretary of the Ohio Manufacturers' Association, and the secretary of the Ohio Federation of Labor to act as a committee to select the examiners. These gentlemen accepted the responsibility

and named as examiners the late E. H. Downey, special deputy of the Pennsylvania insurance department, and Miles M. Dawson, consulting actuary of New York City, two gentlemen whose integrity and qualifications for the task could not be questioned. Doctor Downey personally conducted the examination while Mr. Dawson checked his findings and went over with the actuary for the Ohio fund the method of computing the rates to go into effect the following year.

The results of the examination were such that both examiners declared the State fund solvent and gave high praise to the industrial commission for the spirit of fairness with which it had administered the compensation act and the "extreme, even excessive, economy" with which the State fund had been administered.

LARGEST BENEFITS AT LOWEST COST.

The commission had invited the examiners to offer criticisms of the administration and to point out ways in which improvements could be made. Doctor Downey offered a number of criticisms, for the most part directed against the niggardly manner in which the legislature had made appropriations for the administration of the compensation act, but he also called attention to certain weaknesses in the procedure of securing and handling reports of injuries. He also made helpful suggestions as to methods by which greater promptness in settling claims for compensation could be attained. In offering these criticisms, Doctor Downey said:

"In all fairness, it should be added that the record of the Ohio State fund, even in respect to promptness of claim settlement, will compare favorably with the record of any insurance carrier. The criticisms herein made do not imply that the fund is more remiss in this matter than other insurance carriers, but only that it is less prompt than can fairly be expected of a fund conducted by the State for the sole and express purpose of securing the prompt and full payment of compensation benefits."

The spirit in which these criticisms were received by the commission is shown by the fact that the procedure in handling claims was so modified that the average interval between the date of injury and the date of first payment, which was 55 days in 1919 has since been reduced to 33 days in 1922. This, as the report by Doctor Hookstadt shows, compares favorably with the best records made in other States where either State funds or private companies are made responsible for the payments.

It is typical of the methods by which the private insurance companies have conducted the campaign against the Ohio State fund that, in a pamphlet recently put out by the publicity bureau maintained by the casualty companies, these minor criticisms of the administration of the Ohio fund made in the Downey report are cited throughout as though they were characteristic of that report, and no mention is made of the high indorsement of the management of the fund given by both Doctor Downey and Mr. Dawson. The latter concludes his review of Doctor Downey's findings with the following statement: "All told, the greatest and most successful demonstration in this country of the possibilities of the largest benefits at the lowest cost from a workmen's compensation law has been achieved by the Ohio State industrial commission and the management of the Ohio State insurance fund, as is conclusively shown by the examiner's report."

The report just cited naturally gave no aid and comfort to the private insurance companies, and they immediately took steps to secure an official investigation and report on the State fund made by an actuary of their own selection. A change in the political complexion of the legislature soon afforded the desired opportunity and a second audit of the fund was made the same year as that in which the Downey-Dawson report was made.

OPPOSITION PROPAGANDA "FOR USE IN OTHER STATES."

Without entering into an account of the way in which this second investigation was brought about and the way in which the examiner was selected and without discussing the question of his competency to make such an examination, all of which matters are dealt with in a minority report of the legislative committee which assumed the responsibility for the investigation, we may say that the examiner reported that in his opinion "at the time stated the fund was solvent and in possession of a substantial surplus." He criticized the administration of the fund on the following grounds: (1) It had not maintained a system of control accounts whereby a trial balance could be taken at any time. (2) It failed to distinguish between the statutory surplus fund and the general surplus available for contingencies and for distribution of dividends, and as a result of this failure the statutory surplus fund was allowed to remain at too low a figure. (3) No account was taken of the physical condition of an employer's plant in the system of rate making. (4) There was undue delay in making payments to injured workmen. This last criticism was merely a repetition of that made by Doctor Downey, and the commission was already taking steps to remedy the matter.

The first three criticisms do not deal with matters which are fundamental in the administration of the law. They have to do with technical matters of accounting and actuarial practice, and the most that can be said for them is that they relate to matters concerning which there is genuine disagreement among accountants and actuaries as to the correct practice to follow.

The failure of the legislative committee, to which the report of the examiner was presented, to make any use of it to secure improvements or important changes in the administration of the Ohio fund shows that the report was wanted largely for consumption in other States where it was used as a basis for arguments against the adoption of the principle of a State fund. In Minnesota, for example, within a very few weeks after the above-mentioned actuary had made his report to the Ohio legislative committee, he appeared as an expert before a commission of the Minnesota Legislature appointed to examine into workmen's compensation, and he there repeated the criticisms he had made against the Ohio State fund, but he admitted that in appearing as an expert witness he was in the paid service of the Federation of Insurance Companies.

"REFORMS" THAT WOULD INCREASE COST.

Within the past year another investigation—not an actuarial one—has been conducted into the workings of the Ohio compensation law, and some comparison has been made with the experience with compensation laws in other States. This investigation has been made by a committee of the Cincinnati Chamber of Commerce. Some of the recommendations made by this committee to the industrial commission deal with matters of classification of risks and with rate making and can not be discussed here for want of space. Most of them if adopted would greatly increase the costs of administration which, there is reason to believe, was the object aimed at, and it is extremely doubtful if they would secure better results than the present system of making rates based on experience. The commission has given these recommendations careful consideration, but has not considered them to have sufficient merit to make it worth while to ask from the legislature the additional appropriations which would be necessary to put them in force.

Of the recommendations made by the Cincinnati committee to the legislature, most of them are worthy of serious consideration and possibly of adoption. Such are the recommendations for an increase in the scale of weekly compensation for certain classes of dependents and for a reduction of the waiting period. There is merit also in the recommendation that the employer be relieved of the so-called "open liability" which he now faces as a result of employees having the right to bring suit under the liability laws, in lieu of making application for compensation under the compensation act, in those cases where it is claimed that the employer is guilty of willful negligence through failure to comply with the safety laws of the State or with the rules which the commission may make intended to secure safe working conditions. The industrial commission has at various times adopted the valuable practice of organizing committees of employers and employees in each of the industries in which accidents are most likely to occur to draw up a safety code for that industry, with the expectation of then issuing an order putting this code in operation as a binding rule of the commission. In Ohio rules of the industrial commission have the force and effect of statutes. Owing, however, to this open liability to which the employer is subject, the commission hesitates to put these safety codes into operation, for they would greatly increase the danger which the employers run from damage suits under the liability laws. A valuable means of lessening accidents is thus not fully used. It is doubtful, however, whether the recommendation of the Cincinnati committee that this open liability be abolished by legislation is a practicable one. A constitutional amendment is probably necessary.

The recommendation that "in order that the commission shall have sufficient funds for the efficient operation and for the payment of adequate salaries to personnel of those operating the workmen's compensation act, the expense incident to the operation of the Ohio workmen's fund to be borne by the premiums collected, with the exception that the salaries of the commissioners be paid from the general administration fund," is one that on the face of it appears to have a good purpose behind it. There is room for a genuine difference of opinion concerning the wisdom of its adoption.

COMMERCIAL INSURANCE FEARS GOOD SHOWING OF STATE FUND.

Most of the valid criticisms made against the administration of the State insurance fund have been due to this inability of the commission to secure and retain a well-trained force of subordinates large enough to secure maximum efficiency in handling claims for compensation, and this was recognized in the report made by Doctor Downey. If the expense of operating the fund were charged to the premium account, there is no doubt but that the commission could in this way secure the funds sufficient for efficient service. But this in turn might lead to abuses and extravagance. Politicians would be constantly urging the commission to find places for needy friends, since to provide for them would make no drain on the public funds.

One suspects that the real motive for this recommendation of the Cincinnati committee, and for the one which, if adopted, would require the commission annually to make a physical inspection of every manufacturing plant, is to be found in the further recommendation of the committee that "a well-regulated plan of competitive compensation insurance" be adopted in Ohio. One does not proceed far in the consideration of any of the numerous plans for the "reform" of the Ohio workmen's compensation law which emanate from parties not directly concerned with the administration of the law until he discovers the cloven hoof of the private insurance companies.

If only the general assembly can be induced to adopt measures which will so increase the costs of administering the State fund that these costs will approximate the costs of solicitation and administration by the stock companies, these companies will not have constantly to face in other States the unfavorable comparison which their own experience affords to the experience of the Ohio fund whenever the question of adopting a State fund comes up for legislative consideration in these States. There is, also, the lingering hope that they may be able to thrust their noses into the Ohio tent.

A CAMPAIGN OF MISREPRESENTATION.

In conclusion this much may be said with the utmost assurance: Whatever may be the situation in other States, there is not now in Ohio, nor has there been, any widespread demand in recent years to take away from the State insurance fund its legal right to be the sole carrier of workmen's compensation insurance. The administration of that fund is not perfect, and valuable improvements in its administration and in the way of further accident prevention could be made if the legislature would be more generous in the appropriations for this service. The one serious charge which can be made against the administration of workmen's compensation in Ohio is that of political interference with its appointments when a change takes place in the State administration. The private insurance companies are mainly responsible for this political interference by constantly making the administration of the State fund an issue in the political campaigns and before the legislature. It is a tribute to the watchful care of the organized manufacturers and the organized laborers of the State that, so far, all efforts to secure important modifications in the act made by outside influences have failed. It is not to be expected, however, that in the near future the private casualty insurance companies will cease to misrepresent the administration of the Ohio fund and the attitude of the majority of Ohio employers toward that administration, nor that they will cease their attacks on the reports of Government investigators who report the growing success and popularity of the exclusive State-fund plan. These companies are fighting for their lives in other States and, under such circumstances, the reports of the success of an exclusive State fund are a constant menace to them and they are bound to continue their efforts to discredit such reports.

UNITED STATES GOVERNMENT REPORT.

I wish now to call attention to the most thorough and comprehensive impartial inquiry yet made in this country into the actual operation of the different methods of insurance under our workmen's accident compensation laws:

The United States Bureau of Labor Statistics, under the direction of Mr. Carl Hookstadt, has just completed an investigation of compensation-insurance systems in 21 States and 2 Canadian Provinces. Included in the investigations were 9 States with exclusive State funds, 9 with competitive State funds, and 5 with no State funds.

It was found that in 1919 stock companies wrote about $91,000,000 in premiums, the mutual companies $27,000,000, and the State funds $33,000,000. "On the whole, comparing the best State funds with the best insurance carriers, which Mr. Hookstadt considered the fairest method of comparison, "the State funds are superior. They are certainly superior as regards cost; they are equal as regards financial security; and they are a little better as regards service."

Mr. Hookstadt also found that the dual system of administration under a competitive system compared unfavorably with the administration of an exclusive fund. "In a competitive state the commission, instead of doing things, sees to it that somebody else does the work. The commission supervises, follows up, and checks up the insurance carriers who are supposed to make the payments. It takes almost as much time and costs as much money and requires as many employees to do the follow-up work, if it is to be done adequately, as it does to do the work originally. * * * In an exclusive-fund State accidents are reported to the commission only; under a competitive system accidents are reported by the employer to the insurance company and also to the commission. Furthermore, under the latter system both the insurance company and the commission must receive and investigate compensation claims, which results in unnecessary duplication of effort."

The cost of this dual system of administration is emphasized by comparison of the total administrative expense in exclusive-fund States and in competitive States. The administrative costs of the former "are stated in thousands of dollars, whereas the latter run into millions. For example, compare the exclusive State fund of Ontario—$152,000—with the competitive-insurance State of California—$2,582,000—or the exclusive State fund of Ohio—$279,000—with the competitive-insurance State of Pennsylvania—$4,866,000—and the private-insurance State of Illinois—$2,876,000.

The cost of compensation insurance to employers under different insurance systems may be best indicated by the proportion of insurance premiums devoted to expenses and profits of the carrier. "The average expense ratio of stock companies is approximately 37½ per cent; of mutual companies, about 20 per cent; of competitive State funds, about 12½ per cent; and of exclusive State funds, from 5 to 7½ per cent. Under an exclusive State fund, therefore, the cost to employers would be 30 per cent less than under stock insurance and 12½ per cent less than under mutual insurance. The total saving to insured employers of the United States, if all were insured in exclusive State funds, would be over $30,000,000 annually.

"As regards service, * * * a comparison of the best managed State fund with one of the best managed private companies shows that the best State fund is more prompt in its payments than the best private company. Another significant fact developed by the investigation is that self-insured employers, whom one would expect to pay promptly, are no more prompt in this respect than either State funds or private carriers. As regards liberality of payment, most of the State funds are more liberal in this respect than either stock or mutual companies."

Investigations of commercial insurance company practices in Illinois and New York showed serious underpayments and evasions on the part of certain carriers.

As to security to both employer and employee, Mr. Hookstadt finds failure or insolvency "practically inconceivable as far as the exclusive State funds are concerned," and further, "thus far not a single injured workman has lost one cent of compensation because of the insolvency of State insurance funds, competitive or exclusive, nor has any large mutual company become insolvent. On the other hand, there have been several disastrous failures of private stock companies during the last three or four years. These failures have resulted in hundreds of thousands of dollars in unpaid claims."

TESTIMONY OF PENNSYLVANIA EXPERT.

I want to call particular attention to three letters which I am inserting in the RECORD from Hon. Harry A. Mackey, chairman of the workmen's compensation board, department of labor and industry of the State of Pennsylvania, for the past eight years, to Hon. FRANK W. MONDELL, of Wyoming, Hon. CLYDE N. KELLY, of Pennsylvania, and to myself:

LETTER TO MR. MONDELL.

JANUARY 18, 1923.

Hon. FRANK W. MONDELL,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: At the request of Congressman CLYDE KELLY, of Pennsylvania, some time since I submitted a few of my thoughts in regard to the Fitzgerald bill providing for workmen's compensation for the District of Columbia. I have been requested by those deeply interested in the bill to write directly to you that after a very wide experience in compensation matters in Pennsylvania and an impartial observation of the operation of all insurance carriers, I believe that the District of Columbia presents too small a field and the pay roll exposure is too limited to make competitive insurance either profitable or attractive. I believe that the institution of a State fund is really essential to successful and economical administration. I say this with absolute fairness toward all insurance carriers. In Pennsylvania we have treated them all alike, giving them all a fair field and extending favors to none, and with our tremendous industrial undertakings the field is sufficiently large to guarantee prosperity to them all; but with so limited a field as the District of Columbia, a State fund could not exist in competition with the other companies and I consider a State fund very essential to the thorough and complete operation of the law.

Trusting that you will not consider these observations intrusive or a trespass upon your time, I remain,

Yours very sincerely,

HARRY A. MACKEY.

LETTER TO MR. KELLY.

WORKMEN'S COMPENSATION BOARD OF PENNSYLVANIA,
December 12, 1922.

Hon. CLYDE M. KELLY,
Washington, D. C.

MY DEAR CONGRESSMAN: I am complying with your invitation to analyze and criticize the Fitzgerald bill.

In the first place, I am very much pleased that your act has substituted the word "injury" for "accident." The experience of the States that have frankly included industrial diseases in their schedules has been negligible as far as increased costs are concerned.

I have no experience that will justify me in commenting upon the inclusion of domestic service.

As far as including agricultural workers is concerned, I am thoroughly in sympathy with the idea. With modern agricultural implements in vogue, there seems to me to be no difference in the risks of the farm and the factory.

Your compensation of 66⅔ per cent is taken from the majority of the States of the Union.

You have provided a very just way of bringing adequate compensation to the employee who has suffered two partial disabilities and at the same time charging his immediate employer with only that disability that he suffered while in his employ.

I am very much interested in your penalty clause, and trust that it will stand the test in the courts, for I am very anxious to see one included in our Pennsylvania law. We have had some sad experience with uncompensated injuries that workmen have suffered while in the employ of irresponsible employers.

My judgment is that the bill is very admirably drawn and its benefits are properly distributed.

Insurance: As far as Pennsylvania is concerned, it has always been the policy of our board to refrain from advocating any particular form of indemnity. We have thus avoided any acrimonious debate.

In defense, however, of your proposed fund, in view of the limited number of employees affected in the District and the rather non-hazardous undertakings of your employers compared with a State like Pennsylvania, I might be pardoned if I indulged in the following suggestions and criticisms as to the insurance provisions of your bill:

Our State fund has been very successful, as I heretofore indicated in a communication to Congressman FITZGERALD.

In the District of Columbia, with its limited exposure from the compensation-insurance standpoint, a competitive State fund could not survive, for the obvious reason that it would not be able to secure enough premiums to meet its overhead and pay losses and maintain the proper reserves, etc. As it is inconceivable that only insurance companies would be allowed to transact business in the District, the apparent answer is to have a compulsory State fund.

I have not been able to find anywhere in the bill that a penalty is provided for nonpayment of premium within a reasonable time. It seems to me that provision should be made that an employer should be compelled to pay a penalty if his premium is not paid within, say, 60 days from the date bill is rendered.

It appears to me that the section of the bill providing 5 per cent which should be added each year to the surplus should be changed to read "not over 5 per cent," as it is entirely probable that there will be some years when the entire amount of 5 per cent will not be necessary to add to the surplus.

Most respectfully yours,

HARRY A. MACKEY,
Chairman Pennsylvania Compensation Board.

LETTER TO MR. FITZGERALD.

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF LABOR AND INDUSTRY,
WORKMEN'S COMPENSATION BOARD,
Harrisburg, June 20, 1921.

Hon. ROY G. FITZGERALD,
House Committee on District of Columbia,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I understand that at a recent meeting before the congressional committee when a compensation and insurance act for the District of Columbia was under discussion that some animadversions were made upon the Pennsylvania State workmen's insurance fund by an employee or employees of the bureau of workmen's compensation of Pennsylvania that have excited considerable unfavorable comment.

I have received several letters of inquiry about the correctness of any criticisms that were directed against the fund. My attention has been called to the matter by Governor Sproul, of Pennsylvania, who is extremely proud of the success of the fund and its achievements under this administration. I am writing this letter at his direction and with his utmost approval.

I regret the fact that when I was invited to attend this conference by a telegram from Congressman FOCHT, of Pennsylvania, that my official duties prevented my accepting the committee's invitation. Had I been able to have been there, we certainly would have had no criticism offered on the Pennsylvania State fund. I have not been fully advised as to what representations were made except by extracts from the newspapers, but I desire to assure the committee that any hostile criticism to the fund was gratuitous and personal on the part of those who made it, and in no way represented the official opinion of the Pennsylvania Workmen's Compensation Board.

* * * * * * *

* * * While I would decline to gratuitously offer any suggestion in regard to the Pennsylvania State fund that might appear as expressing a desire upon my part to further its interests over and above those of its competitors, nevertheless, now that it has been assaulted, I consider it my duty as one who probably is in the best position in Pennsylvania to know of its services to come to its defense.

The fund was created, as I have stated, by an act of the legislature of 1915. It was not intended to launch the State of Pennsylvania into the insurance business, but the original purpose of the State fund was to offer the employers of Pennsylvania protection at cost, where the pure premium would not have to be loaded to provide for the tremendous overhead expenses that the old-line companies are compelled to carry. It was also intended to be a regulator of insurance rates, and therefore the legislature gave to the State fund, in order that it might start under propitious circumstances, the sum of $300,000. It must be borne in mind that this was not a loan but was absolutely a subsidy. Likewise, the legislature of 1917, for the same purpose, gave our State fund $200,000, making a total of $500,000 by two succeeding legislatures.

By the terms of the act the State fund is managed by or is under the control of a commission composed of the State treasurer, the commissioner of labor and industry, and the insurance commissioner. The insurance department of our State a short time ago subjected the State fund to a most exhaustive and rigid examination. Its report shows that on December 31, 1920, the total assets were $6,048,555. It had a total surplus of $2,766,145. This surplus existed after the very fullest legal reserve had been set up as against all outstanding claims, and at that time this reserve protected every possible contingency in each case, with obligations that might possibly extend into the next 16 years, amounting to $2,126,076.

The State fund has further protected itself, notwithstanding the setting up of this great reserve, by reinsuring its funds as against catastrophe that might involve it in liability between the sums of $200,000 and $500,000. During 1920 the State fund wrote premiums amounting to $3,186,668, and its expense ratio was 10.5 per cent, while its claim ratio was 42.6 per cent.

I am only stating the facts, and therefore I will not compare these figures with those of other insurance companies—your committee can do that. I must state, however, that you will find but one insurance carrier doing business in Pennsylvania during that period that wrote business at a lower expense ratio, and that was a company whose total premiums only amounted to $16,000 for the year. It is only fair for me to state also that during that period official figures will show that the average expense ratio of all insurers of Pennsylvania was 29.3 per cent, of participating companies 17.4 per cent, and of stock companies 38 per cent.

At the beginning of the present year the State fund gave to the State treasurer of Pennsylvania the sum of $500,000 in cash, thus handing back to our State treasurer the two presents which the legislature had given to it. It was able to do this after charging its subscribers a rate of 10 per cent below the manual, paying a dividend to its subscribers each year of 15 per cent, and to its insurers in the coal regions, which represents the most hazardous risks in industry, 10 per cent. The State fund is now engaged in paying an extra dividend of 15 per cent to all policyholders for the year 1920, making a return in cash of 30 per cent to commercial policyholders, 25 per cent to coal policyholders, in addition to the 10 per cent lower initial rate.

Under the system of administration peculiar to Pennsylvania, if the injured employee and the employer fail to agree upon certain features of the accident, thus precluding them from the possibility of executing a compensation agreement, the employee files a claim petition with one of our 12 referees, a hearing takes place before this particular referee, he either awards compensation or disallows the same, then either party can appeal to the Workmen's Compensation Board (we are really the supreme court of the referee). Therefore, we enjoy a constant survey of the work of each insurance carrier and self-insurer in the State. We are in touch with labor, the employer, the insurance carriers, and the self-insurers. We find that the State fund enjoys the most hearty support of organized labor, so much so that labor is an advocate of a monopolistic State fund. This favorable attitude of the workingman toward the State fund must necessarily have been brought about because of promptness of service, liberality of distribution of benefits, and willingness to extend medical benefits beyond the limitation of our law.

I am not raising the standard of the State fund in order to make invidious comparison against any insurance carriers of our State. We have had trouble with none and have been accorded cheerful cooperation by all. What I have written has been prompted by a desire to do justice to the Pennsylvania State fund and as a response to many requests so to do. I remain,

Yours very truly,

HARRY A. MACKEY,
Chairman Workmen's Compensation Board of Pennsylvania.

VIEWS OF LABOR.

Hon. Warren E. Tarbell, of the Massachusetts Senate, a good friend of our colleague, Mr. TAGUE, has collected the opinions of some prominent representatives of labor on workmen's compensation insurance.

John P. Frey, secretary of the committee on resolutions of the American Federation of Labor, says:

In considering the matter of providing compensation for the victims of industrial accidents, there are three elements which we should consider, namely, the employer, the employee, and the State or society. These are the only elements that are necessarily involved in the matter and no other element has a right to demand recognition in whatever plan might be adopted to accomplish this purpose. The ambulance-chasing lawyer and the professional insurance adjuster were the twin evils of the old system. The methods in the old days were so odious, both to the workers and to the public, that if we adopt any form of workmen's compensation law that retains one of these two agencies, we are not going to accomplish the results that we hope for and have a right to expect.

THE OHIO LAW.

In connection with the administration of the Ohio workmen's compensation law, the Industrial Commission of Ohio about two years ago (1919) issued a circular in which the statement was made that if the employers of Ohio had been paying premiums into the State insurance fund at the same rate of premium that the insurance companies were charging the employers of New York, they would have paid more than $5,000,000 a year more. Carl Hookstadt, of the Federal Labor Bureau, last year made an investigation of insurance companies and State funds in connection with the administration of the workmen's compensation laws in various States. In his report Mr. Hookstadt states that exclusive State funds are far superior to any other insurance carrier. He also states that if the employers of the United States had been paying premiums into exclusive State funds it would have meant a saving of $30,000,000 a year to these employers.

Now, this $30,000,000 is a burden on industry. It must be paid out of the wealth created in industry. It is true the employers pay the premiums in the first instance, but ultimately the consumer pays it. I believe, therefore, it will do the employers more good, and I know it will do society more good if they put this $30,000,000 into the pay envelope of their employees or allow the consumers of their products to get the benefits of it than to put it into the coffers of insurance companies.

—

Matthew Woll, vice president of the American Federation of Labor and also president of the International Council of Printing Tradesmen:

"Contrary to the opinions of some labor men, the American Federation of Labor unequivocally indorses the principles upon which the Ohio workmen's compensation law is founded and certainly approves that legislation as a model law to be followed in all other States."

—

James Duncan, of Quincy, Mass., first vice president of the American Federation of Labor and also international president of the Granite Cutters' International Union:

"In the best judgment of the great American Federation of Labor after much study, consideration, and attention had been given the subject, the American Federation of Labor stands firmly and squarely in favor of the Ohio workmen's compensation law as a model for operation in other States."

—

Daniel Tobin, of Cambridge, Mass., treasurer American Federation of Labor, also general president International Brotherhood Teamsters, Chauffeurs, and Helpers:

"My opinion is that it is (Ohio compensation law) the best workmen's compensation law that we have in any State in the country."

—

Jacob Fischer, vice president American Federation of Labor and international secretary-treasurer Barbers' International Union:

"We favor workmen's compensation insurance for every State and we think the Ohio law the best of any State."

—

AMERICAN FEDERATION OF LABOR.

Whereas the American Federation of Labor at its last annual convention unanimously indorsed the Ohio workmen's compensation law and requested each affiliated State federation to seek similar legislation; and

Whereas the officers of some State federations possibly misunderstood the intent of this request: Therefore be it

Resolved, That the American Federation of Labor, in convention assembled, again indorses the Ohio workmen's compensation law, and we urge the officers and members of State federations to petition for and work for the adoption of workmen's compensation legislation modeled after that form now in operation in the State of Ohio: And be it further

Resolved, That a copy of this resolve be sent by our secretary to each State federation and central labor council at the close of this convention.

THE COMMITTEE'S REPORT.

As I said before, I think it is very important that Members become familiar with the report by the House Committee on the District of Columbia, which on February 8, 1922, recommended the passage of my bill.

The committee in its report said:

This bill is intended to remedy the situation arising from the failure of Congress thus far to provide a workmen's compensation law for upward of 100,000 private employees in the District of Columbia.

Forty-three States, in addition to Alaska, Hawaii, and Porto Rico, have now substituted more or less enlightened workmen's compensation laws for the outworn theory of employers' liability, to the mutual benefit of capital and labor, with resultant increase of harmony in industrial relations. Five States only, to wit, Arkansas, Mississippi, North Carolina, South Carolina, and Florida, have failed to pass such a law. Congress has already signified its approval of the compensation principle by enacting in 1916 an accident compensation law for civilian employees of the United States, and later extended it to the District's public employees. The Government now extends protection to 600,000 of its own employees, of whom 75,000 are in the District of Columbia.

Private employees in the District have not only been overlooked in the general march of compensation progress but are also under the peculiar disadvantage of being without the scant protection of an employers' liability statute or accident reporting law.

In the District there are, according to reliable estimates, about 108,000 wageworkers in private employment who need the protection of this measure. As nearly as can be determined these workers suffer over 5,000 disabling accidents and approximately 40 fatal injuries yearly. According to reports of the Interstate Commerce Commission, in the year 1920 shopmen of the Washington Terminal Railroad Co. alone suffered 184 accidents which resulted in incapacity for three days or more. For the vast majority of these the only remedy is public or private charity or the illusory one of a suit for damages under the outworn and discredited rules of the common law.

The industries of the District to be covered by this bill include, to mention only the more hazardous, one steel mill, two paper factories, numerous laundries, building operations, and the street railways and railroad terminals. Cases were related to the committee in which drivers of delivery wagons in the District, although seriously injured, went without recompense. There were others skilled in building construction maimed for life and reduced to the job of watchman who could not recover a cent because they had "assumed the risk." And it was testified that helpless widows and children of men crushed in the freight yards, not a stone's throw from our legislative halls, have been, in the absence of a protecting compensation law, thrown upon the community practically penniless. The District Committee believe that to permit such conditions to continue at our very doors would shock the best sense of every Member of Congress.

PROVISIONS OF THE BILL TESTED BY EXPERIENCE.

Every important provision of the bill here presented has been tested through practical experience under various of our 46 American accident compensation laws, not to mention Canada, where compensation legislation is now practically universal.

EMPLOYEES COVERED.

All employees except casual workers whose employment is not in the course of the trade, business, profession, or occupation of the employer will be eligible to compensation benefits under this bill. This feature is patterned after the New Jersey law, which has long given satisfaction, being the first American compensation law to go into effect and stay in effect. The committee believes that to exclude any class of worker other than "casuals" would be fallacious, for the reason that there is no industry unattended by danger. To the farm laborer, care of live animals and work with modern labor-saving machinery constitutes a hazard, while fire, boiling water, climbing stepladders and stairways, subjects domestic service to appreciable hazard. It is obvious that the hazard varies in different lines of work, and, therefore, that the amount of insurance premium will vary. In all cases the fact of occupational injury should be the test of the need for protection under an accident compensation law.

INJURIES COVERED.

All injuries sustained in the course of employment, except self-inflicted injuries, are covered and defined to include disease arising out of and in the course of employment. This follows the principle already sanctioned by Congress in the Federal employees' compensation law and by the laws of California, Connecticut, Hawaii, Illinois, Massachusetts, Minnesota, New York, North Dakota, Ohio, and Wisconsin. It is now generally recognized that occupational diseases arising from daily employment in the handling of poisonous products are just as truly industrial injuries and just as deserving of compensation as many more spectacular accidents. For this reason the word "injury" has been used throughout this bill in place of the narrower term "accident." It is believed that few cases of occupational disease will arise in the District, but such as may occur will be included in the protection of this bill.

MEDICAL CARE.

In providing fully for such medical care as the nature of the injury may require the committee again follows the Federal employees' compensation law, as well as no less than 15 other jurisdictions as to allowance for medical treatment and 15 as to period of treatment. Experience has shown that inadequate medical care is poor economy, as it is likely to result in prolonging the period of disability for which compensation must be paid. Furthermore, in States where the amount allowed for medical care is limited, there appears to be a tendency on the part of physicians to charge the maximum. It is believed by the committee that economy is served by providing proper medical care, leaving charges to the discretion of the commission.

WAITING PERIOD.

Although medical care is always provided from the date of injury, it is not customary to pay cash compensation for the first few days of disability. This bill follows accepted practice in providing for a "waiting period," as the days immediately following the injury during which no cash compensation is paid are called. A waiting period of three days is believed sufficient to discourage trivial claims. This is in accord with the Maryland and Utah statutes, as well as the compensation act enacted by Congress covering public employees in the District.

SCALE OF COMPENSATION.

Beginning with the fourth day of disability, injured employees are to receive 66⅔ per cent of wages during disability. This standard has already been adopted by Congress and by 11 other laws, while in four additional States the scale is 65 per cent, or practically the same.

WEEKLY MAXIMUM AND MINIMUM.

A maximum weekly limit of $25 is no more than adequate. Oregon has established an upper level of $22.50, and in California, Hawaii, Missouri, North Dakota, and New York the limit is $20 or more.

There is also a minimum weekly limit below which compensation shall not go unless the injured employee's weekly wages are less. Seven dollars as a weekly minimum is regarded as conservative and exists also in Massachusetts, Michigan, Rhode Island, Utah, and Wyoming. Some laws are even more liberal than what is here recommended, the weekly minimum being as high as $7.50 in South Dakota, $7.69 under the Federal employees' law, $8 in Maryland, Minnesota, New York, and Oklahoma, while in Illinois it is $10 if there are dependents.

BURIAL BENEFIT.

Most laws allow in addition a modest sum to cover burial expenses. The sum here recommended, "not to exceed $150," is the same as is allowed in Alaska, Minnesota, Missouri, Nebraska, Illinois, Kansas, North Dakota, Ohio, South Dakota, Utah, and West Virginia. This is believed to be adequate, although it has been exceeded in Idaho, Maine, Michigan, and Rhode Island, where $200 is allowed.

ADMINISTRATION.

This bill sets up no new machinery. It is provided that the already existing United States Employees' Compensation Commission, which for more than five years past has satisfactorily administered compensation for Federal employees and for the past two years has also administered compensation for the District's public employees, shall administer the act. The commission is well qualified, and as the number of employees to be covered will be small compared to the total number of employees now handled by the commission, the committee believes that both efficiency and economy will be served by placing the administration of this act in the hands of such an experienced commission.

REHABILITATION.

Recognizing that cash compensation is far inferior to restored earning power, the committee has recommended that the commission assist industrial cripples to obtain appropriate training, education, and employment, and that they cooperate with the Federal Board for Vocational Education for this purpose.

COMPENSATION THE EXCLUSIVE REMEDY FOR THE EMPLOYEE.

Compensation under this measure is made the exclusive remedy for injured employees or for their dependents in case of death, and the employer who contributes to the fund is relieved from all liability for personal injuries or death sustained by his employees. If he fails to insure, he may be sued by the employee, and in such case can not avail himself of the common-law defenses of contributory negligence, fellow servant, or assumption of risk.

INSURANCE.

In creating rights and obligations which will extend over a long period of time it is necessary to surround them with safeguards for fulfillment. Compensation payments to dependent children often continue for 10 or more years, and an employer who is well able to pay a compensation award to-day may meet with unforeseen reverses to-morrow. To protect dependent beneficiaries against such contingencies, practically every American compensation law contains a provision requiring employers to insure their compensation risk.

The bill which we recommend is a compulsory compensation insurance act. The committee believes that it is because many have failed to distinguish between this type of compensation act and the ordinary elective type of act that much misunderstanding as to the best method of insurance has arisen. Under a compulsory compensation act, such as this, employers will be at the mercy of commercial insurance companies unless Congress in creating the obligation to insure at the same time provides an opportunity to insure at a reasonable cost.

All but four of the compulsory compensation acts in the United States establish compensation insurance funds to protect employers against exorbitant charges (Bulletin of the United States Bureau of Labor Statistics, No. 275, p. 14), and it has been thought advisable to do so here.

INSURANCE ASSESSMENTS SIMILAR TO TAX.

Discussion of the insurance fund has been befogged by talk of the "Government going into business." This phrase is inapplicable. In the leading case upholding the constitutionality of the compulsory insurance type of law (Mountain Timber Co. *v.* Washington, 243 U. S., 219) the United States Supreme Court gave its opinion that the assessments which employers are required to pay are in the nature of an "occupational tax" levied against industry to provide payments to those disabled in employment. We are clearly of the opinion that a State, in the exercise of its power to pass such legislation as reasonably is deemed necessary to promote the health, safety, and general welfare of its people, may regulate the carrying on of industrial occupations that frequently and inevitably produce personal injuries and disability with consequent loss of earning power—and may require that these human losses shall be charged against the industry, either directly or by publicly administering the compensation and distributing the cost among the industries affected by means of a reasonable system of occupation taxes. (Mountain Timber Co. *v.* Washington, 243 U. S. 243.) In other words, the Government acts merely as a collecting and disbursing agency. To turn this task of collecting employers' obligatory contributions over to an agency conducted for profit would hark back to the days when taxes were farmed out for private gain.

COMPETITION COSTLY AND WASTEFUL.

Unlike States with compulsory laws, most of those States having elective compensation laws have permitted insurance companies to carry whatever part of the risk they could secure. An official investigation into the relative merits of State funds and commercial insurance companies, conducted under direction of the United States Bureau of Labor Statistics, showed that the latter are more costly, they give no greater security, and they are somewhat inferior as regards service rendered. (Monthly Labor Review of the United States Bureau of Labor Statistics, December, 1920, p. 138.)

At hearings before the committee the representative of insurance companies testified that of the premium charged by insurance companies about 37½ per cent is used in overhead expenses, only 62½ per cent reaching the beneficiaries. In other words, in making up their premium charges, to every dollar of benefits which they expect to pay, insurance companies add a charge of 60 cents for expenses. Their premium charges are apportioned approximately as follows:

	Per cent.
Acquisition cost	17½
Home office expense	8
Taxes	3
Claim adjustment	7
Inspections	2
Total overhead expenses	37½
Benefits paid for injuries	62½

In exclusive State funds the first three items are eliminated. They have, moreover, been able to reduce their other expenses to an average of 7½ per cent of premium charges (Monthly Labor Review of the United States Bureau of Labor Statistics, December, 1920, p. 144), apportioning the premium as follows:

	Per cent.
Total overhead expenses	7½
Benefits paid for injuries	92½

A competitive State fund can not entirely eliminate acquisition expense, but even so its record for economy far exceeds that of casualty companies. In Pennsylvania, the home of the chairman of the committee, the competitive State fund has maintained an expense ratio of only 10.5 per cent, as compared with 38 per cent for the stock companies. The Pennsylvania fund has made the good record of accumulating a surplus of approximately $3,000,000 and paying back to the State $500,000 originally advanced to the fund. The chairman of the Pennsylvania workmen's compensation board, in a letter to the committee, states that the fund "was able to do this after charging its subscribers a rate of 10 per cent below the manual, paying a dividend to its subscribers each year of 15 per cent, and to its insurers in the coal regions, which represents the most hazardous risks in industry—10 per cent. The State fund is now engaged in paying an extra dividend of 15 per cent to all policyholders for the year 1920, making a return in cash of 30 per cent to commercial policyholders, 25 per cent to coal policyholders, in addition to the 10 per cent lower initial rate."

That part of the premiums collected from employers which is used up in overhead expenses, and therefore never reaches the workmen, is called the expense ratio. This expense ratio affords the simplest means of summing up the relative expenses of stock companies and State funds. The expense ratios given in the following table show conclusively the economy which may be gained by the insurance fund method of carrying the workmen's compensation risk:

Comparative expense ratios.[1]

	Average proportion of premiums used by overhead expenses.	Average proportion of premiums which reaches beneficiaries.
	Per cent.	*Per cent.*
Stock companies	37½	62½
Mutual companies	20	20
Competitive State funds	12½	87½
Exclusive State funds	7½	92½

[1] Monthly Labor Review of the U. S. Bureau of Labor Statistics, December, 1920, p. 144.

In Ohio, where the exclusive fund has been in force for some years, the expense ratio is less than 3 per cent.

Indeed, so great is the economy of the fund method of insurance, and especially the exclusive fund, which because of the small coverage the committee deems best for the District of Columbia, that, after the

investigation mentioned above, the investigator for the United States Bureau of Labor Statistics reached the conclusion that "had every compensation State possessed an exclusive State fund and had all employers carrying compensation insurance insured therein, it would have saved these employers in the year 1919 at least $30,000,000." (Monthly Labor Review of the United States Bureau of Labor Statistics, December, 1920, p. 144.)

With the exclusive fund it is therefore possible for the committee to plan for compensation on a liberal scale with the assurance that the expense to the employer will be no greater than in certain States which have a less liberal compensation law but a more expensive method of insurance.

FUND ABSOLUTELY SECURE.

The insurance-fund method has also recommended itself because of its absolute security. Not a single employee has lost one cent of compensation through the financial failure of State funds. In fact, insolvency is practically inconceivable because if premium income is insufficient it is only necessary to increase the rates. (Monthly Labor Review of the United States Bureau of Labor Statistics, December, 1920, p. 154.) This bill provides for a reinsurance of the fund so that security against an unusual catastrophe is provided. Insurance companies, on the other hand, must commend themselves to customers and in spite of supervision are often tempted to reduce rates below the margin of safety.

Counsel for the Lockwood Investigating Commission in New York bases his conclusion that "private companies should be barred out of the field of workmen's compensation insurance on the ground that, inasmuch as the State very properly compels the employer to take out this class of insurance, it should provide the insurance and thus prevent the employer from being exploited as he now is for private profit," and says that "numerous instances were put into the record where the stock companies, instead of maintaining the rate fixed by agreement with the State fund and the mutuals, have cut the rate in half to large investors, thus repudiating the fundamental principle of rate making." If rates approved as the minimum necessary for safety are undercut to gain patronage there can be no security for either employer or injured workman. "The failure of such companies as the Guardian Casualty & Guaranty Co. of Utah, the Casualty Co. of America, and the Commonwealth Bonding & Insurance Co. of Texas resulted in thousands of dollars of unpaid compensation claims. In those States in which the law held both the employer and insurer individually liable these losses had to be met by the employers. In other States, in which employers are relieved of further liability when insured, the injured claimants were the sufferers. The legislature of California appropriated between $60,000 and $70,000 of public money to pay in full the larger claims of injured employees because of the bankruptcy of the Commonwealth Bonding & Insurance Co. of Texas. Many smaller claims have not yet been taken care of." (Monthly Labor Review, of the United States Bureau of Labor Statistics, December, 1920, p. 153.)

STOCK COMPANIES INIMICAL TO INJURED WORKMEN.

The insurance companies before the committee stressed the contention that the excessive cost of insurance in private companies is justified by the "service" rendered. The committee fails to find merit in this contention.

As regards claim-investigation service, the work of the insurance claim agent, so far as it is impartial, only duplicates the work of the commission's investigators. The commission must supervise and check up payments by insurance companies in any event, and "it takes almost as much time and costs as much money and requires as many employees to do the follow-up work if it is to be done adequately as it does to do the work originally." (Monthly Labor Review of the United States Bureau of Labor Statistics, December, 1920, p. 138.) Under the insurance-fund plan, the facts need be investigated by only one body, i. e., the commission.

Compensation laws are primarily for the benefit of injured workers, and if part of what is listed by insurance companies as claim-adjustment expense is used in defeating claims, what is "service" from the viewpoint of the insurance corporation may not always be "service" for the employee. The Connor investigation in New York State disclosed "underpayments on the part of insurance companies and self-insurers" which between 1915 and 1919 "deprived injured employees and their dependents of about $5,700,000." (Dawson, State Accident Insurance in America, p. 6.) Underpayments by insurance companies were likewise found during an investigation conducted by the industrial commission in Illinois. (Typewritten reports furnished to United States Bureau of Labor Statistics by Illinois Industrial Commission.) In view of these facts, the 7 per cent of premiums which insurance companies assert is necessary to maintain a proper claim-adjustment service can not safely be regarded as service to those whom these laws are designed to protect.

As to promptness of payments, the investigator of the Bureau of Labor Statistics found that, although no clear distinction could be drawn on a basis of promptness of payment between the average State fund and the average casualty company, "the best State fund has a better record as to promptness of payment than the very best insurance company." (Monthly Labor Review of the United States Bureau of Labor Statistics, December, 1920, p. 148.)

So far as service in promoting safety work is concerned, State funds have been less satisfactory, partially because this work has been undertaken by other State departments. Since insurance companies do not claim that safety work accounts for more than 2 per cent of their expenditures, however, this one element of superiority can hardly justify their claim that their great excess in cost over State funds represents superior service rendered. State funds can afford to double their expenses for safety work and still spend about 30 per cent less on overhead expenses than casualty companies.

INSURANCE FUND SELF-SUPPORTING.

The Government will not subsidize the insurance fund by paying its administrative expenses. The bill provides that all the expense of administering the fund is ultimately to be paid out of premium income. In other words, the fund is to be entirely self-supporting.

INSURANCE FUND DESIRED BY WORKERS.

Representatives of the American Federation of Labor and of labor organizations within the District appeared before the committee in support of this bill and in denunciation of any compensation bill in which private insurance should be permitted to take part. In the light of underpayments by insurance companies disclosed by the Connor investigation in New York and the industrial commission in Illinois, this distrust of insurance companies by workingmen is not difficult to understand.

INSURANCE FUND FAVORED BY EMPLOYERS.

Employers who have experienced the advantages of State-managed workmen's compensation insurance have also become its enthusiastic supporters. C. C. Colt, vice president of the First National Bank of Portland, Oreg., says of the compensation insurance law that it "has saved employers and insured unfortunates thousands of dollars." (Monthly Bulletin of the Industrial Insurance Department of Washington.) In Ohio the manufacturers' association has repeatedly expressed satisfaction with the insurance fund. Employers in the mining region on the border between West Virginia and Virginia find the insurance fund of West Virginia so advantageous that they headed a movement to have a similar fund established in Virginia. In California, where the State fund is in competition with private companies, the State fund has given employers so much greater satisfaction that it has secured more than one-third of the entire business of the State.

Insurance funds are the rule in Canada, where they are the exclusive method of insurance in six out of the nine Provinces. Two years ago employers and employees in Manitoba, being dissatisfied with a statute permitting insurance by private companies, joined in securing its repeal and in the enactment of a new law providing for an exclusive insurance fund and more liberal benefits.

INSURANCE FUNDS TESTED BY EXPERIENCE OF 18 STATES.

In this country State insurance funds have been established in Ohio, Oregon, Washington, Nevada, North Dakota, Porto Rico, West Virginia, Wyoming, New York, Pennsylvania, Maryland, Michigan, California, Colorado, Montana, Wyoming, Utah, and Idaho, and in the first eight of these this is the exclusive method of insurance.

CONDITIONS IN THE DISTRICT OF COLUMBIA MAKE INSURANCE FUND DESIRABLE.

For the comparatively small area and the limited number of employees (about 108,000) to be covered by this legislation in the District of Columbia, the exclusive fund is especially recommended. A competitive fund, such as those which, in some of the larger areas, share the business with private agencies, might not, with so limited a number of employees to be protected, have sufficient coverage to make it a sound proposition. This but accentuates the desirability of making the District fund the one method of supplying all this new protection both to the employers as a whole and to all employees. Such a fund will be in effect a mutual organization for the purpose of meeting a newly created insurance obligation in the most secure and the most economical way.

CONSTITUTIONALITY.

This type of legislation has been upheld as constitutional by our highest court—especially in Mountain Timber Co. *v.* Washington (243 U. S. 219), and in other respects by N. Y. C. R. R. Co. *v.* White (243 U. S. 188)—and it is not expected that anyone will now seriously question the authority of the legislature to place a compensation measure on the statute books.

PRESENT LOCAL CONDITIONS.

A more recent investigation of conditions within the District of Columbia by Irene S. Chubb brings out strikingly the need for this legislation.

In her report she writes:

The principle of workmen's accident compensation was almost universally adopted in America a decade ago. Congress also extended this protection to public employees—both of the Federal Government and of the District of Columbia.

But the strange assumption apparently persists among some Congressmen that private employments in the District of Columbia are not hazardous.

To throw an up-to-date light on this question the American Association for Labor Legislation recently made new inquiries. The numerous human experiences collected in Washington read like a chapter out of the dark past, but they are very real right now to many industrious families living almost under the shadow of our National Capitol.

Congress has not only failed to provide for the 100,000 private employees within the District of Columbia a workmen's compensation law; Congress in all the years has neglected to enact even an employer's liability statute, and there is not even an accident-reporting law. When injured these employees are therefore peculiarly helpless, since, without any of the usual aids to recovery of damages, they must sue under the harsh, outgrown, and archaic rules of the common law.

As to the needs of the Fitzgerald compensation bill, carefully drafted to meet the peculiar conditions within the District, let the following typical cases speak to you:

CASE NO. 1.

"Steam fitter crushed by falling radiator—Widow receives no compensation: On September 25, F. B. was installing a 1,600-pound radiator in the Riggs National Bank when it fell and so completely crushed his chest, back, and legs that he died within two days. After paying hospital bills the widow was left practically without resources and has been forced to go to work to support herself. The Steam Fitters' Union collected money to pay the funeral expenses. All Mrs. B. has received from the employer is an offer of $100. The employer's insurers deny liability, and if the widow gets reasonable payment she will be forced to sue."

CASE NO. 2.

"Employee's leg is crushed while moving piano—Forced to seek charity: On May 23 a piano, which R. H. was helying to move, fell on his leg, causing a double fracture. He was in a hospital two months, and unable to work for three months longer. As his employers refused compensation he was forced to seek charitable relief during this period. He will never be able to resume heavy work."

CASE NO. 3.

"Wagon driver totally disabled by accident; family forced on charity: An accident while hauling a load of barrels in December, 1917, has made T. C. a wheel-chair invalid for life. He is so helpless that it would be unsafe for his wife to go out to work and leave the four young children in his care. The employer paid for moving them and gave them a month's rent, $16, and then disclaimed further responsibility. The family is 'on charity.'"

CASE NO. 4.

"Painter's foot amputated after fall from scaffold; receives no compensation: T. B., while painting a house late in October, fell from a scaffold, injuring his ankle so badly that the foot had to be amputated.

His employer tried to shift responsibility to an alleged subcontractor and paid nothing. Meanwhile, aside from $100 contributed by the Painter' Union, the only money coming to support his wife and five children is the earnings of the eldest daughter, $16.50 a week."

CASE NO. 5.

"Packing-house employee killed—widow and eight children forced upon charity: On June 26, 1919, G. B. was going by motor cycle on an errand for his employer when he collided with a truck which stalled ahead of him. He was killed. He left eight children and a wife who was at the time pregnant and practically destitute. The packing house disclaimed liability but, during the first few months, took up several collections among Mr. B's fellow employees. For two years the family was dependent on one charitable organization which then turned them over to another."

CASE NO. 6.

"Carpenter totally disabled for life by fall—received no compensation: On December 29, 1920, E. L. was working on the Grace Dodge Hotel. A barricade was removed, unknown to him, and he fell three stories, suffering seven breaks in one leg, nine in the other, a broken arm, a dislocated spine, a rupture, and dislocation of both knees. He was in a hospital three months and unable to work for a year and a half. His employers have not paid him a cent. Now he tries to work for his wife and three little girls, but—'It is so hard. What work I do is in agony. Broke up as I am, I am a ruined man, only 33 years old, and turning gray from worrying. God knows I want to see others get justice, for I did not.' The Carpenters' Union has helped out with $50 and Mrs. L. has been forced to go to work to eke out what little Mr. L. is able to earn."

CASE NO. 7.

"Electrician electrocuted by live wire—Widow receives no compensation: On October 18 the lights in the Mount Pleasant section failed. The Potomac Electric Power Co. sent J. M. to find the difficulty. While searching in a manhole he touched a live wire and was electrocuted instantly. In spite of J. M.'s 20 years of service the company has not paid the widow a cent. At her age it is improbable that she will ever be able to support herself."

CASE NO. 8.

"Electrician killed by fall from derrick—Widow and babe uncompensated: On October 13 R. H. was working on electric crane 50 feet above ground. Just after he had finished his work and lowered his tools, he fell and was instantly killed. He left a widow and a little girl of 4. The employer was not insured nor was he liable at common law."

CASE NO. 9.

"Carpenter loses eye when hit by flying nail head—Receives no compensation: On January 6, as C. B. was driving a nail, the head flew off and cut his eye so seriously that the eye had to be removed. He was in the hospital two weeks and unable to work for three months—a serious lay off for a man with wife and four young children. Yet his employer paid him no compensation. He was forced to seek help from the carpenters' union, which gave him $50."

CASE NO. 10.

"Laundress's arm crushed by mangle, receives no compensation: B. W., while working in the laundry of the Columbia Hospital had her arm caught in a mangle and crushed so badly that it had to be amputated below the elbow. Although cared for as a charity patient at the hospital, she has never been compensated for the loss of her arm."

CASE NO. 11.

"Painter's legs and back disabled by fall, receives no compensation: C. K., while painting a church fell and so injured his back and legs that he was disabled for about nine months. An expensive operation was necessary for his recovery. His employer disclaimed responsibility. To help this case the painters' union took up several collections and the neighbors raffled off embroidery."

CASE NO. 12.

"Scoop driver thrown and leg mashed by horse, forced to seek charity: While steering a horse-drawn scoop last February, T. G. was thrown under the horse, knocked unconscious, and leg badly injured. The employer refused to compensate him. While out of work he went heavily into debt to pay the doctor, and his wife and four little children were given aid by a charitable organization. Fear of getting further behind drove him back to work in three weeks, but nine months later his leg still pains him. And he is still paying off the debts."

CASE NO. 13.

"Carpenter totally disabled for life—induced to sign release for $700: On August 26, 1921, J. McD. was working on a scaffold when it broke down. He escaped with a compound fracture just above the ankle joint. He was in hospital one month, unable to do any work for a year, and has been certified by two doctors as unable ever to resume his trade. In the hospital an adjuster offered him $700 and induced him to believe that his bills would be paid and an easy job provided. To his amazement 'the employer stopped coming around with ice cream and fruit the moment my name went on what I understand now was a release.' To help meet the living expenses of McD.'s wife and eight children the local carpenter's union allowed him $70, and 'total disability' was awarded by his national union—a sum dependent upon length of membership. To pay the hospital bill of $87, doctor's bills of $135, and $2 a visit to a chiropractor, McD. was forced to mortgage his home."

These are only a few of the many cases which could be cited. Injuries such as these are piling up week after week. During every month of further unnecessary delay by Congress the list of dependent widows and children and industrial cripples will grow longer.

The CHAIRMAN. The gentleman from Massachusetts has five minutes remaining.

Mr. UNDERHILL. Mr. Chairman, I yield the balance of my time to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, the gentleman from Ohio says that the principal opponents to this bill are the insurance companies. Why should not they be? It means the entering wedge to the destruction of private insurance in this country. Suppose that this bill was for the purpose of providing that the Government should be the purchaser of all the cotton in this country, of all the wheat in this country, and all the grain in this country, absolutely wiping out all of this character of private business, why should not these gentlemen thus engaged be opposed to it? Every socialist in this House will vote for this bill; every person with socialistic tendencies may support it.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. WOOD of Indiana. No; I can not yield.

Mr. SUMMERS of Washington. I would like to say to my friend a majority of this House, not socialists, will also support this legislation. [Applause.]

Mr. WOOD of Indiana. I have a very serious doubt about that. It absolutely means socialism in insurance eventually and can mean nothing else. I can not yield further. It means establishing here what has helped to undermine Russia and destroy her as a Government.

Mr. BLANTON. That is the difference——

Mr. WOOD of Indiana. It means what is now undermining and destroying Germany as a Government. It means that we will be, if you will just listen to these insidious demands in reference to the protective methods asked for by that class and this class, a government of paternalism.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. WOOD of Indiana. I can not. Why, we are just simply tending toward socialism faster, if you please, than Russia did 10 years ago. Faster, if you please, than Germany did five years ago. Why should we take over this business unless we are going to take over all character of insurance, and that is what it means. It means the destruction of the independent private insurance industries of this country, and it is not a very far step from that to Government ownership of everything, paternalism pure and simple. No one but a believer in State socialism can support this measure if he understands all its provisions. It provides that every character of relationship within a certain degree shall come within its provisions as its beneficiaries.

Mr. TILSON. Will the gentleman yield?

Mr. WOOD of Indiana. Gentlemen, can it be possible that this country, which is now trying to hold up what there is of stability in this world, is going to listen and yield to an appeal which has been and is the destroying force of Europe? We have been going a long ways in this direction, I will admit, but the time has come now when there should be a halt, and when the gentleman from Washington tells me that there is going to be a lot of people who have not socialistic tendencies who will vote for this bill, I want to say to that gentleman, unconsciously, perhaps, that whoever does so is lending aid and comfort to the doctrine of socialism.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. WOOD of Indiana. I will yield.

Mr. SUMMERS of Washington. I helped to frame a law somewhat similar to this in the State of Washington which has worked out very satisfactorily, and they have it in the gentleman's own State of Indiana, and in 43 States of the Union.

Mr. WOOD of Indiana. Those are compensation laws and not State insurance laws.

Mr. SUMMERS of Washington. We do not think your State and my State are socialistic.

Mr. WOOD of Indiana. This tendency is prevailing very, very rapidly. I want to say to the gentleman from the State of Washington that it is time that those who are standing for things that are American, standing for things that are stable, standing for things that means the stabilization of the world, and if we are going to preserve what has made this country great, what has made it the envy and the admiration of the world, what has made it, if you please, foremost in everything that is worth while we should stop this thing and help to kill all things like it. I want to say this character of doctrine is gnawing at the vitals of this Government now and it will not be long until our destruction comes if it is permitted to continue.

Mr. OLIVER. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. OLIVER. With reference to the statement of the gentleman from Washington, I do not think that the State of Washington or any other State, unless perhaps there is one—New Jersey—that has ever gone so far as to require domestic insurance to be taken down by all kinds of employees—nurses for a short time, or a cook, and this bill does.

Mr. SUMMERS of Washington rose.

Mr. WOOD of Indiana. I do not yield. This measure, if you please, goes as far as any soap-box orator advocate does. I went almost from ocean to ocean thus in trying to elect a Republican Congress, inveighing, if you please, against this

kind of propaganda, and I heard the same kind of talk preached from street corners in several of our large cities, and here is the Congress of the United States that is supposed to be protecting the best interests of the country now listening to this damnable doctrine, destructive to the peace of our country and our institutions. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired; all time has expired, and the Clerk will read.

The Clerk proceeded to read the bill.

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. There is an amendment made in this bill with respect to the title. When the title is read it is open to the usual——

The CHAIRMAN. An amendment of the title is adopted after the bill is passed.

Mr. BLANTON. I withdraw the point of order.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. NEWTON of Minnesota having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 261. Joint resolution for the appointment of three members of the Board of Managers of the National Home for Disabled Soldiers.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13481) making appropriation for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

WORKMEN'S COMPENSATION.

The committee resumed its session.

The Clerk read as follows:

Be it enacted, etc., That the prosperity of the District of Columbia depends in a large measure upon the well-being of its wageworkers, and, therefore, for workers injured in employment and their families and dependents sure and certain relief is hereby provided, regardless of questions of fault and to the exclusion of every other remedy, proceeding, or compensation, except as otherwise provided in this act; and to that end all civil actions and civil causes of action for such personal injuries and all jurisdiction of the courts of the District over such causes are hereby abolished, except as in this act provided.

Mr. UNDERHILL. Mr. Chairman, I move to strike out the paragraph, and I wish then to move to insert H. R. 9546, and if that motion prevails I shall move to strike out the balance and substitute H. R. 9546.

Mr. BLANTON. Mr. Chairman, I have a preferential amendment, first, to the first paragraph, which would have priority over such a motion.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. UNDERHILL: Page 1, beginning with line 3, strike out all of lines 3 to 6, inclusive, on page 1, and all of lines 1 to 6, inclusive, on page 2.

The CHAIRMAN. Does the gentleman from Texas [Mr. BLANTON] desire to offer a preferential motion?

Mr. BLANTON. Yes. I move, Mr. Chairman, to strike out the words in line 6, page 2, "except as in this act provided."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 6, strike out the words "except as in this act provided."

Mr. BLANTON. Mr. Chairman, as between this bill and what is known as the Underhill substitute, I am for the Underhill substitute. But this bill, as suggested inferentially by the distinguished gentleman from Indiana [Mr. WOOD], ought to go back to the committee for further consideration. There is shown to exist here among the membership of the committee a wide difference of opinion as to the policy carried out in this bill.

We have a compensation law in New York and in Ohio and in my State of Texas, but the Government of the United States has nothing in the world to do with those laws. They are our local laws, providing for the industrial workers of our respective States. The Government of the United States here in the District of Columbia has a compensation law for accidents to its employees. That is well and proper. I supported such a measure. I support such a measure now. I am in favor of such a law, both in the District and in the States. But I want to ask my colleagues what interest have the people in Ohio in the industrial accidents that happen here in the District of Columbia by reason of business relations that exist here only in the District of Columbia? What interest have the people of New York in this question? What interest have the people of New Jersey? It is a matter which should be decided in regard to and in relation to the business interests of the District of Columbia and only that; and whenever such a bill as that is worked out, whenever it is properly worked out, to take the Government out of private business, you will not find the gentleman from Indiana [Mr. WOOD] opposing it. He is a man too broadminded to oppose such a law if properly drawn. He would have no opposition to it.

I am with the gentleman from Indiana. I also have been from one side of the United States to the other preaching against the doctrine of bringing the Government into private business in every line. It ought to stop. Here is the place to stop it. It ought to be stopped here. You should send this bill back to the committee. We have either got to vote for this bill or the substitute.

Let me show you what kind of a situation we are in if we adopt the amendment that the gentleman from Massachusetts [Mr. UNDERHILL] is going to offer in a minute, to accept this bill in lieu of the first paragraph of the present Fitzgerald bill. What chance will you have to amend a single provision of the Underhill bill? Not one. You can not offer an amendment to the Underhill bill, and if you adopt that one amendment you have accepted his entire bill as a substitute, and you are swallowing it when you do not know what it contains. There are a lot of provisions in there that ought to be changed by amendment, and which should have the consideration of the House. It should be recommitted to the committee.

Mr. UNDERHILL. Mr. Chairman, regarding the last statement of the gentleman, if that is so——

Mr. BLANTON. That is the parliamentary situation.

Mr. UNDERHILL. But if it is so, I will ask unanimous consent that amendments may be received to the Underhill bill. The only reason I offer the bill as a substitute to the Fitzgerald bill is that with all due modesty, the bill is better drawn. You can not amend the Fitzgerald bill without taking every paragraph and turning it inside out. The Underhill bill is a combination of the New York, Maryland, and Virginia laws, and as a great many people in the District of Columbia do business in Maryland and Virginia, the law should in some respects agree with the law in those two States, and the bill has been drawn paragraph after paragraph in every instance from the existing law of some State.

The gentleman from Washington [Mr. SUMMERS] made a wrong statement when he said that his State has such a bill. His State has not such a bill.

Mr. SUMMERS of Washington. I did not mean an identical bill. I said in broad terms that we had a compensation bill framed on the same plan as this.

Mr. UNDERHILL. That is very true. That is what I am trying to present to this House. We do not oppose workingmen's compensation. If we had a chance, I would almost be in favor even of invading State rights as they are held to exist in some of the States of the Union and establish compensation insurance in all States. That is a different proposition. But when a gentleman here, like the gentleman from South Carolina [Mr. McSWAIN], whose State has not got it, misapprehends my statement and says we are trying to impose it on the District of Columbia, what right has he to criticize?

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. McSWAIN. I was only amused by the gentleman's proposition that he would usurp the rights of the States, and thereby violate his constitutional oath.

Mr. UNDERHILL. Well, I exaggerated my statement. I am a defender of State rights. But I had reference more particularly to the situation when the gentleman was amused by the statement of the gentleman from Indiana [Mr. WOOD] that this was a socialistic matter, and that when they tried to impose it on his State without his consent he would agree that it is a socialistic measure and would vote against it right here to-day.

Mr. MacGREGOR. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. MacGREGOR. In reference to the statement of my colleague from New York [Mr. KINDRED], I hold in my hand the workingmen's compensation law of New York. The statement was made by our friend from Brooklyn that it covered domestic service. The New York law expressly exempts farm labor and domestic service.

Mr. UNDERHILL. I know that, but it is hard to make the Members of the House understand that one proposition. This

bill in no way, shape, or manner prevents workmen's compensation, which is a proper thing, but it does prevent the Government going into that line of business.

Mr. HUSTED. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HUSTED. Mr. Chairman, with reference to what the gentleman from Texas said, of course it would be in order to offer amendments to the proposed substitute of the gentleman from Massachusetts.

The CHAIRMAN. Yes. The Chair will make a statement about that. Does the gentleman from Texas [Mr. BLANTON] desire the floor?

Mr. BLANTON. No; I do not.

The CHAIRMAN. The gentleman from Texas withdraws the pro forma amendment.

Mr. LONDON. Mr. Chairman, I rise in opposition to that motion of the gentleman from Massachusetts.

The CHAIRMAN. That is not in order. The gentleman from Texas offered a preferential motion, which was only for parliamentary purposes. The gentleman from Massachusetts was heard upon it, and that motion was subsequently withdrawn. The Chair can not recognize the gentleman now.

Mr. LONDON. I do not understand that.

Mr. BLANTON. If the first paragraph of a pending bill is read in the committee and another bill is offered as an amendment by way of substitute to that paragraph, is it not in order to offer amendments to the substitute?

The CHAIRMAN. It certainly is.

Mr. BLANTON. The substitute is not read paragraph by paragraph in the way the bill is.

The CHAIRMAN. Pending its adoption, amendments may be offered to any part of it.

Mr. BLANTON. But the substitute is not read by paragraphs as an appropriation bill is.

The CHAIRMAN. That is true, but that does not prevent amendments being offered to any part of it.

Mr. HILL. If it is offered as one amendment, the whole bill will have to be read.

The CHAIRMAN. The Chair will make a statement about that. The gentleman from Massachusetts [Mr. UNDERHILL] offered a motion to strike out and insert. However, there was no insertion accompanying his motion, and it was treated only as a motion to strike out. That does not make any difference, however, because the offer was properly made. The Chair will treat his motion as having been made in the way the gentleman in fact did make it, as a motion to strike out and insert, with notice that if the motion to strike out and insert is agreed to there will be action taken with regard to the other sections of the original bill.

Mr. STAFFORD. Mr. Chairman, a question of order. May I be heard on the practice that has grown up only in this Congress as to striking out the first paragraph of a bill?

The CHAIRMAN. The Chair will say to the gentleman that the Chair is making a statement in regard to that very thing.

Mr. STAFFORD. I thought perhaps the Chair would allow me to make some observations on that.

The CHAIRMAN. Of course, the Chair will in a moment. During the consideration of that amendment, when it is offered, an amendment to any section of the substitute may be considered and disposed of by the committee. Of course, the Clerk will read the entire offered substitute, so that it will not be read section by section unless that is desired; but at any time any Member may offer any amendment to any section of the substitute after it has been reported. Does the gentleman from Wisconsin desire to make any observation?

Mr. STAFFORD. Mr. Chairman, I am quite well aware that the present presiding officer has ruled, and there have been other presiding officers in this Congress who have ruled, that when a bill consisting of many sections is under consideration and the first section is read it is in order to entertain a motion to strike out the first section and substitute an entirely different bill. I have not examined the precedents recently, but I did some time ago before it was the established practice to permit that to be done. I do not believe the earlier precedents will uphold that practice. I believe that all the precedents before the present Congress required that the bill offered as a substitute must be a real substitute for the first section which is moved to be stricken out. It is not fair to the Committee of the Whole or to the committee reporting the bill to have a bill consisting of many sections, like this bill, treated in this way, and as soon as the first section is read to have a motion made to strike out the first section and to substitute another bill which in fact is not a substitute for that first section. No one can pretend for one moment, in parliamentary argument on this question, that the Underhill bill, consisting of 48 pages and many diverse sections, is a substitute for the first paragraph of the bill under consideration. The bill under consideration should be considered section by section, so that the committee will have an opportunity to amend it.

I can conceive of a case where, after the reading of the first section of the bill, a motion to strike out that first section and substitute a real substitute for it, with notice given that the succeeding sections when read will be met with a motion to strike them out, would be in order; but I respectfully maintain, Mr. Chairman, that for a substitute bill to be in order as soon as the first section is read it must be a real substitute for the matter stricken out, and in this case it is not such a substitute. If the Chair will permit me a moment further, I am quite sure that the rulings and precedents prior to this Congress do not bear out the present holdings of the Chair. I am not disputing the fact that there are decisions in this Congress which hold counter to that, but I am sure that the prior decisions hold differently.

The CHAIRMAN. The gentleman is mistaken about it.

Mr. STAFFORD. The Chair may think so——

The CHAIRMAN. The present rule has been adopted for at least 10 or 12 years.

Mr. STAFFORD. The Chair may say that, but I respectfully contend that the precedents are not that way.

The CHAIRMAN. The Clerk will report the motion of the gentleman from Massachusetts [Mr. UNDERHILL].

The Clerk read as follows:

Mr. UNDERHILL moves to strike out all of page 1, beginning with line 3, down to and including line 6 on page 2, and insert:

"That this act shall be known as 'The District of Columbia workmen's compensation act.'

"SEC. 2. That the office of compensation commissioner for the District of Columbia is hereby created. It shall be the duty of such commissioner to administer this act. He shall be appointed by the Commissioners of the District of Columbia and shall be an actual resident of said District. His term of office shall be for four years, but said commissioners may at any time remove him for inefficiency, neglect of duty, or malfeasance in office. The salary of such commissioner shall be $4,500 per annum, and shall be paid as other salaries and expenses of public officers of the District of Columbia are paid. The commissioner shall devote his entire time to the duties of the office and shall not hold any position of trust or engage in any occupation or business interfering or inconsistent with his duties as such commissioner. The commissioner shall maintain an office in the District of Columbia, to be provided by the Commissioners of the District of Columbia.

"SEC. 3. That any investigation, inquiry, or hearing which the compensation commissioner is authorized to hold or undertake may be held or undertaken by or before any deputy commissioner, and every order made by a deputy commissioner, when approved and confirmed by the compensation commissioner and so shown on his record of proceedings, shall be deemed to be the order of the compensation commissioner.

"SEC. 4. That the office of the compensation commissioner shall be open for the transaction of business during all business hours of each and every day, excepting Sunday and legal holidays. All hearings shall be open to the public and shall stand and be adjourned without further notice thereof on its record. All proceedings of the commissioner shall be shown on his record of proceedings, which shall be a public record, and shall contain a record of each case considered and the award made and of all remuneration paid or allowed to any employee of the commissioner or to any other person for services: *Provided, however,* That any person in the employ of the commissioner who shall divulge any information secured by him in respect to the transactions, property, or business of any person, firm, company or corporation, association or joint partnership to any person other than the compensation commissioner or a deputy commissioner shall be guilty of a misdemeanor and subject to a fine of not less than $100 or more than $500, or imprisonment not exceeding 12 months, in the discretion of the court, and shall thereafter be disqualified from holding any appointment with the commissioner.

"SEC. 5. That the compensation commissioner may employ a deputy or deputies, clerks, stenographers, and other assistants, and fix their compensation, subject to the written approval of the Commissioners of the District of Columbia. The commissioner shall provide necessary office furniture and supplies for the same. Such compensation and all necessary expenses shall be audited and paid as other salaries and expenses of the District of Columbia are paid. The commissioner shall provide himself with a seal for the authentication of his orders, awards, and proceedings, upon which shall be inscribed the words 'District of Columbia Compensation Commissioner—Official Seal.'

"The compensation commissioner and each deputy commissioner shall, before entering upon the duties of his office, take and subscribe to the constitutional oath of office.

"SEC. 6. That the compensation commissioner and each deputy commissioner shall, for purposes contemplated by this act, have power to issue subpœnas, compel the attendance of witnesses, administer oaths, certify to official acts, compel the production of pertinent books, pay rolls, accounts, papers, records, documents, and testimony.

"If a person subpœnaed to attend or in attendance before the compensation commissioner or a deputy commissioner shall, without reasonable cause, fail or refuse to attend or refuse to be examined or to answer a legal and pertinent question, or to produce a book or paper when ordered to do so by the commissioner or deputy commissioner, the commissioner may apply to any judge of the Supreme Court of the District of Columbia, upon proof by affidavit of the fact, for a rule or order returnable in not less than two or more than five days, directing such person to show cause before the judge who made the order, or any other judge aforesaid, why he should not be committed to jail; upon the return of such order the judge before whom the matter and such person shall come on for a hearing shall examine under oath such person, and such person shall be given an opportunity to be heard; and if the judge

shall determine that such person has failed or refused, without reasonable cause or legal excuse, to attend or to be examined or to answer a legal or pertinent question, or to produce a book or paper which he was ordered to bring or produce, he may forthwith commit the offender to jail, there to remain until he submits to do the act which he was so required to do or is discharged according to law.

"SEC. 7. That each officer or person who serves a subpœna issued as aforesaid shall receive the same fee as the marshal would receive where said witness is subpœnaed, and each witness who appears in obedience to a subpœna before the compensation commissioner or a deputy commissioner shall receive for his attendance the fees and mileage provided for witnesses in civil cases in the Supreme Court of the District of Columbia, which shall be audited and paid in the same manner as other expenses hereinbefore provided for. No witness subpœnaed at the instance of a party other than the compensation commissioner or deputy commissioner shall be entitled to compensation, unless the commissioner or deputy shall certify that his testimony was material to the matter investigated. In an investigation the commissioner may cause depositions of witnesses residing within or without the District to be taken in the manner prescribed by law for like depositions taken in cases pending before the Supreme Court of the District of Columbia. The compensation commissioner shall have authority to appoint, by his written order, any subordinate or other person to serve subpœnas, notices, and all other papers issued by and in his name.

"SEC. 8. That, subject to the provisions of this act, the compensation commissioner shall adopt reasonable and proper rules to govern his procedure, which procedure shall be as summary and simple as reasonably may be. He shall regulate and provide for the kind and character of notices and the service thereof, and, in cases of injury by accident to employees, the nature and extent of the proofs and evidence and the method of taking and furnishing the same for the establishment of the right to compensation. He shall determine the nature and forms of application of those claiming to be entitled to benefits or compensation, and shall regulate the method of making investigations, physical examinations, and inspections, and prescribe the time within which adjudications and awards shall be made: *Provided*, That all such rules and regulations shall conform to the provisions of this act.

"SEC. 9. That a transcribed copy of the evidence and proceedings, or any specific part thereof, of any investigation taken by a stenographer appointed by the compensation commissioner or a deputy commissioner, being certified and sworn to by such stenographer to be a true and correct transcript of the testimony, or of a particular witness, or of any specific part thereof, or to be a correct transcript of the proceedings had on such investigation so purporting to be taken and subscribed, may be received in evidence by the commissioner or a deputy with the same effect as if such stenographer were present and testified to the facts certified. A copy of such transcript shall be furnished on demand to any party in interest upon payment of the fee therefor, as provided by rule of the compensation commissioner.

"SEC. 10. (a) That the compensation commissioner shall prepare and furnish free of cost blank forms and provide for their distribution, so that the same may be readily available, of applications for benefits or compensation, notices to employers, proof of injury or death, of medical attendance, of employment and wage earnings, and such other blanks as may be deemed proper and advisable, and it shall be the duty of employers to constantly keep on hand a sufficient supply of such blanks.

"(b) The compensation commissioner shall inquire into the causes and results of accidents to employees, and study the methods of safeguarding against such accidents. The said commissioner, or any of his agents, may enter into any place of employment for the purpose of collecting facts and statistics, examining the provisions made for the health, protection, and safety of employees and observing and enforcing the observance of any law, ordinance, or other lawful rule, regulations, or order relating thereto.

"SEC. 11. That annually, on or before the 1st day of January, the compensation commissioner shall make a report to the Commissioners of the District of Columbia, which shall include a statement of the number of awards made by him, the causes of the accidents leading to the injuries for which the awards were made, and a detailed statement of the expenses of his office, together with any other matters which the commissioner deems proper to report, including any recommendations he may desire to make.

"SEC. 12. That if an employee suffers personal injury or death by accident arising out of and in the course of an employment subject to this act his employer or insurer shall pay or provide compensation according to the schedules of this act, except where the injury is occasioned by the willful intention of the injured employee to bring about the injury or death of himself or of another, or where the injury results solely from the intoxication of the injured employee while on duty. Where the injury is occasioned by the willful intention of the injured employee to bring about the injury or death of himself or of another, or where the injury results solely from the intoxication of the injured employee while on duty, neither the injured employee nor any dependent of such employee shall receive compensation under this act.

"The liability prescribed by the last preceding paragraph shall be exclusive, except that if an employer fail to secure the payment of compensation for his injured employees and their dependents, as provided in this act, an injured employee or his legal representative, in case death results from the injury, may, at his option, elect either to claim compensation under this act or to maintain an action in the courts for damages on account of such injury; and in such an action the defendant may not plead as a defense that the injury was caused by the negligence of a fellow servant or that the employee assumed the risk of his employment, or that the injury was due to the contributory negligence of the employee.

"SEC. 13. That this act shall apply to all private employments, except as herein otherwise provided. It shall not apply to—

"(1) Any employment in commerce between the District of Columbia and any of the States, Territories, or possessions of the United States or any foreign nation or nations, in the service of a common carrier by railroad;

"(2) Any employment that is casual and not in the usual course of the trade, business, occupation, or profession of the employer;

"(3) Any employment in an occupation not carried on by the employer for the sake of pecuniary gain;

"(4) Any employment as a household domestic servant; or

"(5) Any employment by an eleemosynary institution or association.

"Provided, however, That an excluded employment may be brought under the provisions of this act by express agreement in writing between the employer and employee filed with the compensation commissioner.

"SEC. 14. (a) That where an accident happens while the employee is employed elsewhere than in the District of Columbia which would entitle him or his dependents to compensation if it had happened in such District, the employee or his dependents shall be entitled to compensation, if the contract of employment was made in said District, if the employer's place of business is in said District, or if the residence of the employee is in said District: *Provided*, That his contract of employment was not expressly for service exclusively outside of said District.

"(b) *Provided, however*, That if an employee shall receive compensation or damages under the law of any State or Territory other than the District of Columbia, nothing herein contained shall be construed so as to permit a total compensation for the same injury greater than is provided in this act.

"SEC. 15. That the rights and remedies herein granted shall exclude all other rights and remedies of such employee, his personal representative, wife, parents, dependents, or next of kin, at common law or otherwise on account of such injury, loss of service, or death, except as herein elsewhere otherwise provided.

"The making of a lawful claim against an employer for compensation under this act for the injury or death of an employee shall operate as an assignment to the employer of any right to recover damages which the injured employee or his personal representative or other person may have against any other party for such injury or death, and such employer shall be subrogated to any such right and may enforce, in his own name or in the name of the injured employee or his personal representative, the legal liability of such other party. The amount of compensation paid by the employer or the amount of compensation to which the injured employee or his dependents are entitled shall not be admissible as evidence in any action brought to recover damages, but any amount collected by the employer under the provisions of this section in excess of the amount of compensation paid by the employer subject to the order of the compensation commissioner or for which he is liable shall be held by the employer for the benefit of the injured employee or other person entitled thereto, less such amounts as are paid by the employer for reasonable expenses and attorney's fees: *Provided*, That no compromise settlement shall be made by the employer or insurance carrier in the exercise of such right of subrogation without the approval of the compensation commissioner and the injured employee or the personal representative or dependents of the deceased employee being first had and obtained.

"Where any employer is insured against liability for compensation with any insurance carrier, and such insurance carrier shall have paid any compensation for which the employer is liable or shall have assumed the liability of the employer therefor, it shall be subrogated to all the rights and duties of the employer, and may enforce any such rights in its own name or in the name of the injured employee or his or her personal representative: *Provided, however*, That nothing herein shall be construed as conferring upon insurance carriers any other or further rights than those existing in the employer at the time of the injury to his employee, anything in the policy of insurance to the contrary notwithstanding.

"An employer, insurance carrier, firm, association, or corporation knowingly misappropriating any moneys collected, received, or held under the foregoing provisions of this section shall be guilty of a felony and punished by imprisonment for not exceeding five years or by fine not exceeding $5,000, or by both.

"SEC. 16. (a) That where any person (in this section referred to as principal contractor) undertakes to execute any work, which is a part of his trade, business, or occupation or which he has contracted to perform, and contracts with any other person (in this section referred to as subcontractor) for the execution by or under the subcontractor of the whole or any part of the work undertaken by such principal contractor, the principal contractor shall be liable to pay to any employee employed in the work any compensation under this act which he would have been liable to pay if the employee had been immediately employed by him; and where compensation is claimed from or proceedings are taken against the principal contractor, then, in the application of this act, reference to the principal contractor shall be substituted for reference to the subcontractor, except that the amount of compensation shall be calculated with reference to the earnings of the employee under the subcontractor by whom he is immediately employed.

"(b) Where the principal contractor is liable to pay compensation under this section, he shall be entitled to indemnity from any person who would have been liable to pay compensation to the employee independently of this section or from any intermediate contractor, and shall have a cause of action therefor.

"(c) Nothing in this section shall be construed as preventing an employee from recovering compensation under this act from a subcontractor instead of from the principal contractor, but he shall not collect from both.

"(d) A principal contractor, when sued by an employee of a subcontractor, shall have the right to call in that subcontractor or any intermediate contractor or contractors as defendant or codefendant.

"SEC. 17. (a) That no employer or employee who is subject to the provisions of this act shall exempt himself from the burden or waive the benefit of this act by any contract, agreement, rule, or regulation, and any such contract, agreement, rule, or regulation shall be pro tanto void. No agreement by such employee to pay any portion of the insurance premium paid by such employer shall be valid, and any employer who deducts any portion of such premium from the wages or salary of any employee entitled to the benefits of this act shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $200 for each offense.

"(b) Nothing herein shall affect any existing contract or policy of employer's liability insurance or the liability of any mutual insurance association, or any arrangement now existing between employers and employees, providing for the payment to such employees, their families, dependents, or representatives of sick, accident, or death benefits in addition to the compensation provided for by this act; but liability for the compensation specified in this act shall not be reduced or affected by any insurance, contribution, or other benefit whatsoever due to or received by the person entitled to such compensation, and the person so entitled, irrespective of any such insurance or other contract shall have the right to recover the compensation directly from the employer.

"SEC. 18. That no claim for compensation under this act shall be assignable, and all compensation and claims therefor shall be exempt from all claims of creditors.

"SEC. 19. That all rights of compensation granted by this act shall have the same preference or priority for the whole thereof against the assets of the employer as is allowed by law for any unpaid wages for labor.

"SEC. 20. That in addition to the compensation hereinafter provided for the employer shall promptly provide for an injured employee such medical, surgical, or other attendance or treatment, nurse and hospital services, medicines, crutches, apparatus, artificial hands, arms, feet, and legs as may be required by the compensation commissioner in an amount not to exceed $300. If an employer neglects to provide the same, the injured employee may do so at the expense of the employer. All fees and other charges for such treatment and services shall be subject to regulation by the compensation commissioner and shall be limited to such charges as prevail in the same community for similar treatment of injured persons of a like standard of living. In case death ensues from the injury within three years, reasonable funeral expenses shall also be allowed, not to exceed the sum of $150. The compensation commissioner shall have full power to adopt rules and regulations with respect to furnishing medical, nurse, and hospital services and medicine to injured employees entitled thereto and for the payment therefor.

"SEC. 21. That no compensation shall be allowed for the first ——— calendar days of disability resulting from an injury, except the benefits provided in section 20; but if disability extends beyond that period, compensation shall commence with the eighth day of disability. If, however, such disability shall continue for more than four weeks, then compensation shall be payable for the first ——— days of disability.

"SEC. 22. That each employee (or in case of death his dependents entitled to receive compensation under this act) shall receive the same in accordance with the following schedule, and except as in this act otherwise provided such payment shall be in lieu of any and all rights of action whatsoever against any person whomsoever.

"1. Permanent total disability: In case of total disability adjudged to be permanent, 66⅔ per cent of the average weekly wages shall be paid to the employee during the continuance of such total disability, not to exceed a maximum of $25 per week and not less than a minimum of $7 per week, unless the employee's established weekly wages are less than $7 per week at the time of the injury, in which event he shall receive compensation in an amount equal to his average weekly wages, but not to exceed a total of $5,000. Loss or loss of use of both hands or both arms or both feet or both legs or both eyes, or of any two thereof, shall, in the absence of conclusive proof to the contrary, constitute permanent total disability. In all other cases permanent total disability shall be determined in accordance with the facts.

"2. Temporary total disability: In case of temporary total disability, 66⅔ per cent of the average weekly wages shall be paid to the employee during the continuance thereof, but not to exceed a maximum of $25 per week and not less than a minimum of $7 per week, unless the employee's established weekly wages are less than $7 per week at the time of the injury, in which event he shall receive compensation equal to his full wages; but in no case to continue more than six years from the date of the injury or to exceed $3,750 in the aggregate.

"3. Permanent partial disability: In case of disability partial in character but permanent in quality the compensation shall be 66⅔ per cent of the average weekly wages, in no case to exceed $25 per week and not less than a minimum of $7 per week, unless the employee's established weekly wages are less than $7 per week at the time of the injury, in which event he shall receive compensation equal to his full wages, but in no case to exceed $3,750 in the aggregate, and shall be paid to the employee for the period named in the schedule as follows:

"Thumb: For the loss of a thumb, 50 weeks.

"First finger: For the loss of a first finger, commonly called the index finger, 30 weeks.

"Second finger: For the loss of a second finger, 25 weeks.

"Third finger: For the loss of a third finger, 20 weeks.

"Fourth finger: For the loss of a fourth finger, commonly called the little finger, 15 weeks.

"The loss of the second, or distal, phalange of the thumb shall be considered to be equal to the loss of one-half of such thumb; the loss of more than one-half of such thumb shall be considered to be equal to the loss of the whole thumb; the loss of the third, or distal, phalange of any finger shall be considered to be equal to the loss of one-third of such finger. The loss of the middle, or second, phalange of any finger shall be considered to be equal to the loss of two-thirds of such finger. The loss of more than the middle and distal phalange of any finger shall be considered to be equal to the loss of the whole of such finger: *Provided, however,* That in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

"Great toe: For the loss of a great toe, 25 weeks.

"Other toes: For the loss of one of the toes, other than the great toe, 10 weeks.

"Hand: For the loss of a hand, 150 weeks.

"Arm: For the loss of an arm, 200 weeks.

"Foot: For the loss of a foot, 150 weeks.

"Leg: For the loss of a leg, 175 weeks.

"Eye: For the loss of an eye, 100 weeks.

"Hearing: For the total loss of hearing of one ear, 50 weeks; for the total loss of hearing of both ears, 100 weeks.

"Loss of use: Permanent loss of use of a hand, arm, foot, leg, or eye shall be considered as the equivalent of the loss of such hand, arm, foot, leg, or eye, and for the loss of the fractional part of the vision of either one or both eyes the injured employee shall be compensated in like proportion to the compensation for total loss of vision, and in arriving at the fractional part of vision lost regard shall not be had for the effect that correcting lens or lenses may have upon the eye or eyes.

"Amputations: Amputation between the elbow and the wrist shall be considered as the equivalent of the loss of a hand. Amputation between the knee and the ankle shall be considered as the equivalent of the loss of a foot. Amputation at or above the elbow shall be considered as the loss of an arm. Amputation at or above the knee shall be considered as the loss of the leg.

"The compensation for the foregoing specific injuries shall be paid in addition to, and consecutively with, the compensation hereinbefore provided in subsection 2 of this section.

"If an employee dies, the right to any compensation payable under this subsection unpaid at the date of his death shall survive to and vest in his personal representatives.

"Other cases: In all other cases in this class of disability the compensation shall be 50 per cent of the difference between his average weekly wages and his wage-earning capacity thereafter in the same employment or otherwise, if less than before the accident—but not to exceed $25 per week—payable during the continuance of such partial disability, but not to exceed $3,000, and subject to reconsideration of the degree of such impairment by the compensation commissioner on his own motion or upon application of any party in interest.

"In all cases where there has been an amputation of a part of any member of the body herein specified, or the loss of the use of any part thereof, for which compensation is not specifically provided herein, the commissioner shall allow compensation for such proportion of the total number of weeks allowed for the amputation or the loss of the use of the entire member as the affected or amputated portion thereof bears to the whole.

"Disfigurements: For other mutilations and disfigurements, not hereinbefore provided for, compensation shall be allowed, in the discretion of the commissioner, for not less than 10 weeks nor more than 100 weeks, as the commissioner may fix, in each case having due regard to the character of the mutilation and disfigurement as compared with mutilation and injury hereinbefore specifically provided for.

"4. Temporary partial disability: In case of temporary partial disability, except the particular cases mentioned in subdivision 3 of this section, an injured employee shall receive 50 per cent of the difference between his average weekly wages and his wage-earning capacity thereafter in the same employment or otherwise, if less than before the accident, but not to exceed $25 per week during the continuance of such partial disability, but not in excess of $3,500, except as otherwise provided in this article.

"5. Fatal cases: In case the injury causes death within the period of three years, the benefits shall be in the amounts and to the persons following:

"If there be no dependents, the disbursements shall be limited to the expense provided for in section 20 hereof.

"If there are wholly dependent persons at the time of death, the payment shall be 66⅔ per cent of the average weekly wages, not to exceed, however, a maximum of $25 per week and not less than a minimum of $7 per week, unless the deceased employee's established weekly wages were less than $7 per week at the time of injury, in which event the compensation shall be an amount equal to the average weekly wages, and to continue for the remainder of the period between the date of death and 416 weeks after the date of injury, and not to amount to more than a maximum of $5,000, nor less than a minimum of $1,000.

"If there are no wholly dependent persons at the time of the death, but are partly dependent persons, those partly dependent shall receive compensation as follows: The weekly payments to such dependents shall be in an amount not exceeding 66⅔ per cent of the average weekly wages or $25 per week, but may in the discretion of the commissioner be for a less amount per week and to continue for all or such portion of 416 weeks after the date of the injury, as the commissioner in each case may determine, and not to amount to more than a maximum of $3,000.

"The following persons shall be presumed to be wholly dependent for support upon a deceased employee: A wife or invalid husband ('invalid' meaning one physically or mentally incapacitated from earning), a child or children under the age of 16 years (or over said age if physically or mentally incapacitated from earning) living with or dependent upon the parent at the time of the injury or death. But a husband or wife of an injured employee who has deserted said employee for more than one year prior to the time of the injury or subsequently shall not be a beneficiary under this act.

"In all other cases questions of dependency, in whole or in part, shall be determined in accordance with the facts in each particular case existing at the time of the injury resulting in death of such employee, but no person shall be considered as dependent unless such person be a father, mother, grandfather, grandmother, stepchild, or grandchild, or brother or sister of the deceased employee, including those otherwise specified in this section.

"The term 'child' and 'children' shall include posthumous children and adopted children, whether members of the deceased employee's household at the time of his accident or death or not, and shall also include stepchildren, illegitimate children, and other children, if such stepchildren, illegitimate children, and other children were members of the household of the decedent at the time of the accident or death and had received contributions toward their support from such deceased employee during any part of the six months immediately preceding the accident or death.

"The right to any compensation payable to any dependent and unpaid at the date of death of any such dependent shall survive to and be vested in the surviving dependents, as the commissioner may determine, if there be such surviving dependents, and if there be none such, then the compensation shall cease.

"Compensation under this article to alien dependent widows, children, and parents, not residents of the United States, shall be the same in amount as is provided in each case for residents, except that at any time within one year after an accident resulting in death the commissioner may, in his discretion, convert any payments thereafter to become due to such beneficiaries into a lump-sum payment, not in any case to exceed $2,400, by paying a sum equal to three-fourths of the then value of such payments.

"Nonresident alien dependents may be officially represented by the consular officers of the nation of which such alien or aliens may be citizens or subjects, and in such cases the consular officers shall have the right to receive for distribution to such nonresident alien dependents all compensation awarded hereunder, and the receipt of such consular officers shall be a full discharge of all sums paid to and received by them.

"In case of the remarriage of a dependent widow of a deceased employee, without dependent children at the time of the remarriage, she shall receive compensation for one year after the date of her remarriage, provided there is so much of the compensation previously awarded her outstanding. No widow or widower shall receive any benefits under this act where the marriage shall have taken place after the person entitled to benefits hereunder shall have been injured, provided there are no dependent children.

"6. Where an injury to an employee is caused by the intentional failure of the employer to comply with any statute or lawful public ordinance, rule, regulation, or order relating to the safety of employees, the compensation for which the employer would otherwise be liable under this act shall be increased 15 per cent in the amount of each payment. Where the injury is caused by the intentional failure of the injured employee to use any safety appliance furnished by the employer or to obey any lawful public ordinance, rule, regulation, or order relating to the safety of employees, the compensation for which

the employer would otherwise be liable for under this act shall be decreased 15 per cent in the amount of each payment.

"SEC. 23. That the benefits in case of death shall be paid to such one or more of the dependents of the decedent for the benefit of all the dependents as may be determined by the compensation commissioner, who may apportion the benefits among the dependents in such manner as he may deem just and equitable. The dependent or person to whom benefits are paid shall apply the same to the use of the several dependents according to their respective claims upon the decedent for support, in compliance with the finding and direction of the commissioner.

"SEC. 24. That the fact that an employee has suffered previous disability or received compensation therefor shall not preclude him from compensation for a later injury nor preclude compensation for death resulting therefrom; but in determining compensation for the later injury or death his average weekly wages shall be such sum as will reasonably represent his earning capacity at the time of the later injury: *Provided*, That an employee who is suffering from a previous disability shall not receive compensation for a later injury in excess of the compensation allowed for such injury when considered by itself and not in conjunction with the previous disability: *Provided further*, That if an employee who has previously incurred permanent partial disability through the loss of one hand, one arm, one foot, one leg, or one eye incurs permanent total disability through the loss of another such member or organ, he shall be paid, in addition to the compensation for permanent partial disability provided in this section and after the cessation of the payments for the prescribed period of weeks, special additional compensation for the remainder of his life to the amount of 66⅔ per cent of the average weekly wage earned by him at the time the total permanent disability was incurred. Such additional compensation shall be paid out of a special fund created for such purpose in the following manner: The employer or insurance carrier shall pay to the superintendent of insurance of the District of Columbia for every case of injury causing death in which there are no persons entitled to compensation the sum of $100. The superintendent of insurance shall be the custodian of this special fund and the compensation commissioner shall direct the distribution thereof.

"SEC. 25. That the compensation in this act provided for shall be payable weekly; but the compensation commissioner, upon application of either party, may, in his discretion, having regard to the welfare of the employee and the convenience of the employer or insurer, authorize compensation to be paid monthly or quarterly instead of weekly.

"SEC. 26. That whenever any periodical payment has been continued for not less than 26 weeks, the liability therefor may, in unusual cases, where the parties agree and the compensation commissioner deems it to be to the best interests of the employee or his dependents, or where it will prevent undue hardships on the employer or his insurance carrier, without prejudicing the interests of the employee or his dependents, be redeemed, in whole or in part, by the payment by the employer or insurance carrier of a lump sum which shall be fixed by the commissioner, but in no case to exceed the commutable value of the future installments which may be due under this act. The commissioner, however, in his discretion, may at any time in the case of a minor who has received permanently disabling injuries, either partial or total, provide that he be compensated in whole or in part by the payment of a lump sum, the amount of which shall be fixed by the commissioner, but in no case to exceed the commutable value of the future installments which may be due under this act.

"SEC. 27. That whenever the compensation commissioner deems it expedient any lump sum, subject to the provision of the foregoing section, shall be paid by the employer or insurance carrier to some suitable person or corporation appointed by the Supreme Court of the District of Columbia as trustee, to administer the same for the benefit of the person entitled thereto in the manner ordered by the commissioner. The receipt of such trustee for the amount so paid shall discharge the employer or anyone else who is liable therefor.

"SEC. 28. That if a dependent shall reside or remove out of the United States and shall have been such nonresident for a period of one year the commissioner may, in his discretion, convert any payments thereafter to become due to such dependent into a lump-sum payment, not in any case to exceed $2,400, by paying a sum equal to three-fourths of the then value of such payments.

"SEC. 29. (a) That whenever payment of compensation is made to a widow or widower for her or his use, or for her or his use and the use of the child or children, the written receipt thereof of such widow or widower shall acquit the employer.

"(b) Whenever payment is made to any person 18 years of age or over the written receipt of such person shall acquit the employer. In case where an infant or minor under the age of 18 years shall be entitled to receive a sum amounting to not more than $300 as compensation for injuries, or as a distributive share by virtue of this act, the father, mother, or natural guardian upon whom such infant or minor shall be dependent for support shall be authorized and empowered to receive and receipt for such moneys to the same extent as a guardian of the person and property of such infant or minor duly appointed by proper court, and the release or discharge of such father, mother, or natural guardian shall be full and complete discharge of all claims or demands of such infant or minor thereunder.

"(c) Whenever any payment of over $300 is made to a minor under 18 years of age, or to a dependent child over the age of 18 years, the same shall be made to some suitable person or corporation appointed by the Supreme Court of the District of Columbia as a trustee, and the receipt of such trustee shall acquit the employer.

"(d) Payment of death benefits by an employer in good faith to a dependent subsequent in right to another or other dependents shall protect and discharge the employer, unless and until such dependent or dependents prior in right shall have given him notice of his or their claim. In case the employer is in doubt as to the respective rights of rival claimants he may apply to the compensation commissioner to decide between them.

"SEC. 30. That if an injured employee is mentally incompetent or is under 18 years of age at the time when any right or privilege accrues to him under this act, his guardian, trustee, or committee may in his behalf claim and exercise such right or privilege. And no limitation of time provided in this act for the giving of notice or making claim under this act shall run against any person who is mentally incompetent, or a minor dependent, so long as he has no guardian, trustee, or committee.

"SEC. 31. That a minor working at any age legally permitted under the laws of the District of Columbia shall be deemed sui juris for the purposes of this act, and no other person shall have any cause of action or right to compensation for any injury to such minor employee unless otherwise herein provided.

"SEC. 32. That the employer shall secure compensation to his employees in one of the following ways:

"(1) by insuring and keeping insured the payment of such compensation with any stock or mutual corporation authorized to transact the business of workmen's compensation insurance in the District of Columbia.

"(2) By furnishing satisfactory proof to the compensation commissioner of his financial ability to pay such compensation himself, in which case the commissioner may, at any time and from time to time, in his discretion, require the deposit with the commissioner of securities such as are accepted by the equity courts of the District of Columbia for the investment of trust funds, and in an amount or amounts to be determined by the commissioner, to insure the liability of the employer to pay the compensation specified in this act; and in order to be informed as to the continued financial responsibility of any such employer the commissioner may require reports from him annually, or at any such other times as the commissioner may deem necessary or advisable, and may examine such employer under oath or make such other examination of his business as the commissioner may determine. If he should fail to furnish such satisfactory proof, or give bond, or deposit such securities, as required by the commissioner, or if he should at any time fail to render satisfactory reports to the commissioner or otherwise satisfy the commissioner of his continued financial ability to pay the compensation himself, he shall be subject to the provisions of the first paragraph of this section.

"SEC. 33. (a) That every employer subject to the provisions of this act shall, within 30 days after this act takes effect, file with the compensation commissioner, in form prescribed by him, and thereafter annually or as often as may be necessary, evidence of his compliance with the provisions of section 32 and all others relating thereto. If any such employer refuses or neglects to comply with the provisions of this paragraph he shall be punished by a fine of 10 cents for each employee at the time of the insurance becoming due, but not less than $1 nor more than $50 for each day of such refusal or neglect, and until the same ceases, and he shall be liable during continuance of such refusal or neglect to an employee either for compensation under this act or at law, in the same manner as if he were not subject to this act, except that in such action at law he shall not be permitted to defend upon any or all of the following grounds: (1) That the employee was negligent; (2) that the injury was caused by the negligence of a fellow employee; (3) that the employee had assumed the risk of injury.

"(b) Every employer who has complied with the provisions of section 32 shall post and maintain in a conspicuous place in and about each of his places of business or other places where his employees subject to this act are employed a typewritten or printed notice in such form as the compensation commissioner may prescribe, stating the facts of compliance with such provisions and giving the name and address of his insurer, if he be insured. If any employer neglects or refuses to comply with the provisions of this paragraph he shall be liable to a penalty of 10 cents per day for each employee affected, but not less than $1 in any event: *Provided, however*, That the compensation commissioner, for good cause shown, may remit such penalty in whole or in part.

"SEC. 34. That whenever an employer has complied with the provisions of section 32, relating to self-insurance, the compensation commissioner shall issue to such employer a certificate which shall remain in force for a period fixed by the commissioner, but the commissioner may upon at least 30 days' notice and hearing to the employer revoke the certificate upon satisfactory evidence for such revocation having been presented. At any time after such revocation the commissioner may grant a new certificate to the employer upon his petition.

"SEC. 35. (a) That all policies or contracts insuring the payment of compensation under this act must contain a clause to the effect that as between the employer and the insurer notice to or knowledge of the occurrence of the injury on the part of the insured employer shall be deemed notice or knowledge, as the case may be, on the part of the insurer; that jurisdiction of the insured for the purposes of this act shall be jurisdiction of the insurer; and that the insurer shall in all things be bound by and subject to the awards, judgments, or decrees rendered against such insured employer.

"(b) No policy or contract of insurance against liability arising under this act shall be issued unless it contains the agreement of the insurer that it will promptly pay to the person entitled to same all benefits conferred by this act, and all installments of the compensation that may be awarded or agreed upon, and that the obligation shall not be affected by any default of the insured after the injury or by any default in giving notice required by such policy, or otherwise. Such agreement shall be construed to be a direct promise by the insurer to the person entitled to compensation enforceable in his name.

"(c) Every policy or contract for the insurance of the compensation herein provided, or against liability therefor, shall be deemed to be made subject to the provisions of this act. No corporation, association, or organization shall enter into any such policy of insurance unless its form shall have been approved by the superintendent of insurance.

"(d) This act shall not apply to policies of insurance against loss from explosion of boilers or flywheels or other similar single catastrophe hazards.

"SEC. 36. That no policy or contract of insurance against liability arising under this act shall be canceled within the time limited in such policy or contract for its expiration until at least 10 days after notice of intention to cancel such policy or contract, on a date specified in such notice, shall be filed in the office of the compensation commissioner and also served on the employer. Such notice shall be served on the employer by delivering it to him or by sending it by mail, by registered letter, addressed to the employer at his or its last known place of residence: *Provided*, That if the employer be a partnership, then such notice may be so given to any one of the partners, and if the employer be a corporation, then the notice may be given to any agent or officer of the corporation upon whom legal process may be served.

"SEC. 37. (a) That the rates charged by all carriers of insurance writing insurance against the liability for compensation under this act shall be fair, reasonable, and adequate, and all risks of the same kind and degree of hazard shall be written at the same rate by the same carrier, subject to such rules as the superintendent of insurance may prescribe. The basic rates may be modified in accordance with a plan of merit or schedule rating. No policy of insurance against liability for compensation under this act shall be valid until the rate thereof has been approved by the superintendent of insurance, nor shall any such

carrier of insurance write any such policy or contract until its basic and merit rating schedules have been filed with, approved, and not subsequently disapproved by the superintendent of insurance.

"(b) Each such insurance carrier shall report to the superintendent of insurance, in accordance with such reasonable rules as the superintendent of insurance may at any time prescribe, for the purpose of determining the solvency of the carrier and the adequacy of its rates; for such purpose the superintendent of insurance may inspect the books and records of such insurance carrier and examine its agents, officers, and directors under oath.

"(c) Any person or persons who shall in the District of Columbia act or assume to act as agent for any insurance carrier whose authority to do business in such District has been suspended, while such suspension remains in force, or who shall willfully make a false or fraudulent statement of the business or condition of any such insurance carrier, shall be deemed guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than $100 nor more than $1,000, or by imprisonment for not more than one year, or both such fine and imprisonment, in the discretion of the jury.

"(d) Whenever by this act or the terms of any policy contract any officer is required to give any notice to an insurance carrier, the same may be given by delivery or by mailing by registered letter, properly addressed and stamped, to the principal office or chief agent of such insurance carrier within the District of Columbia, or to its home office, or to the secretary, general agent, or chief officer thereof in the United States.

"SEC. 38. That notice of an injury for which compensation is payable under this article shall be given to the employer within 10 days after the accident, and also in case of the death of the employee resulting from such injury within 30 days after such death. Such notice may be in writing and contain the name and address of the employee and state in ordinary language the time, place, nature, and cause of the injury, and be signed by him or by a person on his behalf or in case of death by any one or more of his dependents or by a person on their behalf. The failure to give such notice, unless excused by the compensation commissioner either on the ground that notice for some sufficient reason could not have been given or on the ground that the insurance carrier or employer, as the case may be, has not been prejudiced thereby, shall be a bar to any claim under this act.

"Whenever an accident occurs to any employee it shall be the duty of the employer to at once report such accident and the injury resulting therefrom to the compensation commissioner. Such report shall state (a) the time, cause, and nature of the accident and injuries, and the probable duration of the injury resulting therefrom; (b) whether the accident arose out of or in the course of the injured person's employment; (c) any other matters the rules and regulations of the commissioner may prescribe.

"SEC. 39. After an injury, and so long as he claims compensation, the employee, if so requested by his employer or ordered by the compensation commissioner, shall submit himself to examination, at reasonable times and places, by a duly qualified physician or surgeon designated and paid by the employer or the compensation commissioner. The employee shall have the right to have present at such examination any duly qualified physician or surgeon provided and paid by him. No fact communicated to, or otherwise learned by any physician or surgeon who may have attended or examined the employee, or who may have been present at any examination, shall be privileged, either in hearings provided for by this act or in any action at law brought to recover damages against an employer for an injury subject to the provisions of this act. If the employee refuses to submit himself to or in any way obstructs such examination requested by and provided for by the employer, his right to compensation and his right to take or prosecute any proceedings under this act shall be suspended until such refusal or obstruction ceases, and no compensation shall at any time be payable for the period of suspension, unless in the opinion of the compensation commissioner the circumstances justify the refusal or obstruction. The employer, or the compensation commissioner, shall have the right in any case of death to require an autopsy at the expense of the party requesting the same.

"SEC. 40. That all questions arising under this act, if not settled by agreement of the parties interested therein, with the approval of the compensation commissioner, shall be determined by the commissioner except as otherwise herein provided.

"SEC. 41. That if, after seven days from the date of the injury, or at any time in case of death, the employer and the injured employee or his dependents reach an agreement in regard to compensation under this act, a memorandum of the agreement in the form prescribed by the compensation commissioner shall be filed with the commissioner; otherwise such agreeent shall be voidable by the employee or his dependents.

"If approved by the commissioner, thereupon the memorandum shall for all purposes be treated as an award by the commissioner and shall be enforceable by the court's decree, as hereinafter specified.

"SEC. 42. That if the employer and the injured employee or his dependents fail to reach an agreement in regard to compensation under this act, or if they have reached such an agreement which has been signed and filed with the compensation commissioner and compensation has been paid or is due in accordance therewith, and the parties thereto then disagree as to the continuance of any payment under such agreement, either party may make application to the compensation commissioner for a hearing in regard to the matters at issue and for a ruling thereon.

"Immediately after such application has been received the commissioner shall set the date for a hearing, which shall be held as soon as practicable, and shall notify the parties at issue of the time and place of such hearing.

"The compensation commissioner or a deputy commissioner shall hear the parties at issue and their representatives and witnesses, and shall determine the dispute in a summary manner. The award, together with a statement of the findings of fact, rulings of law, and other matters pertinent to the questions at issue, shall be filed with the record of the proceedings, and a copy of the award shall immediately be sent to the parties in dispute.

"SEC. 43. That upon his own motion, before judicial determination or upon the application of any party in interest on the ground of change in condition, the compensation commissioner may at any time review any award, and on such review may make an award ending, diminishing, or increasing the compensation previously awarded, or awarding compensation where no compensation was previously awarded, subject to the maximum and minimum provided in this act, and shall immediately send to the parties a copy of the award. No such review shall affect such award as regards any moneys paid.

"SEC. 44. That any employer, employee, dependent, or person feeling aggrieved by any decision or award of the compensation commissioner affecting his interests under this act may have the same reviewed by a proceeding in the nature of an appeal and initiated in the Supreme Court of the District of Columbia, and the court shall determine whether the commissioner has justly considered all the facts concerning injury, whether he has exceeded the powers granted him by the act, and whether he has misconstrued the law and facts applicable in the case decided. If the court shall determine that the commissioner has acted within his powers and has correctly construed the law and facts, the decision of the commissioner shall be confirmed, otherwise it shall be reversed or modified. Upon the hearing of such an appeal the court shall, upon motion of either party filed with the clerk of the court, according to the practice in civil cases, submit to a jury any question of fact involved in such case. The proceedings in every such an appeal shall be informal and summary, but full opportunity to be heard shall be had before judgment is pronounced. No such appeal shall be entertained unless notice of appeal shall have been served personally upon the commissioner within 30 days following the rendition of the decision or award appealed from. An appeal shall not be a stay. If the decision or award of the commissioner shall be changed or modified, the practice prevailing in civil cases as to the payment of costs and the fees of medical and other witnesses shall apply. Appeal shall lie from the judgment of the Supreme Court to the Court of Appeals of the District of Columbia, as in other civil cases, and such appeal shall have precedence over all cases except criminal cases.

"The corporation counsel for the District of Columbia shall be the legal adviser of the commissioner and shall represent him in all proceedings whenever so requested by the commissioner. In all court proceedings under or pursuant to this act the decision of the commissioner shall be prima facie correct and the burden of proof shall be upon the party attacking the same.

"SEC. 45. That any party in interest may file in the Supreme Court of the District of Columbia a certified copy of an agreement approved by the compensation commissioner, or of an order or decision of the commissioner, or of an award of the commissioner unappealed from, or of an award of the commissioner affirmed upon appeal, whereupon said court, upon proof of default in payment or that the security for payment is doubtful, shall render a decree in accordance therewith and notify the parties. Such decree shall have the same effect, and all proceedings in relation thereto shall thereafter be the same, as though said decree had been rendered in a suit duly heard and determined by said court.

"SEC. 46. That if the compensation commissioner or the court before which any proceedings for compensation or concerning an award of compensation have been brought, under this act, determines that such proceedings have not been so brought upon reasonable ground, it shall assess the whole cost of the proceeding upon the party who has so brought them.

"Claims for legal services in connection with any claims arising under this act and claims for services or treatment rendered or supplies furnished pursuant to section 20 of this act, shall not be enforceable unless approved by the compensation commissioner.

"If so approved, such claim or claims shall become a lien upon the compensation awarded, but shall be paid therefrom only in the manner fixed by the commissioner.

"SEC. 47. That any person who shall knowingly secure or attempt to secure larger compensation or compensation for a longer term than he is entitled to, or knowingly secure or attempt to secure compensation when he is not entitled to any, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding $500 or imprisoned not exceeding 12 months, or both, in the discretion of the court, and shall from and after such conviction cease to receive any compensation.

"SEC. 48. That in this act, unless the context otherwise requires—

"(a) 'Employer' shall include any individual, firm, association, or corporation, or the receiver or trustee of the same, or the legal representative of a deceased employer, using the service of another for pay. If the employer is insured, it shall include his insurer so far as applicable.

"(b) 'Employee' shall include every person, including a minor, who is employed by another under any lawful contract of service or apprenticeship, written or implied. Any reference to an employee who has been injured shall, where such employee is dead, include a reference to his dependents and other persons to whom compensation may be payable, or, where the employee is a minor or incompetent, to his committee or guardian or next friend.

"(c) 'Average weekly wages' shall mean the earnings of the injured employee, including 'overtime,' in the employment in which he was working at the time of the accident during the period of 52 weeks immediately preceding the date of the accident, dividend of 52; but if the injured employee lost more than seven consecutive calendar days during such period, although not in the same week, then the earnings for the remainder of such 52 weeks shall be divided by the number of weeks remaining after the time so lost has been deducted. Where the employment prior to the injury extended over a period of less than 52 weeks, the method of dividing the earnings during that period by the number of weeks and parts thereof during which the employee earned wages shall be followed: *Provided*, That results fair and just to both parties will be thereby obtained. Where by reason of a shortness of time during which the employee has been in the employment of his employer or the casual nature or terms of his employment it is impracticable to compute the average weekly wages as above defined, regard shall be had to the average weekly amount which during 52 weeks previous to the accident was being earned by a person of the same grade and character employed in the same class of employment in the same locality or community.

"If the injured employee at the time of the injury is regularly employed at higher wages than formerly during the preceding 52 weeks, only such higher wages shall be taken into consideration in computing his average weekly wages. If the injured employee was of such age and experience when injured that under natural conditions his wages would be expected to increase, that fact may be taken into consideration in determining his average weekly wages.

"But where for exceptional reasons the foregoing would be unfair either to the employer or employee, such other method of computing average weekly wages may be resorted to as will most nearly approximate the amount which the injured employee would be earning were it not for the injury.

"'Earnings' shall include the reasonable value of board, lodging, housing, fuel, and similar advantages which the employee receives from the employer as part of his remuneration, but shall not include pay-

ments by the employer to cover special expenses entailed on the employee by his employment.

"(d) 'Injury' and 'personal injury' shall mean only injury by accident arising out of and in the course of the employment, and shall not include a disease in any form, except where it results naturally and unavoidable from the accident.

"(e) Hernia shall not be deemed an injury by accident arising out of and in the course of the employee's employment, unless it be proven to the satisfaction of the compensation commissioner—first, that there was an injury resulting in hernia; second, that the hernia appeared suddenly; third, that it was accompanied by pain; fourth, that the hernia immediately followed an accident; fifth, that the hernia did not exist prior to the accident for which compensation is claimed.

"SEC. 49. That the rule that statutes in derogation of the common law are to be strictly construed shall have no application to this act; but this act shall be so interpreted and construed as to effectuate its general purpose.

"SEC. 50. That if the provisions of this act relative to compensation for injuries to or death of employees become invalid because of any final adjudication, the period intervening between the occurrence of an injury or death, not previously compensated for under this act by lump-sum payment or completed periodical payment, shall not be computed as a part of the time limited by law for the commencement of any action relating to such injury or death: *Provided*, That such action be commenced within one year after such final adjudication, but in any such action any sum paid to the employee on account of injury for which the action is prosecuted shall be taken into account.

"SEC. 51. That the provisions of this act shall not apply to injuries or death, nor to accidents which occurred prior to the taking effect of this act.

"SEC. 52. That the sum of $20,000 annually for the years 1922 and 1923, or so much thereof as may be necessary annually for the maintenance of the office of the compensation commissioner for the District of Columbia and the payment of the salaries and expenses of the commissioner and his employees, is hereby appropriated, and shall be payable to the order or orders of the said commissioner from time to time, as in this law provided, and the auditor of the District of Columbia shall draw his warrant or warrants therefor upon the United States Treasury, as in law provided for the annual appropriations in the District of Columbia. And a further appropriation is hereby made of the sum of $5,000 for the year 1922 for the neecessary expenses of the aforesaid compensation commissioner to cover printing, office fixtures, and such other legitimate expenses as the commissioner may incur in establishing his office as in this act contemplated, and the auditor of the District of Columbia shall draw his warrant upon the United States Treasury for the said sum of $5,000, or any part thereof, upon the order or orders presented to the auditor of the District of Columbia by the said commissioner.

"SEC. 53. That all acts or parts of acts in conflict with this act are hereby repealed to the extent that they conflict with this act and no further.

"SEC. 54. That this act shall take effect from the date of its passage, but that its application as between employers and employees shall date from and include the 1st day of July, 1922."

During the reading of the substitute the following occurred:

Mr. FOCHT. Mr. Chairman, would it not be possible to have a vote taken on this matter and then by unanimous consent have the substitute read and subject to amendment during the reading. If that can be done I think it would save a lot of time. I have no desire to interfere or unnecessarily take up the time of the committee.

Mr. FITZGERALD. There will be no unanimous consent given.

Mr. BLANTON. Mr. Chairman, the substitute constitutes an entire bill. I am a member of the committee and I can not get a copy of that bill. The bills are not available for the membership. There are but five or six copies on the floor, and how can Members of this House intelligently offer amendments to a bill that they know nothing about?

Mr. SUMMERS of Washington. Mr. Chairman, I have endeavored to secure a copy of the Underhill bill and am unable to do so.

Mr. LONDON. Mr. Chairman, is it in order to move to lay on the table the substitute?

The CHAIRMAN. It would not be in order in the committee.

Mr. CRAMTON. Mr. Chairman, I would like to submit a unanimous-consent request in the interest of an early and intelligent procedure. I ask unanimous consent that the further reading of the bill and substitute be dispensed with——

Mr. BLACK. I object.

Mr. CRAMTON. Will not the gentleman do me the courtesy to listen to my full request; that the first section of the Underhill substitute may be considered as pending as a substitute for the first section of the Fitzgerald bill; that there may be a debate of one hour, in which gentlemen on each side may outline the main features of the substitute; and thereafter, in the event that the first section of the Underhill substitute is accepted as a substitute for the Fitzgerald bill, the balance of the Underhill substitute may be read section by section and open for amendment as read. Now, if I may proceed for a minute, my idea is that the first question for the House to decide is whether they favor in general the Fitzgerald bill or the Underhill bill. If by chance they do prefer the Underhill substitute, the further sections should be open to amendment as they are read and perfected as the House may desire. My request is not based on the advocacy of either bill, but merely to put it in shape, so that the House may do what it desires.

Mr. BLACK. Mr. Chairman, I understand there are no copies of the Underhill bill for Members of the House, and it is difficult for me to see how Members can act intelligently on a bill without hearing the Underhill bill read. So I object to the request of the gentleman from Michigan.

Mr. HILL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL. There are no copies of the Underhill bill, which consists of 48 pages, to be had. Would it be in order to move to lay the bill now being read, the Underhill substitute, on the table?

The CHAIRMAN. It would not.

The Clerk completed the reading of the substitute.

Mr. BLANTON. Mr. Chairman, I reserve a point of order on the amendment, and I offer a preferential motion. I move to strike out the enacting clause of the Fitzgerald bill.

The CHAIRMAN. The gentleman from Texas moves to strike out the enacting clause of the Fitzgerald bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 17 ayes and 55 noes.

Mr. BLANTON. Mr. Chairman, I make the point of order against the Underhill amendment that on page 49, line 11, it provides for an appropriation of $20,000, which is in violation of the rules of the House.

Mr. LONGWORTH. Mr. Chairman, it occurs to me that if the point of order will lie at all, it would lie only against the appropriation and not against the whole amendment.

Mr. BLANTON. It has been held differently, I would say to the gentleman from Ohio.

The CHAIRMAN. Does the gentleman from Massachusetts or anyone in his behalf desire to be heard?

Mr. UNDERHILL. Mr. Chairman, I will modify that section by inserting the words "authorized to be."

Mr. BLANTON. That does not affect the point of order, Mr. Chairman.

Mr. LONGWORTH. Mr. Chairman, the gentleman from Texas makes the point of order against the entire amendment. It seems to me that would not lie under any circumstances.

Mr. BLANTON. If the amendment is bad in any particular, it is bad in its entirety.

The CHAIRMAN. The point of order is sustained.

Mr. UNDERHILL. Mr. Chairman, I move to strike out the first section of the Fitzgerald bill and offer the Underhill bill again with a modification in section 2 on page 49, line 11, by inserting the words "authorized to be" before the word "appropriated."

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. UNDERHILL moves to strike out of the Fitzgerald bill on page 1, lines 3 to 6, inclusive, and on page 2, lines 1 to 6, inclusive, and insert in lieu thereof the following: The Underhill bill with the following amendment: Page 49, line 11, insert the words "authorized to be" before the word "appropriated."

Mr. BLANTON. But, Mr. Chairman, we want the bill read. We want to get familiar with it.

Mr. UNDERHILL. Mr. Chairman, I do not believe that the gentleman from Texas wants to press that point. It is only fair that these bills be given a hearing. I think the gentleman is just as anxious as I am to see the working people of the District of Columbia enjoy the benefits of the workmen's compensation act.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. BLANTON. I am with the gentleman upon that. I am for his bill as against the Fitzgerald bill, but when only six or eight copies of the gentleman's bill are available, how on earth is the membership going to know what is in the bill unless we have it read?

Mr. UNDERHILL. It is already in the RECORD.

The CHAIRMAN. There is only one way in which we can obviate the difficulty, and that is by securing unanimous consent that the amendment be not read.

Mr. UNDERHILL. Then, Mr. Chairman, I ask unanimous consent that the second reading of the amendment be dispensed with.

Mr. BLANTON. I shall not object to that.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that the second reading of the amendment be dispensed with. Is there objection?

There was no objection.

Mr. UNDERHILL. Mr. Chairman, I would ask those Members who have followed the bill with some difficulty if they could possibly have a more fair or equitable measure for the

real benefit of the worker in the District of Columbia than this bill. Starting at page 17 of my bill I provide for every possible known and supposed contingency.

I first take up the question of death, the amount that shall be paid at death, and then the question of total permanent disability, and then of temporary or partial disability, and go along through to the loss of a thumb or a finger or a part of a thumb or a finger, the loss of a toe or part of a toe, the loss of a hand or the loss of an arm, the loss of a leg or the loss of an eye, and so on, through every portion of the human frame. I tried to put into this bill the amounts that shall be paid, and there is no insurance company ever organized that could get away from those amounts. There is no possibility of fraud. There is no possibility of the exploitation of the worker, no matter how ignorant or friendless he may be. I go through the occupational diseases, so far as they are known and can be applied to insurance, and I go through with the wife and the children, with dependents of every nature. Then, on page 9 of my bill I make certain exemptions, and I think the Members of the House will agree with me that these exemptions should be made. I provide that the provisions of the bill shall not apply to—

(1) Any employment in commerce between the District of Columbia and any of the States, Territories, or possessions of the United States or any foreign nation or nations, in the service of a common carrier by railroad;
(2) Any employment that is casual and not in the usual course of the trade, business, occupation, or profession of the employer;
(3) Any employment in an occupation not carried on by the employer for the sake of pecuniary gain;
(4) Any employment as a household domestic servant; or
(5) Any employment by an eleemosynary institution or association.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. CRAMTON. If an institution that has large funds has an elevator conductor who is injured in the course of his employment, why should the fact that the institution is engaged in philanthropic work prevent its rendering justice to its own employees?

Mr. UNDERHILL. I doubt if that contingency would ever arise. Any philanthropic concern that would not take care of its own would not deserve the name of philanthropy.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. CHINDBLOM. Is there anything in the gentleman's bill that relates to anything outside of what is ordinarily known as workmen's compensation?

Mr. UNDERHILL. Not that I know of.

Mr. CHINDBLOM. There is no other form of insurance covered in it?

Mr. UNDERHILL. No.

Mr. CHINDBLOM. And there is no provision of any sort which might be liability insurance arising out of any other situation or relief than that of workmen and employer?

Mr. UNDERHILL. Not at all. It has been very difficult for me, and I think possibly it is my own fault, to explain this situation about the bill in a plain and simple sort of way. I have tried to make it clear to every Member of the House that there is no opposition in my bill to workmen's compensation. I am as heartily in favor of it and would go as far as anyone in providing protection for the workingmen.

Second, that my objection to the Fitzgerald bill is based almost entirely upon the matter of principle, the principle of the Government going into business in competition with those who pay the taxes and the running expenses of the Government. Where are you going to get your revenue to run this Government if you do not get it from these corporations and from the individuals?

The CHAIRMAN. The time of the gentleman has expired.

Mr. NEWTON of Minnesota. I ask that the gentleman's time be extended five minutes.

Mr. BUTLER. Mr. Chairman, I ask that the gentleman may have his time extended for 10 minutes.

The CHAIRMAN. Is there objection to the request that the time of the gentleman be extended for five minutes. [After a pause.] The Chair hears none.

Mr. UNDERHILL. May I just finish that sentence? Where are you going to get the funds to run this Government if you do not get them from the taxpayer? Suppose you do return to certain favored individuals who take out insurance a certain amount of the premiums that to-day is included in taxation, rental of buildings, the purchase of merchandise, stationery, and other necessary supplies, where are you going to get the funds; and if you are going to start with insurance funds, where are you going to end?

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. NEWTON of Minnesota. There are a good many Members of the House who feel the same way I do, I believe. I believe in the enactment of a workmen's compensation law. Now, the claim has been made here that this particular measure for which the gentleman speaks to-day has not been considered fairly in committee. Now, could the gentleman, then, very briefly tell us the main points of difference between the Fitzgerald bill and the Underhill bill, and then just how the Underhill bill compares with State legislation along that particular line? I think that would be very helpful to Members of the House.

Mr. UNDERHILL. I have tried to do that, and I am perfectly willing to go over it again if I have the time. There are four States that have the exclusive features of State insurance. My colleague claims there are eight, but I do not think that he can name eight States which have exclusive features. There are other provisions in the laws of those States, including his own State of Ohio, and the State of Ohio allows one of the worst features that can possibly enter into workmen's compensation, self-insurance—that is, that the employer of more than five people in his State can by filing a bond insure himself, and the poor devil who gets hurt has got to go to him upon whom he depends for a job and living and ask him for a settlement. That is absolutely contrary to all the best ideas and policies in workmen's compensation.

Mr. McSWAIN. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. McSWAIN. Assuming the fixing of the compensation for an eye—there are no teeth involved in this matter I believe—is the same in the gentleman's bill as that of Mr. FITZGERALD, does it make any difference to the injured employee whether the money is paid out of a fund absolutely contributed under the Fitzgerald bill or paid by an insurance company under the gentleman's bill?

Mr. UNDERHILL. Not a particle. That is a funny situation. I am supposed to be a reactionary. I do not know where they got that idea, but I am supposed to be a reactionary, and here is a situation where a so-called progressive brings in a bill that protects the moneyed interests. Its greatest feature is the claim that it is going to cost the heartless employer less money.

Mr. ABERNETHY. Mr. Chairman, will the gentleman inform the House when the Fitzgerald bill was first introduced, on what date?

Mr. UNDERHILL. I am afraid I can not do that, sir.

Mr. BLACK. Will the gentleman yield for a question?

Mr. ABERNETHY. The position in which most of us find ourselves is that we do not know what the gentleman is talking about. We have not got a copy of the gentleman's bill; we have not got any of the hearings; and we are all in the dark and do not know how to vote. I am sure I do not know how to vote. I have received several telegrams about it, and I would like to vote intelligently, and I do not know what the gentleman is talking about, and I would like to know something about it.

Mr. UNDERHILL. I yield to the gentleman from Texas.

Mr. BLACK. I desire to ask the gentleman a question about that clause in the bill that exempts corporations or institutions that are conducted without profit. Now, we find close to the Pennsylvania Station the Grace Dodge Hotel, for example. I understand that is an institution that is not conducted for profit, and yet if an employee is injured, I presume that employee would have an action at law for such injury.

Mr. UNDERHILL. I think the court has decided that in such an instance as that they were not exempted.

Mr. BLACK. I want to vote for the gentleman's bill; I would much prefer that he amend it on that particular point.

Mr. UNDERHILL. I am perfectly willing to safeguard the bill.

Mr. HUSTED. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. HUSTED. In the State of New York we have private State insurance. We also permit private companies to engage in that business. As a matter of fact, most of the people do business with the private companies because they can get better service. As I understand the provisions of the Fitzgerald bill, it gives the Federal Government a monopoly of the business in the District of Columbia. Is that true?

Mr. UNDERHILL. That is true.

Mr. HUSTED. What possible justification is there for giving the Federal Government a monopoly of the business in-

stead of permitting the other people to come in and get their share of it if they are in a position to render good service and give proper rates?

Mr. UNDERHILL. There is absolutely no justification, except the justification that my friend from New York [Mr. LONDON], who sits there, and so ably represents the Socialist Party, absolutely none, except the question of socialism. If we are desirous of adopting that provision, if we are desirous of adopting that attitude, if we are desirous of adopting that policy in the United States, let us start with the Fitzgerald bill. It is as good as anything else for a starter.

I do not think, Mr. Chairman, that I can add anything further. I regret exceedingly that there are not more copies of the Underhill bill available, and that the Members have not had a chance to study it further. I suppose the assumption has been made that almost every Member of this body has had previous experience in his local legislature, and that the legislature of almost every State in this Union has passed a workingmen's compensation bill. It is easy to visualize the purpose of a workingmen's compensation bill. At least so I think, and most of the Members can realize what is involved here.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. FITZGERALD. Mr. Chairman, I ask unanimous consent to insert in the RECORD some analyses of the Underhill bill.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

A MISERABLE SUBSTITUTE.

Mr. FITZGERALD. Now, Mr. Chairman and gentlemen of the committee, on the substitution of this bill I want to say that as soon as it was proposed, besides looking it over myself, I sent the so-called Underhill bill to America's best known insurance actuary and compensation expert, Miles M. Dawson, and I have here from him three solid pages of typewriting, and I will read them.

LETTER FROM MILES M. DAWSON.

I have examined the Underhill bill (H. R. 9546), which was offered as a substitute for the Fitzgerald workingmen's compensation bill in the District of Columbia, which was drafted by the American Association for Labor Legislation. Aside from many features of the Underhill bill which are most undesirable, I find the following, which certainly ought to be fatal to it:

READY FOR ALMSHOUSE.

The provision in case of total and permanent disability is limited to payments aggregating $5,000, which, if one were injured to whom the maximum amount of $25 per week was payable, would mean that after less than four years' maintenance he would be a candidate for the almshouse. It would string out longer, of course, for those with smaller compensation, but even in the case of a man whose compensation was but $10, he would still be abandoned to pauperism after but 10 years.

Not only have the compensation laws of all the enlightened States, including the law adopted by Congress making provision for the employees of the Government, recognized the necessity of supporting the totally disabled throughout the whole period of the disability, but very obviously such is the only rational and defensible position that can be taken.

Limitations such as are here proposed were once being crowded into these bills by the insurance companies on the grounds of the uncertainty of the amount of the claim. There was never any truth in the statement as the present value of such claims is always readily determinable and now standards are everywhere recognized for determining their value.

The same objection in regard to limitation applies to the $3,750 limit for temporary total disability, which means that if one were still totally disabled, although it had not been determined to be permanent in character, he would, if his benefit were $25 per week, be cut off after receiving it less than three years.

BREEDER OF PAUPERISM.

The same objection applies to the limitation of benefits for permanent partial disability, which may be very nearly total, and would deprive the injured person of his compensation after a brief period, which might again mean pauperism.

The same objection is also applicable to the limitation of $3,000 to certain forms of permanent partial disability. It should be observed, likewise, that the change of the rate of compensation from 66⅔ per cent to 50 per cent is not only unfair but is inconsistent with the language at the beginning of subdivision 3 on page 18.

The same again applies to the limitation in amount of compensation for temporary partial disability, owing to the fact that disabilities may be treated as temporary merely because it is not proved positively that they will be permanent, although they continue for a very long time.

AN OUTRAGEOUS FEATURE.

The most outrageous feature, however, is to be found in the limitation of the payments to dependents in case of death to 416 weeks, or in other words eight years, and also to a maximum of $5,000.

The first of these was in the Sutherland interstate commerce bill, having been copied from the earlier laws in several States, but was abandoned and withdrawn by Senator SUTHERLAND. The outrageous character of it is readily recognized when it is considered that as regards a young baby it would cut off the provision at about the time the child entered school.

Originally the disingenuous objection was raised by the insurance companies that it was not possible to know definitely what was the liability if there were no such limit. These companies had or could have had competent actuarial advice and should have known better. In any event they have long ago learned better, and standards for the computation of these benefits are now firmly established and are in use throughout this country and Canada. There is now no longer any excuse whatever for such a departure from sound principle.

PLAN MOST UNDESIRABLE.

The mode of making provision is also most undesirable. It does not definitely provide, as do all the workmen's compensation laws in this country, what provision shall be made for each of the dependents; and in addition to causing a payment of two-thirds the wages to be made to the wife alone if there are no children, it would also cause the full amount to be paid to a single child or other wholly dependent person. This would in many cases be excessive from both standpoints—that is, as real compensation and also as provision for support.

The provision in section 26 for redemption for a commuted sum is vicious in the extreme. Nothing so bad has, so far as I know, been proposed in any other American workmen's compensation bill. I am wondering why Mr. UNDERHILL did not consult the workmen's compensation law of Massachusetts before drafting his bill.

The provision in section 41 for an agreement is in my opinion bad. If the agreement is filed, it is no longer voidable by the employee, and the approval of the commissioner is not required except for the purpose of making it to be treated as an award. In fact, this would mean that the insurance companies' settlements would be final.

The provision in section 42 does not give the commissioner the power to review and disapprove such an agreement and to proceed to make an award, but merely gives him power if there is a disagreement as to the continuance of a payment under the agreement.

The provision in regard to the courts is, in my opinion, also bad, as it would give an opportunity for the insurance companies to go into the courts and have a review of the facts as well as the law. This would enable them to force compromise in almost any case.

WASHINGTON MERCHANTS TO SUFFER.

Not only does this bill admit the insurance companies as carriers, which will nearly double the premiums that it would be necessary for the employers in the District of Columbia to pay in order to provide the same benefit, but, whether intentional or not, the compensation payable has been so reduced, as compared with the bill already introduced, as to amount to a diversion of moneys needed to support the totally and permanently disabled and the seriously though temporarily disabled, and, above all, the widows during their widowhood and minor children during their school years, in such manner that the total burden on employers would not perhaps be greater, notwithstanding that from 35 to 50 per cent of the premiums paid by them would go to insurance companies over and above the claims paid, for expenses and profits than under the adequate Fitzgerald bill, already in.

The enlightened representatives of employers and employees in the Province of Manitoba two years ago, having found that under their then statute the compensation payable was, as this would be and for much the same reasons, wholly inadequate, and that on the other hand from 35 per cent to 50 per cent of the premiums paid went for expenses and profits of insurance companies, repealed their law and adopted one providing for an exclusive State fund and increasing the compensation so as to remedy the evils complained of. The result was a scale of benefits which makes adequate provision for workmen without increasing the rates which the employers had previously been paying. The Underhill bill, as compared with the Fitzgerald bill now before Congress, is of precisely the contrary type, viz, the sort that reduces the compensation and diverts the equivalent of this reduction, or more than this, out of the premiums paid to the payment of unnecessary expenses and of profits of the insurance companies.

MILES M. DAWSON,
Consulting Actuary, New York City.

SOFT FOR INSURANCE COMPANIES.

The Underhill bill is loosely and carelessly drawn, a botch, and unworkable. It is the product to be expected from the hands of those who would vaunt profiteering and greed under the hypocritical disguise of a workmen's compensation act. It is masquerading, for it is really a "bill to create unearned profits for insurance companies." The following, including comparison with experience in the various States, is a concise statement of the defects in the Underhill bill:

INADEQUATE AND ILLOGICAL PROVISIONS OF THE SO-CALLED UNDERHILL COMPENSATION BILL.

1. Compensation for permanent total disability is limited to $5,000.

At the maximum rate of compensation, $25 a week, the $5,000 would be used up in less than four years, at the end of which time the injured employee, still permanently totally disabled, would be abandoned to charity.

At the rate of $10 a week the $5,000 would stretch over nearly 10 years, but would then cease, leaving the totally disabled employee without resources.

In 25 States the amount which may be paid for permanent total disability is unlimited.

2. Compensation for temporary total disability is limited to $3,750.

If the compensation rate were $25 a week, the $3,750 would be exhausted in less than three years, and even if still disabled the employee would then be cut off.

THE CASE OF A WIDOW.

3. Compensation to the widow and children is limited to $5,000 for eight years.

At $25 a week the $5,000 would be exhausted and they would be cut off in less than four years. Even if the weekly rate is low enough to run eight years, do we wish to withdraw support from a young baby at such a tender age? Furthermore, to be thrown upon her own resources at the expiration of eight years would be doubly hard, because the widow would then be approaching an age when it would be difficult for her to obtain employment.

In 23 States the amount which may be paid in death cases is unlimited, and in 8 States compensation is payable until the death or remarriage of the widow and until children reach an employable age.

UNNECESSARY EXPENSE.

4. Office of compensation commissioner is created, with deputies and assistants.

This is an unnecessary expense, since the work could be better performed by the experienced United States Employees' Compensation Commission already in existence.

5. Claims are to be settled by "agreement" between workmen and employers.

In practice it has been found that the "agreement" method subjects injured employees, who wish to avoid trouble, to coercion by insurance adjusters.

6. Insurance companies would be given opportunity to profit under the Underhill bill, which would:

A. Increase expense. The average expense ratio of stock insurance companies is nearly 40 per cent of premiums as compared with about 4 per cent for exclusive State funds.

B. Produce friction and suspicion on the part of employees. The Conner Commission investigation in New York State disclosed underpayments on the part of commercial carriers amounting to $5,700,000.

Mr. WYANT. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. WYANT. You have a report on the bill in the RECORD?

Mr. FITZGERALD. Yes. It is very complete. It is filed with this bill.

Mr. WYANT. On the same subject?

Mr. FITZGERALD. No. The bill which was reported to the House and which came up for discussion this morning before the Committee of the Whole is accompanied by a complete analysis of this sort of legislation, and the bill itself; but it does not touch this bill which has been offered as a substitute.

Mr. WYANT. Did you submit your bill at the same time for report to the same organization?

Mr. FITZGERALD. Yes. That has been analyzed at the same time for report by the same organization, and it has been analyzed by Mr. Mackey, of the gentleman's State, and I have here three letters, one addressed to the gentleman from Wyoming [Mr. MONDELL] and one to the gentleman from Pennsylvania [Mr. KELLY], of Pittsburgh, a Representative of your State, and one to myself, analyzing and approving of this bill in its form.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. KINCHELOE. Has the District of Columbia any workmen's compensation law now?

Mr. FITZGERALD. It has none except as the Federal law protects the public employees of the District government.

Mr. KINCHELOE. I mean it has no statutory law pertaining to the District of Columbia?

Mr. FITZGERALD. No.

Mr. JAMES. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. JAMES. A short time ago, in the speech the gentleman made regarding his own bill, he stated that the lumbermen of Michigan had sufficient power to prevent their being included in the bill.

Mr. FITZGERALD. If I made that statement I was in error. I intended to say "Maine." I was in error if I used the word "Michigan." In Maine the lumbering interests were strong enough to have that exception made, and those workmen engaged in lumbering were not protected. In Tennessee the mining interests were strong enough to have that interest exempted. I am sure the domestic-service clause may irritate enough Members to prompt them to exclude those in domestic service. They ought not to be excluded. The cost is very slight—something like a dollar or two a year per servant. But if that provision has irritated a good many people interested in the enactment of this law, it can be omitted. The committee have an amendment to the bill to meet their wishes.

Now, why should we have competition in the District of Columbia? Because both sides, as I have read heretofore, have said that the scope here is too small. We have only from 100,000 to 108,000 employees in the District of Columbia. You have got to have an exclusive fund or you have got to have a commission to watch the insurance companies. As reported by the Government's compensation expert:

It takes almost as much time and costs as much money and requires as many employees to do the follow-up work, if it is to be done adequately, as it does to do the work originally.

That is always true, and it is admitted. You commence to create unnecessary expense when the insurance company comes in. They have to have their agents to solicit business. If you put a fund alongside of it, the fund can not exist successfully in the face of that competition, because it can not solicit business. It can not bring itself to the attention of manufacturers and others without spending money. Under a law which compels an employer to insure his risk there will be no need of agents' expenses if an exclusive fund is provided. The Conner investigation committee of New York, moreover, shows what the result of competition has been there. There have been underpayments by the insurance companies to the extent of over $5,000,000. That is bound to be so where you keep up the friction between the employer and the employee, and you make no progress if you substitute an insurance adjuster for the employer, because your friction is the same. The contest is on, and always the employee is at a disadvantage.

It is apparent that the bill introduced here is a substitute for the benefit of the insurance companies. It is repudiated by all of those interested in the workingmen. It is repudiated by every organization here in Washington that is going to be subjected to it. I may say at this time that I, for one, voted to include the domestic service in my bill, because the women in the District of Columbia are associated together in an alliance. They had an annual meeting and they came before the committee intending to make an investigation of the provisions of this bill with the idea that they were going to defeat it. But they went into it; the conditions and provisions were explained to them, and what it was intended to do, and the Housekeeper's Alliance then passed a resolution supporting the bill, and under those circumstances that provision remained in the bill, but if you are strongly opposed I am willing to have it excluded.

INSURANCE AGENTS' TACTICS.

I insert herewith evidence of the peculiar campaign of organized insurance agents in selfish opposition to this beneficial legislation:

No other measure before the Congress in some time has occasioned such a volume of correspondence addressed to Members. A propaganda among local agents of the insurance companies compels the writing of letters, most of them carrying threats of reprisal unless the individual addressed obeys the commands of the insurance lobby. The tone of correspondence is arrogant and has caused much comment. * * *

The silly boast of a number of Cambria County insurance agents of their wonderful power and influence has attracted some notice, and, when called to the official attention of the House of Representatives, will result in many Members resenting such bold assertions. Inasmuch as organized labor and important civic organizations have championed the Fitzgerald bill, there will come a reaction against the claims of the insurance agents which may defeat the purposes of their employers. (Johnstown (Pa.) Tribune, July 5, 1922.)

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 45, line 18, after the word "minor," insert the following: "Except domestic service in households, and farm employees."

Mr. BLANTON. Mr. Chairman, what I think the committee ought to do, expressing one individual opinion, is to adopt the Underhill substitute and then recommit it back to the committee for consideration. This bill—that is, the Underhill bill—contains 50 pages. Its contents are practically unknown to the membership, outside of a very few men. The Fitzgerald bill is absolutely preposterous, and any man who believes that the Government ought not to engage in private business will hold that we ought not to consider it for a moment. The 50-page Underhill bill is offered as a substitute and we ought to adopt it and then send it back to the committee to be considered. How do you know that it does not contain things that you disapprove of? The membership of the House has not had an opportunity to properly investigate it. I will show you that the gentleman from Massachusetts [Mr. UNDERHILL] himself does not understand what is in his own bill. Did he tell you that it did not permit farm employees to be included? You might laugh at the idea of farm employees in the District of Columbia, but there are some little farms and some farm employees in the District of Columbia. I challenge him to show one paragraph in his bill that excludes farm employees. It embraces farm employees.

Mr. UNDERHILL. Will the getleman yield?

Mr. BLANTON. In just a minute. In one part of the bill he attempts to exclude domestic servants, but in another part of the bill he includes them. Let me show you that he includes them.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. In just a minute.

Mr. UNDERHILL. The gentleman challenges me and I would like to have him yield to let me show him the page. I wish to say to the gentleman that I think farm employees ought to come under the provisions of the bill.

Mr. BLANTON. Oh, well, then the gentleman's position has seemingly changed since his opening speech. How many men from farming communities believe that farm employees should

be included; that the farmer ought to be compelled to go in and make a report to a commission as to what employees he has and what he pays them, and their working conditions, and the hours they work, and all that business for farms? If you had to do that, the gentleman from Massachusetts would probably starve to death, because Boston city people would not get enough to eat up there in Massachusetts. The farms would not produce enough. But let me show you, on page 45, what he includes as employees.

On line 17, page 45, it says:

"Employee" shall include every person, including a minor, who is employed by another under any lawful contract of service or apprenticeship, written or implied.

Does that not embrace farm employees? Does that not embrace domestic servants? Where does it exclude them? Not at all.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. In just a minute. Then when he defines "employer," on page 45, here is what he says:

"Employer" shall include any individual, firm, etc., using the service of another for pay.

Does that not embrace the employers of farm hands and of domestic servants? If it does not, then the English language does not mean what it ordinarily purports to mean.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. UNDERHILL. On page 9, in section 13, you will find that these various classes are excluded.

Mr. BLANTON. Yes; in one part of your bill you exclude domestic servants, though not farm hands; and in another part you do not even exclude domestic servants, as I have demonstrated by reading the definitions of employer and employee.

Mr. UNDERHILL. Will not the gentleman help me to perfect the bill?

Mr. BLANTON. That is exactly what I am trying to do now, and I have offered an amendment to help the gentleman perfect it. But I merely call attention to this, that when the author himself has to have his bill perfected, it shows that it ought to go back to the committee to be properly amended. When he admits that it needs perfecting, when he admits that there are defects in it, it ought to go back and be considered in committee in an orderly manner, because there is no Congressman on earth who can properly digest 50 pages of a bill by just hearing it read amidst confusion once by the Clerk.

Mr. STAFFORD. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Wisconsin.

Mr. STAFFORD. As I understand the position of the author of the substitute under consideration, it does include farm employees, but does not include domestic servants?

Mr. BLANTON. That is his position now.

Mr. STAFFORD. I do not see how that could be made any clearer in legislative phraseology than it is carried in this bill. For instance, section 48 of the gentleman's amendment starts out by saying——

Mr. BLANTON. The gentleman must not take up all my time.

Mr. STAFFORD. I will get the gentleman further time. In section 48 it says "unless the context otherwise requires." On page 9, section 13, which the author of the bill has directed the gentleman's attention to——

Mr. BLANTON. What is the context of a bill?

Mr. STAFFORD. The entire bill from cover to cover.

Mr. BLANTON. From cover to cover? That embraces the subsequent conflict.

Mr. STAFFORD. It could not be any clearer language.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. I ask that the gentleman have one minute more. I think I have taken up one minute of his time.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the time of the gentleman from Texas be extended one minute. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I do not care to take the time, so I yield the floor.

Mr. LONDON. Mr. Chairman, I hope the committee will take up this proposition without any prejudgment. Let me first call your attention to the parliamentary situation. This bill was taken up by the committee several times. It was filibustered against. Roll calls were had. I believe this is the third or fourth time that the committee has reported the bill. A studied effort has been made to defeat this legislation. The Committee on the District of Columbia has very little time during this session. If you prevent the discussion of this bill to-day the probabilities are that you will have no workmen's compensation legislation at all.

The claims of those who shout "socialism," like the gentleman from Massachusetts [Mr. UNDERHILL] and the gentleman from Indiana [Mr. WOOD], ought not to have any effect upon any intelligent man. To call a thing socialism does not make it socialism, and if you are opposed to every socialistic measure you ought to oppose every public school, because there is not a more socialistic institution in the world than the public schools. The great individualist philosopher, Herbert Spencer, opposed the introduction of the public school system on the ground that it was socialistic. He made one of his most powerful attacks on socialism. Familiarity with Indiana politics does not necessarily qualify a man as an authority on social philosophy.

An effort is made here to make fools of the committee. You have before you here a bill of 31 pages. It was drafted and prepared by the American Association for Labor Legislation. Who are the members of that association? If I am not mistaken, the name of Woodrow Wilson appears on the list of the board of directors or of the advisory council of the organization.

It is composed of men who have been studying labor legislation. I do not believe that the American Association for Labor Legislation includes half a dozen men who are connected with any labor organization or with any trade-union. It is purely a group of well-meaning men and women who are interested in economic questions, and who want to alleviate as much as possible by progressive social legislation the burdens and sorrows of the great masses of the people.

Mr. UNDERHILL. Will the gentleman yield?

Mr. LONDON. In one minute. The American Federation of Labor, representing the aggressive labor men of the country, whose business it is to point out evils and to seek remedies therefore, also favors this bill. And so you have both groups—the phlegmatic intellectuals and the active men of the labor movement both supporting it.

Now, why not come to the point. What is the opposition to it? The gentleman from Massachusetts says we want some sort of compensation legislation. Ten or fifteen years ago the 43 States of the Union which now have compensation legislation had no legislation of that kind. It was then denounced as rank socialism and anarchy by every fool whose only argument is to appeal to ignorance and prejudice. Let us see what their argument is and what is the principle upon which it is founded. I do not know what the Underhill bill is and nobody knows. An attempt is made to compel Congress to vote on 50 pages of words; copies of the Underhill bill are not available. The gentleman from Wisconsin [Mr. STAFFORD], after a cursory perusal of the bill, showed that he knew more about it than did the gentleman from Massachusetts himself in his reply to the gentleman from Texas.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LONDON. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. UNDERHILL. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. UNDERHILL. I merely want to state to the gentleman that we had representatives of the labor organizations before the committee at the hearings and they were asked the question: "What do you want, this particular bill or a workmen's compensation bill?" And in every instance they replied that they wanted a workmen's compensation bill; and the inference is that the Underhill bill would be as acceptable as the Fitzgerald bill.

Mr. LONDON. Oh, yes, in the view of the gentleman from Massachusetts. Aided by the gentleman from Texas, that great friend of organized labor, the two of you, the twins of the House, on the Republican and Democratic sides—the twin brothers, in their love of organized labor, have combined to strangle the Fitzgerald bill. [Laughter.]

Now we come to the so-called competitive side of it. They say, Why should you attempt to introduce the socialistic feature of an exclusive State fund into the bill? Well, Ohio, Oregon, Washington, and Nevada have introduced that feature. They are the great socialistic States of whom the gentleman from Indiana speaks. You want to encourage private business. In what? In promoting accidents, in promoting deaths? Why, if there is any function of society that is social it is the taking care of those who are injured. Why should the death of a human being be the source of business or the source of profit?

The great genius of private business is to make a profit out of death. Accidents and death are to help stimulate the genius and initiative of business.

Mr. UNDERHILL. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. UNDERHILL. Is the undertaker in business for fun; is the priest in business for fun? Do not they all exploit death when they have a chance?

Mr. LONDON. Why does the gentleman take together the undertaker and the priest? The priest is supposed to lead into a new life, and the undertaker is in business for business. The gentleman undertakes to be the undertaker of State insurance. Let me say to the gentleman there are fields which are outside the range of private business. Why do you permit municipalities to establish and maintain institutions for the preservation of health? If the municipality maintains an institution for the preservaton of health, if the municipality maintains the sewerage system, if the municipality takes care of sanitary methods, if the municipality undertakes to regulate the safety and health of those in the factories, if the municipality is to conduct all these, why should not the aiding of the man who is injured in industry be a social function?

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. LONDON. I ask for two minutes more.

The CHAIRMAN. The gentleman asks that his time be extended two minutes. Is there objection?

There was no objection.

Mr. LONDON. Now let me call your attention to this: See how guarded they are, how jealous they are, of every public activity. We are not dealing with insurance for a large State with an enormous population. We are dealing with the District of Columbia. How much business can they do here? How much competition can there be between the State fund and the private funds in the limited field which the District offers? There is not enough business here for one fund. Private insurance costs a great deal more. They will not deny that. Now why do they oppose the State fund feature; why do they seek to confuse; why have they created this parliamentary situation? Why have they tied up the House? Reject the Underhill bill; reject the 50 pages of verbiage and take the bill reported by a majority of the committee. Let us not be the victims of our own parliamentary rules; let us follow the only logical method to discuss a bill before a committee.

Mr. EVANS. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. EVANS. I understand the gentleman to say that the Fitzgerald bill is presented by a majority of the committee?

Mr. LONDON. I so assume.

Mr. EVANS. As I understand, the committee is composed of 21 members. The bill was reported out by 6 out of 11. Is that correct?

Mr. LONDON. If a majority of the members are not active members, they should not count them at all.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the first section of the Underhill bill may be considered as pending as a substitute for the first section of the Fitzgerald bill, and in the event that it is so substituted, that the balance of the Underhill bill may be taken up by sections, and each section be open to amendment under the five-minute rule.

The CHAIRMAN. The Chair thinks that the amendment pending should first be disposed of. The question is on the amendment offered by the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, may we have that again reported?

The CHAIRMAN. Without objection, the Clerk will again report the Blanton amendment.

There was no objection, and the Clerk again reported the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 57, noes 22.

So the amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I renew my request that the first section of the Underhill bill may be considered as pending as a substitute for the first section of the Fitzgerald bill, and in the event that it is substituted, that thereupon the balance of the Underhill bill shall be taken up section by section and shall be open to amendment under the five-minute rule.

The CHAIRMAN. Is there objection?

Mr. ABERNETHY. Mr. Chairman, I object.

Mr. FITZGERALD. I will not object to that.

Mr. ABERNETHY. The reason I object——

The CHAIRMAN. It is not necessary for the gentleman to state his reason.

Mr. ABERNETHY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ABERNETHY. I would like to know the status of all these matters. Like a lot of other Members here, I am in the dark and we do not know what we are voting on. I would like to know so that I can vote intelligently. Neither of the proponents of both these bills seems to know what we are doing. They get up here and talk about this thing and the other thing and about insurance companies and about various things. I do not know what I am doing, we are in such a tangle here. I would like to know, for the benefit not only of myself but of a large membership of this House, just where we are at.

The CHAIRMAN. We are considering now an amendment to the substitute offered by the gentleman from Massachusetts.

Mr. GILBERT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GILBERT: Strike out "$5,000," on page 17, line 12, and insert "$7,500," and strike out the following amounts on page 18: In line 10, "$3,750" and insert "$5,625"; in line 13, "$50" and insert "$75"; in line 15, "$30" and insert "$75"; in line 16, "$25" and insert "$37.50"; in line 18, "$20" and insert "$30"; in line 21, "$15" and insert "$22.50." On page 19, in line 11, "$25" and insert "$37.50"; in line 14, "$10" and insert "$15"; in line 15, "$150" and insert "$225"; in line 17, "$200" and insert "$300"; in line 18, "$150" and insert "$225"; in line 20, "$175" and insert "$262.50"; in line 22, "$100" and insert "$150"; in line 23, "$50" and insert "$75"; in line 24, "$100" and insert "$150." And on page 23, line 1, strike out "$5,000" and insert "$7,500"; and in line 17, strike out "$3,000" and insert "$4,500."

Mr. GILBERT. Mr. Chairman, the District of Columbia has no workmen's compensation bill for private employment, and it should have. As a member of the Committee on the District of Columbia I would say that the committee had before it two bills, either of which provides a workable system of workmen's compensation. In all frankness I want to say that the bills are well drawn and have been considered on behalf of the committee. It just remains for the House to determine which policy it wishes to pursue. The Underhill bill provides for the entry of private insurance companies—old line companies—to carry the insurance. The Fitzgerald bill does not, and that is the main difference between them. I am in favor of the Underhill bill, for the reason that I prefer that character of insurance. I hold no brief for any insurance company; I am not connected with any in any way, financially or otherwise. I practiced law before I came to Congress and fought them rather than represented them; but I prefer that character of insurance. Another feature of the Underhill bill is better for this reason: The reports, of which we read a great many, show that where private companies entered into the field they protected life and limb for the future in a better way. That determined me. It is not only so much the money involved, but it is the life and health and freedom from injury on the part of the employee. For instance, here is a man, that we will say, who has a certain risk. An inspector comes around and provides that a certain wheel shall be protected or a certain belt shall be taken off. In order to protect the future the insurance companies are anxious to take these precautions. When the State carries the insurance, that precaution is largely lacking.

The amendment that I have offered simply does this. Although I am in favor of the Underhill bill, I believe it is too niggardly toward the employee. It is based on a total disability for a death at the rate of $5,000. I know that most of the States proceed with that as the basis, but practically all of the workmen's compensation laws were passed before the war and before the higher prices that have since ensued. My amendment goes through the bill and inserts $7,500 for death or $7,500 for total disability. The other figures that were read simply serve to raise each one 50 per cent. Where a man is permitted to draw for 25 weeks I provide that he shall draw 50 per cent more, or 37½ weeks. Under the Underhill bill, and under both of the bills, the maximum is $25 a week for total disability. That will last for four years. Four years is a short time to take a man who is totally disabled, say, with the loss of both eyes, and then dump him out into the world. The effect of my amendment would be to carry him for six years, and it seems to me that that is a short enough time.

But that is not going to affect this bill so much, because under the Underhill bill, if my amendment is adopted, it will

apply only to it, the risk will be carried by insurance companies anyhow. While it will, of course, increase the rate, it will not subject any individual to a great calamity.

Mr. ROACH. Will the gentleman yield?

Mr. GILBERT. I will.

Mr. ROACH. The Members have not yet a copy of the Underhill bill, which seeks to amend the Fitzgerald bill. Does the gentleman's amendment do anything other than raise the several amounts?

Mr. GILBERT. It does nothing but put it on a basis of $7,500 instead of on a basis of $5,000 for total disability or death, and then raises the others in proportion.

Mr. UNDERHILL. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, of course the gentleman from Kentucky touches all of our hearts when he talks about the increased cost of living, but there is another phase and feature of the workman's compensation which has developed since it was established, and that is that unfortunately workers in some instances—and I do not reflect upon workers in general—try to take advantage of it. In other words, the lazy fellow would rather not work than work, and so consequently various States and various people who have studied this have allowed a sufficient length of time for a man to recover completely from the loss of a toe or a finger or a hand so far as recovery can be made, and also allow him sufficient time to rehabilitate himself and to secure employment. You can not carry this on indefinitely; that is not done anywhere except in the Fitzgerald bill, and if you carry it along too far it is an invitation to fraud.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. CHINDBLOM. What is the limit of compensation for death or total disability in the States generally?

Mr. UNDERHILL. Some of them run as high as $7,500, I believe Oregon; but most of them are limited to $5,000, and I think Ohio only $4,000; Massachusetts, $5,000, and an additional $1,500 if there are dependents.

Mr. CHINDBLOM. New York?

Mr. UNDERHILL. I think the same.

Mr. CHINDBLOM. Illinois?

Mr. UNDERHILL. I do not know.

Mr. BUTLER. I would like to ask the gentleman a question.

Mr. UNDERHILL. Certainly.

Mr. BUTLER. Was the Underhill bill considered by the District of Columbia Committee?

Mr. UNDERHILL. Well, I can not say it was, but that is no reflection on the committee.

Mr. BUTLER. I understood from the gentleman from Kentucky [Mr. GILBERT] that the committee considered both of these bills.

Mr. GILBERT. We carefully considered them and voted—but it is not proper to state what occurred in the committee.

Mr. BUTLER. I understand, I do not ask the gentleman to disclose what occurred there.

Mr. UNDERHILL. I may say in reply that the Underhill bill never had a hearing in the committee, but it was discussed.

Mr. GILBERT. It was carefully read.

Mr. WINGO. Mr. Chairman, as I understand the situation, the Fitzgerald bill is the bill that is before the committee, and the pending amendment is the so-called Underhill bill that is offered by way of amendment by striking out the first section. We have been spending the whole day now in trying to perfect this one amendment. I think the committee need not deceive itself. If you really want to kill this bill by talking it to death, continue to pursue the course you have been pursuing all day. Those in charge of the bill have had the right ever since the first of the five-minute debate to move to close debate upon the pending amendment and all amendments thereto. Saturday night public business was so pressing that we had to stay here on Saturday night. Of course no gentleman would even work his mule on Saturday night, but we had to stay here because of pressing public business, and have been pee-daddling along here to-day. You may deceive yourselves, but you will not deceive anybody who knows anything about parliamentary procedure.

If you are not deliberately killing time, you will move to close debate on the pending amendment and all amendments thereto. There has been debate more liberal than on any amendment in this Congress. If the committee wants to admit that the proposed substitute is a proper basis for consideration by the committee, then there is an opportunity here, and you can take it up and consider it section by section. The committee has indicated that it does not want to do that. My suggestion to you if you are going to kill time—if that is all you are going to do—let the committee rise, adjourn the House, and let Members go to their offices and attend to their mail. You are not going to get anywhere with your present procedure. You can talk from now until the 4th day of March if you permit such a proceeding as you have permitted this afternoon.

Mr. FOCHT rose.

Mr. WINGO. I will yield to the gentleman.

Mr. FOCHT. I thought the gentleman had finished.

Mr. WINGO. I will yield the floor to the gentleman.

Mr. FOCHT. Mr. Chairman, I hope that I may be able to clear up the misapprehension in regard to the failure of any Members of this House to have had a chance to see this bill. I doubt very much whether there was ever any bill before the House that had so much propaganda from both sides as this measure. I should say a bushel basket from either side has come to my office, and I suppose that much has come to the other Members of Congress, hence if there had been any particular interest on the part of any who are now complaining about not seeing a copy of this bill or any hearings, they have had a chance from Monday, May 16, 1921, to have read this report, and the statement of the experts who appeared before the committee on this great question. I want to say to you gentlemen, as has been said by a Member a while ago, that nearly every Member here must necessarily be familiar with this character of legislation. It is certainly constructive and progressive, and it is a poor State that does not have it; and most all the States now have it and in perfect order and in fine working shape.

My own State has long had it. It has had it, but without the Government monopolistic feature, which seems to be the objection chiefly found to the Fitzgerald bill. I would call that a perfect measure, absolutely giving every scope of protection to the workingman, if it did not have that objection now found in the governmental monopolistic feature, and also on the domestic servant and the farm question. Those features, I believe, should be eliminated.

Now, my friends, I hope that this bill may not be sent back to my committee, unless you want it to die or be chloroformed there, or hung up, never again to see it at this session of Congress, for no reasonable process could bring it back. We all know about it. I will give it as my judgment, after hearing from the experts who came on from New York and Harrisburg and anywhere else Members wished to gather them, as contained in these hearings and in the bill that you speak of, which was printed in the RECORD of June 12, so that the Underhill bill may be read. If any man wants to read it. There have been many calls for copies of this bill throughout the country, from the labor interests and from the insurance people. So far as I have heard, as a Member of the committee and the chairman, I have not known definitely of any insurance man having attended, unless he appeared at the request of the committee. We have had all kinds of propaganda sent to us, all kinds of boiler-plate, and all kinds of patent insides material. No doubt you have all had that. We know all about it, and knew all about it before we came to Washington. But we need legislation of this character. It is the humanitarian thing to do. It is needed. We are only sorry we did not think of it before, and we thank those who presented it for doing so. Now, the time has come to give Washington, the District of Columbia, what she needs and all she can ask or use.

I want to say it is my opinion, judging from the manner in which this bill has been held up in various ways and without characterizing anybody, since the Government can do business for 30 per cent less than the companies can, then why object to companies and make the business competitive? I believe from my heart that we should have some kind of compensation bill. I am not simply following the example of the gentleman from Texas [Mr. BLANTON] on this labor question, because I am for all labor legislation that is good for the laboring man. But it looks to me, my friends, as though the resistance to this bill has been offered in the effort to try to foist upon the country and hold up as an object lesson everywhere an example of monopolistic Government control, rather than compensation legislation. The insurance, it is claimed, is obtained for 30 per cent less than the companies charge; and that being the case, how are the companies going to drive out the Government? If you accept the Underhill bill you accept this legislation without the Government monopoly feature, and without the farm feature and the servant feature. If you accept the other bill you accept the Government-control feature, and the servant feature, and the farm feature. That is the only difference between the two,

my friends. In either case you get a compensation bill. Otherwise you send the bill back to committee to die at this late day in the session.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. FOCHT. Yes.

Mr. BUTLER. Is the gentleman in favor of the Underhill bill?

Mr. FOCHT. I think the Underhill bill should be passed after it has gone through the regular process and has been discussed section by section and perfected by amendments as the House sees proper.

Mr. TINCHER. Mr. Chairman, I desire to address a few remarks to the Members of the House on a subject in which every Member of the House is interested, but it is hardly pertinent to the District of Columbia. I ask unanimous consent, Mr. Chairman, to proceed out of order.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to proceed out of order. Is there objection?

Mr. WINGO. How much time has the gentleman asked for?

Mr. TINCHER. I have not asked for any additional time.

Mr. WINGO. I have no objection.

Mr. TINCHER. Mr. Chairman and gentlemen, yesterday morning we had one of the occasional outbreaks from the Secretary of War. The Secretary of War, in an interview, very carefully prepared, has again denounced Congress. I do not know whether he does these things as a pastime, or whether he is really serious about it. This time I think the denunciation calls for a little more attention than his ordinary denunciations, because this time he denounces our Government, and says that General Harbord should be ashamed of it. He says he considers the action of this House as an insult to the General. He says:

> I do not believe the people of this country wish its great defenders treated in such a shameful way, and I should think General Harbord would feel that a country that would shamefully submit to such treatment of one of its officers was hardly worth serving.

Now, you know what it means, gentlemen of the House, for a man holding the position of a Cabinet officer to speak in that way of your country. What is the occasion of those remarks? An amendment in the Army bill providing that—

> None of the funds appropriated in this act shall be used in the payment of any officer of the Army on the active or retired list while such officer is engaged in the business of selling supplies or services to the United States, or is employed by any individual, partnership, or corporation which engages in such business.

I do not believe that any honest man—and General Harbord of all men—would consider that as a personal insult. [Applause.] I have the pleasure and distinction in this instance of knowing the Army officer referred to. I regard him as having few peers in this country. I do not believe that General Harbord is ready to say that because the American Congress has adopted an absolutely American stand, and an honest stand, and the only stand that anyone having any conception of the interests of public policy in this country would take he will denounce his country for that. Why should Secretary Weeks say that? The law, the substitutive law, pertaining to the Navy and the retired men of the Navy, has carried this provision since 1896. Why? What would you think of Congress if it did not put this provision in? We educate a man as an officer of the Army, no matter who he is, and we give him association with all the men who use the hundreds of millions of the people's money and buy supplies for the Government, and we let him be its buyer for a few years, and then we retire him with a good fat salary, paid from the Treasury of the United States.

Then the Government lets him take up the work of selling supplies to those men whom he has trained and associated with, the supplies to be paid for out of the Federal Treasury. It is not any reflection upon the officer. It is good, sound sense and business judgment. In all the instances where Congress has had a conflict with the present distinguished Secretary of War, Congress has been right and Secretary Weeks has been wrong. [Applause.]

It may not be any crime to jump onto us. That is a popular pastime. If any of the reading public want to consider the merits of Congress and the merits of Secretary Weeks, all I ask is that they may know what it is about; but it is too much for him to say about a man who has served his country like General Harbord has; it is too much to give to the press a story that General Harbord should not have any regard for his country because the Congress, representing the people of the country, has adopted this amendment in the Army bill which has been carried as substantive law pertaining to the Navy since 1896. I do not know whether Weeks ought to resign or not, but I do not know how they would do any worse. [Applause.] I guess he has some business qualifications, and I guess in some respects he makes an able officer; but when a man can get as far wrong on a little thing, when he gets as lost on a matter of principle as he did on this proposition and sends out to the country for Sunday's reading a denunciation of men who are here, not like Weeks, but men who are here by the votes of their constituents, I think if Secretary Weeks had been a little more attentive to such as this Dickinson amendment and had read a little more about what is right and what is wrong, he might still be over in the other end of the Capitol serving as a result of the verdict of the voters of his own State. [Applause.]

Mr. BLANTON. He will be a little more careful hereafter.

Mr. CRAMTON. Mr. Chairman, the District of Columbia is almost alone in the distinction of having no workmen's compensation act. Such a proposition has been pending before Congress for some time but has been played with and filibustered against. In the meantime there are widows and orphans in the District not provided for who ought to have been provided for by such legislation. We are now within six weeks of the close of this session. If there is to be a workman's compensation law enacted at this session of Congress, it will be this Fitzgerald Act with such amendments as the House and Senate may choose to put upon it. I am not so concerned about the system as I am that Congress shall provide a workman's compensation act at this session of Congress. We have our choice. The bill was reported from the committee nearly a year ago, February 8, 1922. There is pending as a proposed substitute a bill that is not available to the House, except an occasional copy. There are pending before us a dozen or fifteen or twenty amendments to the Underhill substitute, proposed by a gentleman who says he is a friend of the bill. The gentleman from Ohio [Mr. FITZGERALD] has three pages of listed criticisms of the bill from an expert in New York. It is a bill that is before us in such shape that it can not be carefully considered. An ally and colleague of the gentleman from Massachusetts, the gentleman from Texas [Mr. BLANTON], announces that the program is to substitute the Underhill bill for the Fitzgerald bill and then recommit it to the Committee on the District of Columbia. When we do that we bury the subject for this session of Congress. If you do carry this pending motion to substitute the Underhill bill for the Fitzgerald bill, to recommit it to the committee will be the logical thing, because it is not in print available to you all; and it is admitted by its friends, as the gentleman from Kentucky [Mr. GILBERT] indicates, that it needs amendment, page after page. So the only safe thing for us to do, if we make this substitution, will be to send it back to the committee, and that will kill it for this session.

That seems to be the purpose of a great deal of this proceeding, in order to put it off. On the other hand, if we vote down the motion to substitute the Underhill bill and go ahead with the Fitzgerald bill and make such amendments to it as may commend themselves to the committee and send it on its way to the Senate, I hope that they may get it back to us before the 4th of March with such changes as they may desire, and I am not afraid of our being unduly radical or socialistic. I am afraid of Congress year after year going without any kind of a workmen's compensation act here in the District of Columbia. [Applause.] Let us take the bill that is before us and not be led off on "wild-goose chases" that will result in delay. Take the Fitzgerald bill, make the amendments you want, and send it on its way, redeeming the attitude of Congress on this subject.

Mr. BEEDY. Will the gentleman explain to us way we can not amend this Underhill bill if we want to, section by section?

Mr. BEGG. On account of the parliamentary situation.

Mr. CRAMTON. On account of the parliamentary situation. In the interest of orderly procedure, I have tried two or three times to get a unanimous-consent agreement to remedy that, but we are not able to do it.

Mr. HICKS. Mr. Chairman, I move to strike out the last word. A few minutes ago our jovial, genial, and rotund friend from Kansas, of whom I am very fond [Mr. TINCHER], spoke in criticism of the Secretary of War. I do not think Mr. Weeks needs any defense at my hands or any defense at the hands of anybody else. His distinguished service as a Member of this House, his more distinguished service as a Member of the other branch of Congress, and his still more distinguished service as a member of President Harding's Cabinet, in my opinion, is of itself his best defense. In regard to what was

done here the other day, which brought forth the letter from Secretary Weeks and brought forth the criticisms of my friend from Kansas [Mr. TINCHER], that was undoubtedly an act that Congress had a perfect right to do. But, so far as my own opinion is concerned, after a study of the question which we were not permitted to have at that time because of the suddenness with which the amendment was offered, I believe we made a mistake when we discriminated against a general of the American service whose record stands forth so brilliantly and so preeminently as do the services of General Harbord. [Applause.]

Mr. DICKINSON. Will the gentleman yield?

Mr. HICKS. Yes.

Mr. DICKINSON. Then why have we been discriminating in exactly the same way against retired officers of the Navy since 1896?

Mr. HICKS. The custom has been for Army officers, when they have been retired, to be retired with pay. Why should we say to General Harbord, "Your services are such that we do not think you are entitled to the same treatment we have given to other Army officers"? Why should we discriminate against him?

Mr. COOPER of Wisconsin. That is not the question.

Mr. DICKINSON. Will the gentleman answer my inquiry?

Mr. HICKS. While it is true that the Navy has a prohibition affecting retired officers, the amendment we passed the other day can not be general in its application, for it can only operate during the life of the appropriation bill of which it was a part, and therefore will affect only those who may retire in the next fiscal year, and for that reason is, in my opinion, discriminatory.

Mr. FOCHT. Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close.

The CHAIRMAN. The gentleman from Pennsylvania moves that all debate on this amendment and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts [Mr. UNDERHILL] by way of a substitute.

The question being taken, the Chairman announced that he was in doubt, and on a division there were—ayes 61, noes 49.

Mr. WOODRUFF. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Michigan demands tellers.

Tellers were ordered, and the Chairman appointed Mr. UNDERHILL and Mr. FITZGERALD.

The committee again divided; and the tellers reported—ayes 70, noes 55.

Accordingly the amendment by way of a substitute offered by Mr. UNDERHILL was agreed to.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that the remaining sections of the Fitzgerald bill be stricken out.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the remaining sections of the Fitzgerald bill be stricken out. Is there objection?

Mr. EVANS. Mr. Chairman, a point of order. The committee is not in order so that we can hear what the Chair stated.

The CHAIRMAN. The point of order is well taken. The committee will be in order.

Mr. BLANTON. We could not hear what the statement of the Chairman was.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the remaining sections of the Fitzgerald bill be stricken out. Is there objection?

There was no objection.

Mr. UNDERHILL. Mr. Chairman, I move that the committee do now rise, report the bill back to the House with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

Mr. LONDON. Mr. Chairman, is it in order to move in committee to recommit the bill?

The CHAIRMAN. It is not. The gentleman from Massachusetts moves that the committee do now rise, report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. WINGO. Mr. Chairman, would it be in order to amend the motion by a recommendation that the bill be recommitted?

The CHAIRMAN. The Chair does not think so.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 10034) providing for an employees' compensation bill had directed him to report the same back with amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. UNDERHILL. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. FITZGERALD. Mr. Speaker, I demand a separate vote on the Underhill amendment.

The SPEAKER. The gentleman from Ohio demands a separate vote on the substitute amendment.

Mr. LONDON. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. LONDON. Is it in order to move to substitute the Fitzgerald bill for the Underhill bill?

The SPEAKER. The Chair thinks not, the committee having acted upon it. The same result can be accomplished by voting against the amendment.

Mr. BEGG. A parliamentary inqury, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BEGG. Suppose upon a roll call the Underhill amendment should carry, does that pass the bill?

The SPEAKER. No; the bill would have to be passed after that. The question is on the Underhill amendment.

The question was taken; and on a division (demanded by Mr. WINGO) there were 74 ayes and 53 noes.

Mr. WINGO. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentleman from Arkansas makes the point that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll.

The question was taken, and there were—yeas 137, nays 126, not voting 165, as follows:

YEAS—137.

Abernethy	Dunn	Hutchinson	Ransley
Ackerman	Elliott	Jefferis, Nebr.	Rayburn
Andrew, Mass.	Ellis	Kendall	Roach
Appleby	Evans	Kiess	Rogers
Beedy	Fairfield	Kline, Pa.	Sanders, N. Y.
Bell	Faust	Knutson	Sears
Bird	Fenn	Kraus	Shelton
Bixler	Fisher	Larsen, Ga.	Shreve
Black	Focht	Larson, Minn.	Sisson
Bland, Ind.	Freeman	Lawrence	Slemp
Bland, Va.	French	Lee, Ga.	Snell
Blanton	Frothingham	Luhring	Snyder
Bowling	Fuller	McDuffie	Sproul
Brown, Tenn.	Garner	McFadden	Stafford
Buchanan	Garrett, Tenn.	McKenzie	Stedman
Bulwinkle	Gensman	McLaughlin, Mich.	Stephens
Burton	Gifford	McLaughlin, Nebr.	Stevenson
Butler	Gilbert	MacGregor	Tillman
Byrnes, S. C.	Graham, Ill.	MacLafferty	Tilson
Byrns, Tenn.	Green, Iowa	Madden	Tinkham
Chindblom	Greene, Mass.	Magee	Treadway
Clague	Griest	Mansfield	Tucker
Clarke, N. Y.	Hawes	Merritt	Underhill
Codd	Hawley	Montague	Vaile
Cole, Iowa	Henry	Moore, Ill.	Vestal
Crago	Hersey	Moores, Ind.	Vinson
Crisp	Hickey	Mudd	Ward, N. Y.
Curry	Hicks	Nelson, Me.	Wason
Dallinger	Hill	Newton, Minn.	Wise
Darrow	Himes	Oliver	Wood, Ind.
Deal	Hoch	Parker, N. J.	Wright
Denison	Hudspeth	Parker, N. Y.	Wyant
Dickinson	Humphrey, Nebr.	Patterson, N. J.	
Dominick	Humphreys, Miss.	Pou	
Driver	Husted	Pringey	

NAYS—126.

Andrews, Nebr.	Collins	Fulmer	Ketcham
Arentz	Connally, Tex.	Gernerd	Kincheloe
Aswell	Cooper, Ohio	Goodykoontz	Kindred
Barbour	Cooper, Wis.	Hadley	Kissel
Beck	Coughlin	Hammer	Kleczka
Begg	Cramton	Hardy, Colo.	Kopp
Boies	Crowther	Haugen	Lampert
Box	Davis, Tenn.	Herrick	Lanham
Brennan	Doughton	Hogan	Lankford
Briggs	Dowell	Hooker	Lazaro
Burtness	Dupré	Huddleston	Lea, Calif.
Cable	Echols	Hull	Leatherwood
Chalmers	Fields	James	Linthicum
Christopherson	Fish	Jeffers, Ala.	Little
Clouse	Fitzgerald	Johnson, S. Dak.	Logan
Cole, Ohio	Foster	Kearns	London
Collier	Frear	Kelly, Pa.	McClintic

McCormick	Quin	Sinnott	Voigt
Maloney	Raker	Smith, Idaho	Volstead
Mapes	Ramseyer	Smithwick	Walters
Michener	Reece	Speaks	Ward, N. C.
Miller	Rhodes	Steagall	Weaver
Mondell	Ricketts	Strong, Kans.	Williams, Ill.
Moore, Ohio	Robsion	Summers, Wash.	Williamson
Mott	Rose	Sumners, Tex.	Wilson
Murphy	Rouse	Swank	Wingo
Nelson, J. M.	Sabath	Sweet	Woodruff
Norton	Sanders, Tex.	Swing	Wurzbach
O'Connor	Sandlin	Taylor, Tenn.	Young
Oldfield	Scott, Tenn.	Towner	Zihlman
Parks, Ark.	Shaw	Turner	
Porter	Sinclair	Tyson	

NOT VOTING—165.

Almon	Edmonds	Lee, N. Y.	Robertson
Anderson	Fairchild	Lehlbach	Rodenberg
Ansorge	Favrot	Lineberger	Rosenbloom
Anthony	Fess	Longworth	Rossdale
Atkeson	Fordney	Lowrey	Rucker
Bacharach	Free	Luce	Ryan
Bankhead	Funk	Lyon	Sanders, Ind.
Barkley	Gahn	McArthur	Schall
Beedham	Gallivan	McLaughlin, Pa.	Scott, Mich.
Blakeney	Garrett, Tex.	McPherson	Siegel
Bond	Glynn	McSwain	Smith Mich.
Bowers	Goldsborough	Martin	Steenerson
Brand	Gorman	Mead	Stiness
Britten	Gould	Michaelson	Stoll
Brooks, Ill.	Graham, Pa.	Mills	Strong, Pa.
Brooks, Pa.	Greene, Vt.	Moore, Va.	Sullivan
Browne, Wis.	Griffin	Morgan	Tague
Burdick	Hardy, Tex.	Morin	Taylor, Ark.
Burke	Hayden	Nelson, A. P.	Taylor, Colo.
Burroughs	Hays.	Newton, Mo.	Taylor, N. J.
Campbell, Kans.	Huck	O'Brien	Temple
Campbell, Pa.	Hukriede	Ogden	Ten Eyck
Cannon	Ireland	Olpp	Thomas
Cantrill	Jacoway	Osborne	Thompson
Carew	Johnson, Ky.	Overstreet	Thorpe
Carter	Johnson, Miss.	Paige	Timberlake
Chandler, N. Y.	Johnson, Wash.	Park, Ga.	Tincher
Chandler, Okla.	Jones, Pa.	Patterson, Mo.	Upshaw
Clark, Fla.	Jones, Tex.	Paul	Volk
Classon	Kahn	Perkins	Watson
Cockran	Keller	Perlman	Webster
Colton	Kelley, Mich.	Petersen	Wheeler
Connolly, Pa.	Kennedy	Purnell	White, Kans.
Copley	King	Radcliffe	White, Me.
Cullen	Kirkpatrick	Rainey, Ala.	Williams, Tex.
Dale	Kitchin	Rainey, Ill.	Winslow
Davis, Minn.	Kline, N. Y.	Rankin	Woods, Va.
Dempsey	Knight	Reber	Woodyard
Drane	Kreider	Reed, N. Y.	Yates
Drewry	Kunz	Reed, W. Va.	
Dunbar	Langley	Riddick	
Dyer	Layton	Riordan	

So the amendment was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Woods of Virginia (for) with Mr. Jacoway (against).

Mr. Hukriede (for) with Mr. Lineberger (against).

Until further notice:

Mr. Davis of Minnesota with Mr. Bankhead.

Mr. Funk with Mr. Mead.

Mr. Volk with Mr. Rucker.

Mr. Keller with Mr. Drane.

Mr. Kline of New York with Mr. Tague.

Mr. Morin with Mr. Griffin.

Mr. Kennedy with Mr. Upshaw.

Mr. Thompson with Mr. Johnson of Kentucky.

Mr. Brooks of Illinois with Mr. Martin.

Mr. Rossdale with Mr. Williams of Texas.

Mr. Brooks of Pennsylvania with Mr. Hardy of Texas.

Mr. Dyer with Mr. Sullivan.

Mr. Bacharach with Mr. Drewry.

Mr. Ansorge with Mr. Gallivan.

Mr. Lehlbach with Mr. O'Brien.

Mr. Edmonds with Mr. Brand.

Mr. Perlman with Mr. Favrot.

Mr. Brown of Wisconsin with Mr. Thomas.

Mr. Olpp with Mr. Cullen.

Mr. Gould with Mr. Riordan.

Mr. Fess with Mr. Lowry.

Mr. Bond with Mr. McSwain.

Mr. Connolly of Pennsylvania with Mr. Barkley.

Mr. Gahn with Mr. Moore of Virginia.

Mr. Colton with Mr. Cockran.

Mr. Reed of New York with Mr. Park of Georgia.

Mr. Morgan with Mr. Rankin.

Mr. Tincher with Mr. Carew.

Mr. Longworth with Mr. Rainey of Illinois.

Mr. McPherson with Mr. Hayden.

Mr. Webster with Mr. Taylor of Colorado.

Mr. Osborne with Mr. Jones of Texas.

Mr. White of Kansas with Mr. Lyon.

Mr. Miller with Mr. Rainey of Alabama.

Mr. Anthony with Mr. Carter.

Mr. Britten with Mr. Taylor of Arkansas.

Mr. Fordney with Mr. Garrett of Texas.

Mr. Burdick with Mr. Cantrill.

Mr. Johnson of Washington with Mr. Goldsborough.

Mr. Langley with Mr. Clark of Florida.

Mr. Mills with Mr. Overstreet.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The question is on the other amendment striking out the other sections.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. BLANTON. Mr. Speaker, I move to recommit the bill to the Committee on the District of Columbia.

The SPEAKER. The question is on the motion of the gentleman from Texas to recommit the bill to the Committee on the District of Columbia.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 15, noes 155.

So the motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended.

On motion of Mr. UNDERHILL, a motion to reconsider the vote by which the bill was passed was laid on the table.

POST-OFFICE APPROPRIATIONS—CONFERENCE REPORT.

Mr. MADDEN. Mr. Speaker, I present a conference report upon the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, for printing under the rule.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported January 20 they had presented to the President of the United States for his approval the following bill:

H. R. 13559. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. IRELAND, for three days, on account of illness.

To Mr. MOORE of Virginia, for one day, on account of illness.

To Mr. DUNBAR, indefinitely, at the request of Mr. ELLIOTT, on account of sickness.

To Mr. MORGAN, for 10 days, on account of death in family.

To Mr. JOHNSON of Washington, for the day, on account of sickness.

ADJOURNMENT.

Mr. FOCHT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until to-morrow, Tuesday, January 23, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

919. Under clause 2 of Rule XXIV, a letter from the vice president of East Washington Heights Traction Railroad Co., transmitting annual report for the company for the year ending December 31, 1922, was taken from the Speaker's table and referred to the Committee on the District of Columbia.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LEE of New York: A bill (H. R. 13959) to amend paragraph 403 of Schedule 4, section 1, Title I, and paragraph 1703 of Schedule 15 of section 201 of Title II of the tariff act of 1922; to the Committee on Ways and Means.

By Mr. CROWTHER: A bill (H. R. 13960) for the promotion of certain officers of the United States Army on the retired list; to the Committee on Military Affairs.

By Mr. BRENNAN: A bill (H. R. 13961) authorizing the Secretary of the Treasury to sell the United States marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and to erect thereon a modern hospital for the treatment of beneficiaries of the United States Public Health Service, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. MALONEY: A joint resolution (H. J. Res. 425) to authorize the appointment of a commission with full powers to investigate the governmental and general affairs of the island of Porto Rico, especially the causes of the deplorable industrial, economic, and living conditions of the people, as affected by the gross violation of the organic act, land monopoly, absentee landlords and corporations, taxation, education, sanitation, franchises, and the cruelty of officials in dealing with the hungry workers; to the Committee on Rules.

By Mr. BLANTON: Resolution (H. Res. 487) to pay Joel Grayson $3,500 per annum in lieu of $2,500 per annum that he is now receiving for services rendered to the House of Representatives in the House document room; to the Committee on Accounts.

By Mr. STEENERSON: Resolution (H. Res. 488) for the immediate consideration of H. R. 8927, H. R. 11193, and H. R. 13714; to the Committee on Rules.

Also, resolution (H. Res. 489) for the immediate consideration of H. R. 8334; to the Committee on Rules.

By Mr. RAMSEYER: Memorial of the Legislature of the State of Iowa, recommending that an amendment to the Constitution of the United States prohibiting the issuance of such tax-exempt securities should be proposed by Congress; to the Committee on Ways and Means.

By the SPEAKER (by request): Memorial of the Legislature of the State of Minnesota, requesting the Congress and the Commissioner of Indian Affairs of the United States to grant relief to the Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRIGGS: A bill (H. R. 13962) granting a pension to Viola Butler; to the Committee on Pensions.

By Mr. BULWINKLE: A bill (H. R. 13963) granting an increase of pension to George Milams; to the Committee on Pensions.

Also, a bill (H. R. 13964) granting an increase of pension to Patterson Reese; to the Committee on Pensions.

By Mr. CHALMERS: A bill (H. R. 13965) granting a pension to Sarah Emma Gillespie; to the Committee on Invalid Pensions.

By Mr. COLE of Ohio: A bill (H. R. 13966) granting a pension to John Hall; to the Committee on Invalid Pensions.

By Mr. FAUST: A bill (H. R. 13967) granting an increase of pension to Sarah E. Stephens; to the Committee on Invalid Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 13968) granting a pension to Arthur S. Belcher; to the Committee on Invalid Pensions.

By Mr. GERNERD: A bill (H. R. 13969) granting a pension to Amanda I. Heffleger; to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 13970) granting a pension to Rosetta Alloway; to the Committee on Invalid Pensions.

By Mr. MALONEY: A bill (H. R. 13971) granting a pension to Ellen McGarry; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 13972) granting a pension to Ed Colins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13973) granting an increase of pension to Sarah E. Knight; to the Committee on Invalid Pensions.

By Mr. ROBSION: A bill (H. R. 13974) granting an increase of pension to George Baker; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6975. By the SPEAKER (by request): Petition of the executive board of the New Mexico Cattle & Horse Growers' Association, memorializing the Congress of the United States for an extension of time within which to return the live stock taken into the Republic of Mexico for temporary pasturage purposes; to the Committee on Ways and Means.

6976. By Mr. BRIGGS: Petition of Mr. G. H. Aronsfeld, advocating passage of Senate bill 2822; to the Committee on the District of Columbia.

6977. By Mr. CLAGUE: Petition of the citizens of Blue Earth County and Jackson County, of Minnesota, for relief of the famine-stricken peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6978. By Mr. FULLER: Petition of the Civil Service Reform Association, of Chicago, favoring enactment of House bills 8928 and 6045, and Senate bill 1376, providing for reclassification of the Federal civil service and classifying employees of the Federal Prohibition Enforcement Bureau; to the Committee on Reform in the Civil Service.

6979. Also, petition of H. J. Howland and 41 other citizens of Streator, Ill., favoring repeal of the tax on ammunition and firearms; to the Committee on Ways and Means.

6980. By Mr. GERNERD: Papers accompanying House bill 13969, granting a pension to Amanda I. Heffleger; to the Committee on Invalid Pensions.

6981. By Mr. KELLER: Petition signed by Joseph Ferber and 61 other citizens of St. Paul; by Judge John W. Willis and 2 other citizens of St. Paul; by Rev. Paul Grosshuesch and 80 members of the Reformed Church of St. Paul; a letter from the secretary of McKinley Lodge, No. 22, O. D. H. S., of St. Paul; by John Thill and 63 other citizens of St. Paul; and a letter from the secretary of the Minnesota State Federation of Labor, urging immediate favorable action upon House Joint Resolution 412, proposing to extend aid to the peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6982. Also, petition signed by E. P. Vollmer and 63 other citizens of St. Paul, Minn., urging favorable consideration of House Joint Resolution 412, proposing to extend aid to the peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6983. By Mr. KIESS: Petition from citizens of Williamsport, Pa., with reference to tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6984. By Mr. KISSEL: Petition of New York Harbor Protective and Development Association, New York City, N. Y., urging that Congress appropriate $56,000,000 for rivers and harbors, as recommended by the Board of Army Engineers; to the Committee on Rivers and Harbors.

6985. By Mr. LAMPERT: Petition from citizens of Fond du Lac, Wis., expressing their disapproval of Senate bill 3855, known as the Bursum Indian land bill; to the Committee on Indian Affairs.

6986. Also, petition from citizens of Neenah, Wis., requesting legislation for immediate aid to the people of the German and Austrian Republics, now famine stricken; to the Committee on Foreign Affairs.

6987. Also, petition signed by citizens of Oshkosh, Wis., requesting legislation for immediate aid to the people of the German and Austrian Republics, now famine stricken; to the Committee on Foreign Affairs.

6988. Also, petition from citizens of Kiel, Brillion, Hayton, and Manitowoc, Wis., requesting legislation for immediate aid to the people of the German and Austrian Republics, now famine stricken; to the Committee on Foreign Affairs.

6989. Also, petition from citizens of Princeton, Wis., requesting legislation for immediate aid to the people of the German and Austrian Republics, now famine stricken; to the committee on Foreign Affairs.

6990. By Mr. SINCLAIR: Petition of Mr. Carl Rivinius and 18 others, of Pretty Rock and vicinity, N. Dak., in favor of extending aid to the suffering peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6991. Also, petition of McVille Farm Loan Association, McVille, N. Dak., opposing the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6992. Also, petition of Epworth National Farm Loan Association, Epworth, N. Dak., opposing any changes in the Federal farm loan act; to the Committee on Banking and Currency.

6993. Also, petition of Gascoyne Farm Loan Association, Gascoyne, N. Dak., expressing disapproval of the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6994. Also, petition of Kenmare National Farm Loan Association, Kenmare, N. Dak., opposing all proposed changes in the Federal farm loan act; to the Committee on Banking and Currency.

6995. Also, petition of Leith National Farm Loan Association, Leith, N. Dak., condemning the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

6996. Also, petition of F. C. Wetch and 45 others, of Solen, N. Dak., urging that aid be extended the famine-stricken peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

6997. Also, petition in the form of a letter from Mr. R. R. Wolfer, secretary-treasurer of the Jamestown National Farm Loan Association, Jamestown, N. Dak., protesting against any changes in the Federal farm loan act which might tend toward destroying the present cooperative plan; to the Committee on Banking and Currency.

6998. By Mr. YOUNG: Petition of 23 residents of Fredonia, N. Dak., urging the passage of the joint resolution now pending in Congress purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6999. Also, petition of McVille National Farm Loan Association, of McVille, N. Dak., opposing the Strong bill except the provision increasing the limit of one borrower from $10,000 to $25,000, and protesting against its passage; to the Committee on Banking and Currency.